



“Taxing Matters” for 2025 Los Angeles Wildfire-Impacted Households

Roadmap to Recovery Workshop

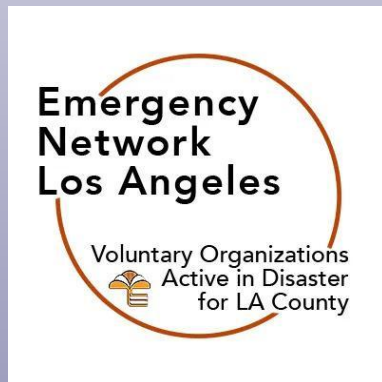
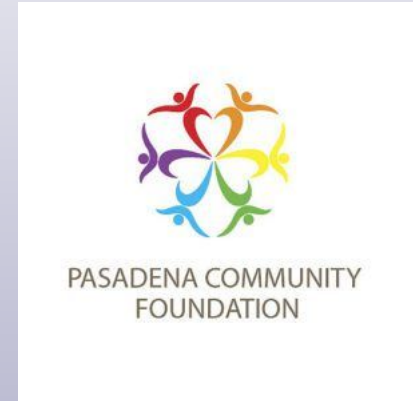
Zoom Webinar

September 24th, 2025

About United Policyholders

- A not-for-profit organization with expertise in insurance and disaster recovery that does not accept funding from insurance companies
- A respected voice and trusted information resource for consumers across the United States
- Three plus decades of experience in disaster recovery
- Funded by donations and grants with a professional staff that's supported by volunteers (attorneys, insurance and personal finance experts, recovered disaster victims)
- Partnering with government agencies and other non-profits and organizations to improve recovery in disaster-impacted communities.

Thank you, Donors and Funders



Anthony Pritzker
FAMILY FOUNDATION

www.uphelp.org

<http://www.uphelp.org/2025cawildfires>

- Step-by-Step guidance for the typical recovery timeline
- Links to sign up for events and updates
- Sample letters & claim documents

www.uphelp.org/samples

- Survivors Speak Tips

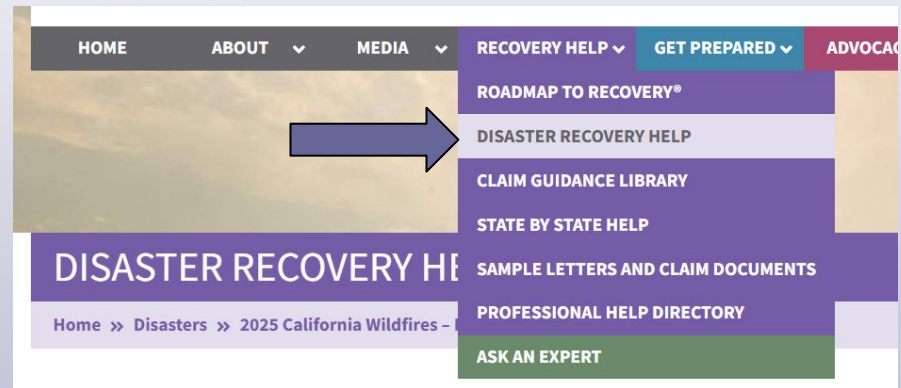
www.uphelp.org/survivorsspeak

- Upcoming Workshops and Resources

www.uphelp.org/events

- Links to specialized professionals

www.uphelp.org/findhelp




Tonight's slide deck

EVENTS

[Home](#) » [Events](#) » [Taxing Matters for 2025 Los Angeles Wildfire Impacted Households](#)

Taxing Matters for 2025 Los Angeles Wildfire Impacted Households

 Wednesday, September 24, 2025
5:00pm PT

 Zoom


 2025 Los Angeles area wildfire survivors

 Facilitators answered pre-submitted questions during the webinar. Additional resources/link below.

CPAs with extensive experience advising disaster survivors share key tips on: Tax strategies for the underinsured; Disaster loss tax filing options; Are insurance proceeds taxable?

