

2005 RETEST



FOR USE IN IRS VOLUNTEER RETURN PREPARATION PROGRAMS

- **Volunteer Income Tax Assistance (VITA)**
- **Tax Counseling for the Elderly (TCE)**
- **Military Volunteer Income Tax Assistance (M-VITA)**
- **Volunteer Embassy and Consulate Tax Assistance (VECTA)**

For the most up-to-date tax products and information visit www.irs.gov.

Pending Legislation

At the time this publication went to print, legislation providing relief for persons impacted by recent natural disasters was in the process of being passed and implemented. The training material includes draft tax forms that did not take the proposed legislation into account. Therefore, the legislation will cause various forms, tables, and worksheets to change. Additional guidance will be issued in the form of a supplement.

The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.



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Confidentiality Statement:

All tax information you receive from taxpayers in your VOLUNTEER capacity is strictly confidential and should not, under any circumstances, be disclosed to unauthorized individuals.

Introduction to the Volunteer Assistor's Retest

**USE 2005 VALUES for Deductions, Exemptions, Tax or Credits
for all answers on the Retest.**

All tax return preparers and quality reviewers must be certified to volunteer in the Volunteer Return Preparation Program. Four training courses are available for certification: Basic, Intermediate, Advanced or Military/International. Successful execution of the test or retest will accomplish the certification for each course.

Please complete this retest on your own. Taking the retest in groups or with outside assistance could prove to be a disservice to the people you have volunteered to help. You may use any reference materials available to you as a volunteer to complete this retest. Please remember to round to dollars.

The Retest is comprised of three segments.

You must complete all three segments for VRPP certification.

Segments 1 and 2 are universal for all volunteers.

Segment 3 is completed based on the training course (Basic, Intermediate, Advanced or Military/International) chosen.

The net effect – you must answer 30 objective questions and prepare two tax returns with an overall 70% proficiency to complete VRPP certification.

Segment 1 (1 Point for each Question) Total Possible – 30

30 True/False, Multiple Choice and Objective Questions covering
Tax law and administrative Procedures

Segment 2 (3.5 Points for each Question) Total Possible - 35

5 Questions based on the completion of the VRPP Universal Tax Return
5 Questions based on the Quality Review of a completed return

Segment 3 (3.5 Points for each Question) Total Possible - 35

10 Questions based on the completion of a tax return associated to the volunteer's course:

- **Basic Problem 1: VITA Basic** will certify the completion of wage earner type returns such as Forms 1040EZ, 1040A and simple Form 1040.
- **Intermediate Problem 2: VITA/TCE Intermediate** will certify completion of wage and pension earner type returns and more complex Form 1040.
- **Advanced Problem 3: VITA/TCE Advanced** will certify the completion of the full scope of returns prepared by the Volunteer Return Preparation Program.
- **Military Problem 4: VITA Military** will certify the completion of the full scope of returns presented by members of the Armed Forces, Reserve and National Guard.

- **International Problem 5: VITA VECTA** will certify the completion of returns for customers (non-Military) living outside the United States and assisted by volunteers working at U.S. Embassies and Consulates or other areas through the Volunteer Return Preparation Program.

What to do when you complete your retest:

After you have completed your retest, please transfer all answers to the tear-out Retest Answer Sheet. Forward the completed Retest Answer Sheet and the completed Volunteer Agreement/Certification Sheet to your sponsor or instructor as directed for grading.

Do not send your entire retest booklet unless otherwise directed.

You will receive your Retest Answer Sheet back with your results.

In order to certify as a VRPP preparer or quality reviewer you must score 70 or more points on the test or re-test. Grading the retest as a whole will validate not only your working knowledge of tax law but also your skills in applying the law to a variety of customer situations.

If you are not successful with the retest, your Instructor or Site/Training Coordinator will discuss other ways for you to contribute to this important community service.

Using Software to Take the Retest

All Social Security Numbers, Employer Identification Numbers and routing/account numbers in this document are depicted as xxx-xx-xxxx, xx-xxxxxxx or xxxxxxxx accordingly.

Volunteers using tax preparation software to complete the retest should replace the x's as directed by the software. All taxpayer names and street addresses use names from a listing of colleges/universities as provided by IRS manuals. Use your city, state, and zip code when completing any of the forms.

Volunteers who use tax preparation software to complete the test or retest need to be aware of their version of software. Only the final 2005 version of software will generate the correct answers for 2005 tax returns.

YOU MUST USE 2005 VALUES (with or without using software) TO BE CERTIFIED FOR PREPARING OR REVIEWING 2005 TAX RETURNS.

You may take this volunteer certification test online using the **Link & Learn Taxes** e-learning application
at <http://www.irs.gov/app/vita/index.jsp>.
or
at www.irs.gov using keyword search: Link and Learn.

Retest Answer Sheet

Name: _____
 Address: _____

Instructions: Record all of your answers on this sheet in the boxes provided below. Your instructor will tell you where to send this sheet for grading. The grader will return this sheet to you.

Be sure to include your completed Volunteer Agreement (see next page) with this sheet, if not already provided.

(This information is needed to return your results promptly.)

A cumulative score covering all three segments of 70 points or more out of 100 is needed for tax return preparer or quality reviewer certification.

Segment 1 – Total 30 points possible

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30

Segment 1 Questions Correct _____ times 1 Point = _____

Segment 2 – Total 35 points possible

31	32	33	34	35	36	37	38	39	40
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Segment 2 Questions Correct _____ times 3.5 Points = _____

Segment 3 – Total 35 points possible

41	42	43	44	45	46	47	48	49	50
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Segment 3 Questions Correct _____ times 3.5 Points = _____

Certification (IRS or Sponsor Use Only) must achieve 70 + out of 100

	Basic	Intermediate	Advanced	Military/International
Total Points All Segments				
Certified (Yes/No)				

Certified by: _____ Date: _____

Privacy Act Notice

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory.
 Our legal right to ask for information is 5 U.S.C. 301.
 We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers.
 Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs.

Form **13615**
(October 2005)

Department of the Treasury – Internal Revenue Service
Volunteer Agreement
(Standards of Conduct – Volunteer Return Preparation Program)

Cat. No. 38847H

The mission of the Volunteer Return Preparation Program is to provide free basic tax return preparation for eligible taxpayers. Volunteers are the program's most valuable resource. To establish the greatest degree of public trust Volunteers have a responsibility to provide high quality service and uphold the highest of ethical standards.

As a participant in the Volunteer Return Preparation Program I agree to the following standards of conduct:

- I will treat all taxpayers professionally, with courtesy and respect
- I will exercise reasonable care in the use and protection of equipment and supplies
- I will safeguard the confidentiality of taxpayer information
- I will not solicit business from taxpayers I assist or use the knowledge I have gained about them for any direct or indirect personal benefit for me or any other specific individual
- I will apply the tax laws equitably and accurately to the best of my ability
- I will not accept payment from taxpayers for the services I provide. I may receive compensation as an employee of a program sponsor
- I will only prepare returns within the scope of my training and experience

Volunteer Name (print) _____	Volunteer Signature and Date _____
Home Street Address _____	Daytime Telephone Number _____
City, State and Zip Code _____	E-mail Address _____
Sponsoring Organization Name _____	

This form is to be retained at the Site or Partner level.

Certification (IRS or Sponsor Use Only)

	Basic	Intermediate	Advanced	Military	Foreign Student/Scholar			Non-Tested Volunteer
					Part 1	Part 2	Part 3	
Number of Correct Answers								
Certified (yes/no)								
Not Applicable								

Certified by: _____ Date: _____

Privacy Act Notice

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory.

Our legal right to ask for information is 5 U.S.C. 552.

We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be turned to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers.

Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs.

Cat. No. 38847H

Form **13615** (Rev. 10-2005)

SEGMENT 1 – All Volunteers

**This segment includes a total of 30 objective questions comprised of
15 True/False responses and
15 Multiple Choice responses**

Please record all answers on the tear-out Retest Answer Sheet located in the front of the retest booklet.

True/False

For questions 1 through 15, determine whether each of the following statements is true or false (select a or b) and record your answers on the answer sheet located in the front of the retest booklet.

- a. True**
- b. False**

1. James and Irene are married but file separately. James itemizes on his Form 1040. Irene also wants a return prepared. Although she wants to take the standard deduction, she must itemize.
2. George marries on December 31, 2005. He has a choice of filing either single, married filing jointly, or married filing separately.
3. William and Mary have a child born at 11:59 pm on December 31, 2005. The child only lived with the parents for 1 minute during 2005. They can claim the child as a dependent.
4. John's only income in 2005 was from wages and \$34 in interest reported in Box 1 of a Form 1099-INT from his bank. He must report the interest on Schedule B.
5. A taxpayer asks you how long he or she should keep a tax return. Your answer should be, 3 years from the date the return was due or filed or 2 years from the date the tax was paid, whichever is later.
6. Two taxpayers may claim the same exemption provided the dependent lived for 6 months of the year with each taxpayer.
7. A taxpayer who has received a Form 1099-MISC for self-employment may be subject to self-employment taxes.
8. Shirley receives child support from her former husband, Paul. Child support payments are taxable income to Shirley.
9. If the taxpayer does not provide an account and routing number for a direct deposit, the IRS will automatically mail a check if a refund is due.
10. Quality review procedures should be established at each site in order to find errors prior to completing return preparation.

11. Gordon's wife passed away in May 2004 and he has not remarried. Gordon's 19-year old daughter, Jennifer, graduated from high school in June 2004. Jennifer moved into her own apartment and took a full time job in March 2005. Gordon's filing status in 2005 is single.

12. A taxpayer using the Married Filing Separately filing status is not eligible for the Education Credit.

13. Lottery winnings of any amount are taxable income and should be included on the taxpayer's return.

14. The 1040 series of forms provide a space to designate a "Third Party Designee." Because you prepared the tax return, the taxpayer asks you to be listed as the designee. You may agree to this request.

15. Adjusted gross income is the total income minus adjustments to income.

For questions 16 through 30, determine which of the answers presented is correct and record your answers on the answer sheet located in the front of the retest booklet.

16. Which of the following is an acceptable substitute for the original Social Security Card?

- a. A letter completed by the day care provider listing the children's SSNs
- b. An original Form W-2 or Form 1099-Misc
- c. A typed list showing names and social security numbers
- d. A letter showing the information from the Social Security Administration
- e. None of the above

17. Which one of the following groupings contains only income that is considered taxable?

- a. Gambling winnings, farm income, child support, rents received
- b. Dividends, gambling winnings, workers' compensation
- c. Unemployment compensation, tips and gratuities
- d. Back pay, commissions, workers' compensation, notary fees.
- e. None of the above

18. Which one of the following statements is true?

- a. Earned Income Credit (EIC) is the only refundable credit.
- b. The Credit for Child and Dependent Care Expenses is the only refundable credit.
- c. Child Tax Credit is the only refundable credit.
- d. Additional Child Tax Credit is the only refundable credit.
- e. EIC and Additional Child Tax Credit are the only refundable credits.

19. Marvin and Kara are married but have lived apart since early 2004. They file separate returns. Kara paid more than half the cost of keeping up her home for 2005. Maya and Elizabeth, their two children, lived with Kara for the entire year. Kara claims both children as dependents on her federal income tax return. What is Kara's most advantageous filing status?

- a. Married Filing Separately
- b. Head of Household
- c. Single
- d. Married Filing Jointly
- e. None of the above

20. Which of the following statements regarding standard and itemized deductions is correct?

- a. The standard deduction reduces the amount of taxable income
- b. The standard deduction is not the same for all taxpayers
- c. If itemized deductions are greater than the standard deduction, it is usually in the taxpayer's best interest to itemize deductions.
- d. All of the above
- e. None of the above

21. Which of the following is considered earned income for the Earned Income Credit?

- a. Alimony
- b. Unemployment compensation
- c. Workfare payments
- d. Taxable scholarship not on a Form W-2
- e. Disability paid by an employer prior to minimum retirement age

22. Richard and Ellen are Donald's parents and cannot claim him as a dependent on their joint return. Donald's Aunt June made the payment for his tuition and fees to a qualified college. Donald is a full-time student in his senior year and received no scholarship or grant. Who is eligible to claim the education credit?

- a. Donald
- b. Richard and Ellen
- c. June
- d. Richard, Ellen, and Donald
- e. Donald and June

23. Janice and Tom are divorced. Their son, Peter, is 10 and has lived with Tom for 2 years. Janice and Tom's divorce decree gives Janice the right to claim Peter as a dependent. Who can claim Peter for Earned Income Credit?

- a. Janice
- b. Tom
- c. Both Janice and Tom
- d. Neither Janice nor Tom
- e. Peter

24. Beth and her two children, both under 19 years of age, lived with her boyfriend, Marty for all of 2005. The children are not Marty's children, but he provides support for them. Beth did not earn any income in 2005, but Marty earned \$23,000 at his job. Can Marty claim the children for EIC?

- a. Yes
- b. No

25. Jackie is 66 years old and has a two-year-old grandchild who lives with her. They lived together in their Minneapolis apartment for all of 2005. Jackie made \$13,000 at her job and had no other income besides her Social Security. Does she qualify for the EIC?

- a. Yes
- b. No

26. Carlos has three children, ages 12, 14, and 16. Carlos and the children all lived with his mother, Marissa during 2005. Marissa and Carlos both have earned income less than \$19,000. Who can claim the children for the EIC?

- a. Carlos
- b. Marissa
- c. Marissa and Carlos may agree to each claim different children
- d. Any of the above
- e. Neither Marissa nor Carlos

27. Which is not an eligibility requirement for claiming the EIC with a qualifying child?

- a. Age of the child
- b. Claiming the child as a dependent
- c. Taxpayer having earned income
- d. Child must live with taxpayer in United States
- e. Relationship to the child

28. Gerald and Tanisha are married. Their two daughters, 3-year-old Tamara and 15-year-old Alisa live with them. Which of the following is a qualifying expense for the Child and Dependent Care Credit?

- a. Sending Tamara to a private elementary school.
- b. Sending Tamara to an overnight summer camp.
- c. Paying for after school care at the Sunrise Day Care for Tamara
- d. Paying Alisa to care for Tamara
- e. Paying for after school care at the Sunrise Day Care for Alisa

29. Which of the following is a **benefit** of the Advanced Earned Income Credit (AEIC)?

- a. The taxpayer will get some of the credit in their payroll check from their employer during the tax year with the balance paid as a refund and/or will reduce the total tax when the return is filed
- b. With advanced payment of the Earned Income Credit, the taxpayer will never get the full amount of his EIC
- c. If the taxpayer has received AEIC, they must file a return even if their income is below their filing requirement
- d. The advanced payments do not have to be reported on the tax return
- e. The taxpayer will receive 100% of their credit as advanced payments

30. Which one of the following is **not taxable** income?

- a. gambling winnings
- b. jury duty pay
- c. employee achievement award
- d. money inherited from your grandmother
- e. unemployment payments

SEGMENT 2 – ALL VOLUNTEERS

This segment includes two activities:

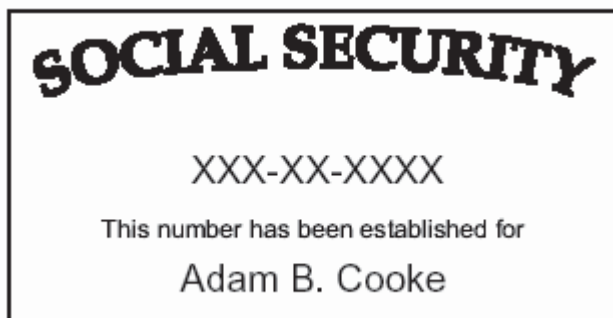
Activity A - Return Preparation & Activity B - Quality Review

ACTIVITY A - VRPP UNIVERSAL RETURN PREPARATION

For questions 31 through 35, use the Adam Cooke scenario information to complete an individual tax return with any required forms, worksheets, and schedules. Select the most correct response and record your answers on the answer sheet located in the front of the retest booklet.

Adam B. Cooke needs your help in completing his tax return. Adam worked most of the year as a machinist, but was unemployed during the early part of the year and received unemployment compensation. Adam cannot find the form he received from the State U/E Fund but says he received \$1200 total in January and February 2005. He did not have anything withheld from his Unemployment. Adam does have his W-2 form and completed an Interview & Intake Sheet to help in preparing his return. Adams wants to designate \$3 to the Presidential Election Campaign Fund as long as it doesn't cost anything. If he gets a refund, he wants it mailed to his home address.

In addition to his W-2, Adam gives you a Form 1098-T he received from Brown College. He is taking classes for a degree in business. He asks the best way to treat the tuition paid on his tax return.



INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, **if available**

Your First Name		ADAM	M.I.	B	Last Name			COOKE	
Spouse's First Name			M.I.	Spouse's Last Name, if different					
Address		221 YALE AVENUE		City	Your City	State	Your St.	Zip Code	Your Zip
Telephone Number: Daytime		Your Number			Evening			Cell	
Your Date of Birth (mm/dd/yyyy)		10 / 7 / 1976			Spouse's Date of Birth (mm/dd/yyyy)			/ /	

Critical Data

Check if U.S. Citizen or resident alien all year: <input checked="" type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		Check if lived in U.S. for more than 6 months: <input checked="" type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	
Check if Legally Blind: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		Check if Permanently Disabled: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	
As of December 31st were you: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Legally Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced			
If married, were you living with your spouse at anytime during the last 6 months of the year? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A			
Is your spouse deceased? <input type="checkbox"/> Yes <input type="checkbox"/> No		If yes, date spouse died (mm/dd/yyyy) / /	
Can your parents or someone else claim you or your spouse as a dependent on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Did you provide more than half the cost of keeping up a home for the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Has the Earned Income Credit been disallowed by IRS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, *see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have Gross Income of \$3200 or more?	Is person qualifying child of another person?

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay student loan interest? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Attend college or vocational school? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Receive Social Security payments? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Own a home? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive unemployment payments? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay for child/dependent care that allowed you to work? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Can someone other than you use your child to claim the EITC? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.

Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.


