

The Texas 1031 Exchange Company received this notice today from the Federation of Exchange Accommodators (FEA). We advise you to consult your personal tax advisor regarding this notice to determine how this applies to your own situation. We cannot provide tax or legal advice.

FEA Alert: Disaster Postponements for TX, OK & LA

Tue, 02 Mar 2021 6:22:24 AM -0600

45 Day and 180 Day Postponements for Disaster Areas in Texas, Oklahoma, and Louisiana

Texas: The IRS has issued postponements of the 45-day and 180-day deadlines for the entire State of Texas for the winter storm that began **February 11, 2021**.

Oklahoma: The IRS has issued postponements of the 45-day and 180-day deadlines for the entire State Oklahoma for the winter storm that began **February 8, 2021**.

Louisiana: The IRS has issued postponements of the 45-day and 180-day deadlines as follows: Acadia, Allen, Ascension, Assumption, Beauregard, Calcasieu, Cameron, East Baton Rouge, East Feliciana, Evangeline, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Plaquemines, Pointe Coupee, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington, West Baton Rouge, and West Feliciana parishes for Hurricane Zeta that began on **October 26, 2020**.

The **Disaster Date** is in bold above. (Note that some disasters occur on a single date; others, such as flooding, occur over a period of days and the Disaster Date above is preceded by **beginning or began**.)

The **Covered Disaster Area** is the counties or parishes listed above. [Please check the IRS disaster website periodically at the address listed below for updates because the FEA does not send out notices for each disaster or for counties added to ongoing disaster extensions.]

An “**Affected Taxpayer**” includes individuals who live, and businesses whose principal place of business is located in, the **Covered Disaster Area**. **Affected Taxpayers** are entitled to relief **regardless** of where the relinquished property or replacement property is located. Affected Taxpayers may choose either the General Postponement relief under Section 6 OR the Alternative relief under Section 17 of Rev. Proc. 2018-58. Taxpayers who do not meet the definition of Affected Taxpayers do not qualify for Section 6 General Postponement relief.

Option One: General Postponement under Section 6 of Rev. Proc. 2018-58 (Affected Taxpayers only). Any 45-day deadline or 180-day deadline (for either a forward or reverse exchange) that falls **on or after the Disaster Date in bold above** is postponed to **June 15, 2021 for Texas and Oklahoma and March 1, 2021 for Louisiana (the “General Postponement Date”)**. The General Postponement applies regardless of the date the Relinquished Property was transferred (or the parked property acquired by the EAT) and is available to Affected Taxpayers regardless of whether their exchange began before or after the Disaster Date.

Option Two: Section 17 Alternative (Available to (1) Affected Taxpayers and (2) other taxpayers who have difficulty meeting the exchange deadlines because of the disaster. See Rev. Proc. 2018-58, Section 17 for conditions constituting “difficulty”). Option Two is **only** available if the relinquished property was transferred (or the parked property was acquired by the EAT) **on or before the Disaster Date**. Any 45-day or 180-day deadline that falls **on or after** the Disaster Date is extended to THE LONGER OF: (1) 120 days from such deadline; OR (2) the General Postponement Date. Note the date may not be extended beyond one year **or** the due date (including extensions) of the tax return for the year of the disposition of the relinquished property (typically, if an extension was filed, 9/15 for corporations and partnerships and 10/15 for other taxpayers).

Please see Revenue Procedure 2018-58, Section 17, and the Notices shown on <https://www.irs.gov/newsroom/tax-relief-in-disaster-situations>.

