4012

VITA/TCE Volunteer Resource Guide

Volunteer Income Tax Assistance (VITA) / Tax Counseling for the Elderly (TCE)

2021 RETURNS

Take your VITA/TCE training online at **https://www.irs.gov** (keyword: Link & Learn Taxes). Link to the Practice Lab to gain experience using tax software and take the certification test online, with immediate scoring and feedback.

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How to Get Technical Updates?

Updates to the volunteer training materials will be contained in Publication 4491-X, VITA/TCE Training Supplement. The most recent version can be downloaded at: **https://www.irs.gov/pub/irs-pdf/p4491x.pdf**

Volunteer Standards of Conduct

VITA/TCE Program

The mission of the VITA/TCE return preparation program is to assist eligible taxpayers in satisfying their tax responsibilities by providing **free** tax return preparation. To establish the greatest degree of public trust, volunteers are required to maintain the highest standards of ethical conduct and provide quality service.

Annually all VITA/TCE volunteers (whether paid or unpaid) must pass the Volunteer Standards of Conduct (VSC) certification test and agree that they will adhere to the VSC by signing and dating Form 13615, Volunteer Standards of Conduct Agreement, prior to volunteering at a VITA/TCE site. In addition, return preparers, quality reviewers, coordinators, and tax law instructors must certify in Intake/Interview and Quality Review. Volunteers who answer tax law questions, instruct tax law classes, prepare or correct tax returns, or conduct quality reviews of completed returns must also certify in tax law prior to signing the form. Form 13615 is not valid until the sponsoring partner's approving official (coordinator, instructor, administrator, etc.) or IRS contact confirms the volunteer's identity with a government-issued photo identification (ID) and signs and dates the form. As a volunteer in the VITA/TCE Program, you must adhere to the following Volunteer Standards of Conduct:

VSC 1 - Follow the Quality Site Requirements (QSR).
VSC 2 - Not accept payment, solicit donations, or accept refund payments for federal or state tax return preparation from customers.
VSC 3 - Not solicit business from taxpayers you assist or use the information you gained about them for any direct or indirect personal benefit for you or any other specific individual.
VSC 4 - Not knowingly prepare false returns.
VSC 5 - Not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE program.
VSC 6 - Treat all taxpayers in a professional, courteous, and respectful manner.

Failure to comply with these standards could result in, but is not limited to, the following:

- Your removal from all VITA/TCE program;
- Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely;
- Deactivation of your sponsoring partner's site VITA/TCE EFIN (electronic filing ID number);
- Removal of all IRS products, supplies, loaned equipment, and taxpayer information from your site;
- Termination of your sponsoring organization's partnership with the IRS;
- Termination of grant funds from the IRS to your sponsoring partner; and
- Referral of your conduct for potential TIGTA and criminal investigations.

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.

4012 Table of Contents

Tab G: Nonrefundable Credits

Tab H: Other Taxes, Payments, and Refundable Credits

Tab I: Earned Income Credit

Tab J: Education Benefits

Tab K: Finishing the Return

Tab L: Resident/NR Alien

Tab M: Other Returns

Tab N: Using TaxSlayer® Pro Desktop

Tab O: Using TaxSlayer® Pro Online

Tab P: Partner Resources

Tab Q: TaxSlayer Admin

Tab R: Glossary and Index

How to Use This Guide

This publication is designed as a guide to assist you in preparing a return using TaxSlayer.* Not all forms are authorized for all volunteer programs. Forms intended specifically for the Military VITA Program will be annotated as such. Volunteers should only provide tax assistance based on their level of certification—Basic, Advanced, Military, International, Foreign Student and Puerto Rico 1 & 2. The Qualified Experienced Volunteer test covers advanced level competencies but will be an abbreviated test. Partners or sites may determine, at a local or national level, if they will accept this test for certification.

The screening sheets/decision trees, charts and interview tips are from your training materials, Publication 17, Your Federal Income Tax Guide For Individuals, and other tax topic related publications. Use these tools during the dialogue with the taxpayer—“ask the right questions; get the right answers.”

Interactive Tax Assistant (ITA), is an excellent tool to guide you through answers to tax law questions and is available on the IRS website.

SPEC allows volunteers to use the IRS provided software to prepare and electronically file their own tax return and the returns of family and friends. Unlike VITA/TCE returns, these returns have no income or tax law limitations.

CAUTION The software may change after this publication becomes available. Screen shots in this guide may depict last year’s version of the software. Follow the menus and prompts to enter current year tax information in the software. If additional information is needed, refer to TaxSlayer’s VITA/TCE Blog. The blog will keep you up to date with any changes and notifications regarding preparing, creating or modifying returns. Publication 4491X, VITA/TCE Training Supplement, will be released in January to notify volunteers of any tax law and software updates.

*TaxSlayer is a copyrighted software program owned by Rhodes Computer Services. All screen shots that appear throughout the official Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) training materials are used with the permission of Rhodes Computer Services.

Scope of Service

When using the list, please note that column 3 (In Scope?) does not stand alone. Additional information contained in columns 4 and 5 (Scope Limitations and Certification Levels) may include topics or certification levels that affect whether volunteers may or may not prepare the return under the provisions of the Volunteer Protection Act.

If no certification level is listed, the topic is in scope for all certification levels.

Many forms and schedules that are out of scope are included as reference. If a form or schedule is not listed, it is out of scope because no training has been provided. In addition, if a volunteer has not been trained on an in-scope tax law topic, that topic is out of scope for that volunteer.

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 1040	Virtual currency question	Y	In scope if taxpayers can check the No box. Taxpayers check No if they held no virtual currency for the tax year or if the taxpayer's only transactions involving virtual currency during the tax year were purchases of virtual currency with real currency.	
F 1040	1	Yes	Wages, salaries, tips, etc.	Advanced certification required for unreported tip income.
F 1040	2a, b	Yes	Tax-exempt and taxable interest See F 1099-INT for limitations	
F 1040	3a, b	Yes	Qualified and Ordinary dividends See F 1099-DIV for limitations	
F 1040	4a, 4b, 5a, 5b	Yes	IRAs, pensions and annuities See F 1099-R for limitations **Not in scope for:** • Foreign retirement arrangements that may need special reporting on FINCEN 114 or F 8938	Basic certification if taxable amount is determined. Advanced certification required if taxable amount is **NOT** determined.
F 1040	6a, b	Yes	Social Security benefits **Not in scope for:** • Foreign social security from Canada or Germany that is treated as U.S. Social Security	
F 1040	7	Yes	Capital gain or loss. See F 8949 limitations	Advanced certification required.
F 1040	12	Yes	Standard deduction or Itemized deductions See F 1040 Schedule A limitations	Advanced certification required for itemized deductions.
F 1040	12b	Yes	Charitable contributions if you take the standard deduction.	
F 1040	13	Yes	Qualified Business Income deduction **In scope for:** • The 20% deduction for sole proprietors and taxpayers with qualifying REIT dividends • Form 8995 **Not in scope for:** • Taxable income over $164,900 ($329,800 if MFJ; $164,925 MFS) • Publicly traded partnership income • Form 8995-A	
F 1040	16	Yes	Tax See Schedule 2 for limitations	
F 1040	19	Yes	Nonrefundable child tax credit or credit for other dependents	
F 1040	23	Yes	Other taxes See limitations on Schedule 2	
F 1040	25	Yes	Federal income tax withheld from Forms W-2, 1099, and other forms	
F 1040	26	Yes	Estimated tax payments and amount applied from prior year return	
F 1040	27, 28, 29, 30	Yes	Earned income credit, Refundable child tax credit, American opportunity credit, Recovery rebate credit See Schedule 3 for limitations	
F 1040	35 a,b,c,d	Yes	Direct deposit of refund See also F 8888	
F 1040	36	Yes	Refund applied to estimated tax	
F 1040	37	Yes	Amount you owe	
F 1040	38	No	Estimated tax penalty	
F 1040-ES		Yes	Estimated Tax for Individuals	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 1040-NR		Yes	U.S. Nonresident Alien Income Tax Return **In scope (with Foreign Student certification only) for:** • Students on F, J, M, or Q Visa • Teacher or trainee on J Visa **Not in scope for:** • Individuals having a dual status for the tax year • Nonresident aliens who do not meet the green card or substantial presence test and are not married to a U.S. citizen or resident alien	**Foreign Student certification required**
F 1040-PR		Yes	Self-Employment Tax Return – Puerto Rico (in Spanish)	**Puerto Rico certification required**
F 1040-SP		Yes	Declaracion de Impuestos de los Estados Unidos Sobre los Ingresos Personales See limitations for F 1040	
F 1040-SR		Yes	U.S. Income Tax Return for Seniors See limitations for F 1040	
F 1040-SS		Yes	U.S. Self-Employment Tax Return (Including the Refundable Child Tax Credit for Bona Fide Residents of Puerto Rico)	**Puerto Rico certification required**
F 1040-X		Yes	Amended U.S. Individual Income Tax Return **Not in scope for:** • Original return was out of scope and is not brought into scope by the amendment • Taxpayers who may qualify for an exception to the three-year time limit for filing an amended return except for applying for standard refund of tax on military disability payments	Advanced certification required
F W-2		Yes	Wage and Tax Statement See F 8615 limitations for children with unearned income **Not in scope for:** • Box 12 codes: - Q **(Military certification required. Active duty military taxpayer returns only)** - R, T - FF if premium tax credits are involved - W **(Advanced certification required)** • Ministers • Other members of the clergy who present issues such as: parsonage/housing allowance, whether earnings are covered under FICA or Self-Employed Contributions Act (SECA) or rules for determining exemption from coverage	All certification levels **International certification required** for foreign employer compensation
F W-2G		Yes	Certain Gambling Winnings **Not in scope for:** • Professional gamblers who use Schedule C	
F W-7		Yes	Application for IRS Individual Taxpayer Identification Number	
S 1	1	Yes	Taxable refunds, credits or offsets of state or local income taxes **Not in scope for:** • Refund for other than previous tax year	
S 1	2a, b	Yes	Alimony received, Date of original divorce or separation agreement **Not in scope for:** • Pre-1985 divorces	
S 1	3	Yes	Business income or loss See Schedule C limitations	Advanced certification required
S 1	4	No	Other gains or (losses)	
S 1	5	Yes	Rental real estate, royalties, partnerships, S corporations, trusts, etc. See Schedule E limitations	**Military certification required** active duty only
S 1	6	No	Farm income or (loss)	
S 1	7	Yes	Unemployment compensation	
S 1	8a–z	Yes	Other income See F 1099-MISC, F 1099-PATR, F 1099-Q, F 1099-QA, F 1099-SA, F 982 and F 2555 for limitations **In scope for:** • Cancellation of nonbusiness credit card debt • Discharge of qualified principal residence indebtedness (if extended) **Not in scope for:** • Cancellation of other debt income • Rental, hobby or other income when “not for profit” • Net operating loss deduction	Advanced certification required for discharge of principal residence indebtedness **International certification required** for foreign earned income exclusion

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
S 1	11	Yes	Educator expenses	
S 1	12	Yes	Certain business expenses of reservists, performing artists and fee-basis government officials. See F 2106 limitations	**Military certification required**
S 1	13	Yes	Health saving account deduction See F 8889 limitations	Advanced certification required
S 1	14	Yes	Moving expenses for members of the Armed Forces See F 3903 limitations	**Military certification required**
S 1	15	Yes	Deductible part of self-employment tax	Advanced certification required
S 1	16	No	Self-employed SEP, SIMPLE and qualified plans	
S 1	17	Yes	Self-employed health insurance deduction See Schedule C for limitations **Not in scope for:** • Insurance purchased through Marketplace when taxpayer is eligible for Premium Tax Credit	Advanced certification required
S 1	18	Yes	Penalty on early withdrawal of savings	
S 1	19a, b, and c	Yes	Alimony paid recipient SSN, date of divorce or separation agreement **Not in scope for:** • Pre-1985 divorces	
S 1	20	Yes	IRA deduction **In scope for:** • Deductible IRA contributions **Not in scope for:** • Nondeductible IRA contributions (except for Roth IRAs)	Advanced certification required
S 1	21	Yes	Student loan interest deduction	
S 2	1	No	Alternative minimum tax	
S 2	2	Yes	Excess advance premium tax credit repayment See F 8962 limitations	Advanced certification required
S 2	4	Yes	Self-employment tax	Advanced certification required
S 2	5	Yes	Unreported Social Security and Medicare tax on unreported tip income **In scope for:** • F 4137	Advanced certification required
S-2	6	No	Uncollected social security and Medicare tax on wages	
S 2	8	Yes	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts See F 5329 for limitations **Not in scope for:** • Taxpayers subject to additional tax due to excess IRA contributions	Basic certification if additional tax applies Advanced certification required if exceptions to the additional tax apply
S 2	9	No	Household employment taxes	
S 2	10	Yes	Repayment of first-time homebuyer credit from Form 5405 See F 5405 for limitations	
S 2	11	No	Addtional Medicare Tax	
S 2	12	No	Net investment income tax	
S 2	13	Yes	Uncollected social security and Medicare or RRTA tax on tips or group-term life insurance from Form W-2, box 12	Advanced certification required
S 2	14	No	Interest on tax due on installment income from the sale of certain residential lots and timeshares	
S 2	15	No	Interest on the deferred tax on gain from certain installment sales with a sales price over $150,000	
S 2	16	No	Recapture of low-interest housing credit	
S 2	17	Yes	Other additional taxes See F 8889 limitations **Not in scope for:** Lines 17a, 17b, 17e-z Certification Levels: Advanced certification required	Advanced certification required
S 3	1	Yes	Foreign tax credit See F 1116 for limitations	Advanced certification required for FTC without F 1116 **International certification required for F 1116**
S 3	2	Yes	Credit for child and dependent care expenses from Form 2441, line 11	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
S 3	3	Yes	Education credits **Not in scope for:** • Taxpayers who must repay (recapture) part or all of an education credit claimed in a prior year	
S 3	4	Yes	Retirement savings contribution credit	
S 3	5	Yes	Residential energy credits See F 5695 for limitations	Advanced certification required
S 3	6a–z	Yes	Other credits from F 3800, 8801, and (write-in) **In scope for:** • Line d, Schedule R **Not in scope for:** • All other lines	
S 3	9	Yes	Net premium tax credit See F 8962 for limitations	Advanced certification required
S 3	10	Yes	Amount paid with request for extension to file	
S 3	11	Yes	Excess Social Security and tier 1 RRTA tax withheld	
S 3	12	No	Credit for federal tax on fuels	
S 3	13	Yes	Other payments or refundable credits **In scope for:** • F 7202 (Qualified Sick and Family Leave Credits) • Credit for child and dependent care expenses from Form 2441, line 10 **Not in scope for:** • All other lines	Advanced certification required for F 7202
S A		Yes	Itemized Deductions **Not in scope for:** • Investment interest • Taxpayers affected by a charitable contribution carryover • Taxpayers affected by limits on charitable deductions • F 8283 (noncash contribution exceeding $500) • Form 1098-C, Contributions of Motor Vehicles, Boats and Airplanes • Donation of property previously depreciated • Donation of capital gain property (appreciable properties such as securities or art work) • Casualty or theft losses	Advanced certification required
S B		Yes	Interest and Ordinary Dividends See FinCEN F 114, F 3520 and F 8938 for limitations See F 1099-INT, F 1099-DIV, and F 1099-OID for limitations	
S C		Yes	Profit or Loss from Business (Sole Proprietorship) See F 1099-K for limitations See F 1099-MISC for limitations See F 1099-NEC for limitations **Not in scope for:** • Hobby income or not for profit activity • Professional gamblers • Bartering • Any transactions involving virtual currency (bitcoins) • Method of accounting other than cash • Taxpayers who do not materially participate in the business • Payments made that require F 1099 to be filed • Returns and allowances • Cost of goods sold (inventory) • Total expenses over $35,000 • Vehicle expenses reported as actual expenses • Contract labor • Depletion • Depreciation or when F 4562 is required • Expenses for employees • Car rental or lease more than 30 days (use standard mileage rate method only) • Casualty losses, amortization • Business use of home • Net losses	Advanced certification required

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
S D		Yes	Capital Gains and Losses See F 8949 for limitations See F 1099-B for limitations. **Not in scope for:** Lines 4 and 11 • Taxpayers who sold any assets other than stock, mutual funds, or a personal residence • Taxpayers who trade in options, futures, or other commodities, whether or not they disposed of any during the year • Taxpayers who have transactions using Bitcoins or other virtual currencies. If taxpayers held no virtual currency for the tax year or if the taxpayer's only transactions involving virtual currency during the tax year were purchases of virtual currency with real currency the return is in scope. • Determination of basis issues: - Basis of any asset acquired other than by purchase or inheritance, such as a gift or employee stock option, unless the taxpayer provides the basis and holding period - Basis of inherited property determined by a method other than the FMV of the property on the date of the decedent's death, unless the taxpayer provides the basis and holding period • Like-kind exchanges and worthless securities • Reduced exclusion computations/determinations for the sale of a home • Married homeowners who do not meet all requirements to claim the maximum exclusion on the sale of a home • Decreases to basis, including deductible casualty losses and gains a taxpayer postponed from the sale of a previous home before May 7, 1997 • Depreciation during the time the home was used for business purposes or as rental property • Taxpayers with "nonqualified use" issues • Sale of a home used for business purposes or as rental property	Advanced certification required
S E		Yes	Supplemental Income and Loss (Rental) See F 1099-MISC and S K-1 for limitations **In scope for:** • Royalties reported on Form 1099-MISC, if there are no associated expenses (Advanced) • Certain income from Schedules K-1 (Forms 1065, 1120S, and 1041) (Advanced) • Home rental (including Part I, lines 5-19) **if military certified** and taxpayer is active duty military • Rental of personal residence for less than 15 days for the year is not considered a rental activity and is not taxable income (Advanced) unless taxpayer is in the rental business or cleaning, linen, food or similar services were provided during the rental period (out of scope) **Not in scope for:** • Rental income and expenses for nonmilitary taxpayers • Taxpayers who rent their property at less than fair rental value • Rental-related interest expenses other than mortgage interest • The actual expense method (auto and travel expense deductions) • Casualty loss • Completing Form 8582 if volunteers are required to enter additional data in Form 8582 in the software • Completing Form 4562 • Taxpayers who are unable to provide an amount for depreciation • Taxpayers who filed or need to file Form(s) 1099	Advanced certification required for royalties reported on Form 1099-MISC and Schedule K-1 **Military certification required for rental income**
S EIC		Yes	Earned Income Credit	
S F		No	Profit or Loss From Farming	
S H		No	Household Employment Taxes	
S J		No	Income Averaging for Farmers and Fishermen	
S K-1		Yes	Beneficiary, Partner or Shareholder's Share of Income, Deductions, Credits, etc. **In scope for:** • Schedules K-1 (Forms 1065, 1120S, and 1041). - Taxable and tax-exempt interest income - Dividend and Qualified dividends income - Net short- and long-term capital gains and losses - Royalty income (Schedule E) with no associated expenses **Not in scope for:** • Other income, deductions, and credits not listed above	Advanced certification required
S LEP		Yes	Request for Alternative Language Products by Taxpayers With Limited English Proficiency (LEP)	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
S Q (F 1066)		No	Quarterly Notice to Resident Interest Holder of REMIC Taxable Income or Net Loss Allocation	
S R		Yes	Credit for the Elderly or the Disabled	
S SE		Yes	Self-Employment Tax **Not in scope for:** • Ministers or church workers if special rules apply	
S 8812		Yes	Additional Child Tax Credit	
F T (Timber)		No	Forest Activities Schedule	
F 56		No	Notice Concerning Fiduciary Relationship	
F 709		No	United States Gift (and Generation-Skipping Transfer) Tax Return	
F 843		No	Claim for refund and request for abatement	
F 982		Yes	Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Base Adjustment) – (if extended) **In scope for:** • Line 1e • Line 2 • Line 10b **Not in scope for:** • Issues other than discharge of qualified principal residence indebtedness • Principal residence used in business or as rental property • Taxpayer filed bankruptcy or was insolvent immediately before the debt was canceled	Advanced certification required
F 1040-C		No	U.S. Departing Alien Income Tax Return	
F 1045		No	Application for Tentative Refund	
F 1066 (Sch Q)		No	Quarterly Notice to Resident Interest Holder of REMIC Taxable Income or Net Loss Allocation	
F 1095-A		Yes	Health Insurance Marketplace Statement	Advanced certification required
F 1095-B		Yes	Health Coverage	
F 1095-C		Yes	Employer Provided Health Insurance Offer and Coverage	
F 1098		Yes	Mortgage Interest Statement	Advanced certification required
F 1098-C		No	Contributions of Motor Vehicles, Boats, Airplanes	
F 1098-E		Yes	Student Loan Interest Statement	
F 1098-MA		No	Mortgage Assistance Payments	
F 1098-Q		Yes	Qualifying Longevity Annuity Contract Information (information only) No tax reporting required.	
F 1098-T		Yes	Tuition Statement **Not in scope for:** • Boxes 4 and 6 (Adjustments)	
F 1099-A		Yes	Acquisition or Abandonment of Secured Property See F 982 for limitations **In scope for:** • Qualified principal residence (if extended)	Advanced certification required
F 1099-B		Yes	Proceeds from Broker and Barter Exchange Transactions **Not in scope for:** • FATCA filing requirement box checked • Boxes 1f and 7-11, 13	Advanced certification required
F 1099-C		Yes	Cancellation of Debt See F 982 for limitations **In scope only for:** • Nonbusiness credit card debt cancellation including interest in box 3 when taxpayer is solvent before the cancellation • Discharge of qualified principal residence indebtedness • Discharge of certain student loan debt in 2021 through 2025 **Not in scope for:** • Cancellation of debt when Form 1099-C includes an amount for interest (exception listed above)	Advanced certification required
F 1099-CAP		Yes	Changes in Corporate Control and Capital Structure (information only) No tax reporting required.	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 1099-DIV		Yes	Dividends and Distributions **Not in scope for:** • Taxpayer is a nominee • Boxes labeled Unrecap Sec. 1250 gain, Section 1202 gain, Cash liquidation distributions, and Noncash liquidation distributions • 2d Collectibles (28%) gain • FATCA filing requirement box checked	
F 1099-G		Yes	Certain Government Payments **In scope for:** • Unemployment compensation • Refunds, credits, or offsets of state or local income tax **Not in scope for:** • Box 3 is other than the current tax year • Boxes 7-9	
F 1099-H		No	Health Coverage Tax Credit	
F 1099-INT		Yes	Interest Income See F 8615 for limitations (children with unearned income) **Not in scope for:** • Taxpayer is a nominee • An adjustment is needed to any amount reported • Amounts reported in the box labeled Specified private activity bond interest if AMT applies • Amounts reported in the box labeled Bond premium that exceed amounts reported in the box labeled Interest • FATCA filing requirement box checked • Accrued bond interest other than for savings bonds • Bonds bought or sold between interest payment dates other than for savings bonds	
F 1099-K		Yes	Payment Card and Third Party Network Transactions **Not in scope for:** • Any adjustment to amount reported on F 1099-K	Advanced certification required
F 1099-LTC		Yes	Long-Term Care and Accelerated Death Benefits	Advanced certification required
F 1099-MISC		Yes	Miscellaneous Information **Not in scope for:** • Box 5 Fishing boat proceeds • Boxes 7-14 • FATCA filing requirement box checked	Military certification required for Box 1 Basic certification required for Box 3 Advanced certification required for all other entries
F 1099-NEC		Yes	Nonemployee compensation	Advanced Certification required
F 1099-OID		Yes	Original Issue Discount **Not in scope for:** • FATCA filing requirement box checked • Box 6 Acquisition premium • Adjustment needed, or no form received	
F 1099-PATR		Yes	Taxable Distributions Received From Cooperatives **In scope for:** • Box 1 for personal use only	Advanced certification required
F 1099-Q		Yes	Payment From Qualified Education Programs (under section 529 and 530) **Not in scope for:** • Distributions from Educational Savings Accounts if: - Funds were not used for qualified education expenses or - Distribution was more than the amount of the qualified expenses	
F 1099-QA		Yes	Distribution from ABLE Account **Not in scope for:** • Distribution from ABLE Account that was more than the amount of the qualified expenses	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 1099-R F CSA 1099-R		Yes	Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. **Not in scope for:** • IRA rollovers that do not meet the tax-free requirements • Taxpayers who used the General Rule to figure the taxable portion of pensions and/or annuities for past years • Box 7 code 2, if the IRA/SEP/SIMPLE box is checked and there were nondeductible contributions • Box 7 codes 5, 6, 8, 9, A, E, J, K, N, P, R, T, U, W	Basic certification if taxable amount is determined Advanced certification required if taxable amount is NOT determined
F RRB-1099		Yes	Payments by the Railroad Retirement Board Annuities or Pensions by the Railroad Retirement Board	Advanced certification required
F 1099-S		Yes	Proceeds from Real Estate Transactions **In scope for:** • Personal residence **Not in scope for:** • Home was used for rental purposes • Sales of business property • Installment sales income • Like-kind exchanges	Advanced certification required
F 1099-SA		Yes	Distributions From an HSA, Archer MSA or Medicare Advantage MSA See F 8889 for limitations **Not in scope for:** • Archer MSA • Medicare Advantage MSA	Advanced certification required
F SSA-1099		Yes	Social Security Benefit Statement	
F 1116		Yes	Foreign Tax Credit (Individual, Estate or Trust) **In scope for:** • Taxpayers who have foreign tax paid reported on F 1099-INT, F 1099-DIV, or S K-1 and can elect to report foreign tax without filing Form 1116 (Advanced certification) **Not in scope for:** • Taxpayers who may deduct a foreign income tax that is not allowed as a credit in certain circumstances • Certain expenses deducted to reduce foreign gross income • Taxpayers who must report a carryback or carryover on Form 1116 • Taxpayers who must file a separate Form 1116 required for foreign income from a sanctioned country, using the “Section 901(j) income” category	**International certification required** for F 1116
F 1127		No	Extension of Time for Payment of Tax Due to Undue Hardship	
F 1310		Yes	Statement of Person Claiming Refund Due a Deceased Taxpayer	
F 2106		Yes	Employee Business Expenses **In scope for:** • Reservist expenses (adjustment to gross income) • U.S. Armed Forces members who were provided a commuter highway vehicle (such as a van) by their employer	**Military certification required**
F 2120		Yes	Multiple Support Declaration	
F 2210		No	Underpayment of Estimated Tax by Individuals, Estates and Trusts	
F 2439		No	Notice to Shareholder of Undistributed Long-Term Capital Gains	
F 2441		Yes	Child and Dependent Care Expenses **Out of scope for:** • Taxpayers who need assistance in determining if employment taxes are owed for household employees	
F 2555		Yes	Foreign Earned Income	**International certification required**
F 2848		Yes	Power of Attorney and Declaration of Representative (Very limited uses in form instructions)	
F 3468		No	Investment Credit	
F 3520		No	Foreign Trusts/Foreign Gifts	
F 3800		No	General Business Credit	
F 3903		Yes	Moving Expenses **In scope for:** • Active duty military taxpayer only	**Military certification required**

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 4136		No	Credit for Federal Tax Paid on Fuels	
F 4137		Yes	Social Security and Medicare Taxes on Unreported Tip Income	Advanced certification required
F 4562		No	Depreciation and Amortization (including information on listed property)	
F 4684		No	Casualties and Thefts	
F 4797		No	Sales of Business Property	
F 4835		No	Farm Rental Income and Expenses	
F 4852		Yes	Substitute for F W-2 or F 1099-R	
F 4868		Yes	Application for Automatic Extension of Time to File U.S. Individual Income Tax Return	
F 4952		No	Investment Interest Expense Deduction	
F 4972		No	Tax on Lump-Sum Distributions	
F 5329		Yes	Additional Tax on Qualified Plans (including IRAs) and Other Tax-Favored Accounts **In scope for:** • Part I **Not in scope for:** • IRA minimum distributions not withdrawn when required • Excess contributions to an IRA that are not withdrawn by the due date of the return including extensions • Parts II through IX	Advanced certification required
F 5405		Yes	Repayment of the First-Time Homebuyer Credit **Not in scope for:** • Taxpayers who claimed credit and their home is destroyed, condemned or disposed of under threat of condemnation • Taxpayers who claimed the first-time homebuyer credit may be required to repay the credit in the year of sale. The repayment is limited to the amount of gain on the sale. This situation is out of scope for VITA/TCE.	Advanced certification required
F 5498		Yes	IRA Contribution Information **Not in scope for:** • SEP or SIMPLE contributions • Nondeductible contributions	Advanced certification required
F 5498-ESA		Yes	Coverdell ESA Contribution Information (Information only) No tax reporting required	
F 5498-QA		Yes	ABLE Account Contribution Information (Information only) No tax reporting required	
F 5498-SA		Yes	HSA, Archer MSA or Medicare Advantage MSA Information **Not in scope for:** • Archer MSA • Medicare Advantage MSA	Advanced certification required
F 5695		Yes	Residential Energy Credit **Not in scope for:** • Residential Energy Efficient Property Credit (Part I)	Advanced certification required
F 6251		Yes	Alternative Minimum Tax **In scope for:** • Interest from private activity bond on Line 12 **Out of scope if AMT applies**	
F 6252		No	Installment Sales Income	
F 6781		No	Gains and Losses From Section 1256 Contracts and Straddles	
F 7202		Yes	Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals	Advanced certification required
F 8275		No	Disclosure Statement	
F 8275 R		No	Regulation Disclosure Statement	
F 8283		Yes	Noncash Charitable Contributions **In scope for:** • Noncash contributions of $500 or less are reported on Schedule A and are in scope (Advanced certficiation required) • Noncash charitable contributions over $500 are in scope for Military certification only	Advanced certification required Military certification if >$500
F 8332		Yes	Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent	
F 8379		Yes	Injured Spouse Allocation See F 8958 limitations (community property states)	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 8396		No	Mortgage Interest Credit	
F 8453		Yes	U.S. Individual Income Tax Transmittal for an IRS e-file Return	
F 8582		No	Passive Activity Loss Limitations	
F 8606		No	Nondeductible IRAs	
F 8615		Yes	Tax for Certain Children Who Have Unearned Income (also known as Kiddie Tax) **In scope for:** - Native Americans receiving per capita payments - Alaska residents receiving permanent fund dividends	**Advanced certification required**
F 8621		No	Information Return by A Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund	
F 8801		No	Credit for Prior Year Minimum Tax	
F 8805		No	Foreign Partner's Information Statement of Section 1446 Withholding Tax	
S 8812		Yes	Additional Child Tax Credit	
F 8814		Yes	Parent's Election to Report Child's Interest and Dividends **In scope for:** - Alaska residents receiving permanent fund dividends	**Advanced certification required**
F 8815		No	Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued after 1989	
F 8821		No	Tax Information Authorization	
F 8829		No	Expenses for Business Use of Your Home	
F 8833		No	Treaty-Based Return Positive Disclosure Under Section 6114 or 7701 (b)	
F 8834		No	Plug-In Electric Vehicle Credit	
F 8839		No	Qualified Adoption Expenses	
F 8848		No	Consent to Extend the Time to Access the Branch Profits Tax Under Regulations Section 1.884-2 (a) and (c)	
F 8853		Yes	Archer MSAs and Long-Term Care Insurance Contracts **In scope for:** • Section C	
F 8857		No	Request for Innocent Spouse Relief	
F 8862		Yes	Information to Claim Earned Income Credit After Disallowance	
F 8863		Yes	Education Credits (American Opportunity and Lifetime Learning Credits)	
F 8865		No	Return of U.S. Persons With Respect to Certain Foreign Partnerships	
F 8880		Yes	Credit for Qualified Retirement Savings Contributions	
F 8885		No	Health Coverage Tax Credit	
F 8886		No	Reportable Transaction Disclosure Statement	
F 8888		Yes	Allocation of Refund (Including Savings Bond Purchases)	
F 8889		Yes	Health Savings Accounts (HSAs) **Not in scope for:** • Excess contributions to an HSA that are not withdrawn in a timely fashion • Qualified HSA funding distributions from an IRA • Death of an HSA holder (when spouse is not the designated beneficiary) • Additional Tax for Failure to Maintain HDHP Coverage • Deemed distributions from an HSA due to prohibited transactions, such as using an HSA as a security for a loan • Archer Medical Saving Accounts (MSA) • Medicare Advantage MSA • Health Reimbursement Arrangement • Part III, lines 18-21	**Advanced certification required**
F 8903		No	Domestic Production Activities Deduction	
F 8908		No	Energy Efficient Home Credit	
F 8910		No	Alternate Motor Vehicle Credit	
F 8911		No	Alternative Fuel Vehicle Refueling Property Credit	
F 8915-B		No	Qualified 2017 Disaster Retirement Plan Distributions and Repayments	
F 8915-C		No	Qualified 2018 Disaster Retirement Plan Distributions and Repayments	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 8915-D		No	Qualified 2019 Disaster Retirement Plan Distributions and Repayments	
F 8915-F		Yes	Qualified Disaster Retirement Plan Distributions and Repayments **In scope for:** - 2020 Coronavirus distributions and repayments **Not in scope for:** - Any other disaster-related distributions	**Advanced certification required**
F 8919		No	Uncollected Social Security and Medicare Tax on Wages	
F 8936		No	Qualified Plug-in Electric Drive Motor Vehicle Credit	
F 8938		No	Statement of Specified Foreign Assets	
F 8948		No	Preparer Explanation for Not Filing Electronically • Not applicable to volunteers	
F 8949		Yes	Sales and other Dispositions of Capital Assets **In scope for:** • Sale of stocks, mutual fund shares and personal residences • Bond sales reported on a brokerage statement with capital gain or loss only (no ordinary income/loss) • Capital gains and losses reported on K-1 • Capital loss carryovers • Inherited property of types listed above in this section and, if inherited in 2010, taxpayer provides the basis • Wash sales if reported on brokerage or mutual fund statement **Not in scope for:** • Adjustment codes N, Q, X, R, S or C • Reduced exclusion on sale of home • Residence inherited or received as gift and not used as personal residence. If used as personal residence, taxpayer must provide basis. • Taxpayers who have sold any assets other than stock, mutual funds, or a personal residence • Taxpayers who trade in options, futures, or other commodities, whether or not they disposed of any during the year • Determination of basis issues: - Basis of any asset acquired other than by purchase or inheritance, such as a gift or employee stock option, unless the taxpayer provides the basis and holding period - Basis of inherited property determined by a method other than the FMV of the property on the date of the decedent's death, unless the taxpayer provides the basis and holding period • Like-kind exchanges and worthless securities • Form 1099-B, boxes with entries for any of the following: Bartering; Profit or (loss) realized on closed contracts; Unrealized profit (loss) on open contracts – prior year; Unrealized profit or (loss) on open contracts – current year; or Aggregate profit (loss) on contracts; Proceeds from collectibles; or FATCA filing requirement • Reduced exclusion computations/determinations for the sale of a home • Married homeowners who do not meet all requirements to claim the maximum exclusion on the sale of a home • Decreases to basis, including: Deductible casualty losses and gains a taxpayer postponed from the sale of a previous home before May 7, 1997 • Depreciation during the time the home was used for business purposes or as rental property • Taxpayers with "nonqualified use" issues • Sale of a home used for business purposes or as rental property	**Advanced certification required**
F 8958		Yes	Allocation of Tax Amounts Between Certain Individuals in Community Property States **In scope for:** • Taxpayers who are not certain they are in a common law marriage (rules are complex and differ from state to state) • Applicable returns as limited by Site or Program Coordinator • Depending on your tax assistance program, community property tax laws for married taxpayers who file a separate return from their spouse	
F 8959		No	Additional Medicare Tax	
F 8960		No	Net Investment Income Tax – Individuals, Estates and Trusts	

F(orm) S(chedule) #	Line / Box #	In Scope? Y / N	Scope Limitations	Certification Levels
F 8962		Yes	Premium Tax Credit (PTC) **Not in scope for:** • Self-employed health coverage deductions for taxpayers who are also allowed a PTC • Form 8962 Part IV, Allocation of Policy Amounts, and Part V, Alternative Calculation for Year of Marriage • Individuals eligible for the health coverage tax credit • If there is a code FF on Form W-2, box 12 and the employee has a Marketplace policy and is otherwise eligible for PTC	Advanced certification required
F 8995		Yes	Qualified Business Income Deduction Simplified Computation **Not in scope for:** • Certain rental real estate enterprises treated as a single trade or business	Advanced Certification required
F 8995-A		No	Qualified Business Income Deduction	
F 9000		Yes	Request for Alternative Format or Language	
F 9452		No	Filing Assistance Program	
F 9465		Yes	Installment Agreement Request (See fee schedule)	
F 13844		No	Application For Reduced User Fee For Installment Agreement	
F 14039		Yes	Identity Theft Affidavit	
F SS-8		No	Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding	
FinCEN F 114		No	Report of Foreign Bank and Financial Accounts	

Note: Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, is in scope only for volunteers with Foreign Student & Scholar certification.

VITA/TCE Quality Site Requirements

All taxpayers using the services offered through the VITA/TCE programs should be confident they are receiving accurate tax return preparation and quality service. The purpose of the ten **Quality Site Requirements (QSR)** is to ensure quality and accurate tax return preparation and consistent site operations. The QSR are required to be communicated to all volunteers and partners to ensure IRS and partner mutual objectives are met. The ten requirements are listed below.

QSR 1:	Certification
QSR 2:	Intake/Interview & Quality Review Process
QSR 3:	Confirming Photo Identification and Taxpayer Identification Numbers (TIN)
QSR 4:	Reference Materials
QSR 5:	Volunteer Agreement
QSR 6:	Timely Filing of Tax Returns
QSR 7:	Civil Rights
QSR 8:	Correct Site Identification Number (SIDN)
QSR 9:	Correct Electronic Filing Identification Number (EFIN)
QSR 10:	Security

For detailed guidance on the QSR, refer to **Publication 5166**,VITA/TCE Quality Site Requirements. For guidance on applying the QSR to alternative filing methods, see **Publication 5324**, Fact Sheet for Partners and Employees-Quality Site Requirements for Alternative Filing Models.

Notes

Legislative Extenders

This provision has been renewed through tax year 2025. Refer to this tab and the Temporary Provisions lesson in Publication 4491 additional information.

Discharge of Qualified Principal Residence Indebtedness

Use the job aid on the following page to determine if the debt forgiveness on the main home is within scope.

Taxpayers may exclude from income certain debt forgiven or canceled debt on their principal residence. This exclusion is applicable to the discharge of "qualified principal residence indebtedness." If the canceled debt qualifies for exclusion from gross income, the debtor may be required to reduce tax attributes (certain credits, losses, and basis of assets) by the amount excluded.

If a property was taken by the lender (foreclosure) or given up by the borrower (abandonment), the lender usually sends the taxpayer Form 1099-A, Acquisition or Abandonment of Secured Property. Form 1099-A will have information needed to determine the gain or loss due to the foreclosure or abandonment.

If the debt is canceled, the taxpayer will receive Form 1099-C, Cancellation of Debt. If foreclosure/abandonment and debt cancellation occur in the same calendar year, the lender may issue only Form 1099-C, including the information that would be reported on Form 1099-A.

Volunteers may assist taxpayers who meet the following requirements:

- The home was never used in a business or as rental property
- The debt was not canceled because the taxpayer filed bankruptcy
- The taxpayer isn't in bankruptcy when he/she comes to the site for assistance
- Form 1099-C doesn't include an amount for interest
- The debt must be a mortgage used only to buy, build, or substantially improve the taxpayer's primary residence, i.e., this money was not used to pay off credit cards, medical/dental expenses, vacations, etc.
- The mortgage was secured by the taxpayer's primary residence
- The mortgage was not more than $750,000 ($375,000 if Married Filing Separately). The maximum amount a taxpayer can treat as qualified principal residence indebtedness for debt discharged after 2006 and before 2021 is $2 million ($1 million if married filing separately).

TaxSlayer Hint: To exclude debt forgiven on principal residence, go to Income>Less Common Income>Cancellation of Debt>Exclusions

Note 1: Form 1099-C, Box 3 (Interest if included in Box 2, Amount of Debt Canceled) and Box 6, Code A Out of Scope.

Note 2: If a bankruptcy, Out of Scope.

Note 3: If personally liable for the debt, sales price is the lesser of balance of principal outstanding (Form 1099-A, Box 2) or fair market value of property (Form 1099-A, Box 4); if not personally liable on the debt, sales price is the balance or principal outstanding.

Publication 4731-A

Screening Sheet for Foreclosures/Abandonments and Cancellation of Debt

If the taxpayer is in bankruptcy, the tax return is Out of Scope for the VITA/TCE Programs.

Instructions: Use this Screening Sheet to assist taxpayers with Form(s) 1099-A and/or 1099-C with cancellation of debt issues.

- Use Part I for taxpayers with only Form 1099-A for a foreclosure or abandonment of their principal residence.
- Use Part II for taxpayers with Form 1099-C, or both Forms 1099-A and 1099-C resulting from cancellation of debt on a home mortgage loan.
- Use Publication 4731, Screening Sheet for Nonbusiness Credit Card Debt Cancellation, for taxpayers with Form 1099-C resulting from cancellation of credit card debt.

Part I – Home Mortgage Loan

STEP 1	Did the taxpayer receive Form 1099-A, Acquisition or Abandonment of Secured Property, from their home mortgage lender?	**YES** – Go to Step 2 **NO** – Advise the taxpayer to get the documentation from the home mortgage lender.
STEP 2	Did the taxpayer ever use the home in a trade or business or as rental property?	**YES** – Go to Step 6 **NO** – Go to Step 3
STEP 3	Is Box 5 of Form 1099-A checked indicating a recourse loan in which the taxpayer is personally liable?	**YES** – The sales price is the lesser of Box 2 (Balance of principal outstanding) or Box 4 (Fair market value of property) on Form 1099-A. **NO** – The sales price is the amount in Box 2 (Balance of principal outstanding) on Form 1099-A. The taxpayer is not personally liable (nonrecourse loan).

STEP 4

Ask the taxpayer for the cost or basis of the home.

Refer to Publication 523, Selling your Home, for further information, if needed.

STEP 5

Report the sale of the personal residence on Form 8949, Sales and Other Disposition of Capital Assets, and Schedule D, Capital Gains and Losses.

If the disposition of the property results in a:

Gain – The taxpayer may qualify for the Section 121 exclusion ($250,000 or $500,000 if Married Filing Jointly) of the gain on the sale of a principal residence, if all requirements are met.

Loss – The taxpayer cannot claim a loss on the sale or disposition of a principal residence. Use adjustment Code L on Form 8949 to exclude this loss.

Refer to Publication 4012 (Legislative Extenders Tab), “Entering Forgiveness of Qualified Principal Residence Indebtedness” for further information.

STEP 6

These tax issues are outside the scope of the volunteer program.

Refer the taxpayer to:

- IRS website for the most up-to-date information.
- The Taxpayer Advocate Service (TAS): 1-877-777-4778, TTY/TDD 1-800-829-4059. TAS may help if the problem cannot be resolved through normal IRS channels.
- A professional tax preparer.

Additional Resources:

- Publication 523, Selling your Home
- Publication 525, Taxable and Nontaxable Income
- Publication 4681, Canceled Debts, Foreclosures, Repossessions, and Abandonments

Publication 4731-A

Screening Sheet for Foreclosures/Abandonments and Cancellation of Debt

If the taxpayer is in bankruptcy, the tax return is Out of Scope for the VITA/TCE Programs.

Instructions: Use this Screening Sheet to assist taxpayers with Form(s) 1099-A and/or 1099-C with cancellation of debt issues.

- Use Part I for taxpayers with only Form 1099-A for a foreclosure or abandonment of their principal residence.
- Use Part II for taxpayers with Form 1099-C, or both Forms 1099-A and 1099-C resulting from cancellation of debt on a home mortgage loan.
- Use Publication 4731 for taxpayers with Form 1099-C resulting from cancellation of credit card debt.

Part II – Home Mortgage Loan

STEP 1	Did the taxpayer receive Form 1099-C, Cancellation of Debt, from their home mortgage lender and is the information shown on the form correct? **Note:** Answer "yes" if the taxpayer has received a Form 1099-A and Form 1099-C.	**YES** – Go to Step 2 **NO** – Go to Step 6
STEP 2	Did the taxpayer ever use the home in a trade or business or as rental property?	**YES** – Go to Step 6 **NO** – Go to Step 3
STEP 3	Does Box 3 of Form 1099-C show any interest or does Box 6 show code A indicating bankruptcy? **Note:** If Box 6 is not marked with code A but the taxpayer has subsequently filed bankruptcy, answer "yes."	**YES** – Go to Step 6 **NO** – Go to Step 4
STEP 4	Ask the following questions to determine if the discharged debt is "qualified principal residence indebtedness:"	
	a. Was the mortgage taken out to buy, build, or substantially improve the taxpayer's principal residence? (**Note:** A principal residence is generally the home where the taxpayer lives most of the time. A taxpayer can have only one principal residence at any one time.)	a. **YES** – Go to Step 4b **NO** – Go to Step 6
	b. Was the mortgage secured by the taxpayer's principal residence?	b. **YES** – Go to Step 4c **NO** – Go to Step 6
	c. Was any part of the mortgage used to pay off credit cards, purchase a car, pay for tuition, pay for a vacation, pay medical/dental expenses, or used for any other purpose other than to buy, build, or substantially improve the principal residence?	c. **YES** – Go to Step 6 **NO** – Go to Step 4d
	d. Was the mortgage amount more than $750,000 ($375,000 if Married Filing Separately)?	d. **YES** – Go to Step 6 **NO** – Go to Step 5
STEP 5	The discharged debt is "qualified principal residence indebtedness." The volunteer should complete the applicable lines on Form 982, and file it with the taxpayer's return. If the residence was disposed of, the taxpayer may be required to report the disposition (sale) on Form 8949 and Schedule D.	

STEP 6

These tax issues are outside the scope of the volunteer program. The taxpayer may qualify to exclude all or some of the discharged debt. However, the rules involved in the mortgage debt relief exclusions are complex.

Refer the taxpayer to:

- IRS website for the most up-to-date information.
- The Taxpayer Advocate Service (TAS): 1-877-777-4778, TTY/TDD 1-800-829-4059. TAS may help if the problem cannot be resolved through normal IRS channels.
- A professional tax preparer.

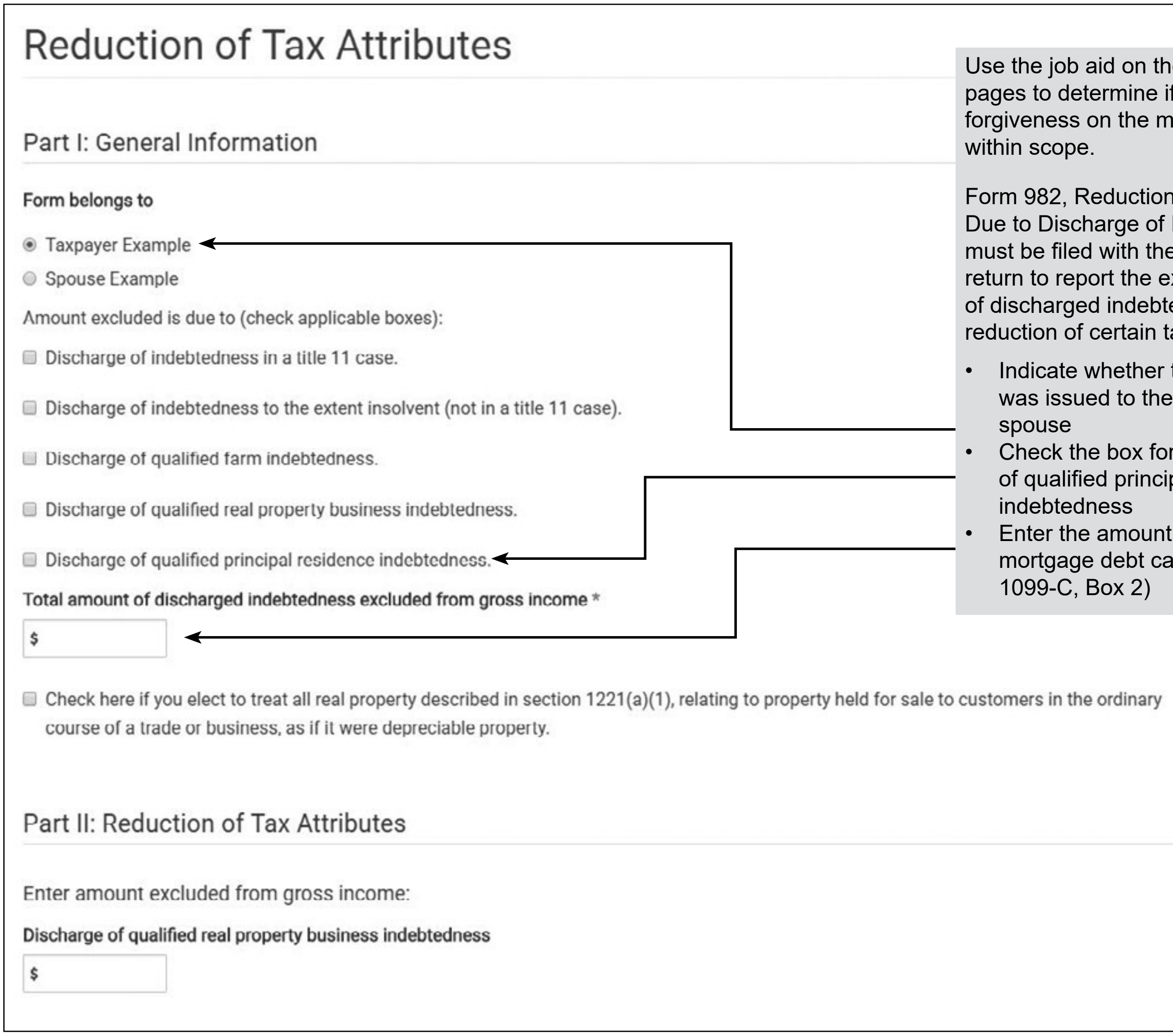
Additional Resources:

- Publication 523, Selling your Home
- Publication 525, Taxable and Nontaxable Income
- Publication 4681, Canceled Debts, Foreclosures, Repossessions, and Abandonments
- Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment) and Instructions

Publication 4731-A (10-2020) Catalog Number 67470W Department of the Treasury **Internal Revenue Service**

Entering Forgiveness of Qualified Principal Residence Indebtedness

TaxSlayer Navigation: Income>Less Common Income>Cancellation of Debt>Exclusions



Reduction of Tax Attributes

Part I: General Information

Form belongs to

- Taxpayer Example
- Spouse Example

Amount excluded is due to (check applicable boxes):

- Discharge of indebtedness in a title 11 case.
- Discharge of indebtedness to the extent insolvent (not in a title 11 case).
- Discharge of qualified farm indebtedness.
- Discharge of qualified real property business indebtedness.
- Discharge of qualified principal residence indebtedness.

Total amount of discharged indebtedness excluded from gross income *

$

- Check here if you elect to treat all real property described in section 1221(a)(1), relating to property held for sale to customers in the ordinary course of a trade or business, as if it were depreciable property.

Part II: Reduction of Tax Attributes

Enter amount excluded from gross income:

Discharge of qualified real property business indebtedness

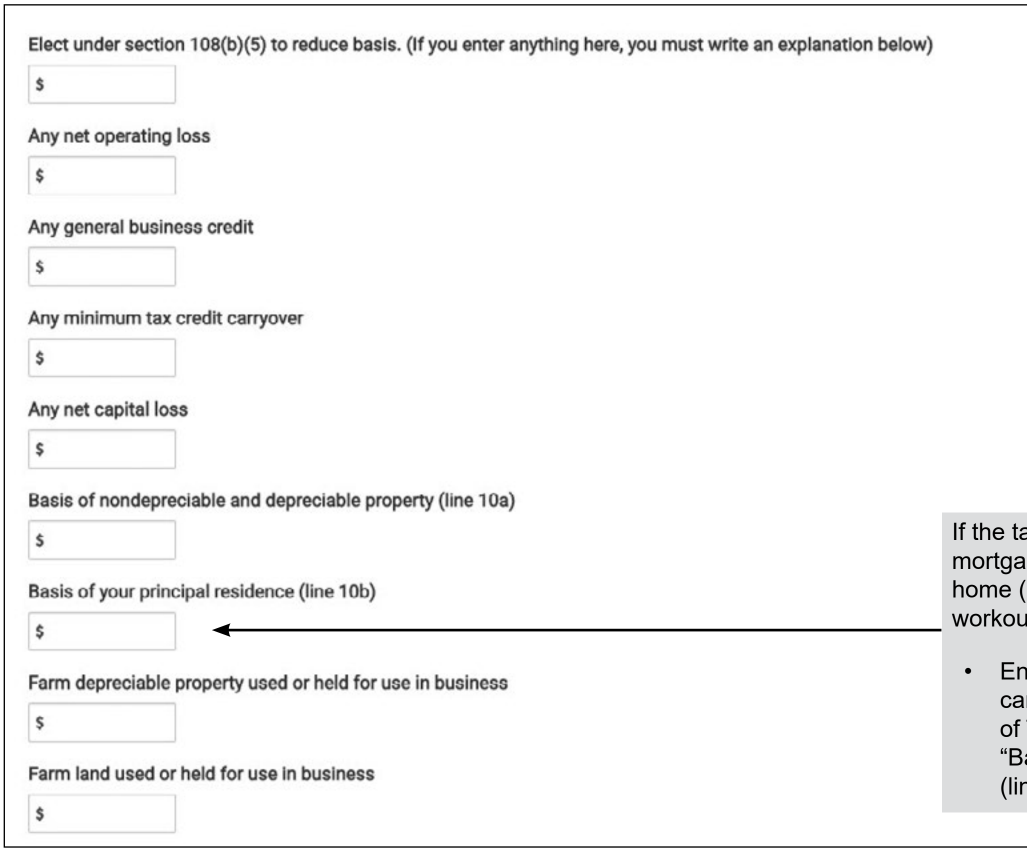
$

Use the job aid on the preceding pages to determine if the debt forgiveness on the main home is within scope.

Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness, must be filed with the taxpayer's return to report the excluded amount of discharged indebtedness and the reduction of certain tax attributes:

- Indicate whether the Form 1099-C was issued to the taxpayer or spouse
- Check the box for Discharge of qualified principal residence indebtedness
- Enter the amount of primary mortgage debt cancelled (Form 1099-C, Box 2)

Entering Forgiveness of Qualified Principal Residence Indebtedness (continued)


Elect under section 108(b)(5) to reduce basis. (If you enter anything here, you must write an explanation below)

$

Any net operating loss

$

Any general business credit

$

Any minimum tax credit carryover

$

Any net capital loss

$

Basis of nondepreciable and depreciable property (line 10a)

$

Basis of your principal residence (line 10b)

$

Farm depreciable property used or held for use in business

$

Farm land used or held for use in business

$

If the taxpayer had a portion of the mortgage debt canceled but kept the home (loan modification or mortgage workout):

- Enter the amount of debt canceled in Part II, Reduction of Tax Attributes, on the line for “Basis of your principal residence” (line 10b).

Foreclosure and Abandonment Key Highlights

If the taxpayer disposed of the home due to foreclosure or abandonment, and the lender canceled the remaining mortgage debt:

- No entry is made in Part II, Reduction of Tax Attributes
- Report the gain or loss from Form 1099-A in the Schedule D, Capital Gains section
  - The basis is the taxpayer’s adjusted basis in the home
  - The sale price (amount realized) is based on whether the taxpayer is personally liable (recourse loan) or not personally liable (nonrecourse loan) for the debt:
    - If the taxpayer is personally liable, the sale price is the lesser of the balance of the principal mortgage debt outstanding or the fair market value
    - If the taxpayer isn’t personally liable, then the sale price is the full amount of the outstanding debt, as reflected on Form 1099-A
    - For both recourse and nonrecourse loans, add any proceeds the taxpayer received from the foreclosure sale to the amount realized.
  - If the taxpayer ends up with a gain on the sale, some or all of the gain can be excluded under the rules for sale of main home, if the taxpayer qualifies
    - A loss on the main home **can’t** be deducted

Residential Energy Credits

TaxSlayer Navigation: Federal Section>Deductions>Credits>Residential Energy Credit; or Keyword "5695"

Note: This provision has been extended through December 31, 2021.

Part I of Form 5695, Residential Energy Efficient Property Credit, is available for taxpayers who purchased qualified residential alternative energy equipment, such as solar hot water heaters, stoves that burn biomass fuel, geothermal heat pumps and wind turbines. This part of the form is Out of Scope. Taxpayers that have these expenses should be referred to a professional tax preparer.

Part II, Form 5695 - Key points about the Nonbusiness Energy Property Credit:

- A total combined credit limit of $500 ($200 limit for windows) for all tax years after 2005.
- The maximum credit for residential energy property costs is $50 for any advanced main air circulating fan; $150 for any qualified natural gas, propane, or oil furnace, or hot water boiler; and $300 for any item of energy-efficient building property. Any of the following that meet the required efficiency rating may qualify as energy-efficient building property. See the Instructions for Form 5695 for details:
  - Electric heat pump water heater; electric heat pump; central air conditioner; natural gas, propane, or oil water heater
- The credit applies to:
  - Qualified energy efficiency improvements such as adding insulation, energy-efficient exterior windows and doors, and qualifying metal or asphalt roofs. (doesn't include labor costs for onsite preparation, assembly or installation)
  - Qualified residential energy property improvements such as energy-efficient heating and air conditioning systems. For a complete list of items see Form 5695. (includes labor costs for onsite preparation, assembly, or original installation)
- The improvements must be made to the taxpayer's main home located in the United States (must be existing home).
- Qualifying improvements must be placed into service by the taxpayer during the tax year.
- Expenditures which are made from subsidized energy financing can't be used to figure the credit.
- The credit is taken on Part II, Form 5695. See Form 5695 and Instructions for more information.

Note: Not all ENERGY STAR products qualify for a tax credit. Since 2016, exterior doors, exterior windows, and skylights are only eligible for the nonbusiness energy property credit if they meet or exceed the specific requirements of the version 6.0 Energy Star program. For detailed information about qualifying improvements, visit the U.S. Department of Energy's EnergyStar website.

Manufacturers must certify that their products meet new standards and they must provide a written statement to the taxpayer such as with the product packaging or in a printable format on the manufacturer's website. Taxpayers should keep a copy of the manufacturer's certification statement and receipts with their other important tax records.

Tab A: Who Must File

Chart A – For Most People Who Must File

Note: If you may be claimed as a dependent by another taxpayer, you must file as a dependent whether you are being claimed or not. See Chart B.

If your filing status is...	AND at the end of 2021 you were...*	THEN file a return if your gross income was at least...**
Single	under 65	$12,550
	65 or older	$14,250
Married filing jointly***	under 65 (both spouses)	$25,100
	65 or older (one spouse)	$26,450
	65 or older (both spouses)	$27,800
Married filing separately (see the Instructions for Form 1040)	any age	$5
Head of household (see the Instructions for Form 1040)	under 65	$18,800
	65 or older	$20,500
Qualifying widow(er) (see the Instructions for Form 1040)	under 65	$25,100
	65 or older	$26,450

* If you were born on January 1, 1957 you are considered to be age 65 at the end of 2021. (If your spouse died in 2021 or if you are preparing a return for someone who died in 2021, see Publication 501)

** **Gross income** means all income you received in the form of money, goods, property, and services that isn't exempt from tax, including any income from sources outside the United States or from the sale of your main home (even if you can exclude part or all of it).

- Do not include any social security benefits unless
  (a) you are married filing a separate return and you lived with your spouse at any time in 2021 or
  (b) one-half of your social security benefits plus your other gross income and any tax-exempt interest is more than $25,000 ($32,000 if married filing jointly).
  If (a) or (b) applies, see the Form 1040 Instructions to figure the taxable part of social security benefits you must include in gross income.
- Gross income includes gains, but not losses, reported on Form 8949 or Schedule D.
- Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, don't reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.

*** If you didn't live with your spouse at the end of 2021 (or on the date your spouse died) and your gross income was at least $5, you must file a return regardless of your age.

Individuals who do not have a filing requirement based on this chart should also check Chart C, Other Situations When You Must File, and Chart D, Who Should File. Individuals with earned income but who do not have a filing requirement may be eligible for the Earned Income Credit.

Chart B – For Children and Other Dependents

Note: If your parent (or any other taxpayer) *may* claim you as a dependent, use this chart to see if you must file a return.

In this chart, **unearned income** includes taxable interest, ordinary dividends, and capital gain distributions. It also includes unemployment compensation, taxable social security benefits, pensions, annuities, and distributions of unearned income from a trust. **Earned income** includes salaries, wages, tips, professional fees, and taxable scholarship and fellowship grants. **Gross income** is the total of your unearned and earned income.

Single Dependents	
Either 65 or over **or** blind	You must file a return if **any** of the following apply. 1. Your unearned income was over $2,800 ($4,500 if 65 or older **and** blind). 2. Your earned income was over $14,250 ($15,950 if 65 or older **and** blind). 3. Your gross income was more than the **larger** of — a. $2,800 ($4,500 if 65 or older **and** blind) or b. Your earned income (up to $12,200) plus $2,050 ($3,750 if 65 or older **and** blind).
Under 65 and not blind	You must file a return if **any** of the following apply. 1. Your unearned income was over $1,100. 2. Your earned income was over $12,550. 3. Your gross income was more than the **larger** of — a. $1,100, or b. Your earned income (up to $12,200) plus $350.

Married Dependents	
Either age 65 or older **or** blind	You must file a return if **any** of the following apply. 1. Your unearned income was over $2,450 ($3,800 if 65 or older **and** blind). 2. Your earned income was over $13,900 ($15,250 if 65 or older **and** blind). 3. Your gross income was at least $5 and your spouse files a separate return and itemizes deductions. 4. Your gross income was more than the **larger** of — a. $2,450 ($3,800 if 65 or older **and** blind), or b. Your earned income (up to $12,200) plus $1,700 ($3,050 if 65 or older **and** blind).
Under age 65 and not blind	You must file a return if **any** of the following apply. 1. Your unearned income was over $1,100. 2. Your earned income was over $12,550. 3. Your gross income was at least $5 and your spouse files a separate return and itemizes deductions. 4. Your gross income was more than the **larger** of — a. $1,100, or b. Your earned income (up to $12,200) plus $350.

Form 8615, Tax for Certain Children who have Unearned Income (Kiddie Tax)

Children under age 18 and certain older children who are required to file a tax return and have unearned income over $2,200 must file Form 8615. For this purpose, “unearned income” includes all taxable income other than earned income, such as taxable interest, ordinary dividends, capital gains, rents, royalties, etc. It also includes taxable social security benefits, pension and annuity income, taxable scholarship and fellowship grants not reported on Form W-2, unemployment compensation, alimony, and income received as the beneficiary of a trust. Form 8615 is in scope for Native Americans receiving per capita payments and Alaska residents receiving permanent fund dividends. For all other purposes, Form 8615 remains Out of Scope.

Note: Taxable scholarships and fellowship grants are considered as earned income for the purpose of determining if a dependent must file a tax return and for calculating the standard deduction for dependents.

Taxable scholarships and fellowship grants not reported on Form W-2 are considered to be unearned income for the purpose of calculating kiddie tax.

Chart C – Other Situations When You Must File

You must file a return if any of the conditions below apply for 2021.

1. You owe any special taxes, including any of the following.
   a. Alternative minimum tax (Out of Scope).
   b. Additional tax on a qualified plan, including an individual retirement arrangement (IRA), or other tax-favored account. But if you are filing a return only because you owe this tax, you can file Form 5329 by itself.
   c. Household employment taxes. But if you are filing a return only because you owe this tax, you can file Schedule H by itself (Out of Scope).
   d. Social security and Medicare tax on tips you did not report to your employer or on wages you received from an employer who did not withhold these taxes.
   e. Recapture of first-time homebuyer credit. See Instructions for Form 1040, Schedule 2.
   f. Write-in taxes, including uncollected social security and Medicare or RRTA tax on tips you reported to your employer or on group-term life insurance and additional taxes on health savings accounts. See the Instructions for Form 1040.
   g. Recapture taxes. See the Instructions for Form 1040 (Out of Scope).
2. You (or your spouse, if filing jointly) received HSA distributions (in scope), Archer MSA distributions (Out of Scope), or Medicare Advantage MSA distributions (Out of Scope).
3. You had net earnings from self-employment of at least $400.
4. You had wages of $108.28 or more from a church or qualified church-controlled organization that is exempt from employer social security and Medicare taxes (Out of Scope).
5. Advance payments of the premium tax credit were made for you, your spouse, or a dependent who enrolled in coverage through the Marketplace. You or whoever enrolled you should have received Form(s) 1095-A showing the amount of the advance payments.
6. Advance payments of the health coverage tax credit were made for you, your spouse, or a dependent. You or whoever enrolled you should have received Form(s) 1099-H showing the amount of the advance payments (Out of Scope).
7. You are required to include amounts in income under section 965 or you have a net tax liability under section 965 that you are paying in installments under section 965(h) or deferred by making an election under 965(i) (Out of Scope).
8. You received advance payments of the 2021 Child Tax Credit.

Chart D – Who Should File

Even if a taxpayer is not required to file a federal income tax return, they should file if any of the following situations below apply.

1. You had income tax withheld from your pay, pension, social security or other income.
2. You made estimated tax payments for the year or had any of your overpayment for last year's estimated tax applied to this year's taxes.
3. You qualify for the earned income credit. See Publication 596, Earned Income Credit (EIC), for more information.
4. You qualify for the refundable child tax credit or the additional child tax credit. See the Instructions for Schedule 8812.
5. You qualify for a refundable credit for child and dependent care expenses.
6. You qualify for a refundable American Opportunity Credit.
7. You qualify for the Premium Tax Credit.
8. You qualify for a Recovery Rebate Credit, but either didn't receive an Economic Impact Payment (EIP) or received less than the amount you are eligible for.
9. You receive a 1099-B and the gross proceeds plus other income exceeds the filing limits in Chart A.
10. You receive Form 1099-S, Proceeds From Real Estate Transactions.
11. You are required to file a state return.
12. You want to file a $0 AGI return (such as to prevent tax identity theft, to claim a state credit, or for other assistance). Returns with zero AGI, no refund, and no balance due need to be paper filed.
13. You qualify for the refundable credit for prior year minimum tax. See Form 8801, Credit for Prior Year Minimum Tax — Individuals, Estates, and Trusts (Out of Scope).
14. You qualify for the federal tax on fuels (Out of Scope)
15. You qualify for the refundable sick and family leave credits for certain self-employed individuals..

Tab B: Starting a Return and Filing Status

Form 1040 Job Aid

Form **1040** Department of the Treasury—Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2021** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

Filing Status Check only one box. ☐ Single ☐ Married filing jointly ☐ Married filing separately (MFS) ☐ Head of household (HOH) ☐ Qualifying widow(er) (QW)

If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

Your first name and middle initial	Last name	**Your social security number**
If joint return, spouse's first name and middle initial	Last name	**Spouse's social security number**

Home address (number and street). If you have a P.O. box, see instructions.			Apt. no.
City, town, or post office. If you have a foreign address, also complete spaces below.	State	ZIP code	
Foreign country name	Foreign province/state/county	Foreign postal code	

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund. ☐ **You** ☐ **Spouse**

Tab B

At any time during 2021, did you receive, sell, exchange, or otherwise dispose of any financial interest in any virtual currency? ☐ **Yes** ☐ **No**

Standard Deduction **Someone can claim:** ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** ☐ Were born before January 2, 1957 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1957 ☐ Is blind

Tab F

Dependents (see instructions): If more than four dependents, see instructions and check here ▶ ☐

(1) First name Last name	**(2)** Social security number	**(3)** Relationship to you	**(4)** ✔ if qualifies for (see instructions): Child tax credit	Credit for other dependents
			☐	☐
			☐	☐
			☐	☐
			☐	☐

Tab C

Attach Sch. B if required.

1	Wages, salaries, tips, etc. Attach Form(s) W-2			1	
2a	Tax-exempt interest	2a	**b** Taxable interest	2b	
3a	Qualified dividends	3a	**b** Ordinary dividends	3b	
4a	IRA distributions	4a	**b** Taxable amount	4b	
5a	Pensions and annuities	5a	**b** Taxable amount	5b	
6a	Social security benefits	6a	**b** Taxable amount	6b	
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐			7	
8	Other income from Schedule 1, line 10			8	
9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income** ▶			9	
10	Adjustments to income from Schedule 1, line 26			10	
11	Subtract line 10 from line 9. This is your **adjusted gross income** ▶			11	
12a	**Standard deduction or itemized deductions** (from Schedule A)	12a			
b	Charitable contributions if you take the standard deduction (see instructions)	12b			
c	Add lines 12a and 12b			12c	
13	Qualified business income deduction from Form 8995 or Form 8995-A			13	
14	Add lines 12c and 13			14	
15	**Taxable income.** Subtract line 14 from line 11. If zero or less, enter -0-			15	

Tab D

Tab E

Tab F

Standard Deduction for—
- Single or Married filing separately, $12,550
- Married filing jointly or Qualifying widow(er), $25,100
- Head of household, $18,800
- If you checked any box under *Standard Deduction,* see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form **1040** (2021)

Form 1040 Job Aid (continued)

Form 1040 (2021) Page 2

	16	**Tax** (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐ ________		16
	17	Amount from Schedule 2, line 3		17
	18	Add lines 16 and 17		18
	19	Nonrefundable child tax credit or credit for other dependents from Schedule 8812		19
	20	Amount from Schedule 3, line 8		20
	21	Add lines 19 and 20		21
	22	Subtract line 21 from line 18. If zero or less, enter -0-		22
	23	Other taxes, including self-employment tax, from Schedule 2, line 21		23
	24	Add lines 22 and 23. This is your **total tax** ▶		24
	25	Federal income tax withheld from:		
	a	Form(s) W-2	25a	
	b	Form(s) 1099	25b	
	c	Other forms (see instructions)	25c	
	d	Add lines 25a through 25c		25d
	26	2021 estimated tax payments and amount applied from 2020 return		26
If you have a qualifying child, attach Sch. EIC.	27a	Earned income credit (EIC)	27a	
		Check here if you had not reached the age of 19 by December 31, 2021, and satisfy all other requirements for claiming the EIC. See instructions ▶ ☐		
	b	Nontaxable combat pay election 27b		
	c	Prior year (2019) earned income 27c		
	28	Refundable child tax credit or additional child tax credit from Schedule 8812	28	
	29	American opportunity credit from Form 8863, line 8	29	
	30	Recovery rebate credit. See instructions	30	
	31	Amount from Schedule 3, line 15	31	
	32	Add lines 27a and 28 through 31. These are your **total other payments and refundable credits** ▶		32
	33	Add lines 25d, 26, and 32. These are your **total payments** ▶		33
Refund	34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid**		34
	35a	Amount of line 34 you want **refunded to you.** If Form 8888 is attached, check here ▶ ☐		35a
Direct deposit? See instructions.	▶ b	Routing number ▶ **c** Type: ☐ Checking ☐ Savings		
	▶ d	Account number		
	36	Amount of line 34 you want **applied to your 2022 estimated tax** ▶	36	
Amount You Owe	37	**Amount you owe.** Subtract line 33 from line 24. For details on how to pay, see instructions ▶		37
	38	Estimated tax penalty (see instructions) ▶	38	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions ▶ ☐ **Yes.** Complete below. ☐ **No**

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

Sign Here

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.

Joint return? See instructions. Keep a copy for your records.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) ▶
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) ▶
Phone no.	Email address		

Paid Preparer

Preparer's name	Preparer's signature	Date	PTIN	Check if: ☐ Self-employed
Firm's name ▶			Phone no.	

Tab H

Tab G

Tab H

Tabs I, G, J, H

Tabs K, P

Form 1040 Schedules

Below is a general guide to what schedule(s) you will need to file, based on your circumstances.

If You...	Then Use...	Refer to:
• Have additional income, such as unemployment compensation, prize or award money, or gambling winnings. • Have any deductions to claim, such as student loan interest deduction, self-employment tax, or educator expenses.	Schedule 1, Additional Income and Adjustments to Income	Tabs D, E, and F
• Need to make an excess advance premium tax credit repayment. • Owe other taxes, such as self-employment tax, household employment taxes, additional tax on IRAs or other qualified retirement plans and tax-favored accounts or need to repay the first-time homebuyer credit.	Schedule 2, Additional Taxes	Tab H
• Can claim a nonrefundable credit other than the child tax credit or the credit for other dependents, such as the foreign tax credit, education credits, or retirement savings contributions credit. • Can claim a refundable credit other than the earned income credit, American opportunity credit, or additional child tax credit. Have other payments, such as an amount paid with a request for an extension to file or excess Social Security tax withheld.	Schedule 3, Additional Credits and Payments	Tabs G, H, J

Form 13614-C Job Aid for Volunteers

View photo ID's for each taxpayer and spouse (if filing a joint return).	Name as shown on Social Security records (see Tab B Determining the Last Name of Taxpayer).	Taxpayer's current address where IRS should mail refund and/or other correspondence.	Use Tab C to verify taxpayer and spouse's dependency status.	Refer to Tab P if taxpayer is a victim of identity theft.	Refer to Tab R, for definition of Legally Blind, Permanently and Totally Disabled and Full Time Student.	If not a US citizen, use Tab L Resident or Nonresident Alien Decision Tree to determine if return is within scope.

Form **13614-C** (October 2021)

Department of the Treasury - Internal Revenue Service

Intake/Interview & Quality Review Sheet

OMB Number 1545-1964

You will need:

- **Tax Information such as Forms W-2, 1099, 1098, 1095.**
- **Social security cards or ITIN letters for all persons on your tax return.**
- **Picture ID (such as valid driver's license) for you and your spouse.**

- **Please complete pages 1-4 of this form.**
- **You are responsible for the information on your return. Please provide complete and accurate information.**
- **If you have questions, please ask the IRS-certified volunteer preparer.**

Volunteers are trained to provide high quality service and uphold the highest ethical standards.
To report unethical behavior to the IRS, email us at wi.voltax@irs.gov

Part I – Your Personal Information *(If you are filing a joint return, enter your names in the same order as last year's return)*

1. Your first name	M.I.	Last name	Best contact number	Are you a U.S. citizen? ☐ Yes ☐ No
2. Your spouse's first name	M.I.	Last name	Best contact number	Is your spouse a U.S. citizen? ☐ Yes ☐ No
3. Mailing address	Apt #	City	State	ZIP code

4. Your Date of Birth	5. Your job title	6. Last year, were you: a. Full-time student ☐ Yes ☐ No b. Totally and permanently disabled ☐ Yes ☐ No c. Legally blind ☐ Yes ☐ No
7. Your spouse's Date of Birth	8. Your spouse's job title	9. Last year, was your spouse: a. Full-time student ☐ Yes ☐ No b. Totally and permanently disabled ☐ Yes ☐ No c. Legally blind ☐ Yes ☐ No

10. Can anyone claim you or your spouse as a dependent? ☐ Yes ☐ No ☐ Unsure

11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? ☐ Yes ☐ No

12. Provide an email address *(optional) (this email address will not be used for contacts from the Internal Revenue Service)*

Part II – Marital Status and Household Information

1. As of December 31, 2021, what was your marital status?
   - ☐ Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
   - ☐ Married
     - a. If Yes, Did you get married in 2021? ☐ Yes ☐ No
     - b. Did you live with your spouse during any part of the last six months of 2021? ☐ Yes ☐ No
   - ☐ Divorced — Date of final decree ________
   - ☐ Legally Separated — Date of separate maintenance decree ________
   - ☐ Widowed — Year of spouse's death ________

2. List the names below of:
   - **everyone** who lived with you last year *(other than your spouse)*
   - **anyone** you supported but did not live with you last year

If additional space is needed check here ☐ and list on page 3

To be completed by a Certified Volunteer Preparer

Name *(first, last)* Do not enter your name or spouse's name below (a)	Date of Birth *(mm/dd/yy)* (b)	Relationship to you *(for example: son, daughter, parent, none, etc)* (c)	Number of months lived in your home last year (d)	US Citizen *(yes/no)* (e)	Resident of US, Canada, or Mexico last year *(yes/no)* (f)	Single or Married as of 12/31/21 *(S/M)* (g)	Full-time Student last year *(yes/no)* (h)	Totally and Permanently Disabled *(yes/no)* (i)	Is this person a qualifying child/relative of any other person? *(yes/no)*	Did this person provide more than 50% of his/ her own support? *(yes,no,n/a)*	Did this person have less than $4,300 of income? *(yes,no,n/a)*	Did the taxpayer(s) provide more than 50% of support for this person? *(yes/no/n/a)*	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? *(yes/no)*

Taxpayer must include **everyone** who lived with the taxpayer and **anyone** the taxpayer supported who lived elsewhere. Always confirm this information during the interview process, especially if the taxpayer did not list anyone.	Verify birth date for each person included on the tax return. Note: Incorrect birth dates may cause efile rejection.	Verbally confirm the number of months each person listed lived in the home. Note: Consider any temporary absences.	If not a US citizen, use Tab L Resident or Nonresident Alien Decision Tree to determine if return is within scope.	If taxpayer's marital status changed in 2021 (Married or Divorced), verify how it may affect ACA and if the return is within scope.	The Certified Volunteer Preparer will complete these questions for each listed person during the interview.	See Page 3 to verify if taxpayer listed additional names.

Important Reminder: Review all information in Part II before using Tabs B and C to determine Dependency Exemptions and Filing Status.

Important Reminder: The Intake/Interview process may be considered incomplete if:
- questions are left unanswered in Parts I thru V
- "Unsure" answers are not addressed with the taxpayer and then annotated to "Yes" or "No".
- applicable Certified Volunteer Preparer shaded area is not completed .

Important Reminder: Do not refer taxpayers to the Voltax e-mail address for IRS help or refund information.

Refer to the back cover of Pub 4012 for appropriate IRS referrals.

Form 13614-C Job Aid for Volunteers Page 2

Important Reminder: During the interview, question taxpayers about any items marked "Unsure" and mark them "Yes" or "No". Modify any taxpayer answers to correctly reflect all information obtained during the interview.

Certification indicators **B, A, M** should only be used to assign returns to preparers.

Final certification level should be made by using the **Scope of Service Chart** after completing the Interview.

Not all of these items are reported on Schedule 1, Line 8. See Pub 17.

Verify eligibility for Saver's Credit.

Verify if taxpayer can itemize.

Student Loan Interest adjustment See Tab E.

The taxpayer may have a requirement to repay their credit.

Ask taxpayer for a copy of last year's return to locate necessary information.

ropriate box for each question in each section

Unsure	Part III – Income – Last Year, Did You *(or Your Spouse)* Receive
☐	1. (B) Wages or Salary? (Form W-2) **If yes, how many jobs did you have last year?**
☐	2. (A) Tip Income?
☐	3. (B) Scholarships? (Forms W-2, 1098-T)
☐	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
☐	5. (B) Refund of state/local income taxes? (Form 1099-G)
☐	6. (B) Alimony income or separate maintenance payments?
☐	7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)
☐	8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W
☐	9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home
☐	10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
☐	11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)
☐	12. (B) Unemployment Compensation? (Form 1099G)
☐	13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
☐	14. (M) Income (or loss) from Rental Property?
☐	15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)

Unsure	Part IV – Expenses – Last Year, Did You *(or Your Spouse)* Pay
☐	1. (B) Alimony or separate maintenance payments? ~~If yes, do you have the recipient's SSN? ☐ Yes ☐ No~~
☐	2. Contributions or repayments to a retirement account? ☐ IRA (A) ☐ 401K (B) ☐ Roth IRA (B)
☐	3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
☐	4. Any of the following? ☐ (A) Medical & Dental (including insurance premiums) ☐ (A) Mortgage Interest ☐ (A) Taxes (State, Real Estate, Personal Property, Sales) ☐ (B) Charitable Contri
☐	5. (B) Child or dependent care expenses such as daycare?
☐	6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
☐	7. (A) Expenses related to self-employment income or any other income you received?
☐	8. (B) Student loan interest? (Form 1098-E)

Unsure	Part V – Life Events – Last Year, Did You *(or Your Spouse)*
☐	1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
☐	2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms
☐	3. (A) Adopt a child?
☐	4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, fo
☐	5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
☐	6. (A) Receive the First Time Homebuyers Credit in 2008?
☐	7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?
☐	8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
☐	9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
☐	10. (B) Receive an Economic Impact Payment (stimulus) in 2021?
☐	11. (B) Receive Advanced Child Tax Credit payments?

See Tab D Form W-2 Instructions

If yes, verify tips were reported to employer. If not, complete Form 4137 (Advanced).

See Tab D for information on how to enter taxable scholarships.

Verify the return is within the scope of VITA/TCE Programs.

If yes, determine if taxable.

See Tab E for definition of alimony.

See Tab J and compare credits and adjustments.

Advise taxpayer of records requirements.

If yes, ask taxpayer for child care provider's TIN.

See Tabs I,G or J for impact of a "Yes" answer on any credits for this year.

Taxpayer must provide Form 1095-A if received insurance through the Marketplace.

Verify if taxpayer may be eligible for any additional payment.

Form 13614-C Job Aid for Volunteers Page 3

The "written communications" answer will be entered into TaxSlayer software.

See Tab K on how to enter information about a refund.

Check for tax benefits for declared disaster areas.

1. Would you like to receive written communications from the IRS in a language other than English? ☐ Yes ☐ No If yes, which language?
2. Presidential Election Campaign Fund *(If you check a box, your tax or refund will not change)*
   Check here if you, or your spouse if filing jointly, want $3 to go to this fund ☐ You ☐ Spouse
3. If you are due a refund, would you like: a. Direct deposit ☐ Yes ☐ No b. To purchase U.S. Savings Bonds ☐ Yes ☐ No c. To split your refund between ☐ Yes ☐ No
4. If you have a balance due, would you like to make a payment directly from your bank account? ☐ Yes ☐ No
5. Did you live in an area that was declared a Federal disaster area? ☐ Yes ☐ No If yes, where?
6. Did you, or your spouse if filing jointly, receive a letter from the IRS? ☐ Yes ☐ No

Many free tax preparation sites operate by receiving grant money or other federal financial assistance. The data from the following questions this site to apply for these grants or to support continued receipt of financial funding . Your answer will be used only for statistical purposes. are optional.

7. Would you say you can carry on a conversation in English, both understanding & speaking? ☐ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Pr
8. Would you say you can read a newspaper or book in English? ☐ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Pr
9. Do you or any member of your household have a disability? ☐ Yes ☐ No ☐ Prefer not to answer
10. Are you or your spouse a Veteran from the U.S. Armed Forces? ☐ Yes ☐ No ☐ Prefer not to answer
11. Your race?
   ☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or other Pacific Islander ☐ White ☐ Prefer not to answer
12. Your spouse's race?

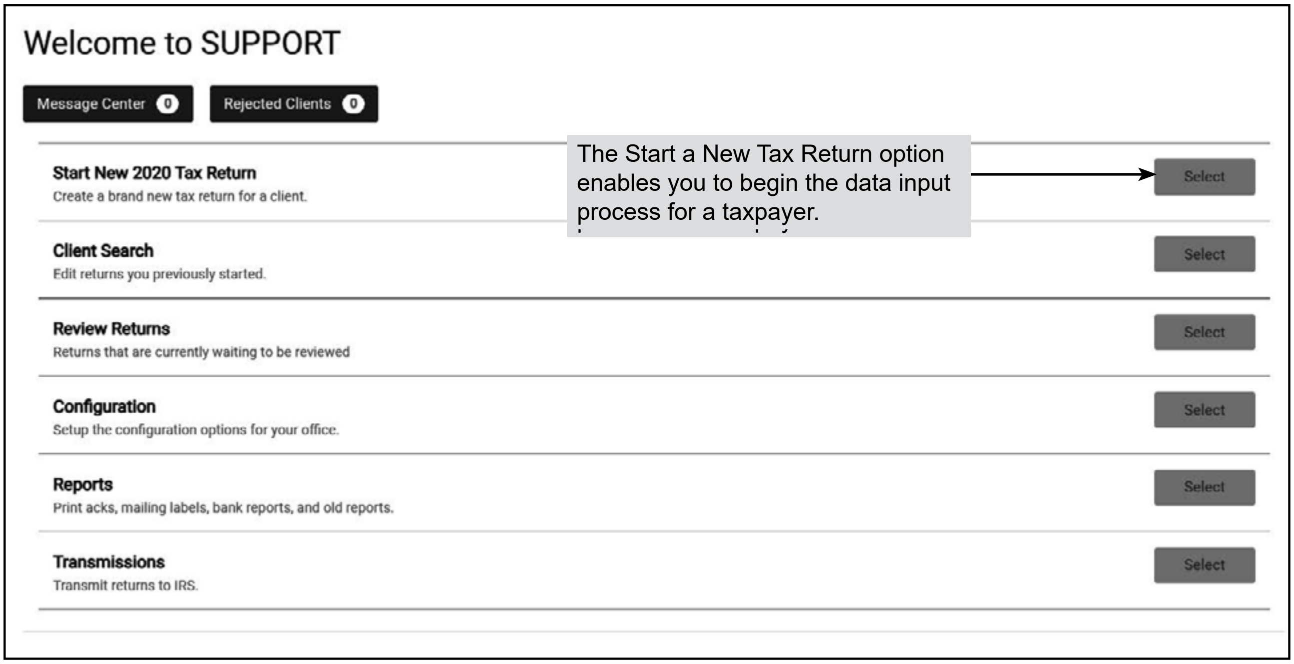
The Presidential Election Campaign Fund answer will be entered into TaxSlayer software.

Determine if the letter may impact the return and refer them to any available resources if help is needed.

Answers to these questions will be transferred and collected inside TaxSlayer software.

Important Reminder: A Quality Review of each return must be completed using the Quality Review Checklist in Tab K.

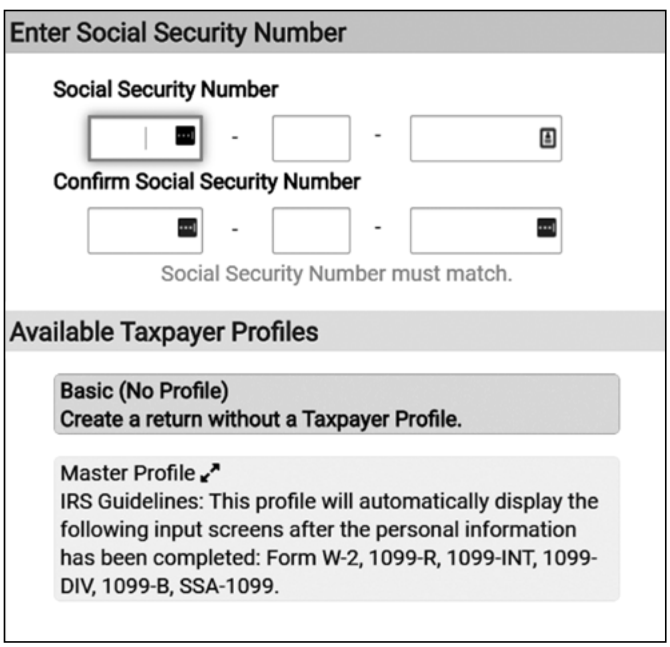
Starting a New Return



Note: These options will not appear for all users. Your screen may have different options based on the security template you are assigned.

Social Security Number Entry

The next step in creating a new tax return is entering the taxpayer's Social Security number (SSN) in the space provided. To ensure accuracy, you are required to enter the SSN twice.



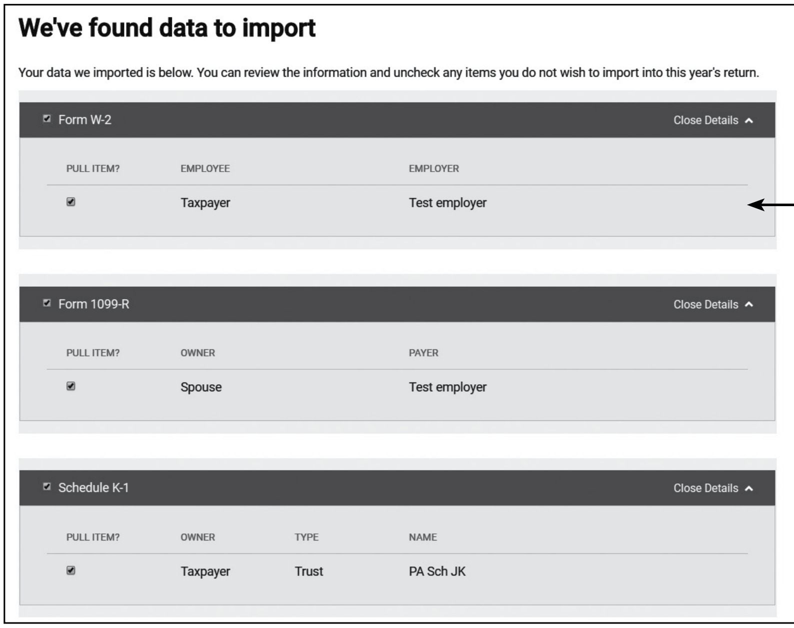
Note: All returns are completed are using the Basic (No Profile) Create a return without a Taxpayer Profile.

If the SSN is already in use, or the two entries don't match, the software will display an error message. Re-enter the numbers.

Starting a New Return (continued)

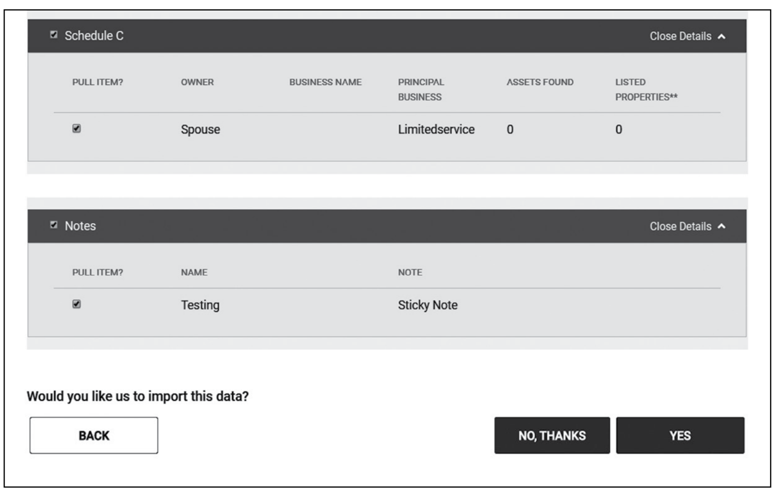
Pulling Prior Year Data

If prior year data is found for this SSN, TaxSlayer Pro displays the following:



Uncheck the boxes for the items that you do not want to pull forward.W2s that are carried forward and not used will need to be deleted.

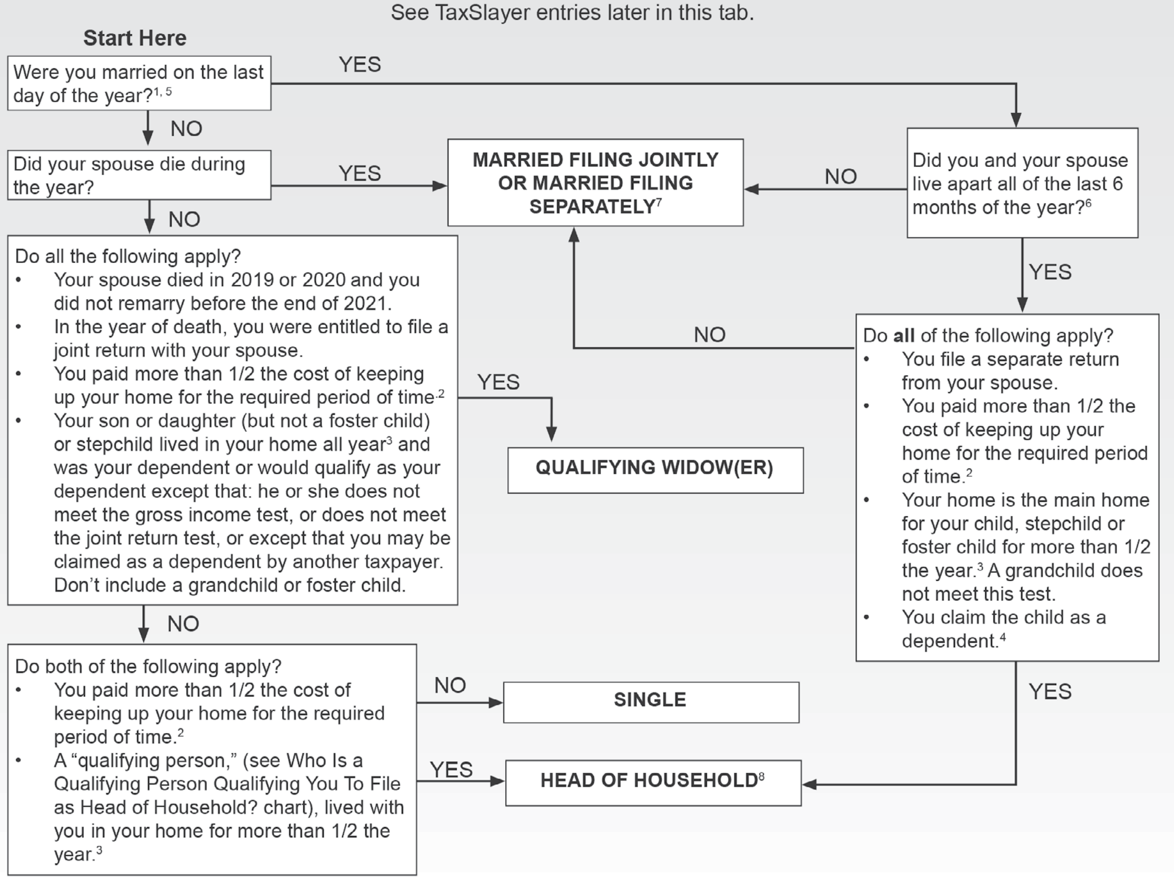
Select what you would like to pull forward by checking the boxes to the left of the items listed on the We've found data to import screen and select **Yes**. Your prior year information will then be pulled to the current year tax return.



Be sure to verify that all EINs and addresses on Forms W-2 and 1099-R are still the same as the prior year when using carryforward.

Determination of Filing Status – Decision Tree

See TaxSlayer entries later in this tab.



Footnotes

[1] Answer "NO" to this question if, on the last day of the year, you were legally separated from your spouse under a divorce or separate maintenance decree. Answer "NO" for individuals who have entered into a registered domestic partnership, civil union, or other similar relationship that is not called a marriage under state (or foreign) law. Answer YES if taxpayer is married regardless of where the spouse lives.

[2] Include in the cost of upkeep expenses such as rent, mortgage interest, real estate taxes, insurance on the home, repairs, utilities and food eaten in the home. Under proposed regulations, a taxpayer may treat a home's fair market rental value as a cost of maintaining a household instead of the sum of payments for mortgage interest, property taxes and insurance. See "Cost of Keeping Up a Home" worksheet later in this tab.

[3] See Publication 17, Your Federal Income Tax For Individuals, Filing Status, for rules applying to birth, death, or temporary absence during the year. There are special rules for claiming your parent as a qualifying person for head of household. See the Who Is a Qualifying Person Qualifying You To File as Head of Household? chart later in this tab)

[4] Unless the child's other parent claims him or her under rules for children of divorced or separated parents or parents who lived apart.

[5] You are considered unmarried for head of household purposes if your spouse was a nonresident alien at any time during the year and you do not choose to treat your nonresident spouse as a resident alien. However, your spouse is not a qualifying person for head of household purposes. You must have another qualifying person (see the Who Is a Qualifying Person Qualifying You To File as Head of Household? chart later in this tab) and meet the other tests to be eligible to file as a head of household. You are considered married if you choose to treat your nonresident alien spouse as a resident alien. See chapter 1 of Pub 519, U.S. Tax Guide For Aliens.

[6] Your spouse is considered to live in your home even if he or she is temporarily absent due to illness, education, business, vacation, military service, or incarceration.

[7] If the taxpayer wants to file MFS, emphasize the advantages to Married Filing Jointly and the possibility of filing Form 8379, Injured Spouse Claim & Allocation (if appropriate). See Pub 17, Filing Status, MFS Special Rules for list of disadvantages. Respect a taxpayer's decision to file MFS. If domiciled in a community property state see Pub 555, Community Property.

[8] There can be multiple households within a shared living quarter if each household meets their determined filing requirements.

Note: If one spouse dies and the other remarries in the same year, the deceased spouse files Married Filing Separately.

Filing Status - Interview Tips

step	Probe/Action: Ask the taxpayer:	
step 1	Were you married on December 31 of the tax year?[6] You are considered unmarried if, on the last day of the year, you were legally separated from your spouse under a divorce or separate maintenance decree. State law governs whether you are married or legally separated under a divorce or separate maintenance decree. Individuals who have entered into a registered domestic partnership, civil union, or other similar relationship that is not called a marriage under state (or foreign) law are not considered married. A taxpayer is married regardless of where the spouse lives.	If **YES**, go to Step 2. If **NO**, go to Step 4.
step 2	Do you and your spouse wish to file a joint return?	If **YES**, your filing status is **married filing jointly**. If **NO**, go to Step 3.[2]
step 3	Do all the following apply? • You file a separate return from your spouse • You paid more than half the cost of keeping up your home for the required period of time.[1] • Your spouse didn't live in your home during the last 6 months of the tax year [3] • Your home was the main home of your child, stepchild, or foster child for more than half the year. Include any individual who would qualify as your dependent except: he or she does not meet the gross income test, does not meet the joint return test, or if you could be claimed as a dependent of another taxpayer. (a grandchild doesn't meet this test) • You claim an exemption for the child (unless the noncustodial parent claims the child under rules for divorced or separated parents or parents who live apart)	If **YES**, STOP. You are considered unmarried and your filing status is **head of household**. If **NO**, STOP. Your filing status is **married filing separately**[5].
step 4	Did your spouse die in 2019 or 2020?	If **YES**, go to Step 5. If **NO**, go to Step 6.
step 5	Do all the following apply? • You were entitled to file a joint return with your spouse for the year your spouse died • You didn't remarry before the end of this tax year • You have a child or stepchild who lived with you all year, except for temporary absences or other limited exceptions, and who is your dependent or who would qualify as your dependent except that: he or she does not meet the gross income test, does not meet the joint return test, or except that you may be claimed as a dependent by another taxpayer. Don't include a grandchild or foster child. • You paid more than half the cost of keeping up the home for the required period of time.[1]	If **YES**, STOP. Your filing status is **qualifying widow(er) with dependent child**. If **NO**, go to Step 6.
step 6	Do both of the following apply? • You paid more than 1/2 the cost of keeping up your home for the required period of time.[1] • A "qualifying person," (see Who Is a Qualifying Person Qualifying You To File as Head of Household? chart), lived with you in your home for more than 1/2 the year.[4]	**YES** – Head of Household **NO** – Single

Footnotes

[1] Include in the cost of upkeep expenses such as rent, mortgage interest, real estate taxes, insurance on the home, repairs, utilities and food eaten in the home. Under proposed regulations, a taxpayer may treat a home's fair market rental value as a cost of maintaining a household instead of the sum of payments for mortgage interest, property taxes and insurance. See "Cost of Keeping Up a Home" worksheet later in this tab.

[2] You are considered unmarried for head of household purposes if your spouse was a nonresident alien at any time during the year and you do not choose to treat your nonresident spouse as a resident alien. However, your spouse is not a qualifying person for head of household purposes. You must have another qualifying person (see Who Is a Qualifying Person Qualifying You To File as Head of Household? chart later in this tab) and meet the other tests to be eligible to file as a head of household.

[3] Your spouse is considered to live in your home even if he or she is temporarily absent due to illness, education, business, vacation, military service, or incarceration.

[4] You can't use head of household filing status based on any person who is your dependent only because he or she lived with you for the entire year (for example, a companion or a friend).

[5] If filing a MFS return in a community property state, allocate income and expense according to state law. This situation may be treated as Out of Scope.

[6] If your spouse died during the year, you are considered married for the whole year for filing status purposes. If you didn't remarry before the end of the year, you can file a joint return for yourself and your deceased spouse. If you remarried before the end of the tax year, you can file a joint return with your new spouse. In that case, your deceased spouse's filing status is married filing separately for that year.

Who Is a Qualifying Person Qualifying You To File as Head of Household?[1]

DON'T use this chart alone. Use as directed by the interview tips on the previous page.

IF the person is your . . .	AND . . .	THEN that person is . . .
qualifying child (such as a son, daughter, or grandchild who lived with you more than half the year and meets certain other tests)[2]	he or she is single	a qualifying person, whether or not you can claim the person as a dependent.
	he or she is married and you can claim him or her as a dependent	a qualifying person.
	he or she is married and you can't claim him or her as a dependent	not a qualifying person.[3]
qualifying relative[4] who is your father or mother	you can claim him or her as a dependent[5]	a qualifying person.[6]
	you can't claim him or her as a dependent	not a qualifying person.
qualifying relative[4] other than your father or mother.	he or she lived with you more than half the year, and you can claim him or her as a dependent, and is one of the following: son, daughter, stepchild, foster child, or a descendant of any of them; your brother, sister, half brother, half sister or a son or daughter of any of them; an ancestor or sibling of your father or mother; or stepbrother, stepsister, stepfather, stepmother, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law[5]	a qualifying person.
	he or she didn't live with you more than half the year	not a qualifying person.
	he or she isn't related to you in one of the ways listed above and is your qualifying relative only because he or she lived with you all year as a member of your household (for example, a companion or a friend)	not a qualifying person.
	you can't claim him or her as a dependent	not a qualifying person.

Footnotes

1 A person can't qualify more than one taxpayer to use the head of household filing status for the year.

2 The term "qualifying child" is covered in Tab C, Dependents. **Note:** If you are a noncustodial parent, the term "qualifying child" for head of household filing status doesn't include a child who is your dependent only because of the rules described in the Children of Divorced or Separated Parents table. If you are the custodial parent and those rules apply, the child generally is your qualifying child for head of household filing status even though the child isn't a qualifying child who you can claim as a dependent.

3 This person is a qualifying person if the only reason you can't claim him or her as a dependent is that you can be claimed as a dependent on someone else's return.

4 The term "qualifying relative" is covered in Tab C, Dependents.

5 If you can claim a person as a dependent only because of a multiple support agreement, that person isn't a qualifying person. See Multiple Support Agreement, in Publication 17.

6 You are eligible to file as head of household even if your parent, whom you can claim as a dependent, doesn't live with you. You must pay more than half the cost of keeping up a home that was the main home for the entire year for your parent. This test is met if you pay more than half the cost of keeping your parent in a rest home or home for the elderly.

Cost of Keeping Up a Home

Keep for Your Records

	Amount You Paid	Total Cost
Property Taxes*	$__________	$__________
Mortgage interest expenses*	$__________	$__________
Rent	$__________	$__________
Utility charges	$__________	$__________
Property insurance*	$__________	$__________
Food eaten in the home	$__________	$__________
Other household expenses	$__________	$__________
Fair market rental value*	$__________	$__________

*Under proposed regulations, fair market rental value may be used (instead of the sum of payments for property taxes, mortgage interest expenses, and property insurance)

Totals

Minus total amount you paid	(__________)
Amount others paid	$__________

If the total amount you paid is more than the amount others paid, you meet the requirement of paying more than half the cost of keeping up the home

Note:

Costs you include. Include in the cost of keeping up a home expenses such as rent, mortgage interest, real estate taxes and insurance on the home, repairs, utilities, and food eaten in the home. As an alternative to including mortgage interest, real estate taxes, and insurance under proposed regulations, you may include the fair market rental value of the home.

Costs you don't include. Don't include the cost of clothing, education, medical treatment, vacations, life insurance, or transportation. Also, don't include the value of your services or those of a member of your household.

