

United States Hits Debt Ceiling

This week, Treasury Secretary Janet Yellen notified Congress that the federal government has hit the debt ceiling and the Treasury Department will start using financial tools known as “extraordinary measures” to keep the government from defaulting on its financial obligations. These extraordinary measures are expected to keep the government from defaulting on its debt until at least June 5, 2023. Congress will have to statutorily raise the debt ceiling before June 5 to prevent default.

IRS Reminds Employers of W-2 Deadline

The Internal Revenue Service (IRS) [recently reminded](#) employers and other businesses to file Tax Year 2022 Form W-2 and other wage statements by January 31, 2023. Employers must file their copies of [Form W-2, Wage and Tax Statement](#) and [Form W-3, Transmittal of Wage and Tax Statements](#) with the Social Security Administration by January 31. Additional information on how to file can be found in [Topic No. 752, Filing Forms W-2 and W-3](#).

The January 31 deadline also applies to [Forms 1099-NEC, Nonemployee Compensation](#) filed with the IRS to report non-employee compensation to independent contractors. For more information on this and for other due dates, see the [Instructions for Forms 1099-MISC and 1099-NEC](#).

Georgia, Alabama Storm Victims Qualify for Tax Relief

The IRS [recently announced](#) that storm victims in parts of Georgia and Alabama now have until May 15, 2023, to file various federal individual and business tax returns and make tax payments, the Internal Revenue Service announced today.

The IRS is offering relief to any area designated by the [Federal Emergency Management Agency \(FEMA\)](#). This means that individuals and households that reside or have a business in Butts, Henry, Jasper, Meriwether, Newton, Spalding and Troup counties in Georgia and Autauga and Dallas counties in Alabama qualify for tax relief. Other areas added later to the disaster area will also qualify for the same relief. The current list of eligible localities is available on [Tax Relief in Disaster Situations](#).

The tax relief postpones various tax filing and payment deadlines that occur starting on January 12, 2023. As a result, affected individuals and businesses will have until May 15, 2023, to file returns and pay any taxes that were originally due during this period.

This includes 2022 individual income tax returns due on April 18, as well as various 2022 business returns normally due on March 15 and April 18. Among other things, this means that eligible taxpayers will have until May 15 to make 2022 contributions to their IRAs and health savings accounts.