

Tax relief for victims of severe winter storms, flooding, landslides and mudslides in California

Updated 10/16/23: This news release has been updated to change the filing and payment deadlines from Oct. 16, 2023 to Nov. 16, 2023. The Nov. 16 deadline also applies to the quarterly payroll and excise tax returns normally due on Oct. 31, 2023.

CA-2023-03, March 17, 2023

WASHINGTON — Victims of severe winter storms, flooding, landslides and mudslides in California beginning March 9, 2023, now have until Oct. 16, 2023, to file various individual and business tax returns and make tax payments, the Internal Revenue Service announced today.

Following the disaster declaration issued by the Federal Emergency Management Agency, individuals and households affected by severe winter storms, flooding, landslides and mudslides that reside or have a business in Alpine, Amador, Butte, Calaveras, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Los Angeles, Madera, Mariposa, Mendocino, Merced, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Sacramento, San Benito, San Bernardino, San Francisco, San Joaquin, San Mateo, San Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, Sierra, Sonoma, Stanislaus, Trinity, Tulare, Tuolumne and Yuba counties qualify for tax relief.

The declaration permits the IRS to postpone certain tax-filing and tax-payment deadlines for taxpayers who reside or have a business in the disaster area. For instance, certain deadlines falling on or after March 9, 2023, and before Oct. 16, 2023, are granted additional time to file through Oct. 16, 2023. As a result, affected individuals and businesses will have until Oct. 16 to file returns and pay any taxes that were originally due during this period. This includes 2022 individual income tax returns due on April 18, as well as various 2022 business returns normally due on March 15 and April 18. Among other things, this means that eligible taxpayers will have until Oct. 16 to make 2022 contributions to their IRAs and health savings accounts.

The Oct. 16, 2023, deadline also applies to any payment normally due during this period, including quarterly estimated tax payments, quarterly payroll and excise tax returns. In addition, penalties on payroll and excise tax deposits due on or after March 9, 2023, and before March 24, 2023, will be abated as long as the tax deposits are made by March 24, 2023.

If an affected taxpayer receives a late filing or late payment penalty notice from the IRS that has an original or extended filing, payment or deposit due date that falls within the postponement period, the taxpayer should call the telephone number on the notice to have the IRS abate the penalty.

The IRS automatically identifies taxpayers located in the covered disaster area and applies filing and payment relief. But affected taxpayers who reside or have a business

located outside the covered disaster area should call the IRS disaster hotline at [866-562-5227](tel:866-562-5227) to request this tax relief.

Covered Disaster Area

The localities 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 those taxpayers listed in Treas. Reg. § 301.7508A-1(d)(1), and include individuals who live, and businesses (including tax-exempt organizations) whose principal place of business is located, in the covered disaster area. Taxpayers not in the covered disaster area, but whose records necessary to meet a deadline listed in Treas. Reg. § 301.7508A-1(c) are in the covered disaster area, are also entitled to relief. In addition, all relief workers affiliated with a recognized government or philanthropic organization assisting in the relief activities in the covered disaster area and any individual visiting the covered disaster area who was killed or injured as a result of the disaster are entitled to relief.

Under section 7508A, the IRS gives affected taxpayers until Oct. 16, 2023, to file most tax returns (including individual, corporate, and estate and trust income tax returns; partnership returns, S corporation returns, and trust returns; estate, gift, and generation-skipping transfer tax returns; annual information returns of tax-exempt organizations; and employment and certain excise tax returns), that have either an original or extended due date occurring on or after March 9, 2023, and before Oct. 16, 2023, are granted additional time to file through Oct. 16, 2023.

Affected taxpayers that have an estimated income tax payment originally due on or after March 9, 2023, and before Oct. 16, 2023, are postponed through Oct. 16, 2023, will not be subject to penalties for failure to pay estimated tax installments as long as such payments are paid on or before Oct. 16, 2023.

The IRS also gives affected taxpayers until Oct. 16, 2023, to perform other time-sensitive actions described in Treas. Reg. § 301.7508A-1(c)(1) and Rev. Proc. 2018-58, 2018-50 IRB 990 (December 10, 2018), that are due to be performed on or after March 9, 2023, and before Oct. 16, 2023, are granted additional time to file through Oct. 16, 2023.

This relief also includes the filing of Form 5500 series returns that were required to be filed on or after March 9, 2023, and before Oct. 16, 2023, are postponed through Oct. 16, 2023, in the manner described in section 8 of Rev. Proc. 2018-58. The relief described in section 17 of Rev. Proc. 2018-58, 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.

Unless an act is specifically listed in Rev. Proc. 2018-58, the postponement of time to file and pay does not apply to information returns in the W-2, 1094, 1095, 1097, 1098 or 1099 series; to Forms 1042-S, 3921, 3922 or 8027; or to employment and excise tax deposits. However, penalties on deposits due on or after March 9, 2023, and before March 24, 2023, will be abated as long as the tax deposits were made by March 24, 2023.

Casualty Losses

Affected taxpayers in a federally declared disaster area have the option of claiming disaster-related casualty losses on their federal income tax return for either the year in which the event occurred, or the prior year. See [Publication 547](#) for details. Individuals may deduct personal property losses that are not covered by insurance or other reimbursements. For details, see [Form 4684, Casualties and Thefts](#)[PDF](#) and its [instructions](#)[PDF](#). Affected taxpayers claiming the disaster loss on their return should put the Disaster Designation, "California, severe winter storms, flooding, landslides and mudslides", in bold letters at the top of the form. Be sure to include the FEMA disaster declaration number, FEMA-3592-EM, on any return. See [Publication 547](#) for details.

Other Relief

The IRS will waive the usual fees and requests for copies of previously filed tax returns for affected taxpayers. Taxpayers should put the assigned Disaster Designation, California, severe winter storms, flooding, landslides and mudslides, in bold letters at the top of [Form 4506, Request for Copy of Tax Return](#)[PDF](#), or [Form 4506-T, Request for Transcript of Tax Return, as appropriate](#)[PDF](#), 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 impacts them so that the IRS can provide appropriate consideration to their case. Taxpayers may [download forms and publications](#) from the official IRS website, IRS.gov.

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