WEBINAR RECORDING

RESOURCES

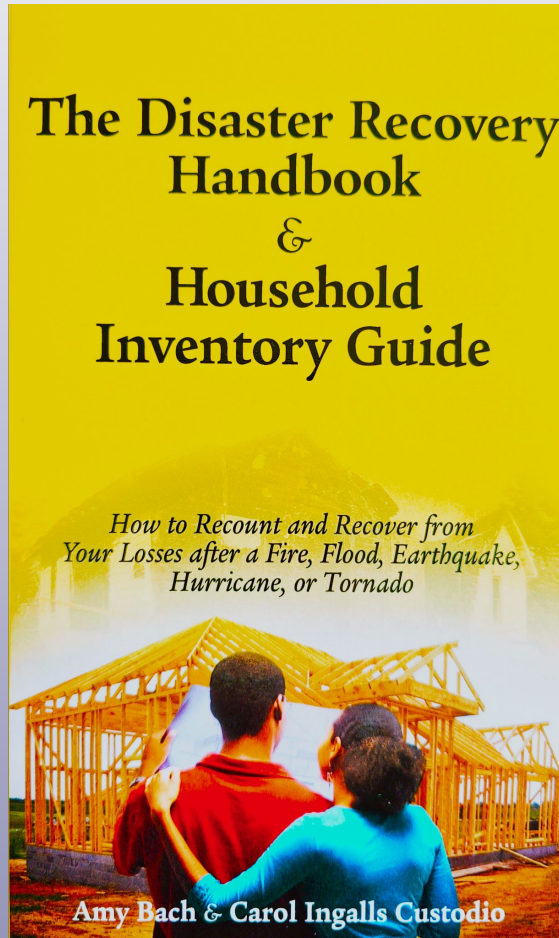
 [Tax Tips for Disaster Survivors](#)

[Taxing Matters for LA Wildfire Survivors - Slide Deck](#)

Team UP

- Professional staff
- Government and nonprofit partners
- Volunteers
 - Fired UP Survivors - previous catastrophic loss survivors paying it forward
 - Consumer-oriented professionals
 - Damage and repair/rebuild cost estimators
 - Lawyers
 - Public Adjusters
 - Tax and Financial Planning experts
 - Construction and Real Estate professionals

R2R Guidance and Tools



“The Little Yellow Book”

Email info@uphelp.org
to have a copy mailed
to you.

The Fine Print

- This workshop is intended to be general guidance only, not legal advice.
- If you have a specific legal question, we recommend you consult an experienced attorney.
- We do not endorse or warrant any of the sponsors listed at www.uphelp.org, or speakers at our workshops.
- Our speakers are volunteering their time as educators



Today's Presenters

Amy Bach, Esq.

Executive Director, United Policyholders

Mike Musson, CPA

Linkenheimer CPAs & Advisors

Priya Kale Sprenger

PS Bookkeeping & Tax

Today's topics

- General recommendations for wildfire-impacted households
- Deadlines, Extensions and other timing matters
- Tax implications for individuals
- Treatment of reimbursements
- Casualty losses
- Gains from involuntary conversion
- Answers to pre-submitted questions

State Income Tax Info

(www.ftb.ca.gov)



File

Forms

Pay

Refund

Los Angeles County fires

2024 taxable year disaster

< [Emergency tax relief](#)

Los Angeles County fire

[Help with Los Angeles County fire relief](#)

[Disaster declaration tax payments](#)



Taxpayers should write the name of the disaster (for example, Los Angeles County Fire) in blue or black ink at the top of their tax return to alert FTB.

If taxpayers are filing electronically, they should follow the software instructions to enter disaster information.

Los Angeles County fire relief

Los Angeles County individuals and businesses impacted by fires that began on January 7, 2025, qualify for a postponement to file, and pay taxes until October 15, 2025.

This includes:

- 2024 individual income tax returns and payments normally due on April 15, 2025.
- Quarterly estimated tax payments normally due on January 15, April 15, June 15, September 15, 2025.
- Calendar-year 2024 partnership, limited liability company (LLC), and S corporation tax returns and payments normally due on March 15, 2025.
- Calendar-year 2024 corporate and fiduciary income tax returns and payments normally due on

Federal Income Tax Info

(www.irs.gov)



File Pay Refunds Credits & Deductions Forms & Instructions

Search



Help for victims of wildfires in California

English | [Español](#) | [中文\(简体\)](#)

Topics in the news

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Tax relief in disaster situations

Around the nation

One Big Beautiful Bill Act

Inflation Reduction Act

Tax Cuts and Jobs Act

Taxpayer First Act

Tax scams and consumer alerts

The tax gap

Fact sheets

IRS Tax Tips

e-News subscriptions

Victims of the California wildfires and straight-line winds that began on Jan. 7, 2025, now have until Oct. 15, 2025, to file various individual and business tax returns and make tax payments.

