4012-A

VITA/TCE Volunteer Resource Guide With Updates

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

2024 RETURNS



Link & Learn Taxes

Take your VITA/TCE training online at **apps.irs.gov/app/vita/**. 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: **www.irs.gov/pub/irs-pdf/p4491x.pdf**

Volunteer Standards of Conduct

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

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 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 – VITA/TCE Programs, prior to volunteering at a VITA/TCE site. In addition, return preparers, quality reviewers, coordinators, client facilitators 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, name and address, and signs and dates the form. Volunteers' names and addresses in Link & Learn Taxes must match their government issued photo identification. Advise volunteers to update their My Account page in Link & Learn Taxes with their valid name and address.

As a volunteer in the VITA/TCE programs, you must adhere to the following Volunteer Standards of Conduct:

VSC #1 – Follow all Quality Site Requirements (QSR).

VSC #2 – Do not accept payment, ask for donations, or accept refund payments for federal or state tax return preparation from customers.

VSC #3 – Do not solicit business from taxpayers you assist or use the information you gained about them (taxpayer information) for any direct or indirect personal benefit for yourself, any other specific individual or organization.

VSC #4 – Do not knowingly prepare false returns.

VSC #5 – Do not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct considered to have a negative effect on the VITA/TCE programs.

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 programs
- Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely
- Deactivation of your sponsoring partner's site VITA/TCE electronic filing identification number (EFIN)
- 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

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Confidentiality Statement:

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

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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. Refer to Scope of Service, following, and **Publication 4491** for more in-depth discussions and guidance regarding the in-scope tax law. 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 screening sheets/decision trees, charts and interview tips are from your training materials, **Publication 17,** Your Federal Income Tax (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."



Here are the Icons used for ease of navigation thoughout this publication. Hyperlinks appear in bold blue type. Links to IRS Forms, Instructions, Publications, etc. will take you to the current year version. If preparing a prior year return, be sure to reference the correct tax year.

Numbers in Blue Circles and Numbered Bullet Points

Some numbered bullet points correspond to a location on a form or screenshot that is marked with the same number in a blue circle; 2 for example. Such a number in a blue circle on a form or screenshot is always accompanied by a bullet point with a corresponding number that provides more details.

Interactive Tax Assistant (ITA), is an excellent tool to guide you through answers to tax law questions and is available **www.irs.gov/help/ita**.

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 scope limitations.

*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 4491-X**, VITA/TCE Training Supplement, will be released in January to notify volunteers of any tax law and software updates. Use Publication 4491-X to update your printed Publication 4012. Alternatively, Publication 4012-A, available electronically, contains the updated content. **Publication 4012-A** is generally available in late January or early February.*

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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) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
F 1040	Digital asset (virtual currency) question	Y	In scope if taxpayers can check the No box. Taxpayers check No if they: • held no digital assets for the tax year or if the taxpayer's only transactions involving digital assets during the tax year were purchases of digital assets with real currency • held digital asset in a wallet or account • transferred digital asset from one wallet or account they own or control to another that they own or control • received digital asset as an inheritance or gift	
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 Form 114 or F 8938	Basic certification if taxable amount is determined Advanced certification required if taxable amount is **NOT** determined
F 1040	6a, b, c	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(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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 $191,950 ($383,900 if MFJ) • Publicly traded partnership income • Form 8995-A	
F 1040	16	Yes	Tax See Schedule 2 for limitations	
F 1040	19	Yes	Child tax credit or credit for other dependents	
F 1040	23	Yes	Other taxes See limitations on Schedule 2	
F 1040	25 a, b, c	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	Yes	Earned income credit, Additional child tax credit, American opportunity 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 1040-NR		Yes	U.S. Nonresident Alien Income Tax Return **In scope (with Foreign Student certification only) for:** • Students on F, J, or M Visa • Teacher on J or Q Visa/Trainee on J Visa **Not in scope for:** • Trainee on Q Visa • 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-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 Additional 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(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
F W-2		Yes	Wage and Tax Statement See Form 8615 limitations for children with unearned income **Not in scope for:** • Box 12 codes: ◦ Q (**Military certification required)** ◦ R, T ◦ FF if premium tax credits are involved ◦ W (**Advanced certification required**) ◦ Z • 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		Yes	Unnumbered line at top of Schedule 1 to report an amount from Form(s) 1099-K that was included in error or for personal items sold at a loss	
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 **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
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

