REGLAMENTOS, MEMORANDOS, CIRCULARES Y NORMAS PROPIAS DE LA AGENCIA O CORPORACIÓN PÚBLICA VIGENTES AL MOMENTO DE LA TRANSICIÓN

CARTAS CIRCULARES VIGENTES		
Número	**Título o propósito**	**Comentarios**
2020-01	Relief for LIHTC Projects in Disaster Areas	6/febrero
2020-02	Programa de Seguro Hipotecario (Ley 87)	18/febrero
2020-03	Extensions to Low-Income Housing Tax Credit Deadlines	6/mayo
2020-04	Executive Order OE-2020-038 (Projects Resuming construction)	11/mayo

GOVERNMENT OF PUERTO RICO

Puerto Rico Housing Finance Authority

February 6, 2020

CIRCULAR LETTER 2020-01

Owners, Developers and Managers of
Low-Income Housing Tax Credit Properties

RELIEF FOR LIHTC PROJECTS IN DISASTER AREAS

On January 16, 2020, and pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 42 U.S.C. 5121, President Donald J. Trump issued a major disaster declaration (MDD) for the areas of Puerto Rico affected by earthquakes beginning on December 28, 2019, and continuing, FEMA DR-4473 (**MDD** attached). The municipalities covered by this MDD are Adjuntas, Arecibo, Cabo Rojo, Ciales, Corozal, Guánica, Guayanilla, Hormigueros, Jayuya, Juana Díaz, Lajas, Lares, Las Marías, Maricao, Mayagüez, Morovis, Orocovis, Peñuelas, Ponce, Sabana Grande, San Germán, San Sebastián, Utuado, Villalba and Yauco.

The MDD will allow owners of low-income housing tax credit projects (**Owners**) relief from certain provisions of Section 42 of the Internal Revenue Code mainly related to carryover allocations, credit recapture, compliance monitoring, buildings in the first year of the credit period, and emergency housing relief pursuant to the dispositions of the Internal Revenue Service (**IRS**) Revenue Procedures 2014-49 and 2014-50, where applicable (see attachments).

These revenue procedures also provide emergency housing relief for individuals who were displaced by a major disaster from their principal residence in the municipalities covered by the MDD.

The temporary relief provisions may be available to the Owners only upon Puerto Rico Housing Finance Authority's (**PRHFA**) review and approval. Owners of projects in major disaster areas must submit a formal written request for relief, including documentation as to the extent of the damages to the project on or before ***March 4, 2020***. Also, a request for approval must be submitted by Owners of projects outside of the municipalities covered by the MDD that are available to receive displaced individuals from the covered area.

P O Box 71361
San Juan, PR 00936-8461

606 Barbosa Avenue
Juan C. Cordero Bldg.
Río Piedras, PR 00919-0345
Telephone (787) 765-7577

PRHFA | PUERTO RICO HOUSING FINANCE AUTHORITY

Furthermore, since the PRHFA is required to notify the Internal Revenue Service via Form 8823 in the event of a casualty loss and/or destruction of a building/unit, owners must notify PRHFA of any casualty loss resulting from the earthquakes, including a household being transferred or removed from the unit, or if an occupied unit will not pass a Uniform Physical Condition Standards (UPCS) inspection. The Owners must notify PRHFA using the attached Notice of Building Casualty Loss or Damage.

In the event that the IRS publishes any new guidelines, we will notify the owner immediately. Should you have any questions, please call Mr. Javier E. Trogolo at (787) 765-7577, extensions 4572, 4618 and 4615.

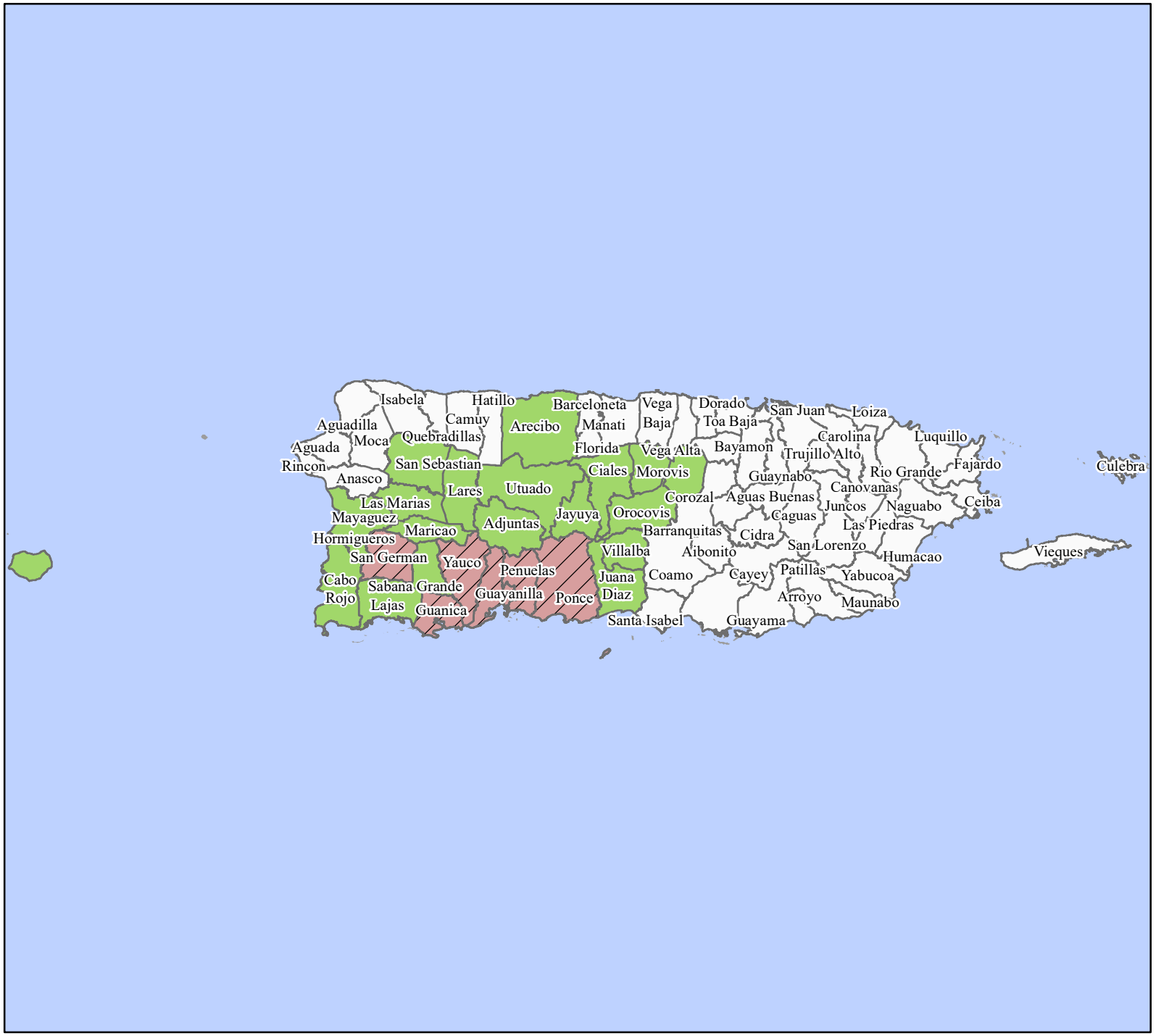
Cordially,

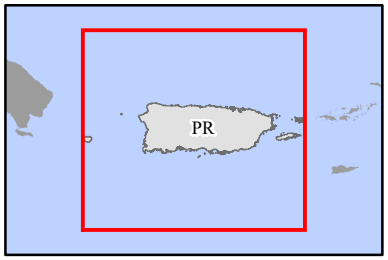
Pablo G. Muñiz Reyes
Acting Executive Director

Attachments

FEMA-4473-DR, Puerto Rico Disaster Declaration as of 02/05/2020

FEMA





Data Layer/Map Description:
The types of assistance that have been designated for selected areas in the U.S. Territory of Puerto Rico.

All designated areas in the U.S. Territory of Puerto Rico are eligible to apply for debris removal and emergency protective measures (Categories A and B), including direct federal assistance, under the Public Assistance program.

Designated Counties

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

N
W E
S

0 9 18 27 36 Miles

Data Sources:
FEMA, ESRI;
Initial Declaration: 01/16/2020
Disaster Federal Registry Notice:
Amendment #2: 02/05/2020
Datum: North American 1983
Projection: Lambert Conformal Conic

MapID 1066de39fe40206201218hqprod

CASE MIS No.: RP-141793-11

Administrative, Procedural, and Miscellaneous

26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.
(Also: Part I, §§ 42 and 142; 1.42-5, 1.42-6, 1.42-13, 1.42-14)

Rev. Proc. 2014-49

SECTION 1. PURPOSE

In the context of a Major Disaster, this revenue procedure provides temporary relief from certain requirements of § 42 of the Internal Revenue Code for Agencies and Owners. This revenue procedure also provides emergency housing relief for individuals who are displaced by a Major Disaster from their principal residences in certain Major Disaster Areas. For low-income buildings financed with exempt facility bonds under § 142, see also Rev. Proc. 2014-50, I.R.B. 2014-37, which provides for emergency housing relief under § 142(d) in response to Major Disasters. This revenue procedure modifies and supersedes Rev. Proc. 2007-54, 2007-2 C.B. 293. See section 5 of this

revenue procedure for definitions of certain capitalized terms appearing throughout this revenue procedure.

SECTION 2. BACKGROUND

.01 Upon issuance of the President's declaration of a Major Disaster, the Federal Emergency Management Agency (FEMA) may designate particular cities, counties, or other local jurisdictions covered by the declaration as eligible for Individual Assistance, Public Assistance, or both.[1] With respect to some previous Presidential declarations of Major Disasters, the Internal Revenue Service (Service) issued notices providing relief from certain requirements under §§ 42 and 142(d) to facilitate emergency housing relief for Displaced Individuals without regard to the income of those Displaced Individuals.[2]

.02 Under §1.42-13(a) of the Income Tax Regulations, the Secretary may provide guidance to carry out the purposes of § 42 through various publications in the Internal Revenue Bulletin.

SECTION 3. CHANGES

.01 Rev. Proc. 2007-54 established temporary relief from certain requirements of § 42 for Owners and Agencies in Major Disaster Areas. In particular, Rev. Proc. 2007-54 (1) provided relief from the carryover allocation provisions; (2) clarified the consequences if an Owner failed to restore a building within a reasonable restoration

[1] FEMA generally publishes this designation in a notice in the Federal Register.

[2] For relief under § 42, see e.g., Notice 2012-7, 2012-4 I.R.B. 308 (flooding in Iowa); Notice 2012-68, 2012-48 I.R.B. 574 (Hurricane Sandy); Notice 2013-40, 2013-25 I.R.B. 1254, and Notice 2013-47, 2013-31 I.R.B. 120 (severe storms and tornadoes in Oklahoma); and Notice 2013-64, 2013-44 I.R.B. 438 (weather-related disasters in Colorado). For relief under § 142(d), see Notice 2013-9, 2013-9 I.R.B. 529 (Hurricane Sandy); Notice 2013-39, 2013-25 I.R.B. 1252, and Notice 2013-47(severe storms and tornadoes in Oklahoma); and Notice 2013-63, 2013-44 I.R.B. 436 (weather-related disasters in Colorado).

period; (3) provided relief from certain compliance monitoring requirements; (4) allowed Agencies to provide relief for buildings severely damaged or destroyed in the first year of the credit period; and (5) described the amount of credit allowable for a restored building.

.02 Rev. Proc. 2007-54 also allowed Owners to rely on the self-certification of income eligibility of an individual who was displaced from his or her principal residence as a result of a Major Disaster and whose principal residence was in a city, county, or other local jurisdiction designated for Individual Assistance by FEMA as a result of the Major Disaster. The self-certification could not extend for more than four months beyond the date of the President's Major Disaster declaration. During the four-month self-certification period, the self-certified tenant was deemed a qualified low-income tenant. After the four-month self-certification period, the self-certified tenant was treated as a qualified low-income tenant only if the Owner obtained all documentation required under § 42 to support the tenant's continued status as a qualified low-income individual.

.03 The key modifications to Rev. Proc. 2007-54 in this revenue procedure include: (1) changing the reasonable restoration period for recapture relief and the tolling period for severely damaged, destroyed, or uninhabitable buildings in the first year of the credit period; (2) in determining qualified basis, using the building's qualified basis at the end of the taxable year immediately preceding the first day of the incident period as determined by FEMA, rather than at the end of the taxable year preceding the President's Major Disaster declaration; (3) incorporating a temporary suspension of certain income limitations for Displaced Individuals; (4) eliminating the need for self-

certification of income eligibility; (5) permitting an Agency to allow an Owner within its jurisdiction to provide emergency housing relief to Displaced Individuals from other jurisdictions; (6) describing the consequences of providing emergency housing relief in the first year of the credit period and after the first year of the credit period; and (7) modifying the safe harbor relating to the amount of credit allowable to a restored building to provide relief in circumstances where the restoration cost is less than the eligible basis cost.

SECTION 4. SCOPE

This revenue procedure applies when the President has declared a Major Disaster. This revenue procedure applies to Displaced Individuals and to all § 42 buildings (including buildings financed with exempt facility bonds under § 142), Agencies, and Owners both inside and outside States containing a Major Disaster Area.

SECTION 5. DEFINITIONS

The following definitions apply for this revenue procedure.

.01 Agency. With respect to a Project, the Agency is the governmental housing credit agency that has jurisdiction over the Project.

.02 Displaced Individual. A Displaced Individual is an individual who is displaced from his or her principal residence as a result of a Major Disaster and whose principal residence was located in a Major Disaster Area designated as eligible for Individual Assistance by FEMA.

.03 Major Disaster. A Major Disaster is an event for which the President has declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq.

.04 Major Disaster Area. A Major Disaster Area is any city, county, or other local jurisdiction for which a Major Disaster has been declared by the President and which has been designated by FEMA as eligible for Individual Assistance, Public Assistance, or both.

.05 Market-Rate Unit. A Market-Rate Unit is a unit that is not a low-income unit under § 42(i)(3).

.06 Owner. An Owner is the owner of a Project.

.07 Project. A Project is a project that is subject to low-income requirements under § 42.

.08 Temporary Housing Period. A Temporary Housing Period is the period, if any, beginning on the first day of the incident period, as determined by FEMA, and ending on the date determined by the Agency under section 12.02 of this revenue procedure.

SECTION 6. RELIEF FOR CARRYOVER ALLOCATIONS

.01 A carryover allocation is defined in § 1.42-6(a)(1) as an allocation that meets the requirements of § 42(h)(1)(E) (relating to carryover allocations for single buildings) or § 42(h)(1)(F) (relating to carryover allocations for multiple-building Projects).

.02 If an Owner has a carryover allocation for a building located in a Major Disaster Area and the incident period for the Major Disaster began prior to the deadline

in § 42(h)(1)(E), the Agency may grant the Owner an extension under section 7 of this revenue procedure. If the Agency grants such an extension, the Service will treat the Owner as having satisfied the 10-percent basis requirement of § 42(h)(1)(E)(ii) if the Owner incurs more than 10 percent of the Owner's reasonably expected basis in the building (land and depreciable basis) no later than the expiration of that extension. See § 1.42-6 for specific rules on carryover allocations.

.03 If an Owner has a carryover allocation for a building located in a Major Disaster Area and the Major Disaster occurs on or after the date of the carryover allocation, the Agency may grant the Owner an extension under section 7 of this revenue procedure. If the Agency grants such an extension, the Service will treat the Owner as having satisfied the placed in service requirement of § 42(h)(1)(E)(i) if the Owner places the building in service no later than the expiration of that extension. See § 1.42-6 for specific rules on carryover allocations.

.04 If either section 6.04(1) or section 6.04(2) of this revenue procedure applies, then the Service will treat the carryover allocation as a credit returned to the Agency on the day following the end of the extension period granted under the authority of section 6.02 of this revenue procedure, provided the Agency complies with the requirements of § 1.42-14(d)(3).

(1) Under the procedure described in section 7 of this revenue procedure, an Owner obtains the relief provided in section 6.02 of this revenue procedure but fails to satisfy the 10-percent basis requirement of § 42(h)(1)(E)(ii) before the expiration of the

extension period granted under the authority of section 6.02. See § 1.42-14 for specific rules on returned credits.

(2) Under the procedure described in section 7 of this revenue procedure, an Owner obtains the relief provided in section 6.03 of this revenue procedure but fails to satisfy the placed in service requirement of § 42(h)(1)(E)(i) before the expiration of the extension period granted under the authority of section 6.03.

SECTION 7. PROCEDURE TO OBTAIN CARRYOVER ALLOCATION RELIEF

.01 An Owner may obtain the carryover allocation relief described in section 6.02 or 6.03 of this revenue procedure only if the Owner receives approval for the relief from the Agency that issued the carryover allocation pursuant to the procedures in this section 7.

.02 The Agency may approve the carryover allocation relief provided in sections 6.02 and 6.03 of this revenue procedure only for Projects whose Owners cannot reasonably satisfy the deadlines of § 42(h)(1)(E) because of a Major Disaster. Depending on the extent of the damage in a Major Disaster Area, an Agency may make this determination on an individual Project basis or determine that all Owners or a particular group of Owners in the Major Disaster Area warrant the relief provided in sections 6.02 and 6.03 of this revenue procedure. An extension under section 6.02 must not extend beyond six months after the date the Owner would otherwise be required to meet the 10-percent requirement of § 42(h)(1)(E)(ii). An extension under section 6.03 must not extend beyond December 31 of the year following the end of the two-year period described in § 42(h)(1)(E)(i). See § 1.42-6 for specific rules on

carryover allocations. Based upon all facts and circumstances, an Agency has the discretion to provide shorter periods of relief than the maximum periods allowed by this section 7.02, or no relief at all.

.03 An Agency that chooses to approve the relief provided in sections 6.02 and 6.03 of this revenue procedure must do so before filing the Form 8610, Annual Low-Income Housing Credit Agencies Report, that covers the preceding calendar year. The Form 8610 is due by February 28 of the year following the year to which the Form 8610 applies.

.04 An Agency that approves the relief under sections 6.02 and 6.03 of this revenue procedure must report to the Service the Projects granted relief by attaching the documentation required in the instructions to Form 8610. The Agency should identify only those buildings, including buildings granted relief in January and February of the year in which the Agency files the Form 8610, that received the Agency's approval of the carryover allocation relief provided in sections 6.02 and 6.03 of this revenue procedure since the Agency last filed the Form 8610.

SECTION 8. RECAPTURE RELIEF

.01 In general, under § 42(j)(1), if (1) a building is beyond the first year of the credit period, and (2) at the end of the taxable year, the building's qualified basis with respect to the taxpayer is less than the qualified basis with respect to the taxpayer at the end of the preceding taxable year, then the credits, if any, for the year of the reduction are determined using the reduced qualified basis, and the taxpayer's Federal

income tax liability for the year of the reduction is increased by the credit recapture amount prescribed in § 42(j)(2).

.02 If the building's qualified basis is reduced by reason of a casualty loss, then under § 42(j)(4)(E), a building is not subject to recapture to the extent the loss is restored by reconstruction or replacement within a reasonable restoration period. The Agency must determine what constitutes a reasonable restoration period in the case of a Major Disaster that causes a reduction in qualified basis that would result in recapture or loss of credit. The reasonable restoration period established by the Agency must not extend beyond the end of the 25th month following the close of the month of the Major Disaster declaration.

.03 To determine the credit amount allowable during the reasonable restoration period for a building described in section 8.02 of this revenue procedure, an Owner must use the building's qualified basis at the end of the taxable year immediately preceding the first day of the incident period for the Major Disaster.

.04 If the Owner fails to restore the building within the reasonable restoration period determined by the Agency, then section 8.01 of this revenue procedure applies to the Owner and section 8.03 of this revenue procedure does not apply. The credit amount allowable, if any, after the Major Disaster is determined using the building's qualified basis at the end of each year of the credit period.

.05 Section 1.42-5(c)(1) requires an Owner to report any reduction in qualified basis to the Agency. This requirement applies regardless of whether an Owner obtains the relief provided in section 8.02 of this revenue procedure.

.06 As part of its review procedure adopted under § 1.42-5(c)(2), an Agency must determine whether the Owner described in section 8.01 of this revenue procedure has restored the building's qualified basis by the end of the reasonable restoration period established by the Agency. The Agency must report on Form 8823, Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition, any failure to restore qualified basis within the reasonable restoration period.

SECTION 9. COMPLIANCE MONITORING RELIEF

.01 An Agency may extend the due date for its scheduled compliance reviews for up to one calendar year from the date of the building's restoration and placement again into service.

.02 The extension permitted under section 9.01 of this revenue procedure does not extend the compliance monitoring deadlines for Owners in Major Disaster Areas. If an Agency discovers that an Owner has failed to comply with the rules of § 42 because of a Major Disaster, the Agency must report the noncompliance on Form 8823 and describe how the Major Disaster contributed to the noncompliance.

SECTION 10. BUILDINGS IN THE FIRST YEAR OF THE CREDIT PERIOD

.01 For buildings during the first year of the credit period that are severely damaged or destroyed in a Major Disaster Area, or uninhabitable as a result of a Major Disaster, an Agency has the discretion to treat the allocation as a returned credit to the Agency in accordance with the requirements of § 1.42-14(d)(3), or may toll the beginning of the first year of the credit period under § 42(f)(1). The tolling period must not extend beyond the end of the 25th month following the close of the month of the

Major Disaster declaration. Owners may not claim any low-income housing credit during the restoration period of these first-year buildings.

.02 An Agency that provides the relief in section 10.01 of this revenue procedure must report to the Service those Projects granted relief by attaching the required documentation as provided in the instructions to Form 8610.

SECTION 11. AMOUNT OF CREDIT ALLOWABLE TO A RESTORED BUILDING

.01 No additional credit for restoration expenditures. If a Major Disaster causes a building to suffer a reduction in qualified basis as described in section 8.01 of this revenue procedure in a taxable year during the compliance period, then § 42 does not allow the Owner to receive any additional credit amounts for costs to restore the building's qualified basis.

.02 Additional credits allowed for rehabilitation expenditures. As a result of either an allocation by an Agency or financing by exempt facility bonds, an Owner may receive an additional amount of credits for rehabilitation expenditures (as described in § 42(e)(2)) if those expenditures are used for rehabilitation and not for restoring qualified basis. A taxpayer may treat as rehabilitation expenditures any expenditures that are described in § 42(e)(2) and that exceed the amount expended for restoration. The amount expended for restoration is generally determined under all of the relevant facts and circumstances. However, if a Major Disaster causes a reduction in qualified basis, the Owner may alternatively treat as restoration expenditures the amount of—

(1) The building's eligible basis immediately before the Major Disaster; multiplied by

(2) The excess, if any, of—

a. 1.0 over

b. The fraction whose numerator is the building's post-Major Disaster qualified basis (determined for this purpose immediately after the Major Disaster) and whose denominator is the building's pre-Major Disaster qualified basis (determined for this purpose immediately before the Major Disaster).

.03 Example.

(a) Facts. Immediately before the Major Disaster described below, a low-income building contained 60 Market-Rate Units and 40 low-income units. Thus, the unit fraction under § 42(c)(1)(C) was 40/100. The eligible basis of the building was $10,000,000. Based on the unit fraction, the qualified basis was $4,000,000, which is the unit fraction multiplied by the eligible basis. A Major Disaster rendered 10 of the low-income units and several of the Market-Rate Units uninhabitable and damaged some building common areas. As a result of this damage to the common areas and to the residential units, the building's eligible basis was reduced to $8,500,000. Thus, immediately after the Major Disaster, the qualified basis is $2,550,000, which is the unit fraction of 30/100 (the unit fraction immediately after the Major Disaster), multiplied by $8,500,000 (the eligible basis at that time).

(b) Analysis. Under section 11.02(2) of this revenue procedure, the restoration amount is $3,625,000, and the building owner may treat any amount expended in excess of the restoration amount as rehabilitation expenditures (assuming the requirements of § 42(e) are met). The restoration amount is derived as the amount of—

a. $10,000,000, which is the building's eligible basis immediately before the Major Disaster; multiplied by

b. 0.3625, which is the excess of—

i. 1.0 over

ii. 0.6375, which is the fraction whose numerator is $2,550,000 (the qualified basis immediately after the Major Disaster) and whose denominator is $4,000,000 (the qualified basis immediately before the Major Disaster).

SECTION 12. EMERGENCY HOUSING RELIEF — REQUIREMENTS AND RESTRICTIONS

.01 Requirements for Relief. For an Owner to use the relief provided in section 13 of this revenue procedure, the conditions in this section 12 must be satisfied.

.02 Agency Approval.

(1) The Agency provides written approval to the Owner for use of the Project to house Displaced Individuals and specifies the date on which the Temporary Housing Period for the Project ends. The Temporary Housing Period cannot exceed 12 months from the end of the month in which the President declared the Major Disaster.

(2) For low-income buildings financed with exempt facility bonds under § 142, see section 5.02 of Rev. Proc. 2014-50, I.R.B. 2014-37.

.03 Protection of Existing Tenants. No existing tenant whose income is, or is treated as, at or below an applicable income limit under § 42(g)(2) may be evicted or otherwise have his or her occupancy terminated solely to provide emergency housing relief for a Displaced Individual.

.04 Recordkeeping Requirements. The Owner complies with the recordkeeping requirements in section 14 of this revenue procedure.

.05 Rent Restrictions. Gross rents for the low-income units that house Displaced Individuals do not exceed the maximum gross rent for those units that would apply under § 42(g)(2).

.06 Project Meets All Remaining Requirements. Except as expressly provided in this revenue procedure, a Project meets all other rules and requirements of § 42.

SECTION 13. EMERGENCY HOUSING RELIEF — IMPLEMENTATION

.01 Discretion to Apply Relief.

(1) This revenue procedure authorizes but does not require provision of emergency housing relief to Displaced Individuals during the Temporary Housing Period. If an Owner chooses not to provide emergency housing relief under sections 12, 13, and 14 of this revenue procedure, then all of the rules under § 42 apply.

(2) If an Owner chooses to provide emergency housing relief under sections 12, 13, and 14 of this revenue procedure then –

(A) The Owner may provide emergency housing relief for less than the full Temporary Housing Period;

(B) If a Displaced Individual has demonstrated qualification as low income and the Owner wishes to accept the individual as a tenant, the Owner may either accept the Displaced Individual as a low-income tenant applying all the rules under § 42 or provide emergency housing relief to the Displaced Individual under sections 12, 13, and 14 of this revenue procedure; and

(C) If a Displaced Individual has not demonstrated qualification as low income and the Owner wishes to accept the individual as a tenant, the Owner may either accept the Displaced Individual as a tenant that is not a low-income tenant or provide emergency housing relief to the Displaced Individual under sections 12, 13, and 14 of this revenue procedure.

.02 Satisfaction of the Non-Transient Use Requirement. The occupancy of a unit in a Project by a Displaced Individual during the Temporary Housing Period is treated as satisfying the non-transient use requirement under § 42(i)(3)(B)(i).

.03 Treatment of Displaced Individuals Under the Next-Available-Unit Rule. During the Temporary Housing Period, for purposes of determining compliance with the next-available-unit rule under § 42(g)(2)(D)(ii), an Owner disregards any unit then occupied by one or more Displaced Individuals and applies the rule based solely on occupancy by persons who are not Displaced Individuals.

.04 Treatment of Units in the First Year of the Credit Period. If a Displaced Individual begins occupancy of a unit at a time that is within both the Temporary Housing Period and the first year of the credit period under § 42(f)(1), then during the Temporary Housing Period, while occupied by the Displaced Individual, the unit is treated as a low-income unit for the following purposes:

(1) Determining the Project's qualified basis under § 42(c)(1); and

(2) Meeting the Project's 20-50 test under § 42(g)(1)(A), 40-60 test under § 42(g)(1)(B), or 25-60 test under §§ 42(g)(4) and 142(d)(6) for New York City, as

applicable. See section 13.06 of this revenue procedure for the treatment of a unit vacated by a Displaced Individual.

.05 Treatment of Units After the First Year of the Credit Period. If a Displaced Individual begins occupancy of a unit during the Temporary Housing Period but after the first year of the credit period under § 42(f)(1), then the unit retains the status it had immediately before that occupancy. That is –

(1) The actual income of the Displaced Individual occupying the unit is disregarded during the Temporary Housing Period for purposes of § 42;

(2) If a unit is a low-income unit, a Market-Rate Unit, or a unit never previously occupied, then the unit remains as such while occupied by a Displaced Individual during the Temporary Housing Period, regardless of the occupancy by, or income of, the Displaced Individual; and

(3) The income of the Displaced Individual occupying the unit does not affect the building's applicable fraction under § 42(c)(1)(B) for purposes of determining the building's qualified basis under § 42(c)(1), nor does it affect the satisfaction of the 20-50 test under § 42(g)(1)(A), 40-60 test under § 42(g)(1)(B), or 25-60 test under §§ 42(g)(4) and 142(d)(6) for New York City, as applicable.

.06 Treatment of a Unit Vacated by a Displaced Individual. If a Displaced Individual vacates a unit in a Project before the end of the Temporary Housing Period, that unit retains the status provided under sections 13.04 or 13.05 of this revenue procedure until it is occupied by the next tenant, even if the next tenant takes occupancy after the end of the Temporary Housing Period. If the next tenant is also a

Displaced Individual and begins occupancy during the Temporary Housing Period, the status of the unit is determined under section 13.04 or 13.05 of this revenue procedure. If the next tenant is not a Displaced Individual or begins occupancy after the end of the Temporary Housing Period, the status of the unit is determined under § 42.

.07 Income Qualifications when Temporary Housing Period Ends.

(1) If a Displaced Individual continues to occupy a unit in the Project at the end of the Temporary Housing Period, then except as provided in section 13.07(3) of this revenue procedure, the status of the unit occupied by the Displaced Individual and the income of that individual are re-evaluated as though the individual commenced occupancy of the unit on the day immediately following the end of the Temporary Housing Period. For example, a unit is a Market-Rate Unit beginning immediately after the end of the Temporary Housing Period if, immediately after the end of the Temporary Housing Period, the Displaced Individual's income exceeds the applicable income limit.

(2) If the Project fails to comply with the set-aside requirement of § 42(g)(1) solely because of continued occupancy of a unit after the Temporary Housing Period by a Displaced Individual, a 60-day period is allowed for correction.

(3) If the Displaced Individual was accepted as a low-income tenant applying all the rules under § 42 as permitted by section 13.01(2)(B) of this revenue procedure, then all the rules under § 42 apply to the Displaced Individual, including § 42(g)(2)(D)(ii).

.08 No Recapture. The emergency housing of Displaced Individuals in low-income units during the Temporary Housing Period (and, if applicable, the 60-day correction period under section 13.07 under this revenue procedure) does not cause the

building to suffer a reduction in qualified basis (which would cause the recapture of low-income housing credits).

SECTION 14. EMERGENCY HOUSING RELIEF — RECORDKEEPING

.01 Owners must maintain certain information concerning each Displaced Individual temporarily housed in the Project under sections 12 and 13 of this revenue procedure. For each Displaced Individual, the records must contain the following items in a statement signed by the Displaced Individual under penalties of perjury:

(1) The name of the Displaced Individual;

(2) The address of the principal residence at the time of the Major Disaster of the Displaced Individual;

(3) The Displaced Individual's social security number; and

(4) A statement that he or she was displaced from his or her principal residence as a result of a Major Disaster and that his or her principal residence was located in a city, county, or other local jurisdiction that is covered by the President's declaration of a Major Disaster and that is designated as eligible for Individual Assistance by FEMA because of the Major Disaster.

.02 The Owner must maintain a record both of the Agency's approval of the Project's use for Displaced Individuals and of the approved Temporary Housing Period. The Owner must report to the Agency at the end of the Temporary Housing Period a list of the names of the Displaced Individuals and the dates the Displaced Individuals began occupancy. The Owner must also provide any dates Displaced Individuals ceased

occupancy and, if applicable, the date each unit occupied by a Displaced Individual becomes occupied by a subsequent tenant.

.03 The Owner must maintain the records described in this section as part of the annual compliance monitoring process with the Agency imposed by § 42 and provide this information to the Service upon request.

SECTION 15. EFFECT ON OTHER DOCUMENTS

This revenue procedure modifies and supersedes Rev. Proc. 2007-54, 2007-2 C.B. 293.

SECTION 16. EFFECTIVE DATE

This revenue procedure is effective for Major Disasters declared on or after August 21, 2014.

SECTION 17. PAPERWORK REDUCTION ACT

The collection of information contained in this revenue procedure has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-2237.

A Federal Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

The collection of information in this revenue procedure is in sections 6, 7, 8, 9, 10, 12, 13, and 14. This information is required to enable the Service to verify whether the Owners and Displaced Individuals satisfy various requirements for the relief provided in this revenue procedure. The collection of information is required to obtain a

benefit. The likely respondents are individuals, businesses, and state and local governments.

The estimated total annual recordkeeping burden is 1,750 hours.

The estimated annual burden per recordkeeper is approximately 30 minutes. The estimated number of recordkeepers is 3,500.

Books or records relating to a collection of information must be retained as long as their contents may become material to the administration of the internal revenue law. Generally, tax returns and tax return information are confidential, as required by § 6103.

SECTION 18. DRAFTING INFORMATION

The principal author of this revenue procedure is David Selig of the Office of Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this revenue procedure contact Mr. Selig at (202) 317-4137 (not a toll free call).