Signature _____

Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

01200 In Unemployment Compensation - can't find form.

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use  Visit the IRS website at www.irs.gov/efile.	
b Employer identification number (EIN) XX-XXXXXXX		1 Wages, tips, other compensation 10,056.00		2 Federal income tax withheld 364.00	
c Employer's name, address, and ZIP code FLINT ENTERPRISES 346 HARVARD STREET Your City, State ZIP		3 Social security wages 10,056.00		4 Social security tax withheld 623.47	
		5 Medicare wages and tips 10,056.00		6 Medicare tax withheld 145.81	
		7 Social security tips		8 Allocated tips	
d Employee's social security number XXX-XX-XXXX		9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name ADAM B. COOKE 221 YALE AVENUE Your City, State Zip		11 Nonqualified plans		12a See instructions for box 12	
		13 Retain copies <input type="checkbox"/> Release info <input type="checkbox"/> First party only <input type="checkbox"/>		12b	
		14 Other		12c	
				12d	
f Employee's address and ZIP code		15 State Employer's state ID number XX | XX-XXXXXXX		16 State wages, tips, etc. 10,056	
		17 State income tax 94.00		18 Local wages, tips, etc.	
				19 Local income tax	
				20 Locality name	

Form **W-2** Wage and Tax Statement **2005** Department of the Treasury—Internal Revenue Service
 Copy B—To Be Filed With Employee's FEDERAL Tax Return.
 This information is being furnished to the Internal Revenue Service.

CORRECTED

FILER'S name, street address, city, state, ZIP code, and telephone number BROWN COLLEGE 105 WEST GEORGIA PLACE YOUR CITY, STATE ZIP		1 Payments received for qualified tuition and related expenses \$ 300		OMB No. 1545-1574 2005 Form 1098-T		Tuition Statement Copy B For Student This is important tax information and is being furnished to the Internal Revenue Service.	
FILER'S Federal identification no. XX-XXXXXXX		2 Amounts billed for qualified tuition and related expenses \$		3 Adjustments made for a prior year \$				4 Scholarships or grants $
STUDENT'S name ADAM B. COOKE Street address (including apt. no.) 221 YALE AVENUE City, state, and ZIP code YOUR CITY STATE ZIP		5 Adjustments to scholarships or grants for a prior year \$		6 The amount in box 1 or 2 includes amounts for an academic period beginning January–March 2006 (if checked) <input type="checkbox"/>		7 Reimbursements or refunds of qualified tuition and related expenses from an insurance contract \$	
Service Provider/Acct. No. (see instructions)		8 Check if at least half-time student <input type="checkbox"/>		9 Check if a graduate student <input type="checkbox"/>			

Form **1098-T** (keep for your records) Department of the Treasury - Internal Revenue Service

31. What is Adam's Filing Status?

- a. Single
- b. Married Filing Joint
- c. Married Filing Separately
- d. Head of Household
- e. Qualifying Widow

32. What is the total amount of income on Adam's return?

- a. \$10,356
- b. \$11,256
- c. \$10,056
- d. \$ 5,056
- e. \$ 1,856

33. What is Adam's taxable income?

- a. \$10,356
- b. \$ 1,856
- c. \$ 3,056
- d. \$ 8,056
- e. \$ 6,856

34. What is the amount of tentative education credits (Form 8863, line 8)?

- a. \$0
- b. \$120
- c. \$300
- d. \$30
- e. \$60

35. What is Adam's refund or balance due?

- a. Refund of \$125
- b. Refund of \$152
- c. Balance due of \$248
- d. Balance due of \$117
- e. Refund of \$36

Segment 2 - ACTIVITY B – Quality Review

Quality Review - Many volunteers must act as both preparer and reviewer at their site.

Questions 36 through 40 are designed to gauge your skill in detecting errors in a prepared return.

Review the following completed return for Peter & Marlene Davidson. The return has at least two critical errors.

What is a Critical Error?

Critical errors are those, which incorrectly report income, adjustments, any tax or credit on the taxpayer's return; significantly slows the processing of the return; or negatively impacts the issuance of any refund due the customer.

Examples:

- incorrectly calculating, transcribing, adding/subtracting income or deductions,
- errors in determining whether taxpayer qualifies for various adjustments, deductions or credits, etc.
- incorrectly completing critical taxpayer, dependent or provider information including name, address, SSN, bank account numbers or other data.

Based on the following completed tax return and supporting information shown for Peter and Marlene Davidson, determine whether each of the following statements is correct, incorrect or not applicable (for this return) and record your answers on the answer sheet.

- a. **Yes**
- b. **No**
- c. **Not Applicable for this return**

36. Are the names, address, and social security numbers of all individuals shown on this return correct?

37. Is the exemption information entered correctly?

38. Is the total income amount entered correctly?

39. Are all of the credits, if any correctly entered on the return?

40. Is the Total Tax amount correct?

INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, if available

Your First Name	PETER	M.I.	A	Last Name	DAVIDSON
Spouse's First Name	MARLENE	M.I.	C	Spouse's Last Name, if different	
Address	124 STATE STREET	City	Your City	State	Your St.
Telephone Number: Daytime	Your Number	Evening		Cell	
Your Date of Birth (mm/dd/yyyy)	10 / 13 / 1952	Spouse's Date of Birth (mm/dd/yyyy)	5 / 13 / 1960		

Critical Data

Check if U.S. Citizen or resident alien all year:	<input checked="" type="checkbox"/> Taxpayer	Check if lived in U.S. for more than 6 months:	<input checked="" type="checkbox"/> Taxpayer
	<input checked="" type="checkbox"/> Spouse		<input checked="" type="checkbox"/> Spouse
Check if Legally Blind:	<input type="checkbox"/> Taxpayer	Check if Permanently Disabled:	<input type="checkbox"/> Taxpayer
	<input type="checkbox"/> Spouse		<input type="checkbox"/> Spouse
As of December 31st were you:	<input type="checkbox"/> Single <input checked="" type="checkbox"/> Legally Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced		
If married, were you living with your spouse at anytime during the last 6 months of the year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
Is your spouse deceased?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, date spouse died (mm/dd/yyyy)	/ /
Can your parents or someone else claim you or your spouse as a dependent on their tax return?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Did you provide more than half the cost of keeping up a home for the year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Has the Earned Income Credit been disallowed by IRS?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have Income of \$3200 or more?	Is person qualifying child of another person?
PHILLIP H.	DAVIDSON	11-13-1991	SON	12	YES	NO	YES	NO	YES	NO	NO
MICHELLE K.	DAVIDSON	2-13-1999	DAUGHTER	12	YES	NO	YES	NO	YES	NO	NO

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay student loan interest?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Attend college or vocational school?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive Social Security payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Own a home?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive unemployment payments?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay for child/dependent care that allowed you to work?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Can someone other than you use your child to claim the EITC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.


Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature _____


Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 28,450.00		2 Federal income tax withheld 950.00	
c Employer's name, address, and ZIP code City of Wilson Public Safety 331 1st AVENUE YOUR CITY, STATE ZIP				3 Social security wages 28,450.00		4 Social security tax withheld 1763.90	
				5 Medicare wages and tips 28,450.00		6 Medicare tax withheld 412.53	
				7 Social security tips		8 Allocated tips	
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name PETER A. DAVIDSON 124 State Street YOUR CITY, STATE ZIP				11 Nonqualified plans		12a See instructions for box 12	
				13 Statutory employee <input type="checkbox"/> Retiree <input type="checkbox"/> First-time filer <input type="checkbox"/>		12b	
				14 Other		12c	
f Employee's address and ZIP code				12d			
15 State Employer's state ID number XX | XX-XXXXXXX		16 State wages, tips, etc. 28,450.00		17 State income tax 217.00		18 Local wages, tips, etc.	
						19 Local income tax	
						20 Locality name	

Form **W-2 Wage and Tax Statement** **2005** Department of the Treasury—Internal Revenue Service
 Copy B—To Be Filed With Employee's FEDERAL Tax Return.
 This information is being furnished to the Internal Revenue Service.

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 10,000.00		2 Federal income tax withheld 354.00	
c Employer's name, address, and ZIP code Furman School 1605 MAIN STREET YOUR CITY, STATE ZIP				3 Social security wages 10,000.00		4 Social security tax withheld 620.00	
				5 Medicare wages and tips 10,000.00		6 Medicare tax withheld 145.00	
				7 Social security tips		8 Allocated tips	
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name Marlene C. Davidson 124 State Street YOUR CITY, STATE ZIP				11 Nonqualified plans		12a See instructions for box 12	
				13 Statutory employee <input type="checkbox"/> Retiree <input type="checkbox"/> First-time filer <input type="checkbox"/>		12b	
				14 Other		12c	
f Employee's address and ZIP code				12d			
15 State Employer's state ID number XX | XX-XXXXXXX		16 State wages, tips, etc. 10,000.00		17 State income tax 83.00		18 Local wages, tips, etc.	
						19 Local income tax	
						20 Locality name	

Form **W-2 Wage and Tax Statement** **2005** Department of the Treasury—Internal Revenue Service
 Copy B—To Be Filed With Employee's FEDERAL Tax Return.
 This information is being furnished to the Internal Revenue Service.

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. National Bank 105 Dillard Street Your City State ZIP		Payer's RTN (optional)	OMB No. 1545-0112 2005 Form 1099-INT	Interest Income
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	1 Interest income not included in box 3 \$ 325		
RECIPIENT'S name Peter & Marlene Davidson Street address (including apt. no.) 124 State Street City, state, and ZIP code YOUR CITY STATE ZIP		2 Early withdrawal penalty \$	3 Interest on U.S. Savings Bonds and Treas. obligations \$	Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Account number (see instructions) XXX-1234567		4 Federal income tax withheld \$	5 Investment expenses \$	
		6 Foreign tax paid \$	7 Foreign country or U.S. possession	
Form 1099-INT		(keep for your records)		Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. STATE UNEMPLOYMENT FUND P.O. BOX 111 YOUR CITY, STATE ZIP		1 Unemployment compensation \$ 4,000.00	OMB No. 1545-0120 2006 Form 1099-G	Certain Government Payments
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	2 State or local income tax refunds, credits, or offsets \$	3 Box 2 amount is for tax year	
RECIPIENT'S name MARLENE C. DAVIDSON Street address (including apt. no.) 124 STATE STREET City, state, and ZIP code YOUR CITY, STATE ZIP		4 Federal income tax withheld \$ 0.00	5 ATAA payments \$	Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Account number (see instructions)		6 Taxable grants \$	7 Agriculture payments \$	
		8 Box 2 is trade or business income <input type="checkbox"/>		
Form 1099-G		(keep for your records)		Department of the Treasury - Internal Revenue Service

Label
(See instructions on page 16.)
Use the IRS label. Otherwise, please print or type.

For the year Jan. 1–Dec. 31, 2005, or other tax year beginning 2005 ending 20		OMB No. 1545-0074
Your first name and initial PETER A.	Last name DAVIDSON	Your social security number XXX : XX : XXXX
If a joint return, spouse's first name and initial MARLENE C.	Last name DAVIDSON	Spouse's social security number XXX : XX : XXXX
Home address (number and street). If you have a P.O. box, see page 16. 124 STATE STREET		You must enter your SSN(s) above. ▲
City, town or post office, state, and ZIP code. If you have a foreign address, see page 16. YOUR CITY, STATE ZIP		

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 16) You Spouse

Filing Status
Check only one box.
1 Single
2 Married filing jointly (even if only one had income)
3 Married filing separately. Enter spouse's SSN above and full name here. ▶
4 Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter the child's name here. ▶
5 Qualifying widow(er) with dependent child (see page 17)

Exemptions
6a Yourself. If someone can claim you as a dependent, do not check box 6a.
b Spouse
c Dependents:
(1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) If qualifying child for child tax credit (see page 16).
If more than four dependents, see page 18.
PHILLIP C. DAVIDSON XXX : XX : XXXX SON
MICHELLE M. DAVIDSON XXX : XX : XXXX DAUGHTER
d. Total number of exemptions claimed **4**

Income
Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.
If you did not get a W-2, see page 19.
Enclose, but do not attach, any payment. Also, please use Form 1040-V.
7 Wages, salaries, tips, etc. Attach Form(s) W-2 7 38,450
8a Taxable interest. Attach Schedule B if required 8a 325
b Tax-exempt interest. Do not include on line 8a 8b
9a Ordinary dividends. Attach Schedule B if required 9a
b Qualified dividends (see page 20) 9b
10 Taxable refunds, credits, or offsets of state and local income taxes (see page 20) 10
11 Alimony received 11
12 Business income or (loss). Attach Schedule C or C-EZ 12
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here 13
14 Other gains or (losses). Attach Form 4797 14
15a IRA distributions 15a b Taxable amount (see page 22) 15b
16a Pensions and annuities 16a b Taxable amount (see page 22) 16b
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17
18 Farm income or (loss). Attach Schedule F 18
19 Unemployment compensation 19 4,000
20a Social security benefits 20a b Taxable amount (see page 24) 20b
21 Other income. List type and amount (see page 24) 21
22 Add the amounts in the far right column for lines 7 through 21. This is your total income ▶ 22 42,450

Adjusted Gross Income
23 Educator expenses (see page 26) 23
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 24
25 Health savings account deduction. Attach Form 8889 25
26 Moving expenses. Attach Form 3903 26
27 One-half of self-employment tax. Attach Schedule SE 27
28 Self-employed SEP, SIMPLE, and qualified plans 28
29 Self-employed health insurance deduction (see page XX) 29
30 Penalty on early withdrawal of savings 30
31a Alimony paid b Recipient's SSN ▶ 31a
32 IRA deduction (see page XX) 32
33 Student loan interest deduction (see page XX) 33
34 Tuition and fees deduction (see page XX) 34
35 Domestic production activities deduction. Attach Form 8803 35
36 Add lines 23 through 31a and 32 through 35 36
37 Subtract line 36 from line 22. This is your adjusted gross income ▶ 37 42,450

Tax and Credits

Standard Deduction for—

• People who checked any box on line 39a or 39b or who can be claimed as a dependent, see page 31.

• All others:
Single or Married filing separately, \$5,000

Married filing jointly or Qualifying widower, \$10,000

Head of household, \$7,300

38	Amount from line 37 (adjusted gross income)	38	42,450
39a	Check <input type="checkbox"/> You were born before January 2, 1941, <input type="checkbox"/> Blind. Total boxes checked ▶ 39a		
	if: <input type="checkbox"/> Spouse was born before January 2, 1941, <input type="checkbox"/> Blind.		
b	If your spouse itemizes on a separate return or you were a dual-status alien, see page 31 and check here ▶ 39b <input type="checkbox"/>		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	10,000
41	Subtract line 40 from line 38	41	32,450
42	If line 38 is \$100,475 or less, multiply \$3,200 by the total number of exemptions claimed on line 5d. If line 38 is over \$100,475, see the worksheet on page 33.	42	12,300
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	20,150
44	Tax (see page 33). Check if any tax is later: <input type="checkbox"/> Form(s) 6814 <input type="checkbox"/> Form 4972	44	2,296
45	Alternative minimum tax (see page 35). Attach Form 6251	45	
46	Add lines 44 and 45	46	2,296
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	1,000
49	Credit for the elderly or the disabled. Attach Schedule R	49	
50	Education credits. Attach Form 8863	50	
51	Retirement savings contributions credit. Attach Form 8880	51	
52	Child tax credit (see page 37). Attach Form 8801 if required	52	
53	Adoption credit. Attach Form 8839	53	
54	Credits from: <input type="checkbox"/> Form 8306 <input type="checkbox"/> Form 8859	54	
55	Other credits. Check applicable box(es): <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 8801 <input type="checkbox"/> Specify	55	
56	Add lines 47 through 55. These are your total credits	56	1,000
57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0-	57	1,296

Other Taxes

58	Self-employment tax. Attach Schedule SE	58	
59	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	59	
60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	
61	Advance earned income credit payments from Form(s) W-2	61	
62	Household employment taxes. Attach Schedule H	62	
63	Add lines 57 through 62. This is your total tax	63	1,296

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099	64	1,304
65	2005 estimated tax payments and amount applied from 2004 return	65	
66a	Earned income credit (EIC)	66a	
b	Nonrefundable combat pay election ▶ 66b		
67	Excess social security and tier 1 RRTA tax withheld (see page 54)	67	
68	Additional child tax credit. Attach Form 8812	68	
69	Amount paid with request for extension to file (see page 54)	69	
70	Payments from: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Form 8885	70	
71	Add lines 64, 65, 66a, and 67 through 70. These are your total payments	71	1,304

Refund

Direct deposit? See page 54 and fill in 73b, 73c, and 73d.

72	If line 71 is more than line 63, subtract line 63 from line 71. This is the amount you overpaid	72	8
73a	Amount of line 72 you want refunded to you	73a	8
b	Routing number	▶ e Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
d	Account number		
74	Amount of line 72 you want applied to your 2006 estimated tax ▶	74	

Amount You Owe

75	Amount you owe. Subtract line 71 from line 63. For details on how to pay, see page 55 ▶	75	
76	Estimated tax penalty (see page 55)	76	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 56)? Yes. Complete the following. No

Designee's name Phone no. Personal identification number (PIN)

Sign Here

Joint return? See page 17. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
<input type="text"/>	<input type="text"/>	POLICE OFFICER	(XXX) XXX-XXXX
Spouse's signature, if a joint return, both must sign.	Date	Spouse's occupation	
<input type="text"/>	<input type="text"/>	SECRETARY	

Paid Preparer's Use Only

Preparer's signature Date Check if self-employed Preparer's SSN or PTIN

Firm's name (or yours if self-employed, address, and ZIP code) EIN Phone no.

SEGMENT 3

RETURN PREPARATION BY COURSE

This segment includes 10 responses to questions related to an individual tax return prepared by you.

For questions 41 through 50, use the scenario associated with your training course as follows:

PROBLEM 1 for Basic

PROBLEM 2 for Intermediate

PROBLEM 3 for Advanced

PROBLEM 4 for Military

PROBLEM 5 for International

Please complete an Individual tax return including any necessary forms, worksheets, and/or schedules based on the information in the scenario. After completing the return, answer the questions relating to the problem and record your answers on the answer sheet located in the front of the retest booklet.

