
How the New Tax Law Could Slow Disaster Recovery in Small Towns.

A lesser-known provision in the GOP tax overhaul ends the benefits for victims of small-scale disasters.

Since Congress passed its sweeping tax overhaul in December, considerable attention has been paid to new rules around mortgage interest deductions and state and local tax deductions — both of which could have serious implications for taxpayers and state and local revenue streams.

But one substantial shift has gotten somewhat lost in the shuffle: a change to what are known as "casualty loss" deductions, which filers can claim when they're hit by a major, unexpected disaster. It's not just for victims of natural disasters like one of the several hurricanes to hit the U.S. last year. It's also for victims of smaller disasters like car crashes, house fires and floods.

Until now, that is.

Continue reading.

GOVERNING.COM

BY NATALIE DELGADILLO | FEBRUARY 16, 2018