

# **Bond Case Briefs**

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## **IRS: Extra Time Granted for Tax-IRS: Exempt Bond Issuers Affected by Severe Storms and Tornadoes in Oklahoma.**

Government entity issuers of tax-exempt bonds affected by the severe storms and tornadoes occurring in parts of Oklahoma may qualify for additional time to file certain returns related to tax-exempt bonds, qualified tax credit bonds, and specified tax credit bonds.

Following recent disaster declarations for individual assistance issued by the Federal Emergency Management Agency, affected government entities in covered disaster areas in Oklahoma will receive filing and payment relief.

Affected issuers who are required to file a Form 8038 series information return or a Form 8038-T in connection with an arbitrage payment, with a due date between May 18, 2013 and Sept. 29, 2013, may file such returns and make such payments on or before Sept. 30, 2013.

Affected issuers may also file such returns and make such payments on or before Sept. 30, 2013, if the records necessary to make such filing or payment, the conduit borrower, the bond counsel, or other professional upon whom the issuer relies to make such filing or payment are located in a covered disaster area.

The IRS will abate any late-filing penalty that would otherwise apply. The IRS automatically provides this relief to affected issuers located in covered disaster areas. Issuers need not contact the IRS to get this relief. However, affected issuers should clearly indicate on the top of the return that such late filing or payment is the result of devastation caused by the severe storms and tornadoes in Oklahoma.

In addition, an affected issuer required to file a Form 8038 series information return or a Form 8038-T in connection with an arbitrage payment, due between May 18, 2013 and Sept. 29, 2013, may request authority to file a Form 8038 or Form 8038-T after Sept. 30, 2013, by requesting an extension under Revenue Procedures 2002-48 and 2005-40, which provide guidance on how issuers may request extensions of time to file Form 8038 series information returns and waivers of penalty associated with a late arbitrage payment. Affected issuers should request relief in accordance with these revenue procedures and clearly indicate that such late filing or payment was the result of devastation caused by the severe storms and tornadoes in Oklahoma.

In addition, a Form 8038-CP authorized to be filed by an affected issuer between May 18, 2013 and Sept. 29, 2013, but filed thereafter, will be immediately processed upon receipt.

At this time, IRS relief for affected issuers applies to the following covered disaster areas in Oklahoma: Cleveland, Lincoln, McClain, Oklahoma and Pottawatomie counties.