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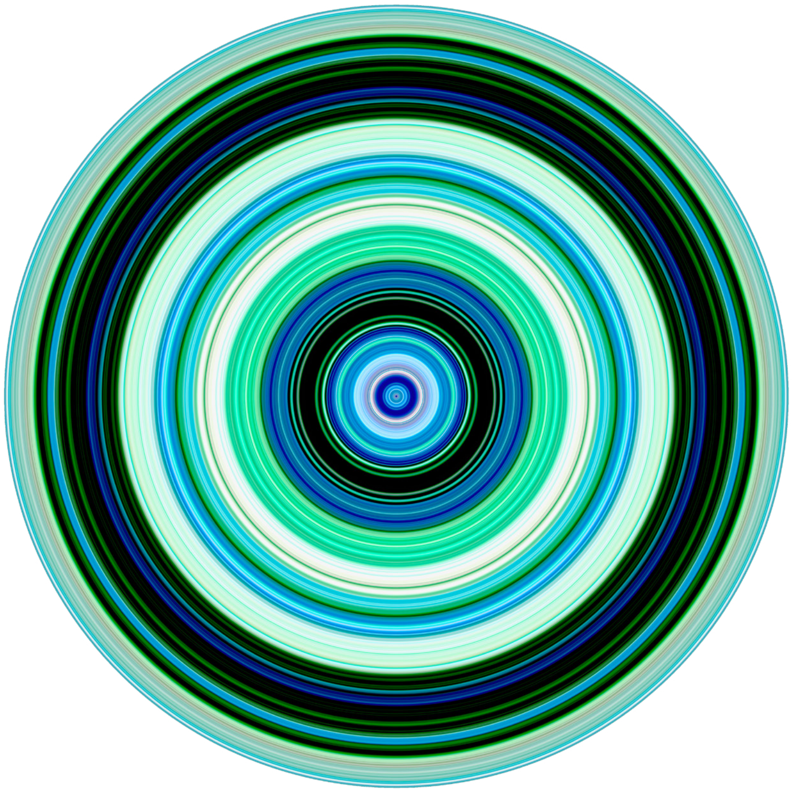

Tax News and Views
Health Care Edition

Hurricane Relief Guidance

Qualifying Tax Relief

In order to qualify for the tax relief measures provided by the Internal Revenue Service ("IRS") (some of which are provided below), the victims must be located in a federally declared disaster relief area as defined in Treasury Regulation Section 301.7508A-1(d)(1) (The IRS has a listing of counties for both Hurricanes Harvey and Irma). Qualifying taxpayers receive until the extended due date to file most tax returns and payments where the return or payment date falls on or after the onset date of the disaster and on or before the extended date.

Find it Fast

Hurricane Relief Guidance

IRS Issues Publications on IRC Section 403(b) Plans

Did you know?

Deloitte Dbriefs

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Employee Leave Donation

The IRS issued Notices 2017-48 and 2017-52 to provide guidance on employee leave donation programs in relation to Hurricane Harvey and Hurricane Irma, respectively. These Notices allow for the donation of vacation, sick or personal leave time in exchange for cash payments the employer will make directly to a charitable organization described in Internal Revenue Code Section ("IRC Sec.") 170(c). The IRS will not assert the donation of leave time is gross income or wages to the employees or that there is constructive receipt of the wages as long as the payments by the employers are paid to IRC Sec. 170(c) organizations for relief of the victims of Hurricane Harvey and Irma before January 1, 2019. However, there is no charitable contribution deduction for the employee. The employer however can still make a deduction under IRC Sec. 162.

Retirement Plan Loans

The IRS Issued IR 2017-138 and 2017-151, permitting employer–sponsored retirement plans to make loans and hardship distributions to victims of Hurricane Harvey and Hurricane Irma, respectively. The relief relaxes the procedural and administrative rules around loans and early distributions allowing eligible persons to receive money more quickly. In order to make a loan or distribution the plan must contain authorizing language or be amended to include such language. The relief granted by the IRS is the plan will not be considered failing to follow procedural requirements for plan loans and distributions from August 23, 2017 through January 31, 2018. The maximum amount of the loan or distribution is the maximum permitted to be available for a hardship distribution under the plan. The relief applies to victims of the Hurricanes as well as certain family members can take out loans or distributions to assist qualifying family members in the affected areas. However, the IRS is not waiving the 10% penalty on early withdrawals

IRS Issues Publications on IRC Section 403(b) Plans

The IRS has issued Publications 4483 and 4882, Tax Sheltered Annuities for Sponsors and Participants, respectively. The publications highlighted the unique benefits of the 403(b) plans to both participants and sponsors. Two such benefits highlighted were the ability to make catch-up contributions and the ability to make post-severance contributions.