Administrative, Procedural, and Miscellaneous

26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.
(Also Part 1, §§ 142 and 42; 1.103-8)

Rev. Proc. 2014-50

SECTION 1. PURPOSE

In the context of a Major Disaster, this revenue procedure provides temporary relief from certain requirements of § 142(d) of the Internal Revenue Code for Issuers and Operators. This revenue procedure also provides emergency housing relief for individuals who are displaced by a Major Disaster from their principal residences in certain Major Disaster Areas. This revenue procedure provides relief for both Bond Projects and Bond/LIHTC Projects. For Bond/LIHTC Projects, see also Rev. Proc. 2014-49, I.R.B. 2014-37, which provides for emergency housing relief under § 42 in response to Major Disasters. See section 4 of this revenue procedure for definitions of certain capitalized terms appearing throughout this revenue procedure.

SECTION 2. BACKGROUND

.01 Upon issuance of the President's declaration of a Major Disaster, the Federal Emergency Management Agency (FEMA) may designate particular cities, counties, or other local jurisdictions covered by the declaration as eligible for Individual Assistance, Public Assistance, or both.[1] With respect to some previous Presidential declarations of Major Disasters, the Internal Revenue Service (Service) issued notices providing relief from certain requirements under §§ 42 and 142(d) to facilitate emergency housing relief for Displaced Individuals without regard to the income of those Displaced Individuals.[2]

.02 Generally, under § 103, private activity bonds that are not qualified bonds within the meaning of § 141 are not tax-exempt. Section 141(e) provides in part that the term "qualified bond" means any private activity bond if such bond is an exempt facility bond, and § 142(a) provides in part that the term "exempt facility bond" means any bond issued as part of an issue 95 percent or more of the net proceeds of which are to be used to provide qualified residential rental projects. To be a qualified residential rental project, a residential rental housing project must meet the requirements in § 142(d). The requirements include the following rules.

[1] FEMA generally publishes this designation in a notice in the Federal Register.

[2] For relief under § 42, see e.g., Notice 2012-7, 2012-4 I.R.B. 308 (flooding in Iowa); Notice 2012-68, 2012-48 I.R.B. 574 (Hurricane Sandy); Notice 2013-40, 2013-25 I.R.B. 1254, and Notice 2013-47, 2013-31 I.R.B. 120 (severe storms and tornadoes in Oklahoma); and Notice 2013-64, 2013-44 I.R.B. 438 (weather-related disasters in Colorado). For relief under § 142(d), see Notice 2013-9, 2013-9 I.R.B. 529 (Hurricane Sandy); Notice 2013-39, 2013-25 I.R.B. 1252, and Notice 2013-47(severe storms and tornadoes in Oklahoma); and Notice 2013-63, 2013-44 I.R.B. 436 (weather-related disasters in Colorado).

(1) At all times during the qualified project period, a specified percentage of the residential units must be occupied by individuals whose income does not exceed applicable income limits (the set-aside requirements). § 142(d)(1) and (d)(6).

(2) The qualified project period begins on the first day on which 10 percent of the residential units in the Project are occupied and ends on the latest of (a) the date that is 15 years after the date on which 50 percent of the residential units in the Project are occupied, (b) the first day on which no tax-exempt private activity bond issued with respect to the Project is outstanding, or (c) the date on which any assistance provided with respect to the Project under section 8 of the United States Housing Act of 1937 terminates. § 142(d)(2)(A).

(3) Generally, if the income of an occupant of a residential unit was at or below the applicable income limits when occupancy of that unit began, the occupant's income is treated as continuing to be at or below those limits throughout that occupant's occupancy. If, however, the income of the occupant rises above a specified percentage of the applicable income limit, the occupant's income is treated as continuing to be at or below the applicable income limit only if the next available unit in the same project that meets certain criteria is occupied by a person whose income is at or below the applicable income limit (the next-available-unit rule). § 142(d)(3)(B).

(4) The Owner may elect to treat the project as a deep rent skewed project, in which case certain modifications to the next-available-unit rule, an additional set-aside requirement, and certain rent restrictions apply. § 142(d)(4).

(5) Under regulations issued under the predecessor to § 142(d), units in a qualified residential rental project cannot be used on a transient basis. § 1.103-8(b)(4)(i) of the Income Tax Regulations.

SECTION 3. SCOPE

This revenue procedure applies when the President has declared a Major Disaster. This revenue procedure applies to Displaced Individuals and to all Projects, Issuers, and Operators both inside and outside States containing a Major Disaster Area.

SECTION 4. DEFINITIONS

The following definitions apply for this revenue procedure.

.01 Agency. With respect to a Bond/LIHTC Project, the Agency is the governmental housing credit agency that has jurisdiction over the Project.

.02 Bond Project. A Bond Project is a Project that is not subject to the low-income housing credit requirements under § 42.

.03 Bond/LIHTC Project. A Bond/LIHTC Project is a Project that is also subject to the low-income housing credit requirements under § 42.

.04 Displaced Individual. A Displaced Individual is an individual who is displaced from his or her principal residence as a result of a Major Disaster and whose principal residence was located in a Major Disaster Area designated as eligible for Individual Assistance by FEMA.

.05 Issuer. The Issuer is the entity that issued tax-exempt, exempt facility bonds for a Project under §§ 142(d) and 103.

.06 Low-Income Individual. A Low-Income Individual is an individual whose income either is at or below the applicable income limit or is treated as at or below the applicable income limit under § 142(d)(3)(B).

.07 Major Disaster. A Major Disaster is an event for which the President has declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq.

.08 Major Disaster Area. A Major Disaster Area is any city, county, or other local jurisdiction for which a Major Disaster has been declared by the President and which has been designated by FEMA as eligible for Individual Assistance, Public Assistance, or both.

.09 Market-Rate Unit. A Market-Rate Unit is a unit occupied by an individual that is not a Low-Income Individual.

.10 Operator. The Operator of a Project is the person to whom the Issuer or Owner delegates responsibility for ensuring that the Project continues to meet the requirements applicable to qualified residential rental projects under §§ 142(d) and 103. (That person may be, but does not have to be, the Owner.)

.11 Owner. An Owner is the owner of a Project.

.12 Project. A Project is a qualified residential rental project that is financed with exempt facility bonds under § 142(d), whether or not it is also subject to the low-income housing credit requirements under § 42.

.13 Temporary Housing Period. A Temporary Housing Period is the period, if any, beginning on the first day of the incident period, as determined by FEMA, and

ending on the date determined by the Issuer under section 5.02 of this revenue procedure.

SECTION 5. EMERGENCY HOUSING RELIEF — REQUIREMENTS AND RESTRICTIONS

.01 Requirements for Relief. For an Operator to use the relief provided in section 6 of this revenue procedure, the conditions in this section 5 must be satisfied.

.02 Issuer Approval.

(1) The Issuer provides written approval to the Operator for use of the Project to house Displaced Individuals and specifies the date on which the Temporary Housing Period for the Project ends. The Temporary Housing Period cannot exceed 12 months from the end of the month in which the President declared the Major Disaster.

(2) Issuer approval is required even if a Bond/LIHTC Project subject to Rev. Proc. 2014-49 receives approval from the Agency (as contemplated in Section 12.02(1) of Rev. Proc. 2014-49). An Issuer that provides approval for a Bond/LIHTC Project must adopt for purposes of § 142(d) and this revenue procedure the same Temporary Housing Period that the Agency adopts for purposes of § 42 for that Bond/LIHTC Project.

.03 Protection of Existing Tenants. No existing tenant whose income is, or is treated as, at or below an applicable income limit under § 142(d) may be evicted or otherwise have his or her occupancy terminated solely to provide emergency housing relief for a Displaced Individual.

.04 Recordkeeping Requirements. The Operator complies with the recordkeeping requirements in section 7 of this revenue procedure.

.05 Rent Restrictions. If units are treated as occupied by Low-Income Individuals under section 6 of this revenue procedure because they house Displaced Individuals, then rent restrictions are applicable in deep rent skewed Projects and in Bond/LITHC Projects. In these cases, the amounts that the Displaced Individuals are charged as gross rent must satisfy §§ 142(d)(4)(B) and 42(g)(2) to the extent that those provisions are applicable.

.06 Project Meets All Remaining Requirements. Except as expressly provided in this revenue procedure, a Project meets all other rules and requirements of §§ 142(d) and 103.

SECTION 6. EMERGENCY HOUSING RELIEF — IMPLEMENTATION

.01 Discretion to Apply Relief.

(1) This revenue procedure authorizes but does not require provision of emergency housing relief to Displaced Individuals during the Temporary Housing Period. If an Operator chooses not to provide emergency housing relief under sections 5, 6, and 7 of this revenue procedure, then all of the rules under § 142(d) apply.

(2) If an Operator chooses to provide emergency housing relief under sections 5, 6, and 7 of this revenue procedure then –

(A) The Operator may provide emergency housing relief for less than the full Temporary Housing Period;

(B) If a Displaced Individual has demonstrated qualification as low income and the Operator wishes to accept the individual as a tenant, the Operator may either accept the Displaced Individual as a low-income tenant applying all the rules under § 142(d) or

provide emergency housing relief to the Displaced Individual under sections 5, 6, and 7 of this revenue procedure; and

(C) If a Displaced Individual has not demonstrated qualification as low income and the Operator wishes to accept the individual as a tenant, the Operator may either accept the Displaced Individual as a tenant that is not a low-income tenant or provide emergency housing relief to the Displaced Individual under sections 5, 6, and 7 of this revenue procedure.

.02 Satisfaction of the Non-Transient Use Requirement. The occupancy of a unit in a Project by a Displaced Individual during the Temporary Housing Period is treated as satisfying the non-transient use requirement under § 1.103-8(b)(4).

.03 Treatment of Displaced Individuals Under the Next-Available-Unit Rule. During the Temporary Housing Period, for purposes of determining compliance with the next-available-unit rule under §142(d)(3)(B), an Operator disregards any unit then occupied by one or more Displaced Individuals and applies the rule based solely on occupancy by persons who are not Displaced Individuals. See sections 6.04 and 6.05 of this revenue procedure for the treatment of income of Displaced Individuals for purposes of § 142(d).

.04 Income Qualification of Units in Bond Projects During Temporary Housing Period. If a Displaced Individual begins occupancy of a unit in a Bond Project during the Temporary Housing Period, then the unit retains the status it had immediately before that occupancy. The actual income of the Displaced Individual occupying the unit is disregarded during the Temporary Housing Period for purposes of § 142(d). That is—

(1) If a unit in a Bond Project was a unit occupied by a Low-Income Individual, a Market-Rate Unit, a unit never previously occupied, or an unavailable unit, then the unit remains as such while occupied by a Displaced Individual during the Temporary Housing Period, regardless of the occupancy by, or income of, the Displaced Individual. See Rev. Proc. 2004-39, 2004-2 C.B. 49 (treating never previously occupied units as unavailable).

(2) The income of the Displaced Individual occupying the unit does not affect whether the Bond Project satisfies the set-aside requirement, including the additional set-aside requirement for deep rent skewed Projects.

.05 Income Qualification of Units in Bond/LIHTC Projects During Temporary Housing Period. During the Temporary Housing Period, a unit in a Bond/LIHTC Project then occupied by a Displaced Individual is treated for purposes of § 142(d) in a manner similar to how it is treated for purposes of § 42 under Rev. Proc. 2014-49. That is, during the Temporary Housing Period –

(1) The actual income of the Displaced Individual occupying the unit is disregarded for purposes of § 142(d);

(2) To the extent provided in Rev. Proc. 2014-49, if a Displaced Individual takes occupancy of a unit in a Bond/LIHTC Project during the first year of the credit period, the unit is treated as a unit occupied by a Low-Income Individual; and if, after the first year of the credit period, a Displaced Individual begins occupancy of a unit, that unit retains the status that it had before occupancy by the Displaced Individual, whether as a unit occupied by a Low-Income Individual, a Market-Rate Unit, a unit never previously occupied, or an unavailable unit, as the case may be.

.06 Treatment of a Unit Vacated by a Displaced Individual.

(1) If a Displaced Individual vacates a unit in a Project before the end of the Temporary Housing Period, that unit retains the status provided under section 6.04 or section 6.05 of this revenue procedure until it is occupied by the next tenant, even if the next tenant takes occupancy after the end of the Temporary Housing Period. If the next tenant is also a Displaced Individual and begins occupancy during the Temporary Housing Period, the status of the unit is determined under section 6.04 or 6.05 of this revenue procedure. If the next tenant is not a Displaced Individual or begins occupancy after the end of the Temporary Housing Period, the status of the unit is determined under § 142(d).

(2) For as long as a unit retains its status because of the application of this section 6.06, the relief provided under section 6.08 of this revenue procedure applies to that unit. In particular, the unit is disregarded for determining the start of the qualified project period.

.07 Income Qualifications when Temporary Housing Period Ends.

(1) If a Displaced Individual continues to occupy a unit in the Project at the end of the Temporary Housing Period, then except as provided in section 6.07(3) of this revenue procedure, the status of the unit occupied by the Displaced Individual and the income of that individual are re-evaluated as though the individual commenced occupancy of the unit on the day immediately following the end of the Temporary Housing Period. For example, a unit is a Market-Rate Unit beginning immediately after the end of the Temporary Housing Period if, immediately after the end of the Temporary Housing Period, the Displaced Individual's income exceeds the applicable income limit.

(2) If the Project fails to comply with the set-aside requirement of § 142(d) solely because of continued occupancy of a unit after the Temporary Housing Period by a Displaced Individual, a 60-day period is allowed for correction.

(3) If the Displaced Individual was accepted as a low-income tenant applying all the rules under § 142(d) as permitted by section 6.01(2)(B) of this revenue procedure, then all the rules under § 142(d) apply to the Displaced individual, including § 142(d)(3)(B).

.08 Qualified Project Period.

(1) Start of the Qualified Project Period. Occupancy of a unit by a Displaced Individual during the Temporary Housing Period does not count for determining the beginning of the qualified project period under § 142(d)(2)(A). Thus, this occupancy is not used to determine the first day on which 10 percent of the residential units in a Project are occupied for purposes of § 142(d)(2)(A).

(2) End of the Qualified Project Period. Occupancy of a unit in a Project by any tenant (whether a Displaced Individual or someone who is not a Displaced Individual) counts for purposes of determining the end of the qualified project period under § 142(d)(2)(A)(i). However, solely for purposes of § 142(d)(2)(A)(iii), the Project is treated as continuing to receive assistance under section 8 of the United States Housing Act of 1937 until the end of the Temporary Housing Period plus 180 days.

SECTION 7. EMERGENCY HOUSING RELIEF — RECORDKEEPING

.01 Operators must maintain certain information concerning each Displaced Individual temporarily housed in the Project under sections 5 and 6 of this revenue

procedure. For each Displaced Individual, the records must contain the following items in a statement signed by the Displaced Individual under penalties of perjury:

(1) The name of the Displaced Individual;

(2) The address of the principal residence at the time of the Major Disaster of the Displaced Individual;

(3) The Displaced Individual's social security number; and

(4) A statement that he or she was displaced from his or her principal residence as a result of a Major Disaster and that his or her principal residence was located in a city, county, or other local jurisdiction that is covered by the President's declaration of a Major Disaster and that is designated as eligible for Individual Assistance by FEMA because of the Major Disaster.

.02 The Operator must maintain a record both of the Issuer's approval of the Project's use for Displaced Individuals and of the approved Temporary Housing Period. The Operator must report to the Issuer at the end of the Temporary Housing Period a list of the names of the Displaced Individuals and the dates the Displaced Individuals began occupancy. The Operator must also provide any dates Displaced Individuals ceased occupancy and, if applicable, the date each unit occupied by a Displaced Individual becomes occupied by a subsequent tenant.

.03 The Operator must maintain the records described in this section as part of the annual compliance monitoring process imposed under § 142(d) and provide this information to the Service upon request. For purposes of § 42, Operators of Bond/LIHTC Projects are also subject to the recordkeeping requirements of Rev. Proc. 2014-49.

SECTION 8. EFFECTIVE DATE

This revenue procedure is effective for Major Disasters declared on or after August 21, 2014.

SECTION 9. PAPERWORK REDUCTION ACT

The collection of information contained in this revenue procedure has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-2237.

A Federal Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

The collection of information in this revenue procedure is in section 7. This information is required to enable the Service to verify whether the Operators and Displaced Individuals satisfy various requirements for the relief provided in this revenue procedure. The collection of information is required to obtain a benefit. The likely respondents are individuals, businesses, and state and local governments.

The estimated total annual recordkeeping burden is 675 hours.

The estimated annual burden per recordkeeper is approximately 30 minutes. The estimated number of recordkeepers is 1,350.

Books or records relating to a collection of information must be retained as long as their contents may become material to the administration of the internal revenue law. Generally, tax returns and tax return information are confidential, as required by § 6103.

SECTION 10. DRAFTING INFORMATION

The principal authors of this revenue procedure are Timothy L. Jones and Spence Hanemann of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact Mr. Hanemann at (202) 317-6980 (not a toll-free call).

Notice of Building Casualty Loss or Damage

The Puerto Rico Housing Finance Authority (PRHFA) must be notified of any loss resulting from a major event such as the damage to a building/unit, which causes a household being transferred or removed from the unit, or if an occupied unit will not pass a Uniform Physical Conditions Standards (UPCS) inspection.

Internal Revenue Code Section 42(j)(4)(E) states that buildings which are allocated tax credits are protected from recapture of credits due to a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period. Low-Income Housing Credit Owners must report the casualty loss of a building to PRHFA within 30 days from the loss. **Complete a separate form for each building** and submit to the address below:

Send completed form to:
Puerto Rico Housing Finance Authority
Federal Funds Compliance Office
PO Box 71361
San Juan, PR 00936-8461

Date Notified to PRHFA: _____ **Date of Loss/Damage: _____**

Project Name	
LIHTC No.	
Project Address	
City/Zip	

Building Affected Building Identification No. (BIN)	**PR-**
Unit(s) Affected	

Ownership Entity Name	
Contact Name	
Address	
City, State, Zip	

Management Company	
Management Contact	
Phone/Cell	
Email	

Total Loss: ☐ Partial Loss: ☐

Type of Loss: Fire ☐ Flood ☐ Roof Leak ☐ Other: ☐ (Specify) _____

No. of Low-Income Units Affected: _____ No. of Low-Income Households Displaced: _____

Write a brief description of the loss. Identify any causes of the loss. Attach separate pages if needed.

Estimated Back in Compliance Date: _____

Description of the Correction(s) to be Taken. Attach separate pages if needed.

Under penalties of perjury, the undersigned certifies that the information presented herein is true, correct, and complete to the best of their knowledge and belief. The undersigned further understands that providing false representation herein constitutes an act of fraud. False, misleading or incomplete information will result in noncompliance.

Signature of Authorized Representative Reporting Loss:

Signature: _____ Print Name: _____

Title: _____ Company: _____

Phone: _____ Email: _____

Back in Compliance and all Noncompliance Corrected

Under penalties of perjury, the undersigned certifies that the information presented herein is true, correct, and complete to the best of their knowledge and belief. The undersigned further understands that providing false representation herein constitutes an act of fraud. False, misleading or incomplete information will result in noncompliance.

This certification is made by the development owner and is signed by a duly authorized representative of the development owner. I hereby certify, under penalty of perjury, that all repairs to the above related address(es) are complete, and the unit is either occupied or ready for occupancy. Attach any relevant photographs.

Date Back in Compliance: _____

Signature of Owner's Representative:

Signature: _____ Print Name: _____

Title: _____ Company: _____

Phone: _____ Email: _____

CARTA CIRCULAR NÚM. 2020-02
PROGRAMA DE SEGURO HIPOTECARIO (LEY 87)

PARA ESTABLECER EL REQUISITO DE RECIBIR CERTIFICACIÓN DE UN INGENIERO (CIVIL O ESTRUCTURAL) EN CASOS PRÓXIMOS A CONCLUIR EL PROCESO DE PAGO DE RECLAMACIÓN Y UNA CERTIFICACIÓN DE UN TASADOR EN CASOS PARA EMITIR EL CERTIFICADO DE SEGURO PARA EL PROGRAMA DE SEGURO HIPOTECARIO ADMINISTRADO POR LA AUTORIDAD PARA EL FINANCIAMIENTO DE LA VIVIENDA DE PUERTO RICO

POR CUANTO, mediante la Ley Núm. 87 del 25 de junio de 1965, según enmendada, se creó el Programa de Seguro Hipotecario ("Programa"), el cual, entre otras cosas, ayuda a promover y financiar vivienda a personas de ingresos bajos o moderados en Puerto Rico.

POR CUANTO, la Autoridad para el Financiamiento de la Vivienda de Puerto Rico ("Autoridad") como administrador de este Programa ha promulgado el Reglamento 7699, según enmendado y Cartas Circulares que regulan la operación y administración del mismo.

POR CUANTO, Puerto Rico ha sido afectado por actividad sísmica desde el pasado 28 de diciembre de 2019, cuando ocurrió un terremoto de magnitud de 4.7 grados en la escala sismológica Richter. Posteriormente, el 7 de enero de 2020, ocurrió uno de gran intensidad de 6.4 grados, seguido de otros que han ocurrido posteriormente (secuencia sísmica) que han ocasionado daños considerables en muchas estructuras gubernamentales, comerciales privadas y residenciales en todo Puerto Rico, aunque los efectos mayores los sufren municipios del sur y suroeste de la Isla.

POR CUANTO, aunque estos movimientos telúricos se han sentido en toda la Isla, al presente los municipios incluidos en la declaración de desastre por el Federal Emergency Management Administration (FEMA) son: Adjuntas, Arecibo, Cabo Rojo, Ciales, Corozal, Guánica, Guayanilla, Hormigueros, Jayuya, Juana Díaz, Lajas, Lares, Las Marías, Maricao, Mayagüez, Morovis, Orocovis, Peñuelas, Ponce, Sabana Grande, San Germán, San Sebastián, Utuado, Villalba y Yauco.

POR CUANTO, con el ánimo de que se protejan los mejores intereses del Gobierno de Puerto Rico y de la Autoridad, es necesario establecer unos controles para que los casos que serán asegurados o los que estén en proceso de reclamación, se puedan verificar antes de ocurrir la cesión, para confirmar que la misma esté estructuralmente segura.

POR TANTO, el Director Ejecutivo de la Autoridad, en su rol de administrador del Programa de Seguro Hipotecario (Ley 87), dispone lo siguiente:

a. Todo préstamo hipotecario que vaya a ser asegurado por el Programa de Seguro Hipotecario (Ley 87), y a ser comprado por el Programa *Third Party Origination* (TPO) o por alguna otra institución, se le requerirá al banco hipotecario y/o cooperativa una certificación del tasador utilizado para el caso, que incluya una certificación que indique: **basado en la visita de inspección realizada a la unidad en cuestión, certificamos que no se encontraron daños visibles substanciales que hayan afectado la integridad estructural de la unidad.** El lenguaje de la certificación deberá ser exactamente como se expone en la oración anterior. Si el tasador dentro de sus conocimientos y la inspección realizada a la propiedad no puede emitir dicha certificación, el caso no podrá ser asegurado.

b. En el caso de alguna reclamación que no haya sido pagada y ya cuente con el *Mortgage Insurance Claims Analysis (*MICA*)* tendrán veinte (20) días laborables para someter la certificación del ingeniero (civil o estructural) donde certifique que: **basado en la visita de inspección realizada a la unidad en cuestión certificamos que no se encontraron daños visibles substanciales que hayan afectado la integridad estructural de la unidad.** El lenguaje de la certificación deberá ser exactamente como se expone en la oración anterior.

c. En los casos de reclamaciones donde no se ha enviado el MICA a la institución que se beneficiará, deberán esperar a que el mismo sea emitido. Cuando lo reciban, el banco reclamante determinará si en efecto continuará con el proceso o no. De ser afirmativo, la institución tendrá quince (15) días laborables para someter la certificación del ingeniero sobre la condición de la propiedad.

d. Si la certificación del ingeniero confirma que la propiedad no es estructuralmente segura para ser habitada, será razón suficiente para que la reclamación sea rechazada.

e. El costo de dicha certificación será considerado como un gasto reembolsable en el proceso de la reclamación. Este gasto tendrá un tope de seiscientos dólares ($600) por casos en el área metropolitana y de mil dólares ($1,000) para los casos fuera del área metropolitana-Isla.

f. Los municipios considerados como área metro son: Dorado, Toa Baja, Toa Alta, Cataño, Bayamón, Guaynabo, San Juan, Trujillo Alto y Carolina. Los restantes municipios serán considerados como Isla.

g. Las anteriores disposiciones aplicarán a todos los casos a ser asegurados o pagados mediante el proceso de reclamación; independientemente si la propiedad está o no localizada en uno de los municipios incluidos en la declaración de desastre.

Esta Carta Circular será efectiva de inmediato y la misma ha sido aprobada el 18 de febrero de 2020.

Pablo G. Muñiz Reyes
Director Ejecutivo Interino

GOVERNMENT OF PUERTO RICO
Puerto Rico Housing Finance Authority

May 6, 2020

CIRCULAR LETTER 2020-03

Owners, Developers and Managers of
Low-Income Housing Tax Credit Properties

EXTENSIONS TO LOW-INCOME HOUSING TAX CREDIT DEADLINES

On March 13, 2020, Mr. Donald J. Trump, President of the United States, issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration **FEMA-4493-DR: Attachment A**).

Furthermore, on April 10, the Internal Revenue Service published Notice 2020-23 (**Attachment B**) providing additional relief for taxpayers affected by the coronavirus pandemic. The notice provides that taxpayers have until July 15, 2020, to perform specified time-sensitive actions due to be performed on or after April 1, 2020, and before July 15, 2020. While the notice does not specifically reference any Housing Credit, it applies the July 15 deadline to all time-sensitive actions included in IRS Revenue Procedure 2018-58: **Attachment C**, which includes numerous deadlines related to this program.

As a result of this ruling, taxpayers now have until July 15, 2020, to perform any of the sensitive actions below if they were originally due to be performed on or after April 1, 2020, and before July 15, 2020.

Housing Credit Deadlines:

1. The 10 percent test requirement as referenced in Section 42(h)(1)(E) and (F)
2. The 24-month period in which the requisite amount of rehabilitation expenditures has to be incurred as required in Section 42(e)(3)(A)(ii)
3. The annual owner certification of compliance as required in regulation 1.42-5(c)(1)
4. The annual tenant income certification requirement in regulation 1.42-5(c)(1)(iii)
5. The requirement to notarize a binding agreement by the fifth day following the end of the month in which the binding agreement was made as referenced in regulation 1.42-8(a)(3)(v)

PO Box 71361
San Juan, PR 00936-8461

Urb. Altamira
638 Aldebarán St.
San Juan, PR 00920-4226
(787) 765-7577

PRHFA | PUERTO RICO HOUSING FINANCE AUTHORITY

6. The requirement to notarize a binding agreement by the fifth day following the end of the month in which the tax-exempt bonds are issued as referenced in regulation 1.42-8(b) (1)(vii)
7. The 10-year rule for claiming credits on an existing building as required in Section 42(d)(2)(D)(i)(IV)
8. The minimum set-aside requirement as referenced in Section 42(g)(3)(A)
9. The requirement that a low-income housing commitment must be in effect as of the beginning of the year for a building to receive credit as referenced in Section 42(h)(6)(J)

Additionally, IRS Revenue Procedure 2014-49 (**RP-2014-49: Attachment D**) provides guidance for carryover allocations in effect prior to the beginning of the major disaster declaration incident period and allows the extension of: (1) up to six (6) months from the date of the original 10 percent test deadline and (2) up to one (1) year beyond December 31st of the year following the end of the two (2) year period required to place in service a project. The temporary relief provisions stipulated by RP-2014-49 may be available to the Owners only upon Puerto Rico Housing Finance Authority's (PRHFA) review and approval. Owners of projects in major disaster areas must submit a formal written request for relief, including documentation to validate their request, on or before **June 14, 2020**.

In the event the IRS publishes additional guidelines, we will notify you immediately. Should you have any questions, please call Mr. Javier E. Trogolo at Javier.e.trogolo@afv.pr.gov or Ms. María I. Martínez at mmartinez@afv.pr.gov.

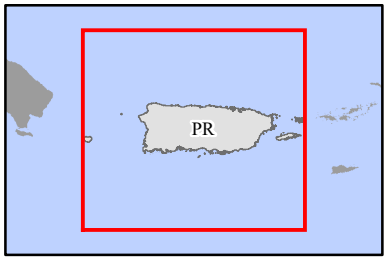
Cordially,

Pablo G. Muñiz Reyes
Executive Director

Attachments

FEMA-4493-DR, Puerto Rico Disaster Declaration as of 03/27/2020

FEMA



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

Designated Counties

Public Assistance (Category B)

Public Assistance:
Emergency protective measures (Category B), including direct federal assistance, for all areas in the Commonwealth of Puerto Rico.

N
W E
S

0 10 20 30
Miles

Data Sources:
FEMA, ESRI;
Initial Declaration: 03/27/2020
Disaster Federal Registry Notice: 03/27/2020
Datum: North American 1983
Projection: Lambert Conformal Conic

Part III - Administrative, Procedural, and Miscellaneous

Update to Notice 2020-18, Additional Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

Notice 2020-23

I. PURPOSE

On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration). The Emergency Declaration instructed the Secretary of the Treasury "to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a)." Pursuant to the Emergency Declaration, this notice provides relief under section 7508A(a) of the Internal Revenue Code (Code) for the persons described in section III.A of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency. This notice amplifies Notice 2020-18, 2020-15 IRB 590 (April 6, 2020), and Notice 2020-20, 2020-16 IRB 660 (April 13, 2020).

II. BACKGROUND

Section 7508A of the Code provides the Secretary of the Treasury or his delegate (Secretary) with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by the Secretary to be affected by a Federally declared disaster as defined in section 165(i)(5)(A). Pursuant to section 7508A(a), a period of up to one year may be disregarded in determining whether the performance of certain acts is timely under the internal revenue laws.

On March 18, 2020, the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) issued Notice 2020-17 providing relief under section 7508A(a), which postponed the due date for certain Federal income tax payments from April 15, 2020, until July 15, 2020. On March 20, 2020, the Treasury Department and the IRS issued Notice 2020-18, which superseded Notice 2020-17 and provided expanded relief, postponing the due date from April 15, 2020, until July 15, 2020, for filing Federal income tax returns and making Federal income tax payments due April 15, 2020. On March 27, 2020, the Treasury Department and the IRS issued Notice 2020-20, which amplified Notice 2020-18 and provided additional relief, postponing certain Federal gift (and generation-skipping transfer) tax return filings and payments.

This notice further amplifies the relief provided in Notice 2020-18 and Notice 2020-20, providing additional relief to affected taxpayers as described in section III. In addition, section III.D of this notice postpones due dates with respect to certain government acts, and section III.E of this notice postpones the application date to participate in the Annual Filing Season Program.

The relief provided under section 7508A in this notice, Notice 2020-18, and Notice 2020-20, is limited to the relief explicitly provided in these notices and does not apply with respect to any other type of Federal tax, any other type of Federal tax return, or any other time-sensitive act. For information about additional relief that may be available in connection with the COVID-19 emergency, including relief provided to employers that allows them to delay the deposit of certain employment taxes, go to *IRS.gov/Coronavirus*.

III. GRANT OF RELIEF

A. Taxpayers Affected by COVID-19 Emergency

The Secretary of the Treasury has determined that any person (as defined in section 7701(a)(1) of the Code) with a Federal tax payment obligation specified in this section III.A (Specified Payment), or a Federal tax return or other form filing obligation specified in this section III.A (Specified Form), which is due to be performed (originally or pursuant to a valid extension) on or after April 1, 2020, and before July 15, 2020, is affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer). The payment obligations and filing obligations specified in this section III.A (Specified Filing and Payment Obligations) are as follows:

- Individual income tax payments and return filings on Form 1040, U.S. Individual Income Tax Return, 1040-SR, U.S. Tax Return for Seniors, 1040-NR, U.S. Nonresident Alien Income Tax Return, 1040-NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents, 1040-PR, Self-Employment Tax Return - Puerto Rico, and 1040-SS, U.S. Self-Employment Tax Return

(Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico);

- Calendar year or fiscal year corporate income tax payments and return filings on Form 1120, U.S. Corporation Income Tax Return, 1120-C, U.S. Income Tax Return for Cooperative Associations, 1120-F, U.S. Income Tax Return of a Foreign Corporation, 1120-FSC, U.S. Income Tax Return of a Foreign Sales Corporation, 1120-H, U.S. Income Tax Return for Homeowners Associations, 1120-L, U.S. Life Insurance Company Income Tax Return, 1120-ND, Return for Nuclear Decommissioning Funds and Certain Related Persons, 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return, 1120-POL, U.S. Income Tax Return for Certain Political Organizations, 1120-REIT, U.S. Income Tax Return for Real Estate Investment Trusts, 1120-RIC, U.S. Income Tax Return for Regulated Investment Companies, 1120-S, U.S. Income Tax Return for an S Corporation, and 1120-SF, U.S. Income Tax Return for Settlement Funds (Under Section 468B);
- Calendar year or fiscal year partnership return filings on Form 1065, U.S. Return of Partnership Income, and Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return;
- Estate and trust income tax payments and return filings on Form 1041, U.S. Income Tax Return for Estates and Trusts, 1041-N, U.S. Income Tax Return for Electing Alaska Native Settlement Trusts, and 1041-QFT, U.S. Income Tax Return for Qualified Funeral Trusts;

- Estate and generation-skipping transfer tax payments and return filings on Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, 706-NA, United States Estate (and Generation-Skipping Transfer) Tax Return, 706-A, United States Additional Estate Tax Return, 706-QDT, U.S. Estate Tax Return for Qualified Domestic Trusts, 706-GS(T), Generation-Skipping Transfer Tax Return for Terminations, 706-GS(D), Generation-Skipping Transfer Tax Return for Distributions, and 706-GS(D-1), Notification of Distribution from a Generation-Skipping Trust (including the due date for providing such form to a beneficiary);
- Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, filed pursuant to Revenue Procedure 2017-34;
- Form 8971, Information Regarding Beneficiaries Acquiring Property from a Decedent and any supplemental Form 8971, including all requirements contained in section 6035(a) of the Code;
- Gift and generation-skipping transfer tax payments and return filings on Form 709, United States Gift (and Generation-Skipping Transfer) Tax Return that are due on the date an estate is required to file Form 706 or Form 706-NA;
- Estate tax payments of principal or interest due as a result of an election made under sections 6166, 6161, or 6163 and annual recertification requirements under section 6166 of the Code;
- Exempt organization business income tax and other payments and return filings on Form 990-T, Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e) of the Code);

- Excise tax payments on investment income and return filings on Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation, and excise tax payments and return filings on Form 4720, Return of Certain Excise Taxes under Chapters 41 and 42 of the Internal Revenue Code; and
- Quarterly estimated income tax payments calculated on or submitted with Form 990-W, Estimated Tax on Unrelated Business Taxable Income for Tax-Exempt Organizations, 1040-ES, Estimated Tax for Individuals, 1040-ES (NR), U.S. Estimated Tax for Nonresident Alien Individuals, 1040-ES (PR), Estimated Federal Tax on Self Employment Income and on Household Employees (Residents of Puerto Rico), 1041-ES, Estimated Income Tax for Estates and Trusts, and 1120-W, Estimated Tax for Corporations.

