

The Voice

Monthly Newsletter



The Voice of the 1031 Industry

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President's Message

Jim Miller,
Investment Property Exchange Services, Inc. (IPX1031)

Where did this year go? This will be my final President's Message. At the annual conference in Santa Fe, I will pass the gavel to your new president, Amanda Schmunk.

Although President Biden's budget once again called for 1031 to be limited to a deferral of \$500,000, because of the excellent guidance provided by our lobbyist, Dave Franasiak, and the hard work, financial and time commitments of some of our members for many years, Section 1031 has not been the topic of any legislation so far in 2023. However, we cannot stand still and "pat ourselves on the back."

Our industry depends on one section of the tax code. Accordingly, whenever tax reform is discussed, Section 1031 could be impacted. In addition, Section 1031 will always be a target. No matter how much evidence is provided about the overwhelming benefits that tax deferred exchanges provide to the US economy, there are many people that are convinced that 1031 is just a loophole that is abused by the rich and want to get rid of it.

Please remain diligent and help the FEA be ready for the next battle. You can do this by volunteering for and contributing financially to your organization. The health of the FEA depends on you! As our past president, Jeff Peterson has said many times, although the FEA is small, "we punch above our weight class." This occurs because we have had committed volunteers in the past. We must continue to have committed volunteers now and into the future.

Finally, I would like to thank everybody for the opportunity to be your president this past year. It has truly been my honor. I look forward to seeing everybody in about a month in Santa Fe!

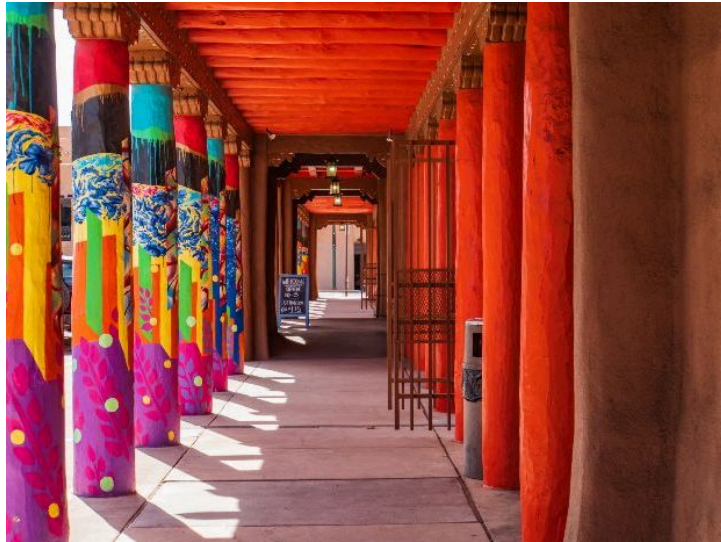


2023 FEA Annual Conference

2023 FEA Annual Conference, September 19-21

We are just **three weeks** from Reaching New Heights in Santa Fe, New Mexico. It's not too late to register for the 2023 FEA Annual Conference

[Register Now](#)



While we strongly encourage booking your flight before looking into things to do while in Santa Fe, we can't help but recommend the exciting things Santa Fe has to offer.

What do we recommend?

- Visit the historic Loretto Chapel
- Take a stroll through the Santa Fe Plaza
- Meow Wolf's interactive experiences

Take a look at the City of Santa Fe page for additional details.

[Explore Santa Fe](#)

FEA Annual Members Meeting, September 20

The 2023 FEA annual meeting will be held during the FEA Annual Conference at the following time and location:

Wednesday, September 20, 2023

11:50 a.m.

Eldorado Hotel and Spa

Santa Fe, New Mexico

AGENDA ITEMS:

1. Ratify election of Board Members:

- Amanda Schmunk, CES®, Homestead Escrow and Exchange Company, Sioux Falls, SD
- Steve Holtkamp, Accruit, Denver, CO
- Mark Adams, First American Exchange Company, Lake Oswego, OR
- Jamie Kingdom, CES®, Banker Exchange, LLC, Greenville, SC
- Mario D'Amore (Affiliate), Capital One Bank, Melville, NY

2. Vote on Proposed Bylaws Change:

The FEA board has approved a proposed change to the FEA Bylaws related to the third class of members, Individual Members. The purpose of the change is to allow the FEA 1031PAC to reach employees of member companies who are obligated under another PAC but wish to support the FEA PAC. The change allows individual members direct participatory rights or a vote for one seat on the board of directors. The proposed changes follow:

- **Article III – Members -- FEA Current Bylaws (*proposed change in red*)**

- *The third class of members of the corporation shall be known as Individual Members and shall be limited to natural persons who are employees of an FEA member company in good standing. The Board of Directors shall adopt Individual Criteria for Individual Members. Any individual member prospect that is deemed not qualified under such Individual Criteria shall be denied membership. ~~Individual Members are not entitled to vote at a meeting of Members.~~*
- **Article V – Directors – FEA Current Bylaws (proposed change in red)**
 - *Section 1. NUMBER AND QUALIFICATION OF DIRECTORS. The number of Directors of the corporation shall be no fewer than nine (9) and no more than fifteen (15) until changed by a duly adopted amendment to the Articles of Incorporation or a duly adopted amendment to this bylaw. One (1) of the Directors shall at all times be an employee of an Affiliate and one (1) of the Directors shall be elected by the individual members. At the annual Meeting of Members, the number of Directors elected shall be no fewer than nine (9) and no more than fifteen (15).*



GAC Update

FEA GAC leaders are currently working with the Real Estate Roundtable and our 1031 Coalition partners to organize a meeting with Biden Administration officials about the economic importance of 1031 exchanges.

The work is part of FEA's continued response to the Biden Administration's repeated budget proposals to enact a \$500,000 cap on Section 1031.

As part of the initiative, the group is pulling together data to support the case that like-kind exchanges are particularly important during periods of market stress. Working with the research team at Marcus & Millichap, FEA GAC leaders are gathering data from the first half of 2019 and the first half of 2023 to compare exchange open orders.

In addition to the new initiative, FEA members continue to meet with members of Congress to share previous economic research sponsored by FEA and our coalition partners. The research strongly shows that if 1031 was limited or eliminated, real estate transactional activity would decrease, the cost of capital would increase, and GDP would contract.

This year, FEA members have participated in 70 visits on Capitol Hill during Midyear Meeting and 15 congressional virtual events sponsored by the FEA 1031 PAC. If you would like more information on how to become more involved with GAC activities, please contact Kimberly Steenhoek at Director@1031.org.

45 Day and 180 Day Postponements for Disaster Areas in Vermont, Mississippi, Illinois and Hawaii

The IRS has issued new postponements of the 45-day and 180-day deadlines as follows:

Vermont Postponement for disaster that began on July 7, 2023 (VT-2023-01 47/13/2023) Entire state of Vermont. General postponement date is **November 15, 2023**.

Mississippi Postponement for disaster that occurred from June 14, 2023 to June 19, 2023 (MS-2023-03 8/15/23). Claiborne, Copiah, Covington, Jackson, Jasper, Jefferson, Jefferson Davis, Lawrence, Leake, Neshoba, Newton,

Rankin, Scott, Simpson, Smith and Wayne Counties and the Mississippi Choctaw Indian Reservation. General postponement date is **October 16, 2023**.

Illinois Postponement for disaster that began on June 29, 2023 (IL-2023-06 8/16/2023). Cook County. General postponement date is **October 31, 2023**.

Hawaii Postponement for disaster beginning on August 8, 2023 (HI-2023-05 8/21/2023) Maui and Hawaii counties. General postponement date is **February 15, 2024**.

The **Covered Disaster Area** is the counties or parishes listed above. *[Please check the IRS disaster website periodically at the address listed below for updates because the FEA does not send out notices for each disaster or for counties added to ongoing disaster extensions.]*

An “**Affected Taxpayer**” includes individuals who live and businesses whose principal place of business is located in the **Covered Disaster Area**. **Affected Taxpayers** are entitled to relief **regardless** of where the relinquished property or replacement property is located. Affected Taxpayers may choose either the General Postponement relief under Section 6 OR the Alternative relief under Section 17 of Rev. Proc. 2018-58. Taxpayers who do not meet the definition of Affected Taxpayers do not qualify for Section 6 General Postponement relief.

Option One: General Postponement under Section 6 of Rev. Proc. 2018-58 (Affected Taxpayers only). Any 45-day or 180-day deadline (for either a forward or reverse exchange) that falls **on or after** the **Disaster Date** above is postponed to the General Postponement Date. The General Postponement applies regardless of the date the Relinquished Property was transferred (or the parked property acquired by the EAT) and is available to Affected Taxpayers regardless of whether their exchange began before or after the Disaster Date.

Option Two: Section 17 Alternative (Available to (1) Affected Taxpayers and (2) other taxpayers who have difficulty meeting the exchange deadlines. See Rev. Proc. 2018-58, Section 17 for conditions constituting “difficulty”). Option Two is **only** available if the relinquished property was transferred (or the parked property was acquired by the EAT) **on or before the Disaster Date**. Any 45-day or 180-day deadline that falls **on or after** the Disaster Date is extended to THE LONGER OF: (1) 120 days from such deadline OR (2) the General Postponement Date.

