



SMALL BUSINESS/SELF-EMPLOYED DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

June 13, 2017

Control Number: **SBSE-25-0617-0025**

Expiration Date: 01-01-2018

Affected IRM: 25.16.1

MEMORANDUM FOR DISTRIBUTION

TO: All Affected Business Operating Divisions

FROM: Robert R. Richards

A handwritten signature in black ink, appearing to read "R. + R. S.", positioned to the right of the name "Robert R. Richards".

Director, Small Business/Self Employed, Operations Support SB/SE Human Capital Office

SUBJECT: **Interim Guidance on Disaster Assistance and Emergency Relief Policy Change**

This memorandum issues guidance on a policy change for the Disaster Assistance and Emergency Relief Program until IRM 25.16.1 updates are published. Please ensure that this information is distributed to all affected employees within your organization.

Purpose: The stated policy change is authorized by the SBSE Deputy Commissioner Services and Enforcement, to expand Disaster policy consistent with the actions taken by the Commissioner during Hurricane Matthew and, provides the Commissioner the flexibility to provide the same relief during future Disaster events.

Background/Source(s) of Authority: Under IRC §7508A, when the President invokes the Stafford Emergency Assistance Act, IRS is authorized to provide relief from failure to file, failure to pay and debit interest, if the disaster period is on or before an original Return Due Date (RDD). Counties affected by federally declared disasters may be designated for Individual Assistance and, or, Public Assistance by FEMA. IRS Policy, as addressed in IRM 25.16.1, requires a FEMA Individual Assistance designation to provide relief. No such tax relief is afforded when counties are declared for Public Assistance only. However, due to unusual factors relating to Hurricane Mathew the Commissioner authorized an expansion of relief to include Public Assistance areas.

The changes identified in the attachment for IRM 25.16.1 are hereby effective immediately. This policy change shall be distributed to all personnel responsible for ensuring that stated tax relief, available to affected taxpayers of federally declared disasters, receive the appropriate level of relief as applicable. The policy applies to all employees, contractors, and vendors of the Service having related duties with the Disaster Assistance and Emergency Relief program.

Procedural (Policy) Change: A disaster event impacting several states, and occurring near a major filing date, may warrant an expansion of the standard relief policy to include areas identified by FEMA for Public Assistance. Factors to consider are:

- Nature of the event/expected impacts
- Number of states to be affected
- Time of year
- Imminent major filing dates
- Efficiency of FEMA declaration process

In these instances, The Disaster Program Office, after considering all available information, may request that the Commissioner approve an expansion of the standard relief policy to include Public Assistance areas. It is anticipated that this expanded relief would only be requested, on a very limited basis.

Effect on Other Documents: This guidance will be incorporated into IRM 25.16.1, Disaster Assistance and Emergency Relief by January 1, 2018.

Effective Date: This Interim Guidance is effective June 13, 2017.

Contact: Please send questions or inquiries related to this guidance to Lorraine Capps, Chief, Business Continuity and Disaster Relief. Email [Lorraine C. Capps](mailto:Lorraine.C.Capps) or phone 240-613-6547.

Attachment - Interim Guidance: [SBSE-25-0617-0025](#)

The following changes are hereby effective January 1, 2018 for IRM 25.16.1.

25.16.1.4

(01-01-2018)

Disaster Tax Relief Options

(8) Additionally a disaster event impacting several states, and occurring near a major filing date may warrant an expansion of the standard relief policy to include areas identified by FEMA for Public Assistance. Factors to consider are:

- Nature of the event/expected impacts
- Number of states to be affected
- Time of year
- Imminent major filing dates
- Efficiency of FEMA declaration process

In these instances the Disaster Program Office, after considering all available information, may request that the Commissioner approve an expansion of the standard relief policy to include Public Assistance areas. It is anticipated that this expanded relief would only be requested on a very limited basis.

Distribution

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[IRS.gov \(http://www.irs.gov\)](http://www.irs.gov) (If the guidance meets [E-FOIA criteria](#))

cc: IMD Coordinator Office of Service wide Policy, Directives, & Electronic Research