The Secretary of the Treasury has also determined that any person performing a time-sensitive action listed in either § 301.7508A-1(c)(1)(iv) – (vi) of the Procedure and Administration Regulations or Revenue Procedure 2018-58, 2018-50 IRB 990 (December 10, 2018), which is due to be performed on or after April 1, 2020, and before July 15, 2020 (Specified Time-Sensitive Action), is an Affected Taxpayer. For purposes of this notice, the term Specified Time-Sensitive Action also includes an investment at the election of a taxpayer due to be made during the 180-day period described in section 1400Z-2(a)(1)(A) of the Code.

B. Postponement of Due Dates with Respect to Certain Federal Tax Returns and Federal Tax Payments

For an Affected Taxpayer with respect to Specified Filing and Payment Obligations, the due date for filing Specified Forms and making Specified Payments is automatically postponed to July 15, 2020.

This relief is automatic; Affected Taxpayers do not have to call the IRS or file any extension forms, or send letters or other documents to receive this relief. However, Affected Taxpayers who need additional time to file may choose to file the appropriate extension form by July 15, 2020, to obtain an extension to file their return, but the extension date may not go beyond the original statutory or regulatory extension date. For example, a Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, may be filed by July 15, 2020, to extend the time to file an individual income tax return, but that extension will only be to October 15, 2020. That extension will not extend the time to pay federal income tax beyond July 15, 2020.

This relief includes not just the filing of Specified Forms, but also all schedules, returns, and other forms that are filed as attachments to Specified Forms or are required to be filed by the due date of Specified Forms, including, for example, Schedule H and Schedule SE, as well as Forms 3520, 5471, 5472, 8621, 8858, 8865, and 8938. This relief also includes any installment payments under section 965(h) due on or after April 1, 2020, and before July 15, 2020. Finally, elections that are made or required to be made on a timely filed Specified Form (or attachment to a Specified Form) shall be timely made if filed on such Specified Form or attachment, as appropriate, on or before July 15, 2020.

As a result of the postponement of the due date for filing Specified Forms and making Specified Payments, the period beginning on April 1, 2020, and ending on July 15, 2020, will be disregarded in the calculation of any interest, penalty, or addition to tax for failure to file the Specified Forms or to pay the Specified Payments postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Specified Filing and Payment Obligations will begin to accrue on July 16, 2020.

C. Relief With Respect to Specified Time-Sensitive Actions

Affected Taxpayers also have until July 15, 2020, to perform all Specified Time-Sensitive Actions, that are due to be performed on or after April 1, 2020, and before July 15, 2020. This relief includes the time for filing all petitions with the Tax Court, or for review of a decision rendered by the Tax Court, filing a claim for credit or refund of any tax, and bringing suit upon a claim for credit or refund of any tax. This notice does not provide relief for the time period for filing a petition with the Tax Court, or for filing a claim or bringing a suit for credit or refund if that period expired before April 1, 2020.

D. Postponement of Due Dates with Respect to Certain Government Acts

This notice also provides the IRS with additional time to perform the time-sensitive actions described in § 301.7508A-1(c)(2) as provided in this section III.D (Time-Sensitive IRS Action). Due to the COVID-19 emergency, IRS employees, taxpayers, and other persons may be unable to access documents, systems, or other resources necessary to perform certain time-sensitive actions due to office closures or state and local government executive orders restricting activities. The lack of access to those documents, systems, or resources will materially interfere with the IRS's ability to

timely administer the Code. As a result, IRS employees will require additional time to perform time-sensitive actions.

Accordingly, the following persons (as defined in section 7701(a)(1) of the Code) are "Affected Taxpayers" for the limited purpose of this section III.D:

- persons who are currently under examination (including an investigation to determine liability for an assessable penalty under subchapter B of Chapter 68);
- persons whose cases are with the Independent Office of Appeals; and
- persons who, during the period beginning on or after April 6, 2020 and ending before July 15, 2020, file written documents described in section 6501(c)(7) of the Code (amended returns) or submit payments with respect to a tax for which the time for assessment would otherwise expire during this period.

With respect to those Affected Taxpayers, a 30-day postponement is granted for Time-Sensitive IRS Actions if the last date for performance of the action is on or after April 6, 2020, and before July 15, 2020.

As a result of the postponement of the time to perform Time-Sensitive IRS Actions, the 30-day period following the last date for the performance of Time-Sensitive IRS Actions will be disregarded in determining whether the performance of those actions is timely.

This section III.D is subject to review and further postponement, as appropriate.

E. Extension of Time to Participate in the Annual Filing Season Program

Revenue Procedure 2014-42, 2014-29 IRB 192, created a voluntary Annual Filing Season Program to encourage tax return preparers who do not have credentials

as practitioners under Treasury Department Circular No. 230 (*Regulations Governing Practice before the Internal Revenue Service*) to complete continuing education courses for the purpose of increasing their knowledge of the law relevant to federal tax returns. Tax return preparers who complete the requirements in Rev. Proc. 2014-42 receive an annual Record of Completion. Under Rev. Proc. 2014-42, applications to participate in the Annual Filing Season Program for the 2020 calendar year must be received by April 15, 2020. The 2020 calendar year application deadline is postponed to July 15, 2020.

IV. EFFECT ON OTHER DOCUMENTS

Notice 2020-18 and Notice 2020-20 are amplified. Rev. Proc. 2014-42 is modified, applicable for calendar year 2020.

V. DRAFTING INFORMATION

The principal author of this notice is Jennifer Auchterlonie of the Office of Associate Chief Counsel, Procedure and Administration. For further information regarding this notice, you may call the COVID-19 Disaster Relief Hotline at (202) 317-5436 (not a toll-free call). For further information regarding estate, gift, trust, and generation-skipping transfer tax issues related to this notice, please contact Daniel Gespass, of CC:PSI: Br. 4 at (202) 317-6859 (not a toll-free call).

Part III

Administrative, Procedural, and Miscellaneous

26 CFR 301.7508-1: Time for performing certain acts postponed by reason of service in a combat zone or a federally-declared disaster.
(Also: Part I, § § 7508, 7508A; § § 301.7508-1, 301.7508A-1.)

Rev. Proc. 2018-58

SECTION 1. PURPOSE AND NATURE OF CHANGES

.01 This revenue procedure provides an updated list of time-sensitive acts, the performance of which may be postponed under sections 7508 and 7508A of the Internal Revenue Code (Code). Section 7508 postpones specified acts for individuals serving in the Armed Forces of the United States or serving in support of such Armed Forces in a combat zone or serving with respect to a contingency operation (as defined in 10 U.S.C. § 101(a)(13)). Section 7508A permits a postponement of the time to perform specified acts for taxpayers affected by a federally declared disaster or a terroristic or military action. The list of acts in this revenue procedure supplements the list of postponed acts in section 7508(a)(1) and § 301.7508A-1(c)(1)(vii) of the Procedure and Administration

Regulations. Rev. Proc. 2007-56, 2007-2 C.B. 388, is superseded.

.02 This revenue procedure does not, by itself, provide any postponements under section 7508A. In order for taxpayers to be entitled to a postponement of any act listed in this revenue procedure, the Internal Revenue Service (IRS) generally will publish a notice or issue other guidance (including an IRS News Release) providing relief with respect to a federally declared disaster, or a terroristic or military action. See section 4.01 of this revenue procedure.

.03 For purposes of section 7508, this revenue procedure sets forth a list of such other acts that are postponed as contemplated by section 7508(a)(1)(K). Unlike section 7508A, when a taxpayer qualifies under section 7508, all of the acts listed in section 7508(a)(1) are postponed. Therefore, when a taxpayer qualifies under section 7508, the acts listed in this revenue procedure are also postponed for that taxpayer, regardless of whether the IRS publishes a notice or issues other guidance.

.04 This revenue procedure will be updated as needed if the IRS determines that additional acts should be included in the list of postponed acts or that certain acts should be removed from the list. Also, taxpayers may recommend that additional acts be considered for postponement under sections 7508 and 7508A. See section 18 of this revenue procedure.

.05 When a federally declared disaster occurs, IRS guidance usually postpones the time to perform the acts listed in § 301.7508A-1(c)(1) as well as in this revenue procedure. However, because the acts listed in the regulations under the disaster relief

provision are only postponed when disaster relief is provided, when an individual qualifies for relief by virtue of service in a combat zone, the time for performing the acts listed in the regulations is not postponed. Thus, to ensure that individuals serving in or serving in support of the Armed Forces in a combat zone or contingency operation receive a postponement of time to perform the acts listed in the regulations, this revenue procedure includes these acts.

SECTION 2. BACKGROUND

.01 Section 7508(a)(1) of the Code permits a postponement of certain time-sensitive acts for individuals serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President as a combat zone under section 112(c)(2), or serving with respect to a contingency operation (as defined in 10 U.S.C. § 101(a)(13)). Among these acts are the filing of certain returns, the payment of certain taxes, the filing of a United States Tax Court petition for redetermination of a deficiency, and the filing of a refund claim. In the event of service in a combat zone or service with respect to a contingency operation, the acts specified in section 7508(a)(1) are automatically postponed. This revenue procedure sets forth a list of such other acts that are also automatically postponed as contemplated by section 7508(a)(1)(K). In addition, the IRS may include acts not listed in this revenue procedure in any other published guidance (including an IRS News Release) related to the combat zone or contingency operation.

.02 Section 7508A provides that certain acts performed by taxpayers and the

government may be postponed if the taxpayer is affected by a federally declared disaster or a terroristic or military action. Prior to 2008, section 7508A(a) referred to a "Presidentially declared disaster," defined in section 1033(h)(3). The Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (2008 Act), P.L. 110-343, Division C, § 706(a)(2)(D)(vii), amended section 7508A(a) to refer to a "federally declared disaster," defined in section 165(h)(3)(C)(i). Section 706(a)(1) of the 2008 Act amended section 165(h) to provide the definition of a "federally declared disaster." Effective December 19, 2014, the Tax Technical Corrections Act of 2014 (2014 Act), P.L. 113-295, § 221(a)(27), removed the definition of "federally declared disaster" from section 165(h)(3) and placed it in section 165(i)(5). However, the 2014 Act did not amend section 7508A(a) with the new cross-reference for the definition of a "federally declared disaster." Effective March 23, 2018, the Consolidated Appropriations Act, 2018, P.L. 115-141, § 401(b)(10) amended section 7508A(a) to reflect the cross-reference for the definition of a "federally declared disaster" in section 165(i)(5)(A). However, the regulations under section 7508A have yet to be revised to change the reference to the definition of a federally declared disaster. A "terroristic or military action" is defined in section 692(c)(2). Section 301.7508A-1(d)(1) defines seven types of affected taxpayers, including any individual whose principal residence (for purposes of section 1033(h)(4)) is located in a "covered disaster area" and any business entity or sole proprietor whose principal place of business is located in a "covered disaster area." Postponements under section 7508A are not available simply because a disaster or a terroristic or military action has occurred. Generally, the IRS will publish a notice or

issue other guidance (including an IRS News Release) authorizing the postponement. See section 4.01 of this revenue procedure.

SECTION 3. SCOPE

This revenue procedure applies to individuals serving in the Armed Forces of the United States in a combat zone, or serving in support of such Armed Forces, individuals serving with respect to contingency operations, affected taxpayers by reason of federally declared disasters within the meaning of § 301.7508A-1(d)(1), or taxpayers whom the IRS determines are affected by a terroristic or military action. Section 17 of this revenue procedure also applies to transferors who are not affected taxpayers but who are involved in a section 1031 like-kind exchange transaction and are entitled to relief under section 17.02(2) of this revenue procedure.

SECTION 4. APPLICATION

.01 As provided by § 301.7508A-1(e), in the event of a federally declared disaster or terroristic or military action, the IRS will issue a news release, or other guidance, authorizing the postponement of acts described in this revenue procedure, that defines which taxpayers are considered “affected taxpayers,” and describes the acts postponed, the duration of the postponement, and the location of the covered disaster area. See, for example, IR-2018-199 (summarizing the relief provided for Hurricane Michael). The guidance may provide for postponement of only certain acts listed in this revenue procedure based on the time when the disaster occurred, its severity, and other factors.

Unless the notice or other guidance for a particular disaster provides that the relief is limited, the guidance will generally postpone all of the acts listed in the regulations and this revenue procedure.

.02 Provisions of the internal revenue laws requiring the timely performance of specified acts postponed under sections 7508 and 7508A are listed in the tables below. In addition, section 17 of this revenue procedure expands the categories of taxpayers qualifying for relief to include transferors of certain property and provides additional postponements of deadlines solely with respect to section 1031 like-kind exchange transactions that are affected by a federally declared disaster. If an IRS News Release or other guidance is issued with respect to a specific federally declared disaster and authorizes postponement of acts in this revenue procedure, affected taxpayers may use the postponement rules provided in section 17 of this revenue procedure in lieu of section 6 of this revenue procedure. Transferors who are covered by the like-kind exchange rules of section 17 of this revenue procedure, but who are not "affected taxpayers" as defined by the IRS News Release, other guidance, or § 301.7508A-1(d)(1) are not eligible for relief under section 7508A or other sections of this revenue procedure.

.03 The following tables may, but do not necessarily include, acts specified in sections 7508 or 7508A and the regulations thereunder. Thus, for example, no mention is made in the following tables of the filing of tax returns or the payment of taxes (or an installment thereof) because these acts are already covered by sections 7508 and 7508A and the applicable regulations. Also, the following tables generally do not refer

to making elections required to be made on tax returns or attachments thereto, or the filing of any form required to be attached to the return, because postponement of the filing of a tax return automatically postpones the time for making any election required to be made on the return or an attachment thereto, or the filing of any form required to be attached to the return. For example, the Form 5471, "Information Return of U.S. Persons With Respect to Certain Foreign Corporations" is required to be attached to the taxpayer's tax return (or, if applicable, partnership or exempt organization return). Accordingly, the Form 5471 is not included in this revenue procedure because the postponement of the filing of the tax return (or other return) automatically postpones the time to file Form 5471. In addition, these tables generally do not refer to the filing of information returns or furnishing of statements. However, postponed acts relating to information reporting (other than year-end deadlines) are set forth in section 14.02 of this revenue procedure.

This revenue procedure, however, does include acts that are postponed under § 301.7508A-1(c)(1). The regulation lists acts that may be postponed when there has been a federally declared disaster, but does not apply to postpone acts for individuals serving in, or serving in support of, the Armed Forces of the United States in a combat zone or contingency operation. For example, § 301.7508A-1(c)(1)(iii) provides a postponement for certain contributions to and distributions from qualified retirement plans. This revenue procedure also includes these acts to reflect that they are postponed for individuals serving in, or serving in support of, the Armed Forces of the United States in a combat zone or contingency operation.

.04 The following tables refer only to postponement of acts performed by taxpayers. Additional guidance will be published in the Internal Revenue Bulletin if a decision is made that acts performed by the government may be postponed under section 7508A. See, for example, Notice 2005-82, 2005-47 I.R.B. 978. Additional guidance will also be published if a decision is made to provide some form of relief in connection with a federally declared disaster other than a postponement of acts. See, for example, Rev. Procs. 2014-50, 2014-37 I.R.B. 540, and 2014-49, 2014-37 I.R.B. 535.

SECTION 5. ACCOUNTING METHODS AND PERIODS

Statute or Regulation	Act Postponed
1. Chapter 1, Subchapter E of the Code	Any act relating to the adoption, election, retention, or change of any accounting method or accounting period, or to the use of an accounting method or accounting period, that is required to be performed on or before the due date of a tax return (including extensions). Examples of such acts include (a) the requirements in Rev. Procs. 2006-45, 2006-45 I.R.B. 851, 2006-46, 2006-45 I.R.B. 859, 2002-39, 2002-1 C.B. 1046, and 2003-62, 2003-2 C.B. 299, that Form 1128, Application to Adopt, Change, or Retain a Tax Year, be filed with the Director, Internal Revenue Service Center, on or before the due date (or the due date including extensions) of the tax return for the short period required to effect the change in accounting period; and (b) the requirement in Rev. Proc. 2015-13, 2015-5 I.R.B. 419, section 6.03(1), as amended by Rev. Proc. 2018-1, 2018-1 I.R.B. 1, section 9.05(2), that an Application for Change in Accounting Method (Form 3115) must be filed with the timely filed (including extensions) original tax return for the

year of the accounting method change and that a duplicate copy of the Form 3115 must be filed with the IRS in Covington, Kentucky, no later than when the original Form 3115 is filed.

2. Sec. 1.381(c)(4)-1(d)(2)	If the acquiring corporation is not permitted to use the method of accounting previously used by it, the method of accounting used by the distributor/transferor corporation, or the principal method of accounting, or if the acquiring corporation wishes to use a new method of accounting, then the acquiring corporation must apply to the Commissioner to use another method. Section 1.381(c)(4)-1(d)(2)(iii) provides that applications are due by the later of (1) the due date for filing the application as specified in § 1.446-1(e), or (2) the earlier of (a) the day that is 180 days after the date of distribution or transfer, or (b) the day on which the acquiring corporation files its federal income tax return for the taxable year in which the distribution or transfer occurred.

3. Sec. 1.381(c)(5)-1(d)(2)	If the acquiring corporation is not permitted to use the inventory method previously used by it, or the inventory method used by the distributor/transferor corporation, or the principal inventory method of accounting, or wishes to use a new inventory method of accounting, then the acquiring corporation must apply to the Commissioner to use another method. Section 1.381(c)(5)-1(d)(2)(iii) provides that applications are due by the later of (1) the due date for filing the application as specified in § 1.446-1(e), or (2) the earlier of (a) the day that is 180 days after the date of distribution or transfer, or (b) the day on which the acquiring corporation files its federal income tax return for the tax year in which the distribution or transfer occurred.
4. Sec. 1.442-1(b)(1)	In order to secure prior approval of an adoption, change, or retention of a taxpayer's annual accounting period, the taxpayer generally must file an application on Form 1128, Application to Adopt, Change, or Retain a Tax Year, with the Commissioner within such time as is provided in administrative procedures published by the Commissioner from time to time. See, for example, Rev. Proc. 2006-45, 2006-2 C.B. 851; Rev. Proc. 2006-46, 2006-2 C.B. 859;

	Rev. Proc. 2003-62, 2003-2 C.B. 299; and Rev. Proc. 2002-39, 2002-1 C.B. 1046.
5. Sec. 1.444-3T(b)(1)	A section 444 election must be made by filing Form 8716, Election to Have a Tax Year Other Than a Required Tax Year, with the Service Center. Generally, Form 8716 must be filed by the earlier of (a) the 15th day of the fifth month following the month that includes the first day of the taxable year for which the election will first be effective, or (b) the due date (without regard to extensions) of the income tax return resulting from the section 444 election.
6. Sec. 1.446-1(e)(2)(i)	Section 6.03(1) of Rev. Proc. 2015-13 requires a taxpayer that is changing a method of accounting within the terms of the revenue procedure pertaining to automatic method changes to attach the application form to the timely filed return for the year of change. Section 6.03(4)(a) of Rev. Proc. 2015-13 grants an automatic extension of six months from the due date of the return (excluding extensions) within which to file an amended return with the application

	for the change following a timely filed original return (including extensions) for the year of change.
7. Sec. 1.446-1(e)(3)(i)	To secure the Commissioner's consent to a change in method of accounting that is not an automatic method change, the taxpayer must file an application on Form 3115, Application for Change in Accounting Method, with the Commissioner during the taxable year in which the taxpayer desires to make the change in method of accounting (i.e., must be filed by the last day of such taxable year). This filing requirement is also in Rev. Proc. 2015-13, section 6.03(2).
8. Sec. 451(g)	Section 451(g) permits a taxpayer using the cash receipts and disbursements method of accounting who derives income from the sale or exchange of livestock in excess of the number he would sell if he followed his usual business practices to elect (which election is deemed valid if made within the period described in section 1033(e)(2)) to include such income for the taxable year following the taxable year of such sale or exchange if, under his usual business practices, the sale or exchange would not have occurred if

	it were not for drought, flood, or other weather-related conditions and that such conditions resulted in the area being designated as eligible for Federal assistance.
9. Sec. 1.7519-2T(a)(1)-(4)	A partnership or S corporation must file a Form 8752, Required Payment or Refund Under Section 7519, if the taxpayer has made an election under section 444 to use a taxable year other than its required taxable year and the election is still in effect. The Form 8752 must be filed and any required payment must be made by the date stated in the instructions to Form 8752.
10. Rev. Proc. 92-29, 1992-1 C.B. 748, Section 6.02	A developer of real estate requesting the Commissioner's consent to use the alternative cost method must file a private letter ruling request within 30 days after the close of the taxable year in which the first benefited property in the project is sold. The request must include the information described in section 6.04 of the revenue procedure and a consent extending the period of limitation on the assessment of income tax with respect to the use of the alternative cost method.

SECTION 6. BUSINESS AND INDIVIDUAL TAX ISSUES

Statute or Regulation	Act Postponed
1. Sec. 1.71-1T(b), Q&A-7	A payor spouse may send cash to a third party on behalf of a spouse that qualifies for alimony or separate maintenance payments if the payments are made to the third party at the written request or consent of the payee spouse. The request or consent must state that the parties intend the payment to be treated as an alimony payment to the payee spouse subject to the rules of section 71. The payor spouse must receive the request or consent prior to the date of filing of the payor spouse's first return of tax for the taxable year in which the payment was made. Section 1.71-1T(b), Q&A 7, will no longer apply to divorce or separation instruments entered into after December 31, 2018, or to any divorce or separation instruments entered into before December 31, 2018, that are modified after that date if the modification expressly provides that the amendments to section 71 made by section 11051 of "An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018," P.L. 115–97, apply to the modification.

2. Sec. 1.110-1(b)(4)(ii)(A)	The lessee must expend its construction allowance on the qualified long-term real property within 8 1/2 months after the close of the taxable year in which the construction allowance was received.
3. Sec. 118(c)(2)	A contribution in aid of construction received by a regulated public utility that provides water or sewerage disposal services must be expended by the utility on qualifying property before the end of the second taxable year after the year in which it was received by the utility.
4. Sec. 170(f)(12)(C)	A taxpayer claiming a charitable contribution deduction of more than $500 for a gift of a qualified vehicle must obtain a written acknowledgment of the contribution by the donee organization within 30 days of the contribution or the sale of the vehicle by the donee organization, as applicable.
5. Sec. 1.170A-5(a)(2)	A contribution of an undivided present interest in tangible personal property shall be treated as made upon receipt by the donee of a formally executed and acknowledged deed of gift. The period of initial possession by the donee may not be deferred for more than one year.

6. Sec. 172(b)(1)	A taxpayer entitled to a carryback period for a farming loss under § 172(b)(1)(B) may elect to relinquish the carryback period for any taxable year. The taxpayer must make the election by the due date of the taxpayer's federal income tax return (including extensions) for the taxable year of the net operating loss for which the election is to be effective.
7. Sec. 172(b)(3)	A taxpayer entitled to a carryback period under section 172(b)(1) may elect to relinquish the entire carryback period with respect to a net operating loss for any taxable year. The taxpayer must make the election by the due date of the taxpayer's federal income tax return (including extensions) for the taxable year of the net operating loss for which the election is to be effective.

8. Sec. 172(g)(6)	A taxpayer entitled to a 10-year carryback under section 172(b)(1)(C) (as in effect on December 31, 2017, and relating to certain specified liability losses) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to that section. The taxpayer must make the election by the due date of the taxpayer's federal income tax return (including extensions) for the taxable year of the net operating loss.
9. Sec. 172(h)(3)	A taxpayer entitled to a 5-year carryback period under section 172(b)(1)(G) (as in effect on December 31, 2017, and relating to certain farming losses) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to that section. The taxpayer must make the election by the due date of the taxpayer's federal income tax return (including extensions) for the taxable year of the net operating loss.
10. Sec. 468A(g)	A taxpayer that makes payments to a nuclear decommissioning fund with respect to a taxable year must make the payments within 2 1/2 months after the close of such taxable year (the deemed payment date).

11. Sec. 1.468A-3(h)(1)(v)	A taxpayer must file a request for a schedule of ruling amounts for a nuclear decommissioning fund by the deemed payment date (2 1/2 months after the close of the taxable year for which the schedule of ruling amounts is sought).
12. Sec. 1.468A-3(h)(1)(vii)	A taxpayer has 30 days to provide additional requested information with respect to a request for a schedule of ruling amounts. If the information is not provided within the 30 days, the request will not be considered filed until the date the information is provided.
13. Sec. 529(c)(3)(C)(i)	A rollover contribution to another qualified tuition program or to an ABLE account must be made no later than the 60th day after the date of a distribution from a qualified tuition program.

14. Sec. 529(c)(3)(D)	If a beneficiary receives a refund of qualified higher education expenses from an eligible educational institution, any portion of the distribution refunded that is recontributed to a qualified tuition program of which the individual is the beneficiary not later than 60 days after the refund date is not subject to tax.
15. Sec. 529A(b)(2), Sec. 529A(c)(3)(C)	Excess contributions (and any earnings on the excess) to an ABLE account must be distributed by the due date (including extensions of time) for the filing of designated beneficiary's return for the taxable year in which the contributions were made to ensure that the distribution is not included in the gross income of the designated beneficiary.
16. Sec. 529A(c)(1)(C)(i)	A rollover contribution to another ABLE account must be made no later than the 60th day after the date of a payment or distribution from an ABLE account.

~~17.~~	~~Sec. 529A(c)(4)~~	An ABLE account must be closed no later than the 60th day after the date of a payment or distribution from an ABLE account rolled over to another account for the same beneficiary.
18.	Sec. 529A(d)	A qualified ABLE program must provide certain information concerning the ABLE account to the designated beneficiary by March 15 following the calendar year to which the information relates. In addition, Form 5498-QA, ABLE Account Contribution Information, must be filed with the IRS by May 31 following the calendar year to which the information relates.
19.	Sec. 530(b)(5)	An individual shall be deemed to have made a contribution to a Coverdell education savings account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

20. Sec. 530(d)(4)(C)(i)	Excess contributions (and any earnings on the excess) to a Coverdell education savings account must be distributed before the first day of the sixth month of the following taxable year.
21. Sec. 530(d)(5)	A rollover contribution to another Coverdell education savings account must be made no later than the 60th day after the date of a payment or distribution from a Coverdell education savings account.
22. Sec. 530(h)	A trustee of a Coverdell education savings account must provide certain information concerning the account to the beneficiary by January 31 following the calendar year to which the information relates. In addition, Form 5498-ESA, Coverdell ESA Contribution Information, must be filed with the IRS by May 31 following the calendar year to which the information relates.

23. Sec. 563(a)	In the determination of the dividends paid deduction for purposes of the accumulated earnings tax imposed by section 531, a dividend paid after the close of any taxable year and on or before the 15th day of the fourth month following the close of such taxable year shall be considered as paid during such taxable year. The close of the taxable year is not affected by this revenue procedure; the 3 1/2 -month period within which the dividend is paid is the period extended.
24. Sec. 563(b)	In the determination of the dividends paid deduction for purposes of the personal holding company tax imposed by section 541, a dividend paid after the close of any taxable year and on or before the 15th day of the fourth month following the close of such taxable year shall, to the extent the taxpayer elects in its return for the taxable year, be considered as paid during such taxable year. The close of the taxable year is not affected by this revenue procedure; the 3 1/2 -month period within which the dividend is paid is the period extended.

25. Sec. 563(c)	For the purpose of applying section 562(a), with respect to distributions under subsection (a) or (b) of section 562, a distribution made after the close of the taxable year and on or before the 15th day of the fourth month following the close of the taxable year shall be considered as made on the last day of such taxable year. The close of the taxable year is not affected by this revenue procedure; the 3 1/2 - month period within which the dividend is paid is the period extended.
26. Sec. 1031(a)(3)	In a deferred exchange, property otherwise qualified as like-kind property under section 1031 is treated as like-kind property if the 45-day identification period and the 180-day exchange period requirements under section 1031(a)(3) and § 1.1031(k)-1(b)(2) are met. See also section 17 of this revenue procedure.

27.	Sec. 1031	Property held in a qualified exchange accommodation arrangement may qualify as “replacement property” or “relinquished property” under section 1031 if the requirements of section 4 of Rev. Proc. 2000-37, 2000-2 C.B. 308, modified by Rev. Proc. 2004-51, 2004-2 C.B. 294, are met, including the 5-business day period to enter into a qualified exchange accommodation agreement (QEAA), the 45-day identification period, the 180-day exchange period, and the 180-day combined time period. See also section 17 of this revenue procedure.
28.	Sec. 1033	An election respecting the nonrecognition of gain on the involuntary conversion of property (§ 1.1033(a)-2(c)(1) and (2)) is required to be made within the time periods specified in § 1.1033(a)-2(c)(3), § 1.1033(g)-1(c), section 1033(e)(2)(A), or section 1033(h)(1)(B), as applicable.

29.	Sec. 1043(a)	If an eligible person (as defined under section 1043(b)) sells any property pursuant to a certificate of divestiture, then at the election of the taxpayer, gain from such sale shall be recognized only to the extent that the amount realized on such sale exceeds the cost of any permitted property purchased by the taxpayer during the 60-day period beginning on the date of such sale.
30.	Sec. 1045(a)	A taxpayer other than a corporation may elect to roll over gain, to the extent permitted under section 1045(a) and (b), from the sale of qualified small business stock held for more than six months to another qualified small business stock, if other qualified small business stock is purchased by the taxpayer during the 60-day period beginning on the date of sale.
31.	Sec. 1382(d)	An organization, to which section 1382(d) applies, is required to pay a patronage dividend within 8 1/2 months after the close of the year.

32. Sec. 1388(j)(3)(A)	Any cooperative organization that exercises its option to net patronage gains and losses, is required to give notice to its patrons of the netting by the 15th day of the ninth month following the close of the taxable year.
33. Sec. 301.7701-3(c)	The effective date of an entity classification election (Form 8832, Entity Classification Election) cannot be more than 75 days prior to the date on which the election is filed.
34. Sec. 301.9100-2(a)(1)	An automatic extension of 12 months from the due date for making a regulatory election is granted to make certain elections described in § 301.9100-2(a)(2), including the election to use other than the required taxable year under section 444, and the election to use the last-in, first out (LIFO) inventory method under section 472.

35. Sec. 301.9100-2(b)-(d)	An automatic extension of six months from the due date of a return, excluding extensions, is granted to make the regulatory or statutory elections whose due dates are the due date of the return or the due date of the return including extensions (for example, a taxpayer has an automatic six-month extension to file an application to change a method of accounting under Rev. Proc. 2015-13), provided the taxpayer (a) timely filed its original return for the year of election, (b) within that six month extension period, takes the required corrective action to file the election in accordance with the statute, regulations, revenue procedure, revenue ruling, notice, or announcement permitting the election, and (c) writes at the top of the return, statement of election or other form “FILED PURSUANT TO § 301.9100-2.”

SECTION 7. CORPORATE ISSUES

Statute or Regulation	Act Postponed
1. Sec. 302(e)(1)	A corporation must complete a distribution in pursuance of a plan of partial liquidation of a corporation within the specified period.
2. Sec. 303 and Sec. 1.303-2	A corporation must complete the distribution of property to a shareholder in redemption of all or part of the stock of the corporation that (for federal estate tax purposes) is included in determining the estate of a decedent. Section 303 and § 1.303-2 require, among other things, that the distribution occur within the specified period.
3. Sec. 304(b)(3)(C)	If certain requirements are met, section 304(a) does not apply to a transaction involving the formation of a bank holding company. One requirement is that within a specified period (generally two years) after control of a bank is acquired, stock constituting control of the bank is transferred to a bank holding company in connection with the bank holding company's formation.

4. Secs. 316(b)(2)(A) and (B)(ii) and Sec. 1.316-1(b)(2)	A personal holding company may designate as a dividend to a shareholder all or part of a distribution in complete liquidation described in section 316(b)(2)(B) and § 1.316-1(b) within 24 months after the adoption of a plan of liquidation by, inter alia, following the procedure provided by § 1.316-1(b)(5).
5. Sec. 332(b) and Secs. 1.332-3 and 1.332-4	A corporation must completely liquidate a corporate subsidiary within the specified period.
6. Sec. 1.336-2(h)	An election to treat certain stock dispositions as asset sales. The election must be made on certain filers' tax returns that include the "disposition date."
7. Sec. 1.336-1(b)(7)	A seller or S corporation shareholder must complete a "qualified stock disposition" of a target corporation's stock within a 12-month disposition period.
8. Sec. 338(d)(3) and (h), and Sec. 1.338-2	An acquiring corporation must complete a "qualified stock purchase" of a target corporation's stock within the specified acquisition period.

