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NEW TAX LAW AFFECTS WAUKESHA COUNTY RESIDENTS
Taxpayers may be eligible for disaster relief tax deduction

WAUKESHA, Wis. – Waukesha County residents affected by June’s severe storms and flooding may be eligible for additional tax deductions according to recently passed changes to federal tax laws. The Heartland Disaster Tax Relief Act of 2008, passed by Congress in October, allows affected residents to deduct costs related to the storms and flooding from their income tax.

Citizens seeking the deductions must have an itemized record of their losses in order to qualify. Also, the person filing must provide receipts or certification verifying that property damage is storm related. Previously, deductions due to damage-related costs were limited, however, under the new law, deductions are not limited.

According to the Internal Revenue Services Fact Sheet, economic losses qualifying for deductions include, “loss, damage to, or destruction of real or personal property from fire, flooding, looting, vandalism, theft, wind or other cause.”

“Many Waukesha County residents suffered great financial burdens due to flooding last year,” said County Executive Dan Vrakas. “I encourage taxpayers to take advantage of this change to tax law to receive a deduction for financial losses.”

In addition to deductions due to property damage, taxpayers who provided housing to residents displaced by the storms are eligible for a \$500 exemption per displaced individual up to \$2,000. Also, volunteers assisting with disaster relief or clean up are eligible to receive reimbursement for mileage on their personal vehicles utilized for charitable use in the amount of 36 cents per mile prior to July 1st and 41 cents per mile after July 1st.

For further information on the “Heartland Disaster Tax Relief Act of 2008,” please review the IRS Fact Sheet by clicking on the link provided below.

http://www.waukeshacounty.gov/uploadedFiles/Media/PDF/Elected_Officials/County_Executive/DisasterRelief.pdf

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