The 2017 general limit under 403(b) for employee elective deferrals is $18,000 and $54,000 for total employer and employee contributions. However, if allowed in the plan employees may be able to make catch-up contributions that come in two varieties. The first is for employees with at least 15 years of service and the second is for employees who will be 50 or older by the end of the year. The 15-year catch-up must be applied first, if available. Additionally, the 15-year catch-up is included in the annual contribution limited but the 50-year is not.

Additionally, 403(b) plans may permit elective deferrals and employer contributions after the participant separates from the organization. The participant can electively defer up to the annual limit amounts of accumulated sick, vacation or back pay if done before the end of the calendar year when the participant left employment or within 2 ½ months of leaving, if later. The employer may contribute up to the combined annual employer and employee contribution limit for the participant for up to five years following the end of the year after the participant left employment but must end at the participant's death.

Did you know?

Tax Reform
Stay up-to-date on the latest movement in tax reform at Deloitte's Tax Reform Insights page.

Deloitte Dbriefs

Deloitte Dbriefs are live webcasts that give you valuable insights on important developments affecting your business. Register for the following webcasts or view archived recordings by clicking on the respective hyperlinked button below.

Multistate Tax

New York corporate tax in 2017: A new era of tax administration

October 3 | 2 p.m. ET | 18:00 GMT

New York State and City passed corporate income tax reform legislation in 2014 with an eye toward addressing ambiguities and avoiding tax controversies. Absent final regulations, and with the State and City still challenging taxpayers on several pre-reform tax issues, are clarity and certainty likely anytime soon? Participants will explore potential implications of legislative, regulatory, and administrative developments in New York.

Register

Global Mobility, Talent, & Rewards

Employment tax compliance: Year-end hot topics

October 4 | 2 p.m. ET | 18:00 GMT

Every year, changes in the tax environment have some impact on year-end employment tax reporting. What recent developments should you factor into your planning as 2017 comes to a close? Participants will explore ways to reduce the costs of year-end employment tax reporting errors, learn about potential refund opportunities, and prepare for future organizational transactions.

Register

Federal Tax

Debt modifications: What are some key considerations?

October 10 | 2 p.m. ET | 18:00 GMT

Companies routinely modify the terms of outstanding debt instruments. Modifications that are considered to be significant under the rules of Treas. Reg. § 1.1001-3 result in a deemed satisfaction and reissuance of the outstanding debt. In light of the regulations, what are the important considerations when modifying the terms of debt? Participants will explore ways to modify terms of outstanding debt instruments while complying with the rules associated with financing transactions.

Register

Tax Operations

Tax operating model: From compliance to strategic adviser focus

October 24 | 2 p.m. ET | 18:00 GMT

The latest wave of digital technology brings opportunities for tax executives to reimagine their tax operating model to drive efficiencies and retool and refocus tax on high-value, high-risk activities. How effectively is your organization adapting to the digital era? Participants will learn how the tax department components of people, process, technology, data, and governance can be configured to deliver value.

Register

Tax Reform

US tax reform: What businesses and individual taxpayers should know

October 25 | 2 p.m. ET | 18:00 GMT

Congressional efforts to enact tax reform include potential changes to the tax code that are quite broad. What recent tax legislative and regulatory developments could significantly impact your company's business models? Participants will learn about what could be the first meaningful tax reform in three decades while exploring emerging requirements that could impact businesses and practical steps to be taken in response.

Register

International Tax

Buying agents and tax planning: A new look at aligning profit with substance

October 26 | 2 p.m. ET | 18:00 GMT

For companies that use buying agents as intermediaries when sourcing products in foreign countries, changes in consumer behavior have dramatically changed the industry landscape. How should intercompany arrangements and related international tax approaches be adjusted? Participants will explore transfer pricing and international tax implications of evolving relationships between companies and their buying agents.

Register

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