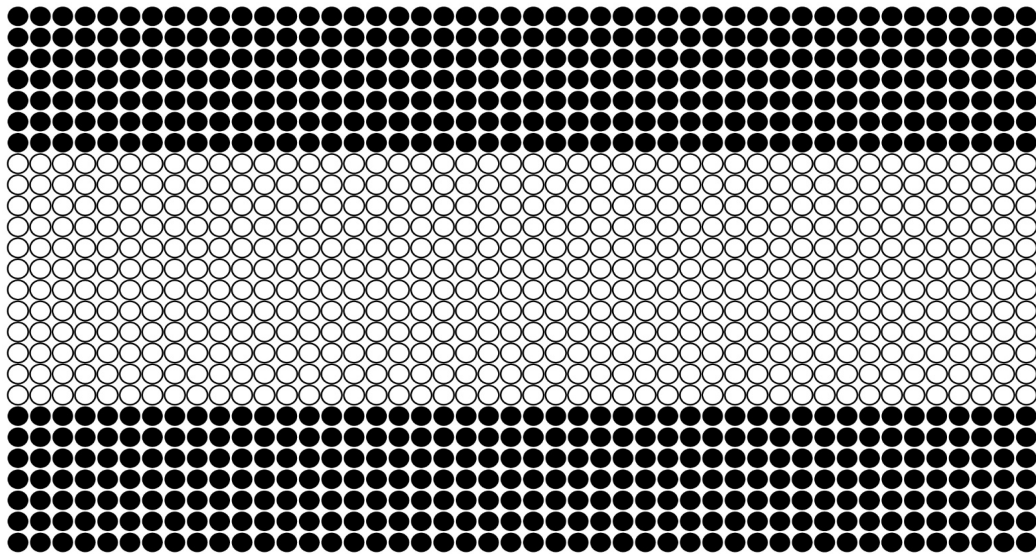




# DISASTER RECOVERY GUIDE

A RESOURCE FOR INDIVIDUALS  
AND BUSINESSES



REPLACING PERSONAL DOCUMENTS • DOCUMENTING DAMAGE AND LOSSES FOR INSURANCE CLAIMS • AVOIDING  
DISASTER-RELATED FRAUD • TAX IMPLICATIONS (NEW JERSEY AND FEDERAL) • AMENDING YOUR TAX RETURN

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The New Jersey Society of Certified Public Accountants (NJCPA) and its members have prepared this Disaster Recovery Guide to provide a basic level of guidance amid a crisis.

Our objectives are:

- To help individuals and families with replacing lost or damaged personal documents so they can begin the process of putting their lives back in order.
- To assist businesses with the process of recouping some of their losses.

#### WHAT YOU SHOULD KNOW

The information in this guide has been gathered from many sources, including the Internal Revenue Service, the Social Security Administration, state agencies, professional organizations and members of the NJCPA. The majority of state agencies offer online and prerecorded services. It's best to check online or call before you visit.

#### CONTACT A CPA

When disaster strikes, it's important to contact a certified public accountant (CPA). If you have a CPA who is familiar with your personal situation, he or she can help you understand the financial and tax aspects of your circumstances. Although this booklet outlines the guidelines for deducting damages and losses, your CPA can provide more specific details.

The NJCPA provides a free Find-A-CPA Online Referral Service to help locate a CPA in New Jersey if you need one. You can search by location, service or industry. To find a CPA near you, go to [findacpa.org](https://www.findacpa.org).

## Replacing Personal Documents

### DRIVER'S LICENSE

If your driver's license has been lost, report this to the nearest police station. To replace your license, visit any regional service center or Motor Vehicle Commission Agency to obtain a duplicate. To ensure that someone else does not secure a license in your name, you must show proof of identity at the agency, such as a certified copy of your birth certificate, U.S. Passport or any other document issued by the U.S. that establishes your proof of identity and date of birth and verifies that your presence in the U.S. is authorized under federal law.

In New Jersey, licenses/ID will no longer be printed in person due to a 2020 security change. If you renew your license online or at an agency, it will be mailed to you. For additional information, visit the New Jersey Motor Vehicle Commission's website at [nj.gov/mvc](https://nj.gov/mvc) or call 609-292-6500.

Those who have lost their REAL ID compliant driver's license may also contact the New Jersey MVC for a replacement or duplicate, which can be obtained online. Original REAL ID compliant driver's licenses must be obtained in person by appointment.