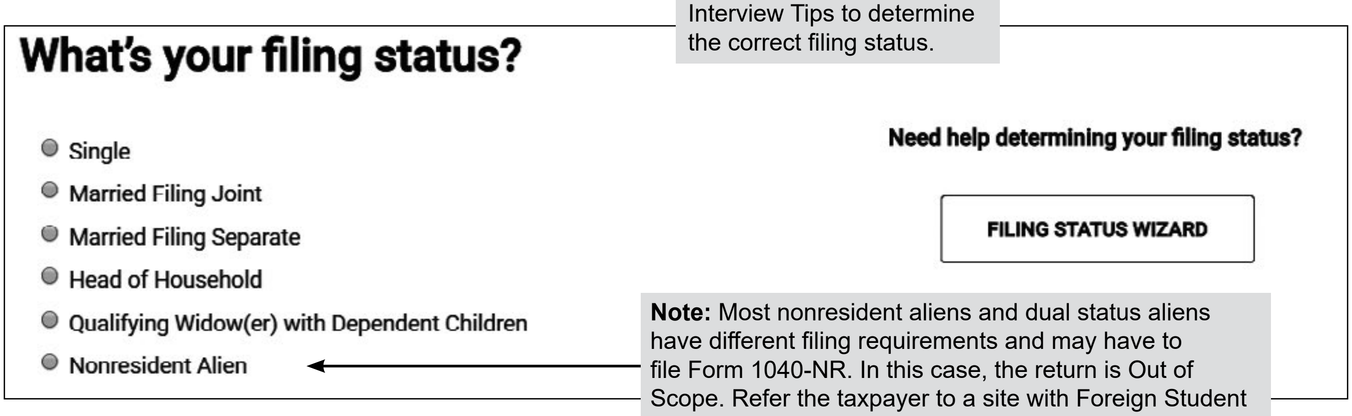
Note: Payments received under Temporary Assistance for Needy Families or other public assistance programs used to pay the costs of keeping up the home can be counted as money you paid. Amounts paid out of funds received in the child's or qualifying person's name, such as social security, are considered paid by the child, not you.

Entering Basic Information

TaxSlayer Navigation: Basic Information>Filing Status

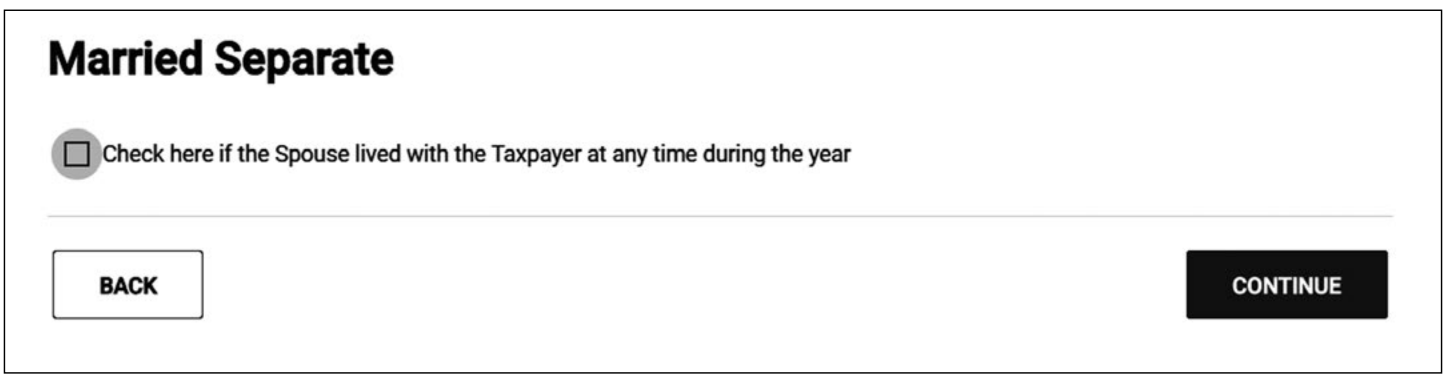
After collecting necessary information from Form 13614-C, Intake/Interview & Quality Review Sheet, and properly applying the tax law, you should choose the taxpayer's filing status.

Use the Filing Status Interview Tips to determine the correct filing status.



Note: Most nonresident aliens and dual status aliens have different filing requirements and may have to file Form 1040-NR. In this case, the return is Out of Scope. Refer the taxpayer to a site with Foreign Student certification. Resident aliens generally are taxed the same as U.S. citizens.

The second screen titled Married Separate, is used to determine the spouse's return status.



Determining the Last Name of Taxpayer

A name control is a sequence of letters derived from a taxpayer's last name that is used by IRS in processing the tax return filed by the taxpayer. It is important that the combination of name control and taxpayer identification number (TIN) provided on an electronically filed return match IRS's record of name controls and TINs.

In e-file, a taxpayer's TIN and name control must match the data in the IRS database. If they don't match, the e-filed return will reject and generate an Error Reject Code.

Individuals may create a mySocialSecurity account to see how their information shows up on Social Security Administration records. For additional information, visit the Social Security Administration's website.

Name Controls for Individual Tax Returns

1. Primary Name Control (SEQ 0050) of Form 1040 must equal the first significant characters of the primary taxpayer's last name. No leading or embedded spaces are allowed. The first left-most position must contain an alpha character. Omit punctuation marks (except hyphens), titles and suffixes within last name field.

Examples:
Individual Name Primary/Secondary Name Control

Individual Name on SSN/ITIN Card(s)	Enter in TaxSlayer		IRS Database Primary/Secondary Name Control
	First Name Field	Last Name Field	
John Brown	John	Brown	BROW
Walter Di Angelo	Walter	Di Angelo	DIAN
Ronald En, Sr.	Ronald	En	EN
Thomas Lea-Smith	Thomas	Lea-Smith	LEA-
Joseph Corn & Mary Smith	Joseph	Corn	CORN
	Mary	Smith	SMIT
Roger O'Neil	Roger	ONeil	ONEI
Kenneth McCarty	Kenneth	McCarty	MCCA
FNU Smith (First Name Unknown)	FNU	Smith	SMIT
Smith (No First Name)		Smith	SMIT

Determining the Last Name of Taxpayer (continued)

2. Consider certain suffixes as part of the last name (i.e., Armah-Bey, Paz-Ayala, Allar-Sid). Particular attention must be given to those names that incorporate a mother's maiden name as a suffix to the last name. For example, traditional Hispanic last names include the taxpayer's father's name followed by a space and the taxpayer's mother's maiden name. A married taxpayer's last name remains the same and either simply adds on the spouse's father's name (resulting in 3 names forming the last name) or deletes the mother's maiden name and adds on the spouse's father's name (sometimes the spouse's father's name is preceded by "de").

Examples:
Individual Name Primary Name Control

Individual Name on SSN/ ITIN Card	Enter in TaxSlayer		IRS Database Primary Name Control
	First Name Field	**Last Name Field**	
Abdullah Allar-Sid	Abdullah	Allar-Sid	ALLA
Jose Alvarado Nogales	Jose	Alvarado Nogales	ALVA
Juan de la Rosa Y Obregon	Juan	de la Rosa Y Obregon	DELA
Pedro Paz-Ayala	Pedro	Paz-Ayala	PAZ-
Donald Vander Neut	Donald	Vander Neut	VAND
Otto Von Wodtke	Otto	Von Wodtke	VONW
John Big Eagle	John	Big Eagle	BIGE
Mary Her Many Horses	Mary	Her Many Horses	HERM
Ted Smith Gonzalez	Ted	Gonzalez	GONZ
Maria Acevedo Smith	Maria	Smith	SMIT
Robert Garcia Garza Hernandez	Robert	Garza Hernandez	GARZ

CAUTION Please note that these are examples for how the name is shown on a return. Asking the taxpayer how their name was shown on their return if they filed the previous year may help prevent a reject.

3. Below are examples of Indo-Chinese last names and the derivative Name Control. Some Indo-Chinese names have only two characters. Indo-Chinese names often have a middle name of "Van" (male) or "Thi" (female).

Examples:
Individual Name Primary/Secondary Name Control

Individual Name on SSN/ ITIN Card	Enter in TaxSlayer		IRS Database Primary Name Control
	First Name Field	**Last Name Field**	
Binh To La	Binh	La	LA
Kim Van Nguyen	Kim	Nguyen	NGUY
Nhat Thi Pham	Nhat	Pham	PHAM
Jin Zhang Qui & Yen Yin Chiu	Jin Zhang	Qui	QUI
	Yen Yin	Chiu	CHIU

Entering Basic Information (continued)

TaxSlayer Navigation: Basic Information>Personal Information

The input screens below gather the taxpayer's personal information.

Taxpayer Information

Primary taxpayer first name * — Taxpayer

MI

Last name * — Sample

Suffix (Jr, Sr, etc.) — ---

SSN *The IRS requires your Social Security Number for e-filing.* * — 700 - 00 - XXXX

Date of Birth * — 6 / 6 / 1960

Occupation

Note: If a taxpayer is deceased, make the surviving spouse the primary taxpayer.

You must input a birth date. Use drop down boxes to select Month, Date and Year.

This section is important for calculation of filing status, standard deduction, Presidential Election Fund, and military status.

- ☐ Taxpayer can be claimed as a dependent on someone else's return.
- ☐ Taxpayer was over age 18 and a full-time student at an eligible educational institution.
- ☐ Taxpayer is blind.
- ☐ Taxpayer is deceased.
- ☐ Taxpayer wishes to contribute $3 to the Presidential Election Campaign Fund.
- ☐ Taxpayer or Spouse served in a combat zone during the current tax year.
- ☐ Taxpayer was a nonresident alien for any part of the year.
- ☐ Taxpayer wishes to elect to use their 2019 earned income to figure their 2020 earned income credit and/or child tax credit.
- ☐ Taxpayer or Spouse was affected by a natural disaster during the current tax year.
- ☐ Taxpayer has received, sold, sent, exchanged, or otherwise acquired financial interest in virtual currency during the current tax year.
- ☐ Taxpayer prefers to receive written communications from the IRS in a language other than English.

Check the box if another taxpayer can claim this person as a dependent.

Check the box if the taxpayer is between the ages of 18 and 24 and is a full-time student during some part of each of any 5 calendar months of the year. See Tab R, Glossary and Index for definition of a full-time student.

Check the Taxpayer is deceased box to generate a Date of Death box, which must be completed. The word Deceased and the date of death will print next to the deceased person's name at the top of Form 1040 page 1, as required by the IRS.

Checking the "yes" box to contribute to the Presidential Election Campaign Fund does not increase the amount of tax that taxpayers owe, nor does it decrease any refund to which they are entitled.

Do not mark the taxpayer was a nonresident alien box if taxpayer or spouse is married to a citizen or resident alien and they have elected to treat the nonresident alien as a resident alien.

Select the box if the taxpayer elects to use prior year earned income for the calculation of EIC

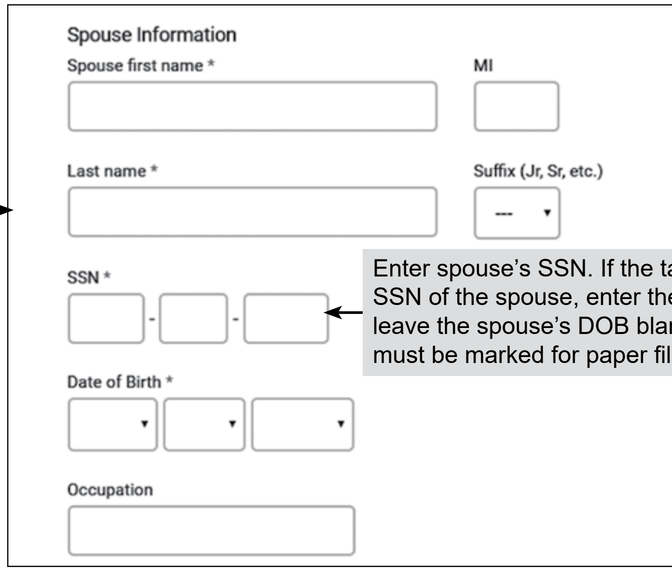
The return is Out of Scope if the taxpayer must check the box.Taxpayers are not required to check the box if they held no virtual currency for the tax year or if the taxpayer's only transactions involving virtual currency during the tax year were purchases of virtual currency with real currency.

Taxpayers may choose to receive written communications from IRS in a language other than English. Check the box and select the language from the drop down menu.

Note: If your spouse died during the year, you are considered married for the whole year for filing status purposes. If you didn't remarry before the end of the tax year, you can file a joint return for yourself and your deceased spouse. If you remarried before the end of the tax year, you can file a joint return with your new spouse. Your deceased spouse's filing status is Married Filing Separately for that year.

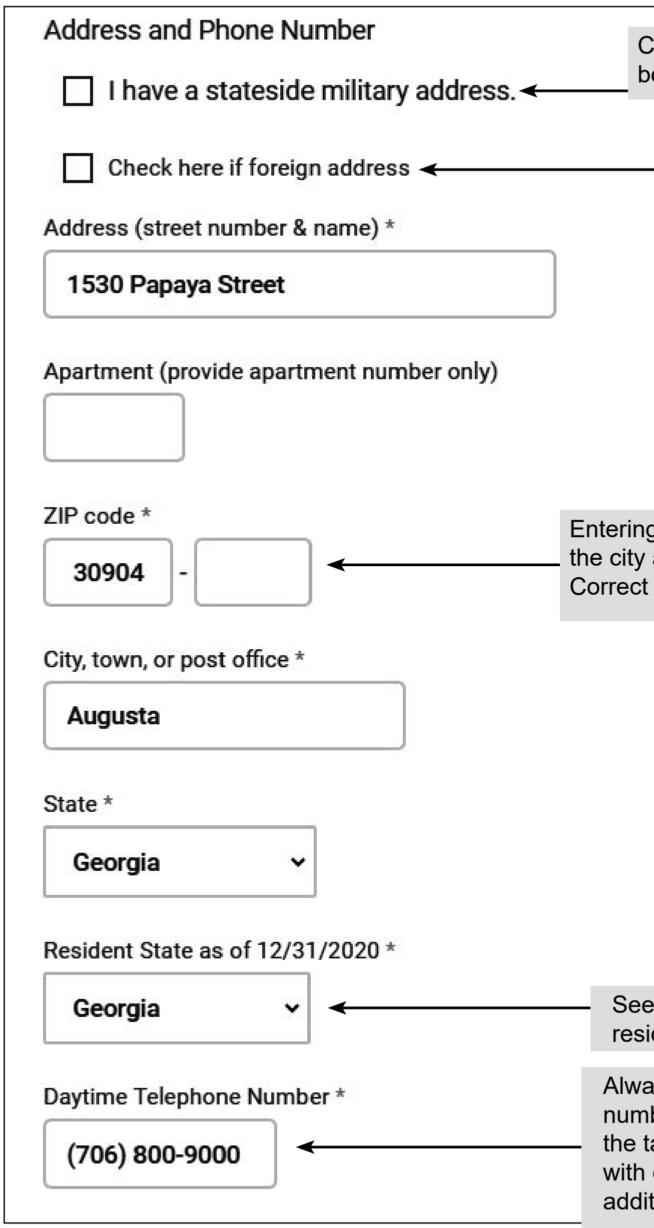
Entering Basic Information (continued)

Verfiy the spouse's last name with their Social Security card. If different from the taxpayer's, correct the autofilled entry.



Enter spouse's SSN. If the taxpayer is filing MFS and does not know the SSN of the spouse, enter the spouse's SSN as 111-00-1111. You may leave the spouse's DOB blank. Without the spouse's SSN, the return must be marked for paper filing. It will be rejected if filed electronically.

TIP ID Theft PINs are entered in the Miscellaneous Forms Menu.



Check the Military or foreign address boxes if they apply.

Entering the ZIP code will cause the city and state to auto-fill. Correct the city name if needed.

See Note on following page for residency status.

Always ask for the best telephone number (i.e. cell phone) to contact the taxpayer so the site can follow up with clients about return rejects or if additional information is needed.

Entering Basic Information (continued)

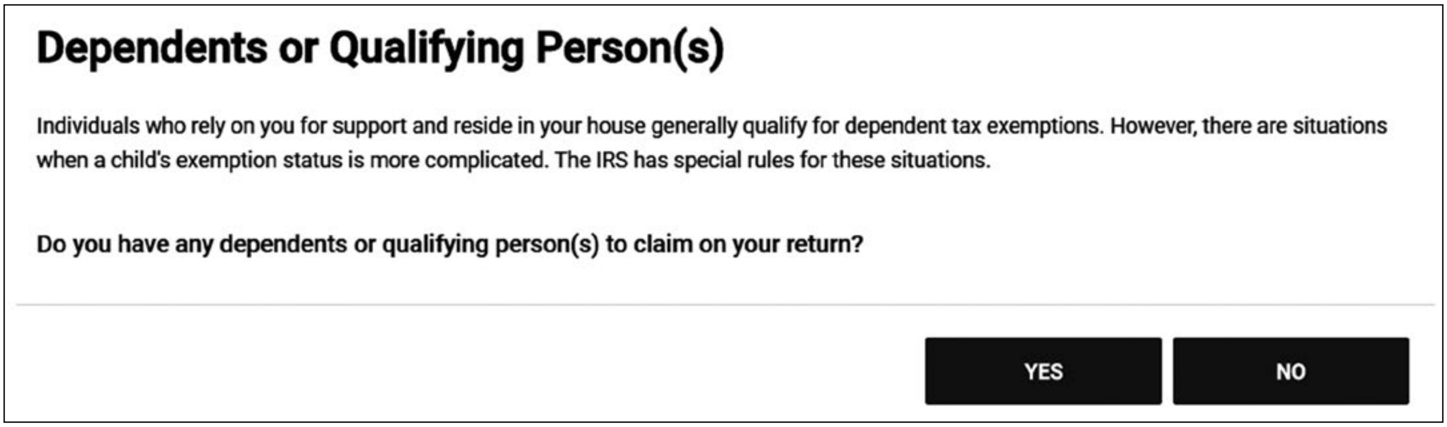
Note: Resident State Return - This option will allow you to select the taxpayer's state of residency. Once the state has been chosen, selecting Continue will prompt the state questions. The program will create the state return based on the state selected. The program will automatically transfer basic information into the state return for you. Any additional states that are needed will be selected within the State Return section of the return. If a taxpayer lived in more than one state during the year, enter the state he or she lived in with the highest federal poverty level (FPL). That FPL will be used to make ACA calculations. If there isn't a state return to complete, select None from the list.

Note: For Military certification - Ask the taxpayer their state of legal residence. The Civilian spouse of an active duty service member, under Military Spouses Residency Relief Act (MSRRA) can choose to keep their prior residence or domicile for tax purposes (tax residence) when accompanying the service member spouse, who is relocating under military orders, to a new military duty station in one of the 50 states, the District of Columbia, or a U.S. territory. Before relocating, both spouses must have the same tax residence.

Entering Dependent/Qualifying Person

TaxSlayer Navigation: Basic Information>Dependents/Qualifying Person

Note: To determine if a person qualifies as the taxpayer's dependent, see Tab C, Dependents.



Note: In order for the IRS to accept the tax return electronically, ensure that:

- The correct date of birth is entered
- The dependent's name is spelled correctly
- The correct social security number is entered

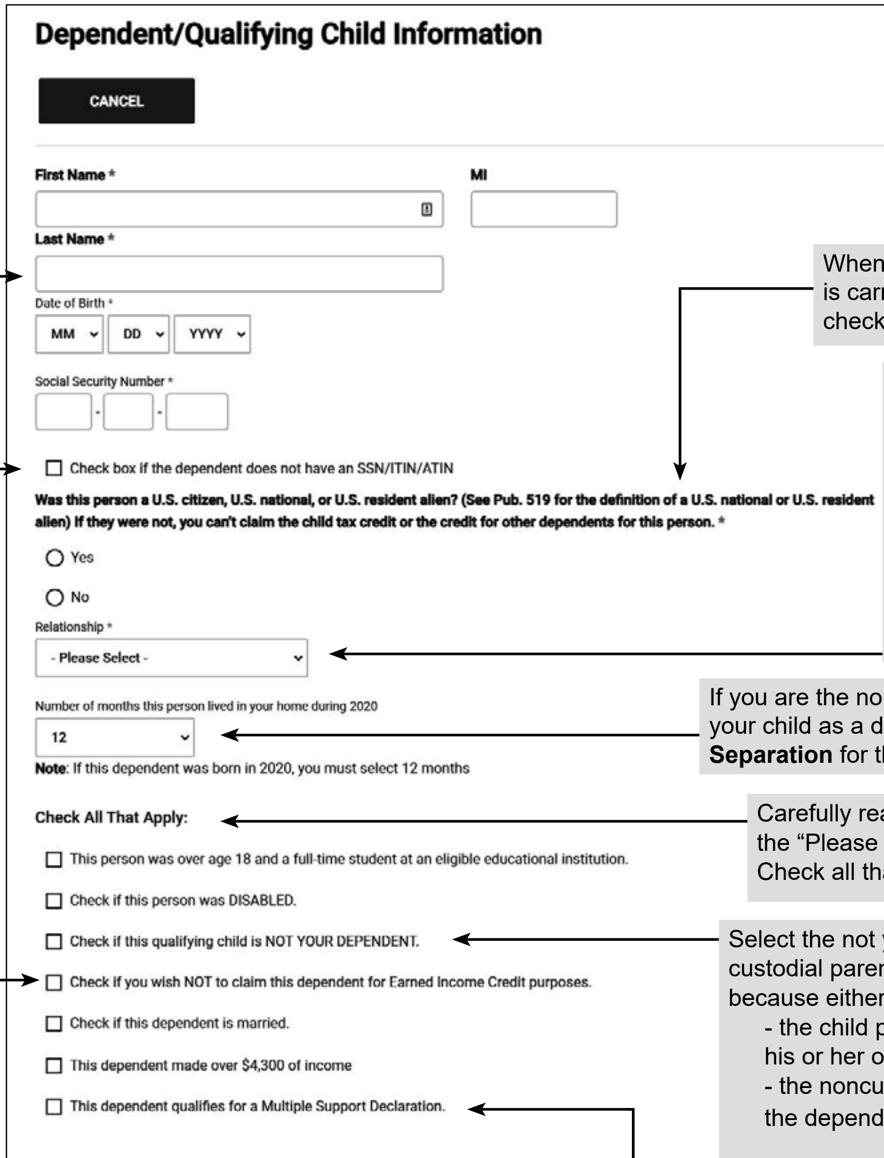
If any of these three items are entered incorrectly, the IRS will reject the tax return for electronic filing purposes.

Entering Dependent/Qualifying Person (continued)

The taxpayer's name carries forward to the dependent. Make changes as needed based on the dependent's social security card.

Select the "dependent does not have an SSN/ ITIN/ATIN" check box if applicable. If checked, the software will ask if the dependent will be completing a Form W-7, Application for ITIN. The Form W-7 is located in the Federal Section, Miscellaneous Forms. If not applying for an ITIN, answer no and enter the reason (such as the death of the child) that the child does not have a TIN.

If the dependent is not your qualifying child for EIC, select the "You wish to NOT claim this dependent for Earned Income Credit purposes" box.



Dependent/Qualifying Child Information

CANCEL

First Name *

MI

Last Name *

Date of Birth *

MM DD YYYY

Social Security Number *

☐ Check box if the dependent does not have an SSN/ITIN/ATIN

Was this person a U.S. citizen, U.S. national, or U.S. resident alien? (See Pub. 519 for the definition of a U.S. national or U.S. resident alien) If they were not, you can't claim the child tax credit or the credit for other dependents for this person. *

○ Yes

○ No

Relationship *

- Please Select -

Number of months this person lived in your home during 2020

12

Note: If this dependent was born in 2020, you must select 12 months

Check All That Apply:

☐ This person was over age 18 and a full-time student at an eligible educational institution.

☐ Check if this person was DISABLED.

☐ Check if this qualifying child is NOT YOUR DEPENDENT.

☐ Check if you wish NOT to claim this dependent for Earned Income Credit purposes.

☐ Check if this dependent is married.

☐ This dependent made over $4,300 of income

☐ This dependent qualifies for a Multiple Support Declaration.

When a dependent's information is carried forward, be sure to check the citizenship box.

If the taxpayer has a dependent whose relationship is not listed, pick the relationship that has the same tax treatment. For example, if the taxpayer's dependent is their great-grandchild, select **grandchild** for the relationship.

If you are the noncustodial parent claiming your child as a dependent, select **Divorce/ Separation** for the number of months.

Carefully read the selections under the "Please answer the following" list. Check all that apply.

Select the not your dependent box if the custodial parent is not claiming the child because either:
- the child provides more than half of his or her own support, or
- the noncustodial parent is claiming the dependent.

If no one person contributed over half of the support of the taxpayer's relative (or a person who lived with the taxpayer all year as a member of their household) but the taxpayer and another person(s) provided more than half of that person's support, special rules may apply that would treat the taxpayer as having provided over half of the support. For details, see Pub. 501, Dependents, Standard Deduction, and Filing Information.

Qualifying Child(ren) for Earned Income Credit (EIC):

EIC is considered for every return unless the program determines that it is not viable. Verify names, SSNs, and dates of birth with social security cards to prevent rejected returns.

TaxSlayer calculates the amount of earned income credit if the client qualifies based on income and other requirements. Reminder: Although age, relationship and residency requirements are the same for EIC as for dependency, support is NOT an issue for EIC (it does not matter whether or not the child, parent, or another provides over half of the child's support).

Enter the number of months each individual lived in the taxpayer's home or select **Lived in Mexico** if the dependent lived in Mexico or **Lived in Canada** if the dependent lived in Canada – use the drop-down list. Enter 12 months if the dependent was born or died during the year or was temporarily absent (school, vacation, etc.).

Notes

Tab C: Dependents

Overview of the Rules for Claiming a Dependent

This table is only an overview of the rules. For details, see Publication 17, Your Federal Income Tax For Individuals.

- You can't claim any dependents if you, or your spouse if filing jointly, could be claimed as a dependent by another taxpayer.
- You can't claim a married person who files a joint return as a dependent unless that joint return is only to claim a refund of income tax withheld or estimated tax paid.
- You can't claim a person as a dependent unless that person is a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico.[1]
- You can't claim a person as a dependent unless that person is your **qualifying child** or **qualifying relative**.

Tests To Be a Qualifying Child	Tests To Be a Qualifying Relative
1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them. An adopted child is always treated as your own child. The term "adopted child" includes a child who was lawfully placed with you for legal adoption.	1. The person can't be your qualifying child or the qualifying child of any other taxpayer. A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file an income tax return or files an income tax return only to get a refund of income tax withheld.
2. The child must be: (a) under age 19 at the end of the year and younger than you (or your spouse, if filing jointly), (b) under age 24 at the end of the year, a full-time student, and younger than you (or your spouse, if filing jointly), or (c) any age if permanently and totally disabled.	2. The person either (a) must be related to you in one of the ways listed under Relatives who don't have to live with you (see Table 2, step 2), or (b) must live with you all year as a member of your household[2] (and your relationship must not violate local law).
3. The child must have lived with you for more than half of the year.[2]	3. The person's gross income for the year must be less than $4,300.[3] Gross income means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include Social Security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if 1/2 the Social Security benefits plus their other gross income and tax exempt interest is more than $25,000 ($32,000 if MFJ).
4. The child must not have provided more than half of his or her own support for the year.[5]	4. You must provide more than half of the person's total support for the year.[4, 5]
5. The child isn't filing a joint return for the year (unless that joint return is filed only to claim a refund of income tax withheld or estimated tax paid).	
6. If the child meets the rules to be a qualifying child of more than one person, you must be the person entitled to claim the child as a qualifying child. See the "Qualifying Child of More Than One Person" chart.	

Footnotes

1 There is an exception for certain adopted children.

2 There are exceptions for temporary absences, children who were born or died during the year, children of divorced or separated parents or parents who live apart, and kidnapped children. If you obtained a final decree of divorce or separate maintenance during the year, you can't take your former spouse as a dependent. This rule applies even if you provided all of your former spouse's support.

3 There is an exception if the person is disabled and has income from a sheltered workshop.

4 There are exceptions for multiple support agreements, children of divorced or separated parents or parents who live apart, and kidnapped children.

5 A worksheet for determining support is provided later in this tab. If a person receives Social Security benefits and uses them toward his or her own support, those benefits are considered as provided by the person. Benefits provided by the state to a needy person are generally considered support provided by the state. A proposed rule on which taxpayers may choose to rely treats governmental payments made to a recipient that the recipient uses, in part, to support others as support of the others provided by the recipient, whereas any part of such payment used for the support of the recipient would constitute support of the recipient by a third party. For example, if a mother receives Temporary Aid to Needy Families (TANF) and uses the TANF payments to support her children, the proposed regulations treat the mother as having provided that support.

Qualifying Child of More Than One Person

Tiebreaker Rules

If the child meets the conditions to be the qualifying child of more than one person, only one person can claim the child as a qualifying child dependent for all tax benefits associated with an exemption unless the special rule for children of divorced or separated parents applies[1].

- Credit for other dependents
- Head of Household
- Credit for Child and Dependent Care Expenses
- Child Tax Credit
- Earned Income Credit
- Exclusion from income for Dependent Care Benefits

No other person can take any of the six tax benefits listed above unless he or she has a different qualifying child. To determine which person can treat the child as a qualifying child to claim these six tax benefits, the following tiebreaker rules apply. Subject to these tiebreaker rules, the taxpayer and the other person may be able to choose which person claims the child as a qualifying child.

If only one of the persons is the child's parent, the child is treated as the qualifying child of the parent.

If the parents file a joint return together and can claim the child as a qualifying child, the child is treated as the qualifying child of the parents.

If the parents don't file a joint return together but both parents claim the child as a qualifying child, the IRS will treat the child as the qualifying child of the parent with whom the child lived for the longer period of time during the year. If the child lived with each parent for the same amount of time, the IRS will treat the child as the qualifying child of the parent who had the higher adjusted gross income (AGI) for the year.

If no parent can claim the child as a qualifying child, the child is treated as the qualifying child of the person who had the highest AGI for the year.

If a parent can claim the child as a qualifying child but no parent claims the child, the child is treated as the qualifying child of the person who had the highest AGI for the year, but only if that person's AGI is higher than the highest AGI of any of the child's parents who can claim the child. If the child's parents file a joint return with each other, this rule can be applied by dividing the parents' combined AGI equally between the parents.

Example: Your daughter meets the conditions to be a qualifying child for both you and your mother. Under the rules above, you are entitled to treat your daughter as a qualifying child for all of the six tax benefits listed above for which you otherwise qualify. Your mother isn't entitled to take any of the six tax benefits listed above unless she has a different qualifying child. However, if your mother's AGI is higher than yours, you can let your mother treat your daughter as her qualifying child. If you do that, your daughter isn't your qualifying child for any of the six benefits.
For more details and examples, see Publication 17 and Publication 501, Exemptions, Standard Deduction, and Filing Information.

Footnote

[1] When the special rule for children of divorced or separated parents applies (see Table 3, later in this tab) and the noncustodial parent claims the child as a dependent, the noncustodial parent may also claim the child tax credit and any educational benefit, if all other rules are met. The custodial parent should enter the child as a nondependent in the software (see software entries in Tab B, Starting a Return and Filing Status), because they may be eligible for the EIC, Child and Dependent Care Credit, Exclusion from income for Dependent Care Benefits and Head of Household filing status.

Table 1: All Dependents

Begin with this table to determine both Qualifying Child and Qualifying Relative dependents.

	Probe/Action: Ask the taxpayer:	
step 1	Can you or your spouse (if filing jointly) be claimed as a dependent on another taxpayer's tax return this year?[5]	If **YES**: If you can be claimed as a dependent by another taxpayer, you may not claim anyone else as your dependent. If **NO**: Go to Step 2
step 2	Was the person married as of December 31, 2021?	If **YES**: Go to Step 3 If **NO**: Go to Step 4
step 3	Is the person filing a joint return for this tax year? *(Answer "NO" if the person is filing a joint return only to claim a refund of income tax withheld or estimated tax paid.)*	If **YES**: You can't claim this person as a dependent. If **NO**: Go to Step 4
step 4	Was the person a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico? *(Answer "YES" if you are a U.S. citizen or U.S. national and you adopted a child who lived with you as a member of your household all year.)*	If **YES**: Go to Step 5 If **NO**: You can't claim this person as a dependent.
step 5	Was the person your son, daughter, stepchild, eligible foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (i.e., your grandchild, niece, or nephew)?[4]	If **YES**: Go to Step 6 If **NO**: This person isn't your qualifying child. Go to Table 2: Qualifying Relative Dependents
step 6	Was the person: -under age 19 at the end of the year and younger than you *(or your spouse, if filing jointly)* OR -under age 24 at the end of the year, a full-time student (see definition in the glossary) and younger than you *(or your spouse, if filing jointly)* OR -any age if permanently and totally disabled[1] at any time during the year?	If **YES**: Go to Step 7 If **NO**: This person isn't your qualifying child. Go to Table 2: Qualifying Relative Dependents
step 7	Did the person live with you as a member of your household, except for temporary absences[2], for more than half the year? *(Answer "YES" if the child was born or died during the year.)*	If **YES**: Go to Step 8 (Use Table 3 to see if the dependency for children of divorced or separated parents or parents who live apart applies.) If **NO**: This person isn't your qualifying child. Go to Table 2: Qualifying Relative Dependents
step 8	Did the person provide more than half of his or her own support[3] for the year?	If **YES**: You can't claim this person as a dependent If **NO**: Go to Step 9
step 9	Is the person a qualifying child of any other taxpayer?	If **YES**: Go to the chart: Qualifying Child of More Than One Person If **NO**: You can claim this person as a qualifying child dependent

Footnotes

[1] A person is permanently and totally disabled if he or she can't engage in any substantial gainful activity because of a physical or mental condition, AND a doctor determines the condition has lasted or can be expected to last continuously for at least a year or can lead to death.

[2] A child is considered to have lived with you during periods of time when one of you, or both, are temporarily absent due to illness, education, business, vacation, military service, institutionalized care for a child who is permanently and totally disabled, or incarceration. In most cases a child of divorced or separated parents is the qualifying child of the custodial parent. See Table 3: Children of Divorced or Separated Parents or Parents Who Live Apart to see if an exception applies. There is an exception for kidnapped children. See Publication 17.

[3] A worksheet for determining support is included later in this tab. If a child receives Social Security benefits and uses them toward his or her own support, those benefits are considered as provided by the child. Benefits provided by the state to a needy person (welfare, food stamps, housing, SSI) are generally considered support provided by the state.

[4] An adopted child is treated the same as a natural child for the purposes of determining whether a person is related to you in any of these ways. For example, an adopted brother or sister is your brother or sister. An adopted child includes a child who was lawfully placed with a person for legal adoption.

[5] An individual is not a dependent of a person if that person is not required to file an income tax return and either does not file an income tax return or files an income tax return solely to claim a refund of estimated or withheld taxes.

Table 2: Qualifying Relative Dependents

You must start with Table 1. (To claim a qualifying relative dependent, you must first meet the Dependent Taxpayer, Joint Return and Citizen or Resident Tests in steps 1-4 of Table 1)

	Probe/Action: Ask the taxpayer:	
step 1	Is the person your qualifying child or the qualifying child of any other taxpayer? A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file a U.S. income tax return or files an income tax return only to get a refund of income tax withheld.	If **YES**, the person isn't a qualifying relative. (See Table 1: All Dependents) If **NO**, go to Step 2.
step 2	Was the person your son, daughter, stepchild, foster child, or a descendant of any of them (i.e., your grandchild)? OR Was the person your brother, sister, half brother, half sister, or a son or daughter of any of them? OR Was the person your father, mother, or an ancestor or sibling of either of them? OR Was the person your stepbrother, stepsister, stepfather, stepmother, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law?[1]	If **NO**, go to Step 3. If **YES**, go to Step 4. **Note:** The relatives listed in Step 2 are considered "Relatives who don't have to live with you" **Note:** To enter into TaxSlayer a qualifying relative who did not live with the taxpayer more than 6 months, choose "Other reasons" from the months dropdown menu.
step 3	Was the person any other person (other than your spouse) who lived with you all year as a member of your household?[2]	If **NO**, you can't claim this person as a dependent. If **YES**, go to Step 4. **Note:** There are exceptions for kidnapped children; a child who was born or died during the year; certain temporary absences—school, vacation, medical care, etc. **Divorced or separated spouse**. If you obtained a final decree of divorce or separate maintenance during the year, you can't take your former spouse as a dependent. This rule applies even if you provided all of your former spouse's support.
step 4	Did the person have gross income of less than $4,300 in 2021?[3]	If **NO**, you can't claim this person as a dependent. If **YES**, go to Step 5.

continued on next page

Footnotes

[1] An adopted child is treated the same as a natural child for the purposes of determining whether a person is related to you in any of these ways. For example, an adopted brother or sister is your brother or sister. An adopted child includes a child who was lawfully placed with a person for legal adoption. Any of these relationships that were established by marriage aren't ended by death or divorce.

[2] A person doesn't meet this test if at any time during the year the relationship between you and that person violates local law.

[3] For purposes of this test, the gross income of an individual who is permanently and totally disabled at any time during the year doesn't include income for services the individual performs at a sheltered workshop. Gross income means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include Social Security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if 1/2 the Social Security benefits plus their other gross income and tax exempt interest is more than $25,000 ($32,000 if MFJ).

Table 2: Qualifying Relative Dependents

step	Continued Probe/Action: Ask the taxpayer:	
step 5	Did you provide more than half the person's total support for the year? See Worksheet for Determining Support on page C-7 to calculate the total support for the year.	If **YES**, you can claim this person as your qualifying relative dependent. (Use Table 3 to see if the exception for children of divorced or separated parents or parents who live apart applies.) If **NO**, go to Step 6.
step 6	Did another person provide more than half the person's total support?	If **YES**, you can't claim this person as a dependent. If **NO**, go to Step 7.
step 7	Did two or more people, each of whom would be able to take the dependent but for the support test, together provide more than half the person's total support?	If **YES**, go to Step 8. If **NO**, you can't claim this person as a dependent.
step 8	Did you provide more than 10% of the person's total support for the year?	If **YES**, go to Step 9. If **NO**, you can't claim this person as a dependent.
step 9	Did the other person(s) providing more than 10% of the person's total support for the year provide you with a signed statement agreeing not to claim the dependent?	If **YES**, you can claim this person as a dependent. You must file Form 2120, Multiple Support Declaration, with your return. If **NO**, you can't claim this person as a qualifying child dependent.

Footnote

See Table 3, Children of Divorced or Separated Parents or Parents Who Live Apart, for the exception to the support test.

If a child receives Social Security benefits and uses them toward his or her own support, those benefits are considered as provided by the child. Benefits provided by the state to a needy person are generally considered support provided by the state. A proposed rule, on which taxpayers may choose to rely, treats governmental payments made to a recipient that the recipient uses, in part, to support others as support of the others provided by the recipient, whereas any part of such payment used for the support of the recipient would constitute support of the recipient by a third party. For example, if a mother receives TANF and uses the TANF payments to support her children, the proposed regulations treat the mother as having provided that support.

Table 3: Children of Divorced or Separated Parents or Parents Who Live Apart

Use this table when directed from Table 1 or Table 2 to determine if the exception applies to the qualifying child residency test or the qualifying relative support test

	Probe/Action: Ask the taxpayer:	
step 1	Did the child receive over half of his or her support[4] from the parents who are: Divorced OR Legally separated under a decree of divorce or separate maintenance OR Separated under a written separation agreement OR Lived apart at all times during the last 6 months of the year?	If **YES**, go to Step 2. If **NO**, Table 3 doesn't apply.
step 2	Was the child in the custody of one or both parents for more than half the year?[1]	If **YES**, go to Step 3. If **NO**, Table 3 doesn't apply.
step 3	Did the custodial parent (parent with whom the child lived for the greater number of nights during the year) provide the taxpayer a signed written declaration (Form 8332, Release/Revocation of Release of Claim to Exemption to Child by Custodial Parent, a copy of Form 8332, or similar document) releasing his or her claim to the child as a dependent?	If **YES**, the Table 3 exception applies.[2] Return to the appropriate step in Table 1 or Table 2. If **NO**, go to Step 4.
step 4	Are either of the following statements true? The taxpayer has a Post-1984 and Pre-2009 decree[3] or agreement that is applicable for the current tax year and states *all three of the following?* 1. The noncustodial parent can claim the child as a dependent without regard to any condition, such as payment of support. 2. The other parent won't claim the child as a dependent for the year. 3. The years for which the noncustodial parent can claim the child as a dependent. OR The taxpayer has a Pre-1985 decree of divorce or separation maintenance or written separation agreement between the parents that provide that the noncustodial parent can claim the child as a dependent, and the noncustodial parent provides at least $600 for support of the child during the current tax year?	If **YES**, the Table 3 exception applies. Return to the appropriate step in Table 1 or Table 2. If **NO**, Table 3 doesn't apply.

Footnotes

[1] If the child is emancipated under state law, either by reaching age of majority or other means, child is treated as not living with either parent (see Publication 17).

[2] **Post-2008 decree or agreement**. If the divorce decree or separation agreement went into effect after 2008, the noncustodial parent can't attach pages from the decree or agreement instead of Form 8332. The custodial parent must sign, and the noncustodial parent must attach to his or her return, either Form 8332, or a copy of Form 8332 or a substantially similar statement the only purpose of which is to release the custodial parent's claim to a child. For an e-filed return, attach and submit the Form 8332 with Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return.

[3] **Post-1984 and Pre-2009 divorce decrees or agreements:**
The noncustodial parent must attach all of the following pages from the decree or agreement.
-Cover page (include the other parent's SSN on that page)
-The pages that include all the information identified in (1) through (3) above
-Signature page with the other parent's signature and date of agreement.

[4] If you remarry, the support provided by your new spouse is treated as provided by you.

Release of certain tax benefits revoked
A custodial parent who has revoked his or her previous release of a claim to certain tax benefits for a child must attach a copy of the revocation to his or her return. For the revocation to be effective for the current tax year, the custodial parent must have given (or made reasonable efforts to give) written notice of the revocation to the noncustodial parent in the prior tax year or earlier. (See Form 8332 for more details)

Other decrees or agreements that don't meet step 4: Noncustodial parents must attach the Form 8332, or a copy of Form 8332 or similar statement to their return.

Worksheet for Determining Support

Note: Taxpayers should keep a completed copy of this worksheet for their records. See the following page for important notes.

Funds Belonging to the Person You Supported

1. Enter the total funds belonging to the person you supported, including income received (taxable and nontaxable) and amounts borrowed during the year, plus the amount in savings and other accounts at the beginning of the year. Don't include funds provided by the state; include those amounts on line 23 instead .... **1.** ________

2. Enter the amount on line 1 that was used for the person's support .... **2.** ________

3. Enter the amount on line 1 that was used for other purposes .... **3.** ________

4. Enter the total amount in the person's savings and other accounts at the end of the year .... 4. ________

5. Add lines 2 through 4. (This amount should equal line 1.) .... **5.** ________

Expenses for Entire Household (where the person you supported lived)

6. Lodging (complete line 6a or 6b):

a. Enter the total rent paid .... **6a.** ________

b. Enter the fair rental value of the home. If the person you supported owned the home, also include this amount in line 21 .... **6b.** ________

7. Enter the total food expenses .... **7.** ________

8. Enter the total amount of utilities (heat, light, water, etc. not included in line 6a or 6b) .... **8.** ________

9. Enter the total amount of repairs (not included in line 6a or 6b) .... **9.** ________

10. Enter the total of other expenses. Don't include expenses of maintaining the home, such as mortgage interest, real estate taxes, and insurance .... **10.** ________

11. Add lines 6a through 10. These are the total household expenses .... **11.** ________

12. Enter total number of persons who lived in the household .... **12.** ________

Expenses for the Person You Supported

13. Divide line 11 by line 12. This is the person's share of the household expenses .... **13.** ________

14. Enter the person's total clothing expenses .... **14.** ________

15. Enter the person's total education expenses .... **15.** ________

16. Enter the person's total medical and dental expenses not paid for or reimbursed by insurance .... **16.** ________

17. Enter the person's total travel and recreation expenses .... **17.** ________

18. Enter the total of the person's other expenses .... **18.** ________

19. Add lines 13 through 18. This is the total cost of the person's support for the year .... **19.** ________

Did the Person Provide More Than Half of His or Her Own Support?

20. Multiply line 19 by 50% (0.50) .... **20.** ________

21. Enter the amount from line 2, plus the amount from line 6b if the person you supported owned the home. This is the amount the person provided for his or her own support .... **21.** ________

22. Is line 21 more than line 20?

☐ **No.** You meet the support test for this person to be your qualifying child. If this person also meets the other tests to be a qualifying child, stop here; don't complete lines 23–26. Otherwise, go to line 23 and fill out the rest of the worksheet to determine if this person is your qualifying relative.

☐ **Yes.** You don't meet the support test for this person to be either your qualifying child or your qualifying relative. Stop here.

Did You Provide More Than Half?

23. Enter the amount others provided for the person's support. Include amounts provided by state, local, and other welfare societies or agencies. Don't include any amounts included on line 1 .... **23.** ________

24. Add lines 21 and 23 .... **24.** ________

25. Subtract line 24 from line 19. This is the amount you provided for the person's support .... **25.** ________

26. Is line 25 more than line 20?

☐ **Yes.** You meet the support test for this person to be your qualifying relative.

☐ **No.** You don't meet the support test for this person to be your qualifying relative. You can't claim this person as a dependent unless you can do so under a multiple support agreement, the support test for children of divorced or separated parents, or the special rule for kidnapped children. See Multiple Support Agreement, Support Test for Children of Divorced or Separated Parents (or Parents Who Live Apart), or Kidnapped child under Qualifying Relative.

Determining Support (continued)

The following items aren't included in total support:

- Federal, state, and local income taxes paid by persons from their own income
- Social Security and Medicare taxes paid by persons from their own income
- Life insurance premiums
- Funeral expenses
- Scholarships received by your child if your child is a student
- Survivors' and Dependents' Educational Assistance payments used for the support of the child who receives them

Note 1: TANF and other governmental payments. Under proposed Treasury regulations, if you received Temporary Assistance to Needy Families (TANF) payments or other similar payments and used the payment to support another person, those payments are considered support you provided for that person, rather than support provided by the government or other third party.

Note 2: Social Security benefits. If spouses each receive benefits that are paid by one check made out to both of them, half of the total paid is considered to be for the support of each spouse, unless they can show otherwise. If a child receives Social Security benefits and uses them toward his or her own support, the benefits are considered as provided by the child.

Note 3: Foster care payments and expenses. Payments you receive for the support of a foster child from a child placement agency are considered support provided by the agency. Similarly, payments you receive for the support of a foster child from a state or county are considered support provided by the state or county.

Note 4: Armed Forces dependency allotments. The part of the allotment contributed by the government and the part taken out of your military pay are both considered provided by you in figuring whether you provide more than half of the support. If your allotment is used to support persons other than those you name, you can claim them as dependents if they otherwise qualify.

Note 5: Tax-exempt income. In figuring a person's total support, include tax-exempt income, savings, and borrowed amounts used to support that person. Tax-exempt income includes certain social security benefits, welfare benefits, nontaxable life insurance proceeds, Armed Forces family allotments, nontaxable pensions, and tax-exempt interest.

Tab D: Income

Income Quick Reference Guide

This list is a quick reference and volunteers should refer to Publication 525, Taxable and Nontaxable Income, for more information. Don't rely on this list alone. **Some of the income items on this chart are Out of Scope for VITA/TCE.** Review the Scope of Service chart to identify Out of Scope items. Refer taxpayers with Out of Scope income to a professional tax preparer. Confirm that all income received by the taxpayer has been discussed and shown on the return, if required. To determine taxability at the state level, check with your state's department of revenue.

Table A – Examples of Taxable Income

(Examples of income to consider when determining whether a return must be filed or if a person meets the gross income test for qualifying relative)

Wages, salaries, bonuses, commissions Alimony (for divorce before 2019, see How/Where to Enter Income, later) Annuities Awards Back pay Breach of contract payment Business income/Self-employment income Cash income Compensation for personal services Canceled debts[1] Director's fees Disability benefits (employer-funded) Discounts Dividends Employee awards Employee bonuses Estate and trust income Farm income Fees Gains from sale of property or securities Gambling winnings Hobby income Interest Interest on life insurance dividends IRA distributions Jury duty fees Military pay (not exempt from taxation)	Military pension Nonemployee compensation Notary fees Partnership, Estate and S-Corporation income (Schedule K-1s, Taxpayer's share) Pensions Prizes Punitive damage award Railroad retirement—Tier I (portion may be taxable) Railroad retirement—Tier II Recovery of prior year deduction[2] (medical, property taxes, etc.) Refunds of State and local income tax (if reportable)[2] Rents (gross rent) Rewards Royalties Severance pay Self-employment (gross income) Social security benefits - portion may be taxable - (See Tab D, Income, Railroad Retirement, Civil Service, and Social Security Benefits) Supplemental unemployment benefits Taxable scholarships and grants Tips and gratuities Tribal per capita payments Unemployment compensation

Table B – Examples of Nontaxable Income

(Examples of income items to exclude when determining whether a return must be filed)

Aid to Families with Dependent Children (AFDC) Child support Civil damages, restitution or other monetary award paid to someone because that person was wrongfully incarcerated Damages for physical injury (other than punitive) Death payments Dividends on life insurance Economic Impact Payment Employer reimbursements for ordinary or necessary actual expenses Federal Employees' Compensation Act payments Federal income tax refunds Gifts Inheritance[3] or bequest Insurance proceeds (Accident, Casualty, Health, Life) Interest on tax-free securities Interest on EE/I bonds redeemed for qualified higher education expenses Meals and lodging for the convenience of employer Olympic and Paralympic Games medals and prizes[4]	Payments to the beneficiary of a deceased employee Payments in lieu of worker's compensation Qualified Medicaid waiver payments Relocation payments Rebate/Patronage Dividends issued by co-ops for personal use are not taxable Rental less than 15 days[5] Rental allowance of clergyman Reverse mortgages Sickness and injury payments Social security benefits - portion may not be taxable (See Tab D, Income, Railroad Retirement, Civil Service, and Social Security Benefits) Student loan forgiveness (2021-2026) Supplemental Security Income (SSI) Temporary Assistance for Needy Families (TANF) Terrorist or military action, certain payments received as a result Veterans' benefits Welfare payments (including TANF) and food stamps Worker's compensation and similar payments

Footnotes

[1] If the taxpayer received a Form 1099-C, Cancellation of Debt, in relation to their main home, it can be nontaxable

[2] If itemized in year paid and taxes were reduced because of deduction

[3] An inheritance isn't reported on the income tax return, but a distribution from an inherited pension or annuity is subject to the same tax as the original owner would have had to pay

[4] The exclusion does not apply to a taxpayer for any year in which the taxpayer's AGI exceeds $1 million (or $500,000 for an individual filing a MFS return)

[5] If you use a dwelling unit as a home and you rent it less than 15 days during the year, you are not required to report the rental income and rental expenses from this activity. See Publication 527, Residential Rental Property. (Military Certification only)

Armed Forces Gross Income

Members of the Armed Forces receive many different types of pay and allowances. Some are included in gross income while others are excluded from gross income. **Table 1** lists included items that are subject to tax and must be reported on your tax return. **Table 2** lists excluded items that are not subject to tax, but may have to be shown on your tax return. See Publication 3, Armed Forces' Tax Guide, for additional information.

To determine taxability at the state level, check with your state's department of revenue.

Table 1—Included Items

These items are included in gross income, unless the pay is for service in a combat zone

Basic pay	• Active duty • Attendance at a designated service school • Back wages • Drills (Inactive Duty Training) • Reserve training • Training Duty	**Special pay (cont.)**	• Hostile fire or imminent danger • Medical and dental officers • Nuclear-qualified officers • Optometry • Other Health Professional Special Pay (for example, nurse, physician assistant, social work, etc.) • Pharmacy • Special compensation for assistance with activities of daily living (SCAADL) • Special duty assignment pay • Veterinarian • Voluntary Separation Incentive	**Incentive pay**	• Submarine • Flight • Hazardous duty • High altitude/Low altitude (HALO)
				Other pay	• Accrued leave • CONUS COLA • High deployment per diem • Personal money allowances paid to high ranking officers • Student loan repayment from programs such as the Department of Defense Educational Loan Repayment Program when year's service (requirement) isn't attributable to a combat zone
Special pay	• Aviation career incentives • Career sea • Diving duty • Foreign duty (outside the 48 contiguous states and the District of Columbia) • Foreign language proficiency • Hardship duty	**Bonus pay**	• Career status • Continuation pay • Enlistment • Officer • Overseas extension • Reenlistment	**In-kind military benefits**	• Personal use of government-provided vehicle

Table 2—Excluded Items

The exclusion for certain items applies whether the item is furnished in-kind or is a reimbursement or allowance. There is no exclusion for the personal use of a government-provided vehicle.

Combat zone and qualified hazardous duty area pay	• Compensation for active service while in a combat zone **Note:** Limited amount for commissioned officers • Leave earned or accrued while performing service in a combat zone	**Family allowances**	• Certain educational expenses for dependents • Emergencies • Evacuation to a place of safety • Separation	**Travel allowances**	• Annual round trip for dependent students • Leave between consecutive overseas tours • Reassignment in a dependent restricted status • Transportation for you or your dependents during ship overhaul or inactivation • Per diem
Other pay	• Certain amounts received under Armed Force Health Professions Scholarship and Financial Assistance Program payments • Disability, including payments received for injuries incurred as a direct result of a terrorist or military action • Disability severance payments • Group-term life insurance • Professional education • ROTC educational and subsistence allowances • State bonus pay for service in a combat zone • Survivor and retirement protection plan premiums • Uniform allowances • Uniforms furnished to enlisted personnel • Certain loan payments made by an employer after March 27, 2020, and before January 1, 2026, of principal or interest on certain qualified education loans.	**Living allowances**	• BAH (Basic Allowance for Housing) • BAS (Basic Allowance for Subsistence) • Housing and cost-of-living allowances abroad paid by the U.S. Government or by a foreign government • OHA (Overseas Housing Allowance)	**In-kind military benefits**	• Dependent-care assistance program • Defense Counsel Services • Legal assistance • Medical/dental care • Commissary/exchange discounts • Space-available travel on government aircraft • Uniforms furnished to enlisted personnel
Death allowances	• Burial services • Death gratuity payments to eligible survivors • Travel of dependents to burial site	**Moving allowances**	• Dislocation • Military base realignment and closure benefit (the exclusion is limited as described above) • Move-in housing • Move household and personal items • Moving trailers or mobile homes • Storage • Temporary lodging and temporary lodging expenses		

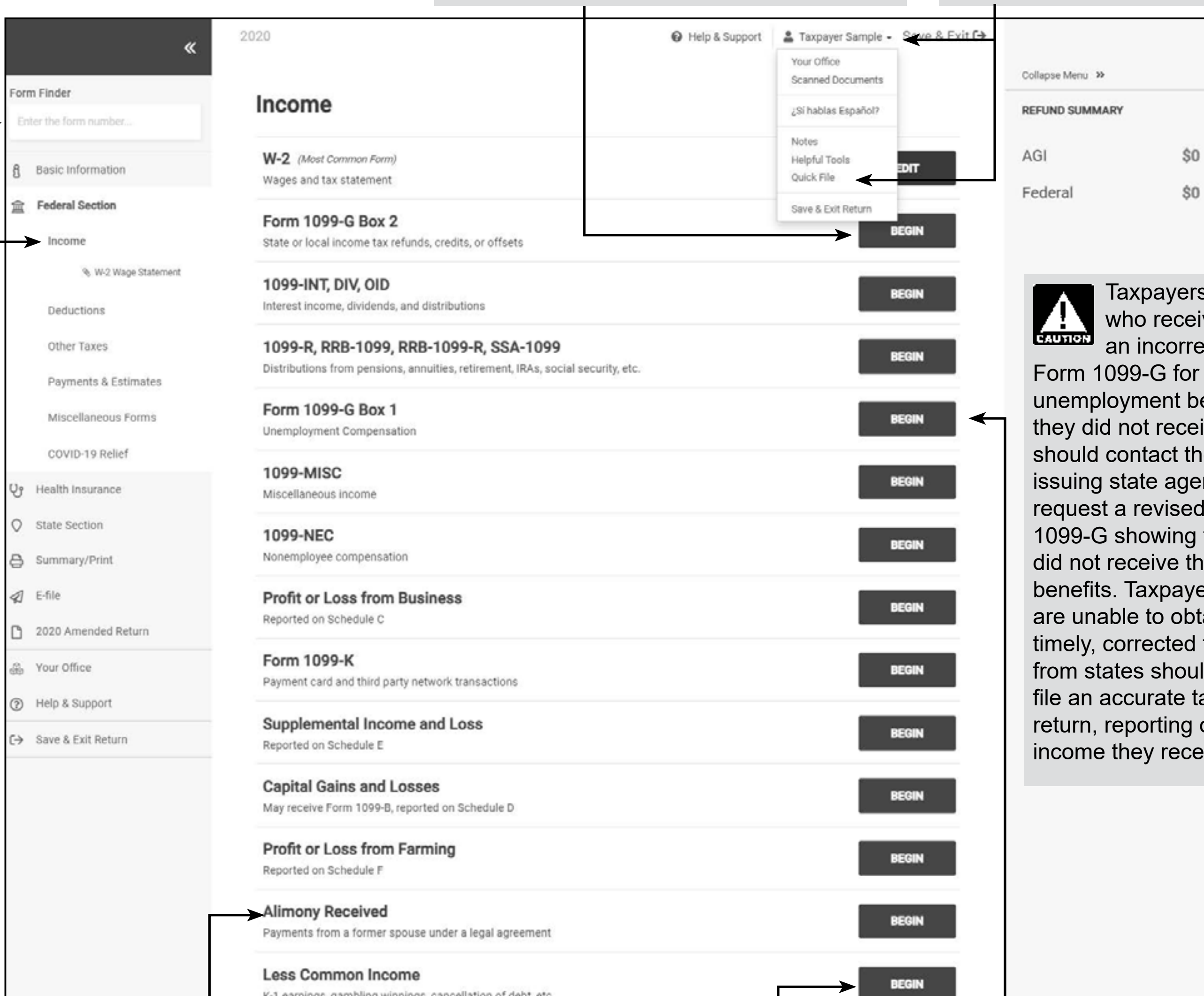
How/Where to Enter Income

TaxSlayer Navigation: Federal Section>Income

To go directly to a specific form, use the box to enter the form number or name. See Tab O, Using TaxSlayer® Pro Online, for entries.

If the taxpayer received a state refund in 2021 and itemized deductions for 2020 that included a deduction for state income tax, select the State and Local Refunds option and complete the State Refund worksheet.

Select **Quick File** from this pull-down menu next to the taxpayer's name to create a list of entry screens for this return.



CAUTION Taxpayers who receive an incorrect Form 1099-G for unemployment benefits they did not receive should contact the issuing state agency to request a revised Form 1099-G showing they did not receive these benefits. Taxpayers who are unable to obtain a timely, corrected form from states should still file an accurate tax return, reporting only the income they received.

You can go directly to the Income section from the quick link.

Alimony received pursuant to a divorce or separation instrument executed on or before December 31, 2018 is included as income on the return. For divorces after December 31, 2018, alimony is not included as income on the return. The alimony is also not included in income if the instrument is modified after December 31, 2018, and the modification expressly provides that the amendments made by the Tax Cuts and Jobs Act, Section 11051, apply to the modification.

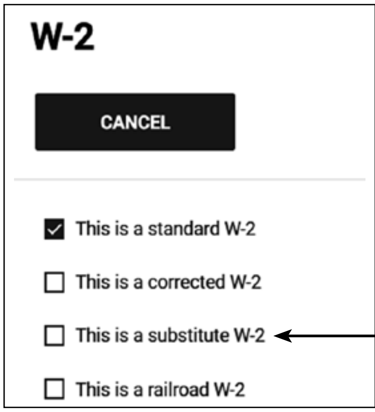
To enter Taxable Scholarship, Prisoner Earned Income, or Foreign Compensation - select Less Common Income then choose Other Compensation. To prepare a $0 AGI return, select Less Common Income then choose Other Income Not Reported Elsewhere. Because a $0 return cannot be e-filed, enter $1 and "IN ORDER TO E-FILE" in the description box.

To enter unemployment compensation from Form 1099-G, select **Begin** on the unemployment line. If unemployment benefits are repaid in the same year, enter the amount in Repayment of Unemployment. To enter current year unemployment, select "Add or Edit a 1099-G".

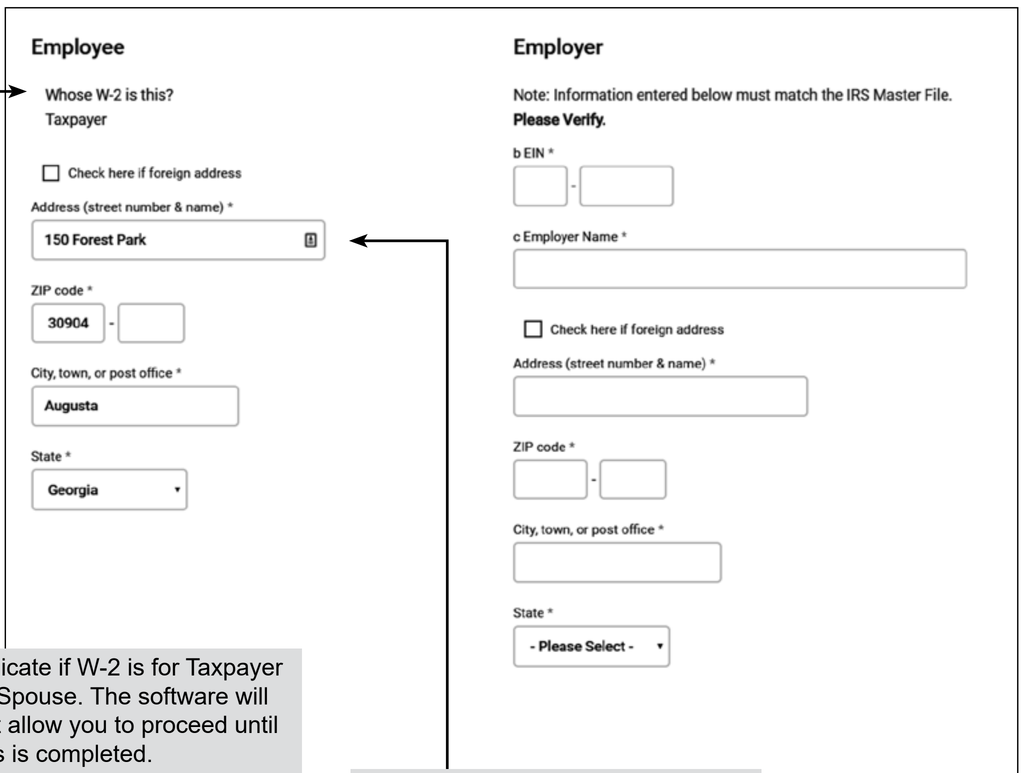
Form W-2 Instructions

TaxSlayer Navigation: Federal Section>Income> W-2; or Keyword "W"

Note: If the taxpayer has not received a W-2 from all employers by the end of January, they should contact their employer for the missing copy.



If a Form W-2 can't be obtained from the employer, select the box to indicate this is a substitute W-2. TaxSlayer will generate a Form 4852, Substitute for Form W-2, Wage and Tax Statement. The taxpayer will need to provide total income and withholding from their year-end pay stub.



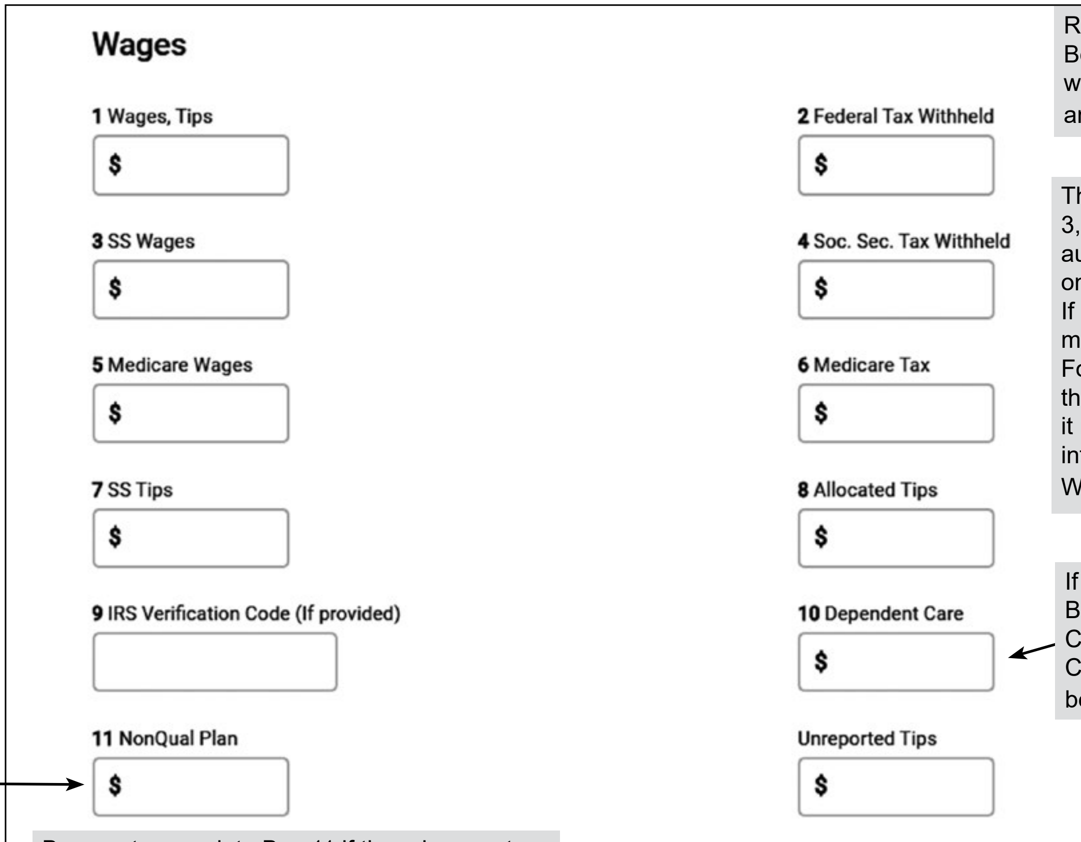
Indicate if W-2 is for Taxpayer or Spouse. The software will not allow you to proceed until this is completed.

If the taxpayer has an ITIN, you will be prompted to enter the ITIN or SSN as shown on the original W-2.

Compare the taxpayer's address to Form W-2 address. If the address on the W-2 is different, correct the W-2 address here to match the original Form W-2. This won't change the tax return address.

Note: A taxpayer with multiple Forms W-2 could possibly have a different address on several of the Forms W-2. Check them carefully; the change must be made on every Form W-2 that is different from the current address. Be sure to enter every item from the taxpayer's original W-2 – key what you see.

Form W-2 Instructions (continued)



Review Box 2 and Box 17 to ensure tax withheld was entered and is correct.

The entries in Boxes 3, 4, 5, 6 and 16 will auto-populate based on the Box 1 entry. If the figures don't match taxpayer's Form W-2, correct the data so that it matches the information on Form W-2.

If there is an entry in Box 10, Form 2441, Child and Dependent Care Expenses, must be completed.

Be sure to complete Box 11 if there is an entry on the original Form W-2. An entry here may indicate that the taxpayer is receiving deferred compensation earned in a prior year.

CAUTION IRS requires that information on electronically filed Form(s) W-2 match the printed Form(s) W-2 exactly if possible; however, the name cannot be changed, and the software will not accept special characters.

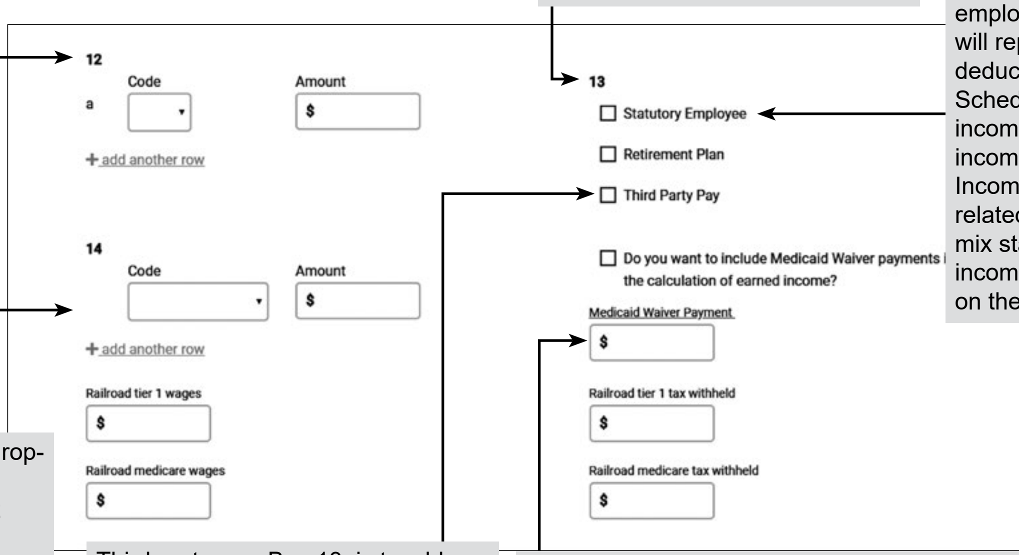
TIP If the taxpayer earned tips that weren't reported to the employer, enter in the Unreported Tips box. This will add Form 4137, Social Security and Medicare Tax on Unreported Tip Income, to the return. If the taxpayer received tips that weren't reported to the employer because they were less than $20 a month, go to Other Taxes, select Form 4137 and also enter the amount there. If a taxpayer wishes to use their tip log instead of allocated tips in box 8, leave box 8 blank and report it as unreported tips within the W-2.

Form W-2 Instructions (continued)

For Boxes 12 and 14, choose the code from the drop-down menu and enter the dollar amount. If there are more than 4 items in Box 12, enter the items that impact the tax return (Code D, E, G, M, N, P, Q, T, W, AA, BB, EE).

Be sure to select the correct items for Box 13 as indicated on Forms W-2. This is important in calculating the deductibility of IRA contributions.

If statutory employee is marked, employment taxes are withheld by the employer, but the taxpayer will report income and deduct expenses using Schedule C. Re-enter income as statutory income on Schedule C Income screen. Also enter related expenses. Do not mix statutory employee income with other income on the same Schedule C.



Select from the drop-down list for Box 14. If the amount is eligible for the retirement saver's contributions credit, select Retirement (Not in Box 12)-Carry to Form 8880. To qualify for this treatment, the contribution must be a voluntary, not a mandatory, contribution.

Third party pay, Box 13, is taxable income and reported in Box 1.

A taxpayer may choose to include qualified Medicaid waiver payments in the calculation of earned income for the EIC and the ACTC.These are payments received for providing nonmedical support services under a plan of care to someone in the taxpayer's home. If these payments were incorrectly reported in box 1 of Form(s) W-2, enter the amount again in the Medicaid Waiver Payment box. For more information about these payments, see the next page.

If the Form W-2 shows withholding from more than one state, select the **Add State** button to add the additional information.

Form W-2 Reference Guide for Common Box 12 Codes

A	Uncollected social security or RRTA tax on tips
B	Uncollected Medicare tax on tips
C	Taxable cost of group term life insurance over $50,000 included in boxes 1, 3 (up to social security wage base) & 5.
D	Elective deferrals to a section 401(k) cash or deferred arrangement
E	Elective deferrals under a section 403(b) salary reduction agreement
G	Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan
H	Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. Included in Box 1 as wages, but see Pub 525 Taxable and Nontaxable Income instructions on how to deduct on Form 1040.
J	Nontaxable sick pay (information only, not included in box 1, 3, or 5)
P	Excludable moving expense reimbursements paid directly to employee
Q	Nontaxable combat pay (Military certification)
R	Employee Contributions to MSA, Out of Scope
T	Adoption benefits (Out of Scope)
W	Employer contributions (including amounts the employee contributes through a cafeteria plan) to employee's health savings account
AA	Designated Roth contributions under a section 401(k) plan
BB	Designated Roth contributions under a section 403(b) plan
DD	Cost of employer-sponsored health coverage (not taxable)
EE	Designated Roth contributions under a governmental section 457(b) plan

Codes D, E, G, AA, BB, and EE also indicate elective (voluntary) contributions which qualify for retirement savings credit. See Tab G, Nonrefundable Credits.

Entering Medicaid Waiver Payments

A taxpayer may choose to include qualified Medicaid waiver payments in the calculation of earned income for the EIC and the ACTC. The taxpayer may include qualified Medicaid waiver payments in earned income even if the taxpayer chooses to exclude those payments from gross income.

- A taxpayer may not choose to include or exclude only a portion of qualified Medicaid waiver payments. Either include all or none of the qualified Medicaid waiver payments for the taxable year in earned income.
- If the taxpayer chooses to include qualified Medicaid waiver payments in earned income, that amount will be included in the calculation for both the EIC and the ACTC.

Qualified Medicaid waiver payments reported on Form W-2, box 1

In the TaxSlayer software, complete the Form W-2 as provided. Enter the amount of qualified Medicaid waiver payments received in the Medicaid Waiver Payment box at the bottom of the screen. Check the box just above the payment box if the taxpayer chooses to include the amount in the calculation of earned income for the EIC and the ACTC.

Qualified Medicaid waiver payments that are wages not reported on Form W-2, box 1

The payments are already excluded from gross income and earned income. The tax preparer should complete the tax return as usual if the taxpayer does not choose to include qualified Medicaid waiver payments in earned income. A taxpayer who chooses to include qualified Medicaid waiver payments in earned income must report the payments as wages on line 1.

Qualified Medicaid waiver payments reported on Form 1099-NEC or 1099-MISC and the taxpayer is in the business of providing home health care services

Complete a Schedule C and enter the Form 1099-MISC as provided. Enter the amount of qualified Medicaid waiver payments received in the Medicaid Waiver Payment box at the bottom of the screen. Check the box just above the payment box if the taxpayer chooses to include the amount in the calculation of earned income for the EIC and the ACTC.

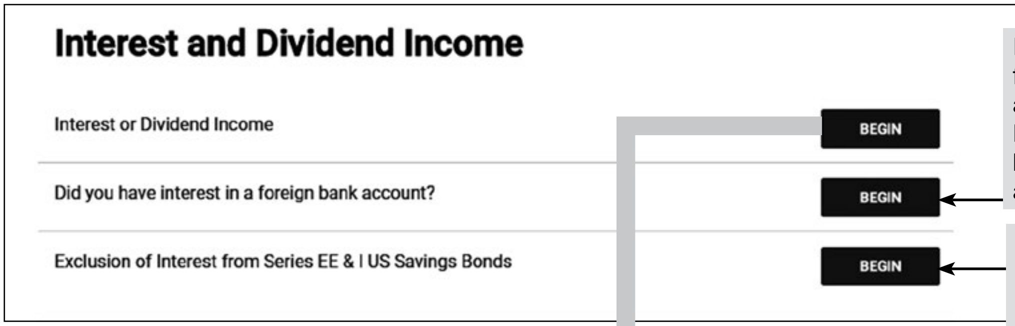
Qualified Medicaid waiver payments reported on Form 1099-MISC and the taxpayer is not in the business of providing home health care services

These payments are considered "other income" and are not reported on a Schedule C. Complete the Form 1099-MISC as provided. Enter the amount of qualified Medicaid waiver payments received in the Medicaid Waiver Payment box at the bottom of the screen. These payments are not subject to employment taxes and are not earned income, because they are not employee compensation or earnings from self-employment.

Note: Qualified Medicaid waiver payments may be excluded from gross income only when the care provider and the care recipient reside in the same home. When the care provider and the care recipient do not live together in the same home, the Medicaid waiver payments may not be excluded from gross income. See Volunteer Tax Alert VTA 2020-03 (March 3, 2020), **https://www.irs.gov/pub/irs-utl/vta-2020-03.pdf**

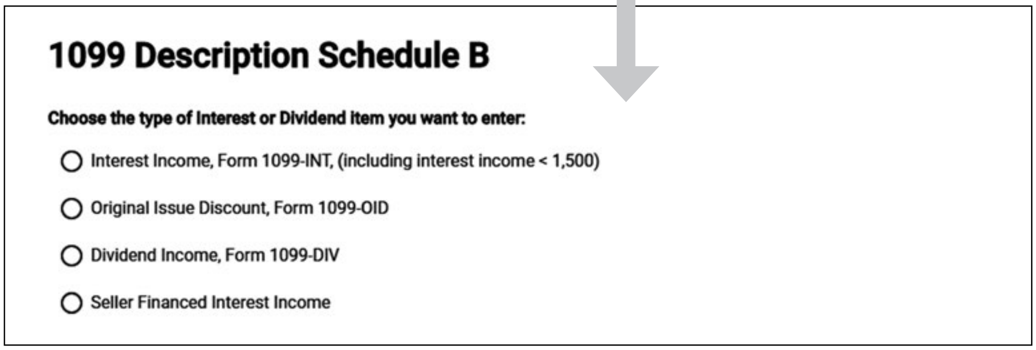
Interest Income

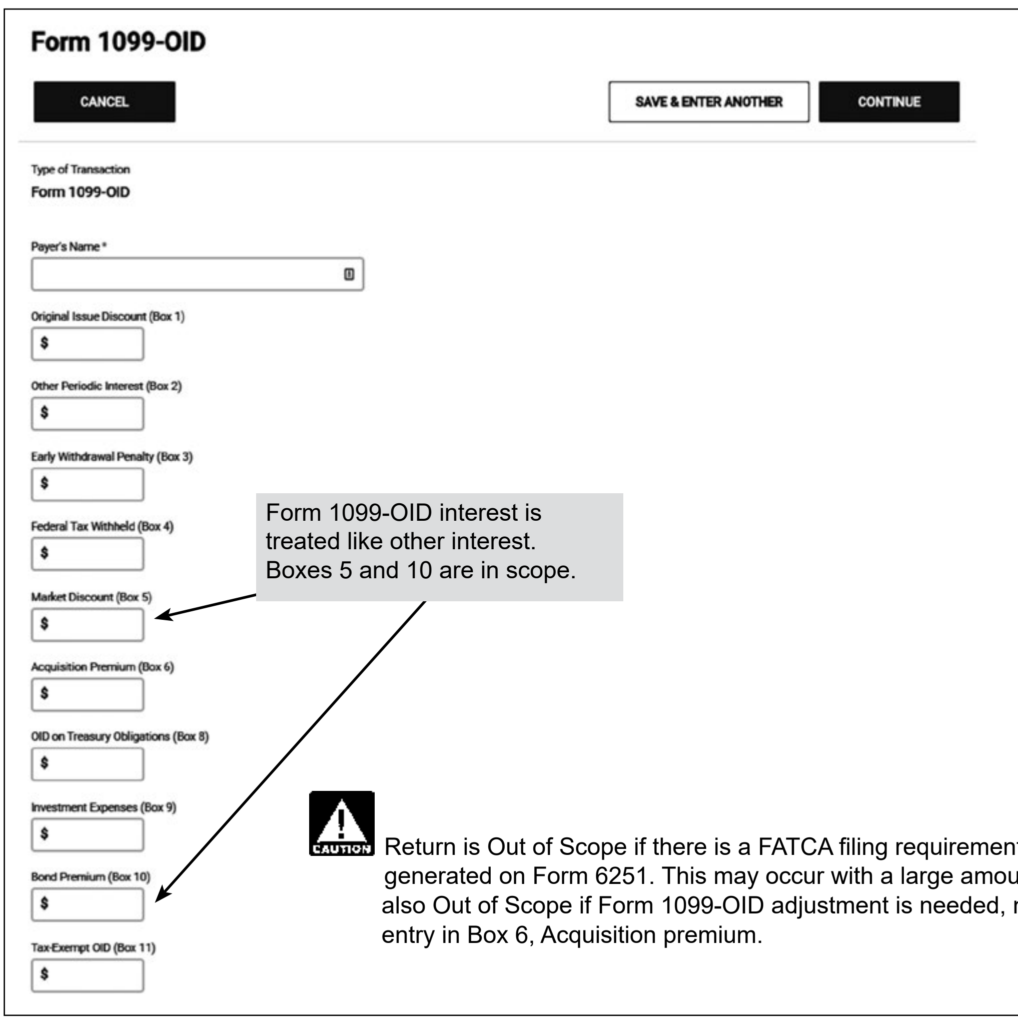
TaxSlayer Navigation: Federal Section>Income>1099-DIV, INT, OID>Interest Income; or Keyword “INT”



If the aggregate value of foreign financial accounts exceeds $10,000 at any time during the year, the FinCEN Report 114 is required to be filed electronically with Treasury, and the return is Out of Scope.

If U.S. Savings Bond interest is used to pay for higher education expenses, return is Out of Scope.





Form 1099-OID interest is treated like other interest. Boxes 5 and 10 are in scope.

Return is Out of Scope if there is a FATCA filing requirement, or if an alternative minimum tax is generated on Form 6251. This may occur with a large amount of dividends or interest. Return is also Out of Scope if Form 1099-OID adjustment is needed, no form was received, or there is an entry in Box 6, Acquisition premium.

Interest Income (continued)

Enter each Form 1099-INT separately.

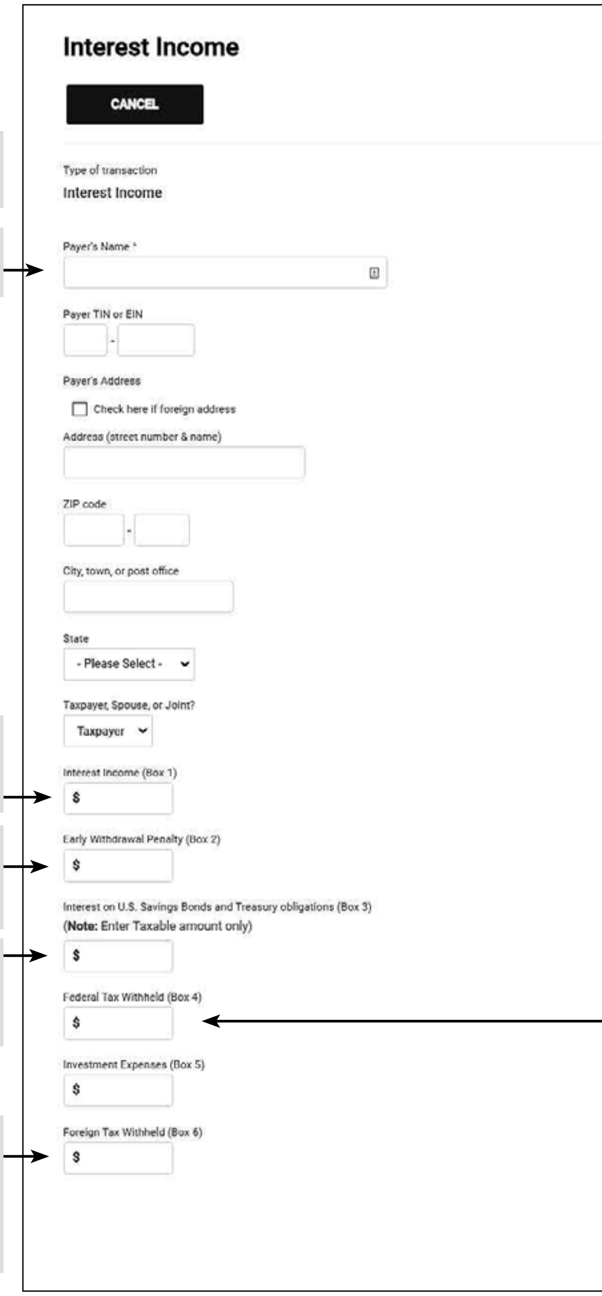
Enter the name of payer. Don't use punctuation.

Enter the taxable interest paid in Box 1. This doesn't include interest shown in Box 3.

The early withdrawal penalty is carried as an adjustment to Schedule 1.

Enter any taxable amount from Box 3 on the Interest on U.S. Savings Bonds and Treasury obligations line.

If 1099-INT shows foreign tax paid, enter it in Box 6 if the taxpayer is eligible to use the Simplified Limitation Election. See Tab G, Nonrefundable Credits, for details.



A warning may appear if tax withheld is more than 40% of Box 1. If your entries are correct, ignore the warning.

Note: Taxpayers who received less than $10 in interest from one payer may not receive a Form 1099-INT. This income must still be reported. Use the Interest Income Screen as if entering Form 1099-INT information.

Interest Income (continued)

Enter the amount of tax-exempt interest from Box 8 of Form 1099-INT.

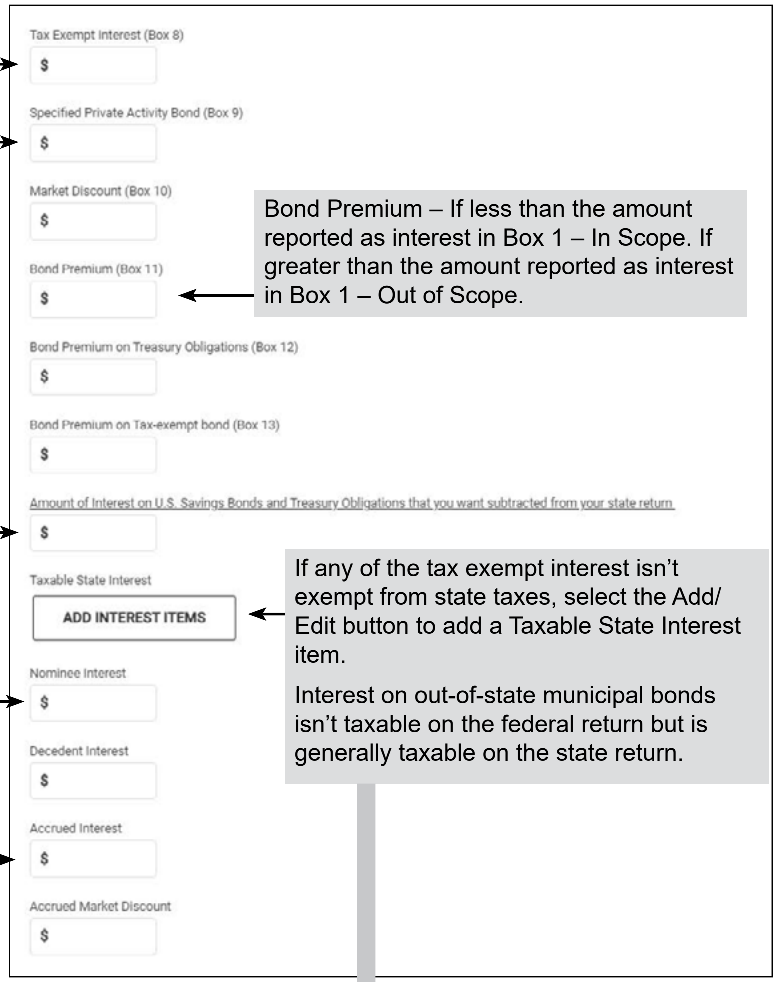
The entry for "Specified Private Activity Bond" will automatically carry to Form 6251, Alternative Minimum Tax, when applicable. If the entry into Other Taxes on Form 6251 results in an alternative minimum tax (AMT), the return is Out of Scope.

IMPORTANT – Entries are transferred directly when a state return is added. If state tax law treats the interest differently, include the exempt interest amount and select the state from the drop down list.

Generally, interest on U.S. government obligations (such as savings bonds, treasury bonds/bills/notes) is taxable on the federal return but isn't taxable on the state return.

Nominee interest – Interest transferred to another person – Out of Scope.

Accrued interest – Interest paid to seller at time of purchase – Out of Scope.



Bond Premium – If less than the amount reported as interest in Box 1 – In Scope. If greater than the amount reported as interest in Box 1 – Out of Scope.

If any of the tax exempt interest isn't exempt from state taxes, select the Add/Edit button to add a Taxable State Interest item.

Interest on out-of-state municipal bonds isn't taxable on the federal return but is generally taxable on the state return.

Enter the state, owner, and amount and select Continue To Next Step.

TIP Always enter tax-exempt interest or dividend income. This may affect the amount of Social Security income that is taxable.

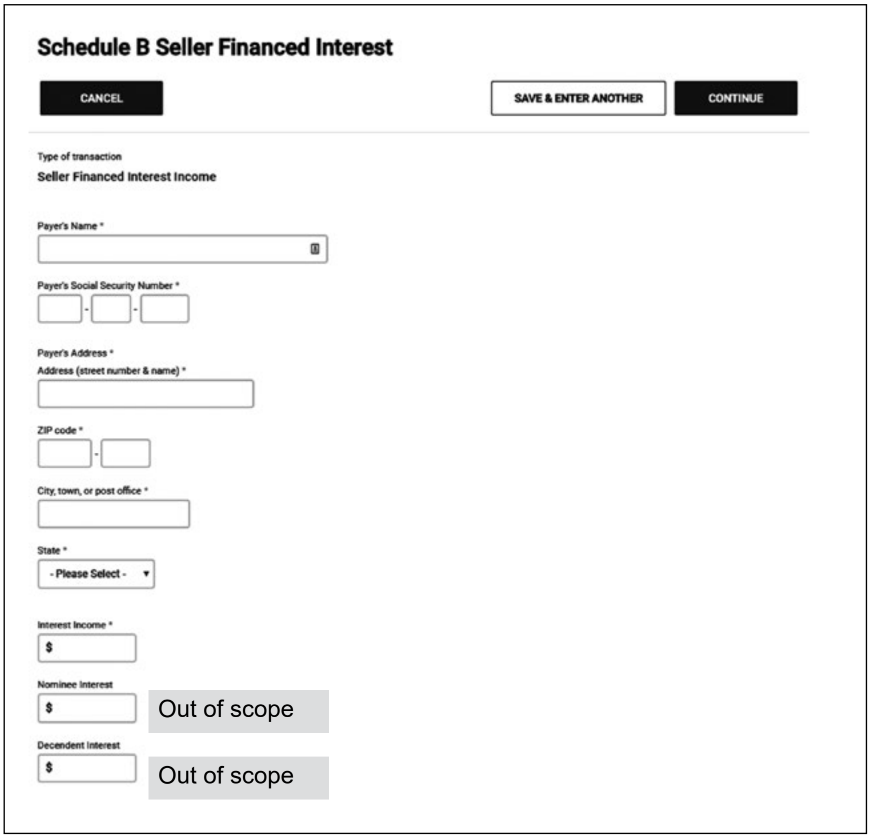
Note: Interest on in-state municipal bonds is generally not taxable on the federal and state returns.

Note: Income from a reverse mortgage is not considered a taxable event because it is a loan.

Seller Financed Mortgage Interest

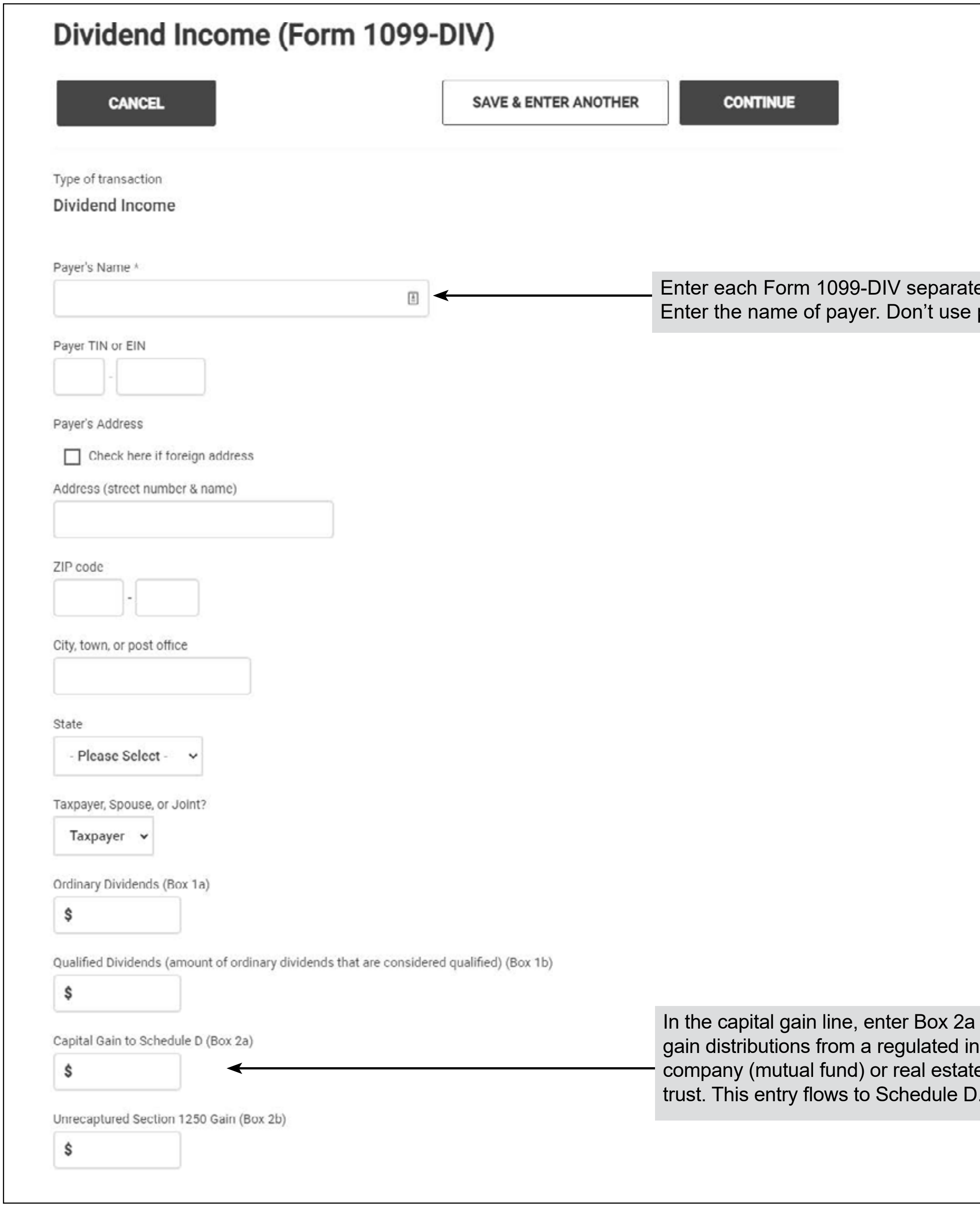
TaxSlayer Navigation: Federal Section>Income>1099-DIV, INT, OID>Seller Financed Interest Income; or Keyword “INT”

CAUTION Must have identification number of payer to e-file the return.



Dividend Income (Form 1099-DIV)

TaxSlayer Navigation: Federal Section>Income>1099-DIV, INT, OID>Dividend Income; or Keyword "D"



Enter each Form 1099-DIV separately.
Enter the name of payer. Don't use punctuation.

In the capital gain line, enter Box 2a total capital gain distributions from a regulated investment company (mutual fund) or real estate investment trust. This entry flows to Schedule D.

Note: A dividend reinvestment plan (DRP) is when the cash dividend is automatically used to buy more shares. The dividend is income and included on Form 1099-DIV. The payer/broker will keep track of the new purchase.

Dividend Income (Form 1099-DIV) (continued)

Section 1202 Gain (Box 2c)

$ | Out of scope

Collectibles (28%) Gain (Box 2d)

$ | Out of scope

Nondividend Distributions (Box 3)

$

> Nondividend distribution is a return of basis, not taxed until all cost is recovered. The taxpayer must reduce their cost by these distributions at the time of sale. Once all costs are recovered, report as capital gain.

Federal Income Tax Withheld (Box 4)

$

Section 199A dividends (Box 5)

$

> Box 5 amount is carried to qualified business income deduction. No additional entry needed.

Investment Expenses (Box 6)

$

Foreign Tax Withheld (Box 7)

$

> An entry in Foreign tax withheld (Box 7) will flow as a foreign tax credit to Form 1040.
>
> CAUTION Only the simplified limitation method is in scope. If total foreign taxes exceed $300 ($600 if filing joint), the simplified method cannot be used. In that case Form 1116, Foreign Tax Credit, is required, with International certification only. See Tab G, Nonrefundable Credits for Foreign Tax Credit information.

Cash Liquidation Distributions (Box 9)

$ | Out of scope

Noncash Liquidation Distributions (Box 10)

$ | Out of scope

Exempt Interest Dividends (Box 11)

$

Specified Private Activity Bond (Box 12)

$

Amount of Interest on U.S. Savings Bonds and Treasury obligations that you want subtracted from your sta

$

> On the amount of interest on U.S. Savings Bonds and Treasury obligations line, enter dividends from federal bond funds which are fully taxable on the federal return but tax-exempt on the state return.

Taxable State Dividend

ADD DIVIDEND ITEMS

Nominee Dividend

$ | Out of Scope

Decedent Dividend

$

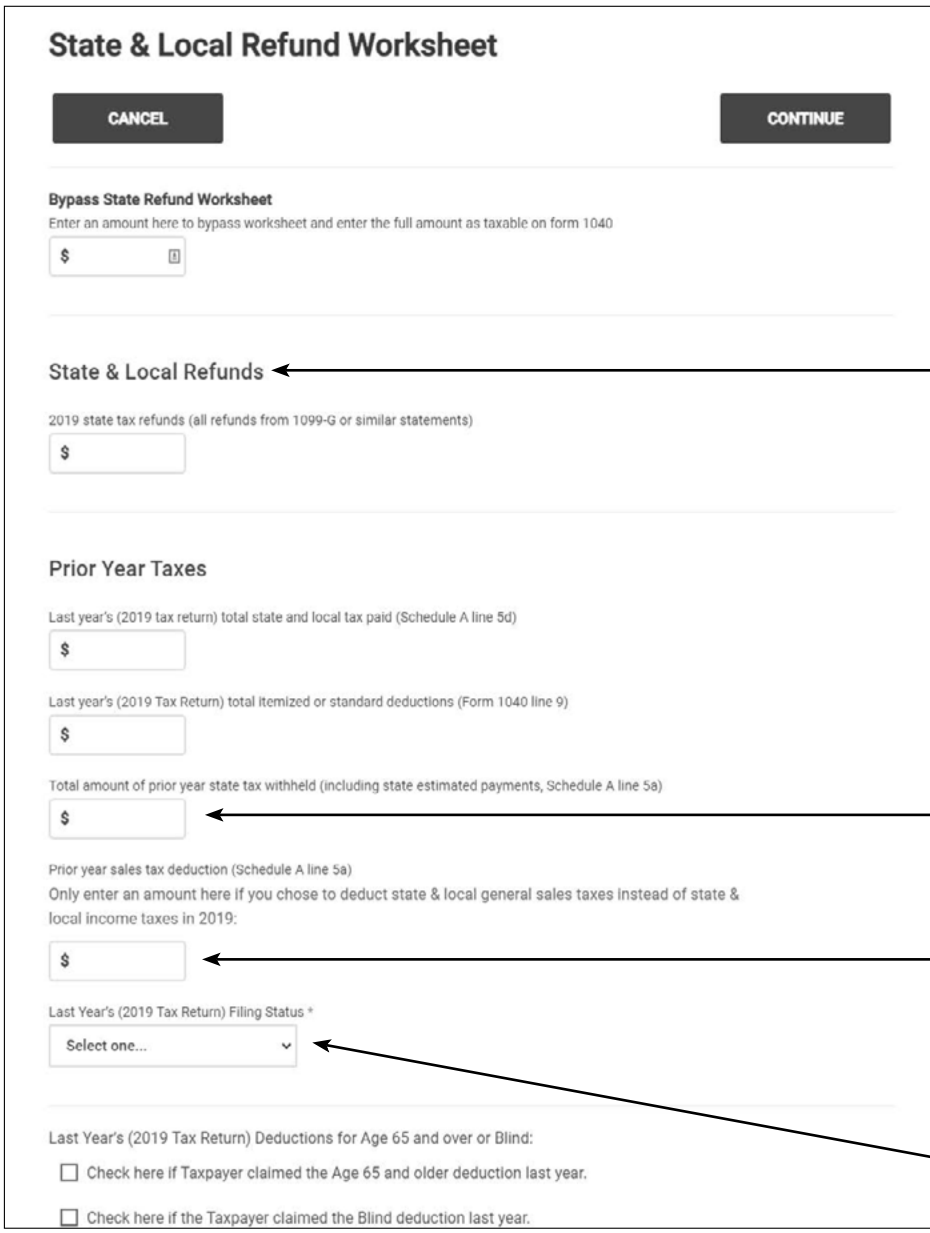
State and Local Refund Worksheet

TaxSlayer Navigation: Federal Section>Income>Form 1099-G Box 2; or Keyword "G"

Use this worksheet only if the taxpayer itemized deductions last year claiming state income taxes as a deduction and received a state or local income tax refund.

None of your refund is taxable if, in the year you paid the tax, you either:
(a) didn't itemize deductions, or
(b) elected to deduct state and local general sales taxes instead of state and local income taxes.

You may need to look up the sales tax that could have been deducted using the **IRS sales tax calculator**.


State & Local Refund Worksheet

CANCEL CONTINUE

Bypass State Refund Worksheet
Enter an amount here to bypass worksheet and enter the full amount as taxable on form 1040
$

State & Local Refunds

2019 state tax refunds (all refunds from 1099-G or similar statements)
$

Prior Year Taxes

Last year's (2019 tax return) total state and local tax paid (Schedule A line 5d)
$

Last year's (2019 Tax Return) total itemized or standard deductions (Form 1040 line 9)
$

Total amount of prior year state tax withheld (including state estimated payments, Schedule A line 5a)
$

Prior year sales tax deduction (Schedule A line 5a)
Only enter an amount here if you chose to deduct state & local general sales taxes instead of state & local income taxes in 2019:
$

Last Year's (2019 Tax Return) Filing Status *
Select one...

Last Year's (2019 Tax Return) Deductions for Age 65 and over or Blind:
☐ Check here if Taxpayer claimed the Age 65 and older deduction last year.
☐ Check here if the Taxpayer claimed the Blind deduction last year.

Use this worksheet to determine the portion of the taxpayer's prior year state refund that is considered taxable in the current year. Use a copy of the taxpayer's previous year return to enter all amounts in the spaces provided. The taxable portion will be included on the return as taxable income.

Include state tax withheld and state estimated payments made during 2020.

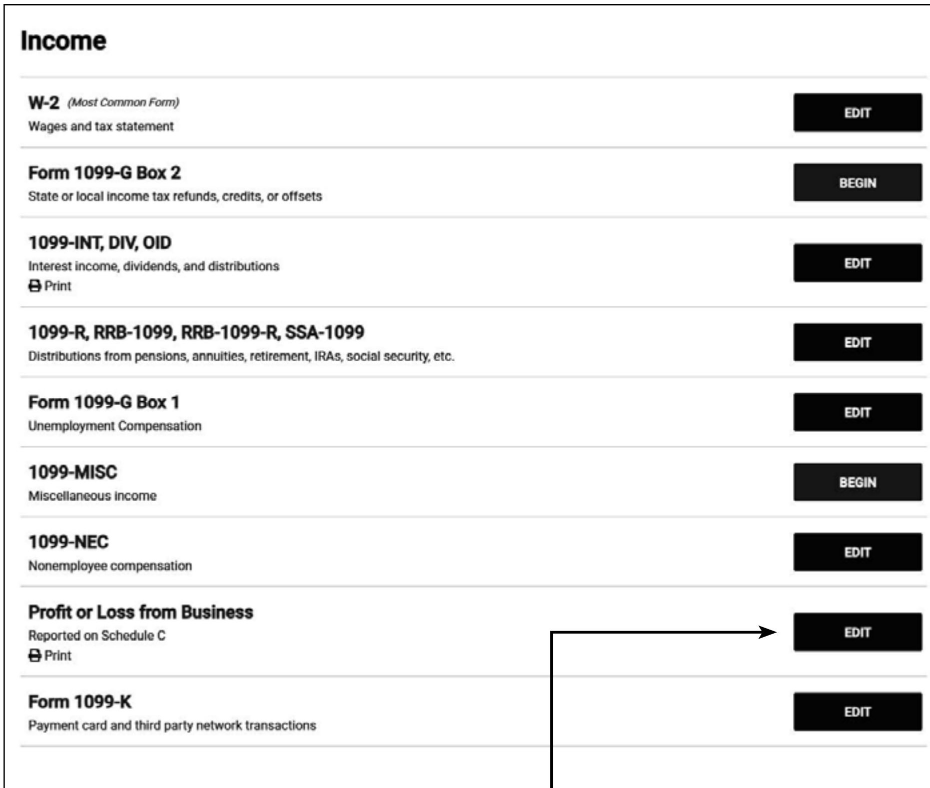
Enter any calculated sales tax not deducted on your prior year Schedule A. If the amount is not shown on last year's return, you can go to the Sales Tax Deduction Calculator on IRS.gov to determine the amount.

