

**We understand many have sustained losses from Hurricanes Debby, Helene, and Milton.
The IRS has provided relief in several ways, and they are summarized here.**

2023 Tax Returns with a valid extension – 2023 tax returns on extension, that would have been due October 15th for taxpayers located in the state of Florida (and a few other places) have an extended tax filing deadline of May 1, 2025. This extends the time to file the tax return, not the time to pay taxes. The tax was due April 15th, penalties and interest will apply to any tax not paid by April 15th.

NOTE: Our office policy is to complete all 2023 tax returns by the end of the 1st week of November before the IRS closes e-filing for the year. Additionally, it is office policy not to work on prior year returns from the beginning of December through the end of April.

2024 Tax returns Due in 2025 - 2024 tax returns that would have been due April 15th also have an extended deadline of May 1, 2025. This is the due date to file the return, make estimated tax payments or pay the 2025 taxes owed.

Casualty Loss Tax Deduction - If you sustained damage from Hurricanes Debby, Helene, and / or Milton, you may qualify for a casualty loss tax deduction. This deduction is for damaged or destroyed property not covered by insurance or other reimbursement.

Casualty Loss Deduction - For individuals, if qualified, the casualty loss deduction will add to your standard deduction or itemized deduction decreasing your taxable income and decreasing your tax liability. Should your deductions exceed your income, you may have a net operating loss (NOL). Taxpayers do not need to have a business to have an NOL from a disaster loss. An NOL is normally carried forward and deducted in future tax years. You may choose to claim this deduction in the year the loss occurred (2024) or on your return for the prior year (2023). If you have already filed your 2023 tax return, you would need to amend your 2023 tax return to include the loss. Given the timing of Hurricane Helene and Hurricane Milton and because of the lengthy processing time of amended returns, we generally recommend claiming your loss on your 2024 tax return. However, we recognize that each situation is unique, and we are happy to discuss your specific needs.

Qualified Disaster Relief Payments - Generally, these payments are excluded from income. This means you may exclude amounts received from a government agency for reasonable and necessary personal expenses as well as for the repair of your home and replacement of its contents. These payments are considered when calculating the casualty loss deduction.

Retirement distributions - If you participate in a retirement plan or individual retirement arrangement (IRA), you may also be able to take a special disaster distribution that would not be subject to the 10% early withdrawal tax (note, this income is still taxable as ordinary income) and you can elect to spread the income over three years.

Kindly message or email us any questions you may have so we can best prepare to discuss your options. We can then schedule a call or have you come in for an appointment.



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