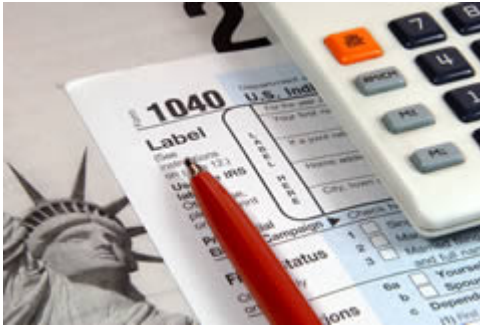


Taxing tasks



April 15th is right around the corner, and while filing for an extension is certainly an option, disaster survivors get no automatic exception to the tax filing deadline. The [IRS did just announce](#), however, that Colorado flood victims have until October to decide which tax year to use for claiming losses related to the disaster.

If you were affected by one of the 62 [Declared Disasters](#) across the county last year, we suggest getting a basic understanding of income tax rules for “casualty losses” and conferring with an experienced CPA or EA as part of your financial decision-making on the road to recovery. While there is no substitute for having a professional evaluate your tax situation, here are highlights from our new publication [Tax Tips for Disaster Survivors](#):

- **Don’t rush to claim a loss on your past or current year’s tax return before there is a “Closed Transaction” and a settled outcome.** Until you receive all the proceeds from insurance, government aid, or legal settlements and identify all the damage – you cannot know the true amount of your unreimbursed losses.

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the “Find Help” section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.

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- **Document, document, document.** Create a system that works for you to copy, file, organize and keep track of all information related to:
 - The **cost basis** of property damaged or destroyed in the disaster.
 - Your insurance claim(s). This includes your policy and all related documents, checks, invoices, correspondence, reports, and estimates.
- **Professional appraisals of your home and valuables are very useful.** This is particularly true if you are underinsured and believe the amounts you will recover from your insurance will be less than the “cost basis” of your property. A qualified real estate appraiser can help you prove the pre and post-loss value of your home and help you make a decision on replacing it by buying elsewhere versus rebuilding. Appraisals of high value personal property items “just before” and “just after” the loss are helpful if you anticipate insurance shortfalls for those items.

United Policyholders’ staff and volunteers from past disasters have worked with the Internal Revenue Service and Congress to improve our tax laws to help smooth, not impede, the road to the recovery. For more detailed information, watch the video of our recent [Post-Disaster Income Tax Workshop](#). This workshop was presented in three Colorado communities thanks to CPA **John Trapani**, UP Colorado Coordinator **Kerri Olivier**, Boulder, **El Paso and Larimer County officials**, **The Long-Term Flood Recovery Group of Boulder County** and the **Community Foundation of Northern Colorado**.