1. VITA - BASIC Problem

Carolyn Jackson is a single parent. She provides all the support for her children, Marcus and Tina, who live with her. Carolyn works for National Bank as a secretary. She gives you all the information documents she has received and says she has no other income. Carolyn has completed an Interview & Intake Sheet to help with the preparation of her return. She indicates she would like any refund directly deposited into her account at the bank and provides you a check.

After looking at her documents, you ask Carolyn if she has received any notice of her Earned Income Tax Credit being disallowed or reduced in the past two years and she tells you no. Carolyn tells you she does not want to designate any contribution to the Presidential Election Campaign Fund.

During the interview, you determine she does not qualify for any adjustments to her total income. You also review her expenses and determine it is not to her advantage to itemize deductions. Carolyn states she did not forfeit any of her dependent care benefit. She also explains that the payments made to Quality Child Care were for after school care for Marcus and Tina. She paid the same amount for each child.

INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner intake forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, if available

Your First Name		CAROLYN		M.I.	L		Last Name		JACKSON	
Spouse's First Name				M.I.			Spouse's Last Name, if different			
Address		321 MAIN STREET		City	Your City	State	Your St.	Zip Code	Your Zip	
Telephone Number: Daytime		Your Number		Evening		Cell				
Your Date of Birth (mm/dd/yyyy)		3 / 16 / 1974		Spouse's Date of Birth (mm/dd/yyyy)		/ /				

Critical Data

Check if U.S. Citizen or resident alien all year: <input checked="" type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		Check if lived in U.S. for more than 6 months: <input checked="" type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	
Check if Legally Blind: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		Check if Permanently Disabled: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	
As of December 31st were you: <input type="checkbox"/> Single <input type="checkbox"/> Legally Married <input type="checkbox"/> Separated <input checked="" type="checkbox"/> Divorced			
If married, were you living with your spouse at anytime during the last 6 months of the year? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A			
Is your spouse deceased? <input type="checkbox"/> Yes <input type="checkbox"/> No		If yes, date spouse died (mm/dd/yyyy) / /	
Can your parents or someone else claim you or your spouse as a dependent on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Did you provide more than half the cost of keeping up a home for the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Has the Earned Income Credit been disallowed by IRS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have Income of \$3200 or more?	Is person qualifying child of another person?
MARCO	JACKSON	6-12-1990	SON	12	YES	NO	YES	NO	YES	NO	NO
TINA	JACKSON	7-31-1990	DAUGHTER	12	YES	NO	YES	NO	YES	NO	NO

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay student loan interest?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Attend college or vocational school?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive Social Security payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Own a home?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive unemployment payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay for child/dependent care that allowed you to work?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Can someone other than you use your child to claim the EITC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.


Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature _____

Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 29,309.00	2 Federal income tax withheld 1896.00		
c Employer's name, address, and ZIP code NATIONAL BANK 1605 MAIN STREET YOUR CITY, STATE ZIP				3 Social security wages 29,909.00	4 Social security tax withheld 1854.36		
				5 Medicare wages and tips 29,909.00	6 Medicare tax withheld 433.68		
				7 Social security tips	8 Allocated tips		
				d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment	10 Dependent care benefits 1200.00
e Employee's first name and initial Last name CAROLYN L. JACKSON 321 MAIN STREET YOUR CITY, STATE ZIP				11 Nonqualified plans		12a See instructions for box 12 D 600.00	
				13 <input type="checkbox"/> Statutory employee <input checked="" type="checkbox"/> Retirement plan <input type="checkbox"/> Two or more jobs		12b	
				14 Other		12c 12d	
f Employee's address and ZIP code							
15 State Employer's state ID number XX XX-XXXXXXX	16 State wages, tips, etc. 29,309.00	17 State income tax 703.00	18 Local wages, tips, etc.	19 Local income tax	20 Locality rate		

Form **W-2 Wage and Tax Statement**

2005

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. National Bank 1805 Main Street Your City State ZIP		Payer's RTN (optional)	OMB No. 1545-0112 2005 Form 1099-INT		Interest Income
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	1 Interest income not included in box 3 \$ 72			
RECIPIENT'S name CAROLYN L. JACKSON Street address (including apt. no.) 321 MAIN STREET City, state, and ZIP code YOUR CITY STATE ZIP		2 Early withdrawal penalty \$	3 Interest on U.S. Savings Bonds and Treas. obligations \$		Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
		4 Federal income tax withheld \$	5 Investment expenses \$		
Account number (see instructions) XXX-1234567		6 Foreign tax paid \$	7 Foreign country or U.S. possession		

Form 1099-INT

(keep for your records)

Department of the Treasury - Internal Revenue Service

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Carolyn L. Jackson

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Marcus A. Jackson

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Tina R. Jackson

Annual Statement – 2005		Jackson Family
Quality Child Care 5540 Wilson Drive Your City, State ZIP		EIN XX-XXXXXXX
Total Amount Received	\$3,200.00	
March 31 st	\$ 800	
June 30 th	\$ 800	
September 30 th	\$ 800	
December 31 st	\$ 800	

Carolyn L. Jackson	1234
321 Main Street	
Your City, State ZIP	Date _____
(555) 444-5555	
Pay to the	
Order of _____	\$ _____
	_____ Dollars
National Bank	
For _____	
XXXXXXXX:2121234 1234	_____

41. What is Carolyn's Filing Status?
- a. Single
 - b. Married Filing Joint
 - c. Married Filing Separately
 - d. Head of Household
 - e. Qualifying Widow
42. What is the total amount of income on Carolyn's return?
- a. \$29,381
 - b. \$31,681
 - c. \$10,056
 - d. \$ 5,056
 - e. \$ 1,856
43. What is Carolyn's Adjusted Gross Income?
- a. \$28,056
 - b. \$31,856
 - c. \$29,381
 - d. \$31,256
 - e. \$26,681
44. What is Carolyn's taxable income?
- a. \$11,356
 - b. \$12,856
 - c. \$15,056
 - d. \$10,056
 - e. \$12,481
45. What is the amount on Carolyn's Form 2441 Line 8?
- a. 0.35
 - b. 0.31
 - c. 0.27
 - d. 0.25
 - e. 0.20
46. What is Carolyn's Retirement Savings Credit?
- a. \$ 0
 - b. \$ 60
 - c. \$ 100
 - d. \$ 35
 - e. \$ 24
47. What is the total tax amount due on Carolyn's return?
- a. \$0
 - b. \$470
 - c. \$565
 - d. \$660
 - e. \$710

48. What is Carolyn's Earned Income Tax Credit amount?

- a. \$1,339
- b. \$1,240
- c. \$ 808
- d. \$1,097
- e. \$1,187

49. What is the Additional Child Tax Credit amount?

- a. \$0
- b. \$1,034
- c. \$1,059
- d. \$1,251
- e. \$1,000

50. What is Carolyn's refund or balance due?

- a. Refund of \$3,128
- b. Refund of \$4,387
- c. Balance due of \$180
- d. Balance due of \$117
- e. Refund of \$1,896

2. VITA/TCE – INTERMEDIATE PROBLEM

Jerry and Becky Yale are filing a joint return. At the request of the receptionist, the Yales completed an Interview & Intake Sheet to help with their return preparation. Jerry is a mechanic and Becky teaches at a local elementary school. They each have a Form W-2 from work. During the interview Jerry tells you he won \$2,350 on the slot machines at a local casino, but can't find the form they gave him. Becky says she earned \$234 in interest income from her Teachers Credit Union account but has misplaced the form as well. They hope you can still help with their return.

In addition to the income discussed above, Becky informs you that she started a side business in 2005 as a math and science tutor. She earned a total of \$2,600. She worked out of her home so her expenses were minimal but included \$50 for advertising (flyers), \$210 for supplies and workbooks for her students and \$45 for teaching software.

The Yales usually itemize deductions and have provided a list of expenses and want you to go over them to see what is deductible. They are split on the Presidential Election Campaign Fund. Jerry thinks it's a good idea and wants to designate but Becky says no. If they have a refund, they ask to have it mailed to the house as they are currently changing banks.

The Yales have receipts and information for:

- Health club dues (doctor's advice) \$ 360
- Real estate taxes \$1,042
- Additional State Income Taxes from 2004 paid in 2005 \$679
- Union dues \$180
- Mortgage interest from Form 1098 \$5,132
- Cash contribution to their church \$450
- Prescription medicine (not reimbursed) \$458
- Value of furniture donated to Charitable Organization, Inc. \$50
- Health insurance premiums \$1,300
- Personal property tax on the value of their cars \$250
- Unreimbursed orthodontist bills (for Amy) \$2,800
- Interest on credit cards \$380

You inquire as to any Educator Expenses and Becky explains that her school has a very active Parent-Teacher Association (PTA) and all the teachers are reimbursed up to \$500 for classroom expenses. She spent \$330 for the year but received reimbursement from the PTA.

INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner intake forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, if available

Your First Name		JERRY		M.I.	A		Last Name		YALE	
Spouse's First Name		REBECCA		M.I.	E		Spouse's Last Name, if different			
Address		1911 MAGNOLIA LANE		City	Your City	State	Your St.	Zip Code	Your Zip	
Telephone Number: Daytime		Your Number		Evening		Cell				
Your Date of Birth (mm/dd/yyyy)		03 / 16 / 1968		Spouse's Date of Birth (mm/dd/yyyy)		06 / 04 / 1969				

Critical Data

Check if U.S. Citizen or resident alien all year: Taxpayer Spouse

Check if lived in U.S. for more than 6 months: Taxpayer Spouse

Check if Legally Blind: Taxpayer Spouse

Check if Permanently Disabled: Taxpayer Spouse

As of December 31st were you: Single Legally Married Separated Divorced

If married, were you living with your spouse at anytime during the last 6 months of the year? Yes No N/A

Is your spouse deceased? Yes No

If yes, date spouse died (mm/dd/yyyy) / /

Can your parents or someone else claim you or your spouse as a dependent on their tax return? Yes No

Did you provide more than half the cost of keeping up a home for the year? Yes No

Has the Earned Income Credit been disallowed by IRS? Yes No

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have income of \$3200 or more?	Is person qualifying child of another person?
THOMAS	YALE	6-13-1990	SON	12	YES	NO	YES	NO	YES	NO	NO
AMY	YALE	6-13-1990	DAUGHTER	12	YES	NO	YES	NO	YES	NO	NO

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay student loan interest?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Attend college or vocational school?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive Social Security payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Own a home?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Receive unemployment payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay for child/dependent care that allowed you to work?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Can someone other than you use your child to claim the EITC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.

Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature _____

Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

Won \$2350 at a local casino. Don't know where the paperwork is.

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Jerry A. Yale

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Rebecca E. Yale

SOCIAL SECURITY


XXX-XX-XXXX

This number has been established for
Thomas A. Yale

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Amy R. Yale


a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile .									
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 26,510.00	2 Federal income tax withheld 1676.00										
c Employer's name, address, and ZIP code COUNTRY WELDING 346 RARITAN STREET YOUR CITY, STATE ZIP				3 Social security wages 26,510.00		4 Social security tax withheld 1643.62									
				5 Medicare wages and tips 26,510.00		6 Medicare tax withheld 384.40									
				7 Social security tips		8 Allocated tips									
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits									
e Employee's first name and initial Last name JERRY A. YALE 1911 MAGNOLIA LANE YOUR CITY, STATE ZIP				11 Nonqualified plans		12a See instructions for box 12									
				13 Salaried employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third party sick pay <input type="checkbox"/>		12b									
				14 Other		12c									
						12d									
f Employee's address and ZIP code				15 State Employer's state ID number XX | XX-XXXXXXX		16 State wages, tips, etc. 26,510.00		17 State income tax 954.00		18 Local wages, tips, etc.		19 Local income tax		20 Locality name	

Form W-2 Wage and Tax Statement

2005

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile.	
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 29,309.00	2 Federal income tax withheld 1854.00		
c Employer's name, address, and ZIP code LOYOLA SCHOOLS 1605 MAIN STREET YOUR CITY, STATE ZIP				3 Social security wages 30,509.00	4 Social security tax withheld 1891.56		
				5 Medicare wages and tips 30,509.00	6 Medicare tax withheld 442.38		
				7 Social security tips	8 Allocated tips		
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name REBECCA E. YALE 1911 MAGNOLIA LANE YOUR CITY, STATE ZIP				11 Nonqualified plans		12a See instructions for box 12 D 1200.00	
				13 Indemnity employee Retirement plan Two-party IRA SEP		12b	
				14 Other		12c	
						12d	
f Employee's address and ZIP code				15 State Employer's state ID number XX XX-XXXXXXX		16 State wages, tips, etc. 29,309.00	
				17 State income tax 1103.00		18 Local wages, tips, etc.	
						19 Local income tax	
						20 Locality name	

Form **W-2** Wage and Tax Statement

2005

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

41. What is the Yales' Filing Status?

- a. Single
- b. Married Filing Joint
- c. Married Filing Separately
- d. Head of Household
- e. Qualifying Widow

42. What is the total amount of income on the Yales' return?

- a. \$60,356
- b. \$61,256
- c. \$60,698
- d. \$55,056
- e. \$61,856

43. What is the Yales' Adjusted Gross Income?

- a. \$60,536
- b. \$61,856
- c. \$55,056
- d. \$61,256
- e. \$62,356

44. What is the amount on the Yales' Schedule A, line 1?
- a. \$4,676
 - b. \$4,854
 - c. \$3,530
 - d. \$4,558
 - e. \$3,660
45. What is the amount on Yales' Schedule A, line 28?
- a. \$9,678
 - b. \$7,829
 - c. \$8,560
 - d. \$8,635
 - e. \$9,490
46. What is the Yales' taxable income?
- a. \$36,356
 - b. \$40,856
 - c. \$35,056
 - d. \$37,736
 - e. \$41,256
47. What is the amount on the Yales' Child Tax Credit?
- a. \$1,000
 - b. \$3,200
 - c. \$2,000
 - d. \$ 0
 - e. \$500
48. What is the amount of Yales' 2005 Federal Income Tax Withheld?
- a. \$3,530
 - b. \$3,676
 - c. \$3,200
 - d. \$2,854
 - e. \$2,057
49. What is the total tax on the Yales' return?
- a. \$3,253
 - b. \$3,000
 - c. \$2,826
 - d. \$3,760
 - e. \$2,660
50. What is the Yales' refund or balance due?
- a. Refund of \$328
 - b. Refund of \$269
 - c. Balance due of \$180
 - d. Balance due of \$117
 - e. Refund of \$277

3. VITA/TCE - Advanced Problem

Donna Aiken comes to the site to request your help in filing her return. Mrs. Aiken lost her husband on April 5th, 2005 and is unsure of how to file. Mrs. Aiken completed an Interview and Intake Sheet to help with preparing her return. Mrs. Aiken does not wish to designate anything to the Campaign Fund. She retired on December 10, 2004 at age 65. She completed the necessary forms for her pension at that time and received her first pension check January 2, 2005. She did not make a provision for any beneficiary.

Generally the Aikens have not itemized in the past but this was an unusual year and Mrs. Aiken isn't sure. The Aikens had unreimbursed medical expenses last year including \$1150 in prescription drug costs, \$1,367 in eyeglass and dental expenses, and hospital costs of \$3,483. In May 2005, Mrs. Aiken paid \$5,700 for the funeral and sent a \$3,500 contribution to their church in honor of her husband. In addition to these expenses in 2005, Mrs. Aiken paid \$1,825 in real estate taxes on her home and \$435 in personal property tax for their cars. NOTE: For Sales Tax comparison assume Alabama.

The Aikens received pension income, interest, dividends and Social Security benefits. Mrs. Aiken tells you that she sold 854 shares of Slippery Rock Energy. Mr. Aiken had purchased the stock while working over the years. According to Mrs. Aiken, her husband had calculated his overall cost for the shares at his retirement in 2003 to be \$8,529. According to their broker, the stocks had a fair market value on the date of Mr. Aiken's death of \$9,875. Mrs. Aiken sold all of the shares and received a 1099-B from the company. (NOTE: Treat the basis calculation for Mr. Aiken's shares as if they were acquired in a non-community property state.)

In 2005, Mrs. Aiken started a small business providing walking tours of the historic district of her town. She earned \$2,800. She had a few expenses:

Advertising \$60

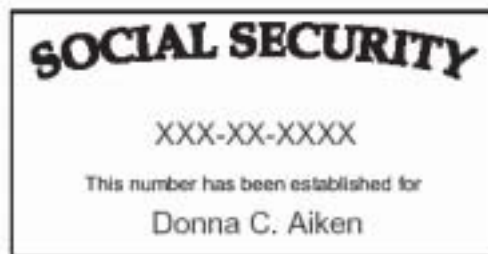
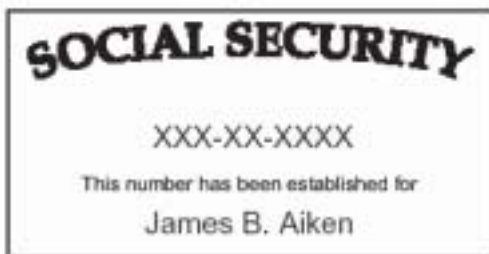
Business phone (Long Distance) \$45

Supplies \$25

Printing Expense \$30

Business License \$25

The Aikens' 2004 federal tax refund of \$570 was credited toward their 2005 estimated tax payments. In addition, Mrs. Aiken made four estimated tax payments of \$150 each applied to the 2005 return. Mrs. Aiken asks that any overpayment be applied to her 2006 estimated tax.



INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, if available

Your First Name	DONNA	M.I.	C	Last Name	AHEM
Spouse's First Name	JAMES	M.I.	B	Spouse's Last Name, if different	
Address	2221 HUDSON STREET	City	Your City	State Your St.	Zip Code Your Zip
Telephone Number: Daytime	Your Number	Evening		Cell	
Your Date of Birth (mm/dd/yyyy)	12 / 1 / 1937	Spouse's Date of Birth (mm/dd/yyyy)	11 / 26 / 1939		

Critical Data

Check if U.S. Citizen or resident alien all year: <input checked="" type="checkbox"/> Taxpayer <input checked="" type="checkbox"/> Spouse	Check if lived in U.S. for more than 6 months: <input checked="" type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse
Check if Legally Blind: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	Check if Permanently Disabled: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse
As of December 31st were you: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Legally Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced	
If married, were you living with your spouse at anytime during the last 6 months of the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	
Is your spouse deceased? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If yes, date spouse died (mm/dd/yyyy) 4 / 5 / 2005
Can your parents or someone else claim you or your spouse as a dependent on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Did you provide more than half the cost of keeping up a home for the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Has the Earned Income Credit been disallowed by IRS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have Gross Income of \$3200 or more?	Is person qualifying child of another person?

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay student loan interest?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Attend college or vocational school?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive Social Security payments?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Own a home?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Receive unemployment payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay for child/dependent care that allowed you to work?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Can someone other than you use your child to claim the EITC?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation?
 Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.

Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature _____

Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. Morris National Bank 105 Dillard Street Your City State ZIP		Payer's RTN (optional)	OMB No. 1545-0112 2005 Form 1099-INT	Interest Income
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	1 Interest income not included in box 3 \$ 1,602		
RECIPIENT'S name Donna Aiken Street address (including apt. no.) 2221 Hudson Street City, state, and ZIP code YOUR CITY STATE ZIP		2 Early withdrawal penalty \$	3 Interest on U.S. Savings Bonds and Treas. obligations \$	Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Account number (see instructions) XXX-1234567		4 Federal income tax withheld \$	5 Investment expenses \$	
		6 Foreign tax paid \$	7 Foreign country or U.S. possession	
Form 1099-INT		(keep for your records)	Department of the Treasury - Internal Revenue Service	

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. Wilson & Company 220 N.W. 18th Street Your City, State ZIP		1a Total ordinary dividends \$ 450	OMB No. 1545-0110 2005 Form 1099-DIV	Dividends and Distributions
		1b Qualified dividends \$ 125		
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	2a Total capital gain distr. \$	2b Unrecap. Sec. 1250 gain \$	Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name JAMES AIKEN Street address (including apt. no.) 2221 HUDSON STREET City, state, and ZIP code YOUR CITY, STATE ZIP		2c Section 1202 gain \$	2d Collectibles (28%) gain \$	
Account number (see instructions)		3 Nondividend distributions \$	4 Federal income tax withheld \$	
		5 Investment expenses \$	6 Foreign tax paid \$	
		7 Foreign country or U.S. possession	8 Cash liquidation distributions \$	
		9 Noncash liquidation distributions \$		
Form 1099-DIV		(keep for your records)	Department of the Treasury - Internal Revenue Service	

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. WASHINGTON CAPITAL 1345 FREMONT STREET YOUR CITY, STATE ZIP		1a Date of sale or exchange 07/16/2005	OMB No. 1545-0710 2005 Form 1099-B	Proceeds From Broker and Barter Exchange Transactions
		1b CUSIP no.		
		2 Stocks, bonds, etc. \$ 11,312	Reported to IRS <input type="checkbox"/> Gross proceeds <input checked="" type="checkbox"/> Gross proceeds less commissions and other charges	
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	3 Bartering \$	4 Federal income tax withheld \$	Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name DONNA C. AIKEN, BENEFICIARY		5 No. of shares exchanged	6 Classes of stock exchanged	
Street address (including apt. no.) 2221 HUDSON STREET		7 Description 854 SHARES SLIPPERY ROCK ENERGY		
City, state, and ZIP code YOUR CITY, STATE ZIP		8 Profit or (loss) realized in 2005 \$	9 Unrealized profit or (loss) on open contracts—12/31/2004 \$	
CORPORATION'S name, street address, city, state, and ZIP code		10 Unrealized profit or (loss) on open contracts—12/31/2005 \$	11 Aggregate profit or (loss) \$	
Account number (see instructions)		12 If the box is checked, the recipient cannot take a loss on their tax return based on the amount in box 2. <input type="checkbox"/>		

Form 1099-B

(keep for your records)

Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

PAYER'S name, street address, city, state, and ZIP code JONES & LINCOLN 277 W. ALLEN STREET YOUR CITY, STATE ZIP		1 Gross distribution \$ 23,792	OMB No. 1545-0119 2005 Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
		2a Taxable amount \$		
		2b Taxable amount not determined <input checked="" type="checkbox"/>	Total distribution <input type="checkbox"/>	Copy B Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	3 Capital gain (included in box 2a) \$	4 Federal income tax withheld \$ 2,397.00	
RECIPIENT'S name DONNA AIKEN		5 Employee contributions or insurance premiums \$ 25,288.00	6 Net unrealized appreciation in employer's securities \$	
Street address (including apt. no.) 2221 HUDSON STREET		7 Distribution code(s) 7	8 Other \$ %	This information is being furnished to the Internal Revenue Service.
City, state, and ZIP code YOUR CITY, STATE ZIP		9a Your percentage of total distribution %	9b Total employee contributions \$ 25,288.00	
Account number (see instructions)		10 State tax withheld \$ 353	11 State/Payer's state no. XX-XXXXXX	12 State distribution \$ 23,792
		13 Local tax withheld \$	14 Name of locality	15 Local distribution \$

Form 1099-R

Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

PAYER'S name, street address, city, state, and ZIP code WASHINGTON CAPITAL 1345 FREMONT STREET YOUR CITY, STATE ZIP		1 Gross distribution \$ 6,792	OMB No. 1545-0119 2005 Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. Copy B Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.
		2a Taxable amount \$ 6,792	Total distribution <input type="checkbox"/>	
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	3 Capital gain (included in box 2a) \$	4 Federal income tax withheld \$ 697.00	This information is being furnished to the Internal Revenue Service.
RECIPIENT'S name JAMES B AIKEN		5 Employee contributions or insurance premiums \$	6 Net unrealized appreciation in employer's securities \$	
Street address (including apt. no.) 2221 HUDSON STREET City, state, and ZIP code YOUR CITY, STATE ZIP		7 Distribution code(s) 7	IRA/SEP/SIMPLE <input type="checkbox"/> 8 Other \$ %	
Account number (see instructions)		9a Your percentage of total distribution % \$	9b Total employee contributions \$	
		10 State tax withheld \$ 145	11 State/Payer's state no. ST-XX-XXXXXXX	12 State distribution \$ 6,792
		13 Local tax withheld \$	14 Name of locality	15 Local distribution \$

Form 1099-R

Department of the Treasury - Internal Revenue Service

FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

2005 • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME.
 • SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name JAMES B. AIKEN		Box 2. Beneficiary's Social Security Number XXX-XX-XXXX	
Box 3. Benefits Paid in 2005 2,654.00	Box 4. Benefits Repaid to SSA in 2005 0.00	Box 5. Net Benefits for 2004 (Box 3 minus Box 4) 2,654.00	
<p align="center">DESCRIPTION OF AMOUNT IN BOX 3</p> <p>Benefits paid by direct deposit in \$2,654.00</p> <p>Medicare premiums deducted \$ 313.00</p> <p>Total \$2,967.00</p>		<p align="center">DESCRIPTION OF AMOUNT IN BOX 4</p> <p>NONE</p>	
		Box 6. Voluntary Federal Income Tax Withholding 0.00	
		Box 7. Address 2221 HUDSON STREET YOUR CITY, STATE ZIP	
		Box 8. Claim Number (Use this number if you need to contact SSA.)	

Form SSA-1099-SM (12-2006)

DO NOT RETURN THIS FORM TO SSA OR IFS

Draft as of July 13, 2005 - Subject to Change

FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

2005 • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. • SEE THE REVERSE FOR MORE INFORMATION.		
Box 1. Name DONNA C. AIKEN		Box 2. Beneficiary's Social Security Number XXX-XX-XXXX
Box 3. Benefits Paid in 2005 6,654.00	Box 4. Benefits Repaid to SSA in 2005 0.00	Box 5. Net Benefits for 2004 (Box 3 minus Box 4) 6,654.00
DESCRIPTION OF AMOUNT IN BOX 3 Benefits paid by direct deposit in \$6,654.00 Medicare premiums deducted \$ 938.00 Total \$7,592.00		DESCRIPTION OF AMOUNT IN BOX 4 NONE
		Box 6. Voluntary Federal Income Tax Withholding 0.00
		Box 7. Address 2221 HUDSON STREET YOUR CITY, STATE ZIP
		Box 8. Claim Number (Use this number if you need to contact SSA.)

Form SSA-1099-SM (1-2006)

DO NOT RETURN THIS FORM TO SSA OR IFS

Draft as of July 13, 2005 - Subject to Change

41. What is the most advantageous Filing Status for Donna Aiken?
- Single
 - Married Filing Joint
 - Married Filing Separately
 - Head of Household
 - Qualifying Widow

42. What is the amount of Mrs. Aiken's taxable pension, if any?
- a. \$22,528
 - b. \$23,288
 - c. \$21,548
 - d. \$22,625
 - e. \$24,316
43. What is the capital gain, if any, on the Aiken return?
- a. \$3,433
 - b. \$1,256
 - c. \$1,056
 - d. \$1,437
 - e. \$2,856
44. What is the total amount of income on the Aiken return?
- a. \$39,331
 - b. \$38,256
 - c. \$40,056
 - d. \$35,056
 - e. \$39,516
45. What is the Adjusted Gross Income?
- a. \$40,056
 - b. \$39,331
 - c. \$35,056
 - d. \$41,256
 - e. \$38,356
46. What is the correct standard or itemized deduction on the return?
- a. \$ 5,948
 - b. \$ 8,548
 - c. \$10,000
 - d. \$12,000
 - e. \$15,316
47. What is the taxable income on the Aiken return?
- a. \$20,356
 - b. \$21,856
 - c. \$18,056
 - d. \$20,931
 - e. \$21,256
48. What is the total tax on the Aiken return?
- a. \$2,624
 - b. \$2,254
 - c. \$1,800
 - d. \$2,260
 - e. \$2,601

49. What are the total payments on the Aiken return?

- a. \$3,094
- b. \$ 560
- c. \$4,600
- d. \$4,264
- e. \$3,660

50. What is the Aiken refund or balance due?

- a. Refund of \$470
- b. Refund of \$1640
- c. Balance due of \$180
- d. Balance due of \$117
- e. Refund of \$1,663

4. VITA - Military Problem

Major David West and his wife come in to the Tax Center to file their 2005 tax return. The Wests usually file jointly. They have one child, a daughter, Jennifer. Major West hands you their Intake Sheet and information documents. The Wests will designate \$3 to the Presidential Election Campaign Fund.

After reviewing the information, you ask Mrs. West what she does with the school system. She states she teaches 5th grade. The Wests list their home of record as Texas and do not need a state return prepared. Major West tells you they have itemized in the past but are not sure if they have enough this year. He gives you a list of expenses, which he believes are deductible on their return.

Health club dues (doctor's advice) \$ 360
National Education Assn dues \$180
Mortgage Interest (current residence) \$5,132
Real Estate Taxes (current residence) \$856
Cash contribution to their church \$2450
Unreimbursed orthodontist bills (for Amy) \$3,800
School supplies for Suzanne's teaching \$512

Mrs. West attended the State College in town and paid \$300 to take a class titled "Advanced Science Teaching Techniques for the Elementary School Environment." She asks if the tuition is deductible.

The West's have a rental house. They converted their residence at their last post of duty. The address is: 2300 Madison Street, Your City, State Zip. They use a real estate agency to manage the property. The following expenses relate to the rental property:

Rent collected in 2005 - \$8,220
Realty company fees - \$820
Yard Maintenance & Repairs \$1465
Annual Real Estate Taxes - \$630
Annual Mortgage Interest - \$2472

The Realtor computed the 2005 depreciation to be \$1,782.

The basis for depreciation is the value of the property [\$90,000] less the value of the land [\$6,000] which is not depreciable. The Realtor used a 27.5 year recovery period, straight-line method.

Lastly, Major West tells you due to the rental income they were advised by the Tax Center last year to increase withholding or make estimated payments. They decided to make estimated payments of \$500 each quarter in 2005. They made their last payment in January, 2006 for a total of \$2,000 applied to 2005.

INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner intake forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, if available

Your First Name	DAVID	M.I.	A.	Last Name	WEST
Spouse's First Name	SUZANNE	M.I.	R.	Spouse's Last Name, if different	
Address	123 MAIN STREET	City	Your City	State	Your St.
Telephone Number: Daytime	Your Number	Evening	Cell		
Your Date of Birth (mm/dd/yyyy)	03 / 16 / 1971	Spouse's Date of Birth (mm/dd/yyyy)	06 / 04 / 1974		

Critical Data

Check if U.S. Citizen or resident alien all year: <input checked="" type="checkbox"/> Taxpayer <input checked="" type="checkbox"/> Spouse	Check if lived in U.S. for more than 6 months: <input checked="" type="checkbox"/> Taxpayer <input checked="" type="checkbox"/> Spouse
Check if Legally Blind: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	Check if Permanently Disabled: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse
As of December 31st were you: <input type="checkbox"/> Single <input checked="" type="checkbox"/> Legally Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced	
If married, were you living with your spouse at anytime during the last 6 months of the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Is your spouse deceased? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, date spouse died (mm/dd/yyyy) / /	
Can your parents or someone else claim you or your spouse as a dependent on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Did you provide more than half the cost of keeping up a home for the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Has the Earned Income Credit been disallowed by IRS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have Income of \$3200 or more?	Is person qualifying child of another person?
JENNIFER	WEST	04-12-1998	DAUGHTER	12	YES	NO	YES	NO	YES	NO	NO

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pay student loan interest?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Attend college or vocational school?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Receive Social Security payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Own a home?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Receive unemployment payments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay for child/dependent care that allowed you to work?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Can someone other than you use your child to claim the EITC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.

Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature _____

Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
David A. West

SOCIAL SECURITY


XXX-XX-XXXX

This number has been established for
Suzanne R. West

SOCIAL SECURITY

XXX-XX-XXXX

This number has been established for
Jennifer S. West


a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 56,309.00	2 Federal income tax withheld 4,854.00		
c Employer's name, address, and ZIP code DFAS P.O. BOX 8899 INDIANAPOLIS, IN 46249-2410				3 Social security wages 59,309.00	4 Social security tax withheld 1,891.56		
				5 Medicare wages and tips 59,309.00	6 Medicare tax withheld 442.38		
				7 Social security tips	8 Allocated tips		
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name DAVID A. WEST 123 MAIN STREET YOUR CITY, STATE ZIP				11 Nonqualified plans		12a See instructions for box 12 D 3000.00	
				13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third party sick pay <input type="checkbox"/>		12b	
				14 Other		12c	
						12d	
f Employee's address and ZIP code							
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form **W-2 Wage and Tax Statement**

2005

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile.							
b Employer identification number (EIN)				1 Wages, tips, other compensation 34,410.00	2 Federal income tax withheld 2,854.00								
c Employer's name, address, and ZIP code Stanford County Schools P.O. BOX 1204 Your City, State ZIP				3 Social security wages 36,610.00		4 Social security tax withheld 2,269.82							
				5 Medicare wages and tips 36,610.00		6 Medicare tax withheld 530.85							
				7 Social security tips		8 Allocated tips							
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits							
e Employee's first name and initial Last name Suzanne R. West 123 Main Street Your City, State Zip				11 Nonqualified plans		12a See instructions for box 12 D 2200.00							
				13 Subsidy employee Retirement plan Third-party sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b							
				14 Other		12c							
						12d							
f Employee's address and ZIP code		15 State Employer's state ID number		16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.		19 Local income tax		20 Locality name	

Form **W-2 Wage and Tax Statement** **2005** Department of the Treasury—Internal Revenue Service
Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. National Credit Union 105 Dillard Street Your City State ZIP		Payer's RTN (optional)	OMB No. 1545-0112 2005 Form 1099-INT	Interest Income	
PAYER'S Federal identification number XX-XXXXXXX	RECIPIENT'S identification number XXX-XX-XXXX	1 Interest income not included in box 3 \$ 1,602		Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
RECIPIENT'S name David West		2 Early withdrawal penalty \$	3 Interest on U.S. Savings Bonds and Treas. obligations \$		
Street address (including apt. no.) 123 Main Street		4 Federal income tax withheld \$	5 Investment expenses \$		
City, state, and ZIP code YOUR CITY STATE ZIP		6 Foreign tax paid \$	7 Foreign country or U.S. possession		
Account number (see instructions) XXX-1234567					

Form **1099-INT** (keep for your records) Department of the Treasury - Internal Revenue Service

Annual Statement – 2005

Jennifer West

Quality Child Care
5540 Wilson Drive
Your City, State ZIP

EIN XX-XXXXXXX

Total Amount Received \$2,800

After School Care January – June & September - December

41. What is the most advantageous Filing Status for the Wests?

- a. Single
- b. Married Filing Joint
- c. Married Filing Separately
- d. Head of Household
- e. Qualifying Widow

42. What is the amount on the Wests' Schedule E, line 26?

- a. \$4,200
- b. \$1,051
- c. \$ 0
- d. -\$1,524
- e. -\$ 724

43. What is the total amount of income on the Wests' return?

- a. \$93,372
- b. \$91,256
- c. \$90,056
- d. \$95,056
- e. \$92,822

44. What is the Wests' Adjusted Gross Income?

- a. \$90,056
- b. \$92,822
- c. \$95,056
- d. \$91,256
- e. \$93,122

45. What is the Wests' standard or itemized deduction?

- a. \$5,724
- b. \$7,300
- c. \$10,000
- d. \$8,435
- e. \$12,390

46. What is the Wests' taxable income?

- a. \$70,356
- b. \$71,856
- c. \$65,056
- d. \$73,222
- e. \$69,256

47. What is the amount of Wests' Child & Dependent Care Credit?

- a. \$0
- b. \$560
- c. \$400
- d. \$2,800
- e. None of the above

48. What is the total tax on the Wests' return?

- a. \$10,151
- b. \$10,000
- c. \$ 9,800
- d. \$10,076
- e. \$11,660

49. What are the total payments on the Wests' return?

- a. \$10,000
- b. \$7,708
- c. \$8,800
- d. \$9,708
- e. \$9,660

50. What is the Wests' refund or balance due?

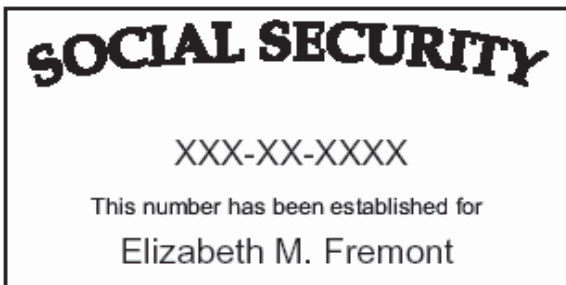
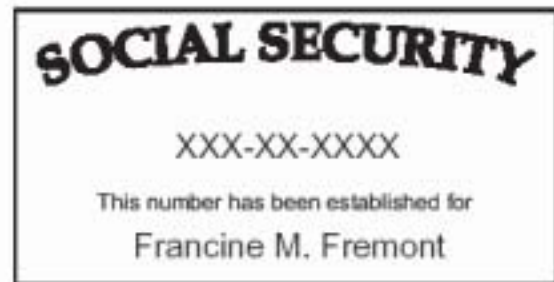
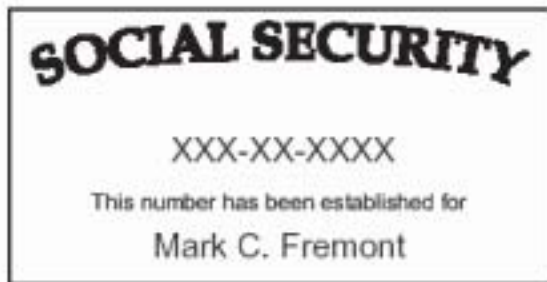
- a. Refund of \$128
- b. Refund of \$1069
- c. Balance due of \$368
- d. Balance due of \$2,368
- e. Refund of \$2,456

5. VITA – VECTA – International Problem

Mark and Francine Fremont have lived in Germany since November, 2004. They come in to the VITA site for help in preparing their 2005 tax return. Mark is employed as a civilian contractor by the U.S. Air Force. In 2005, Francine worked at a local bakery (Guten Tag's, 520728 Grier Lane, Frankfurt, Germany) in Germany and earned the equivalent of \$10,500.

