

Tax Return Filing Update

March 3, 2023

Dear Client,

Disaster-area taxpayers in most of California now have until October 16, 2023, to file various federal individual and business tax returns and make tax payments. Previously, the deadline had been postponed to May 15, 2023.

Federal Relief

The Internal Revenue Service (IRS) offers relief to any area designated by the Federal Emergency Management Agency (FEMA). The current list of eligible localities and other details for each disaster is available on the Tax Relief in Disaster Situations page on IRS.gov.

The additional relief postpones until October 16, 2023, various tax filing and payment deadlines, including those for most calendar-year 2022 individual and business returns. This includes:

- Individual income tax returns, originally due on April 18, 2023;
- Various business returns, normally due on March 15, 2023, and April 18, 2023;
- Returns of tax-exempt organizations, normally due on May 15;
- Individual Retirement Account (IRA) and health savings account (HSA) contributions, originally due on April 18, 2023;
- 2022 quarter four estimated tax payments, originally due January 17, 2023;
- 2023 quarter one, two, and three estimated tax payments, originally due April 18, 2023, June 15, 2023, and September 15, 2023; and
- Quarterly payroll and excise tax returns, normally due on January 31, 2023, April 30, 2023, and July 31, 2023.

The Disaster Assistance and Emergency Relief for Individuals and Businesses page on IRS.gov has details on other returns, payments and tax-related actions qualifying for the additional time. Taxpayers in the affected areas do not need to file any extension paperwork, and they do not need to call the IRS to qualify for the extended time.

The IRS automatically provides filing and penalty relief to any taxpayer with an IRS address of record located in the disaster area. Therefore, taxpayers do not need to contact the agency to get this 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 in the affected area. Taxpayers qualifying for relief living outside the disaster area must 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.

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 or the return for the prior year. See Publication 547, Casualties, Disasters, and Thefts for details.

California Relief

The California Governor's office has announced that it will conform to the IRS's postponement of filing and payment deadlines to October 16, 2023, for taxpayers located in all California counties except the following:

- Imperial;
- Kern;
- Lassen;
- Modoc;
- Plumas;
- Shasta; and
- Sierra.

The postponed California deadline applies to all tax returns due prior to the October 16, 2023, deadline. It also applies to any estimated taxes that are due before October 16, 2023, as well as the March 15, 2023, and June 15, 2023, passthrough entity elective tax payments. While the extension applies to payroll tax returns, it does not apply to employment and excise tax deposits.

Our office plans to proceed with filings under the usual deadlines as much as possible, but we anticipate preparation may take longer than usual. If a client is in one of the disaster counties, we will not extend your return unless you request us to do so. Clients in the seven counties listed above not in disaster area or located outside of California can anticipate being extended under normal circumstances.

Please reach out to our office if you have any questions.

Our best,
The Team at HHH



Hunter, Hunter & Hunt, LLP