

Federal Tax Day - Current, W.1, President Trump Signs Disaster Tax Relief Bill into Law, (Oct. 2, 2017)

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President Trump on September 29 signed the Disaster Tax Relief and Airport and Airway Extension Act of 2017 ([HR 3823](#)). Congress approved the bill the day before ([TAXDAY, 2017/09/29, C.1](#)).

In a Statement of Administration Policy, the White House had explained that [HR 3823](#) would "provide targeted tax relief for taxpayers impacted by Hurricanes Harvey, Irma and Maria. In addition to supporting these tax relief measures, the administration will submit further requests to the Congress for supplemental funding in the near future, and looks forward to working with Congress to enact these recovery measures into law."

The measure will, among other things:

- eliminate the current law requirements in the disaster areas that uncompensated personal casualty losses exceed 10 percent of adjusted gross income to qualify for deduction;
- eliminate the current law requirement that taxpayers itemize deductions to access this tax relief;
- provide an exception to the 10-percent early retirement plan withdrawal penalty for qualified hurricane relief distributions
- allow for the re-contribution of retirement plan withdrawals for home purchases cancelled due to eligible disasters;
- provide flexibility for loans from retirement plans for qualified hurricane relief;
- temporarily suspend limitations on charitable contribution deductions associated with qualified hurricane relief made before December 31, 2017;
- provide a tax credit for 40 percent of wages (up to \$6,000 per employee) paid by a disaster-affected employer to each employee from a core disaster area; and
- allow taxpayers to refer to earned income from the immediately preceding year for purposes of determining the Earned Income Tax Credit and Child Tax Credit for the 2017 tax year.

By Jessica Jeane, Wolters Kluwer News Staff

Disaster Tax Relief and Airport and Airway Extension Act of 2017, as Passed by the House on September 28, 2017, [HR 3823](#)

Disaster Tax Relief and Airport and Airway Extension Act of 2017, as Passed by the Senate on September 28, 2017, [HR 3823](#)

[SAP on HR 3823, the Disaster Tax Relief and Airport and Airway Extension Act of 2017](#)