Mark and Francine do not consider themselves bona fide residents of Germany. During 2005, they resided in Germany for the full year, except for a three day vacation in France. Their address in Germany is 49084 Brandt Strasse, Frankfurt, Germany. They have never claimed the foreign earned income exclusion before.

In January, 2005, the Fremonts had a baby, Elizabeth. They filed all the appropriate paperwork with the U.S. Embassy in Berlin and have Elizabeth's passport and Social Security Card available for review. In preparation for the baby, Francine's mother Martha Stein came to live with them at Christmas in 2004. Mrs. Stein, a German citizen, is widowed and lives on a very small pension. Mrs. Stein has lived with the Fremonts all year. They wonder if she can be claimed on their return as she is Francine's Mother and they paid for virtually all of her support.



INTERVIEW AND INTAKE SHEET

Instructions: This form will be used by screeners, preparers, or others involved in the return preparation process. Please complete all information. The partner or site may request additional information. The service statement and request for the taxpayer's signature(s) on page 2 must be included on partner in-take forms used in lieu of this IRS Form 13614.

- You will need:**
- Valid Picture I.D.
 - Copies of ALL W-2, 1098, 1099 Forms and the amount of other income received by you and your spouse
 - Tax Identification Number (TIN) for you, your spouse and any others shown on the tax return
 - Provider's address and Tax Identification Number for Child/Dependent Care Credit
 - Form 8332 or copy of divorce decree for non-custodial parent claiming child
 - Proof of Account Number and Routing Transit Number of the financial institution for direct deposit into a savings or checking account
 - Copy of prior year's tax return, **if available**

Your First Name	MARK	M.I. C.	Last Name	FREMONT	
Spouse's First Name	FRANCINE	M.I. C.	Spouse's Last Name, if different		
Address	49084 BRANDT STRASSE	City	FRANKFURT	State	GERMANY
Telephone Number: Daytime	Your Number		Evening	Cell	
Your Date of Birth (mm/dd/yyyy)	10 / 13 / 1979		Spouse's Date of Birth (mm/dd/yyyy)		

Critical Data

Check if U.S. Citizen or resident alien all year: <input checked="" type="checkbox"/> Taxpayer <input checked="" type="checkbox"/> Spouse	Check if lived in U.S. for more than 6 months: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse
Check if Legally Blind: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse	Check if Permanently Disabled: <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse
As of December 31st were you: <input type="checkbox"/> Single <input checked="" type="checkbox"/> Legally Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced	
If married, were you living with your spouse at anytime during the last 6 months of the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Is your spouse deceased? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If yes, date spouse died (mm/dd/yyyy) / /	
Can your parents or someone else claim you or your spouse as a dependent on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Did you provide more than half the cost of keeping up a home for the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Has the Earned Income Credit been disallowed by IRS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Family and Dependent Information

List everyone who lived in your home and anyone living outside your home that you or your spouse supported during the tax year. For example: Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them, also mother or father. **Do not include yourself or your spouse.**

First Name	Last Name	Date of Birth (mm/dd/yyyy)	Relationship to you	Months in home, see Special Rules below	US Citizen, Resident of US, Canada or Mexico	Did person file joint return?	Is child a full-time student or permanently and totally disabled?	Did child provide more than 50% of their own support?	Did you provide more than 50% of their support?	Did the person have Income of \$3206 or more?	Is person qualifying child of another person?
ELIZABETH	FREMONT	1-7-2003	DAUGHTER	12	YES	NO	NO	NO	YES	NO	NO
MARTHA	STEIN	11-4-1945	MOTHER	12	NO	NO			YES	NO	

***Special Rules for Divorced, Legally Separated, or Never Married parents; if the child lived in your home for 6 months or less:**

- Did one or both parents provide over half of the child's total support? Yes No
- Is the child in custody of one or both parents for more than half of the year? Yes No
- Did the custodial parent sign the Form 8332 or similar statement releasing the exemption? Yes No

During the tax year did you, your spouse, or anyone in your household:

Receive any investment income (For example: interest or dividends)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay student loan interest? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive a distribution from an IRA or retirement plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Attend college or vocational school? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive Social Security payments? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Own a home? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Receive unemployment payments? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pay for child/dependent care that allowed you to work? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have income that was not reported on a W-2 or 1099? (For example: gambling winnings, jury duty, alimony or self employment income) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Can someone other than you use your child to claim the EITC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
Make contributions to an IRA or a retirement plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Authorization

- Do you authorize the retention of Form 13614, Interview and Intake Sheet, to help with the processing of your tax return? Yes No
- Do you authorize the retention of your electronic tax return information for subsequent return preparation? Yes No
- Do you authorize the retention of your name, address, and telephone number for the purpose of mailing of product and/or services that may be of value to you? Yes No

Note: Answer all three questions, each one stands on its own merit.


Service Statement: You will not be denied service if you do not authorize any of these retention options. The information retained will not be shared with any unauthorized persons and will not be sold, given away, or used for commercial purposes. This information will be properly disposed of when no longer needed and retained no longer than 3 years from the due date of the return.

Signature _____

Date _____

Interview Notes:

- (Volunteer Use Only: Be sure to note anything that changed on this intake sheet because of your interview. Coordinator and IRS Site Reviewer will use this information to verify accuracy of return.)

a Control number		OMB No. 1545-0008		Safe, accurate, FAST! Use 		Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN) XX-XXXXXXX				1 Wages, tips, other compensation 56,309.00		2 Federal income tax withheld 4,854.00	
c Employer's name, address, and ZIP code AAFEEB P.O. BOX 12000 WASHINGTON DC ZIP				3 Social security wages 59,309.00		4 Social security tax withheld 3,677.16	
				5 Medicare wages and tips 59,309.00		6 Medicare tax withheld 859.98	
				7 Social security tips		8 Allocated tips	
d Employee's social security number XXX-XX-XXXX				9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name MARK C. FREMONT 49084 BRANDT STRASSE FRANKFURT, GERMANY Zip				11 Nonqualified plans		12a See instructions for box 12 D 3000.00	
				13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third party sick pay <input type="checkbox"/>		12b	
				14 Other		12c	
						12d	
f Employee's address and ZIP code		15 State Employer's state ID number		16 State wages, tips, etc.		17 State income tax	
						18 Local wages, tips, etc.	
						19 Local income tax	
						20 Locality name	

Form **W-2 Wage and Tax Statement** **2005** Department of the Treasury—Internal Revenue Service
 Copy B—To Be Filed With Employee's FEDERAL Tax Return.
 This information is being furnished to the Internal Revenue Service.

41. What is the most advantageous Filing Status for the Fremonts?

- a. Single
- b. Married Filing Joint
- c. Married Filing Separately
- d. Head of Household
- e. Qualifying Widow

42. Can the Fremonts claim Mrs. Stein?

- a. Yes
- b. No

43. What is the total amount of income on the Fremonts' return?

- a. \$71,309
- b. \$56,309
- c. \$50,056
- d. \$55,056
- e. \$62,822

44. What is the Fremonts' Adjusted Gross Income?
- a. \$56,309
 - b. \$62,822
 - c. \$71,309
 - d. \$61,256
 - e. \$53,122
45. What is the Fremonts' standard or itemized deduction?
- a. \$5,000
 - b. \$7,300
 - c. \$10,000
 - d. \$8,435
 - e. \$12,390
46. What is the Fremonts' taxable income?
- a. \$36,709
 - b. \$48,709
 - c. \$35,056
 - d. \$43,222
 - e. \$39,709
47. What is the amount of the Fremonts Foreign Earned Income Exclusion, if any?
- a. \$0
 - b. \$10,000
 - c. \$10,500
 - d. \$71,309
 - e. \$56,309
48. What is the total tax on the Fremonts' return?
- a. \$3,151
 - b. \$3,779
 - c. \$3,800
 - d. \$4,076
 - e. \$6,660
49. What are the total payments on the Fremonts' return?
- a. \$4,000
 - b. \$3,708
 - c. \$4,854
 - d. \$3,708
 - e. \$4,660
50. What is the Fremonts' refund or balance due?
- a. Refund of \$1,075
 - b. Refund of \$1,019
 - c. Balance due of \$1,075
 - d. Balance due of \$368
 - e. Refund of \$75

Blank Forms For Your Test

The following blank forms can be used to complete the Universal Problem and the problem for your chosen training course.

The Tax Tables, EIC Tables, and Sales Tax Tables are available in Publication 678 W, the Comprehensive Problems and Exercises Workbook.

Please record your answers based on the questions asked on the Answer Sheet in the front of this Test booklet.

**This Page
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Label

(See instructions on page 10.) Use the IRS label. Otherwise, please print or type.

Form fields for name, address, and social security numbers.

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want to go to this fund (see page 10) You Spouse

Filing Status

1 Single 2 Married filing jointly (even if only one had income) 3 Married filing separately. Enter spouse's SSN above and full name here. 4 Head of household (with qualifying person. (See page 17). If the qualifying person is a child but not your dependent, enter the child's name here. 5 Qualifying widower with dependent child (see page 17).

Exemptions

Exemptions section with table for dependents and total number of exemptions.

Income

Table with 22 rows for income sources: 7 Wages, salaries, tips, etc.; 8a Taxable interest; 8b Tax-exempt interest; 9a Ordinary dividends; 9b Qualified dividends; 10 Taxable refunds; 11 Alimony received; 12 Business income; 13 Capital gain; 14 Other gains; 15a IRA distributions; 15b Pensions and annuities; 17 Rental real estate; 18 Farm income; 19 Unemployment compensation; 20a Social security benefits; 20b Taxable amount; 21 Other income; 22 Total income.

Adjusted Gross Income

Table with 15 rows for adjustments: 23 Educator expenses; 24 Business expenses; 25 Health savings account; 26 Moving expenses; 27 Self-employment tax; 28 Self-employed SEP, SIMPLE, and qualified plans; 29 Self-employed health insurance; 30 Penalty on early withdrawal; 31a Alimony paid; 32 IRA deduction; 33 Student loan interest; 34 Tuition and fees; 35 Domestic production activities; 36 Total adjustments; 37 Adjusted gross income.

Label

(See instructions on page 10.) Use the IRS label. Otherwise, please print or type.

Form fields for name, address, and social security numbers.

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want to go to this fund (see page 10) You Spouse

Filing Status

1 Single 2 Married filing jointly (even if only one had income) 3 Married filing separately. Enter spouse's SSN above and full name here. 4 Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter the child's name here. 5 Qualifying widower with dependent child (see page 17)

Exemptions

Exemptions section with checkboxes for Yourself, Spouse, and Dependents.

Income

Table with 22 rows for income sources: Wages, interest, dividends, business income, capital gain, etc.

Adjusted Gross Income

Table with 15 rows for adjustments: educator expenses, business expenses, health savings account, etc.

SCHEDULES A&B
(Form 1040)

Schedule A—Itemized Deductions
(Schedule B is on back)

OMB No. 1545-0074

2005

Department of the Treasury
Internal Revenue Service (999)

▶ Attach to Form 1040. ▶ See instructions for Schedules A and B (Form 1040).

Attachment
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.			
	1 Medical and dental expenses (see page A-2)	1		
	2 Enter amount from Form 1040, line 38	2		
	3 Multiply line 2 by 7.5% (.075)	3		
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4		
Taxes You Paid (See page A-2.)	5 State and local (check only one box): a <input type="checkbox"/> Income taxes, or b <input type="checkbox"/> General sales taxes (see page A-2)	5		
	6 Real estate taxes (see page A-3)	6		
	7 Personal property taxes	7		
	8 Other taxes. List type and amount ▶	8		
	9 Add lines 5 through 8	9		
Interest You Paid (See page A-3.)	10 Home mortgage interest and points reported to you on Form 1098	10		
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-4 and show the person's name, identifying no., and address ▶			
	12 Points not reported to you on Form 1098. See page A-4 for special rules	12		
	13 Investment interest. Attach Form 4052 if required. (See page A-4.)	13		
Note. Personal interest is not deductible.	14 Add lines 10 through 13	14		
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15 Gifts by cash or check. If you made any gift of \$250 or more, see page A-4.	15		
	16 Other than by cash or check. If any gift of \$250 or more, see page A-4. You must attach Form 8283 if over \$500	16		
	17 Carryover from prior year	17		
	18 Add lines 15 through 17	18		
Casualty and Theft Losses	19 Casualty or theft losses. Attach Form 4684. (See page A-5.)	19		
Job Expenses and Most Other Miscellaneous Deductions (See page A-5.)	20 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶	20		
	21 Tax preparation fees	21		
	22 Other expenses—investment, safe deposit box, etc. List type and amount ▶	22		
	23 Add lines 20 through 22	23		
	24 Enter amount from Form 1040, line 38	24		
	25 Multiply line 24 by 2% (.02)	25		
	26 Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-	26		
Other Miscellaneous Deductions	27 Other—from list on page A-6. List type and amount ▶	27		
Total Itemized Deductions	28 Is Form 1040, line 38, over \$145,950 (over \$72,975 if married filing separately)? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See page A-6 for the amount to enter.	28		
	29 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>			

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Cat. No. 11333X

Schedule A (Form 1040) 2005

Name(s) shown on Form 1040. Do not enter name and social security number if shown on other side.

Your social security number

Schedule B—Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See page B-1 and the instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

- 1 List name of payer... 2 Add the amounts on line 1... 3 Excludable interest on series EE and I U.S. savings bonds... 4 Subtract line 3 from line 2...

Table with columns for Amount and rows for lines 1, 2, 3, 4.

Part II Ordinary Dividends

(See page B-2 and the instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

- 5 List name of payer... 6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a...

Table with columns for Amount and rows for lines 5, 6.

Part III Foreign Accounts and Trusts

(See page B-2.)

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends... or (b) had a foreign account... or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

- 7a At any time during 2005, did you have an interest in or a signature or other authority over a financial account in a foreign country... 7b During 2005, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust?

Table with columns for Yes and No for questions 7a and 7b.

SCHEDULES A&B
(Form 1040)

Schedule A—Itemized Deductions
(Schedule B is on back)

OMB No. 1545-0074

2005

Department of the Treasury
Internal Revenue Service (999)

▶ Attach to Form 1040. ▶ See instructions for Schedules A and B (Form 1040).

Attachment
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see page A-2)	1	
	2	Enter amount from Form 1040, line 38-2	2	
	3	Multiply line 2 by 7.5% (.075)	3	
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	
Taxes You Paid (See page A-2.)	5 State and local (check only one box):		5	
	a <input type="checkbox"/> Income taxes, or			
	b <input type="checkbox"/> General sales taxes (see page A-2)			
	6	Real estate taxes (see page A-3)	6	
	7	Personal property taxes	7	
8	Other taxes. List type and amount ▶	8		
9	Add lines 5 through 8	9		
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098	10	
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-4 and show the person's name, identifying no., and address ▶	11	
	12	Points not reported to you on Form 1098. See page A-4 for special rules	12	
	13	Investment interest. Attach Form 4052 if required. (See page A-4.)	13	
Note. Personal interest is not deductible.	14	Add lines 10 through 13	14	
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15	Gifts by cash or check. If you made any gift of \$250 or more, see page A-4.	15	
	16	Other than by cash or check. If any gift of \$250 or more, see page A-4. You must attach Form 8283 if over \$500	16	
	17	Carryover from prior year	17	
18	Add lines 15 through 17	18		
Casualty and Theft Losses	19	Casualty or theft losses. Attach Form 4684. (See page A-5.)	19	
Job Expenses and Most Other Miscellaneous Deductions (See page A-5.)	20	Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶	20	
	21	Tax preparation fees	21	
	22	Other expenses—investment, safe deposit box, etc. List type and amount ▶	22	
	23	Add lines 20 through 22	23	
	24	Enter amount from Form 1040, line 38-24	24	
	25	Multiply line 24 by 2% (.02)	25	
26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-	26		
Other Miscellaneous Deductions	27	Other—from list on page A-6. List type and amount ▶	27	
Total Itemized Deductions	28	Is Form 1040, line 38, over \$145,950 (over \$72,975 if married filing separately)? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See page A-6 for the amount to enter.	28	
	29	If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>		

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Cat. No. 11333X

Schedule A (Form 1040) 2005

Name(s) shown on Form 1040. Do not enter name and social security number if shown on other side.