### SOCIAL SECURITY CARD

One form of identification and a completed application are required to obtain a replacement Social Security card. If you were born outside the U.S., documents proving U.S. citizenship are also needed. Acceptable forms of identity include driver's license, passport, marriage or divorce record, adoption record, health insurance card (not a Medicare card), military

records, life insurance policy and a school ID card. The Social Security Administration (SSA) requires that you provide a document in the name you want shown on the card. Fill out the form at [ssa.gov/forms/ss-5.pdf](https://ssa.gov/forms/ss-5.pdf), then take or mail it with your form of identification to your local SSA office. The SSA does NOT accept uncertified or notarized photocopies of identification forms since it cannot verify the authenticity. Only an original document is accepted. It will, however, return your original document. If you are applying for a card on behalf of someone else, you must provide proof of identity both for yourself and the person for whom the card will be issued.

For SSA office addresses and phone numbers, access their website at [ssa.gov](https://ssa.gov) or call 800-772-1213. For certain situations, you may also be able to apply for a replacement card online.

### **Limits on Replacement Social Security Cards**

The number of replacement Social Security cards is limited to three per calendar year and 10 in a lifetime. But there may be exceptions relating to legal name changes, work authorizations or official requests.

## CREDIT AND ATM CARDS

The Federal Trade Commission (FTC) advises all individuals whose ATM and/or credit cards have been lost or stolen to report the situation as quickly as possible. Many banks and credit card companies have toll-free numbers and 24-hour service to deal with emergencies. Check the FTC website on what to do when cards are lost or stolen at [consumer.ftc.gov](https://consumer.ftc.gov). The FTC also provides steps on how to report fraud at [reportfraud.ftc.gov](https://reportfraud.ftc.gov). To check out what's going on related to fraud in your state or metro area, visit [ftc.gov/exploredata](https://ftc.gov/exploredata).

It's important to also check your homeowner's insurance policy to see if it covers liability for card thefts.

### **Credit Card Loss**

If a lost credit card is reported before it has been used, the Fair Credit Billing Act says that the card issuer cannot hold the cardholder responsible for any unauthorized charges. If the card is used before the loss is reported, \$50 is the most that the cardholder will be responsible for.

### **ATM Card Loss**

If a lost ATM card is reported before it has been used, the Electronic Fund Transfer Act says that the card issuer cannot hold the cardholder responsible for any unauthorized withdrawals. If the unauthorized use occurs before the card is reported lost, the amount the cardholder is responsible for depends on how quickly the loss was reported. If the loss is reported within two business days, the cardholder will not be responsible for more than \$50 for unauthorized use. If an unauthorized withdrawal is not reported within two business days of its occurrence, the cardholder may be held responsible for losses of up to \$500. An unlimited loss also is possible if the lost card is not reported within 60 days after a bank statement is mailed. For more information, visit [consumer.ftc.gov](https://consumer.ftc.gov).

## INSURANCE POLICIES AND CARDS

For lost or damaged insurance policies and cards, call each of your insurance companies. You probably have a few policies covering such things as auto, home, life, flood and disability. For business owners, remember professional liability and business interruption policies. The following list provides the website addresses and/or phone numbers for several major insurance providers in the metropolitan area.

**Aetna**

800-US-AETNA (872-3862)

[aetna.com](http://aetna.com)

**AmeriHealth**

NJ – 888-968-7241 ([amerihealthnj.com](http://amerihealthnj.com))

PA – 866-681-7373 ([amerihealthpa.com](http://amerihealthpa.com))

[amerihealth.com](http://amerihealth.com)

**CIGNA**

800-997-1654

[cigna.com](http://cigna.com)

**Anthem Blue Cross and Blue Shield and Anthem Blue Cross**

888-809-8009

[anthembluecross.com](http://anthembluecross.com)

**Horizon Blue Cross Blue Shield of New Jersey**

800-355-2583

[horizonblue.com](http://horizonblue.com)

**United Healthcare Oxford**

888-200-1154

[uhc.com](http://uhc.com)

**MultiPlan**

877-460-0352

[multiplan.us](http://multiplan.us)

**BIRTH CERTIFICATE**

The Office of Vital Statistics and Registry issues certified copies of birth certificates for births that occurred within New Jersey. You may only order your own certificate or one for an immediate family member. New Jersey participates in the VitalChek network, which means you may order a certificate on an expedited basis online at [vitalchek.com](http://vitalchek.com). You may also order a record by mail or in person.