Latest updates

- IR-2025-10, [IRS: California wildfire victims qualify for tax relief; various deadlines postponed to Oct. 15](#)
- CA-2025-01, [IRS announces tax relief for taxpayers impacted by wildfires in California; various deadlines postponed to Oct. 15](#)

The tax relief is part of a coordinated federal response to the damage caused by the California wildfires and is based on local damage assessments by FEMA. For information on disaster recovery, visit [DisasterAssistance.gov](#).

Other information for the California wildfires

- [FEMA](#) — Works with federal, state, local, tribal, and non-governmental partners to support the response across multiple states.
 - [FEMA.gov/california-wildfires](#)
- [USA.gov](#) — Lists all the government-wide information related to the California wildfires.
 - [USA.gov/california-wildfires](#)

Tax relief in disaster situations resources

- [Reconstructing records after a natural disaster or casualty loss](#) — Reconstructing records after a disaster may be essential for tax purposes, getting federal assistance or insurance reimbursement. Records that you need to prove your loss may have been damaged or destroyed.
- [Disaster assistance and emergency relief](#) — IRS information for individuals and businesses.

Property tax info

(www.boe.ca.gov/proptaxes/disaster-relief.htm)

ALERT

Talking: Jonathan Bowers

→ **Disaster Relief Information** - Property owners affected by California Fires or other California Disasters may be eligible for property tax relief, please refer to our **Disaster Relief** webpage for more information. Additional resources are available at CA.gov/LAfires for Californians impacted by the Los Angeles Fires.



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Legal Resources

Disaster Relief

Description

Claim Filing

Resources

FAQs

If you have been impacted by the recent flooding or fires in California, property tax relief is available to you. See the list of [Governor Proclaimed Disasters](#) and find your [California County Assessor](#) for additional information.

Reduction of Assessed Value while Property is in its Damaged Condition

→ Revenue and Taxation Code [section 170](#) provides that if a calamity such as fire, earthquake, or flooding damages or destroys your property, you may be



Common Tax Questions

- Are some or all of my insurance proceeds taxable?
- If I'm underinsured in one or more categories, can I offset the losses on my tax return?
- Are there special tax rules for disaster survivors?
- Can I use my regular tax preparer to prepare my return?
(Yes but...CE is important, e.g. <https://www.trapanicpa.com/tax-professionals/>)
- What are the tax considerations if I sell my lot without rebuilding?

Deep Breath



General recommendations

What should a wildfire survivor understand about income taxes?

How should a wildfire survivor keep track of expenses, insurance checks, reimbursements, etc.?

Best Practices

- Document all expenses, reimbursements.
- Be organized. Save all receipts (recommend scanning or photocopying and emailing, so you have a copy for your records).
- Document and track all insurance contents claim communications.
- Track all contents payments.
(www.uphelp.org/pubs/insurance-accounting-spreadsheet)
- Open a separate bank account when replacing items if possible.

Stay organized

Create a system that works for you to copy/scan, file, organize, and keep track of all information related to:

- The cost basis of all property damaged or destroyed in the disaster.
- Your insurance claims, including your
 - policy and all related documents
 - Payments
 - Invoices and receipts
 - Correspondence
 - Reports
 - estimates
- Consider opening a separate bank account for disaster-related transactions.

Document your losses

- Collect pre-loss photos of your home and personal items. Consider getting formal appraisals of your home and damaged/destroyed personal property items worth \$5,000 or more.
- Obtain copies of escrow papers, property tax statements, DMV records for vehicles
- Take post-loss photos of damaged and destroyed property, including before and doing clean-up or debris removal.
- Take "before and after" photos of repairs, restoration, rebuilding.
- Save all invoices and receipts for temporary housing and ALE expenses, debris removal, cleaning, emergency and permanent repairs, replacement items, and counseling, medical, and professional fees (recommend scanning or photocopying and emailing, so you have a copy for your records).

Filing deadlines, extensions, timing

October 15th deadline

- Consider requesting a **“Filing Extension”**
- You may be able to file a request for an **“amendment”** on some portions at a later date
- Always file returns timely and report what you know - This includes **“Cost Basis”**, **“Insurance Proceeds”** received through year-end, as well as replacements through December 31st of the tax year
- Don't rush to deduct a **“Casualty Loss”** as it may turn out to be a **“Casualty (Involuntary) Gain”**

Federal Disaster Declaration

This is an official FEMA ruling that triggers special IRS tax rules. These rules include:

- Insurance proceeds and grants or gifts specifically designated for “contents” damaged or destroyed related to a primary residence are not subject to taxation, even when they cause a “**casualty gain**” or potential gain
- Qualifying “contents” losses are still able to be considered when calculating deductions for “**casualty losses**”
- You *may* be able to amend the return you filed for the year before the disaster if the amendment will be advantageous to you

