

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

CHIEF COUNSEL

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CONEX-116299-17

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The Honorable Nanette Diaz Barragán
Member, U.S. House of Representatives
302 West 5th Street, Suite 201
San Pedro, CA 90731

Dear Representative Barragán:

I apologize for the delay in responding to your letter dated April 25, 2017, on behalf of your constituent, . asked whether he must pay federal income tax on per diem and inconvenience payments he received from related to the remediation of toxic contamination of his home in the of .

We're reviewing the facts and circumstances of the per diem and inconvenience payments made to residents of the to determine their appropriate tax treatment. Once we have a resolution, we will make our views known to residents of the .

Thank you for your interest in this issue. If you have questions, please contact me or at .

Sincerely,

Michael J. Montemurro
Branch Chief
Office of Associate Chief Counsel
(Income Tax and Accounting)