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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 traditional IRA contributions **Not in scope for:** • Nondeductible traditional IRA contributions	Advanced certification required
S 1	21	Yes	Student loan interest deduction	
S 1	23	No	Archer MSA deductions	
S 1	24 a–z	Yes	**In scope for:** • Lines a, c, and z **Not in scope for:** • All other lines unless specifically mentioned in student training or resource guide	
S 2	1	Yes	**In scope for:** Line a, Excess advance premium tax credit repayment See F 8962 limitations **Not in scope for:** All other lines unless specifically mentioned in student training or resource guide	Advanced certification required
S 2	2	No	Alternative minimum tax	
S 2	4	Yes	Self-employment tax	Advanced certification required
S 2	5	Yes	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	

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
S 2	10	Yes	Repayment of first-time homebuyer credit from Form 5405 See F 5405 for limitations	
S 2	11	No	Additional 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, 17d–z	Advanced certification required
S 2	20	No	Section 965 net tax liability installment from Form 965-A	
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	
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 contributions 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 6d, 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:** Line 13z, if topic is otherwise in scope **Not in scope for:** • All other lines	

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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 • See entry for F 8283 for scope limitations on noncash charitable contributions • Form 1098-C, Contributions of Motor Vehicles, Boats and Airplanes • Donation of property previously depreciated • Donation of capital gain property (such as securities or art work) • Casualty or theft losses	Advanced certification required
S B		Yes	Interest and Ordinary Dividends Out of scope if FinCEN Form 114, F 3520 or F 8938 are required 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 digital assets • 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 $50,000 • 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) or S(chedule) Number	Line or Box Number	In Scope? Y or 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 digital assets. If the taxpayer can check the No box to the digital asset question on Form 1040, the return is in scope. Refer to scope limitations for the digital assets question at the beginning of the scope of service chart. • 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

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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 Fishers	
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 Change in Language Preference	
S Q		No	Quarterly Notice to Residual 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	Credits for Qualifying Children and Other Dependents	
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 Basis Adjustment) **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 Residual 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(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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	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, 3 and 7-11, 13 • Box 2 if Ordinary box is checked	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	
F 1099-DA		No	Digital Asset Proceeds From Broker Transactions	
F 1099-DIV		Yes	Dividends and Distributions **Not in scope for:** • Taxpayer is a nominee • Boxes labeled Unrecap Sec. 1250 gain, Section 1202 gain, Collectibles (28%) gain, Cash liquidation distributions, and Noncash liquidation distributions • FATCA filing requirement box checked • For nonresident aliens only: not in scope for Section 897 ordinary dividends and Section 897 capital gain	
F 1099-G		Yes	Certain Government Payments **In scope for:** • Unemployment compensation • Refunds, credits, or offsets of state or local income tax • Box 5, RTAA payments • Box 6, Taxable grants **Not in scope for:** • Box 3 is other than the preceding tax year • Boxes 7-9	

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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 • Bond premium on Treasury obligations that exceed Interest on U.S. Savings Bonds and Treasury obligations • Bond premium on tax-exempt bond that exceed Tax-exempt interest	
F 1099-K		Yes	Payment Card and Third Party Network Transactions **In scope for:** • Taxable income received for self-employment income (such as shared-economy driving). • Form 1099-K received for rental income is in scope for Military certification only. **Not in scope for:** • Forms 1099-K received for any other type of taxable income	Advanced certification required; Military certification if received for rental income
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, 9–15 • 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 **Not in scope for:** • Athletes receiving NIL (Name, Image, Likeness) income	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(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
F 1099-QA		Yes	Distributions from ABLE Accounts **Not in scope for:** • Distribution from ABLE Account that was more than the amount of the qualified expenses	
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 codes 2 and 7, if the IRA/SEP/SIMPLE box is checked and there were nondeductible contributions • Box 7 codes 5, 8, 9, A, E, J, K, N, P, R, T, U	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 **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	Advanced certification required. If no F1116 filed. **International or Puerto Rico 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(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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) **Note:** Form 2848 is in scope, but volunteers may not complete Form 2848 on behalf of taxpayers.	
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 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	
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	Advanced certification required
F 5498		Yes	IRA Contribution Information **Not in scope for:** • SEP or SIMPLE contributions • Nondeductible contributions	Advanced certification required