Prior Tax Returns

To get copies of your prior returns:

- Start with your CPA, bookkeeper or online filing service as they should have records to provide (Turbo Tax, Tax Act, etc.)
- The IRS has information for taxpayers in reconstructing records after a disaster. Go online to:
 - (www.irs.gov/newsroom/reconstructing-records-after-a-disaster-irs-provides-tips-to-help-taxpayers)
- Submit Form 4506 to obtain copies directly from the IRS. The fees are typically waived for counties located in the “**Federal Disaster Declaration**” zone. Simply write, in red at the top of the Form 4506, the official disaster title

Do I Have an IRS Reportable Casualty Gain or Loss?

What qualifies as a Casualty Loss?

- Loss resulting from damage, destruction or loss of property from an identifiable event that is sudden, unexpected or unusual
- The taxpayer is powerless to prevent the loss.
- Not a typical occurrence, day to day occurrence, and not progressive
 - Examples of non-casualty losses
 - Termite damage
 - Decreased property values (partial losses)
 - Destruction of personal use trees due to drought
- Must be a permanent reduction in value, temporary reduction in value does not qualify

What Qualifies as a Casualty Loss Part 2 ?

- A tax deduction that generally occurs when damages exceed reimbursements following a “**Federal Disaster Declaration**”
- A “**personal casualty loss**” is the smaller of the adjusted basis in the property or the decrease in “**fair market value**” (**FMV**) of the property as a result of the casualty.
- The **FMV** decrease is computed based upon a competent appraiser’s determination including impact of debris on the lot and excluding temporary buyer reluctance.
- “**Reimbursements**” include all proceeds/payments received for damaged property (from insurer/litigation/sale).
- You must file a disaster insurance claim to deduct the loss.
- Personal/individual “**casualty losses**” are only deductible on a federal income tax return when tied to a “**Federal Disaster Declaration**”.

Casualty Loss versus Involuntary Conversion

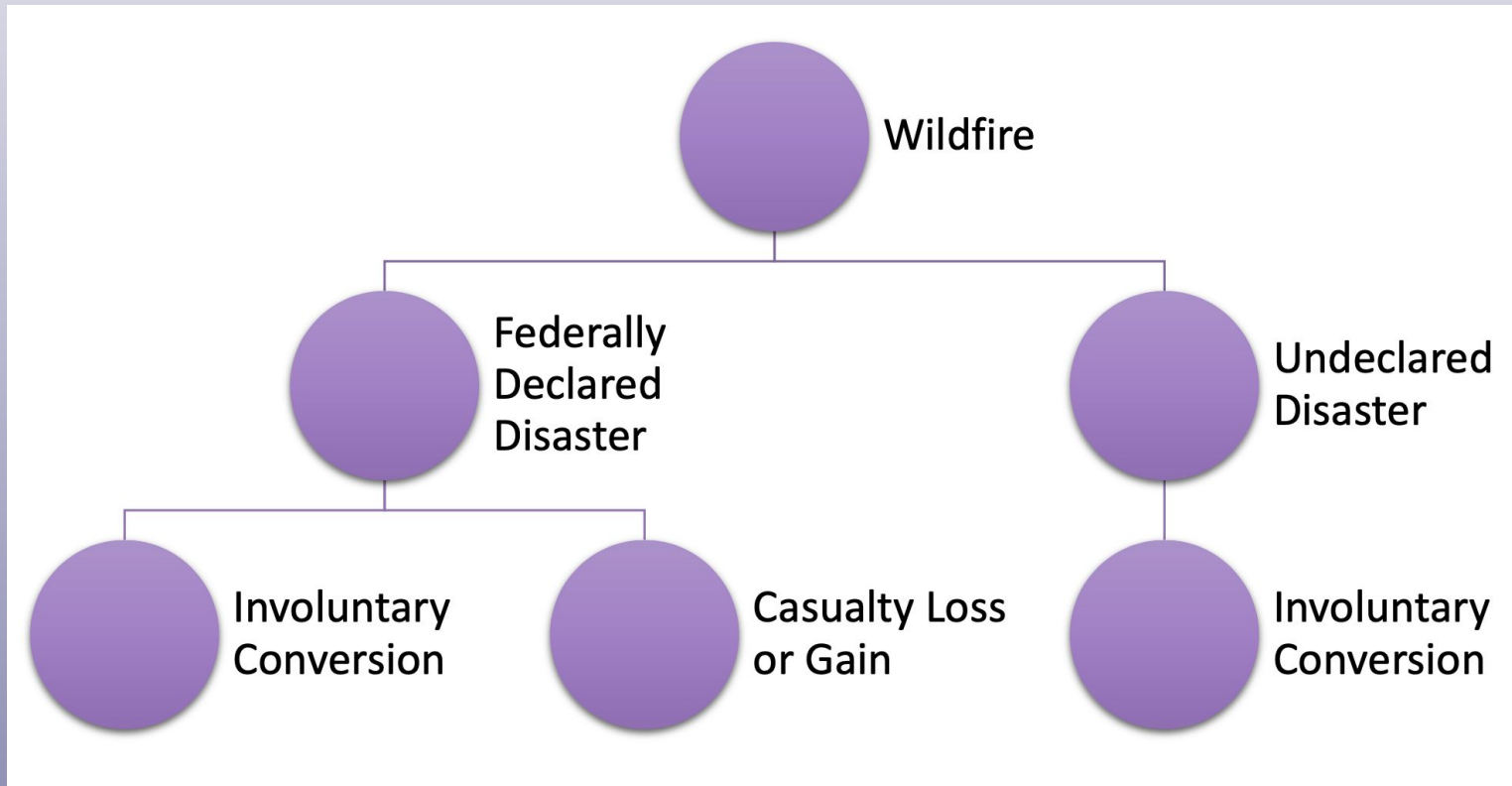
- **“Involuntary Conversion”** occurs when your property is destroyed, stolen, or condemned through no will of your own, and you receive money in payment for the property (IRC Section 1033).
- A **“Casualty Gain”** may occur if those payments/reimbursements exceed the **“Cost Basis”** of the property.
- For personal, primary residences, it may be possible to utilize an **“exclusion”** to offset the gain under sale of personal residence rules (IRC Section 121).
 - Must have been your personal residence 2 out of the last 5 years (pro-rata exclusion amount if less than 2 years)
 - Exclusions are up to \$250K per individual or \$500K per couple
 - Can defer gain if reimbursements are reinvested in rebuilding home or to acquire a **replacement** home or homes within four years if in a **“Federal Disaster Declaration”** area

