**Reporting Casualty Loss**

Casualty losses are sudden, unexpected damages - generally due to natural causes such as hurricanes, tornados, floods and earthquakes. The most common casualty loss that we see is from fire. Damages incurred over long periods of time like dry rot, termites, mold damage, poor construction or resident-caused destruction, do not qualify as “sudden” casualty losses. However, regardless of the cause, Owners must make repairs to units with damages in a timely manner to maintain qualified basis and prevent possible loss of credits.

According to the IRS, state housing agencies must always report a casualty loss that takes low-income units out of service. **It is the Commission’s policy to report casualty loss to the IRS on any unit that is down for more than 90 days and/or is not in service on 12/31 of a reporting year.**

Casualty Loss should be reported to the Commission within 10 business days using our online portal at: [https://portal.wshfc.org/Forms/CasualtyLossChecklist](https://portal.wshfc.org/Forms/CasualtyLossChecklist). This checklist will collect initial information regarding the loss. Once the casualty loss is reported, the Portfolio Analyst for the property will contact the person that completed the online submission to discuss further steps.