If last year's filing status was MFS, indicate if spouse itemized deductions.

Note: See Instructions for Recipient for Box 2 on Form 1099-G amounts which may appear in the unnumbered box beside Box 9. Amounts in this unnumbered box are interest and are in scope. Report it as interest income on the tax return.

Schedule C Self-Employment Income

TaxSlayer Navigation: Federal Section>Income



Income received on Form 1099-MISC may not include self-employment income. See Less Common Income, later in this tab.

If any of the self-employment income is reported on Form 1099-NEC, Nonemployee Compensation, select Form 1099-NEC first. Self-employment income reported on a Form 1099-NEC will be in Box 1, Nonemployee compensation.

Select Profit or Loss From A Business (Schedule C) to enter self-employment income that isn't reported on a Form 1099-NEC. This would include income reported on Form 1099-K, Payment Card and Third Party Network Transactions, as well as all other cash and any other income received related to the business activity. Also, enter expenses related to the self-employment income.

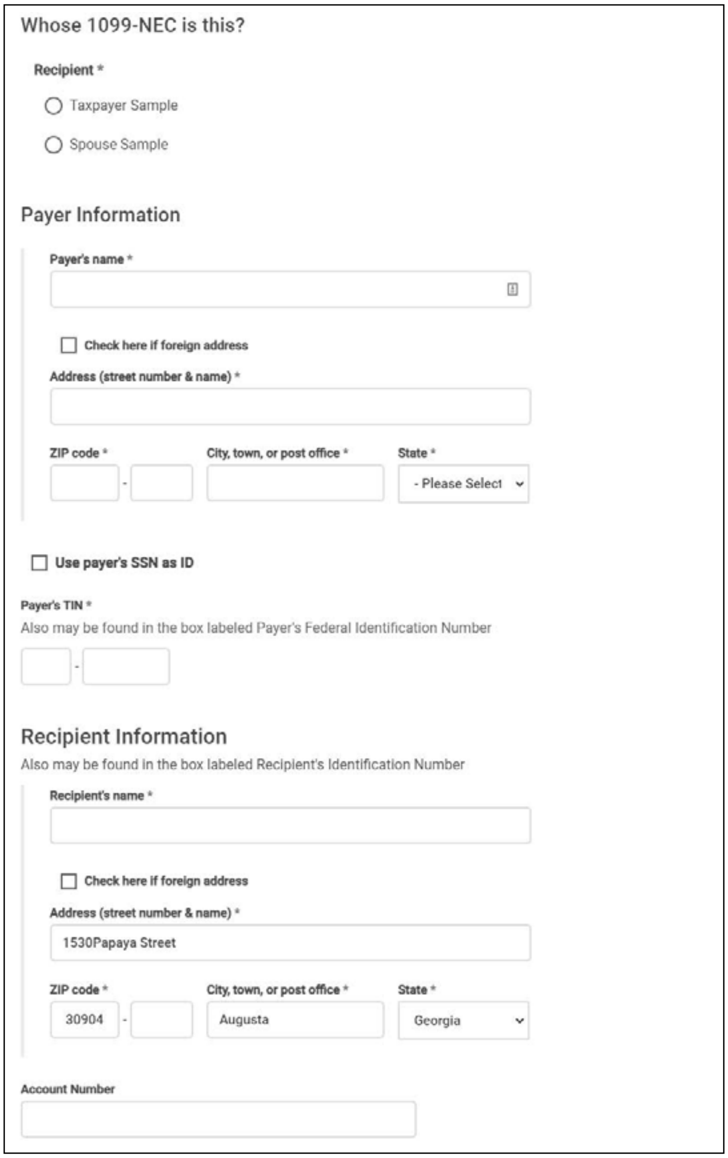
Note: A taxpayer that received less than $600 in income from one payer may not receive a Form 1099-NEC or Form 1099-K. This income must still be reported.

See Publication 334, Tax Guide for Small Business, and Publication 525, Taxable and Nontaxable Income, for additional information.

Note: For taxpayers who have earnings as a notary, review the Instructions for Schedule SE, Self-Employment Tax, for reporting instructions. In TaxSlayer, make the following entries:
1) Report the notary income on a Schedule C.
2) Visit the Schedule SE menu in the Other Taxes section and enter the amount of exempt notary income in the "Enter the exempt notary income" input field.

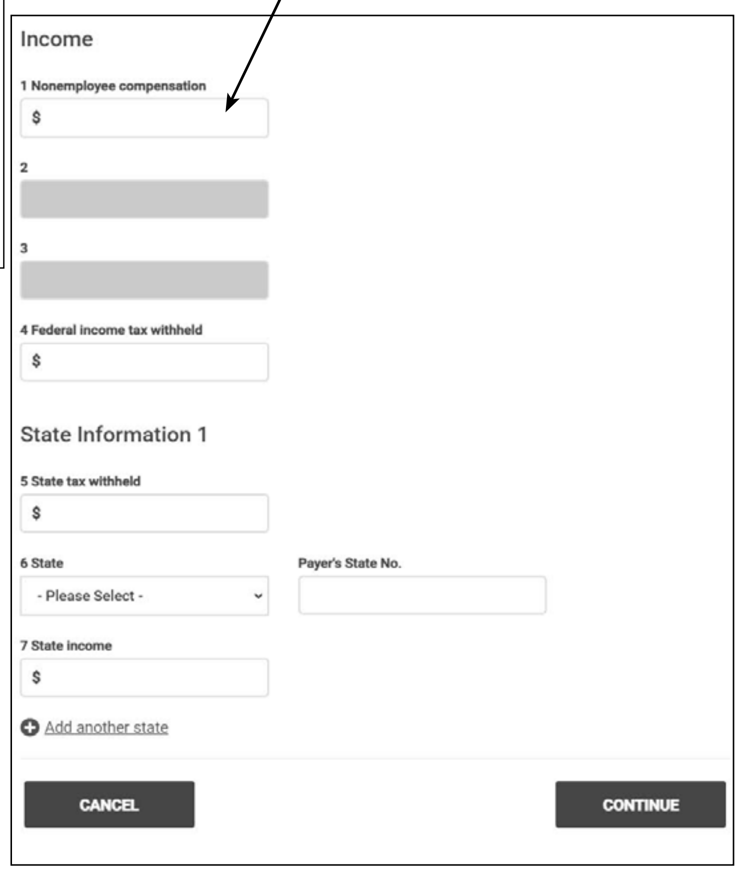
Form 1099-NEC

TaxSlayer Navigation: Federal Section>Income

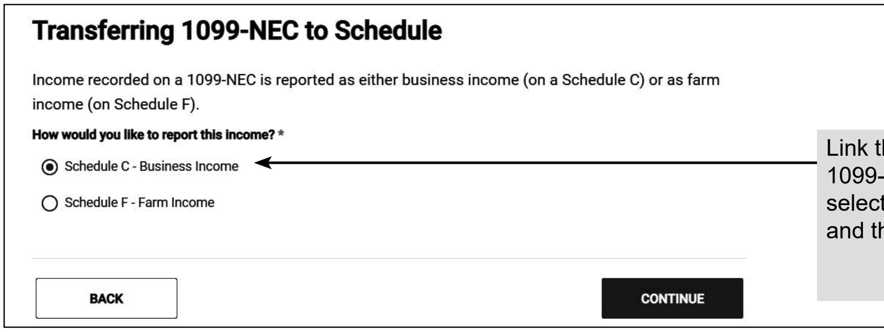


Note: Add a Form 1099-NEC in TaxSlayer for each 1099-NEC received.

Self employed taxpayers will include amounts from Box 1 on Schedule C. Taxpayers with an amount on Form 1099-NEC, Box 1, who are not an employee or self-employed, do not need to complete Schedule C but should report this income as Other Income on Schedule 1. Taxpayers with nonemployee compensation that is related to a hobby (an activity that isn't engaged in for profit) are Out of Scope. See Publication 525, Taxable and Nontaxable Income, for more information.



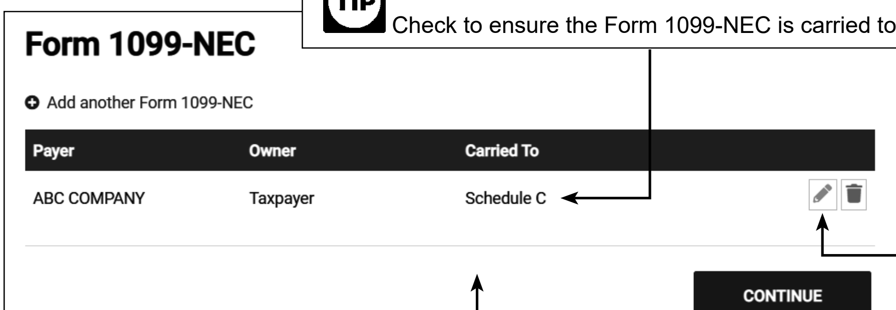
Connecting the Form 1099-NEC to Schedule C



Link the information from the 1099-NEC to Schedule C by selecting the Schedule C button and then selecting Continue.

Note: If the taxpayer has more than one business, you must use a separate Schedule C for each.

TIP Check to ensure the Form 1099-NEC is carried to the correct section of Form 1040.



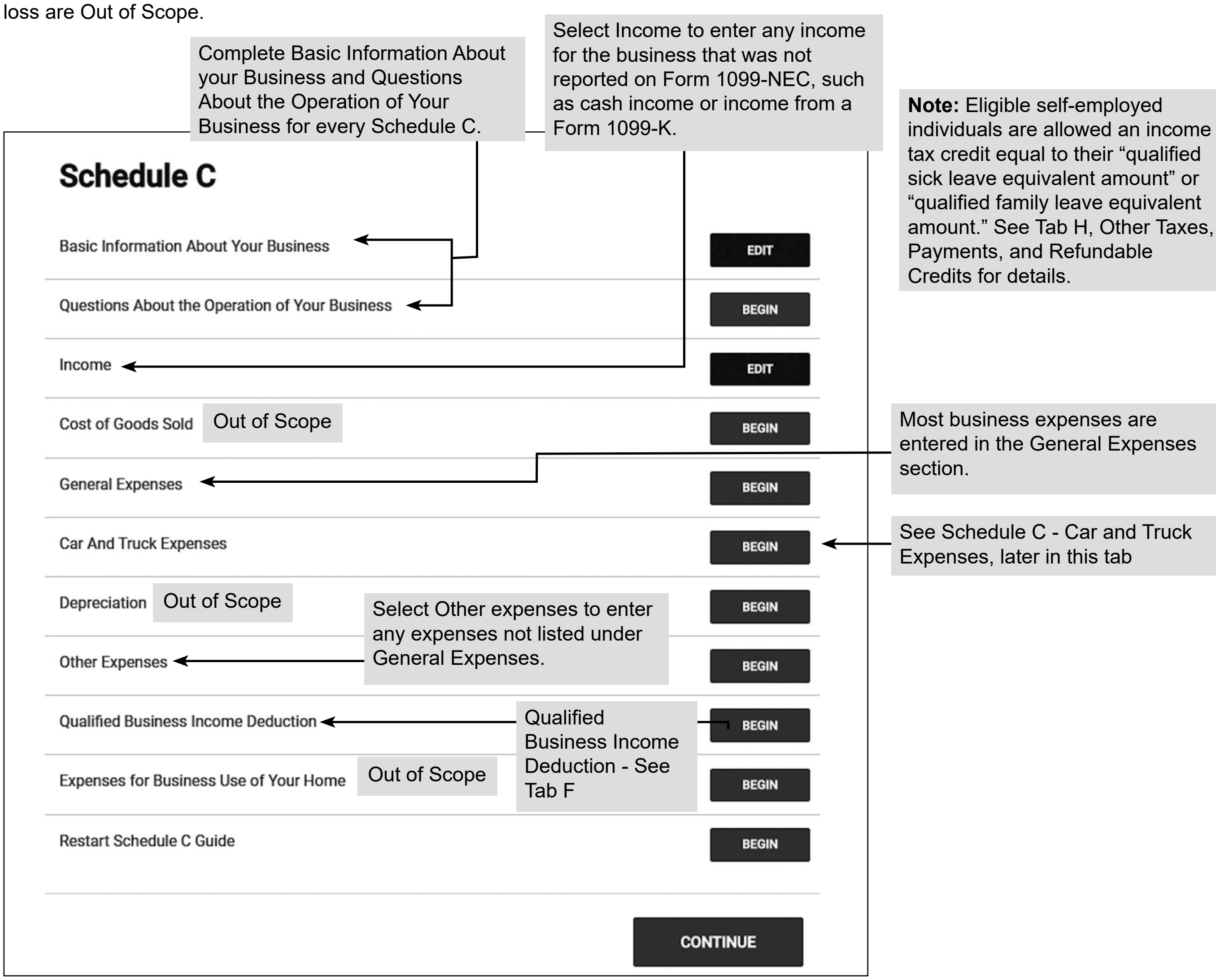
If there is more than one Form 1099-NEC for the same business, ensure that they are all linked to the same Schedule C. To link a second Form1099-NEC click on "Add another Form 1099-NEC, enter data, and select "Continue." On the next screen select form, C or F, select "Report this income on a Schedule C I already created for my business" then select business description and Continue.

CAUTION If the Carried To section says “None” the income is not being reported on the return. Select Edit and link to the appropriate Schedule.

Schedule C - Menu

TaxSlayer Navigation: Federal Section>Income>Form 1099-NEC; or Keyword “SC”

Businesses with inventory, employees, contract labor, depreciation, business use of the home, expenses over $35,000 or a net loss are Out of Scope.



If the business accepted credit or debit cards in payment or received payments via 3rd party network, it may receive Form 1099-K Payment Card and Third Party Network Transactions (see note below).

Note: Income reported on Form 1099-K is in scope if received for self-employment income (such as shared-economy driving). Make sure the total shown on the 1099-K is included, along with any cash income, on Schedule C income section. A Form 1099-K received for the sale of goods held in inventory or for rental income is Out of Scope (unless certified in Military).

Income from the manufacture, distribution, or trafficking of controlled substances (such as marijuana) is Out of Scope.

Schedule C - Questions About Your Business

Schedule C Questions

CANCEL

CONTINUE

Questions about your Business

Accounting Method *

- (•) Cash
- ( ) Accrual
- ( ) Other

To be in scope, the Accounting Method must be Cash Method and there can be no inventory, no cost of goods sold, no employees, no business use of the home, and no depreciation (completing Form 4562, Depreciation and Amortization).

Method used to value closing inventory *

- ( ) Cost
- ( ) Lower of cost or market
- (•) Not Applicable

Select Not Applicable for the Inventory Method.

- [ ] Check here if there were any changes in determining inventory.
- [ ] Check here if this is the first Sch. C filed by you for this business.
- [x] Check here if you "materially participated" in the operation of this business during the tax year.

In most cases, the taxpayers do materially participate in the business. This means that the taxpayer ran the business and did the work.

This box must be checked to allow a net loss on your return.

Prior year unallowed loss (ONLY enter an amount if current year's activity is a net profit.)

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- [ ] Check here if you made any payments in 2020 that would require you to file Form(s) 1099.

If the taxpayer has a business loss carried over from another tax year or is required to file a Form 1099, the tax return is Out of Scope.

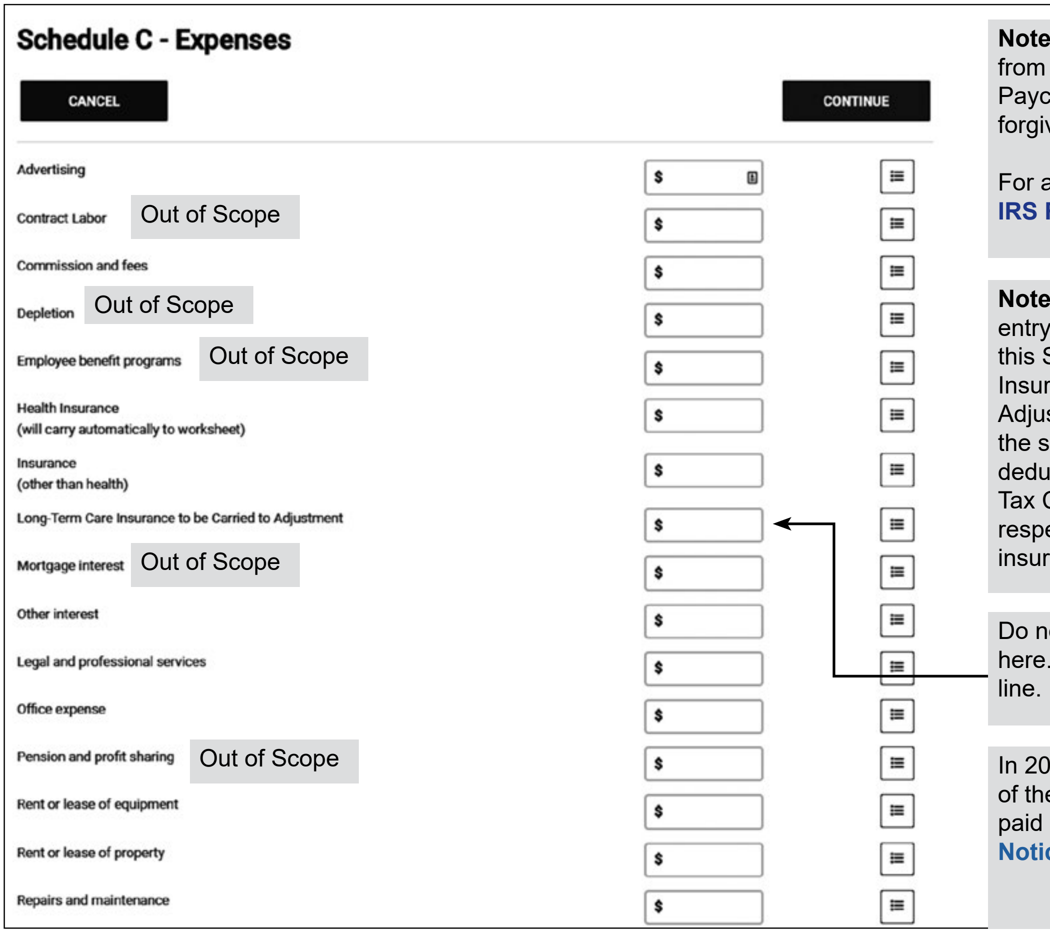
- [ ] Check here for Qualified Joint Venture. (Ownership between Taxpayer and Spouse must be 50/50. **If you are filing Business Use of Home deductions or using the Clergy Worksheet, you will need to file separate Schedule C forms, one for each spouse)**
- [ ] Check here to Prorate Expenses for Minister/Clergy.

Schedule C - General Expenses

TaxSlayer Navigation: Federal Section>Income>Profit or Loss from a Business>General Expenses; or Keyword "SC"

Note: All allowable and documented expenses must be reported on Sch C. If any deductible expenses are Out of Scope, the entire return is Out of Scope and taxpayer should be referred to professional preparer. There is no option to disregard allowable expenses.

Note: The following expenses are Out of Scope:Contract Labor, Depletion, Employee benefit program, Mortgage interest, Pension and profit sharing, and Wages. Health Insurance is in scope for Self-Employed Health Insurance deduction only.



Note: Taxpayers may exclude from gross income any covered Paycheck Protection Plan (PPP) loan forgiveness.

For additional information, refer to **IRS Revenue Procedure 2021-20.**

Note: Use the TaxSlayer Schedule C entry screen Health Insurance box for this Self-Employed Health Insurance Deduction. See Tab E, Adjustments, for information about the self-employed health insurance deduction. Calculations with Premium Tax Credit are Out of Scope with respect to the self-employed health insurance deduction.

Do not enter allowable LTC premiums here. Enter on the Health Insurance line.

In 2021, businesses can claim 100% of their food or beverage expenses paid to restaurants. See **Notice 2021-25** for details.

To be deductible, a business expense must be both ordinary and necessary. An ordinary expense is one that is common and accepted in your industry. A necessary expense is one that is helpful and appropriate for your trade or business. An expense does not have to be indispensable to be considered necessary. Taxpayers can deduct the cost of their own education expenses (including certain related travel) related to the trade or business. They must be able to show the education maintains or improves skills required in their trade or business, or that it is required by law or regulations for keeping their license to practice, status, or job.

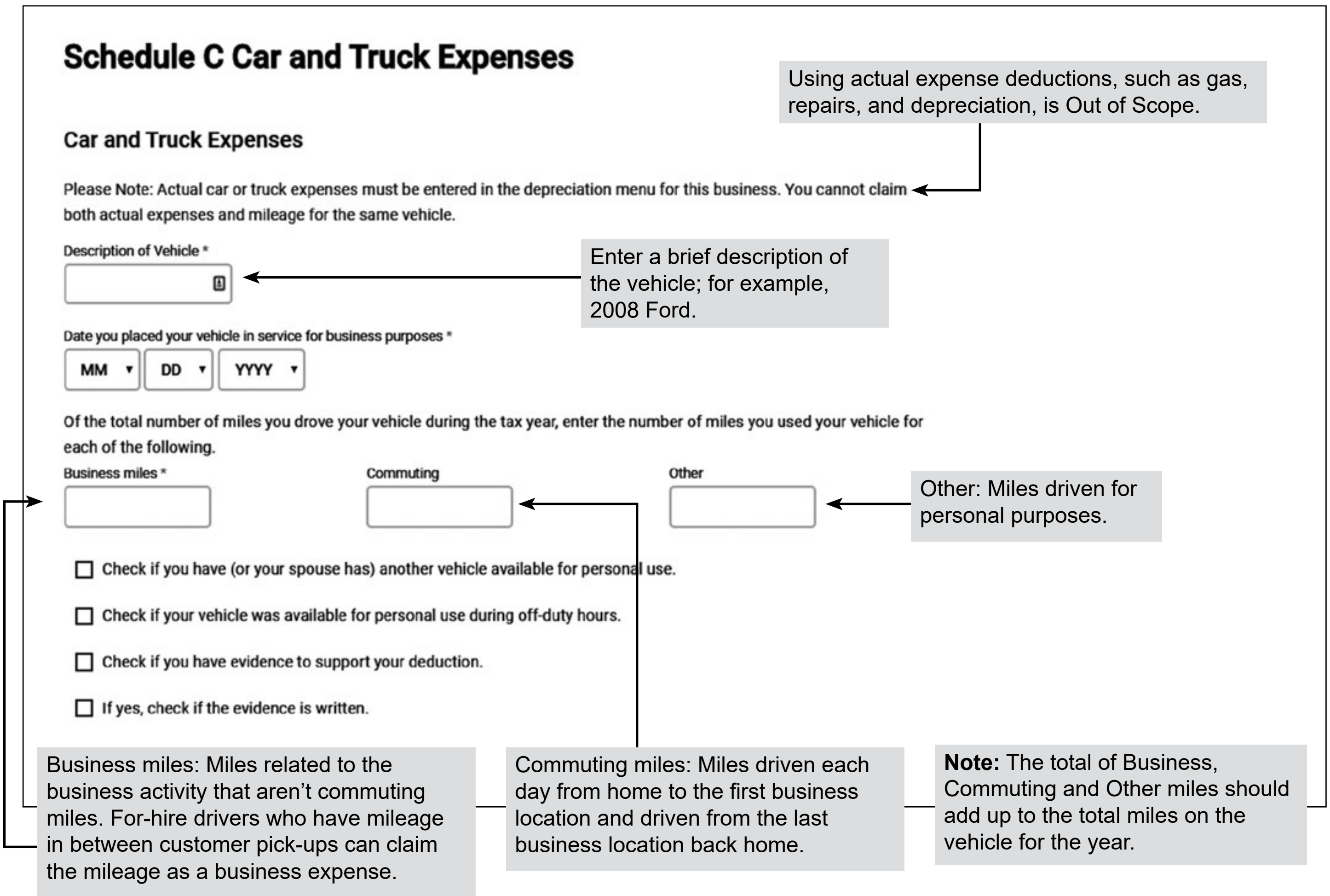
Note: Car and truck expenses aren't entered on this page. Those expenses are entered on a separate page.

Note: Rentals or leases of equipment (including vehicles) for more than 30 days are Out of Scope. If the taxpayer uses the standard mileage rate method for business miles of a leased vehicle, the return remains in scope.

CAUTION Expenses that aren't deductible include bribes and kickbacks; charitable contributions; demolition expenses or losses; and dues paid to business, social, athletic, luncheon, sporting, airline, and hotel clubs.

Schedule C - Car and Truck Expenses

TaxSlayer Navigation: Federal Section>Income>Profit or Loss from a Business>Car and Truck Expenses; or Keyword "SC"



Refer to Publication 463, Travel, Entertainment, Gift, and Car Expenses, for help determining deductible business mileage and nondeductible commuting mileage.

Note: The car and truck expense deduction will automatically be calculated using the standard mileage rate, based on the number of business miles entered. The rate is 56 cents per mile for tax year 2021. In addition, the taxpayer can deduct the cost of business parking and tolls. Commuting and other personal automobile expenses such as depreciation, lease payments, maintenance and repairs, gasoline (including gasoline taxes), oil, insurance, parking tickets, traffic fines, or vehicle registration fees are not deductible.

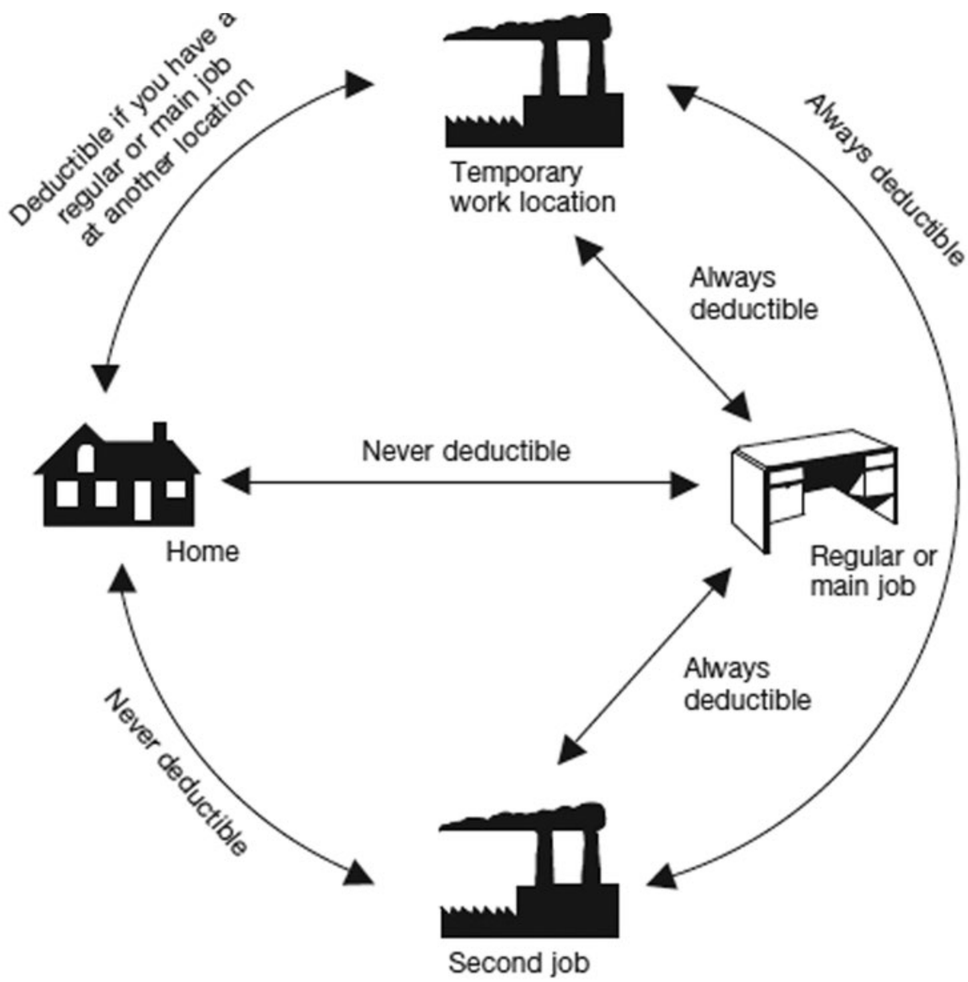
Note: If you are self-employed and use your vehicle in your business, you can deduct the business part of state and local personal property taxes on motor vehicles on Schedule C. Enter this on the Taxes line on the Schedule C Expenses screen. If you are self-employed and use your vehicle in your business, you can deduct that part of the interest expense that represents your business use of the vehicle. You cannot deduct the part of the interest expense that represents your personal use of the vehicle. Enter the deductible amount on the Other Interest line on the Schedule C Expenses screen.

Note: If you are an employee, you cannot deduct any interest paid on a vehicle loan. This applies even if you use the vehicle 100% for business as an employee.

Note: The standard mileage deduction includes depreciation, gas/oil, repairs, insurance, and nontax portion of registration, but not parking, tolls, or business part of registration tax. Taxpayer should have a written record (log or appointment book).

Schedule C - Car and Truck Expenses (continued)

Self-employed taxpayers can use this chart. Don't use this chart if your home is your principal place of business (Out of Scope). This chart can also be used for Armed Forces reservists (Military Certification only), fee-based state or local government officials, and employees with impairment-related work expenses. Employees who do not fit into one of the listed categories may not use this chart.



Home: The place where you reside. Transportation expenses between your home and your main or regular place of work are personal commuting expenses.

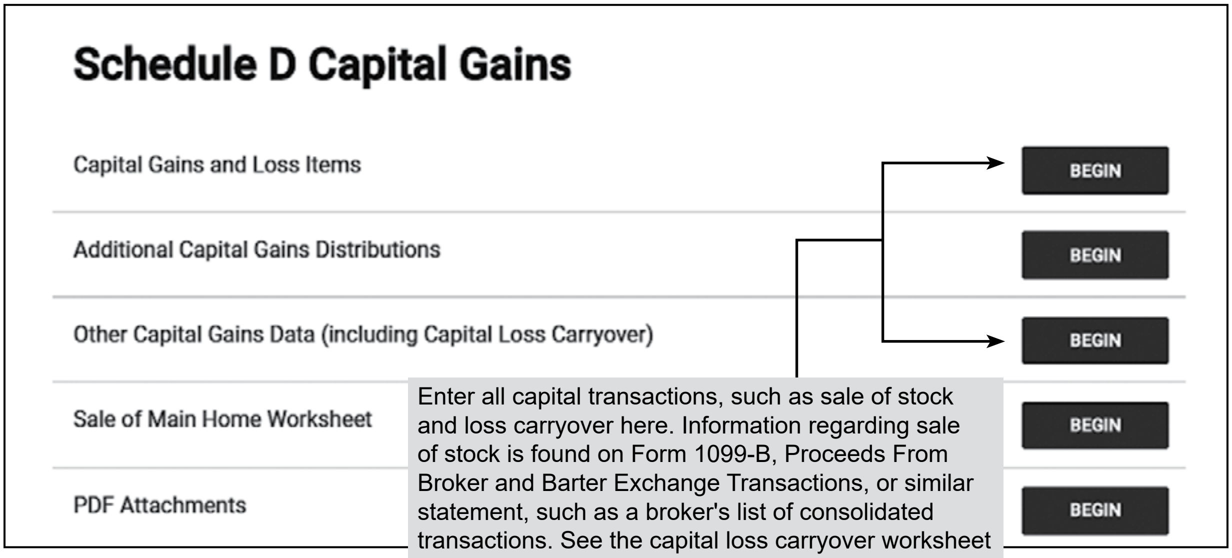
Regular or main job: Your principal place of business. If you have more than one job, you must determine which one is your regular or main job. Consider the time you spend at each, the activity you have at each, and the income you earn at each.

Temporary work location: A place where your work assigment is realistically expected to last (and does in fact last) one year or less. Unless you have a regular place of business, you can only deduct your transportation expenses to a temporary work location outside your metropolitan area.

Second job: If you regularly work at two or more places in one day, whether or not for the same employer, you can deduct your transportation expenses of getting from one workplace to another. If you do not go directly from your first job to your second job, you can deduct the transportation expenses of going directly from your first job to your second job. You cannot deduct your transportation expenses between your home and second job on a day off from your main job.

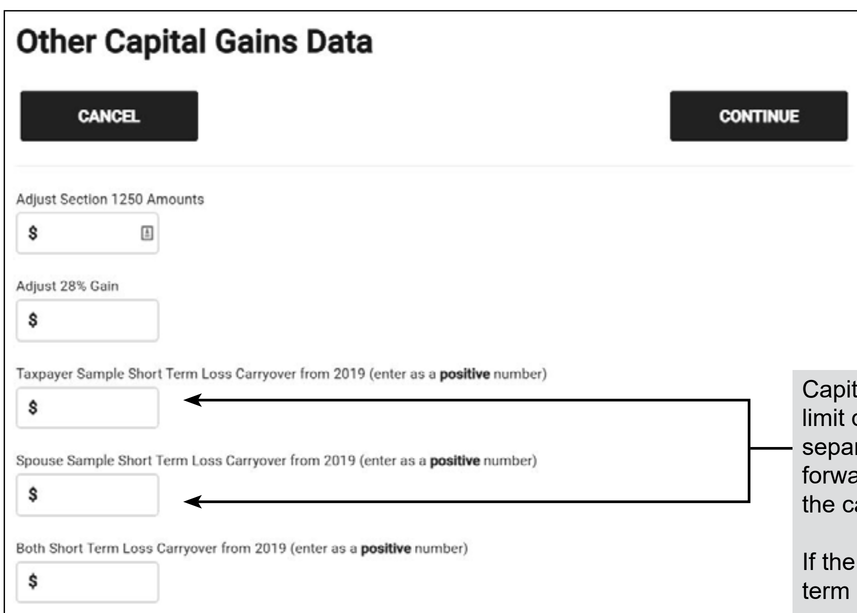
Schedule D Capital Gains and Losses

TaxSlayer Navigation: Income>Capital Gain and Losses>Capital Gain and Loss Items; or Keyword “D”



Enter all capital transactions, such as sale of stock and loss carryover here. Information regarding sale of stock is found on Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, or similar statement, such as a broker's list of consolidated transactions. See the capital loss carryover worksheet from the taxpayer's prior year return for the capital loss carryover amount(s). The software will carry the transactions to the appropriate Form 8949, Sales and Other Dispositions of Capital Assets. The totals for each Form 8949 will automatically carry to the correct line of Schedule D, Capital Gains and Losses.

Note: Transactions involving virtual currency, such as a disposition, sale, exchange or transfer, are Out of Scope. However, the tax return is in scope if the taxpayer’s only transactions involving virtual currency during the tax year were purchases of virtual currency with real currency. For more information, go to **www.irs.gov/virtualcurrencyfaqs**.



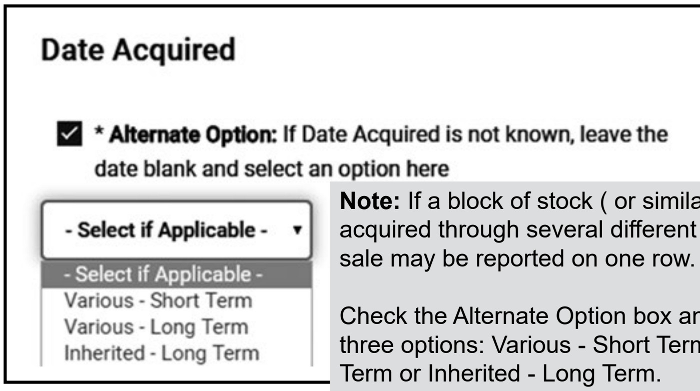
Capital losses that exceeded the $3,000 limit deduction ($1,500 if married filing separately) in prior years can be carried forward and used in future years until the capital loss is completely used up.

If the taxpayer has a short-term or long-term capital loss carryover from the prior year, enter on the appropriate line.

Note: Compare fields automatically filled with carryover amounts to the prior year return. Also, remember to print the Capital Loss Carryover Worksheet for the taxpayer to keep as part of their records.

Entering Capital Gains and Losses

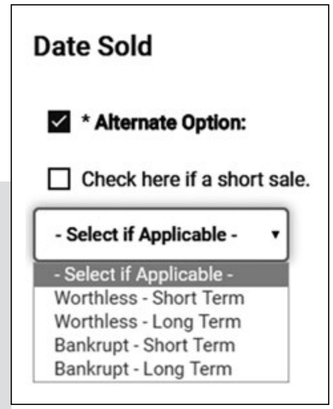
If you check the box for Alternate Option for Date Acquired or Date Sold, a pick list will appear. Choose the correct option for the transaction.

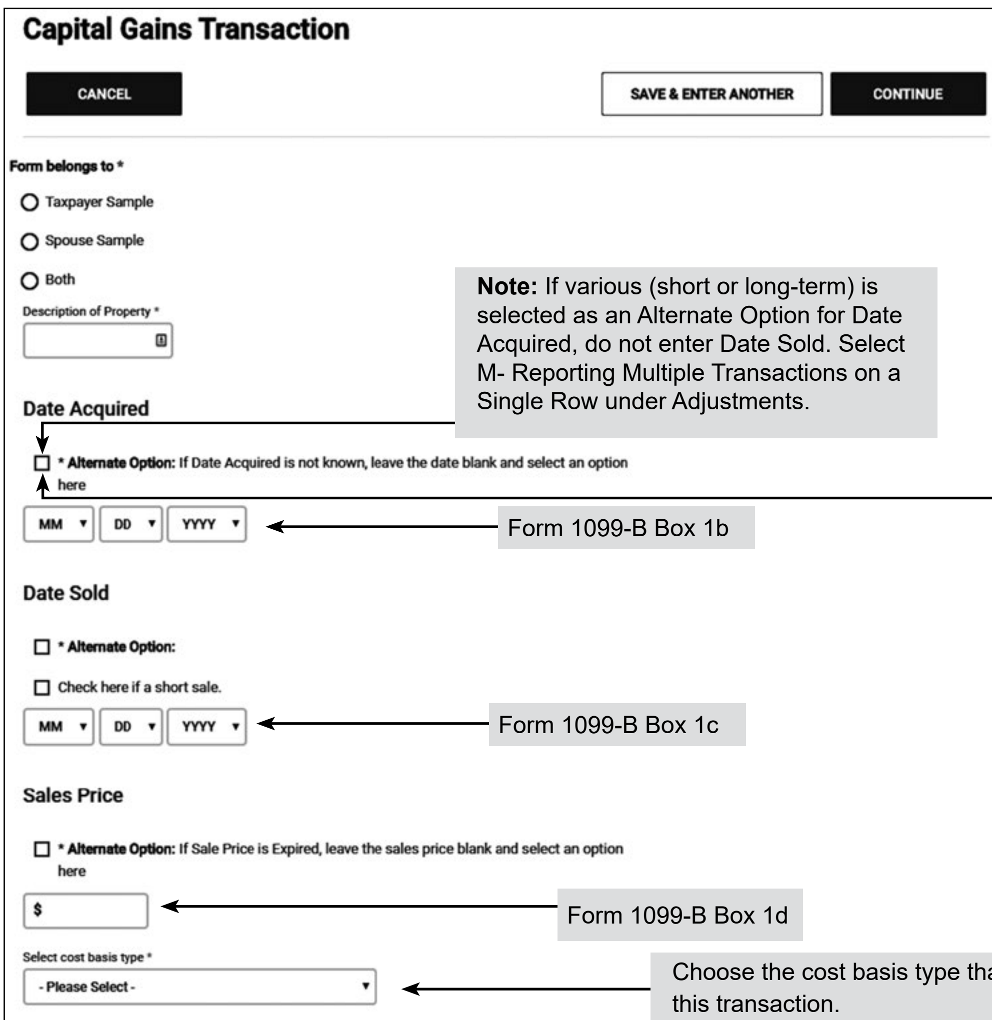


Note: If a block of stock (or similar property) was acquired through several different purchases, the sale may be reported on one row.

Check the Alternate Option box and select one of three options: Various - Short Term, Various - Long Term or Inherited - Long Term.

Short term = 1 year or less
Long term = more than 1 year





Note: If various (short or long-term) is selected as an Alternate Option for Date Acquired, do not enter Date Sold. Select M- Reporting Multiple Transactions on a Single Row under Adjustments.

Form 1099-B Box 1b

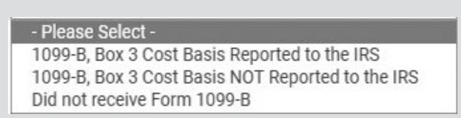
Form 1099-B Box 1c

Form 1099-B Box 1d

If investment property is inherited, the capital gain or loss is treated as long-term. This is true regardless of how long the property is held.

Check the box for Alternate Option for Date Acquired and select Inherited - Long Term.

Choose the cost basis type that applies to this transaction.



Entering Capital Gains and Losses (continued)

Cost

☐ *** Alternate Option:** If Cost is Expired, leave the cost blank and select an option here

$

Form 1099-B Box 1e or provided by taxpayer. If the statement or taxpayer does not provide cost basis, historical data can be used. See Publication 551, Basis of Assets, for details. If basis can't be determined, use zero. Special rules apply to property inherited from a decedent who died in 2010. If the taxpayer cannot provide the basis for the property, refer the taxpayer to a professional tax preparer. For more information, search Historical: Publication 4895, Tax Treatment of a Property Acquired from a Decedent Dying in 2010 (Rev. October 2011) under Prior Year Forms and Instructions on IRS.gov.

Adjustments

Enter any necessary adjustments to Gain or Loss
NOTE: If this entry is to be shown as a loss, please enter a negative sign before the number.

$

For most transactions, no adjustment to gain or loss is needed. If an adjustment to basis or net capital gain is required, enter the adjustment amount and mark the reason(s) from the list. You may need to enter an adjustment if the basis provided is incorrect, another situation applies that requires a change to the basis, or if the taxpayer is able to exclude some or all of the capital gain.

If you entered an adjustment amount above, please select all adjustment explanations that apply.

- ☐ B - Form 1099-B with Basis shown in Box 3 is Incorrect
- ☐ C - Disposed of Collectibles
- ☐ D - Form 1099-B showing accrued market discount in box 1f
- ☐ E - Form 1099-B or 1099-S with Selling Expenses or Options not Reflected on Form
- ☐ H - Exclude Some/All of the Gain from the Sale of Your Main Home
- ☐ L - Nondeductible Loss other than a Wash Sale
- ☐ M - Reporting Multiple Transactions on a Single Row
- ☐ N - Received 1099-B/1099-S as a Nominee for the Actual Owner of the Property
- ☐ O - Other Adjustment Not Explained Above
- ☐ Q - Exclude Part of the Gain from the Sale of Qualified Small Business Stock
- ☐ R - Rollover of Gain from QSB Stock, Empowerment Zone, Publicly Traded Securities
- ☐ S - Loss from the Sale of Small Business Stock more than Allowable Ordinary Loss
- ☐ T - Form 1099-B & Type of Gain/Loss shown in Box 1c is Incorrect
- ☐ W - Nondeductible Loss from a Wash Sale
- ☐ X - Exclude Gain from DC Zone Assets or Qualified Community Assets
- ☐ Y - Reporting Gain from QOF Investment in Prior Yax Year
- ☐ Z - Postpone Gain for Investments in QOFs

If summarizing transactions, check the box for Reporting Multiple Transactions on a Single Row.

Wash sales are in scope only if reported on Form 1099-B or on a brokerage or mutual fund statement. Enter the code W amount as a positive number.

Entering Capital Gains and Losses (continued)

Exception to Entering Each Transaction on a Separate Row

When a taxpayer's Form 1099-B includes so many transactions that it isn't practical to enter each one into TaxSlayer, use the following procedure.

1. Divide the transactions into four categories:
   - Short term transactions with basis reported to the IRS - categorized as "Box A."
   - Short term transactions with basis not reported to the IRS - categorized as "Box B."
   - Long term transactions with basis reported to the IRS - categorized as "Box D."
   - Long term transactions with basis not reported to the IRS - categorized as "Box E."
2. Enter the total of each category on the capital gain entry screen.
3. If any of the transactions requires an adjustment to the reported basis, select the reason from the check box that includes that transaction.
4. If there are transactions with basis not reported to the IRS, the broker's list of transactions must be submitted as an attachment to the tax return. Submit the document using either of the following two methods:
   - Electronic: Scan the pages and save as a PDF. Attach the PDF to the electronic return prior to creating the e-file.
   - Hardcopy: Make a photocopy and attach it to Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return, to be mailed to the IRS Service Center in Austin, Texas.

TIP Common Items Found on Brokers' Statements

Look for all of the following items: (You may or may not find them all.)

1. 1099-INT (Summary-NOT detail)
2. 1099-DIV (Summary-NOT detail)
3. 1099-B (Summary and Detail) and "Cost basis" or "Transaction detail" for sale of stock: Input as capital gains or losses.
4. If there are dividends from mutual funds, look for an insert or chart that says what percentage came from federal government interest: Enter on the dividend input screen and select your state (check your state rules).
5. The chart should also show what percent came from municipal bonds from each state: Input exempt interest from states other than yours by selecting tax-exempt interest income and making the state adjustment (check your state rules).
6. Foreign taxes paid: Enter foreign taxes paid on the dividend input screen only if all foreign taxes relate to passive income and the total on all tax statements (1099, etc.) is less than $300 ($600 MFJ); otherwise, in scope only if certified in International.

Note: Net losses greater than $3,000 ($1,500 if MFS) will carry forward to future tax years.

Adjustments to Basis in TaxSlayer

Enter Capital Gain/Loss Transactions in TaxSlayer

For most transactions, you do not need to adjust the basis. You may need to adjust the basis if you received a Form 1099-B or 1099-S (or substitute statement) that is incorrect, are excluding or postponing a capital gain, have a disallowed loss, or certain other situations. Details are in the table below.

In Scope Transactions

IF THE…	THEN…	Select from the dropdown list	Adjustment Code that will appear on Form 8949
Taxpayer received a Form 1099-B (or substitute statement) and the basis shown in box 3 is incorrect or not reported to the IRS	Enter the correct basis and make no adjustment if the basis was not reported to IRS Enter the basis shown on Form 1099-B (or substitute statement) and correct the error by entering an adjustment. Use Worksheet for Basis Adjustment in Column (g) in Instructions for Form 8949, Sale and Other Dispositions of Capital Assets.	Form 1099-B with Basis in Box 3 is Incorrect & Correct Basis is Lower or Higher	B
Taxpayer received a Form 1099-B or 1099-S (or substitute statement) and there are selling expenses that are not reflected on the form or schedule…	Enter the proceeds as reported in Box 1d. Enter as an adjustment using a minus sign for any selling expenses paid (and that are not reflected on the form or statement received).	Form 1099-B with Basis in Box 3 is Incorrect & Correct Basis is Lower or Higher	E
Taxpayer sold or exchanged their main home at a gain, must report the sale or exchange and can exclude some or all of the gain…	Report the sale or exchange as if the taxpayer were not taking the exclusion. Then enter the amount of excluded (nontaxable) gain as a negative number.	Exclude Some/All of the Gain from the Sale of Your Main Home	H
Taxpayer has a nondeductible loss other than a loss indicated by code W…	Report the sale or exchange and enter the amount of the nondeductible loss as an adjustment. See Nondeductible Losses in the Instructions for Schedule D.	Nondeductible loss other than a Wash Sale* See Tab R, Glossary and Index, for the definition of wash sale.	L
Taxpayer reports multiple transactions on a single row as described in Exception to Reporting each Transaction on a Separate Row…	Enter -0- as the adjustment amount unless an adjustment is required because of another code.	Reporting Multiple Transactions on a Single Row	M
Taxpayer received a Form 1099-B (or substitute statement) and the type of gain or loss (short term or long term) shown in box 1c is incorrect)…	Enter transaction with correct term (long or short). Enter -0- as the adjustment amount unless an adjustment is required because of another code.	Form 1099-B and Type of Gain/Loss indicated in Box 2 is incorrect	T
Taxpayer has a nondeductible loss from a wash sale* …	Report the sale or exchange and enter the amount of the nondeductible loss as an adjustment.	Nondeductible loss from a Wash Sale*	W
Taxpayer has an adjustment not explained earlier in this column…	Report the appropriate adjustment amount.	Other adjustment	O

Adjustments to Basis in TaxSlayer (continued)

Out of Scope Transactions:

IF the…	Adjustment Code
Taxpayer received a Form 1099-B showing accrued market discount in box 1f	D
Taxpayer received a Form 1099-B or 1099-S (or substitute statement) as a nominee for the actual owner of the property.	N
Taxpayer sold or exchanged qualified small business stock and can exclude part of the gain.	Q
Taxpayer can exclude all or part of your gain under the rules explained in the Schedule D instructions for DC Zone assets or qualified community assets.	X
Taxpayer is electing to postpone all or part of their gain under the rules explained in the Schedule D instructions for any rollover of gain (for example, rollover of gain from QSB stock or publicly traded securities).	R
Taxpayer had a loss from the sale, exchange, or worthlessness of small business (section 1244) stock and the total loss is more than the maximum amount that can be treated as an ordinary loss.	S
Taxpayer disposed of collectibles (see the Schedule D instructions).	C
Taxpayer is electing to postpone all or part of their gain under the rules explained in the Schedule D instructions for investments in qualified opportunity funds (QOFs)	Z
Taxpayer is reporting their gain from a QOF investment that was deferred in a prior tax year	Y

* Wash sales are in scope only if reported on Form 1099-B or on a brokerage or mutual fund statement.

Capital Gains or Losses Sale of Main Home

The sale or exchange of a main home must be reported as a Capital Gain or Loss if:

- The taxpayer can't exclude all of their gain from income,
- The taxpayer has a gain and chooses not to exclude it, or
- The taxpayer received a Form 1099-S for the sale or exchange.

Note: The taxpayer does not have to report the sale of their main home if they qualify and choose to exclude all of their gain and did not receive Form 1099-S. See Tab R, Glossary and Index, for a definition of main home.

Generally, if the following two tests below are met, the taxpayer can exclude up to $250,000 of gain. If both the taxpayer and their spouse meet these tests and file a joint return, they can exclude up to $500,000 of gain (but only one spouse needs to meet the ownership requirement in Test 1). Reduced exclusions are Out of Scope.

- Test 1. During the 5-year period ending on the date the taxpayer sold or exchanged their home, they owned it for 2 years or more (the ownership requirement) and lived in it as their main home for 2 years or more (the use requirement).

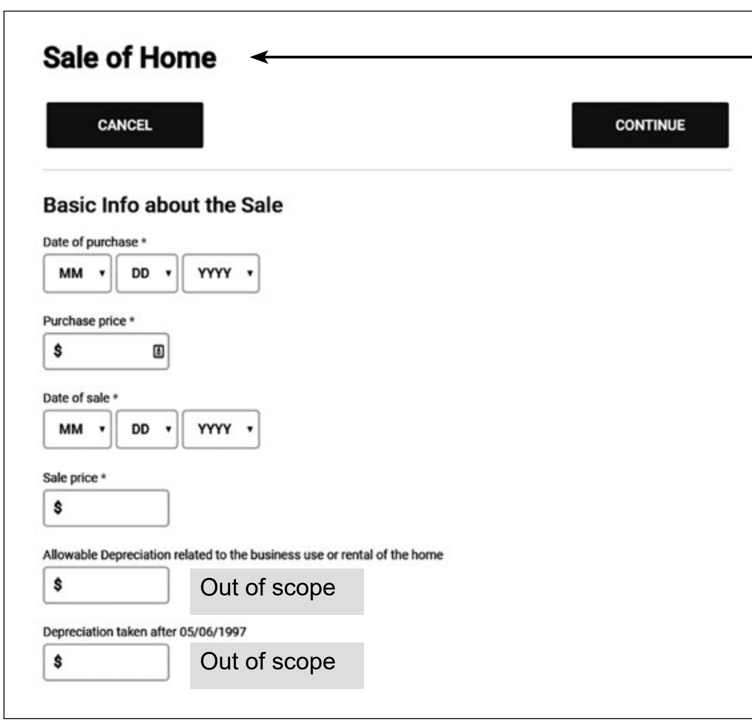
Note: Military members may be able to suspend the 5-year period while serving on qualified official extended duty.

- Test 2. The taxpayer hasn't excluded gain on the sale or exchange of another main home during the 2-year period ending on the date of the sale or exchange of their home.

If the taxpayer has a gain that can't be excluded, it is taxable.

Note: Sale of a home received through inheritance or as a gift is Out of Scope unless it has been used as a personal residence by the taxpayer or spouse. The taxpayer must provide the cost basis of the residence. Tests 1 and 2 then apply to exclude the gain.

Death of spouse. If the taxpayer sells their home within 2 years after their spouse dies and has not remarried as of the sale date, they can count any time their spouse owned the home as time they owned it and any time when the home was their spouse's residence as time when it was their residence. In addition, the taxpayer may be able to increase their exclusion amount from $250,000 to $500,000 if the taxpayer or their deceased spouse meet the requirements for Test 1 and both the taxpayer and their deceased spouse meet the requirement for Test 2.



If the taxpayer is required to report the sale and it results in a gain, enter the purchase date, sale date, purchase price, and sales price in the Sale of Home Worksheet (you will enter capital improvements and other adjustments to basis on the next screen).

Capital Gains or Losses Sale of Main Home (continued)

Enter the number of days the dwelling was used as the main home (separate entry for spouse).

Enter the number of days the taxpayer owned the home (separate entry for spouse).

Info about your home

How many days in the last 5 years was the home your main home?

How many days in the last 5 years did you own your home?

How many days in the last 5 years was the home your spouse's main home?

How many days in the last 5 years did your spouse own your home?

☐ Check here if you received the First-time Homebuyers Credit AND you received the credit in 2008 OR you did NOT meet the minimum ownership requirements to exclude repayment of the credit.

☐ Check here if you qualify for the Maximum Exclusion or the Reduced Maximum Exclusion.

If the taxpayer received the 2008 First-Time Homebuyers Credit, select the box. Form 5405, Repayment of the First-Time Homebuyer Credit, will be required to determine how much of the credit must be repaid.

If the taxpayer meets the ownership, residence, and look-back requirements, taking the exceptions into account, then the Eligibility Test is met and the taxpayer is eligible for the Maximum Exclusion, select the box (reduced maximum exclusion is Out of Scope; refer to a professional).

Adjustments

CANCEL CONTINUE

Fees you may have paid when you bought your home

Legal fees

$

Surveys

$

Title Insurance

$

Fees that the seller owed that you agreed to pay

$

Other fees

$

- The closing disclosure or HUD-1 Settlement Statement will give details about closing costs.
- If the sale must be reported and results in a gain, it will be listed on the appropriate Form 8949 (basis type C or F). The gain will be included with the other capital gains and losses on Schedule D.
- Enter the fees from the purchase of the home that weren't included in the purchase price already entered.

Capital Gains or Losses Sale of Main Home (continued)

General Adjustments

Selling expenses

$

Cost of additions and improvements that you made to your home

$

Tax assessments that you paid for sidewalks, streets, and other local improvements

$

Other increases to your basis

$

Decreases to your basis

$

- Enter the selling expenses, cost of improvements and other increases or decreases to the basis of the home. See Publication 523, Selling Your Home, for more information about basis.
- This will calculate the adjusted basis of the home, which will be shown on Form 8949.
- The information will carry to Form 8949 and Schedule D.
- If you've checked the box to exclude the entire gain, Form 8949 will show the adjustment as a negative number in the amount of the net gain, with adjustment code H and basis type F and no net gain/loss.

Example: The taxpayer received a Form 1099-S for the sale of their main home. The taxpayer's adjusted basis in the home is $150,000. The proceeds from the sale is $200,000. The taxpayer meets the ownership and use tests. The taxpayer's Form 8949 is shown below.

If the sale resulted in a gain but was not eligible for the exclusion, it will be reported on the appropriate Form 8949 as a gain.

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the **Note** below and see *Column (e)* in the separate instructions	**Adjustment, if any, to gain or loss.** If you enter an amount in column (g), enter a code in column (f). **See the separate instructions.** (f) Code(s) from instructions	(g) Amount of adjustment	(h) **Gain or (loss).** Subtract column (e) from column (d) and combine the result with column (g)
MAIN HOME	03/04/20XX	02/02/20XX	200000	150000	H	-50,000	0

Capital Gains or Losses Sale of Main Home (continued)

If the sale is a loss but must be reported because Form 1099-S was received:

Loss on the sale of a main home can't be deducted. To report the sale, you must enter the sale as a capital gain or loss item:

- You can use the Sale of Main Home worksheet to assist you in determining the basis, but the information will NOT carry to Form 8949
- Add a new Capital Gain or Loss Item
- Enter the dates, sales price and adjusted basis amount
- The basis type will be "Did not receive Form 1099-B"
- Enter an adjustment in the amount of the loss as a positive number

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the **Note** below and see *Column (e)* in the separate instructions	**Adjustment, if any, to gain or loss.** If you enter an amount in column (g), enter a code in column (f). **See the separate instructions.**		(h) **Gain or (loss).** Subtract column (e) from column (d) and combine the result with column (g)
					(f) Code(s) from instructions	(g) Amount of adjustment	
MAIN HOME	02/03/20XX	09/04/20XX	190000	203800	L	13800	

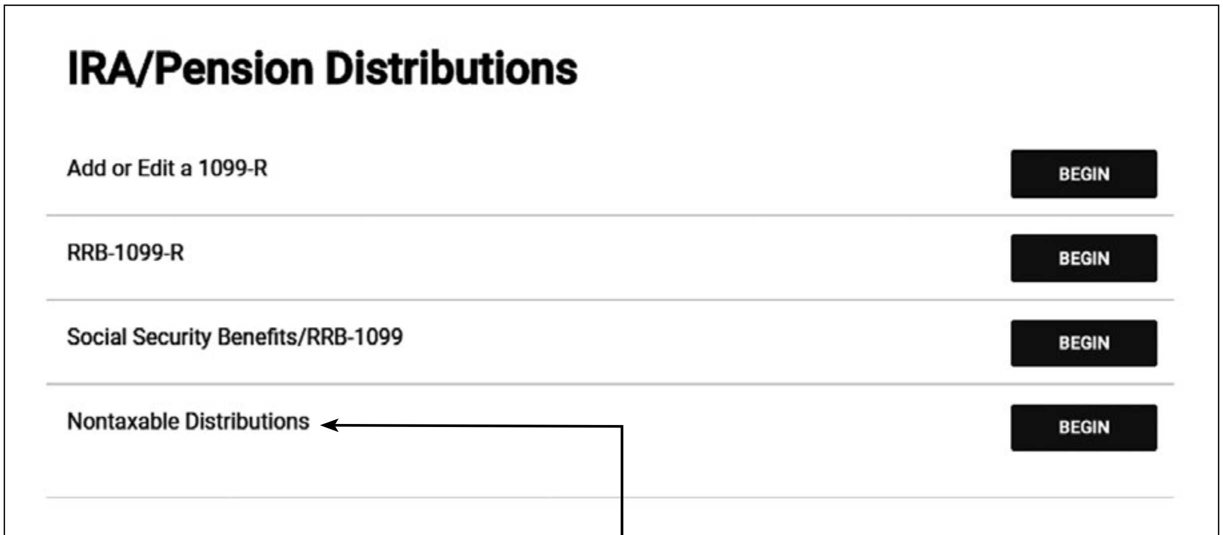
- ☐ W - Nondeductible Loss from a Wash Sale
- ☑ L - Nondeductible Loss other than a Wash Sale
- ☐ E - Form 1099-B or 1099-S with Selling Expenses or Options not Reflected on Form

Select the adjustment reason as "nondeductible loss other than a wash sale" which will show as adjustment code L.

IRA/Pension Distributions
(Form 1099-R, Form SSA-1099)

TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099

There are four items to choose from, and within each item you can make entries for as many documents as needed.



Select Nontaxable Distributions to record Qualified Charitable Distributions (QCDs), qualified Health Savings Accounts funding distributions, and eligible retired public safety officer distributions for health insurance premiums.

Form 1099-R

TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or Edit a 1099-R; or Keyword "R"

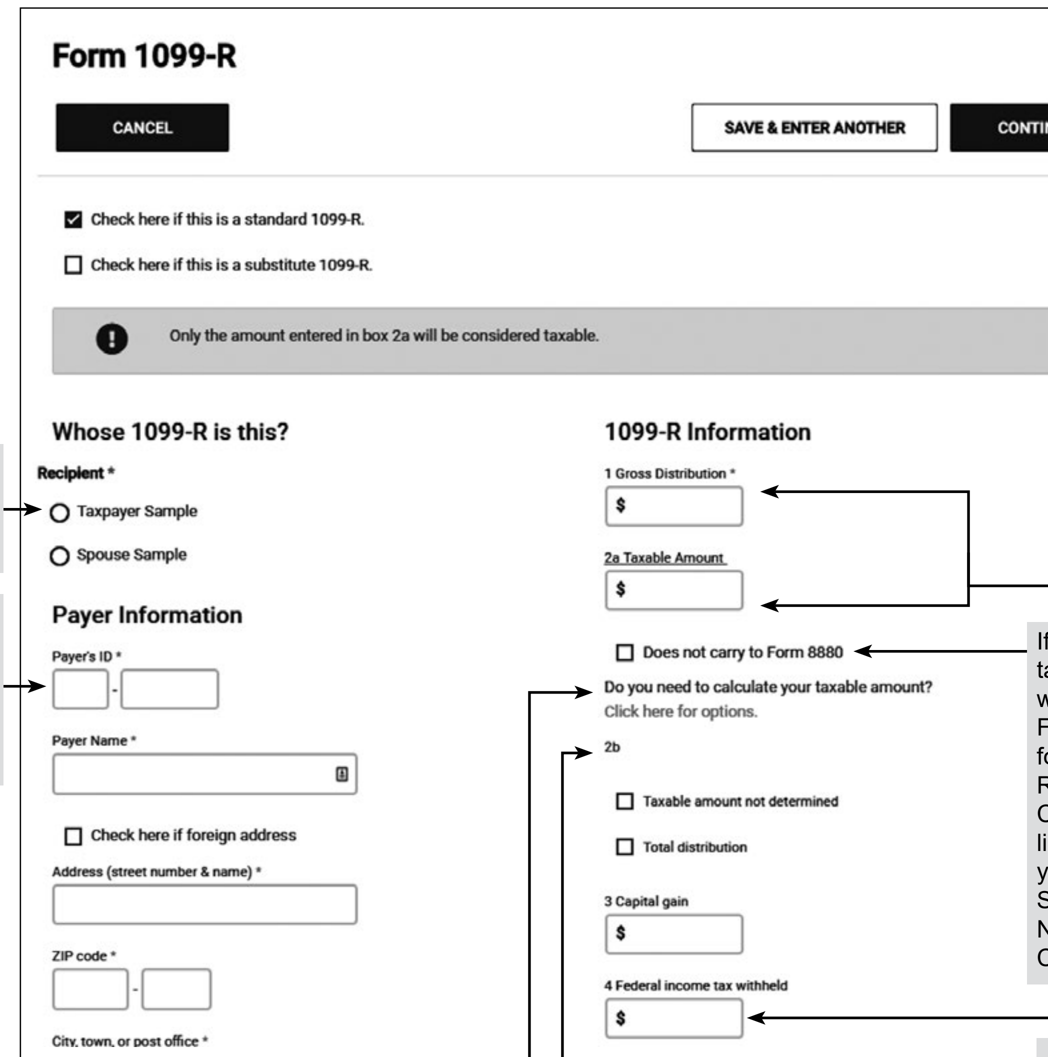
Note: See the Box 7 Distribution Codes later in this tab for scope limitations.

Box 2a will automatically fill in with the amount in Box 1. If a different amount is shown on the document, enter that amount directly. You may need to use the Simplified Method to calculate the taxable amount of the distribution if:

- Box 2a is zero or blank and an amount is shown in Box 9b.
- Box 1 and 2a contain the same amount and Taxable amount not determined box is marked.

Refer to the Taxable Amount Not Determined and Form 1099-R Simplified Method sections later in this Tab.

After completing the Simplified Method Worksheet or entering the Public Safety Officer Exclusion for Health Insurance Premiums, the taxable portion of the distribution will carryover to Box 2a. Manual adjustments are required to make sure Box 2a reflects changes due to rollovers, qualified charitable contributions, return of excess contributions, etc.



If a joint return, choose who the document belongs to.

EIN must be entered accurately. Incorrect EIN is a common e-file reject.

If marked, the taxable amount will not carry to Form 8880, Credit for Qualified Retirement Savings Contributions, line 4 as a current year distribution. See Tab G, Nonrefundable Credits.

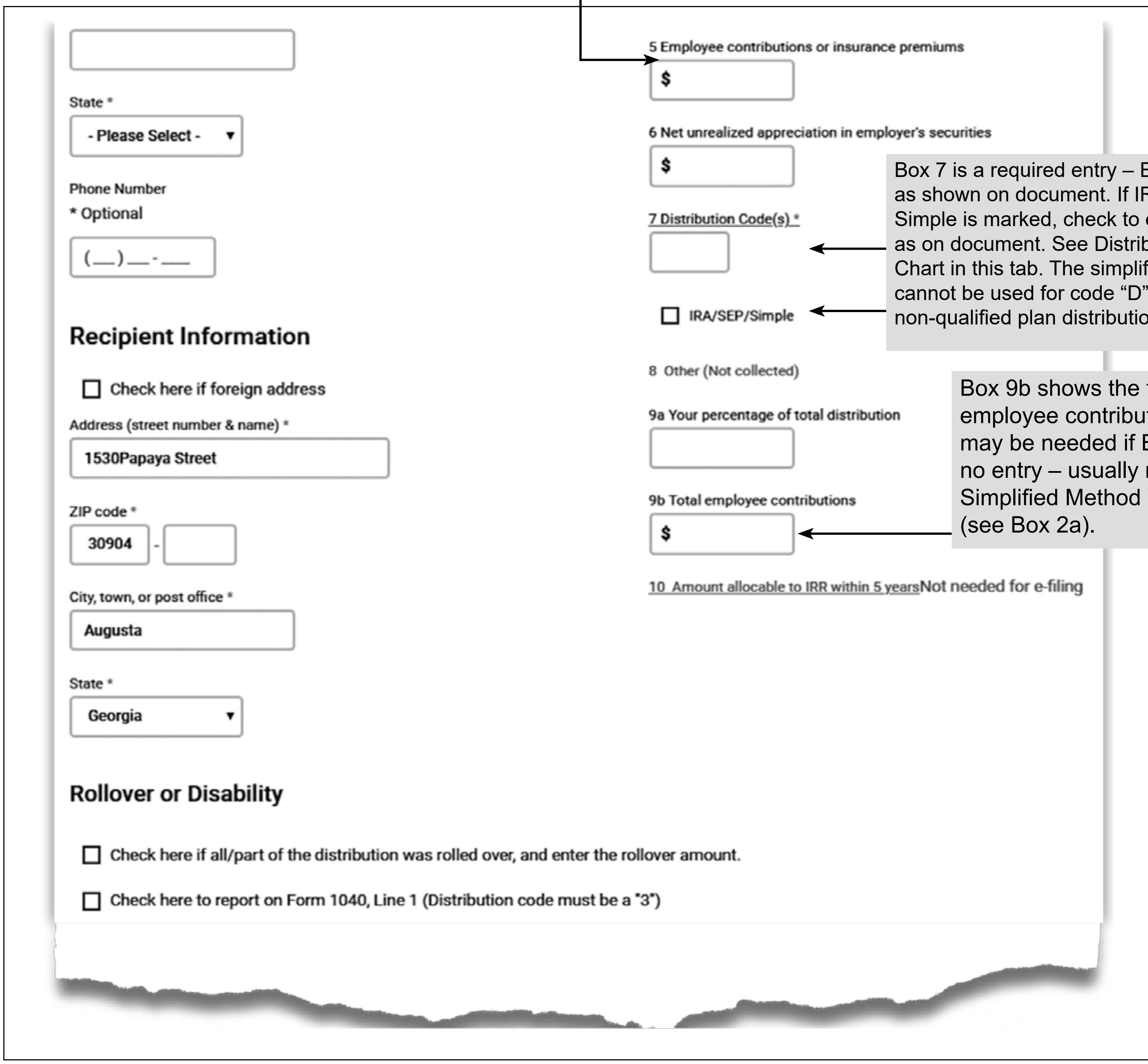
If Simplified Method is required or if the taxpayer has public safety officer health insurance deduction, click here for worksheet.

Box 2b indicates "Taxable amount not determined" and "Total distribution". Mark exactly as shown on document.

If Box 4 has an entry, ensure that the tax withheld is entered and is correct.

Form 1099-R (continued)

Box 5 on the document may be current year's amount of employee contributions or insurance premiums (recovery of cost basis or investment in the contract). If Box 5 is the same as Box 1, none of the distribution is taxable. If the payer has calculated the taxable amount of the pension in Box 2a, generally the difference between Boxes 1 and 2a will appear in Box 5. If Box 5 is the amount of health insurance premiums, (typically only on a CSA 1099-R) you must manually carry the amount to the Schedule A, Itemized Deductions, Medical or Dental Expenses.


State *

- Please Select -

Phone Number

* Optional

(__) __-__

Recipient Information

Check here if foreign address

Address (street number & name) *

1530Papaya Street

ZIP code *

30904 -

City, town, or post office *

Augusta

State *

Georgia

Rollover or Disability

Check here if all/part of the distribution was rolled over, and enter the rollover amount.

Check here to report on Form 1040, Line 1 (Distribution code must be a "3")

5 Employee contributions or insurance premiums

$

6 Net unrealized appreciation in employer's securities

$

7 Distribution Code(s) *

IRA/SEP/Simple

8 Other (Not collected)

9a Your percentage of total distribution

9b Total employee contributions

$

10 Amount allocable to IRR within 5 years Not needed for e-filing

Box 7 is a required entry – Enter exactly as shown on document. If IRA/SEP/Simple is marked, check to enter exactly as on document. See Distribution Codes Chart in this tab. The simplified method cannot be used for code "D" or other non-qualified plan distributions.

Box 9b shows the total employee contributions and may be needed if Box 2 has no entry – usually requires Simplified Method Worksheet (see Box 2a).

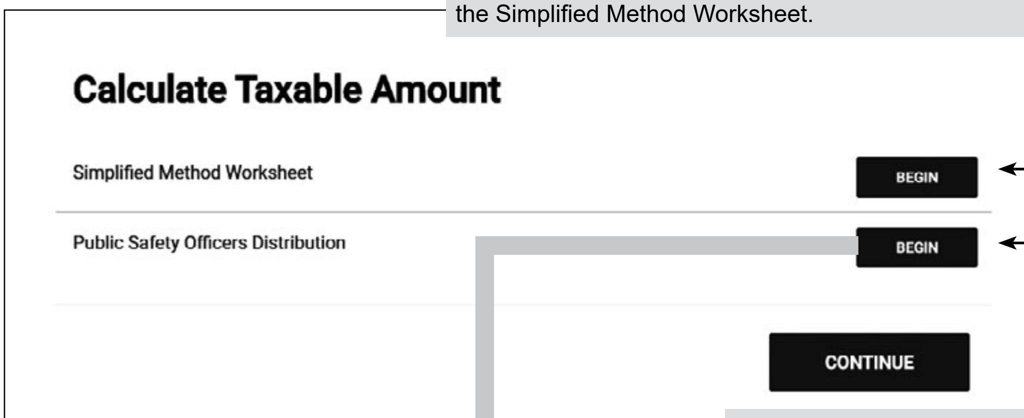
Taxable Amount Not Determined

(Special Circumstances)

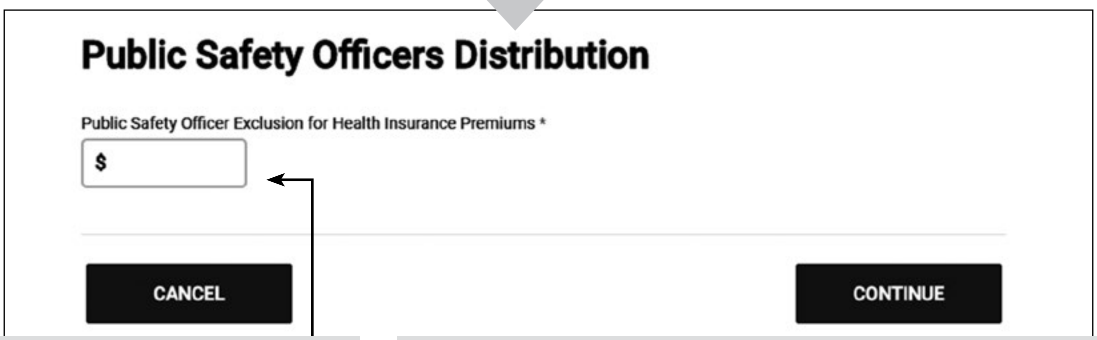
TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or Edit a 1099-R>Calculate taxable amount; or Keyword “R”

The following screen is displayed when “**Click here for options**” link under “Do you need to calculate your taxable income?” is selected.

Select begin for the Simplified Method Worksheet. If the taxpayer has both retired public safety officer (PSO) health insurance exclusion and Simplified Method features, select the Simplified Method Worksheet.



If the retired PSO does not need a Simplified Method calculation, select the PSO Distribution.



Enter the amount of PSO health insurance premiums paid from the pension (up to $3,000).
Deduct any amount of premiums paid in excess of $3,000 as an itemized deduction.

Distributions Used To Pay Insurance Premiums for Public Safety Officers

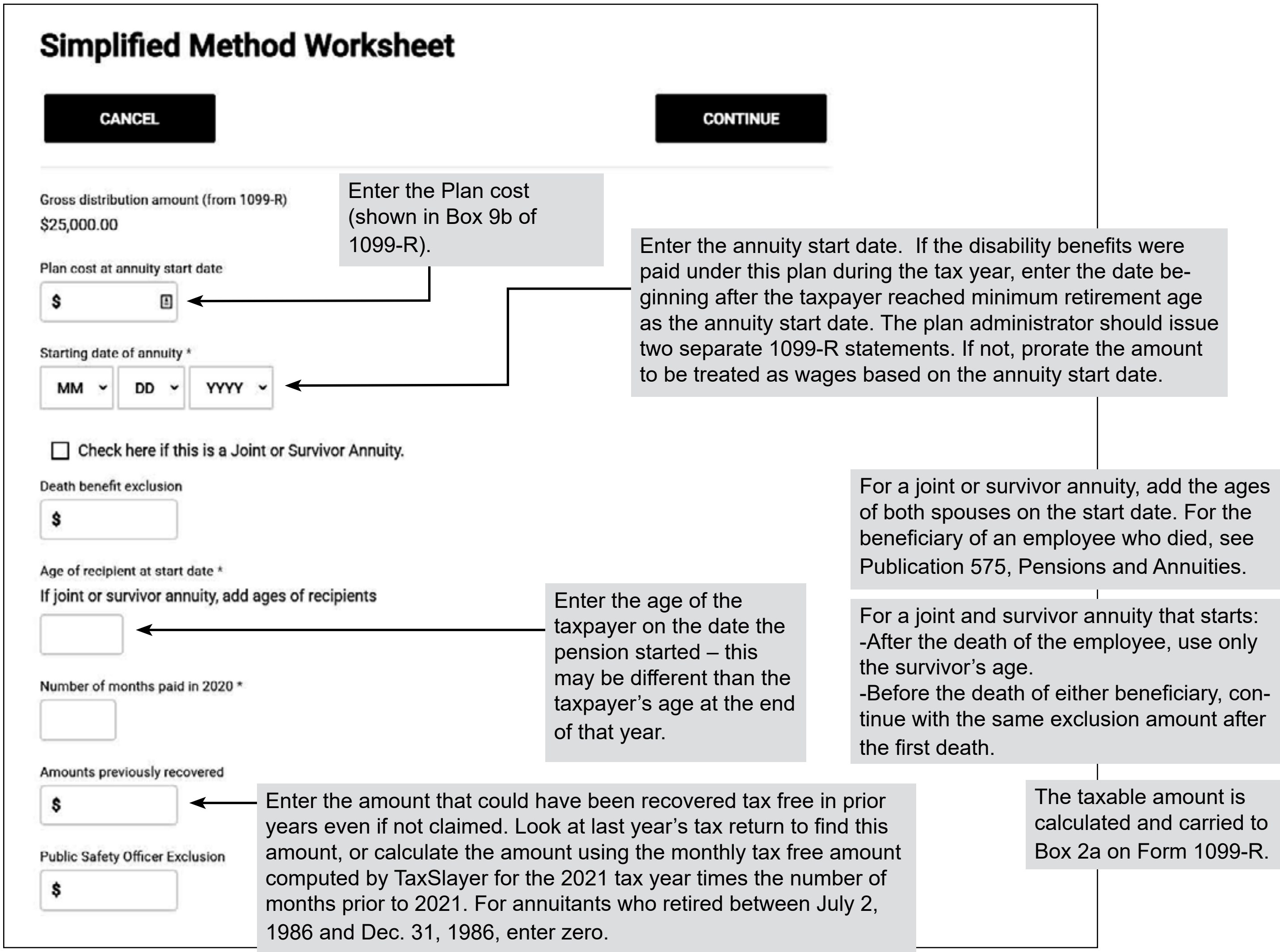
If you are an eligible retired public safety officer (police/law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew), you can elect to exclude from income distributions made from an eligible retirement plan that are used to pay the premiums for accident or health insurance or long-term care insurance. The premiums can be for coverage for you, your spouse, or dependents. The distribution must be made directly from the plan to the insurance provider. You can exclude from income the smaller of the amount of the insurance premiums or $3,000. You can only make this election for amounts that would otherwise be included in your income. The amount excluded from your income can’t be used to claim a medical expense deduction.

The definition of qualified public safety employees also includes federal law enforcement officers, federal customs and border protection officers, federal firefighters, air traffic controllers, nuclear materials couriers, members of the United States Capitol Police or Supreme Court Police, and diplomatic security special agents of the Department of State.

Form 1099-R Simplified Method

TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or Edit a 1099-R>"Click here for options" (under Box 2a Taxable Amount); or Keyword "R"

If the taxpayer made after-tax contributions toward a pension, a portion of the annuity payment has already been taxed and isn't taxable now. Generally, if the starting date of the payments was prior to July 2, 1986, the Simplified Method wouldn't apply. If the taxpayer used the 3-year rule, the annuity is fully taxable. If they used the general rule, refer the taxpayer to a professional tax preparer.



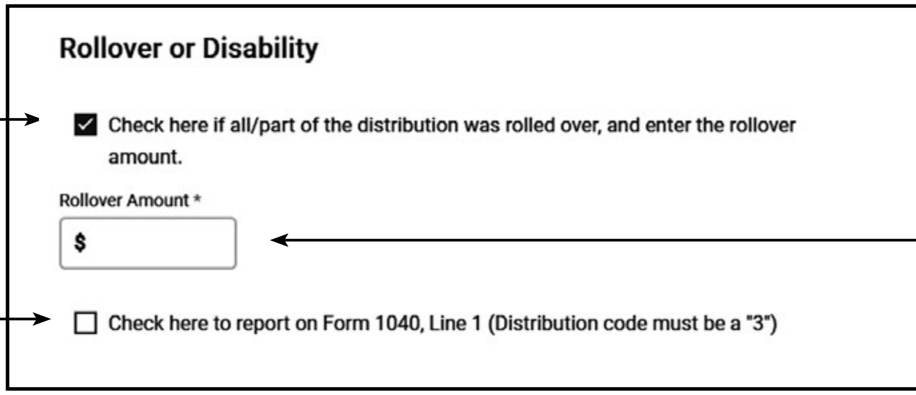
Form CSA 1099-R - Civil Service Retirement Benefits -The Office of Personnel Management issues Form CSA 1099-R for annuities paid or Form CSF 1099-R for survivor annuities paid. The CSA-Form 1099-R box numbers reflect the standard numbering on a Form 1099-R. If the taxable amount isn't calculated in Box 2 the Simplified Method must be used.

Hint: If you use TaxSlayer's simplified method worksheet, enter a note with the taxpayer's annuity start date, age at the start date, and amounts previously recovered to help next year's preparer.

To make a note that will not be transmitted to the IRS but will stay with the file, select the pulldown arrow to the right of the taxpayer's name in top right corner. Choose Notes. Then give the note a name and enter details. This note will be attached to the page where you created it and it will also be accessible from the Client Search List.

Form 1099-R Rollovers and Disability Under Minimum Retirement Age

If any portion was rolled over, check to bring up screen to enter the amount. Even if Box 7 is Code G, this entry must be made.



Enter the difference between the gross distribution (Box 1) and the rollover amount as the taxable distribution in Box 2a.

Check if Code 3 is in Box 7 and the taxpayer is disabled and under the minimum retirement age* of the employer's plan. This will reclassify the disability income as wages on Form 1040. It will be considered earned income in the calculation of some credits. Note: There is no cost recovery of employee contributions prior to minimum retirement age.

*Minimum retirement age generally is the age at which you can first receive a pension or annuity if you aren't disabled. Ask the taxpayer for the minimum retirement age. It may differ between employers.

Internal Revenue Code 402(c). Extended rollover period for plan loan offset amounts. Provides that the period during which a qualified plan loan offset amount may be contributed to an eligible retirement plan as a rollover contribution is extended from 60 days after the date of the offset to the due date (including extensions) for filing the Federal income tax return for the taxable year in which the plan loan offset occurs, that is, the taxable year in which the amount is treated as distributed from the plan.

Rollovers

- A taxpayer should not receive a Form 1099-R for a trustee-to-trustee transfer from one IRA to another, but should receive a Form 1099-R for a trustee-to-trustee direct rollover from an employer qualified plan to an IRA with code G.
- A rollover that involves a distribution of funds to the participant isn't taxable if the funds are deposited into an IRA (or the same IRA) or an employer plan within 60 days. Form 1099-R will have either a code 1 or code 7. Subtract the rollover amount from the gross distribution (Box 1) and enter the difference as the taxable amount in Box 2a.
- A participant is allowed only one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs owned. However, you can continue to make unlimited trustee-to-trustee transfers between IRAs because it is not considered a rollover.
- Sometimes a distribution includes both a regular distribution (generally taxable) and a rollover (generally nontaxable). The Form 1099-R Rollover or Disability section is used to input the amount that won't be taxed and Box 2a needs to be adjusted.
- If taxpayer inadvertently missed the 60-day rollover deadline for one of several reasons, they can submit a certification to the trustee, and the amount can be considered a rollover on his tax return. See **Revenue Procedure 2016-47** for details.

Note: The above applies to pre-tax accounts (e.g. traditional IRAs) and to post-tax accounts (e.g. Roth IRAs) within each group. If rolling or converting from pre-tax to post-tax, the amount will generally be taxable.

Form 1099-R Roth IRA

The basis of property distributed from a Roth IRA is its fair market value (FMV) on the date of distribution, whether or not the distribution is a qualified distribution.

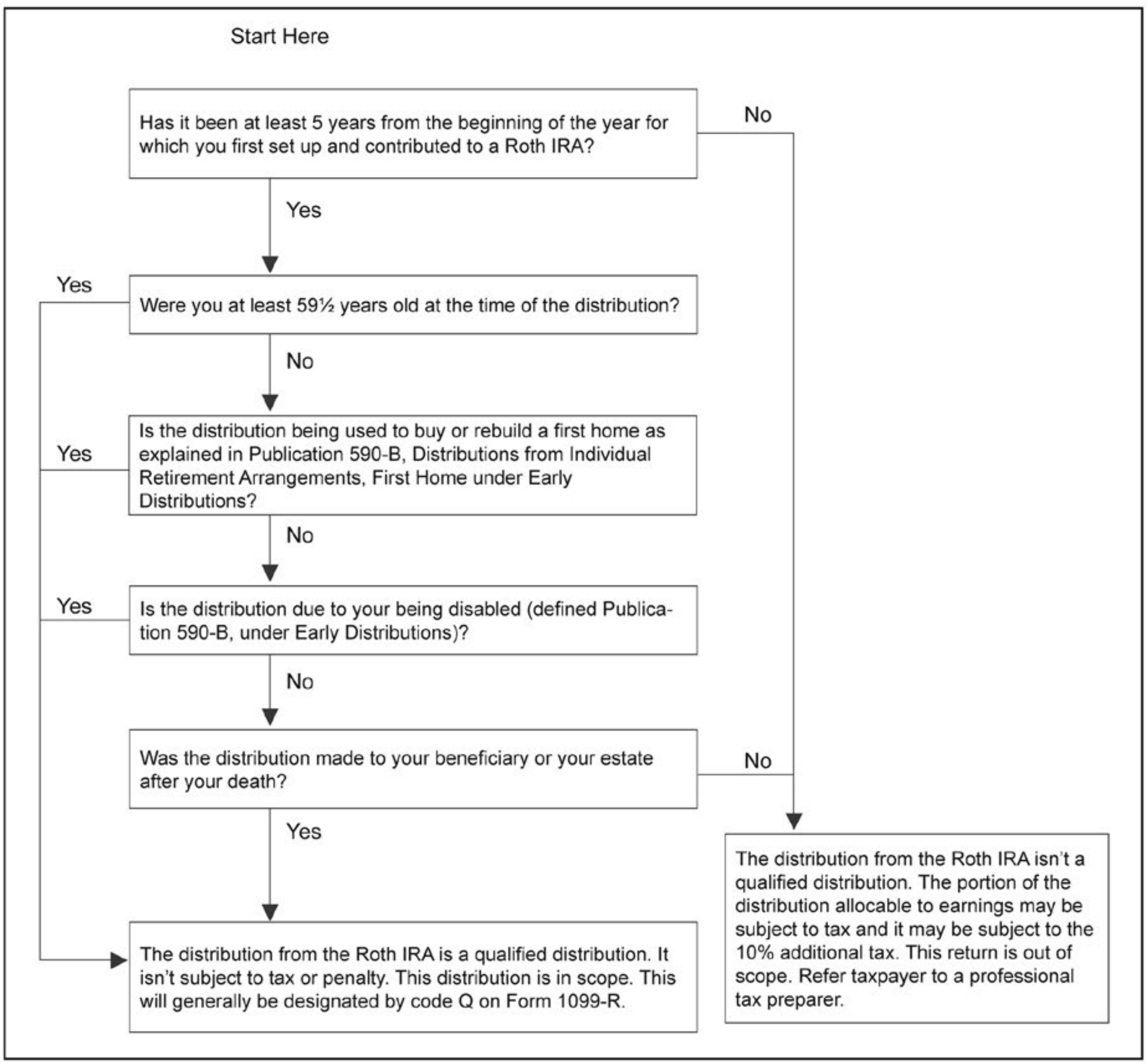
You don't include in your gross income qualified distributions or distributions that are a return of your regular contributions from your Roth IRA(s).

Distributions from a Roth IRA are tax free and may be excluded from income if the following requirements are met:

- The distribution is made after the 5-year period beginning with the first day of the first taxable year for which a contribution was made to a Roth IRA set up for the taxpayer's benefit, and
- The distribution is:
  - Made on or after age 59½, or
  - Made because the taxpayer was disabled, or
  - Made to a beneficiary or to an estate, or
  - To pay certain qualified first-time homebuyer amounts (up to a $10,000 lifetime limit)

Is the Distribution From Your Roth IRA a Qualified Distribution?

See the list of Roth IRA distribution codes on the following page that are In Scope and Out of Scope for the VITA/TCE programs.



Form 1099-R Box 7 Distribution Codes

Box 7 Distribution Codes	Explanations
1 — Early distribution, no known exception	• If this amount was rolled over within 60 days of the withdrawal and—if the distribution was from an IRA--no prior rollover was made in the same 12-month period. Check the box under Rollover or Disability on Form 1099-R, and enter the amount rolled over. Trustee to trustee transfer isn't considered a prior rollover. If more than one rollover from an IRA in the 12-month period, return is Out of Scope. • If this wasn't rolled over, a 10% additional tax will be applied unless the taxpayer qualifies for an exception. See Tab H, Other Taxes, Payments and Refundable Credits, for a list of exceptions. If the taxpayer qualifies for an exception, go to Form 5329, Additional Taxes on Qualified Plans and Other Tax-Favored Accounts, enter the amount that qualifies for an exception and select the reason for the exception from the dropdown list.
2 — Early distribution, exception applies	Code 2 applies if the taxpayer is under 59 ½ but the payer knows that an exception to the additional tax applies. If the IRA/SEP/SIMPLE box **ISN'T** checked, no further action needed. If the IRA/SEP/SIMPLE box **IS** checked, additional reporting may be required on Form 8606, and the return is Out of Scope.
3 — Disability	Code 3 is for a disability pension. • If the taxpayer is under the minimum retirement age for the company he retired from, then check the box under Rollover or Disability that says, "Check here to report as wages on the Form 1040." This will reclassify the disability income as wages. It will also include the amount in earned income for calculation of the earned income credit, the dependent care credit and the additional child tax credit. • If the taxpayer has reached the minimum retirement age, no further action is needed.
4 — Death	Code 4 is for a survivor's benefit or an inherited IRA. If it's a pension, the original retiree has died, and the survivor is receiving his or her share of the pension. If the original pensioner was using the Simplified Method, continue to use it for the survivor. If it's an inherited IRA and the original owner had a basis, the survivor takes over that basis.
5 — Prohibited transaction	This code is Out of Scope.
6 — Tax-free Section 1035 exchange	This code is Out of Scope.
7 — Normal distribution	Code 7 is for normal distributions. It may occur in several different situations: • If the amounts in Box 1 and 2a are the same, and Box 2b isn't checked, the pension is fully taxable. • If the taxpayer makes a rollover from one IRA to another and holds the money less than 60 days, enter the amount rolled over into the Rollover or Disability field. • If the Box 2b is checked and there is an amount in Box 9b, complete the Simplified Method. Be sure to use the taxpayer's age at the time of retirement—not current age. • If there is an amount in Box 2 that is different than Box 1, no further action is needed. • If there is no amount (or zero) in Box 2a, check to see if there is an amount in Box 5. If this is the same amount as Box 1, the distribution is the taxpayer's own money coming back. None of the distribution will be taxed. • If any portion of this distribution was sent directly from the trustee to a charity, and the taxpayer is over 70 1/2 years old, enter the net taxable amount in box 2a (which may be zero). Select Continue and at the IRA/Pensions Distributions page, select Nontaxable Distributions and check the box to mark that there is a Qualified Charitable Distribution (QCD). No charitable deduction may be taken for the donation. If taxpayers receive or expect to receive a state or local tax credit for their QCD, the amount treated as a QCD may be reduced by the amount of the state or local tax credit. See Publication 526, Charitable Contributions, for details. • If the IRA/SEP/SIMPLE box IS checked, additional reporting may be required on Form 8606. In that case, the return is Out of Scope.
8 — Excess contributions	This code is Out of Scope.
9 — Cost of current life insurance	This code is Out of Scope

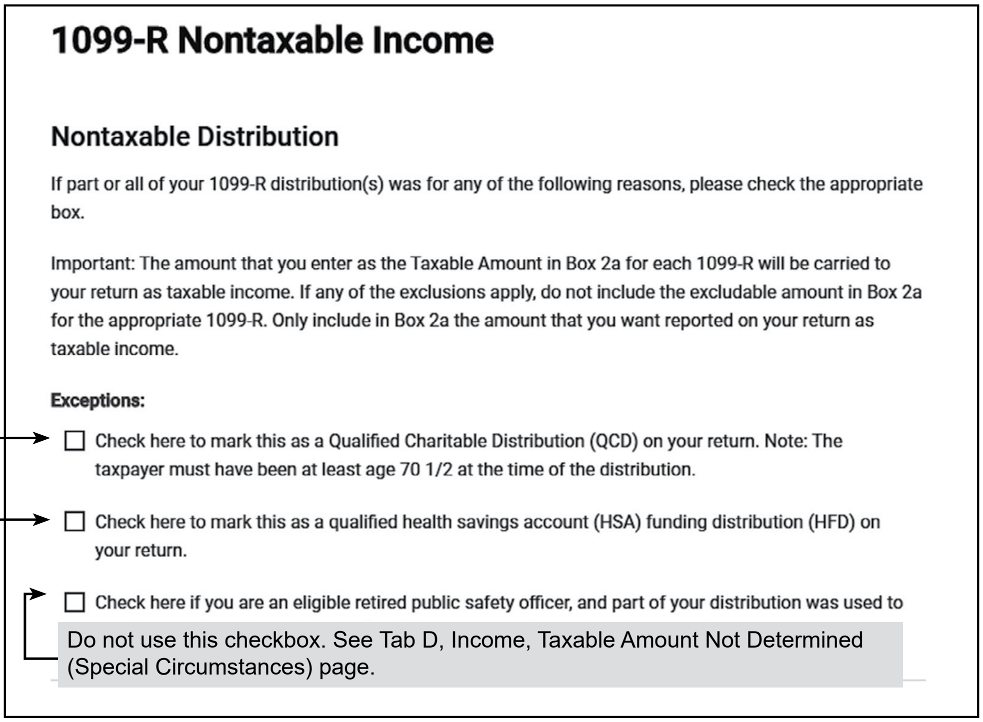
Form 1099-R Box 7 Distribution Codes (continued)

Box 7 Distribution Codes	Explanations
A — May be eligible for 10-year tax option	This code is Out of Scope.
B — Designated Roth account distribution	Code B is for a distribution from a designated Roth account. This code is in scope only if taxable amount has been determined.
D — Annuity payments from nonqualified annuities	Code D is used for a distribution from a private annuity in conjunction with the regular code. The distribution is subject to the net investment income tax. If the taxpayer has AGI over a threshold amount ($200,000 for a single taxpayer or HoH; $250,000 MFJ or QW; $125,000 MFS), then this code means the return is Out of Scope. If the AGI is less than the threshold amount the return is in scope and no further action is needed.
E — Distributions under Employee Plans Compliance Resolution System (EPCRS)	This code is Out of Scope.
F — Charitable gift annuity	Code F is used for the annuity payments from a charitable gift annuity. To determine the amount to enter in Box 2a (Taxable amount), subtract the amount in Box 3 Capital gain, and Box 5 (Employee contributions) from the Gross distribution (Box 1) and enter that difference in the Form 1099R screen Box 2a. Also, navigate to Income>Capital Gains and Losses>Additional Capital Gain Distributions and enter the amount in Box 3 as a long-term capital gain.
G — Direct rollover of distribution and direct payment	Code G is for a direct rollover from a qualified plan to an eligible retirement plan. If Box 2a, taxable amount, is zero or blank, it won't be taxed. If there is an amount in Box 2a, the direct rollover is fully or partially taxable. No further action is needed.
H — Direct rollover of a designated Roth account distribution to a Roth IRA	Code H is for a direct rollover of a distribution from a designated Roth account to a Roth IRA. It won't be taxed. No further action is needed. Box 2a should be blank.
J — Early distribution from a Roth IRA	This code is Out of Scope.
K — Distribution of Traditional IRA assets not having a readily available FMV	This code is Out of Scope.
L — Loans treated as deemed distributions	Code L is for loans treated as deemed distributions. This code could possibly be combined with codes 1, 4, or B. For more information on how it is treated see the codes on this chart.
N — Recharacterized IRA contribution	This code is Out of Scope.
P — Excess contributions plus earnings/excess deferrals	This code is Out of Scope.
Q — Qualified distribution from a Roth IRA	This distribution isn't taxable. Box 2a should be blank. TaxSlayer enters the distribution amount on Form 1040 on the IRAs, pensions, and annuities line. No further action is needed.
R — Recharacterized IRA contribution	This code is Out of Scope.
S — Early distribution from a SIMPLE IRA in the first 2 years, no known exception	A 25% additional tax will be applied unless the taxpayer qualifies for an exception. See Tab H, Other Taxes, Payments, and Refundable Credits, for a list of exceptions. If the taxpayer qualifies for an exception, go to Form 5329 and enter the amount of the distribution not subject to the additional tax and the code for the exception and the amount that qualifies for it.
T — Roth IRA distribution, exception applies	This code is Out of Scope.
U — Dividends distributed from an ESOP	This code is Out of Scope.
W — Charges or payments for LTC contracts	This code is Out of Scope.

Form 1099-R Nontaxable Income

TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Nontaxable Distbutions

Qualified Charitable Distribution (QCD) may be used if the person was at least 70½. This makes that portion of the distribution nontaxable.



1099-R Nontaxable Income

Nontaxable Distribution

If part or all of your 1099-R distribution(s) was for any of the following reasons, please check the appropriate box.

Important: The amount that you enter as the Taxable Amount in Box 2a for each 1099-R will be carried to your return as taxable income. If any of the exclusions apply, do not include the excludable amount in Box 2a for the appropriate 1099-R. Only include in Box 2a the amount that you want reported on your return as taxable income.

Exceptions:

- ☐ Check here to mark this as a Qualified Charitable Distribution (QCD) on your return. Note: The taxpayer must have been at least age 70 1/2 at the time of the distribution.
- ☐ Check here to mark this as a qualified health savings account (HSA) funding distribution (HFD) on your return.
- ☐ Check here if you are an eligible retired public safety officer, and part of your distribution was used to

Do not use this checkbox. See Tab D, Income, Taxable Amount Not Determined (Special Circumstances) page.

Qualified Health Savings Account funding distribution from an IRA (related to a Form 1099-R) if rolled over, is Out of Scope.

Qualified Charitable Distributions:

- The QCD is not included in income.
- The QCD is not allowed as a charitable deduction.
- The QCD counts toward the taxpayer's Minimum Required Distribution.
- It must be a direct distribution from the trustee to the qualified charitable organization.
- The amount of the QCD should be deducted from the gross distribution and the result entered in Box 2a on the Form 1099-R input screen.

Note: A qualified charitable contribution (QCD) can be made by a taxpayer who is age 70 ½ or older (unchanged). However, the excludible portion of a QCD distribution is reduced by IRA deductions once the taxpayer attains age 70½. This provision applies cumulatively for tax years beginning after 2019 as to both distributions and deductions.

CAUTION If taxpayers receive or expect to receive a state or local tax credit for their QCD, the amount treated as a QCD may be reduced by the amount of the state or local tax credit. See Publication 526, Charitable Contributions, for details.

Tax-Favorable Treatment of Coronavirus-Related Retirement Distributions

Three Year Ratable Inclusion in Income

Distributions received in 2020 that were qualified coronavirus-related distributions are included in income in equal amounts over 3 years. Taxpayers could elect to include the entire distribution in income in 2020. Taxpayers could not make or change this election after the due date (including extensions) for their 2020 tax return. In 2021, taxpayers will report their qualified coronavirus distributions and any repayments of qualified coronavirus distributions on Form 8915-F, Qualified Disaster Retirement Plan Distributions and Repayments. Each spouse who is a qualified individual will file a separate Form 8915-F.

Recontributions

A qualified individual who received a coronavirus-related distribution eligible for tax-free rollover treatment is permitted to recontribute any portion of the distribution to the same plan or another eligible retirement plan (such as an IRA) within 3 years from the day after the date of distribution. Not all coronavirus-related distributions qualify for recontribution. These amounts **cannot** be recontributed:

- Any coronavirus-related distribution (whether from an employer retirement plan or an IRA) paid to a qualified individual as a beneficiary of an employee or IRA owner (other than the surviving spouse of the employee or IRA owner).
- Any distribution (other than from an IRA) that is one of a series of substantially equal periodic payments made (at least annually) for:
  - A period of 10 years or more,
  - The individual's life or life expectancy, or
  - The joint lives or joint life expectancies of the individual and the individual's beneficiary.
- Required minimum distributions.

Thus, pensions are not eligible for recontribution. Since RMDs were waived for 2020, qualified individuals can recontribute a distribution that would have been a 2020 RMD.

A recontribution to an eligible retirement plan at any date before the individual's federal income tax return is filed (that is, by the due date, including extensions) will reduce the ratable portion of the coronavirus-related distribution that is includible in gross income for that tax year. No election is needed and the taxpayer can decide how much, if any, to recontribute within the permitted 3 year period. If a recontribution exceeds that year's ratable taxable amount, the taxpayer can either carry back or carry forward the excess recontribution. Recontribution of an amount taxed in an earlier year will necessitate an amended return.

A recontribution of a coronavirus-related distribution will not be treated as a rollover contribution for purposes of the one-rollover-per-year limitation

Example:

Joe is a qualified individual and treated his 2020 distribution as a coronavirus distribution. Joe includes the $30,000 distribution ratably over a 3-year period. Without any recontribution, Joe would include $10,000 in income on his 2020, 2021 and 2022 tax returns. In October 2021, Joe recontributes $12,000 to an IRA and makes no other recontribution in the 3-year period. Joe is permitted to do either of the following:

Option 1. Joe includes $0 in income with respect to the coronavirus distribution on the 2021 tax return. Joe carries forward the excess recontribution of $2,000 to 2022 and includes $8,000 in income with respect to the coronavirus distribution on his 2022 tax return.

Option 2. Joe includes $0 in income with respect to the coronavirus distribution on the 2021 tax return and $10,000 in income on the 2022 tax return. Joe files an amended return for 2020 to reduce the amount included in income as a result of the coronavirus distribution to $8,000.

Tax-Favorable Treatment of Coronavirus-Related Retirement Distributions (continued)

Reporting in TaxSlayer

Qualified individuals will use Form 8915-F to report the ratable inclusion in income, and show any recontributions made up through the timely filing date of the tax return.

TIP Volunteers should review the taxpayer's prior year return. If a Form 8915-E is present:

- Check Form 8915-E to see if the taxpayer spread the income ratably over 3 years. If so, complete Form 8915-F to include 1/3 of the distribution in income for tax year 2021.
- Ask the taxpayer if they recontributed any amount in 2021 or before the due date of their 2021 return (including extensions). If so, see the Recontributions section on the previous page. For additional details, see the Instructions for Form 8915-F.