Casualty Gain on Involuntary Conversion

- To defer a “**casualty gain**”, “**replacement property**” must cost at least as much as the amount you received as a reimbursement, minus any “**excluded gain**” under (IRC Section 121).
- When postponing your “**casualty gain**”, your ownership period includes the period in which you owned the destroyed property.
- The allowed **(4) four year replacement period** starts at the end of the year in which a gain is first realized, not necessarily the year of the event, and can be extended with reasonable cause & IRS consent.
- If you are postponing a “**casualty gain**”, you must attach a statement to your tax return with the details and explanation.
- The IRS requires all the facts of the transaction be reported in the return for the year in which any part of the transaction occurs. The reporting requires current and cumulative information be reported.

I'm underinsured, can the way I file my tax return help me offset my losses?

It depends...



I'm underinsured, why don't I have a loss for tax purposes?

- A **Federal Disaster Declaration** is needed to claim a “**Casualty Loss**” on tax returns and not all 2020 fires currently qualify.
- Your insurance “proof of loss” or “scope” is calculated entirely differently than the “**Cost Basis**” to determine a “**Casualty Tax Gain/Loss**”.
- A “**Cost Basis**” rather than an “ACV” must be determined for your lost or damaged property and then compared against the insurance proceeds/payments to establish a loss/gain.
- You may be subject to a “**Casualty Gain**” if your insurance proceeds/payments are greater than the “**Cost Basis**” of your property.
- There are ways to “offset” and/or “convert” these gains.

What are my options?

- Casualty Loss (Form 4684)
- Involuntary Conversion Gain
 - Nontaxable due to personal residence exclusion
- Involuntary Conversion Gain
 - Anticipating rebuilding/replacement so deferring gain
- Involuntary Conversion Gain
 - Not rebuilding or replacing so taxable (Schedule D)

Rules around Primary Personal Residence

- You may exclude up to \$250,000 per person or \$500,000 per married couple of **“Casualty Gain”**.
 - **“Complete Destruction”**
 - **“Unforeseen Circumstances”**
 - **“Modified” General Rules**

What is IRS “Cost Basis,” and why does that matter to me?