New Jersey also requires authentication of your identity and requires as proof a valid state-issued photo ID with address. If you do not have a valid state-issued photo ID with address, you must provide two alternate forms of ID with address. Alternate acceptable IDs are a non-photo, state-issued driver’s license; vehicle registration; insurance card; voter registration; passport; green card; county ID; school ID; or two utility bills. Proof of identification can be faxed whether the duplicate is being requested online, by telephone or fax.

The following information also is needed for the certificate:

- ✓ Full name on the birth certificate
- ✓ Date of birth
- ✓ County of birth
- ✓ Gender
- ✓ City where the birth occurred
- ✓ Father's full name
- ✓ Mother's full maiden name
- ✓ Reason for the request
- ✓ Your relationship to the person named on the certificate
- ✓ Daytime telephone number
- ✓ Whether you desire delivery by regular mail or overnight carrier
- ✓ Street address where the certificate should be sent
- ✓ Number of copies needed

For more information on obtaining a New Jersey birth certificate, contact the Office of Vital Statistics and Registry at 877-622-7549 or visit the website at [nj.gov/health/vital](http://nj.gov/health/vital).

## PASSPORT

To reapply for a passport, you must go to any regional passport agency or designated post office. To find the office nearest you, visit the U.S. Department of State's website at [travel.state.gov/content/travel.html](https://travel.state.gov/content/travel.html).

To obtain a replacement passport you need to:

1. Complete application form DS-11, which can be obtained from any passport agency or online at [travel.state.gov/passport/passport\\_1738.html](https://travel.state.gov/passport/passport_1738.html). Many travel agents also stock application forms.
2. Present proof of U.S. citizenship, such as a certified birth certificate.
3. Present proof of identity such as a valid driver's license or a current work ID.
4. Pay the applicable fee. If paying in cash, all passport agencies, along with some acceptance facilities, require exact cash. County courts are not required to accept cash. Checks and money orders are accepted. Passport agencies accept major credit cards and debit cards. Passport acceptance facilities, however, are not required to accept these forms of payment. Contact a passport agency if travel is required within 14 days.
5. Obtain two passport pictures.

## MARRIAGE CERTIFICATE

New Jersey issues certified copies of marriage certificates for individuals married in the state. Certificates are issued only to the parties to the marriage. New Jersey participates in the VitalChek network, which means you may order a certificate on an expedited basis online at [vitalchek.com](https://vitalchek.com). You may also order a record by mail or in person.

To order a marriage certificate online or in

person, you must have a valid MasterCard, Visa, American Express or Discover card.

The following information is needed:

- ✓ Name of the groom
- ✓ Name of the bride
- ✓ Date of marriage
- ✓ Place where the marriage took place
- ✓ Daytime telephone number
- ✓ Whether you desire delivery by regular mail or overnight carrier
- ✓ Street address where the certificate should be sent

For more information on applying in person, by mail or online, visit [vitalchek.com/v/marriage-records](https://vitalchek.com/v/marriage-records).

## AUTOMOBILE TITLES

To replace a lost or stolen title when there is no lien on the vehicle, visit your local Motor Vehicle Commission facility and complete an application for duplicate title, or mail the application with check or money order. You will need to provide your current registration or insurance identification card.

To replace a lost or stolen title for a financed vehicle, you also will need to present a statement from the current or past lien holder. The statement must be typed on company letterhead and include the following:

- ✓ Owner's name
- ✓ Vehicle information (make, year, vehicle identification number)
- ✓ Statement that the lien holder does not have the original title in his or her possession.

For more information, contact the New Jersey MVC at 609-292-6500 (Monday through Friday 8 a.m. to 4:30 p.m.; Saturday 8 a.m. to 3 p.m.); or visit [state.nj.us/mvc](http://state.nj.us/mvc).

