

## State of Emergency or Disaster

### Requests for Extension to Report and Pay

If the Governor declares a state of emergency, California employers directly affected by the emergency or disaster may request an extension of up to two months to file their state payroll reports and deposit state payroll taxes with the EDD, without penalty or interest<sup>1</sup>. State payroll taxes include Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance<sup>2</sup> (SDI), and Personal Income Tax (PIT).

The extension is granted under section 1111.5 of the California Unemployment Insurance Code (CUIC) ([leginfo.legislature.ca.gov/faces/codes.xhtml](http://leginfo.legislature.ca.gov/faces/codes.xhtml)). The request for extension does not apply to employers who make unemployment payments by reimbursement.

The request may be in writing or requested by phone. Employers must provide the following:

- The extension of time being requested.
- The specific quarter for which the extension is requested.
- Information regarding why the reports or payments could not be submitted in the original time frame.

Requests for extension can be mailed to:

Employment Development Department  
PO Box 826880  
Sacramento, CA 94280-0001

Request for an extension by phone can be made by calling the Taxpayer Assistance Center at 1-888-745-3886.

Reports and payments must be made before or within two months of the original date to avoid penalties.

Any unemployment payment made after July 31 cannot be used in computing your contribution rate for the next calendar year. Additionally, you will not receive full credit against your federal tax for unemployment paid to us after January 31 of each year.

### Reconstructing Payroll Records

If employer payroll records were lost or destroyed due to a disaster, reconstruct the records and file any quarterly payroll tax reports due. You also need to send any payroll taxes due. If information is not available to determine the exact wages paid, you may make estimates based on

the best information available. We can provide you with copies of previously filed reports as a basis.

For more information, or to request copies of previously filed reports, call the Taxpayer Assistance Center at 1-888-745-3886.

<sup>1</sup> Does not include reimbursable Unemployment Insurance Payments

<sup>2</sup> Includes Paid Family Leave (PFL)

### Disaster Relief Payments

A **qualified disaster relief payment** is defined by section 139(b) of the Internal Revenue Code (IRC) ([law.cornell.edu/uscode/text/26/139](http://law.cornell.edu/uscode/text/26/139)) as any amount paid:

- (1) To reimburse or pay for reasonable and necessary personal, family, living, or funeral expenses received from a qualified disaster.
- (2) To reimburse or pay reasonable and necessary expenses incurred for the repair or rehabilitation of a personal residence. Or repair or replacement of its contents to the extent that the need for such repair, rehabilitation, or replacement due is attributable to a qualified disaster.
- (3) By a person engaged in the furnishing or sale of transportation as a common carrier by reason of the death or personal physical injuries incurred as a result of a qualified disaster.

OR

- (4) By a federal, state, local government, or agency in connection with a qualified disaster in order to promote the general welfare. But only to the extent any expense compensated by such payment (as indicated in items 1-4) is not compensated for by insurance.

A **qualified disaster** is defined by section 139(c) of the IRC as:

- (1) A disaster that results from a terroristic or military action (as defined by section 692(c)(2) of the IRC).
- (2) A federally declared disaster (as defined by section 165(i)(5)(A) of the IRC).

- (3) A disaster which results from an accident involving a common carrier, or from any other event which is determined by the Secretary (of Treasury) to be of a catastrophic nature.

OR

- (4) A disaster which is determined by an applicable federal, state, or local authority as determined by the Secretary (of Treasury) to get assistance from the federal, state, local government or agency.

Effective in tax years after September 11, 2001, qualified disaster relief payments (as defined in section 139 of IRC) made by an employer are not subject to PIT withholding or reportable as PIT wages under sections 13006, 13009(q), and 13009.5 of the CUIC. However, disaster relief payments paid by employers are subject to UI, ETT, and SDI unless excluded under section 938 of the CUIC as payment resulting from the death of an employee.

### Disaster Mitigation Payments

A **qualified disaster mitigation payment** is defined by section 139(g) of the IRC as any amount which is paid pursuant to the **Robert T. Stafford Disaster Relief and Emergency Assistance Act** ([fema.gov/robert-t-stafford-disaster-relief-and-emergency-assistance-act-public-law-93-288-amended](http://fema.gov/robert-t-stafford-disaster-relief-and-emergency-assistance-act-public-law-93-288-amended)) or the **National Flood Insurance Act** ([fema.gov/media-library/assets/documents/7277](http://fema.gov/media-library/assets/documents/7277)) to or for the benefit of the owner of any property for hazard

mitigation with respect to such property. The payment does not include any amount received for the sale or disposition of any property.

**Qualified disaster mitigation payments** (as defined in section 139 of the IRC) made by an employer before, on, or after April 15, 2005, are not subject to PIT withholding or reportable as PIT wages under sections 13006, 13009(q), and 13009.5 of the CUIC. However, disaster mitigation payments paid by employers are subject to UI, ETT, and SDI.

### Additional Information

Additional information about emergencies and disasters can be found on the **Governor's Office of Emergency Services** ([caloes.ca.gov](http://caloes.ca.gov)) or the **EDD's Emergency and Disaster Assistance for Employers** ([edd.ca.gov/Payroll\\_Taxes/Emergency\\_and\\_Disaster\\_Assistance\\_for\\_Employers.htm](http://edd.ca.gov/Payroll_Taxes/Emergency_and_Disaster_Assistance_for_Employers.htm)).

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 1-888-745-3886 (voice) or TTY 1-800-547-9565.

This information sheet is provided as a public service and is intended to provide nontechnical assistance. Every attempt has been made to provide information that is consistent with the appropriate statutes, rules, and administrative and court decisions. Any information that is inconsistent with the law, regulations, and administrative and court decisions is not binding on either the Employment Development Department or the taxpayer. Any information provided is not intended to be legal, accounting, tax, investment, or other professional advice.