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IRS: Empowerment Zones Designations Continue Through the End of the Year.

WASHINGTON - The IRS today announced that all empowerment zone designations remain in effect through the end of the year. Empowerment Zones are certain urban and rural areas where employers and other taxpayers qualify for special tax incentives.

In May, the IRS issued Notice 2012-38 to address the relevant provision of the American Taxpayer Relief Act of 2012. Notice 2013-38 provided that any nomination for an empowerment zone in effect on Dec. 31, 2009, will have a new termination date of Dec. 31, 2013, unless the governing state or municipality declined the extension in a notification to the IRS. The deadline for notification was July 29, 2013, and no state or municipality contacted the IRS to decline the extension. Therefore, all empowerment zone designations in effect on Dec. 31, 2009, remain in effect through Dec. 31, 2013.

Empowerment Zones were created by legislation enacted in 1993, and most zones had an expiration date of Dec. 31, 2009. Subsequent legislation extended the expiration dates to Dec. 31, 2011, and then Dec. 31, 2013.

The American Taxpayer Relief Act of 2012 did not provide for the extension of the designation for the District of Columbia enterprise zone, and therefore that designation ended on Dec. 31, 2011.

For more information and complete lists of empowerment zone locations, see Form 8844, Empowerment Zone Employment Credit.

<http://www.irs.gov/uac/Form-8844,-Empowerment-Zone-and-Renewal-Community-Employment-Credit>

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