## Documenting Damage and Losses for Insurance Claims

When confronted with damages and losses, it's important to follow some "dos and don'ts" if you hope to take full advantage of your insurance coverage. Here are some basic guidelines:

- ✓ Don't alter the condition of any damaged property until an insurance adjuster inspects it. You should, however, make necessary emergency repairs to prevent further damage.
  - ✓ Take pictures of all damages, including your home's exterior, car, basement, roof and yard.
  - ✓ Document all items and property that were damaged or destroyed. Note the cost, brand, model and date of purchase. Include any available receipts and pictures of the items (even if the item is in the background of a family photo, for example).
  - ✓ Contact your insurance company as soon as you have all the information related to your incident.
  - ✓ Ask a contractor to estimate the costs of repairs. Provide this information to your insurance adjuster. (If you do not know who can provide the type of work you need, ask your adjuster for references.)
- ✓ Record all expenses you incur as a result of property damage, including the cost of temporary repairs, hotel accommodations and meal expenses.
  - ✓ If you are unhappy with the settlement you receive for your claim, contact the insurance company. If you do not receive satisfactory results, you may contact the Complaints Division at the New Jersey Department of Banking & Insurance by calling 609-292-7272 or their Consumer Hotline 800-446-7467.

### Information provided by the Society of Chartered Property and Casualty Underwriters

Use IRS Publications 584 and 584-B to document loss and damage on personal-use property and related to business, respectively. Access the forms at [irs.gov/forms-instructions](https://www.irs.gov/forms-instructions). (See page 8 for more information.)

## Tips for Avoiding Disaster-Related Fraud

Disasters tend to bring out the best in people. But unfortunately, disasters also can bring out some of the worst in people too. Fly-by-night contractors and scam artists follow in the wake of disasters to prey on vulnerable victims. If you feel you are a victim of fraud, contact [reportfraud.ftc.gov](https://www.reportfraud.ftc.gov).

The following are some of the typical types of fraud that can take place after a disaster and what you can do to avoid them.

## PRICE GOUGING

Occurrences of price gouging following a disaster are well documented. Most businesses are community-minded and deal with their neighbors fairly. Some, however, are not. To report price gouging situations, contact the New Jersey Division of Consumer Affairs at [njconsumeraffairs.gov](http://njconsumeraffairs.gov) or 800-242-5846 (toll free in New Jersey)/973-504-6200.

## ADVANCE-FEE LOAN SCAM

If you need to get a loan quickly, don't be tempted by promises of "guaranteed" loans for upfront fees. Telephone solicitors may request a loan initiation fee ranging from \$100 to several thousand dollars. Fraud prevention experts warn that you may never get a loan or see your money again. To learn more, visit [njconsumeraffairs.gov](http://njconsumeraffairs.gov).

## BEFORE ANYONE STARTS WORK

The FTC recommends the following to avoid disaster recovery scams before any work begins:

- ✓ Contact your insurance company.
- ✓ Find out if tree and debris removal contractors need to be licensed in your area.
- ✓ Research a contractor's reputation and work online.
- ✓ Check with the local home builders' association.
- ✓ Get more than one estimate.
- ✓ Look for signs of a scam.
- ✓ Read the contract carefully.

## DOOR-TO-DOOR SOLICITATION AND CHARITY FRAUD

In the wake of a disaster, you may find a series of solicitors at your door seeking donations to help with recovery efforts. In most municipalities, anyone soliciting door-to-door must be registered with the local police department.

For peace of mind, donate directly to the charity of your choice. Frequently, the door-to-door solicitors are only in town long enough to take advantage of the situation.

Before you donate, remember:

- ✓ Do not give cash.
- ✓ Do not give out your credit card number.
- ✓ Do not be pressured into giving.
- ✓ Do not give to a charity because you were sent a gift or were offered a "free" prize.
- ✓ Do not be fooled by names that sound similar to legitimate charities.
- ✓ Do not do business over the telephone — ask for information in the mail.
- ✓ Beware of organizations offering to send a courier to pick up your donation.
- ✓ Write a check payable only to the charity.
- ✓ Beware of appeals that are long on emotion and short on fact.

When people solicit a charitable donation, ask questions:

- ✓ What is your full name?
- ✓ What is the phone number and address that you are calling from?
- ✓ What is the full name of the charity you represent?
- ✓ What is the address of the headquarters?
- ✓ What is the telephone number?



- ✓ How long has the charity been in operation?
- ✓ What are its goals and purposes?
- ✓ How will my donation be used?
- ✓ Is my contribution tax deductible?
- ✓ How much of my donation will go directly to the charity?

