

## Tax Information for Taxpayers affected by August 8, 2023 Maui and Hawaii County Wildfires federally declared disaster ([DR-4724-HI](#))

### Federal:

- **Filing and payment relief:** The IRS has granted blanket relief for filing of returns and making of payments due after August 8, 2023 for affected taxpayers. These items are now due by February 15, 2024 as described in IRS announcement [HI-2023-05](#)
- **Casualty Losses:** Taxpayers who experienced property losses may be able to claim such losses on their 2023 federal tax return by itemizing deductions on Schedule A, supported by [Form 4684](#). The first \$100 of nonbusiness losses is not deductible; remaining losses are deductible only to the extent that they exceed 10% of the taxpayer's federal adjusted gross income (AGI). Alternatively, taxpayers may choose instead to claim the losses on their 2022 tax return by amending their previously filed return. *Please note that Tax-Aide volunteers do not have IRS or State of Hawaii training regarding casualty losses, so we cannot assist taxpayers with returns claiming these losses.* Taxpayers should look at [Publication 547, Casualties, Disasters and Thefts](#) and [Publication 584, Casualty, Disaster, and Theft Loss Workbook](#) for information or seek assistance from a tax professional with experience in reporting disaster losses.
- **Net Operating Losses (NOL):** If your deductions for the year are more than your income for the year, you may have a net operating loss (NOL). An NOL year is the year in which an NOL occurs. You can use an NOL by deducting it from your income in another year or years. *Please note that Tax-Aide volunteers do not have IRS or State of Hawaii training regarding net operating losses, so we cannot assist taxpayers with returns claiming or carrying forward these losses.*
- [FAQs for Disaster Victims](#): Provides frequently asked questions regarding claiming disaster losses.

### State:

- **Filing and payment relief:** The state of Hawaii is granting relief for filing of returns and making of payments due after August 8, 2023 on a case-by-case basis only. See [this page](#) for information.
- **Casualty Losses:** Hawaii conforms to federal tax law regarding the deduction of casualty losses, except that the deductible loss limitation is based on the taxpayer's Hawaii AGI. *Please note that Tax-Aide volunteers do not have IRS or State of Hawaii training regarding casualty losses, so we cannot assist taxpayers with returns claiming these losses.*
- **Net Operating Losses (NOL):** Hawaii generally conforms to the federal rules regarding NOLs. *Please note that Tax-Aide volunteers do not have IRS or State of Hawaii training regarding NOLs, so we cannot assist taxpayers with returns claiming or carrying forward these losses.*
- [DOTAX Announcement 2023-03 \(Amended\)](#): Provides details of the Hawaii provisions relating to the wildfires.

### Taxation of various income items:

- **Financial assistance:** Financial assistance from FEMA and other sources (nonprofits, GoFundMe, etc.) is not taxable income to the recipient.
- **Public assistance:** Benefits such as food stamps, Temporary Aid to Needy Families (TANF), Medicaid, etc. are not considered taxable income.
- **Unemployment benefits:** ARE taxable, whether incident to a disaster or not.
- **Insurance reimbursements for property damage:** Insurance reimbursements are generally not taxable to the recipient unless the amount exceeds the cost of the property. However, when claiming casualty/disaster losses, you may need to report reimbursements in calculating your loss.
- **Life Insurance proceeds:** Life insurance payouts from the death of the insured are not taxable to the beneficiaries.