



# California Wildfire Disaster Relief

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As part of a coordinated effort with the Federal Emergency Management Agency (FEMA), the Internal Revenue Service announced Saturday, January 11, 2025, tax relief for individuals and businesses in southern California impacted by the wildfires and wind.

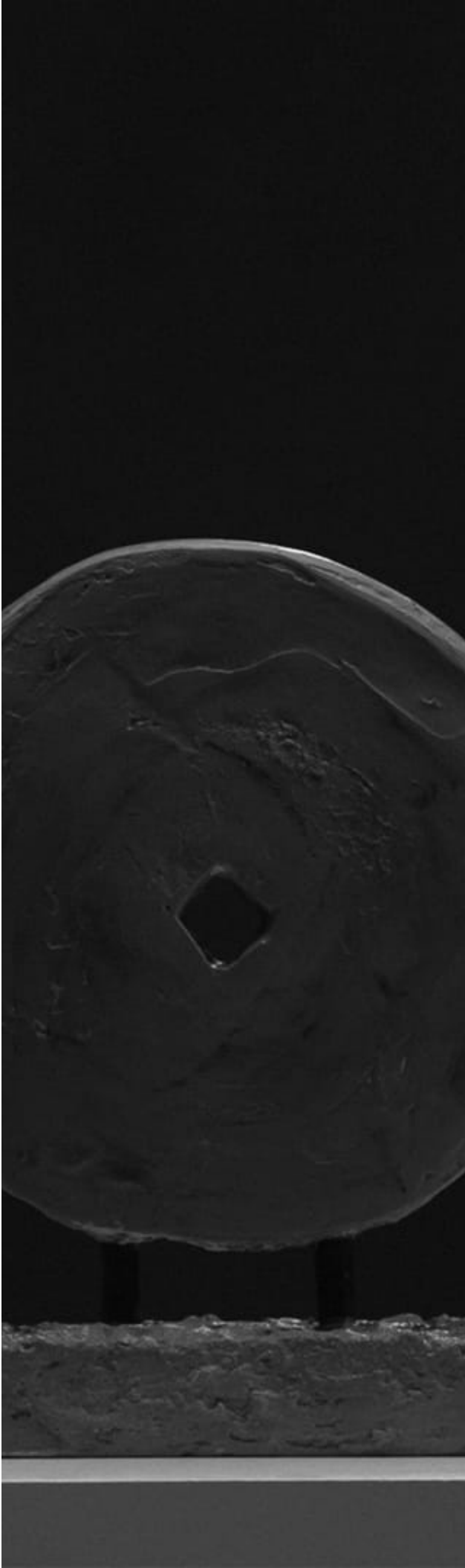
Below we have provided a summary of key provisions of the relief. Please visit the IRS website [here](#) for more information.

## Key Tax Relief Provisions

**Extended Deadlines:** Affected taxpayers now have until **October 15, 2025**, to file tax returns and make payments. This applies to

- **Individual Income Tax Returns & Payments** (normally due on April 15, 2025).
- **2024 IRA and HSA Contributions**
- **Quarterly Estimated Tax Payments** (normally due on January 15, April 15, June 16, and September 15, 2025).
- **Quarterly Payroll & Excise Tax Returns** (normally due on January 31, April 30, and July 31, 2025).
- **Business Returns** (e.g., partnerships, S corporations normally due on March 17, 2025; corporations due April 15, 2025).
- **Tax-exempt Organizations** (returns normally due May 15, 2025).
- **Penalty Abatement:** Payroll and excise tax deposits due between January 7, 2025, and January 22, 2025, will not incur penalties if deposited by January 22, 2025.
- **Automatic Relief:** Relief applies automatically to taxpayers with an IRS address of record in the disaster area (e.g., Los Angeles County). Taxpayers outside the disaster area but affected (e.g., records located in the disaster zone) should contact the IRS at 866-562-5227 for assistance.





## Claiming Disaster Losses

- **Uninsured or Unreimbursed Losses:** Can be claimed on the 2025 return (filed in 2026) or the 2024 return (filed in 2025).
- Write the FEMA declaration number **4856-DR** on the return.
- Election to claim losses is allowed until **October 15, 2026**.

**Exclusion of Qualified Disaster Relief Payments:** Certain payments received (e.g., for living expenses, repairs, or rehabilitation) are excluded from gross income.

- For more details, refer to **IRS Publication 525**.

## Property Taxes

- You may be eligible for property tax relief if your property is damaged or destroyed by a calamity. To qualify, you must file an Application for Reassessment: **Property Damaged or Destroyed by Misfortune or Calamity (M&C) Form ADS-820** with the Assessor's Office within 12 months from the date the property was damaged or destroyed. A property qualifies for tax relief if the total combined loss in current market value totals \$10,000 or more.

## Retirement Plan & IRA Special Disaster Distributions

- May be exempt from the 10% early withdrawal penalty and allows the taxpayer to spread the income over three years.
- Hardship withdrawals may also be available (specific plan rules apply).

The IRS may provide further relief as FEMA updates disaster assessments.

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