

IRS News Release

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Many Victims of Hurricane Matthew Qualify for Late-Filing Penalty Relief; IRS Continues to Closely Monitor As Oct. 17 Deadline Approaches

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WASHINGTON — The Internal Revenue Service today advised taxpayers affected by Hurricane Matthew but not yet covered by a federal disaster declaration with individual assistance that they may qualify for relief from penalties if they are unable to meet Monday's extended deadline for filing 2015 tax returns.

The IRS noted that additional individual assistance areas could be added to the federal disaster area in coming days based on continuing damage assessments by the Federal Emergency Management Agency (FEMA). These additional disaster declarations will pave the way for additional extensions and other relief from the IRS. This means that the IRS will automatically provide retroactive extensions and other relief to any locality added to the federal disaster area at a later date. In areas with [disaster declarations for individual assistance](#), taxpayers will have until March 15, 2017 to file returns otherwise due on Monday, October 17.

"The hurricane and flooding have hit many different states hard, and the timing of this is especially tough for taxpayers and tax professionals planning to file by the Oct. 17 extension deadline," said IRS Commissioner John Koskinen. "We have been watching this situation unfold and remain in close touch with FEMA. We will do everything we can to work with taxpayers who are in affected areas."

The IRS reminds taxpayers that there is no penalty for filing a late return qualifying for a refund. This means, for example, that a taxpayer who received a valid extension and overpaid any expected tax due before April 18 will not face a late penalty, even if they file after Oct. 17.

Taxpayers affected by Hurricane Matthew who owe tax should file when they are reasonably able. If they live outside the federally-declared disaster area, they may receive a penalty notice from the IRS. If this happens, they can request abatement of the penalties, based on reasonable cause, by replying in writing to the penalty notice and explaining that they're impacted by the hurricane.

A complete up-to-date rundown of relief being provided to victims of Hurricane Matthew can be found on the [disaster relief page](#) on IRS.gov. As of Thursday, 17 counties in North Carolina are eligible for relief.