Please see Revenue Procedure 2018-58, Section 17, and the Notices shown on <https://www.irs.gov/newsroom/tax-relief-in-disaster-situations>.

Welcome New Members

Regular Members

Capital Intermediary, LLC

Albany, NY

www.smprtitle.com

Sunwest 1031, LLC

Albuquerque, NM

www.sunwest1031.com

Title Holdings, Inc.

Waco, TX

Professional Advisor Member

Messerli & Kramer P.A.

Minneapolis, MN

Affiliates First

FEA thanks our Affiliate Members for their support of our FEA members and the 1031 exchange industry. In return, FEA members are encouraged to support our Affiliate Members.

[View Members](#)

Affiliate Spotlights



Commercial Bank of California

19752 MacArthur Blvd
Irvine, CA92612
760-212-1023
<https://www.cbcal.com/>

Commercial Bank of California is one of the nation's highest-capitalized banks, founded by entrepreneurial business owners and led by a talented team with an ownership mindset. CBC is a full-service, FDIC-insured business bank headquartered in Irvine, California. The company is owned, built, and run by entrepreneurs, for entrepreneurs.

Our culture of innovation supports our drive to transform business banking. We invest in our team, our partnerships, and in fintech products to democratize banking in a way that supports our clients' businesses in ways they never thought possible. We are creating a bank that does not exist yet. And the possibility is limited only by our imagination. We are forging new roads and not losing faith. By staying true to our core principles, we can achieve life wealth for our employees and our clients.

Over the last 15 years, we've built a foundation rooted in integrity, fearless leadership, and a dedication to a purposeful approach to banking. And we will continue that from this day forward. Contact us today to learn more about how our banking strategy can help you.

Contact: Michael Fortney, MFortney@cbcal.com



LINKBANK

1250 Camp Hill Bypass, Suite 202
Camp Hill, PA 17011
(610) 608-6745
www.linkbank.com

LINKBANK offers personal banking, nonprofit banking, and business banking solutions. Blending a strong heritage of banking expertise with solid values, LINKBANK is committed to delivering exceptional client solutions and service. LINKBANK was formed in 2018 with a mission to positively impact lives through community banking. LINKBANK is a subsidiary of LINKBANCORP, Inc.

LINKBANCORP, Inc. common stock is traded on the Nasdaq Capital Market under the symbol "LNKB." To learn more, visit LINKBANK.COM.

Contact: Tony Capaldi, tcapaldi@linkbank.com

Job Postings

Job postings are intended as a service to our members by allowing companies to post employment opportunities for 90 days. Check out these newest job postings here: https://fea.memberclicks.net/MC_career-opportunities



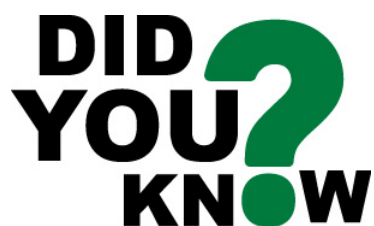
FEA 1031 PAC:

The FEA 1031 PAC contributes to members of Congress of both political parties and is funded by eligible individual employees.

To become eligible, individuals must be employed by FEA member companies that have filed a Permission to Solicit form. A Permission to Solicit form is required by the Federal Election Commission before FEA can solicit eligible employees of member companies. Member companies are only permitted to grant one trade association permission to solicit their employees per calendar year.

FEA Member Key Contacts can find a Permission to Solicit Form [here](#).

For more information, please contact Kimberly Steenhoek at director@1031.org.



Did you know...

...this year is the 20th Anniversary of the CES® Exam? The exam was first administered in May 2003 in Washington, D.C.

The first designees (70) were recognized at the 2003 FEA Annual Conference in Las Vegas, NV, later that year. Today, there are 117 CES® designees!

Message from Executive Director Kimberly Steenhoek



Happy Anniversary to the FEA! Founded in August 1989, FEA is celebrating 34 years as the national trade association for 1031 exchange practitioners.

The FEA was formed to provide a clear, unified voice as an advocate for the issues affecting the exchange industry and monitor legislative activities and regulatory agencies. That purpose still drives our association today as we develop new initiatives to educate the public and government leaders about the economic importance of Section 1031.

Thank you to both former and current leaders and members who have supported FEA with your time, talents and financial contributions. Your dedication ensures that FEA will continue its mission to support, preserve and advance Section 1031 and the QI industry for years to come!

Federation of Exchange Accommodators
www.1031.org

