

DATE: June 26, 2003

MEMORANDUM FOR DISTRIBUTION

FROM: /s/ *Marsha A. Ramirez* for
Joseph R. Brimacombe
Deputy Director, Compliance Policy

SUBJECT: Disaster Assistance for the State of West Virginia
(FEMA 1474-DR)

On June 23, 2003, nine counties in the State of West Virginia were declared eligible for Individual Assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("Presidential Disaster Area"). The declaration covers damages from severe storms, flooding and landslides that began on June 11, 2003 and is continuing. The storms caused property damage and destruction, posing hardships to some taxpayers located in these counties. If the President declares additional counties eligible for Individual Assistance, these provisions will also apply to them.

For purposes of the following filing and payment relief, "affected taxpayers" include taxpayers whose principal residence or principal place of business is located in the Presidential Disaster Area, taxpayers whose tax records are located in the Presidential Disaster Area, and relief workers.

Relief Provisions Which Apply to All Taxpayers in the Presidential Disaster Area -
(Designated Disaster Areas)

- Notice 1155 should be included as a stuffer for all correspondence addressed to any taxpayers in the IRS Designated Disaster Areas beginning June 24, 2003, and ending August 25, 2003 (see list of counties attached). The zip code listing will be posted to the IRWeb at <http://www.tris.irs.gov/fema/index.html>.
- In general, field enforcement activities are not being suspended automatically. However, any enforcement-related written or telephone contact made with taxpayers in the Presidential Disaster Area from any of the IRS Operating Divisions should begin with an assessment of the impact of the storm(s) on the taxpayer and should provide an opportunity to defer action for a reasonable period of time. For those returns included in the National Research Program (NRP), an NRP examiner will first assess the affected taxpayer's situation. The examiner may then request an exclusion of the taxpayer's return from the

program. The NRP Office will make a final determination. Please see the Law Enforcement Manual, Section 4.22.4, for more information on exclusions.

- User fees should be waived for requests of photocopies of tax returns and all requests from taxpayers in the impacted areas should be expedited. These requests, when filed, should be labeled across the top margin in red, "June Storms/Flooding-WVA."

Relief Provisions Which Apply to Only Those Taxpayers in the Presidential Disaster Area Who Self-Identify

- Affected taxpayers that have an original return (including income, estate, gift, generation-skipping transfer, employment and certain excise tax returns) due date that falls between June 11, 2003, and August 25, 2003, are granted an extension of time to file until August 25, 2003, under IRC Section 6081.
- Affected taxpayers that have an extended return due date that falls between June 11, 2003, and August 25, 2003, are granted an extension of time to file until August 25, 2003, under IRC Section 7508A.
- Affected taxpayers that have a payment of tax due between June 11, 2003 and August 25, 2003 are granted an extension of time to pay until August 25, 2003, under IRC Section 6161.
- Affected taxpayers that need to perform time-sensitive actions described in Treasury Regulation § 301.7508A-1(c)(1) and Revenue Procedure 2002-71, 2002-46 IRB 850, that fall between June 11, 2003 and August 25, 2003, are granted additional time to act until August 25, 2003.
- For affected taxpayers who have self-identified in order to receive filing and/or payment extensions (as described in the preceding bullets) the failure to file and pay penalties and interest will be abated for the period beginning June 11, 2003, or the original due date, if later, and ending August 25, 2003. These returns, when filed, should be labeled across the top margin in red, "June Storms/Flooding-WVA."
- The filing relief listed above also applies to Form 5500 series returns (that were required to be filed between June 11, 2003 and August 25, 2003) in the manner described in Section 8 of Revenue Procedure 2002-71, 2002-46 IRB 850. Unlike the other returns described above, the Form 5500 should NOT be labeled to indicate this relief. Instead, affected taxpayers should check Box D in Part 1 and attach a statement in accordance with the instructions to the form.

This extension to file and pay does not apply to information returns (other than Form 5500 series), or employment and excise tax deposits; however, penalties on payroll tax deposits may be abated during this period due to reasonable cause.

The State Disaster Assistance Coordinator may direct personnel from all operating divisions to conduct disaster assistance activities including staffing any Disaster Recovery Centers.

List of West Virginia Counties

Berkeley
Boone
Cabell
Kanawha
Lincoln
Logan
Mason
McDowell
Mingo
Putnam
Wayne
Wyoming