

IRS

Due Diligence 2012

Qualifying Child

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WE OPEN WITH BARE OR SANDALED FEET WALKING UP THE HALLWAY TO PREPARER'S OFFICE.

PREPARER VO: Just when you think you've seen it all, someone comes along and opens your eyes.

TITLE UP: Tax Tales: The case of the too-open door

THE PREPARER IS AT HIS DESK WHEN AN EARTH MOTHER TYPE OF WOMAN WALKS IN. SHE IS WEARING A PEASANT DRESS.

PREPARER: Hello, Ms., ah???

SUNSHINE: Cassidy, [breath] Sunshine Cassidy. I know I don't have an appointment, but I sensed from your aura that you would be free.
AT DOOR IN YOGA POSE, EYES CLOSED. SHE OPENS THEM ON "FREE"

PREPARER, stupefied: How can I help you?

SUNSHINE: Well, I want to know if I qualify for the EITC. See I have two adopted dogs, 4 cats, three gerbils, a son, daughter and foster child, all living with me. [DEEP BREATH FROM POSE, SITS ON FLOOR]

THE TREE/ORG CHART SAYS RELATIONSHIP, AND CLUSTERS SON AND DAUGHTER UNDER IT.

PREPARER: Full house. Are you married?

WOMAN [ECU]: Legally separated for 18 months now. When my husband moved out, he said I have issues with saying no. Anyway,

with so many mouths to feed, I could really use the extra money.

PREPARER: Interesting. Can I interest you in a seat?

CUT TO WIDE SHOT OF WOMAN SEATED ON FLOOR

WOMAN: I am seated.

PREPARER: Excellent, do you have employment income?

WOMAN: Yes, \$39,000 last year.

[IN YOGA POSE 1]

PREPARER, pauses, reacting to yoga pose: Any other income—home business, part-time job, interest?

WOMAN: Just interest--\$500.

[IN YOGA POSE 2]

PREPARER: How old are you and your children?

HERE THE TREE SAYS AGE AND FILLS IN THE INFO. FOR FUN IT ALSO LISTS THE ANIMALS BY AGE AND WITH PHOTOS.

WOMAN: Son--13, Daughter—11; and according to the Mayan calendar, I'm uh, 40.

[IN YOGA POSE 3]

PREPARER: Does your husband provide financial support for the kids or claim them on his taxes? Do you file joint or separate returns?

WE SEE THE TREE AND IT SAYS HEAD OF HOUSEHOLD.

WOMAN: No support, he's unemployed. I file head of household,

and my husband does not claim the children.
[IN YOGA POSE 4]

PREPARER: And your foster child?

WOMAN: He's 19, he goes to our local community college.
[IN YOGA POSE 5]

PREPARER: Do you have a court order for him to live with you?

WOMAN: Yes.
[IN YOGA POSE 6]

WE SEE THE TREE AND IT SAYS RESIDENCY. THE KIDS AND FOSTER CHILD ARE NOW CLUSTERED TOGETHER.

PREPARER: And did your children and foster child live with you more than six months of last year?

WOMAN: Entirely with me. As does my brother; he's permanently disabled, and his stepdaughter, she's 10, and my parents. It's a little crowded, but you can't say no to family, right?
[IN YOGA POSE 7]

NOW THE TREE HAS IMAGES OF THE BROTHER, PARENTS AND STEPDAUGHTER.

PREPARER: Do your parents provide support for the family?

WOMAN: A little for groceries. And my brother gets a small Social Security check. I pay the rent, the utilities, pretty much everything.
[IN YOGA POSE 8]

PREPARER: Where is the mother of your brother's stepdaughter?

WOMAN: She travels on business. She and my brother are divorced and he loves the kid, so...

[IN YOGA POSE 9]

PREPARER: I know, it's hard to say no. From what you've said, you may qualify to claim the EITC for your son, daughter, foster child and brother. But, not your parents or your brother's stepdaughter

TREE GRAPHIC REFERENCES THE AGE AND RELATIONSHIP REASONS AND SHOWS THE QUALIFIED AND UNQUALIFIED FAMILY MEMBERS.

SHE AWAKENS FROM CLOSED-EYE POSE. TAKES SEAT AND LEANS INTO PREPARER.

WOMAN, pausing profound: And the pets?

PREPARER, leaning in, dramatically: Seriously? No.

WOMAN: Well, at least some help is on the way.

PREPARER, handing her paper: Oh you're not there yet. Make an appointment with me or another qualified tax preparer. And read Publication 4717 to become familiar with the questions that we by law must ask you, as well as the documentation you must provide to verify your status as Head of Household and to claim tax deductions and credits, including the EITC.

GRAPHIC WITH SOME OF THE REQUIRED DOCUMENTS.

WOMAN: Well I can't say no to that. I'll be giving you a call. And

thank you.

SHE OPENS HER ARMS EXPANSIVELY, GESTURING.

WE SEE THE MENAGERIE OF PEOPLE AND PETS.

CUT TO DUE DILIGENCE MUST DO'S.

DUE DILIGENCE MUST DO'S:

KNOW THE EITC RULES

ENSURE YOU HAVE THE DOCUMENTATION TO ESTABLISH
RELATIONSHIP, RESIDENCY AND AGE OF YOUR CHILDREN
DOCUMENTATION HELPS YOUR PREPARER GET THE EITC YOU
DESERVE

USE THE CORRECT FILING STATUS

YOU ARE RESPONSIBLE FOR WHAT IS ON YOUR RETURN.