For more information refer to Coronavirus-related relief for retirement plans and IRAs questions and answers at: **https://www.irs.gov/newsroom/coronavirus-related-relief-for-retirement-plans-and-iras-questions-and-answers**

Disaster-related distributions that are not coronavirus distributions are Out of Scope. For more information, refer to:

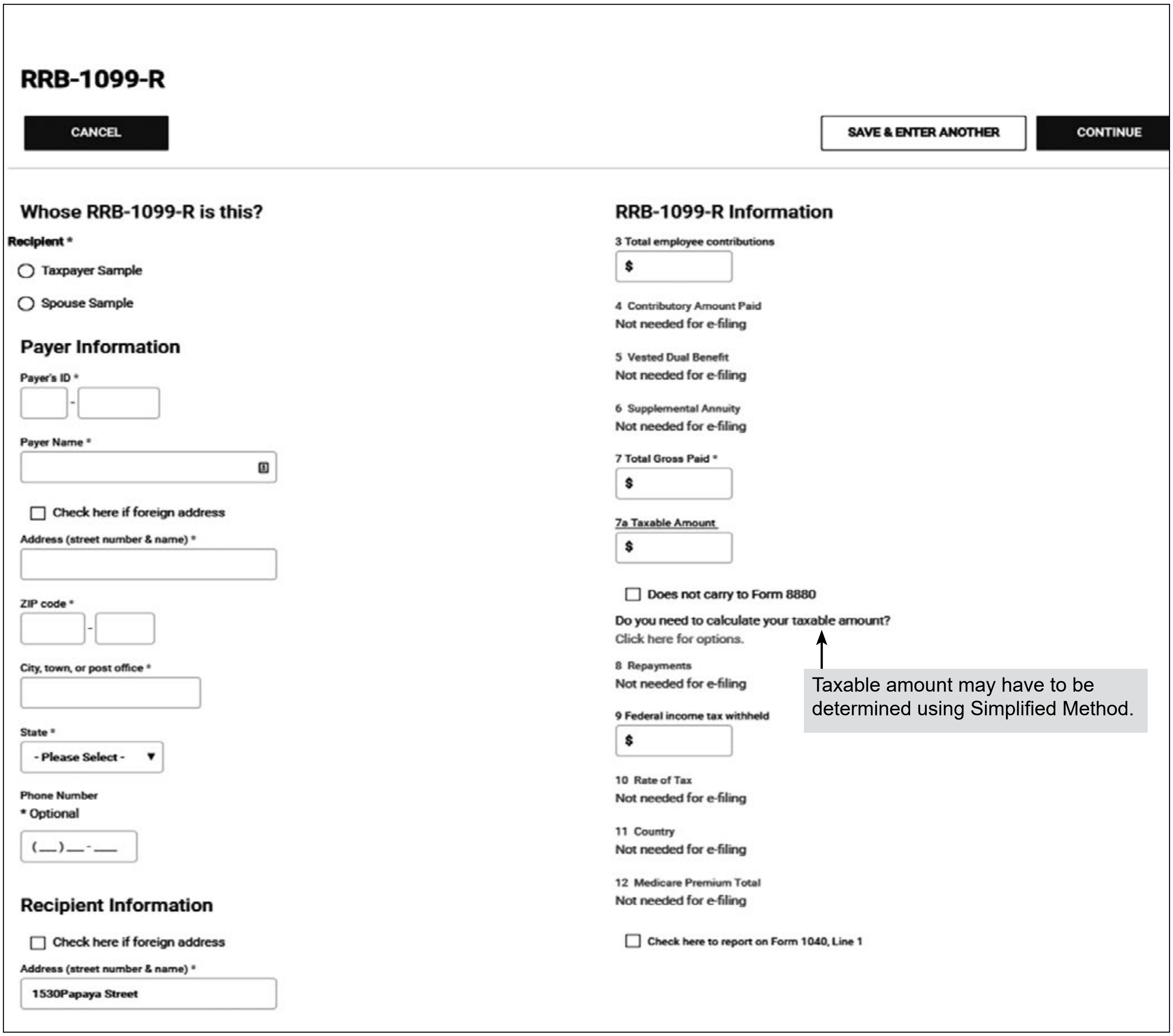
- Disaster Assistance and Emergency Relief for Individuals and Businesses at **https://www.irs.gov/businesses/small-businesses-self-employed/disaster-assistance-and-emergency-relief-for-individuals-and-businesses**
- Publication 5396, Fact Sheet for VITA/TCE Sites Impacted by Federally Declared Disasters (January 1, 2018 – December 20, 2019) at **https://www.irs.gov/pub/irs-pdf/p5396.pdf**
- Publication 5396-A, Job Aid for VITA/TCE Volunteers: Using Form 4852 when Missing the Form W-2 or 1099-R at **https://www.irs.gov/pub/irs-pdf/p5396a.pdf**
- Publication 5396-B, Casualty Loss Screening Tool at **https://www.irs.gov/pub/irs-pdf/p5396b.pdf**

Form RRB-1099-R Distributions

TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>RRB-1099-R; or Keyword “RR”

Railroad Retirement Benefits (RRB) are reported on two forms and require two entry screens. Social Security Equivalent Benefits, Form RRB 1099 Tier 1 (Blue Form) are entered on the Social Security Benefits screen. Treat the benefits reported on the Blue Form just like the information reported on Form SSA-1099. The screenshot below shows the entry screen for Form RRB 1099-R Tier 2 (Green Form).

Note: See Publication 915, Social Security and Equivalent Railroad Retirement Benefits, and Publication 575, Pensions and Annuity Income, for additional information.

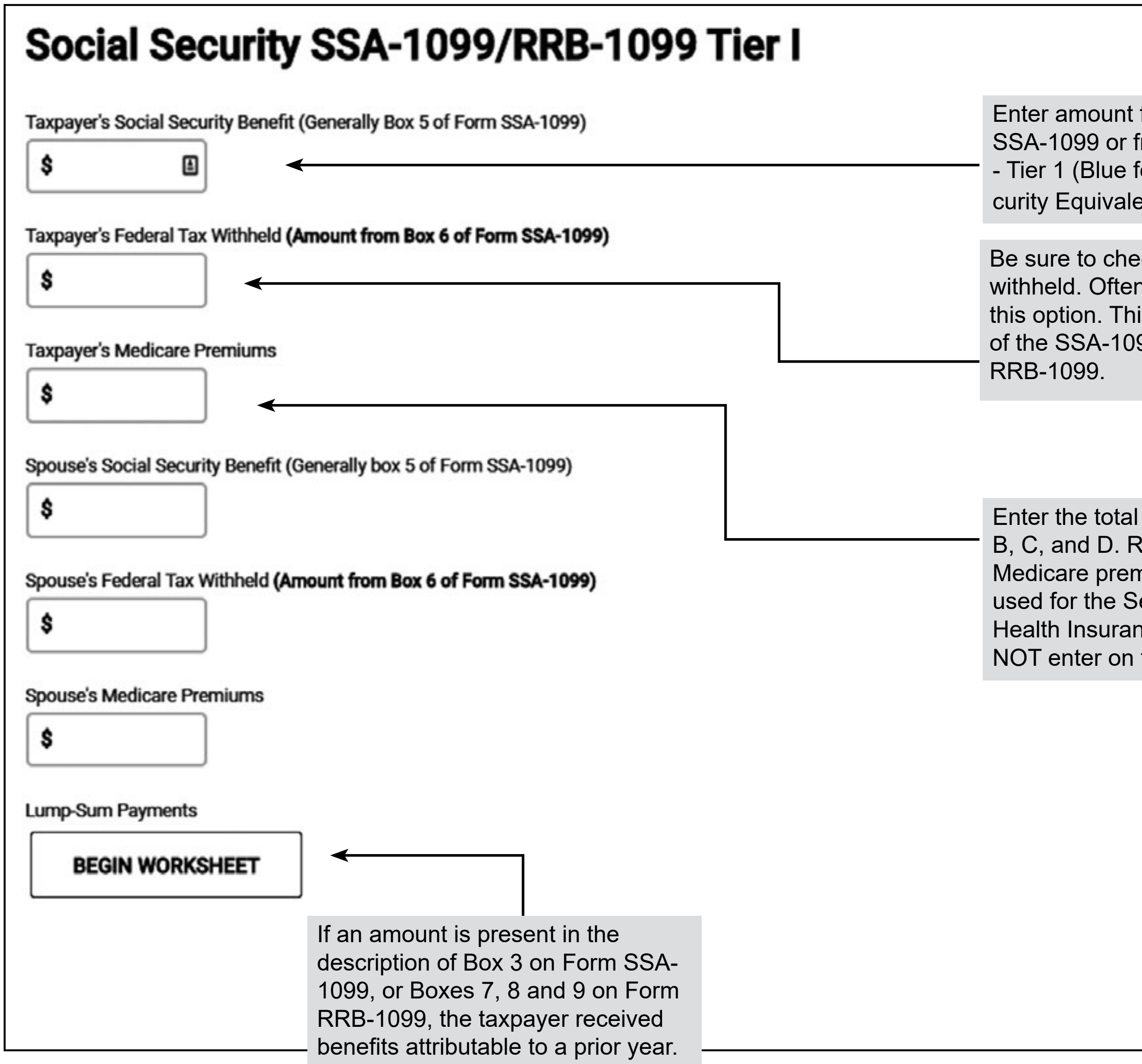


Generally, for a joint and survivor annuity, use the combined ages to calculate the taxable amount for the employee’s pension. As a reminder, place a note with the combined ages used for carry forward purposes.

For a joint and survivor annuity that starts BEFORE the death of either beneficiary, continue with the same combined age after the first death. For a survivor annuity that starts AFTER the death of the employee, use only the survivor’s age.

Form SSA-1099/RRB-1099 Tier 1 Distributions

TaxSlayer Navigation: Federal Section>Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Social Security Benefits/RRB-1099; or Keyword "SSA"



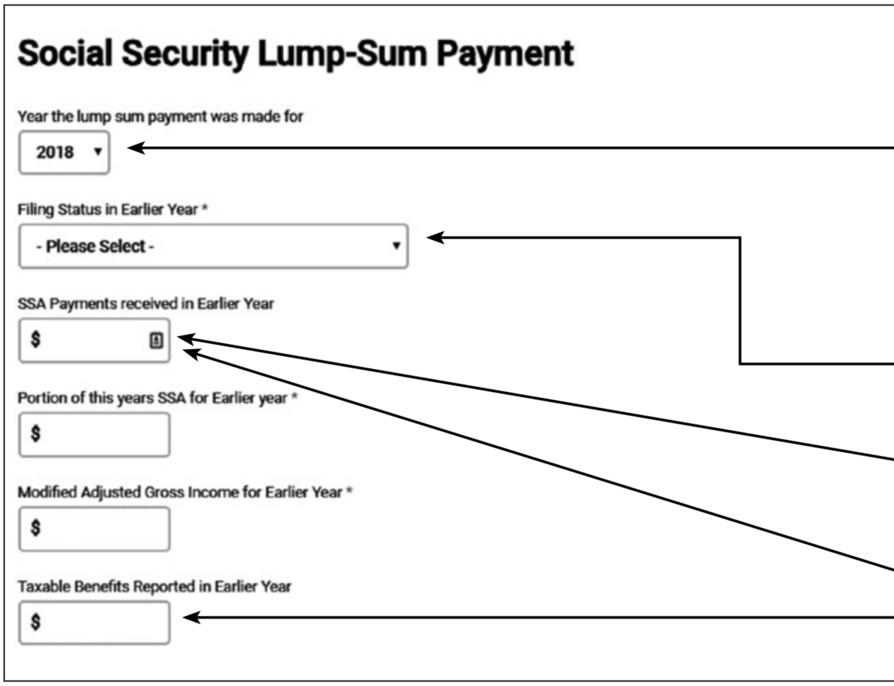
Enter amount from Box 5 of Form SSA-1099 or from Form RRB-1099 - Tier 1 (Blue form) Net Social Security Equivalent Benefits (SSEB).

Be sure to check for any tax withheld. Often taxpayers choose this option. This is found in Box 6 of the SSA-1099 and Box 10 of the RRB-1099.

Enter the total of Medicare Parts A, B, C, and D. Repeat for spouse. If Medicare premiums have been used for the Self Employed Health Insurance deduction, do NOT enter on this screen.

If an amount is present in the description of Box 3 on Form SSA-1099, or Boxes 7, 8 and 9 on Form RRB-1099, the taxpayer received benefits attributable to a prior year. If the taxpayer is able to provide prior year tax returns, use the Social Security Lump-Sum Payment worksheet on the next page to see if the taxable amount of social security is reduced.

Form SSA-1099 Lump-Sum Distributions



Enter relevant year, as shown on Form SSA-1099.

If more than one year has prior year payments use additional Lump-Sum worksheet.

Dropdown menu is available for prior year Filing Status.

If the prior year return was MFJ, include social security payments received that year by BOTH taxpayer and spouse.

Leave the SSA payments received in an earlier year and/or the taxable benefits reported in an earlier year boxes empty if not applicable. All other boxes require entries.

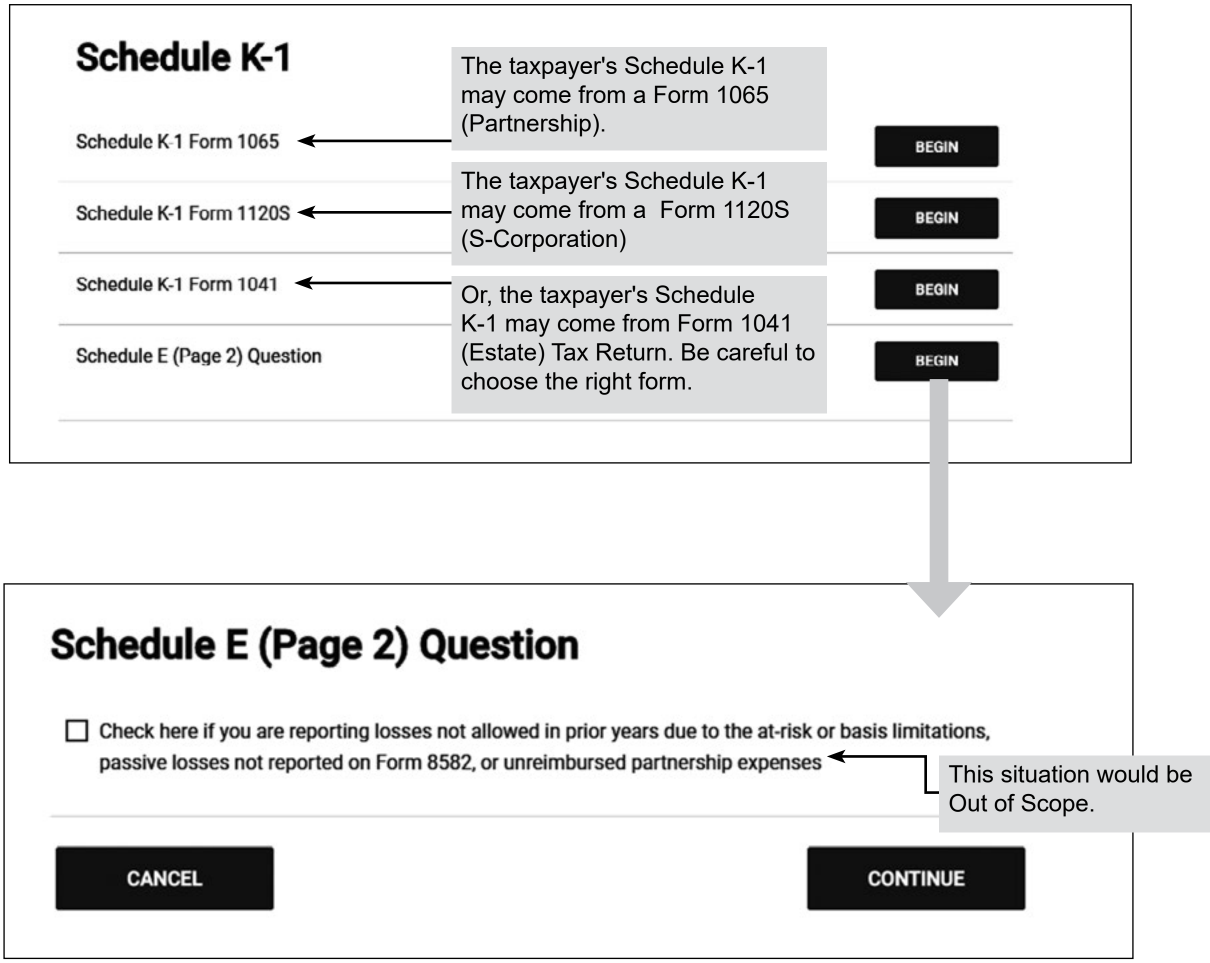
The calculation won't be correct without the prior year Modified AGI.

The software will determine total taxable Social Security based on these entries.

TIP Modified AGI for the purpose of calculating the lump-sum distribution is AGI plus:

- Tax-exempt interest
- Adoption benefits (Form 8889)
- Qualified U.S. Savings Bond interest (Form 8815)
- Student loan interest deduction
- Tuition and fees deduction
- Foreign earned income exclusion or housing deduction (Form 2555)
- Exclusion of certain income of bona fide residents of American Samoa (Form 4563) or Puerto Rico

Entering K-1 Information in TaxSlayer



Income reported on Schedule K-1 that is within the scope of the VITA/TCE programs includes:

- Interest income
- Dividend income
- Qualified Dividend income
- Net short-term capital gains and losses (Schedule D)
- Net long-term capital gains and losses (Schedule D)
- Tax-exempt interest income
- Royalty income (Schedule E)

If the K-1 includes any deductions, expenses, credits, or other items not listed above, the return is Out of Scope.

Note: Most in scope K-1s will be from a passive entity, and the taxpayer's investment will be at risk. Be sure to select these boxes in the software, if applicable. TaxSlayer may give you a warning if the At-Risk box is left blank.

Schedule K-1 Scope

OOS = Out of Scope

661117

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0092

Schedule K-1 (Form 1041) **2020**

Department of the Treasury
Internal Revenue Service

For calendar year 2020, or tax year

beginning / / 2020 ending / /

Beneficiary's Share of Income, Deductions, Credits, etc.

▶ See back of form and instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

B Estate's or trust's name

C Fiduciary's name, address, city, state, and ZIP code

D ☐ Check if Form 1041-T was filed and enter the date it was filed

E ☐ Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary' identifying number

G Beneficiary's name, address, city, state, and ZIP code

H ☐ Domestic beneficiary ☐ Foreign beneficiary

Part III Beneficiary's Share of Current Year Income, Deductions, Credits, and Other Items

1	Interest income		11	Final year deductions	
			C		Short Term Cap Loss
2a	Ordinary dividends		D		Long Term Cap Loss
2b	Qualified dividends				Other Codes OOS
3	Net short-term capital gain				
4a	Net long-term capital gain				
4b	28% rate gain	OOS	12	Alternative minimum tax adjustment	OOS
4c	Unrecaptured section 1250 gain	OOS			
5	Other portfolio and nonbusiness income	OOS			
6	Ordinary business income	OOS			
7	Net rental real estate income	OOS	13	Credits and credit recapture	OOS
8	Other rental income	OOS			
9	Directly apportioned deductions	OOS			
			14	Other information	
			A		Tax-exempt interest
10	Estate tax deduction	OOS	B		Foreign taxes
					Other Codes OOS

*See attached statement for additional information.

Note: A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

For IRS Use Only

Box 14b does not appear in the TaxSlayer Form 1041 K-1 entry screen. Instead make the following entries:

1) Enter amounts for Code B in Deductions>Credits>Foreign Taxes Paid.
2) Enter in state as needed.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. *www.irs.gov/Form1041* Cat. No. 11380D **Schedule K-1 (Form 1041) 2020**

Schedule K-1 Scope (continued)

TIP Schedule K-1 (Form 1120S) - S Corporation income passes directly to shareholders.

671121

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0123

Schedule K-1 (Form 1120-S) 2021
Department of the Treasury
Internal Revenue Service
For calendar year 2021, or tax year
beginning / / 2021 ending / /

Shareholder's Share of Income, Deductions, Credits, etc. ▶ See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number

B Corporation's name, address, city, state, and ZIP code

C IRS Center where corporation filed return

D Corporation's total number of shares
Beginning of tax year
End of tax year

Part II Information About the Shareholder

E Shareholder's identifying number

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss) OOS		13 Credits OOS	
2 Net rental real estate income (loss) OOS			
3 Other net rental income (loss) OOS			
4 Interest income			
5a Ordinary dividends			
5b Qualified dividends		14 Schedule K-3 is attached if checked . . . . ▶ ☐	
6 Royalties		15 Alternative minimum tax (AMT) items OOS	
7 Net short-term capital gain (loss)			
8a Net long-term capital gain (loss)			
8b Collectibles (28%) gain (loss) OOS			
8c Unrecaptured section 1250 gain OOS			
9 Net section 1231 gain (loss) OOS		16 Items affecting shareholder basis	
10 Other income (loss) OOS		A	Tax-exempt interest
		C	Nondeductible expenses. Adjust or state as needed
			Other codes
		17 Other information	
ection 179 deduction OOS			
ther deductions OOS			

More than one activity for at-risk purposes*
More than one activity for passive activity purposes*

* See attached statement for additional information.

orm1120S Cat. No. 11520D **Schedule K-1 (Form 1120-S) 2021**

No need to enter in TaxSlayer

651121

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0123

Schedule K-1 (Form 1065) 2021
Department of the Treasury
Internal Revenue Service
For calendar year 2021, or tax year
beginning / / 2021 ending / /

Partner's Share of Income, Deductions, Credits, etc. ▶ See back of form and separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number

B Partnership's name, address, city, state, and ZIP code

C IRS center where partnership filed return ▶

D ☐ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

G ☐ General partner or LLC member-manager ☐ Limited partner or other LLC member

H1 ☐ Domestic partner ☐ Foreign partner

H2 ☐ If the partner is a disregarded entity (DE), enter the partner's:
TIN Name

I1 What type of entity is this partner?

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ▶ ☐

J Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	%	%
Loss	%	%
Capital	%	%

Check if decrease is due to sale or exchange of partnership interest . ▶ ☐

K Partner's share of liabilities:

	Beginning	Ending
Nonrecourse . . .	$	$
Qualified nonrecourse financing . . .	$	$
Recourse . . .	$	$

Check this box if Item K includes liability amounts from lower tier partnerships ▶ ☐

L **Partner's Capital Account Analysis**

Beginning capital account . . .	$
Capital contributed during the year . .	$
Current year net income (loss) . . .	$
Other increase (decrease) (attach explanation)	$
Withdrawals and distributions . . .	$ ( )
Ending capital account	$ If negative, OOS

M Did the partner contribute property with a built-in gain (loss)?
☐ **Yes** ☐ **No** If "Yes," attach statement. See instructions.

N **Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**
Beginning . . . . $
Ending . . . . $

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss) OOS		14 Self-employment earnings (loss) OOS	
2 Net rental real estate income (loss) OOS			
3 Other net rental income (loss) OOS		15 Credits	
4a Guaranteed payments for services OOS			
4b Guaranteed payments for capital OOS		16 Schedule K-3 is attached if checked . . . . ▶ ☐	
4c Total guaranteed payments OOS		17 Alternative minimum tax (AMT) items	
5 Interest income			
6a Ordinary dividends			
6b Qualified dividends		18 Tax-exempt income and nondeductible expenses	
6c Dividend equivalents		A	Tax-exempt interest
7 Royalties		C	Non-deductible expenses Adjust for state as needed
			Other codes OOS
8 Net short-term capital gain (loss)		19 Distributions N/A Disregard	
9a Net long-term capital gain (loss)			
9b Collectibles (28%) gain (loss) OOS		20 Other information OOS	
9c Unrecaptured section 1250 gain OOS			
10 Net section 1231 gain (loss) OOS			
11 Other income (loss) OOS			
12 Section 179 deduction OOS		21 Foreign taxes paid or accrued	
13 Other deductions OOS			

22 ☐ More than one activity for at-risk purposes*
23 ☐ More than one activity for passive activity purposes*
*See attached statement for additional information.

For IRS Use Only

For Paperwork Reduction Act Notice, see the Instructions for Form 1065. www.irs.gov/Form1065 Cat. No. 11394R **Schedule K-1 (Form 1065) 2021**

No need to enter in TaxSlayer

Box 21 does not appear in the TaxSlayer Form 1065 K-1 entry screen. Instead make the following entries:

1) Enter amounts from Codes P and Q in Deductions>Credits>Foreign> Taxes Paid.
2) Enter in state as needed.

Entering Rental and Royalty Income in TaxSlayer

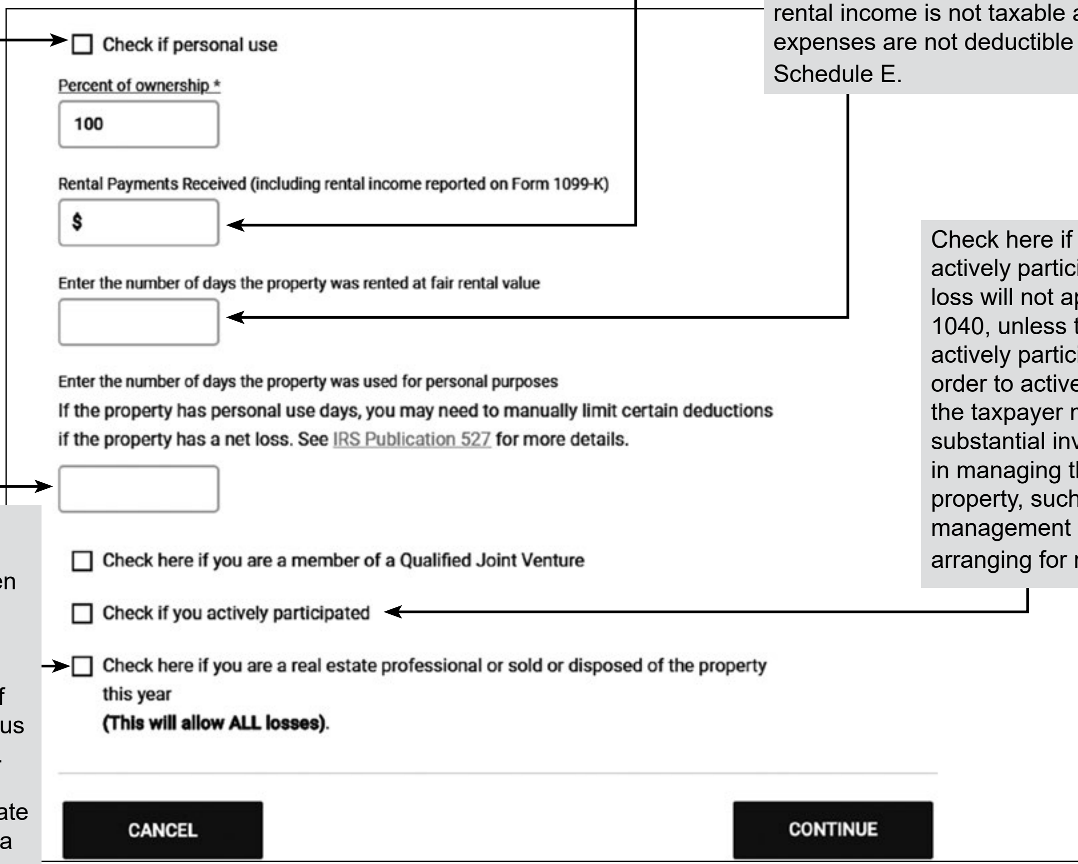
TaxSlayer Navigation: Income>Supplemental Income and Loss>Schedule E Rent and Royalty Information; or Keyword “SC”

Volunteers must certify at Military level to prepare Schedule E for rental income. Rental income and expenses are in-scope only for military families renting their personal residences.

Check the box if the taxpayer had any days of personal use while the property was available for rent. Enter the number of days here.

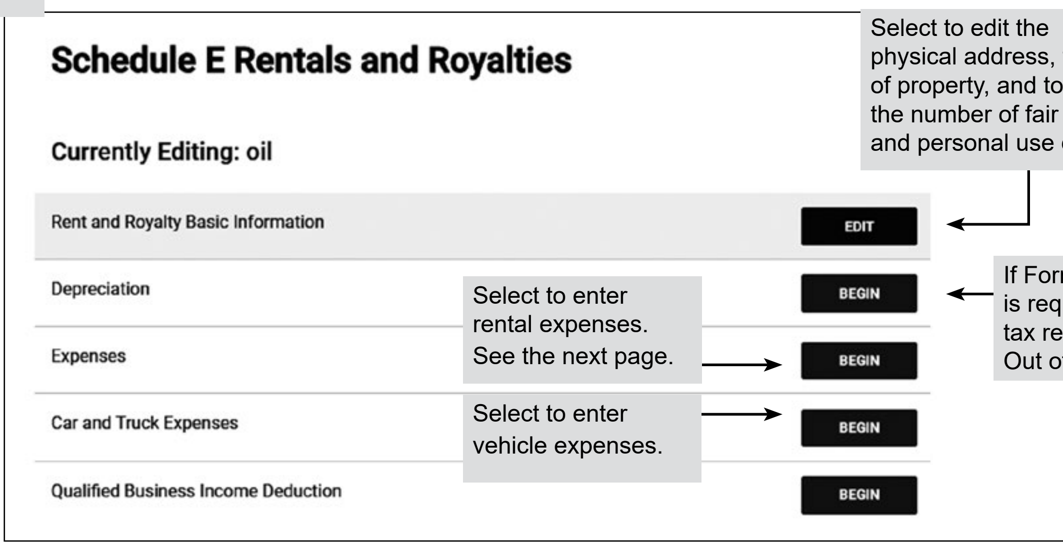
Enter the total rental payments received for the tax year.

Enter number of days rented at fair rental value. If the property is temporarily rented for less than 15 days during the tax year, the rental income is not taxable and the expenses are not deductible on a Schedule E.



Check here if the taxpayer actively participated. A rental loss will not appear on Form 1040, unless the taxpayer actively participated. In order to actively participate, the taxpayer must have substantial involvement in managing the rental property, such as making management decisions and arranging for repairs.

Use Schedule E to report rental income only when the taxpayer is not a real estate professional (determination of professional status is Out of Scope). Refer taxpayers who are real estate professionals to a professional tax preparer.



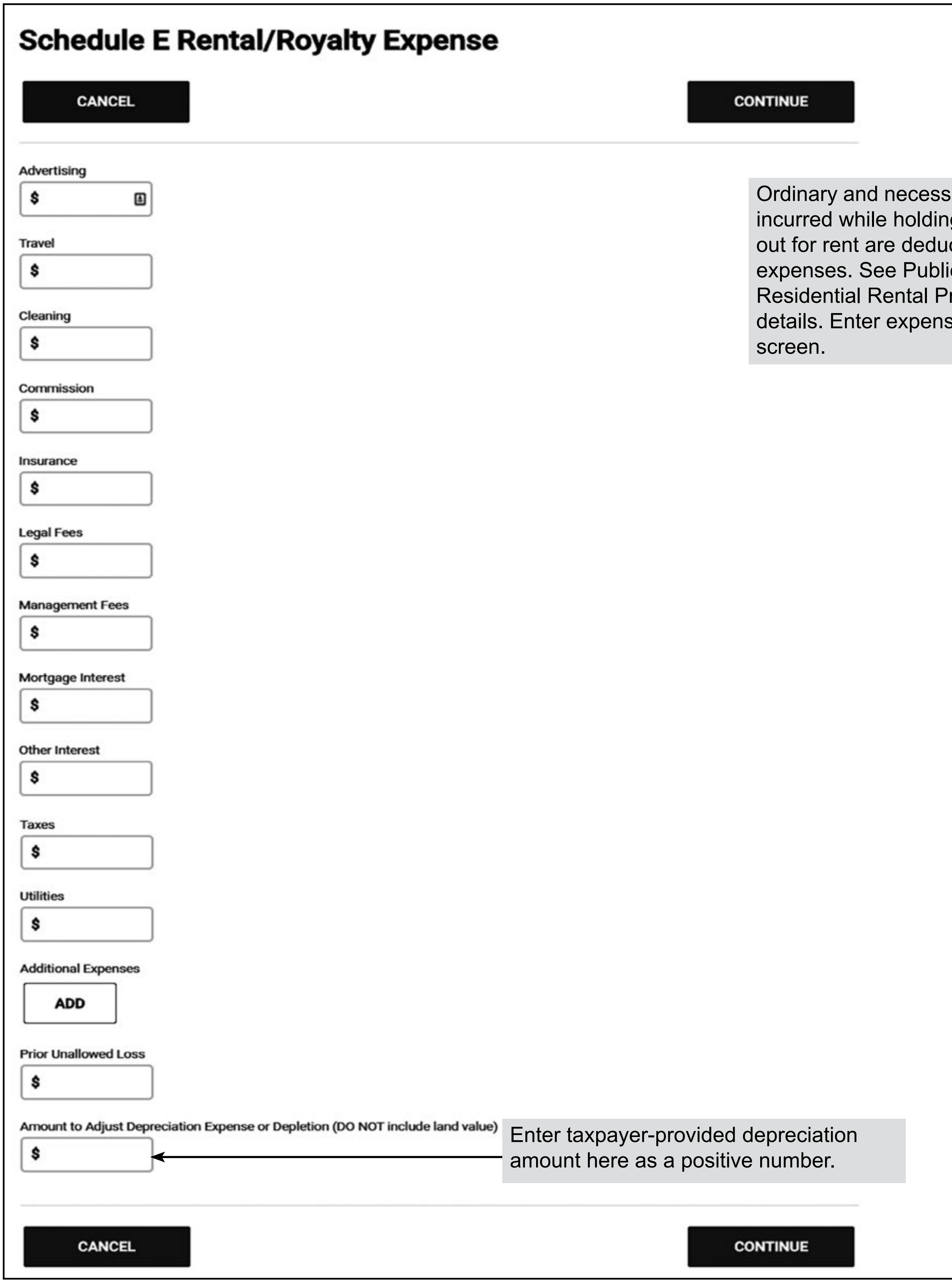
Select to edit the physical address, type of property, and to report the number of fair rental and personal use days.

If Form 4562 is required, the tax return is Out of Scope.

Select to enter rental expenses. See the next page.

Select to enter vehicle expenses.

Entering Rental and Royalty Income in TaxSlayer (continued)



Schedule E Rental/Royalty Expense

CANCEL | CONTINUE

Advertising $

Travel $

Cleaning $

Commission $

Insurance $

Legal Fees $

Management Fees $

Mortgage Interest $

Other Interest $

Taxes $

Utilities $

Additional Expenses ADD

Prior Unallowed Loss $

Amount to Adjust Depreciation Expense or Depletion (DO NOT include land value) $

CANCEL | CONTINUE

Ordinary and necessary expenses incurred while holding a property out for rent are deductible expenses. See Publication 527, Residential Rental Property, for details. Enter expenses on this screen.

Enter taxpayer-provided depreciation amount here as a positive number.

CAUTION If the property has both personal and rental use days, you must manually compute the portion of the expenses allowable on Schedule E and Schedule A. For example if the house was available for rent for six months, and you paid $4,000 for Mortgage Interest, you have to manually input $2,000 on the Mortgage Interest lines on both Schedule E and on Schedule A.

Less Common Income

TaxSlayer Navigation: Federal Section>Income>Less Common Income

Detailed information for each income type found on subsequent pages.

Use Other Income Not Reported Elsewhere to enter amounts from:

- Form 1099-MISC Box 3 (Other Income), (hobby income-activities not for profit are Out of Scope) or Box 8 (Substitute payments in lieu of dividends or interest.)
- Jury Duty Pay (Not earned income for EIC)
- Alaska Permanent Fund Dividend
- Gambling winnings not reported on a Form W-2G (use the description “Gambling Winnings”)
- Other income not entered elsewhere on the return

Distributions from qualified education programs are tax free if they aren't more than the beneficiary's adjusted qualified education expenses for the year. Tax-free distributions are not reported on the tax return. See Highlights of Education Tax Benefits in Tab J for qualified expenses.

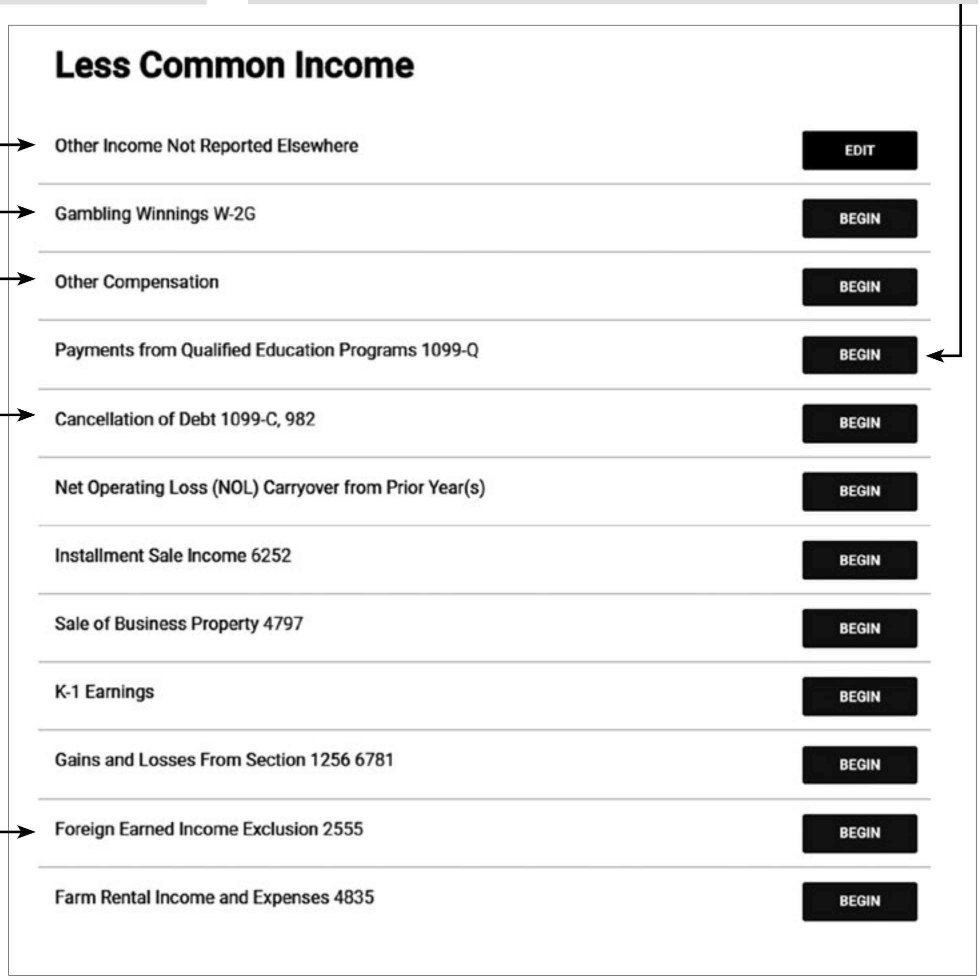
Taxable distributions from Coverdell Education Savings Accounts (ESAs), Qualified Tuition Programs (QTPs) or Achieving a Better Life Experience (ABLE) accounts are Out of Scope.

Gambling winnings are reported to the taxpayer on Form W-2G, fully taxable, and must be reported as income on the tax return. Gambling losses up to the amount of winnings reported may be deducted as an other itemized deduction on Schedule A.

Use the Other Compensation menu to report scholarships and grants, taxable fringe benefits, household employee income, prisoner earned income, and foreign compensation.

Cancellation of Debt from a credit card and Discharge of Qualified Principal Residence Indebtedness are in scope for preparers with Advanced certifications.

Foreign Earned Income Exclusion is in scope only for those with International certification: United States citizens and resident aliens who live and work abroad may be able to exclude all or part of their foreign salary or wages from their income when filing their U.S. federal tax return. They may also qualify to exclude compensation for their personal services or certain foreign housing costs. See Publication 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad.



Note: See Tab I, Earned Income Credit, Earned Income Table for examples of other income that may be earned income.

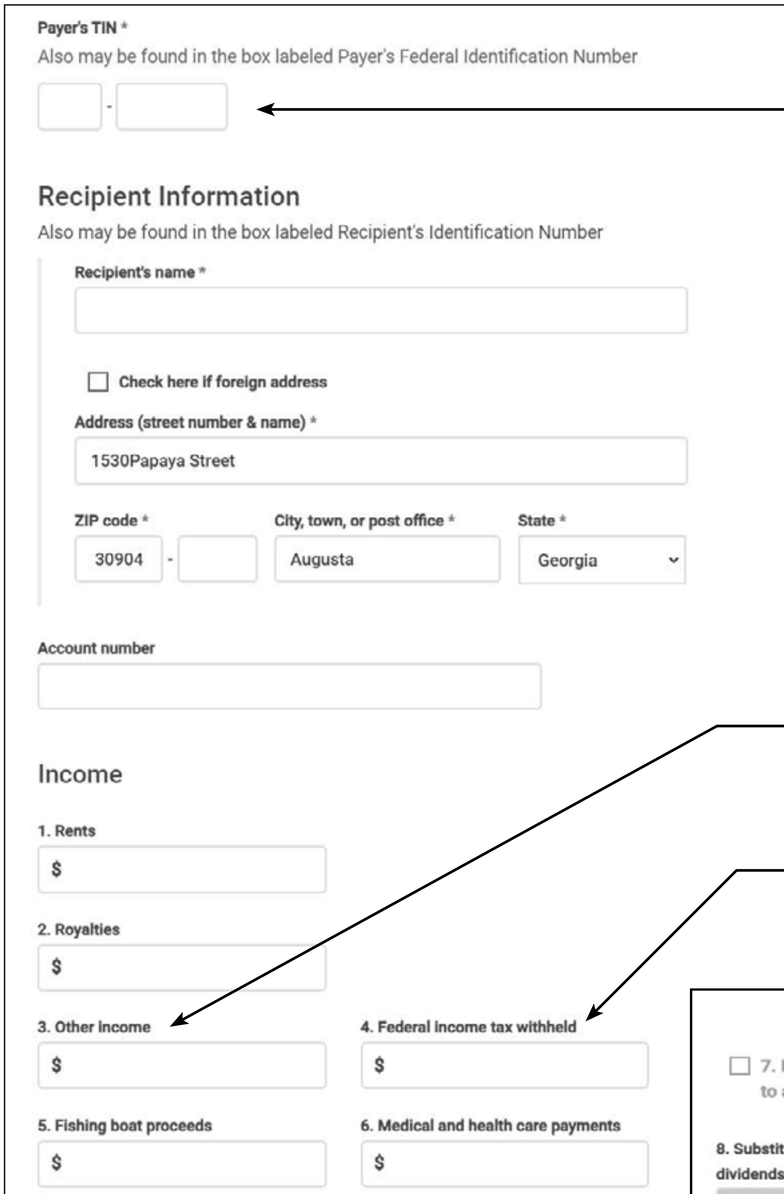
Note: Qualified State or local tax benefits and qualified reimbursement payments (up to $50 per month) provided to members of qualified volunteer emergency response organizations are excluded from income.

Form 1099-LTC, Long-Term Care Benefits:

- Search for Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, and scroll to the Long Term Care (LTC) Insurance Contracts section.
- Answer the questions based on the information on Form 1099-LTC. Most payments will not be taxable.
- If Box 3 is checked for reimbursement, no reporting is necessary.

Form 1099-MISC

TaxSlayer Navigation: Federal Section>Income>1099-Misc; or Keyword "MIS"


Payer's TIN *
Also may be found in the box labeled Payer's Federal Identification Number

Recipient Information
Also may be found in the box labeled Recipient's Identification Number
Recipient's name *
Check here if foreign address
Address (street number & name) *
1530Papaya Street
ZIP code * 30904
City, town, or post office * Augusta
State * Georgia
Account number

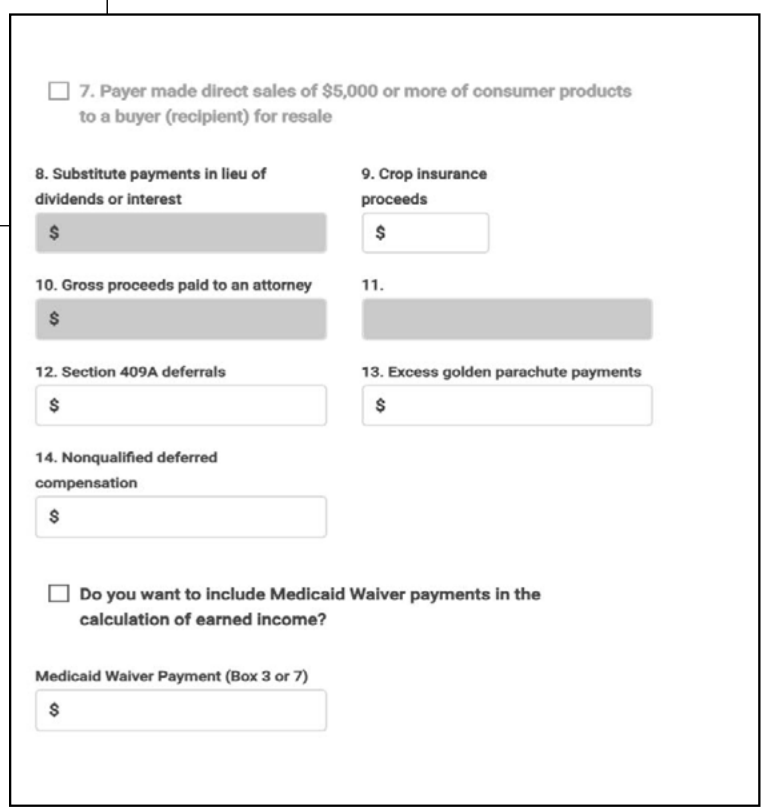
Income
1. Rents $
2. Royalties $
3. Other income $
4. Federal income tax withheld $
5. Fishing boat proceeds $
6. Medical and health care payments $

The Payer Information relates to the entity that paid the taxpayer and issued the Form 1099-MISC. In most cases, the Federal ID will be an employer identification number, not an SSN.

On a joint return, indicate if the Form 1099-MISC recipient is the Taxpayer or the Spouse.

Some income that isn't self-employment, such as prizes and awards, is reported in Box 3, Other Income.

Note: There is usually no income tax withholding on a Form 1099-MISC. But always double check to make sure.


7. Payer made direct sales of $5,000 or more of consumer products to a buyer (recipient) for resale
8. Substitute payments in lieu of dividends or interest $
9. Crop insurance proceeds $
10. Gross proceeds paid to an attorney $
11.
12. Section 409A deferrals $
13. Excess golden parachute payments $
14. Nonqualified deferred compensation $
Do you want to include Medicaid Waiver payments in the calculation of earned income?
Medicaid Waiver Payment (Box 3 or 7) $

Self-employment income generally appears on Form 1099-NEC. If there is income reported in other boxes on Form 1099-MISC and it was earned by the business, it should also be reported as other business income on the Schedule C.

Entering Foreign Earned Income Exclusion Information in TaxSlayer

TaxSlayer Navigation: Federal Section>Income>Less Common Income>Foreign Earned Income Exclusion; or Keyword “2555”

Note: Foreign Earned Income Exclusion is in scope only for preparers with International Certification.

U.S. citizens and U.S. resident aliens are required to report worldwide income on a U.S. tax return.

However, certain taxpayers can exclude income earned while living in foreign countries.

To claim the foreign earned income exclusion, taxpayers must:

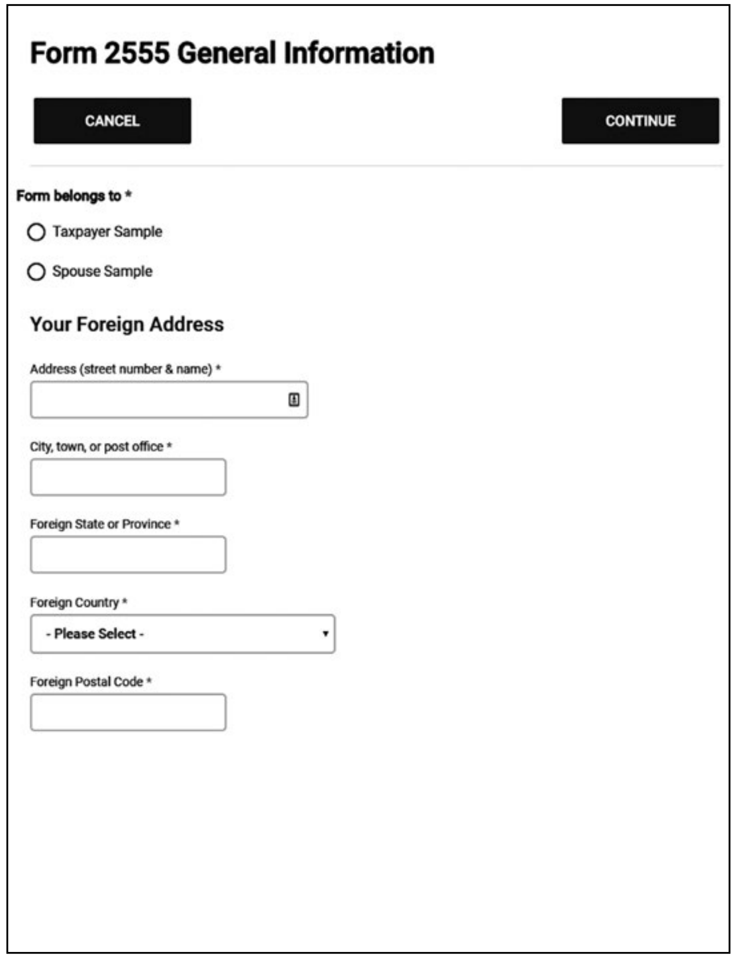
- Demonstrate that their tax home is in a foreign country
- Meet either the Bona Fide Residence Test or the Physical Presence Test
- Have income that qualifies as foreign earned income (reported on Form 1040 as taxable wages or as self-employment income)

The foreign earned income exclusion doesn’t apply to wages and salaries of U.S. military members and civilian employees of the U.S. government.

For 2021, the maximum exclusion is $108,700. For MFJ returns, both spouses can claim the exclusion up to the maximum amount per person.

You can’t exclude or deduct more than the taxpayer’s foreign earned income for the year.

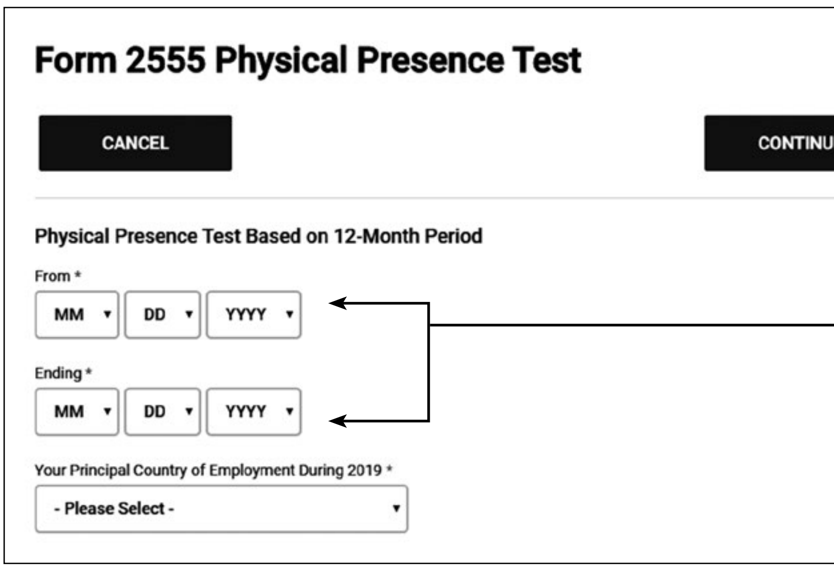
The taxpayer’s tax home is the taxpayer’s regular or principal place of business, employment, or post of duty, regardless of where the taxpayer maintains a family residence. A taxpayer may have more than one tax home during the year.



Entering Foreign Earned Income Exclusion Information in TaxSlayer (continued)

To meet the period of stay requirement, the taxpayer must be either:

- A U.S. citizen or U.S. resident alien who is physically present in a foreign country or countries for at least 330 full days during any period of 12 consecutive months, or
- A U.S. citizen or U.S. resident alien from a tax treaty country who is a bona fide resident of a foreign country (or countries) for an uninterrupted period that includes an entire tax year
- A U.S. resident alien who is a citizen or national of a country with which the United States has an income tax treaty in effect and who is bona fide.

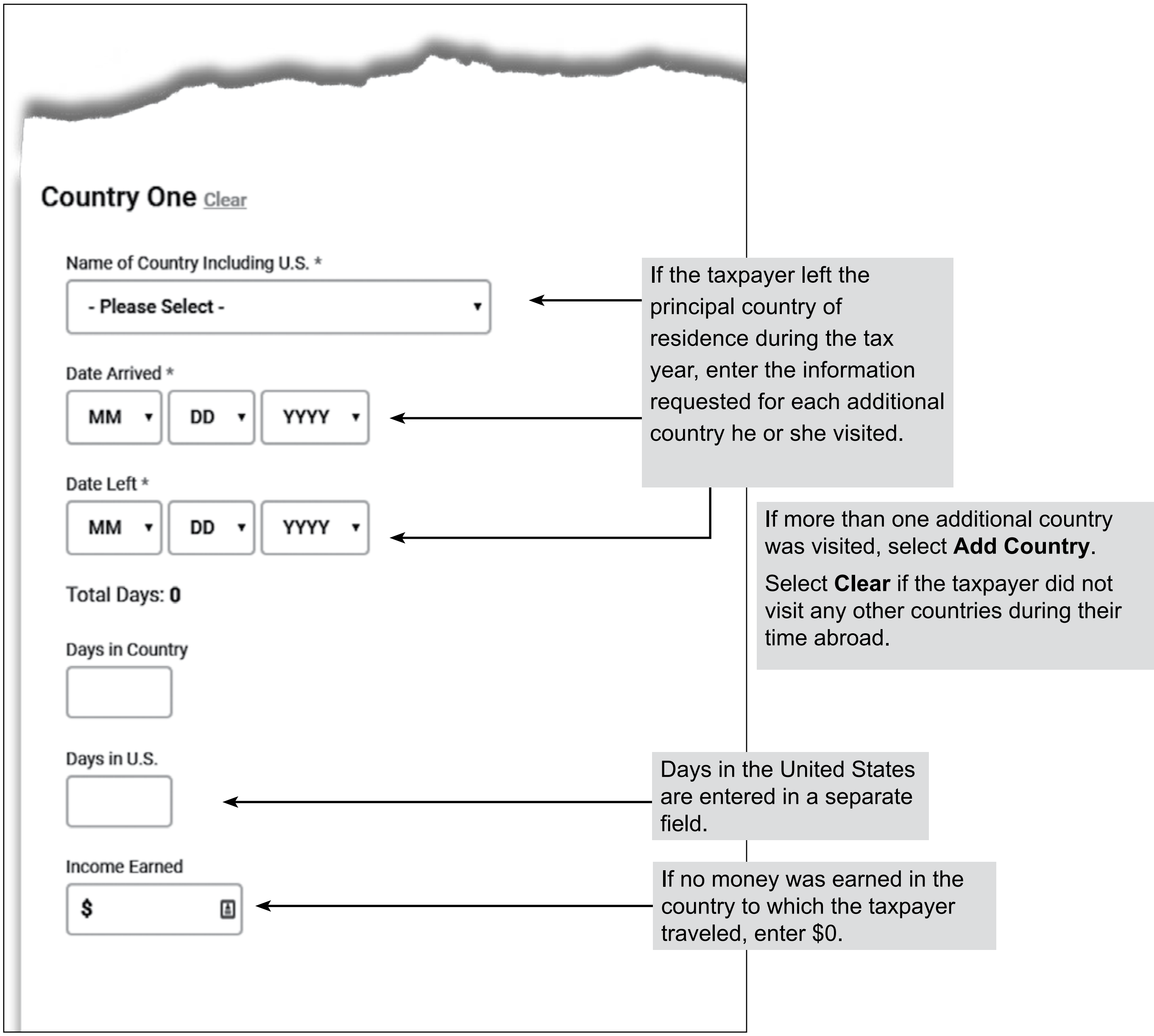


The 12-month period on which the physical presence test is based must include 365 days, part of which must be in 2021. The dates may begin or end in a calendar year other than 2021.

To figure 330 full days, add all separate periods the taxpayer was present in a foreign country or countries during the 12-month period.

Note: Waiver of minimum time requirements (for physical presence and bona fide residence tests): The taxpayer must leave the country because of war, civil unrest, or similar adverse conditions.

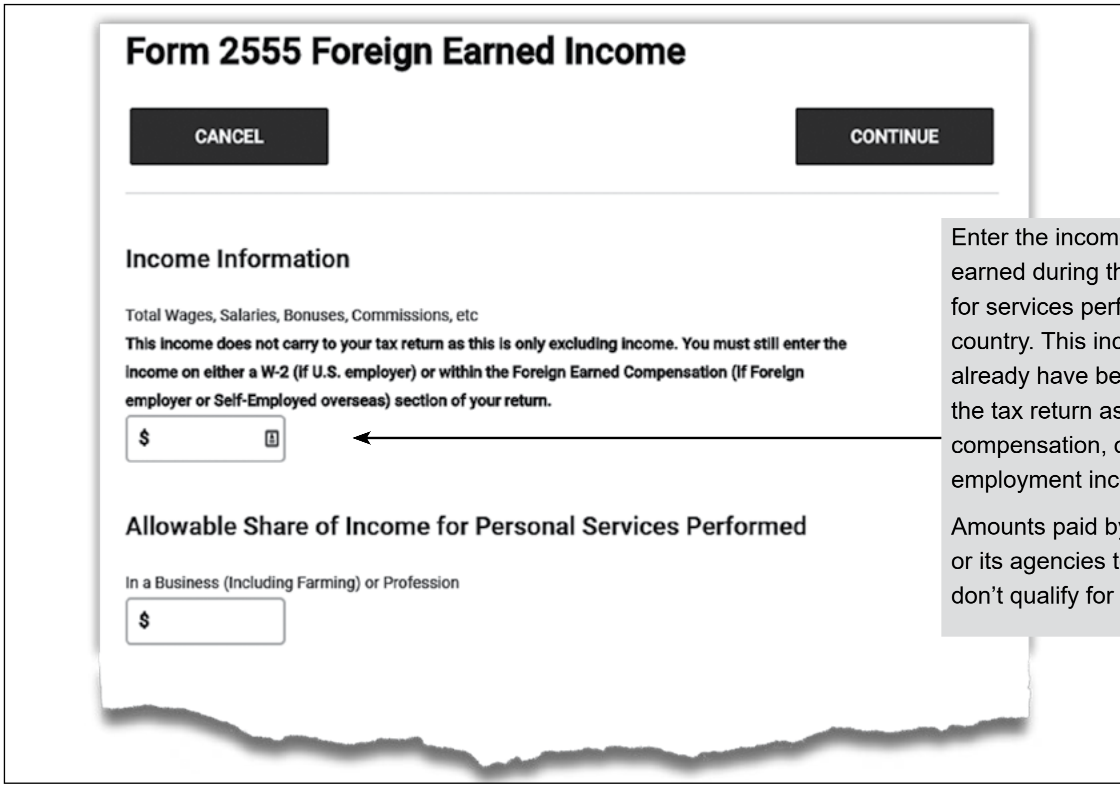
Entering Foreign Earned Income Exclusion Information in TaxSlayer (continued)



Bona Fide Residence Test

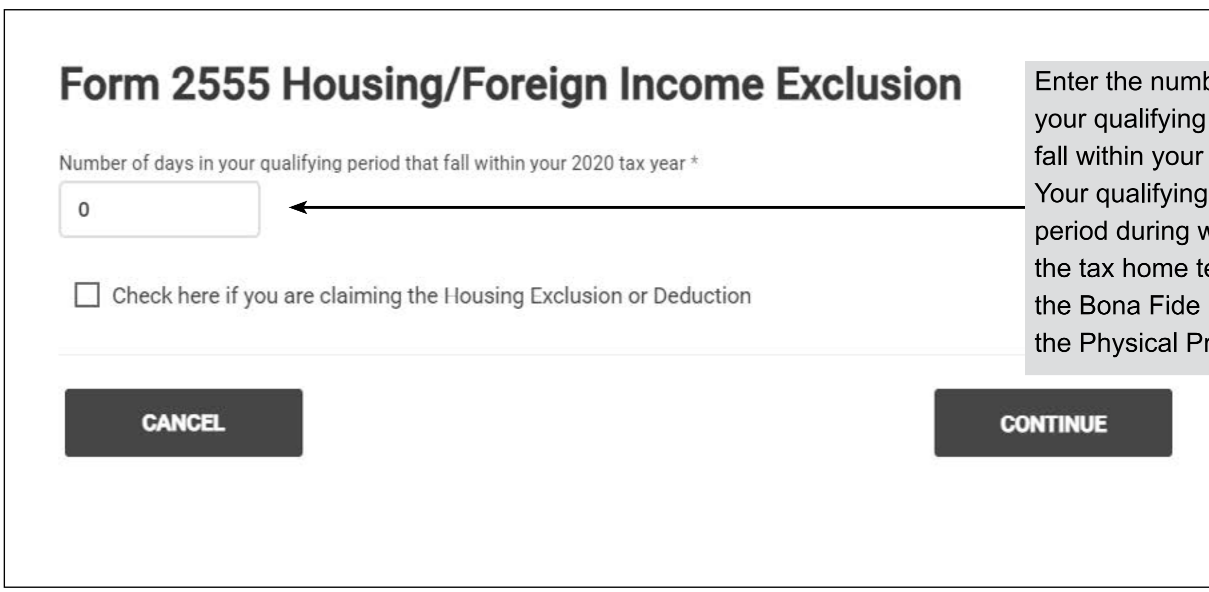
- To meet the bona fide residence test, taxpayers must show that they have set up permanent quarters in a foreign country for an entire, uninterrupted tax year. Simply going to another country to work for a year or more isn't enough to meet the bona fide residence test. A taxpayer must establish a residence in the foreign country.
- If the taxpayer was present in the United States or its possessions during the tax year, enter the information for each trip.
  - To add another trip, Select Add New
  - If the taxpayer did not visit the U.S. or its possessions during the year, select Clear to remove this item
- Don't include income earned while in the United States in the amount of foreign earned income to be excluded (next page).
- A brief trip to the U.S. will not prevent the taxpayer from being a bona fide resident, as long as the intention to return to the foreign country is clear.

Entering Foreign Earned Income Exclusion Information in TaxSlayer (continued)



Enter the income the taxpayer earned during the 2021 tax year for services performed in a foreign country. This income should already have been entered on the tax return as wages, foreign compensation, or net self-employment income.

Amounts paid by the United States or its agencies to its employees don't qualify for the exclusion.



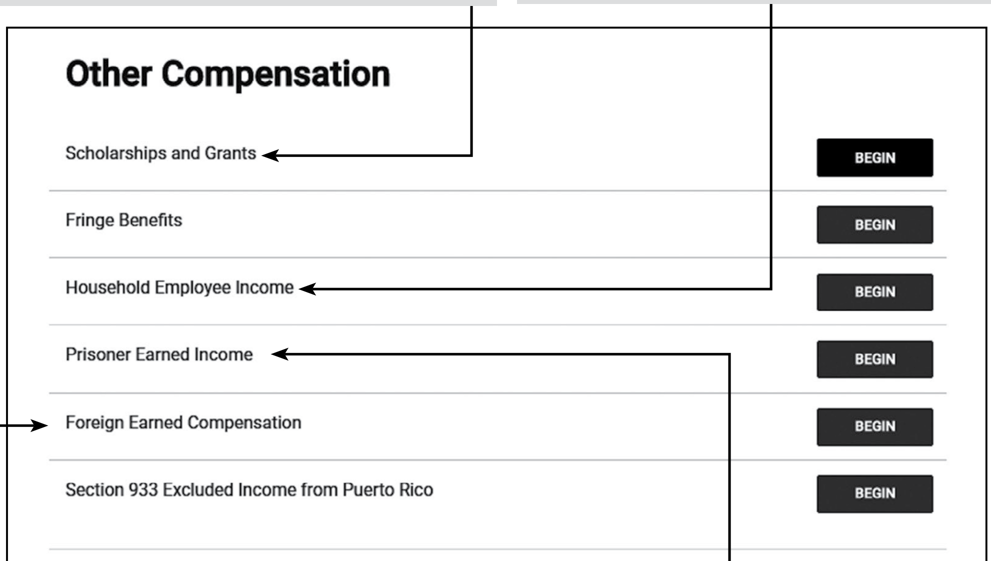
Enter the number of days in your qualifying period that fall within your 2021 tax year. Your qualifying period is the period during which you meet the tax home test and either the Bona Fide Residence or the Physical Presence Test.

Entering Other Compensation in TaxSlayer

TaxSlayer Navigation: Income>Less Common Income>Other Compensation

Scholarships and grants used to pay for tuition, fees and course-related expenses are not taxable. Use this link to report only amounts that were used for nonqualifying expenses. "SCH" will appear on the dotted line next to the wages line on Form 1040. Taxable scholarship is considered unearned income for most purposes but is considered earned income for determining filing requirement.

Enter wages received as a household employee for which the taxpayer did not receive a Form W-2 because the employer paid less than $2,300 in 2021. "HSH" will appear on the dotted line next to wages on Form 1040.



Enter foreign earned income (wages, salaries, etc.) paid by a foreign employer for work performed while the taxpayer lived in a foreign country.

Enter the amount received for work while an inmate in a penal institution. For purposes of the Earned Income Credit, this isn't considered earned income. This includes amounts received for work performed while in a work release program or while in a halfway house. "PRI" will appear on the dotted line next to the line for wages on Form 1040. This entry is made in addition to entering the Form W-2 from the penal institution.

Note: If Rebate/Patronage Dividends issued by co-ops on Form 1099-PATR Box 1 are for personal use only, the amount is nontaxable and is not entered into TaxSlayer. Enter note on intake sheet and tax return noting it is for personal use only. No other box or use is in scope.

Publication 4731

Screening Sheet for Nonbusiness Credit Card Debt Cancellation

If the taxpayer is in bankruptcy, the tax return is Out of Scope for the VITA/TCE Programs.

Instructions: Use this Screening Sheet for taxpayers with Form 1099-C or other documentation resulting from cancellation of nonbusiness credit card debt and to assist in identifying taxpayers with cancellation of credit card debt issues.

Credit Card Debt

step 1	Did the taxpayer receive Form 1099-C, Cancellation of Debt, or other documentation (if less than $600) from a creditor and is the information shown on the form or document correct? **Note:** The creditor is not required to issue a Form 1099-C if the canceled debt is under $600. However, the taxpayer may be required to report the canceled debt as income regardless of the amount.	**YES** – Go to Step 2 **NO** – Go to Step 6
step 2	Was the credit card debt related to a business?	**YES** – Go to Step 6 **NO** – Go to Step 3
step 3	Does box 6 of the Form 1099-C indicate Code A for bankruptcy? **Note:** If box 6 is not marked with a Code A, but the taxpayer has subsequently filed bankruptcy, answer “yes.”	**YES** – Go to Step 6 **NO** – Go to Step 4
step 4	Was the taxpayer insolvent* immediately before the cancellation of debt? Use the Insolvency Determination Worksheet in Publication 4012 and interview the taxpayer to determine if the taxpayer was insolvent immediately before the cancellation of debt.	**YES** – Go to Step 6 **NO** – Go to Step 5
step 5	The cancellation of nonbusiness indebtedness or cancellation of debt (the amount in box 2 of Form 1099-C or an amount less than $600 provided in other documentation) must be reported as ordinary income on Form 1040, Schedule 1 (Other Income). No additional supporting forms or schedules are required for reporting income from canceled credit card debt.	
step 6	This tax issue is outside the scope of the volunteer programs. The taxpayer may qualify to exclude all or some of the discharged debt. However, the rules involved are complex. **Refer the taxpayer to:** • The IRS website for the most up-to-date information. • The Taxpayer Advocate Service (TAS): 1-877-777-4778, TTY/TDD 1-800-829-4059. TAS may help if the problem cannot be resolved through normal IRS channels. • A professional tax preparer. • Publication 4681, Canceled Debts, Foreclosures, Repossessions, and Abandonments (For Individuals)	

* If the taxpayer is not in bankruptcy or unable to determine if they are insolvent the credit card debt forgiveness is presumed fully taxable.

Publication 4731 (10-2018) Catalog Number 52643X Department of the Treasury **Internal Revenue Service**

Insolvency Determination Worksheet

Determining insolvency is Out of Scope for the volunteer. **This sample worksheet is for reference only.**

Insolvency Determination Worksheet

Assets (FMV)	
Homes	$
Cars	
Recreational vehicles, etc.	
Bank accounts	
IRAs, 401Ks, etc.	
Jewelry	
Furniture	
Clothes	
Misc.	
Other assets	
Total Assets:	**$**

Liabilities	
Mortgages	$
Home equity loans	
Vehicle loans	
Personal signature loans	
Credit card debts	
Past-due mortgage interest, real estate taxes, utilities, and child care costs	
Student loans	
Other liabilities	
Total Liabilities:	**$**

Total Assets minus Total Liabilities = $

(Negative amount equals insolvency)

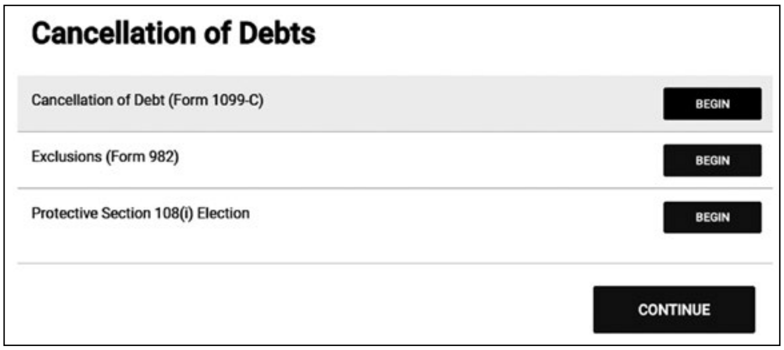
Positive amount equals solvency

Entering Cancellation of Credit Card Debt in TaxSlayer

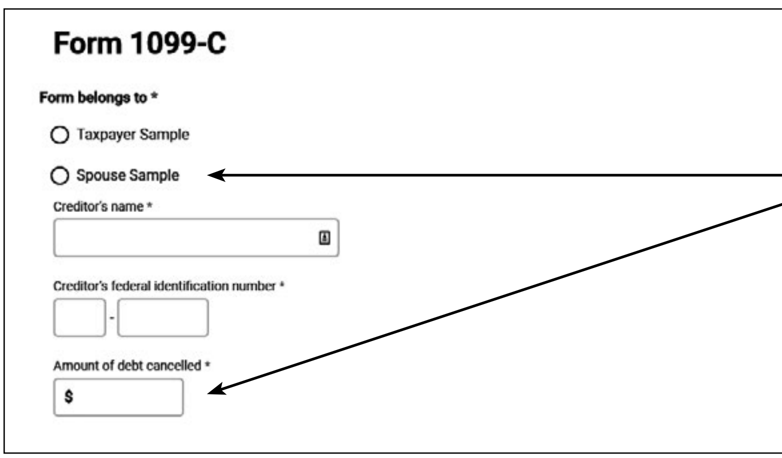
TaxSlayer Navigation: Income>Less Common Income>Cancellation of Debt Form 1099-C, Form 982; or Keyword: C or CANC

Generally, if a debt for which a taxpayer is personally liable is canceled or forgiven, the taxpayer must include the canceled amount in income.

Be sure to ask if the taxpayer was insolvent or in bankruptcy – these situations make the return Out of Scope.



Cancellation of Credit Card Debt and Forgiveness of Qualified Principal Residence Indebtedness is within the scope of the Advanced certification of the volunteer program.



Enter the information from the Form 1099-C. Be sure to indicate whether the canceled debt was for the taxpayer or the spouse.

If the Form 1099-C was for mortgage forgiveness on the taxpayer's main home, see Discharge of Qualified Principal Residence Indebtedness in Tab EXT, Legislative Extenders.

Note: The American Rescue Plan Act of 2021 excludes from gross income amounts related to the discharge of certain student loan debt in 2021 through 2025, applicable to discharges of loans after December 31, 2020. If the taxpayer qualifies to exclude discharged student loan debt, the return is in scope. If the taxpayer has any other type of debt forgiven, or may have been insolvent at the time of the debt forgiveness, the taxpayer should be referred to a professional tax preparer.

Tab E: Adjustments

Adjustments to Income

TaxSlayer Navigation: Federal Section >Deductions >Adjustments

Adjustments

Adjustment		Note
Medical Savings Account Form 8853	BEGIN	MSA Out of Scope
Educator Expenses	BEGIN	
Expenses for Reservists, Performing Artists, and Qualifying Government Employees	BEGIN	For military reservist, see notes on the next page in the Other Expenses section.
Health Savings Account Form 8889	BEGIN	Health Savings Account – select to open Form 8889, Health Savings Accounts.
Moving Expenses Form 3903	BEGIN	Moving expenses apply to active duty military only. Must be Certified for Military. Check the box near the top of the form to indicate an Armed Forces PCS move.
Contributions to SEP, Simple, and Qualified Plans	BEGIN	Contributions to SEP, Simple and Qualified Plans - Out of Scope
Self-Employed Health Insurance	BEGIN	Self-employed health insurance deduction is in scope (Advanced certification required)
Penalty on Early Withdrawal of Savings or CD	BEGIN	Early withdrawal penalty auto-populates from Form 1099-INT.
Alimony Paid	BEGIN	If the taxpayer paid alimony to more than one person, add a second payee after entering the first.
IRA Deduction	BEGIN	
Nondeductible IRAs Form 8606	BEGIN	Form 8606 Nondeductible IRAs is Out of Scope
Student Loan Interest Deduction	BEGIN	Student Loan Interest paid is entered here
Tuition and Fees Deduction	BEGIN	Tuition and Fees Deduction is not deductible after 2020
Domestic Production Form 8903	BEGIN	Form 8903 Domestic Production Activities Deduction is Out of Scope
Other Adjustments	BEGIN	Select other adjustments for jury duty pay turned over to employer

Note: The deduction for charitable contributions by taxpayers who do not itemize was modified by the Taxpayer Certainty and Disaster Tax Relief Act of 2020. For tax year 2021, married couples filing a joint return may deduct cash contributions up to $600 (all other filers are limited to $300). Cash contributions include those made by check, credit card or debit card as well as amounts incurred by an individual for unreimbursed out-of-pocket expenses in connection with the individual's volunteer services to a qualifying charitable organization. Cash contributions don't include the value of volunteer services, securities, household items or other property. Additionally, the deduction does not reduce adjusted gross income.

Employee Business Expenses

Note: Form 2106 is in scope for Military certification only.

Form 2106 Information

CANCEL

CONTINUE

Personal Information

Form belongs to *

- (●) Taxpayer Sample
- ( ) Spouse Sample

Occupation *

☑ Check here if you are a member of a Reserve Component of the United States, including National Guard and reserves, a performing artist, or qualifying government employee.

Check the box to indicate that the taxpayer is a member of a Reserve Component.

☐ Check here to Prorate Expenses for Minister/Clergy.

Other Expenses

Note: Military reservists who must travel more than 100 miles away from home to attend a drill or reserve meeting may deduct their travel expenses as an adjustment to income. Entertainment expenses are not allowed.

Entry of auto expenses will be available once you "Continue"

Parking fees, tolls, and transportation, including train, bus, etc., that **did not** involve overnight travel or commuting to and from work

$

Enter parking or ferry fees and tolls.

Travel expense while away from home overnight, including lodging, airplane, car rental, etc. **Do not** include meals

$

Enter lodging expense

The amount of expenses that can be deducted is limited to the:

1) actual lodging costs, limited to the federal per diem rate.

2) federal per diem rate for meals and incidental expenses and

3) standard mileage rate (for car expenses) plus any parking fees, ferry fees and/or tolls.

Enter this information on Form 2106.

Business expenses not included above or in vehicle expenses. **Do not** include meals

$

Amount paid by employer (not on W-2 Box 1)

$

Meal Expenses

Enter your meal expenses. The program will automatically take 50% of these expenses

$

Enter meal expenses at the federal per diem rate

Amount Employer paid for meals

$

If you are an employee subject to the Department of Transportation (DOT), enter your expenses here and the program will automatically take 80% of your expenses

$

Amount Employer paid for meals subject to DOT

$

Select Continue and enter vehicle information and mileage from the menu on the next screen.

CANCEL

CONTINUE

Moving Expenses

Moving expenses apply to active duty military only. Must be certified for Military.

Beginning in 2018, only moving expenses while a member of the Armed Forces on active duty and, due to a military order, you move because of a permanent change of station can be deducted. If you do not qualify for moving expenses on your federal return, you may be able to deduct the moving expenses on your state return.

Note: You can deduct the expenses that are more than your reimbursements in the year you paid or incurred the expenses.

Enter number of miles from your OLD home to your NEW work place

0

Note: 16 cents per mile driven for medical or moving purposes

Enter number of miles from your OLD home to your OLD work place

☐ If an EMPLOYEE, check here if you did work full time in the general area of your NEW work place for AT LEAST 39 weeks during the 12 months right after your move

☐ If SELF-EMPLOYED, check here if you did work full time in the NEW general area for AT LEAST 39 weeks during the first 12 months AND a total of AT LEAST 78 weeks during the 24 months right after your move.

☐ Check here if this move qualifies as a military permanent change of address move.

Check the box to indicate a Permanent Change of Station (PCS) move.

Enter the amount you paid for transportation and storage of household goods and personal effects

$

You can deduct the expenses of moving your household goods and personal effects, including expenses for hauling a trailer, packing, crating, in-transit storage, and insurance.

You can't deduct expenses for moving furniture or other goods you bought on the way from your old home to your new home.

You can include only the cost of storing and insuring your household goods and personal effects within any period of 30 consecutive days after the day these goods and effects are moved from your former home and before they are delivered to your new home.

Enter the total amount the government paid you for the expenses listed on lines 1 and 2 that is not included in the wages box (box 1) of your W-2 form. This amount should be shown in box 12 of your Form W-2 with code **P**

$

Enter amount from Form W-2, Box 12, code P

Reminder: Your **moving** trip is the one way trip you took **from your old home directly to your new home.** It does not include househunting trips or sightseeing trips you took along the way. Include expenses paid for both you and your household.

How much was spent on lodging?

$

Enter lodging costs. You can't deduct the cost of unnecessary side trips or lavish and extravagant lodging.

How much was spent on parking fees and tolls?

$

Did you use your own vehicle for your moving trip? *

○ Yes

○ No

If yes, enter number of miles or the taxpayer's actual amounts for gas and oil if they maintained receipts. Don't enter both.

Additional travel expenses (airfare, train tickets, etc) for you and your household

$

☐ Check here if the reimbursements are for the SPOUSE.

Note: You can't deduct the following items as moving expenses.

- Any part of the purchase price of your new home.
- Car tags.
- Driver's license.
- Expenses of buying or selling a home (including closing costs, mortgage fees, and points).
- Expenses of entering into or breaking a lease.
- Home improvements to help sell your home.
- Loss on the sale of your home.
- Losses from disposing of memberships in clubs.
- Mortgage penalties.
- Real estate taxes.
- Refitting of carpet and draperies.
- Return trips to your former residence.
- Security deposits (including any given up due to the move).
- Storage charges except those incurred in transit and for foreign moves.

Educator Expenses

TaxSlayer Navigation: Federal section >Deductions >Adjustments>Educator Expenses

Don't rely on this table alone. Refer to Publication 529, Miscellaneous Deductions, for more details.

Question	Answer
What is the maximum benefit?	$250 (If the taxpayer and spouse are both eligible educators, they can deduct up to $500, but **neither** can deduct more than their own expenses up to $250).
Who can claim the expense?	Eligible Educators — an eligible educator is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide who worked in a school for at least 900 hours during a school year.
What are qualifying expenses?	Qualifying expenses include ordinary and necessary expenses paid in connection with books, supplies, equipment (including computer equipment, software, and services), and other materials used in the classroom. Additionally, professional development expenses are allowed unless reimbursement is offered by the school but not accepted.
What are nonqualifying expenses?	Expenses for home schooling or nonathletic supplies for courses in health or physical education.
What other issues apply?	Taxpayer must reduce qualified expenses by • Excludable U.S series EE and I savings bond interest from Form 8815 • Nontaxable qualified tuition program earnings or distributions • Nontaxable distribution of earnings from a Coverdell education savings account • Any reimbursements received for expenses that weren't reported on the Form W-2

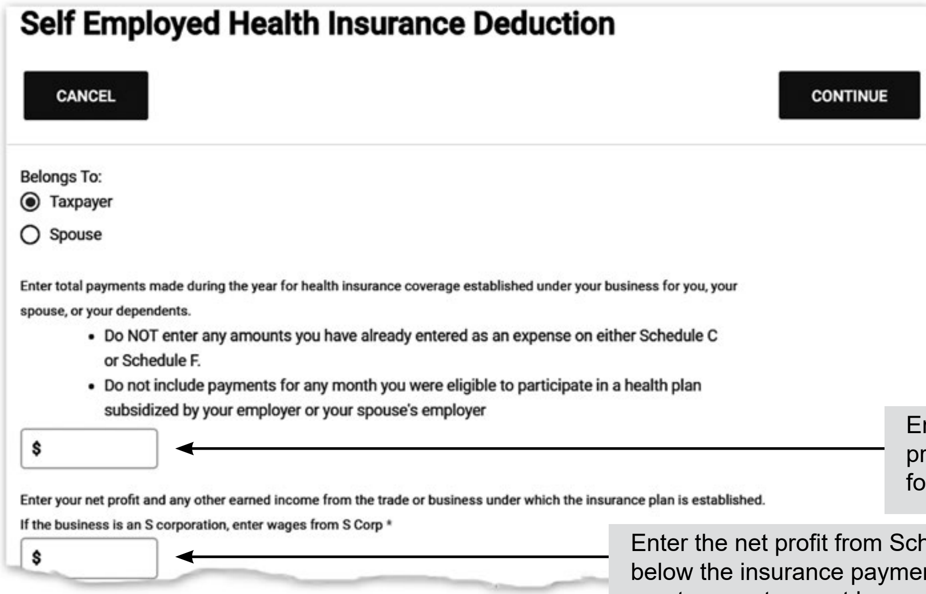
Note: Professional development expenses include courses related to the curriculum in which the educator provides instruction.

Note: Qualified expenses include amounts paid or incurred for personal protective equipment, disinfectant, and other supplies used for the prevention of the spread of coronavirus.

CAUTION The deduction amount is indexed for inflation and may change in future years.

Self-Employed Health Insurance Deduction

TaxSlayer Navigation: Federal Section >Deductions>Adjustments>Self-Employment Health Insurance

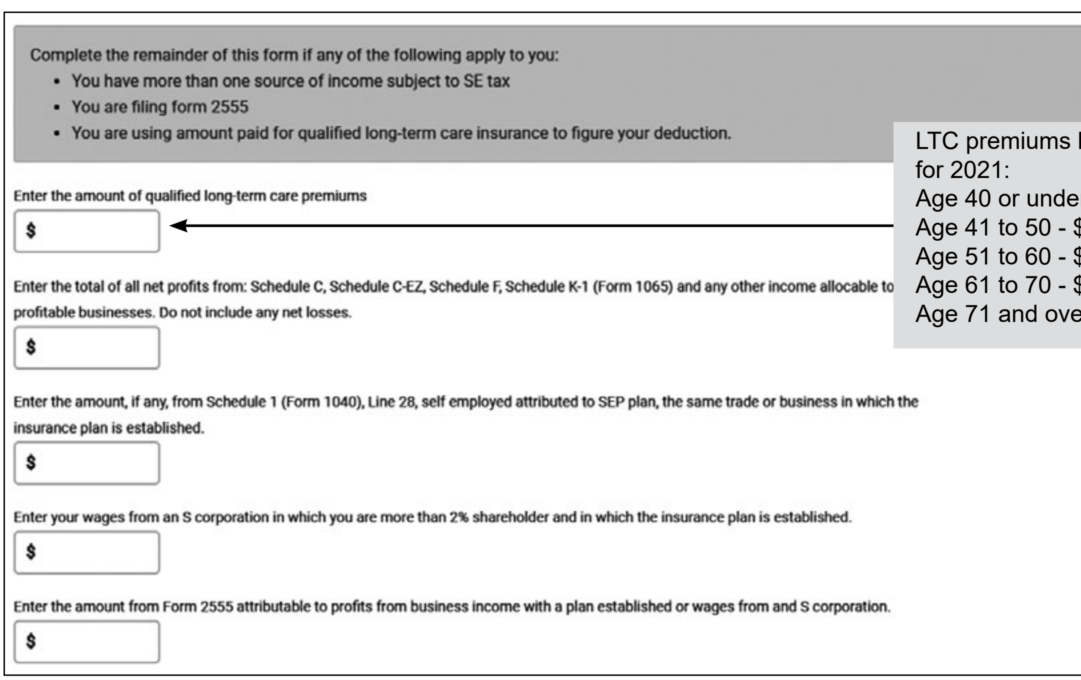


Enter total amount of premiums paid here for health insurance

Enter the net profit from Schedule C in the field below the insurance payment amounts (the adjustment amount cannot be greater than the net profit from the business). TaxSlayer will automatically subtract the adjustment for ½ of SE tax.

Note: For most returns (just one Schedule C) enter the qualifying health insurance and LTC insurance premiums (limit based on age) on the Schedule C - Expenses screen, under health insurance in the software (see Tab D, Income, Schedule C - General Expenses). TaxSlayer will automatically take any excess to Schedule A.

TaxSlayer Navigation: Federal Section >Deductions>Adjustments>Self-Employment Health Insurance



LTC premiums limited by age for 2021:
Age 40 or under - $450;
Age 41 to 50 - $850;
Age 51 to 60 - $1,690;
Age 61 to 70 - $4,520;
Age 71 and over -$5,640.

Note: Calculations with Premium Tax Credit are Out of Scope with respect to the self-employed health insurance deduction.

Note: For taxpayers who are itemizing deductions, test to see if claiming the health insurance on Schedule A yields a better result.

Health Saving Accounts (HSA)

Publication 4885

Screening Sheet for Health Savings Accounts (HSA)

IRS

Instructions: This Screening Sheet will help you identify HSA issues that are within the scope of the VITA/TCE program. Use the Determine HSA Eligibility section to determine if taxpayer is eligible for an HSA; use Part I for contributions/ deduction; use Part II for distributions. **References:** Publication 969, Form 8889 and Instructions

Determine HSA Eligibility (To set up an HSA or make contributions to an HSA)

TO QUALIFY: An individual must meet **ALL** the following requirements:

- Be covered under a high deductible health plan (HDHP) on the first day of any month of the year.
- Have no other health coverage except for allowable "other health coverage." (Publication 969, "Other health coverage")
- Not be claimed as a dependent on someone else's tax return. (Publication 969, "Qualifying for an HSA")
- Not be covered by Medicare (but the individual can be HSA eligible for the months before being covered by Medicare)

NOTE: If the taxpayer doesn't qualify, but contributions have been made to an HSA, the taxpayer should be referred to a professional tax preparer.

PART I – HSA Contributions and Deduction

STEP 1	If eligible, were contributions made to an HSA? (Does not include employer contributions.)	**YES** – Complete Form 8889, Part I, lines 1 and 2. Go to Step 2. **NO** – Go to Part II, below.
STEP 2	Was the taxpayer enrolled in the same HDHP coverage for the **entire** year? (Answer Yes, if last-month rule applies, and see Form 8889 Instructions) **Caution:** If line 2 is more than line 13, the taxpayer must withdraw the excess contribution to avoid an additional tax. If the excess is not timely withdrawn, refer the taxpayer to a professional tax preparer. (Refer to Form 8889 Instructions, line 13).	**YES** – Complete Form 8889, Part I, lines 3-13. **FOR YES AND NO: Lines 4 and 10 are Out of Scope.** **NO** – Refer to Form 8889 Instructions for additional information on completing line 3.

PART II – HSA Distributions

STEP 1	Did the taxpayer receive distributions from the HSA trustee (whether or not Form 1099-SA received)?	**YES** – Complete Form 8889 Part II, Line 14a, 14b, if applicable, and 14c. Go to Step 2. **NO** – STOP, do not complete Part II.
STEP 2	Did the taxpayer use all or part of the distribution to pay or get reimbursed for qualified medical expenses during the year that were incurred after the HSA was established **and** were for qualified persons?	**YES** – Enter the amount on line 15 and complete line 16. Go to Step 3. **NO** – Enter zero on line 15 and complete line 16. Go to Step 3.
STEP 3	If any part of the distribution is taxable, was the distribution made after the taxpayer died, became disabled or turned 65?	**YES** – Check box on line 17a and complete 17b. **NO** – Taxpayer will be subject to an additional 20% tax.

Health Saving Accounts (HSA) (continued)

TIP Don't rely on this document alone. Refer to HSA references to provide assistance.

How will you know if the taxpayer has an HSA issue?

- The Interview/Intake & Quality Review Sheet has the Yes or Unsure HSA box checked.
- The taxpayer's (or spouse's) Form W-2 will contain code W in box 12 for employer contributions.
- The taxpayer (or spouse) has a Form 1099-SA with an X in the box showing distributions from an HSA.
- The taxpayer (or spouse) may receive Form 5498-SA for their HSA contributions. If taxpayers don't have this form they can provide the information regarding HSA contributions based on their records.

CAUTION Contributions to an employee's account through a Section 125 (cafeteria) plan are treated as employer contributions and aren't deductible.

2021 Contribution Limits

Family Plan: $7,200
Self only Plan: $3,600
Add $1,000 if the owner is age 55 or over at end of year

Form 8889 - Health Savings Account

CANCEL CONTINUE

Form belongs to:

- Taxpayer
- Spouse

Add a second Form 8889 if taxpayer and spouse have separate HSAs.

Coverage under high deductible health plan. If you are no longer covered under a plan, please select your previous type of coverage *

-- Please Select --

Select the appropriate HDHP coverage for the taxpayer: Self-only or family. This determines the maximum HSA contribution limits.

Note: Use family coverage amount if taxpayer or spouse had an HDHP with family coverage.

The Check here if you and your spouse have separate HSAs box will appear when family coverage is selected. Check the box if BOTH spouses have a separate HSA.

HSA Contributions

HSA Contributions you made for 2020
* INCLUDE contributions made from Jan 1 to Apr 15 of this year that were for 2020.
* DO NOT INCLUDE employer contributions, contributions through a cafeteria plan, or amounts that were rolled over into your HSA(s).

$

Employee contributions are entered here. Contributions by relatives and friends are considered to be made by taxpayer. Don't include employer contributions on this line.

The account holder needs to tell you how much was put in the HSA, because the Form 5498-SA may not have been received prior to preparing the return.

Number of months during this tax year that you were an eligible individual

- Please Select -

Enter number of months you had a Health Savings Account, a high deductible policy and no other major medical policy (including Medicare) and could not be claimed as dependent. Enter "12" if "12 month rule" applies (you were eligible on December 1st).

Amount you and your employer contributed to your **Archer MSAs** for 2020 from **Form 8853**, lines 3 and 4. If you and your spouse had family coverage under an HDHP at any time during the tax year, also include any amount contributed to your spouse's **Archer MSA**.

$ Out of scope

Amount to Adjust Employer Contributions made to your HSA(s) for 2020
We will automatically pull your employer contributions from your W-2. DO NOT enter amounts from your W-2.

$

Qualified HSA Funding Distributions from IRA or ROTH IRA

$ Out of scope

Health Saving Accounts (HSA) (continued)

HSA Distributions

Total distributions received during 2020 from all HSAs.
(Usually shown in Box 1 of Form(s) 1099-SA)

$

Enter HSA distributions here. Ask the taxpayer for Form 1099-SA, with the HSA box checked. If not an HSA distribution, refer the taxpayer to a professional tax preparer.

Distributions used for qualified medical expenses
* If you do not enter an amount here your entire distribution will be considered taxable.

$

Enter amount spent on qualifying expenses not reimbursed by insurance. See list below.

Distributions you received in 2020 that you rolled over into another HSA. Also include any excess contributions (and the earnings on those excess contributions) included above that were withdrawn by the due date of your return.

$

Form 8889 will calculate the amount of excess contributions, if any.

CAUTION If the excess contributions and earnings are not withdrawn by the due date of the return, including extensions, then the return is out of scope.

Exceptions - The additional 20% tax does not apply to distributions made after the account beneficiary dies, becomes disabled, or turns age 65.

☐ Check here if you meet any of the exceptions to the 20% tax.

If the taxpayer meets one of exceptions to the 20% additional tax, check this box. The exceptions are that the account beneficiary dies, becomes disabled, or turns age 65.

HSA Adjustments

If no adjustments to calculated amounts are needed, stop here.

Limitation - Adjust amount of limitation from worksheet (entries here carry to Line 3 of 8889)
Note: This amount will adjust a calculated amount.

$

If both taxpayer and spouse had an HSA for the whole year, enter $7,200 in 1st adjustment box. If account owner had changes in coverage or eligibility during the year, use the worksheet in the Instructions for Form 8889 to calculate the adjustment.

Adjust your share of high-deductible health plan. If you and your spouse had separate HSAs AND had family coverage under an HDHP, see Page 4 of the Instructions for the amount to enter.
Note: This amount will adjust a calculated amount.

$

If both taxpayer and spouse had an HSA and taxpayers wish to split the limitation amount, enter the limitation amount for this account.

If you were age 55 or older at the end of the tax year, married, AND you or your spouse had family coverage under an HDHP at any time during the year, enter your Additional Contribution Amount. (entries here carry to Line 7 of 8889)
Note: This amount will adjust a calculated amount.

$

An entry is not needed in the age 55 or older box. This is a calculated amount.

Qualifying Medical Expenses:

Except for health insurance premiums, qualifying expenses include all medical and dental expenses deductions allowed on Schedule A. Additional items are considered "qualified medical expenses" and may be reimbursed by HSAs, Archer MSAs, Health FSAs, and HRAs. Specifically, the cost of menstrual care products is now reimbursable. These products are defined as tampons, pads, liners, cups, sponges or other similar products. In addition, over-the-counter products and medications are now reimbursable without a prescription. The purchase of personal protective equipment (PPE), such as masks, hand sanitizer and sanitizing wipes, for the primary purpose of preventing the spread of coronavirus are also eligible to be paid or reimbursed. The cost of home testing for COVID-19 is also an eligible medical expense.

Only these insurance premiums can be included:

a. Long-term care insurance premiums subject to limits see Tab F, Deductions.
b. Health care continuation coverage such as coverage under COBRA,
c. Health care coverage while receiving unemployment compensation, and
d. Medicare and other health care coverage if the taxpayer was 65 or older (other than premiums for a Medicare supplemental policy, often called Medigap coverage).

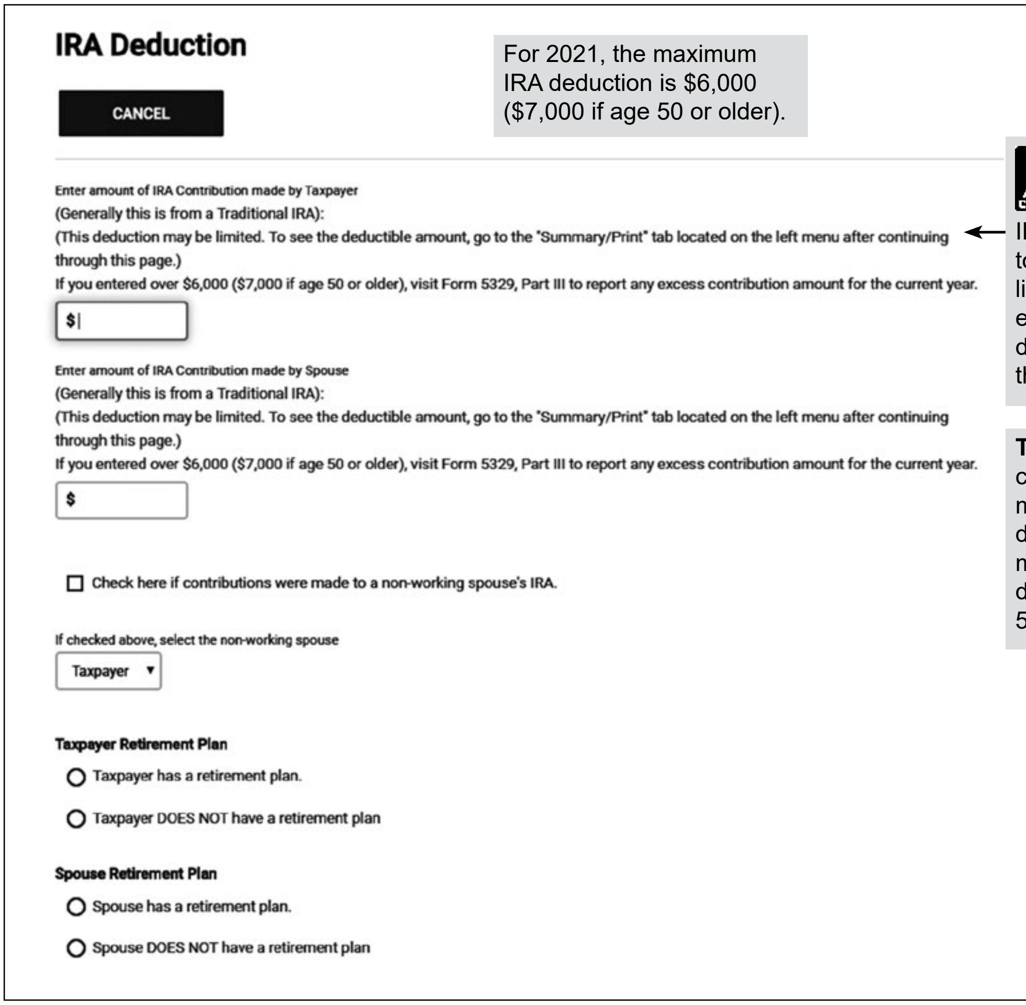
Alimony Requirements (Instruments Executed After 1984 and Before 2019)

Payments ARE defined as alimony if <u>all</u> of the following are true:	**Payments AREN'T alimony if <u>any</u> of the following are true:**
Payments are required by a divorce or separation instrument.	Payments aren't required by a divorce or separation instrument.
Payer and recipient spouse don't file a joint return with each other.	Payer and recipient spouse file a joint return with each other.
Payment is in cash or cash equivalents (including checks or money orders).	Payment is: • Not in cash, • A noncash property settlement, • Spouse's part of community income, or • To keep up the payer's property.
Payment isn't designated in the instrument as not alimony.	Payment is designated in the instrument as not alimony.
Spouses legally separated under a decree of divorce or separate maintenance aren't members of the same household.	Spouses legally separated under a decree of divorce or separate maintenance are members of the same household.
Payments aren't required after death of the recipient spouse.	Payments are required after death of the recipient spouse.
Payment isn't treated as child support.	Payment is treated as child support.
These payments are deductible by the payer and includible in income by the recipient.	These payments are neither deductible by the payer nor includible in income by the recipient.

Note: Alimony paid pursuant to a divorce or separation instrument executed on or before December 31, 2018, is deductible. Divorce or separation agreements executed after Dec 31, 2018, or executed before 2019 but later modified if the modification expressly states the repeal of the deduction for alimony payments applies to the modification, are not deductible for the spouse who makes the payments and will not be included in income for the spouse that receives the payment.

IRA Deduction

TaxSlayer Navigation: Federal Section >Deductions >Adjustments>IRA deductions


IRA Deduction

CANCEL

Enter amount of IRA Contribution made by Taxpayer
(Generally this is from a Traditional IRA):
(This deduction may be limited. To see the deductible amount, go to the "Summary/Print" tab located on the left menu after continuing through this page.)
If you entered over $6,000 ($7,000 if age 50 or older), visit Form 5329, Part III to report any excess contribution amount for the current year.

$

Enter amount of IRA Contribution made by Spouse
(Generally this is from a Traditional IRA):
(This deduction may be limited. To see the deductible amount, go to the "Summary/Print" tab located on the left menu after continuing through this page.)
If you entered over $6,000 ($7,000 if age 50 or older), visit Form 5329, Part III to report any excess contribution amount for the current year.

$

☐ Check here if contributions were made to a non-working spouse's IRA.

If checked above, select the non-working spouse

Taxpayer ▾

Taxpayer Retirement Plan

○ Taxpayer has a retirement plan.

○ Taxpayer DOES NOT have a retirement plan

Spouse Retirement Plan

○ Spouse has a retirement plan.

○ Spouse DOES NOT have a retirement plan

For 2021, the maximum IRA deduction is $6,000 ($7,000 if age 50 or older).

CAUTION If the total of traditional and Roth IRA contributions exceed the lesser of total compensation or the allowable limit, the taxpayer must withdraw the excess plus earnings before the filing deadline. If not, a penalty will apply and the return will be Out of Scope.

TIP: If a taxpayer receives difficulty of care payments, then those amounts may increase the amount of nondeductible IRA contributions he/she can make but not above the $6,000 IRA deductible amount ($7,000 if you are 50 or older).

Note: Starting in 2020, the long-standing 70½ age limit for making contributions to traditional IRAs is eliminated. Contributions for the current tax year can be made until the filing deadline, generally April 15 of the year following the tax year. Your filing status has no effect on the amount of allowable contributions to your traditional IRA. However, if during the year either you or your spouse was covered by a retirement plan at work, your deduction may be reduced or eliminated, depending on your filing status and income. See Publication 590-A, Contributions to Individual Retirement Arrangements, for details.

Note: Compensation for purposes of an IRA contribution includes wages, salaries, commissions, net profit from self-employment, taxable alimony and separate maintenance, certain taxable non-tuition fellowship and stipend payments and nontaxable combat pay.

Note: Contributions to a Roth IRA can be made after taxpayer reaches 70½, but no deduction can be taken.

TaxSlayer Hint: If the taxpayer made a Traditional IRA contribution, select Adjustments from the Deductions menu, then select IRA Deduction. Don't enter a Roth IRA contribution on this screen. Enter it in the Credits section. If eligible, the software will calculate a Retirement Savings Contributions Credit. Be sure to enter any applicable retirement plan distributions. See Tab G, Nonrefundable Credits for more information on this credit.

Student Loan Interest Deduction at a Glance

TaxSlayer Navigation: Federal section >Deductions >Adjustments>Student Loan Interest Deduction

This table is only an overview of the rules. For details see Publication 970, Tax Benefits for Education.

Feature	Description
Maximum benefit	You can reduce your income subject to tax by up to $2,500.
Loan qualifications	Your student loan: Taxpayer must be legally liable for the loan. • must have been taken out solely to pay education expenses, and • can't be from a related person or made under a qualified employer plan.
Student qualifications	The student must be: • you, your spouse, or a person who was your dependent when you took out the loan, or would've been your dependent except you were a dependent, or had gross income over the exemption amount, or filed MFJ. • enrolled at least half-time in a program leading to a degree, certificate or other recognized educational credential.
Time limit on deduction	You can deduct interest paid during the remaining period of your student loan.
Phaseout	The amount of your deduction depends on your modified adjusted gross income and filing status.

If student loan interest is paid by someone who isn't legally liable for it, the payment is treated as received by the person who's legally liable, and the person legally liable is allowed to take the adjustment. Student loan interest is generally reported to the taxpayer on Form 1098-E. For payments made after March 27, 2020, and before January 1, 2026, do not deduct as interest on a student loan any interest paid by your employer under an educational assistance program.

Note: Taxpayer cannot claim deduction if filing status is Married Filing Separately or if the taxpayer or spouse (if MFJ) is claimed as a dependent.

Student Loan Interest

The SECURE Act of 2019 allows a distribution from a Section 529 education savings account of up to $10,000 total (not annually) to be applied to the principal or interest for any qualified student loan for the designated beneficiary or sibling of the designated beneficiary effective for distributions made after December 31, 2018.

Note: Any interest paid with a Section 529 plan distribution cannot also be taken as a student loan adjustment to income on Form 1040.

Notes

Tab F: Deductions

Standard Deduction

This chart provides the standard deduction amounts for tax year 2021.

Standard Deduction Chart for Most People*	
If the taxpayer's filing status is...	Your standard deduction is ...
Single or married filing separate return	$12,550
Married filing joint return or qualifying widow(er) with dependent child	$25,100
Head of household	$18,800

*Don't use this chart if the taxpayer was born before January 2, 1957, or is blind, or if someone can claim the taxpayer as a dependent (or their spouse if married filing jointly). (See the chart on the following page.)

Persons Not Eligible for the Standard Deduction

Your standard deduction is zero and you should itemize any deductions you have if:

- Your filing status is married filing separately, and your spouse itemizes deductions on his or her return. It doesn't matter who files first.
- You are filing a tax return for a short tax year because of a change in your annual accounting period (Out of Scope)
- You are a nonresident or dual-status alien during the year. You are considered a dual-status alien if you were both a nonresident and resident alien during the year (Out of Scope).
- If you are a nonresident alien who is married to a U.S. citizen or resident alien at the end of the year, you can choose to be treated as a U.S. resident. (See Publication 519, U.S. Tax Guide for Aliens.) If you make this choice, you can take the standard deduction.

Note: If you can be claimed as a dependent on another taxpayer's return (such as your parents' return), your standard deduction may be limited.

Note: The deduction for charitable contributions by taxpayers who do not itemize was modified by the Taxpayer Certainty and Disaster Tax Relief Act of 2020. For tax year 2021, married couples filing a joint return may deduct cash contributions up to $600 (all other filers are limited to $300). Cash contributions include those made by check, credit card or debit card as well as amounts incurred by an individual for unreimbursed out-of-pocket expenses in connection with the individual's volunteer services to a qualifying charitable organization. Cash contributions don't include the value of volunteer services, securities, household items or other property. Additionally, the deduction does not reduce adjusted gross income.

Standard Deduction (continued)

Standard Deduction Chart for People Born Before January 2, 1957, or Who are Blind
Don't use this chart if someone can claim you (or your spouse if filing jointly) as a dependent.
Use the second worksheet below.

Standard Deduction Chart for People Who Were Born Before January 2, 1957, or Were Blind

Don't use this chart if someone can claim you, or your spouse if filing jointly, as a dependent. Instead, use the worksheet above.

