

Dear FEA Members,

Your health and safety are important to FEA along with sharing important information to our members.

The FEA MIDYEAR MEETING (& CES® EXAM)

The Midyear Meeting & CES® Exam on April 28 & 29 have been postponed due to COVID-19 (coronavirus). We are working with the hotel on rescheduling and will have more information available shortly. We plan to transfer your registration to the new dates once they are identified. If the new dates don't work for you to attend, we will issue a full refund. The CES® Council will work with anyone who applies to take the exam on an alternate location.

CORONAVIRUS (COVID-19)

The Federation of Exchange Accommodators (FEA) has had numerous inquiries regarding the Coronavirus (COVID-19) outbreak nationally and the potential impact on the 45-day identification and 180-day exchange deadlines in an IRC Section 1031 exchange.

The FEA is not aware of any extensions of the 1031 exchange time deadlines at the present time. Taxpayers currently in a 1031 exchange should plan to proceed as usual and following the normal time deadlines.

There may be the potential for an extension for affected taxpayers that may or may not happen in the future due to the Coronavirus outbreak.

An extension of the 1031 exchange 45-day and 180-day time deadlines requires a Presidentially declared disaster. In the event of a federally declared disaster, a taxpayer may be eligible for an extension of time deadlines in a 1031 exchange. Generally, to qualify for an extension, the deadline must fall on or after the date of the Federally declared disaster. Presidentially declared disasters are normally specific to affected areas which are generally specific counties identified in a published IRS notice. The IRS notices generally state which counties have been affected and the type and duration of relief that is to be provided. In the past, it has generally been the practice of the IRS to issue guidance shortly after a Presidential declaration acknowledging specifically what may qualify for disaster relief.

Taxpayers currently involved in a 1031 exchange and their tax/legal advisors should carefully review any IRS notices regarding potential extensions of time deadlines.

IMPACT OF POSSIBLE TEMPORARY CLOSURE OF COUNTY RECORDING OFFICES

Some parts of the country may see the local county recording office closing temporarily or working with a reduced staff and falling behind on recordings. For taxpayers completing 1031 exchanges, the transfer occurs when the burdens and benefits of ownership transfer from one party to another. This generally happens with the terms of the purchase and sale agreement have been met and the loan (where applicable) funds and the buyer receives possession of the replacement property. The recording of a

deed by the county recorder memorializes what had already happened when ownership transferred along with the burdens and benefits of ownership.

Lastly please see the attached important message from FEA President, Scott Saunders and a "Coronavirus Checklist" from [Bloomberg Businessweek](#) that you might find handy.

Thank you for your patience and understanding. Please contact me you have any questions.

Sincerely,

Lynn Harkin

Lynn M. Harkin, CAE
Federation of Exchange Accommodators (FEA)
1255 SW Prairie Trail Parkway
Ankeny, IA 50023-7068
(515) 244-6515 Office
(515) 334-1067 Direct
director@1031.org
www.1031.org

FEA ANNUAL CONFERENCE

September 23-25, 2020

The Palmer House

Chicago, IL