

# California Disaster Relief Tax Provisions

## Storm and Flood Damaged Locations – California, EL NIÑO 1998

### Introduction

This publication outlines the procedures to take a disaster loss deduction for property damage or destruction resulting from storm and flood damage that occurred beginning on February 2, 1998. The following counties are affected:

Alameda	Merced	Santa Barbara
Amador	Monterey	Santa Clara
Butte	Napa	Santa Cruz
Calaveras	Orange	Solano
Colusa	Riverside	Sonoma
Contra Costa	Sacramento	Stanislaus
Fresno	San Benito	Sutter
Glenn	San Bernardino	Tehama
Humboldt	San Diego	Trinity
Kern	San Francisco	Tulare
Lake	San Joaquin	Ventura
Los Angeles	San Luis Obispo	Yolo
Marin	San Mateo	Yuba
Mendocino		

**Note:** Other counties may be declared as federal disaster areas. This publication will be updated as new information is received.

### Deducting a loss.

A disaster loss is a casualty loss sustained as a result of a disaster which is not reimbursed by insurance or otherwise.

You may elect to deduct a disaster loss in the prior tax year (1997) if your damaged property is located in an area designated by the President of the United States to warrant assistance. The counties listed above are all designated areas.

You make an election to deduct the disaster loss in the prior year (1997) by completing and filing Form 540, California Resident Income Tax Return; Form 540X, Amended Individual Income Tax Return; Form 100, California Corporation Franchise or Income Tax Return; Form 100S, California S Corporation Franchise or Income Tax Return; or Form 100X, Amended Corporation Franchise or Income Tax Return by the dates shown under "When to claim your refund." Be sure to complete and attach federal Form 4684, Casualties and Thefts (using California amounts), a copy of federal Form 1040X (or Form 1120X) and any supporting schedules that verify your deduction.

If you do not elect to deduct the disaster loss in the prior year, you may deduct the disaster loss on your 1998 Form 540, Form 100 or Form 100S.

You must attach a statement to your Form 540, Form 540X, Form 100, Form 100S or Form 100X which includes the date of the disaster and the location (city and county) of the disaster.

To figure your disaster loss:

- For personal use property, complete federal Form 4684, Section A using California amounts.
- For property that is trade or business, income-producing or rent or royalty property, complete federal Form 4684, Section B using California amounts.

You may also need to use Schedule D-1, Sales of Business Property; and form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations —

Individuals, Estates and Trusts; or form FTB 3805Q, Net Operating Loss (NOL) Computation and NOL and disaster Loss Limitations — Corporations to report these losses.

You may qualify to carryover 100% of any excess disaster loss to future taxable years if subsequent legislation is enacted which adds these storms and floods to the list of eligible disasters identified in California Revenue & Taxation Code Sections 17207 and 24347.5.

### Speeding up your refund.

Print "EL NIÑO '98" in red ink at the top of Side 1 of your Form 540, Form 540X, Form 100, Form 100S or Form 100X.

### When to claim your refund.

#### Personal income tax returns:

To elect to claim the loss in the prior year (1997):	To elect to claim the loss on your 1998 return:
File a return or amended return, on or before the later of: <ul style="list-style-type: none"> <li>• 10/15/98 – (The due date of the return, with extension, for the tax year preceding the loss)</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>• 04/15/99* – (The due date of the return, without regard to extension, for tax year in which disaster occurred)</li> </ul>	File your original 1998 return by October 15, 1999

\* This date may be extended to October 15, 1999 if subsequent legislation is enacted adding the disaster to California Revenue and Taxation Code Section 17207(g).

#### Corporation returns:

To elect to claim the loss in the prior income year (Incoming year ending on or before 02/01/98)	To claim the loss on return for 1998 income year (Income year beginning on or after 02/02/98)
File a return or amended return, on or before the later of: <ul style="list-style-type: none"> <li>• The 15th day of the tenth month after the close of the prior income year (1997);</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>• The 15th day of the third month after the close of the income year in which the loss occurred (1998).*</li> </ul>	File original 1998 return by the 15th day of the tenth month after the close of the 1998 income year.

\* This date may be extended to the 15th day of the tenth month after the close of the 1998 income year if subsequent legislation is enacted adding the disaster to California Revenue and Taxation Code Section 24347.5(g).

(Continued on Side 2)

---

## Replacing lost or damaged California tax returns.

You may replace lost or damaged California tax returns at no cost by completing form FTB 3516, Request for Copy of Tax Return and printing "DISASTER '98" at the top of the form. You may also write to:

ATTN RID UNIT  
FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0060

## Ordering forms.

**Internet:** If you have Internet access, you may download, view and print California income tax forms and publications. Our Internet address is:

<http://www.ftb.ca.gov>

**Phone: Call 1-800-338-0505.**

To order personal income tax forms, select personal income tax form request and enter the form code when instructed:

<b>900</b> for California Resident Income Tax Booklet	
<b>937</b> for form FTB 3516	<b>909</b> for Schedule D-1
<b>908</b> for Form 540X	<b>926</b> for form FTB 3805V

To order corporate forms, select corporate income tax form request and enter the form code when instructed:

<b>817</b> for Form 100	<b>816</b> for Form 100S
<b>813</b> for Form 100X	<b>807</b> for Form FTB 3805Q

## Mailing your Form 540 or Form 540X.

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO, CA 94267-0001

## Mailing your Form 100, Form 100S or Form 100X.

FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO CA 94257-0501

## Do you need more information?

**In Person Assistance.** Franchise Tax Board representatives are available at our district offices shown below. Our offices are open Monday through Friday from 8:00 a.m. to 5:00 p.m.

Bakersfield	1800 30th Street
Burbank	333 North Glenoaks Blvd Suite 200
Fresno	2550 Mariposa Street
Long Beach	4300 Long Beach Blvd Suite 700B
Los Angeles	300 S Spring Street Suite 5704
Oakland	1970 Broadway
Sacramento	8745 Folsom Blvd
San Bernardino	464 W 4th Street
San Diego	5353 Mission Center Rd Suite 314
San Francisco	50 Fremont Street
San Jose	96 North Third Street
Santa Ana	600 W Santa Ana Blvd Suite 300
Santa Rosa	50 D Street
Stockton	31 East Channel Street
Ventura	4820 McGrath Suite 270
West Covina	100 N Barranca Street Room 600

**Telephone Assistance.** Call our general toll-free telephone service Monday through Friday between 8:00 a.m. and 5:00 p.m. Between January 2 and April 15, 1998, service is available between 7:00 a.m. and 8:00 p.m.

Call within the United States	1-800-852-5711
Call outside the United States (not toll-free)	1-916-845-6500
For federal tax questions, call the IRS at	1-800-829-1040

### Asistencia Bilingüe en Español

Para obtener servicios en Español y asistencia para completar su declaración de impuestos/formularios, llame al número de teléfono (anotado arriba) que le corresponde.

### Hearing impaired

Toll-free taxpayer service is provided for the hearing impaired with a Telecommunications Device (TDD). Call 1-800-822-6268.