9. Sec. 338(g) and Sec. 1.338-2	An acquiring corporation may elect to treat certain stock purchases as asset acquisitions. The election must be made within the specified period.
10. Sec. 338(h)(10) and Sec. 1.338(h)(10)-1(c)	An acquiring corporation and selling group of corporations may elect to treat certain stock purchases as asset purchases, and to avoid gain or loss upon the stock sale. The election must be made within the specified period.
11. Sec. 1.381(c)(17)-1(c)	An acquiring corporation files a Form 976, Claim for Deficiency Dividends Deductions by a Personal Holding Company, Regulated Investment Company, or Real Estate Investment Trust, within 120 days after the date of the determination under section 547(c) to claim a deduction of a deficiency dividend.

12. Sec. 1.441-3(b)	A personal service corporation may obtain the approval of the Commissioner to adopt, change, or retain an annual accounting period by filing Form 1128, Application to Adopt, Change, or Retain a Tax Year, within such time as is provided in the administrative procedures published by the Commissioner. See Rev. Procs. 2006-46, 2006-2 C.B. 859, and 2002-39, 2002-1 C.B. 1046.
13. Sec. 562(b)(1)(B)	In the case of a complete liquidation (except in the case of a complete liquidation of a personal holding company) occurring within 24 months after the adoption of a plan of liquidation, any distribution within such period pursuant to such plan shall, to the extent of the earnings and profits (computed without regard to capital losses) of the corporation for the taxable year in which such distribution is made, be treated as a dividend for purposes of computing the dividends paid deduction.

14.	Sec. 562(b)(2)	In the case of a complete liquidation of a personal holding company occurring within 24 months after the adoption of a plan of liquidation, the amount of any distribution within such period pursuant to such plan shall be treated as a dividend for purposes of computing the dividends paid deduction to the extent that such amount is distributed to corporate distributees and represents such corporate distributees' allocable share of the undistributed personal holding company income for the taxable year of such distribution.

15. Sec. 597 and Sec. 1.597-4(g)	A consolidated group of which an Institution (as defined by § 1.597-1(b)) is a subsidiary may elect irrevocably not to include the Institution in its affiliated group if the Institution is placed in Agency Receivership (as defined by § 1.597-1(b)), whether or not assets or deposit liabilities of the Institution are transferred to a Bridge Bank (as defined by § 1.597-1(b)). Except as otherwise provided in § 1.597-4(g)(6), a consolidated group makes the election by sending a written statement by certified mail to the affected Institution on or before 120 days after its placement in Agency Receivership.
16. Sec. 1502 and Sec. 1.1502-75(c)(1)(i)	A common parent must apply for permission to discontinue filing consolidated returns within a specified period after the date of enactment of a law affecting the computation of tax liability.

17. Sec. 1502 and Sec. 1.1502-13(f)(5)(ii)(B)	If a member of a consolidated group (S) recognizes gain on the sale of stock of a subsidiary (old T) to another member (B) and B liquidates old T, B must transfer substantially all of old T's assets to a new member (new T) within a specified period of time in order for S's gain on the sale of old T stock to be taken into account based on the new T stock.
18. Sec. 6425 and Sec. 1.6425-1	Corporations applying for an adjustment of an overpayment of estimated income tax must file Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax, on or before the 15th day of the third month after the taxable year, or before the date the corporation first files its income tax return for such year, whichever is earlier.

19. Rev. Proc. 2003-33, 2003-1 C.B. 803, Section 5	If the filer complies with the procedures set forth in the revenue procedure, including a requirement that the filer file Form 8023, Elections Under Section 338 for Corporations Making Qualified Stock Purchases, within the specified period, the filer is granted an automatic extension under § 301.9100-3 to file an election under section 338.

SECTION 8. EMPLOYEE BENEFIT ISSUES

Statute or Regulation	Act Postponed
1. Sec. 72(p)(2)(B) and (C), and Sec. 1.72(p)-1, Q&A-10	A loan from a qualified employer plan to a participant in, or a beneficiary of, such plan must be repaid in accordance with the timing requirements of section 72(p)(2)(B) and the level amortization requirement of section 72(p)(2)(C) (taking into account, if applicable, any cure period granted pursuant to § 1.72(p)-1, Q&A-10(a)).
2. Sec. 72(t)(2)(A)(iv)	To be eligible for the exception to the 10-percent additional tax on a distribution from a qualified retirement plan under section 72(t)(2)(A)(iv), the distribution must be part of a series of substantially equal periodic payments (not less frequently than annually) made over the employee's life (or life expectancy) or the joint lives (or joint life expectancies) of the employee and his or her designated beneficiary.

3. Sec. 72(t)(2)(F), 72(t)(8)(A)	To be eligible for the exception to the 10-percent additional tax on a distribution from an individual retirement plan (IRA) for a first-time home purchase under section 72(t)(2)(F), the distribution must be used by the individual before the close of the 120th day after the day on which such distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer, or under certain circumstances, rolled into an IRA in accordance with section 408(d)(3).
4. Sec. 72(t)(2)(G)(ii)	All or part of a qualified reservist distribution from a retirement plan to an individual called to active duty may be contributed to an IRA within two years after the active duty period ends.
5. Sec. 83(b) and Sec. 1.83-2(b)	If substantially nonvested property to which section 83 applies is transferred to any person, the service provider may elect to include the excess of the fair market value of the property over the amount paid for the property (if any) in gross income for the taxable year in which such property is transferred. This election must occur not later than 30 days after the date the property was transferred.

6. Sec. 83(i)	Qualified employees who are granted stock options or restricted stock units (RSUs) and who later receive stock upon exercise of the option or settlement of the RSU (qualified stock) may elect to defer the recognition of income for up to five years if certain requirements are met. This election must be made not later than 30 days after the first date the rights of the employee in the qualified stock are transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier.
7. Proposed Sec. 1.125-2	Cafeteria plan participants will not be taxed on the permitted taxable benefits if they elect the qualified benefits they will receive before the beginning of the period during which the benefits will be provided.
8. Proposed Sec. 1.125-5(c)	Cafeteria plan participants will not be taxed on unused amounts if, at the end of the plan year, they forfeit amounts elected but not used during the plan year.

9. Proposed Sec. 1.125-1(o)(4)	Cafeteria plan participants may receive the value of unused vacation days in cash on or before the earlier of the last day of the cafeteria plan year or the last day of the employee's taxable year to which the unused days relate.
10. Sec. 1.162-27(e)(2)	A performance goal is considered pre-established if it is established in writing by the corporation's compensation committee not later than 90 days after the commencement of the period of service to which the performance goal relates if the outcome is substantially uncertain at the time the compensation committee actually establishes the goal. In no event, however, will the performance goal be considered pre-established if it is established after 25 percent of the period of service has elapsed.
11. Sec. 219(f)(3)	A contribution to an IRA shall be deemed to have been made by the taxpayer on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed for filing the return (not including extensions thereof) for such taxable year.

12.	Sec. 220(f)(5)	A rollover contribution to an Archer MSA must be made no later than the 60th day after the day on which the account holder receives a payment or distribution from an Archer MSA.
13.	Sec. 220(h)	A trustee or custodian of an MSA (Archer MSA or Medicare+Choice MSA) must provide certain information concerning the MSA to the account holder by January 31 following the calendar year to which the information relates. In addition, MSA contribution information must be furnished to the account holder, and Form 5498-SA filed with the IRS, by May 31 following the calendar year to which the information relates.
14.	Sec. 223(f)(5)	A rollover contribution to a Health Savings Account (HSA) must be made no later than the 60th day after the day on which the account beneficiary receives a payment or distribution from an HSA.

15.	Sec. 223(h)	A trustee or custodian of an HSA must provide certain information concerning the HSA to the account beneficiary by January 31 following the calendar year to which the information relates. In addition, HSA contribution information must be furnished to the account beneficiary, and Form 5498-SA filed with the IRS, by May 31 following the calendar year to which the information relates.

16. Secs. 401(a)(9), 403(a)(1), 403(b)(10), 408(a)(6), 408(b)(3) and 457(d)(2), and Secs. 1.401(a)(9)-4, 1.401(a)(9)-6, A-17, 1.401(a)(9)-8,A-2, 1.403(b)-6(e)(9), and 1.408-8, A-12.	Generally, the first required minimum distribution from plans subject to the rules in section 401(a)(9) must be made no later than the required beginning date, and subsequent required minimum distributions must be made by the end of each distribution calendar year. Certain timing requirements apply for purposes of determining an employee's designated beneficiaries in the year following the employee's death. Distributions under a qualifying longevity annuity contract (QLAC) must be made on or before certain dates. An excess premium under a QLAC must be returned by the end of the calendar year following the calendar year in which it was paid. A non-spousal beneficiary under a QLAC with a set beneficiary designation must be designated by a certain date.

17. Sec. 401(a)(28)(B)(i)	A qualified participant in an ESOP (as defined in section 401(a)(28)(B)(iii)) may elect within 90 days after the close of each plan year in the qualified election period (as defined in section 401(a)(28)(B)(iv)) to direct the plan as to the investment of at least 25 percent of the participant's account in the plan (50 percent in the case of the last election).
18. Sec. 401(a)(28)(B)(ii)	A plan must distribute the portion of the participant's account covered by an election under section 401(a)(28)(B)(i) within 90 days after the period during which an election can be made; or the plan must offer at least three investment options (not inconsistent with regulations prescribed by the Secretary) to each participant making the election under section 401(a)(28)(B)(i) and within 90 days after the period during which the election may be made, the plan must invest the portion of the participant's account in accordance with the participant's election.

19. Sec. 401(a)(30) and Secs. 1.401(a)-30 and 1.402(g)-1	Excess deferrals for a calendar year, plus income attributable to the excess through the end of the calendar year, must be distributed no later than the first April 15 following the calendar year.
20. Sec. 401(b), Sec. 1.401(b)-1, and Rev. Proc. 2016-37, 2016-29 I.R.B. 136	A retirement plan that fails to satisfy the requirements of section 401(a) or section 403(a) on any day because of a disqualifying provision will be treated as satisfying such requirements on such day if, prior to the expiration of the applicable remedial amendment period, all plan provisions necessary to satisfy the requirements of section 401(a) or 403(a) are in effect and have been made effective for the whole of such period.
21. Sec. 401(k)(8)	A cash or deferred arrangement must distribute excess contributions for a plan year, plus income attributable to the excess through the end of the plan year, pursuant to the terms of the arrangement no later than the close of the following plan year.

22. Sec. 401(m)(6)	A plan subject to section 401(m) must distribute excess aggregate contributions for a plan year, plus income attributable to the excess through the end of the plan year, pursuant to the terms of the plan, no later than the close of the following plan year.
23. Secs. 402(c), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)(B)	An eligible rollover distribution may be rolled over to an eligible retirement plan, including an IRA, no later than the 60th day following the day the distributee received the distributed property.
24. Sec. 402(c)(3)(C)	A qualified plan loan offset amount may be rolled over to an eligible retirement plan no later than the due date (including extensions) for filing the return of tax for the taxable year in which such amount is treated as distributed from a qualified employer plan.

25. Sec. 402(g)(2)(A) and Sec. 1.402(g)-1	An individual with excess deferrals for a taxable year must notify a plan not later than the first March 1 following the taxable year that excess deferrals have been contributed to the plan for the taxable year. A distribution of excess deferrals identified by the individual, plus income attributable to the excess through the end of the taxable year, must be made no later than the first April 15 following the taxable year of the excess.
26. Secs. 404(a)(6), 404(h)(1)(B), and 404(m)(2)	A contribution to a qualified retirement plan, a simplified employee pension, or a SIMPLE IRA plan shall be deemed to have been made by the taxpayer on the last day of the preceding taxable year if the contribution is on account of such taxable year and is made not later than the time prescribed for filing the return for such taxable year (including extensions).
27. Sec. 404(k)(2)(A)(ii)	An ESOP receiving dividends on stock of a C corporation maintaining the plan must distribute the dividends in cash to participants or beneficiaries not later than 90 days after the close of the plan year in which the dividends were paid.

28. Sec. 408(d)(4)	A distribution of any contribution made for a taxable year to an IRA shall be included in gross income unless such distribution (which must include earnings attributable to the contribution) is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year.
29. Secs. 408(i) and 6047(c)	A trustee or issuer of an IRA must provide certain information concerning the IRA to the IRA owner by January 31 following the calendar year to which the information relates. In addition, IRA contribution information must be furnished to the owner, and Form 5498 filed with the IRS, by May 31 following the calendar year to which the information relates.

30.	Sec. 408A(d)(6)	If, on or before the date prescribed by law (including extensions of time) for filing the taxpayer's return for a taxable year, a taxpayer transfers in a trustee-to-trustee transfer any contribution (other than a qualified rollover contribution) to an IRA made during such taxable year from such IRA to any other IRA and the transfer includes net earnings attributable to that contribution, then such contribution shall be treated as having been made to the transferee IRA (and not the transferor IRA).

31.	Sec. 409(h)(4)	An employer required to repurchase employer securities under section 409(h)(1)(B) must provide a put option for a period of at least 60 days following the date of distribution of employer securities from an ESOP to a participant, and if the put option is not exercised, for an additional 60-day period in the following plan year. A participant who receives a distribution of employer securities under section 409(h)(1)(B) must have the right to exercise the put option provided by that section for a period of at least 60 days following the date of distribution, or if the put option is not exercised within that period, for an additional 60-day period in the following plan year.
32.	Sec. 409(h)(5)	An employer required to repurchase employer securities distributed as part of a total distribution from an ESOP must pay for the securities in substantially equal periodic payments (at least annually) over a period beginning not later than 30 days after the exercise of the put option and not exceeding five years.

33.	Sec. 409(h)(6)	An employer required to repurchase employer securities distributed as part of an installment distribution from an ESOP must pay for the securities not later than 30 days after the exercise of the put option under section 409(h)(4).
34.	Sec. 409(o)	An ESOP must commence the distribution of a participant's account balance, if the participant elects, not later than one year after the close of the plan year -- i) in which the participant separates from service by reason of attaining normal retirement age under the plan, death or disability; or ii) which is the fifth plan year following the plan year in which the participant otherwise separates from service (except if the participant is reemployed before distribution is required to begin). An ESOP must also, unless the participant elects otherwise, distribute the participant's account balance in substantially equal payments over a period not longer than five years (a longer period applies if the account balance exceeds $800,000, as adjusted for cost of living).

35. Sec. 414(w)(2) and Sec. 1.414(w)-1(c)	An employee can elect a permissible withdrawal from an eligible automatic contribution arrangement (EACA) if the election is made within 90 days of the date of the employee's first elective contribution under the EACA.
36. Sec. 1042(a)(2)	A taxpayer must purchase qualified replacement property (defined in section 1042(c)(4)) within the replacement period, defined in section 1042(c)(3) as the period which begins three months before the date of the sale of qualified securities to an ESOP and ends 12 months after the date of such sale.
37. Sec. 4972(c)(3)	Nondeductible contributions to a qualified employer plan must be distributed prior to a certain date to avoid the imposition of a 10 percent tax.
38. Sec. 4973	Excess contributions to an IRA or certain other tax-favored accounts must be distributed prior to a certain date to avoid the imposition of a six percent tax.

39. Sec. 4979 and Sec. 54.4979-1	A 10 percent tax on the amount of excess contributions and excess aggregate contributions under a plan for a plan year will be imposed unless the excess, plus income through the end of the plan year attributable to the excess is distributed (or, if forfeitable, forfeited) no later than 2 1/2 months (six months in the case of an EACA) after the close of the plan year. In the case of a salary reduction simplified employee pension (SARSEP), the employer must notify employees of the excess and the tax consequences within the 2 1/2 -month period to avoid the tax.

40. Secs. 6057, 6058, and 6059

Form 5500, Annual Return/Report of Employee Benefit Plan; Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan; Form 5500-EZ, Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan (Form 5500 series), which are used to report annual information concerning employee benefit plans and fringe benefit plans, must be filed by a specified time. Form 8955-SSA, Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits, which is used to report information about separated participants with deferred vested benefits under a plan, must be filed by a specified time.

General Advice

Affected filers are advised to follow the instructions accompanying the Form 5500 series or Form 8955-SSA (or other guidance published on the postponement) regarding how to file the forms when postponements are granted pursuant to section 7508 or section 7508A.

Combat Zone Postponements under Section 7508

Individual taxpayers who meet the requirements of section 7508 are entitled to a postponement of the Form 5500 series filing due date under section 7508. The postponement of the Form 5500 series filing due date under section 7508 will also be permitted by the Department of Labor and the Pension Benefit Guaranty Corporation (PBGC) for similarly situated individuals who are plan administrators.

Postponements for Federally Declared Disasters and Terroristic or Military Actions under Section 7508A

In the case of "affected taxpayers," as defined in § 301.7508A-1(d), the IRS may permit a postponement of the Form 5500 series filing due date. Taxpayers who are unable on a timely basis to obtain information necessary for completing the forms from a bank, insurance company, or any other service provider because such service provider's operations are located in a covered disaster area will be treated as "affected taxpayers." Whatever

postponement of the Form 5500 series filing due date is permitted by the IRS under section 7508A will also be permitted by the Department of Labor and PBGC for similarly situated plan administrators and direct filing entities.

41. Sec. 6343(f)

If the Secretary determines that an individual's account or benefit under an eligible retirement plan (including an IRA) has been wrongfully levied upon (or that the levy was premature or otherwise not in accordance with administrative procedures of the Secretary), and property or an amount of money is returned to the individual, the individual may roll over the property or amount (plus interest paid) to an eligible retirement plan no later than the due date (not including extensions) for the filing of the return of tax for the taxable year in which the property or amount is returned.

42. Rev. Proc. 2016-51, 2016-42 I.R.B. 466, Sections 9.02(1) and (2)	The correction period for self-correction of operational failures is the last day of the second plan year following the plan year for which the failure occurred, except that a special rule applies in the case of a failure to satisfy section 401(k)(3) or 401(m)(2). The correction period for self-correction of operational failures for transferred assets does not end until the last day of the first plan year that begins after the corporate merger, acquisition, or other similar employer transaction.

43. Rev. Proc. 2018-4, Appendix A, Section .09(1)	If a plan is not required to file a Form 5500 series return, for Voluntary Correction Program (VCP) user fee purposes, the amount of net assets generally will be the amount as of the last day of the most recently completed plan year preceding the date of the VCP submission. However, if this information has not been compiled by the time the plan sponsor is ready to make a VCP submission to the IRS, the plan sponsor may use the amount of net assets associated with the most recently completed prior plan year for which information on the amount of net assets is available. This exception will not apply if the VCP submission is mailed to the IRS more than seven months after the close of the most recently completed plan year preceding the date of the VCP submission.

44. Rev. Proc. 2016-51, Section 14.03	If an examination of a plan in the Audit Closing Agreement Program (Audit CAP) involves a plan with transferred assets and the IRS determines that no new incidents of the failures that relate to the transferred assets occurred after the end of the second plan year that begins after the corporate merger, acquisition, or other similar employer transaction, the sanction under Audit CAP will not exceed the sanction that would apply if the transferred assets were maintained as a separate plan.

SECTION 9. ESTATE, GIFT AND TRUST ISSUES

Statute or Regulation	Act Postponed
1. Sec. 643(g)	The trustee may elect to treat certain payments of estimated tax as paid by the beneficiary. The election shall be made on or before the 65th day after the close of the taxable year of the trust.
2. Sec. 645 and Sec. 1.645-1(c)	An election to treat a qualified revocable trust as part of the decedent's estate must be made by filing Form 8855, Election To Treat a Qualified Revocable Trust as Part of an Estate, by the due date (including extensions) of the estate's Federal income tax return for the estate's first taxable year, if there is an executor, or by the due date (including extensions) of the trust's Federal income tax return for the trust's first taxable year (treating the trust as an estate), if there is no executor.

3. Sec. 663(b) and Sec. 1.663(b)-2	The fiduciary of a trust or estate may elect to treat any amount properly paid or credited to a beneficiary within the first 65 days following the close of the taxable year as an amount that was properly paid or credited on the last day of such taxable year. If a return is required to be filed for the taxable year for which the election is made, the election shall be made on such return no later than the time for making such return (including extensions). If no return is required to be filed, the election shall be made in a separate statement filed with the internal revenue office with which a return would have been filed, no later than the time for making a return (including extensions).

4. Sec. 664, Sec. 642, and Sec. 4947, and Secs. 1.664-1, 1.642(c)-5, and 53.4947-1	All charitable remainder trusts described under section 664, all pooled income funds described under section 642(c)(5), and all other trusts that meet the definition of a split-interest trust under section 4947(a)(2) must file an annual return, Form 5227, Split-Interest Trust Information Return, to report financial activities, provide information about charitable deductions and distributions, and determine if the trust is treated as a private foundation and subject to certain excise taxes on or before the 15th day of the fourth month following the close of the taxable year. In addition, a charitable remainder trust must give each recipient of a current distribution a Schedule K-1 (Form 1041) that reflects that recipient's current distribution.
5. Sec. 2011(c)	The executor of a decedent's estate must file a claim for a credit for state estate, inheritance, legacy or succession taxes by filing a claim within four years of filing Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return. (Section 2011 does not apply to estates of decedents dying after December 31, 2004; see section 2058).

6. Sec. 2014(e)	The executor of a decedent's estate must file a claim for foreign death taxes within four years of filing Form 706.
7. Sec. 2016 and Sec. 20.2016-1	If an executor of a decedent's estate (or any other person) receives a refund of any state or foreign death taxes claimed as a credit on Form 706, the IRS must be notified within 30 days of receipt. (Section 2016 is amended effective for estates of decedents dying after December 31, 2004; see section 2058).
8. Sec. 2031(c)	If an executor of a decedent's estate elects on Form 706 to exclude a portion of the value of land that is subject to a qualified conservation easement, agreements relating to development rights must be implemented within two years after the date of the decedent's death.
9. Sec. 2032(d)	The executor of a decedent's estate may elect an alternate valuation on a late filed Form 706 if the Form 706 is not filed later than one year after the due date.

10. Sec. 2032A(c)(7)	A qualified heir, with respect to specially valued property, is provided a two-year grace period immediately following the date of the decedent's death in which the failure by the qualified heir to begin using the property in a qualified use will not be considered a cessation of qualified use and therefore will not trigger additional estate tax.
11. Sec. 2032A(d)(3)	The executor of a decedent's estate has 90 days after notification of incomplete information/signatures to provide the information/signatures to the IRS regarding an election on Form 706 with respect to specially valued property.
12. Sec. 2046	A taxpayer may make a qualified disclaimer no later than nine months after the later of the date of the transfer creating the interest, or the date the taxpayer attains age 21.

13. Sec. 2053(d) and Secs. 20.2053-9(c) and 10(c)	If the executor of a decedent's estate elects to take a deduction for state and foreign death tax imposed upon a transfer for charitable or other uses, the executor must file a written notification to that effect with the IRS before expiration of the period of limitations on assessments (generally three years). (Section 2053 is amended effective for estates of decedents dying after December 31, 2004, to apply only with respect to foreign death taxes).
14. Sec. 2055(e)(3)	A party in interest must commence a judicial proceeding to change an interest into a qualified interest no later than the 90th day after the estate tax return (Form 706) is required to be filed or, if no return is required, the last date for filing the income tax return for the first taxable year of the trust.
15. Sec. 2056(d)	A qualified domestic trust (QDOT) election must be made on Form 706, Schedule M, and the property must be transferred to the trust before the date on which the return is made. Any reformation to determine if a trust is a QDOT requires that the judicial proceeding be commenced on or before the due date for filing the return.

16. Sec. 2056A(b)(2)	The trustee of a QDOT must file a claim for refund of excess tax no later than one year after the date of final determination of the decedent's estate tax liability.
17. Sec. 2057(i)(3)(G)	A qualified heir, with respect to qualified family owned business, has a two-year grace period immediately following the date of the decedent's death in which the failure by the qualified heir to begin using the property in a qualified use will not be considered a cessation of qualified use and therefore will not trigger additional estate tax. (The section 2057 election is not available to estates of decedents dying after December 31, 2004).
18. Sec. 2057(i)(3)(H)	The executor of a decedent's estate has 90 days after notification of incomplete information/signatures to provide the information/signatures to the IRS regarding an election on Form 706 with respect to specially valued property.

19.	Sec. 2058(b)	The executor of a decedent's estate may deduct estate, inheritance, legacy, or succession taxes actually paid to any state or the District of Columbia from the decedent's gross estate. With certain exceptions, the deduction is only allowed provided the taxes are actually paid and the deduction claimed within four years of filing Form 706.
20.	Sec. 2516	The IRS will treat certain transfers as made for full and adequate consideration in money or money's worth where husband and wife enter into a written agreement relative to their marital and property rights and divorce actually occurs within the 3-year period beginning on the date one year before such agreement is entered into.
21.	Sec. 2518(b)	A taxpayer may make a qualified disclaimer no later than nine months after the later of the date of the transfer creating the interest, or the date the taxpayer attains age 21.

~~22.~~	Sec. 2662(a)	A return with respect to the tax imposed by Subtitle B, Chapter 13 (generation-skipping tax), must be filed for direct skips, on or before the date on which an estate or gift tax return is required to be filed with respect to such transfer, and for all other cases, on or before the 15th day of the fourth month after the close of the taxable year of the person required to make such return in which such transfer occurs.
23.	Sec. 2801(b)	With respect to the tax imposed by section 2801 on any covered gift or covered bequest, the tax will be paid by the U.S. recipient of such covered gift or covered bequest.
24.	Sec. 2801(e)	If the trustee of a foreign trust elects to be considered an electing foreign trust, so that the foreign trust is treated as a domestic trust solely for purposes of the section 2801 tax, the trustee must file a timely Form 708 annually either to report and pay the section 2801 tax on all covered gifts and covered bequests received by the trust during the calendar year, or to certify that the electing foreign trust did not receive any covered gifts or covered bequests during the calendar year.

25.	Sec. 6035	Any person required to file a return under section 6018 shall furnish to the Secretary and to each person acquiring any interest in property included in the decedent's gross estate for Federal estate tax purposes a statement identifying the value of each interest in such property and such other required information, no later than the earlier of the date which is 30 days after the date on which the return under section 6018 was required to be filed (including extensions, if any) or the date which is 30 days after the date such return is filed. Supplemental filing and statement(s) must be filed by the applicable due date as provided in the regulations.

SECTION 10. EXEMPT ORGANIZATION ISSUES

Statute or Regulation	Act Postponed
1. Sec. 501(h)	Under section 501(h), certain eligible 501(c)(3) organizations may elect on Form 5768, Election/Revocation of Election by an Eligible Sec. 501(c)(3) Organization to Make Expenditures to Influence Legislation, to have their legislative activities measured solely by expenditures. Form 5768 is effective beginning with a taxable period, provided it is filed before the end of the organization's taxable period.
2. Sec. 501(r)(3)	Under section 501(r)(3), a hospital must conduct a community health needs assessment (CHNA) in the taxable year or in either of the two taxable years immediately preceding the taxable year. Also, the hospital must adopt an implementation strategy to meet the community health needs identified through the CHNA.

3. Sec. 505(c)(1), Sec. 1.505(c)-1T and Sec. 301.9100-2	An organization seeking exemption under 501(c)(9) or section 501(c)(17) must apply for recognition of its exempt status by filing Form 1024, Application for Recognition of Exemption Under Section 501(a). Generally, for the exemption to be recognized for any period before the Form 1024 is filed (i.e., for the organization to be exempt from the date it was organized) the Form 1024 must be filed within 27 months from the end of the month in which the organization was organized.
4. Sec. 506 and Sec. 1.506-1T	An organization described in section 501(c)(4) must electronically file a notice (Form 8976, Notice of Intent to Operate Under Section 501(c)(4)) not later than 60 days after the date on which the organization is organized.
5. Sec. 507(b)(1)(B), Sec. 1.507-2(b)(3), and Sec. 1.507-2(b)(4)	A private foundation terminating its private foundation status by operating as a public charity must notify the IRS of its intent to terminate private foundation status before the beginning of its taxable year and must notify the IRS within 90 days of its completion of the termination.

6. Sec. 508 and Sec. 1.508-1 and Sec. 301.9100-2	An organization seeking exemption under section 501(c)(3) must generally file Form 1023, Application for Recognition of Exemption under section 501(c)(3) of the Internal Revenue Code, or Form 1023-EZ, Streamlined Application for Recognition of Exemption under section 501(c)(3) of the Internal Revenue Code, as a condition for exemption. Generally, for the exemption to be recognized for any period before the Form 1023 or Form 1023-EZ is filed (i.e., for the organization to be exempt from the date it was organized), the Form 1023 or Form 1023-EZ must be filed within 27 months from the end of the month in which the organization was organized.

7. Rev. Proc. 2017-5, 2017-1 I.R.B. 230, Section 6.08, or any successor revenue procedure	An organization claiming exemption under any subsection in section 501(c), other than section 501(c)(3), (9), (17), or (29), may apply for a determination letter recognizing its exemption. If such an organization seeks recognition of its exemption for any period before its application is filed (i.e., for the organization to receive a determination letter recognizing its exemption from the date it was organized, rather from the date it files its application), it must file an application within 27 months from the end of the month in which it was organized.
8. Sec. 527(i)(2) and Notice 2000-36, 2000-2 C.B. 173	Certain political organizations will not be treated as tax-exempt section 527 organizations unless each such organization electronically files a notice (Form 8871, Political Organization Notice of Section 527 Status) not less than 24 hours after the date on which the organization is established, or, in the case of a material change in the information required, not later than 30 days after such material change.

9. Sec. 527(j)(2) and Notice 2000-41, 2000-2 C.B. 177	Under section 527(j)(2), certain tax-exempt political organizations that accept contributions or make expenditures for an exempt function under section 527 during a calendar year are required to file periodic reports on Form 8872, Political Organization Report of Contributions and Expenditures, beginning with the first month or quarter in which they accept contributions or make expenditures, unless excepted. In addition, tax-exempt political organizations that make contributions or expenditures with respect to an election for federal office may be required to file pre-election reports for that election.

10. Sec. 6033 and Sec. 6072(e) and Sec. 1.6033-2(e)	Annual returns (including Form 990 series) of organizations exempt from tax under section 501(a) (or treated in the same manner as such organizations) must be filed on or before the 15th day of the fifth month following the close of the taxable year. If an organization described in section 501(a) or (i) fails to file a required Form 990 series information return or notice for three consecutive years, the organization's exempt status is considered revoked on and after the date set by the Secretary for the filing of the third annual return or notice.
11. Sec. 6033(g)(1) and Sec. 1.6033-2(e)	Annual information returns, Forms 990, Return of Organization Exempt From Income Tax, of certain tax-exempt political organizations described under section 527 must be filed on or before the 15th day of the fifth month following the close of the taxable year.

12. Sec. 6034 and Sec. 1.6034-1(c)	Annual information returns, Forms 1041-A, U.S. Information Return Trust Accumulation of Charitable Amounts, of trusts claiming charitable or other deductions under section 642(c) must be filed on or before the 15th day of the fourth month following the close of the taxable year of the trust.
13. Rev. Proc. 80-27, 1980-1 C.B. 677, Section 6.01	The central organization of a group ruling is required to report information regarding the status of members of the group annually (at least 90 days before the close of its annual accounting period).

SECTION 11. EXCISE TAX ISSUES

Statute or Regulation	Act Postponed
1. Sec. 48.4101-1(h)(1)(v)	A registrant must notify the IRS of any change in the information a registrant has submitted within 10 days.
2. Sec. 4101(d) and Sec. 48.4101-2	Each information report under section 4101(d) must be filed by the last day of the first month following the month for which the report is made.
3. Sec. 4221(a)(1) and (b), and Sec. 48.4221-2(c)	A manufacturer is allowed to make a tax-free sale of articles for resale to a second purchaser for use in further manufacture. This rule ceases to apply six months after the earlier of the sale or shipment date unless the manufacturer receives certain proof of resale.
4. Sec. 4221(a)(2) and (b), and Sec. 48.4221-3(c)	A manufacturer is allowed to make a tax-free sale of articles for export or for resale to a second purchaser for export. This rule ceases to apply six months after the earlier of the sale or shipment date unless the manufacturer receives certain proof of export.

5. Sec. 4221(e)(2)(A) and (B) and Sec. 48.4221-7(c)	A manufacturer is allowed to make a tax-free sale of tires for use by the purchaser in connection with the sale of another article manufactured or produced by the purchaser where such article is sold by the purchaser in a sale that satisfies the requirements of section 4221(a)(2), (3), (4), or (5). This rule ceases to apply six months after the earlier of the sale or shipment date unless the manufacturer receives certain proof of use from the purchaser.

SECTION 12. INTERNATIONAL ISSUES

Statute or Regulation	Act Postponed
1. Sec. 482 and Sec. 1.482-1(g)(4)(ii)(C)	A claim for a setoff of a section 482 allocation by the IRS must be filed within 30 days of either the date of the IRS's letter transmitting an examination report with notice of the proposed adjustment or the date of a notice of deficiency.
2. Sec. 482 and Sec. 1.482-1(j)(2)	A claim for retroactive application of the final section 482 regulations, otherwise effective only for taxable years beginning after October 6, 1994, must be filed prior to the expiration of the statute of limitations for the year for which retroactive application is sought.
3. Sec. 482 and Sec. 1.482-7(h)(2)(iii)(A)	The form of payment selected for any platform contribution transaction, including, in the case of contingent payments, the contingent base and structure of the payments, must be specified no later than the due date of the applicable tax return (including extensions) for the later of the taxable year of the payor or payee that includes the date of the transaction.

