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## IRS and New Jersey Department of Taxation Grant Extension to Taxpayers in New Jersey Counties Affected by Flooding

*Legal Alert*

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April 12, 2010

The IRS and the New Jersey Department of Taxation have extended the tax filing deadline for taxpayers who live or have a business located in a New Jersey county designated as a federal disaster area by President Obama. The deadline for filing has been extended from April 15 to May 11. The President has declared Atlantic, Bergen, Cape May, Essex, Gloucester, Mercer, Middlesex, Monmouth, Morris, Passaic, Somerset and Union counties disaster areas due to the flooding that occurred in those counties in March of 2010.

The extension granted by the IRS applies to the deadline for filing most 2009 income tax returns, making income tax payments and making 2009 contributions to an individual retirement account. The IRS will also waive the failure to deposit penalties for employment and excise deposits due on or after March 12, 2010 and on or before March 29, 2010, as long as the deposits were made by March 29, 2010.

The IRS automatically identifies taxpayers who live or own a business in the disaster area and applies automatic filing and payment relief. The federal extension also applies to those taxpayers who do not live or own a business in the disaster area, but whose records necessary to file taxes are within the disaster area. Such taxpayers must call the IRS disaster hotline to request an extension.

New Jersey is currently determining the types of tax filings that will be covered by its extension. The state has not yet provided additional information about its extension program.

If you would like more information about the extensions discussed in this alert, please contact a member of the Taxation Practice Group at Flaster Greenberg PC.

### **ATTORNEYS MENTIONED**

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