Your social security number

Schedule B—Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See page B-1 and the instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

- 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶
- 2 Add the amounts on line 1
- 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815
- 4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶

Note. If line 4 is over \$1,500, you must complete Part II.

Part II Ordinary Dividends

(See page B-2 and the instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

- 5 List name of payer ▶
- 6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶

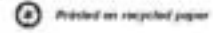
Note. If line 6 is over \$1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See page B-2.)

- You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; or (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.
- 7a At any time during 2005, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1.
 - b If "Yes," enter the name of the foreign country ▶
 - 8 During 2005, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See page B-2

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>



SCHEDULE C-EZ
(Form 1040)

Department of the Treasury
Internal Revenue Service

Net Profit From Business

(Sole Proprietorship)

Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.
Attach to Form 1040 or 1041. See instructions on back.

OMB No. 1545-0045

2005

Attachment
Sequence No. **09A**

Name of proprietor

Social security number (SSN)

Part I General Information

You May Use Schedule C-EZ Instead of Schedule C Only If You:

- Had business expenses of \$5,000 or less.
- Use the cash method of accounting.
- Did not have an inventory at any time during the year.
- Did not have a net loss from your business.
- Had only one business as either a sole proprietor or statutory employee.

And You:

- Had no employees during the year.
- Are not required to file Form 4562, Depreciation and Amortization, for this business. See the instructions for Schedule C, line 13, on page C-4 to find out if you must file.
- Do not deduct expenses for business use of your home.
- Do not have prior year unallowed passive activity losses from this business.

A Principal business or profession, including product or service

B Enter code from pages C-7, A, & B
3 3 3 3 3 3

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), if any
3 3 3 3 3 3 3 3

E Business address (including state or room no.). Address not required if same as on Form 1040, page 1.
City, town or post office, state, and ZIP code

Part II Figure Your Net Profit

1 Gross receipts. Caution. If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see Statutory Employees in the instructions for Schedule C, line 1, on page C-3 and check here <input type="checkbox"/>	1		
2 Total expenses (see instructions). If more than \$5,000, you must use Schedule C.	2		
3 Net profit. Subtract line 2 from line 1. If less than zero, you must use Schedule C. Enter on Form 1040, line 12, and also on Schedule SE, line 2. (Statutory employees do not report this amount on Schedule SE, line 2. Estates and trusts, enter on Form 1041, line 3.)	3		

Part III Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 2.

4 When did you place your vehicle in service for business purposes? (month, day, year) ▶ / /

5 Of the total number of miles you drove your vehicle during 2005, enter the number of miles you used your vehicle for:

a Business **b** Commuting (see instructions) **c** Other

6 Do you (or your spouse) have another vehicle available for personal use? Yes No

7 Was your vehicle available for personal use during off-duty hours? Yes No

8a Do you have evidence to support your deduction? Yes No

b If "Yes," is the evidence written? Yes No

Instructions

You can use Schedule C-EZ instead of Schedule C if you operated a business or practiced a profession as a sole proprietorship or you were a statutory employee and you have met all the requirements listed in Schedule C-EZ, Part I.

Line A

Describe the business or professional activity that provided your principal source of income reported on line 1. Give the general field or activity and the type of product or service.

Line B

Enter the six-digit code that identifies your principal business or professional activity. See pages C-7 through C-9 of the instructions for Schedule C for the list of codes.

Line D

You need an employer identification number (EIN) only if you had a qualified retirement plan or were required to file an employment, excise, estate, trust, or alcohol, tobacco, and firearms tax return. If you need an EIN, see the instructions for Form SS-4. If you do not have an EIN, leave line D blank. Do not enter your SSN.

Line E

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any.

Line 1

Enter gross receipts from your trade or business. Include amounts you received in your trade or business that were properly shown on Forms 1099-MISC. If the total amounts that were reported in box 7 of Forms 1099-MISC are more than the total you are reporting on line 1, attach a statement explaining the difference. You must show all items of taxable income actually or constructively received during the year (in cash, property, or services). Income is constructively received when it is credited to your account or set aside for you to use. Do not offset this amount by any losses.

Line 2

Enter the total amount of all deductible business expenses you actually paid during the year. Examples of these expenses include advertising, car and truck expenses, commissions and fees, insurance, interest, legal and professional services, office expense, rent or lease expenses, repairs and maintenance, supplies, taxes, travel, the allowable percentage of business meals and entertainment, and utilities (including telephone). For details, see the instructions for Schedule C, Parts II and V, on pages C-3 through C-7. If you wish, you can use the optional worksheet below to record your expenses. Enter on lines b through g the type and amount of expenses not included on line a.

If you claim car or truck expenses, be sure to complete Schedule C-EZ, Part III.

Line 5b

Generally, commuting is travel between your home and a work location. If you converted your vehicle during the year from personal to business use (or vice versa), enter your commuting miles only for the period you drove your vehicle for business.

Optional Worksheet for Line 2 (keep a copy for your records)

a	Deductible business meals and entertainment (see page C-5)	a		
b	.....	b		
c	.....	c		
d	.....	d		
e	.....	e		
f	.....	f		
g	.....	g		
h	Total. Add lines a through g. Enter here and on line 2	h		

**SCHEDULE D
(Form 1040)**

Department of the Treasury
Internal Revenue Service 990
Name(s) shown on Form 1040

Capital Gains and Losses

▶ Attach to Form 1040. ▶ See instructions for Schedule D (Form 1040).
▶ Use Schedule D-1 to list additional transactions for lines 1 and 3.

OMB No. 1545-0074

2005

Attachment
Sequence No. 12

Your social security number

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1					
2 Enter your short-term totals, if any, from Schedule D-1, line 2			2		
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)			3		
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824					4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1					5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet on page D-6 of the instructions					6 ()
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)					7

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-6 of the instructions)	(e) Cost or other basis (see page D-6 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
8					
9 Enter your long-term totals, if any, from Schedule D-1, line 9			9		
10 Total long-term sales price amounts. Add lines 8 and 9 in column (d)			10		
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824					11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1					12
13 Capital gain distributions. See page D-1 of the instructions					13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet on page D-6 of the instructions					14 ()
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on the back					15

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Cat. No. 11338H

Schedule D (Form 1040) 2005

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result. If line 16 is a loss, skip lines 17 through 20, and go to line 21. If a gain, enter the gain on Form 1040, line 13, and then go to line 17 below . . .</p>	16
<p>17 Are lines 15 and 16 both gains? <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p>	
<p>18 Enter the amount, if any, from line 7 of the 20% Rate Gain Worksheet on page D-7 of the instructions. ▶</p>	18
<p>19 Enter the amount, if any, from line 16 of the Unrecaptured Section 1250 Gain Worksheet on page D-8 of the instructions. ▶</p>	19
<p>20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, and then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 34 of the instructions for Form 1040. Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, and then complete the Schedule D Tax Worksheet on page D-9 of the instructions. Do not complete lines 21 and 22 below.</p>	
<p>21 If line 16 is a loss, enter here and on Form 1040, line 13, the smaller of: <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) </p>	21 ()
<p>Note. When figuring which amount is smaller, treat both amounts as positive numbers.</p>	
<p>22 Do you have qualified dividends on Form 1040, line 9b? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, and then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 34 of the instructions for Form 1040. <input type="checkbox"/> No. Complete the rest of Form 1040.</p>	

SCHEDULE E
(Form 1040)

Supplemental Income and Loss
(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

2005

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040 or Form 1041. ▶ See instructions for Schedule E (Form 1040).

Attachment
Sequence No. 13

Name(s) shown on return

Your social security number

Part I **Income or Loss From Rental Real Estate and Royalties** *Note.* If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). Report farm rental income or loss from Form 4835 on page 2, line 40.

1	List the type and location of each rental real estate property:	2	For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:	Yes	No
A		• 14 days or	A		
B		• 10% of the total days rented at fair rental value?	B		
C		(See page E-3.)	C		

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
3 Rents received	3			3
4 Royalties received	4			4
Expenses:				
5 Advertising	5			
6 Auto and travel (see page E-4)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see page E-4)	12			12
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16			
17 Utilities	17			
18 Other (list)	18			
19 Add lines 5 through 18	19			19
20 Depreciation expense or depletion (see page E-4)	20			20
21 Total expenses. Add lines 19 and 20	21			
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-4 to find out if you must file Form 6198	22			
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-4 to find out if you must file Form 6582. Real estate professionals must complete line 43 on page 2	23			
24 Income. Add positive amounts shown on line 22. Do not include any losses	24			
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	25			
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17. Otherwise, include this amount in the total on line 41 on page 2	26			

Name(s) shown on return. Do not enter name and social security number if shown on other side. Your social security number

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 4996. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? Yes No
If you answered "Yes," see page E-6 before completing this section.

28	(a) Name	(b) Enter P for partnership, S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A			<input type="checkbox"/>		<input type="checkbox"/>
B			<input type="checkbox"/>		<input type="checkbox"/>
C			<input type="checkbox"/>		<input type="checkbox"/>
D			<input type="checkbox"/>		<input type="checkbox"/>

Passive Income and Loss		Nonpassive Income and Loss		
(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A				
B				
C				
D				
29a Totals				
b Totals				
30 Add columns (g) and (h) of line 29a				30
31 Add columns (i), (k), and (l) of line 29b				31
32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below				32

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

Passive Income and Loss		Nonpassive Income and Loss	
(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A			
B			
34a Totals			
b Totals			
35 Add columns (d) and (f) of line 34a		35	
36 Add columns (e) and (g) of line 34b		36	
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below		37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules G, line 2c (see page E-5)	(d) Taxable income (net loss) from Schedules G, line 1b	(e) Income from Schedules G, line 2b
39 Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below					39

Part V Summary

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17	41
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code N; and Schedule K-1 (Form 1041), line 14 (see page E-6)	42
43	Reconciliation for real estate professionals. If you were a real estate professional (see page E-1), enter the net income or (loss) you reported anywhere on Form 1040 from all rental real estate activities in which you materially participated under the passive activity loss rules	43

SCHEDULE SE
(Form 1040)

Self-Employment Tax

OMB No. 1545-0074

2005

Attachment
Sequence No. **17**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040. ▶ See instructions for Schedule SE (Form 1040).

Name of person with self-employment income (as shown on Form 1040)

Social security number of person
with self-employment income ▶

Who Must File Schedule SE

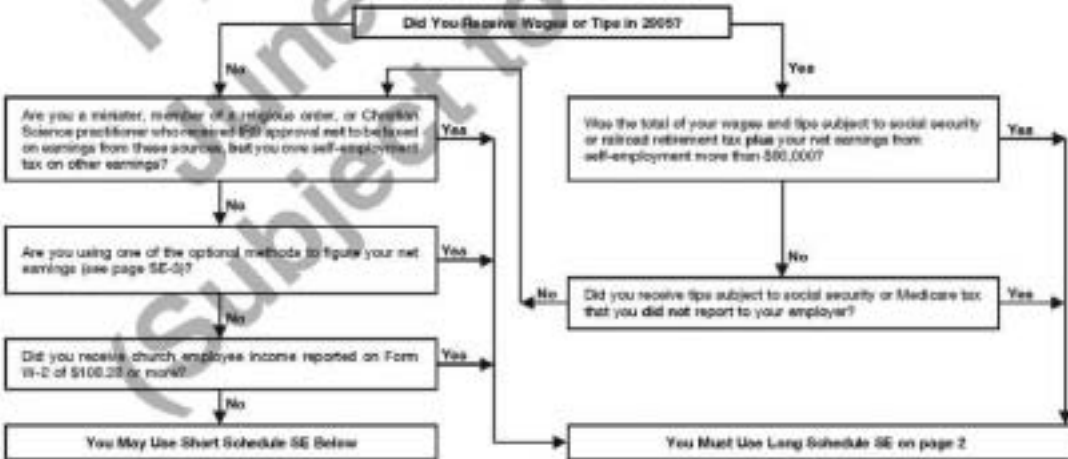
You must file Schedule SE if:

- You had net earnings from self-employment from **other than** church employee income (line 4 of Short Schedule SE or line 4c of Long Schedule SE) of \$400 or more **or**
- You had church employee income of \$108.28 or more. Income from services you performed as a minister or a member of a religious order **is not** church employee income (see page SE-1).

Note. Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (see page SE-3).

Exception. If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361 and received IRS approval not to be taxed on those earnings, **do not** file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 58.

May I Use Short Schedule SE or Must I Use Long Schedule SE?



Section A—Short Schedule SE. Caution. Read above to see if you can use Short Schedule SE.

1	Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1	
2	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 8. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report	2	
3	Combine lines 1 and 2	3	
4	Net earnings from self-employment. Multiply line 3 by 92.35% (.9235). If less than \$400, do not file this schedule; you do not owe self-employment tax ▶	4	
5	Self-employment tax. If the amount on line 4 is: <ul style="list-style-type: none"> • \$80,000 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 58. • More than \$80,000, multiply line 4 by 2.9% (.029). Then, add \$11,160.00 to the result. Enter the total here and on Form 1040, line 58. 	5	
6	Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.5). Enter the result here and on Form 1040, line 27	6	

Name of person with self-employment income (as shown on Form 1040)	Social security number of person with self-employment income ▶		
--	--	--	--

Section B—Long Schedule SE

Part I Self-Employment Tax

Note. If your only income subject to self-employment tax is church employee income, skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a. Income from services you performed as a minister or a member of a religious order is not church employee income. See page SE-1.

A If you are a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361, but you had \$400 or more of other net earnings from self-employment, check here and continue with Part I.

1 Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. Note. Skip this line if you use the farm optional method (see page SE-4)	1		
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9. Ministers and members of religious orders, see page SE-1 for amounts to report on this line. See page SE-2 for other income to report. Note. Skip this line if you use the nonfarm optional method (see page SE-4)	2		
3 Combine lines 1 and 2	3		
4a If line 3 is more than zero, multiply line 3 by 92.35% (.9235). Otherwise, enter amount from line 3	4a		
4b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here	4b		
4c Combine lines 4a and 4b. If less than \$400, stop; you do not owe self-employment tax. Exception. If less than \$400 and you had church employee income, enter -0- and continue. ▶	4c		
5a Enter your church employee income from Form W-2. See page SE-1 for definition of church employee income	5a		
5b Multiply line 5a by 92.35% (.9235). If less than \$100, enter -0-	5b		
6 Net earnings from self-employment. Add lines 4c and 5b	6		
7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2005	7	90,000	00
8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$90,000 or more, skip lines 8b through 10, and go to line 11	8a		
8b Unreported tips subject to social security tax (from Form 4137, line 8)	8b		
8c Add lines 8a and 8b	8c		
9 Subtract line 8c from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ▶	9		
10 Multiply the smaller of line 6 or line 9 by 12.4% (.124)	10		
11 Multiply line 9 by 2.9% (.029)	11		
12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 58	12		
13 Deduction for one-half of self-employment tax. Multiply line 12 by 50% (.5). Enter the result here and on Form 1040, line 27	13		

Part II Optional Methods To Figure Net Earnings (see page SE-3)

Farm Optional Method. You may use this method only if (a) your gross farm income¹ was not more than \$2,400 or (b) your net farm profits² were less than \$1,733.

14 Maximum income for optional methods	14	1,600	00
15 Enter the smaller of two-thirds (⅔) of gross farm income ¹ (not less than zero) or \$1,600. Also include this amount on line 4b above	15		

Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits³ were less than \$1,733 and also less than 72.168% of your gross nonfarm income⁴ and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years.

Caution. You may use this method no more than five times.

16 Subtract line 15 from line 14	16		
17 Enter the smaller of two-thirds (⅔) of gross nonfarm income ⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above	17		

¹ From Sch. F, line 11, and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9.

³ From Sch. F, line 35, and Sch. K-1 (Form 1065), box 14, code A.

⁴ From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9.

Qualified Dividends and Capital Gain Tax Worksheet—Line 44

Keep for Your Records 

Before you begin: ✓ See the instructions for line 44 on page 33 to see if you can use this worksheet to figure your tax.
 ✓ If you do not have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Form 1040.

1. Enter the amount from Form 1040, line 43 1. _____

2. Enter the amount from Form 1040, line 9b 2. _____

3. Are you filing Schedule D?
 Yes. Enter the **smaller** of line 15 or 16 of Schedule D, but do not enter less than -0- 3. _____
 No. Enter the amount from Form 1040, line 13 3. _____

4. Add lines 2 and 3 4. _____

5. If you are claiming investment interest expense on Form 4952, enter the amount from line 4g of that form. Otherwise, enter -0- 5. _____

6. Subtract line 5 from line 4. If zero or less, enter -0- 6. _____

7. Subtract line 6 from line 1. If zero or less, enter -0- 7. _____

8. Enter the **smaller** of:
 • The amount on line 7, or
 • \$29,700 if single or married filing separately,
 \$59,400 if married filing jointly or qualifying widow(er),
 \$39,800 if head of household. } 8. _____

9. Is the amount on line 7 equal to or more than the amount on line 8?
 Yes. Skip lines 9 through 11; go to line 12 and check the "No" box.
 No. Enter the amount from line 7 9. _____

10. Subtract line 9 from line 7 10. _____

11. Multiply line 10 by 5% (.05) 11. _____

12. Are the amounts on lines 9 and 10 the same?
 Yes. Skip lines 12 through 15; go to line 16.
 No. Enter the **smaller** of line 1 or line 6 12. _____

13. Enter the amount from line 10 (if line 10 is blank, enter -0-) 13. _____

14. Subtract line 13 from line 12 14. _____

15. Multiply line 14 by 15% (.15) 15. _____

16. Figure the tax on the amount on line 7. Use the Tax Table or Tax Computation Worksheet, whichever applies 16. _____

17. Add lines 11, 15, and 16 17. _____

18. Figure the tax on the amount on line 1. Use the Tax Table or Tax Computation Worksheet, whichever applies 18. _____

19. **Tax on all taxable income.** Enter the **smaller** of line 17 or line 18. Also include this amount on Form 1040, line 44 19. _____

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Simplified Method Worksheet—Lines 16a and 16b

Keep for Your Records 

Before you begin: ✓ If you are the beneficiary of a deceased employee or former employee who died before August 21, 1996, include any death benefit exclusion that you are entitled to (up to \$5,000) in the amount entered on line 2 below.