☐ You were born before January 2, 1957
☐ You are blind
☐ Spouse was born before January 2, 1957
☐ Spouse is blind

Blind is defined in Tab R, Glossary and Index

Enter the total number of boxes checked . . . . ▶ ☐

IF your filing status is . . .	AND the number in the box above is . . .	THEN your standard deduction is . . .
Single	1 2	$14,250 15,950
Married filing jointly	1 2 3 4	$26,450 27,800 29,150 30,500
Qualifying widow(er)	1 2	$26,450 27,800
Married filing separately	1 2 3 4	$13,900 15,250 16,600 17,950
Head of household	1 2	$20,500 22,200

Standard Deduction Worksheet for Dependents

Use this worksheet only if someone else can claim you (or your spouse if filing jointly) as a dependent.

1. Check if:
☐ You were born before January 2, 1957
☐ You are blind
☐ Spouse was born before January 2, 1957
☐ Spouse is blind
} Total number of boxes checked . . . . **1.** ________

2. Is your **earned income*** more than $750?
☐ **Yes.** Add $350 to your earned income, Enter the total
☐ **No.** Enter $1,100
} . . . . **2.** ________

3. Enter the amount shown below for your filing status.
- Single or married filing separately**— $12,550
- Married filing jointly— $25,100
- Head of household— $18,800

} . . . . **3.** ________

4. Standard deduction.

a. Enter the **smaller** of line 2 or line 3. If born after January 1, 1957, and not blind, **stop here** and enter this amount on Form 1040 or Form 1040-SR, line 12a. Otherwise go to line 4b . . . . **4a.** ________

b. If born before January 2, 1957, or blind, multiply the number on line 1 by $1,350 ($1,700 if single or head of household) . . . . **4b.** ________

c. Add lines 4a and 4b. Enter the total here and on Form 1040 or 1040-SR, line 12a. . . . . **4c.** ________

** **Earned income** includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any taxable scholarship or fellowship grant. Generally, your earned income is the total of the amount(s) you reported on Form 1040, line 1, and Sch 1 - line 3 business inc or (loss); line 6 farm inc or (loss); minus the amount, if any, on Schedule 1, line 14.*

*** **Married Filing Separately** – You can check the boxes for "Your spouse" if your filing status is married filing separately and your spouse had no income, isn't filing a return, and can't be claimed as a dependent on another person's return.*

Interview Tips – Itemized Deductions

These interview tips will assist you in determining whether a taxpayer's itemized deductions are more than their standard deduction amount. It may be more advantageous for a taxpayer to itemize their deductions if the amount is larger than the allowable standard deduction amount.

step 1	Do you have expenses in the following categories: medical and dental expenses, taxes you paid, home mortgage interest you paid, gifts to charity, gambling losses and expenses incurred in gambling activities (to the extent of gambling winnings) and work related expenses for disabled individuals that enables them to work. **Note:** Casualty and theft losses are beyond the scope of VITA/TCE.	If **YES**, go to Step 2. If **NO**, generally speaking, you should take the standard deduction if eligible. For further explanation see exceptions in Publication 502, Medical and Dental Expenses.
step 2	Were the medical and dental expenses paid by an employer under a pre-tax plan (not included in Box 1 of the taxpayer's Form W-2) or were the expenses reimbursed by an insurance company?	If **YES**, you can't deduct reimbursed expenses. Go to Step 4. If **NO**, you can claim these expenses. Go to Step 3.
step 3	Were the medical and dental expenses more than 7.5% of your adjusted gross income? **Note:** You can include medical and dental bills you paid for: • Yourself and your spouse • All dependents you claim on your return • Your child whom you don't claim as a dependent because of the rules for children of divorced or separated parents • Any person you could have claimed as a dependent on your return except that person received $4,300 or more of gross income or filed a joint return • Any person you could have claimed as a dependent except that you, or your spouse if filing jointly, can be claimed as a dependent on someone else's 2021 return	If **YES**, you can claim qualified expenses. Go to Step 4. If **NO**, you can't deduct these expenses. Go to Step 4.
step 4	Were the following taxes you paid imposed on you: state and local general sales tax, state or local income tax, real or personal property taxes? **Note:** The total amount of these taxes is limited to $10,000 ($5,000 MFS) per return.	If **YES**, go to Step 5. If **NO**, you can't claim this expense as a deduction because you weren't obligated to pay the taxes. Go to Step 6.
step 5	Did you pay these taxes during this tax year?	If **YES**, you can claim these expenses and go to Step 6. If **NO**, you can't deduct taxes for this year that were paid in another year. Go to Step 6.
step 6	Are you legally liable for a home mortgage loan?	If **YES**, go to Step 7. If **NO**, you can't take an interest expense for a mortgage for which you aren't legally liable. Go to Step 13.

Interview Tips – Itemized Deductions (continued)

step 7	Was the mortgage a secured debt on a main or second home?	If **YES**, go to Step 8. If **NO**, you can't take an interest expense. Go to Step 13.
step 8	Did you pay the mortgage interest in this tax year?	If **YES**, go to Step 9. If **NO**, you can't take the mortgage interest deduction. Go to Step 13.
step 9	Did you take out the mortgage on or before October 13, 1987?	If **YES**, your mortgage interest is fully deductible. Go to Step 10. If **NO**, follow the flowchart, "Is My Home Mortgage Interest Fully Deductible" in Publication 936, Home Mortgage Interest Deduction, to determine what is deductible. Go to Step 13.
step 10	Did you pay premiums in 2021 for qualified mortgage insurance for a home acquisition debt that was issued afer 2006?	If **YES**, you can take a deduction for qualified mortgage insurance as home mortgage interest with AGI limitations. If **NO**, you can't take a deduction for qualified mortgage insurance as home mortgage interest. Go to Step 11.
step 11	Did you pay points to obtain a home mortgage (on a main home or second home or home improvement loan or to refinance your home)?	If **YES**, follow the "Are My Points Fully Deductible This Year" flowchart in Publication 936 and then go to Step 12. See **Note 1**. If **NO**, go to Step 12.
step 12	Did you have home equity interest that was used to buy, build, or improve your home?	If **YES**, your home equity interest is deductible. If **NO**, go to Step 13.
step 13	Did you make a cash contribution to a qualified organization?	If **YES**, you must have a written record from that particular organization, and then go to Step 14. If **NO**, go to Step 14.
step 14	Did you make a noncash donation to a qualified organization? **Note:** Generally the value of a donation is the lesser of your cost or fair market value.	If **YES**, advise the taxpayer that generally he or she must have a written receipt from that particular organization. Go to Step 15. See **Note 2**. If **NO**, Go to Step 15.
step 15	Is the total of all noncash donations $500 or less?	If **YES**, see **Note 3** for more details. If **NO**, this is beyond the scope of VITA/TCE unless certified in Military. Refer taxpayer to a professional tax preparer.

Note 1: If you refinanced in an earlier year, and weren't eligible to take all the points in that year, you can add in this year's portion of those prior year points.

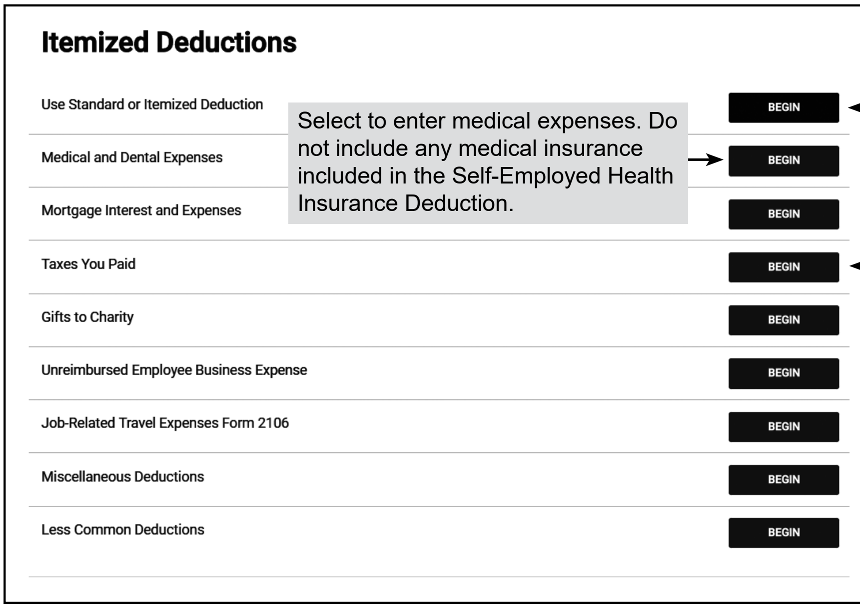
Note 2: For noncash donations less than $250, you are not required to have a receipt where it is impractical to get one (for example if you leave property at a charity's unattended drop site).

Note 3: For more details on charitable contributions, see Publication 526, Charitable Contributions. To search for qualified organizations see **www.irs.gov/TEOS**.

Note 4: A Homeowner Assistance Fund (HAF) payment is a qualified disaster relief payment and is not included in the homeowner's gross income. Eligible homeowners who received a Homeowner Assistance Fund (HAF) payment may use a safe harbor to calculate the homeowner's itemized deduction for qualified mortgage interest expenses and/or qualified real property tax expenses, as applicable. See **Revenue Procedure 2021-47** details.

Schedule A – Itemized Deductions

TaxSlayer Navigation: Federal Section>Deductions>Itemized Deductions>Medical and Dental Expenses



Select to enter medical expenses. Do not include any medical insurance included in the Self-Employed Health Insurance Deduction.

If MFS and spouse itemizes, taxpayer must also itemize. Standard deduction can't be used. It doesn't matter which spouse files first. Select "Use Standard or Itemized Deduction" then select the option "Must itemize because spouse itemized."

Select to enter taxes not entered elsewhere in the software.

TIP Personal protective equipment, such as masks, hand sanitizer and sanitizing wipes, for the primary purpose of preventing the spread of coronavirus are deductible medical expenses. The cost of home testing for COVID-19 is also an eligible medical expense

Schedule A Deductible and Nondeductible Medical Expenses

You can include:

- Bandages
- Birth control pills prescribed by your doctor
- Body scan
- Braille books
- Breast pump and supplies
- Capital expenses for equipment or improvements to your home needed for medical care (see Worksheet A, Capital Expense Worksheet, in Pub. 502)
- Diagnostic devices
- Expenses of an organ donor
- Eye surgery (to promote the correct function of the eye)
- Fertility enhancement, certain procedures
- Guide dogs or other animals aiding the blind, deaf, and disabled
- Hospital services fees (lab work, therapy, nursing services, surgery, etc.)
- Lead-based paint removal
- Legal abortion
- Legal operation to prevent having children such as a vasectomy or tubal ligation
- Long-term care contracts, qualified
- Meals and lodging provided by a hospital during medical treatment
- Medical services fees (from doctors, dentists, surgeons, specialists, and other medical practitioners)
- Medicare Part D premiums
- Medical and hospital insurance premiums
- Nursing services
- Oxygen equipment and oxygen
- Part of life-care fee paid to retirement home designated for medical care
- Physical examination
- Pregnancy test kit
- Prescription medicines (prescribed by a doctor) and insulin
- Psychiatric and psychological treatment
- Social security tax, Medicare tax, FUTA, and state employment tax for worker providing medical care (see Wages for nursing services below)
- Special items (artificial limbs, false teeth, eyeglasses, contact lenses, hearing aids, crutches, wheelchair, etc.)
- Special education for mentally or physically disabled persons
- Stop-smoking programs
- Transportation for needed medical care
- Treatment at a drug or alcohol center (includes meals and lodging provided by the center)
- Wages for nursing services
- Weight loss, certain expenses for obesity

You can't include:

- Baby sitting and childcare
- Bottled water
- Contributions to Archer MSAs (see Pub. 969)
- Diaper service
- Expenses for your general health (even if following your doctor's advice) such as——Health club dues—Household help (even if recommended by a doctor)—Social activities, such as dancing or swimming lessons—Trip for general health improvement
- Flexible spending account reimbursements for medical expenses (if contributions were on a pre-tax basis)
- Funeral, burial, or cremation expenses
- Health savings account payments for medical expenses
- Operation, treatment, or medicine that is illegal under federal or state law
- Life insurance or income protection policies, or policies providing payment for loss of life, limb, sight, etc.
- Maternity clothes
- Medical insurance included in a car insurance policy covering all persons injured in or by your car
- Medicine you buy without a prescription
- Nursing care for a healthy baby
- Prescription drugs you brought in (or ordered shipped) from another country, in most cases
- Nutritional supplements, vitamins, herbal supplements, "natural medicines," etc., unless recommended by a medical practitioner as a treatment for a specific medical condition diagnosed by a physician
- Surgery for purely cosmetic reasons
- Toothpaste, toiletries, cosmetics, etc.
- Teeth whitening
- Weight-loss expenses not for the treatment of the treatment of obesity or other disease

CAUTION You can't include in medical expenses amounts you pay for controlled substances that aren't legal under federal law, even if such substances are legalized by state law.

Schedule A - Itemized Deductions (continued)

Schedule A - Medical Deductions

CANCEL

Taxpayers can deduct only the amount of unreimbursed medical and dental expenses that exceed 7.5% of their Adjusted Gross Income (AGI).

CONTINUE

Medical and dental insurance

$

If taxpayer has medical insurance through the Marketplace, remember to adjust the total premium after the PTC is calculated.

Note: We automatically pull over the following

- Medicare premiums paid on your SSA-1099 (Social Security) and RRB-1099.
- Self employed health insurance you have already entered.
- Do not include medical/dental premiums deducted from your pay through a cafeteria plan (pre-taxed).

Amount paid to doctors/dentists $

Prescriptions $

X-Rays, lab work, etc $

Nursing help (not for healthy baby or housework) $

Hospital care (including meals and lodging) $

Medical aids (hearing aids, crutches, wheelchairs, etc) $

Medical mileage driven (in miles)

Other medical expenses $

To enter multiple expenses of a single type, click on the small calculator icon beside the line. Enter the first description, the amount, and Continue. Enter the information for the next item. They will be totaled on the input line and carried to Schedule A.

Enter number of miles. Standard mileage rate for medical purposes is 16 cents per mile.

Add/Edit Qualified Long-Term Care Premiums

ADD PREMIUMS

CANCEL

CONTINUE

Qualified long-term care premiums up to the amounts shown below can be included as medical expenses on Schedule A, or in calculating the self-employed health insurance deduction.

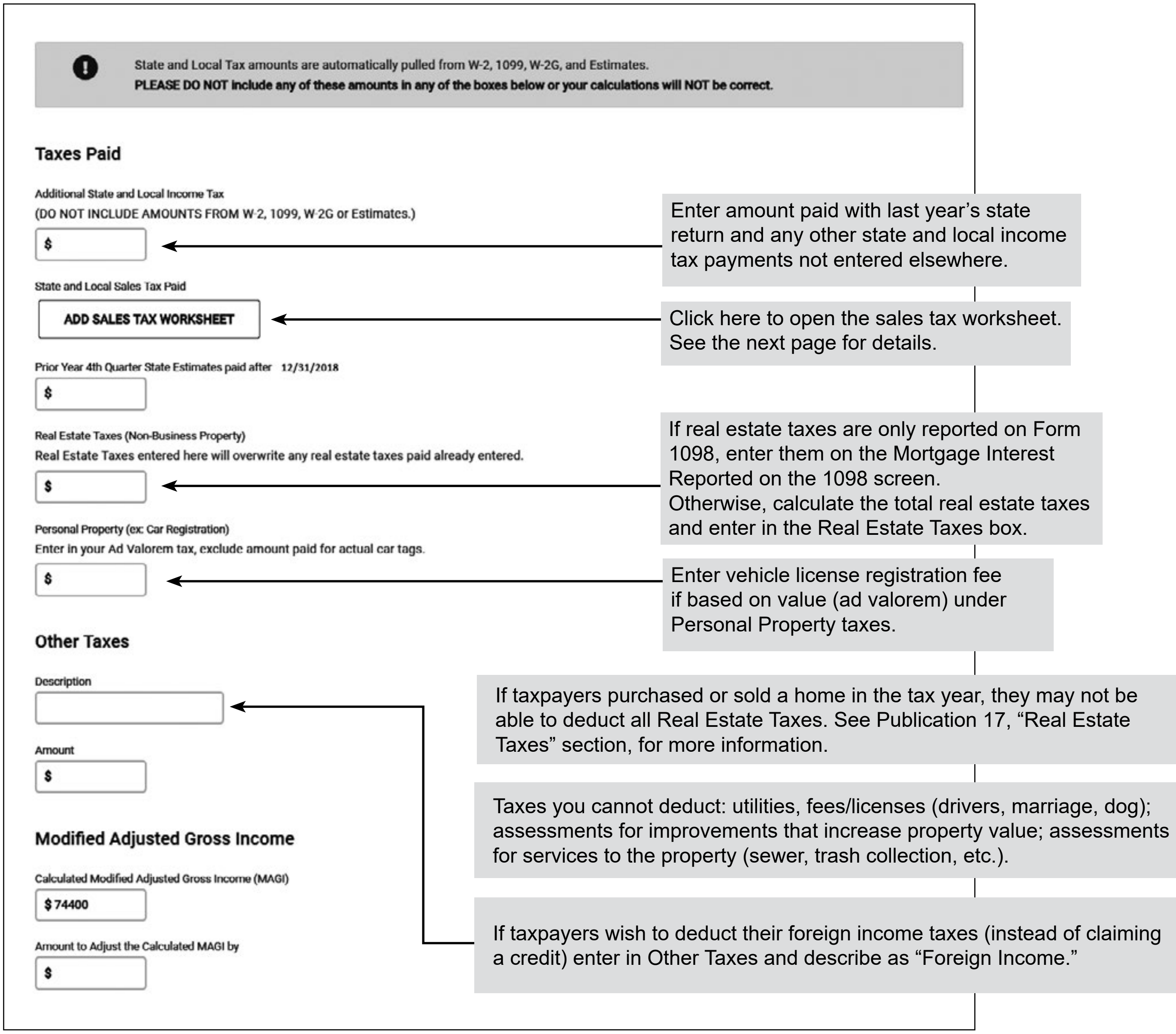
- Age 40 or under: $450
- Age 41 to 50: $850
- Age 51 to 60: $1,690
- Age 61 to 70: $4,520
- Age 71 and over: $5,640

The limit on premiums is for each person.

Note: Medical and dental floor percentage is 7.5%. Some senior residences (nursing homes) have an amount in the monthly cost which is a medical expense. Taxpayers can include in medical expenses the cost of medical care in a nursing home, home for the aged or similar institution. This includes the cost of meals and lodging if the principal reason for being there is to get medical care.

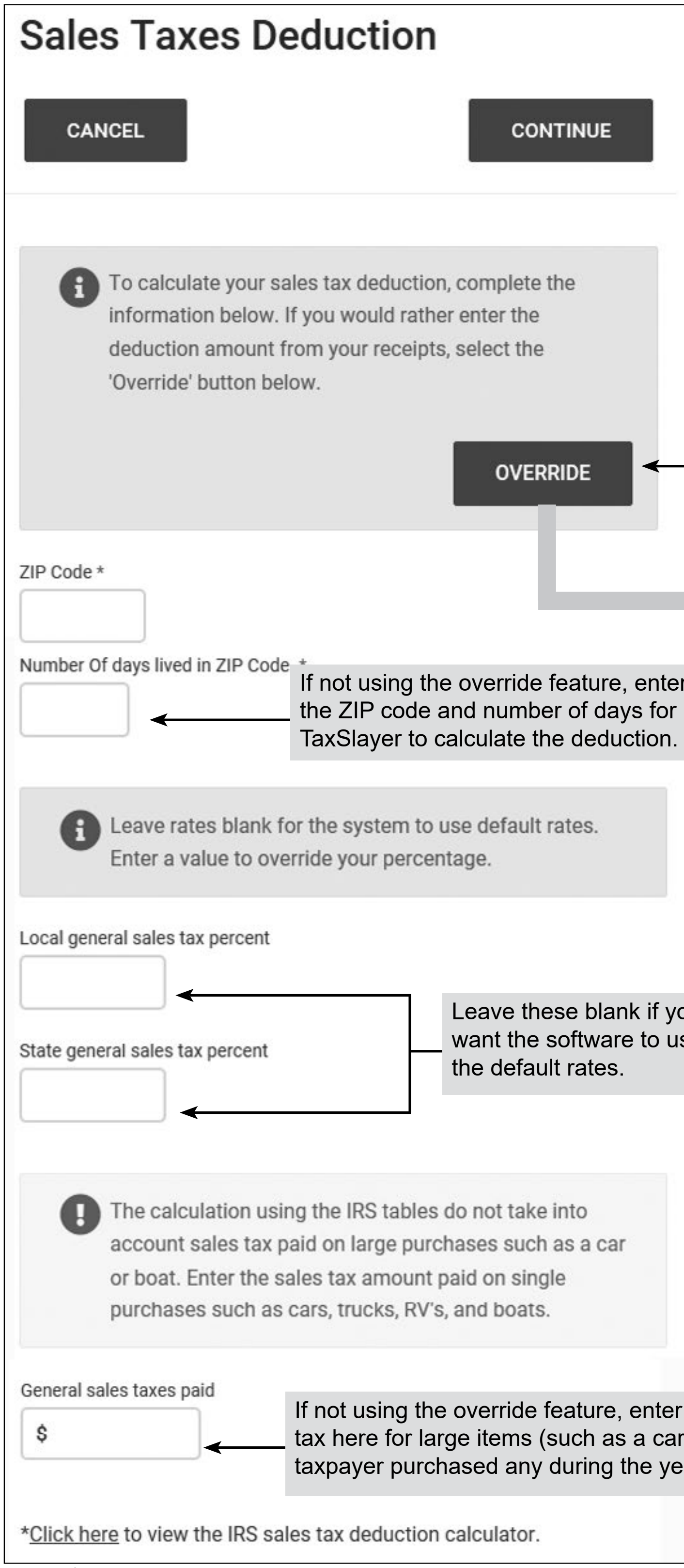
Schedule A - Taxes You Paid

The itemized deduction for state and local taxes and sales and property taxes is limited to a combined, total deduction of $10,000 ($5,000 if Married Filing Separately).

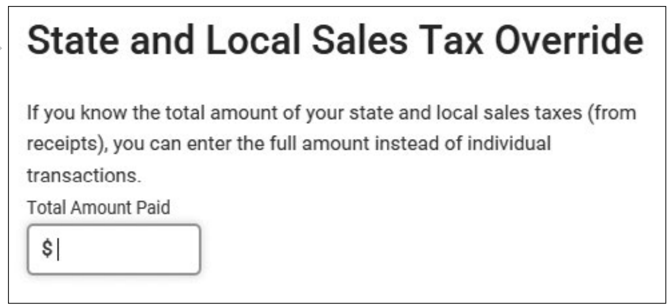


Note: The following items aren't deductible on Schedule A: Federal income and excise taxes, Social Security or Medicare taxes, federal unemployment (FUTA), railroad retirement taxes (RRTA), customs duties, federal gift taxes, per capita taxes, or foreign real property taxes.

Schedule A - Sales Tax Deduction



If the taxpayer has a large amount of nontaxable income, calculate their sales tax deduction using the IRS sales tax deduction calculator. See the link to the IRS sales tax deduction calculator at the bottom of the page. The calculator adds nontaxable income to AGI to give the taxpayer a larger sales tax deduction. Use the override button to enter the amount calculated.



Note: If using the override feature, leave all other fields on the Sales Tax Deduction screen blank.

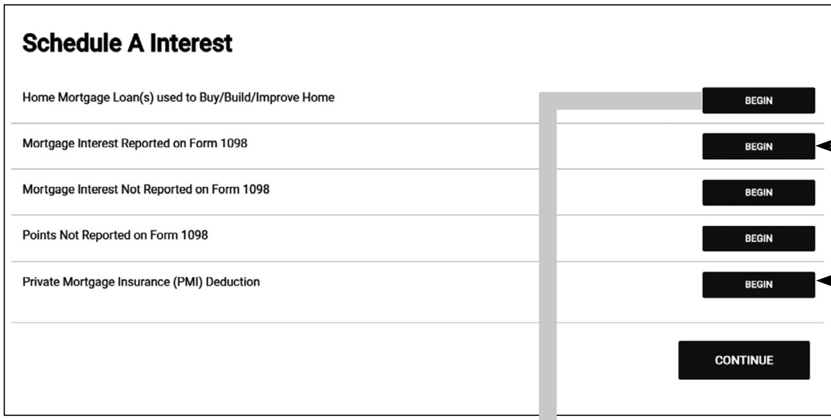
If not using the override feature, enter the ZIP code and number of days for TaxSlayer to calculate the deduction.

Leave these blank if you want the software to use the default rates.

If not using the override feature, enter sales tax here for large items (such as a car) if the taxpayer purchased any during the year.

Link to the IRS sales tax deduction calculator.

Schedule A - Itemized Deductions (continued)

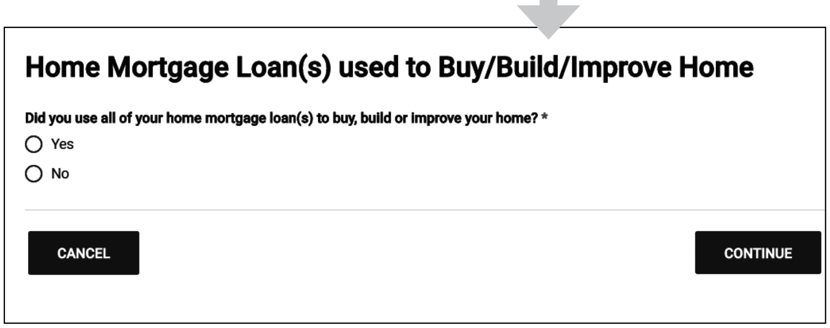


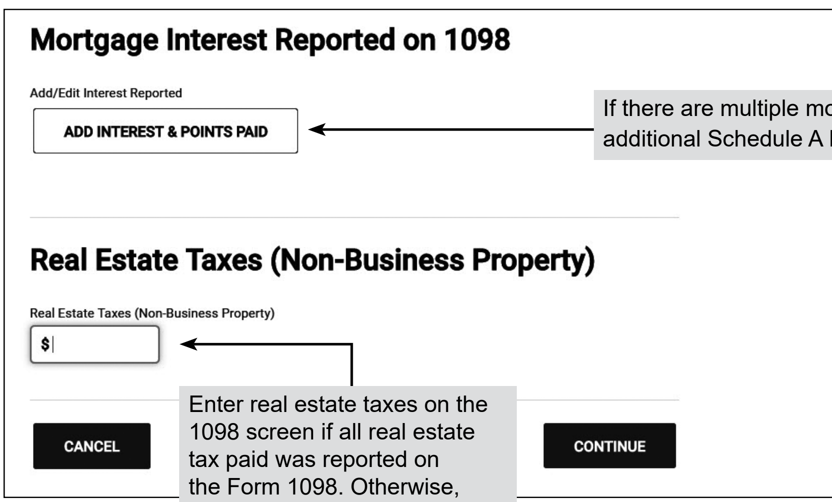
Select for mortgage interest reported on Form 1098. Enter amount from Form 1098, Box 1 (and Box 2, if applicable).

Private mortgage insurance premiums are deductible for 2021 and should be entered on the Schedule A Interest screen in TaxSlayer.

Note: The deduction for home equity debt is disallowed as a mortgage interest deduction unless the home equity debt was used to build, buy, or substantially improve the taxpayer's qualified residence.

Note: A reverse mortgage is a loan where the lender pays you (in a lump sum, a monthly advance, a line of credit, or a combination of all three) while you continue to live in your home. With a reverse mortgage, you retain title to your home. Depending on the plan, your reverse mortgage becomes due with interest when you move, sell your home, reach the end of a preselected loan period, or die. Because reverse mortgages are considered loan advances and not income, the amount you receive isn't taxable. Any interest (including original issue discount) accrued on a reverse mortgage is considered interest on home equity debt and isn't deductible.





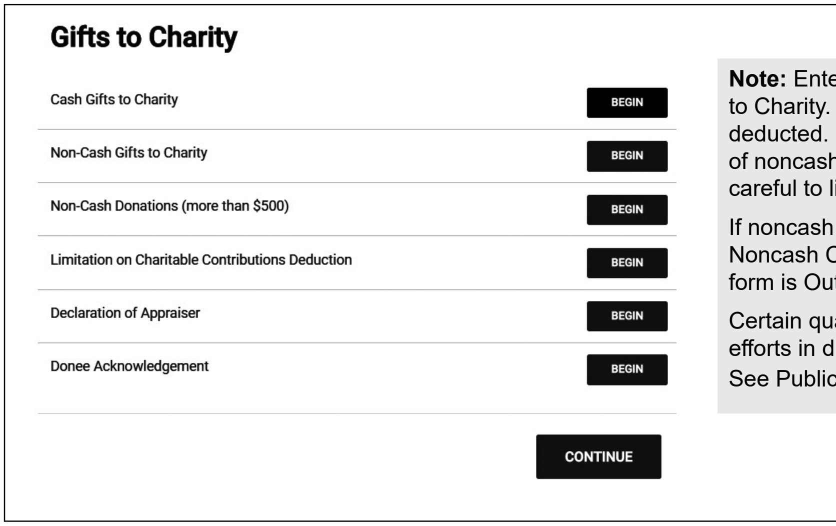
If there are multiple mortgages, make additional Schedule A Interest entries.

Enter real estate taxes on the 1098 screen if all real estate tax paid was reported on the Form 1098. Otherwise, enter on the Other Taxes Paid screen.

For mortgage acquisition debt secured after December 15, 2017, the amount of interest you can deduct is on no more than $750,000 of debt used to buy, build, or substantially improve your principal home and a second home ($375,000 in the case of married taxpayers filing separate tax returns) for tax years 2018 through 2025. If the taxpayer secured a mortgage for acquisition debt on or before December 15, 2017, the new tax law doesn't change the amount of the deductible mortgage interest. Deductible interest remains limited to mortgage interest on up to $1 million ($500,000 MFS).

Points from refinancing must be spread over the life of the mortgage unless used to remodel (see section in Publication 936, Home Mortgage Interest Deduction, labeled "Points"). Enter loan origination fee from closing statement as points not reported on Form 1098 if not included as points on Form 1098.

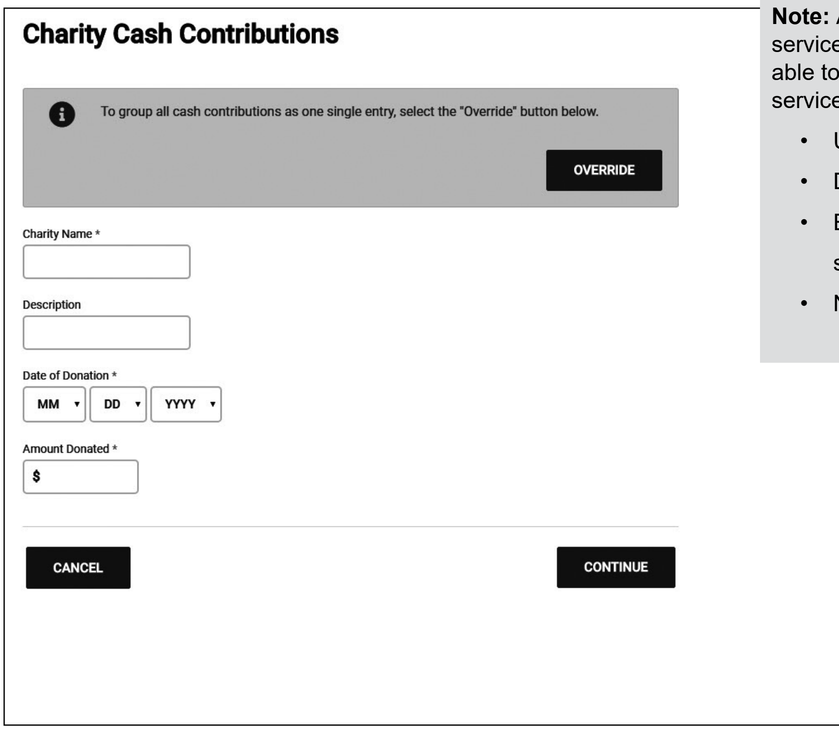
Schedule A - Itemized Deductions (continued)



Note: Enter amounts given by cash or check under Cash Gifts to Charity. For 2021 contributions up to 100% of AGI may be deducted. See Publication 526 for definitions. Enter the value of noncash items donated under Noncash Gifts to Charity. Be careful to list them separately.

If noncash contributions are greater than $500, Form 8283, Noncash Charitable Contributions must be completed and this form is Out of Scope (In Scope for Military certification).

Certain qualified contributions made for relief efforts in disaster areas are not subject to the AGI limitation. See Publication 976, Disaster Relief.



Note: Although you can't deduct the value of your services given to a qualified organization, you may be able to deduct some volunteer expenses you pay in giving services to a qualified organization. The amounts must be:

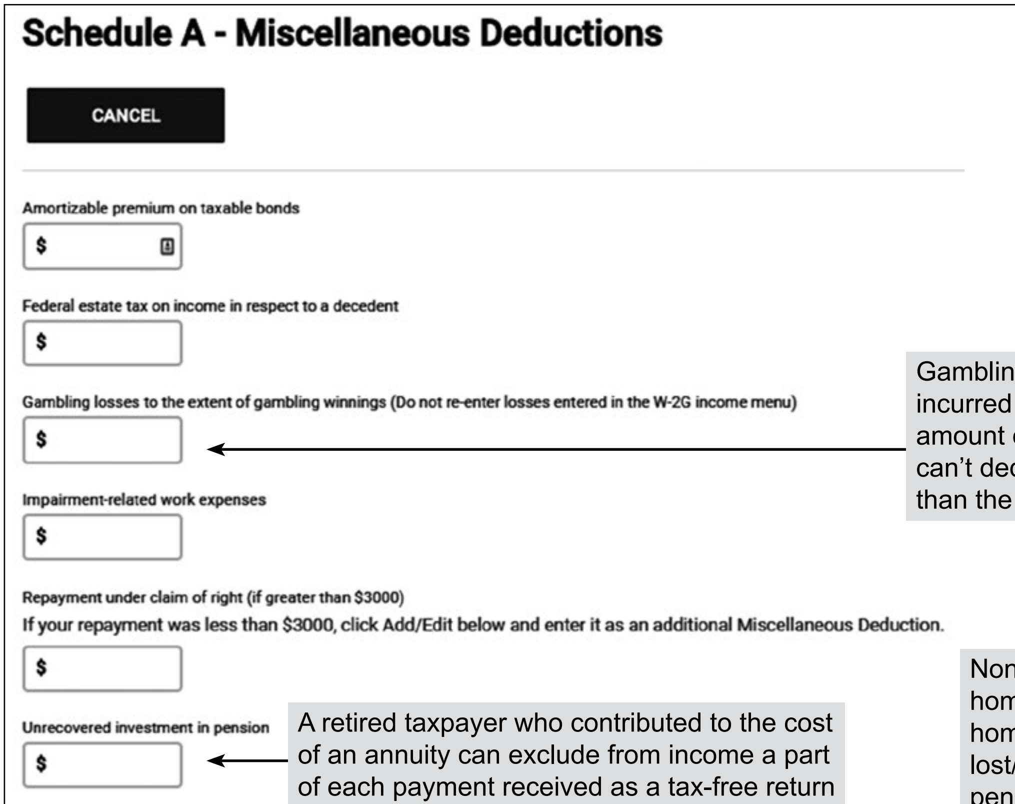
- Unreimbursed;
- Directly connected with the services;
- Expenses you had only because of the services you gave; and
- Not personal, living, or family expenses.

These types of donations are not deductible: political; country club/fraternal lodge; chambers of commerce; raffle, bingo, or lottery tickets; tuition; value of time/services; gifts to lobby groups; civic leagues, social clubs; labor unions, homeowners association dues.

Note: The deduction for charitable contributions by taxpayers who do not itemize was modified by the Taxpayer Certainty and Disaster Tax Relief Act of 2020. For tax year 2021, married couples filing a joint return may deduct cash contributions up to $600 (all other filers are limited to $300). Cash contributions include those made by check, credit card or debit card as well as amounts incurred by an individual for unreimbursed out-of-pocket expenses in connection with the individual's volunteer services to a qualifying charitable organization. Cash contributions don't include the value of volunteer services, securities, household items or other property. Additionally, the deduction does not reduce adjusted gross income.

Schedule A - Miscellaneous Deductions

Note: No miscellaneous itemized deductions will be allowed for job expenses and certain miscellaneous deductions subject to the 2% limitation. These expenses may be deductible on state returns.



Schedule A - Miscellaneous Deductions

CANCEL

Amortizable premium on taxable bonds

$

Federal estate tax on income in respect to a decedent

$

Gambling losses to the extent of gambling winnings (Do not re-enter losses entered in the W-2G income menu)

$

Impairment-related work expenses

$

Repayment under claim of right (if greater than $3000)

If your repayment was less than $3000, click Add/Edit below and enter it as an additional Miscellaneous Deduction.

$

Unrecovered investment in pension

$

Gambling losses and expenses incurred in gambling activities up to the amount of winnings are deducted here. You can't deduct gambling losses that are more than the taxpayer's winnings.

Nondeductible expenses: commuting; home repair; rent; loss from sale of home; personal legal expenses; lost/misplaced cash or property; fines/penalties; safe deposit box rental; tax return preparation; investment fees and expenses.

A retired taxpayer who contributed to the cost of an annuity can exclude from income a part of each payment received as a tax-free return of the investment. If the retired taxpayer dies before the entire investment is recovered tax free, any unrecovered investment can be deducted on the retired taxpayer's final income tax return in the unrecovered investment pension box.

Note: Unrecovered Investment in pension = Total Employee Contribution less amount recovered using Simplified Method prior to death.

Qualified Business Income Deduction

Note: If taxable income (before the QBI deduction) exceeds $164,900 ($329,800 if MFJ;$164,925 if MFS) the return is Out of Scope.

For taxable years beginning after December 31, 2017 and before January 1, 2026, there is a deduction for "pass through" businesses. Sole proprietors are categorized as "pass through" businesses.

- A sole proprietor that reports a profit on Schedule C will be able to take up to 20% of qualified business (QBI) as a deduction on the tax return.
- The calculations on Schedule C and Schedule SE are not affected by the deduction.
- Taxable income is not reduced below zero by the 20% deduction.
- The 20% deduction is limited for higher income.
- The deduction will also be limited for specified service trades or businesses. Refer to Form 1040 instructions for more information.

For taxable income that does not exceed the applicable threshold amount, the QBI deduction is the lesser of:

- 20% of qualified business income (for example, it is the net profit reported on a Schedule C plus 20% of qualified real-estate investment trust (REIT) section 199A dividends) or
- 20% of taxable income (equals adjusted gross income minus the applicable standard or itemized deduction) minus net capital gains and qualified dividends. See Form 8995 instructions for more details.

Qualified business income is reduced by the deductible part of the SE tax, the SE health insurance deduction and by contributions to qualified retirement plans. The deduction is claimed on Form 1040 and can be taken in addition to the standard deduction or itemized deduction.

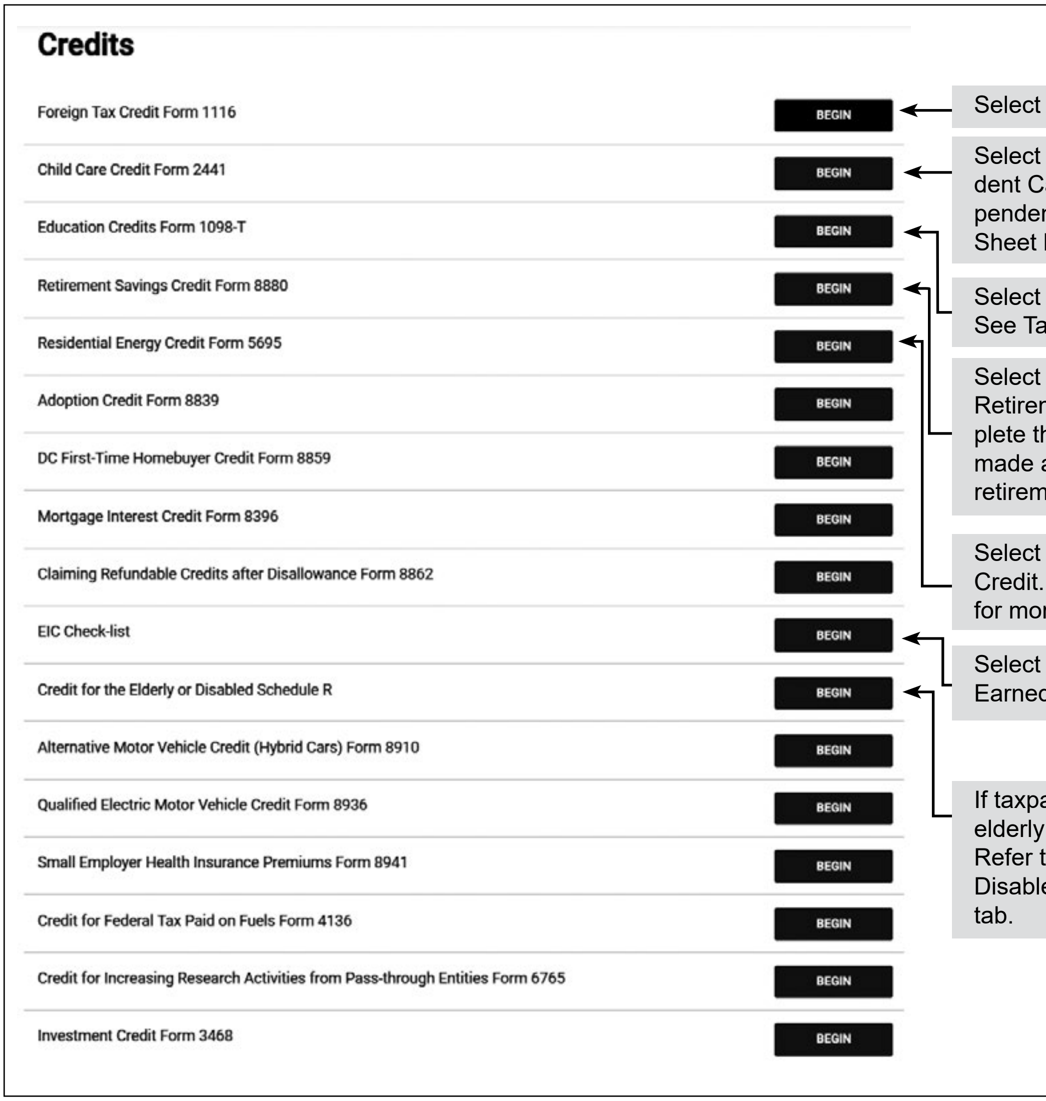
The 20% deductions for sole proprietors and qualified REIT Section 199A dividends are in scope; however, taxpayers with a qualified business net loss carryforward from a prior year or publicly traded partnership are Out of Scope.

See Publication 535, Business Expenses, for additional information.

Tab G: Nonrefundable Credits

Nonrefundable Credits

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu



Select for Form 1116, Foreign Tax Credit

Select for Form 2441, Child and Dependent Care Expenses. See Child and Dependent Care Credit Expenses/Screening Sheet later in this tab.

Select for Form 8863 Education Credits. See Tab J, Education Benefits

Select for Form 8880, Credit for Qualified Retirement Savings Contributions. Complete this screen if taxpayer (or spouse) made any contributions to a qualified retirement plan.

Select for Form 5695, Residential Energy Credit. See Tab EXT, Legislative Extenders for more information.

Select for EIC worksheets, See Tab I, Earned Income Credit.

If taxpayer qualifies for the credit for the elderly or the disabled, open Schedule R. Refer to the Credit for the Elderly or the Disabled - Screening Sheet later in this tab.

Hint: Nonrefundable credits can't exceed the taxpayer's federal income tax.

Form 8863

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Education Credits; or Keyword "8863". For complete education credit information refer to Tab J, Education Benefits

Refundable Child Tax Credit

Note: Make sure the taxpayer's credit hasn't been disallowed previously. If previously disallowed, see Form 8862, Information To Claim Certain Credits After Disallowance, in Tab I, Earned Income Credit.

The American Rescue Plan Act (ARPA) of 2021 expands the Child Tax Credit (CTC) for tax year 2021 only. If the taxpayer (or the spouse if filing jointly) lived in the United States for more than half of 2021 or is a bona fide resident of Puerto Rico for 2021, the CTC remaining after applying the limitation based on modified adjusted gross income is fully refundable.

The expanded credit means:

- The amounts of the credit for qualifying children will increase for many taxpayers.
- For eligible taxpayers, the credit is fully refundable, which means that taxpayers can benefit from the credit even if they don't have earned income or don't owe any income taxes.
- Taxpayers can receive the credit for qualifying children who turn age 17 (rather than 16) in 2021.
- Eligible taxpayers may receive part of their estimated credit in 2021 before filing their 2021 tax return.

For tax year 2021, families claiming the CTC will receive up to $3,000 per qualifying child between the ages of 6 and 17 at the end of 2021. They will receive $3,600 per qualifying child under age 6 at the end of 2021. Under the prior law, the amount of the CTC was up to $2,000 per qualifying child under the age of 17 at the end of the year.

The increased amounts are reduced (phased out), for incomes over $150,000 for married taxpayers filing a joint return and qualifying widows or widowers, $112,500 for heads of household, and $75,000 for all other taxpayers.

Qualifying child:

1. Under age 18 at the end of the tax year.
2. A U.S. citizen or U.S. national* or resident alien of the United States. See Tab L, Resident/NR Alien.
3. Child must be claimed as your dependent.**
4. Your:
   a. son or daughter, adopted child, stepchild, eligible foster child, or a descendant of any of them
   b. brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew)
5. Didn’t provide over half of his or her own support.
6. Lived with the taxpayer for more than half of the tax year. (See Exception to Time Lived with You section on the Child Tax Credit chart on the following page.)
7. Must have a Social Security Number that is valid for employment issued before the due date of the return, including extensions.

* A National is an individual who, although not a U.S. citizen, owes his or her allegiance to the United States. U.S. nationals include American Samoans and Northern Mariana Islanders who chose to become U.S. nationals instead of U.S. citizens.

**Refer to the tables in Tab C, Dependents, for the rules governing who may be claimed as a dependent.

CAUTION If the taxpayer is able to claim the dependent under the rules for divorced and separated parents, he or she is the only parent entitled to claim the child tax credit or additional child tax credit.

Schedule 8812 (Form 1040), Credits for Qualifying Children and Other Dependents, is intended to be filed by all taxpayers claiming a child tax credit or reconciling advance CTC payments. It will be the only Schedule used for figuring and reporting the CTC and the credit for other dependents (ODC) (with the exception of Form 1040-SS). See Tab C, Dependents, and the worksheet in the instruction booklet for additional information (including definitions and special rules relating to an adopted child, foster child, or qualifying child of more than one person).

Additional Child Tax Credit (ACTC) – General Eligibility

Taxpayers who cannot claim the Refundable CTC because they are unable to check the boxes on Schedule 8812 indicating that they (or their spouse if married filing jointly) have a principal place of abode in the United States for more than one-half of 2021 or that they (or their spouse if married filing jointly) are a bona fide resident of Puerto Rico for 2021 may be eligible to claim the ACTC if they meet the following conditions:

- Taxpayers with more than $2,500 of taxable earned income may be eligible for the additional child tax credit if they have at least one qualifying child.
- Taxpayers with three or more children may also be eligible for additional child tax credit regardless of their income.
- Limited to $1,400 per qualifying child

Note: The IRS cannot issue refunds before mid-February for returns that properly claim the earned income credit (EIC) or the ACTC.

Note: Taxpayers may not file an amended return to retroactively claim the additional child tax credit for a qualifying child if a valid SSN for the child is issued after the due date of the tax return.

Note: (International Certification only) If you claim the foreign earned income exclusion, the housing exclusion, or the housing deduction on Form 2555, you can’t claim the additional child tax credit.

Note: See Disallowance of Certain Credits in Tab I, Earned Income Credit, if the taxpayer received a letter saying they had to complete Form 8862. If a child was a resident of the U.S., be sure to mark the "substantial presence" box in the Dependents Section or the EXPANDED child tax credit could be denied.

Table 1: Does Your Qualifying Child Qualify You for the Child Tax Credit or Credit for Other Dependents?

Remember to apply the steps for each dependent. To claim the child tax credit and/or the credit for other dependents, you can't be a dependent of another taxpayer.

Probe/Action: Ask the taxpayer:

step 1	Is this person your qualifying child dependent? See Tab C, Dependents, Table 1: All Dependents	If **YES**, go to Step 2. If **NO**, you can't claim the child tax credit for this person. This person may qualify for the credit for other dependents, go to Table 2.
step 2	Did the child have an SSN, ITIN, or adoption taxpayer identification number (ATIN) issued on or before the due date of your return (including extensions)? (Answer "Yes" if you are applying for an ITIN or ATIN for the child on or before the due date of your return (including extensions.)	If **YES,** go to Step 3. If **NO,** you can't claim the child tax credit or the credit for other dependents for this child.
step 3	Was the child a U.S. citizen, U.S. national, or U.S. resident alien? (See Pub. 519, U.S. Tax Guide for Aliens, for the definition of a U.S. national or U.S. resident alien. If the child was adopted, see Exception to citizen test, below.)	If **YES**, go to Step 4. If **NO**, you can't claim the child tax credit or the credit for other dependents for this child.
step 4	Was the child under age 18 at the end of 2021?	If **YES**, go to Step 5. If **NO**, you can claim the credit for other dependents for this child.
step 5	Does this child have a Social Security Number valid for employment issued before the due date of the return (including extensions)?	If **YES**, you can claim the child tax credit for this person. Use Schedule 8812 to calculate the credit. If **NO**, you can claim the credit for other dependents for this child.

Exception to Time Lived with You

A child is considered to have lived with you for all of the current tax year if the child was born or died in 2021 and your home was this child's home for more than half the time he or she was alive. Temporary absences for special circumstances, such as for school, vacation, medical care, military service, or detention in a juvenile facility, count as time lived at home.

Kidnapped Child

A kidnapped child is considered to have lived with you for all of the current tax year if:

- In the year the kidnapping occurred, the kidnapped child is presumed by law enforcement to have been taken by someone who isn't a family member, and
- The kidnapped child lived with the taxpayer for more than half of the portion of the year prior to the kidnapping.

Modified Adjusted Gross Income Limits

- Married filing jointly - $400,000
- All other filing statuses - $200,000

Children of Divorced or Separated Parents

A child will be treated as being the qualifying child of his or her noncustodial parent if all of the following apply:

- The parents were divorced or legally separated or lived apart at all times during the last 6 months of the current tax year.
- The child received over half of his or her support for the current tax year from the parents.
- The child was in the custody of one or both of the parents for more than half of the current tax year.
- The custodial parent signs Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, or similar statement that he or she won't claim the child as a dependent in the current tax year and the noncustodial parent includes a copy of the form or statement with his or her return. If the divorce decree or separation agreement went into effect after 1984 and before 2009, the noncustodial parent may be able to attach certain pages of the decree or agreement instead of Form 8332. For pre-1985 divorces, see the Instructions for Form 1040.

Exception to Citizen Test

If you are a U.S. citizen or U.S. national and your adopted child lived with you all year as a member of your household, that child meets the citizen test.

Reconciling Advance CTC Payments

When filing the 2021 tax return, compare:

- The total amount of the advance Child Tax Credit payments received during 2021 (refer to Letter 6419 that taxpayers will receive with this information); with
- The amount of Child Tax Credit that can properly be claimed on their 2021 tax return.

If the amount of Child Tax Credit exceeds the total amount of advance Child Tax Credit payments, claim the remaining amount of Child Tax Credit on the 2021 tax return.

If the total amount of advance Child Tax Credit payments exceeds the amount of Child Tax Credit that can properly be claimed for the 2021 tax year, some or all of that excess payment may need to be repaid.

Repayment Protection

Taxpayers qualify for **full repayment protection** and won't need to repay any excess amount if their main home was in the United States for more than half of 2021 and their modified adjusted gross income (AGI) for 2021 is at or below the following amount based on filing status for 2021:

- $60,000 MFJ or Qualifying Widow(er);
- $50,000 HOH; and
- $40,000 Single or MFS

Repayment protection may be limited if modified AGI exceeds these amounts or the main home was not in the United States for more than half of 2021.

Repayment protection is phased out as modified AGI exceeds the amount above. Repayment protection will equal $0 and the repayment amount will not be reduced when modified AGI is at or above this higher amount based on the filing status for 2021:

- $120,000 MFJ or Qualifying Widow(er);
- $100,000 HOH; or
- $80,000 Single or MFS

For taxpayers who qualify for repayment protection, the full repayment protection amount equals $2,000, multiplied by the following:

- The number of qualifying children that the IRS took into account in determining the IRS's initial estimate of the taxpayer's advance Child Tax Credit payments, **minus**
- The number of qualifying children properly taken into account in determining the allowed Child Tax Credit amount on the 2021 tax return.

See **CTC and Advance CTC FAQs** on IRS.gov for additional information.

Credit for Other Dependents

There is a $500 credit for other dependents who do not qualify for the child tax credit. The dependent must be a U.S citizen, U.S. national, or resident of the U.S. The dependent must have a valid identification number (ATIN, ITIN, or SSN).

The $500 nonrefundable credit is available for dependents who don't qualify for the child tax credit, such as children who are age 18 and above, dependents with other relationships (such as elderly parents), or children who do not have a valid SSN. Taxpayers cannot claim the credit for themselves (or a spouse if Married Filing Jointly).

CAUTION Dependents who are not U.S. citizens or U.S. nationals, but are residents of Canada or Mexico do not qualify for either the Child Tax Credit or the Credit for Other Dependents.

Note: If previously disallowed, see Form 8862, Information To Claim Certain Credits After Disallowance, in Tab I, Earned Income Credit.

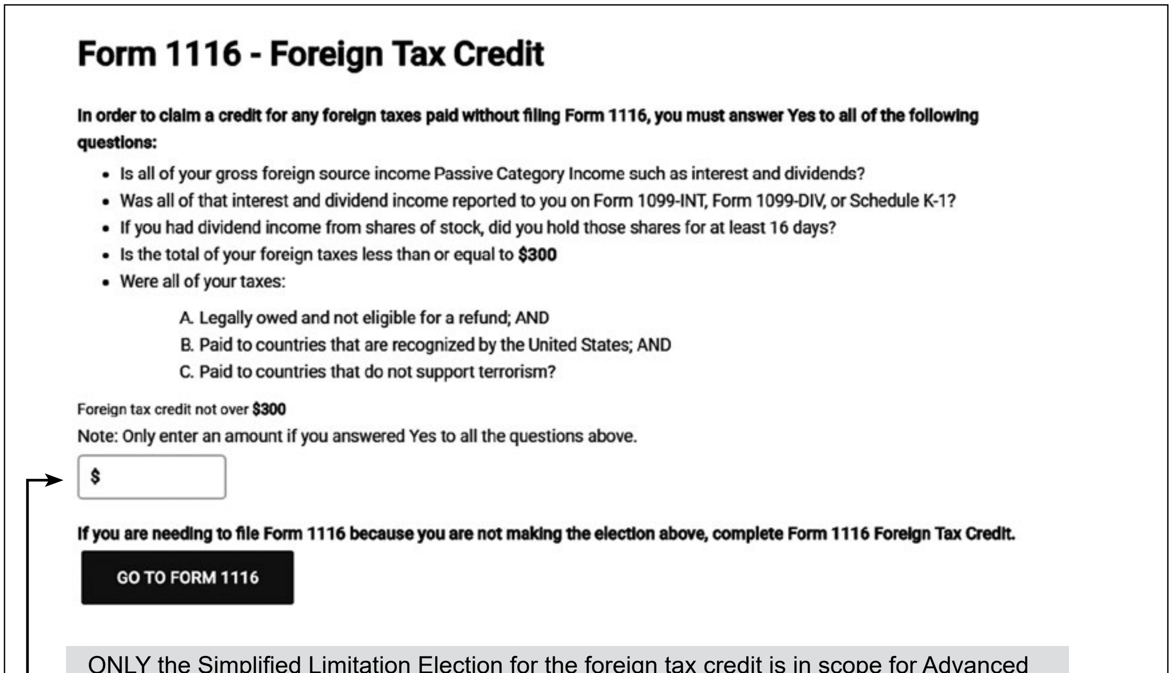
Table 2: Does Your Qualifying Relative Qualify You for the Credit for Other Dependents?

Probe/Action: Ask the taxpayer:

step 1	Is this person your qualifying relative dependent? See Tab C, Dependents, Table 2: Qualifying Relative Dependents.	If **YES**, go to Step 2. If **NO**, you can't claim the credit for other dependents for this person.
step 2	Did your qualifying relative have a SSN, ITIN, or ATIN issued on or before the due date of your 2021 return (including extensions)? (Answer "Yes" if you are applying for an ITIN or ATIN for the qualifying relative on or before the return due date (including extensions).)	If **YES**, go to Step 3. If **NO**, you can't claim the credit for other dependents for this person.
step 3	Was your qualifying relative a U.S. citizen, U.S. national, or U.S. resident alien?	If **YES**, you can claim the credit for other dependents for this person. If **NO**, stop. You can't claim the credit for other dependents for this person.

Form 1116 – Foreign Tax Credit

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Foreign Tax Credit; or Keyword "1116"



Form 1116 - Foreign Tax Credit

In order to claim a credit for any foreign taxes paid without filing Form 1116, you must answer Yes to all of the following questions:

- Is all of your gross foreign source income Passive Category Income such as interest and dividends?
- Was all of that interest and dividend income reported to you on Form 1099-INT, Form 1099-DIV, or Schedule K-1?
- If you had dividend income from shares of stock, did you hold those shares for at least 16 days?
- Is the total of your foreign taxes less than or equal to **$300**
- Were all of your taxes:

A. Legally owed and not eligible for a refund; AND
B. Paid to countries that are recognized by the United States; AND
C. Paid to countries that do not support terrorism?

Foreign tax credit not over **$300**
Note: Only enter an amount if you answered Yes to all the questions above.

$

If you are needing to file Form 1116 because you are not making the election above, complete Form 1116 Foreign Tax Credit.

GO TO FORM 1116

Both the tax return preparer and quality reviewer must have International certification to prepare Form 1116.

ONLY the Simplified Limitation Election for the foreign tax credit is in scope for Advanced certification. To be eligible for this election, qualified foreign taxes must be $300 ($600 if MFJ) or less, all foreign source income is passive category (such as interest and dividends) and taxpayer meets the other requirements as explained in Instructions for Form 1116.
Do not enter amounts from Forms 1099-INT, Box 6, or 1099-DIV, Box 7. The software will include these in the foreign tax credit calculation. Foreign taxes from Forms K-1 should be entered here.

Note: If the taxpayer has a carryback or a carryforward of unused foreign tax, refer taxpayer to a professional tax preparer.

CAUTION

Foreign income tax is also eligible to be claimed on Schedule A as an itemized deduction. While that is an option, foreign tax claimed as a credit is generally more advantageous for taxpayers.

Form 1116 – Foreign Tax Credit (continued)

Foreign tax credit

Section 951A income	BEGIN
Foreign branch income	BEGIN
Passive income	BEGIN
General limited income	BEGIN
Section 901(j) income	BEGIN
Income resourced by treaty	BEGIN
Lump-sum distributions	BEGIN

Out of Scope

Passive and General limited income are in scope with International Certification only. Select the appropriate category. If taxpayer has income in more than one category or from more than one country, another form can be added later.

Out of Scope

Passive income

Country of residence *

- Please Select -

Select country of residence

☐ Are you reporting income that passed through a mutual fund or other regulated investment company (RIC) on a country-by-country basis?

☐ Do you have passive income that is treated as general category income because it is highly taxed?

Carryback or Carryover $

Reduction in Foreign Taxes $

Adjustments $

Reduction of credit for international boycott operations

$

Type of Income

Credit is claimed for taxes paid or accrued

◉ Paid

○ Accrued

Indicate whether the foreign tax was actually paid during the tax year (paid) or if the tax was billed in one year but paid in another (accrued). A taxpayer using the cash basis can choose to use either the cash or accrual method to determine the foreign tax credit. However, if the accrual method is chosen, the taxpayer must continue to use the accrual method for the foreign tax credit on all future returns.

Form 1116 – Foreign Tax Credit (continued)

Foreign Country or U.S. possession

- Please Select -

Select the country that imposed the tax.

Qualified Dividends/Capital Gains Taxed at 0% from Country

$

Qualified Dividends/Capital Gains Taxed at 15% from Country

$

Qualified Dividends/Capital Gains Taxed at 20% from Country

$

Gross income from sources within the country of the specified type (Do not include income excluded by Form 2555, Foreign Earned Income)

$

Enter the gross income (not the tax) of this category type where indicated. Enter income from this category type only, not total income. Do not enter any income excluded by Form 2555.

Expenses Directly Allocable to Income $

Other Deductions $

Gross income from sources within the country of the specified type (Including any income exluded by Form 2555, Foreign Earned Income)

$

Enter the gross income of this category type where indicated. Enter income from this category type only, not total income. Include any income excluded by Form 2555, but only if that income is of the category selected (passive or general income).

Home mortgage interest

$

If your gross foreign source income (including income excluded on Form 2555) does not exceed $5,000, you can allocate all your interest expense to U.S. source income. Otherwise, deductible home mortgage interest (including points and qualified mortgage insurance premiums) is apportioned using a gross income method. See Instructions for Form 1116.

Other interest expense

$

Losses from foreign sources

$

Enter the date the tax was paid or accrued.

Date paid or accrued *

MM DD YYYY

Select the itemized amounts boxes to enter taxes paid in foreign currency in the appropriate category.

Foreign taxes paid or accrued in foreign currency

Tax Withheld on Dividends (in Foreign Currency) $

Tax Withheld on Rents/Royalties (in Foreign Currency) $

Tax Withheld on Interest (in Foreign Currency) $

Other Foreign Taxes (in Foreign Currency) $

Foreign taxes paid or accrued in U.S. dollars

Dividends

$

Generally, you must enter the amount of foreign taxes, in both the foreign currency denomination(s) and as converted into U.S. dollars, that relate to the category of income checked (Passive or General limited income).

Rents and royalties

$

Interest

$

Enter the taxes paid (in U.S. dollars) in the appropriate category.

Other taxes

$

CANCEL CONTINUE

Child and Dependent Care Credit Expenses

In 2021, for the first time, the credit is fully refundable if the taxpayer, or the taxpayer's spouse if married filing jointly, had a principal place of abode in the United States for more than one-half of 2021. This means that an eligible family can get it, even if they owe no federal income tax.

Probe/Action: To determine if a taxpayer qualifies for the Credit for Child and Dependent Care Expenses, ask the taxpayer for information from the screening sheet on the next page.

Who is a qualifying person?

- A qualifying child who was under the age of 13 when the expenses were incurred and who can be claimed as a dependent, see the first caution below.
- Any person who was incapable of self-care* whom the taxpayer can claim as a dependent or could've been claimed as a dependent except that the person had gross income of more than $4,300 or filed a joint return or that the taxpayer or spouse, if married filing jointly, could be claimed as a dependent on someone else's 2021 return.
- A spouse who was physically or mentally incapable of self-care*.

*Incapable of self-care - persons who can't dress, clean, or feed themselves. Also, persons who must have constant attention to prevent them from injuring themselves or others.

The qualifying person must live with the taxpayer more than 1/2 the year.

See Publication 503, Child and Dependent Care Expenses, for special rules regarding divorced or separated parents or parents who live apart.

Qualified work-related expenses

- Expenses must be paid for the care of the qualifying person to allow the taxpayer and spouse, if married, to work or look for work.
- The care includes the costs of services for the qualifying person's well-being and protection.
- Expenses to attend kindergarten or a higher grade aren't an expense for care.
- Expenses for summer day-camp are qualifying, but those for overnight camp aren't.

Refer to Tab C, Dependents, for the rules governing who may be claimed as a dependent.

CAUTION Only the custodial parent may claim the child and dependent care credit even if the child is being claimed as a dependent by the noncustodial parent under the rules for divorced or separated parents.

CAUTION If Dependent Care Benefits are listed in Box 10 of a Form W-2, Wage and Tax Statement, then the taxpayer MUST complete Form 2441, Child and Dependent Care Expenses. If Form 2441 isn't completed, the Box 10 amount is added as taxable wages. For tax year 2021 only, the exclusion for employer provided dependent care assistance has increased from $5,000 to $10,500.

Note: If the qualifying child turned 13 during the tax year, the qualifying expenses include amounts incurred for the child while under age 13 when the care was provided.

CAUTION Dependent care benefits can include amounts paid for items other than the care of your child (such as food and schooling) only if the items are incidental to the care of the child and can't be separated from the total cost.

Credit for Child & Dependent Care Expenses – Screening Sheet

Can You Claim the Child and Dependent Care Credit?

step 1	Was the care for one or more qualifying persons? See prior page for definition.	**YES** – Go to Step 2 **NO** – You CAN'T claim the child and dependent care credit [2]
step 2	Did you (and your spouse if applicable) have earned income[1] during the year? Refer to the Earned Income Table in Tab I, Earned Income Credit.	**YES** – Go to Step 3 **NO** – You CAN'T claim the child and dependent care credit [2]
step 3	Did you pay the expenses to allow you to work or look for work? See prior page for qualifying expenses.	**YES** – Go to Step 4 **NO** – You CAN'T claim the child and dependent care credit [2]
step 4	Were your payments made to someone you or your spouse could claim as a dependent?	**YES** – You CAN'T claim the child and dependent care credit [2] **NO** – Go to Step 5
step 5	Were your payments made to your spouse or to the parent of your child who is your qualifying person? Answer NO if your qualifying child is a disabled person over age 13.	**YES** – You CAN'T claim the child and dependent care credit [2] **NO** – Go to Step 6
step 6	Were your payments made to your child who was under the age of 19 at the end of the year?	**YES** – You CAN'T claim the child and dependent care credit [2] **NO** – Go to Step 7
step 7	Are you single?	**YES** – Go to Step 10 **NO** – Go to Step 8
step 8	Are you filing a joint return?	**YES** – Go to Step 10 **NO** – Go to Step 9
step 9	Do you meet the requirements to be considered unmarried?	**YES** – Go to Step 10 **NO** – You CAN'T claim the child and dependent care credit [2]
step 10	Do you know the care provider's name, address, and identifying number? Or did you make a reasonable effort to get this information? (See Due Diligence in Publication 503.)	**YES** – Go to Step 11 **NO** – You CAN'T claim the child and dependent care credit [2]
step 11	Did you have only one qualifying person and exclude or deduct at least $8,000 of dependent care benefits? [3]	**YES** – You CAN'T claim the child and dependent care credit [2] **NO** – You CAN claim the child and dependent care credit. Fill out Form 2441

Footnotes

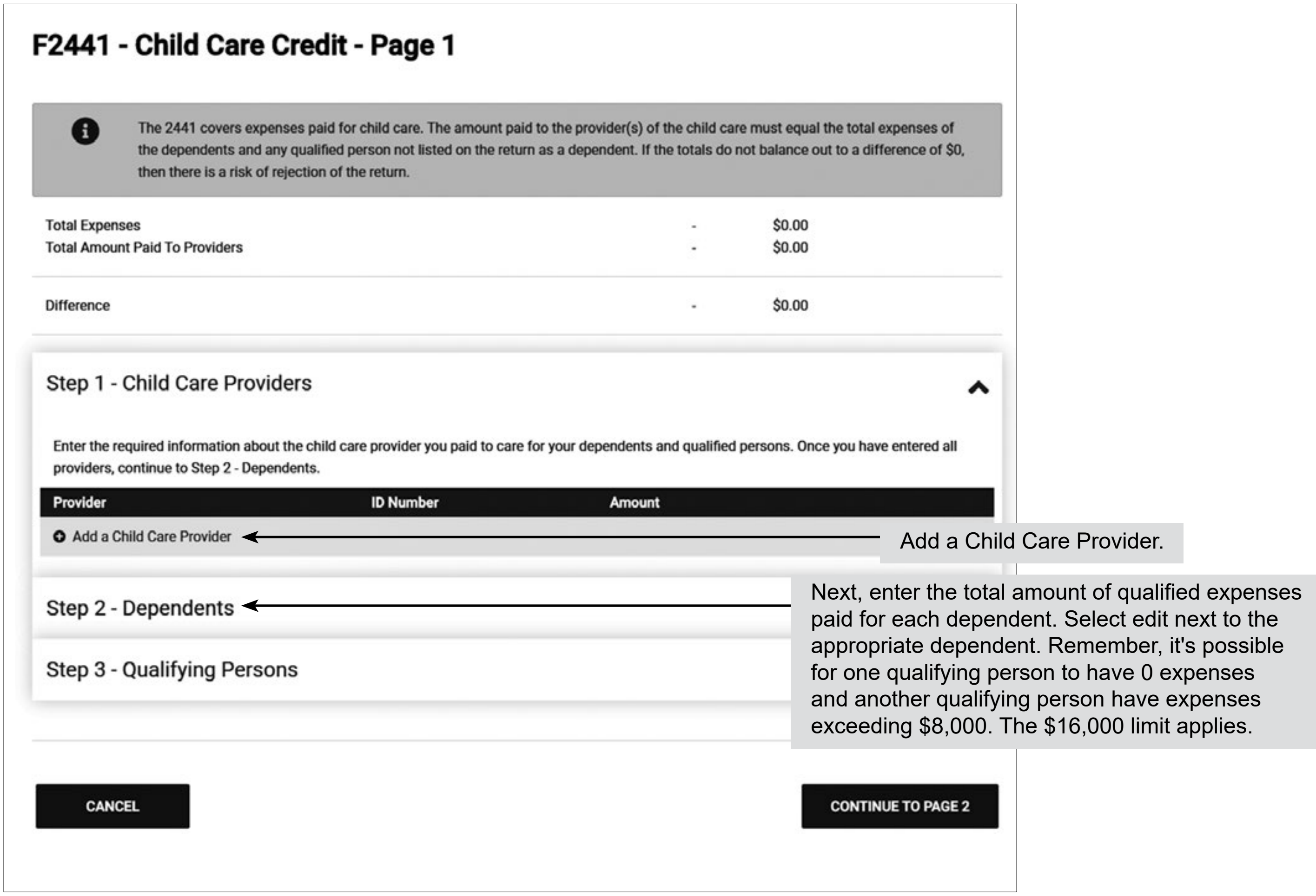
[1] Your spouse is treated as having earned income for any month that he or she is a full-time student, or physically or mentally not able to care for himself or herself. (Your spouse also must live with you for more than half the year.) If the taxpayer's spouse died during the year and he/she files a return as a surviving spouse, the taxpayer may, but isn't required to, take into account the earned income of the spouse who died during the year.

[2] If you had expenses that met the requirements for 2020, except that you didn't pay them until 2021, you may be able to claim those expenses in 2021.

[3] If two or more, the amount you can exclude or deduct is limited to a total of $16,000.

Form 2441 – Credit for Child and Dependent Care Expenses

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Child Care Credit; or Keyword "2441"



TIP The tax return can't be filed electronically without a valid Employer Identification Number or Social Security Number for the child care provider.

CAUTION Only check the "qualifying person had no expenses" box if the person is both a qualifying person for the credit and had no expenses.

TIP The child and dependent care tax credit is temporarily expanded for 2021. The expenses are increased to $8,000 in the case of one qualifying individual and to $16,000 if there are two or more qualifying individuals. Up to 50% of the expenses are refundable for a taxpayer who has a principal place of abode in the United States for more than one half of the taxable year. Taxpayers not eligible for the refundable child and dependent care credit can claim the credit based on the rules applicable for 2020.

Form 2441 – Credit for Child and Dependent Care Expenses (continued)

F2441 - Child Care Credit - Page 2

CANCEL

CONTINUE

What is this page for?
The Credit for Dependent Care Expenses is for individuals who paid for child care so that they could work. For this credit to calculate, the Taxpayer and the Spouse, if applicable, must each have earned income. There are exceptions to the rule for disabled or full-time students who were unable to work. Complete the "Addition to Income" section below for the appropriate non-working spouse for the purpose of calculating this credit only.

*NOTE: Any amounts entered here are **only** used for the purposes of figuring this credit. It will not be added to your total income on your tax return.

Additions to Income for Taxpayer for this credit
NOTE: If the taxpayer was a full-time student or disabled, enter any additional income.

Figuring the amount to enter:
Step 1: Figure out how many months you were a student (or disabled) and did not work. Do not include any month in which both you and your spouse (if applicable) were both students.

Step 2: If you have just one qualifying child that you paid expenses for, multiply the number of months you figured in Step 1 by $250. If you have more than one qualifying child, multiply the number of months by $500. The result is what you should report as Additional Income for Taxpayer.

Additional Income for Taxpayer for purposes of this credit

$

Form 2441 Page 2:

- If the taxpayer or spouse is a full-time student or disabled, enter $250 per month ($500 per month if more than one qualifying person was cared for during the year).
- If the person also worked during the month, use the higher of $250 (or $500) or his or her actual earned income for that month.

Form 2441 – Credit for Child and Dependent Care Expenses (continued)

Additions to Income for Spouse for this credit

NOTE: If the spouse was a full-time student or disabled, enter any additional income.

Figuring the amount to enter:

Step 1: Figure out how many months your spouse was a student (or disabled) and did not work. Be sure to include any month in which both you and your spouse were students.

Step 2: If you have just one qualifying child that you paid expenses for, multiply the number of months you figured in Step 1 by $250. If you have more than one qualifying child, multiply the number of months by $500. The result is what you should report as Additional Income for Spouse.

Additional Income for Spouse for purposes of this credit

$

If the taxpayer is a surviving spouse and did not remarry, add $8,000.00 ($16,000.00 if there is more than one qualify child).

Benefits (Do not enter an amount from your W-2)

Employer-paid Dependent Care Benefits

$

Forfeited Employer-paid Benefits

$

Carryover Employer-paid Benefits

$

Benefits Received from Sole Proprietorship or Partnership

$

Did you pay any expenses for 2019 during 2020

○ Yes

○ No

Generally, married persons must file a joint return to claim the Child Care Credit. If your filing status is Married Filing Separately and all of the following apply, you are considered unmarried for purposes of claiming the credit on Form 2441:

- You lived apart from your spouse during the last 6 months of 2020.
- Your home was the qualifying person's main home for more than half of 2020.
- You paid for more than half of the cost of keeping up that home for 2020.

Are you considered unmarried for the purposes of this credit?

○ Yes

○ No

Select Yes if the taxpayer is MFS but can be considered unmarried for the purposes of claiming the credit.

CAUTION Only enter dependent care benefits not reported on a Form W-2

Note: Foreign earned income and the foreign housing exclusion are subtracted from wages when figuring the credit. Subtract any amount earned while incarcerated or on work release.

Note: Both spouses must have earned income in order to claim the credit. Complete the additions to income for taxpayer if the taxpayer or spouse was either a full-time student or disabled. If the taxpayer has a filing status of surviving spouse, you may, but aren't required to, take into account the earned income of your spouse who died during the year.

Retirement Savings Contributions Credit – Screening Sheet

To determine if a taxpayer qualifies for the Credit for Qualified Retirement Savings Contributions, review the return information and ask the taxpayer the following:

step 1	Did you make a voluntary contribution or deferral to an IRA or other qualified plan for 2021?[1]	**YES** – Go to Step 2 **NO** – Not qualified for credit
step 2	Is AGI $33,000 or less ($49,500 if head of household, $66,000 if married filing jointly)?	**YES** – Go to Step 3 **NO** – Not qualified for credit
step 3	Were you born before January 2, 2004?	**YES** – Go to Step 4 **NO** – Not qualified for credit
step 4	Are you being claimed as a dependent on someone else's tax return for 2021?	**YES** – Not qualified for credit **NO** – Go to Step 5
step 5	Were you a full-time student[2] during 2021?	**YES** – Not qualified for credit **NO** – Qualified for credit

Footnotes

[1] Plans that qualify are listed on Form 8880. Answer yes if the taxpayer will make a qualifying IRA contribution for tax year 2021 by the due date of the return.

[2] You were a student if during any part of 5 calendar months of 2021 you:
- Were enrolled as a full-time student at a school, or
- Took a full-time, on-farm training course given by a school* or a state, county, or local government agency.

*A school includes technical, trade and mechanical schools. It does not include on-the job training courses, correspondence schools, or schools offering courses only through the Internet.

Important Reminders for Retirement Savings Contributions Credit

- Be sure to look at the taxpayer's Form(s) W-2. An entry in box 12 or an "X" in the Retirement box is an indicator that the taxpayer may be eligible for this credit. A full description of all codes used in box 12 can be found in Instructions for Forms W-2 and W-3, Transmittal of Wage and Tax Statements.
- An entry in box 14 on the Form W-2 may also indicate a contribution to a state retirement system. In TaxSlayer, if the contribution qualifies, from the drop down menu in Box 14 of Form W-2, select **Retirement (Not in Box 12) Carry to Form 8880**. If these are treated as employer contributions they aren't eligible for the credit. See Instructions for Form W-2.
- If the taxpayer seems to qualify for the credit, be sure to visit the Form 8880 entry screen in the Credits Menu and address any necessary questions there.
- A contribution to a Traditional or Roth IRA qualifies for this credit, but may not appear on any taxpayer document. Remember to review the expenses section on page 2 of the Form 13614-C, Intake/Interview & Quality Review Sheet, and ask taxpayers if they made any IRA contributions.
- Some distributions reduce the eligible contributions for this credit. In addition to distributions for the current year as shown on Forms 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., be sure to ask about distributions from the two prior years or between January 1 and the tax filing deadline.
- See a list of distributions later in this tab that don't reduce the eligible contributions for this credit.
- Form 8880, Credit for Qualified Retirement Savings Contributions, is used to claim this credit.
- If taxpayer (or spouse if MFJ) is a full-time student, be sure to mark it in the Personal Information Section in the software. This credit is not available to full-time students.

Retirement Savings Contributions Credit (continued)

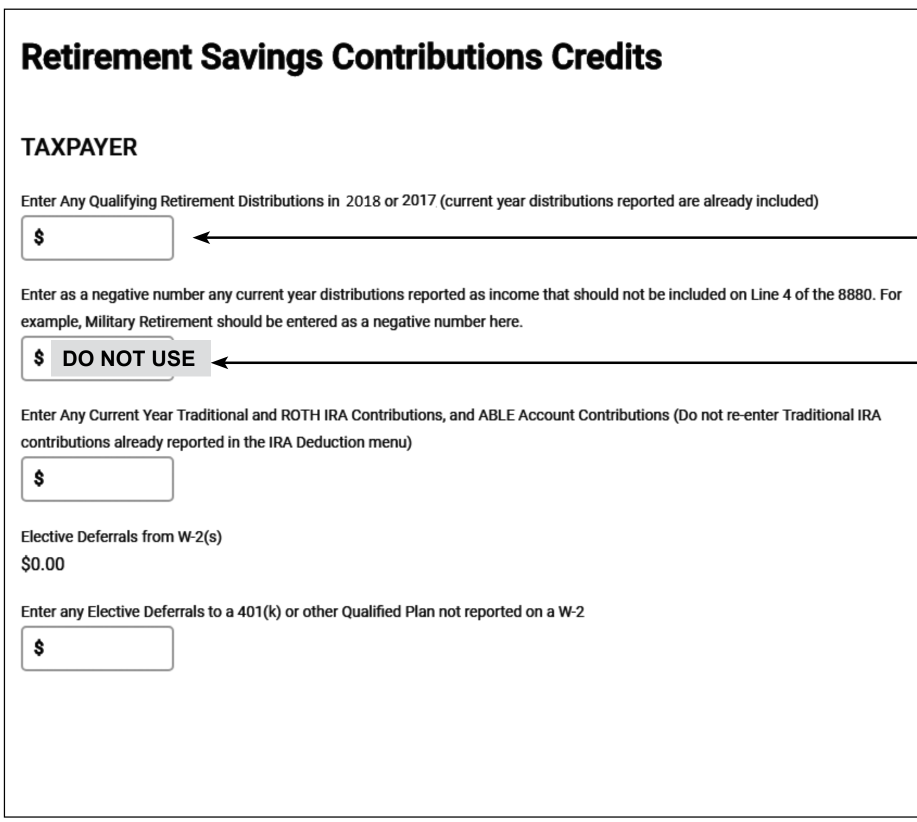
TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Retirement Savings Credit; or Keyword “8880”

Open the Retirement Savings Contributions Credits screen if the taxpayer meets eligibility criteria and any of the following are true:

1. The taxpayer(s) make a Traditional IRA or a Roth IRA contribution before the filing deadline.
2. The taxpayer or spouse’s Form W-2 includes:
   - Box 12 entries of D, E, F, G, H, S, AA, BB
   - Box 14 amounts that are voluntary retirement contributions or marked as “Qualifies for Form 8880”
3. The designated beneficiary of an Achieving a Better Life Experience (ABLE) account made a contribution to their ABLE account.

Verify total contribution amounts with the taxpayer. Total IRA contributions cannot exceed the lesser of total compensation or the annual limit. See Tab E, Adjustments for limits.

CAUTION Internal Revenue Code Section 414(h)(2) provides that any plan established by a governmental unit, where the contributions of employing units are designated employee contributions, but the employer “picks up” the contributions, the contributions are treated as employer contributions, not voluntary contributions made by the employee. They do not qualify for the credit.


Retirement Savings Contributions Credits

TAXPAYER

Enter Any Qualifying Retirement Distributions in 2018 or 2017 (current year distributions reported are already included)

$

Enter as a negative number any current year distributions reported as income that should not be included on Line 4 of the 8880. For example, Military Retirement should be entered as a negative number here.

$ DO NOT USE

Enter Any Current Year Traditional and ROTH IRA Contributions, and ABLE Account Contributions (Do not re-enter Traditional IRA contributions already reported in the IRA Deduction menu)

$

Elective Deferrals from W-2(s)

$0.00

Enter any Elective Deferrals to a 401(k) or other Qualified Plan not reported on a W-2

$

Note: Certain distributions received after 2018 and before the due date (including extensions) of your 2021 tax return from any of the following types of plans are subtracted from contributions:

- Traditional or Roth IRAs
- 401(k), 403(b), governmental 457, 501(c)(18)(D), SEP, or SIMPLE plans
- Qualified retirement plans (including the federal Thrift Savings Plan).

Distributions entered on Form 1099-R will be calculated by the software. Any other distributions from the 2 prior years or between January 1 and the tax filing deadline must be entered manually where indicated.

TaxSlayer cannot identify which current tax year distributions are relevant, so it automatically reports all tax year distributions. If one of these distributions is listed on the following page as a distribution that should not be included (e.g., military pensions), go to the Form 1099-R entry screen for that distribution and check the box labeled "Does not qualify for Form 8880."

Retirement Savings Contributions Credit (continued)

Don't include any of the following as distributions. See Tab D, Income, Form 1099-R Box 7 Distribution Codes.

- Military pensions
- Distributions not taxable as the result of a rollover or a trustee-to-trustee transfer
- Distributions from your IRA (other than a Roth IRA) rolled over or converted to your Roth IRA
- Loans from a qualified employer plan treated as a distribution
- Distributions of excess contributions or deferrals (and income allocable to such contributions or deferrals)
- Distributions of contributions made during a tax year and returned (with any income allocable to such contributions) on or before the due date (including extensions) for that tax year
- Distributions of dividends paid on stock held by an employee stock ownership plan under IRC section 404(k)
- Distributions that are taxable as the result of an in-plan rollover to your designated Roth account
- Distributions from an inherited IRA by a nonspousal beneficiary

The credit is calculated using the following percentages:

If AGI is–		And your filing status is–		
Over–	But not over–	Married filing jointly	Head of household	Single, Married filing separately, or Qualifying widow(er)
---	$19,750	.5	.5	.5
$19,750	$21,500	.5	.5	.2
$21,500	$29,625	.5	.5	.1
$29,625	$32,250	.5	.2	.1
$32,250	**$33,000**	.5	.1	.1
$33,000	$39,500	.5	.1	.0
$39,500	$43,000	.2	.1	.0
$43,000	**$49,500**	.1	.1	.0
$49,500	**$66,000**	.1	.0	.0
$66,000	---	.0	.0	.0

Credit for the Elderly or the Disabled – Screening Sheet

Figure A. Are You a Qualified Individual?

Use the following chart to determine if the taxpayer is eligible for the credit for the elderly or the disabled:

step 1	Were you married at the end of the tax year?	**YES** – Go to Step 2 **NO** – Go to Step 4
step 2	Did you live with your spouse at any time during the year? Answer NO if you qualify to be considered unmarried and file as Head of Household.	**YES** – Go to Step 3 **NO** – Go to Step 4
step 3	Are you filing a joint return with your spouse?	**YES** – Go to Step 4 **NO** – You aren't a qualified individual and can't take the credit for the elderly or the disabled
step 4	Are you a U.S. citizen or resident alien? [1]	**YES** – Go to Step 5 **NO** – You aren't a qualified individual and can't take the credit for the elderly or the disabled
step 5	Were you 65 or older at the end of the tax year?	**YES** – You are a qualified individual and may be able to take the credit for the elderly or the disabled unless your income exceeds the limits in Figure B **NO** – Go to Step 6
step 6	Are you retired on permanent and total disability?	**YES** – Go to Step 7 **NO** – You aren't a qualified individual and can't take the credit for the elderly or the disabled
step 7	Did you reach mandatory retirement age before this year? [2]	**YES** – You aren't a qualified individual and can't take the credit for the elderly or the disabled **NO** – Go to Step 8
step 8	Did you receive taxable disability benefits this year?	**YES** – You are a qualified individual and may be able to take the credit for the elderly or the disabled unless your income exceeds the limits in Figure B **NO** – You aren't a qualified individual and can't take the credit for the elderly or the disabled

Footnotes

[1] If you were a nonresident alien at any time during the tax year and were married to a U.S. citizen or resident alien at the end of the tax year, see the Qualified Individual section of the Credit for the Elderly or Disabled chapter in Publication 524, Credit for the Elderly or the Disabled. If you and your spouse choose to treat you as a U.S. resident alien, answer "yes" to this question.

[2] Mandatory retirement age is the age set by your employer at which you would have been required to retire, had you not become disabled.

Figure B. Income Limits

IF you are . . .	THEN you generally can't take the credit if... Your adjusted gross income (AGI) is . . .	OR the total of your nontaxable social security and other nontaxable pension annuities or disability income is equal to or more than . . .
single, head of household, or qualifying widow(er) with dependent child	$17,500	$5,000
married filing a joint return and both spouses qualify in *Figure A*	$25,000	$7,500
married filing a joint return and only one spouse qualifies in *Figure A*	$20,000	$5,000
married filing a separate return and you lived apart from your spouse for all of 2021	$12,500	$3,750

Tax Software Hint: Be sure to include the taxpayer's total social security benefits, regardless of the taxability, to ensure the correct calculation of the credit. The software does not calculate this credit automatically. If the taxpayer appears to qualify for the credit, refer to the navigation path on the next page and answer the questions.

Entering the Credit for the Elderly or the Disabled

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Credit for the Elderly or Disabled; or Keyword: “Schedule R”

Schedule R Retired/Disability Question

Choose one

- Both spouses were 65 or older.
- Both spouses were under 65, but only one spouse retired on permanent and total disability.
- Both spouses were under 65 and both retired on permanent and total disability.
- One spouse was 65 or older and the other spouse was under 65 and retired on permanent and total disability.
- One spouse was 65 or older, and the other spouse was under 65 and NOT retired on permanent and total disability.

Statement of Disability

IF **You filed a physician's statement for this disability for 1983 or an earlier year**

OR **You filed or got a statement for tax years after 1983 and your physician signed line B on the statement,**

AND **Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2020.**

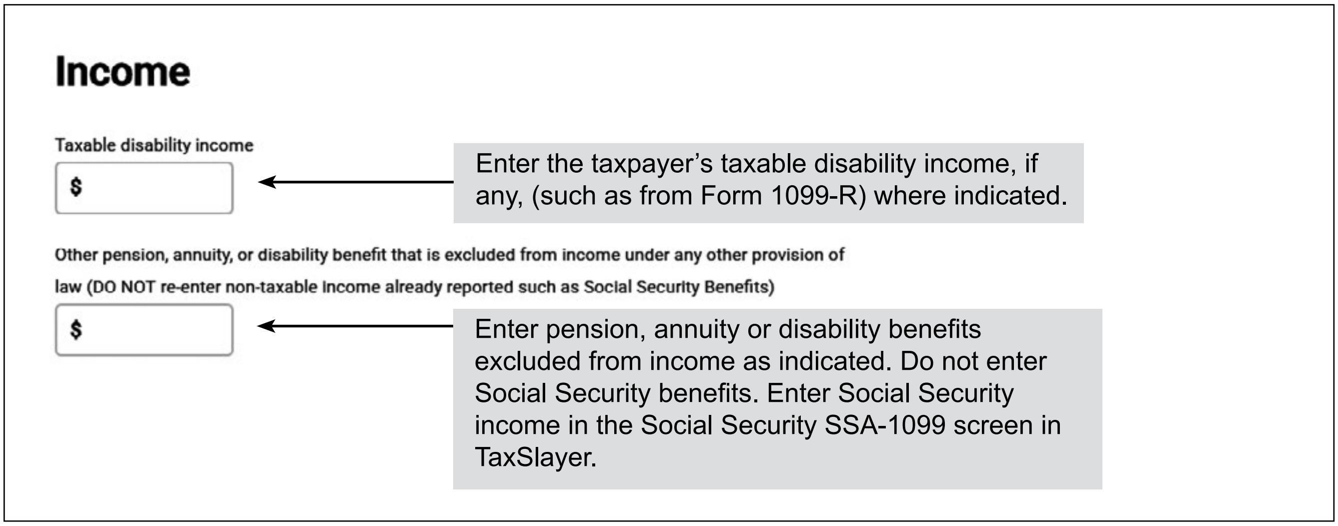
☐ Check this box only if this entire statement is true.

Check the box if the statements above regarding the taxpayer's disability are true. Not checking the box does not prevent the taxpayer from claiming the credit. However, they must obtain a physician’s statement for their records. See the Instructions for Schedule R for a sample statement.

Physician's Statement Needed

Because you did not meet both qualifications on the previous page, the IRS requires you to obtain another physician's statement. Your physician must complete the statement for Schedule R and you must retain it for your records.

Entering the Credit for the Elderly or the Disabled (continued)



Tab H: Other Taxes, Payments, and Refundable Credits

Other Taxes

Other Taxes

Self-Employment Tax Reported on Schedule SE	BEGIN	See self-employment tax below
Alternative Minimum Tax Reported on Form 6251	BEGIN	Out of Scope
Tax on Unreported Tip Income Reported on Form 4137	BEGIN	
Tax on Early Distribution Reported on Form 5329	BEGIN	
Household Employment Tax Schedule H	BEGIN	Out of Scope
Repayment of First-Time Homebuyer Credit Reported on Form 5405	BEGIN	
Tax For Certain Children Who Have Unearned Income Reported on Form 8615	BEGIN	Out of Scope
Child's Interest/Dividend Earnings Reported on Form 8814	BEGIN	Out of Scope
Net Investment Income Tax (Individuals, Estates, & Trusts) Reported on Form 8960	BEGIN	Out of Scope
Uncollected Social Security and Medicare Tax on Wages Reported on Form 891	BEGIN	Out of Scope

TIP TaxSlayer provides all the forms and schedules you need in order to figure and report these taxes, and in most cases, performs the calculations.

Self-Employment Tax –

Entered automatically from Schedule SE. TaxSlayer calculates the amount using the entries from Schedule C. Navigate from this screen only to exclude exempt notary income from the SE Tax calculation.

Enter Exempt Notary Income

This is income that you have already added to your tax return that you want TaxSlayer Pro to treat as exempt income

$

Enter the net profit from a Notary's business on the SE Tax input screen so that SE tax is not computed.

Self-Employment Tax Deferral –

The CARES Act allowed a self-employed taxpayer to defer payment of the employer share of Social Security tax for tax year 2020. Half of the deferred amount must be paid on or before December 31, 2021 and the other half by December 31, 2022. **This provision is not available to claim on the tax year 2021 return.**

Unreported Social Security and Medicare Tax –

Unreported Social Security and Medicare Tax comes from Form 4137, Social Security and Medicare Tax on Unreported Tip Income, not reported on Form W-2, Wage and Tax Statement.

TaxSlayer Navigation: Federal Section>Income>W-2>Unreported tips (on W-2 below line 10); or Keyword "W-2". If unreported because tips were less than $20 per month, also enter at Federal Section>Other Taxes>Tax on Unreported Tip Income; or Keyword "4137"

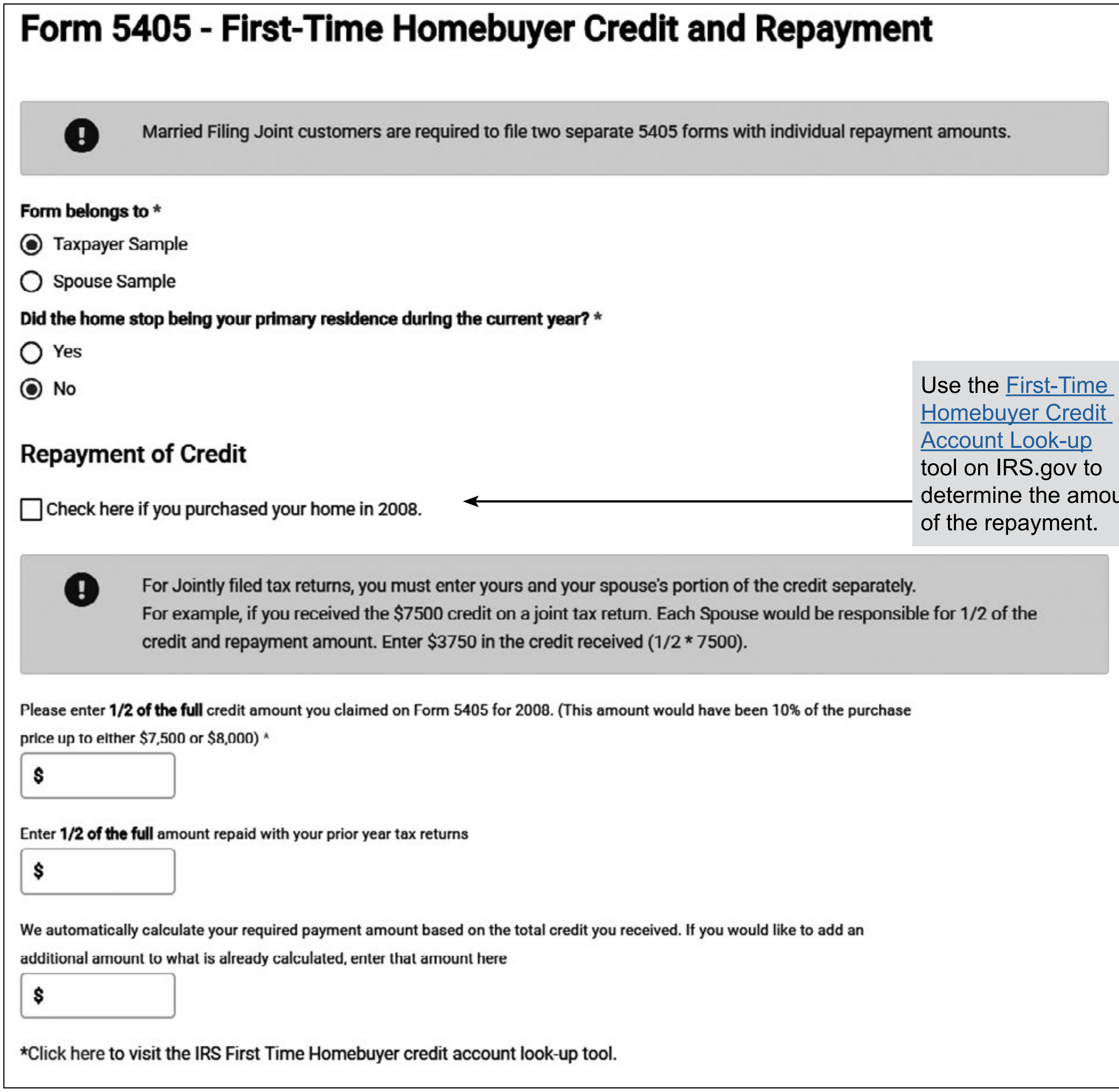
TIP Self-employment tax is Social Security and Medicare taxes collected primarily from individuals who work for themselves, similar to the Social Security and Medicare taxes withheld from the pay of most wage earners.

The self-employment tax rate on net earnings is 15.3% (12.4% Social Security tax plus 2.9% Medicare tax).

Other Taxes (continued)

The Social Security Administration uses the information from Schedule SE to figure a person's benefits under the Social Security program. Not reporting all of a taxpayer's self-employment income could cause their Social Security benefits to be lower when they retire. This tax applies no matter how old the taxpayer is and even if they are already getting Social Security or Medicare.

Form 5405, Repayment of the First-Time Homebuyer Credit



Form 5405 - First-Time Homebuyer Credit and Repayment

Married Filing Joint customers are required to file two separate 5405 forms with individual repayment amounts.

Form belongs to *

- (•) Taxpayer Sample
- ( ) Spouse Sample

Did the home stop being your primary residence during the current year? *

- ( ) Yes
- (•) No

Repayment of Credit

☐ Check here if you purchased your home in 2008.

For Jointly filed tax returns, you must enter yours and your spouse's portion of the credit separately.
For example, if you received the $7500 credit on a joint tax return. Each Spouse would be responsible for 1/2 of the credit and repayment amount. Enter $3750 in the credit received (1/2 * 7500).

Please enter **1/2 of the full** credit amount you claimed on Form 5405 for 2008. (This amount would have been 10% of the purchase price up to either $7,500 or $8,000) *

$

Enter **1/2 of the full** amount repaid with your prior year tax returns

$

We automatically calculate your required payment amount based on the total credit you received. If you would like to add an additional amount to what is already calculated, enter that amount here

$

*Click here to visit the IRS First Time Homebuyer credit account look-up tool.

Use the First-Time Homebuyer Credit Account Look-up tool on IRS.gov to determine the amount of the repayment.

TaxSlayer Navigation: Federal Section>Other Taxes>Repayment of First-Time Homebuyer Credit; or Keyword "FIRST-TIME"

Taxpayers who purchased a home in 2008 and received the First Time Homebuyer Credit (maximum $7,500 loan) started repayments in 2010 and must enter the repayment on Form 5405, Repayment of the First-Time Homebuyer Credit. (See 5405 instructions for when it is required.)

Form 8615, Tax for Certain Children Who Have Unearned Income (Kiddie Tax)

Do you have to use Form 8615 to figure your child's tax?

step 1	Was the child's unearned income, including taxable scholarships and grants, more than $2,200?	**YES** – Go to Step 2 **NO** – Don't use Form 8615 to figure the child's tax.
step 2	Is the child required to file a tax return for 2021?	**YES** – Go to Step 3 **NO** – Don't use Form 8615 to figure the child's tax.
step 3	Was the child under age 18 at the end of 2021?	**YES** – Go to Step 8 **NO** – Go to Step 4
step 4	Was the child age 18 at the end of 2021?	**YES** – Go to Step 7 **NO** – Go to Step 5
step 5	Was the child under age 24 at the end of 2021?	**YES** – Go to Step 6 **NO** – Don't use Form 8615 to figure the child's tax.
step 6	Was the child a full-time student in 2021?	**YES** – Go to Step 7 **NO** – Don't use Form 8615 to figure the child's tax.
step 7	Did the child have earned income that was more than half of his or her support?	**YES** – Don't use Form 8615 to figure the child's tax. **NO** – Go to Step 8
step 8	Was at least one of the child's parents alive at the end of 2021?	**YES** – Go to Step 9 **NO** – Don't use Form 8615 to figure the child's tax.
step 9	Is the child filing a joint return for 2021?	**YES** – Don't use Form 8615 to figure the child's tax. **NO** – Go to Step 10
step 10	Form 8615 must be used to figure the child's tax. Form 8615 is in scope for Native Americans receiving per capita payments and Alaska residents receiving permanent fund dividends. For all other purposes, Form 8615 remains Out of Scope.	

Note: If the child's parent chooses to report the child's income by filing Form 8814, Parents' Election To Report Child's Interest and Dividends, the child isn't required to file a tax return. Don't use Form 8615. (See Parent's Election to Report Child's Interest and Dividends.) Form 8814 is in scope for Alaska residents receiving permanent fund dividends. For all other purposes, Form 8814 remains Out of Scope.

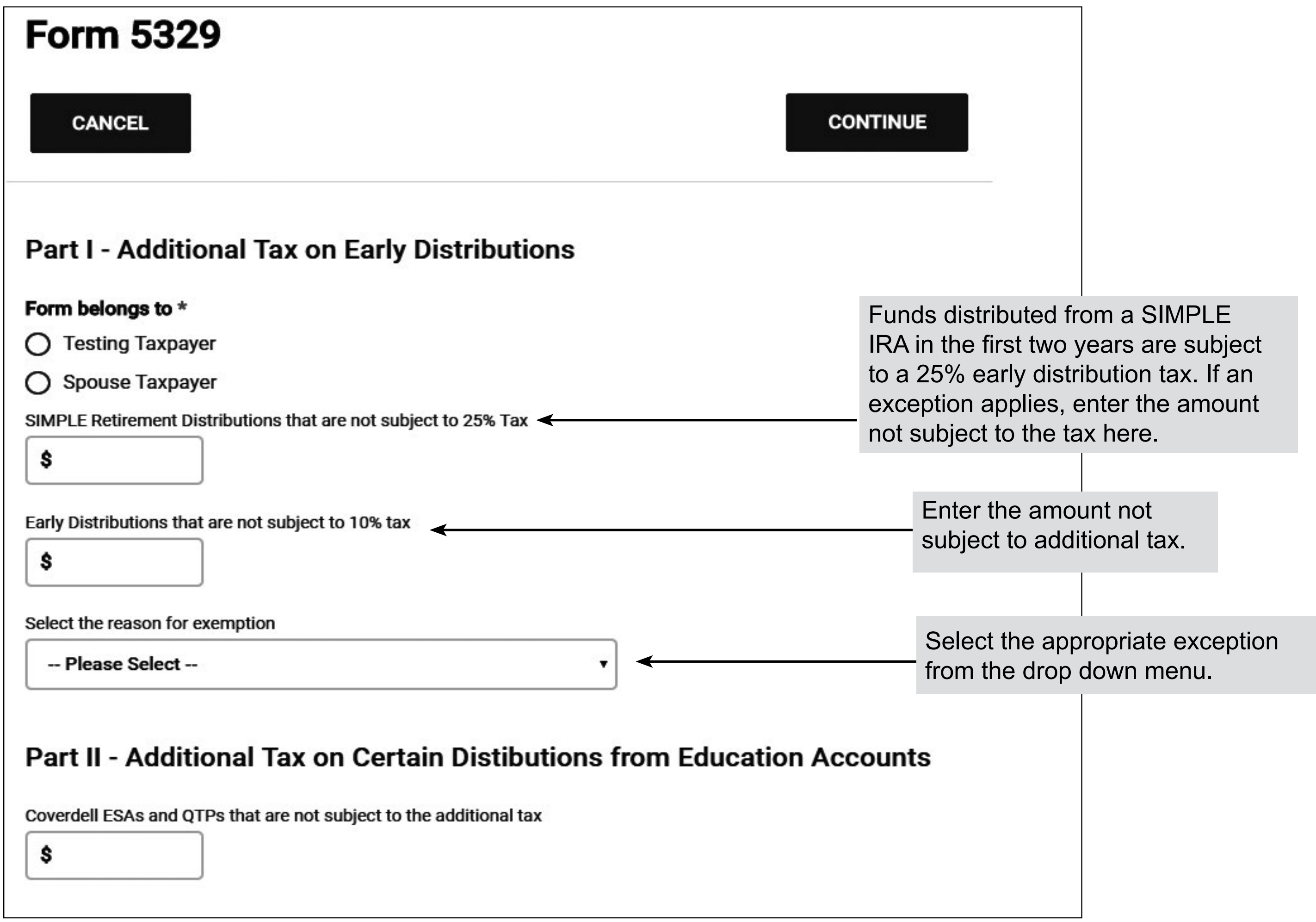
Other Taxes (continued)

Additional Tax on IRAs and Other Qualified Plans –

TaxSlayer Navigation: Federal Section>Other Taxes>Tax on Early distribution; or Keyword “5329”

A 10% penalty is calculated on Form 5329, Additional Tax on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts, for early withdrawal before age 59-1/2. If an exception applies, enter the code and the amount on line 2 of Form 5329.