4. Sec. 482 and Sec. 1.482-7(k)(1)(i) and (iii)	A cost sharing arrangement must be recorded in writing in a contract that is contemporaneous with the formation (and any revision) of the arrangement. For this purpose a written contractual agreement is contemporaneous with such formation or revision only if the controlled participants record it, in its entirety, in a document that they sign and date no later than 60 days after the first occurrence of any intangible development cost to which such agreement (or revision) is to apply.
5. Sec. 482 and Sec. 1.482-7(k)(2)(iii)(B)	Each controlled participant in a cost sharing arrangement must provide within 30 days of a request the items described in § 1.482-7(k)(2) and (3). Note that the time for such compliance may be extended at the discretion of the Commissioner.

6. Sec. 482 and Sec. 1.482-7(k)(4)(iii)(A)	Each controlled participant must file its original CSA Statement with the Ogden Campus no later than 90 days after the first occurrence of an intangible development cost to which the newly-formed cost sharing arrangement applies or, in the case of a taxpayer that became a controlled participant after the formation of the arrangement, no later than 90 days after such taxpayer became a controlled participant.
7. Sec. 482 and Sec. 1.482-9(b)(2)(iv) and (6)	The books and records required to be maintained under § 1.482-9(b)(2)(iv) and (6) for as long as costs with respect to covered services are incurred by the renderer must include a statement evidencing the taxpayer's intention to apply the services cost method of § 1.482-9(b) to evaluate the arm's length charge for such services.
8. Sec. 482 and Sec. 1.482-9(b)(7)(ii)(C)(1)	For purposes of a shared services arrangement as described in § 1.482-9(b)(7), the taxpayer must maintain documentation that includes a statement evidencing its intention to apply the services cost method to evaluate the arm's length charge for covered services pursuant to such arrangement.

9. Sec. 482 and Sec. 1.482-9(i)(2)(i)(A)	A contingent-payment arrangement with respect to a controlled service must be set forth in a written contract entered into prior to, or contemporaneous with, the start of the activity or group of activities constituting the controlled service.
10. Sec. 1.882-5(d)(2)(ii)(A)(2)	Liabilities of a foreign corporation that is not a bank must be entered on a set of books at a time reasonably contemporaneous with the time the liabilities are incurred.
11. Sec. 1.882-5(d)(2)(iii)(A)(1)	Liabilities of foreign corporations that are engaged in a banking business must be entered on a set of books relating to an activity that produces ECI before the close of the day on which the liability is incurred.
12. Sec. 1.884-2T(b)(3)(i)	Requirement that marketable securities be identified on the books of a U.S. trade or business within 30 days of the date an equivalent amount of U.S. assets ceases to be U.S. assets. This requirement applies when a taxpayer has elected to be treated as remaining engaged in a U.S. trade or business for branch profits tax purposes.

13. Sec. 1.884-4(b)(3)(ii)(B)	Requirement that a foreign corporation which identifies liabilities as giving rise to U.S. branch interest, send a statement to the recipients of such interest within two months of the end of the calendar year in which the interest was paid, stating that such interest was U.S. source income (if the corporation did not make a return pursuant to section 6049 with respect to the interest payment).
14. Sec. 1.922-1(i) (Q&A-13)	The quarterly income statements for the first three quarters of the FSC year must be maintained at the FSC's office no later than 90 days after the end of the quarter. The quarterly income statement for the fourth quarter of the FSC year, the final year-end income statement, the year-end balance sheet, and the final invoices (or summaries) or statements of account must be maintained at the FSC's office no later than the due date, including extensions, of the FSC tax return for the applicable taxable year.
15. Sec. 922(a)(1)(E) and Sec. 1.922-1(j) (Q&A-19)	The FSC must appoint a new non-U.S. resident director within 30 days of the date of death, resignation, or removal of the former director, in the event that the sole non-U.S. resident director of a FSC dies, resigns, or is removed.

16. Sec. 924(b)(2)(B) and Sec. 1.924(a)-1T(j)(2)(i)	A taxpayer must execute an agreement regarding unequal apportionment at a time when at least 12 months remain in the period of limitations (including extensions) for assessment of tax with respect to each shareholder of the small FSC in order to apportion unequally among shareholders of a small FSC the $5 million foreign trading gross receipts used to determine exempt foreign trade income.
17. Sec. 924(c)(2) and Sec. 1.924(c)-1(c)(4)	The FSC must open a new qualifying foreign bank account within 30 days of the date of termination of the original bank account, if a FSC's qualifying foreign bank account terminates during the taxable year due to circumstances beyond the control of the FSC.
18. Sec. 924(c)(3) and Sec. 1.924(c)-1(d)(1)	The FSC must transfer funds from its foreign bank account to its U.S. bank account, equal to the dividends, salaries, or fees disbursed, and such transfer must take place within 12 months of the date of the original disbursement from the U.S. bank account, if dividends, salaries, or fees are disbursed from a FSC's U.S. bank account.

19. Sec. 924(c)(3) and Sec. 1.924(c)-1(d)(2)	The FSC must reimburse from its own bank account any dividends or other expenses that are paid by a related person, on or before the due date (including extensions) of the FSC's tax return for the taxable year to which the reimbursement relates.
20. Sec. 924(c)(3) and Sec. 1.924(c)-1(d)(3)	If the Commissioner determines that the taxpayer acted in good faith, the taxpayer may comply with the reimbursement requirement by reimbursing the funds within 90 days of the date of the Commissioner's determination, notwithstanding a taxpayer's failure to meet the return-filing-date reimbursement deadline in § 1.924(c)-1(d)(2).
21. Sec. 924(e)(4) and Sec. 1.924(e)-1(d)(2)(iii)	If a payment with respect to a transaction is made directly to the FSC or the related supplier in the United States, the funds must be transferred to and received by the FSC bank account outside the United States no later than 35 days after the receipt of good funds (i.e., date of check clearance) on the transaction.

22. Sec. 1.925(a)-1T(e)(4)	A FSC and its related supplier may redetermine a transfer pricing method, the amount of foreign trading gross receipts, and costs and expenses, provided such redetermination occurs before the expiration of the statute of limitations for claims for refund for both the FSC and related supplier, and provided the statute of limitations for assessment applicable to the party that has a deficiency in tax on account of the redetermination is open. See § 1.925(a)-1(c)(8)(i) for time limitations with respect to FSC administrative pricing grouping redeterminations and for a cross-reference to § 1.925(a)-1T(e)(4).
23. Sec. 927(f)(3)(A) and Sec. 1.927(f)-1(b) (Q&A-12)	A corporation may terminate its election to be treated as a FSC or a small FSC by revoking the election during the first 90 days of the FSC taxable year (other than the first year in which the election is effective) in which the revocation was to take effect.

24. Sec. 927 and Sec. 1.927(a)-1T (d)(2)(i)(B)	A taxpayer may satisfy the destination test with respect to property sold or leased by a seller or lessor if such property is delivered by the seller or lessor (or an agent of the seller or lessor) within the United States to a purchaser or lessee, if the property is ultimately delivered outside the United States (including delivery to a carrier or freight forwarder for delivery outside the United States) by the purchaser or lessee (or a subsequent purchaser or sublessee) within one year after the sale or lease.
25. Sec. 927 and Sec. 1.927(b)-1T(e)(2)(i)	A taxpayer that claims FSC commission deductions must designate the sales, leases, or rentals subject to the FSC commission agreement no later than the due date (as extended) of the tax return of the FSC for the taxable year in which the transaction(s) occurred.
26. Sec. 927 and Sec. 1.927(f)-1(a) (Q&A 4)	A transferee or other recipient of shares in the corporation (other than a shareholder that previously consented to the election) must consent to be bound by the prior election within 90 days of the first day of the FSC's taxable year to preserve the status of a corporation that previously qualified as a FSC or as a small FSC.

27. Sec. 1.964-1T(c)(3)	An election, adoption or change in a method of accounting or tax year on behalf of a CFC or noncontrolled section 902 corporation by its controlling domestic shareholders requires the filing of a statement with the shareholder's return for its year with or within which ends the foreign corporation's taxable year for which the election is made or the method or tax year is adopted or changed, and the filing of a written notice on or before the filing date of the shareholder's return.
28. Sec. 982(c)(2)(A)	Any person to whom a formal document request is mailed shall have the right to bring a proceeding to quash such request not later than the 90th day after the day such request was mailed.

29. Sec. 1.988-1(a)(7)(ii)	An election to have § 1.988-1(a)(2)(iii) apply to regulated futures contracts and nonequity options must be made on or before the first day of the taxable year, or if later, on or before the first day during such taxable year on which the taxpayer holds a contract described in section 988(c)(1)(D)(ii) and § 1.988-1(a)(7)(ii). A late election may be made within 30 days after the time prescribed for the election.
30. Sec. 988(c)(1)(E)(iii)(V) (qualified fund) and Sec. 1.988-1(a)(8)(i)(E)	A qualified fund election must be made on or before the first day of the taxable year, or if later, on or before the first day during such taxable year on which the partnership holds an instrument described in section 988(c)(1)(E)(i).
31. Sec. 1.988-3(b)	An election to treat (under certain circumstances) any gain or loss recognized on a contract described in § 1.988-2(d)(1) as capital gain or loss must be made by clearly identifying such transaction on taxpayer's books and records on the date the transaction is entered into.

32. Sec. 1.988-5(a)(8)(i)	Taxpayer must establish a record, and before the close of the date the hedge is entered into, the taxpayer must enter into the record for each qualified hedging transaction the information contained in § 1.988-5(a)(8)(i)(A) through (E).
33. Sec. 1.988-5(b)(3)(i)	Taxpayer must establish a record and before the close of the date the hedge is entered into, the taxpayer must enter into the record a clear description of the executory contract and the hedge.
34. Sec. 1.988-5(c)(2)	Taxpayer must identify a hedge and underlying stock or security under the rules of § 1.988-5(b)(3).
35. Sec. 992	A corporation that elects IC-DISC treatment (other than in the corporation's first taxable year) must file Form 4876-A, Election To Be Treated as an Interest Charge DISC, with the regional service center during the 90-day period prior to the beginning of the tax year in which the election is to take effect.

36. Sec. 991 and Sec. 1.991-2(g)(2)	A corporation that filed a tax return as a DISC, but subsequently determines that it does not wish to be treated as a DISC, must notify the Commissioner more than 30 days before the expiration of period of limitations on assessment applicable to the tax year.
37. Sec. 992 and Sec. 1.992-2(a)(1)(i)	A qualifying corporation must file Form 4876-A or attachments thereto, containing the consent of every shareholder of the corporation to be treated as a DISC as of the beginning of the corporation's first taxable year.
38. Sec. 992 and Sec. 1.992-2(e)(2)	A corporation seeking to revoke a prior election to be treated as a DISC, must file a statement within the first 90 days of the taxable year in which the revocation is to take effect with the service center with which it filed the election or, if the corporation filed an annual information return, by filing the statement at the service center with which it filed its most recent annual information return.

~~39.~~ Sec. 992 and Sec. 1.992-3(c)(3)	A DISC that makes a deficiency distribution with respect to the 95 percent of gross receipts test or the 95 percent assets test, or both tests, for a particular taxable year, must make such distribution within 90 days of the date of the first written notification from the IRS that the DISC failed to satisfy such test(s).
40. Sec. 993 and Sec. 1.993-3(d)(2)(i)(b)	In certain cases, property may not qualify as export property for DISC purposes unless, among other things, such property is ultimately delivered, directly used, or directly consumed outside the U.S. within one year of the date of sale or lease of the property.
41. Sec. 1445 and Sec. 1.1445-1	Form 8288, U.S. Withholding Tax Return for Dispositions by Foreign Persons of U.S. Real Property Interests, must be filed by a buyer or other transferee of a U.S. real property interest, and a corporation, partnership, or fiduciary that is required to withhold tax. The amount withheld is to be transmitted with Form 8288, which is generally to be filed by the 20th day after the date of transfer.

42. Sec. 1446	All partnerships with effectively connected gross income allocable to a foreign partner in any tax year must file forms 8804, Annual Return for Partnership Withholding Tax, and 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, on or before the 15th day of the fourth month following the close of the partnership's taxable year.
43. Sec. 1446	Form 8813, Partnership Withholding Tax Payment Voucher, is used to pay the withholding tax under section 1446 for all partnerships with effectively connected gross income allocable to a foreign partner in any tax year. Form 8813, Partnership Withholding Tax Payment Voucher (Section 1446), must accompany each payment of section 1446 tax made during the partnership's taxable year. Form 8813 is to be filed on or before the 15th day of the fourth, sixth, ninth, and 12th months of the partnership's taxable year for U.S. income tax purposes.
44. Sec. 6038A(e)(1) and Sec. 1.6038A-5(b)	A reporting corporation must furnish an authorization of agent within 30 days of a request by the IRS to avoid a penalty.

45. Sec. 6038A(e)(4)(A)	A reporting corporation must commence any proceeding to quash a summons filed by the IRS in connection with an information request within 90 days of the date the summons is issued.
46. Sec. 6038A(e)(4)(B)	A reporting corporation must commence any proceeding to review the IRS's determination of noncompliance with a summons within 90 days of the IRS's notice of noncompliance.
47. Secs. 6038, 6038B, and 6046A	The filing of Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, for those taxpayers who do not have to file an income tax return. The form is due at the time that an income tax return would have been due had the taxpayer been required to file an income tax return or at the time any required information return is due.
48. Sec. 6038D and Sec. 1.6038D-2T	A specified person that has any interest in a specified foreign financial asset during the taxable year must attach Form 8938, "Statement of Specified Foreign Financial Assets," to that specified person's annual return for the taxable year to report the information required by section

	6038D and § 1.6038D-4T if the aggregate value of all such assets exceeds the applicable threshold.
49. Secs. 6039F and 6048	Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts must be filed by the due date of the U.S. person's income tax return, including extensions.
50. Sec. 6662(e) and Sec. 1.6662-6(d)(2)(iii)(A)	A taxpayer must provide, within 30 days of a request by the IRS, specified "principal documents" regarding the taxpayer's selection and application of transfer pricing method to avoid potential penalties in the event of a final transfer pricing adjustment by the IRS. See also § 1.6662-6(d)(2)(iii)(C) (similar requirement re: background documents).

SECTION 13. PARTNERSHIP AND S CORPORATION ISSUES

Statute or Regulation	Act Postponed
1. Secs. 1.442-1(b)(1) and (3) and 1.706-1(b)(8)	A partnership may obtain approval of the Commissioner to adopt, change or retain an annual accounting period by filing Form 1128, Application to Adopt, Change, or Retain a Tax Year, within such time as provided in administrative procedures published by the Commissioner. See Rev. Procs. 2006-46, 2006-2 C.B. 859, and 2002-39, 2002-1 C.B. 1046.
2. Sec. 1.743-1(k)(2)	A transferee that acquires, by sale or exchange, an interest in a partnership with an election under section 754 in effect for the taxable year of the transfer, must notify the partnership, in writing, within 30 days of the sale or exchange. A transferee that acquires, on the death of a partner, an interest in a partnership with an election under section 754 in effect for the taxable year of the transfer, must notify the partnership, in writing, within one year of the death of the deceased partner.

3. Sec. 1.754-1(c)(1)	Generally, a partnership may revoke a section 754 election by filing the revocation no later than 30 days after the close of the partnership taxable year with respect to which the revocation is intended to take effect.
4. Sec. 1.761-2(b)(3)	A partnership may generally elect to be excluded from subchapter K. The election will be effective unless within 90 days after the formation of the organization any member of the organization notifies the Commissioner that the member desires subchapter K to apply to such organization and also advises the Commissioner that he has so notified all other members of the organization. In addition, an application to revoke an election to be excluded from subchapter K must be submitted no later than 30 days after the beginning of the first taxable year to which the revocation is to apply.
5. Sec. 1.761-2(c)	A partnership requesting permission to be excluded from certain provisions of subchapter K must submit the request to the Commissioner no later than 90 days after the beginning of the first taxable year for which partial exclusion is desired.

6. Sec. 1361(e)	In general, the trustee of the electing small business trust (ESBT) must file the ESBT election within the two-month and 16-day period beginning on the day the stock is transferred to the trust. See § 1.1361-1(m)(2)(ii).
7. Sec. 1.1361-1(j)(6)	The current income beneficiary of a qualified subchapter S trust (QSST) must make a QSST election within the 2-month and 16-day period from one of the dates prescribed in § 1.1361-1(j)(6)(iii).
8. Sec. 1.1361-1(j)(10)	The successive income beneficiary of a QSST may affirmatively refuse to consent to the QSST election. The beneficiary must sign the statement and file the statement with the IRS within 15 days and two months after the date on which the successive income beneficiary becomes the income beneficiary.
9. Sec. 1.1361-3(a)(4)	If an S corporation elects to treat an eligible subsidiary as a qualified subchapter S subsidiary (QSUB), the election cannot be effective more than two months and 15 days prior to the date of filing the election.

10. Sec. 1.1361-3(b)(2)	An S corporation may revoke a QSUB election by filing a statement with the service center. The effective date of a revocation of a QSUB election cannot be more than two months and 15 days prior to the filing date of the revocation.
11. Sec. 1.1362-2(a)(2), (4)	If a corporation revokes its subchapter S election after the first 2 1/2 months of its taxable year, the revocation will not be effective until the following taxable year. An S corporation may rescind a revocation of an S election at any time before the revocation becomes effective.
12. Sec. 1362(b)(1)	An election under section 1362(a) to be an S corporation may be made by a small business corporation for any taxable year at any time during the preceding taxable year, or at any time during the taxable year and on or before the 15th day of the third month of the taxable year.

13. Rev. Proc. 2003-43, 2003-1 C.B. 998	This revenue procedure provides a simplified method for taxpayers requesting relief for late S corporation elections, Qualified Subchapter S Subsidiary (QSUB) elections, Qualified Subchapter S Trust (QSST) elections, and Electing Small Business Trust (ESBT) elections. Generally, this revenue procedure provides that certain eligible entities may file late elections within 24 months of the due date of the election.
14. Rev. Proc. 2004-48, 2004-2 C.B. 172	This revenue procedure provides a simplified method for taxpayers to request relief for a late S corporation election and a late corporate classification election which was intended to be effective on the same date that the S corporation election was intended to be effective. This revenue procedure provides that within six months after the due date for the tax return, excluding extensions, for the first year the entity intended to be an S corporation, the corporation must file a properly completed Form 2553, Election by a Small Business Corporation, with the applicable service center.

15. Sec. 1378(b) and Sec. 1.1378-1(c)	An S or electing S corporation may obtain the approval of the Commissioner to adopt, change or retain an annual accounting period by filing Form 1128, Application to Adopt, Change, or Retain a Tax Year, within such time as is provided in administrative procedures published by the Commissioner. See Rev. Procs. 2006-46 and 2002-39.

SECTION 14. PROCEDURE & ADMINISTRATION ISSUES

.01 Bankruptcy and Collection

Statute or Regulation	Act Postponed
1. Secs. 301.6036-1(a)(2) and (3)	A court-appointed receiver or fiduciary in a non-bankruptcy receivership, a fiduciary in aid of foreclosure who takes possession of substantially all of the debtor's assets, or an assignee for benefit of creditors, must give written notice within ten days of his appointment to the IRS as to where the debtor will file his tax return.
2. Sec. 6320(a)(3)(B) and (c) and Secs. 301.6320-1(b), (c), (f) and (i)	A taxpayer must request a Collection Due Process (CDP) administrative hearing within 30 calendar days beginning on the day after the five business day period after the filing of a notice of federal tax lien (NFTL) by the IRS. After issuance of a determination at the CDP hearing, the taxpayer may appeal this determination within 30 days to the United States Tax Court. A taxpayer who does not make a timely request for a CDP hearing may request an "equivalent hearing" with Appeals within the one-year period commencing the day after the end of the five business day period following the filing of the NFTL.

3. Sec. 6330(a)(3)(B) and (d)(1) and Sec. 301.6330-1(b), (c), (f) and (i)	The taxpayer must request a CDP administrative hearing within 30 calendar days after the IRS sends a notice of proposed levy. After issuance of a determination at the CDP hearing, the taxpayer may appeal this determination within 30 days to the United States Tax Court. A taxpayer who does not make a timely request for a CDP hearing may request an "equivalent hearing" with Appeals within the one-year period commencing the day after the date of the CDP Notice issued under section 6330.
4. Sec. 6331(k)(1) and Sec. 301.7122-1(g)(2)	If a taxpayer submits a good-faith revision of a rejected offer in compromise within 30 days after the rejection, the IRS will not levy to collect the liability before deciding whether to accept the revised offer.
5. Sec. 6331(k)(2) and Sec. 301.6331-4(a)(1)	If, within 30 days following the rejection or termination of an installment agreement, the taxpayer files an appeal with the IRS Office of Appeals, no levy may be made while the rejection or termination is being considered by Appeals.

6. Sec. 6337(b) and Sec. 301.6337-1(b)	The owners of real property, their heirs or successors, or any person having an interest in real property sold by the IRS under section 6335 have 180 days from the date of the sale to redeem such property.
7. Sec. 301.6343-1(c) and Sec. 6343(b) and (d)	A taxpayer must request a release of a levy more than five days prior to a scheduled sale of the property to which the levy relates. A taxpayer or third-party has two years from the levy to request return of money levied upon or received from the sale of levied property by the IRS.
8. Rev. Proc. 2005-34, 2005-1 C.B. 1233, Sec. 4.01	If the IRS determines that a taxpayer is liable for the trust fund recovery penalty under section 6672, the IRS will provide the taxpayer an opportunity to dispute the proposed assessment by appealing the proposed assessment within 60 days of the date on the notice (75 days if the notice is addressed to the taxpayer outside of the United States).
9. Sec. 7122(d)(2) and Sec. 301.7122-1(f)(5)(i)	A taxpayer must request administrative review of a rejected offer in compromise within 30 days after the date on the letter of rejection.

.02 Information Returns

Statute or Regulation	Act Postponed
1. Sec. 6045A	Requires a broker transferring securities to another broker to provide certain information (such as basis) to the receiving broker within 15 days.
2. Sec. 6045B	Requires reporting by a securities issuer of actions that affect a shareholder's basis in the securities within 45 days of the action, or if earlier, by January 15 of the following year. Statements must be provided to the shareholder by January 31 of the following year. Only the 45-day deadline in section 6045B(b)(1) would be extended, but not beyond January 15 of the following year. The January 15 deadline will not be extended under this revenue procedure as such information is needed for broker reporting (Form 1099-B) to allow shareholders to file their income tax returns timely.

3. Sec. 6050I	Any person engaged in a trade or business receiving more than $10,000 cash in one transaction (or two or more related transactions) must file an information return, Form 8300, Report of Cash Payments over $10,000 Received in a Trade or Business, by the 15th day after the date the cash was received. Additionally, a statement must be provided to the person with respect to whom the information is required to be furnished by January 31 of the year following.
4. Sec. 6050K and Sec. 1.6050K-1(f)(2)	A partnership notified of an exchange after the partnership has filed its Form 1065 for the taxable year with respect to which the exchange should have been reported shall file its Form 8308 with the service center where its Form 1065 was filed on or before the 30th day after the partnership is notified of the exchange.
5. Sec. 6050L	Returns relating to certain dispositions of donated property, Forms 8282, Donee Information Return, must be filed within 125 days of the disposition.

.03 Miscellaneous

Statute or Regulation	Act Postponed
1. Sec. 1314(b)	A taxpayer may file a claim for refund or credit of tax based upon the mitigation provisions of sections 1311 through 1314 if, as of the date a determination (as defined in section 1313(a)) is made, one year remains before the period for filing a claim for refund expires.
2. Sec. 6015(b) and (c)	A requesting spouse must request relief under section 6015(b) or (c) within two years of the first collection activity against the requesting spouse.
3. Sec. 6015(e)	A requesting spouse may petition the United States Tax Court to determine the appropriate relief under this section if such petition is filed not later than the close of the 90th day after the IRS mails, by certified or registered mail, notice of the IRS's final determination of relief available to the individual.

4. Sec. 6110(f)	A person to whom a written determination pertains or other person described in section 6110(f)(3)(A)(i) may petition the United States Tax Court within a specified period for a determination with respect to that portion of the written determination or background file document that the IRS has mailed a notice of intention to disclose for public inspection.
5. Secs. 6226 (pre-2018) and 6234 (post-2017)	A taxpayer or partnership may file a petition for readjustment of partnership items or adjustments within a specified period with the United States Tax Court, United States Court of Federal Claims, or United States District Court.
6. Sec. 6404(h)	A taxpayer has 180 days after the IRS's mailing of a notice of determination denying a request for interest abatement to petition the United States Tax Court for review of the determination.

7. Sec. 6411 and Sec. 1.6411-1(c)	Taxpayers applying for a tentative carryback adjustment of the tax for the prior taxable year must file Form 1139, Corporation Application for Tentative Refund, (for corporations) or Form 1045, Application for Tentative Refund, (for entities other than corporations) within 12 months after the end of such taxable year that generates such net operating loss, net capital loss, or unused business credit from which the carryback results.
8. Sec. 6656(e)(2)	A taxpayer who is required to deposit taxes and fails to do so is subject to a penalty under section 6656. Under section 6656(e)(2), the taxpayer may, within 90 days of the date of the penalty notice, designate to which deposit period within a specified tax period the deposits should be applied.

9. Sec. 7428	An organization may file, within a specified period, a petition for declaratory judgment with the United States Tax Court involving the IRS's determination, or failure to make a determination, with respect to the organization's initial or continuing qualification or classification as an exempt organization under section 501(c)(3), a private foundation under section 509(a), a private operating foundation under section 4942(j)(3), a cooperative under section 521(b), or other organization under section 501(c) or (d) and exempt from tax under section 501(a).
10. Sec. 7430(f)	A taxpayer may file a petition with the United States Tax Court within a specified period for review of a decision by the IRS granting or denying in whole or in part an award for reasonable administrative costs under section 7430(a).

11.	Sec. 7436	A person for whom services are performed may file a petition for determination of employment status with the United States Tax Court within a specified period if the IRS determines that one or more individuals performing services for such person are employees for purposes of Subtitle C, or that such person is not entitled to treatment under section 530(a) of the Revenue Act of 1978.
12.	Sec. 7476	An employer, plan administrator or employee who is an interested party under the regulations may file, within a specified period, a petition for declaratory judgment with the United States Tax Court involving the IRS's determination, or a failure to make a determination, with respect to the initial qualification or a continuing qualification of a qualified retirement plan.

13. Sec. 7477 and Secs. 301.7477-1(d)(4)(ii) and (5)	The donor (or such qualified representative) must timely request consideration by Appeals through a written request made within 30 days after the mailing date of the Letter 950-G, or by such later date for responding to the Letter 950-G as is agreed to between the donor and the IRS. A petition with the United States Tax Court requesting a declaratory judgment under section 7477 must be filed with the United States Tax Court before the 91st day after the date of mailing of the Letter 3569 issued by the IRS to the donor.
14. Sec. 7478	A prospective issuer of certain governmental obligations can file, within a specified period, a petition for declaratory judgment with the United States Tax Court if the IRS determines that the interest on the obligations will not be excludable from gross income under section 103 or if the IRS fails to make a determination with respect to the excludability of the interest.

15.	Sec. 7479	A decedent's estate has 90 days after the IRS's mailing of a notice of determination about whether a section 6166 extension to pay estate tax may be made or whether the extension has ceased to apply to file a petition with the United States Tax Court seeking a declaration about the determination. The estate must exhaust administrative remedies before filing a petition, but administrative remedies are deemed exhausted if the IRS has not issued a determination within 180 days after the request for determination and during that time period the estate took reasonable steps, in a timely manner, to secure such determination.
16.	Sec. 7481(c)	A taxpayer may file a motion with the United States Tax Court within a specified period for a redetermination of whether the taxpayer has made an overpayment of interest or the IRS has made an underpayment of interest on the deficiency or overpayment determined by the United States Tax Court.

17. Sec. 7623(b)	An individual claiming a whistleblower award based on information provided to the IRS may appeal a determination regarding an award to the United States Tax Court within a specified period.
18. Sec. 7705, Rev. Procs. 2016-33 and 2017-14, and Notice 2016-49	Periodic bonding, financial review, reporting, and verification requirements must be satisfied to become or remain certified as a certified professional employer organization (CPEO). In addition, responsible individuals of a CPEO must meet periodic reporting requirements.

SECTION 15. TAX CREDIT ISSUES

Statute or Regulation	Act Postponed
1. Sec. 42(e)(3)(A)(ii)	A taxpayer has a 24-month measuring period in which the requisite amount of rehabilitation expenditures has to be incurred in order to qualify for treatment as a separate new building.
2. Sec. 1.42-5(c)(1)	The taxpayer must make certain certifications at least annually to the Agency.
3. Sec. 1.42-5(c)(1)(iii)	The taxpayer must receive an annual income certification from each low-income tenant with documentation to support the certification.
4. Sec. 1.42-8(a)(3)(v)	The taxpayer and an Agency may elect to use an appropriate percentage under section 42(b)(2)(A)(ii)(I) by notarizing a binding agreement by the fifth day following the end of the month in which the binding agreement was made.
5. Sec. 1.42-8(b)(1)(vii)	The taxpayer and an Agency may elect an appropriate percentage under section 42(b)(2)(A)(ii)(II) by notarizing a binding agreement by the fifth day following the end of the month in which the tax-exempt bonds are issued.

6. Sec. 42(d)(2)(D)(i)(IV)	In order to claim section 42 credits on an existing building, section 42(d)(2)(B)(ii) requires that the building must have been placed in service at least ten years before the date the building was acquired by the taxpayer. A building is not considered placed in service for purposes of section 42(d)(2)(B)(ii) if the building is resold within a 12-month period after acquisition by foreclosure of any purchase-money security interest.
7. Sec. 42(g)(3)(A)	A building shall be treated as a qualified low-income building only if the project meets the minimum set aside requirement by the close of the first year of the credit period of the building.
8. Sec. 42(h)(6)(J)	A low-income housing agreement commitment must be in effect as of the beginning of the year for a building to receive credit. If such a commitment was not in effect, the taxpayer has a one-year period for correcting the failure.

9. Sec. 42(h)(1)(E) and (F)	The taxpayer's basis in the building project, as of the date which is one year after the date that the allocation was made, must be more than 10 percent of the taxpayer's reasonably expected basis in the project.
10. Sec. 47(c)(1)(C) and Sec. 1.48-12(b)(2)	A taxpayer has a 24- or 60-month measuring period in which the requisite amount of rehabilitation expenditures have to be incurred in order to satisfy the "substantial rehabilitation" test.
11. Sec. 1.48-12(d)(7)	In the historic rehabilitation context, if the taxpayer fails to receive final certification of completed work prior to the date that is 30 months after the date that the taxpayer filed the return on which the credit is claimed, the taxpayer must, prior to the last day of the 30th month, consent to extending the statute of limitations by submitting a written statement to the IRS.

12. Sec. 51(d)(13)(A)(ii)(II)	An employer seeking the Work Opportunity Credit with respect to an individual must submit Form 8850, Pre-Screening Notice and Certification Request for the Work Opportunity Credit, to the State Employment Security Agency (State Workforce Agency) not later than the 28th day after the individual begins work for the employer.

SECTION 16. TAX-EXEMPT BOND ISSUES

Statute or Regulation	Act Postponed
1. Sec. 1.25-4T(c)	On or before the date of distribution of mortgage credit certificates under a program, the issuer must file an election not to issue an amount of qualified mortgage bonds. An election may be revoked, in whole or in part, at any time during the calendar year in which the election was made.
2. Secs. 1.141-12(d)(4), 1.142-2(c)(2), and 1.1397E-1(h)(8)(ii)(C)(3)	An issuer must provide notice to the Commissioner of the establishment of a defeasance escrow within 90 days of the date such defeasance escrow is established in accordance with §§ 1.141-12(d)(1), 1.142-2(c)(1) or 1.1397E-1(h)(8)(ii)(B)(1)(ii).
3. Sec. 142(d)(7)	An operator of a multi-family housing project for which an election was made under section 142(d) must submit to the Secretary an annual certification as to whether such project continues to meet the requirements of section 142(d).

4. Sec. 142(f)(4) and Sec. 1.142(f)(4)-1	A person engaged in the local furnishing of electric energy or gas that uses facilities financed with exempt facility bonds under section 142(a)(8) and that expands its service area in a manner inconsistent with the requirements of sections 142(a)(8) and 142(f) may make an election to ensure that those bonds will continue to be treated as exempt facility bonds. The election must be filed with the IRS on or before 90 days after the date of the service area expansion that causes the bonds to cease to meet the applicable requirements.
5. Sec. 146(f) and Notice 89-12, 1989-1 C.B. 633	If an issuing authority's volume cap for any calendar year exceeds the aggregate amount of tax-exempt private activity bonds issued during such calendar year by such authority, such authority may elect to treat all (or any portion) of such excess as a carryforward for one or more carryforward purposes. Such election must be filed by the earlier of (1) February 15 of the calendar year following the year in which the excess amount arises, or (2) the date of issue of bonds issued pursuant to the carryforward election.