Note. If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040, line 16b. Enter the total pension or annuity payments received in 2005 on Form 1040, line 16a.

1. Enter the total pension or annuity payments received in 2005. Also, enter this amount on Form 1040, line 16a 1. _____
2. Enter your cost in the plan at the annuity starting date 2. _____
3. Enter the appropriate number from **Table 1** below. **But** if your annuity starting date was **after 1997 and** the payments are for your life and that of your beneficiary, enter the appropriate number from **Table 2** below 3. _____
4. Divide line 2 by the number on line 3 4. _____
5. Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was **before 1983**, skip lines 6 and 7 and enter this amount on line 8. Otherwise, go to line 6 5. _____
6. Enter the amount, if any, recovered tax free in years after 1986 6. _____
7. Subtract line 6 from line 2 7. _____
8. Enter the **smaller** of line 5 or line 7 8. _____
9. **Taxable amount.** Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040, line 16b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R 9. _____

Table 1 for Line 3 Above

IF the age at annuity starting date (see above) was . . .	AND your annuity starting date was—	
	before November 19, 1996, enter on line 3 . . .	after November 18, 1996, enter on line 3 . . .
55 or under	300	360
56–60	260	310
61–65	240	260
66–70	170	210
71 or older	120	160

Table 2 for Line 3 Above

IF the combined ages at annuity starting date (see above) were . . .	THEN enter on line 3 . . .
110 or under	410
111–120	360
121–130	310
131–140	260
141 or older	210

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Social Security Benefits Worksheet—Lines 20a and 20b

Keep for Your Records



- Before you begin:**
- ✓ Complete Form 1040, lines 21 and 23 through 32 if they apply to you.
 - ✓ Figure any write-in adjustments to be entered on the dotted line next to line 36 (see the instructions for line 36 on page 31).
 - ✓ If you are married filing separately and you lived apart from your spouse for all of 2005, enter "D" to the right of the word "benefits" on line 20a.
 - ✓ Be sure you have read the **Exception** on page 24 to see if you can use this worksheet instead of a publication to find out if any of your benefits are taxable.

1. Enter the total amount from **box 5** of all your Forms SSA-1099 and Forms RRB-1099 1. _____

2. Enter one-half of line 1 2. _____

3. Enter the total of the amounts from Form 1040, lines 7, 8a, 9a, 10 through 14, 15b, 16b, 17 through 19, and 21 3. _____

4. Enter the amount, if any, from Form 1040, line 8b 4. _____

5. Add lines 2, 3, and 4 5. _____

6. Enter the total of the amounts from Form 1040, lines 23 through 32, plus any write-in adjustments you entered on the dotted line next to line 36 6. _____

7. Is the amount on line 6 less than the amount on line 5?
 No. **Yes.** None of your social security benefits are taxable.
 Yes. Subtract line 6 from line 5 7. _____

8. If you are:
 • Married filing jointly, enter \$37,500
 • Single, head of household, qualifying widow(er), or married filing separately and you lived apart from your spouse for all of 2005, enter \$25,000
 • Married filing separately and you lived with your spouse at any time in 2005, skip lines 8 through 15, multiply line 7 by 85% (.85) and enter the result on line 16. Then go to line 17
 8. _____

9. Is the amount on line 8 less than the amount on line 7?
 No. **Yes.** None of your social security benefits are taxable. You do not have to enter any amounts on line 20a or 20b of Form 1040. **But** if you are married filing separately and you lived apart from your spouse for all of 2005, enter -0- on line 20b. Be sure you entered "D" to the right of the word "benefits" on line 20a.
 Yes. Subtract line 8 from line 7 9. _____

10. Enter: \$12,000 if married filing jointly; \$9,000 if single, head of household, qualifying widow(er), or married filing separately and you lived apart from your spouse for all of 2005 ... 10. _____

11. Subtract line 10 from line 9. If zero or less, enter -0- 11. _____

12. Enter the **smaller** of line 9 or line 10 12. _____

13. Enter one-half of line 12 13. _____

14. Enter the **smaller** of line 2 or line 13 14. _____

15. Multiply line 11 by 85% (.85). If line 11 is zero, enter -0- 15. _____

16. Add lines 14 and 15 16. _____

17. Multiply line 1 by 85% (.85) 17. _____

18. **Taxable social security benefits.** Enter the **smaller** of line 16 or line 17 18. _____
 • Enter the amount from line 1 above on Form 1040, line 20a.
 • Enter the amount from line 18 above on Form 1040, line 20b.

TIP If any of your benefits are taxable for 2005 and they include a lump-sum benefit payment that was for an earlier year, you may be able to reduce the taxable amount. See Pub. 915 for details.

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Child and Dependent Care Expenses

Department of the Treasury
Internal Revenue Service (990)

▶ Attach to Form 1040.
▶ See separate instructions.

Name(s) shown on Form 1040

Your social security number

Before you begin: You need to understand the following terms. See **Definitions** on page 1 of the instructions.

- **Dependent Care Benefits**
- **Qualifying Person(s)**
- **Qualified Expenses**

Part I **Persons or Organizations Who Provided the Care**—You must complete this part. (If you need more space, use the bottom of page 2.)

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)

Did you receive dependent care benefits?

No → Complete only Part II below.
 Yes → Complete Part III on the back next.

Caution. If the care was provided in your home, you may owe employment taxes. See the instructions for Form 1040, line 62.

Part II **Credit for Child and Dependent Care Expenses**

2 Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

2	(a) Qualifying person's name First Last	(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2005 for the person listed in column (a)

3 Add the amounts in column (c) of line 2. Do not enter more than \$3,000 for one qualifying person or \$6,000 for two or more persons. If you completed Part III, enter the amount from line 32	3																																																											
4 Enter your earned income . See instructions	4																																																											
5 If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions); all others , enter the amount from line 4	5																																																											
6 Enter the smallest of line 3, 4, or 5	6																																																											
7 Enter the amount from Form 1040, line 38	7																																																											
8 Enter on line 8 the decimal amount shown below that applies to the amount on line 7	8	X .																																																										
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Part III Dependent Care Benefits

12	Enter the total amount of dependent care benefits you received in 2005. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. Do not include amounts reported as wages in box 1 of Form(s) W-2. If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership	12	
13	Enter the amount forfeited, if any (see the instructions)	13	
14	Subtract line 13 from line 12	14	
15	Enter the total amount of qualified expenses incurred in 2005 for the care of the qualifying person(s)	15	
16	Enter the smaller of line 14 or 15	16	
17	Enter your earned income . See instructions	17	
18	Enter the amount shown below that applies to you. <ul style="list-style-type: none"> • If married filing jointly, enter your spouse's earned income if your spouse was a student or was disabled; see the instructions for line 8 • If married filing separately, see the instructions for the amount to enter • All others, enter the amount from line 17 	18	
19	Enter the smallest of line 16, 17, or 18	19	
20	Enter the amount from line 12 that you received from your sole proprietorship or partnership. If you did not receive any such amounts, enter -0-	20	
21	Subtract line 20 from line 14	21	
22	Enter \$5,000 (\$2,500 if married filing separately and you were required to enter your spouse's earned income on line 18)	22	
23	Deductible benefits. Enter the smallest of line 19, 20, or 22. Also, include this amount on the appropriate line(s) of your return (see the instructions)	23	
24	Enter the smaller of line 19 or 22	24	
25	Enter the amount from line 23	25	
26	Excluded benefits. Subtract line 25 from line 24. If zero or less, enter -0-	26	
27	Taxable benefits. Subtract line 26 from line 21. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, enter "DCB"	27	

To claim the child and dependent care credit, complete lines 28-32 below.

28	Enter \$3,000 (\$6,000 if two or more qualifying persons)	28	
29	Add lines 23 and 26	29	
30	Subtract line 29 from line 28. If zero or less, stop . You cannot take the credit. Exception. If you paid 2004 expenses in 2005, see the instructions for line 9	30	
31	Complete line 2 on the front of this form. Do not include in column (c) any benefits shown on line 29 above. Then, add the amounts in column (c) and enter the total here	31	
32	Enter the smaller of line 30 or 31. Also, enter this amount on line 3 on the front of this form and complete lines 4-11	32	

Child and Dependent Care Expenses

Department of the Treasury
Internal Revenue Service (990)

▶ Attach to Form 1040.
▶ See separate instructions.

Name(s) shown on Form 1040

Your social security number

Before you begin: You need to understand the following terms. See **Definitions** on page 1 of the instructions.

- **Dependent Care Benefits**
- **Qualifying Person(s)**
- **Qualified Expenses**

Part I Persons or Organizations Who Provided the Care—You must complete this part.
(If you need more space, use the bottom of page 2.)

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)

Did you receive dependent care benefits?
No → Complete only Part II below.
Yes → Complete Part III on the back next.

Caution. If the care was provided in your home, you may owe employment taxes. See the instructions for Form 1040, line 62.

Part II Credit for Child and Dependent Care Expenses

2 Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

2	(a) Qualifying person's name First Last	(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2005 for the person listed in column (a)

3 Add the amounts in column (c) of line 2. Do not enter more than \$3,000 for one qualifying person or \$6,000 for two or more persons. If you completed Part III, enter the amount from line 32	3																																																													
4 Enter your earned income . See instructions	4																																																													
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Part III Dependent Care Benefits

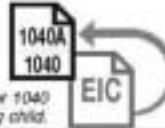
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23	Deductible benefits. Enter the smallest of line 19, 20, or 22. Also, include this amount on the appropriate line(s) of your return (see the instructions)	23	
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29	Add lines 23 and 26	29	
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31	Complete line 2 on the front of this form. Do not include in column (c) any benefits shown on line 29 above. Then, add the amounts in column (c) and enter the total here.	31	
32	Enter the smaller of line 30 or 31. Also, enter this amount on line 3 on the front of this form and complete lines 4-11	32	

SCHEDULE EIC
(Form 1040A or 1040)

Earned Income Credit
Qualifying Child Information



OMB No. 1545-0074

2005

Attachment
Sequence No. **43**

Department of the Treasury
Internal Revenue Service

Complete and attach to Form 1040A or 1040
only if you have a qualifying child.

Name(s) shown on return

Your social security number

Before you begin: See the instructions for Form 1040A, lines 41a and 41b, or Form 1040, lines 66a and 66b, to make sure that (a) you can take the EIC and (b) you have a qualifying child.



- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See back of schedule for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2 agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.

Qualifying Child Information

Child 1

Child 2

	First name	Last name	First name	Last name
1 Child's name If you have more than two qualifying children, you only have to list two to get the maximum credit.				
2 Child's SSN The child must have an SSN as defined on page 42 of the Form 1040A instructions or page 44 of the Form 1040 instructions unless the child was born and died in 2005. If your child was born and died in 2005 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate.				
3 Child's year of birth Year _____ If born after 1986, skip lines 4a and 4b; go to line 5.			Year _____ If born after 1986, skip lines 4a and 4b; go to line 5.	
4 If the child was born before 1987— a Was the child under age 24 at the end of 2005 and a student?	<input type="checkbox"/> Yes. Go to line 5.	<input type="checkbox"/> No. Continue	<input type="checkbox"/> Yes. Go to line 5.	<input type="checkbox"/> No. Continue
b Was the child permanently and totally disabled during any part of 2005?	<input type="checkbox"/> Yes. Continue	<input type="checkbox"/> No. The child is not a qualifying child.	<input type="checkbox"/> Yes. Continue	<input type="checkbox"/> No. The child is not a qualifying child.
5 Child's relationship to you (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)				
6 Number of months child lived with you in the United States during 2005 • If the child lived with you for more than half of 2005 but less than 7 months, enter "7." • If the child was born or died in 2005 and your home was the child's home for the entire time he or she was alive during 2005, enter "12."	_____ months Do not enter more than 12 months.		_____ months Do not enter more than 12 months.	



You may also be able to take the additional child tax credit if your child (a) was under age 17 at the end of 2005, and (b) is a U.S. citizen or resident alien. For more details, see the instructions for line 42 of Form 1040A or line 68 of Form 1040.

For Paperwork Reduction Act Notice, see Form 1040A or 1040 instructions.

Cat. No. 12329H

Schedule EIC (Form 1040A or 1040) 2005

Purpose of Schedule

The purpose of this schedule is to give the IRS information about your qualifying child after you have figured your earned income credit (EIC).

To figure the amount of your credit or to have the IRS figure it for you, see the instructions for Form 1040A, lines 41a and 41b, or Form 1040, lines 66a and 66b.

Taking the EIC when not eligible. If you take the EIC even though you are not eligible and it is determined that your error is due to reckless or intentional disregard of the EIC rules, you will not be allowed to take the credit for 2 years even if you are otherwise eligible to do so. If you fraudulently take the EIC, you will not be allowed to take the credit for 10 years. You may also have to pay penalties.

Qualifying Child

A qualifying child is a child who is your . . .

Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or descendant of any of them (for example, your grandchild, niece, or nephew)

AND

was . . .

Under age 19 at the end of 2005

or

Under age 24 at the end of 2005 and a student

or

any age and permanently and totally disabled

AND

who . . .


Lived with you in the United States for more than half of 2005. If the child did not live with you for the required time, see *Exception to "time lived with you" condition* on page 41 of the Form 1040A instructions or page 44 of the Form 1040 instructions.



If the child was married or meets the conditions to be a qualifying child of another person (other than your spouse if filing a joint return), special rules apply. For details, see page 42 of the Form 1040A instructions or page 44 of the Form 1040 instructions.




Do you want part of the EIC added to your take-home pay in 2005? To see if you qualify, get Form W-5 from your employer, call the IRS at 1-800-TAX-FORM (1-800-829-3676), or go to www.irs.gov.

Worksheet A—Earned Income Credit (EIC)—Lines 66a and 66b *Keep for Your Records* 

Before you begin: ✓ Be sure you are using the correct worksheet. Do not use this worksheet if you were self-employed, or you are filing Schedule SE, because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee. Instead, use Worksheet B that begins on page 59.

Part 1

All Filers Using Worksheet A

1. Enter your earned income from Step 5 on page 47.
2. Look up the amount on line 1 above in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.
 If line 2 is zero,  You cannot take the credit. Put "No" on the dotted line next to line 6a.
3. Enter the amount from Form 1040, line 38.
4. Are the amounts on lines 3 and 4 the same?
 - Yes.** Skip line 5; enter the amount from line 2 on line 6.
 - No.** Go to line 5.

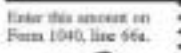

Part 2

Filers Who Answered "No" on Line 4

5. If you filed:
 - No qualifying children, is the amount on line 3 less than \$6,550 (\$8,200 if married filing jointly)?
 - Two or more qualifying children, is the amount on line 3 less than \$14,400 (\$16,400 if married filing jointly)?
 - Yes.** Leave line 5 blank; enter the amount from line 2 on line 6.
 - No.** Look up the amount on line 3 in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.
 Look at the amounts on lines 5 and 2. Then, enter the smaller amount on line 6.

Part 3

Your Earned Income Credit

6. This is your earned income credit.
 Enter this amount on Form 1040, line 66a. 
- Reminder—**
- ✓ If you have a qualifying child, complete and attach Schedule EIC. 



If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8862 to take the credit for 2005.

Worksheet B—Earned Income Credit (EIC)—Lines 66a and 66b *Keep for Your Records* 

Use this worksheet if you were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee.

- ✓ Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to part 4.
- ✓ If you are married filing a joint return, include your spouse's amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

Part 1	1a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies.		1a	
Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE	b. Enter any amount from Schedule SE, Section B, line 4b, and line 4c.	+	1b	
	c. Combine lines 1a and 1b.	=	1c	
	d. Enter the amount from Schedule SE, Section A, line 6, or Section B, line 1A, whichever applies.	-	1d	
	e. Subtract line 1d from 1c.	=	1e	

Part 2	2. Do not include on these lines any statutory employee income or any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361.			
Self-Employed NOT Required To File Schedule SE <small>For example, your net earnings from self-employment were less than \$400.</small>	a. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*.		2a	
	b. Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9*.	+	2b	
	c. Combine lines 2a and 2b.	=	2c	

*Reduce any Schedule K-1 amounts by any partnership section 179 expense deduction claimed, unreimbursed partnership expenses claimed, and depletion claimed on oil and gas properties. If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.

Part 3	3. Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee.		3	
---------------	---	--	---	--

Part 4	4a. Enter your earned income from Step 5 on page 47.		4a	
All Filers Using Worksheet B	b. Combine lines 1e, 2c, 3, and 4a. This is your total earned income.	+	4b	

Note. If line 4b includes income on which you should have paid self-employment tax but did not, we may reduce your credit by the amount of self-employment tax not paid.

If line 4b is zero or less, **STOP** You cannot take the credit. Put "No" on the dotted line next to line 66a.

5. If you have:

- 2 or more qualifying children, is line 4b less than \$35,263 (\$37,263 if married filing jointly)?
- 1 qualifying child, is line 4b less than \$31,030 (\$33,030 if married filing jointly)?
- No qualifying children, is line 4b less than \$11,750 (\$13,750 if married filing jointly)?

Yes. If you want the IRS to figure your credit, see page 48. If you want to figure the credit yourself, enter the amount from line 4b on line 6 (page 51).

No. **STOP** You cannot take the credit. Put "No" on the dotted line next to line 66a.

Worksheet B—Continued from page 50


Keep for Your Records 

Part 5

All Filers Using Worksheet B

6. Enter your total earned income from Part 4, line 48, on page 50.

7. Look up the amount on line 6 above in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.

If line 7 is zero,  You cannot take the credit. Put "No" on the dotted line next to line 66a.

8. Enter the amount from Form 1040, line 38.

9. Are the amounts on lines 8 and 6 the same?
 Yes. Skip line 10; enter the amount from line 7 on line 11.
 No. Go to line 10.