Advanced Certification required for this topic.



Other Taxes (continued)

Exception codes and explanations for early distributions from IRAs or retirement plans:

(Do not rely on this list alone. See Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), for rules and details pertaining to each exception.)

No	Exception
01	Qualified retirement plan distributions (doesn't apply to IRAs) if you separated from service in or after the year you reach age 55 (age 50 for qualified public safety employees).
02	Distributions made as part of a series of substantially equal periodic payments (made at least annually) for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your designated beneficiary (if from an employer plan, payments must begin after separation from service).
03	Distributions due to total and permanent disability. Does not apply if the disability occurred after the distribution.
04	Distributions made on or after the date of death (doesn't apply to modified endowment contracts).
05	Qualified retirement plan distributions up to (1) the amount you paid for unreimbursed medical expenses during the year minus (2) 7.5% of your adjusted gross income for the year. Expenses can also be entered on Schedule A.
06	Qualified retirement plan distributions made to an alternate payee under a qualified domestic relations order (doesn't apply to IRAs).
07	IRA distributions made to unemployed individuals for health insurance premiums.[1]
08	IRA distributions up to the amount you paid for qualified higher education expenses during the year, unless paid with tax-free education aid or Pell grant.
09	IRA distributions made for purchase of a first home, up to $10,000 per taxpayer and paid within 120 days of distribution.
10	Distributions due to an IRS levy on the qualified retirement plan.
11	Qualified distributions to reservists while serving on active duty for at least 180 days.
12	Other [2]. Also, enter this code if more than one exception applies.

Footnotes

[1] Medical insurance for yourself, your spouse, and your dependents (no 7.5% of AGI reduction). All of the following conditions must apply:

- You lost your job.
- You received unemployment compensation paid under any federal or state law for 12 consecutive weeks because you lost your job.
- You receive the distributions during either the year you received the unemployment compensation or the following year.
- You receive the distributions no later than 60 days after you have been reemployed.

[2] Distributions incorrectly indicated as early distributions by code 1, J, or S in box 7 of Form 1099-R that do not have a specific exception code, such as distributions for the birth or adoption of a child. See Form 5329 Instructions or Publication 590-B for additional exceptions. For additional exceptions that apply to annuities, see Publication 575, Pensions and Annuity Income.

Note: Beginning in 2020, an IRA owner or a participant in a workplace defined contribution plan, such as a 401(k) or 403(b) plan, can withdraw up to $5,000 for the birth or adoption of a child without incurring the usual 10% additional tax on early distributions. The distribution must be made within one year after the child is born or the adoption is finalized and cannot be from a defined benefit plan. The term "eligible adoptee" means any individual (other than a child of the taxpayer's spouse) who has not attained age 18 or is physically or mentally incapable of self-support. Additionally, if a qualified birth or adoption distribution is received by the taxpayer, one or more contributions can be made to an eligible retirement plan if the taxpayer is a beneficiary of that plan, the plan accepts rollover contributions, and the total of those contributions does not exceed the amount of the qualified birth or adoption distribution.

Additional Taxes on HSAs

Additional taxes for HSA distributions not used for qualified medical expenses are reported on Form 1040 Schedule 2, Additional Taxes. All other additional taxes on HSAs are Out of Scope. See Instructions for Form 8889, Health Savings Accounts (HSAs).

The additional 20% tax does not apply to distributions made after the account beneficiary:

- Dies,
- Becomes disabled, or
- Turns age 65

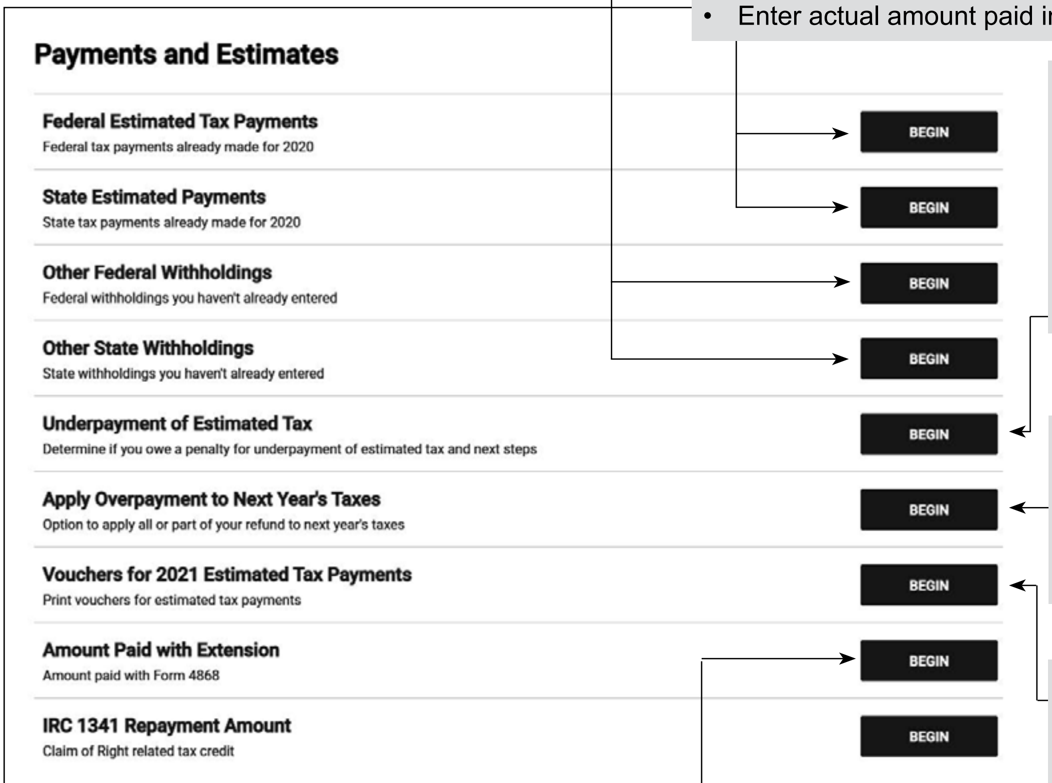
Payments and Estimates

TaxSlayer Navigation: Federal Section>Payments & Estimates or keyword ESTIMATED PAYMENTS.

Federal or State Income Tax Withheld - Entered automatically from the entries made on Forms W-2, 1099, SSA 1099, etc. For Form 1099 withholding not listed elsewhere, enter in Other Federal Withholdings or Other State Withholdings.

2021 Estimated Tax Payments - Federal and/or State Open Federal Estimated Payments for 2021 or State Estimated Payments and enter:

- Any refund amount from last year that was credited toward estimated taxes for the current year
- Enter actual amount paid in each quarter.



TaxSlayer should not calculate a penalty. If it does, a waiver can be requested. To remove, check the box to request a waiver and use reason of "To be calculated by IRS."

Amount to be Applied to 2022 Estimated Tax Enter the amount of overpayment to apply to 2022.

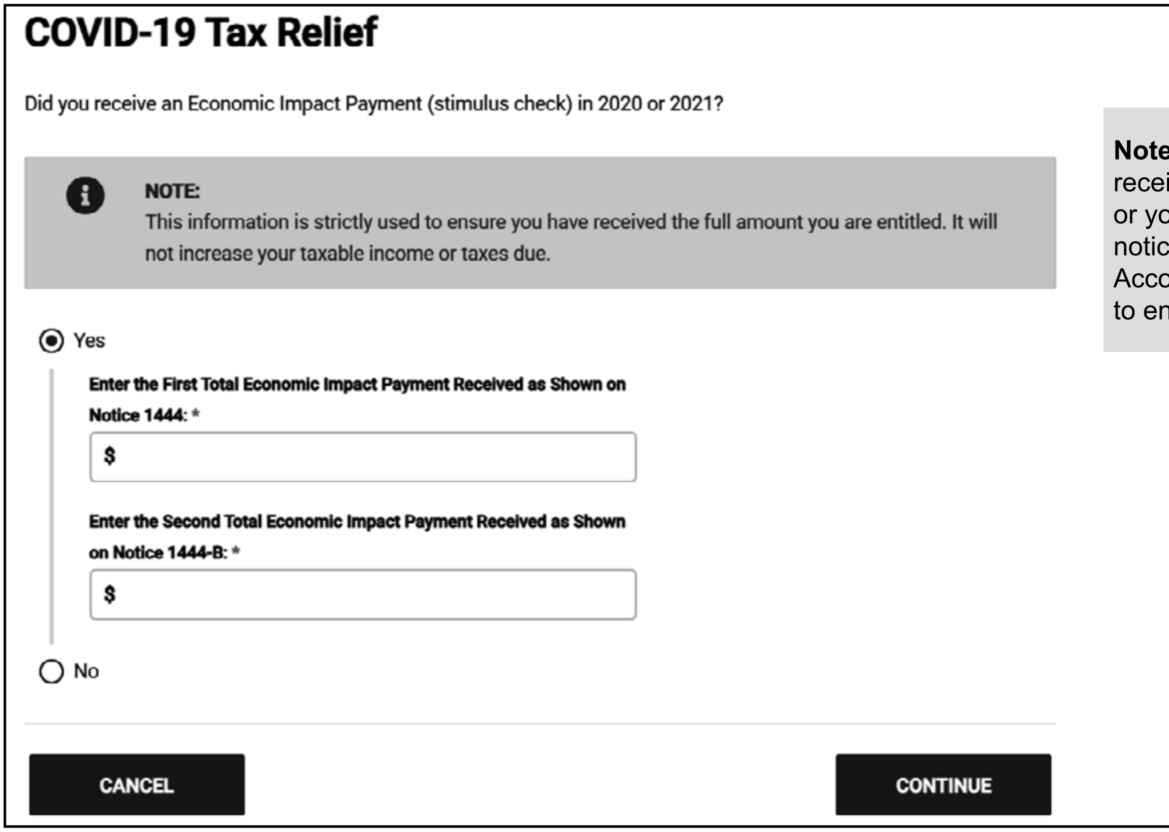
See Tab K, Finishing the Return, Estimated Tax Payments page.

Excess Social Security - Calculated automatically if there are multiple W-2s for an individual and the combined wages exceed the maximum subject to Social Security for the year.

Amount Paid with Extension - Directly enter any payment made. When preparing a prior year return, remember to ask if payments have been made.

* To apply state refunds to next year's taxes, go to State>Payments>Apply Your State Refund

Recovery Rebate Credit



COVID-19 Tax Relief

Did you receive an Economic Impact Payment (stimulus check) in 2020 or 2021?

NOTE:
This information is strictly used to ensure you have received the full amount you are entitled. It will not increase your taxable income or taxes due.

- (•) Yes

Enter the First Total Economic Impact Payment Received as Shown on Notice 1444: *

$

Enter the Second Total Economic Impact Payment Received as Shown on Notice 1444-B: *

$

- ( ) No

CANCEL CONTINUE

Note: If you haven't received Notice 1444-C, or you can't locate your notice, go to IRS.gov Account for the amount(s) to enter on the worksheet.

Recovery Rebate Credit

Under the CARES Act, joint returns of couples where only one member of the couple had a Social Security number were generally ineligible for a payment – unless they were a member of the military. The Consolidated Appropriations Act, 2021, signed into law on December 27, 2020, expands that provision, and more people are now eligible.

In this situation, these families will now be eligible to receive payments for the taxpayers and qualifying children of the family who have work-eligible SSNs.

Eligible taxpayers who received a smaller-than-expected Economic Impact Payment (EIP) may qualify to receive an additional amount when they file their 2021 federal income tax return. EIPs are technically an advance payment of a temporary tax credit (recovery rebate credit) that eligible taxpayers can claim on their 2021 return.

For additional information, see the Economic Impact Payment Information Center at **https://www.irs.gov/coronavirus/economic-impact-payment-information-center**

You may be able to claim the recovery rebate credit only if your economic impact payments are less than your credit. This happens when:

- You are eligible but were not issued an EIP 3, or
- Your EIP 3 was less than $1,400 ($2,800 if married filing jointly) plus $1,400 for each qualifying dependent you had in 2021.

Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals

Eligible self-employed individuals are allowed an income tax credit equal to their “qualified sick leave equivalent amount” or “qualified family leave equivalent amount.” Note that the American Rescue Plan Act of 2021, enacted March 11, 2021, amended and extended the tax credits for sick and family leave for certain self-employed individuals with respect to the period beginning April 1, 2021, and ending on September 30, 2021. Changes applicable to April 1-September 30 are noted below.

Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals, is used by self-employed individuals to figure these credits.

- Part I figures the credit for sick leave for certain self-employed individuals for the period from January 1 through March 31, 2021. In this section, the number of days claimed are reduced by any days claimed on the 2020 tax return.
- Part II figures the credit for family leave for certain self-employed individuals for the period from January 1 through March 31, 2021. In this section, the number of days claimed are reduced by any days claimed on the 2020 tax return.
- Part III figures the credit for sick leave for certain self-employed individuals for the period from April 1 through September 30, 2021. Days claimed in this section are not reduced by any previously claimed.
- Part IV figures the credit for family leave for certain self-employed individuals for the period from April 1 through September 30, 2021. Days claimed in this section are not reduced by any previously claimed.

These credits will be included on Schedule 3 (Form 1040). There will be two lines for these credits. One line will show the credit amount for leave taken through March 31, 2021 and the other line will show the credit amount for leave taken April 1 through September 30, 2021. Form 7202 is filed separately by each taxpayer with net self-employment earnings, so a joint tax return may have two Forms 7202 attached.

How is the “qualified sick leave equivalent amount” for an eligible self-employed individual calculated?
For an eligible self-employed individual who is unable to work or telework because the individual:

1. Is under Federal, State, or local quarantine or isolation order related to COVID-19;
2. Has been advised by a health care provider to self-quarantine due to concerns related to COVID-19; or
3. Is:
   a. experiencing symptoms of COVID-19 and seeking a medical diagnosis, or
   b. seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, COVID-19 and the employee has been exposed to COVID-19 or the employee’s employer has requested the test or diagnosis, (For dates after March 31, 2021 and through September 30, 2021), or
   c. obtaining immunization related to COVID–19 or recovering from any injury, disability, illness, or condition related to the immunization; (For dates after March 31, 2021 and through September 30, 2021),

the qualified sick leave equivalent amount is equal to the number of days during the taxable year that the individual cannot perform services in the applicable trade or business for one of the three above reasons, multiplied by the lesser of $511 or 100 percent of the “average daily self-employment income” of the individual for the taxable year or the prior taxable year.

For an eligible self-employed individual who is unable to work or telework because the individual:

1. Is caring for an individual who is subject to a Federal, State, or local quarantine or isolation order related to COVID-19, or has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
2. Is caring for a child if the child’s school or place of care of the child has been closed, or the childcare provider of the child is unavailable, due to COVID-19 precautions; or
3. Is experiencing any other substantially similar condition such as:
   - to accompany an individual to obtain immunization related to COVID-19, or
   - to care for an individual who is recovering from any injury, disability, illness, or condition related to the immunization,

the qualified sick leave equivalent amount is equal to the number of days during the taxable year that the individual cannot perform services in the applicable trade or business for one of the three above reasons, multiplied by the lesser of $200 or 67 percent of the “average daily self-employment income” of the individual for the taxable year or the prior taxable year. In either case, the maximum number of days a self-employed individual may take into account in determining the qualified sick leave equivalent amount cannot exceed 10 days.

Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals (continued)

How is the "qualified family leave equivalent amount" for an eligible self-employed individual calculated?
The qualified family leave equivalent amount with respect to an eligible self-employed individual is an amount equal to the number of days during the taxable year that the self-employed individual cannot perform services for which that individual would be entitled to paid family leave, (if the individual were employed by an Eligible Employer (other than himself or herself)), such as periods during which they are unable to work or telework due to a need for leave to care for their child if the child's school or place of care has been closed, or because the child care provider of the child is unavailable, due to COVID-19 related reasons, multiplied by the lesser of two amounts: (1) $200, or (2) 67 percent of the average daily self-employment income of the individual for the taxable year.

Up to 50 days of qualifying leave can be counted toward the Family Leave Credit for the period from January 1 through March 31, 2021. Up to 60 days of qualifying leave can be counted toward the Family Leave Credit for the period from April 1 through September 30, 2021. This can be combined with the sick leave credit, so a taxpayer could be entitled to a credit for pay for up to 12 (or 14 for the period from April 1 through September 30, 2021) weeks – 2 weeks of sick leave and 10 weeks (or 12 weeks for the period from April 1 through September 30, 2021) of family leave. These amounts are limited if the taxpayer also took Families First Coronavirus Response Act family and sick leave as an employee. Employers other than federal government employers, are required to report these amounts either on Form W-2, Box 14, or on a separate statement.

See Form 7202 and instructions for information on calculations.

See the FAQs below for additional information.

- For dates from January 1 through March 31, 2021 see **Tax Credits for Paid Leave Under the Families First Coronavirus Response Act for Leave Prior to April 1, 2021**
- For dates from April 1 through September 30, 2021 see **Tax Credits for Paid Leave Under the American Rescue Plan Act of 2021: Specific Provisions Related to Self-Employed Individuals**

Note: Average daily self-employment income is an amount equal to the net earnings from self-employment for the taxable year, or prior taxable year, divided by 260. A taxpayer's net earnings from self-employment are based on the gross income that the individual derives from the taxpayer's trade or business minus ordinary and necessary trade or business expenses.

Credits for Sick Leave & Family Leave: Form 7202

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals Form 7202

Form F7202 - Credits for Sick Leave and Family Leave

Who is this Form 7202 for?

Taxpayer

Net earnings from self employment

Adjust your net earnings from self-employment

$

Were you unable to work due to COVID-19? *

Yes

No

Tell us about any care you received or provided.

I required care for myself.

Number of days you required care

Amount of qualified sick leave wages from employer for when you required care

$

I provided care to another.

I provided care to my son or daughter because their school or place of care was closed.

CANCEL

CONTINUE

CAUTION If a day meets the requirements for both the Credit for Sick Leave for Certain Self-Employed Individuals and the Credit for Family Leave for Certain Self-Employed Individuals, you can only count the day once. Don't include the same day for both credits.

Select Yes if the eligible self-employed individual was unable to work or had to care for family members for reasons related to the coronavirus.

Select "I required care for myself" if you were unable to perform services as a self-employed individual because of one or more of the following reasons:

- You were subject to a federal, state, or local quarantine or isolation order related to COVID-19.
- You were advised by a health care provider to self-quarantine due to concerns related to COVID-19.
- You were experiencing symptoms of COVID-19 and seeking a medical diagnosis.

The number of days taken into account for determining the qualified sick leave equivalent amount cannot exceed 10 days.

Select the I provided care to another box if you were unable to perform services as a self-employed individual because of one or more of the following reasons:

- You were caring for an individual who was subject to a federal, state, or local quarantine or isolation order related to COVID-19.
- You were caring for an individual who was advised by a health care provider to self-quarantine due to concerns related to COVID-19.

Select if you were unable to perform services as a self-employed individual because of certain coronavirus-related care you provided to a son or daughter under the age of 18 whose school or place of care is closed or whose child care provider is unavailable for reasons related to COVID-19.

The maximum number of days that can be counted for the period from January 1 through March 31, 2021 is 50.
The maximum number of days that can be counted for the period from April 1 through September 30, 2021 is 60.

Note: Taxpayers may elect to use prior year net earnings from self-employment, to compute the credits for paid sick and family leave. You can make this election if your prior-year net earnings from self-employment were greater than your current year net earnings from self-employment.

Make sure you only include net earnings from your own Schedule SE. Don't include your spouse's net earnings from self-employment.

Note: A son or daughter must generally be under 18 years of age or incapable of self-care because of a mental or physical disability. For more information about who is a son or daughter under the FFCRA, see **DOL.gov/agencies/whd/pandemic/ffcra-questions#40**.

Premium Tax Credit

Health Insurance Questionnaire

Did you purchase health insurance via HealthCare.gov or a State Marketplace? *

- Yes
- No

Answer Yes if Form 1095-A, Health Insurance Marketplace Statement, was received for coverage of the taxpayer, taxpayer's spouse if taxpayer is filing a joint return, or a dependent for any part of the year.

If the taxpayer applied for coverage via the Marketplace but was instead enrolled in Medicaid, answer No.

A Yes answer will lead to additional screens and require entry of information from Form 1095-A. If taxpayers answer No, no further action is necessary.

Verify Your Household Members

If you have additional family members that are neither a spouse nor a dependent, click "Add a New Household Member."

If you need to add or remove dependents, click here to go to Personal Information.

Note: Never override the calculated tax family size.

Household Member

Name	SSN	Date of Birth
Taxpayer Sample	[redacted]9996	6/6/1981
Spouse Sample	[redacted]9999	3/3/1984

If you wish to override the calculated Tax Family Size please click here.

CONTINUE

Premium Tax Credit: Form 1095-A Overview

A taxpayer who purchased insurance for himself/herself or for a dependent through the Marketplace will receive Form 1095-A. If advance payments of the premium tax credit (APTC) were made for coverage of the taxpayer or a dependent, the taxpayer must complete Form 8962, Premium Tax Credit (PTC). **You cannot prepare the return for taxpayers who received the benefit of APTC for themselves or a dependent without Form(s) 1095-A**.

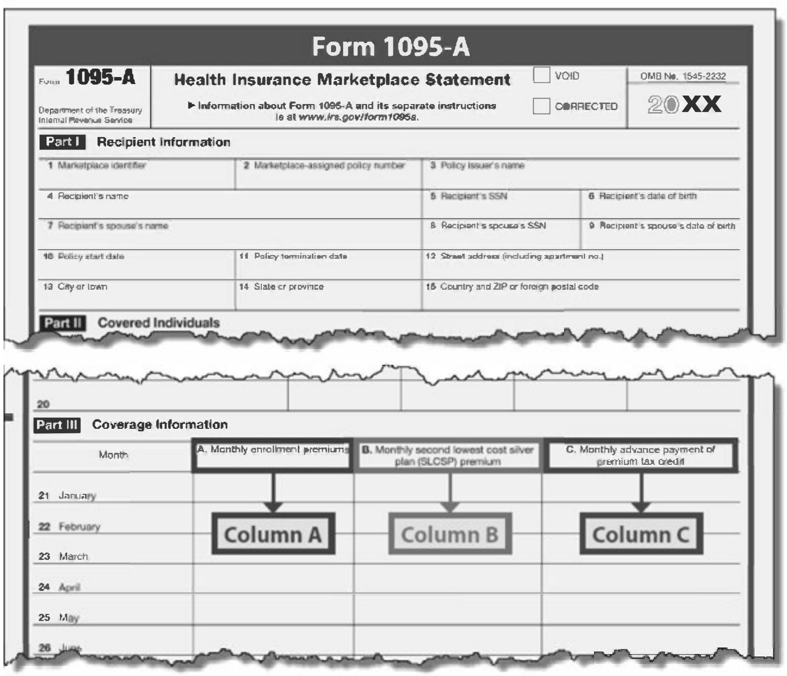
Carefully examine Form 1095-A to make sure it reflects the taxpayer's account of coverage. Look for critical errors that will affect the PTC calculation, such as errors in enrollment premiums, second lowest cost silver plan (SLCSP) premiums, or APTC.

Examine these areas:

- Recipient information (Part I)
- Policy start or end date (Part I, Part II)
- Covered individuals (Part II) - Are all listed individuals included in this tax return?
- Premium cost (Part III, Column A)
- APTC (Part III, Column C)

Marketplace call center: 1-800-318-2596 (TTY: 1-855-889-4325) For states not using **Healthcare.gov**, look up state Marketplace at healthcare.gov

To obtain an original or corrected Form 1095-A the taxpayer can log into his or her online account, or call the Marketplace call center.


Form 1095-A

Form 1095-A — Health Insurance Marketplace Statement — VOID — CORRECTED — OMB No. 1545-2232 — 20XX

Department of the Treasury Internal Revenue Service — ▶ Information about Form 1095-A and its separate instructions is at www.irs.gov/form1095a.

Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name	
4 Recipient's name		5 Recipient's SSN	6 Recipient's date of birth
7 Recipient's spouse's name		8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)	
13 City or town	14 State or province	15 Country and ZIP or foreign postal code	

Part II Covered Individuals

20

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January	Column A	Column B	Column C
22 February			
23 March			
24 April			
25 May			
26 June			

Column A - Monthly Premium: These are the monthly enrollment premiums for the policy in which the individuals are covered. This is the full premium, including the amount paid by APTC for essential health benefits. The amount does not include the cost of certain "extra" benefits such as adult dental coverage. It may not match the taxpayer's actual monthly premium.

Column B - Monthly SLCSP premium: If this column is blank and the individual is enrolled in a plan through a federally facilitated Marketplace, go to Healthcare.gov and use the tax tool to find the SLCSP premium to enter in Column B. If the individuals enrolled through a state-based Marketplace, go to the state's website or call your state's marketplace to determine the SLCSP premium. The SLCSP premium is the premium for the second lowest cost silver-level plan that covers all the members of the coverage family.

Column C - Advance payment of PTC

You may need to look up the SLCSP premium if:

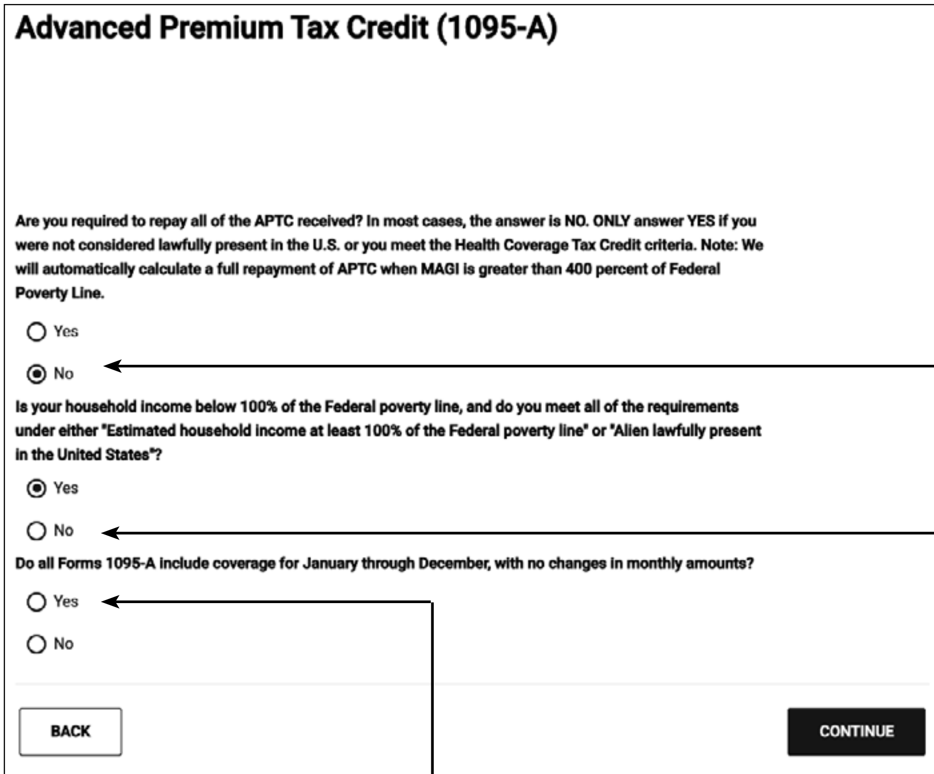
- It is incorrect, perhaps because a change in family size was not reported.
- It is missing. When someone paid the full premium because he or she did not request APTC, Marketplaces routinely leave this space blank.
- There are multiple Forms 1095-A with conflicting information or the taxpayer otherwise thinks it's incorrect.

The taxpayer should seek a corrected Form 1095-A if information is incorrect, except for SLCSP premium information that can be completed or fixed.

TIP A person may be entitled to PTC even if no APTC was paid for the coverage. Do not assume someone is ineligible for PTC just because Columns B and C of Form 1095-A are blank. If an individual meets all the eligibility rules in the Form 8962 instructions but only the enrollment premium amounts in Column A appear on Form 1095-A and Columns B and C are blank, look up the person's SLCSP premiums and enter them on the 1095-A screen in the SLCSP section.

Premium Tax Credit (continued)

For taxpayers who purchased insurance through the Marketplace, complete this screen using their Form 1095-A.



Advanced Premium Tax Credit (1095-A)

Are you required to repay all of the APTC received? In most cases, the answer is NO. ONLY answer YES if you were not considered lawfully present in the U.S. or you meet the Health Coverage Tax Credit criteria. Note: We will automatically calculate a full repayment of APTC when MAGI is greater than 400 percent of Federal Poverty Line.

- ○ Yes
- ◉ No

Is your household income below 100% of the Federal poverty line, and do you meet all of the requirements under either "Estimated household income at least 100% of the Federal poverty line" or "Alien lawfully present in the United States"?

- ◉ Yes
- ○ No

Do all Forms 1095-A include coverage for January through December, with no changes in monthly amounts?

- ○ Yes
- ○ No

BACK | CONTINUE

This question appears for all taxpayers with APTC:

This question is really asking: Is the taxpayer liable for unlimited APTC repayment?

Answer NO in most cases.

Only answer YES if all individuals on the tax return for whom APTC was paid:

- Are undocumented immigrants; or
- Were eligible for the Trade Adjustment Assistance Health Care Tax Credit (HCTC) (Out of Scope)

Answer YES in most cases in which household income is below 100% of the FPL.

Answer YES if:

- There is an amount in column C of Form 1095-A (APTC) for one or more months; or
- One of the individuals on the taxpayer's Form 1095-A is lawfully present but ineligible for Medicaid

The TaxSlayer default answer is NO for this question. It is very important to change to Yes if income is below 100% of the Federal Poverty Line (FPL) and one of the two "yes" conditions is met. If it is not changed to Yes, the software will complete Form 8962 showing repayment of all the APTC without limitation.

Answer NO ONLY if:
Income is below 100% (FPL), no APTC was paid, and the second bullet from above does not apply.

If Form 1095-A shows the same monthly amounts for all 12 months, select "**Yes**" and enter the annual amounts below. Otherwise, select "**No**" and enter monthly amounts.

If one or more of the amounts in column B is incorrect and the correct SLCSP premium amounts are not the same for all 12 months, select "**No**".

If the taxpayer is Married Filing Separately a checkbox will appear on this screen. If the taxpayer cannot file a joint return because of **domestic abuse or spousal abandonment** check the box. See Instructions for Form 8962, Premium Tax Credit for details. If a taxpayer is Married Filing Separately and is not eligible for relief, he/she is not eligible for a premium tax credit and must repay APTC, subject to the repayment limitation.

Premium Tax Credit (continued)

Out of Scope Situations

Allocation of Policy Amounts (Shared Policy)

If the following situations apply, the taxpayer may have to allocate policy amounts with another taxpayer. If so, the return is Out of Scope:

- The 1095-A lists a covered person who is not on this tax return or,
- A person on the tax return was enrolled in another taxpayer's Marketplace coverage. (The person is listed on a Form 1095-A sent to a taxpayer not on this tax return.)

Alternative Calculation for Year of Marriage

If the following situation applies, an **Alternative Calculation for Year of Marriage** may be elected. If the taxpayer elects this option, the return is Out of Scope.

- Taxpayers got married during 2021, are filing a joint return for 2021, and both spouses were unmarried as of January 1, 2021, and
- A member of the taxpayers' tax family was enrolled in a qualified health plan for which APTC was paid for months prior to the first full month of marriage, and
- Taxpayers have excess APTC (their APTC exceeds their allowed PTC).

CAUTION Taxpayers may choose to file MFJ or MFS without the alternative calculation, which remains in scope.

Self-employed Taxpayers

- Self employed taxpayers can deduct their health insurance premiums as an adjustment to gross income. When a taxpayer is eligible for PTC, the computation of each is a circular calculation and the return is Out of Scope for VITA/TCE.

See Publication 974, Premium Tax Credit (PTC), for more details about these out of scope topics.

Premium Tax Credit, Form 8962

If a taxpayer is MFS and is eligible for relief from the requirement to file MFJ because of spousal abuse or abandonment, this box should be checked.

If MFS but not eligible for relief, he/she is not eligible for a PTC and must repay APTC, subject to the repayment limitation.See Part IV, Allocation Situation 2, of the Form 8962 instructions to determine the amount of APTC the taxpayer must repay.

Form **8962** Department of the Treasury Internal Revenue Service

Premium Tax Credit (PTC)

▶ Attach to Form 1040, 1040-SR, or 1040-NR.
▶ Go to *www.irs.gov/Form8962* for instructions and the latest information.

OMB No. 1545-0074 20XX Attachment Sequence No. 73

Name shown on your return | Your social security number

You cannot take the PTC if your filing status is married filing separately unless you qualify for an exception (see instructions). If you qualify, check the box ▶ ☐

Part I Annual and Monthly Contribution Amount

1	Tax family size. Enter your tax family size (see instructions)		1
2a	Modified AGI. Enter your modified AGI (see instructions)	2a	
b	Enter the total of your dependents' modified AGI (see instructions)	2b	
3	Household income. Add the amounts on lines 2a and 2b (see instructions)		3
4	Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3 (see instructions). Check the appropriate box for the federal poverty table used. a ☐ Alaska b ☐ Hawaii c ☐ Other 48 states and DC		4
5	Household income as a percentage of federal poverty line (see instructions)		5 %
6	Did you enter 401% on line 5? (See instructions if you entered less than 100%.) ☐ **No.** Continue to line 7. ☐ **Yes.** You are not eligible to take the PTC. If advance payment of the PTC was made, see the instructions for how to report your excess advance PTC repayment amount.		

The dependents' MAGI should appear on line 2b **ONLY IF the dependents' gross income is above the filing threshold.** See Tab A, Who Must File, Chart B - For Children and Other Dependents.

Note: See the Applicable Figure Table later in this tab.

Reminder - Household income is MAGI of taxpayer (and spouse if filing jointly) plus MAGI of dependents claimed by the taxpayer who are required to file a return because the dependent's gross income is above the tax return filing threshold. MAGI is:

- Adjusted Gross Income (AGI), plus
- Tax-exempt interest, plus
- Social Security income not included in AGI, plus
- Foreign earned income

In the case of a taxpayer who has received, or has been approved to receive, unemployment compensation for any week during calendar year 2021, (i) such a taxpayer is treated as an applicable taxpayer, and (ii) the taxpayer's household income is not taken into account to the extent it exceeds 133% of FPL for a family of the size involved.

The net premium tax credit a taxpayer can claim (the excess of the taxpayer's premium tax credit over APTC) will appear on Form 1040, Schedule 3. This amount will increase taxpayer's refund or reduce the balance due.

24	Total premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here	24
25	Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here	25
26	Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Schedule 3 (Form 1040 or 1040-SR), line 9, or Form 1040-NR, line 65. If line 24 equals line 25, enter -0-. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27	26

Part III Repayment of Excess Advance Payment of the Premium Tax Credit

27	Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27
28	Repayment limitation (see instructions)	28
29	Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Schedule 2 (Form 1040 or 1040-SR), line 2, or Form 1040-NR, line 44	29

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 37784Z Form **8962** (20XX)

The amount of excess APTC (amount by which APTC exceeds the taxpayer's premium tax credit) that needs to be repaid will appear on Form 1040, Schedule 2 line 2.

Note: If a taxpayer must repay APTC or gets additional PTC, remember to adjust the insurance premium deduction on Schedule A if itemizing. Increase the deduction for APTC repayment; decrease the deduction for additional PTC.

Premium Tax Credit – Special Situations

See Instructions for Form 8962 and Publication 974, Premium Tax Credit, for additional information.

Multiple Forms 1095-A

Some taxpayers will have multiple Forms 1095-A. This will happen if the taxpayer:

- Changed Marketplace plans during the year
- Updated their application with new information that resulted in a new enrollment
- Had family members enrolled in different Marketplace plans
- Had more than 5 family members in the same plan

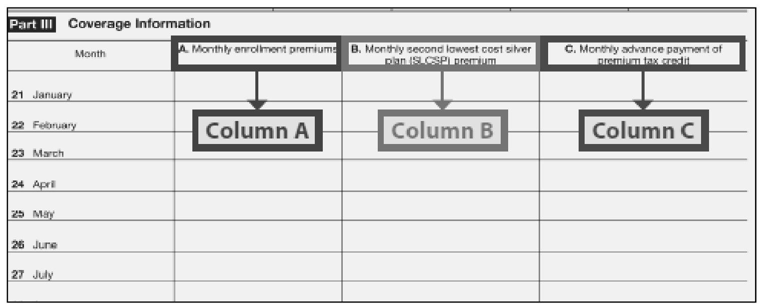
Entering multiple Forms 1095-A on one Form 8962 - Only one Form 8962 may be submitted with the tax return. Make sure everyone on each Form 1095-A is also on the tax return. If not, this may require the taxpayer to allocate policy amounts with another taxpayer, which makes this return Out of Scope.

Column A: Add the premiums together.

Column B: If everyone is enrolled in the same state, the SLCSP premium should be the same on all Forms 1095-A for a given month. Enter that amount. If the enrollees are enrolled in different states, add the SLCSP premiums. When in doubt, look it up in the Tax Tool for your Marketplace. See the Tax Tool section later in this tab.

Column C (entered in Column F of Form 8962):

Add the amounts together.


Part III Coverage Information

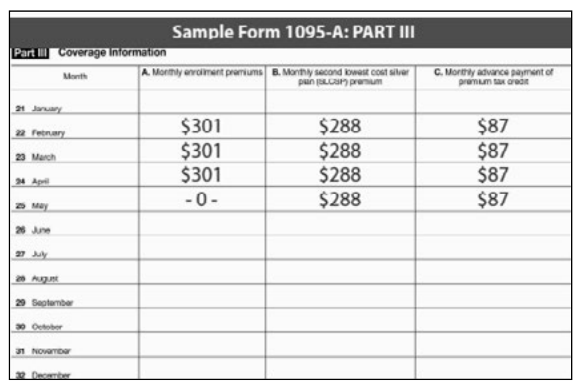
Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January			
22 February	Column A	Column B	Column C
23 March			
24 April			
25 May			
26 June			
27 July			

The taxpayer stopped paying premiums

What you'll see: Numbers in Columns B and C but no premium in Column A (-0-) for a month on Form 1095-A, Part III

What to do:

- The taxpayer can only claim a PTC for a month of enrollment if the premium for the month is paid by the tax return due date (without extensions). If the APTC covers most of the premium, it may be more cost-effective to pay the premium than to repay the APTC. When the taxpayer pays the premium, they need to get a corrected Form 1095-A. Failure to get a corrected Form 1095-A may result in an IRS notice.
- If the premium payment has not and will not be made, enter -0- in Column A and Column B for the month and enter the APTC for the month in Column C.


Sample Form 1095-A: PART III

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January			
22 February	$301	$288	$87
23 March	$301	$288	$87
24 April	$301	$288	$87
25 May	- 0 -	$288	$87
26 June			
27 July			
28 August			
29 September			
30 October			
31 November			
32 December			

Note: If there are consecutive months with no premium payment, there is likely an error on Form 1095-A.

The taxpayer is ineligible for the PTC

- See Form 8962 instructions
- Enter -0- in Column B

PTC Eligibility - QSEHRA

Employers may offer a qualified small employer health reimbursement arrangement (QSEHRA) to their eligible employees. Under a QSEHRA, an eligible employer can reimburse eligible employees for health care costs, including premiums for Marketplace health insurance. If taxpayers were covered under a QSEHRA, their employer should have reported the annual permitted benefit in box 12 of Form W-2 with code FF. If the QSEHRA is affordable for a month, no PTC is allowed for the month. If the QSEHRA is unaffordable for a month, taxpayers must reduce the monthly PTC (but not below -0-) by the monthly permitted benefit amount. **If there is a code FF on Form W-2 box 12, the employee has a Marketplace policy and is otherwise eligible for PTC, the return is Out of Scope.**

Premium Tax Credit – Special Situations (continued)

PTC Eligibility - ICHRA

- Employers may offer an Individual Coverage Health Reimbursement Arrangement (ICHRA) to reimburse their employees for individual market coverage, including premiums for Marketplace health insurance. An ICHRA is considered affordable if the employee's monthly premium for the lowest-cost silver plan offered by the employee's Marketplace, after subtracting the employer's ICHRA contribution, does not exceed the employee's required contribution (household income times the applicable figure below and in the Form 8962 instructions). If the ICHRA is affordable for a month, no PTC is allowed for the month for the Marketplace coverage of those offered the ICHRA. If the ICHRA is unaffordable for a month, a PTC may be allowed for those offered the ICHRA only if the employee opted out of the employer's ICHRA. This is Out of Scope for the VITA/TCE programs.

Overlapping Coverage

There are special rules for taxpayers who wish to claim PTC when they had another offer of coverage. See Publication 974 for additional information.

In general:

- A person who is eligible for PTC and becomes eligible for other coverage after the first day of the month can claim PTC for that month.
- If a person eligible for PTC for whom APTC is being paid informs the Marketplace that he or she is now eligible for other minimum essential coverage and APTC should be discontinued, and the Marketplace does not discontinue APTC by the first day of the following month, the person remains eligible for PTC until the first day of the second month the individual may enroll in other coverage.

Employer-sponsored coverage:

- Except as provided above (a person for whom APTC is being paid informs the Marketplace that he or she is now eligible for other minimum essential coverage and APTC should be discontinued), a person cannot claim PTC for his or her Marketplace coverage for any full month the person was enrolled in employer-sponsored coverage; if APTC was paid for a person's Marketplace coverage for a month the person was enrolled in employer-sponsored coverage, it must be repaid (unless the person informed the Marketplace of the eligibility and the APTC was not discontinued, as noted above) up to the repayment limitation.
- PTC can be claimed for an individual who was eligible for, but not enrolled in, employer-sponsored coverage only if:
  a. The employer coverage was unaffordable, or
  b. The taxpayer advised the Marketplace of the employer offer and the Marketplace determined the coverage was unaffordable for the employee (see Exception below), or
  c. The coverage did not provide a minimum level of benefits, referred to as "minimum value." A taxpayer can check with the employer if he or she suspects coverage did not meet minimum standards.
- Exception: A person who is eligible for employer-sponsored coverage and gave the Marketplace accurate information about the offer of coverage but was still determined eligible for APTC can claim PTC for his or her Marketplace coverage, if otherwise eligible, even if the employer coverage is affordable based on the taxpayer's actual household income.
- See Publication 974 for more information and special rules on employer-sponsored coverage, including coverage waiting periods, health reimbursement arrangements, and coverage after employment ends.

Medicaid/CHIP:

- If the Marketplace determined the taxpayer was eligible for APTC and therefore ineligible for Medicaid or CHIP, and APTC was paid for the taxpayer, the taxpayer will generally remain ineligible for Medicaid or CHIP for the plan year, even if actual household income suggests the person may have been eligible for Medicaid or CHIP. If this is the case, answer Yes to the question in TaxSlayer which asks "Is your household income below 100% of the Federal poverty line, and do you meet all of the requirements under either "Estimated household income at least 100% of the Federal poverty line" or "Alien lawfully present in the United States"?
- If an individual for whom APTC is being paid is determined to be eligible for government-sponsored coverage retroactively, the individual is not considered eligible for that coverage until the month after the eligibility determination is made. (For example, a person who enrolled at the beginning of the year in Marketplace coverage with APTC, but in July is determined eligible for Medicaid retroactive to April 1, can, if otherwise eligible, claim PTC for January through July, despite concurrent enrollment in Medicaid in April through July.)

Medicare:

- A person eligible for Medicare loses eligibility for PTC for the person's Marketplace coverage even if he or she fails to enroll in Medicare. The loss of eligibility occurs the first day of the fourth full month after the person became eligible for Medicare. For example, a person who is enrolled in Marketplace coverage with APTC, but becomes Medicare-eligible on his 65th birthday on May 17, loses eligibility for PTC on September 1, the first day of the fourth full month after Medicare eligibility.

Premium Tax Credit – Special Situations (continued)

Handling Unexpected APTC Repayments

You may encounter a taxpayer with an unexpected repayment of APTC on Form 8962, Line 29, that he or she must repay. An unexpected repayment may occur when the taxpayer receives unanticipated income, such as retroactive disability, lump-sum social security benefits, a work bonus or gambling winnings.

Form 8962: Part III

Part III Repayment of Excess Advance Payment of the Premium Tax Credit

27	Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27	
28	Repayment limitation (see instructions)	28	
29	Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44	29	

Review the Health Care section in the software:

- Make sure Form 1095-A is correct and complete (see Premium Tax Credit: Form 1095-A Overview, earlier in this tab).
- Ask the taxpayer to contact the Marketplace if the form doesn't reflect premiums that were paid or if there are other errors.
- If the taxpayer received Form 1095-A, make sure the question "Is your household income below 100%..." is answered correctly in the Health Insurance section of the software (see the Premium Tax Credit entry screens, earlier in this tab).
- Check the Health Insurance section of the software to see if the question "Are you required to repay all of the APTC received?" is answered correctly (see the Premium Tax Credit entry screens, earlier in this tab).
- If the taxpayer or spouse lived in Hawaii or Alaska at any point during the year, ensure that state is selected as the resident state in the Basic Information section.

Consider income adjustments to reduce household income:

- If the taxpayer is eligible to claim an IRA deduction, remember that taxpayers can contribute to an IRA until the tax filing deadline.
- If the taxpayer or spouse has an HSA and has not contributed the maximum for the tax year, he or she may contribute to their HSA until the tax filing deadline.
- If the taxpayer or spouse is self-employed, ensure all business expenses have been claimed. The taxpayer may be able to claim the self-employed health insurance deduction which reduces household income, in which case the return is Out of Scope.
- If the taxpayer or spouse is eligible and wishes to claim HCTC or establish a SEP-IRA, refer him/her to a professional return preparer.

Consider married filing separately:

- The taxpayer may be ineligible for the PTC, but filing separately may cap repayment of APTC at a lower level if one or both spouses' household income is less than 400% of FPL. However, if both spouses are on the same Form 1095-A, filing separately makes this a shared policy and Out of Scope.

Important! If the taxpayer is currently enrolled in Marketplace coverage and has a 2021 repayment of APTC, the taxpayer should contact the Marketplace **now** to adjust their 2022 APTC to avoid similar repayments for the 2022 tax year!

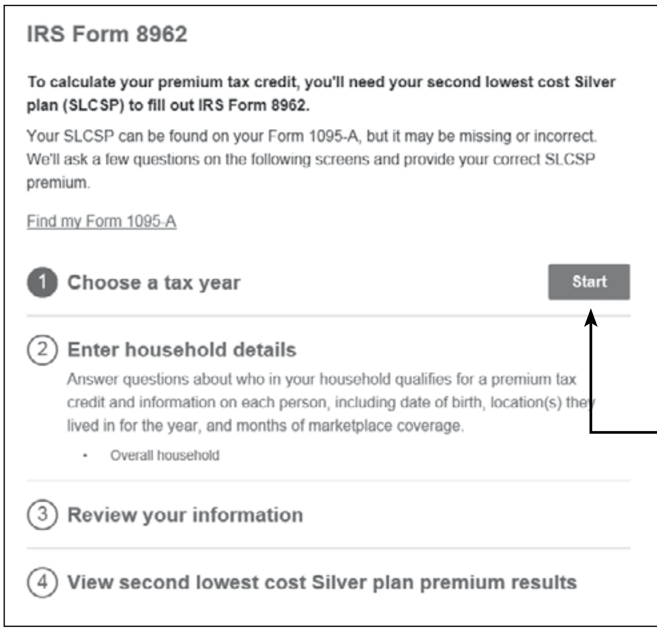
Repayment Caps for APTC		
Income (as % of federal poverty line)	Taxpayers Filing as SINGLE	Taxpayers Using Other Filing Statuses
Under 200%	$325	$650
200% – 299%	$800	$1,600
300% – 399%	$1,350	$2,700
400% and above	No cap (full repayment)	No cap (full repayment)

How to Use the Healthcare.gov Tax Tool

Who should use this tool?

The tool is available for taxpayers who live in federal Marketplace (Healthcare.gov) states, or in a state that uses the Healthcare.gov technology. If you live in a state with a state-based Marketplace, contact the Marketplace by phone or online.

To begin, go to **https://www.healthcare.gov/tax-tool/**



The tool allows a taxpayer to find their SLCSP Premium to complete or correct Column B of the Form 1095- A.

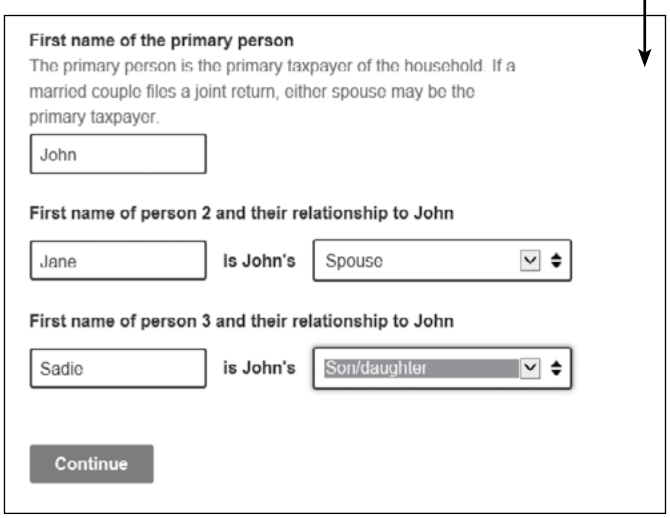
The Tax Tool will ask you to enter all members of the household, even those with other coverage.

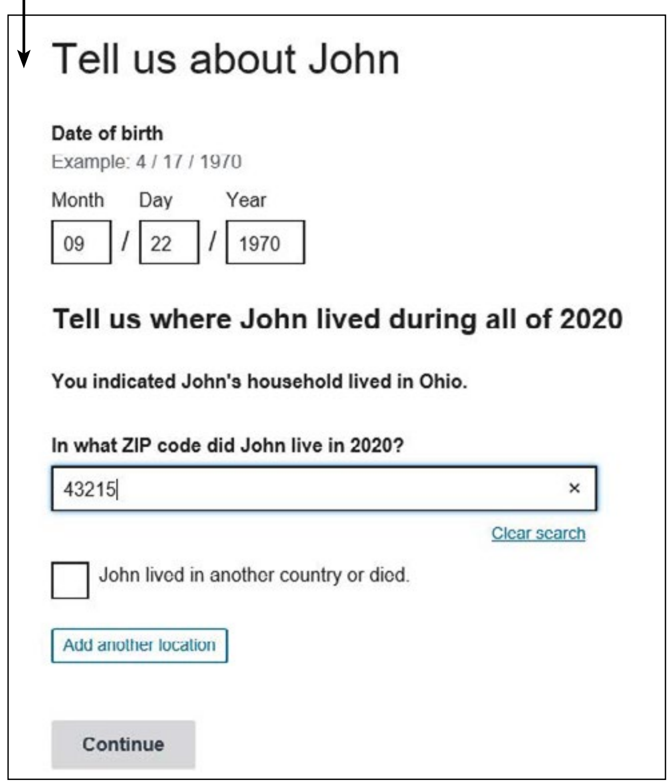
Several screens will ask for the family's ZIP code and whether they lived in the same place for all months. **Confirm the information for each family member.**

Enter information for the following steps:

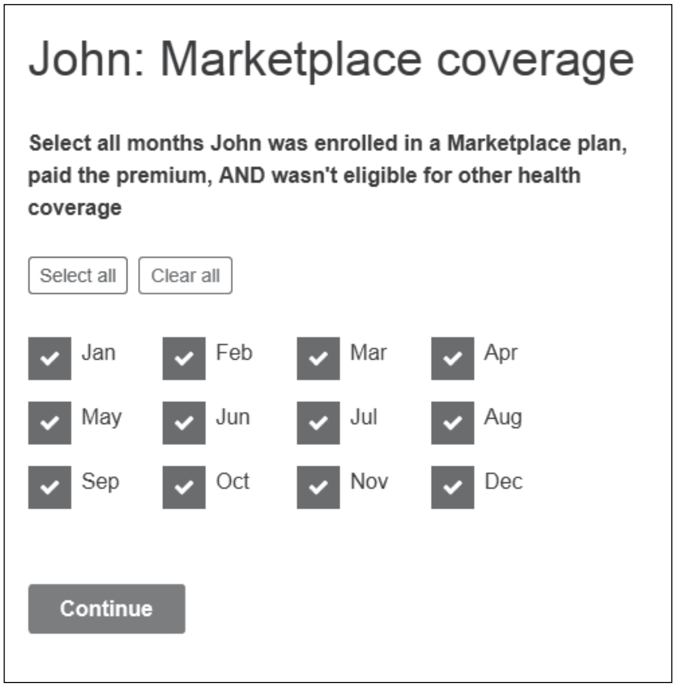
Step 1. **Select Choose a tax year**, then select appropriate state(s) and click **Continue**.

Step 2. Provide information about the taxpayer's household.





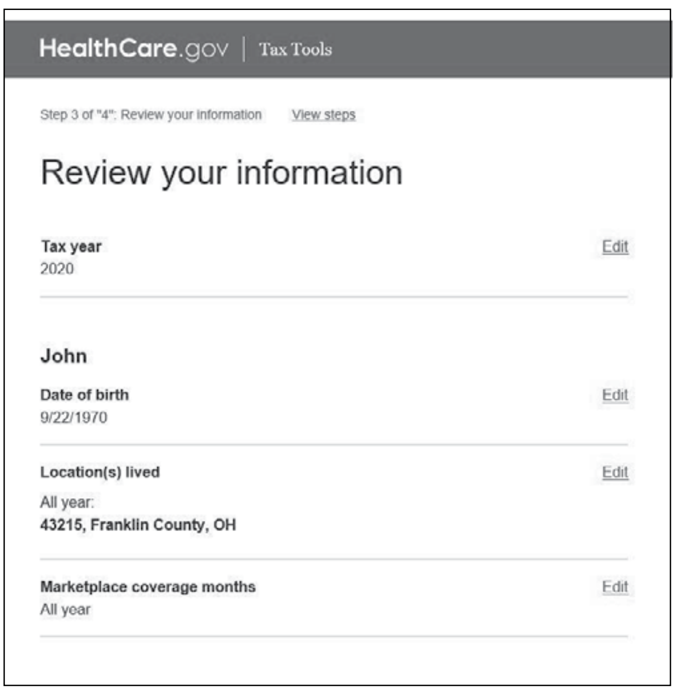
How to Use the Healthcare.gov Tax Tool (continued)



This section determines for each family member whether he or she will be included in determining the SLCSP premium, which you will enter in TaxSlayer.

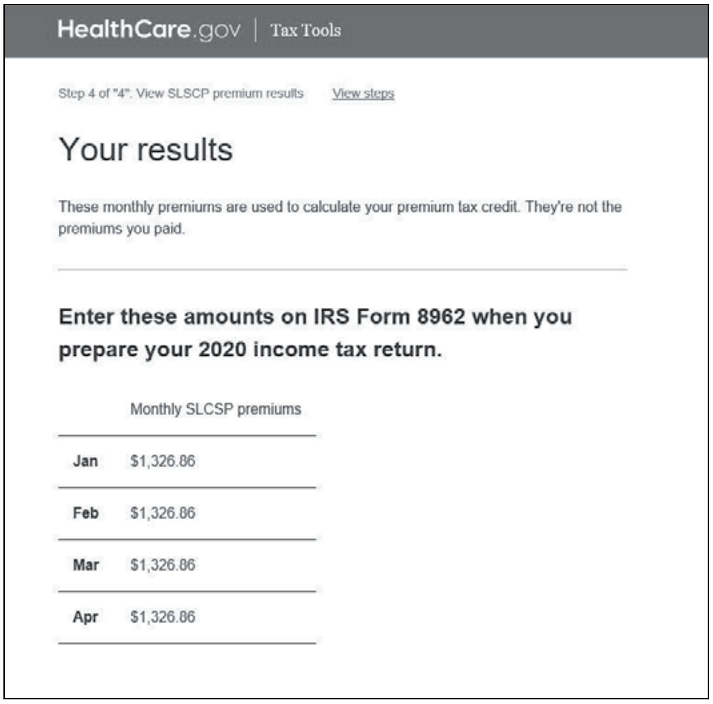
Follow the instructions closely!

Leave the boxes unchecked for months John was eligible for other coverage (such as employer or Medicaid) or did not pay the premium for that month and click **Continue**.



Step 3. In the Review screen, confirm the information for each family member and click **Continue**.

How to Use the Healthcare.gov Tax Tool (continued)



Step 4. The results page shows the premium for the **SLCSP** for the household. Use these amounts as if they appeared on Form 1095-A, Column B.

Remember: Print out the review information and the results page screens for the taxpayer's records.

Federal Poverty Lines

For purposes of the premium tax credit, eligibility for a certain year is based on the most recently published set of poverty lines as of the first day of open enrollment for coverage for that year. As a result, the tax credit for 2021 will be based on the 2020 federal poverty lines.

2020 Poverty Lines for the 48 Contiguous States and the District of Columbia			
For families/households with more than 8 persons, add $4,480 for each additional person (100% Poverty Line)			
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	$12,760	$17,608	$51,040
2	$17,240	$23,791	$68,960
3	$21,720	$29,973	$86,880
4	$26,200	$36,156	$104,800
5	$30,680	$42,338	$122,720
6	$35,160	$48,520	$140,640
7	$39,640	$54,703	$158,560
8	$44,120	$60,885	$176,480

2020 Poverty Lines for Alaska			
For families/households with more than 8 persons, add $5,600 for each additional person (100% Poverty Line)			
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	$15,950	$22,011	$63,800
2	$21,550	$29,739	$86,200
3	$27,150	$37,467	$108,600
4	$32,750	$45,195	$131,000
5	$38,350	$52,923	$153,400
6	$43,950	$60,651	$175,800
7	$49,550	$68,379	$198,200
8	$55,150	$76,107	$220,660

2020 Poverty Lines for Hawaii			
For families/households with more than 8 persons, add $5,150 for each additional person (100% Poverty Line)			
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	$14,680	$20,258	$58,720
2	$19,830	$27,365	$79,320
3	$24,980	$34,472	$99,920
4	$30,130	$41,579	$120,520
5	$35,280	$48,686	$141,120
6	$40,430	$55,793	$161,720
7	$45,580	$62,900	$182,320
8	$50,730	$70,007	$202,920

Applicable Figure Table Tax Year 2021 - Applicable Percentage/Decimal

The decimal number from this table is used to calculate the taxpayer's contribution amount when completing Form 8962.

Income as % of FPL	Applicable Decimal
<150	0.0000
150	0.0000
151	0.0004
152	0.0008
153	0.0012
154	0.0016
155	0.0020
156	0.0024
157	0.0028
158	0.0032
159	0.0036
160	0.0040
161	0.0044
162	0.0048
163	0.0052
164	0.0056
165	0.0060
166	0.0064
167	0.0068
168	0.0072
169	0.0076
170	0.0080
171	0.0084
172	0.0088
173	0.0092
174	0.0096
175	0.0100
176	0.0104
177	0.0108
178	0.0112
179	0.0116
180	0.0120
181	0.0124
182	0.0128
183	0.0132
184	0.0136
185	0.0140
186	0.0144
187	0.0148
188	0.0152
189	0.0156
190	0.0160
191	0.0164
192	0.0168
193	0.0172
194	0.0176
195	0.0180
196	0.0184
197	0.0188
198	0.0192
199	0.0196
200	0.0200

Income as % of FPL	Applicable Decimal
201	0.0204
202	0.0208
203	0.0212
204	0.0216
205	0.0220
206	0.0224
207	0.0228
208	0.0232
209	0.0236
210	0.0240
211	0.0244
212	0.0248
213	0.0252
214	0.0256
215	0.0260
216	0.0264
217	0.0268
218	0.0272
219	0.0276
220	0.0280
221	0.0284
222	0.0288
223	0.0292
224	0.0296
225	0.0300
226	0.0304
227	0.0308
228	0.0312
229	0.0316
230	0.0320
231	0.0324
232	0.0328
233	0.0332
234	0.0336
235	0.0340
236	0.0344
237	0.0348
238	0.0352
239	0.0356
240	0.0360
241	0.0364
242	0.0368
243	0.0372
244	0.0376
245	0.0380
246	0.0384
247	0.0388
248	0.0392
249	0.0396
250	0.0400
251	0.0404
252	0.0408

Income as % of FPL	Applicable Decimal
253	0.0412
254	0.0416
255	0.0420
256	0.0424
257	0.0428
258	0.0432
259	0.0436
260	0.0440
261	0.0444
262	0.0448
263	0.0452
264	0.0456
265	0.0460
266	0.0464
267	0.0468
268	0.0472
269	0.0476
270	0.0480
271	0.0484
272	0.0488
273	0.0492
274	0.0496
275	0.0500
276	0.0504
277	0.0508
278	0.0512
279	0.0516
280	0.0520
281	0.0524
282	0.0528
283	0.0532
284	0.0536
285	0.0540
286	0.0544
287	0.0548
288	0.0552
289	0.0556
290	0.0560
291	0.0564
292	0.0568
293	0.0572
294	0.0576
295	0.0580
296	0.0584
297	0.0588
298	0.0592
299	0.0596
300	0.0600
301	0.0603
302	0.0605
303	0.0608
304	0.0610

Income as % of FPL	Applicable Decimal
305	0.0613
306	0.0615
307	0.0618
308	0.0620
309	0.0623
310	0.0625
311	0.0628
312	0.0630
313	0.0633
314	0.0635
315	0.0638
316	0.0640
317	0.0643
318	0.0645
319	0.0648
320	0.0650
321	0.0653
322	0.0655
323	0.0658
324	0.0660
325	0.0663
326	0.0665
327	0.0668
328	0.0670
329	0.0673
330	0.0675
331	0.0678
332	0.0680
333	0.0683
334	0.0685
335	0.0688
336	0.0690
337	0.0693
338	0.0695
339	0.0698
340	0.0700
341	0.0703
342	0.0705
343	0.0708
344	0.0710
345	0.0713
346	0.0715
347	0.0718
348	0.0720
349	0.0723
350	0.0725
351	0.0728
352	0.0730
353	0.0733
354	0.0735
355	0.0738
356	0.0740

Applicable Figure Table Tax Year 2021 - Applicable Percentage/Decimal (continued)

Income as % of FPL	Applicable Decimal
357	0.0743
358	0.0745
359	0.0748
360	0.0750
361	0.0753
362	0.0755
363	0.0758
364	0.0760
365	0.0763
366	0.0765
367	0.0768
368	0.0770
369	0.0773
370	0.0775
371	0.0778
372	0.0780
373	0.0783

Income as % of FPL	Applicable Decimal
374	0.0785
375	0.0788
376	0.0790
377	0.0793
378	0.0795
379	0.0798
380	0.0800
381	0.0803
382	0.0805
383	0.0808
384	0.0810
385	0.0813
386	0.0815
387	0.0818
388	0.0820
389	0.0823
390	0.0825

Income as % of FPL	Applicable Decimal
391	0.0828
392	0.0830
393	0.0833
394	0.0835
395	0.0838
396	0.0840
397	0.0843
398	0.0845
399	0.0848
≥ 400	0.0850

Notes

Tab I: Earned Income Credit

Earned Income Table

Earned Income for EIC

Includes	Doesn't include
• Taxable wages, salaries, and tips • Union strike benefits • Taxable long-term disability benefits received prior to minimum retirement age • Net earnings from self-employment • Gross income of a statutory employee • Household employee income • Nontaxable combat pay election • Nonemployee compensation • The rental value of a home or a housing allowance provided to a minister as part of the minister's pay (Out of Scope)	• Interest and dividends • Social Security and railroad retirement benefits • Welfare benefits • Workfare payments • Pensions and annuities (except if disability pension and taxpayer is under minimum retirement age) • Veteran's benefits (including VA rehabilitation payments) • Workers' compensation benefits • Alimony • Child support • Nontaxable foster-care payments • Unemployment compensation • Taxable scholarship or fellowship grants that aren't reported on Form W-2 • Earnings for work performed while an inmate at a penal institution or on work release* • Salary deferrals (for example, under a 401(k) or 403(b) plan or the Federal Thrift Savings Plan) • The value of meals or lodging provided by an employer for the convenience of the employer • Disability Insurance payments • Excludable dependent care benefits (line 25 of Form 2441) • Salary reductions such as under a cafeteria plan • Excludable employer-provided educational assistance benefits (may be shown in box 14 of Form W-2)

*This particular income is entered as other income on the return and not counted as earned income.

Note: Taxpayers may be able to elect to use their 2019 earned income to figure their earned income credit (EIC) if their 2019 earned income is more than their 2021 earned income. This election is made on the Basic Information>Personal Information page.

Common EIC Filing Errors

- Claiming a child who doesn't meet the residency and relationship requirements
- Married taxpayers incorrectly filing as a single or head of household
- Incorrectly reporting income, particularly income and expenses from self-employment
- Incorrect Social Security numbers

Summary of EIC Eligibility Requirements

Part A Rules for Everyone	Part B Rules If You Have a Qualifying Child	Part C Rules If You Don't Have a Qualifying Child
Taxpayers & qualifying children must all have SSN that is valid for employment by the due date of the return (including extensions).[1]	Child must meet the relationship, age, residency test and joint return tests but not the support test. The child doesn't have to be your dependent.[2]	Must be at least age 19[3]
Filing status can't be married filing separately unless you meet an exception[4].	Qualifying child can't be used by more than one person to claim the EIC.	Can't be the dependent of another person.
Must be a U.S. citizen or resident alien all year.	The taxpayer can't be a qualifying child of another person.	Must have lived in the United States more than half the year.
Can't file Form 2555 (relating to foreign earned income).		Can't be a qualifying child of another person.
Investment income must be $10,000 or less.		
Can't be a qualifying child of another person.		

Part D
Earned Income and AGI Limitations
You must have earned income to qualify for this credit.
Your earned income and AGI must be less than:

- $51,464 ($57,414 for married filing jointly) if you have three or more qualifying children,
- $47,915 ($53,865 for married filing jointly) if you have two qualifying children,
- $42,158 ($48,108 for married filing jointly) if you have one qualifying child, or
- $21,430 ($27,380 for married filing jointly) if you don't have a qualifying child.

Footnotes

[1] If the taxpayer's Social Security card says "VALID FOR WORK ONLY WITH INS OR DHS AUTHORIZATION," the taxpayer can use the Social Security number to claim EIC if they otherwise qualify.
If taxpayer (or spouse, if filing a joint return) or dependent has an individual taxpayer identification number (ITIN), they can't get the EIC. ITINs are issued by the IRS to noncitizens who can't get an SSN. Singles and couples who have Social Security numbers can claim the credit, even if their children don't have SSNs. In this instance, they would get the smaller credit available to childless workers. In the past, these filers didn't qualify for the credit.
If the taxpayer's Social Security card has a "NOT VALID FOR EMPLOYMENT" imprint, and if the card-holder obtained the SSN to get a federally funded benefit, such as Medicaid, they can't get the EIC.

[2] To meet the joint return test, the child cannot file a joint return for the year unless it's only to claim a refund of income tax withheld or estimated tax paid.

[3] If the individual is a specified student, the minimum age is 24. The minimum age is 18 for any qualified former foster youth or qualified homeless youth. See Note 2 below

[4] Taxpayers can claim EIC who are married, not filing a joint return, had a qualifying child living with them for more than 1/2 the year and either lived apart from their spouse for the last 6 months of the year or are legally separated according to state law under legal separation agreement or a decree of separate maintenance and didn't live in the same household as the spouse at the end of the year.

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CAUTION Taxpayers cannot file an amended return to claim the credit for a year they did not originally have a valid Social Security number.

Note 1: The term 'specified student' means, with respect to any taxable year, an individual who is an eligible student (within the meaning of the American opportunity tax credit (AOTC) rules) for at least 5 months during the year. For purposes of this requirement, both full months and partial months count towards meeting this 5-month requirement.

Note 2: The term 'qualified former foster youth' means an individual who was in foster care on or after the date that he or she turned 14 years old.

The term `qualified homeless youth' refers to an individual who certifies that he or she is either an unaccompanied youth who is a homeless child or youth, or is unaccompanied, at risk of homelessness, and self-supporting.

EIC General Eligibility Rules

Probe/Action: Ask the taxpayer:

step 1	Calculate the taxpayer's earned income and adjusted gross income (AGI) for the tax year. Are both less than: • $51,464 ($57,414 married filing jointly) with three or more qualifying children; • $47,915 ($53,865 married filing jointly) with two qualifying children; • $42,158 ($48,108 married filing jointly) with one qualifying child; or • $21,430 ($27,380 married filing jointly) with no qualifying children?	If **YES**, go to Step 2. If **NO**, STOP. You can't claim the EIC.
step 2	Do you (and your spouse, if filing jointly) have a Social Security number (SSN) that allows you to work?* Answer "NO" if the taxpayer's Social Security card has a "NOT VALID FOR EMPLOYMENT" imprint, and if the card-holder obtained the SSN to get a federally funded benefit, such as Medicaid.	If **YES**, go to Step 3. If **NO**, STOP. You can't claim the EIC.
step 3	Is your filing status married filing separately?	If **YES**, You can't claim the EIC unless you meet an exception. See Footnote 4 on page I-2. If **NO**, go to Step 4
step 4	Are you (or your spouse, if married) a nonresident alien? Answer "NO" if the taxpayer is married filing jointly, and one spouse is a citizen or resident alien and the other is a nonresident alien.	If **YES** and you are either unmarried or married but not filing a joint return, STOP. You can't claim the EIC. If **NO**, go to Step 5.
step 5	Are you (or your spouse, if filing jointly) filing Form 2555 (Foreign Earned Income) to exclude income earned in a foreign country?	If **YES**, STOP. You can't claim the EIC. If **NO**, go to Step 6.
step 6	Is your investment income (interest, tax exempt interest, dividends, capital gains distributions & capital gains) more than $10,000?	If **YES**, STOP. You can't claim the EIC. If **NO**, go to Step 7.
step 7	Are you (or your spouse, if filing jointly) the qualifying child of another taxpayer?	If **YES,** STOP. You can't claim the EIC. If **NO**, go to the interview tips for EIC—With a Qualifying Child or EIC—Without a Qualifying Child.

* If the taxpayer's Social Security card says **VALID FOR WORK ONLY WITH INS OR DHS AUTHORIZATION**, the taxpayer **can** use the Social Security number to claim EIC if they otherwise qualify.

Note: Taxpayer must check the checkbox on Schedule EIC for MFS treated as not married for purpose of claiming EIC to claim the credit.

EIC With a Qualifying Child

Probe/Action: Ask the taxpayer:

step 1	Does your qualifying child have an SSN that allows him or her to work? Answer NO if the child's Social Security card says "NOT VALID FOR EMPLOYMENT" and his or her SSN was only obtained to get a federally funded benefit.	If **YES**, go to Step 2. If **NO**, STOP. You can't claim the EIC on the basis of this qualifying child, however, you may qualify to claim the childless EIC if you meet the requirements.
step 2	Is the child your son, daughter, stepchild, adopted child, or eligible foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them?	If **YES**, go to Step 3. If **NO**, STOP. This child isn't your qualifying child. Go to interview tips for EIC Without a Qualifying Child.
step 3	Was the child any of the following at the end of the tax year? • Under age 19 and younger than the taxpayer (or spouse, if filing jointly) • Under age 24 and a full-time student and younger than the taxpayer (or spouse, if filing jointly), or • Any age and permanently and totally disabled	If **YES**, go to Step 4. If **NO**, STOP. This child isn't your qualifying child. Go to interview tips for EIC Without a Qualifying Child.
step 4	Did the child file a joint return for the year?[1] Answer NO if the child and his or her spouse filed a joint return only to claim a refund of income tax withheld or estimated tax paid.	If **NO**, go to Step 5. If **YES**, STOP. This child isn't your qualifying child (failed the joint return test). Go to interview tips for EIC Without a Qualifying Child.
step 5	Did the child live with you in the United States for more than half (183 days for 2021) of the tax year?[2] Active duty military personnel stationed outside the United States are considered to live in the United States for this purpose.	If **YES**, go to Step 6. If **NO**, STOP. This child isn't your qualifying child. Go to interview tips for EIC Without a Qualifying Child.
step 6	Is the child a qualifying child of another person? There may be a case when a qualifying child can't be claimed by anyone. **Example:** The only parent that the child lives with doesn't work nor files a tax return and another adult can't meet the general eligibility rules. In this example, no one qualifies to claim this child as a qualifying child for EIC.	If **YES**, explain to the taxpayer what happens when more than one person claims the EIC using the same child (Qualifying Child of More than One Person rule). If the taxpayer chooses to claim the credit with this child, compute the EIC using the appropriate EIC worksheets. If **NO,** compute the EIC using the appropriate EIC worksheet.

Footnotes

[1] If your child was married at the end of the year, he or she doesn't meet the joint return test unless you can claim the child as a dependent or you can't claim the child as a dependent because you gave that right to the child's other parent.

[2] Temporary absences. Count time that you or your child is away from home on a temporary absence due to a special circumstance as time the child lived with you. Examples of a special circumstance include illness, school attendance, business, vacation, military service, and detention in a juvenile facility.

EIC Without a Qualifying Child

Probe/Action: Ask the taxpayer:

step 1	Can you (or your spouse, if filing jointly) be claimed as a dependent by another person?	If **NO**, go to Step 2. If **YES**, STOP. You can't claim the EIC.
step 2	Were you (or your spouse, if filing jointly) at least 19 (age 24 if a specified student) on December 31 of the tax year?	If **NO**, STOP. You can't claim the EIC unless an exception applies. See the Note below. If **YES**, go to Step 3.
step 3	Did you (and your spouse, if filing jointly) live in the United States for more than half (at least 183 days) of the tax year?	If **NO**, STOP. You can't claim the EIC. If **YES**, compute EIC using the appropriate EIC worksheet.

Note: See footnote 3 and corresponding notes on page I-2.

Qualifying Child of More than One Person

If the child meets the conditions to be the qualifying child of more than one person, only one person can claim the child. The tiebreaker rules, which follow, explain who, if anyone, can claim the EIC when more than one person has the same qualifying child. However, the tiebreaker rules don't apply if the other person is your spouse and you file a joint return. Review all of the conditions to see which one applies.

- If only one of the persons is the child's parent, the child is treated as the qualifying child of the parent.
- If the parents don't file a joint return together but both parents claim the child as a qualifying child, the IRS will treat the child as the qualifying child of the parent with whom the child lived for the longer period of time in 2021. If the child lived with each parent for the same amount of time, the IRS will treat the child as the qualifying child of the parent who had the higher adjusted gross income (AGI) for 2021.
- If no parent can claim the child as a qualifying child, the child is treated as the qualifying child of the person who had the highest AGI for 2021.
- If a parent can claim the child as a qualifying child but no parent does so claim the child, the child is treated as the qualifying child of the person who had the highest AGI for 2021, but only if that person's AGI is higher than the highest AGI of any of the child's parents who can claim the child.

Note 1: If the taxpayers can't claim the EIC because their qualifying child is treated under the tiebreaker rules as the qualifying child of another person for 2021, they may be able to take the EIC using a different qualifying child, or take the EIC if they qualify using the rules for people who don't have a qualifying child.

Note 2: Subject to these tiebreaker rules, the taxpayer and the other person may be able to choose which of them claims the child as a qualifying child. See Publication 596, Earned Income Credit (EIC), for examples. Only parents have the option to choose which parent will claim the child. All other taxpayers wanting to claim the qualifying child must follow the tiebreaker rules. See Pub 596 for examples. The IRS will apply the tiebreaker rules when the child is claimed by multiple taxpayers.

Disallowance of Certain Credits

TaxSlayer Navigation: Federal section>Deductions>Credit menu>Claiming Refundable Credits After Disallowance

Form 8862, Information to Claim Certain Credits After Disallowance, must be completed for any taxpayer whose EIC, credit for other dependents (ODC), child tax credit (CTC), refundable child tax credit (RCTC), additional child tax credit (ACTC), or American opportunity tax credit (AOTC), was previously reduced or disallowed and the taxpayer received a letter saying they had to complete and attach Form 8862 to claim the credit(s) the next time.

If the IRS determined a taxpayer claimed the credit(s) due to reckless or intentional disregard of the rules (not due to math or clerical errors) the taxpayer can't claim the credit(s) for 2 tax years. If the error was due to fraud, then the taxpayer can't claim the credit(s) for 10 tax years.

Two situations may require completion of Form 8862

1) The IRS advised the taxpayer that form 8862 must be completed for a future tax return.

2) A return has been rejected with reject code IND-046-01 – "Incorrect Data: Form 8862 must be present in the return. The e-File database indicates the taxpayer must file Form 8862 to claim Earned Income Credit after disallowance."

The steps to be followed are:

- Enter 8862 in the forms search box
- Click Begin for "Information to Claim Certain Refundable Credits After Disallowance"
- Click Begin for Credit to be claimed, e.g. "Claim EIC After Disallowance." (Note: Credits listed will be the ones for which the taxpayer is eligible.)

For EIC disallowance

- Do not click the first box "Check here if the only reason your EIC was reduced or disallowed in the earlier year was because you incorrectly reported your earned income or investment income" unless that is the actual reason the EIC was reduced/eliminated.
- Answer remaining questions and click Continue. Questions must be answered for all children

For CTC/ACTC

- Select "Claim Credit" then Continue

For AOTC

- Select "Form 8863" and confirm entries

Not Eligible for EIC:

If the taxpayer is not eligible for Earned Income Credit for any reason (including a previous year disallowance), click BEGIN on the Not Eligible for EIC line. Select both the check boxes after reading them carefully to determine that the taxpayer agrees to not claim earned income credit on this return.

Tab J: Education Benefits

Tax Treatment of Scholarship and Fellowship Payments

A scholarship or fellowship is tax free (excludable from gross income) **only if**:

- You are a candidate for a degree at an eligible educational institution. You are a candidate for a degree if you attend a primary or secondary school or are pursuing a degree at a college or university, or attend an educational institution that offers a program of training to prepare students for gainful employment in a recognized occupation and is authorized under federal or state law to provide such a program and is accredited by a nationally recognized accreditation agency.

A scholarship or fellowship is tax free only to the extent:

- It doesn't exceed your qualified education expenses;
- It isn't designated or earmarked for other purposes (such as room and board), and doesn't require (by its terms) that it can't be used for qualified education expenses; and
- It doesn't represent payment for teaching, research, or other services required as a condition for receiving the scholarship. (But for exceptions, see Payment for services in Publication 970, Tax Benefits for Education.)

Use Worksheet 1–1 below to figure the amount of a scholarship or fellowship you can exclude from gross income.

Education Expenses

The following are qualified education expenses for the purposes of tax-free scholarships and fellowships:

- Tuition and fees required to enroll at or attend an eligible educational institution.
- Course-related expenses, such as fees, books, supplies, and equipment that are required for the courses at the eligible educational institution. These items must be required of all students in your course of instruction.

Qualified education expenses don't include the cost of:

- Room and board
- Travel
- Research
- Clerical help
- Equipment and other expenses not required for enrollment in or attendance at an eligible educational institution

Worksheet 1-1. Taxable Scholarship and Fellowship Income

1.	Enter the total amount of any scholarship or fellowship grant for 2021. See Amount of scholarship or fellowship grant in Publication 970. • If you are a degree candidate at an eligible educational institution, go to line 2. • If you aren't a degree candidate at an eligible educational institution, stop here. The entire amount is taxable. For information on how to report this amount on your tax return, see Entering Other Compensation in TaxSlayer in Tab D.	1. ________
2.	Enter the amount from line 1 that was for teaching, research, or any other services required as a condition for receiving the scholarship. Don't include amounts received for these items under the National Health Service Corps Scholarship Program, the Armed Forces Health Professions Scholarship and Financial Assistance Program, or a comprehensive student work-learning-service program (as defined in Section 448(e) of the Higher Education Act of 1965) operated by a work college (as defined in that section).	2. ________
3.	Subtract line 2 from line 1	3. ________
4.	Enter the amount from line 3 that your scholarship or fellowship grant required you to use for other than qualified education expenses	4. ________
5.	Subtract line 4 from line 3	5. ________
6.	Enter the amount of your qualified education expenses	6. ________
7.	Enter the smaller of line 5 or line 6. This amount is the most you can exclude from your gross income [1] (the tax-free part of the scholarship or fellowship grant)	7. ________
8.	Subtract line 7 from line 5	8. ________
9.	Taxable part. Add lines 2, 4, and 8. See Entering Other Compensation in TaxSlayer in Tab D, for how to report this amount on your tax return	9. ________

[1] However, a scholarship or fellowship grant isn't treated as tax free to the extent the student includes it in gross income (the student may or may not be required to file a tax return) for the year the scholarship or fellowship grant is received and either:
- The scholarship or fellowship grant (or any part of it) must be applied (by its terms) to expenses (such as room and board) other than qualified education expenses.
- The scholarship or fellowship grant (or any part of it) may be applied (by its terms) to expenses (such as room and board) other than qualified education expenses.

You may be able to increase the combined value of an education credit and certain educational assistance if the student includes some or all of the educational assistance in income in the year it is received. See Publication 970 for more information.

Highlights of Education Tax Benefits for Tax Year 2021

This chart highlights some differences among the benefits discussed in Publication 970. See the text for definitions and details. Don't rely on this chart alone.
Note: Expenses for professional development of an educator can be claimed as an educator expense adjustment.

CAUTION *You generally can't claim more than one benefit for the same education expense.*

	Scholarships, Fellowships, Grants, and Tuition Reductions	**American Opportunity Credit**	**Lifetime Learning Credit**	**Student Loan Interest Deduction**	**Coverdell ESA† OOS if taxable**	**Qualified Tuition Program (QTP) (529 Plan)† OOS if taxable**	**Education Exception to Additional Tax on Early IRA Distributions†**	**Education Savings Bond Program† OOS**	**Employer-Provided Educational Assistance†**	**Business Deduction for Work-Related Education**
What is your benefit?	Amounts received may not be taxable	Credits can reduce the amount of tax you have to pay. 40% of the credit may be refundable (limited to $1,000 per student).	Credits can reduce amount of tax you must pay	Can deduct interest paid on qualified loans. See Tab E, Adjusments, for more information.	Earnings not taxed	Earnings not taxed	No 10% additional tax on early distribution	Interest not taxed	Employer benefits not taxed	Can deduct expenses
What is the annual limit?	None	$2,500 credit per student	$2,000 credit per tax return	$2,500 deduction per return	$2,000 contribution per beneficiary	None	Amount of qualified education expenses reduced by any tax-free educational assistance	Amount of qualified education expenses	$5,250 exclusion	Amount of qualifying work-related education expenses

† Any nontaxable distribution is limited to the amount that doesn't exceed qualified education expenses.

OOS = Out of Scope

Highlights of Education Tax Benefits for Tax Year 2021

	Scholarships, Fellowships, Grants, and Tuition Reductions	American Opportunity Credit	Lifetime Learning Credit	Coverdell ESA† OOS if taxable	Qualified Tuition Program (QTP) (529 Plan)† OOS if taxable	Education Exception to Additional Tax on Early IRA Distributions†	Education Savings Bond Program† OOS	Employer-Provided Educational Assistance†	Business Deduction for Work-Related Education
What expenses qualify besides tuition and required enrollment fees?	Course-related expenses such as fees, books, supplies, and equipment	Course-related books, supplies, and equipment. **Note**: The maximum amount of qualified education expenses is $4,000.	Amounts paid for required books, etc., that must be paid to the educational institution, etc., are required fees. **Note**: The maximum amount of qualified education expenses is $10,000	Books Supplies Equipment Expenses for special needs services Payments to QTP Higher education: Room and Board if at least half-time student Elem/sec (K-12) education: Tutoring Room & board Uniforms Transportation Computer access Supplementary expenses	Higher Education: Books Supplies Equipment Room & board if at least half-time student Expenses for special needs services Computer Equipment, computer software, or Internet access and related services Elem/sec (K-12) education: See Pub 970 Principal or interest on beneficiary's or sibling's student loan. The amount of distributions for loan repayments of any individual is limited to $10,000 lifetime. Retroactive to TY2019	Books Supplies Equipment including computer or peripheral equipment, computer software and internet access and related services if used primarily by the student enrolled at an eligible education institution Room & board if at least half-time student Expenses for special needs services	Payments to Coverdell ESA Payments to QTP	Books Supplies Equipment	Transportation Travel Other necessary expenses

† Any nontaxable distribution is limited to the amount that doesn't exceed qualified education expenses.

OOS = Out of Scope

Highlights of Education Tax Benefits for Tax Year 2021

	Scholarships, Fellowships, Grants, and Tuition Reductions	American Opportunity Credit	Lifetime Learning Credit	Student Loan Interest Deduction	Coverdell ESA† OOS if taxable	Qualified Tuition Program (QTP) (529 Plan)† OOS if taxable	Education Exception to Additional Tax on Early IRA Distributions†	Education Savings Bond Program† OOS	Employer-Provided Educational Assistance†	Business Deduction for Work-Related Education
What education qualifies?	Undergraduate & graduate K-12	Undergraduate & graduate A graduate student can claim the American opportunity credit if and only if the student hasn't completed the first four years before the beginning of the tax year	Undergraduate & graduate courses to acquire or improve job skills	Undergraduate & graduate	Undergraduate & graduate K-12	Undergraduate & graduate K -12 for no more than $10,000 of tuition Apprenticeship program that is registered and certified by the Dept of Labor	Undergraduate & graduate	Undergraduate & graduate	Undergraduate & graduate	Required by law to keep present job, salary, status Maintain or improve job skills
What are some of the other conditions that apply?	Must be in degree or vocational program Payment of tuition and required fees must be allowed under the grant	Can be claimed for only 4 tax years (which includes years Hope credit claimed) Must be enrolled at least half-time in degree program No felony drug conviction(s) Must not have completed first 4 years of postsecondary education before end of preceding tax year	No other conditions	Must have been at least half-time student in degree program	Assets must be distributed at age 30 unless special needs beneficiary	No other conditions	No other conditions	Applies only to qualified series EE bonds issued after 1989 or series I bonds	No other conditions	Can't be to meet minimum educational requirements of present trade/ business Can't qualify you for a new trade/ business
In what income range do benefits phase out?	No phaseout	$80,000 - $90,000 $160,000 - $180,000 for joint returns	$80,000 - $90,000 $160,000 - $180,000 for joint returns	$70,000 - $85,000 $140,000 - $170,000 for joint returns	$95,000 - $110,000 $190,000 - $220,000 for joint returns	No phaseout	No phaseout	$83,200 - $98,200 $124,800 - $154,800 for joint and qualifying widow(er) with a dependent child returns	No phaseout	No phaseout

† Any nontaxable distribution is limited to the amount that doesn't exceed qualified education expenses.

OOS = Out of Scope

CAUTION Taxpayers filing MFS cannot claim deductions for the American opportunity credit, lifetime learning credit, or student loan interest deductions.

Education Credits

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Education Credits; or Keyword "EDUCA" or "886"

Probe/Action: To determine if a taxpayer qualifies for the education credit.

Taxpayers who claim the American opportunity credit even though they are not eligible can be banned from claiming the credit for up to 10 years.

Comparison of Education Credits

	American Opportunity Credit	Lifetime Learning Credit
Maximum credit	Up to $2,500 credit per eligible student	Up to $2,000 credit per return
Limit on modified adjusted gross income (MAGI)	$180,000 if married filing jointly; $90,000 if single, head of household, or qualifying widow(er)	$180,000 if married filing jointly; $90,000 if single, head of household, or qualifying widow(er)
Refundable or nonrefundable	40% of credit may be refundable[1]; the rest is nonrefundable	Nonrefundable—credit limited to the amount of tax you must pay on your taxable income
Number of years of postsecondary education	Available ONLY if the student had not completed the first 4 years of postsecondary education before 2021	Available for all years of postsecondary education and for courses to acquire or improve job skills
Number of tax years credit available	Available ONLY for 4 tax years per eligible student (including any year(s) Hope credit was claimed	Available for an unlimited number of tax years
Type of program required	Student must be pursuing a program leading to a degree or other recognized education credential	Student does not need to be pursuing a program leading to a degree or other recognized education credential
Number of courses	Student must be enrolled at least half-time for at least one academic period beginning during 2021 (or the first 3 months of 2022 if the qualified expenses were paid in 2021	Available for one or more courses
Felony drug conviction	As of the end of 2021, the student had not been convicted of a felony for possessing or distributing a controlled substance	Felony drug convictions do not make the student ineligible
Qualified expenses	Tuition, required enrollment fees, and course materials that the student needs for a course of study whether or not the materials are bought at the educational institution as a condition of enrollment or attendance	Tuition and required enrollment fees (including amounts required to be paid to the institution for course-related books, supplies, and equipment)
Payments for academic periods	Payments made in 2021 for academic periods beginning in 2021 or beginning in the first 3 months of 2022	Payments made in 2021 for academic periods beginning in 2021 or beginning in the first 3 months of 2022
TIN needed by filing due date	Filers and students must have a TIN by the due date of their 2021 return (including extensions)	
Educational institution's EIN	You must provide the educational institution's employer identification number (EIN) on your Form 8863, Education Credits.	

Footnote

[1] None of the credit is refundable if (1) the taxpayer claiming the credit is (a) under age 18 or (b) age 18 at the end of the year, and their earned income was less than one-half of their own support or (c) a full time student over 18 and under 24 and their earned income was less than one-half of their own support; and (2) the taxpayer has at least one living parent, and; (3) the taxpayer doesn't file a joint return.

Emergency financial aid grants used for a component of the cost of attendance or for unexpected expenses, unmet financial need, or expenses related to the disruption of campus operations on account of the COVID-19 pandemic, such as food, housing, health care (including mental health care), or child care, are not included in gross income. Taxpayers may claim the American Opportunity Credit or the Lifetime Learning Credit for eligible expenses paid with emergency financial aid grant funds if they otherwise meet the requirements for the credit. See **Higher Education Emergency Grant FAQs** for details.

Education Credits (continued)

Probe/Action: To determine if a taxpayer qualifies for the education credit.

Who Can Claim the Credit?

- Taxpayers who paid qualified educational expenses of higher education for an eligible student unless filing MFS.
- Taxpayers who paid the education expenses for a student enrolled at or attending an eligible educational institution. To determine if eligible, go to the U.S. Department of Education's Office of Post-secondary Education (OPE) website.
- The eligible student is either the taxpayer, taxpayer's spouse or their dependent.

Note: Qualified education expenses are considered paid by the taxpayer if paid by their dependent or a third party on behalf of the dependent. If a student isn't claimed as a dependent (even if eligible to be claimed), only the student can claim an education credit no matter who paid the expenses. Anyone paying the expenses (even directly to the institution) are considered to have given a gift to the student who in turn is treated as having paid the expenses.

Note: There are two 4-year tests for the American opportunity credit. First, the credit can be taken for only 4 tax years. Second, the student must not have completed four years of academic credit before the beginning of this tax year. Follow the examples in the "Who is an Eligible Student for the American Opportunity Credit" section in Publication 970 for additional information.

Who Can Claim a Dependent's Expenses?

If the taxpayer…	Then only…
Has a dependent who is an eligible student	The taxpayer can claim the credit based on that dependent's expenses. The dependent can't claim the credit.
Doesn't claim the dependent on the tax return	The dependent can claim the credit. The taxpayer can't claim the credit based on the dependent's expenses.

Who Can't Claim the Credit?

- Married filing separately filing status
- Anyone listed as a dependent on another person's tax return
- Taxpayers whose modified AGI is more than the allowable income limits
- Taxpayer (or the spouse) was a nonresident alien for any part of the tax year unless one of the exceptions listed in Publication 519, U.S. Tax Guide for Aliens, applies

What Expenses Qualify?

- Expenses paid for an academic period starting in 2021 or the first 3 months of 2022
- Expenses not refunded when the student withdraws from class
- Expenses paid with the proceeds from a loan

What are Qualifying Expenses?

- For the American opportunity credit, course-related materials are books, supplies, and equipment needed for a course of study whether or not the materials are purchased from the educational institution as a condition of enrollment or attendance.

What is Tax-Free Educational Assistance?

- Tax-free parts of scholarships and fellowships
- Pell Grants (see Publication 970)
- Employer-provided educational assistance (see Publication 970)
- Veterans' educational assistance
- Any other nontaxable payment (other than gifts or inheritances) received as educational assistance

Note: Don't reduce the qualified education expenses by any scholarship or fellowship reported as income on the student's tax return if the use of the scholarship isn't restricted and used to pay education expenses that aren't qualified (such as room and board).

Note: Taxpayers must have a Form 1098-T from an eligible educational institution to claim education benefits.

Note: If the student includes the tax free educational assistance in income, has a filing requirement, and unearned income (including the taxable scholarship) over $2,200, the student may need to file Form 8615, Tax for Certain Children Who Have Unearned Income (Kiddie Tax). In that case, the return is Out of Scope.

Determining Qualified Education Expenses

Box 1 may include nontaxable scholarship and grant amounts. Some students may choose to pay nonqualifying expenses with scholarship/Pell Grant funds, making the scholarship/Pell Grant taxable. This is true even if the scholarship/grant was paid directly to the school. This may increase the amount of qualifying expenses that can be used in calculating an education credit. Examples can be found in Coordination with Pell grants and other scholarships or fellowship grants in Publication 970.

Determine the amount paid by verifying the payment received from the student account statement with the amount shown in Box 1 of Form 1098-T. Remember to include books, supplies, course related materials and equipment if claiming the American opportunity credit. Also remember to include out of pocket payments made by the student or on the student's behalf. This includes student loans, payments, credit cards and taxable portions of scholarships/grants.

Example – Bill and Sue are eligible to claim the American opportunity credit for their daughter Sarah, who is in her first year of college. They have a Form 1098-T with $7,000 in box 1 and a $3,000 Pell Grant in box 5. During your interview with Bill and Sue, you determine that $3,000 was paid in September 2021 for the fall semester; $3,000 was paid by Pell Grant and $4,000 was paid by loan proceeds. They paid $500 for books in 2021. To calculate the eligible expenses for their credit, take the $7,000 ($3,000 grant + $4,000 loan) paid in 2021, plus the $500 for books and enter on line 1 of the worksheet below. The $3,000 Pell Grant will be entered on line 2a. The line 3 amount is $3,000. Subtracting line 3 from line 1, you get qualified education expenses of $4,500. If the resulting qualified expenses are less than $4,000, the student may choose to treat some of the grant as income to make more of the expenses eligible for the credit.

☐ CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number **Clark University** **150 Learning Drive** **Memphis, TN 38101**	**1** Payments received for qualified tuition and related expenses $ **7,000** **2**	OMB No. 1545-1574 **2021** Form **1098-T**	**Tuition Statement**
FILER'S employer identification no. **98-000XXXX** / STUDENT'S TIN **800-00-XXXX**	**3**		**Copy B For Student**
STUDENT'S name **Sarah Pine**	**4** Adjustments made for a prior year $ **OOS**	**5** Scholarships or grants $ **3,000**	This is important tax information and is being furnished to the IRS. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return.
Street address (including apt. no.) **123 Main Street** City or town, state or province, country, and ZIP or foreign postal code **Memphis, TN 38101**	**6** Adjustments to scholarships or grants for a prior year $ **OOS**	**7** Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2022 ☐	
Service Provider/Acct. No. (see instr.) / **8** Checked if at least half-time student ☑	**9** Checked if a graduate student ☐	**10** Ins. contract reimb./refund $	

Form **1098-T** (keep for your records) www.irs.gov/Form1098T Department of the Treasury - Internal Revenue Service

Adjusted Qualified Education Expenses Worksheet (Form 8863 instructions)

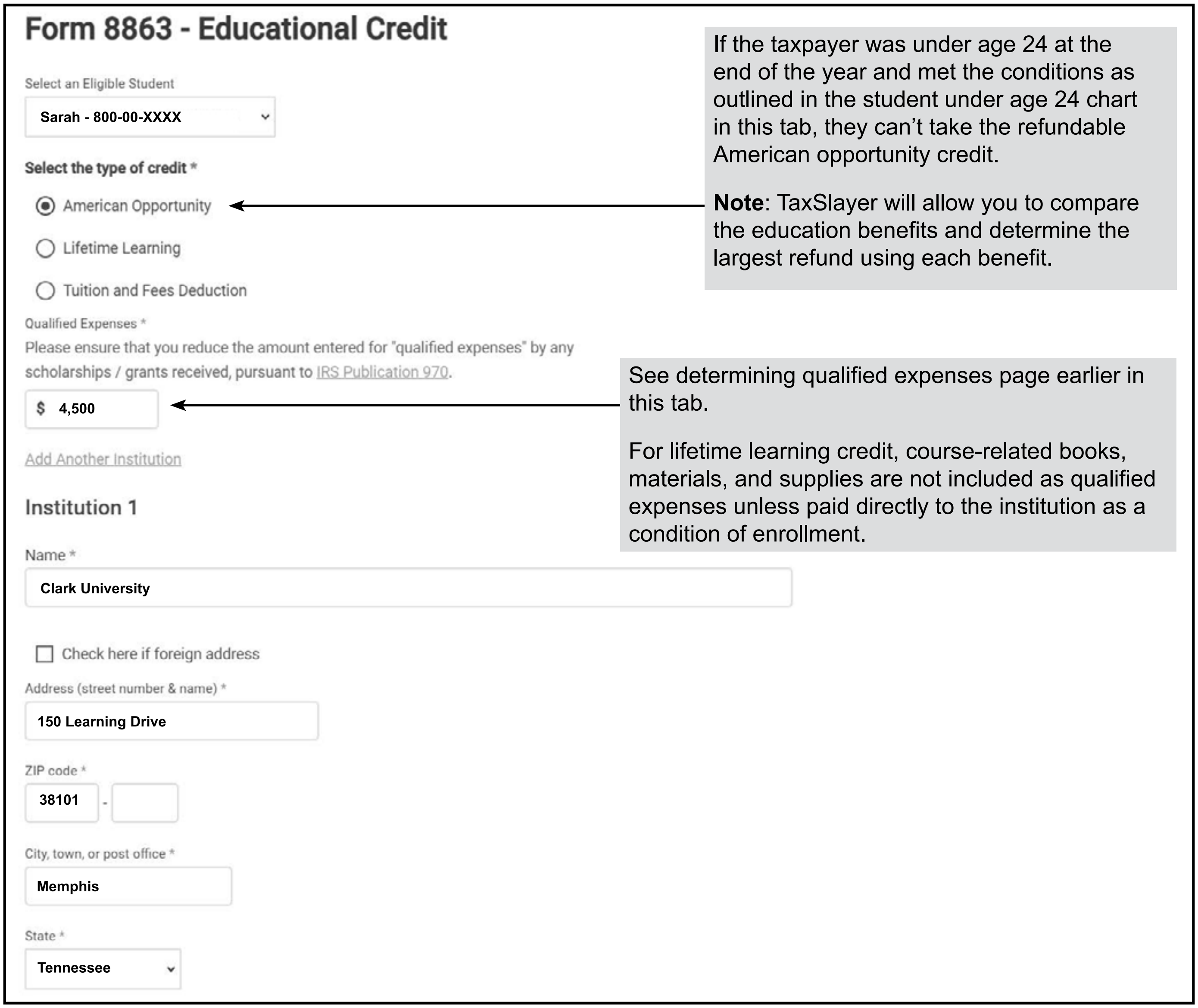
1. Total qualified education expenses paid for on behalf of the student in 2021 for the academic period		7,500
2. Less adjustments:		
a. Tax-free educational assistance received in 2021 allocable to the academic period	3,000	
b. Tax-free educational assistance received in 2022 (and before you file your 2021 tax return) allocable to the academic period	0	
c. Refunds of qualified education expenses paid in 2021 if the refund is received in 2021 or in 2022 before you file your 2021 tax return	0	
3. Total adjustments (add lines 2a, 2b, and 2c)		3,000
4. Adjusted qualified education expenses. Subtract line 3 from line 1. If zero or less, enter -0-		4,500

Note: If the student doesn't have a copy of their student account statement, ask them to go online through their college or university to get this information.

CAUTION Forms 1098-T with amounts listed in boxes 4 and 6 are Out of Scope (OOS).

Entering Education Benefits

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Education Credits; or Keyword “8863”



Form 8863 - Educational Credit

Select an Eligible Student

Sarah - 800-00-XXXX

Select the type of credit *

(•) American Opportunity

( ) Lifetime Learning

( ) Tuition and Fees Deduction

Qualified Expenses *

Please ensure that you reduce the amount entered for "qualified expenses" by any scholarships / grants received, pursuant to IRS Publication 970.

$ 4,500

Add Another Institution

Institution 1

Name *

Clark University

☐ Check here if foreign address

Address (street number & name) *

150 Learning Drive

ZIP code *

38101 -

City, town, or post office *

Memphis

State *

Tennessee

If the taxpayer was under age 24 at the end of the year and met the conditions as outlined in the student under age 24 chart in this tab, they can’t take the refundable American opportunity credit.

Note: TaxSlayer will allow you to compare the education benefits and determine the largest refund using each benefit.

See determining qualified expenses page earlier in this tab.

For lifetime learning credit, course-related books, materials, and supplies are not included as qualified expenses unless paid directly to the institution as a condition of enrollment.

Entering Education Benefits (continued)

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Education Credits Form 1098-T; or Keyword “8863” or “1098-T”

Did the student receive Form 1098-T from this institution for 2020? *

◯ Yes

◯ No

Did the student receive Form 1098-T from this institution for 2019 with Box 2 filled in and Box 7 checked? *

◯ Yes

◯ No

Has the Hope Scholarship Credit or American Opportunity Credit already been claimed on 4 prior tax returns? *

◯ Yes

◯ No

Was the student enrolled at least half-time? *

◯ Yes

◯ No

Did the student complete the first 4 years of post-secondary education before 2020? *

◯ Yes

◯ No

Was the student convicted, before the end of 2020, of a felony for possession or distribution of a controlled substance? *

◯ Yes

◯ No

- Only the taxpayer is eligible to claim the credit if he or she claims the student as a dependent. Only the student is eligible if he or she isn’t claimed as a dependent (even if he or she can be claimed) - no matter who pays.
- For the American opportunity credit only, qualified tuition and related expenses include books, supplies and equipment needed for the course, whether or not they were purchased from the institution as a condition of enrollment. Computers, however, can only be included IF they are a requirement for enrollment or attendance.

Note: See Disallowance of Certain Refundable Credits in Tab I, Earned Income Credit, if the taxpayer received a letter saying they had to complete Form 8862, Information To Claim Certain Credits After Disallowance.

Note: The following aren’t qualifying expenses for education credits: room and board, insurance, medical, transportation, or personal expenses, even if the amount must be paid to the institution as a condition of enrollment or attendance. If the educational expenses are associated with sports, games, hobbies, or other noncredit courses, see Publication 970 for more information.

Are you eligible for the refundable portion of the American Opportunity Credit? *

Answer NO if 1, 2, & 3 apply to you:

1: You were:

a) Under age 18 at the end of the year, or

b) Age 18 at the end of the year and your earned income was less than one-half of your support, or

c) A full-time student over age 18 and under 24 at the end of the year and your earned income was less than one-half of your support.

2: At least one of your parents was alive at the end of the year.

3: You are not filing a joint return for the year.

◉ Yes

◯ No

CAUTION If American opportunity credit is selected but the taxpayer is determined to be ineligible after answering qualifying questions, TaxSlayer will automatically change the credit to lifetime learning without changing the tax preparer’s credit selection or any other warning.

Note: The bottom screenshot refers to students filing their own return.

