



Gulf Shore Association of Condominiums
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April 14, 2023

The Honorable Rick Scott
United States Senate
3299 Tamiami Trail East
Building F, #106
Naples, FL 34112

Dear Senator Scott,

I am writing to you in my capacity as President of the Gulf Shore Association of Condominiums (GSAC) to applaud your introduction of S.764 – the Hurricane Tax Relief Act – and to urge that you please spare no effort in endeavoring to ensure its passage in the Senate.

As you may know, GSAC is an association of more than eighty condominium buildings in the city of Naples stretching from Doctors Pass through Naples Cay in the Moorings and Park Shore developments. Together our membership comprises more than 4500 individual residences, and our residents are your constituents and fellow citizens of Naples.

Because these buildings are located directly on either the Gulf of Mexico or on Moorings and Venetian Bays, many of them sustained a great deal of flood damage from Hurricane Ian's storm surge. Now that tax time is upon us, many of our residents have received conflicting advice from tax lawyers and accountants as to whether, and when, they can claim a casualty loss on their 2022 tax return. At issue is whether Section 304(b) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 is applicable. As you know, that legislation would (a) waive the IRS requirement that any casualty loss must exceed 10 percent of AGI in order to qualify for a deduction, and (b) permit the taxpayer to claim a casualty loss without the need to itemize all other deductions.

The IRS instructions and form for claiming casualty losses (Publication 547 and Form 4684), as last revised on December 30, 2022, are not helpful. They suggest that, in order to be a "qualified disaster loss," the event must be attributable to a federally-declared "major disaster" that occurred prior to February 25, 2021. Thus, though the instructions specifically mention Hurricanes Harvey, Irma and Maria (all of which occurred in 2017), even the December 30, 2022 revision does not reference Hurricane Ian -- despite the fact that FEMA declared Ian to be a "major disaster" on September 29, 2022, three months earlier (DR-4673-FL).

We greatly appreciate your efforts to address this apparent inequity, which, if allowed to remain uncorrected, would have a very significant effect on many of your friends and neighbors in the coastal communities of our section of southwest Florida. While we realize that the U.S. Senate has many issues of more critical importance before it, we are optimistic that righting this easily correctable wrong will not become contentious or "trade bait." Through our communications with the thousands of residents we represent in north Naples, we stand ready to assist your office in any way that you would deem helpful.

Sincerely,

David Feight
President, Gulf Shore Association of Condominiums