Part 6

Filers Who Answered "No" on Line 9

10. If you have:
 • No qualifying children, is the amount on line 8 less than \$6,550 (\$8,550 if married filing jointly)?
 • Two or more qualifying children, is the amount on line 8 less than \$14,400 (\$16,400 if married filing jointly)?
 Yes. Leave line 10 blank; enter the amount from line 7 on line 11.

No. Look up the amount on line 8 in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. Look at the amounts on lines 10 and 7. Then, enter the smaller amount on line 11.

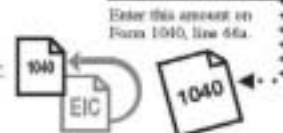
Part 7

Your Earned Income Credit

11. This is your earned income credit.


Reminder—

If you have a qualifying child, complete and attach Schedule EIC.



If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8852 to take the credit for 2005.


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Worksheet A—Earned Income Credit (EIC)—Lines 66a and 66b *Keep for Your Records* 

Before you begin: ✓ Be sure you are using the correct worksheet. Do not use this worksheet if you were self-employed, or you are filing Schedule SE, because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee. Instead, use Worksheet B that begins on page 59.

Part 1

All Filers Using Worksheet A

1. Enter your earned income from Step 5 on page 47.
2. Look up the amount on line 1 above in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.
 If line 2 is zero,  You cannot take the credit. Put "No" on the dotted line next to line 66a.
3. Enter the amount from Form 1040, line 38.
4. Are the amounts on lines 3 and 4 the same?
 - Yes.** Skip line 5; enter the amount from line 2 on line 6.
 - No.** Go to line 5.




Part 2

Filers Who Answered "No" on Line 4

5. If you have:
 - No qualifying children, is the amount on line 3 less than \$6,550 (\$8,200 if married filing jointly)?
 - Two or more qualifying children, is the amount on line 3 less than \$14,400 (\$16,400 if married filing jointly)?
 - Yes.** Leave line 5 blank; enter the amount from line 2 on line 6.
 - No.** Look up the amount on line 3 in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.
 Look at the amounts on lines 5 and 2. Then, enter the smaller amount on line 6.

Part 3

Your Earned Income Credit

6. This is your earned income credit.
 Enter this amount on Form 1040, line 66a. 
- Reminder—**
- ✓ If you have a qualifying child, complete and attach Schedule EIC.  



If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8882 to take the credit for 2005.

Worksheet B—Earned Income Credit (EIC)—Lines 66a and 66b *Keep for Your Records* 

Use this worksheet if you were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee.

- ✓ Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.
- ✓ If you are married filing a joint return, include your spouse's amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

Part 1	1a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies.		1a	
Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE	b. Enter any amount from Schedule SE, Section B, line 4b, and line 4c.	+	1b	
	c. Combine lines 1a and 1b.	=	1c	
	d. Enter the amount from Schedule SE, Section A, line 6, or Section B, line 1A, whichever applies.	-	1d	
	e. Subtract line 1d from 1c.	=	1e	

Part 2	2. Do not include on these lines any statutory employee income or any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361.			
Self-Employed NOT Required To File Schedule SE <small>For example, your net earnings from self-employment were less than \$400.</small>	a. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*.		2a	
	b. Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9*.	+	2b	
	c. Combine lines 2a and 2b.	=	2c	

*Reduce any Schedule K-1 amounts by any partnership section 179 expense deduction claimed, unreimbursed partnership expenses claimed, and depletion claimed on oil and gas properties. If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.

Part 3	3. Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee.		3	
---------------	---	--	---	--


Part 4	4a. Enter your earned income from Step 5 on page 47.		4a	
All Filers Using Worksheet B	b. Combine lines 1e, 2c, 3, and 4a. This is your total earned income.	+	4b	

Note. If line 4b includes income on which you should have paid self-employment tax but did not, we may reduce your credit by the amount of self-employment tax not paid.

5. If you have:

- 2 or more qualifying children, is line 4b less than \$35,263 (\$37,263 if married filing jointly)?
- 1 qualifying child, is line 4b less than \$31,030 (\$33,030 if married filing jointly)?
- No qualifying children, is line 4b less than \$11,750 (\$13,750 if married filing jointly)?

Yes. If you want the IRS to figure your credit, see page 48. If you want to figure the credit yourself, enter the amount from line 4b on line 6 (page 51).

No.  You cannot take the credit. Put "No" on the dotted line next to line 66a.

Worksheet B—Continued from page 50


Keep for Your Records 

Part 5

All Filers Using Worksheet B

6. Enter your total earned income from Part 4, line 48, on page 50.

7. Look up the amount on line 6 above in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.

If line 7 is zero,  You cannot take the credit. Put "No" on the dotted line next to line 66a.

8. Enter the amount from Form 1040, line 38.

9. Are the amounts on lines 8 and 6 the same?
 Yes. Skip line 10; enter the amount from line 7 on line 11.
 No. Go to line 10.

Part 6

Filers Who Answered "No" on Line 9

10. If you have:
 • No qualifying children, is the amount on line 8 less than \$6,550 (\$8,550 if married filing jointly)?
 • Two or more qualifying children, is the amount on line 8 less than \$14,400 (\$16,400 if married filing jointly)?
 Yes. Leave line 10 blank; enter the amount from line 7 on line 11.

No. Look up the amount on line 8 in the EIC Table on pages 52-57 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. Look at the amounts on lines 10 and 7. Then, enter the smaller amount on line 11.

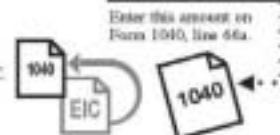
Part 7

Your Earned Income Credit

11. This is your earned income credit.

Reminder—

If you have a qualifying child, complete and attach Schedule EIC.



If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8852 to take the credit for 2005.

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Child Tax Credit Worksheet—Line 52

Keep for Your Records



- To be a qualifying child for the child tax credit, the child must be under age 17 at the end of 2005 and meet the other requirements listed on page 41.
- Do not use this worksheet if you answered "Yes" to question 1, 2, or 3 on page 41. Instead, use Pub. 972.

1. Number of qualifying children: _____ × \$1,000
Enter the result. 1

2. Enter the amount from Form 1040, line 46. 2

3. Add the amounts from Form 1040:

Line 47 _____

Line 48 + _____

Line 49 + _____

Line 50 + _____

Line 51 + _____ Enter the total. 3

4. Are the amounts on lines 2 and 3 the same?

Yes. **TIP**
You cannot take this credit because there is no tax to reduce. However, you may be able to take the additional child tax credit. See the TIP below.

No. Subtract line 3 from line 2. 4

5. Is the amount on line 1 more than the amount on line 4?

Yes. Enter the amount from line 4. Also, you may be able to take the additional child tax credit. See the TIP below. **This is your child tax credit.** 5

No. Enter the amount from line 1.

Enter this amount on Form 1040, line 52.




TIP You may be able to take the additional child tax credit on Form 1040, line 68, if you answered "Yes" on line 4 or line 5 above.

- First, complete your Form 1040 through line 67.
- Then, use Form 8812 to figure any additional child tax credit.

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Child Tax Credit Worksheet—Line 52

Keep for Your Records 



- To be a qualifying child for the child tax credit, the child must be under age 17 at the end of 2005 and meet the other requirements listed on page 41.
- Do not use this worksheet if you answered "Yes" to question 1, 2, or 3 on page 41. Instead, use Pub. 972.

1. Number of qualifying children: _____ × \$1,000
Enter the result. 1

2. Enter the amount from Form 1040, line 46. 2

3. Add the amounts from Form 1040:

Line 47 _____

Line 48 + _____

Line 49 + _____

Line 50 + _____

Line 51 + _____ Enter the total. 3

4. Are the amounts on lines 2 and 3 the same?

Yes. TIP
You cannot take this credit because there is no tax to reduce. However, you may be able to take the additional child tax credit. See the TIP below.

No. Subtract line 3 from line 2. 4

5. Is the amount on line 1 more than the amount on line 4?

Yes. Enter the amount from line 4. Also, you may be able to take the additional child tax credit. See the TIP below.

No. Enter the amount from line 1.

This is your child tax credit. 5

Enter this amount on Form 1040, line 52.

TIP You may be able to take the **additional child tax credit** on Form 1040, line 68, if you answered "Yes" on line 4 or line 5 above.

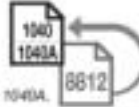
- First, complete your Form 1040 through line 67.
- Then, use Form 8812 to figure any additional child tax credit.



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Form **8812**

Additional Child Tax Credit



OMB No. 1545-1420

2005

Attachment Sequence No. **47**

Department of the Treasury
Internal Revenue Service (IRS)

Complete and attach to Form 1040 or Form 1040A.

Name(s) shown on return

Your social security number

Part I All Filers

1 Enter the amount from line 1 of your Child Tax Credit Worksheet on page 30 of the Form 1040 instructions or page 37 of the Form 1040A instructions. If you used Pub. 972, enter the amount from line 8 of the worksheet on page 4 of the publication **1**

2 Enter the amount from Form 1040, line 52, or Form 1040A, line 59 **2**

3 Subtract line 2 from line 1. If zero, stop; you cannot take this credit **3**

4a Earned income (see instructions on back) **4a**

b Nontaxable combat pay from Form(s) W-2, box 12, with code Q (if married filing jointly, include your spouse's amounts with yours) **4b**

5 Is the amount on line 4a more than \$11,000?
 No. Enter line 5 from worksheet on line 6.
 Yes. Subtract \$11,000 from the amount on line 4a. Enter the result **5**

6 Multiply the amount on line 5 by 15% (.15) and enter the result **6**
 Next, Do you have three or more qualifying children?
 No. If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part II and enter the smaller of line 3 or line 6 on line 13.
 Yes. If line 6 is equal to or greater than line 3, skip Part II and enter the amount from line 3 on line 13. Otherwise, go to line 7.

Part II Certain Filers Who Have Three or More Qualifying Children

7 Withheld social security and Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If you worked for a railroad, see instructions on back **7**

8 **1040 filers:** Enter the total of the amounts from Form 1040, lines 29 and 59, plus any uncollected social security and Medicare or tier 1 RRTA taxes included on line 63. }
1040A filers: Enter -0- **8**

9 Add lines 7 and 8 **9**

10 **1040 filers:** Enter the total of the amounts from Form 1040, lines 66a and 67. }
1040A filers: Enter the total of the amount from Form 1040A, line 41a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 43 (see instructions on back). **10**

11 Subtract line 10 from line 9. If zero or less, enter -0- **11**

12 Enter the larger of line 6 or line 11 **12**
 Next, enter the smaller of line 3 or line 12 on line 13.

Part III Additional Child Tax Credit

13 This is your additional child tax credit **13**



Enter this amount on
Form 1040, line 68, or
Form 1040A, line 42.



You cannot take this credit if either of the following applies.

- The amount on Form 1040, line 38, or Form 1040A, line 22, is more than \$25,000 (\$37,500 if head of household; \$50,000 if married filing jointly).
- The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1988, (b) is claimed as a dependent on someone else's 2005 tax return, or (c) was a student (see instructions).

	(a) You	(b) Your spouse
1 Traditional and Roth IRA contributions for 2005. Do not include rollover contributions	1	
2 Elective deferrals to a 401(k) or other qualified employer plan, voluntary employee contributions, and 501(c)(18)(D) plan contributions for 2005 (see instructions)	2	
3 Add lines 1 and 2	3	
4 Certain distributions received after 2002 and before the due date (including extensions) of your 2005 tax return (see instructions). If married filing jointly, include both spouses' amounts in both columns. See instructions for an exception	4	
5 Subtract line 4 from line 3. If zero or less, enter -0-	5	
6 In each column, enter the smaller of line 5 or \$2,000	6	
7 Add the amounts on line 6. If zero, stop; you cannot take this credit	7	
8 Enter the amount from Form 1040, line 38*, or Form 1040A, line 22	8	

9 Enter the applicable decimal amount shown below:

If line 8 is—		And your filing status is—		
Over—	But not over—	Married filing jointly	Head of household	Single, Married filing separately, or Qualifying widow(er)
—	\$15,000	.5	.5	.5
\$15,000	\$16,250	.5	.5	.2
\$16,250	\$22,500	.5	.5	.1
\$22,500	\$24,375	.5	.2	.1
\$24,375	\$25,000	.5	.1	.1
\$25,000	\$30,000	.5	.1	.0
\$30,000	\$32,500	.2	.1	.0
\$32,500	\$37,500	.1	.1	.0
\$37,500	\$50,000	.1	.0	.0
\$50,000	—	.0	.0	.0

Note: If line 9 is zero, stop; you cannot take this credit.

10 Multiply line 7 by line 9	10	
11 Enter the amount from Form 1040, line 48, or Form 1040A, line 28	11	
12 Enter the total of your credits from Form 1040, lines 47 through 50, or Form 1040A, lines 29 through 31	12	
13 Subtract line 12 from line 11. If zero, stop; you cannot take this credit	13	
14 Credit for qualified retirement savings contributions. Enter the smaller of line 10 or line 13 here and on Form 1040, line 51, or Form 1040A, line 32	14	

*See Pub. 590 for the amount to enter if you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico.

2005 Form 1040-V



Department of the Treasury
Internal Revenue Service

What Is Form 1040-V and Do You Have To Use It?

It is a statement you send with your check or money order for any balance due on line 75 of your 2005 Form 1040. Using Form 1040-V allows us to process your payment more accurately and efficiently. We strongly encourage you to use Form 1040-V, but there is no penalty if you do not.

How To Fill In Form 1040-V

Line 1. Enter your social security number (SSN). If you are filing a joint return, enter the SSN shown first on your return.

Line 2. If you are filing a joint return, enter the SSN shown second on your return.

Line 3. Enter the amount you are paying by check or money order.

Line 4. Enter your name(s) and address exactly as shown on your return. Please print clearly.

How To Prepare Your Payment

- Make your check or money order payable to the "United States Treasury." Do not send cash.
- Make sure your name and address appear on your check or money order.
- Enter "2005 Form 1040," your daytime phone number, and your SSN on your check or money order. If you are filing a joint return, enter the SSN shown first on your return.
- To help process your payment, enter the amount on the right side of your check like this: \$ XXX.XX. Do not use dashes or lines (for example, do not enter "\$ XXX—" or "\$ XXX—").

How To Send In Your 2005 Tax Return, Payment, and Form 1040-V

- Detach Form 1040-V along the dotted line.
- Do not staple or otherwise attach your payment or Form 1040-V to your return or to each other. Instead, just put them loose in the envelope.
- Mail your 2005 tax return, payment, and Form 1040-V in the envelope that came with your 2005 Form 1040 instruction booklet.

Note. If you do not have that envelope or you moved or used a paid preparer, mail your return, payment, and Form 1040-V to the Internal Revenue Service at the address shown on the back that applies to you.

Paperwork Reduction Act Notice. We ask for the information on Form 1040-V to help us carry out the Internal Revenue laws of the United States. If you use Form 1040-V, you must provide the requested information. Your cooperation will help us ensure that we are collecting the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and mail Form 1040-V will vary depending on individual circumstances. The estimated average time is 12 minutes. If you have comments about the accuracy of this time estimate or suggestions for making Form 1040-V simpler, we would be happy to hear from you. See the instructions for Form 1040.

Cat. No. 20875C

▼ Detach Here and Mail With Your Payment and Return ▼

Form 1040-V (2005)

Form 1040-V Department of the Treasury Internal Revenue Service (2005)		Payment Voucher		OMB No. 1545-0044 2005	
► Do not staple or attach this voucher to your payment or return.					
1 Your social security number (SSN)		2 If a joint return, SSN shown second on your return		3 Amount you are paying by check or money order	
				Dollars	Cents
4 Your first name and initial			Last name		
If a joint return, spouse's first name and initial			Last name		
Home address (number and street)					Apt. no.
City, town or post office, state, and ZIP code					

Cat. No. 20875C

Understanding Taxes: **Just a Point and Click Away!**

**Students can
learn about
taxes online @**

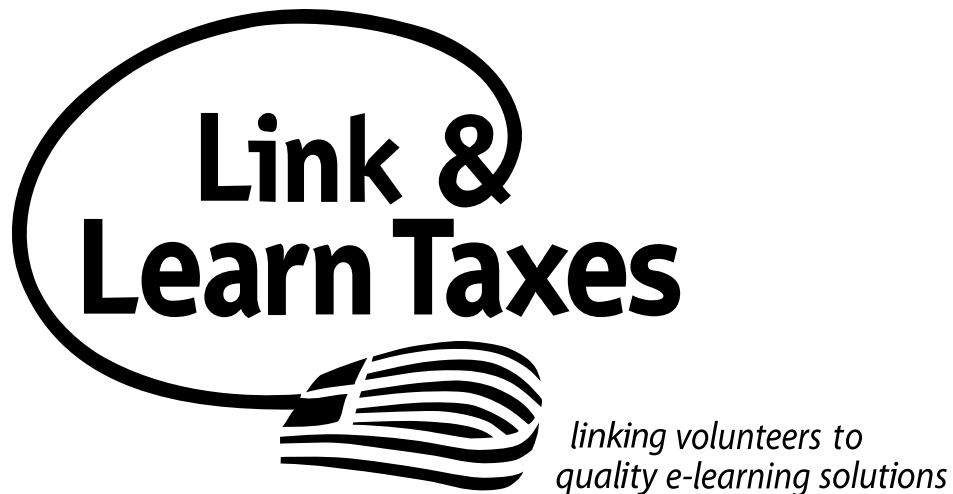


- <http://www.irs.gov/app/understandingTaxes/index.jsp>

Learn about.....

- The History of Taxes
- How to prepare the basic tax return

Instructions on how to prepare a tax return
are also available in Spanish @
www.irs.gov/app/understandingTaxes/jsp/tools_using_hows.jsp.



E-learning for Volunteer Return Preparation

This VITA/TCE course is available on-line @

www.irs.gov

Enter keyword: "volunteer training" or "link and learn"

The benefits.....

- Work at your own pace
- Access it anytime, anywhere-24/7...it's on the Internet
- Complete your volunteer certification online

Share your opinion.....

Check-out the course and send your comments to
partner@irs.gov