6. Sec. 148(f)(3) and Sec. 1.148-3(g)	An issuer of a tax-exempt bond must make any required rebate payment no later than 60 days after the computation date to which the payment relates. A rebate payment is paid when it is filed with the IRS at the place or places designated by the Commissioner. A payment must be accompanied by the form provided by the Commissioner for this purpose.
7. Sec. 1.148-5(c)	An issuer of a tax-exempt bond must make a yield reduction payment at the same time and in the same manner as rebate amounts are required to be paid under § 1.148-3. Under § 1.148-3(g), an issuer of a tax-exempt bond must make any required rebate payment no later than 60 days after the computation date to which the payment relates.
8. Sec. 148(f)(4)(C)(vii) and Sec. 1.148-7(k)(1)	An issuer of a tax-exempt bond that elects to pay certain penalties in lieu of rebate must make any required penalty payments not later than 90 days after the period to which the penalty relates.

9.	Sec. 149(e)	An issuer of a tax-exempt bond must submit to the Secretary a statement providing certain information regarding the bond not later than the 15th day of the second calendar month after the close of the calendar quarter in which the bond is issued.

SECTION 17. SPECIAL RULES FOR SECTION 1031 LIKE-KIND EXCHANGE TRANSACTIONS

.01 Taxpayers are provided the relief described in this section if an IRS News Release or other guidance provides relief for acts listed in this revenue procedure (unless the news release or other guidance specifies otherwise).

.02 (1) The last day of a 45-day identification period set forth in § 1.1031(k)-1(b)(2)(i) of the Income Tax Regulations, the last day of a 180-day exchange period set forth in § 1.1031(k)-1(b)(2)(ii), and the last day of a period set forth in section 4.02(3) through (6) of Rev. Proc. 2000-37, 2000-2 C.B. 308, modified by Rev. Proc. 2004-51, 2004-2 C.B. 294, that fall on or after the date of a federally declared disaster, are postponed by 120 days or to the last day of the general disaster extension period authorized by an IRS News Release or other guidance announcing tax relief for victims of the specific federally declared disaster, whichever is later. However, in no event may a postponement period extend beyond: (a) the due date (including extensions) of the taxpayer's tax return for the year of the transfer (See § 1.1031(k)-1(b)(2)(ii)); or (b) one year (See section 7508A(a)).

(2) A taxpayer who is a transferor qualifies for a postponement under this section only if--

(a) The relinquished property was transferred on or before the date of the federally declared disaster, or in a transaction governed by Rev. Proc. 2000-37, modified by Rev. Proc. 2004-51, qualified indicia of ownership were transferred to the

exchange accommodation titleholder on or before that date; and

(b) The taxpayer (transferor)--

(i) Is an “affected taxpayer” as defined in the IRS News Release or other guidance announcing tax relief for the victims of the specific federally declared disaster; or

(ii) Has difficulty meeting the 45-day identification period or 180-day exchange period deadline set forth in § 1.1031(k)-1(b)(2), or a deadline set forth in section 4.02(3) through (6) of Rev. Proc. 2000-37, modified by Rev. Proc. 2004-51, due to the federally declared disaster for the following or similar reasons:

(A) The relinquished property or the replacement property is located in a covered disaster area (as defined in § 301.7508A-1(d)(2)) as provided in the IRS News Release or other guidance (the covered disaster area);

(B) The principal place of business of any party to the transaction (for example, a qualified intermediary, exchange accommodation titleholder, transferee, settlement attorney, lender, financial institution, or a title insurance company) is located in the covered disaster area;

(C) Any party to the transaction (or an employee of such a party who is involved in the section 1031 transaction) is killed, injured, or missing as a result of the federally declared disaster;

(D) A document prepared in connection with the exchange (for example, the agreement between the transferor and the qualified intermediary or the deed to the relinquished property or replacement property) or a

relevant land record is destroyed, damaged, or lost as a result of the federally declared disaster;

(E) A lender decides not to fund either permanently or temporarily a real estate closing due to the federally declared disaster or refuses to fund a loan to the taxpayer because flood, disaster, or other hazard insurance is not available due to the federally declared disaster; or

(F) A title insurance company is not able to provide the required title insurance policy necessary to settle or close a real estate transaction due to the federally declared disaster.

.03 The postponement described in this section also applies to the last day of a 45-day identification period described in § 1.1031(k)-1(b)(2)(i) and the last day of a 45-day identification period described in section 4.05(4) of Rev. Proc. 2000-37, modified by Rev. Proc. 2004-51, that fall prior to the date of a federally declared disaster if an identified replacement property (in the case of an exchange described in § 1.1031(k)-1), or an identified relinquished property (in the case of an exchange described in Rev. Proc. 2000-37, modified by Rev. Proc. 2004-51) is substantially damaged by the federally declared disaster.

.04 If the taxpayer (transferor) qualifies for relief under this section for any reason other than section 17.02(2)(b)(i) of this revenue procedure, then such taxpayer is not considered an affected taxpayer for purposes of any other act listed in this revenue procedure or for any acts listed in an IRS News Release or other published guidance related to the specific federally declared disaster.

SECTION 18. INQUIRIES

If you wish to recommend that other acts qualify for postponement, please write to the Office of Associate Chief Counsel, Procedure and Administration CC:PA:B7, 1111 Constitution Avenue, NW, Washington, DC 20224. Please mark "7508A List" on the envelope. In the alternative, e-mail your comments to: Notice.Comments@irscounsel.treas.gov, and refer to Rev. Proc. 2018-58 in the Subject heading.

SECTION 19. EFFECT ON OTHER REVENUE PROCEDURES

Rev. Proc. 2007-56, 2007-2 C.B. 388, is superseded.

SECTION 20. EFFECTIVE DATE

This revenue procedure is effective for acts that may be performed or disasters which occur on or after November 20, 2018.

SECTION 21. DRAFTING INFORMATION

The principal author of this revenue procedure is Andrew Keaton in Branch 6, of the Office of Associate Chief Counsel (Procedure & Administration). For further information regarding section 1031 like-kind exchange postponements under section 17 of this revenue procedure contact Lisa Mojiri-Azad or Edward Schwartz of the Office of Associate Chief Counsel (Income Tax and Accounting) at (202) 317-4718 (not a toll-free

call) or (202) 317-7006 (not a toll-free call), respectively. For further information regarding other sections of this revenue procedure contact Mr. Keaton at (202) 317-5404 (not a toll-free call).

CASE MIS No.: RP-141793-11

Administrative, Procedural, and Miscellaneous

26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.
(Also: Part I, §§ 42 and 142; 1.42-5, 1.42-6, 1.42-13, 1.42-14)

Rev. Proc. 2014-49

SECTION 1. PURPOSE

In the context of a Major Disaster, this revenue procedure provides temporary relief from certain requirements of § 42 of the Internal Revenue Code for Agencies and Owners. This revenue procedure also provides emergency housing relief for individuals who are displaced by a Major Disaster from their principal residences in certain Major Disaster Areas. For low-income buildings financed with exempt facility bonds under § 142, see also Rev. Proc. 2014-50, I.R.B. 2014-37, which provides for emergency housing relief under § 142(d) in response to Major Disasters. This revenue procedure modifies and supersedes Rev. Proc. 2007-54, 2007-2 C.B. 293. See section 5 of this

revenue procedure for definitions of certain capitalized terms appearing throughout this revenue procedure.

SECTION 2. BACKGROUND

.01 Upon issuance of the President's declaration of a Major Disaster, the Federal Emergency Management Agency (FEMA) may designate particular cities, counties, or other local jurisdictions covered by the declaration as eligible for Individual Assistance, Public Assistance, or both.[1] With respect to some previous Presidential declarations of Major Disasters, the Internal Revenue Service (Service) issued notices providing relief from certain requirements under §§ 42 and 142(d) to facilitate emergency housing relief for Displaced Individuals without regard to the income of those Displaced Individuals.[2]

.02 Under §1.42-13(a) of the Income Tax Regulations, the Secretary may provide guidance to carry out the purposes of § 42 through various publications in the Internal Revenue Bulletin.

SECTION 3. CHANGES

.01 Rev. Proc. 2007-54 established temporary relief from certain requirements of § 42 for Owners and Agencies in Major Disaster Areas. In particular, Rev. Proc. 2007-54 (1) provided relief from the carryover allocation provisions; (2) clarified the consequences if an Owner failed to restore a building within a reasonable restoration

---

[1] FEMA generally publishes this designation in a notice in the Federal Register.

[2] For relief under § 42, see e.g., Notice 2012-7, 2012-4 I.R.B. 308 (flooding in Iowa); Notice 2012-68, 2012-48 I.R.B. 574 (Hurricane Sandy); Notice 2013-40, 2013-25 I.R.B. 1254, and Notice 2013-47, 2013-31 I.R.B. 120 (severe storms and tornadoes in Oklahoma); and Notice 2013-64, 2013-44 I.R.B. 438 (weather-related disasters in Colorado). For relief under § 142(d), see Notice 2013-9, 2013-9 I.R.B. 529 (Hurricane Sandy); Notice 2013-39, 2013-25 I.R.B. 1252, and Notice 2013-47(severe storms and tornadoes in Oklahoma); and Notice 2013-63, 2013-44 I.R.B. 436 (weather-related disasters in Colorado).

period; (3) provided relief from certain compliance monitoring requirements; (4) allowed Agencies to provide relief for buildings severely damaged or destroyed in the first year of the credit period; and (5) described the amount of credit allowable for a restored building.

.02 Rev. Proc. 2007-54 also allowed Owners to rely on the self-certification of income eligibility of an individual who was displaced from his or her principal residence as a result of a Major Disaster and whose principal residence was in a city, county, or other local jurisdiction designated for Individual Assistance by FEMA as a result of the Major Disaster. The self-certification could not extend for more than four months beyond the date of the President's Major Disaster declaration. During the four-month self-certification period, the self-certified tenant was deemed a qualified low-income tenant. After the four-month self-certification period, the self-certified tenant was treated as a qualified low-income tenant only if the Owner obtained all documentation required under § 42 to support the tenant's continued status as a qualified low-income individual.

.03 The key modifications to Rev. Proc. 2007-54 in this revenue procedure include: (1) changing the reasonable restoration period for recapture relief and the tolling period for severely damaged, destroyed, or uninhabitable buildings in the first year of the credit period; (2) in determining qualified basis, using the building's qualified basis at the end of the taxable year immediately preceding the first day of the incident period as determined by FEMA, rather than at the end of the taxable year preceding the President's Major Disaster declaration; (3) incorporating a temporary suspension of certain income limitations for Displaced Individuals; (4) eliminating the need for self-

certification of income eligibility; (5) permitting an Agency to allow an Owner within its jurisdiction to provide emergency housing relief to Displaced Individuals from other jurisdictions; (6) describing the consequences of providing emergency housing relief in the first year of the credit period and after the first year of the credit period; and (7) modifying the safe harbor relating to the amount of credit allowable to a restored building to provide relief in circumstances where the restoration cost is less than the eligible basis cost.

SECTION 4. SCOPE

This revenue procedure applies when the President has declared a Major Disaster. This revenue procedure applies to Displaced Individuals and to all § 42 buildings (including buildings financed with exempt facility bonds under § 142), Agencies, and Owners both inside and outside States containing a Major Disaster Area.

SECTION 5. DEFINITIONS

The following definitions apply for this revenue procedure.

.01 Agency. With respect to a Project, the Agency is the governmental housing credit agency that has jurisdiction over the Project.

.02 Displaced Individual. A Displaced Individual is an individual who is displaced from his or her principal residence as a result of a Major Disaster and whose principal residence was located in a Major Disaster Area designated as eligible for Individual Assistance by FEMA.

.03 Major Disaster. A Major Disaster is an event for which the President has declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq.

.04 Major Disaster Area. A Major Disaster Area is any city, county, or other local jurisdiction for which a Major Disaster has been declared by the President and which has been designated by FEMA as eligible for Individual Assistance, Public Assistance, or both.

.05 Market-Rate Unit. A Market-Rate Unit is a unit that is not a low-income unit under § 42(i)(3).

.06 Owner. An Owner is the owner of a Project.

.07 Project. A Project is a project that is subject to low-income requirements under § 42.

.08 Temporary Housing Period. A Temporary Housing Period is the period, if any, beginning on the first day of the incident period, as determined by FEMA, and ending on the date determined by the Agency under section 12.02 of this revenue procedure.

SECTION 6. RELIEF FOR CARRYOVER ALLOCATIONS

.01 A carryover allocation is defined in § 1.42-6(a)(1) as an allocation that meets the requirements of § 42(h)(1)(E) (relating to carryover allocations for single buildings) or § 42(h)(1)(F) (relating to carryover allocations for multiple-building Projects).

.02 If an Owner has a carryover allocation for a building located in a Major Disaster Area and the incident period for the Major Disaster began prior to the deadline

in § 42(h)(1)(E), the Agency may grant the Owner an extension under section 7 of this revenue procedure. If the Agency grants such an extension, the Service will treat the Owner as having satisfied the 10-percent basis requirement of § 42(h)(1)(E)(ii) if the Owner incurs more than 10 percent of the Owner's reasonably expected basis in the building (land and depreciable basis) no later than the expiration of that extension. See § 1.42-6 for specific rules on carryover allocations.

.03 If an Owner has a carryover allocation for a building located in a Major Disaster Area and the Major Disaster occurs on or after the date of the carryover allocation, the Agency may grant the Owner an extension under section 7 of this revenue procedure. If the Agency grants such an extension, the Service will treat the Owner as having satisfied the placed in service requirement of § 42(h)(1)(E)(i) if the Owner places the building in service no later than the expiration of that extension. See § 1.42-6 for specific rules on carryover allocations.

.04 If either section 6.04(1) or section 6.04(2) of this revenue procedure applies, then the Service will treat the carryover allocation as a credit returned to the Agency on the day following the end of the extension period granted under the authority of section 6.02 of this revenue procedure, provided the Agency complies with the requirements of § 1.42-14(d)(3).

(1) Under the procedure described in section 7 of this revenue procedure, an Owner obtains the relief provided in section 6.02 of this revenue procedure but fails to satisfy the 10-percent basis requirement of § 42(h)(1)(E)(ii) before the expiration of the

extension period granted under the authority of section 6.02. See § 1.42-14 for specific rules on returned credits.

(2) Under the procedure described in section 7 of this revenue procedure, an Owner obtains the relief provided in section 6.03 of this revenue procedure but fails to satisfy the placed in service requirement of § 42(h)(1)(E)(i) before the expiration of the extension period granted under the authority of section 6.03.

SECTION 7. PROCEDURE TO OBTAIN CARRYOVER ALLOCATION RELIEF

.01 An Owner may obtain the carryover allocation relief described in section 6.02 or 6.03 of this revenue procedure only if the Owner receives approval for the relief from the Agency that issued the carryover allocation pursuant to the procedures in this section 7.

.02 The Agency may approve the carryover allocation relief provided in sections 6.02 and 6.03 of this revenue procedure only for Projects whose Owners cannot reasonably satisfy the deadlines of § 42(h)(1)(E) because of a Major Disaster. Depending on the extent of the damage in a Major Disaster Area, an Agency may make this determination on an individual Project basis or determine that all Owners or a particular group of Owners in the Major Disaster Area warrant the relief provided in sections 6.02 and 6.03 of this revenue procedure. An extension under section 6.02 must not extend beyond six months after the date the Owner would otherwise be required to meet the 10-percent requirement of § 42(h)(1)(E)(ii). An extension under section 6.03 must not extend beyond December 31 of the year following the end of the two-year period described in § 42(h)(1)(E)(i). See § 1.42-6 for specific rules on

carryover allocations. Based upon all facts and circumstances, an Agency has the discretion to provide shorter periods of relief than the maximum periods allowed by this section 7.02, or no relief at all.

.03 An Agency that chooses to approve the relief provided in sections 6.02 and 6.03 of this revenue procedure must do so before filing the Form 8610, Annual Low-Income Housing Credit Agencies Report, that covers the preceding calendar year. The Form 8610 is due by February 28 of the year following the year to which the Form 8610 applies.

.04 An Agency that approves the relief under sections 6.02 and 6.03 of this revenue procedure must report to the Service the Projects granted relief by attaching the documentation required in the instructions to Form 8610. The Agency should identify only those buildings, including buildings granted relief in January and February of the year in which the Agency files the Form 8610, that received the Agency's approval of the carryover allocation relief provided in sections 6.02 and 6.03 of this revenue procedure since the Agency last filed the Form 8610.

SECTION 8. RECAPTURE RELIEF

.01 In general, under § 42(j)(1), if (1) a building is beyond the first year of the credit period, and (2) at the end of the taxable year, the building's qualified basis with respect to the taxpayer is less than the qualified basis with respect to the taxpayer at the end of the preceding taxable year, then the credits, if any, for the year of the reduction are determined using the reduced qualified basis, and the taxpayer's Federal

income tax liability for the year of the reduction is increased by the credit recapture amount prescribed in § 42(j)(2).

.02 If the building's qualified basis is reduced by reason of a casualty loss, then under § 42(j)(4)(E), a building is not subject to recapture to the extent the loss is restored by reconstruction or replacement within a reasonable restoration period. The Agency must determine what constitutes a reasonable restoration period in the case of a Major Disaster that causes a reduction in qualified basis that would result in recapture or loss of credit. The reasonable restoration period established by the Agency must not extend beyond the end of the 25th month following the close of the month of the Major Disaster declaration.

.03 To determine the credit amount allowable during the reasonable restoration period for a building described in section 8.02 of this revenue procedure, an Owner must use the building's qualified basis at the end of the taxable year immediately preceding the first day of the incident period for the Major Disaster.

.04 If the Owner fails to restore the building within the reasonable restoration period determined by the Agency, then section 8.01 of this revenue procedure applies to the Owner and section 8.03 of this revenue procedure does not apply. The credit amount allowable, if any, after the Major Disaster is determined using the building's qualified basis at the end of each year of the credit period.

.05 Section 1.42-5(c)(1) requires an Owner to report any reduction in qualified basis to the Agency. This requirement applies regardless of whether an Owner obtains the relief provided in section 8.02 of this revenue procedure.

.06 As part of its review procedure adopted under § 1.42-5(c)(2), an Agency must determine whether the Owner described in section 8.01 of this revenue procedure has restored the building's qualified basis by the end of the reasonable restoration period established by the Agency. The Agency must report on Form 8823, Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition, any failure to restore qualified basis within the reasonable restoration period.

SECTION 9. COMPLIANCE MONITORING RELIEF

.01 An Agency may extend the due date for its scheduled compliance reviews for up to one calendar year from the date of the building's restoration and placement again into service.

.02 The extension permitted under section 9.01 of this revenue procedure does not extend the compliance monitoring deadlines for Owners in Major Disaster Areas. If an Agency discovers that an Owner has failed to comply with the rules of § 42 because of a Major Disaster, the Agency must report the noncompliance on Form 8823 and describe how the Major Disaster contributed to the noncompliance.

SECTION 10. BUILDINGS IN THE FIRST YEAR OF THE CREDIT PERIOD

.01 For buildings during the first year of the credit period that are severely damaged or destroyed in a Major Disaster Area, or uninhabitable as a result of a Major Disaster, an Agency has the discretion to treat the allocation as a returned credit to the Agency in accordance with the requirements of § 1.42-14(d)(3), or may toll the beginning of the first year of the credit period under § 42(f)(1). The tolling period must not extend beyond the end of the 25th month following the close of the month of the

Major Disaster declaration. Owners may not claim any low-income housing credit during the restoration period of these first-year buildings.

.02 An Agency that provides the relief in section 10.01 of this revenue procedure must report to the Service those Projects granted relief by attaching the required documentation as provided in the instructions to Form 8610.

SECTION 11. AMOUNT OF CREDIT ALLOWABLE TO A RESTORED BUILDING

.01 No additional credit for restoration expenditures. If a Major Disaster causes a building to suffer a reduction in qualified basis as described in section 8.01 of this revenue procedure in a taxable year during the compliance period, then § 42 does not allow the Owner to receive any additional credit amounts for costs to restore the building's qualified basis.

.02 Additional credits allowed for rehabilitation expenditures. As a result of either an allocation by an Agency or financing by exempt facility bonds, an Owner may receive an additional amount of credits for rehabilitation expenditures (as described in § 42(e)(2)) if those expenditures are used for rehabilitation and not for restoring qualified basis. A taxpayer may treat as rehabilitation expenditures any expenditures that are described in § 42(e)(2) and that exceed the amount expended for restoration. The amount expended for restoration is generally determined under all of the relevant facts and circumstances. However, if a Major Disaster causes a reduction in qualified basis, the Owner may alternatively treat as restoration expenditures the amount of—

(1) The building's eligible basis immediately before the Major Disaster; multiplied by

(2) The excess, if any, of—

a. 1.0 over

b. The fraction whose numerator is the building's post-Major Disaster qualified basis (determined for this purpose immediately after the Major Disaster) and whose denominator is the building's pre-Major Disaster qualified basis (determined for this purpose immediately before the Major Disaster).

.03 Example.

(a) Facts. Immediately before the Major Disaster described below, a low-income building contained 60 Market-Rate Units and 40 low-income units. Thus, the unit fraction under § 42(c)(1)(C) was 40/100. The eligible basis of the building was $10,000,000. Based on the unit fraction, the qualified basis was $4,000,000, which is the unit fraction multiplied by the eligible basis. A Major Disaster rendered 10 of the low-income units and several of the Market-Rate Units uninhabitable and damaged some building common areas. As a result of this damage to the common areas and to the residential units, the building's eligible basis was reduced to $8,500,000. Thus, immediately after the Major Disaster, the qualified basis is $2,550,000, which is the unit fraction of 30/100 (the unit fraction immediately after the Major Disaster), multiplied by $8,500,000 (the eligible basis at that time).

(b) Analysis. Under section 11.02(2) of this revenue procedure, the restoration amount is $3,625,000, and the building owner may treat any amount expended in excess of the restoration amount as rehabilitation expenditures (assuming the requirements of § 42(e) are met). The restoration amount is derived as the amount of—

a. $10,000,000, which is the building's eligible basis immediately before the Major Disaster; multiplied by

b. 0.3625, which is the excess of—

i. 1.0 over

ii. 0.6375, which is the fraction whose numerator is $2,550,000 (the qualified basis immediately after the Major Disaster) and whose denominator is $4,000,000 (the qualified basis immediately before the Major Disaster).

SECTION 12. EMERGENCY HOUSING RELIEF — REQUIREMENTS AND RESTRICTIONS

.01 Requirements for Relief. For an Owner to use the relief provided in section 13 of this revenue procedure, the conditions in this section 12 must be satisfied.

.02 Agency Approval.

(1) The Agency provides written approval to the Owner for use of the Project to house Displaced Individuals and specifies the date on which the Temporary Housing Period for the Project ends. The Temporary Housing Period cannot exceed 12 months from the end of the month in which the President declared the Major Disaster.

(2) For low-income buildings financed with exempt facility bonds under § 142, see section 5.02 of Rev. Proc. 2014-50, I.R.B. 2014-37.

.03 Protection of Existing Tenants. No existing tenant whose income is, or is treated as, at or below an applicable income limit under § 42(g)(2) may be evicted or otherwise have his or her occupancy terminated solely to provide emergency housing relief for a Displaced Individual.

.04 Recordkeeping Requirements. The Owner complies with the recordkeeping requirements in section 14 of this revenue procedure.

.05 Rent Restrictions. Gross rents for the low-income units that house Displaced Individuals do not exceed the maximum gross rent for those units that would apply under § 42(g)(2).

.06 Project Meets All Remaining Requirements. Except as expressly provided in this revenue procedure, a Project meets all other rules and requirements of § 42.

SECTION 13. EMERGENCY HOUSING RELIEF — IMPLEMENTATION

.01 Discretion to Apply Relief.

(1) This revenue procedure authorizes but does not require provision of emergency housing relief to Displaced Individuals during the Temporary Housing Period. If an Owner chooses not to provide emergency housing relief under sections 12, 13, and 14 of this revenue procedure, then all of the rules under § 42 apply.

(2) If an Owner chooses to provide emergency housing relief under sections 12, 13, and 14 of this revenue procedure then –

(A) The Owner may provide emergency housing relief for less than the full Temporary Housing Period;

(B) If a Displaced Individual has demonstrated qualification as low income and the Owner wishes to accept the individual as a tenant, the Owner may either accept the Displaced Individual as a low-income tenant applying all the rules under § 42 or provide emergency housing relief to the Displaced Individual under sections 12, 13, and 14 of this revenue procedure; and

(C) If a Displaced Individual has not demonstrated qualification as low income and the Owner wishes to accept the individual as a tenant, the Owner may either accept the Displaced Individual as a tenant that is not a low-income tenant or provide emergency housing relief to the Displaced Individual under sections 12, 13, and 14 of this revenue procedure.

.02 Satisfaction of the Non-Transient Use Requirement. The occupancy of a unit in a Project by a Displaced Individual during the Temporary Housing Period is treated as satisfying the non-transient use requirement under § 42(i)(3)(B)(i).

.03 Treatment of Displaced Individuals Under the Next-Available-Unit Rule. During the Temporary Housing Period, for purposes of determining compliance with the next-available-unit rule under § 42(g)(2)(D)(ii), an Owner disregards any unit then occupied by one or more Displaced Individuals and applies the rule based solely on occupancy by persons who are not Displaced Individuals.

.04 Treatment of Units in the First Year of the Credit Period. If a Displaced Individual begins occupancy of a unit at a time that is within both the Temporary Housing Period and the first year of the credit period under § 42(f)(1), then during the Temporary Housing Period, while occupied by the Displaced Individual, the unit is treated as a low-income unit for the following purposes:

(1) Determining the Project's qualified basis under § 42(c)(1); and

(2) Meeting the Project's 20-50 test under § 42(g)(1)(A), 40-60 test under § 42(g)(1)(B), or 25-60 test under §§ 42(g)(4) and 142(d)(6) for New York City, as

applicable. See section 13.06 of this revenue procedure for the treatment of a unit vacated by a Displaced Individual.

.05 Treatment of Units After the First Year of the Credit Period. If a Displaced Individual begins occupancy of a unit during the Temporary Housing Period but after the first year of the credit period under § 42(f)(1), then the unit retains the status it had immediately before that occupancy. That is –

(1) The actual income of the Displaced Individual occupying the unit is disregarded during the Temporary Housing Period for purposes of § 42;

(2) If a unit is a low-income unit, a Market-Rate Unit, or a unit never previously occupied, then the unit remains as such while occupied by a Displaced Individual during the Temporary Housing Period, regardless of the occupancy by, or income of, the Displaced Individual; and

(3) The income of the Displaced Individual occupying the unit does not affect the building's applicable fraction under § 42(c)(1)(B) for purposes of determining the building's qualified basis under § 42(c)(1), nor does it affect the satisfaction of the 20-50 test under § 42(g)(1)(A), 40-60 test under § 42(g)(1)(B), or 25-60 test under §§ 42(g)(4) and 142(d)(6) for New York City, as applicable.

.06 Treatment of a Unit Vacated by a Displaced Individual. If a Displaced Individual vacates a unit in a Project before the end of the Temporary Housing Period, that unit retains the status provided under sections 13.04 or 13.05 of this revenue procedure until it is occupied by the next tenant, even if the next tenant takes occupancy after the end of the Temporary Housing Period. If the next tenant is also a

Displaced Individual and begins occupancy during the Temporary Housing Period, the status of the unit is determined under section 13.04 or 13.05 of this revenue procedure. If the next tenant is not a Displaced Individual or begins occupancy after the end of the Temporary Housing Period, the status of the unit is determined under § 42.

.07 Income Qualifications when Temporary Housing Period Ends.

(1) If a Displaced Individual continues to occupy a unit in the Project at the end of the Temporary Housing Period, then except as provided in section 13.07(3) of this revenue procedure, the status of the unit occupied by the Displaced Individual and the income of that individual are re-evaluated as though the individual commenced occupancy of the unit on the day immediately following the end of the Temporary Housing Period. For example, a unit is a Market-Rate Unit beginning immediately after the end of the Temporary Housing Period if, immediately after the end of the Temporary Housing Period, the Displaced Individual's income exceeds the applicable income limit.

(2) If the Project fails to comply with the set-aside requirement of § 42(g)(1) solely because of continued occupancy of a unit after the Temporary Housing Period by a Displaced Individual, a 60-day period is allowed for correction.

(3) If the Displaced Individual was accepted as a low-income tenant applying all the rules under § 42 as permitted by section 13.01(2)(B) of this revenue procedure, then all the rules under § 42 apply to the Displaced Individual, including § 42(g)(2)(D)(ii).

.08 No Recapture. The emergency housing of Displaced Individuals in low-income units during the Temporary Housing Period (and, if applicable, the 60-day correction period under section 13.07 under this revenue procedure) does not cause the

building to suffer a reduction in qualified basis (which would cause the recapture of low-income housing credits).

SECTION 14. EMERGENCY HOUSING RELIEF — RECORDKEEPING

.01 Owners must maintain certain information concerning each Displaced Individual temporarily housed in the Project under sections 12 and 13 of this revenue procedure. For each Displaced Individual, the records must contain the following items in a statement signed by the Displaced Individual under penalties of perjury:

(1) The name of the Displaced Individual;

(2) The address of the principal residence at the time of the Major Disaster of the Displaced Individual;

(3) The Displaced Individual's social security number; and

(4) A statement that he or she was displaced from his or her principal residence as a result of a Major Disaster and that his or her principal residence was located in a city, county, or other local jurisdiction that is covered by the President's declaration of a Major Disaster and that is designated as eligible for Individual Assistance by FEMA because of the Major Disaster.

.02 The Owner must maintain a record both of the Agency's approval of the Project's use for Displaced Individuals and of the approved Temporary Housing Period. The Owner must report to the Agency at the end of the Temporary Housing Period a list of the names of the Displaced Individuals and the dates the Displaced Individuals began occupancy. The Owner must also provide any dates Displaced Individuals ceased

occupancy and, if applicable, the date each unit occupied by a Displaced Individual becomes occupied by a subsequent tenant.

.03 The Owner must maintain the records described in this section as part of the annual compliance monitoring process with the Agency imposed by § 42 and provide this information to the Service upon request.

SECTION 15. EFFECT ON OTHER DOCUMENTS

This revenue procedure modifies and supersedes Rev. Proc. 2007-54, 2007-2 C.B. 293.

SECTION 16. EFFECTIVE DATE

This revenue procedure is effective for Major Disasters declared on or after August 21, 2014.

SECTION 17. PAPERWORK REDUCTION ACT

The collection of information contained in this revenue procedure has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-2237.

A Federal Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

The collection of information in this revenue procedure is in sections 6, 7, 8, 9, 10, 12, 13, and 14. This information is required to enable the Service to verify whether the Owners and Displaced Individuals satisfy various requirements for the relief provided in this revenue procedure. The collection of information is required to obtain a

benefit. The likely respondents are individuals, businesses, and state and local governments.

The estimated total annual recordkeeping burden is 1,750 hours.

The estimated annual burden per recordkeeper is approximately 30 minutes. The estimated number of recordkeepers is 3,500.

Books or records relating to a collection of information must be retained as long as their contents may become material to the administration of the internal revenue law. Generally, tax returns and tax return information are confidential, as required by § 6103.

SECTION 18. DRAFTING INFORMATION

The principal author of this revenue procedure is David Selig of the Office of Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this revenue procedure contact Mr. Selig at (202) 317-4137 (not a toll free call).

GOVERNMENT OF PUERTO RICO
Puerto Rico Housing Finance Authority

May 11, 2020

CIRCULAR LETTER 2020-04

Owners, Developers and Contractors of
Projects under Construction

EXECUTIVE ORDER OE-2020-038

On May 1st, 2020, the Governor of Puerto Rico, Hon. Wanda Vázquez Garced, enacted Executive Order OE-2020-038 (OE-2020-038) to reactivate Puerto Rico's economy. Reopening will be carried out in phases and safely (**Attachment A**).

Due to its minimum contagion risk indicator, the construction sector that was not exempt from the lockdown, will resume operations as of May 11th, 2020 if strict safety measures are adopted to mitigate the risk of contagion and protect the health of workers and citizens.

In resuming construction the projects participating of programs administered by the Puerto Rico Housing Finance Authority (PRHFA), such as Financing, Low-Income Housing Tax Credits (LIHTC), HOME, Housing Trust Fund and CDBG-DR Gap to LIHTC, must comply with COVID-19 guidelines and complete the procedures that the Centers for Disease Control and Prevention (CDC), World Health Organization (WHO), and Occupational Safety and Health Administration (OSHA) have established. To comply with OE-2020-038, the attached self-certification (**Attachment B**) and the contingency plans must be sent to:

1. autocertificacionprosha@trabajo.pr.gov; and
2. Mr. Javier E. Trogolo at Javier.e.trogolo@afv.pr.gov

Projects participating of the CDBG-DR Gap to LIHTC Program must also send copies of these documents to Mr. Jose Falcon at jfalcon@viviendap.pr.gov and upload them to following link:

https://app.smartsheet.com/b/form/dccf9fcf0bd24616927fb6c0837cea8e.

Additionally, before operations begin, workers will receive training, orientation, and continuous supervision on the new safety measures. Copies of those trainings should also be provided to Mr. Trogolo and Mr. Falcón. The Department of Labor and Human Resources, in coordination with the Department of Economic Development and Commerce, will publish protocols or plans for risk mitigation.

PO Box 71361
San Juan, PR 00936-8461

Urb. Altamira
638 Aldebarán St.
San Juan, PR 00920-4226
(787) 765-7577

PRHFA | PUERTO RICO HOUSING FINANCE AUTHORITY

It is important to consent to the submitted plan and complete the self-certification correctly. Proposed measures must strictly abide by the provisions established in OE-2020-038.

Should you have any questions or requests, please contact Mr. Javier E. Trogolo, at Javier.e.trogolo@afv.pr.gov, or Ms. Maria I. Martinez, at mmartinez@afv.pr.gov.

