

IRS TAX TIP 2002-38

HOLOCAUST SURVIVORS MAY EXCLUDE RESTITUTION PAYMENTS FROM INCOME

Holocaust survivors, their heirs or estates will receive the full benefit of any restitution payment made by governments or industry. Restitution payments are excluded from federal taxes and should not be included as income or listed anywhere else on federal tax returns.

The restitution payments stem from World War II and are part of an on-going program by nations and industries that benefited from the forced labor or property confiscation of Nazi-era victims to compensate those victims.

Further information is available in Publication 17, "Your Federal Income Tax," the main tax guide for individuals, and in Publication 553, "Highlights of 2001 Tax Changes." These publications may be obtained on the IRS Web site at www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

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