Calculating “Cost Basis”

- “Purchase cost” or “inherited cost”, not market value
- Add Certain “upgrades”, additions, and repairs add to the “cost basis”

Example of “Cost Basis” calculation

Cost	\$1,400,000
Insurance & other proceeds/payments	\$2,100,00
GAIN	\$700,000
Less Section 121 Exclusion	-\$500,000
Remaining GAIN	\$200,00
Minimum Required Reinvestment	\$1,600,000
Replacement Spent	\$2,100,000
Less Deferred GAIN	-\$200,000
Adjusted COST BASIS of replacement property	\$1,900,00

Non-taxable Payments/Proceeds

For those impacted by a loss in a **Federal Disaster Declaration**, non-taxable reimbursements may include:

- Payments for ALE or Additional Living Expenses (used for additional living expenses) including insurance proceeds and FEMA payments;
- Payments for contents/personal property items in a “**Federal Disaster Declaration**”;
- Payments from social welfare agencies, charitable organizations, and in-kind services such as free meals, medical supplies, and shelters are generally not taxable.

IRS Taxable Payments/Proceeds

For those impacted by a loss in a “**Federal Disaster Declaration**” area, taxable reimbursements include:

- Unemployment compensation
- Reimbursement for items already reimbursed (cannot be paid twice for the same item)
- Payments for real estate are treated the same as if they are paid by the insurance company.
- Some ALE insurance proceeds if used to purchase an asset

Temporary living expenses (ALE, Loss of Use, etc.)

What do wildfire survivors need to know and consider related to this loss and insurance category?

Additional Living Expenses (ALE)

- In all cases, including “**Federal Disaster Declarations**”, ALE funds received are not taxable to the extent that they are used or actual additional living costs.
- Excess funds are taxable in the year taxpayer no longer incurs additional living costs.
- However, any losses covered by reimbursements can not be taken as a casualty loss.
- The payment may be considered taxable if you are getting compensation to assist for the same expenses elsewhere, or if the payments are considered to reimburse unreasonable living expenses.

What if...

A survivor uses their ALE/insurance benefits to buy a temporary residence (ADU, Manufactured home, RV)

Purchase of a Temporary Home/RV (Asset) with ALE Payments/Proceeds

The **purchase** of temporary housing is not **considered “Additional Living Expense”**. The ACQUISITION of a CAPITAL ASSET results in ALE proceeds becomes taxable

- The temporary residence may be treated as part of the replacement property. This will spread the deferred gain over more properties. If you reside in the temporary residence for at least two years and sell it to move into the permanent home, you can apply the \$250,000/\$500,000 exclusion, eliminating allocated deferred gain
- If the Temporary Residence becomes the Permanent Replacement Property, but is not declared as the replacement property, the gain from the ALE proceeds used becomes taxable.
- What if I do a lease/purchase agreement, or buy it with my business and lease it to myself?

Deep Breath



Personal Property/Contents In a Federal Disaster Declaration

- For proceeds/payments in “Federal Disaster Declaration” areas, contents/personal property reimbursements are generally not taxable if from a primary residence.
- There may be a gain on “scheduled” contents in certain circumstances.
- It is possible to have a gain if you receive reimbursements in excess of the adjusted basis of your damaged or destroyed business property (but the gain may be deferred).

Other Considerations

Timing Considerations – Replacement Period for Involuntary Conversions

- Deadline of four (4) years for primary, personal residence in “**Federal Disaster Declarations**”
- Deadline of two (2) years for all others
- “**Extensions**” may be available and must be filed

Other Circumstances

Rental property?

Second home?

Number of replacement properties?

Trust?

Lot sale?

Lawsuit settlement?

Divorce or death?

Change of use?

Business Loss and Taxes?

Primary Personal Residence Replacement Properties

- There is no limit on the number of “**replacement properties**” to avoid a “**conversion gain**”.
- Must be “similar or related”
 - Any personal use real estate generally qualifies
- Acquisition of “**replacement contents**” (not necessarily identical) also counts.
- Replacement period time limits must be followed or formally extended.

Lot Sales

How do we treat a lot sales?

- Subject to “**exclusion**” regulations up to \$250,000 single or \$500,000 couple (IRC 121)
- Subject to deferral under (IRC 1033)? (Rev. Rul. 96-32)

Are Legal Settlements taxable?

Non-physical injury claims, loss of income proceeds are taxable, but new laws exempt owner-occupied wildfire claim settlements.

www.dailyjournal.com/mcle/1549-many-2020-2025-wildfire-settlements-to-be-retroactively-tax-free

www.forbes.com/sites/robertwood/2025/07/22/wildfire-recovery-tax-treatment-even-with-new-tax-exclusion-is-tricky/

“S.B. 132 adds a new section to the California tax code, Section 17138.7. The new exclusion applies to all wildfire recoveries received by a California taxpayer between January 1, 2021, and January 1, 2030, regardless of the specific wildfire involved”.

