

**"I love the man who can smile in trouble, gather strength from distress and grow brave by reflection."**

*-- Thomas Paine, Statesman*

Tax Tip – March 8, 2017

Casualty Losses

The floor for casualty losses on personal assets in regions not declared disaster areas remains $100. The balance above $100 is deductible to the extent it exceeds 10% of AGI. Gain on insurance proceeds for personal property lost in a declared disaster is not taxed. You can take a 2016 declared-disaster loss on your 2016 or (amended) 2015 return. Your advisor can help you determine which year is better for you.

Insurance reimbursements for living expenses are taxable to the extent they exceed actual expenses in the year the owner receives the funds or moves back into the house, whichever is later.

If you have any questions regarding this information, please feel free to contact our office.

P.S. Please forward this to your friends or colleagues that you'd like to introduce our firm to. Or send us their email address and we'll ask for their permission to forward with your compliments.

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