

PUBLICATION

Spotlight on Louisiana: IRS Grants Tax Relief to Louisiana Storm Victims

March 16, 2016

In a March 14, 2016, news release (LA-2016-1), the IRS announced that certain Louisiana taxpayers affected by the storms occurring on or around March 8, 2016, will receive tax relief.

Eligible Taxpayers

Taxpayers who may qualify for the tax relief are individuals who live, and businesses that have a principal place of business, in the following Louisiana parishes: Bossier, Claiborne, Grant, Morehouse, Ouachita, Richland and Webster. Taxpayers who do not reside in one of these parishes but who have records located in one of these parishes that are necessary to meet certain tax-filing deadlines are also entitled to relief. Finally, all relief workers affiliated with a recognized governmental or philanthropic organization assisting with the relief activities in these parishes and any individual visiting one of these parishes who was killed or injured as a result of the disaster are entitled to relief.

The IRS automatically identifies taxpayers located in these parishes and applies the relief. However, any taxpayer residing outside of these parishes must call the IRS disaster hotline at 866-562-5227 to request tax relief.

Tax Relief to be Granted

The IRS will grant the following relief to eligible taxpayers:

- Tax filing deadlines falling on or after March 8, 2016, and on or before July 15, 2016, will be postponed to July 15, 2016, including deadlines for filing individual, corporate, estate and trust income tax returns; partnership returns, S corporation returns and trust returns; estate, gift and generation-skipping transfer tax returns; and employment and certain excise tax returns;
- Deadlines for making tax payments including estimated tax payments that have either an original or extended due date occurring on or after March 8, 2016, and on or before July 15, 2016, will be extended to July 15, 2016; and
- The IRS will give eligible taxpayers until July 15, 2016, to perform certain other actions described in Treasury Regulation 301.7508A-1(c)(1) and Revenue Procedure 2007-56, 2007-34 I.R.B. 388 (Aug. 20, 2007), that otherwise were due to be performed on or after March 8, 2016, and before July 15, 2016.

The IRS stated that the extended deadlines do not apply to information returns in the W-2, 1098, 1099 series, Forms 1042-S or 8027 and do not apply to employment and excise tax deposits. However, if a taxpayer fails to make timely employment and excise tax deposits due on or after March 8, 2016, and on or before March 23, 2016, the IRS will abate the associated penalties if the taxpayer makes the required deposits by March 23, 2016.

If you would like to discuss the Federal tax relief granted to Louisiana taxpayers affected by the March 2016 storms for your particular circumstances or have questions regarding any other Louisiana tax issues, please contact the author of this alert, Robert L. Woffarth, or any of the attorneys in the Firm's Tax Group.