Gain/Loss for Business taxes

Gain/Loss on involuntary conversion calculation is similar to personal property with the following differences:

- Land is not included (unless land is sold due to it no longer being economically viable to owner)
- For complete destruction, no appraisals are needed.
- No exclusion on gain available.
- Deduction not limited by 10% of AGI and \$100
- Only consider adjusted basis in computing gain or loss not change in FMV
- Loss must be substantiated, similar to individual losses
 - inventory

Can I defer a Gain for Business Involuntary Conversion?

If the Gain results from proceeds in excess of “**Cost Basis**” for your business, you treat the reimbursements as sales proceeds. You have two years to reinvest in a property similar or related in service, or use in repairs/rebuilding the damaged/destroyed property to defer the gain.

Deferral of Gain - Businesses

To defer gain on involuntary conversion (IRC Section 1033):

- Need to reinvest in “Tangible property of a type used in a trade or business.”
- If it was a rental property destroyed, reinvest with another rental property or the above rule
- Trade or business replacement property cannot become investment property
 - needs to be held for productive use in a trade or business.

Qualifying example:

- Restaurant is destroyed in federally declared disaster and insurance proceeds are used to purchase bowling alley.

Example that does not qualify:

- Restaurant is destroyed in federally declared disaster and insurance proceeds are used to purchase stock in a REIT.
- Have only two years to reinvest in replacement property.
 - Can request extension of time for reasonable cause if needed.
- If gain is not deferred then, depending on underlying asset, there is potential depreciation recapture, which can change the character of the gain

Business Interruption Insurance

- The tax treatment of the proceeds from business interruption insurance depends on what the payments compensate. If the proceeds compensate for lost profits, then they are ordinary income to the recipient.
- However, if the proceeds reimburse for lost use of the property, they may constitute recovery of capital and result in gain to the extent they exceed basis. These gains are on the disposition of a property right and can be deferred under the involuntary conversion rules if the proceeds are reinvested in qualified replacement property.
- If an insurance settlement provides payments for both the loss of the use of property and for the loss of profit, the payments must be allocated between ordinary income and property payments.

Pre-submitted Question 1

- 1) We expect a casualty loss (our personal property) as well as a gain (insurance reimbursement for our structure paid in 2025). Am I right in understanding that we can take the loss in 2024 but take the gain in 2025?
- 2) If we anticipate a legal settlement hopefully in 2027+, that would reduce the personal property casualty loss, either that we filed for 2024 to get cash, or affect the 2025 taxes when we filed the casualty loss/gain. Would this mean having to amend both 2024 and 2025?
- 3) I have been filing my own taxes for decades -- called a few tax firms about these questions and was considering whether to have them done professionally for these few years, and the firms actually seem to do corporations or extremely high net worth individuals only, or are charging so much more to prepare a simple amendment than the cash benefit to me would be.

MM

Pre-submitted Question 2

Home totally destroyed in January 2025 Palisades fire. Home purchased in 1974 for \$100K, so there is a huge casualty gain as insurance payout exceeds cost basis. Also would have huge capital gain upon sale of the empty lot at \$1M. Home is in a revocable joint trust of elderly couple. In Sept 2025, one died.

- 1) For the casualty gain, do we use the stepped up cost basis as of Sept (which would flip this to a casualty loss), or do we use the cost basis as of Jan 2025?
- 2) 2) What other tax considerations are there for us? We've heard about involuntary conversion issues.
- 3) We've heard about some rules that if one owner dies before purchasing another property, we have to file the loss in 2025, no deferral. Is that true and does that apply if the destroyed property was in a trust?

MM

Pre-submitted Question 3

1. If our anticipated SCE litigation settlement payment will be excluded from gross income under IRC 139 (because of the broad definition of "qualified disaster relief payment" clarified by Notice 2024-46 in IRB 2024-26) or a hypothetical extension of the deadline of section 3 of HR 5863/PL 118-148, does that also mean that the litigation settlement payment will not be considered

(a) a recovery of casualty loss deductions, nor

(b) a reduction in cost basis upon rebuilding the house, nor

(c) a gain subject to IRC 1033? A reference to official IRS information to support your answers would be very helpful. Thanks in advance!