#### HELPFUL TELEPHONE NUMBERS

**New Jersey Division of Criminal Justice  
Department of Insurance Fraud**  
877-553-7283

**Department of Homeland Security**  
202-282-8000

**FEMA National Registration Center**  
800-621-FEMA (3362)

**Small Business Administration (SBA)  
Fraud Hotline**  
800-827-5722

**SBA Answer Desk**  
800-827-5722 ([answerdesk@sba.gov](mailto:answerdesk@sba.gov))

## Tax Implications (New Jersey and Federal)

#### NEW JERSEY STATE TAXES

New Jersey is considered a "gross income tax" state, meaning individuals are taxed on gross income with no itemized deductions allowed. For this reason, casualty losses are not deductible on state income tax returns.

#### FEDERAL TAXES

Although losses cannot be deducted on New Jersey tax returns, they may be deductible for federal tax purposes. IRS publications and forms can be found on the IRS website at [IRS.gov](https://www.irs.gov). IRS publication 547, *Casualties, Disasters and Thefts (Business and Non-business)*, explains:

- ✓ How to determine what is deductible
- ✓ To what extent a loss is deductible
- ✓ How to claim a deduction on your tax return

To report and deduct losses, access the following forms:

- ✓ IRS Form 4684, *Casualties and Thefts*
- ✓ Schedule A of Form 1040

There are two other helpful IRS forms that can be accessed at [irs.gov/forms-instructions](https://www.irs.gov/forms-instructions):

- ✓ IRS Publication 584, *Casualty, Disaster, and Theft Loss Workbook (Personal-Use Property)*
- ✓ IRS Publication 584-B, *Business Casualty, Disaster, and Theft Loss Workbook (Business Property)*

## Help Cover Your Losses by Amending Your Tax Return

If you have a casualty loss from a disaster in a Presidentially declared disaster area, you may be able to amend your previous year's tax return to reflect that loss. For example, if you suffered property damage as the result of a disaster this year, you may be able to amend last year's tax return. By claiming a qualifying loss on a previous year's tax return, you can reduce the tax for that year, which can result in, or increase the amount of, a refund.

If you choose to deduct your loss on an amended return, include a statement stating you are making that choice. The statement can be made on the return or can be filed with the return. The statement should specify the date or dates of the disaster and the city, town, county and state where the damaged or destroyed property was located at the time of the disaster.

Before amending a tax return, take the time to determine whether it is financially wiser to deduct the losses from your previous year's or current year's tax return. Also, keep in mind that casualty losses are not deductible on New Jersey income tax returns since New Jersey is a gross income tax state, meaning taxpayers are taxed on their gross income with no itemized deductions allowed.

For more information, see pages 11 and 12 of IRS Publication 547: *Casualties, Disasters and Thefts* and IRS Publication 976: *Disaster Relief*, which can be downloaded at [irs.gov/forms-instructions](https://www.irs.gov/forms-instructions).

## Reconstructing Records Lost in a Natural Disaster

Reconstructing records after a natural disaster can be a tedious but necessary task. Records help people prove their disaster-related losses. More accurately estimated losses, in turn, can help people receive more recovery assistance like loans or grants.

### TAX RECORDS

- ✓ Get free tax return transcripts immediately by accessing "Get Transcript" at [irs.gov/individuals/get-transcript](https://www.irs.gov/individuals/get-transcript) or through the IRS2Go app. The app offers many features including the ability to check on the status of your federal income tax refund, get access to payment options and directly access free tax software.
- ✓ Order transcripts by calling 800-908-9946 and following the prompts.

### FINANCIAL STATEMENTS

Past financial statements can be retrieved from someone's credit card company or bank. People can contact their bank for paper copies, or the records may be available online.

### PROPERTY RECORDS

- ✓ Homeowners in need of property records may contact the title company, escrow company or bank that handled the purchase of their home or other property.
- ✓ Taxpayers who made home improvements can get in touch with the contractors who did the work and ask for statements to verify the work and cost. They may also obtain written

descriptions from friends and relatives who saw the house before and after any improvements.

- ✓ For inherited property, taxpayers can check court records for probate values. If a trust or estate existed, taxpayers can contact the attorney who handled the trust.
- ✓ When no other records are available, people should check the county assessor's office for old records that might address the value of the property.
- ✓ Car owners can research the current fair-market value for most vehicles. Resources are available online and at most libraries. These include Kelley's Blue Book ([kbb.com](http://kbb.com)), the National Automobile Dealers Association ([nada.org](http://nada.org)) and Edmunds ([edmunds.com](http://edmunds.com)).



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