Sincerely,

Pablo G. Muñiz Reyes
Executive Director

Enclosures

PO Box 71361
San Juan, PR 00936-8461

Urb. Altamira
638 Aldebarán St.
San Juan, PR 00920-4226
(787) 765-7577

PRHFA | PUERTO RICO HOUSING FINANCE AUTHORITY

GOBIERNO DE PUERTO RICO
LA FORTALEZA
SAN JUAN, PUERTO RICO

Boletín Administrativo Núm: OE-2020-038

ORDEN EJECUTIVA DE LA GOBERNADORA DE PUERTO RICO, HON. WANDA VÁZQUEZ GARCED, A LOS FINES DE EXTENDER EL TOQUE DE QUEDA Y ESTABLECER OTRAS MEDIDAS NECESARIAS PARA CONTROLAR Y PREVENIR EL RIESGO DE CONTAGIO CON COVID-19 EN PUERTO RICO

POR CUANTO: La pandemia a nivel mundial debido a la propagación del COVID-19 ha requerido la implementación de medidas dirigidas a evitar mayores contagios y a salvaguardar la salud de la ciudadanía. La propagación del COVID-19 representa sin duda, una seria e inminente amenaza y un asunto que debe ser atendido con altísima prioridad, pues este virus ha tomado la vida de más de 230,000 a nivel mundial.

POR CUANTO: Por su parte, el Gobierno de Puerto Rico ha llevado a cabo todos los esfuerzos y ha tomado todas las medidas necesarias para prevenir y detener la propagación del COVID-19 y para salvaguardar la salud, la vida y la seguridad de los residentes de Puerto Rico. A tales fines y cónsono con la declaración que emitió la Organización Mundial de la Salud clasificando la enfermedad respiratoria causada por el COVID-19 como una emergencia sanitaria y social mundial de nivel pandémico, que requería la acción efectiva e inmediata de todos los gobiernos y jurisdicciones alrededor del mundo, el 12 de marzo de 2020 se promulgó el Boletín Administrativo Núm. OE-2020-020. Mediante la referida Orden Ejecutiva se declaró un estado de emergencia en todo nuestro archipiélago ante la inminente amenaza que representaba la propagación del COVID-19 ("OE-2020-020").

POR CUANTO: Tras la declaración de emergencia emitida por el Presidente de los Estados Unidos de América, honorable Donald J. Trump, el Gobierno de Puerto Rico ha publicado varios Boletines Administrativos relacionados con la pandemia, a saber el 15 de marzo de 2020 se promulgó el Boletín Administrativo Núm. OE-2020-023, mediante el cual se establecieron medidas adicionales para desacelerar y contener la propagación del COVID-19 en Puerto Rico ("OE-2020-023"), incluyendo, entre otras medidas, la implantación de un toque de queda aplicable a toda la ciudadanía y los cierres necesarios, tanto en las operaciones gubernamentales como privadas. El 30 de marzo de 2020 se promulgó el Boletín Administrativo Núm. OE-2020-029, con el propósito de extender el toque de queda, las medidas de distanciamiento social y el cierre de las operaciones del gobierno y de ciertos comercios. El 7 de abril de

2020 se emitió el Boletín Administrativo Núm. OE-2020-032 para establecer medidas más agresivas a los fines de desacelerar la curva de contagio de COVID-19 en nuestra Isla. El 12 de abril de 2020 se promulgó el Boletín Administrativo Núm. OE-2020-033 a los fines de continuar las medidas tomadas para controlar el riesgo de contagio de COVID-19 en Puerto Rico, entre ellas, extender el toque de queda y los cierres necesarios temporeramente. La vigencia de dicha Orden Ejecutiva se extendió hasta el 3 de mayo de 2020.

POR CUANTO: Además, en ánimo de atender la situación de emergencia de salud que está atravesando Puerto Rico, mediante la promulgación del Boletín Administrativo Núm. OE-2020-026 se creó el Comité Ejecutivo de Asesoría Médica ("Task Force Médico"), a cargo de desarrollar e implementar, en conjunto con el Departamento de Salud, los estudios, las investigaciones y los planes estratégicos sobre cómo manejar la emergencia de COVID-19. De igual modo, el referido "Task Force Médico" fue creado para asesorar y asistir a la Gobernadora de Puerto Rico y al Secretario de Salud en la toma de decisiones de salud pública y otros asuntos relacionados a esta emergencia. Así las cosas, tanto los galenos que componen el "Task Force Médico" como el Secretario de Salud recomendaron extender por un término adicional y sujeto a algunas modificaciones, las medidas previamente tomadas por el Gobierno de Puerto Rico para contener el contagio del COVID-19.

POR CUANTO: El 28 de marzo de 2020 la "Cybersecurity & Infrastructure Security Agency" del Departamento de Seguridad Nacional de los Estados Unidos de América, publicó el documento intitulado "Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and National Resilience in COVID-19 Response" (en adelante denominado, "Guía"). Mediante esta Guía se establecieron los parámetros sugeridos para ayudar a los gobiernos estatales y locales a determinar qué actividades, negocios, trabajos e industrias pueden considerarse como necesarias en el contexto de la emergencia suscitada por el COVID-19.

POR CUANTO: La referida Guía se promulgó además, para asistir a los funcionarios públicos en su rol de proteger a las comunidades, mientras se garantiza la continuidad de las funciones críticas para la salud y la seguridad pública, así como la seguridad económica.

POR CUANTO: La Guía establece que las determinaciones sobre lo que constituye un negocio o actividad necesaria no es directivo, sino que más bien se deben tener en cuenta consideraciones de salud pública atinentes a las preocupaciones específicas relacionadas con COVID-19 en cada jurisdicción.

POR CUANTO: El Artículo 6.10 de la Ley 20-2017, según enmendada, mejor conocida como "Ley del Departamento de Seguridad Pública de Puerto Rico", faculta a la Gobernadora a decretar un estado de emergencia en la Isla y "darle vigencia a aquellos reglamentos, órdenes, planes o medidas estatales para situaciones de emergencia o desastre o variar los mismos a su juicio", así como "dictar, enmendar y revocar aquellos reglamentos y emitir, enmendar y rescindir aquellas órdenes que estime convenientes para regir durante el estado de emergencia o desastre".

POR CUANTO: En caso de que alguna epidemia amenace la salud del pueblo de Puerto Rico, la Ley Núm. 81 de 14 de marzo de 1912, según enmendada, conocida como "Ley del Departamento de Salud", faculta al Departamento de Salud a tomar todas las medidas que estime necesarias para combatirla, incluyendo procedimientos para el aislamiento y cuarentena de personas que han sido expuestas o que han contraído enfermedades transmisibles que representan una amenaza a la salud pública, conforme a las disposiciones del Reglamento Núm. 7380, conocido como "Reglamento de Aislamiento y Cuarentena".

POR CUANTO: Es norma reiterada que el Estado podrá limitar algunos de los derechos de los ciudadanos, cuando dicha restricción constituya la alternativa menos onerosa para salvaguardar o promover un interés apremiante del Estado. En este caso, el interés apremiante es garantizar la salud pública y el bienestar colectivo ante la propagación de una peligrosa condición médica para la cual no existe vacuna aún y, por lo tanto, se hace imperiosa la necesidad de tomar medidas cuya implementación pudiese afectar derechos fundamentales.

POR CUANTO: Ante los logros alcanzados con relación a la desaceleración de la curva de contagio y control de riesgo del virus, mediante el Boletín Administrativo Núm. OE-2020-033 se flexibilizaron ciertos aspectos relacionados a las operaciones de los sectores industriales, comerciales y empresariales, así como en cuanto al flujo vehicular en Puerto Rico. No obstante, la flexibilización no se debe implementar al amparo de los datos que nos provee la curva de contagio únicamente, sino que deben tomarse en consideración los recursos con los que cuentan los sectores públicos y privados para integrar medidas de mitigación de riesgo de contagio en sus facilidades y operaciones.

POR CUANTO: Es importante indicar que las evaluaciones de riesgo deben integrarse en las decisiones de reapertura y reactivación de la economía.

POR CUANTO: Desde el pasado 23 de marzo de 2020, el Comité Asesor Económico o "Task Force Económico", ha estado delineando y evaluando estrategias dirigidas a la reapertura en fases de actividades económica en Puerto Rico. La perspectiva económica del modelo está basada en el impacto de los diferentes sectores que aportan a la economía en términos del Producto Interno Bruto ("GDP" por sus siglas en inglés), el nivel de empleo asociado a cada sector y el índice relativo de riesgo de activación de cada sector. También se tomó en consideración el manejo de COVID-19 en Puerto Rico, en cuanto a sostener la capacidad del sistema de salud utilizando como parámetros la disponibilidad de unidades de intensivo y de ventiladores.

POR CUANTO: El Comité Asesor Económico ha recomendado que la reactivación de la economía de Puerto Rico se debe de realizar en fases y de una manera segura, sin sobrecargar la capacidad del sector médico de Puerto Rico para atender y manejar la pandemia del COVID-19. Es deber puntualizar que la función principal del "Task Force Económico" es servir de ente facilitador en el proceso de transición entre la fase emergencia y la recuperación gradual en los ámbitos sociales y económicos.

POR CUANTO: Entendiendo el deber de balancear las necesidades de salud con las económicas de nuestro pueblo, el "Task Force Económico" emitió además ciertas recomendaciones para la reapertura paulatina de nuestra actividad económica. Estas recomendaciones buscan que se establezcan sistemas de manejo de riesgos de contagios en los lugares de trabajo y sistemas de monitoreo de sus posibles efectos en los contagios. El modelo de regreso al trabajo tiene que estar basado en evitar abrumar los recursos disponibles en los hospitales para manejar pacientes de COVID-19. Para lograr este objetivo los protocolos o planes de mitigación de riesgo en los lugares de trabajo serán publicados por el Departamento del Trabajado y Recursos Humanos en coordinación con el Departamento de Desarrollo Económico y Comercio.

POR CUANTO: Con el objetivo de evaluar los sectores a ser incluidos para la reapertura paulatina, el "Task Force Económico" tomó en consideración tres factores. Estos son: 1. Índice de Riesgo de Contagio preparado por la Escuela de Salud Pública del Recinto de Ciencias Médicas de la Universidad de Puerto Rico; 2. Número de Empleados en cada sector; 3. Participación en el Producto Interno Bruto.

POR CUANTO: El 25 de abril de 2020, se celebró una reunión con el "Task Force Médico" y el "Task Force Económico" en la cual se discutieron

sectores económicos que pueden comenzar a reactivarse, en adición a los ya exentos, según los parámetros de mitigación de riesgo de contagio del virus. Estos sectores son: la construcción que no haya estado exenta del "lockdown", la manufactura que no haya estado exenta del "lockdown" y algunos servicios de salud.

POR CUANTO: Los sectores que reanudarán operaciones en esta fase de la reapertura económica fueron seleccionados a raíz de que el indicador de riesgo de contagio es el mínimo en comparación con los demás sectores esbozados en los estudios presentados por el "Task Force Médico" y el "Task Force Económico".

POR CUANTO: Es importante aclarar que nos corresponde evitar el colapso del sistema hospitalario y de salud ante la posibilidad de que la apertura de los mercados provoque una segunda curva de contagio. Por tal razón, las medidas a tomarse deben cumplir, estrictamente, con los parámetros de salubridad establecidos.

POR CUANTO: Con el propósito de prevenir y controlar la diseminación del virus en Puerto Rico, es imperativa la implantación de medidas difíciles, pero necesarias para garantizar el derecho a la vida a toda la ciudadanía.

POR CUANTO: Esta administración gubernamental reconoce que estas medidas deben ir acompañadas de mecanismos que permitan la operación de industrias, servicios y otros renglones de la economía necesarios para proveer una respuesta adecuada y efectiva dentro de esta emergencia.

POR CUANTO: Aunque el nivel de ocupación en los hospitales demuestra que se ha logrado satisfactoriamente la contención en la propagación del COVID-19, Puerto Rico continúa en riesgo de contagio. Las estrategias implementadas por el Gobierno han funcionado para proteger vidas y mantener nuestro sistema de salud con un nivel de casos manejable. Esto, definitivamente, permitió que el sistema de salud pudiera prepararse para el manejo médico de la pandemia.

POR CUANTO: Mientras no existan tratamientos efectivos o una vacuna para la prevención del COVID-19, la nueva norma social y de trabajo incluirá distanciamiento físico, lo cual tendrá un impacto en nuestro diario vivir y manera de llevar a cabo las actividades económicas.

POR CUANTO: Es la recomendación del "Task Force Médico" establecer esta primera fase de reapertura por un período de veintiún (21) días o tres (3) semanas, aproximadamente. Toda vez que, aunque el virus tiene un periodo de incubación de hasta catorce (14) días, el sector médico , epidemiólogos y personal del sector de la salud que atiende la emergencia, recomienda una semana adicional para monitorear el comportamiento y/o aumento en el número de casos semanales, resultados de pruebas, utilización de hospitales, unidades de

cuidado intensivo, uso de ventiladores y el aumento en la capacidad hospitalaria en general, además del número de fallecimientos por causas del virus durante este periodo.

POR CUANTO: Durante el periodo de esta Orden Ejecutiva, le informamos al pueblo de Puerto Rico que trabajamos en unión al sector médico y económico la evaluación de la posible reapertura y/o flexibilización de manera segura y escalonada de otros sectores y negocios no incluidos en esta Orden, como podrían ser: comercios de venta al detal, restaurantes, barberías, salones de belleza, servicios funerarios (velatorios), venta de la industria automotriz, servicios religiosos, entre otros.

POR TANTO: Yo, WANDA VÁZQUEZ GARCED, Gobernadora de Puerto Rico, en virtud de los poderes inherentes a mi cargo y la autoridad que me ha sido conferida por la Constitución y las leyes de Puerto Rico, por la presente, DECRETO y ORDENO lo siguiente:

Sección 1ra: **TOQUE DE QUEDA. Se continúa bajo** un toque de queda ("lockdown") en Puerto Rico. **SE INSTRUYE A TODO CIUDADANO EN LA ISLA DE PUERTO RICO A QUE DEBERÁ PERMANECER EN SU LUGAR DE RESIDENCIA O ALOJAMIENTO DURANTE LAS 24 HORAS DEL DÍA LOS 7 DÍAS DE LA SEMANA DURANTE EL PERÍODO DE TOQUE DE QUEDA ("LOCKDOWN") HASTA EL 25 DE MAYO DE 2020 INCLUSIVE.** Un ciudadano, podrá salir de su vivienda **EXCLUSIVAMENTE** entre **5:00 a.m. a 7:00 p.m.** cuando la necesidad lo amerite en las siguientes circunstancias:

(a) acudir a alguna cita médica, asistir a hospitales, laboratorios, centros de servicio médico hospitalarios;

(b) adquisición de alimentos, productos farmacéuticos y de primera necesidad;

(c) acudir a alguno de los establecimientos exentos para gestiones necesarias o de urgencia;

(d) recibir alguno de los servicios exentos, especificados en las subsiguientes secciones de esta Orden;

(e) brindar alguno de los servicios exentos, especificados en las subsiguientes secciones de esta Orden.

Durante la vigencia de esta Orden, el dueño y/o la persona a cargo de una residencia que permita que personas ajenas a los cohabitantes del hogar se congreguen para llevar a cabo reuniones, tertulias, fiestas o cualquier actividad no permitida en esta orden en dicha residencia y su entorno, podrá ser considerada una violación a la orden ejecutiva y estará sujeta a las penalidades establecidas por ley. Toda vez que la salud pública representa un interés apremiante que el Estado está obligado a preservar, y más aún

cuando la evidencia científica demuestra que la vía principal de transmisión de este virus entre seres humanos es a través de pequeñas gotas respiratorias que se producen y expulsan cuando una persona infectada tose, estornuda o habla, el medio menos oneroso para controlar el riesgo de contagio del virus es regulando este tipo de actividad. Inclusive, algunos estudios recientes sugieren que el COVID-19 puede propagarse a través de personas que no presentan síntomas, por lo que es importante mantener una distancia social adecuada para prevenir la propagación de esta enfermedad.

Durante el periodo de 5:00 a.m. a 3:00 p.m. se permitirá llevar a cabo actividades físicas al aire libre, consistentes con permanecer al menos seis (6) pies de distancia entre cada individuo, utilización de mascarillas y gel desinfectante. Las actividades físicas al aire libre se limitarán a caminar, trotar, correr bicicleta y pasear con los niños o mascotas. No obstante, cualquier centro o facilidad donde se practiquen estas actividades físicas y/o promueva la aglomeración de personas, tales como parques, pistas atléticas, incluyendo playas, balnearios, gimnasios, entre otros, permanecerán cerrados al público.

Sección 2da: **ORDEN DE CUARENTENA.** Al amparo de las facultades concedidas por la Constitución de Puerto Rico, por la Ley 20-2017, según enmendada, *supra*, y por la Ley 81 de 14 de marzo 1912, según enmendada, *supra*, reiteramos que **se ordena a toda persona con sospecha razonable de que haya sido expuesta al COVID-19, presente ésta o no signos o síntomas de contagio, y con el propósito de prevenir o limitar la transmisión y propagación del virus, a que permanezca en cuarentena durante un período de 14 días**. Lo anterior implica que la persona deberá permanecer estrictamente en su residencia y restringir sus movimientos fuera de ésta para evitar el riesgo de contagio dentro de la comunidad. **Se ordena además el aislamiento social por 14 días, para toda persona a la cual se le haya sido confirmado la presencia del COVID-19 en su organismo, o con sospecha razonable de haber sido infectada con el COVID-19, el confinamiento o restricción de movimiento, conforme a las instrucciones médicas, con el propósito de asegurar la condición de salud de dicha persona, así como para evitar que ponga en riesgo la salud pública y prevenir la transmisión a personas no infectadas.**

Sección 3ra: **OPERACIONES GUBERNAMENTALES.** Las agencias continuarán ejerciendo las funciones y brindando los servicios que se puedan

ofrecer, sin comprometer la seguridad y la salud de sus empleados, a través del método de trabajo a distancia o remoto. Se entenderá que la jornada laboral será la misma que tenían antes de la emergencia, de conformidad con cada agencia o aquella que cada autoridad nominadora determine. Por la naturaleza de ciertas funciones, se podrá permitir una cantidad de hasta un máximo de 5 (cinco) personas dos veces en semana, presencialmente, en el área de trabajo. Cada jefe de agencia impartirá las instrucciones y establecerá el plan de trabajo para sus empleados, el cual será notificado a través de sus supervisores. Lo anterior aplica a los empleados No esenciales. Los empleados esenciales continuarán con el plan de trabajo ya establecido por su agencia y acumularán tiempo compensatorio o recibirán pago de horas extras, según sea el caso, por los servicios prestados en exceso de su jornada regular de trabajo diaria o semanal. Las disposiciones sobre acumulación de tiempo compensatorio o pago de horas extras no aplican a los empleados exentos, conforme se define en la "Ley Federal de Normas Razonables del Trabajo".

Es importante que cada jefe de agencia o cada autoridad nominadora revise su plan de trabajo a distancia a los fines de garantizarle los servicios a aquellos sectores autorizados a operar en esta Orden.

Sección 4ta: **ESTABLECIMIENTO DE GUÍAS POR LAS AGENCIAS.** Las disposiciones aquí establecidas podrán ser definidas y reforzadas detalladamente mediante guías emitidas por toda agencia llamada a la regulación o reglamentación de los servicios aquí discutidos, una vez aprobadas por la Gobernadora, quien podrá delegar esta función en el Secretario de la Gobernación. De igual forma, todo jefe de agencia que identifique servicios esenciales o de emergencia, y que no estén cubiertos en las exenciones deberá someter una solicitud a estos fines al Secretario de la Gobernación, quien tendrá discreción para aprobarla. Toda agencia que promulgue guías en aras de explicar en detalle las disposiciones que esta Orden establece, una vez sean aprobadas, deberá inmediatamente dar su más amplia publicación.

Sección 5ta: **COMERCIOS EXENTOS DEL CIERRE.** Vigente y establecido un toque de queda y siempre y cuando cumplan con el horario establecido en el ("lockdown"), quedan exentas de esta Orden aquellos comercios dedicados a:

1. **Alimentos:**
   a. Venta de alimentos preparados, EXCLUSIVAMENTE mediante el modelo servi-carro o

entrega ("carry-out" o "delivery"), sin permitir comensales en el interior de los establecimientos.

b. Venta de alimentos al detal o al por mayor.

c. Negocios que estén relacionados a las cadenas de distribución de alimentos (incluye agricultores y empleados de la industria agropecuaria) y bebidas, incluyendo alimento para animales, incluyendo procesadoras y elaboradoras de alimentos y bebidas y negocios dedicados a la distribución de alimentos y bebidas, fincas hidropónicas y actividad agropecuaria en general, incluyendo huertos caseros.

d. Supermercados y colmados, incluyendo los negocios cuyos componentes incluyan supermercados o colmados. Los supermercados podrán permanecer **ABIERTOS AL PÚBLICO**, de lunes a sábado de **5:00 am** hasta las **8:00 p.m.** Sin embargo, exclusivamente en cuanto al sistema de entrega ("delivery") por parte de los supermercados, el mismo se permitirá hasta las **10:00 pm,** con el fin de incentivar la entrega a domicilio y evitar la visita presencial de ciudadanos al establecimiento. Estos establecimientos permanecerán **CERRADOS AL PÚBLICO** los domingos y, a manera de excepción, **LIMITARÁN** sus operaciones ese día a la limpieza, desinfección y manejo de mercancía. Es importante aclarar que sólo podrán recibir y atender entre 7:00 p.m. a 8:00 p.m. a aquellas personas que trabajen en hospitales, laboratorios tecnológicos y agentes del orden público que así se puedan identificar.

e. Con relación a los puntos de venta al detal como quioscos de alimentos frescos (frutas, verduras y vegetales) establecidos previos al 15 de marzo de 2020, podrán abrir siempre y cuando tomen las medidas cautelares para salvaguardar la salud (ej. mascarillas, guantes, desinfectantes, etc.) y se sirvan sin necesidad de aglomeramiento de personas.

2. **Salud, medicamentos, artículos o equipo médico y farmacias:**

a. Incluye negocios que se dediquen a la producción, venta, o provisión de servicios relacionados a medicamentos, artículos o equipo médico, o provisión

de servicios de cuidado médico, y aquellos que estén en su cadena de distribución, incluyendo:

i. Operaciones de manufactura y venta de productos farmacéuticos.
ii. Operaciones de manufactura y venta de dispositivos médicos (manufactura y venta)
iii. Biotecnología y facilidades de biotecnología agrícola (manufactura y venta)
iv. Operaciones de manufactura de suministros para los hospitales y otras instituciones, y proveedores de salud.
v. Manufactura y venta de productos de limpieza, desinfectantes y equipo de protección personal necesario para atender la crisis de COVID-19
vi. Hospitales.
vii. Laboratorios clínicos.
viii. Salas de emergencia.
ix. Clínicas de servicios médicos.
x. Dispensarios de cannabis medicinal.
xi. Instalaciones de cultivo y procesamiento de cannabis medicinal.
xii. Centros de salud.
xiii. Bancos de Sangre.
xiv. Farmacias. Están autorizadas a operar de manera regular de lunes a domingo.
xv. Centros de cuido de ancianos
xvi. Compañías o aseguradoras que provean cubiertas de planes médicos.
xvii. Clínicas veterinarias por citas
xviii. Médicos primarios y especialistas, incluyendo el área de salud mental.
    a. Aunque se siga favoreciendo que los médicos primarios y especialistas ofrezcan servicios utilizando el teléfono y video por medios electrónicos para tener citas y mantener la continuidad del cuidado, se permitirán las visitas médicas presenciales. Los médicos pueden abrir sus oficinas para citas siempre y cuando puedan certificar la adopción de protocolos estrictos de seguridad

y mitigación que sean promulgados por la comunidad médica y el Departamento de Salud. Deberán hacerlo mediante cita previa, evitando la conglomeración de pacientes en las oficinas, respetando los protocolos de distanciamiento social y tomando todas las medidas necesarias para salvaguardar la salud de todos los empleados que laboren en las oficinas.

b. En cuanto al reinicio en la calendarización de las cirugías electivas en los hospitales deberán cumplir con los protocolos de seguridad y salubridad establecidos para el COVID-19 para los servicios de salud en instituciones hospitalarias. Además, deberán de certificar la adopción de protocolos estrictos de seguridad y mitigación así promulgados por la comunidad médica y el Departamento de Salud. En esta etapa inicial deberán ser cirugías ambulatorias, no estéticas, y para la protección de médicos y personal de apoyo, se sugiere que se realice una prueba de COVID-19 al paciente antes del procedimiento.

xix. Oficinas dentales. Sus operaciones se regirán por las Guías de ADA, de la Junta Dental de Puerto Rico y el Departamento de Salud. Podrán tomar medidas para procedimientos de emergencia para los que deberán incluir un teléfono al cual puedan llamar los pacientes y coordinar sus servicios por cita previa. Evitando la conglomeración de pacientes en las oficinas o salas de espera, respetando los protocolos de distanciamiento social y tomando todas las medidas necesarias para salvaguardar la salud de todos los empleados que laboren en las oficinas.

xx. Oficinas de optómetras, tomando las debidas precauciones y medidas para asegurar el distanciamiento social y evitar la propagación del COVID-19. Mediante cita previa, evitando la conglomeración de pacientes en las oficinas o salas de espera, respetando los protocolos de distanciamiento social y tomando todas las medidas necesarias para salvaguardar la salud de todos los empleados que laboren en las oficinas.

3. **Gasolineras y su cadena de distribución**

a. Combustibles (procesamiento, venta y distribución).

b. Refinado: gasolina, diesel, "jetfuel", "AV-Gas", gas propano, gas butano, gas natural, gas licuado, queroseno, entre otros.

c. Mezclado ("intermediate fuels", "blended")

d. Producción, distribución, venta al por mayor, venta al detal (gasolineras)

e. Venta de Lotería Electrónica.

f. Centros de inspección vehicular.

Están autorizadas a operar de manera regular de lunes a domingo.

4. **Instituciones financieras**

a. Instituciones depositarias que ofrezcan servicios bancarios como bancos y cooperativas para actividades de depósitos, retiros o pagos.

b. Casas de empeño, sólo en cuanto al recibo de bienes a manera de empeño mediante contrato de prenda y para el pago de deudas (no estará permitida la venta de bienes y/o mercancía).

c. Bancos hipotecarios y otras entidades prestamistas. Podrán llevarse a cabo cierres de préstamos y préstamos hipotecarios mediante cita previa, de manera que se evite la conglomeración de cierres programados en la sala de espera. Debe citarse un (1) cliente a la vez y se limitarán a los requerimientos que sólo podrían atenderse presencialmente. Todo lo demás deberá adelantarse de manera electrónica o remota.

5. **Organizaciones o grupos que provean servicios para atender necesidades básicas para poblaciones vulnerables.**

a. Refugios para personas sin hogar

b. Bancos de alimentos

c. Refugios para víctimas

d. Albergues, incluyendo albergues de animales

e. Residencias Temporeras

6. **Reparación y piezas de vehículos**: Aquellas compañías que ofrezcan servicios de reparación y piezas de vehículos, incluyendo técnicos automotrices, gomeros, hojalateros, distribuidores de piezas y talleres de servicio, podrán operar para atender emergencias **de lunes a viernes**, entre los horarios de 9:00 a.m. y 5:00 p.m., **mediante citas y deberán establecer algún método de contacto telefónico o por correo electrónico para coordinar las mismas.** Deberán asegurarse de tomar control de la persona que citen para no tener más de un (1) cliente a la vez, utilizando mascarillas, guardando las medidas de seguridad apropiadas para evitar el contagio y **sin estar abierto el establecimiento para recibir al público en general.**

7. **Ferreterías**: Aquellos comercios que ofrezcan servicios de ferreterías podrán operar **de lunes a viernes,** entre los horarios de 9:00 a.m. y 5:00 p.m., **solamente mediante citas, estableciendo algún método de contacto telefónico o por correo electrónico, para coordinar la venta y entrega de la mercancía de manera ordenada, pero sin estar abiertas para recibir al público en general.** Deberán las personas a cargo del establecimiento asegurarse de tomar control de las personas que citen para no tener más de 1 (un) cliente a la vez, utilizando mascarilla y guardando las medidas de seguridad apropiadas para evitar el contagio.

8. **Textiles**:

a. Toda empresa de textiles que manufacture uniformes/calzado, componentes/equipos, para el Departamento de la Defensa podrá operar, siempre y cuando cumpla con los protocolos y normativas de la Administración de Seguridad y Salud Ocupacional (PROSHA), con relación a la protección de los empleados contra propagación del COVID-19. A esos efectos, PROSHA emitió una comunicación el 31 de

marzo de 2020 estableciendo las guías para el plan de contingencia a ser implementado por los patronos y el mecanismo para obtener el correspondiente visto bueno para operar.

b. Toda empresa de textiles que manufacture equipo de protección personal (ej. mascarillas, gorros, batas, guantes y otra indumentaria utilizada para la protección de la salud), podrá operar, siempre y cuando cumpla con los protocolos y normativas de la Administración de Seguridad y Salud Ocupacional (PROSHA), con relación a la protección de los empleados contra propagación del COVID-19. A esos efectos, se exhorta a la industria de referencia a tomar conocimiento de la comunicación de la PROSHA del 31 de marzo de 2020, estableciendo las guías para el plan de contingencia a ser implementado por los patronos y el mecanismo para obtener el correspondiente visto bueno para operar.

9. **Negocios dedicados a lavandería (laundry y laundromat).**

   Estos podrán operar de **lunes a viernes**, entre los horarios de 9:00 a.m. y 5:00 p.m., **estableciendo algún método de contacto telefónico o por correo electrónico, para coordinar la entrega y recogido la ropa de manera ordenada, pero sin estar abiertos para recibir al público en general**. En el caso de los laundromats, **es necesario tener un máximo de 3 (tres) empleados, utilizando mascarilla y cumpliendo con las medidas cautelares para coordinar la entrega, lavado y recogido de ropa de manera ordenada, pero sin estar abiertos para recibir al público en general.** Deberán cumplir con las directrices del Departamento del Trabajo y Recursos Humanos conforme a lo establecido en esta Orden.

10. **Centros Oficiales de Inspección Vehicular**.

    Estos podrán operar de lunes a viernes, entre los horarios de 9:00 a.m. y 5:00 p.m., estableciendo algún método de contacto, telefónico o por correo electrónico, para coordinar los servicios de inspección de manera ordenada, utilizando mascarilla y cumpliendo con las medidas cautelares, sin estar

abiertos para recibir al público en general. Deberán las personas a cargo del establecimiento asegurarse de tomar los controles para no tener varios clientes a la vez. Deberán cumplir con las directrices del Departamento del Trabajo y Recursos Humanos conforme a lo establecido en esta Orden.

Es importante aclarar que la extensión para la renovación de los marbetes continua vigente.

11. **Negocios dedicados a agricultura ornamental**. Estos podrán operar de lunes a viernes, entre los horarios de 9:00 a.m. y 5:00 p.m., estableciendo algún método de contacto telefónico o por correo electrónico, para coordinar sus ventas de manera ordenada, pero sin estar abiertos para recibir al público en general. Deberán las personas a cargo del establecimiento asegurarse y tomar controles para no tener más de un (1) cliente a la vez, utilizando mascarilla y cumpliendo con las medidas cautelares. Deberán cumplir con las directrices del Departamento del Trabajo y Recursos Humanos conforme a lo establecido en esta Orden.
12. **Seguridad.** Se refiere a agencias y compañías de seguridad privadas.
13. **Seguridad Nacional**.
    a. Operaciones de manufactura, venta o servicios relacionados a la Industria Aeroespacial.
    b. Operaciones de manufactura, venta o servicios relacionados a cualquier agencia federal, incluyendo al Departamento de la Defensa de los Estados Unidos.
14. Cadenas de suministros relacionados a bienes y servicios exentos conforme a las Secciones 5ta y 6ta de esta Orden Ejecutiva.

El incumplimiento con las Órdenes de Congelación de Precios o cualquier otra Orden, emitidas por el Departamento de Asuntos al Consumidor (DACO) estarán sujetos a las sanciones y multas mencionadas en esta Orden y en la ley habilitadora de DACO.

Sección 6ta: **SERVICIOS EXENTOS AL CIERRE:** Siempre y cuando ofrezcan sus servicios **en una situación de emergencia**, brinden un número telefónico o correo electrónico para ser contactados **sin abrir el local o establecimiento al público,** tomando en cuenta las medidas cautelares que más adelante se destacan que garanticen los aspectos de salubridad, seguridad e higiene, y estableciendo los

controles necesarios para lograr distanciamiento social y evitar la propagación del COVID-19 en su comparecencia, **podrán operar**:

1. Plomeros, electricistas, personas encargadas de la reparación, mantenimiento o reemplazo de enseres eléctricos domésticos, exterminación y control de plagas, limpieza de piscinas, empresas y empleados independientes que se dediquen al mantenimiento de áreas verdes, mantenimiento, reparación e inspección de elevadores, mantenimiento y reparación de controles de acceso, y otros servicios necesarios para el mantenimiento de la salud, la seguridad y operación esencial a nivel individual, residencial, comercial, industrial o público. Al realizar la labor, deberán tener cubierta su boca con una mascarilla y guantes para garantizar la protección de ellos y de los clientes que atiendan. Cualquier establecimiento que reciba público, relacionado a estos negocios, deberá permanecer cerrado no estando autorizado abrir el mismo.

   Las urbanizaciones con control de acceso y sus administradores deberán dar fiel cumplimiento a las directrices de esta Orden Ejecutiva so pena de estar sujetas a responsabilidad.