2. IRS & FTB granted a filing deadline extension to Oct. 15, but FTB says, "Taxpayers should write the name of the disaster (for example, Los Angeles County Fire) in blue or black ink at the top of their tax return to alert FTB." Do we need to do something similar for IRS or will IRS apply the deadline extension automatically based on our zip code? My tax software does not provide a way to write notes, so I'm afraid if I e-file I'll be assessed a late penalty.

MM

Pre-submitted Question 4

I understand from attorneys that generally settlements against both coverage A shortages and coverage B shortages are considered tax free (whereas settlements in other categories ie. emotional distress are taxable, unless government at state/fed levels passes legislation for exceptions).

If a settlement recipient receives funds under Cov A &/or B, which is generally deemed tax free, does that also apply to international taxes, if we establish residency in another country for a period of time?

In 2022, California passed legislation exempting wildfire settlements from state income tax, ensuring that victims did not face additional financial burdens. The Federal Disaster Tax Relief Act now extends this relief at the federal level, catching up with California's existing protections.

MM

Pre-submitted Question 5

How are compensations for "Additional Living Expenses/Fair Market Value" claimed for income tax if those expenses were not used entirely for Additional Living Expenses, but partly used for covering, for example, smoke damage contamination/remediation that the California Fair Plan insurance refused to cover, how are those payments, and deductions, dealt with on Income Tax returns?

SEE SLIDE

PS

Pre-submitted Question 6

The question concerns property taxes. It is proving difficult to make a rebuilding plan that meets our needs and does not exceed the square footage of the original home. Are the tax penalties of building a somewhat bigger house significant enough to make us compromise our design, or should we be driven by our housing needs over property tax concerns?

MM

Pre-submitted Question 7

How can we determine whether a grant / donation we have received is taxable or not? What about grants that are specifically for "fire-related expenses" that cover uninsured losses, but we have not incurred the expense of replacement, such as rebuilding a house? What records or justification do we need to retain in case of an audit?

PS

Pre-submitted Question 8

My home is primarily smoke damaged. I submitted a Misfortune & Calamity form and was notified I will receive a change in my 2024 and 2025 tax roll. Are there additional benefits available to me if I submit a Decline-In-Value form? For the purposes of the bottom line on my taxes, what is the difference between the two forms?

Pre-submitted Question 9

I am likely going to purchase an RV to put on my lot and live there during the rebuild. I will use my ALE to purchase. Does it make a difference to me tax wise if I make the purchase in 2025 or wait until 2026? I, of course, am looking to save every penny possible. Thank you, Marisa

Pre-submitted Question 10

Do the revised lower cap gains based on personal income in the federal Disaster Relief Act of 2023 also apply to the Palisades and Eaton Jan 7 fires or just to fires that occurred in 2024 & prior years?

PS

Pre-submitted Question 11

Are tax rules different for insurance proceeds related to structure cleaning and repair, and contents cleaning, when you own the single family home, but rent it out under a long term lease?

SEE SLIDE

PS

Pre-submitted Question 12

If your insurance company pays you out for your dwelling and other structures and you elect to purchase another property vs rebuilding - is that money taxable?

Pre-submitted Question 13

How long do you have to use the payout from your insurance company for your dwelling and other structure to rebuild before it becomes taxable?

SEE SLIDE

PS

Pre-submitted Question 14

What portion, if any, of my insurance monies is considered income or capital gains?

Pre-submitted question 15

A friend set up a “Go Fund Me” for our family and we received \$30k in donations. Is that taxable?

Property taxes



(https://res.cloudinary.com/los-angeles-county-assessor/image/upload/v1736540235/Factsheet/Relief_for_Properties_Impacted_By_A_Disaster.pdf)

Prop 19

If you replace by buying or rebuilding in a different county, generally speaking, you can keep your original tax basis, but check w/the county you're moving to be sure

If you can't find what you need via our website, R2R recordings and slide decks...

uphelp.org/ask-an-expert

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FORUMS

ACCOUNT

This website offers extensive information, links and resources. Please use the navigation bar and "Search" box to find what you need. If you are an insurance consumer (policyholder) and you can't find what you need by searching this site, you can post a question in this forum, and we will do our best to provide an answer from our staff or expert volunteers. Expert volunteers include professionals in construction, insurance claims and insurance law.

PLEASE ALLOW TIME TO GET A RESPONSE. We're not able to respond to urgent or time-sensitive questions. UP staff reserves the right to view and approve your question before it appears on our site.

For More Information

If you still have questions, visit UP's website
and search for more
claim tips, articles and helpful info at:

www.uphelp.org