Student Under Age 24 Claiming American Opportunity Credit

1. Were you under 24 at the end of 2021?	If **NO**, stop here; you **do** qualify to claim part of the allowable American opportunity credit as a refundable credit. If **YES**, go to question 2.
2. Were you over 18 at the end of 2021?	If **YES**, go to question 3. If **NO,** go to question 4.
3. Were you a full-time student (defined below) for 2021?	If **NO**, stop here; you **do** qualify to claim part of your allowable American opportunity credit as a refundable credit. If **YES**, go to question 5.
4. Were you 18 at the end of 2021?	If **YES**, go to question 5. If **NO**, go to question 6.
5. Was your earned income (defined below) less than one-half of your support for 2021?	If **NO**, stop here; you **do** qualify to claim part of your allowable American opportunity credit as a refundable credit. If **YES**, go to question 6.
6. Were either of your parents alive at the end of 2021?	If **NO**, stop here; you **do** qualify to claim part of your allowable American opportunity credit as a refundable credit. If **YES**, go to question 7.
7. Are you filing a joint return for 2021?	If **NO**, you **do not** qualify to claim part of your allowable American opportunity credit as a refundable credit. If **YES**, you **do** qualify to claim part of your allowable American opportunity credit as a refundable credit.

Earned income. Earned income includes wages, salaries, professional fees, and other payments received for personal services actually performed. Earned income includes the part of any scholarship or fellowship that represents payment for teaching, research, or other services performed by the student that are required as a condition for receiving the scholarship or fellowship. Earned income does not include that part of the compensation for personal services rendered to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered.

Full-time student. Solely for purposes of determining whether a scholarship is considered support, you were a full-time student for 2021 if during any part of any 5 calendar months during the year you were enrolled as a full-time student at an eligible educational institution, or took a full-time, on-farm training course given by such an institution or by a state, county, or local government agency.

Tab K: Finishing the Return

Completing the e-File Section

TaxSlayer made significant changes to the e-file section of the application after this publication was printed. See the **VITA/TCE Blog** for explanation and illustration of the changes that replace pages K-1 through K-5..

e-File Process

When all the data has been entered, complete the e-file section. The return should not be filed (e-filed or as a paper return) until the e-file section has been completed. All required entries per section must be completed before saving and exiting the section. This is consistent with how the preparer navigates the entry pages in the return.

Return Type

Tax Preparation and e-File Information

State Return(s)

Taxpayer Bank Account Information

Third Party Designee Info

Questions

Consent to Disclose Tax Return Information to VITA/TCE Tax Preparation Sites (Global Carryforward)

Request for Taxpayer Consent to Disclose Tax Return Information

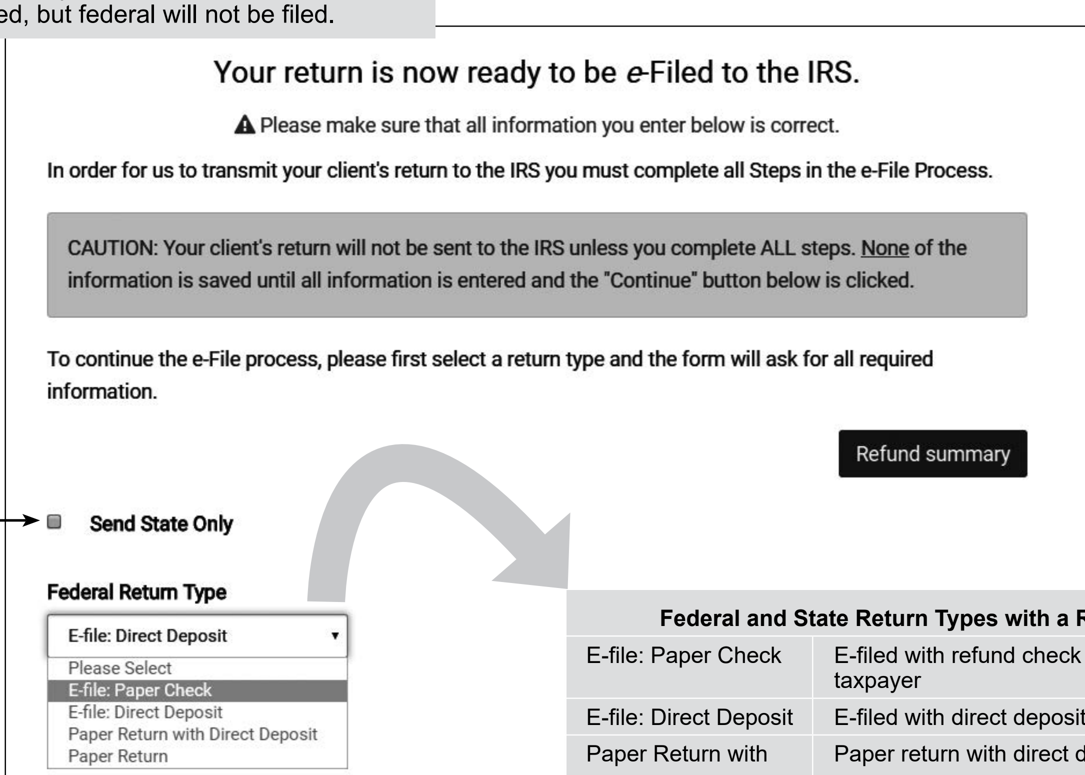
Request for Taxpayer Consent to Use Tax Return Information

State ID (Optional) (Shows only if there is a state return)

Federal Return Type

Select type of federal return. The drop down options for a balance due return differ from those for a return with a refund. Most states may require the federal return be e-filed before the state e-filed return can be electronically processed. TaxSlayer will wait until the federal return is accepted and then transmit state returns.

Apply your State Refund. Select the Send State Only box if the state return is to be e-filed, but federal will not be filed.



Federal and State Return Types with a Refund	
E-file: Paper Check	E-filed with refund check mailed to taxpayer
E-file: Direct Deposit	E-filed with direct deposit
Paper Return with Direct Deposit	Paper return with direct deposit
Paper Return	Paper return with check mailed to taxpayer
Federal and State Return Types with an Amount Owed	
Mail Payment	E-filed without direct debit
Direct Debit	E-file with direct debit
Paper Return	Paper return with check included

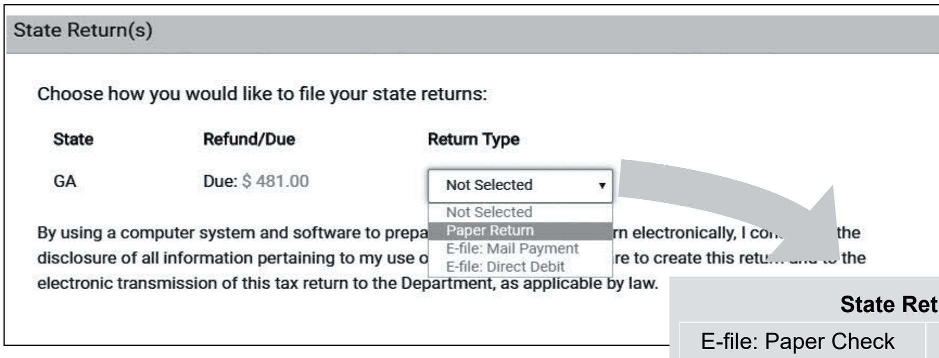
To apply a federal refund towards next year's taxes open Federal>Payments and Estimates>Apply Payments to Next Year's Taxes.

To apply state refund to next year's state taxes, go to State>Payments>Apply your State Refund.

Completing the e-File Section (continued)

State Return(s)

Enter type of state return



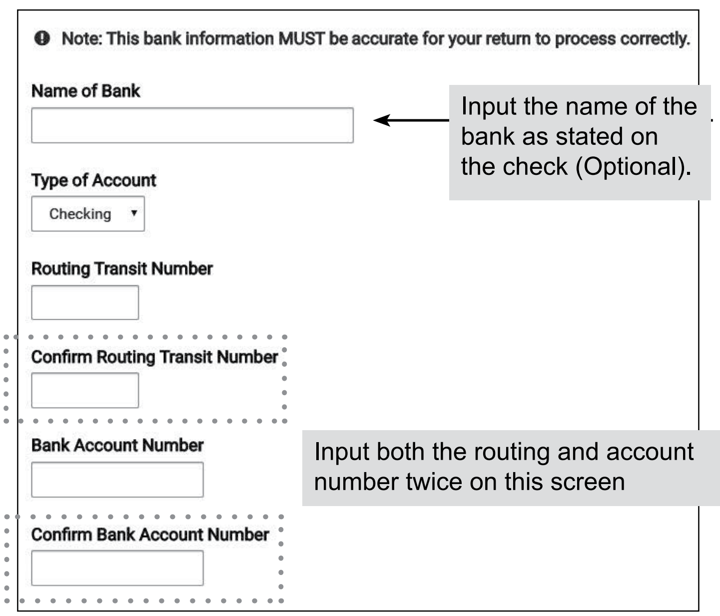
State Return Types with a Refund	
E-file: Paper Check	E-filed with refund check mailed to taxpayer
E-file: Direct Deposit	E-filed with direct deposit
Paper Return with Direct Deposit	Paper return with direct deposit
Paper Return	Paper return with check mailed to taxpayer
State Return Types with an Amount Owed	
Mail Payment	E-filed without direct debit
Direct Debit	E-file with direct debit
Paper Return	Paper return with check included

If the state return is marked as Paper and the federal return is e-filed, confirm this is the correct choice and not a mistake.

Taxpayer Bank Account Information

If direct deposit or direct debit is selected for either federal or state return, the Taxpayer Bank Account Information screen will appear.

In this section, the preparer inputs the bank routing and account number for direct deposit of refund or automatic withdrawal of balance due.



Re-loadable Prepaid Bank Cards:

The taxpayer must provide the routing number and account number for the card so that it can be entered on thebank information screen.

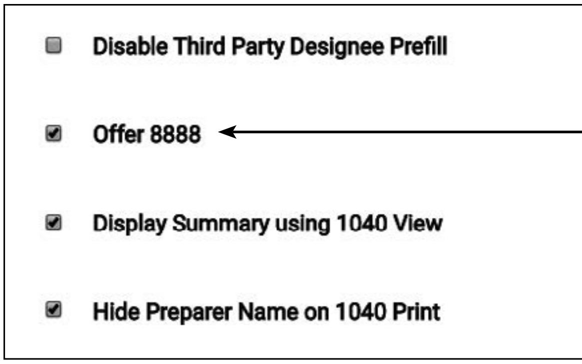
Note: See Pointers for Direct Deposit of Refunds later in this tab.

CAUTION Use written or electronic account information from the financial institution.

Completing the e-File Section (continued)

TaxSlayer Navigation: (Administrator) Configuration>Office Setup

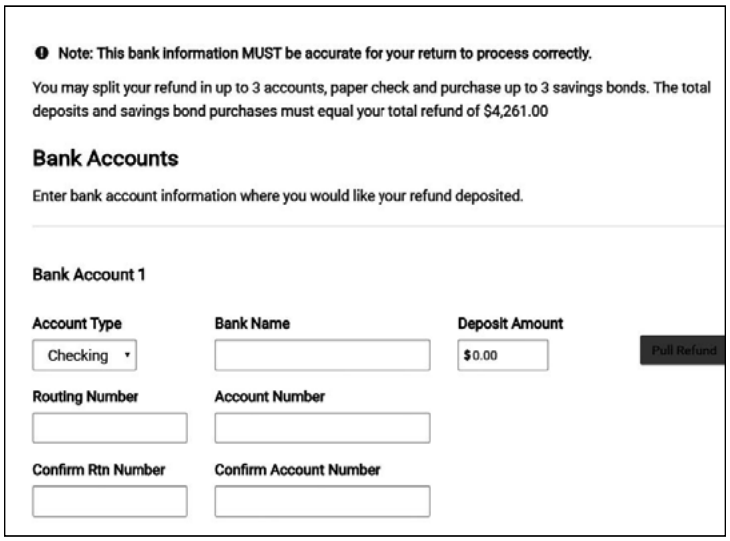
Split Refund Option

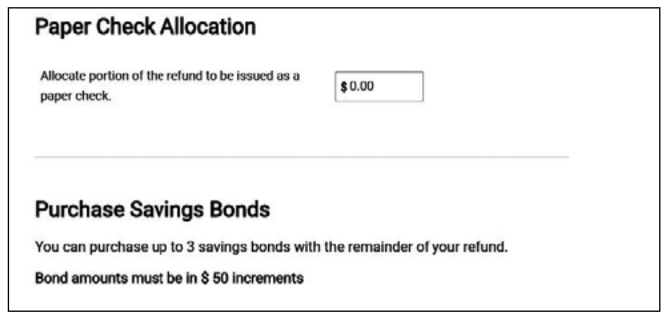


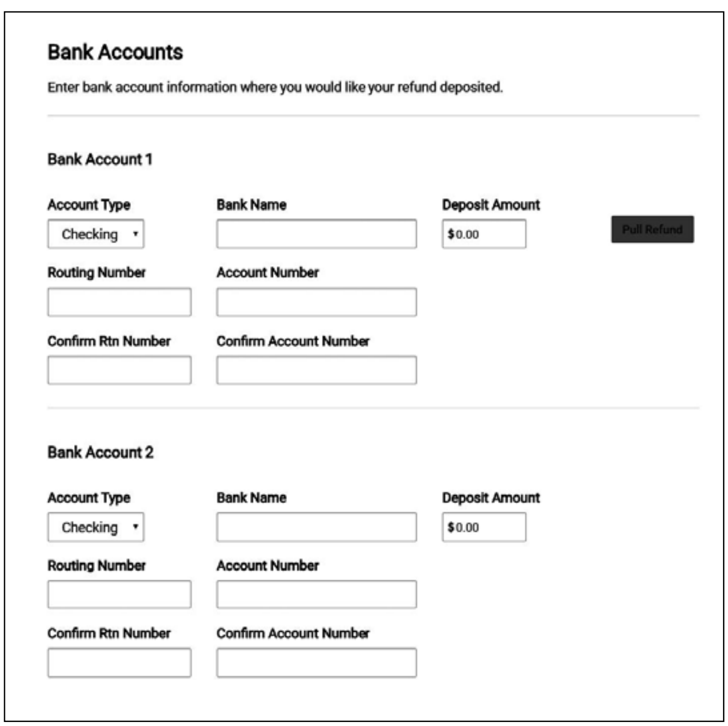
When the taxpayer elects to direct deposit his or her refund into two or three accounts or to purchase saving bonds, you will need to answer additional questions in the e-file section.

First, someone with Administrator privileges must go to Configuration>Office Setup and mark the box for Offer 8888.

This will allow all preparers at that site to offer Form 8888, Allocation of Refund (Including Savings Bond Purchases). Form 8888 also supports double-entry of bank routing and account information.







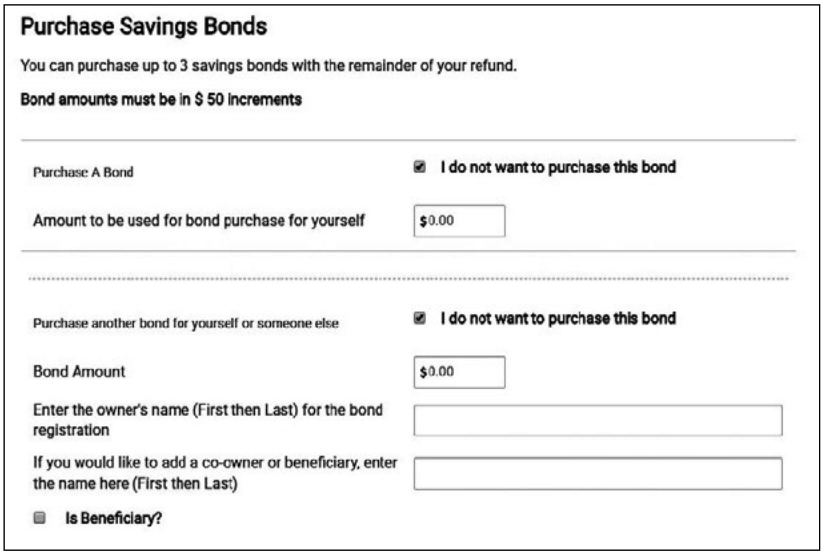
Note: TreasuryDirect® Account
Taxpayers can request a deposit of their refund (or part of it) to a TreasuryDirect® online account to buy U.S. Treasury marketable securities and savings bonds. For more information, go to Treasury Direct **(https://www.treasurydirect.gov/indiv/research/faq/faq_irstaxfeature.htm)**

Note: The taxpayer's name must be on the account in order for a refund to be deposited.

Completing the e-File Section (continued)

Purchase Savings Bonds

From Split Refund Screen, savings bonds can be purchased.



Purchase Savings Bonds

You can purchase up to 3 savings bonds with the remainder of your refund.

Bond amounts must be in $ 50 increments

Purchase A Bond ☑ **I do not want to purchase this bond**

Amount to be used for bond purchase for yourself $0.00

Purchase another bond for yourself or someone else ☑ **I do not want to purchase this bond**

Bond Amount $0.00

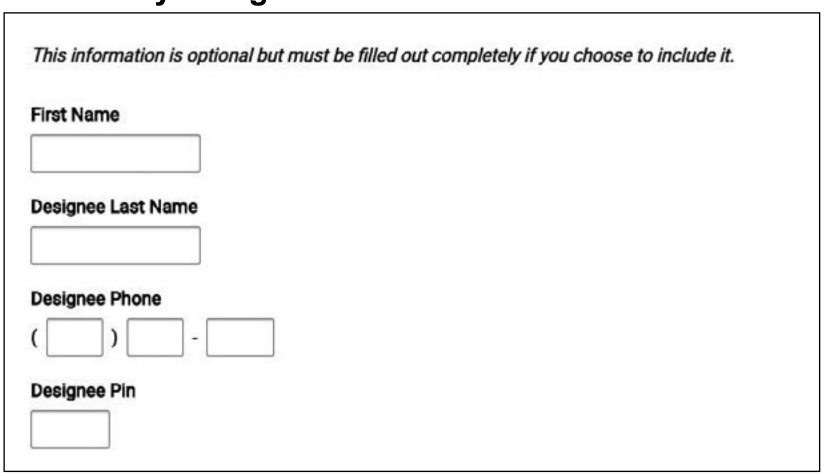
Enter the owner's name (First then Last) for the bond registration

If you would like to add a co-owner or beneficiary, enter the name here (First then Last)

☐ **Is Beneficiary?**

Note: U.S. Series I Savings Bonds Taxpayers can request that their refund (or part of it) be used to buy up to $5,000 in series I savings bonds. Taxpayers can buy bonds electronically by direct deposit into their TreasuryDirect® account. Or, if they don't have a TreasuryDirect® account, they can buy paper savings bonds.

Third Party Designee Info



This information is optional but must be filled out completely if you choose to include it.

First Name

Designee Last Name

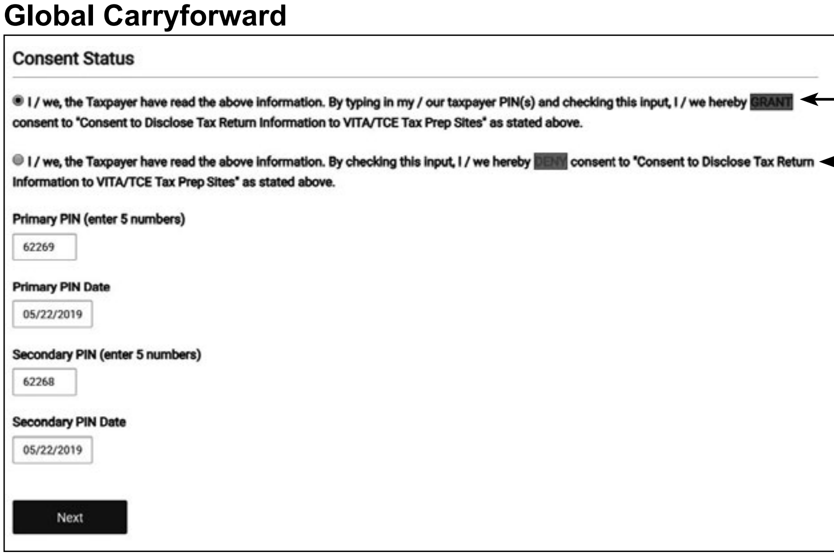
Designee Phone

( ) -

Designee Pin

Third party designee info can be completed if the taxpayer wishes, but the designee is never the volunteer preparer.

Global Carryforward



Consent Status

◉ I / we, the Taxpayer have read the above information. By typing in my / our taxpayer PIN(s) and checking this input, I / we hereby GRANT consent to "Consent to Disclose Tax Return Information to VITA/TCE Tax Prep Sites" as stated above.

○ I / we, the Taxpayer have read the above information. By checking this input, I / we hereby DENY consent to "Consent to Disclose Tax Return Information to VITA/TCE Tax Prep Sites" as stated above.

Primary PIN (enter 5 numbers)

62269

Primary PIN Date

05/22/2019

Secondary PIN (enter 5 numbers)

62268

Secondary PIN Date

05/22/2019

Next

Grant = Next year, the taxpayer's data will carry forward to any VITA/TCE site using TaxSlayer.

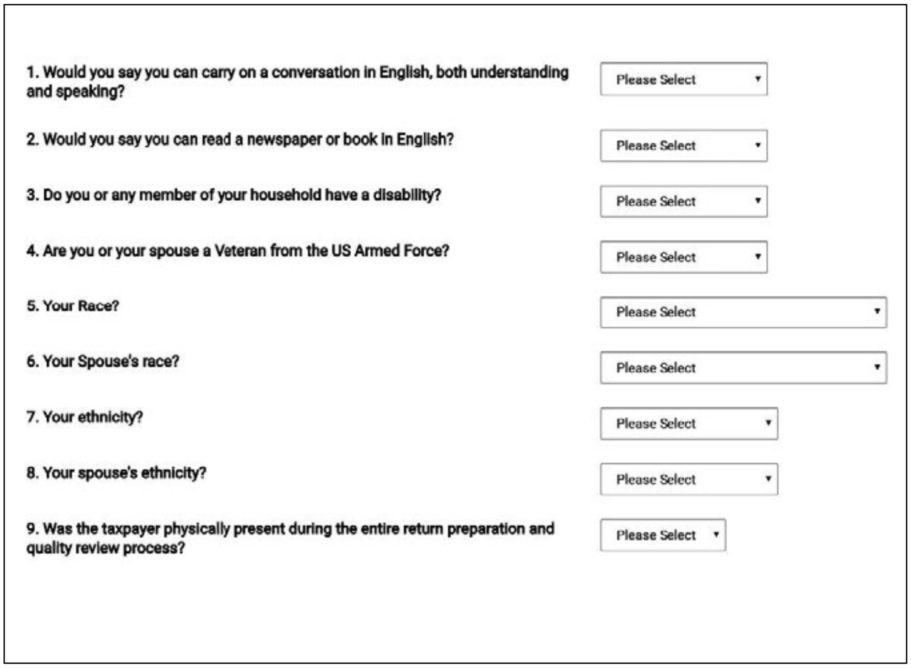
Deny = Next year, the taxpayer's data will carry forward only to the VITA/TCE site that prepared the return.

Note: Paper Form 15080, Consent to Disclose Tax Return Information to VITA/TCE Tax Return Preparation Sites, is not needed if the taxpayer denies the Global Carryforward of return data to all sites, enters his/her own PIN into TaxSlayer, or if the site uses another tax preparation software.

Completing the e-File Section (continued)

Questions

Answer national and local questions

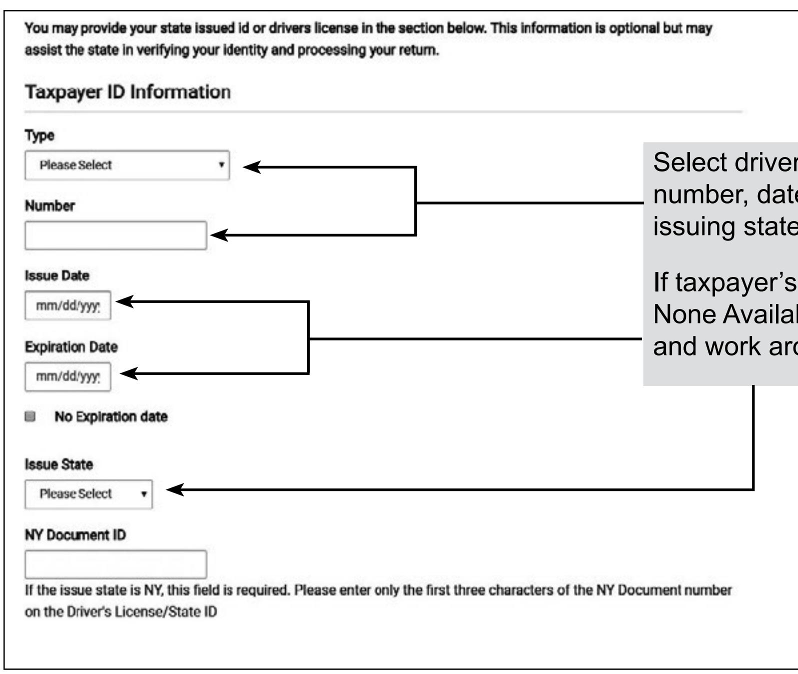


Use these fields for information that is helpful to your site. For example,these fields could be used to enter the preparer's name and/or new versus returning taxpayers. These fields are used by the military to report rank, grade, enlisted/retired, etc.

After the end of the tax season a custom report can be created.

State ID (Optional)

Some states require a drivers license or additional taxpayer identification in order to e-file the return. This screen will appear only if there is a state return.



Select driver's license or ID, license number, date issued, date expires and issuing state.

If taxpayer's license has expired, select None Available. See state requirement and work around if applicable.

IRS e-file Signature Authorization

The taxpayers' PINs are defaulted to 1+ the last four digits of the SSN in the electronic return record before the taxpayers sign Form 8879, IRS e-file Signature Authorization. The taxpayers must sign and date Form 8879 before the ERO originates the electronic submission of the return and after reviewing the return and ensuring the tax return information on the form matches the information on the return.

Taxpayer PIN Guidelines

The PIN can be any five numbers except all zeros. If filing a joint return, a PIN is needed for the taxpayer and spouse.

How to use the Practitioner (ERO) PIN in TaxSlayer

- 98765 is defaulted in Office Setup
- The information is pulled from Office Setup to Part III of Form 8879

Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return

Form 8453 will be used to transmit specific supporting documents that can't be e-filed. Those paper forms, schedules and supporting documents include:

- Form 2848, Power of Attorney and Declaration of Representative (or POA that states the agent is granted authority to sign the return)

- Form 8332, Release / Revocation of Release of Claim to Exemption for Child by Custodial Parent (or certain pages from a divorce decree or separation agreement, that went into effect after 1984 and before 2009) (see instructions)

- Form 8949, Sales and Other Dispositions of Capital Assets (or a statement with the same information), if you elect not to report your transactions electronically on Form 8949. Form 8453 is to be mailed to the Austin Submission Processing Center within three business days.

Mail Form 8453 to:

Internal Revenue Service

Attn: Shipping and Receiving, 0254

Receipt and Control Branch

Austin, TX 73344-0254

TIP Alternatively, a PDF of the attachments can be attached to the electronic return. In that case, no Form 8453 is required. To do this, scan the document to create the PDF. However, only select forms can be uploaded into TaxSlayer. Refer to Form 8453 for a list of acceptable documents.

Quality Review Process

To promote accuracy, per Quality Site Requirement #2: Intake/Interview & Quality Review Process, all tax returns must be quality reviewed. Every item on the Quality Review Checklist must be addressed while reviewing Form 13614-C, Intake/Interview & Quality Review Sheet, all supporting documents, and the completed tax return. The taxpayer must be available to explain any discrepancies the Quality Reviewer may discover.

There are two acceptable quality review methods:

- **Designated Review** - This preferred quality review method employs a designated Quality Reviewer, a volunteer who is solely dedicated to reviewing returns prepared by the other volunteers at the site.
- **Peer Review** - When a designated Quality Reviewer is not available, volunteers can review each other's returns.

All items below in the **Quality Review Checklist** must be addressed:

- Taxpayer (and Spouse's) identity was verified with a photo ID during the visit
- The volunteer return preparer and quality reviewer are certified to prepare/review this return and return is within scope of the program
- All questions in Parts I through V are answered and unsure boxes were discussed with the taxpayer and correctly marked yes or no
- All applicable information in the shaded area on Page 1 was completed by the certified volunteer preparer
- Names, Addresses, SSNs, ITINs, and EINs are verified and correct
- Filing status is correct
- Dependency determinations are correct. If Taxpayer can be claimed as a dependent on someone else's return, verify that it is properly recorded in the basic information section.
- All Income (with or without source documents) checked "yes" in Part III is verified and correct
- All applicable adjustments to income are verified and correct
- Standard or Itemized Deductions are correct
- All eligible credits are correct
- All applicable provisions of ACA were considered for each person named on the tax return and are correct
- Federal Income Tax Withholding and Estimated Tax Payments are correct. Confirm federal and state Return Types are correct (e.g. e-file vs. paper)
- Direct Deposit/Debit and checking/saving account numbers are correct
- Confirm federal and state Return Types are correct (e.g. e-file vs. paper)
- SIDN is correct on the return
- During the visit, the taxpayer(s) was advised that they are responsible for the information on their return
- Any errors identified or incomplete Form 13614-C are discussed with the preparer

Refer to Publication 5310, Tax Return Quality Review Job Aid, for additional guidance on how to conduct a quality review.

Due Diligence

All IRS tax law-certified volunteers are required to exercise due diligence. This means, as a volunteer, you are required to do your part when preparing or quality reviewing a tax return to ensure the information on the tax return is correct and complete.

Doing your part includes: confirming a taxpayer's (and spouse, if applicable) identity and providing top-quality service by helping them understand and meet their tax responsibilities.

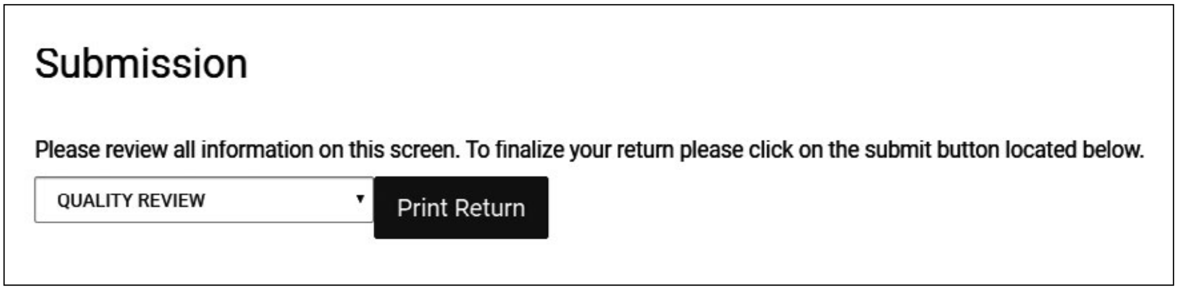
Generally, as an IRS tax law-certified volunteer, you can rely in good faith on information from a taxpayer without requiring documentation as verification. However, part of due diligence requires you to ask a taxpayer to clarify information that may appear to be inconsistent or incomplete. When reviewing information for accuracy, you need to consider if the information is unusual or questionable. Follow-up questions are required when these types of items are identified.

TaxSlayer Basic Quality Review - Print Set

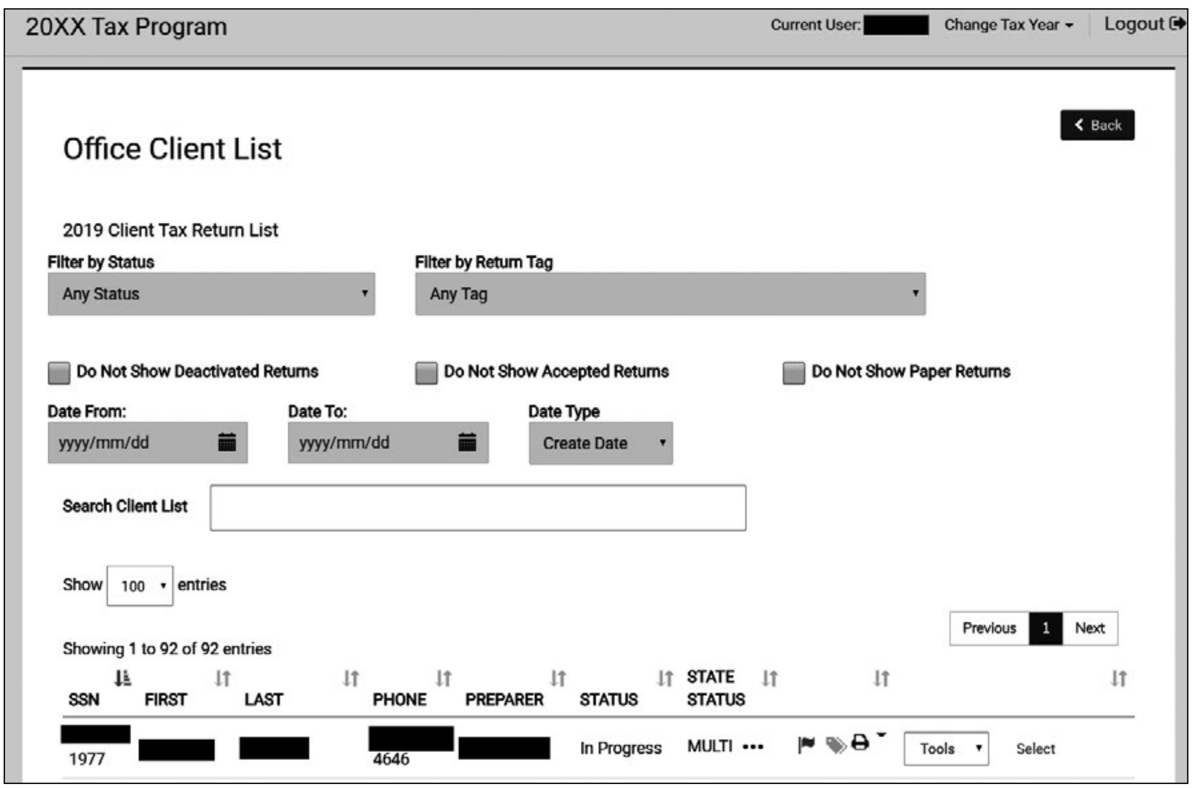
Quality Review using TaxSlayer: Refer to Publication 5310, Tax Return Quality Review Job Aid

Return Open: After the return is prepared and still opened by the preparer, the preparer should select Quality Review from the drop down list on the Submission page. The Quality Reviewer may select the “Quality Review” print set. Although TaxSlayer calls these print sets, returns can be viewed without printing using Adobe Reader.

Note: A peer-to-peer reviewer may use the “Return Open” process.



Return Closed: If the preparer closes the return, the Quality Reviewer should select the printer icon drop down list from the Client List page. This list will include the printer options for the Quality Reviewer.



Note: A designated reviewer may use the “Return Closed” process.

Selecting the Quality Review print set while the return is opened or closed, the Quality Reviewer will be able to review all documents included in the tax return. Compare the IRS Form 13614-C to the embedded TaxSlayer Intake/Interview sheet to verify the documents included in the tax return.

TaxSlayer Basic Quality Review - Print Set (continued)

Once the basic Intake/Interview documents are reviewed, the Quality Reviewer should review the other pages included in the print set of the tax return. These pages include forms, schedules, and worksheets required to complete the Quality Review of the tax return. Once the Quality Reviewer confirms the accuracy of the return, the return should be marked complete by selecting the “Mark Complete” check box. By selecting this option, TaxSlayer makes the return available for transmission to the TaxSlayer Processing Center.

Return Information

Type of Return	E-file: Paper Check
Federal Refund	$1,437.00

Return Signature

A return isn't considered valid unless it is signed. Both spouses must sign if the return is filed jointly. The return should be dated and the occupation lines should be completed. Advise the taxpayer they're responsible for the information on the return.

When someone can sign for you

Child's Return

If a child can't sign his or her name, the parent, guardian, or another legally responsible person must sign the child's name in the space provided followed by the words "By (parent or guardian signature), parent or guardian for minor child."

Incapacitated Spouse

If the spouse can't sign because of injury or disease and tells the taxpayer to sign for him or her, the taxpayer can sign the spouse's name on the return followed by the words "By (your name), Husband (or Wife)." A dated statement must be attached to the return. See Publication 501, Dependents, Standard Deduction, and Filing Information, for requirements to include in the statement.

Military Spouse

If the taxpayer's spouse is unable to sign the return because he or she is serving in a combat zone or is performing qualifying service outside of a combat zone, and the taxpayer doesn't have a power of attorney (POA) or other statement, the taxpayer can sign for their spouse. Attach a signed statement to the return that explains that the spouse is serving in a combat zone. See Publication 3, Armed Forces' Tax Guide, for other situations.

Court-appointed conservator or other fiduciary

If you are a court-appointed conservator, guardian, or other fiduciary for a mentally or physically incompetent individual who has to file a tax return, sign your name for the individual and file Form 56, Notice Concerning Fiduciary Relationship.

Power of Attorney (POA)

Attach a copy of the taxpayer's original paper POA to a copy of Form 8453 for the site to send to the IRS once the return is accepted. Alternatively, you may scan the POA as a PDF and attach the PDF to the return prior to creating the e-file. See Publication 17, Your Federal Income Tax For Individuals, Chapter 1. For additional details, see Publication 947, Practice Before the IRS and Power of Attorney, and Form 2848 Instructions. Even when the taxpayer's agent is using a power of attorney different than Form 2848, follow the same process.

Mail the POA with Form 8453 to:

Internal Revenue Service
Attn: Shipping and Receiving, 0254
Receipt and Control Branch
Austin, TX 73344-0254

Return Signature (continued)

Deceased Taxpayer

TaxSlayer Navigation: Federal Section>Personal Information

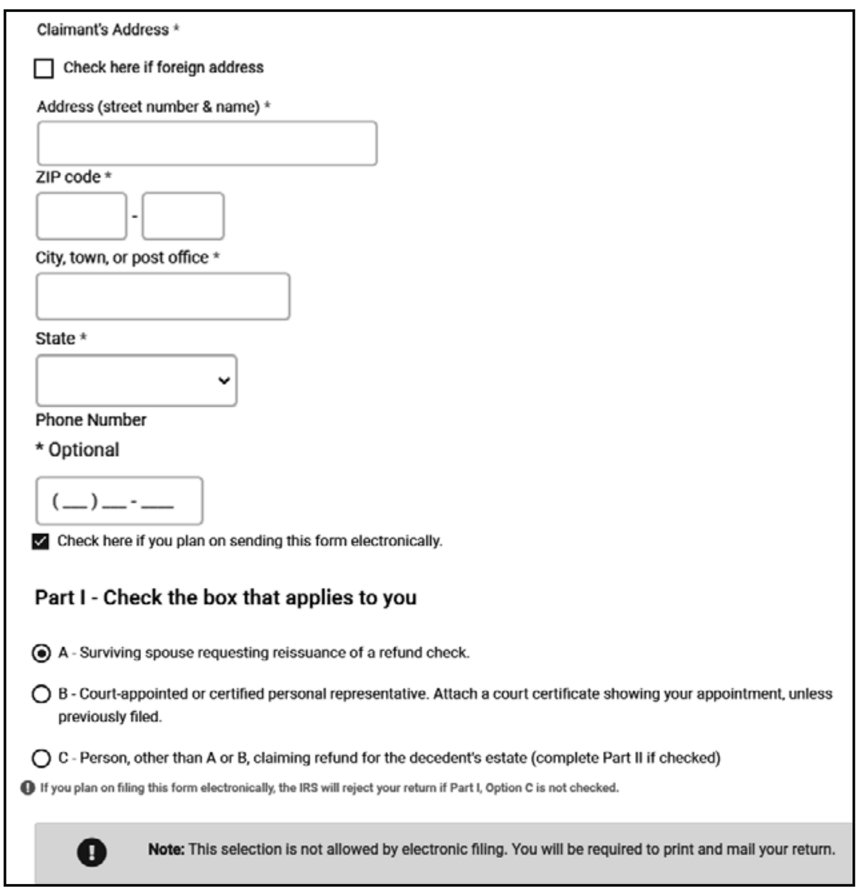
If the spouse died during the year and the surviving spouse didn't remarry, a joint return can be filed. If a taxpayer died before filing the return and had no filing requirement but had tax withheld, a return must be filed to get a refund. If the decedent had a filing requirement, the taxpayer's spouse or personal representative will have to file and sign a return for the person who died. A personal representative can be an executor, administrator, or anyone who is in charge of the decedent's property. If no one has yet been appointed as executor or administrator, the surviving spouse can sign the return for the deceased spouse and enter "Filing as surviving spouse" in the area where the return is signed.

If filing a paper return, write "Deceased," the decedent's name, and the date of death across the top of the tax return. TaxSlayer will automatically note on the top of Form 1040, U.S. Individual Income Tax Return, the decedent's name, and date of death.

Form 2848, Power of Attorney and Declaration of Representative, is invalid once the taxpayer dies; therefore Form 56 or new Form 2848 signed by estate executor or representative must be completed. See Publication 559, Survivors, Executors, and Administrators, for details.

Claiming a Refund for a Deceased Person

TaxSlayer Navigation: Federal Section>Miscellaneous Forms>Form 1310



Claimant's Address *

☐ Check here if foreign address

Address (street number & name) *

ZIP code *

City, town, or post office *

State *

Phone Number

* Optional

(__) __ - __

☑ Check here if you plan on sending this form electronically.

Part I - Check the box that applies to you

◉ A - Surviving spouse requesting reissuance of a refund check.

○ B - Court-appointed or certified personal representative. Attach a court certificate showing your appointment, unless previously filed.

○ C - Person, other than A or B, claiming refund for the decedent's estate (complete Part II if checked)

If you plan on filing this form electronically, the IRS will reject your return if Part I, Option C is not checked.

Note: This selection is not allowed by electronic filing. You will be required to print and mail your return.

Court-appointed representatives should file the return and attach a copy of the certificate that shows their appointment. All other filers requesting the decedent's refund should file the return and attach Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer. The software completes this form. In some cases, e-filing is permitted; however, the program may generate a warning and block e-filing. In this case, the return must be paper filed with a copy of their appointment document.

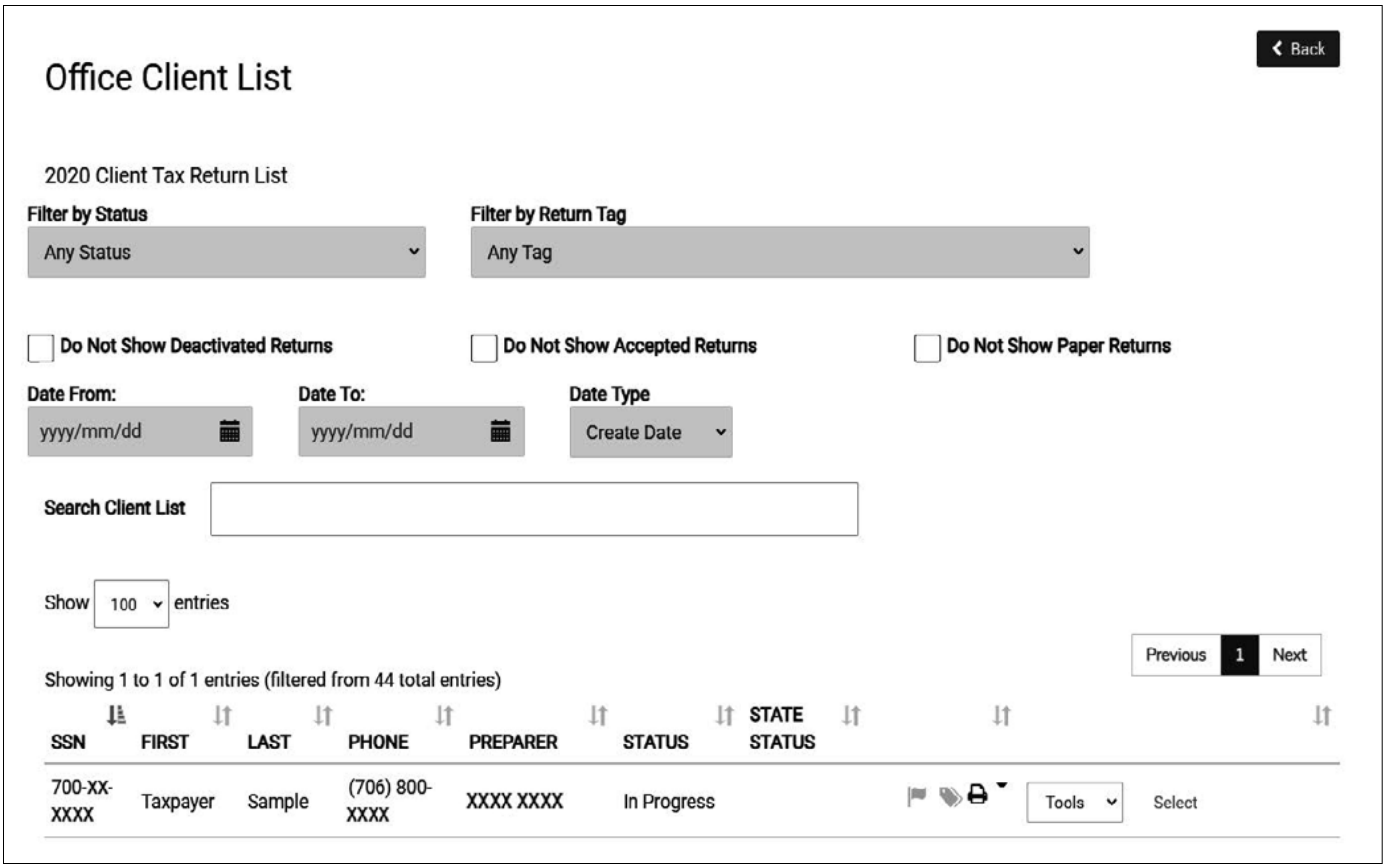
Note: If either Option A or B is selected under Part I, you will receive a message that the return must be paper filed.

Only option C is allowed electronically and completion of Part II is required. The taxpayer must provide proof of death if requested by IRS. The taxpayer must also certify they are entitled to the refund and will administer the funds as stated under state law.

Printing the Tax Return

TaxSlayer Navigation: Client Search>Office Client List or e-File Section>Last Screen (Submission)>Print Return

A copy of the return can be printed by selecting the Printer Icon located on the Client Tax Return row from the Office Client List. A copy of the tax return can also be printed from within the return. The print location from inside the return is located on the Submission page under the e-File section. After all required information has been entered on the e-file page, select Save. The program will display the Submission page. From this page, click on the drop down arrow, select the appropriate print set, and then select Print Return. Once the PDF is generated, you can choose the pages you wish to print and the number of copies you wish.



Distributing Copies of Returns

Taxpayer

- Form 1040 with all forms/schedules including signed Form 8879 and Form 8453, if applicable.
- Organize the taxpayer's copy of the return according to the attachment sequence at the top right corner of each form. Any supplemental schedules are put at the end.
- Form 8332, if applicable.
- Original Power of Attorney, if applicable.
- State forms/schedules, as applicable.
- All other taxpayer documents including Form(s) W-2 and Form(s) 1099.

Electronic Return Originator (ERO)

- Form 8453 and attachments for mailing.

Paper Federal Return

- Signed Form 1040 with all forms/schedules.
- Organize the federal copy of the return according to the attachment sequence at the top right corner of each form. Any supplemental schedules are put at the end.
- Attach federal copies of Form(s) W-2 and any Form(s) 1099 with withholding.

Paper State Return

- Signed state return with all forms and schedules.
- Attach a copy of the federal return if required by state instructions.
- Attach state copies of Form(s) W-2 and any Form(s) 1099 with withholding.

Where to File Paper Returns

When a paper return must be filed, advise the taxpayer to sign and mail the federal return to the applicable IRS address for the state where the taxpayer lives. See Tab P, Partner Resources for a list of addresses.

The taxpayer must be given an exact copy of the paper return to be filed. Additional copies of the schedules and worksheets should also be provided. If applicable, state income tax returns should be signed and mailed to the appropriate address for that state. State mailing address can be found on the state tax form or on the tax department's website.

Pointers for Direct Deposit of Refunds

1. Using a check, paper or electronic documentation from the financial institution as proof of account, verify:

- Routing Transit Number (RTN). The RTN must contain 9 digits and begin with 01 through 12 or 21 through 32.
- Depositor Account Number (DAN). The DAN can be up to 17 characters. Include hyphens but omit spaces and special symbols. Don't include the check number or the dollar amount on canceled checks. On the sample check below, the account number is 20202086. The 16-digit number on a debit card is not the account number.

2. Don't use a deposit slip for proof of RTN as this may not be the same RTN used for direct deposit. For direct deposit into a savings account, the taxpayer should obtain a statement from the financial institution to verify the routing and account number for direct deposit. For direct deposit into a checking account, if the taxpayer doesn't have a canceled check, the taxpayer should also contact their financial institution.

3. Entering the incorrect RTN and/or DAN will result in a 4-6 week delay of the refund, or it may go into someone else's account. If the direct deposit is voided, a paper check will automatically be mailed to the address on the electronic tax form.

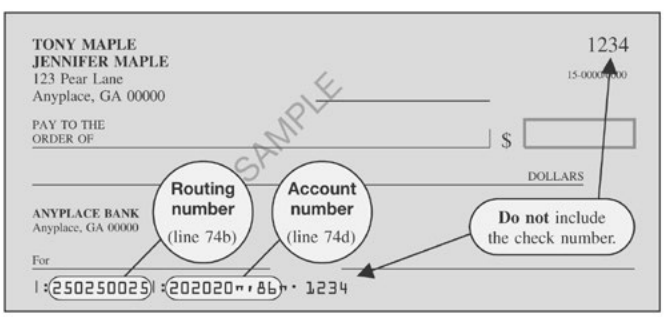
4. Double-check the RTN of the financial institution if:

- You are unfamiliar with the financial institution. (Some types of accounts that exist through brokerage firms can't accept direct deposits.)
- The RTN is for a credit union, which is payable through another financial institution. The taxpayer should contact his or her credit union for the correct RTN.

5. Savings Bonds - Taxpayers can buy U.S. savings bonds with their federal tax refund. Even if the taxpayer doesn't have a bank account or a Treasury account they can elect this option. Taxpayers can make bond purchases for themselves. Refer to Form 8888, Allocation of Refund (Including Savings Bond Purchases), or the IRS website for more details.

6. Remember the split refund option: If a taxpayer chooses to direct deposit his or her refund into two or three accounts, you will need to complete Form 8888.

Financial institutions generally don't allow a joint refund to be deposited into an individual account. The IRS isn't responsible if a financial institution refuses a direct deposit.



Note: If the bank routing number or account number is not obtained from a check, you should consult with the Site Coordinator regarding the procedure for verifying direct deposit information.

Direct deposit of a taxpayer's refund is to be made to an account (or accounts) only in the taxpayer's name. Advise taxpayers their refund may only be deposited directly into his/her own account(s).

Taxpayer's federal and state refunds can't be deposited into VITA/TCE Volunteer or any associated partner's personal or business bank/debit card accounts.

Note: To combat fraud and identity theft, IRS permits a maximum of three refunds to be electronically deposited into a single financial account.

The fourth and subsequent refunds automatically convert to a paper refund check and will be mailed to the taxpayer.

Balance Due Returns

General Information

- Taxpayers don't have to pay if balance due is less than $1.
- Payment in full is due by the April filing due date to avoid interest and penalties.
- Taxpayer should file his or her return by the filing due date, including extensions to avoid a failure-to-file penalty.
- There are separate penalties for filing late and paying late. The late filing penalty is higher.
- Advise taxpayers to file the return on time, even if they can't pay the full amount owed. They should pay as much as they can with the return to reduce penalties and interest.

Payment Methods

1. Electronic Funds Withdrawal

   E-filing allows taxpayers to file their return early and schedule their payment for withdrawal from their checking or savings account on a future date up to the April filing due date. Advise taxpayers that they should check their account to verify that the payment was made.

2. IRS Direct Pay

   IRS direct pay on the IRS website is a free one-time payment from your checking account to the IRS. Use this secure service to pay your tax bill or make an estimated tax payment directly from your checking or savings account at no cost to you. You'll receive instant confirmation that your payment has been submitted. Just follow the easy steps below. Bank account information isn't retained in IRS systems after payments are made.

It takes just 5 easy steps to make a payment:

Step 1	**Step 2**	**Step 3**	**Step 4**	**Step 5**
Provide your tax information	Verify your identity	Enter your payment information	Review and electronically sign the transaction	Print or record your online confirmation number

3. Check or money order payments
   - Don't attach the payment to the return.
   - Refer to instructions on Form 1040V, Payment Voucher.
   - Submit the payment with a properly completed Form 1040V.
   - Don't mail cash.

4. Credit card payments
   - American Express, Discover, Mastercard, or Visa cards are accepted.
   - A convenience fee will be charged by the service providers.
   - For details, visit the IRS website, Keywords "Paying Your Taxes."

Note: See Form 1040 Instructions for additional information.

TIP Taxpayers can check the balance owed on their account by creating an account on IRS.gov or by requesting an account transcript. **https://www.irs.gov/payments/view-your-tax-account**

Balance Due Returns (continued)

5. Electronic Federal Tax Payment System (EFTPS)

   Taxpayers can use EFTPS to pay their federal taxes, but they must enroll first. EFTPS is a fast, easy, convenient and secure service provided free by the Department of Treasury. For more information or to enroll visit the IRS website, Keywords “Paying Your Taxes.” or call EFTPS Customer Service at 1-800-316-6541 (for individual payments). TTY/TDD help is available by calling 1-800-733-4829.

Note: You must have a valid Social Security Number (SSN) to use this application. This application cannot accommodate Individual Taxpayer Identification Numbers (ITINs)

6. Cash (at a retail partner)

   Taxpayers can make a cash payment without the need of a bank account or credit card at more than 27,000 retail locations nationwide. To find a location near you, visit the IRS website, Keywords “Paying Your Taxes.”

7. Pay by Mobile Device

   To pay through a mobile device, taxpayers may download the IRS2Go app.

Installment Agreement

Because of the Bipartisan Budget Act of 2018, user fees for low-income taxpayers setting up installment agreements (long-term payment plans) may be waived or reimbursed, under certain conditions.

Effective for installment agreements established on or after April 10, 2018:

- Taxpayers meeting the low-income threshold (at or below 250% of the federal poverty guidelines, as determined for the most recent year) who agree to establish a Direct Debit Installment Agreement, will not be charged a user fee.
- Taxpayers who are low income and unable to make electronic payments through a debit instrument by entering into a Direct Debit Installment Agreement will be reimbursed the user fee upon completion of the installment agreement.

Balance Due Returns (continued)

What if the taxpayer can't pay?

- Full pay within 120 days. If taxpayers can pay the full amount they owe within 120 days, go to the IRS website, keyword "installment agreement" to establish your request to pay in full. By doing this, taxpayers can avoid paying the fee to set up an installment agreement.
- Online Payment Agreement. If the taxpayer's balance due is $50,000 or less, the taxpayer can apply online for a payment agreement instead of filing Form 9465, Installment Agreement Request. To do that, go to IRS.gov and enter "Online Payment Agreement" or "OPA" in the "Search" box. The origination fee is lower for online payment agreements than applying by phone, mail or in person.
- The taxpayer can request an extension of time to pay if paying the tax by the due date will be an undue hardship. For details see Form 1127, Application for Extension of Time for Payment of Tax Due to Undue Hardship. This form is Out of Scope.

Offer in Compromise

If the taxpayer can't pay through an installment agreement and/or by liquidating assets, they may be eligible for an Offer in Compromise (offer). An offer is an agreement between the taxpayer and the IRS that settles a tax debt for less than the full amount owed. The IRS may accept an offer if:

- The IRS agrees that the tax debt may not be accurate,
- The taxpayer has insufficient assets and income to pay the amount due in full, or
- The taxpayer has exceptional circumstances and paying the amount due would cause an economic hardship or would be unjust.

The taxpayer can use the Offer in Compromise Pre-Qualifier tool located at the IRS website, Keyword: "Offer" to determine if an offer is a realistic option to resolve their balance due. The questionnaire format assists in gathering the information needed and provides instant feedback as to eligibility. To apply for an offer, the taxpayer must read and complete the forms located in Form 656-B, Offer in Compromise.

How can a taxpayer avoid a balance due in the future?

TIP Taxes withheld are based on filing status, dependents, and other adjustments on the return.

- If the taxpayer didn't have enough withheld from his/her paycheck, pension income or taxable social security benefits and there is an amount owed on the current return:
  - Advise the taxpayer to access the **Tax Withholding Estimator** on the IRS.gov.
  - Advise the taxpayer to submit a revised Form W-4, Employee's Withholding Certificate, to the employer. For pension income, taxpayers should submit a revised Form W-4P, Withholding Certificate for Pension or Annuity Payments, to the pension payer or contact the pension administrator to increase withholding.
  - Advise taxpayers who received taxable social security benefits or unemployment to submit Form W-4V, Voluntary Withholding Request, to request withholding from social security of certain other federal government payments.
- If the taxpayer had income that wasn't subject to withholding (such as self-employment, interest income, dividend income, or capital gain income):
  - Explain estimated taxes to the taxpayer. In TaxSlayer, add Form 1040-ES, Estimated Tax for Individuals, and complete it. Discuss with taxpayer(s) whether to use the minimum required amount or the total amount expected to be due.
- Advise the taxpayer to review Publication 505, Tax Withholding and Estimated Tax.

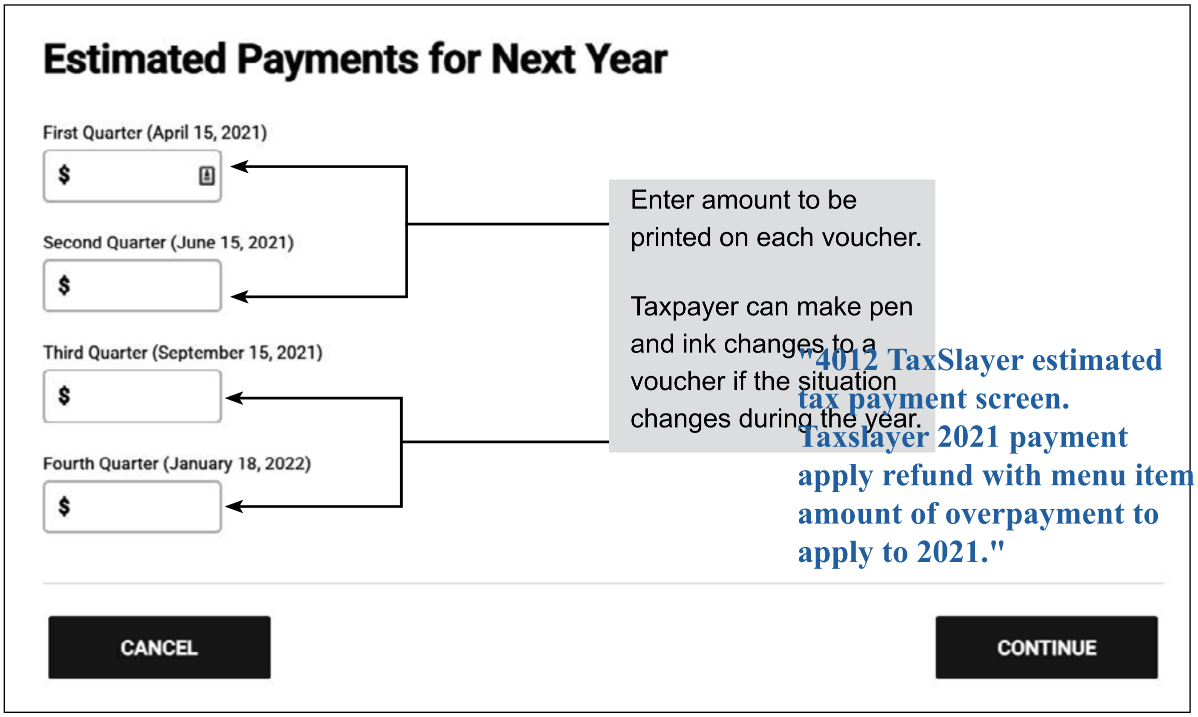
Forms or Publications can be obtained from IRS.gov.

- If the taxpayer is receiving the advanced premium tax credit (APTC), they should notify the Marketplace when they have any significant change to geographic location, income, family size or a life event.

Note: This information only applies to federal balance due returns. For state information, consult the applicable state.

Estimated Tax Payments

TaxSlayer Navigation: Federal Section>Payments & Estimates>Vouchers for 20XX Estimated Tax Payments>Estimated Payments for Next Year; or Keyword "1040-ES"



Vouchers will be generated when the return is printed.

Note: When the IRS due date falls on Saturday, Sunday, or a legal holiday, the due date is the next business day.

TaxSlayer Navigation: Federal Section>Payments & Estimates>Apply Overpayment to Next Year's Taxes

Tab L: Resident/NR Alien

Resident or Nonresident Alien Decision Tree

Nonresident Alien or Resident Alien? - Decision Tree

Start here to determine your residency status for federal income tax purposes

Were you a lawful permanent resident of the United States ("had a green card") at any time during the current tax year?[1]

YES → RESIDENT Alien for U.S. Tax Purposes

NO ↓

Were you physically present in the United States on at least 31 days during the current tax year?[3]

YES ↓

NO → NONRESIDENT Alien for U.S. Tax Purposes

Were you physically present in the United States on at least 183 days during the 3-year period consisting of the current tax year and the preceding 2-years, counting all days of presence in the current tax year, 1/3 of the days of presence in the first preceding year, and 1/6 of the days of presence in the second preceding year?[3]

YES ↓

NO[4] → NONRESIDENT Alien for U.S. Tax Purposes

Were you physically present in the United States on at least 183 days during the current tax year?[3]

YES → RESIDENT Alien for U.S. Tax Purposes

NO ↓

Can you show that for the current tax year you have a tax home in a foreign country and have a closer connection to that country than to the United States? (*Out of Scope, Form 8840 required)

NO → RESIDENT Alien for U.S. Tax Purposes

YES[5] → NONRESIDENT Alien for U.S. Tax Purposes

RESIDENT Alien for U.S. Tax Purposes [1, 2]

NONRESIDENT Alien for U.S. Tax Purposes

Footnotes

[1] If this is your first or last year of residency, you may have a dual status for the year. See Dual-Status Aliens in Pub 519. (Out of Scope)

[2] In some circumstances you may still be considered a nonresident alien and eligible for benefits under an income tax treaty between the U.S. and your country. Check the provision of the treaty carefully. (Must be certified appropriately.)

[3] See Days of Presence in the United States in Pub 519 for days that do not count as days of presence in the U.S. (Exempt individuals such as students, scholars , and others temporarily in the U.S. under an F, J, M, or Q visa's immigration status do not count their days of presence in the U.S. for specified periods of time.)

[4] If you meet the substantial presence test for the following year, you may be able to choose treatment as a U.S. resident alien for part of the current tax year. See Substantial Presence Test under Resident Aliens and First-Year Choice under Dual Status Aliens in Pub. 519. (Out of Scope)

[5] Nonresident students from Barbados, Hungary, and Jamaica, as well as trainees from Jamaica, may qualify for an election to be treated as a U.S. Resident for tax purposes under their tax treaty provisions with the U.S. A formal, signed, election statement must be attached to the Form 1040 (preparation of the statement is Out of Scope). (It continues until formally revoked.)

Resident or Nonresident Alien Decision Chart

Determine residency status for federal income tax purposes.

step 1	Were you a lawful permanent resident of the United States (had a "green card") at any time during the current tax year?	**YES** – RESIDENT Alien for U.S. tax purposes [1, 2] **NO** – Go to Step 2
step 2	Were you physically present in the United States on at least 31 days during the current tax year?[3]	**YES** – Go to Step 3 **NO** – NONRESIDENT Alien for U.S. tax purposes [5]
step 3	Were you physically present in the United States on at least 183 days during the 3-year period consisting of the current tax year and the preceding 2 years, • counting all days of presence in the current tax year, • 1/3 of the days of presence in the first preceding year, and • 1/6 of the days of presence in the second preceding year?[3]	**YES** – Go to Step 4 **NO** – NONRESIDENT Alien for U.S. tax purposes [4, 5]
step 4	Were you physically present in the United States on at least 183 days during the current tax year?[3]	**YES** – RESIDENT Alien for U.S. tax purposes [1, 2] **NO** – Go to Step 5
step 5	Can you show that for the current tax year you have a tax home in a foreign country and have a closer connection to that country than to the United States? (*Out of Scope, Form 8840, Closer Connection Exception Statement for Aliens required)	**YES*** – NONRESIDENT Alien for U.S. tax purposes [5] **NO** – RESIDENT Alien for U.S. tax purposes [1, 2]

Footnotes

[1] If this is your first year of residency, you may have a dual status for the year. See Dual Status Aliens in Pub 519, U.S. Tax Guide for Aliens. (Out of Scope)

[2] In some circumstances you may still be considered a nonresident alien and eligible for benefits under an income tax treaty between the U.S. and your country. Check the provision of the treaty carefully. (Out of Scope)

[3] See Days of Presence in the United States in Publication 519 for days that do not count as days of presence in the U.S. (Exempt individuals such as **students, scholars, and others temporarily in the U.S. under an F, J, M, or Q visa's** immigration status do not count their days of presence in the U.S. for specified periods of time.)

[4] If you meet the substantial presence test for the following year, you may be able to choose treatment as a U.S. resident alien for part of the current tax year. See Substantial Presence Test under Resident Aliens and First Year Choice under Dual Status Aliens in Publication 519. (Out of Scope)

[5] Nonresident students from Barbados, Hungary, and Jamaica, as well as trainees from Jamaica, may qualify for an election to be treated as a U.S. Resident for tax purposes under their tax treaty provisions with the U.S. A formal, signed, election statement must be attached to the Form 1040 (preparation of the statement is Out of Scope). (It continues until formally revoked.)

Resident or Nonresident Alien Decision Chart (continued)

If after using the Resident or Nonresident Alien Decision Tree (Page L-1) you have determined a taxpayer is a **Resident Alien** for U.S. Tax Purposes, and does not meet any of the exceptions that would be outside of the scope of the VITA program, select one of the filing statuses listed under the Basic Information Section in TaxSlayer Pro. A Resident Alien is treated like a U.S. Citizen when determining filing status.

If after using the Resident or Nonresident Alien Decision Tree (Page L-1) you have determined a taxpayer is a Nonresident Alien for U.S. Tax Purposes, under the Basic Information Section in TaxSlayer Pro, select **Nonresident Alien**, if you have certified under the Foreign Student and Scholar Module and the taxpayer's circumstances are within the scope of the Foreign Student and Scholar VITA program. **After** selecting the Nonresident Alien filing status, you will be given six (6) choices; Single resident of Canada or Mexico or single U.S. national, other single nonresident alien, Married resident of Canada or Mexico or married U.S. national, Married resident of South Korea, other married nonresident alien, or Qualified widower(er) with dependent child.

You will only complete a tax return for a Nonresident Alien if you have certified on the Foreign Student and Scholar Module, and at least 1 other person at your site, who is also certified on the Foreign Student and Scholar Module, can quality review the return.

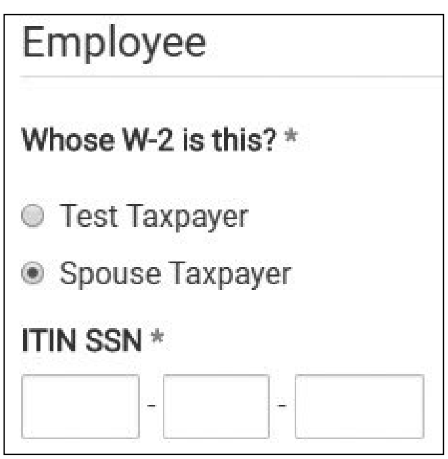
Be sure to have the taxpayer complete Form 13614-NR, Nonresident Alien Intake and Interview Sheet, and use Publication 4011, VITA/TCE Foreign Student and Scholar Resource Guide, to conduct the Quality Review.

Electronic Filing of Returns with Valid ITIN

TaxSlayer Navigation: Federal Section>Income> Wages and Salaries; or Keyword "W"

Returns can be electronically filed when the taxpayer has an Individual Taxpayer Identification Number (ITIN) but has a Form W-2 with a Social Security Number (SSN) that belongs to another taxpayer. The taxpayer may be working on an erroneous social security number. Use that social security number only on the Form W-2.

1. The taxpayer's ITIN must be entered on the personal information screen in the space provided for the taxpayer's or spouse's social security number, if applicable.
2. When completing the Form W-2 in TaxSlayer, enter the SSN shown on the paper Form W-2. The Internal Revenue Service requires the manual key entry of the Taxpayer Identification Number (TIN) as it appears on Form W-2 received from the employer for all taxpayers with ITINs who are reporting wages. The ITIN that was entered when the return was started won't auto-populate the TIN on Form W-2 for these ITIN filers.



Note: ITIN taxpayers requesting to file Forms 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts etc., with an incorrect Social Security Number must file a paper return. These returns can't be e-filed. There are no procedures in place to e-file these types of returns.

Creating a Temporary ITIN when the Spouse and/or Dependent(s) are Applying for an ITIN

TaxSlayer Navigation: Federal Section>Miscellaneous Forms> Application for ITIN

TaxSlayer will not generate temporary ITINs for the taxpayer, spouse and/or dependents on a return if Form W-7, Application for IRS Individual Taxpayer Identification Number, is needed. The ITIN application requires a federal tax return be associated with all Form W-7 applications (with some exceptions) as noted in the instructions for Form W-7. Federal tax returns can't be filed using electronic return preparation software without a TIN (taxpayer identification number). If the taxpayer is working under an erroneous social security number, that social security number should be used only on the W-2.

1. In the TIN field for all individuals needing to complete Form W-7, enter all digits as zeros "0". A return requiring three temporary TINs will be entered as follows:

The spouse's	000-00-0000
The first dependent's	000-00-0000
The second dependent's	000-00-0000

2. Select each individual in TaxSlayer. Fill in the name of each family member applying for an ITIN on a separate Form W-7 application. Make sure that names match required documentation that clients will be submitting with their W-7 application(s). See Tab B, Starting a Return and Filing Status, Determining the Last Name of the Taxpayer section for additional information.
3. Print the return package, and provide the return package to the taxpayer to mail with Forms W-7 to the address shown on the Form W-7 instructions.
4. If the taxpayer has a family pack that includes multiple Forms W-7 with one return, or multiple returns with one Form W-7, these forms should be staggered and stapled together to show the entire package as a family pack. This will prevent separation of the forms/returns that could delay the processing time.
5. Have taxpayers mail Form W-7 application(s), all original supporting documentation or certified copies of documents from the issuing agency, and tax return or take to a Certifying Acceptance Agent (CAA) or local Taxpayer Assistance Center (TAC) for ITIN Authentication. **Note:** Not all TAC offices are authorized to perform ITIN Authentication. See the list of supporting documentation in the Instructions for Form W-7, Application for IRS Individual Taxpayer Identification Number.
6. If applicable, prepare a copy of the state return with a copy of the federal return attached. If taxpayers will not owe state taxes, suggest they hold the state return until they receive their official ITIN letter(s), which may take 7 weeks (9 to 11 weeks if submitted during peak processing periods, January 15 through April 30). Once the ITIN(s) is assigned, record them on the state tax returns before mailing.

Note: Any ITIN that is not used on a federal tax return at least once for three consecutive tax years will expire on December 31 of the third consecutive tax year of non-use. ITINs with middle digits (the fourth and fifth positions) "70," "71," "72," "73," "74," "75," "76," "77," "78," "79," "80," "81," "82," "83," "84," "85," "86," "87" or "88" have expired. In addition, ITINS with middle digits "90," "91," "92," "94," "95," "96," "97," "98," "99" **IF assigned before 2013**, have expired.

The following communication products provide information on changes being made to the Individual Taxpayer Identification Number (ITIN) program this year. They are intended for use in raising awareness among taxpayers with a need to file a federal tax return in 2022 but whose ITIN will expire at the end of 2021. The products, available in multiple languages, are offered in electronic format for electronic distribution or for printing.

Publication 5259 (EN-SP), ITIN Fact Sheet

This publication explains changes IRS is implementing as a result of the Protecting Americans from Tax Hikes (PATH) Act legislation requiring expiration of certain ITINs. It also covers changes to the use of a passport as a stand-alone document for dependent ITIN applications.

Publication 5256 (EN-SP), You May Need to Renew Your Expired ITIN

This publication provides taxpayers quick facts about which ITINs are expiring and how to get more information. It provides three flyers per page and can be printed and cut/separated for use.

Publication 5257 (EN-SP), Renewing Your ITIN

This publication is a full page document detailing the facts about expiring ITINs and basic information about how to renew them. There's an electronic version with resource links and a printable version with instructions on how and where to find more information.

Tab M: Other Returns

Amended Returns

Overview of Amended Return Preparation Process in TaxSlayer

TaxSlayer Navigation: Access the federal and state amended return screens from the navigation MENU on the left side of the screen.

The Protecting Americans from Tax Hikes (PATH) Act of 2015 prevents taxpayers using newly issued tax ID numbers to retroactively claim refundable tax credits in prior years. For example, someone who filed a tax return under an ITIN and later got an SSN cannot file amended return(s) to claim EITC.

The option to electronically file an amended return is only available for tax year 2019 and later. Amended Returns for any other tax years or tax types must be filed by paper.

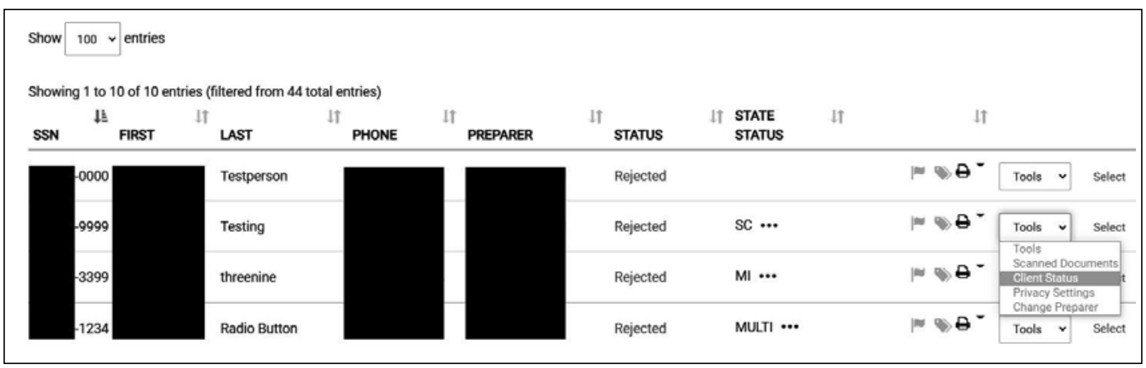
Amened returns must also be filed by paper if:

- the original return was filed by paper, it must be amended by paper.
- the primary Social Security number is different from the one provided on the original return, then the Amended Return must be filed by paper.
- the spouse's Social Security number (if applicable) is different from the one provided on the original return
- the filing status is different from the one provided on the original return.

Direct deposit/debit is not available for amended returns.

If the VITA/TCE site amending the return prepared the original return in TaxSlayer, print a copy of the return. A copy of the original federal and state returns is available in the Client Status section on the Office Client List page.

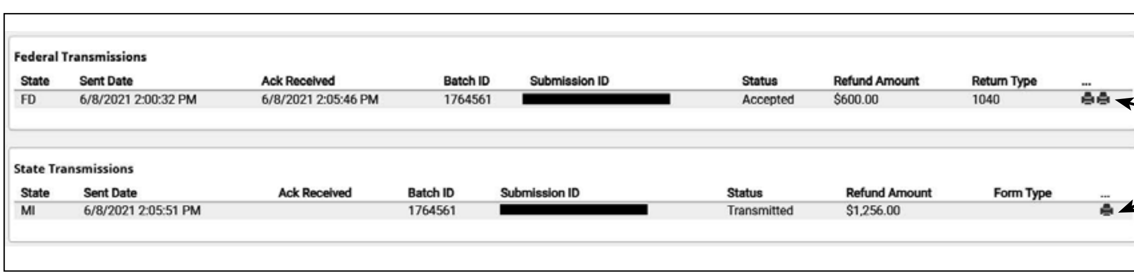
Office Client List


Show 100 entries

Showing 1 to 10 of 10 entries (filtered from 44 total entries)

SSN	FIRST	LAST	PHONE	PREPARER	STATUS	STATE STATUS			
[redacted]-0000	[redacted]	Testperson	[redacted]	[redacted]	Rejected			Tools	Select
[redacted]-9999	[redacted]	Testing	[redacted]	[redacted]	Rejected	SC •••		Tools	Select
[redacted]-3399	[redacted]	threenine	[redacted]	[redacted]	Rejected	MI •••			
[redacted]-1234	[redacted]	Radio Button	[redacted]	[redacted]	Rejected	MULTI •••		Tools	Select

To view and print the original filed and accepted return, go to client list>client tools>Client Status.


Federal Transmissions

State	Sent Date	Ack Received	Batch ID	Submission ID	Status	Refund Amount	Return Type	...
FD	6/8/2021 2:00:32 PM	6/8/2021 2:05:46 PM	1764561	[redacted]	Accepted	$600.00	1040	

State Transmissions

State	Sent Date	Ack Received	Batch ID	Submission ID	Status	Refund Amount	Form Type	...
MI	6/8/2021 2:05:51 PM		1764561	[redacted]	Transmitted	$1,256.00		

Clicking on these links displays the original accepted return. Other Icon is Form 9325.

Amended Returns (continued)

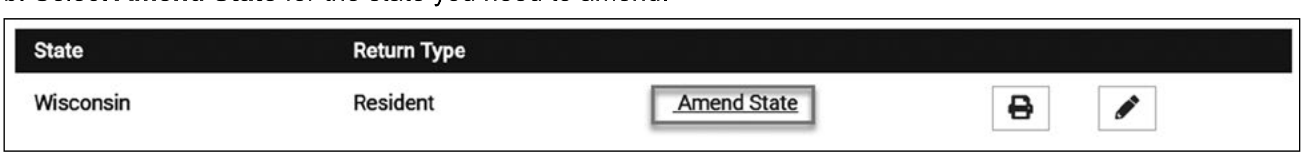
If the VITA/TCE site amending the return did not prepare the original return in TaxSlayer, the site will need a copy of the original return. See “Amended Returns - Original Return Not Created by the Site Preparing the Amended Return” later in this tab.

When changing the filing or residency status, TaxSlayer warns that all state returns will be deleted. Regardless of the state, the steps to amend a state return are consistent. TaxSlayer asks for the state refund amount or the amount paid if there is a state balance due.

Completing an Amended Return that was Accepted in TaxSlayer (Site prepared the original filed return)

1. Pull the original tax return amounts to Form 1040-X, Amended Return, original column by taking the following steps:
    a. Find and open the original return in TaxSlayer.
    b. Make all necessary changes to the return based on the new information from the taxpayer. (For example, if the taxpayer needs to add a Form W-2, add it now as you would if preparing a return normally.)
    c. When you finish making changes, select **20XX Amended Return**. TaxSlayer displays the Amended Tax Returns - Form 1040-X page:

    d. Select **Begin** on the **Original Return Information** line.
    e. Because the IRS accepted the return through TaxSlayer, the software defaults the original accepted return information on this page. Review the information using the printed original return. If any information needs to be changed, change it here.
    f. If the taxpayer is changing personal exemptions, has changed their address, or wants to change an election for the Presidential Election Campaign Fund, select the appropriate check boxes at the bottom of the page.
    g. When finished, select **Continue**.
2. Amend the State Return (if needed)
    a. Select **Begin** on the **Create Amended State Return** line. If there are no state changes, skip to step 3.
    b. Select **Amend State** for the state you need to amend.



    c. Select **Begin** on the **Amended Return** line.
    d. Read the screen and select **Yes** from the drop-down list.
    e. Select **Begin** on the Review and Complete Amended Return line.
    f. Select **Begin** on each line of the State Return: Review and Complete Amended Return page. Use the printed original return to ensure all information has been entered correctly based on the original accepted return.

Amended Returns (continued)

g. When you finish reviewing all information, select **Back**.

h. TaxSlayer Pro displays the State Return: Amended Return page. When finished with all the information for the amended return, select Save, then Exit return to leave the state's page. Repeat as necessary for other states.

3. Explain changes

   a. Go to the **Amended Tax Return** – **Form 1040X** page, then select **Begin** on the **Explain Changes** line.

   b. Enter an explanation for each change in the box provided.

4. Print Return and assemble the Form 1040-X package to be mailed

   a. From the **Amended Tax Return** – **Form 1040X** page, select **Print Amended Return**, select **Begin**, then **Continue**. On the "Print Results" page select Print your **20XX Tax Return**.

   b. In the PDF file of the return, examine Column A to verify all the information was appropriately carried over from the original Form 1040, U.S. Individual Tax Return. Next, verify the amounts in Column C are the true and accurate amounts. Then, confirm Column B is the difference between Columns C and A, which represents the amounts of what is being added or removed.

   c. Verify the correct amount overpaid or owed. On page 2, verify that all information is correct and that appropriate boxes are checked for qualifying children eligible for Child Tax Credit.

   d. If the state form is amended, scroll down the pdf to the state forms and verify that additions to or subtractions from the federal AGI that were manually made on the amended state return are correct.

   e. Ask a Quality Reviewer to double-check all entries on the amended return.

   f. Print tax forms as indicated in the table below (If a state amendment is not needed, skip state forms).

   g. For an amended return, Form 1040-X is the payment voucher if a balance is due. The taxpayer should simply enclose a check or money order with the amended return.

   h. Verify the state payment voucher amount (if used for your state) and that state amended return requirements are met.

   i. Have taxpayers sign the 1040-X and the state amended return. Advise the taxpayer the amended return should not be filed until the refund or the original return has been processed. Remind taxpayers to enclose payment – if payment is due.

   j. Attach any new or corrected documents (like a late 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.). Do not attach the original return.

   k. If responding to a notice from the IRS, send the federal amended return to the address shown in the notice. If not, use the address in the 1040-X Instructions.

Tax Forms	Total	IRS	State	Taxpayer
1040-X*	3	1	1	1
1040 (with "As Amended" written across the top)	1			1
Any federal forms changed or added*	3	1	1	1
State voucher (if any)	1		1	
Any required State forms	2		1	1

* If 1040-X is filed electronically, only print a total of two (2) returns; one (1) each for State and Taxpayer.

Amended Returns - Original Return Not Created by the Site Preparing the Amended Return

1. Since the return does not currently exist, create a federal return and state return, if applicable, that includes the amended information. These return figures comprise Form 1040-X, Column C.

   For any return with multiple information-reporting documents, as an alternative to entering every document, add the documents together. The software requires an EIN and business address to calculate and place information on the correct line of the tax return. Choose an EIN and business address from the available information-reporting documents for software input. All information-reporting documents that support changes must be included with the tax return. If applicable, create state return. If combining multiple documents to prepare the amended return, a paper return should be filed.

   - For returns with adjustments, credits, and additional schedules:

     a. Schedule C with no required amendment can be created by using the net profit as total income.

     b. Schedule D with no required amendment can be created by using one transaction for long term and/or one transaction for short term. Enter the net gain as the sales price with no basis.

     c. Adjustments and credits information is entered as applicable.

2. Go to the 20xx Amended Return menu > Original Federal Return Information screen to provide the original return information.
   - This menu populates Form 1040-X, column A.
   - Form 1040-X columns C will populate based on the return prepared with the amended information. Column B will populate based on the differences between Columns C and A.
   - Go to the Amend State Return screen.
   - Select Edit Amended link at Amended State Return screen.
   - Select Amended Return.
   - Select Yes at the Create Amended Return box.
   - Complete entries at Review and Complete Amended Return screen, particularly entries involving dollar amounts.

3. When you have confirmed or entered all amounts from the original return, continue with steps 3 through 4 on the Amended Returns page.

Prior Year Returns

Who can prepare prior year returns?

Sites are encouraged to prepare prior year returns if they have the required technical resources described below. Prior year returns may only be prepared and reviewed when the tax topics are within scope for VITA/TCE and within the volunteers' current levels of training and certification. They don't need to be certified in the actual prior year. Determining the certification level of the return is described below in Getting Started.

Getting Started:

- TaxSlayer only provides software for the 5 years prior to the current tax year.
- A current year Form 13614-C, Intake/Interview and Quality Review Sheet, must be completed for each prior year and will be used to determine the scope and certification level of each return.
- Taxpayers with Out of Scope returns should be advised to seek assistance from a professional tax preparer.
- Assign prior year returns to experienced volunteers if at all possible.
- Direct deposit or debit isn't available for prior year returns. IRS will mail refund checks to the address on the prior year return.

CAUTION **Taxpayers can't retroactively claim some tax credits with newly issued tax ID numbers.**

As of December 2015 (PATH Act), taxpayers can no longer:

- File a prior year return claiming EITC on the basis of newly issued Social Security numbers (SSNs) for themselves and/or qualifying dependent(s).
- File a prior year return claiming American Opportunity Tax Credit on the basis of newly issued SSNs, Individual Taxpayer Identification Numbers (ITINs) or Adoption Taxpayer Identification Numbers (ATINs) for themselves and/or qualifying student(s).
- File a prior year return claiming Additional Child Tax Credit on the basis of newly issued SSNs, ITINs, or ATINs for themselves and/or qualifying child.

Technical Resources:

The following tools are useful resources:

- Prior year return tax preparation software.
  a. TaxSlayer Pro® Online users can access the prior year software from the home page.
  b. Desktop sites will need to download and install the prior year software from the TaxSlayer website. Sites will use their current EFIN and setup the software as usual. No registration codes are needed with TaxSlayer.
- Applicable Publication 17, Your Federal Income Tax for Individuals, Publication 4012, VITA/TCE Volunteer Resource Guide, and Quality Site Requirement Alerts/Volunteer Tax Alerts (available on the IRS website).
- Forms 13614-C from prior years are helpful. Sites may keep hard copies or rely on electronic copies.
- Taxpayer's Wage and Income Transcripts from their IRS records are extremely useful.

Note: For transcripts, taxpayers can go to the IRS website, Keyword "Transcript", register, and secure transcripts online if they have email and can comply with enhanced verification. Taxpayers can also request transcripts to be mailed to the address on file which takes 5 to 10 calendar days for delivery. In addition, taxpayers can request a transcript via Form 4506-T, Request for Transcript of Tax Return, or by calling 1-800-908-9946.

Transcripts ordered online will be masked (redacted). Without EINs, the return cannot be e-filed. EXCEPTION: An unmasked wage and income transcript can be provided to the taxpayer when needed for preparing and filing a return. Only the taxpayer, or the taxpayer's authorized representative, or the authorized individual for the decedent can make the request. **The unmasked wage and income transcript can only be mailed to the taxpayer's address of record**, or to the authorized individual for the decedent; it cannot be faxed. An unmasked transcript may also be provided to a taxpayer (or representative) by requesting it in person at a Taxpayer Assistance Center (TAC). Appointments are required. To find a local TAC office near you, go to IRS.gov, Keyword "Local Office," or refer to Tab P, Partner Resources, for telephone number.

Prior Year Returns (continued)

- Prior year publications and instructions to forms and schedules are available on the IRS website.
- Use the online tool Interactive Tax Assistance (ITA) for answers to many current and prior year tax law questions. ITA is available on the IRS website.

Whether to e-file or mail prior year returns:

Only the two most current prior years can be e-filed. Older prior year returns must be mailed to the appropriate IRS address from the list in Tab P, Partner Resources, "Where to File" page. Also, refer to Tab K, Finishing the Return, for additional information regarding balance due returns and payment options.

Expired Tax Topics and Other Issues Applicable to Prior Years:

Refer to the Publication 17, Your Federal Income Tax For Individuals, for the applicable tax year and review the "What's New" section.

What if a site cannot prepare a requested prior year return?

If possible, refer the taxpayer to other VITA/TCE sites that offer prior year return service. Otherwise, advise the taxpayer to seek assistance from a paid tax preparer.

Note: Don't refer taxpayers to their local IRS Taxpayer Assistance Center because they no longer prepare tax returns for individuals.

Record Keeping:

Generally, taxpayers must file a claim for a credit or refund within 3 years after the date the original return was filed or within 2 years after the date the tax was paid, whichever is later. Returns filed before the due date (without regard to extensions) are considered filed on the due date (even if the due date was a Saturday, Sunday, or legal holiday). In some cases of unreported income, the IRS has up to 6 years from date of filing to assess additional taxes.

Keep records relating to property until the period of limitations expires for the year in which you dispose of the property in a taxable disposition. See Publication 550, Investment Income and Expenses, for details. TaxSlayer is available for three prior years only. State rules may differ.

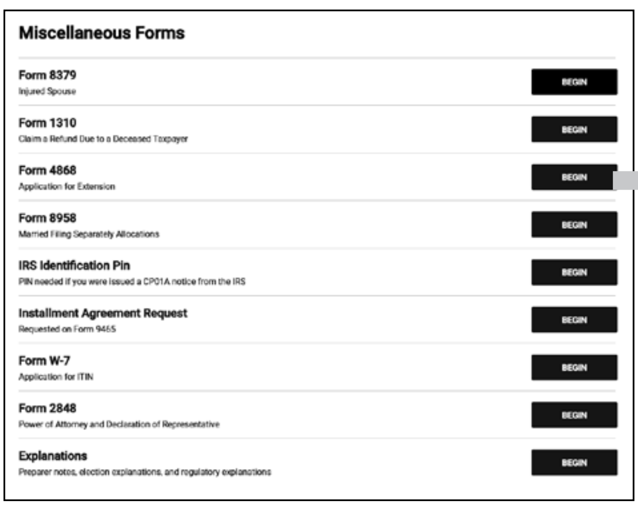
Filing an Extension Using TaxSlayer

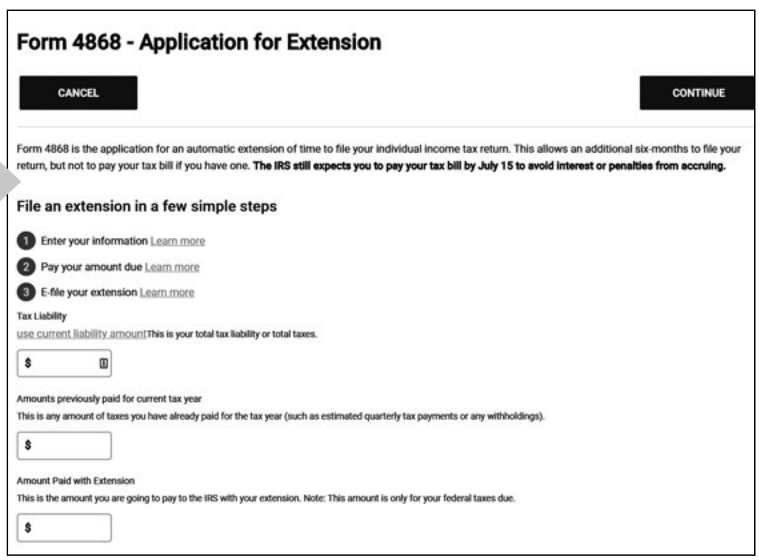
TaxSlayer Navigation: Federal Section>Miscellaneous Forms>Form 4868; or Keyword “4868” or “EXT”

Form 4868 - Application for Extension

How To File Your Extension

1. Enter your Information: Fill out all of the information in the “Required Extension Information” section below. Select **Continue**.
2. E-File Your Extension: Start by selecting e-file from the navigation bar. You will then be given the option to file your return (Form 1040 and supporting schedules), or to file your extension (Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return). Complete the extension e-file process. You should get an acknowledgement regarding your extension (whether the IRS accepted or rejected it) by email within the 24-48 hours of filing.
3. Amount Paid with Extension: You will need to pay the amount due that you enter for “Amount Paid with Extension.” You can do this in one of 3 ways:
    a. Pay by electronic withdrawal from your checking account: You can choose to pay your “payment” amount as an electronic withdrawal from your checking account. Once you enter the amount you would like to pay, check the box that appears to select this option. Enter your banking information, the date you would like the transaction to take place, and re-enter the amount to pay for confirmation. When you submit your extension, the withdrawal information will be sent.
    b. Pay by credit card: You can use your credit card and pay by phone by contacting one of the IRS approved service providers.
    c. Mail in your payment with your Form 4868: The form will print with your draft tax return. Mail the form with your payment by check or money order.





Note: Automatic 60 Day Extension to File

Taxpayers whose main home is located in a disaster area are now automatically provided an extension of time to file returns, pay taxes, or complete other time-sensitive acts beginning on the first date specified in a federal disaster declaration and ending 60 days after the last date specified in that federal disaster declaration. Impacted taxpayers no longer need to wait for the IRS to announce postponed deadlines. This automatic relief applies to federal disaster declarations issued after December 20, 2019.

Notes

Tab N: Using TaxSlayer® Pro Desktop

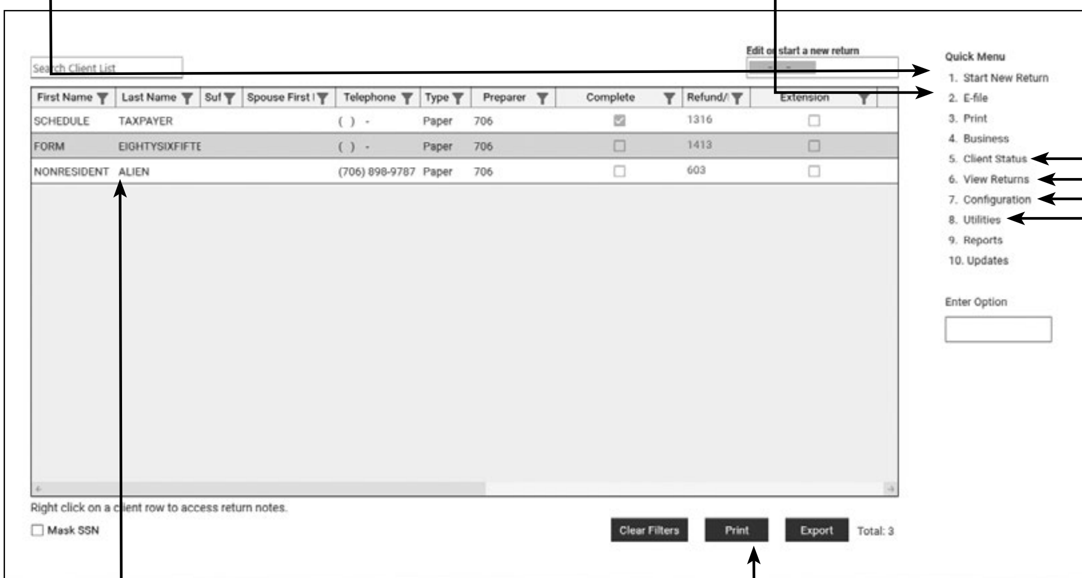
Navigating TaxSlayer® Pro (Desktop)

Note: This tab provides key highlights for using the desktop software TaxSlayer Pro. For specific tax law content refer to the appropriate tab in the Publication 4012, VITA/TCE Volunteer Resource Guide. See VITA/TCE: TaxSlayer® Pro Desktop User Guide on the VITA/TCE Springboard for software details on starting and preparing a return, working with the Premium Tax Credit, entering income, deductions, etc., completing a state return, and finishing a return.

To begin a new return select **Start New Return**

Access the E-file section to transmit/e-file returns and extensions, check acknowledgements and print reports.

Client Status - search by SSN and display the taxpayer's Social Security number, phone numbers, address, Federal return type, IRS Transaction date, and Reject information.



To edit an existing return, select the return in the **Client List.**

Select **Print** to print returns, extensions, and blank forms.

Utilities – this menu allows you to backup and recall returns, and do other administrative tasks.

Configuration – to set up the program defaults, preparers, etc.

View Returns – allows you to enter a specific SSN or pick from the client list and choose from View/Print options. You cannot edit a return from View Returns.

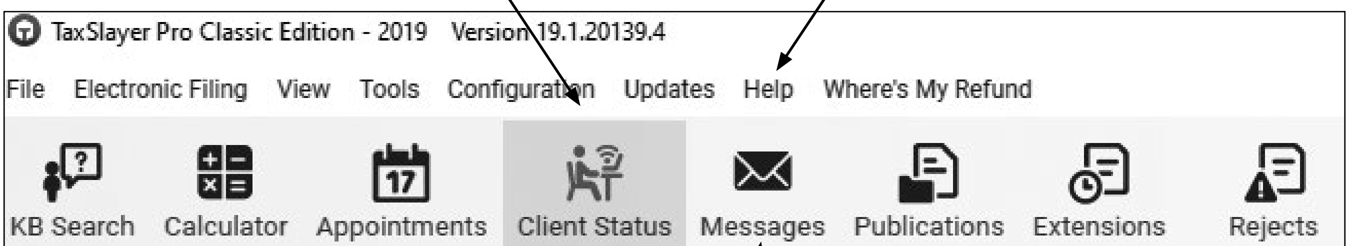
Navigating TaxSlayer® Pro (Desktop) (continued)

The toolbar appears at the top of the screen throughout the program, although some icons may not appear on all screens:

This icon brings up a Client Status screen. You can search by SSN and display the taxpayer's Social Security number, phone numbers, address, federal return type, IRS Transaction date, and Reject information.

The HELP button takes you to the VITA/TCE Blog. You can search by category or keyword. Requires an internet connection.

Many input screens provide an icon at the top of the screen that allows you to view the form from the current menu.



Select **KB Search** to search the knowledge base

Check the Message Center

Brings up a link to IRS publications, forms and instructions. Requires an internet connection

View from the exit screen when you mark the return as not complete.

Brings up the extension menu, where you can create or select an extension

View rejected returns. The number here reflects the rejected returns for the whole site.

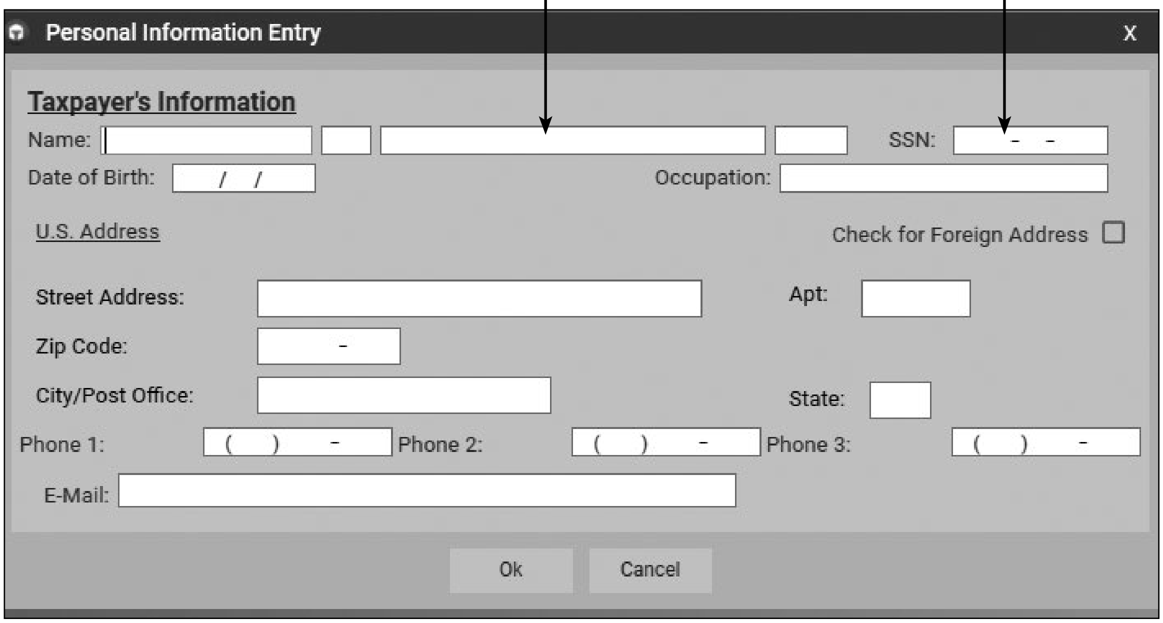
General Input Highlights

- To begin a new return, enter a SSN.
- Existing returns are viewable from the main Desktop page immediately after logging in.
- From the client list, you can start a new return by entering the SSN in the box provided.
- If the return does not exist, the software will ask if you want to create a new return.
- If the prior year exists, the software will ask if you want to carry forward the information from last year.
- If there is no Cancel button, hit the ESC key to get out of a single-entry screen.
- You can go to a return section by selecting the menu on the upper left or use the hot links from the specific lines of the Form 1040, U.S. Individual Income Tax Return.
- You can select **Form Finder** on the lower left side to open a new form or open an existing form by selecting it in the completed forms list.
- View Form Option – many input screens provide an icon at the top of the screen that allows you to view the form from the current menu. You can also find forms by selecting the magnifying glass icon.
- When entering dependent information pay attention to the drop-down screens to capture unique situations that may apply.

Personal Information

If the spouse or dependent's last name is the same as the taxpayer's, TaxSlayer Pro automatically fills that box with the taxpayer's last name after you hit the tab key

If you enter the primary SSN again on this screen, you'll receive a warning if it doesn't match the SSN you entered when starting the return



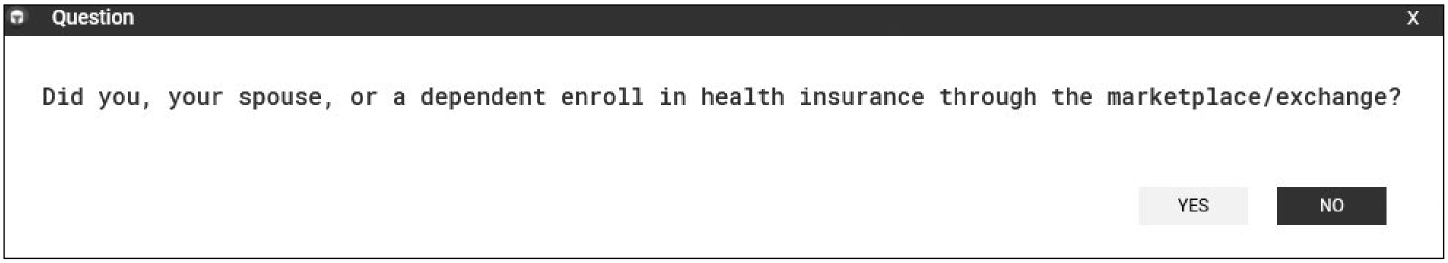
Without an SSN or ITIN, the return cannot be e-filed. You may be able to file a paper return.

Desktop will allow you to leave the phone number and email address blank – but you should get as many phone numbers for the taxpayer as possible.

Premium Tax Credit

When you are finished entering the Personal Info for the taxpayer, spouse and dependents, desktop will ask about Marketplace coverage.

If you select **Yes** for Marketplace coverage, you will have to **open the Form 8962**, Premium Tax Credit later to add the information from the Form 1095-A, Health Insurance Marketplace Statement. A diagnostic warning will display to remind you.



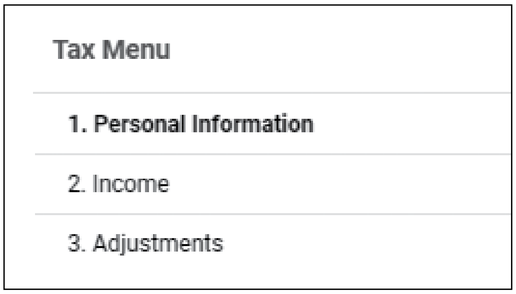
The Personal Information summary menu will appear next. If you need to change your answers to the Marketplace questions, you can select that item.

