MEMORANDUM

TO: Maria Johnson, General Tax Administration - Director
FROM: Clark Rogers, Acting Executive Director
CC: Mark Hamilton, General Counsel
DATE: September 7, 2023
SUBJECT: Hurricane Idalia
Corporate Income Tax
Suspension of Due Dates and Extension Periods

Subsection 213.055(2), F.S., authorizes the Executive Director of the Department of Revenue (Department) to carry out the following actions during a declared state of emergency:

- Extend the due date for tax returns and payments
- Waive interest that accrues during the state of emergency on taxes due before and during the emergency period

The legislative authority set forth in subsection 213.055(2), F.S., is separate and apart from specific authority granted to state agencies in an Executive Order.

On August 29, 2023, the Governor of the State of Florida, Ron DeSantis, issued Executive Order Number 23-175 (EO 23-175) amending Executive Orders 23-171, 23-172, and 23-174 in response to Hurricane Idalia and declared a state of emergency.

On August 30, 2023, the Internal Revenue Service (IRS), following the disaster declaration for individual assistance issued by FEMA, granted tax relief for affected taxpayers in Florida (declaration number IR-2023-159) (Attachment A). The tax relief granted postponed certain deadlines of affected individuals and businesses, including the filing of corporate income tax returns and tax payments due on or after August 27, 2023, and before February 15, 2024. Affected individuals and businesses have until February 15, 2024, to file their return with the IRS and pay taxes originally due during the period.

Corporate income tax return information submitted by taxpayers to the IRS is necessary for filing of a Florida corporate income tax return with the Department. As a result pursuant to the aforementioned authority for those that qualify, due dates and extension periods for filing
Florida corporate income tax returns and paying tentative tax are suspended until March 1, 2024, which is 15 days after the federal filing extension provided for this disaster for affected taxpayers. The IRS declaration noted above should be referenced for information specifically defining which corporations are affected taxpayers.

[Subsections 220.222(1) and (2), 220.31(1) and (2), and 220.32(1), F.S.]

This suspension of due dates and extension periods for corporate income tax is in effect, and applies to affected taxpayers in Alachua, Baker, Bay, Bradford, Brevard, Calhoun, Charlotte, Citrus, Clay, Collier, Columbia, DeSoto, Dixie, Duval, Flagler, Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Hardee, Hernando, Hillsborough, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Nassau, Orange, Osceola, Pasco, Pinellas, Polk, Putnam, Sarasota, Seminole, St. Johns, Sumter, Suwannee, Taylor, Union, Volusia and Wakulla counties in Florida designated by the IRS for tax relief from this disaster situation. (Map Attachment B)

This suspension also applies to any additional areas designated by the IRS as eligible for this tax relief as a result of Hurricane Idalia, both within and without Florida.
IRS: Those impacted by Idalia qualify for tax relief; Oct. 16 deadline, other dates postponed to Feb. 15

IR-2023-159, Aug. 30, 2023

WASHINGTON — The Internal Revenue Service today announced tax relief for individuals and businesses affected by Idalia in parts of Florida. These taxpayers now have until Feb. 15, 2024, to file various federal 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) . Currently, 46 of Florida’s 67 counties qualify. Individuals and households that reside or have a business in these counties qualify for tax relief, but any area added later to the disaster area will also qualify. The current list of eligible localities is always available on the disaster relief page on IRS.gov.

Filing and Payment Relief

The tax relief postpones various tax filing and payment deadlines that occurred from Aug. 27, 2023, through Feb. 15, 2024, (postponement period). As a result, affected individuals and businesses will have until Feb. 15, 2024, to file returns and pay any taxes that were originally due during this period.

This means, for example, that the Feb. 15, 2024, deadline will now apply to:

- 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, 2023, and Jan. 16, 2024.
- Quarterly payroll and excise tax returns normally due on Oct. 31, 2023, and Jan. 31, 2024.
- Calendar-year partnerships and S corporations whose 2022 extensions run out on Sept. 15, 2023.
- Calendar-year tax-exempt organizations whose extensions run out on Nov. 15, 2023.
In addition, penalties for the failure to make payroll and excise tax deposits due on or after Aug. 27, 2023, and before Sept. 11, 2023, will be abated as long as the deposits are made by Sept. 11, 2023.

The Disaster Assistance and Emergency Relief for Individuals and Businesses page has details on other returns, payments and tax-related actions qualifying for relief during the postponement period.

The IRS automatically provides filing and penalty relief to any taxpayer with an IRS address of record located in the disaster area. These taxpayers do not need to contact the agency to get this relief.

It is possible an affected taxpayer may not have an IRS address of record located in the disaster area, for example, because they moved to the disaster area after filing their return. In these kinds of unique circumstances, the affected taxpayer could receive a late filing or late payment penalty notice from the IRS for 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.

Additional Tax Relief

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). Taxpayers have extra time – up to six months after the due date of the taxpayer’s federal income tax return for the disaster year (without regard to any extension of time to file) – to make the election. Be sure to write the FEMA declaration number – DR-3596-EM – on any return claiming a loss. See Publication 547, Casualties, Disasters, and Thefts, for details.

Qualified disaster relief payments are generally excluded from gross income. In general, this means that affected taxpayers can exclude from their gross income amounts received from a government agency for reasonable and necessary personal, family, living or funeral expenses, as well as for the repair or rehabilitation of their home, or for the repair or replacement of its contents. See Publication 525, Taxable and Nontaxable Income, for details.

Additional relief may be available to affected taxpayers who participate in a retirement plan or individual retirement arrangement (IRA). For example, a taxpayer may be eligible to take a special disaster distribution that would not be subject to the additional 10% early distribution tax and allows the taxpayer to spread the income over three years. Taxpayers may also be eligible to make a hardship withdrawal. Each plan or IRA has specific rules and guidance for their participants to follow.

The IRS may provide additional disaster relief in the future.
The tax relief is part of a coordinated federal response to the damage caused by this storm and is based on local damage assessments by FEMA. For information on disaster recovery, visit DisasterAssistance.gov.

Page Last Reviewed or Updated: 30-Aug-2023
FEMA-4734-DR, Florida Disaster Declaration as of 09/05/2023

Data Layer/Map Description:
The types of assistance that have been designated for selected areas in the State of Florida.

All areas in the State of Florida are eligible to apply for assistance under the Hazard Mitigation Grant Program.

Additional designations may be made at a later date if requested by the state and warranted by the results of further damage assessments.

Designated Counties
- No Designation
- Public Assistance (Category B)
- Individual Assistance and Public Assistance (Categories A and B)

Data Sources:
FEMA, ESRI;
Initial Declaration: 08/31/2022
Disaster Federal Registry Notice: Amendment #4: 09/05/2023
Datum: North American 1983
Projection: Lambert Conformal Conic

MapID: 08fd6e68d109d90e53227f59d9d55b4a

Map Attachment B