

IRS Due Diligence Videos
Qualifying Child—Mr Kimble
FINAL

VIDEO

MR. KIMBLE DRIVES ON BIKE
THROUGH CITY.

MR. KIMBLE PULLS TO A STOP
AND A PHOTO OF HIM AND TWO
KIDS FALLS ON GROUND. HE
PICKS UP THE PHOTO.

ARTCARD:
**THE CASE OF THE
COMPLICATED HOUSEHOLD**

YOUNG COOL MR. KIMBLE
SAUNTERS INTO THE PREPARER'S
OFFICE. PREPARER GREETES MR
KIM. THEY SIT AND GO OVER
SOME PAPERWORK.

AUDIO

SIGNATURE MUSIC UP

MR KIMBLE VO: Who knew this
could happen to a guy like me? I mean
they aren't even my kids, but I'm paying
for them. If this doesn't work, I may
have to hawk my ride.

PREPARER: Mr. Kimble? Been
expecting you. Have a seat.

KIMBLE: I'll cut to the chase. I'm
looking for money, any kind of money
you can get me back on my taxes.

PREPARER: Well, let's walk through
some questions to see if you can qualify
for the Earned Income Tax Credit. Tell
me about yourself, Mr. Kimble.

KIMBLE: OK, well, um, I'm 25, I'm
single and I make \$12,000 a year fixing
bikes. I live to ride.

PREPARER: And when you called, you
said something about children at home?

KIMBLE: My sister's kids. Eugene,
named after me—he's five, and
Hannah—she's 4. They've been living
with me since last April.

IRS Due Diligence Videos
Qualifying Child—Mr Kimble
FINAL

VIDEO

MR. KIMBLE LEANS IN, GETTING A
LITTLE HOT UNDER HIS LEATHER
COLLAR.

PREPARER STAYS COOL AND
CALM.

CUT TO SCENE OF MR. KIMBLE ON
BIKE WITH BROCHURE STUFFED
IN HIS BACK POCKET.

PREPARER AND MR. KIMBLE
CONTINUE TO TALK AT THE DESK.

AUDIO

SIGNATURE MUSIC CUE.

PREPARER: And did the kids live with
any other family member for more than
half the year last year?

KIMBLE (WARY): My sister and my
mom, we all live in the same house
together with the kids.

PREPARER: And how much did your
sister make last year?

KIMBLE: Hey, I thought you were
working for me! What's with all these
nosy questions?

PREPARER: Calm down, Mr. Kimble.
Standard procedure. Nothing personal.
I'm required by law to meet certain due
diligence requirements. You did get the
brochure I sent you in the mail?

KIMBLE: Hummpf.

PREPARER: The IRS can penalize me if
I don't ask, so ...

KIMBLE: OK. I guess you gotta give a
little to get a little. I don't exactly know
how much my sister makes. But she said
it was okay to claim the kids.

PREPARER: Do you know if she
makes more or less than you?

KIMBLE: More. What difference does
it make?

IRS Due Diligence Videos
Qualifying Child—Mr Kimble
FINAL

VIDEO

ARTCARD HITS HIGH POINTS OF
LAW:

**IF A PARENT AND NON PARENT
MEET EITC REQUIREMENTS,
THE NON PARENT MUST HAVE
THE HIGHER AGI.**

KIMBLE SUDDENLY AND
UNCONVINCINGLY CHANGES HIS
STORY.

KIMBLE TAKES OUT HIS CELL
PHONE AND CALLS SISTER. HE
PUTS THE CALL ON SPEAKER SO
PREPARER CAN HEAR.

AUDIO

PREPARER: It matters because the law regarding who can claim a child changed the last few years. Now, if a parent—in this case your sister—could claim the children for EITC, but another adult who is not a parent wants to claim the kids—then your income must be higher than your sister's.

KIMBLE: Wait. I think I make more than she does.

PREPARER (COOLY): Mr. Kimble. I'd advise you to check with her and make sure. If you claim the credit in error, you could be audited. That means you'd have to pay back the money with interest and maybe some penalties.

KIMBLE MUTTERS: Great, there goes my bike.

PREPARER: What?

KIM TO PREPARER: I'll call her.

PREPARER: Oh. Wait! Also ask her if she plans to claim the children for the EITC.

KIMBLE: Hey Sis. Hey, I'm over here getting my taxes done. Need to know how much income you made last year. Hold up. Go ahead.

SIS VO: Almost \$11,000.

KIM: And are you sure you're cool with me claiming the kids for the EITC?

SIS VO: Yeah. Go ahead.

IRS Due Diligence Videos
Qualifying Child—Mr Kimble
FINAL

VIDEO

CUT TO COMPUTER AND EITC
ASSISTANT ON COMPUTER
SCREEN.

SMITH ROLLS HIS EYES AND
SQUIRMS IMPATIENTLY.

CUT TO ARTCARD:

DUE DILIGENCE MUST DO'S:

WORK THE CHECKLIST, NO
MATTER WHAT.

TRUST, BUT VERIFY WHEN
NECESSARY.

UPDATE YOUR CLIENT ON TAX
LAW CHANGES.

MAKE SURE YOUR CLIENTS
KNOW THEIR TAX
RESPONSIBILITIES AND
CONSEQUENCES OF ERROR.

END CARD:

DUE DILIGENCE
Give your clients their due.

AUDIO

KIMBLE TO PREPARER: So, how
much do you think I'm gonna get?

PREPARER: Well, let's go online and
check using the EITC assistant. We'll
finish your paperwork and then talk
about your filing status.

SMITH: Ok, Numbers Man. Whatever
you say.

PREPARER: I'm sorry?

MR. KIMBLE: Nothing.