Income – Key Highlights

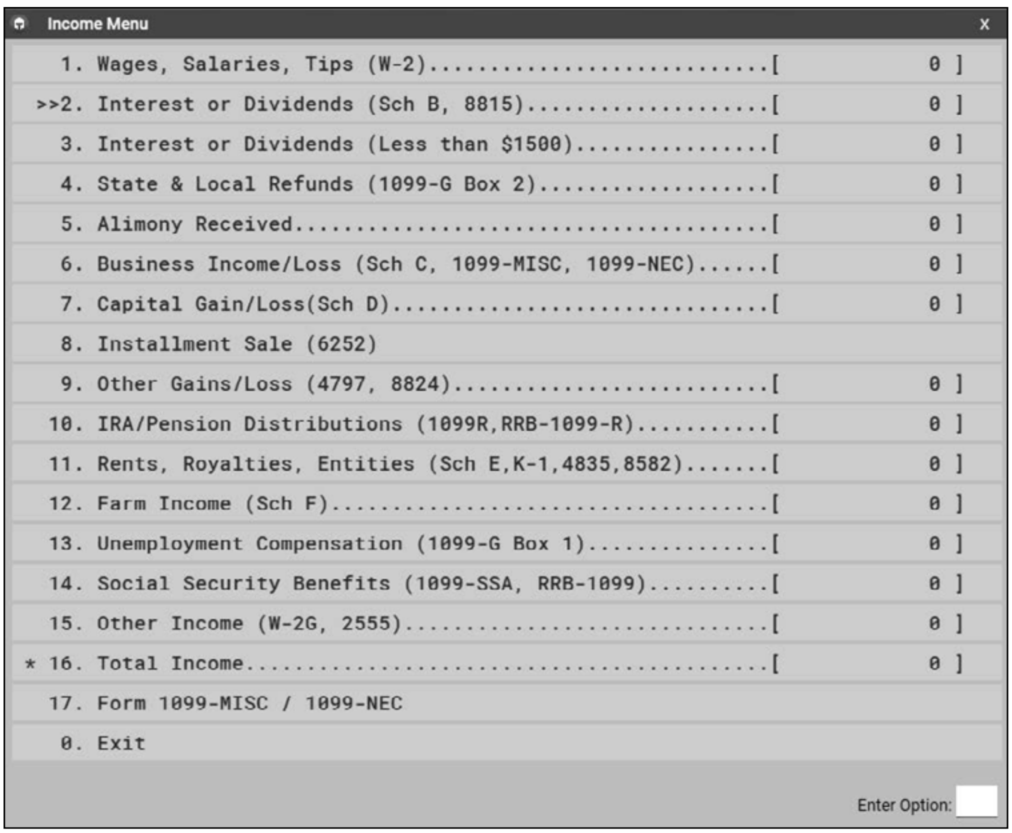
After entering personal and Premium Tax Credit information, enter all items of income. Refer to Tab D, Income, for additional information and specific instructions on these topics. The list of income items is found in the income menu screen. If you exit or are at the Main Menu, you can select the corresponding menu option to get back to the item that you want.

Select the specific item and follow the software prompts.

MAIN MENU



INCOME MENU



Income – Key Highlights (continued)

- To enter Taxable Scholarship, Prisoner Earned Income, or Foreign Compensation, select **Other Compensation** on the W-2 Menu.
- Interest/ Dividend Income will be entered from either Income Menu Option 2 or 3 depending on the amount of the income. If you start with option 3 (less than $1500) and then put any amount using option 2 (Sch B), any amounts input under option 3 are ignored and lost.
- Private activity bond interest (PAB) is entered in Other Taxes>Alternative Minimum Tax>Interest from specified private activity bonds exempt from the regular tax.
- The Schedule C can be accessed through Option 6 of the main Income menu. Remember to enter the Principal Business Activity Code on the Schedule C.
- When entering gross receipts, this would include income reported on Form 1099-K, Payment Card and Third-Party Network Transactions, as well as all other cash and any other income received related to the business activity.
- To enter Schedule D, Capital Gains and Losses, select Option 7 from the main Income menu and then enter the transactions. Select the Other menu button in the Edit Capital Gain/Loss Transactions screen to enter capital loss carryovers and to access the Sale of Home worksheet. See Tab D, Income, for more information on Capital Gains/ Losses.
- If an adjustment to basis or net capital gain is required, enter the adjustment amount and select the adjustment code(s) from the list. For most transactions, no adjustment to gain or loss is needed. You may need to enter an adjustment if the basis provided is incorrect, another situation applies that requires a change to the basis, or if the taxpayer is able to exclude some or all of the capital gain.
- To use the Simplified Method, check the box labeled “SGR” in Box 2A of Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
- To enter other income that is not already listed in the Other Income Menu box, select Option 1 and then enter the income.

Income – Key Highlights (continued)

Public Safety Exclusions

To enter the amount of the health insurance exclusion for a Public Safety Officer (PSO), from the Main Menu of the Tax Return (Form 1040)

1. Select **Income Menu**
2. Select **IRA/Pension Distributions (Form 1099-R/RRB, SSA)**
3. Select **New** and fill out the Payer's Information
4. Enter the Gross Distribution in Box 1 as it is shown on the 1099-R
5. Subtract the amount of any Qualified Retired Public Safety Officer Distribution from the Gross Distribution and enter the different Taxable Amount. Exit this menu. The smaller of the amount of the premiums for health and/or long-term care (LTC) insurance or $3,000 can be excluded (subtracted) from distribution.
6. Select the **Other/Roth** Button
7. Select **Public Safety Officers Insurance Distribution**
8. Select **Yes**
9. Select the line on **Form 1040** where Form 1099-R is reported. When you view Form 1040, the abbreviation **PSO** will be displayed in the left margin.

If you selected Form 1040 wages line, you will be prompted to input the amount of distribution being excluded. The exclusion and the abbreviation PSO will print on the dotted line next to the wages amount.

Note: This is a guide on entering Public Safety Officer Distributions into TaxSlayer. This is not intended as tax advice.

TIP Any amount exceeding $3,000 is entered on Schedule A, Itemized Deductions as insurance cost. The insurance can be for the taxpayer, spouse and family. When Form 1099-R, Box 7 is Code 4 (distribution due to death), the PSO deduction may no longer be used.

Entering Medicaid Waiver Payments (that may be excluded from income under Notice 2014-7):

- Qualified Medicaid waiver payments that are wages not reported on Form W-2, box 1 – The payments are already excluded from gross income and earned income. The tax preparer should complete the tax return as usual if the taxpayer does not choose to include qualified Medicaid waiver payments in earned income. A taxpayer who chooses to include qualified Medicaid waiver payments in earned income must report the payments as wages on line 1.
- Qualified Medicaid waiver payments reported on Form W-2, box 1 – In the TaxSlayer software, complete the Form W-2 as provided. Enter the amount of qualified Medicaid waiver payments received in the Medicaid Waiver Payment box at the bottom of the screen. Check the box just above the payment box if the taxpayer chooses to include the amount in the calculation of earned income for the EIC and the CTC.
- Qualified Medicaid waiver payments reported on Form 1099-NEC or Form 1099-MISC and the taxpayer is in the business of providing home health care services – Complete a Schedule C and enter the Form 1099-NEC or Form 1099-MISC as provided. Enter the amount of qualified Medicaid waiver payments received in the Medicaid Waiver Payment box at the bottom of the screen. Check the box just above the payment box if the taxpayer chooses to include the amount in the calculation of earned income for the EIC and the CTC.
- Qualified Medicaid waiver payments reported on Form 1099-MISC and the taxpayer is not in the business of providing home health care services – These payments are considered "other income" and are not reported on a Schedule C. Complete the Form 1099-MISC as provided. Enter the amount of qualified Medicaid waiver payments received in the Medicaid Waiver Payment box at the bottom of the screen. These payments are not subject to employment taxes and are not earned income, because they are not employee compensation or earnings from self-employment.

Credits – Key Highlights

- To enter tax credits select the Credits Option to bring up the Credits Menu.
- To enter a specific credit select the appropriate menu option and then follow the software prompts.
- You must answer due diligence questions in order to claim Earned Income Credit (EIC) and Child Tax Credit (CTC). Certain answers will cause the taxpayer to not receive CTC and EIC. Go to “View Results” and choose “Why No EIC Calculated” to see why. “If EIC Checklist was Not Answered Correctly” is checked, you must go back and correct your answers on Form 8867.

Select Form/Schedule to View X

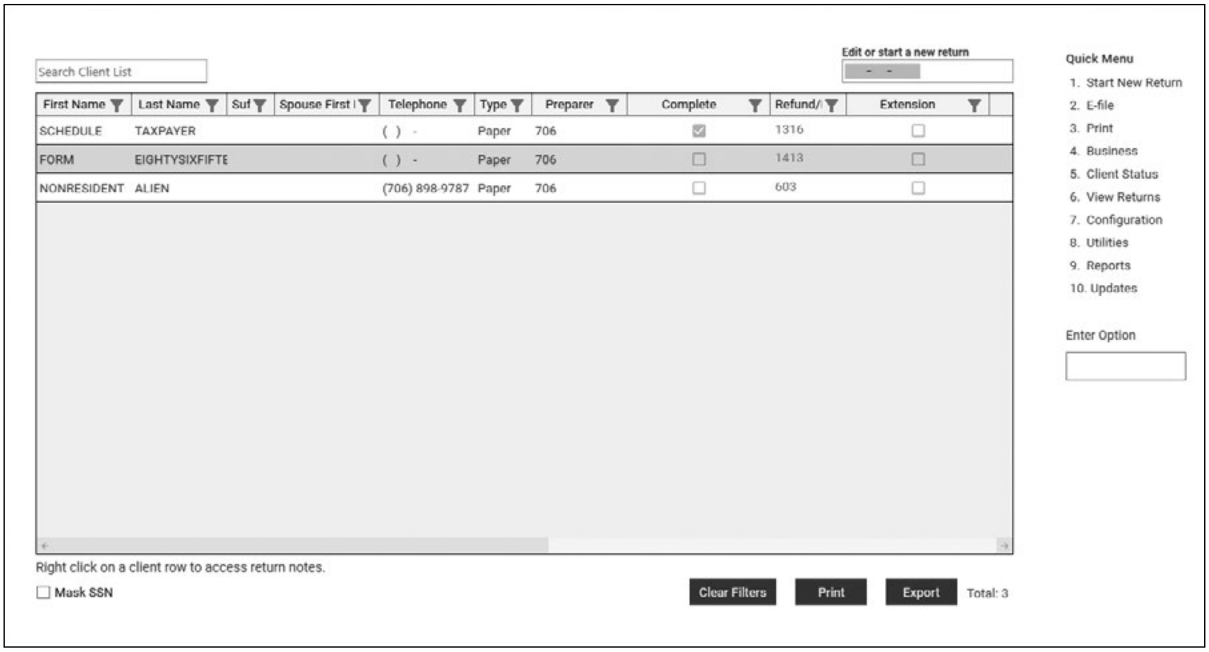
```
Description
0.   Exit
1.   Quick Summary
2.   Print Return
3.   Print Selected Forms/States
4.   Prior Years Comparison
5.   Form 1040
6.   Why No EIC Calculated
7.   Cover Page
8.   Client Invoice
9.   Client Letter
10.  Privacy Letter
11.  Client Form Listing Summary
```

Ok Cancel

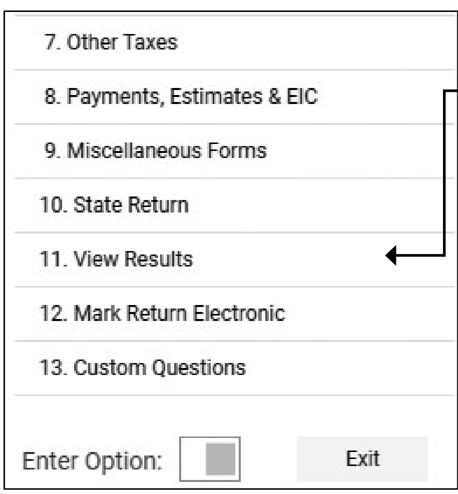
```
06/08/2021 02:15:38 PM                                              Page Number: 1
Possible Reasons Why Taxpayer Does Not Qualify for EIC
Client : RETURN                                     [redacted]-1001

Description
 1.  [ X ] There are No Qualifying Children Listed.
 2.  [   ] There are Children with Invalid SSN(s).
 3.  [   ] Taxpayer's Age is Not Between 25 and 64.
 4.  [   ] Taxpayer's Social Security Number is Not Valid.
 5.  [   ] Taxpayer is being claimed on another return.
 6.  [   ] Spouse's Age is Not Between 25 and 64.
 7.  [ X ] Spouse's Social Security Number is Not Valid.
 8.  [   ] Filing Status can not be 'Married Filing Separate'.
 9.  [   ] Must live in U.S. more than Half the Year.
10.  [   ] Form 1040NR Return.
11.  [   ] Return Contains Form 2555.
12.  [   ] Return Contains Form FEC (Foreign Earned Compensation).
13.  [   ] EIC Checklist was not Answered Correctly.
14.  [   ] Investment Income is Greater than $3,650.
15.  [   ] Your Earned Income is Greater than the EITC Limits.
16.  [   ] Your Adjusted Gross Income is Greater than the EITC Limits.
17.  [ X ] Your AGI or Earned Income is Less than or Equal to $0.
18.  [   ] Your Earned Income + Combat Pay is Greater than the EITC Limits.
19.  [   ] SE Tax Exempt because of Form 4029/4361.
20.  [   ] Return Marked as Not Qualifying for EIC.
```

Printing from Desktop

There are different print settings available:



- Print from TaxSlayer Pro home page menu by selecting **Print**
- Choose an option from the print sub-menu
- Select client, then select print option



Print from inside the return:

- Select View Results from the Main Menu
- Select Form/Schedule to view menu option

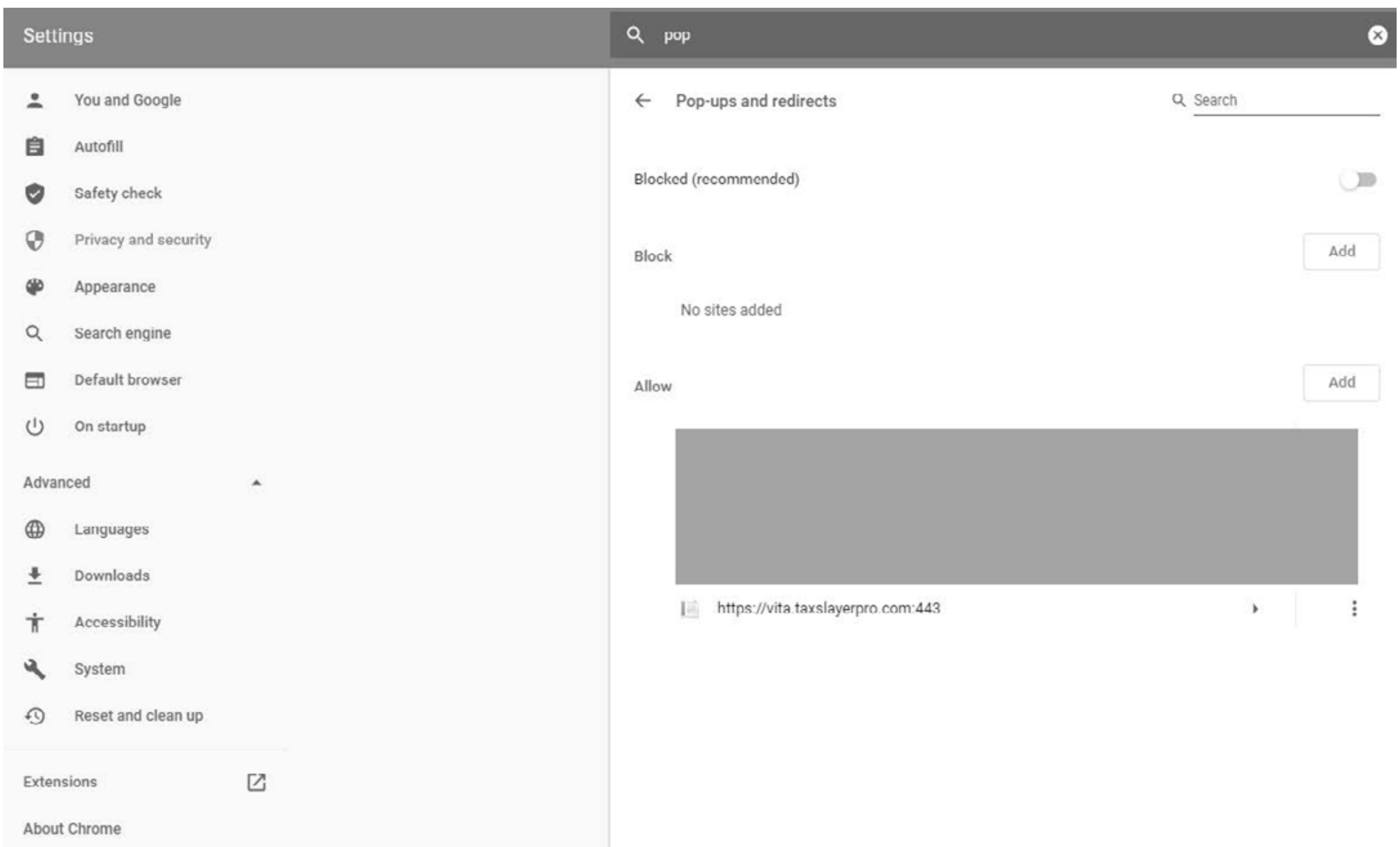
Tab O: Using TaxSlayer® Pro Online

Logging in to TaxSlayer Pro Online

To set up TaxSlayer® Pro Online as a Favorite, use the following steps:

1. Open Microsoft Edge, Chrome, Firefox or Safari.
2. Type **https://vita.taxslayerpro.com** in the address line. Current and prior year software can be accessed upon logging in.
3. In Microsoft Edge,
   - Select the Favorites icon
   - Select Add
   - In Name, type the name you want the favorites to display
   - Select OK
4. In Chrome,
   - Select the 3 horizontal dots at the upper right side of the screen
   - Select to display Bookmarks
   - Select Bookmark this page

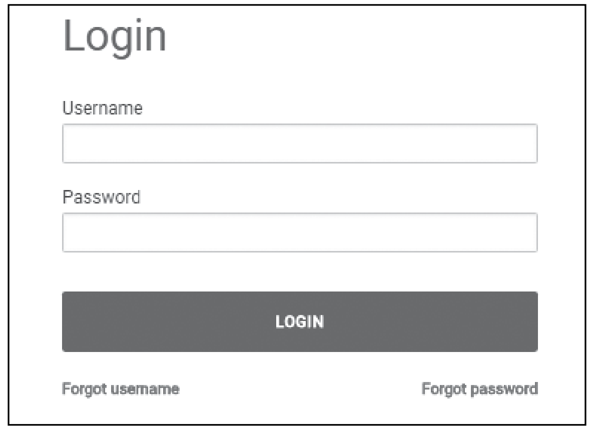
TIP If using Chrome, set your browser settings to allow popups and redirects from the TaxSlayer site. Settings>Safety Check>Site Settings>Pop-ups and Redirects>Add



Logging in to TaxSlayer Pro Online (continued)

Logging in to Pro Online

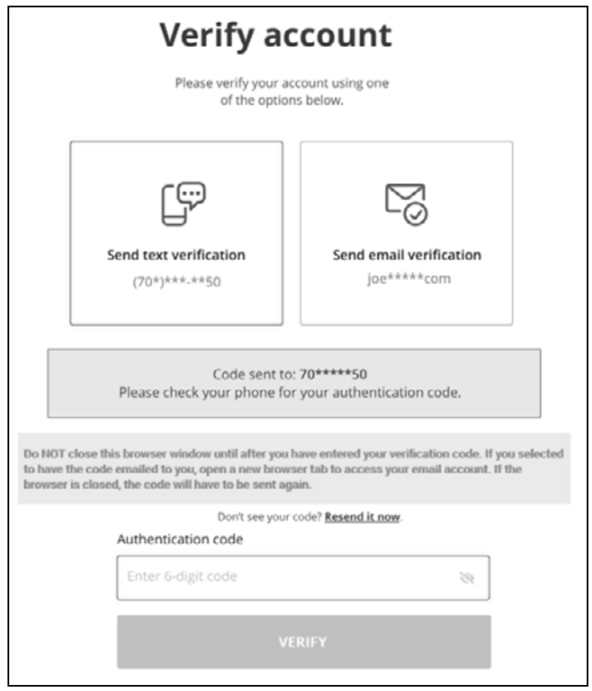
The user name isn't case sensitive. To log in to TaxSlayer® Pro Online, enter your Username and Password, then select Login. For added security, TaxSlayer uses a method called Multifactor Authentication, where a code is sent to you at a known point of contact to verify your identity.



You will be prompted to verify your account by having a code sent either to your email address or a cell phone capable of receiving text messages. In most cases, text messages are the fastest method of verification. Select your preferred option, and select **Send Code**.

When you receive your code, enter it and select **Verify**.

TIP If your account was set up with only an email address, the cell phone option will not appear.



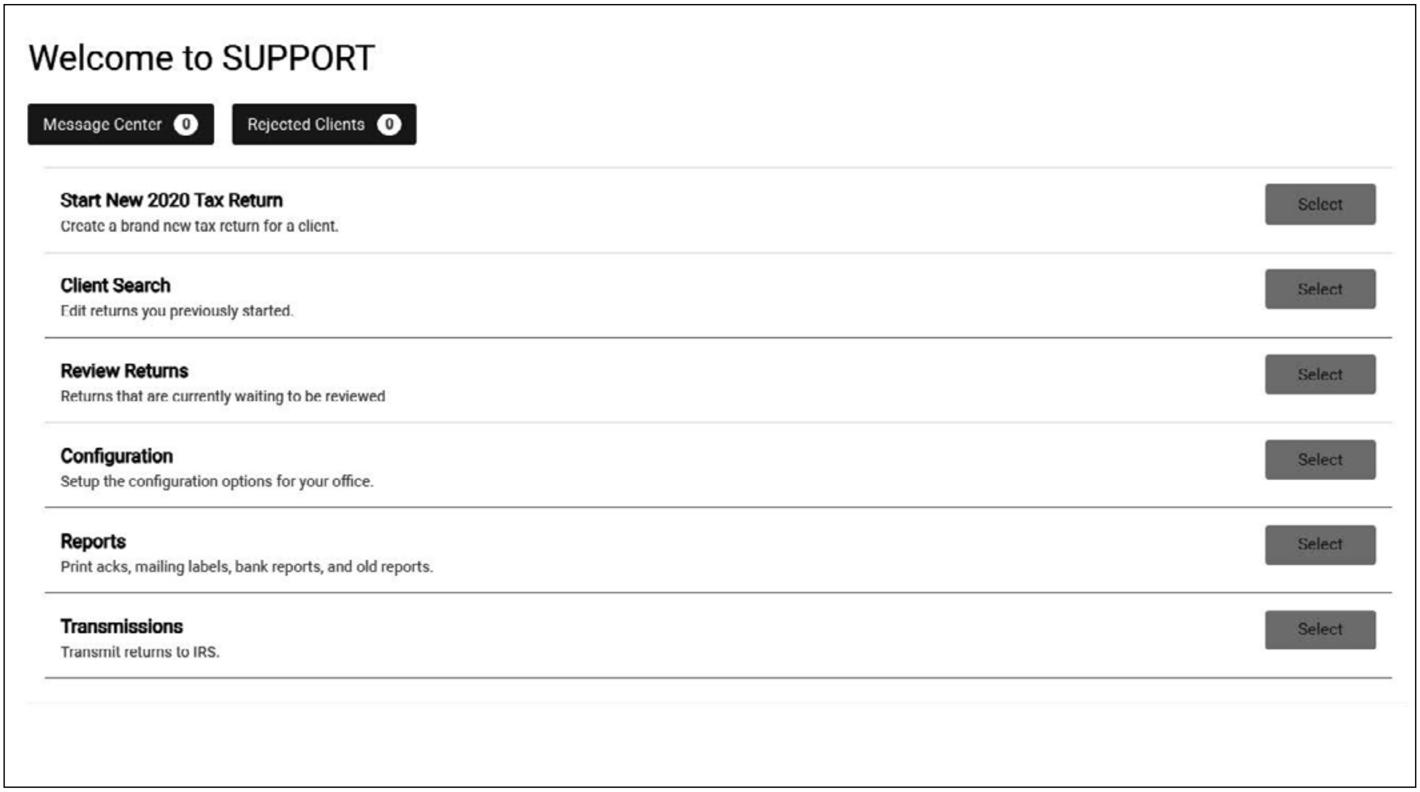
You will need to perform this process periodically based on systems requirements.

Note: See TaxSlayer User Guide for updated login procedures

Note: After two unsuccessful login attempts, you will be required to select the "I'm not a robot" box.

Pro Online Homepage

The Welcome Menu is the "Main Menu" of the program. It is the first screen the program takes you to every time you log into your office account. From the Main Menu, you will find Menu Options that contain functions pertaining to the program. Each part of the program can be accessed by clicking on the gray Select button. This screen shot will be different based on your permissions level.



Start New Tax Return: Select to start a new return.

Client Search: Select to open an existing return.

Review Returns: This option displays the Review Returns page, listing all returns that tax preparers have marked for review. The Quality Reviewer can select returns to review, and then mark the return as Approved or Rejected. This option will appear for volunteers with the appropriate permissions.

Transmissions: Quick method of transmitting returns to the IRS through search based on name or SSN. Returns must be marked "Complete" to be transmitted. This option will appear for volunteers with the appropriate permissions.

TIP After selecting Start New 20XX Tax Return, you can select a client profile. Each profile will send you to appropriate data input screens for that kind of taxpayer, e.g., working family with kids, retired with investments, retired without investments.

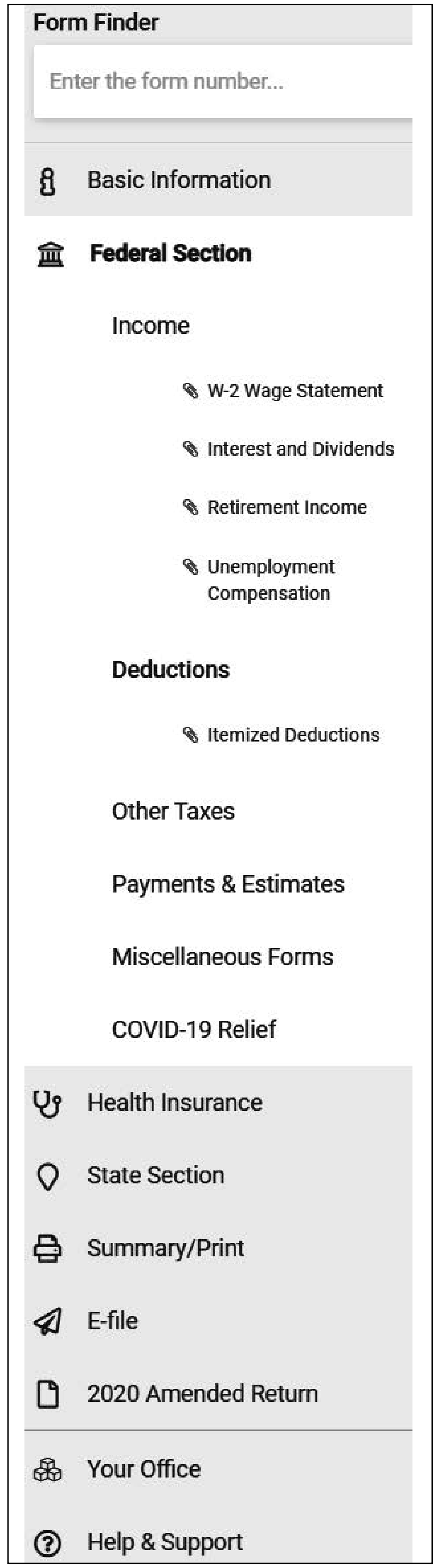
Pro Online Homepage (continued)

Navigating Hints

- Form Finder: Open forms to TaxSlayer entry screens by entering the form number or keyword in the form search box.
- Use the navigation menu to jump directly to a section of the tax return.
- 1040 View: From the Summary/Print page, click on any blue line item to go to that entry screen.
- Type dates without leading zeros and tab between fields rather than using the pull down menu.

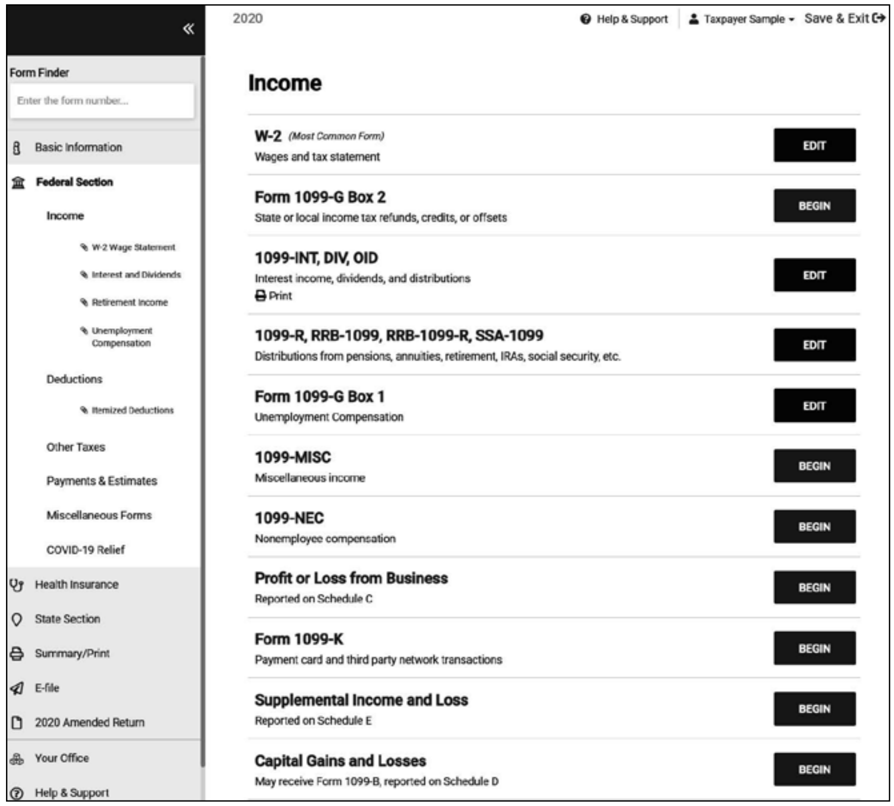
Make Internal Note: To make a note that will not be transmitted to the IRS but will stay with the file, select the pulldown arrow to the right of the taxpayer's name in top right corner and select Notes. Then give the note a name and enter details.This note will be attached to the page where you created it and it will also be accessible from the Client Search List.

Viewing individual schedules and forms: If a print icon appears beside the form name in any menu click on it to create a PDF of just that form or schedule. In addition, there is a print icon for the state return if you want to preview it.



Navigating TaxSlayer® Pro Online

TaxSlayer Navigation: Federal Section>Income



Income

This section is used to enter the various types of income that should be reported on the tax return. Select **Begin** to enter an item of income or select **Edit** to update an item of income. See Tab D, Income, for more directions on entering specific types of income.

TaxSlayer Navigation: Federal Section>Deductions

Deductions

The deductions entry screen is used to enter the various types of deductions (adjustments/ credits) that should be reported on the tax return. Select **Begin** to enter a deduction or select **Edit** to update a deduction. See Tab E, Adjustments; Tab F, Deductions; Tab G, Nonrefundable Credits; Tab H, Other Taxes, Payments and Refundable Credits; Tab I, Earned Income Credit; and Tab J, Education Benefits, for additional information and specific instructions on these topics.

TaxSlayer Navigation: Federal Section>Other Taxes

Other Taxes

This section is used to enter any other tax types for which the taxpayer may be liable. Select the **Begin** button next to any other tax item to enter in data applicable to the taxpayer. See Tab H, Other Taxes, Payments and Refundable Credits, for additional information and specific instructions.

TaxSlayer Navigation: Federal Section>Payments and Estimates

Payments & Estimates

This section is used to enter such items as payments, apply overpayments to next year's return and to print vouchers for next year's estimated payments. Select the **Begin** button next to any payment or estimate item to enter in data applicable to the taxpayer. See the Tab H, Other Taxes, Payments and Refundable Credits, for additional information and specific instructions.

Navigating TaxSlayer® Pro Online (continued)

TaxSlayer Navigation: Federal Section>Miscellaneous Forms

Miscellaneous Forms

This section of the Federal Section is used to enter the following:

- Injured Spouse Allocation (Form 8379)
- Claim a Refund Due to a Deceased Taxpayer (Form 1310)
- Application for Extension (Form 4868)
- Married Filing Separate Allocation
- IRS Identity Protection PIN (IP PIN)
- Installment Agreement (Form 9465)
- Application for ITIN (Form W-7)
- Power of Attorney (Form 2848)
- Explanations (Preparer Notes)

When preparing or reviewing the return, it is not necessary to navigate back into the Income or Deductions pages and the underlying forms. Use the navigation column on the left-hand side to go directly to the form you need.

TaxSlayer Navigation: State Section

State Section

Since the IRS cannot train volunteers to prepare state and local tax returns, partners are responsible for scheduling appropriate state and local tax training for volunteers wherever this service will be voluntarily offered.

The State of Residency will auto-fill when the Zip Code is entered in the Basic Information section. The State of Residency can be changed manually in the Basic Information section after the state has auto-filled. If you don't have a state return, you can select **Continue** or use any of the navigation options on the left side of your screen.

The following states don't have a general state income tax return: Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington and Wyoming. Tennessee and New Hampshire levy a tax on interest and dividend income.

For Military certification, refer to the note in Tab B, Starting a Return, Entering Basic Information regarding the Military Spouses Residency Relief Act (MSRRA).

Additional states can be added to the return file at the Add Another State Return link in the State Return home page. Choose a state from the pick list or by selecting the state on the United States map and select **Continue**. Select the taxpayer's state residency type. The residency types for most states are resident, part year resident and nonresident. Select **Continue**. You can prepare up to 3 states for a taxpayer.

To delete a state return, select **State Section** from the left side of your screen. Select the delete icon next to the state that you would like to delete.

Navigating TaxSlayer® Pro Online (continued)

Summary/Print Page

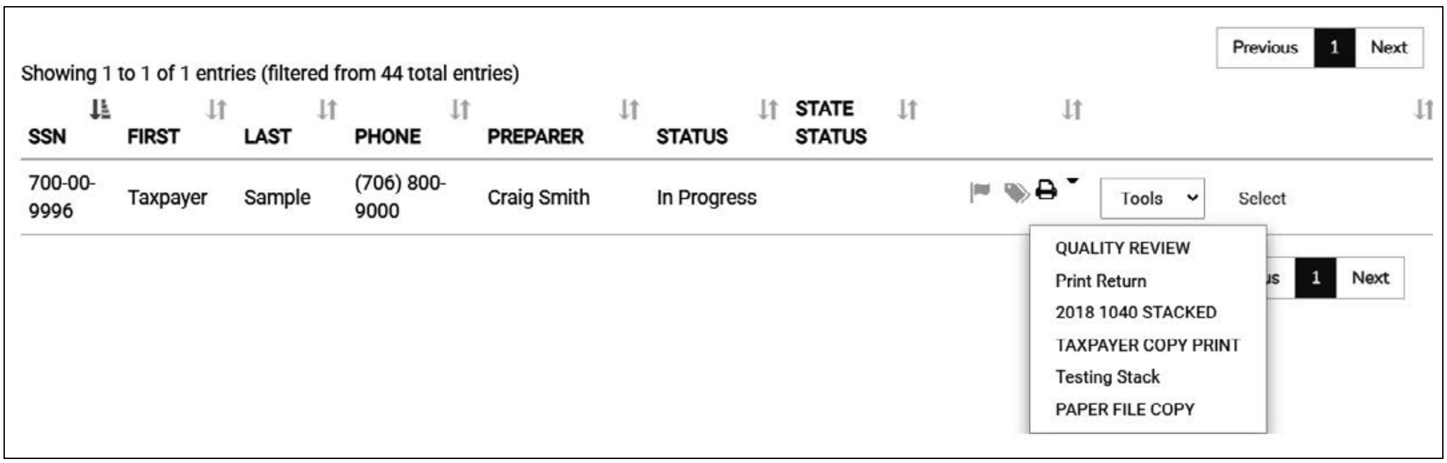
The Calculation Summary screen is an overview of each section of the tax return. Select the show details link located next to each item to view a breakdown of what items are included in the tax return. You can view and/or edit each item of income, adjustments, tax, payments, etc., by selecting the link from the expanded list. You can toggle between the Summary View or the 1040 View, which allows you to link from most of the line items on the Form 1040. The prior year comparison option will contain return data if a prior year return was completed through the software.

Select **View/Print Return** to create a PDF of the return that can be printed or reviewed.

Quality Review

When performing a quality review, you can access the quality review print set by navigating to the Office Client List, click the arrows next to the printer icon and select QUALITY REVIEW.

Refer to Publication 5310, VITA/TCE Tax Return Quality Review Job Aid, for complete quality review instructions.



Navigating TaxSlayer

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
982 Reduction of Tax Attributes…	98	Income>Less Common Income>Cancellation of Debt 1099-C, Form 982	EXT-4
1040-ES Estimated Tax Payments (Vouchers)	VOU	Payments & Estimates>Vouchers for 20XX Estimated Tax Payments	K-18
1040-X Amended Return	N/A	Select Amended Return Section from side menu or create prior year return	M-1
1095-A Health Insurance	N/A	Select Health Insurance Section from side menu>Follow screens to Advanced Premium Tax Credit	H-12
1098 Mortgage Interest Statement	1098	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Reported on Form 1098	F-9
1098-E Student Loan Interest	STU	Deductions>Adjustments>Student Loan Interest Deduction	E-11
1098-T Tuition Statement	1098	Deductions>Credits Menu>Education Credits and/or Income>Less Common Income>Other compensation>Scholarships and Grants	J-7
1099-A Acquisition or Abandonment	CAP	Income>Capital Gain and Losses>Sale of Main Home Worksheet or use Capital Gains and Loss Items	EXT-1
1099-B Proceeds from Broker and Barter Exchange	1099	Income>Capital Gain and Losses>Capital Gain and Loss Items	D-23
1099-C Cancellation of Debt	C or CANC	Income>Less Common Income>Cancellation of Debt 1099-C, Form 982	D-60
1099-DIV Dividends	D	Income >1099-DIV, INT, OID>Interest or Dividend Income	D-12
1099-G State Tax Refund	G	Income>Form 1099-G Box 2	D-14
1099-G Unemployment Compensation	U	Income>Form 1099-G Box 1	D-3
1099-INT Interest Income	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income	D-7
1099-INT Box 9, Private Activity Bond Interest (PAB)	INT	Other Taxes>Alternative Minimum Tax>Interest from specified private activity bonds exempt from the regular tax	D-9
1099-K Payment Card and Third Party…	N/A	Income>Form 1099-K>Income (include amount in gross receipts or sales)	D-14
1099-LTC Long-Term Care and Accelerated Death Benefits	8853	Deductions>Adjustments>Medical Savings Accounts (8853) and scroll to Long Term Care (LTC) Insurance Contracts	D-53
1099-MISC Miscellaneous Income	MIS	Income>1099-MISC	D-54
1099-NEC Nonemployee Compensation	NEC	Income>1099-NEC	D-15
1099-OID Original Issue Discount	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income>Original Issue Discount, Form 1099-OID	D-8
1099-Q Payments from Education Programs	Q	If not taxable, do not enter, if taxable, then Out of Scope; also known as Qualified Tuition Program (QTP)	D-53
1099-QA Distributions from ABLE Accounts	N/A	If not taxable, do not enter, if taxable, then Out of Scope	D-53
1099-R IRA Distribution	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099> Add or Edit a 1099-R	D-33

Navigating TaxSlayer (continued)

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
1099-R Pension Distributions	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099> Add or Edit a 1099-R	D-33
1099-R Retirement	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099> Add or Edit a 1099-R	D-33
1099-S Proceeds from Real Estate Transaction	CAP	Income>Capital Gain and Losses>Capital Gains and Loss Item	D-29
1099-SA HSA	HSA	Deductions>Adjustments>Health Savings Account Form 8889	E-6
1310 Statement of Person Claiming Refund Due a Deceased Taxpayer	1310	Miscellaneous Forms>Form 1310	K-11
2120 Multiple Support Declaration	N/A	On the Dependent Entry Screen, check the box "This dependent qualifies for a Multiple Support Declaration" and follow the prompts on the next screen.	C-5
4852 Substitute for Form W-2	W	Income>W-2>Add a W-2>This is a substitute W-2	D-4
4852 Substitute for Form 1099-R	-R	Follow the 1099-R navigation and check the box indicating this is a substitute 1099-R	D-44
5329 Additional Taxes on Qualified Plans and Other Tax-Favored Accounts	5329	Other Taxes>Tax on Early Distribution	H-4
5498-SA	HSA	Deductions>Adjustments>Health Savings Account, Form 8889	E-7
CSA 1099-R Civil Service Annuity Paid	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or Edit a 1099-R	D-37
CSF 1099-R Statement of Survivor Annuity Paid	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or Edit a 1099-R	D-37
K-1 Beneficiary's (or Partner's) Share of Income	K	Income>Less Common Income>K-1 Earnings	D-48
RRB 1099 Railroad Retirement Benefits (Tier 1 blue form)	SSA	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Social Security Benefits/RRB-1099	D-45
RRB 1099-R Railroad Retirement Benefits (Tier 2 green form)	RR	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>RRB-1099-R	D-45
SSA-1099 Social Security Benefits	SSA	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Social Security Benefits/RRB-1099	D-46
W-2 Wages & Salaries	W	Income>W-2	D-4
W-2G Gambling Winnings	W2G	Income>Less Common Income>Gambling Winnings, W-2G	D-53
Advance Payments of Child Tax Credit			
Alimony Paid	ALIM	Deductions>Adjustments> Alimony Paid	E-9
Alimony Received	ALIM	Income>Alimony Received	E-9
Amended Return	N/A	Select Amended Return Section from side menu or create prior year return	M-1
American Opportunity Credit	1098	Deductions>Credits Menu>Education Credits	J-5

Navigating TaxSlayer (continued)

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
Annuity Calculator, Simplified Method or Public Safety Officer Exclusion	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or edit a 1099-R>Click here for options	D-36
Brokers Statements	N/A	See appropriate 1099	
Business Expenses	C	Income>Profit or Loss From Business>Add (or edit) a Schedule C Income from Business>General Expenses, Car And Truck Expenses, or Other Expenses	D-20
Cancellation of Debt	CANC	Income>Less Common Income>Cancellation of Debt 1099-C, Form 982	D-60
Capital Gains	CAP	Income>Capital Gains and Losses	D-23
Capital Gains Distributions	INT or D	Income>1099-DIV, INT, OID>Interest and Dividend Income>Dividend Income>Capital Gain to Schedule D	D-12
Capital Loss Carryover	CAP	Income>Capital Gains and Losses>Other Capital Gains Data (including Capital Loss Carryover)	D-23
Charitable Distribution from IRA	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or edit 1099-R>Subtract distribution that was sent directly by trustee to charity from Box 1 and enter the difference in Box 2a Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Nontaxable Distributions – To add QCD indicator to return	D-33
Child and Dependent Care Expenses	2441	Deductions>Credits Menu>Child Care Credit	G-10
Deactivate Return		Client List>Tools>Deactivate	
Deceased Taxpayer	PER plus 1310	Personal Information>Check here if Taxpayer is deceased. PLUS, complete Form 1310 if person filing the return is other than spouse (Miscellaneous Forms>Form 1310)	K-11
Direct Deposit/Direct Debit	N/A	E-File Section>Bank Account	K-1
Dividend Income	D	Income >1099-DIV, INT, OID>Interest or Dividend Income	D-12
Donations to Charity	CHA	Deductions>1099-DIV, INT, OID>Gifts to Charity	F-4
Early Withdrawal Penalty (not on 1099-INT)	EARL	Deductions>Adjustments> Penalty on Early Withdrawal of Savings or CD	E-1
Economic Impact Payment		COVID-19 Relief>Recovery Rebate Credit	H-8
Education Expenses	8863	Deductions >Credits Menu>Education Credits	J-1
Educator Expenses	EDUCA	Deductions>Adjustments> Educator Expenses	E-4
Elderly or Disabled Credit	ELD	Deductions>Credits Menu >Credit for the Elderly or Disabled Schedule R	G-18
Estimated Tax Payments paid for current tax year	FED	Payments & Estimates>Federal Estimated Payments	H-7
Estimated Payment Vouchers (Federal) for next year	VOU	Payments & Estimates>Vouchers for 20XX Estimated Payments	K-18
Exempt Interest	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income>Interest Income, Form 1099-INT	D-10
Extension, Filing for	EXTE	Miscellaneous Forms>Form 4868	M-7
First-Time Homebuyer Credit (Repayment)	FIR	Other Taxes>Repayment of First-Time Homebuyer Credit	H-2
Foreign Tax Credit	1116	Deductions>Credits Menu>Foreign Tax Credit	G-6
Gambling Winnings	W2G	Income >Less Common Income>Gambling Winnings, W-2G	D-53

Navigating TaxSlayer (continued)

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
Gambling Losses	2G or W2G	W-2G>Itemized Deductions> Miscellaneous Deductions> Gambling losses to the extent of gambling winnings	F-11
Health Savings Accounts	HSA	Deductions>Adjustments> Health Savings Account	E-6
Household Employee Income (no W-2)	OTHER	Income>Less Common Income>Other Compensation> Household Employee Income	D-59
Identity Theft PIN	PIN	Basic Information>IRS Identity Protection PIN	P-2
Injured Spouse	INJ	Miscellaneous Forms>Form 8379	P-5
Interest Income or Interest Income not on a Form	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income>Interest Income, Form 1099-INT	D-8
IRA Contributions (Traditional IRA)	IRA	Deductions>Adjustments>IRA Deduction	E-10
IRA Contributions (ROTH IRA)	RETI	Deductions>Credits Menu>Retirement Savings Credit>Enter Any Current Year Traditional or Roth IRA Contributions (Do not re-enter Traditional IRA contributions already reported in the IRA Deduction menu)	E-10
IRA Distributions	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or Edit a 1099-R	D-33
IRA Qualified Charitable Distribution (Not a Charitable Gift Annuity)	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or edit 1099-R>Subtract distribution that was sent directly by trustee to charity from Box 1 and enter the difference in Box 2a. Click continue and navigate back to Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Go to Nontaxable Distributions> and check the box "Check here to mark this as a Qualified Charitable Distribution (QCD) on your return."	D-33
IRA Rollover	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099> Add or Edit a 1099-R>check the box "Check here if all/part of the distribution was rolled over and enter the rollover amount."	D-38
ITIN, Application for	W7	Miscellaneous Forms>Form W-7	L-4
Jury Duty Pay	N/A	Income>Less Common Income>Other Income Not Reported Elsewhere	D-53
Jury Duty Paid to the Employer	N/A	Deductions>Adjustments>Other Adjustments>Jury Duty Pay	E-1
Lump Sum Social Security Benefit	SSA	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Social Security Benefits/ RRB-1099>Begin Worksheet	D-47
Medical and Dental Expenses	MED	Deductions>Itemized Deductions>Medical and Dental Expenses	F-5
Medicaid Waiver Payments on W-2 (that may be excluded from income under Notice 2014-7)	W	Income>W-2>enter the amount in the box titled "Medicaid Waiver Payment in Box 1" below box 13 (this amount will be subtracted on Schedule 1).	D-7
Mileage for Charitable Travel	CHA	Deductions>Itemized Deductions>Gifts to Charity>Noncash Gifts to Charity	F-10
Mileage for Medical Travel	MED	Deductions>Itemized Deductions>Medical and Dental Expenses	F-6
Mortgage Interest and Points Paid	MORT	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Reported on Form 1098	F-9
Mortgage Interest Paid—not on Form 1098	MORT	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Not Reported on Form 1098	F-9
Noncash Donations that total $500 or less	CHA	Deductions>Itemized Deductions>Gifts to Charity>Noncash Gifts to Charity	F-10

Navigating TaxSlayer (continued)

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
Notary Fees	SELF	Other Taxes>Self-Employment Tax>Enter Exempt Notary Income (exempt from SE tax and EIC)	D-15
OID Interest	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income	D-8
Other Income (prizes, jury duty, etc.)	N/A	Income>Less Common Income>Other Income Not Reported Elsewhere	D-53
Pension Distributions	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099> Add or Edit a 1099-R	D-33
Personal Property Taxes	PROP	Deductions>Itemized Deductions> Taxes You Paid	F-7
PIN, Identity Theft	PIN	Basic Information>IRS Identity Protection PIN	P-2
Private Activity Bond interest	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income	D-10
Prizes and Awards	N/A	Income>Less Common Income>Other Income Not Reported Elsewhere	D-53
Public Safety Officer Exclusion	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or edit 1099-R>Click here for options	D-36
Real Estate Taxes	PROP	Deductions>Itemized Deductions>Taxes You Paid	F-7
Recovery Rebate Credit		COVID-19 Relief>Recovery Rebate Credit	H-8
Refunds of State and Local Income Tax (if reportable)	G [box 2]	Income>Form 1099-G Box 2	D-14
Retirement Savings Credit	RETI	Deductions>Credits Menu>Retirement Savings Credit	G-15
Roth IRA Contributions	IRA	Deductions>Credits Menu>Retirement Savings Credit>Any Current Year Roth IRA Contributions	G-15
Royalties (Simple royalties with no associated expenses)	SCHEDULE E	Income>Supplemental Income and Loss >Schedule E Rent and Royalty Information	D-51
Sale of Main Home	CAP	Income>Capital Gain and Losses>Sale of Main Home Worksheet or use Capital Gains and Loss Items	D-29
Sale of Stock	CAP	Income>Capital Gain and Losses	D-23
Sales Tax Deduction	TAX	Deductions>Itemized Deductions>Taxes You Paid	F-8
Schedule C	C	Income>Profit or Loss from Business	D-15
Scholarships and Grants	OTHER	Income>Less Common Income>Other compensation>Scholarships and Grants	D-59 J-1
Self-employed Health Insurance Deduction	Self	Federal Section>Deductions>Adjustments>Self-Employment Health Insurance	D-20 E-5
Self-employment Income	C	Income>Profit or Loss from Business	D-15
Seller-financed Mortgage Interest Paid	MORT	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Not Reported on Form 1098	
Seller-financed Mortgage Interest Received	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income>Seller Financed Interest Income	D-11
Simplified Method	-R	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099>Add or edit a 1099-R>Click here for options (under box 2a Taxable Amount)	D-36
Social Security Benefits	SSA	Income>1099-R, RRB-1099, RRB-1099-R, SSA-1099> Social Security Benefits/ RRB-1099	D-46

Navigating TaxSlayer (continued)

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
State and Local Taxes Paid	STAT	Deductions>Itemized Deductions>Taxes You Paid> Additional State and Local Income Tax	F-7
Student Loan Interest	STU	Deductions>Adjustments> Student Loan Interest Deduction	E-11
Substitute W-2	W	Income>W-2>Add or edit a W-2 Wage Statement>Check the box "This is a substitute W-2"	D-4
Tax Exempt Interest	INT	Income>1099-DIV, INT, OID>Interest or Dividend Income>Interest Income, Form 1099-INT	D-10
Taxable Refund Worksheet or State and Local Tax Refund Worksheet	G [box 2]	Income>Form 1099-G Box 2	D-3
Taxes Paid, Federal or State Estimated	FED	Payments & Estimates>Federal Estimated Tax Payments or State Estimated Payments	H-7
Taxes Paid, State and Local Estimated	FED or STATE	Payments & Estimates>State Estimated Payments or Federal Estimated Tax Payments	H-7
Tip Income (not reported to employer)	W	Income>W-2>Unreported Tips (on W2 below line 10)	D-5
Tip Income (not reported to employer because tips were less than $20 per month)	4137	Other Taxes>Tax on Unreported Tip Income	D-5
Traditional IRA Contributions	IRA	Deductions>Adjustments>IRA Deduction	E-10 G-16
Tribal Per Capita Payments not on 1099	N/A	Income>Less Common Income>Other Income Not Reported Elsewhere	
Unemployment Compensation	G	Income>Form 1099-G Box 1	D-3
Unemployment Compensation Repayment—Same Year as Benefit Received	G	Income>Form 1099-G Box 1	D-3
Volunteer Expenses	CHA	Deductions>Itemized Deductions>Gifts to Charity	F-10
Vouchers for Estimated Payments Federal State	VOU	Payments & Estimates>Vouchers for 20XX Estimated Tax Payments> Estimated Payments for Next Year	K-18
Wages & Salaries	W	Income>W-2	D-4
W-7 Application for ITIN	W7	Miscellaneous Forms>W-7	L-4

Notes

Tab P: Partner Resources

Resources for Assisting Taxpayers

Information for Assisting People with Disabilities

There are many misconceptions about interacting with people with disabilities. Publication 5192, Ten Key Points of Communicating with People with Disabilities, covers the 10 core disability etiquette points that volunteers should be aware of when working with this group.

Serving Taxpayers Who Are Deaf or Hard of Hearing

Taxpayers who are deaf or hard of hearing have varying ranges of language skills and abilities. Some can communicate verbally with you, while others cannot. Some can read lips, and some communicate with English Exact Sign which is a method of sign language that mimics the English language precisely as it is spoken. However, most taxpayers who are deaf or hard of hearing communicate with American Sign Language (ASL). Publication 5231, Key Points for Communicating with People who are Deaf or Hard of Hearing, provides helpful points of etiquette for volunteers serving this group at the VITA/TCE sites.

Veterans Crisis Line

The Veterans Crisis Line connects Veterans in crisis and their families and friends with qualified, caring Department of Veterans Affairs responders through a confidential toll-free hotline, online chat, or text. Veterans and their loved ones can call 1-800-273-8255 and Press 1, chat online, or send a text message to 838255 to receive confidential support 24 hours a day, 7 days a week, 365 days a year. Support for individuals who are deaf and hard of hearing is available TTY 1-800-799-4889.

IRS Taxpayer Assistance Center - Appointment Service

The IRS requires appointments at Taxpayer Assistance Center (TAC) locations throughout the United States. Taxpayers will call a new toll-free number to make an appointment for face-to-face service. Taxpayers requiring an appointment at a TAC location should call 1-844-545-5640.

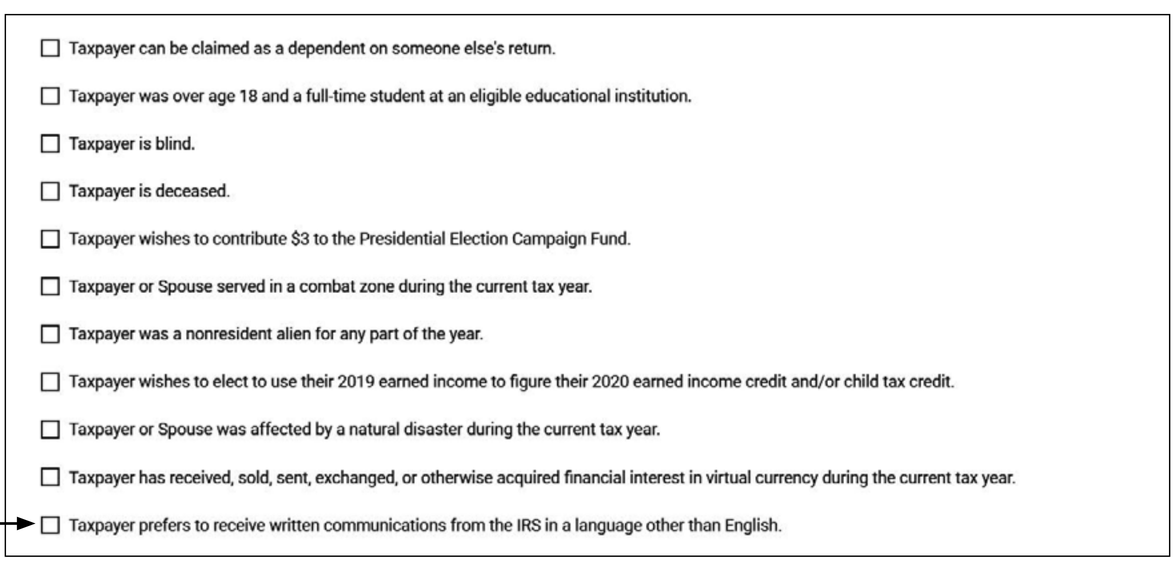
The IRS also provides Virtual Tax Services at various locations that do not have a TAC. With this model, taxpayers sit at a designated workstation and are assisted by an IRS employee who appears on screen and is located in a remote office.

Other Languages

IRS is translating tax resources into more languages. Currently, basic tax information is available in twenty languages. Refer to **https://www.irs.gov/help/languages.**

Form 13614-C, Intake/Interview & Quality Review Sheet, is available in multiple languages. These can be downloaded at **https://www.irs.gov/forms-instructions**.

Taxpayers may choose to receive written communication from the IRS in a language other than English. Mark the appropriate box in the Basic Information section in TaxSlayer and select the language from the drop-down list.



- ☐ Taxpayer can be claimed as a dependent on someone else's return.
- ☐ Taxpayer was over age 18 and a full-time student at an eligible educational institution.
- ☐ Taxpayer is blind.
- ☐ Taxpayer is deceased.
- ☐ Taxpayer wishes to contribute $3 to the Presidential Election Campaign Fund.
- ☐ Taxpayer or Spouse served in a combat zone during the current tax year.
- ☐ Taxpayer was a nonresident alien for any part of the year.
- ☐ Taxpayer wishes to elect to use their 2019 earned income to figure their 2020 earned income credit and/or child tax credit.
- ☐ Taxpayer or Spouse was affected by a natural disaster during the current tax year.
- ☐ Taxpayer has received, sold, sent, exchanged, or otherwise acquired financial interest in virtual currency during the current tax year.
- ☐ Taxpayer prefers to receive written communications from the IRS in a language other than English.

IP PIN Guidance for Identity Theft Victims

Being sensitive towards victims of identity theft is critical to assisting taxpayers through a confusing and frustrating situation. Remember victims of identity theft are:

- Victimized by identity thieves, mostly through no fault of their own, and
- Trying to comply with tax laws, file a tax return and pay their fair share of taxes

From mid December through early January, the IRS mails Notice CP01A to taxpayers previously identified as identity theft victims. The notice includes a 6-digit Identity Protection Personal Identification Number (IP PIN) to be entered on the tax return. Taxpayers are mailed Notice CP01A every year as long as the identity theft indicator remains on their account (usually 3 years). **Use the most recent IP PIN regardless of the tax year.**

Use the chart below when assisting taxpayers who are victims or may be victims of identity theft at VITA/TCE site.

If...	Then...
Identity Protection PIN (IP) PIN was issued to primary and/or, secondary and/or dependent taxpayer(s)	Ensure the IP PIN is input correctly on the tax return.
Taxpayer received an IP PIN but didn't bring it with them	1. Complete a tax return for the taxpayer. 2. Provide the taxpayer with a complete copy of the tax return. (Provide two copies - one copy to keep for their records and the other copy if the taxpayer will mail the tax return.) 3. Refer to Lost, Misplaced or Non-Receipt of IP PIN on the following page. 4. If the taxpayer wants to e-file, arrange for the taxpayer to provide the IP PIN by returning to the site or via telephone.
Taxpayer received an IP PIN but misplaced or lost it	1. Complete a tax return for the taxpayer. 2. Provide the taxpayer with a complete copy of the tax return. (Provide two copies - one copy to keep for their records and the other copy if the taxpayer will mail the tax return.) 3. Refer to Lost, Misplaced or Non-Receipt of IP PIN on the following page. 4. If the taxpayer receives original or a reissued IP PIN and wants to e-file, arrange for the taxpayer to provide the IP PIN by returning to the site or via telephone.
Taxpayer didn't receive IP PIN but IRS rejected the e-filed tax return because the IP PIN wasn't entered.	1. Refer to Lost, Misplaced or Non-Receipt of IP PIN on the following page. 2. Provide the taxpayer with two complete copies of the tax return. 3. If the taxpayer receives the original or a reissued IP PIN and the taxpayer wants to e-file, advise the taxpayer to provide the IP PIN by returning to the site or via telephone. 4. If IRS doesn't provide the IP PIN, advise the taxpayer to follow IRS instructions in mailing the tax return. There may be processing delays as IRS verifies the taxpayer's identity.
IRS rejected the taxpayer's tax return because the taxpayer's primary/secondary/dependent SSN was previously used.	1. Advise the taxpayer to contact the IRS for assistance. If required, they will advise the taxpayer to complete Form 14039, Identity Theft Affidavit, and to mail it with their tax return to the IRS. Taxpayers can electronically complete and submit Form 14039, Identity Theft Affidavit. Use a fillable form at IRS.gov, print, then attach the form to your return and mail your return according to instructions. The IRS will respond in approximately 30 days after all the necessary information is received. 2. Provide the taxpayers two copies of their tax return. One copy for the taxpayer to keep for their records and the other copy to mail.

IP PIN Guidance for Identity Theft Victims (continued)

Lost, Misplaced or Non-Receipt of IP PIN

If a taxpayer didn't receive his/her new IP PIN or the taxpayer misplaced it, the taxpayer has two options:

1. Register and create a user profile to get his/her current IP PIN. The registration process will require the taxpayer to provide specific personal information and answer a series of questions to validate his/her identity. Use key words "IP PIN" in the search window on the IRS website to access the Retrieve Your Identity Protection PIN (IP PIN) application.
2. Contact IRS at 1-800-908-4490 to request his/her IP PIN to be reissued by mail if the taxpayer is unable or unwilling to create an account on the IRS website.

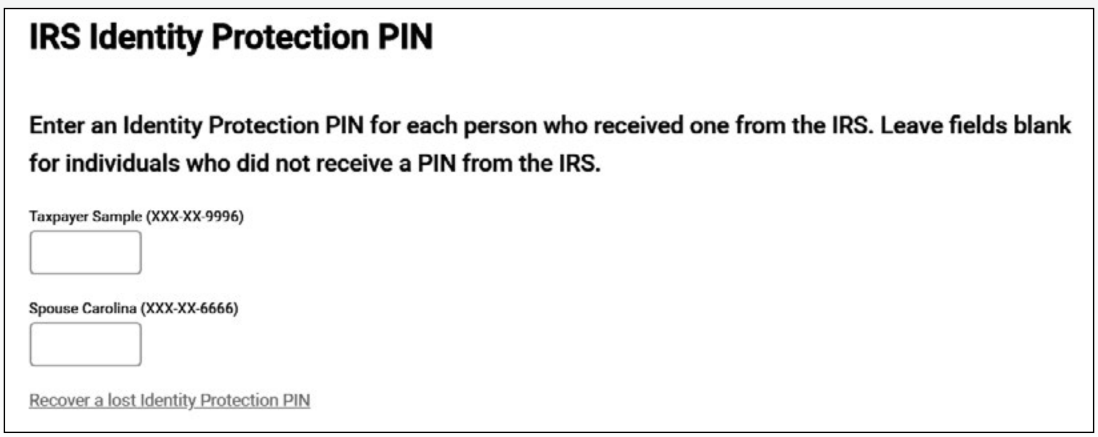
The taxpayer will need to mail a paper tax return without the IP PIN if either of the following situations apply:

- The taxpayer has moved since January 1 of this year, or
- It's after October 14 and the taxpayer hasn't filed his/her current or prior year tax return.

IRS will review the return to confirm the taxpayer's identity which may delay a refund.

TaxSlayer Navigation: Miscellaneous Forms > IRS Identification PIN; or Keyword "PIN"

To enter a taxpayer's IP PIN in the tax software, select **Miscellaneous Forms** under the Federal Section on the left navigation bar and then select IRS Identification PIN and complete the screen as shown.



Voluntary Opt-In IPPIN

Identity Protection PIN Opt-In Program Expanded for all Taxpayers

Taxpayers may voluntarily opt-in to receive an Identity Protection PIN (IP PIN). The six-digit IP PIN prevents the misuse of their Social Security number on fraudulent federal income tax returns. An IP PIN helps the IRS verify a taxpayer's identity and accept their electronic or paper tax return. If taxpayers want to opt in, please note:

- They must pass a rigorous identity verification process.
- Spouses and dependents are eligible for an IP PIN if they can pass the identity proofing process.

Here's how it works:

- Taxpayers may go to the **Get an IP PIN** tool on IRS.gov, pass Secure Access authentication and immediately access a six-digit IP PIN. Before using the **Get an IP PIN** tool, the taxpayers should review the requirements at **www.IRS.gov/secureaccess**.
- Do not file a Form 14039, Identity Theft Affidavit, for clients who are not tax-related identity theft victims and who are voluntarily opting into the program.
- When prompted by tax preparation products, clients or their tax preparers must enter the IP PIN issued to the primary and/or secondary taxpayers or their dependents.
- An electronic tax return rejects if an incorrect IP PIN is used.
- Taxpayers with either a Social Security number (SSN) or Individual Tax Identification Number (ITIN) who can verify their identities are eligible.
- An IP PIN is valid for one calendar year. Clients must obtain a new IP PIN each year at the start of the filing season by accessing the account they created at **www.irs.gov/ippin**.
- While currently there is no opt-out feature, the IRS may add this feature later for taxpayers with online access.

Alternatives to online Get an IP PIN tool:

- Taxpayers who cannot authenticate their identities online and who made $72,000 or less may file Form 15227, Application for an Identity Protection Personal Identification Number. An IRS assistor will call taxpayers to ask a series of questions to verify their identities. An IP PIN will be issued at the start of the **next** calendar year.
- Taxpayers who cannot authenticate online and who made more than $72,000 have the option to verify their identities in person by making an appointment at an IRS office. An IP PIN will be issued **within 3 weeks** if their identity is authenticated at a local office.

Frequent Taxpayer Inquiries

Taxpayers normally ask questions during the interview process about the topics covered in this section. Visit the IRS.gov website, or see Publication 17 for additional topics and information.

Installment Payment
Publication 594, The IRS Collection Process, explains taxpayers' rights and responsibilities regarding payment of federal taxes.

Copies of Prior-Year Returns
For information purposes: Taxpayers can go to the IRS website, Keyword "Transcript", register, and secure a transcript which partially masks the personally identifiable information of everyone listed on the tax return. To access this transcript online they must have email and be able to prove their identities with enhanced verification. Taxpayers can also request masked transcripts to be mailed to the address on file which takes 5 to 10 calendar days for delivery. In addition, taxpayers can request a transcript via Form 4506-T, Request for Transcript of Tax Return, or by calling 1-800-908-9946.

For tax preparation purposes: Taxpayers or other third parties who require an unmasked transcript for tax return preparation or filing may contact the IRS, present proper authentication to prove their identities and an unmasked transcript will be mailed to the taxpayer's address of record.

If a photocopy of a return is needed, taxpayers should complete Form 4506, Request for Copy of Tax Return, and mail it with the required fee to the IRS campus where the return was filed.

Amended Returns (See Tab M, Other Returns)
Form 1040-X, Amended U.S. Individual Income Tax Return, should be used by taxpayers to amend their return. Many mistakes are corrected in processing by the IRS, and a letter of explanation is mailed at the time an error is identified or when a refund is issued. In these cases, taxpayers aren't required to file an amended return as the corrections have already been made.

Preparation of amended returns has expanded in the VITA/TCE programs. Sites can choose to file amended returns even if they didn't prepare the original return. See Tab M, Other Returns, for additional information on preparing amended returns.

Taxpayer Address Changes
Taxpayers should use Form 8822, Change of Address, to notify the IRS of any change of address. If taxpayers move after filing the return and before a refund is received, they should notify their old post office and the IRS of their new address.

Recordkeeping
Taxpayers should keep their tax documents until the statute of limitations runs out for the return. Usually, this is three years from the date the return was due or filed, or two years from the date the tax was paid, whichever is later. Refer taxpayers to Publication 17, Filing Information section, or IRS.gov – keyword: Recordkeeping.

FREE Tax Preparation Locations
Consult your Site Coordinator for information about the location of other VITA/TCE sites in your area. Taxpayers may go to IRS.gov and search "free tax help," download the IRS mobile app IRS2Go, or call 1-800-906-9887 or visit AARP's website - keyword: Tax-Aide or call 1-888-227-7669 for this information. Taxpayers may also visit **https://irs.treasury.gov/freetaxprep/** to search for site locations.

Problems Navigating the IRS
Taxpayer Advocate Service (TAS) has offices in every state, the District of Columbia, and Puerto Rico. Your local advocate's number is at **http://www.taxpayeradvocate.irs.gov**, and in your local directory. You can also call 1-877-777-4778.

See Publication 1546, Taxpayer Advocate Service - We Are Here to Help You, for details on what TAS provides.

Refund Information
Taxpayers should be directed to the IRS.gov website to obtain information about their refund. Specific information is available by clicking on Refund Status, then "Where's My Refund?"

Innocent Spouse Relief
Taxpayers who file a joint tax return are jointly and individually responsible for the tax and any interest or penalty due on the joint return even if they later divorce. In some cases, a spouse (or former spouse) will be relieved of the tax, interest, and penalties on a joint tax return. Spousal relief is granted in certain situations when a taxpayer can prove he/she isn't liable for amounts due in joint filing situations.

Taxpayers should see Publication 971, Innocent Spouse Relief, which explains the types of relief, who may qualify for them, and how to get them. Married persons who didn't file joint returns, but who live in community property states, may also qualify for relief. (Out of Scope)

Injured Spouse Relief
An injured spouse claim is different from an innocent spouse relief request. An injured spouse can request the division of tax overpayment attributed to each spouse. The injured spouse must file Form 8379, Injured Spouse Allocation, to request his or her portion of a joint refund.

Married Filing Separately
Unless required to file separately, married taxpayers may want their tax figured on a joint return and on separate returns, to make sure they are receiving the most advantageous filing status. Filing separately may be advantageous for some taxpayers in certain situations, however, most married taxpayers would pay more combined tax on separate returns than they would on a joint return. See Publication 17, Your Federal Income Tax for Individuals, Filing Status section, for Special Rules (which outlines the disadvantages). Taxpayers who filed a Married Filing Jointly return cannot amend their return to change to Married Filing Separately after the due date of the return. There is an exception for deceased taxpayers.

Social Security Numbers and Account Information
Social Security Administration no longer issues Social Security Number verification printouts in their field offices. Taxpayers may get this information using the **my Social Security Account** feature on the Social Security Administration website. Local Social Security offices will continue to provide benefit verification letters.

Volunteers should enter names into the tax software as they appear in SSA records in order to minimize rejected returns.

Hardship Refund Request
A taxpayer's tax refund will be offset (intercepted) to pay outstanding federal tax debts, child support, federal nontax debts, state income tax debts, and unemployment compensation debts. When a tax refund is offset, the taxpayer will receive a letter explaining how the refund was applied to his or her outstanding debt.

If a taxpayer would face a hardship from a tax refund offset and has only outstanding federal tax debts, he or she can request an Offset Bypass Refund (OBR) from the IRS. Refer the taxpayer to the Taxpayer Advocate Service (TAS) to see if they meet TAS case acceptance criteria. The OBR typically should be requested before the return is filed because the OBR must be approved before the refund is offset.

Requests for hardship relief from other debts must be made to the agency to which the debt is owed. The Treasury Offset Program (TOP) can confirm whether a tax refund will offset for these other debts and provide details about the debt and a contact phone number for the agency to which the debt is owed. The TOP Call Center can be reached weekdays at 1-800-304-3107, TTD 800-877-8339, between 8:30 a.m. and 6 p.m. Eastern Time.

Where to File

Where Do You File?

Mail your return to the address shown below that applies to you.

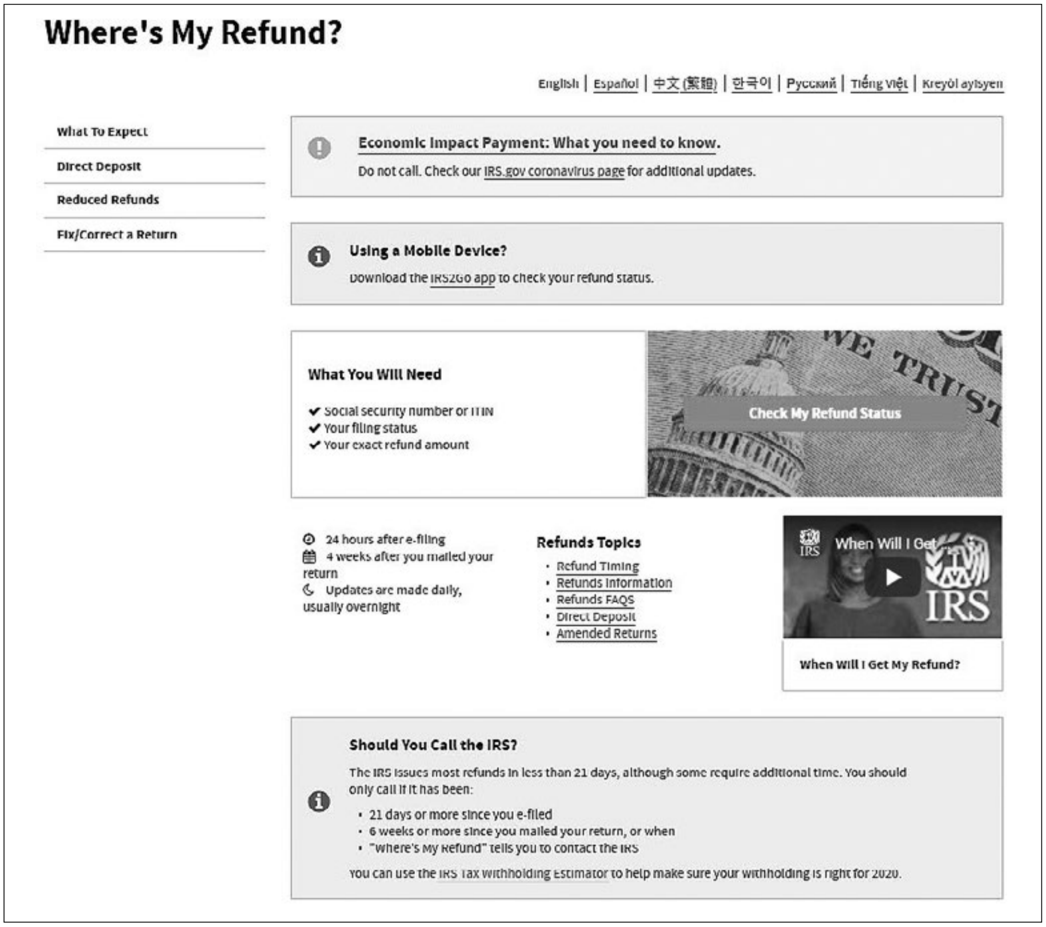
TIP Envelopes without enough postage will be returned to you by the post office. Your envelope may need additional postage if it contains more than five pages or is oversized (for example, it is over 1/4” thick). Also, include your complete return address.

TIP Make the check or money order payable to “United States Treasury.” Taxpayers should write “2021 Form 1040” and the first name listed on the tax return (primary taxpayer), address, daytime phone number, and primary taxpayer’s Social Security number (SSN) on their payment and attach Form 1040-V.

	THEN use this address if you:	
IF you live in...	**And you *ARE NOT* enclosing a payment use this address …**	**and you *ARE* enclosing a payment use this address...**
Arkansas, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New York, Oklahoma, Vermont, Virginia, Wisconsin	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P.O. Box 931000 Louisville, KY 40293-1000
Connecticut, District of Columbia, Maryland, Pennsylvania, Rhode Island, West Virginia	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0002	Internal Revenue Service P. O. Box 931000 Louisville, KY 40293-1000
Florida, Louisiana, Mississippi, Texas	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service P.O. Box 1214 Charlotte, NC 28201-1214
Alabama, Georgia, North Carolina, South Carolina, Tennessee	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P.O. Box 1214 Charlotte, NC 28201-1214
Alaska, California, Hawaii, Ohio, Washington	Department of Treasury Internal Revenue Service Ogden, UT 84201-0002	Internal Revenue Service P. O. Box 802501 Cincinnati, OH 45280-2501
Arizona, Colorado, Idaho, Kansas, Michigan, Montana, Nebraska, Nevada, New Mexico, Oregon, North Dakota, South Dakota, Utah, Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0002	Internal Revenue Service P.O. Box 802501 Cincinnati, OH 45280-2501
A foreign country, U.S. possession or territory*, or use an APO or FPO address, or file Form 2555 or 4563, or are a dual-status alien	Department of the Treasury Internal Revenue Service Austin, TX 73301-0215 USA	Internal Revenue Service P.O. Box 1303 Charlotte, NC 28201-1303 USA
*If you live in American Samoa, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands, see Pub. 570, Tax Guide for Individuals With Income From U.S. Possessions.		

Note: Mailing addresses for amended returns can be found in the instructions for Form 1040-X.

Where's My Refund



Interactive Tax Assistant (ITA)

The **ITA tool** is a tax law resource that takes you through a series of questions and provides you with responses to tax law questions on a limited number of topics. Enter "ITA" into the Search feature on the IRS website.

- Simply answer the questions and select **Continue** to progress to the next question screen.
- You may need to collect information before the interview such as income amounts, taxes owed and credits you are claiming.
- The tool includes a crossover feature that allows you to move from certain tax topics to another without needing to enter the same answers multiple times. The Review/Start Over buttons allows you to adjust responses to previously asked questions.
- When you reach the response screen, you have the option to print the entire interview and the final response.

For additional information on tax law resource tools, refer to the IRS website, Keyword "**Tax Topics**."

Notes

Tab Q: TaxSlayer Admin

Contingency Plans for Continuing VITA/TCE Return Preparation Operations

(During Unexpected Circumstances)

In the event that the following situations occur:

- Software system outages
- The Site's internet or equipment isn't operating
- A Quality Reviewer isn't available (see Quality Review Only Using the Virtual Model*,* below)

Partners may, at their discretion, choose among the following pre-approved options to continue preparing tax returns in lieu of closing the site for the day:

- Temporary Virtual VITA/TCE Process (explained below*).*
- TaxSlayer® ProWeb Alternative Preparation Solution* using TaxSlayer® Pro Desktop.
- Offer Facilitated Self Assisted** (FSA) services, if available. Options include TaxSlayer FSA and VITA Free File.

*This option should be established during the Pre-Planning Phase of site operations. Refer to Contingency Plan Option, later in this tab.
**This option should be established during the Pre-Planning Phase of site operations. Refer to Publication 1084, Volunteer Site Coordinator Handbook, for more detailed information.

Temporary Virtual VITA/TCE Process

Secure Taxpayer Consent:

- The taxpayer must present proof of identity, which includes a photo identification for him/her and if applicable, their spouse.
- The taxpayer agrees to use the virtual process by signing completed Form 14446, Virtual VITA/TCE Taxpayer Consent. Taxpayer must answer "Yes" or "No" to the question regarding Request to Review your Tax Return for Accuracy.
- The appropriate virtual method(s) and step-by-step procedures will be explained to the taxpayer and timeframes will be established for the taxpayer to return to the site and complete the process.

A secure process for authenticating both the taxpayer and the volunteer must be provided to the taxpayer in the event that additional information is required to complete the tax return. Please refer to Publication 4299, Privacy and Confidentiality-A Public Trust*,* for more information.

Intake/Interview:

The intake and interview process must be performed before the taxpayer leaves the site.

- IRS tax law certified volunteers must conduct the initial interview following all the steps outlined in Pub 5101, Intake/Interview & Quality Review Training.
- The volunteer will need to make notes on the Form 13614-C, Intake/Interview & Quality Review Sheet, indicating the appropriate filing status and qualified dependents.
  - Eligibility determinations for deductions and credits will be made and documented on the Form 13614-C.
  - All oral testimony must be thoroughly documented on the Form 13614-C for use during the return preparation at a later time.
- The verified SSNs and/or ITINs will need to be written on the Form 13614-C for all persons that will be included on the tax return.
- A telephone number where the taxpayer can be reached will be secured for use by the IRS tax law-certified volunteers. Refer to Publication 4299 for more information on establishing protocols to authenticate the identity of both the volunteer and the taxpayer.
- The taxpayer will leave their tax documents and the completed Form 13614-C for their tax return to be prepared once the software can be accessed and/or when a non-face-to-face quality review will be conducted.
- The taxpayer will be given a date/time to return to the site to participate in the quality review and/or sign the Form 8879, IRS e-file Signature Authorization, and secure a copy of their return. If a timeframe can't be provided while the taxpayer is still onsite, the Site Coordinator will provide this information to the taxpayer as soon as a timeframe is available.

Contingency Plans for Continuing Site Operations (continued)

Quality Review Only Using the Virtual Model:

If the site is able to prepare the return using normal face-to-face procedures but the return isn't able to be Quality Reviewed during the taxpayer's visit:

- Follow all of the procedures in the Form 14446
- Complete the tax return as normal
- Explain that the taxpayer will be contacted by the Quality Reviewer

Refer to Publication 4299 for more information.

CAUTION Do not rely on this section alone. For more detailed information on how to use the virtual VITA/TCE process throughout the filing season refer to 100% Virtual Process located in Publication 5450, VITA/TCE Site Operations.

See Publication 5450 and Publication 4491-X for updates to the 100% Virtual Process.

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See Publication 5450 and Publication 4491-X for updates to the 100% Virtual Process.

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See Publication 5450 and Publication 4491-X for updates to the 100% Virtual Process.

TaxSlayer Pro Alternative Solution Contingency Plan

TaxSlayer offers the TaxSlayer® Pro Desktop application to prepare and e-file returns in the event that the TaxSlayer® Pro Online is unavailable. If that happens, you can use TaxSlayer Pro's desktop application to prepare and e-file returns.

Download the TaxSlayer® Pro Desktop application in advance so that your site does not have any downtime. Do not install it on a network as a contingency plan. Instead, install on a stand-alone computer with an internet connection.

To download the desktop application, see Contingency Plan Option on the next page.

TIP For a complete listing of contingency options, refer to IRS Publication 4396-A, Partner Resource Guide.

In order for the TaxSlayer® Pro Desktop contingency plan to work successfully, it is important to keep the designated computers updated with the latest desktop software versions. TaxSlayer® Pro Desktop automatically updates the first time you open it each day if the computer is connected to the internet. It is recommended that you do this daily or weekly.

If a software system outage necessitates the use of a temporary contingency plan, you can use the installed and updated version of TaxSlayer® Pro Desktop to complete any returns you need to prepare during the outage. Sites will be able to work the return completely from the desktop application, including e-filing and getting acknowledgments. The return will remain in the desktop application for the duration of the filing season.

TIP Returns prepared using the desktop software during a contingency plan will be transmitted from the desktop software. Use the desktop software to retrieve any acknowledgement associated with the returns transmitted from the desktop software.

When TaxSlayer® Pro Online is available again, use it to prepare new returns and complete any returns you started previously in TaxSlayer® Pro Online.

CAUTION You will have to run separate reports for these returns and manually add them to your online return count.

Contingency Plan Option

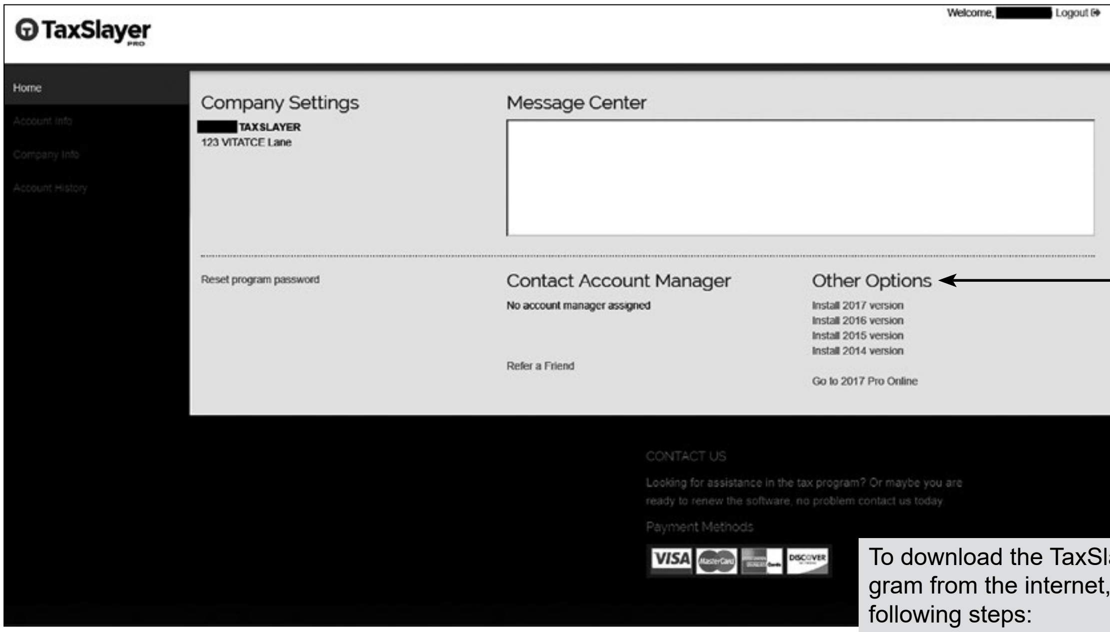
Contingency Plan – TaxSlayer Pro, also referred to as Desktop, should be utilized in the rare occasions where TaxSlayer® Pro Online is unavailable or the site loses internet for an extended period of time. The Desktop software should be downloaded and installed as part of pre-season preparation. Follow the instructions below to download the desktop software:

Access Springboard
The URL is **https://vita.taxslayerpro.com/**

Click on My Account Login in the top right corner to login with username and password created from the link provided by TaxSlayer when your order was originally placed.

From the Springboard, download the ProOnline User Guide for detailed contingency procedures.

Contingency Plan Option (continued)



To download the TaxSlayer Pro program from the internet, complete the following steps:

- Look for Other Options to the right of the screen
- Select Install 20XX TaxSlayer Pro Software
- Select Run
- Follow the on screen prompts to download and install the TaxSlayer Pro software

Note: Select Account History to access your EFIN/Office validation code that is required to be entered into the software during setup.

Note: If you are running anti-virus software or a firewall in the background, be sure that you select **Allow, Permit,** or **Unblock** if prompted to do so to allow the TaxSlayer Pro program files to download and install.

Install the software on a standalone computer with internet connection to be used in the event TaxSlayer® Pro Online is unavailable for an extended period of time.

Rejected Returns

The most common rejects involve errors in the taxpayer's or dependent's Social Security numbers (SSNs) and the Employer Identification Numbers (EINs) that appear on the Form W-2, Wage and Tax Statement, and Forms 1099. The IRS performs a name match on these numbers that can cause a return to be rejected. Typographical and other errors can often be easily resolved. The taxpayer may need to be contacted to determine the correct EIN or SSN and to verify the taxpayer's last name. Neither the IRS nor TaxSlayer Pro can resolve these rejects.

Note: Each individual transmission of a tax return resulting in a reject is added to the total number of rejects for the site. Each individual rejection increases the overall rejection rate for the site.

Note: Refer to the TaxSlayer Validation Errors report to identify federal or state returns not accepted.

Top Reject Codes

Top Reject Codes	Suggested Solutions
500 Primary SSN and Primary Name Control of the Tax Form must match data from the IRS Master File.	Verify name and SSN or ITIN. Double check source document. Review name and SSN control.
501 Qualifying SSN on Schedule EIC and the corresponding Qualified Name Control must match data from the IRS Master File.	Can be a companion to Reject Code 504. However, if the Qualifying Child listed for EITC is a dependent on page one of tax return and only Reject Code 501, verify source data for year of birth or verify with client the year of birth. IRS only verifies year – not month or day – of birth.
502 Employer Identification Number of Form W-2,W-2G, or 1099-R must match data from the IRS Master File.	Based on the Acknowledgement (ACK) Report, determine if W-2, W-2G or 1099R. If more than one, determine from ACK Report which number. Double check the source document. If still incorrect, contact payer or have client contact payer. If still unable to resolve, have taxpayer mail in the return.
503 Last name for the secondary taxpayer on the return does not match the IRS Master File and/or SSA records.	Verify the name, SSN or ITIN. Ask to see the Social Security card of the spouse. Check for spelling and transposition errors. If the data entered is incorrect, make the corrections and retransmit the return.
504 Dependent's SSN must match data from the IRS Master File.	Verify name and SSN or ITIN. Check spelling and data entry. Have the client contact Social Security Administration (SSA) to verify information. Ask to see the Social Security card(s).
506 Qualifying child's SSN listed for the purpose of claiming Earned Income Tax Credit (EITC) has been used on another tax return.	Verify SSN of the dependent. If correct, the return will need to be mailed. Explain that this could be inadvertent error on a mailed return OR it is possible someone else may have knowingly claimed this dependent.
507 Dependent's SSN on the Form 1040 was previously used for the same purpose.	Verify SSN of the dependent. If correct, the return will need to be mailed. Explain that this could be inadvertent error on a mailed return or it is possible someone else may have knowingly claimed this dependent.
515, 902 or 932 Duplicate SSN in IRS database. A tax return has been filed previously for the SSN.	Verify SSN. If correct, the return will need to be mailed.
516 SSN is listed on another return as a dependent.	Verify SSN. If correct, the return will need to be mailed. It is possible someone else may knowingly claimed the dependent.
535 Qualifying SSN on Schedule EIC and the corresponding Year of Birth must match data received from the SSA.	Verify birthday, name and SSN of each child.
541 Taxpayer must be older than qualifying child on Schedule EIC.	Verify birthdays of taxpayer and child.
600 Taxpayer must file Form 8862 to claim EITC after disallowance.	Complete Form 8862, Information To Claim Certain Credits After Disallowance.

Tab R: Glossary and Index

Glossary

Acknowledgment (ACK) – A report generated by the IRS to a Transmitter that indicates receipt of all transmissions. An ACK Report identifies the returns in each transmission that are accepted or rejected for specific reasons.

Adjusted Basis – Original cost of a capital asset plus any increases or decreases to that cost, such as commissions and fees.

Adjusted Gross Income (AGI) – Total gross income minus specific deductions such as educator expenses, alimony income, and the Student Loan Interest Deduction.

Adjustments to Income – Adjustments such as educator expenses, penalty on early withdrawal of savings, and contributions to a traditional IRA, that are subtracted from total income on Form 1040, to establish the AGI.

Adopted child – An adopted child is treated the same as a natural child for the purposes of determining whether a person is related to you in any of these ways. For example, an adopted brother or sister is your brother or sister. An adopted child includes a child who was lawfully placed with a person for legal adoption.

Basis – The original cost of a capital asset.

Blind - A taxpayer is considered blind if either totally blind or has a certified statement from eye doctor that

- Taxpayer cannot see better than 20/200 in the better eye with glasses or contact lenses or
- Field of vision is not more than 20 degrees

The taxpayer does not have to produce the certificate, but should have it if IRS asks for it.

Capital Gain or Loss – The difference between the basis of a capital asset and the amount received when it has been sold.

Custodial and Noncustodial Parent – The custodial parent is the parent with whom the child lived for the greater number of nights during the year. The other parent is the noncustodial parent. If the child lived with each parent for an equal number of nights during the year, the custodial parent is the parent with the higher adjusted gross income.

Dependents – Either a qualifying child or a qualifying relative of the taxpayer.

Direct Deposit – An electronic transfer of a refund into a taxpayer's financial institution account.

Due Diligence – Due diligence, when used in context with claiming the Head of Household filing status or certain credits including the Earned Income Tax Credit (EITC), refers to requirements that income tax return preparers must follow when determining eligibility to file a return or claim for refund as Head of Household and when determining eligibility for, and the amount of, certain credits including the EITC.

Earned income – Any income received for work, such as wages or business/self-employment income.

Earned Income Tax Credit (EITC) – A refundable tax credit for most people who work but do not earn high incomes. The purpose of the EITC is to reduce their tax burden and to supplement the wages of working families whose earnings are less than the maximums for their filing status.

Education Credits – A credit based on qualified education expenses the taxpayer paid during the tax year that will reduce the amount of tax due.

Electronic Filing Identification Number (EFIN) – An identification number assigned by the IRS to accepted applicants for participation in IRS e-file.

Estimated Tax Payments – Payments paid quarterly by the taxpayer if the expected tax due exceeds certain limits. Generally, estimated payments are made by taxpayers that have income from self-employment, dividends, interest, capital gains, rent, and royalties.

Exempt Income – Nontaxable income that is generally not shown on the return and not included in the income tax computation. There are some instances when exempt income is shown on the return but not included in the income tax computation such as interest income produced from certain types of investments.

Exemption – The deduction for personal exemptions is suspended (reduced to $0) for tax years 2018 through 2025 by the Tax Cuts and Jobs Act. Although the exemption amount is zero, the ability to claim an exemption may make taxpayers eligible for other tax benefits.

Facilitated Self Assistance (FSA) – A method taxpayers can use to file their own return using a web-based tax preparation software program.

Foreign Earned Income Exclusion – Certain taxpayers can exclude income earned in, and while living in, foreign countries.

Foster Child – A foster child is an individual who is placed with you by an authorized placement agency or by judgement, decree, or other order of any court of competent jurisdiction.

Full-time Student – You're a full-time student if you're enrolled at a school for the number of hours or classes that the school considers full-time. You must have been a full-time student for some part of each of 5 calendar months during the year. (The months need not be consecutive.)

Gross income – All income received in the form of money, goods, property, and services that isn't exempt from tax.

Health Savings Account (HSA) – A medical savings account available to taxpayers who are enrolled in a High-Deductible Health Plan (HDHP). Funds contributed to an account are not subject to income tax.

Identity Protection PIN (IP PIN) – A six-digit number assigned to eligible taxpayers that helps prevent the misuse of their Social Security Number on fraudulent federal income tax returns. Allows taxpayer to file electronically.

Individual Taxpayer Identification Number (ITIN) – A tax processing nine-digit number issued by the IRS. ITINs are issued regardless of immigrant status because both resident and nonresident aliens may have a U.S. filing or reporting requirement.

IRS e-file Signature Authorization (Form 8879) – Declaration document and signature authorization for an e-filed return filed by an Electronic Return Originator.

IRS Master File – Known as the IRS Individual Master File (IMF), this application receives data from an array of sources to aid the IRS regarding tax return submissions. The IMF includes tax return filing information, payment information, examination results, and related documents.

Itemized Deductions – Specific personal expenses such as unreimbursed medical or dental expenses subject to a limitation, mortgage interest, and charitable contributions that allow taxpayers to reduce their taxable income.

Legally Blind – See Blind.

Main Home – Ordinarily, a home the taxpayer lived in most of the the time.

Medicaid Waiver Payment – These are payments treated as difficulty of care payments when received by an individual care provider for care of an eligible individual (whether related or unrelated) living in their home.

Name Control – The first four significant letters of a taxpayer's last name that the IRS uses in connection with the taxpayer SSN to identify the taxpayer, spouse and dependents.

Nonrefundable Credits – A dollar-for-dollar reduction of the tax liability. Nonrefundable credits can only reduce the tax liability to zero.

Nonresident Alien – Any individual who is not a U.S. Citizen, Resident Alien, or U.S. National and has not passed the green card test or the substantial presence test for the calendar year.

Nontaxable Income – Generally excludable and not shown on the return, such as gifts and inheritances.

Other Taxes – Other taxes such as self-employment tax, taxes on IRAs and other qualified retirement plans, and repayment of first-time homebuyer credit, are added to the income tax from the tax tables to establish the total tax.

Payments – Payments such as federal withholding, Earned Income Tax Credit, and Additional Child Tax Credit, are subtracted from the total tax to establish the amount overpaid or the amount owed.

Practitioner PIN Method – An electronic signature option for taxpayers who use an Electronic Return Originator to e-file.

Qualified Foster Youth - An individual who was in foster care on or after the date that he or she turned 14 years old.

Qualified Homeless Youth – An individual who certifies that he or she is either an unaccompanied youth who is a homeless child or youth, or is unaccompanied, at risk of homelessness, and self-supporting.

Refundable Credits – Reduces the tax liability below zero and allows an individual to receive a tax refund. Refundable credits such as federal withholding, Additional Child Tax Credit, and Earned Income Tax Credit can be used even if there is no tax liability.

Rejected Return – A tax return that has been transmitted to the IRS, but due to validation issue(s), the IRS has not accepted for e-filing. Rejected Returns must either be re-transmitted and accepted or paper filed.

Resident Alien – Any individual who is not a U.S. citizen or U.S. national, but meets the either the green card test or the substantial presence test for the calendar year.

Routing Transit Number (RTN) – A number assigned by the Federal Reserve to each financial institution.

Self-Select PIN Method – An electronic signature option for taxpayers who e-file using either a personal computer or an ERO. This method requires the taxpayer to create a five-digit Personal Identification Number (PIN) to use as the signature on the e-file return and to submit authentication information to the IRS with the e-file return.

Sheltered Workshop - A school that:

- Provides special instruction or training designed to alleviate the disability of the individual; and
- Is operated by certain tax-exempt organizations, or by a state, a U.S. possession, a political subdivision of a state or possession, the United States, or the District of Columbia.

Specified Student - The term 'specified student' means, with respect to any taxable year, an individual who is an eligible student (as defined in section 25A(b)(3)) during at least 5 calendar months during the taxable year.

Standard Deduction – A dollar amount that reduces the amount of income for which an individual is taxed, including an additional standard deduction for individuals who are blind or age 65 or over.

Student – To qualify as a student, your child must be, during some part of each of any 5 calendar months of the year:

1. A full-time student at a school that has a regular teaching staff, course of study, and a regularly enrolled student body at the school, or
2. A student taking a full-time, on-farm training course given by a school described in (1), or by a state, county, or local government agency.

The 5 calendar months do not have to be consecutive. An on-the-job training course, correspondence school, or school offering courses only through the internet does not count as a school for dependency exemption purposes.

Taxable Income – Adjusted Gross Income minus standard or itemized deductions and qualified business income (QBI).

Taxpayer Advocate Service (TAS) – An independent organization within the IRS, led by the National Taxpayer Advocate. Its job is to ensure every taxpayer is treated fairly and that taxpayers know and understand their rights. TAS offers free help to taxpayers in dealing with the often-confusing process of resolving tax problems they have not been able to resolve on their own. TAS has at least one taxpayer advocate office located in every state, the District of Columbia, and Puerto Rico.

Temporary Absence – You and your qualifying person are considered to live together even if one or both of you are temporarily absent from your home due to special circumstances, such as illness, education, business, vacation, military service, or detention in a juvenile facility. It must be reasonable to assume the absent person will return to the home after the temporary absence. You must continue to keep up the home during the absence.

Totally and Permanently Disabled – An individual is permanently and totally disabled if both of the following apply.

1. He or she can't engage in any substantial gainful activity because of a physical or mental condition.
2. A doctor determines the condition has lasted or can be expected to last continually for at least a year or can lead to death.

Unearned Income – Any income not produced from work, such as unemployment income or income produced by investments.

Virtual VITA/TCE Methods – Includes any site where face-to-face activities are not used during the tax preparation process. The IRS-tax law certified preparer who prepares the return and/or the quality reviewer are not face-to-face with the taxpayer. Includes temporary VITA/TCE Contingency Plan, Drop-Off Site, an Intake Site plus a Return Preparation and/or Quality Review Site.

Wash Sale – The sale of securities at a loss and the acquisition of the same (substantially identical) securities within 30 days of the sale date (before or after). The loss is added to the cost of the new stock or securities, increasing the cost basis.

Index

G

H

I

R

S

T

U

V

W

Taxpayer Civil Rights

The Department of the Treasury-Internal Revenue Service will not tolerate discrimination based on race, color, national origin (including limited English proficiency), disability, reprisal, sex (in education programs or activities) or age in programs or activities receiving federal financial assistance from the Internal Revenue Service.

Persons with disabilities and/or limited English proficiency should be able to participate in or benefit from programs and services that IRS supports. Taxpayers with a disability may request a reasonable accommodation and taxpayers with limited English proficiency may request language assistance to access service. For additional information refer to Publication 4053, Your Civil Rights Are Protected, for reasonable accommodation.

If a taxpayer believes that he or she has been discriminated against, a written complaint should be sent to:

Internal Revenue Service
Civil Rights Unit
1111 Constitution Avenue, NW, Room 2413
Washington DC 20224

Email **edi.civil.rights.division@irs.gov**

Do not send tax returns, payments or other non-civil rights information to this address.

Low Income Taxpayer Clinics (LITCs) - Assistance with Tax Problems

Has your taxpayer received a letter from the IRS or has their federal refund been offset? An LITC may be able to help.

What are LITCs? LITCs are organizations that represent and advocate for taxpayers who have tax problems with the IRS. They are independent from the IRS and the Taxpayer Advocate Service (TAS). LITC tax professionals offer services for free or a small fee.

Who can receive LITC help? Taxpayers whose incomes are below a certain level may be eligible for assistance (generally not to exceed 250% of the federal poverty level). Up to 10% of the cases accepted by an LITC may include taxpayers who have income above 250% of the poverty level. For this reason, it is often best to refer a taxpayer and allow the clinic to make the eligibility determination.

What issues can LITCs help with? LITCs can help with many federal tax issues, e.g., making payments or requesting collection alternatives like currently not collectible or offer in compromise, helping to gather proof to show eligibility for tax exemptions and credits such as the Earned Income Tax Credit, obtaining tax refunds that were stolen due to identity theft, and appealing IRS decisions. Individual taxpayers include self-employed taxpayers or individual tax debt even if it is related to operation of a business. LITCs may also help with taxpayers who have both a federal tax dispute and related state and local tax disputes. In addition, LITCs can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language.

Where are LITCs located? To find the closest LITC or learn more about LITCs, visit **https://www.taxpayeradvocate.irs.gov/about-us/low-income-taxpayer-clinics-litc** or download IRS **Publication 4134**, Low Income Taxpayer Clinic List, at **www.irs.gov**

Taxpayers can also get this publication by calling the IRS toll-free at 800-TAX-FORM (800-829-3676).

Note: Your site can order printed copies of Publication 4134 to keep on hand and you can contact your local LITCs and request copies of their brochures or business cards.

Taxpayer Advocate Service is Here to Help You

What is the Taxpayer Advocate Service?
The Taxpayer Advocate Service (TAS) is an **independent** organization within the Internal Revenue Service (IRS) that helps taxpayers and protects taxpayer rights. TAS strives to ensure that every taxpayer is treated fairly and that you know and understand your rights under the Taxpayer Bill of Rights.

What can TAS do for you?
TAS can help you if your tax problem is causing a financial difficulty, you've tried and been unable to resolve your issue with the IRS, or you believe an IRS system, process, or procedure just isn't working as it should. And the service is free. If you qualify for our assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business.
- You face (or your business is facing) an immediate threat of adverse action
- You've tried to contact the IRS, but no one has responded, or the IRS hasn't responded by the date promised.

How can you reach TAS?
TAS has offices in every state, the District of Columbia, and Puerto Rico. To find your advocate's number:

- Go to **www.taxpayeradvocate.irs.gov/contact-us**;
- Download **Publication 1546, Taxpayer Advocate Service - We Are Here to Help You** available at **www.irs.gov/forms-pubs**. If you do not have internet access, you can call the IRS toll-free at 800-TAX-FORM (800-829-3676) and ask for a copy of Publication 1546;
- Check your local directory; or
- Call TAS toll-free at 877-777-4778.

How can you learn about your taxpayer rights?
The Taxpayer Bill of Rights describes ten basic rights that all taxpayers have when dealing with the IRS. The TAS website **www.taxpayeradvocate.irs.gov** can help you understand what these rights mean to you and how they apply. These are **your** rights. Know them.

How else does the Taxpayer Advocate Service help taxpayers?
TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to us at **https://www.irs.gov/sams**. Be sure to not include any personal taxpayer information.

Information for Volunteers

TaxSlayer	
TaxSlayer Volunteer Support	1-800-421-6346 (Do not give to the public)
TaxSlayer via E-Mail	**support@vita.taxslayerpro.com**

Prior Year Return Access	
Current and 5 previous years accessible from one URL	**https://vita.taxslayerpro.com**

Internal Revenue Service	
VITA/TCE Hotline for tax law questions (volunteer use only)	1-800-829-8482 (800-TAX-VITA) **January 24, 2022 - April 19, 2022** **Monday - Friday 7:00 AM – 7:00 PM** No service on Saturdays
IRS e-file Help Desk	1-866-255-0654
Identity Theft Unit	1-800-908-4490
Taxpayer Assistance Centers	1-844-545-5640
Quality and Volunteer Tax Alerts	**https://www.irs.gov/individuals/quality-and-tax-alerts-for-irs-volunteer-programs**
IRS Toll-free line	1-800-829-1040
Order IRS Forms and Publications	1-800-829-3676

Information to Assist Taxpayers	
Refund Offset Inquiry (Financial Management System)	1-800-304-3107
IRS Tax-Help for Deaf (TDD)	1-800-829-4059
Taxpayer Advocate Service	1-877-777-4778
Social Security Administration	1-800-772-1213
Treasury Retail Securities (savings bonds)	1-844-284-2676
Economic Impact Payment questions	1-800-919-9835