

# IRS News Release

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## Louisiana Hurricane Ike Victims Qualify for IRS Disaster Relief

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WASHINGTON — Louisiana taxpayers who were adversely affected by Hurricane Ike qualify for tax relief from the Internal Revenue Service, including the postponement of tax filing and payment deadlines until Jan. 5, 2009.

On Saturday, Sept. 13, the federal government declared the following Louisiana parishes a presidential disaster area qualifying for individual assistance: Acadia, Beauregard, Calcasieu, Cameron, Iberia, Jefferson, Jefferson Davis, Lafourche, Plaquemines, Sabine, St. Mary, Terrebonne, Vermilion and Vernon.

"We are giving taxpayers in these hard-hit areas until early next year to file their returns and make payments," IRS Commissioner Doug Shulman said. "All Americans have concerns for those affected by this devastating hurricane, and our hope is that this extra time will allow people to stay focused on the rebuilding and clean-up effort."

Specifically, the relief postpones until Jan. 5, 2009, certain deadlines for taxpayers who reside or have a business in the disaster area. The postponement applies to return filing, tax payment and certain other time-sensitive acts due on or after Sept. 11, 2008, and before Jan. 5, 2009 — including individual estimated tax returns and corporate tax returns that were due Sept. 15, and extended individual returns due Oct. 15.

In addition, the IRS will waive the failure to deposit penalties for employment and excise deposits due on or after Sept. 11 and before Sept. 26, 2008, as long as the deposits are made on or before Sept. 26. This includes failure to deposit penalties on employment and excise tax deposits that were waived under previous relief for Hurricane Gustav.

The relief extends an [initial seven-day postponement](#) of tax filing and payment deadlines for Ike victims that was announced Sept. 12.

IRS computer systems automatically identify taxpayers located in the covered disaster area and apply automatic filing and payment relief. Affected taxpayers who reside or have a business located outside the covered disaster area must call the IRS disaster hotline at 1-866-562-5227 to request tax relief.

If an affected taxpayer receives a penalty notice from the IRS, the taxpayer should call the telephone number on the notice to have the IRS abate any interest and any late filing or late payment penalties that would otherwise apply. Penalties or interest will be abated only for taxpayers who have an original or extended filing, payment or deposit due date, including an extended filing or payment due date, from Sept. 11, 2008, to Jan. 5, 2009.

### **Covered Disaster Area**

The parishes listed above constitute a covered disaster area for purposes of Treas. Reg. § 301.7508A-1(d)(2) and are entitled to the relief detailed below.

### **Affected Taxpayers**

Taxpayers considered to be affected taxpayers eligible for the postponement of time to file returns, pay taxes and perform other time-sensitive acts are listed in Treas. Reg. § 301.7508A-1(d)(1), and include individuals who live, and businesses whose principal place of business is located, in the covered disaster area. Taxpayers not in the covered disaster area — but whose books, records, or tax professionals' offices are in the covered disaster area — are also entitled to relief. In addition, all relief workers affiliated with a recognized government or charitable organization assisting in the relief activities in the covered disaster area are eligible.

### **Grant of Relief**

Under section 7508A, the IRS gives affected taxpayers until Jan. 5, 2009, to file most tax returns (including individual, corporate, and estate and trust income tax returns; partnership and S corporation returns; estate, gift, and generation-skipping transfer tax returns; and employment and certain excise tax returns) or to make tax payments, including estimated tax payments, that have either an original or extended due date occurring on or after Sept. 11, 2008, and before Jan. 5, 2009.

The IRS also gives affected taxpayers until Jan. 5, 2009, to perform other time-sensitive actions described in Treas. Reg. § 301.7508A-1(c)(1) and [Rev. Proc. 2007-56, 2007-34 I.R.B. 388 \(August 20, 2007\)](#) that are due on or after Sept. 11, 2008, and before Jan. 5, 2009. This includes the filing of Form 5500 series returns, in the manner described in section 8 of [Rev. Proc. 2007-56](#). The relief described in section 17 of Rev. Proc. 2007-56, pertaining to like-kind exchanges of property, also applies to certain taxpayers who are not otherwise affected taxpayers and may include acts required to be performed before or after the period above.

The postponement of time to file and pay does not apply to information returns in the Form W-2, 1098, 1099 series, or to Forms 1042-S or 8027. Penalties for failure to file timely information returns can be waived under existing procedures for reasonable cause. Likewise, the postponement does not apply to employment and excise tax deposits. The IRS, however, will abate penalties for failure to make timely employment and excise deposits, due on or after Sept. 11, 2008, and before Sept. 26, 2008, provided the taxpayer makes these deposits on or before Sept. 26, 2008.

## Casualty Losses

Affected taxpayers in a presidentially declared disaster area have the option of claiming disaster-related casualty losses on their federal income tax return for either this year or last year. Claiming the loss on an original or amended return for last year will get the taxpayer an earlier refund, but waiting to claim the loss on this year's return could result in a greater tax saving, depending on other income factors.

Individuals may deduct personal property losses that are not covered by insurance or other reimbursements, but they must first subtract \$100 for each casualty event and then subtract 10 percent of their adjusted gross income from their total casualty losses for the year. For details on figuring a casualty loss deduction, see [IRS Publication 547, Casualties, Disasters and Thefts](#).

Affected taxpayers claiming the disaster loss on last year's return should put the Disaster Designation "Louisiana/Hurricane Ike" at the top of the form so that the IRS can expedite the processing of the refund.

## Other Relief

The IRS will waive the usual fees and expedite requests for copies of previously filed tax returns for affected taxpayers. Taxpayers should put the assigned Disaster Designation in red ink at the top of [Form 4506, Request for Copy of Tax Return](#), or [Form 4506-T, Request for Transcript of Tax Return](#), as appropriate, and submit it to the IRS.

Affected taxpayers who are contacted by the IRS on a collection or examination matter should explain how the disaster affects them so that the IRS can provide appropriate consideration to their case.

Taxpayers may [download forms and publications](#) from IRS.gov, the official IRS Web site, or order them by calling 1-800-TAX-FORM (1-800-829-3676). The IRS toll-free number for general tax questions is 1-800-829-1040.

## Related Information

- [Disaster Assistance and Emergency Relief for Individuals and Businesses](#)
- [Recent IRS Disaster Relief Announcements](#)