2. Compañías de asistencia en la carretera y de cerrajería, **solamente para atender casos de emergencias,** y **que a esos efectos provean un contacto telefónico o de mensaje electrónico para citas**. Cualquier establecimiento que reciba público, relacionado a estos negocios, deberá permanecer cerrado no estando autorizado abrir el mismo.

3. Compañías de entrega y envío de paquetes o mercancía, atendiendo los aspectos de salubridad, seguridad e higiene, y estableciendo los controles necesarios para lograr distanciamiento social y evitar la propagación del COVID-19.

4. En cuanto a los servicios funerarios, podrán hacerse recogido o traslado de cadáveres, embalsamamientos, cremaciones y enterramientos, pero no así velatorios en los que se reúna público.

5. En cuanto a la infraestructura crítica de telecomunicaciones, se permitirán los trabajos de

instalación, reparación, mantenimiento y rehabilitación de la planta. Entiéndase:

a. Infraestructura relacionada a la Autoridad de Energía Eléctrica, la Autoridad de Acueductos y Alcantarillados, telecomunicaciones, sistema vial, desperdicios sólidos y biomédicos, puertos marítimos, aeropuertos.

b. Como parte de la infraestructura crítica de telecomunicaciones y luego de que se coordine A TRAVÉS DE LOS CENTROS DE LLAMADAS Y CON CITA PREVIA, evitando siempre la aglomeración de personas y manteniendo las medidas de seguridad necesarias, se permitirá a cada compañía proveedora establecer puntos estratégicos por regiones, en coordinación con el Negociado de Telecomunicaciones de Puerto Rico para ofrecer servicios de reparación, entrega, sustitución de equipos y tecnología necesaria para mantener la comunicación vía telefonía fija, celular, internet, cable TV o antenas. Se realizará atendiendo los aspectos de salubridad, seguridad e higiene, y estableciendo los controles necesarios para lograr distanciamiento social, uso de medidas de protección y evitar la propagación del COVID-19 en su comparecencia. A tales fines, se ordena al Negociado de Telecomunicaciones de Puerto Rico a otorgar la más amplia publicación al listado de lugares o establecimientos de servicios. Las disposiciones de esta sección aplicarán únicamente a compañías proveedoras que estén registradas, certificadas o franquiciadas por el Negociado de telecomunicaciones. Cualquier establecimiento que reciba público relacionado a estos negocios, deberá permanecer cerrado no estando autorizado abrir el mismo.

c. Venta, instalación, reparación y mantenimiento de sistemas de producción de energía basados en energía renovable o alterna.

d. Reparación y mantenimiento de calles, carreteras y autopistas.

e. Reparación y mantenimiento de infraestructura privada para asegurar la continuidad de las operaciones y servicios exentos del cierre conforme a esta Orden Ejecutiva.

f. Venta, instalación y mantenimiento de infraestructura y equipo necesario para atender la temporada de huracanes.

6. Recogido de basura (privado o público); servicios de reciclaje; servicios de mantenimiento y limpieza.
7. Servicios relacionados a cualquier agencia federal, incluyendo al Departamento de la Defensa Federal (DOD).
8. Exportación de mercancía no esencial, siempre y cuando sea parte del inventario actual.
9. Servicios de mudanza.
10. Servicios a puertos y aeropuertos.
11. Servicios de procesamiento de transacciones electrónicas.
12. Ventas por teléfono o internet ("online") para lo cual se permitirá operar almacenes ÚNICAMENTE para despachar órdenes a modo de recogido y entrega en vehículos (*"curbside pickup"*) o envío (*"delivery"*). Deberán asegurarse de tomar control de las personas que citen para no tener más de un (1) cliente a la vez y guardando las medidas de seguridad apropiadas para evitar el contagio y sin estar abierto el establecimiento para recibir al público en general.
13. Suplido y distribución de artículos para los sectores exentos del cierre siempre y cuando se tomen las medidas cautelares para mitigar el contagio.
14. Logística y transporte: corredores de aduana, servicios de consolidación de carga marítima o terrestre, servicios de almacenaje y distribución a terceros y la distribución de detergentes, desinfectantes y productos de higiene y limpieza.
15. Servicios de diseño, venta e instalación de prevención de incendios.
16. Servicios de armería para el sector de seguridad.

17. Servicios de reparación y mantenimiento de aires acondicionados.
18. Servicios de transportación de taxistas y porteadores públicos que deseen realizar servicios de entrega de mercancía (carga) conforme a las regulaciones del NTSP.
19. Operaciones de centros de datos ("data centers").
20. Centros de llamadas ("call centers").
21. Servicios de notaría para todo tipo de transacción que le sea requerida en el curso ordinario de los negocios.
22. Servicios legales, de contabilidad, y otros servicios profesionales similares necesarios para los sectores y actividades exentos del cierre de operaciones que no se puedan realizar de manera remota. Podrán operar únicamente por citas previa, y evitando la conglomeración de personas en las oficinas o salas de espera, utilizando mascarilla y cumpliendo con las medidas cautelares, respetando los protocolos de distanciamiento social. Es importante tomar todas las medidas necesarias para salvaguardar la salud de todos los empleados que laboren en las oficinas.
23. Servicios educativos universitarios a distancia o remoto. Este sector está autorizado a utilizar sus instalaciones solamente para ofrecer programas educativos y servicios estudiantiles de manera remota. Estas instituciones no ofrecerán cursos ni servicios de manera presencial y sus instalaciones físicas permanecerán cerradas al público. Solamente podrán asistir a trabajar en las instalaciones el personal de sistema de información y telecomunicaciones, el personal docente y el personal administrativo **que sean necesarios** para mantener la operación remota adecuada, siempre y cuando se respeten los protocolos de distanciamiento social y tomando todas las medidas necesarias para salvaguardar la salud de todos los empleados y personal.

Sección 7ma: **CORPORACIONES.** El Artículo 7.12(A) de la Ley Núm. 164 de 16 de diciembre de 2009, según enmendada, conocida como "Ley General de Corporaciones", en adelante Ley de Corporaciones, establece que cuando se requiera o permita que los accionistas de una corporación tomen acción en una reunión, se emitirá una convocatoria por escrito de la reunión que consignará el lugar, si

alguno, la fecha, la hora de la reunión, los medios de comunicación remota, si alguno, mediante los cuales los accionistas y apoderados de dicha corporación se considerarán presentes en la reunión y podrán votar en la misma.

El referido artículo, en su inciso (B), requiere que dicha convocatoria por escrito se entregue a cada accionista con derecho a votar en tal reunión con no menos de diez (10) días ni más de sesenta (60) días antes de la fecha de la reunión. Además, establece que, si dicha convocatoria se envía por correo, la convocatoria se considerará entregada cuando se haya depositado en el correo de Estados Unidos, franqueada y dirigida al accionista a la dirección que aparece en los libros de dicha corporación.

Por lo cual, se establece que, si como resultado de la pandemia de COVID-19 y sus efectos en Puerto Rico, la junta de directores de una corporación organizada bajo las leyes de Puerto Rico desea cambiar la fecha o localización de una reunión de accionistas previamente notificada, dicha corporación podrá notificar el cambio a sus accionistas mediante correo electrónico, comunicado de prensa, anuncios radiales, anuncios en un periódico de circulación general en Puerto Rico, llamada telefónica, y/o una combinación de estos, o, en el caso de corporaciones públicas, mediante documento radicado públicamente por la corporación con la Comisión de Bolsas y Valores ("Securities and Exhange Commission"), según requerido por ley y un comunicado de prensa, que además se colgará en la página web de dicha corporación inmediatamente luego de su publicación.

Se establece que se permitirá la notificación de cambios a la fecha o localización hasta que se termine el estado de emergencia según declarado.

Sección 8va: **MEDIDAS CAUTELARES. Toda persona** que visite los establecimientos u oficinas que por disposición de esta Orden Ejecutiva puedan abrir al público en ciertos horarios, deberán cumplir con las siguientes medidas de protección:

a) cubrirse el área de la boca y la nariz con una mascarilla o bufanda de tela u otro material. Cada persona será responsable de utilizar este accesorio de protección de conformidad con las recomendaciones de uso correcto impartidas por el Departamento de Salud;

b) cada persona que visite un establecimiento deberá mantener un espacio mínimo de seis (6) pies entre sí y las demás personas;

c) con el fin de proteger a la población, y de evitar aglomeraciones innecesarias, los ciudadanos no deberán acudir en grupos a los establecimientos autorizados para abrir. Para lograr este objetivo, se limita el número de personas que pueden asistir a los comercios a una (1) persona por domicilio. Se exime de cumplir con lo anterior a las personas que requieran de la asistencia de otra persona para poder acudir al establecimiento, ya sea por alguna discapacidad física u otra condición de salud que así lo justifique.

Los establecimientos privados autorizados a abrir en horarios específicos que atiendan público de conformidad a las excepciones establecidas en esta Orden Ejecutiva deberán velar y procurar el cumplimiento de estas medidas cautelares. Además, deberán velar por la salud y seguridad de sus clientes y empleados. Ante ello, **se les instruye a que cumplan con las siguientes medidas**:

a) asegurarse que cada empleado antes de comenzar sus labores **y** periódicamente se laven las manos con agua y jabón por 20 segundos o utilicen gel desinfectante. A su vez desinfectar sus estaciones de trabajo al llegar y luego de culminar sus labores;

b) asegurarse que las personas que acudan a sus establecimientos utilicen mascarillas, cubrebocas, bufandas de tela u otra forma de protección en el área de la nariz y la boca. Los comercios deberán tomar medidas para que no permitan que entren a su localidad personas que no cumplan con las medidas de protección antes indicadas. Así también, los empleados que laboran en los establecimientos deben estar igualmente protegidos;

c) proveer estaciones o mecanismos en el establecimiento para que las personas puedan desinfectarse las manos mientras permanecen en el mismo;

d) velar que las personas que visiten el establecimiento guarden la distancia recomendada de 6 pies o más entre personas, tanto en el exterior como dentro de la localidad. Por lo tanto, deberán tomar las medidas apropiadas para asegurar que se cumpla con el distanciamiento físico recomendado en las filas para entrar al establecimiento y dentro de éste; y

e) en el caso de los supermercados y farmacias, considerar establecer un horario especial en el cual puedan asistir al establecimiento los clientes mayores de 65 años de edad.

Sección 9na: **TURNOS PREFERENTES**. Todo comercio de los autorizados a operar en esta Orden deberá en la medida que sea posible, ofrecer turnos preferentes a aquellas personas que trabajen en hospitales, laboratorios tecnológicos y agentes del orden público.

Sección 10ma: **PERSONAS EXCLUIDAS**. Dispuesto el toque de queda ("lockdown") y sus excepciones, estarán excluidos de este toque de queda aquellas personas autorizadas en esta Orden por razones de trabajo y/o en caso de emergencia.

Las disposiciones de esta Orden no aplicarán a:

1. personas que provean asistencia, cuidado, alimentos, transporte de ciudadanos y ciudadanas de la tercera edad, menores, dependientes, personas con discapacidad o personas especialmente vulnerables que requieran algún tipo de atención médica o profesional, lo anterior siempre y cuando se tomen las precauciones de prevención de contagio;
2. personas debidamente identificadas como empleados de agencias de seguridad pública o privada, a nivel estatal y federal;
3. profesionales de la salud, incluyendo los profesionales de la salud mental, personal que labora en hospitales, farmacias, farmacéuticas, instalaciones de biociencia o centros de salud;
4. personal que se encuentre trabajando en la cadena de distribución al por mayor y manufactura de bienes y alimentos, incluyendo aquellos necesarios para la actividad agrícola como serían los agrocentros, desde el origen hasta los establecimientos de venta al consumidor, incluyendo puntos de venta al detal como quioscos de alimentos frescos (frutas, verduras y vegetales) establecidos previos al 15 de marzo de 2020;
5. personal que se encuentre trabajando con utilidades o infraestructura crítica;
6. proveedores de los servicios exentos al cierre (Sección 6ta) durante el desempeño de sus funciones;
7. personal de centros de llamadas ("call centers") y centros de datos sensitivos ("data centers");
8. personal de puertos y aeropuertos;
9. miembros de la prensa y medios de comunicación;
10. aquellos ciudadanos que estén atendiendo situaciones de emergencias o de salud;

11. funcionarios que realicen labores indispensables en las Ramas Ejecutiva, Legislativa y Judicial. Estos empleados estarán autorizados a transitar en las vías públicas de camino a su trabajo y regreso a su hogar en el horario y días que sea necesario;
12. Policía Municipal;
13. miembros del Cuerpo de Vigilantes (DRNA);
14. Agentes de Rentas Internas del Departamento de Hacienda;
15. representantes legales de ciudadanos imputados de delitos con citación ante los tribunales, rebajas de fianza, *hábeas corpus;*
16. representantes legales en casos civiles debidamente citados antes los tribunales;
17. notarios en el ejercicio de las funciones autorizadas por el Tribunal Supremo de Puerto Rico mediante Resolución, EM-2020-09 del 24 de abril de 2020;
18. personas que tienen Trastorno del Espectro del Autismo están autorizadas a realizar salidas terapéuticas, de paseos cortos en zonas aledañas a su domicilio, acompañados de una sola persona y tomando las medidas cautelares de distanciamiento;
19. inspectores del Departamento de Asuntos al Consumidor (DACO);
20. personal de la Comisión Estatal de Elecciones (CEE) que su Presidente haya decretado como esenciales;
21. investigadores de los laboratorios de las instituciones universitarias, siempre y cuando cumplan con las normas de distanciamiento social y las medidas cautelares en el desempeño de sus funciones;
22. personal de Autoexpreso para recarga y cobro de peajes.

Según se ha dispuesto anteriormente, el resto de la población podrá transitar **SOLAMENTE** cuando vaya a uno de los establecimientos o comercios exentos a suplir alguna necesidad, o a recibir alguno de los servicios exentos, guardando siempre las medidas de higiene y distanciamiento social requeridas. **EN AUSENCIA DE UNA EMERGENCIA EL TIEMPO RESTANTE DEBERÁ PERMANECER EN SU RESIDENCIA.**

Sección 11ma: **DISPOSICIONES TRANSITORIAS RELACIONADAS AL TOQUE DE QUEDA.**

En atención a nuestro interés de facilitar que los trabajadores de Puerto Rico sean compensados de conformidad con sus contratos y las leyes aplicables, **EXCLUSIVAMENTE durante el 4 y 13 de mayo de 2020 entre 5:00 a.m. a 2:00 p.m.** quedarán exentos del toque de queda hasta cinco (5) empleados por patrono, con el propósito de procesar los pagos de los periodos o ciclos de nómina que venzan durante el mes de mayo de 2020. Los patronos deberán identificar el personal necesario, el cual podrá acudir al lugar de trabajo únicamente para este propósito y los trámites relacionados al mismo. Además, los patronos deberán tomar las medidas cautelares para garantizar la salud y seguridad de dichos empleados en el lugar de trabajo. El patrono que utilice esta disposición como subterfugio para realizar labores no relacionadas al procesamiento y pago de nómina podrá ser penalizado de conformidad con esta Orden.

Asimismo, para fomentar el trabajo remoto de manera que los trabajadores de Puerto Rico puedan continuar generando ingresos en el periodo de emergencia provocado por el COVID-19, **EXCLUSIVAMENTE durante el martes, 5 de mayo de 2020 entre 5:00 a.m. a 2:00 p.m.** podrán acudir al lugar de trabajo para recoger los materiales y equipos necesarios, así como para hacer entrega de los mismos a los empleados correspondientes. Los patronos deberán identificar el personal necesario, el cual podrá acudir al lugar de trabajo únicamente para este propósito y los trámites relacionados al mismo. Además, los patronos deberán tomar las medidas cautelares para garantizar la salud y seguridad de dichos empleados en el lugar de trabajo. El patrono que utilice esta disposición como subterfugio para realizar labores no relacionadas al recogido y entrega de materiales y equipos para trabajar de forma remota podrá ser penalizado de conformidad con esta Orden.

Sección 12ma: **PEAJES.** Continuará el cobro de los peajes pagaderos en carreteras del Gobierno de Puerto Rico. Aunque no se cobrarán multas por pasar un peaje sin tener balance en su cuenta de Autoexpreso, durante la vigencia de esta Orden, se ordena la reapertura o reactivación de los carriles de recarga, siempre y cuando puedan certificar la adopción de protocolos estrictos de seguridad y mitigación, tomando todas las medidas necesarias para salvaguardar la salud de todos los empleados.

Sección 13ra: **CELEBRACIÓN DE EVENTOS RELIGIOSOS POR MEDIOS ELECTRÓNICOS**. Los sacerdotes, pastores, reverendos, obispos, imanes, rabinos y/o cualquier líder principal de alguna entidad religiosa que no manifiesten síntomas gripales o asociados a

COVID-19, podrán salir de su lugar de residencia fuera de las limitaciones impuestas en esta Orden, únicamente en situaciones de emergencias o crisis para el ejercicio de sus responsabilidades ministeriales, y lo cual no se pueda realizar por teléfono u otro medio de comunicación alterno. Estos serán responsables de tener todos los medios de protección (ej. mascarillas, guantes, desinfectantes, etc.) y tomarán todas las medidas necesarias para mantener el distanciamiento social y evitar la propagación del COVID-19. Toda iglesia, templo, mezquita y/o sinagoga que tenga medios de comunicación como radio, televisión o medios digitales, podrá, sin la participación de la feligresía, realizar los servicios, misas, cultos o eventos principales de su religión, para luego transmitir en vivo o en grabación diferida, en dichos lugares. **La cantidad de personas necesarias (ej. técnicos de sonido, camarógrafos o personal complementario) nunca podrá exceder de 10 personas y tendrán que velar que los mismos no manifiesten síntomas gripales o asociados al COVID-19**. Además, se deberá velar por el adecuado distanciamiento social (4 a 6 pies de distancia) y la entidad será responsable de tomar todas las medidas de limpieza y desinfección necesarias para evitar el contagio. Esta actividad será autorizada limitándose a lo estrictamente necesario.

Sección 14ta: **CIERRE DE COMERCIOS Y ENTIDADES PRIVADAS.** Esta orden de cierre total aplicará las 24 horas a cines, discotecas, salas de conciertos, teatros, salones de juego, casinos, parques de atracciones, gimnasios, bares o cualquier lugar análogo o evento que propicie la reunión de un grupo de ciudadanos en el mismo lugar.

Sección 15ta: **SECTOR DE LA CONSTRUCCIÓN**. Se autoriza a la parte del sector de la construcción que anteriormente no estaba exento, a operar a partir del 11 de mayo de 2020, siempre y cuando se implementen estrictas medidas de seguridad para mitigar el contagio y proteger la salud de todos nuestros trabajadores contra el COVID-19 y fundamentados en las Guías del "Centers for Disease Control and Prevention" (CDC), el Departamento de Salud federal, el Departamento de Trabajo federal y el "Occupational Safety and Health Administration" (OSHA). Se requerirá, que antes del comienzo de las labores se provea adiestramiento, orientación y supervisión continua a los trabajadores sobre las nuevas medidas de seguridad en el trabajo. Se autoriza la construcción en comercios y establecimientos que no estén exentos en esta Orden, siempre y cuando sea dirigida a instalar las medidas cautelares necesarias para prevenir el contagio de COVID-19 para cuando comiencen sus

operaciones. Esto incluye la construcción en las marinas relacionadas a preparativos para la época de huracanes, proyectos de reparación y reconstrucción por motivo de desastre natural o emergencia, construcción privada, residencial y gubernamental.

Se autoriza, además, el suplido de materiales para el sector de la construcción, incluyendo la distribución de cemento y productos relacionados.

Sección 16ta: **MANUFACTURA.** Se autoriza a la parte del sector de la manufactura que anteriormente no estaba exento, a operar a partir del 11 de mayo de 2020, sujeto a la implantación de medidas de seguridad para mitigar el contagio y proteger la salud y seguridad de los trabajadores contra el COVID-19 y fundamentados en las Guías del "Centers for Disease Control and Prevention" (CDC), el Departamento de Salud federal, el "Occupational Safety and Health Administration" (OSHA) y el Departamento del Trabajo federal. Se requerirá, que antes del comienzo de las labores se provea adiestramiento, orientación y supervisión continua a los trabajadores sobre las nuevas medidas de seguridad en el trabajo. Se autoriza el suplido de materiales, inventario y servicios de apoyo para este sector.

Sección 17ma: **TRÁFICO MARÍTIMO DE EMBARCACIONES RECREACIONALES.**

Se ordena al Departamento de Recursos Naturales y Ambientales (DRNA) a:

a) emitir órdenes, directrices, cartas circulares, entre otras, para el **cierre de toda marina** en Puerto Rico, para desalentar el tráfico marítimo de embarcaciones recreacionales en nuestras aguas territoriales y establecer excepciones a lo antes mencionado, amparadas en criterios de emergencia, pesca comercial, residentes en las embarcaciones y reglamentaciones federales.

b) en coordinación con el Negociado de la Policía de Puerto Rico y cualquier Policía Municipal, establecer un plan de vigilancia costera para que cualquier embarcación marítima cumpla con la presente Orden Ejecutiva y/o con las órdenes, directrices, cartas circulares, entre otras, del DRNA.

Se autoriza al Cuerpo de Vigilantes del DRNA, al Negociado de la Policía de Puerto Rico y cualquier Policía Municipal de Puerto Rico a poder intervenir con toda persona que desembarque de cualquier tipo embarcación marítima, entre y/o intente entrar a nuestras

costas, en violación con la Orden Ejecutiva que aquí se establece y/o en violación a las órdenes, directrices, cartas circulares, entre otras, del DRNA.

Los Alcaldes y Alcaldesas que lideren municipios costeros con oportunidad de recibir botes o cualquier medio de transportación marítima, estarán facultados para impedir la entrada de cualquier persona a Puerto Rico a través de éstos métodos. Podrán coordinar con sus Policías Municipales, Recursos Naturales y la Policía de Puerto Rico.

Sección 18va: **PLANES DE MANEJO DE RIESGOS DE CONTAGIOS EN EL LUGAR DE TRABAJO.**

Se ordena que cada patrono de todos los sectores exentos que previo al comienzo prepare un plan de manejo de riesgo de contagio basado en la guía de la Administración de Salud y Seguridad Ocupacional OSHA 3990, publicada el pasado mes de marzo de 2020, y adoptada por la Oficina de Salud y Seguridad Ocupacional de Puerto Rico ("PROSHA" por sus siglas en inglés) del Departamento de Trabajo y Recursos Humanos (DTRH) y el Centro para el Control de Enfermedades Federal ("CDC" por sus siglas en inglés). El documento de la auto certificación de cumplimiento para cada patrono estará disponible en el portal electrónico del Departamento del Trabajo y Recursos Humanos (DTRH) y cada patrono deberá cumplimentarlo y someterlo a dicha agencia. A tales fines, se ordena a la Secretaria del DTRH a establecer el procedimiento a seguir para el cumplimiento de esta Orden y otorgarle su más amplia publicación, en coordinación con el Departamento de Desarrollo Económico y Comercio (DDEC). Esta auto certificación será un requisito inicial para poder comenzar a operar, se entenderá que una vez sometida la misma, las facilidades se ajustan a los parámetros establecidos anteriormente y el patrono podrá comenzar sus operaciones.

Es importante que los patronos que, actualmente se encuentran operando por razón de estar exentos del toque de queda en las órdenes ejecutivas anteriores, cumplan con el requisito de someter la auto certificación al DTRH lo antes posible y de manera diligente. Lo antes mencionado no paralizará las operaciones de estos patronos, no obstante, tienen que cumplir con este requerimiento.

Los patronos que estén operando bajo los parámetros de esta Orden no podrán despedir, disciplinar o de cualquier otra manera discriminar a un empleado por ejercer los derechos que le provee la

legislación laboral, incluyendo las leyes recientemente aprobadas como el "Families First Coronavirus Response Act" y la Ley 37-2020, así como las licencias disponibles, ni por presentar una querella, testificar o intentar testificar en un procedimiento relacionado a los mismos. De igual forma, los patronos deberán procurar proteger a los empleados pertenecientes a los grupos vulnerables para contraer COVID-19, tomando estas circunstancias en cuenta al momento de reincorporar al personal.

Es importante que los patronos se aseguren de limitar la cantidad de empleados en las áreas comunes durante la jornada laboral, utilizando mascarillas, cumpliendo con las normas de distanciamiento social, y las medidas cautelares, como, por ejemplo, cafetería, salón comedor, terraza, entre otros.

Sección 19na: **MODIFICACIONES.** Durante la vigencia de esta Orden, continuarán las reuniones con el "Task Force Médico" y el "Task Force Económico", a los efectos de estudiar los resultados de las medidas tomadas y adoptar cualquier modificación necesaria oportunamente. En el momento que se identifique que la apertura de algún sector ha ocasionado un aumento notable en el riesgo de infección o el momento en que los servicios de salud se aproximen a un límite de capacidad, será necesario detener o retrasar el plan de reapertura y la Orden se enmendará a esos fines. De igual forma, si no ocurriese lo anteriormente señalado, se podrá continuar con la apertura de otros sectores. El aumento o disminución en el riesgo de contagio dependerá, en gran medida, de la colaboración de todos los ciudadanos. Por lo tanto, de no observar el fiel cumplimento de las estrictas medidas cautelares, se establecerán las restricciones necesarias.

Sección 20ma: **INCUMPLIMIENTO.** Ante el incumplimiento a las disposiciones contenidas en esta Orden Ejecutiva por cualquier persona y/o empresa, se implementarán las sanciones penales y aquellas multas establecidas por las disposiciones de la Ley 20-2017, según enmendada, la cual establece pena de reclusión que no excederá de seis (6) meses o multa que no excederá de cinco mil (5,000) dólares o ambas penas a discreción del tribunal y de cualquier ley aplicable. De igual forma, conforme a las disposiciones del Art. 33 de la Ley del Departamento de Salud, "[t]oda persona natural o jurídica que infrinja las disposiciones de esta ley o de los reglamentos dictados por el Departamento de Salud al amparo de los mismos incurrirá en delito menos grave y sentenciado que podrá ser sancionada con pena de reclusión que no excederá de seis (6)

meses o multa no mayor de cinco mil (5,000) dólares o ambas penas a discreción del tribunal". Por último, el incumplimiento con las Órdenes de Congelación de Precios emitida por el DACO estará sujeto a las sanciones y multas emitidas por esa agencia, así como a las mencionadas en esta Sección.

Se ordena a la Policía de Puerto Rico en coordinación con la Policía Municipal de los 78 municipios y al Departamento de Seguridad Pública de Puerto Rico a tomar las medidas necesarias para hacer cumplir las disposiciones de esta Orden Ejecutiva.

Sección 21ra: **DEFINICIÓN DE AGENCIA.** Para fines de esta Orden Ejecutiva, el término "Agencia" se refiere a toda agencia, instrumentalidad, oficina o dependencia de la Rama Ejecutiva del Gobierno de Puerto Rico, incluyendo corporaciones públicas, independientemente de su nombre.

Sección 22da: **DEROGACIÓN.** Esta Orden Ejecutiva deja sin efecto cualquier otra orden ejecutiva que, en todo o en parte, sea incompatible con lo aquí dispuesto, hasta donde existiera tal incompatibilidad.

Sección 23ra: **VIGENCIA.** Esta Orden Ejecutiva entrará en vigor el 4 de mayo de 2020 y se mantendrá vigente hasta el 25 de mayo de 2020 y/o salvo nuevo aviso.

Sección 24ta: **SEPARABILIDAD.** Las disposiciones de esta Orden Ejecutiva son independientes y separadas unas de otra y si un tribunal con jurisdicción y competencia declarase inconstitucional, nula o inválida cualquier parte, sección, disposición y oración de esta Orden Ejecutiva, la determinación a tales efectos no afectará la validez de las disposiciones restantes, las cuales permanecerán en pleno vigor.

Sección 25ta: **NO CREACIÓN DE DERECHOS EXIGIBLES.** Esta Orden Ejecutiva no tiene como propósito crear derechos sustantivos o procesales a favor de terceros, exigibles ante foros judiciales, administrativos o de cualquier otra índole contra el Gobierno de Puerto Rico, agencias, oficiales, empleados o cualquiera otra persona.

Sección 26ta: **PUBLICACIÓN.** Esta Orden Ejecutiva debe ser presentada inmediatamente en el Departamento de Estado y se ordena su más amplia publicación.

EN TESTIMONIO DE LO CUAL, expido la presente Orden Ejecutiva bajo mi firma y hago estampar el gran sello del Gobierno de Puerto Rico, en La Fortaleza, en San Juan, Puerto Rico, hoy 1ro de mayo de 2020.

WANDA VÁZQUEZ GARCED
GOBERNADORA

Promulgada de conformidad con la Ley, hoy 1ro de mayo de 2020.

ELMER L. ROMÁN GONZÁLEZ
SECRETARIO DE ESTADO

GOBIERNO DE PUERTO RICO
DEPARTAMENTO DEL TRABAJO Y RECURSOS HUMANOS

Autocertificación Patronal Plan de Control de Exposición a COVID-19	FC-101 04/2020 Página 1 de 3

I. INFORMACIÓN PATRONAL	
1. Nombre Legal de la Compañía	
2. Nombre Comercial (DBA)	
3. Seguro Social Patronal	
4. Número de Póliza CFSE	
5. Dirección Física Establecimiento	
6. Dirección Postal Establecimiento	
7. Número de teléfono del Establecimiento	
8. Cantidad de Empleados	
9. Correo Electrónico Establecimiento	
10. Nombre Persona Contacto o Supervisor Inmediato	
11. Número de Teléfono Persona Contacto	
12. Correo Electrónico Persona Contacto	

II. ELEMENTOS ESENCIALES DEL PLAN DE CONTROL DE EXPOSICIÓN AL COVID-19	SÍ	NO
1. Es un documento escrito, específico al lugar de trabajo y contempla las tareas particulares, la estructura física y la cantidad de empleados.	☐	☐
2. Es exclusivo para este lugar de trabajo.	☐	☐
3. Incluye información general sobre el COVID-19 (definición, métodos de contagio, síntomas, etc.)	☐	☐
4. Incluye recomendaciones emitidas por las Agencias de Salud locales, nacionales e internacionales en cuanto a controles para evitar la propagación del COVID-19.	☐	☐

ADMINISTRACIÓN DE SEGURIDAD Y SALUD OCUPACIONAL DE PUERTO RICO
Programa de Consultoría
Edificio Metro Center, Piso 10 Hato Rey
PO Box 195540 San Juan PR 00919-5540
T 787.705-6678

PUERTO RICO OSHA

5. Establece la clasificación de riesgo de acuerdo al nivel de exposición ocupacional (alto riesgo, mediano riesgo o bajo riesgo).	☐	☐
6. Detalla el proceso de monitoreo y/o cernimiento del personal previo a la entrada al lugar de trabajo.	☐	☐
7. Indica la cantidad de empleados designados a trabajar por día (se recomienda trabajo con plantillas reducidas de empleados).	☐	☐
8. Indica las modificaciones a las áreas designadas para tomar alimentos (limitar cantidad de empleados en estas áreas).	☐	☐
9. Indica las medidas de control que se tomarán para lograr el distanciamiento físico entre empleados y clientes/público (por ejemplo, distancia entre estaciones de trabajo, limitar cantidad de clientes/público dentro del establecimiento, etc.)	☐	☐
10. Indica cómo se proveerá ventilación adecuada para asegurar flujos de aire adecuados y, en lugares con sistemas de acondicionador de aire, un filtrado efectivo.	☐	☐
11. Incluye y detalla el método que se estará implementando para la limpieza y desinfección del establecimiento, y la frecuencia de limpieza y desinfección de las áreas de trabajo.	☐	☐
12. Detalla los métodos de higiene para los empleados, tales como las áreas designadas para lavado de manos, uso y distribución (por el patrono) de "hand sanitizer", alcohol, jabón antibacterial, etc.	☐	☐
13. Establece un itinerario (frecuencia) para que los empleados se laven las manos.	☐	☐
14. Indica y menciona el equipo de protección personal (EPP) que se determinó necesario para los empleados y será provisto por el patrono libre de costo.	☐	☐
15. Detalla el procedimiento a seguir en caso de detección de un empleado con síntomas o positivo (cierre, desinfección o cuarentena).	☐	☐
16. Detalla las prácticas de monitoreo de casos positivos y la inclusión en el Registro de Lesiones y Enfermedades (Formulario OSHA 300).	☐	☐
17. Detalla el manejo patronal con empleados que forman parte de los grupos de alto riesgo (embarazadas, mayores de 65 años, personal con condiciones comórbidas).	☐	☐
18. Establece el uso compulsorio de cobertores naso-bucales (mascarillas).	☐	☐
19. Incluye evidencia de adiestramiento a los empleados en el uso correcto, limitaciones y descarte del EPP.	☐	☐
20. Incluye evidencia de la discusión del plan de contingencia con el personal.	☐	☐

21. Incluye la persona designada de evaluar constantemente las áreas de trabajo con el propósito de monitorear el desarrollo de nuevas áreas de riesgo y necesidades con relación a la pandemia de COVID-19.	☐	☐

FECHA DE AUTOCERTIFICACIÓN	**_____(día/mes/año)**

III. DECLARACIÓN DE AUTOCERTIFICACIÓN

Yo, _____, en carácter de _____ de la Compañía nombrada en la parte I de este documento (FC-101), certifico que la misma ha desarrollado e implementado un Plan Patronal de Control de Exposición a COVID-19, para la protección de los empleados y cónsono a las recomendaciones de la Administración de Seguridad y Salud Ocupacional de Puerto Rico (PR OSHA) del Departamento del Trabajo y Recursos Humanos.

_____

Firma