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THE TAX LAWYER

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IRS Gives Tax Relief, Extensions To Vermont Flood Victims



Flooding victims anywhere in Vermont now have until Nov. 15, 2023, to file various individual and business tax returns and make tax payments. The IRS is offering relief to any area designated by the Federal Emergency Management Agency ([FEMA](#)), including postponing various tax-filing and tax-

payment deadlines for any taxpayer with an address of record in the disaster area. This means that individuals and households that reside or have a business in any of Vermont's 14 counties qualify for tax relief. The current list of eligible localities is available on the [disaster relief](#) page on IRS.gov.

The tax relief postpones various tax filing and payment deadlines that occurred starting on July 9, 2023. As a result, affected individuals and businesses will have until Nov. 15, to file returns and pay any taxes that were originally due between July 9 and Nov. 15.

Eligible returns and payments include:

- Individuals who had a valid extension to file their 2022 return due to run out on Oct. 16, 2023. The IRS noted, however, that because tax payments related to these 2022 returns were due on April 18, 2023, those payments are not eligible for this relief.
- Quarterly estimated income tax payments, normally due on Sept. 15
- Quarterly payroll and excise tax returns, normally due on July 31 and Oct. 31
- Businesses with an original or extended due date including, among others, calendar-year partnerships and S corporations whose 2022 extensions run out on Sept. 15, and calendar-year corporations whose 2022 extensions run out on Oct. 16.

In addition, penalties on payroll and excise tax deposits due after July 9 and before July 25, will be abated as long as the deposits are made by July 25. Other returns, payments and tax-related actions also qualify for the additional time. See the [IRS disaster relief](#) page for details.

The IRS automatically provides filing and penalty relief to any taxpayer with an IRS address of record located in the disaster area. Because it is automatic, these taxpayers need not contact the agency to get the relief. However, 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 falling within the postponement period, the taxpayer should call the number on the notice to have the penalty abated.

In addition, the IRS will work with any taxpayer who lives outside the disaster area but whose records necessary to meet a deadline occurring during the postponement period are located in the affected area. Taxpayers qualifying for relief who live outside the disaster area need to contact the IRS at 866-562-5227. This also includes workers assisting the relief activities who are affiliated with a recognized government or philanthropic organization.

Claiming disaster losses. Individuals and businesses in a federally declared disaster area who suffered uninsured or unreimbursed disaster-related losses can choose to claim them on either the return for the year the loss occurred (in this instance, the 2023 return normally filed next year), or the return for the prior year (2022). Be sure to write the FEMA declaration number – 3595-EM – on any return claiming a loss. See [Publication 547](#) for details.

The tax relief is part of a coordinated federal response to the damage caused by these storms and is based on local damage assessments by FEMA. For information on disaster recovery, visit [disasterassistance.gov](https://www.disasterassistance.gov).

Check out my [website](#).