



April 16, 2024

The Honorable Gregory F. Murphy
United States House of Representatives
407 Cannon House Office Building
Washington, DC 20515

The Honorable Jimmy Panetta
United States House of Representatives
304 Cannon House Office Building
Washington, DC 20510

RE: [H.R. 8007](#), Disaster Tax Lookback Parity Act of 2024

Dear Representative Murphy and Representative Panetta:

The American Institute of CPAs (AICPA) commends your efforts to provide disaster tax relief by introducing [H.R. 8007](#), the Disaster Tax Lookback Parity Act of 2024. The AICPA supports and endorses [H.R. 8007](#), the Disaster Tax Lookback Parity Act of 2024.

The Disaster Tax Lookback Parity Act of 2024 would add a new subsection (f) to section¹ 7508A, which would provide that any postponements granted for filing tax returns under section 7508A would be treated as also extending the period for claiming a credit or refund under section 6511(b)(2)(A).

This legislation would provide similar relief to an AICPA recommendation² previously submitted to Congress and to a recommendation in the National Taxpayer Advocate's recent Annual Report to Congress (the "Purple Book"³) to modify the lookback period for allowing tax credits or refunds

¹ All references to "section" or "§" are to the Internal Revenue Code of 1986, as amended, and all references to "Treas. Reg. §" and "regulations" are to U.S. Treasury regulations promulgated thereunder.

² See AICPA letter, "[2023 AICPA Disaster Relief Tax Legislative Proposals](#)," October 27, 2023, Recommendation 4, requesting that Congress amend section 6511(b)(2) to modify the refund lookback period so that when the IRS extends a filing deadline due to a disaster declaration under section 7508A(a), taxpayers can recover amounts paid within three years plus the period of the disaster related extension, similar to the law for non-disaster related extensions of time to file. In addition, see AICPA letter, "[Automatic Postponement Date Lookback Period for Allowing Tax Credits or Refunds for All Disasters](#)," March 17, 2023, requesting that the IRS automatically provide the administrative relief afforded in [Notice 2023-21](#) regarding the lookback period for allowing tax credits or refunds relief for all disasters going forward. We note that in 2023, the Internal Revenue Service (IRS) issued guidance (IRS [Notice 2023-21](#), 2023-11 IRB 1, Feb. 27, 2023) that provided administratively similar relief to this proposed legislation, but only with respect to refund claims for 2019 and 2020 returns with due dates that were postponed due to Covid (IRS [Notice 2020-23](#), 2020-18 IRB 742, Apr. 9, 2020; and IRS [Notice 2021-21](#), 2021-15 IRB 986, Apr. 5, 2021). Using the Secretary's disaster relief authority under section 7508A(a), the IRS disregarded the periods from April 15, 2020 to July 15, 2020, and from April 15, 2021 to May 17, 2021, in determining the beginning of the lookback period to align the lookback periods with the postponed return filing due dates. Shortly after the IRS issued its 2023 guidance on this topic, the AICPA requested IRS to act administratively to make this lookback period relief automatic and permanent for all disasters going forward as taxpayers who are affected by other disasters such as hurricanes, tornadoes, floods, wildfires, etc., should have the same relief that the IRS provided with respect to Covid. The Disaster Tax Lookback Parity Act of 2024 would achieve that objective and make the lookback period relief automatic and permanent for all disasters.

³ See *National Taxpayer Advocate 2024 Purple Book: Compilation of Legislative Recommendations To Strengthen Taxpayer Rights and Improve Tax Administration*, Dec. 31, 2023, pages 128-130.

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to include the period of any disaster related extension or additional or disregarded time for timely filing a tax return.

We are pleased that the legislation would make it that when the IRS extends a filing deadline due to a disaster declaration under section 7508A(a), taxpayers can recover amounts paid within three years *plus the period of the disaster related extension*, similar to the law for non-disaster related extensions of time to file. When a tax filing deadline is postponed, it is equitable that the period for claiming refunds and credits be extended by the same amount of time. Taxpayers impacted by disasters should have the benefit of the lookback period being aligned with a postponed return filing due date, which the Disaster Tax Lookback Parity Act of 2024 would provide for all Federally declared disasters.

This legislation would provide welcome relief to taxpayers affected by major disasters.

The AICPA is the world's largest member association representing the accounting profession, with more than 415,000 members in the United States and worldwide, and a history of serving the public interest since 1887. Our members advise clients on federal, state, and international tax matters and prepare income and other tax returns for millions of Americans. Our members provide services to individuals, not-for-profit organizations, small and medium-sized businesses, as well as America's largest businesses.

We welcome the opportunity to discuss these comments or to answer any questions that you may have. If you have any questions, please contact Peter Mills, AICPA Senior Manager, Tax Policy & Advocacy at (202) 434-9272, or Peter.Mills@aicpa-cima.com; Lauren Pfingstag, Director, Legislative Affairs, at (407) 257-0607 or Lauren.Pfingstag@aicpa-cima.com; Gerald Schreiber, chair of the AICPA Disaster Tax Relief Task Force at (504) 832-1819 or ghschreiber@schreibercpa.com; or me at (830) 372-9692 or Bvickers@alamo-group.com.

Sincerely,



Blake Vickers, CPA, CGMA
Chair, AICPA Tax Executive Committee

cc: Ms. Aviva Aron-Dine, Acting Assistant Secretary for Tax Policy, Department of the Treasury
Mr. Krishna Vallabhaneni, Tax Legislative Counsel, Department of the Treasury
The Honorable Daniel I. Werfel, Commissioner, Internal Revenue Service
Ms. Marjorie A. Rollinson, Chief Counsel, Internal Revenue Service
Ms. Amalia C. Colbert, Commissioner, Small Business/Self Employed Division, Internal Revenue Service
Mr. Thomas Barthold, Chief of Staff, Joint Committee on Taxation