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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:** • Clean Energy Credit (Part I)	Advanced certification required
F 6251		Yes	Alternative Minimum Tax **In scope for:** • Interest from private activity bond on Line 2g **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 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 certification required) • Noncash charitable contributions up to $5,000 are in scope for Military certification only	Advanced certification required Military certification up to $5,000
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 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(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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	Qualified 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 Certain Credits 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 8886		No	Reportable Transaction Disclosure Statement	
F 8888		Yes	Allocation of Refund	
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) • Part III, 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	Advanced certification required
F 8903		No	Domestic Production Activities Deduction	
F 8908		No	Energy Efficient Home Credit	
F 8910		No	Alternative Motor Vehicle Credit	
F 8911		No	Alternative Fuel Vehicle Refueling Property Credit	
F 8915-D		No	Qualified 2019 Disaster Retirement Plan Distributions and Repayments	
F 8915-F		No	Qualified Disaster Retirement Plan Distributions and Repayments	
F 8919		No	Uncollected Social Security and Medicare Tax on Wages	
F 8936		No	Clean Vehicle Credits	
F 8938		No	Statement of Specified Foreign Assets	
F 8948		No	Preparer Explanation for Not Filing Electronically • Not applicable to volunteers	

F(orm) or S(chedule) Number	Line or Box Number	In Scope? Y or N	Scope Limitations	Certification Levels
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 C, D, N, Q, R, S, X, Y and Z • 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) or S(chedule) Number	Line or Box Number	In Scope? Y or 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 • 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 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	

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 **Quality Site Requirements (QSR)** is to ensure the quality and accuracy of tax return preparation and consistent site operation. The QSR must be communicated to and followed by all volunteers and partners to ensure IRS and partner quality goals are met. The ten requirements are listed below.

QSR #1: Certification

QSR #2: Intake/Interview and 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, Privacy, and Confidentiality

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

Legislative Extenders

Discharge of Qualified Principal Residence Indebtedness

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

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. See Foreclosure and Abandonment Key Highlights later in this tab.

- 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 with the discharge of qualified principal residence indebtedness if the following requirements are met (otherwise the return is Out of Scope):

- The home was never used in a business or as rental property
- The debt was not canceled because the taxpayer filed bankruptcy (Form 1099-C, Box 6, Code A)
- 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 in Box 3
- 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).

To report cancellation of debt from Form 1099-C: *Income>Other Income>Cancellation of Debt>Cancellation of Debt (Form 1099-C); or Keyword CANC*

To exclude debt forgiven on principal residence using Form 982: *Income>Other Income>Cancellation of Debt>Exclusions*

To report the gain or loss from Form 1099-A: *See Tab D, Capital Gains or Losses Sale of Main Home for information on how to enter income.*

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Screening Sheet for Foreclosures/Abandonments and Cancellation of Mortgage Debt

If the taxpayer is in bankruptcy and has a discharge of qualified principal residence indebtedness, the tax return is Out of Scope.

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

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.

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

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, plus any proceeds the taxpayer received from the foreclosure sale.
☐ **No** – The sales price is the amount in Box 2 (Balance of principal outstanding) on Form 1099-A, plus any proceeds the taxpayer received from the foreclosure sale. The taxpayer is not personally liable (nonrecourse loan).

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

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

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.

   See Foreclosure and Abandonment Key Highlights in Publication 4012 for further information. Do not go to Step 6.

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
   - A professional tax preparer.
   - 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.

   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

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Screening Sheet for Foreclosures/Abandonments and Cancellation of Mortgage Debt (Page 2)

Part II – Home Mortgage Loan

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?

☐ **Yes** – Go to Step 2
☐ **No** – Go to Step 6

Note: Answer "yes" if the taxpayer has received a Form 1099-A and Form 1099-C.

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

3. Does Box 3 of Form 1099-C show any interest or does box 6 show code A indicating bankruptcy?

☐ **Yes** – Go to Step 6
☐ **No** – Go to Step 4

Note: If Box 6 is not marked with code A but the taxpayer has subsequently filed bankruptcy, answer "yes."

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.)

   ☐ **Yes** – Go to Step 4b
   ☐ **No** – Go to Step 6

   b. Was the mortgage secured by the taxpayer's principal residence?

   ☐ **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?

   ☐ **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)?

   ☐ **Yes** – Go to Step 6
   ☐ **No** – Go to Step 5

5. The discharged debt is "qualified principal residence indebtedness."

   The volunteer should complete the TaxSlayer screens for Form 1099-C and Form 982, and file it with the taxpayer's return. If the residence was disposed of, the taxpayer also may be required to report the disposition (sale) on Form 8949 and Schedule D. Do **not** go to Step 6.

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
   - A professional tax preparer.
   - 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.

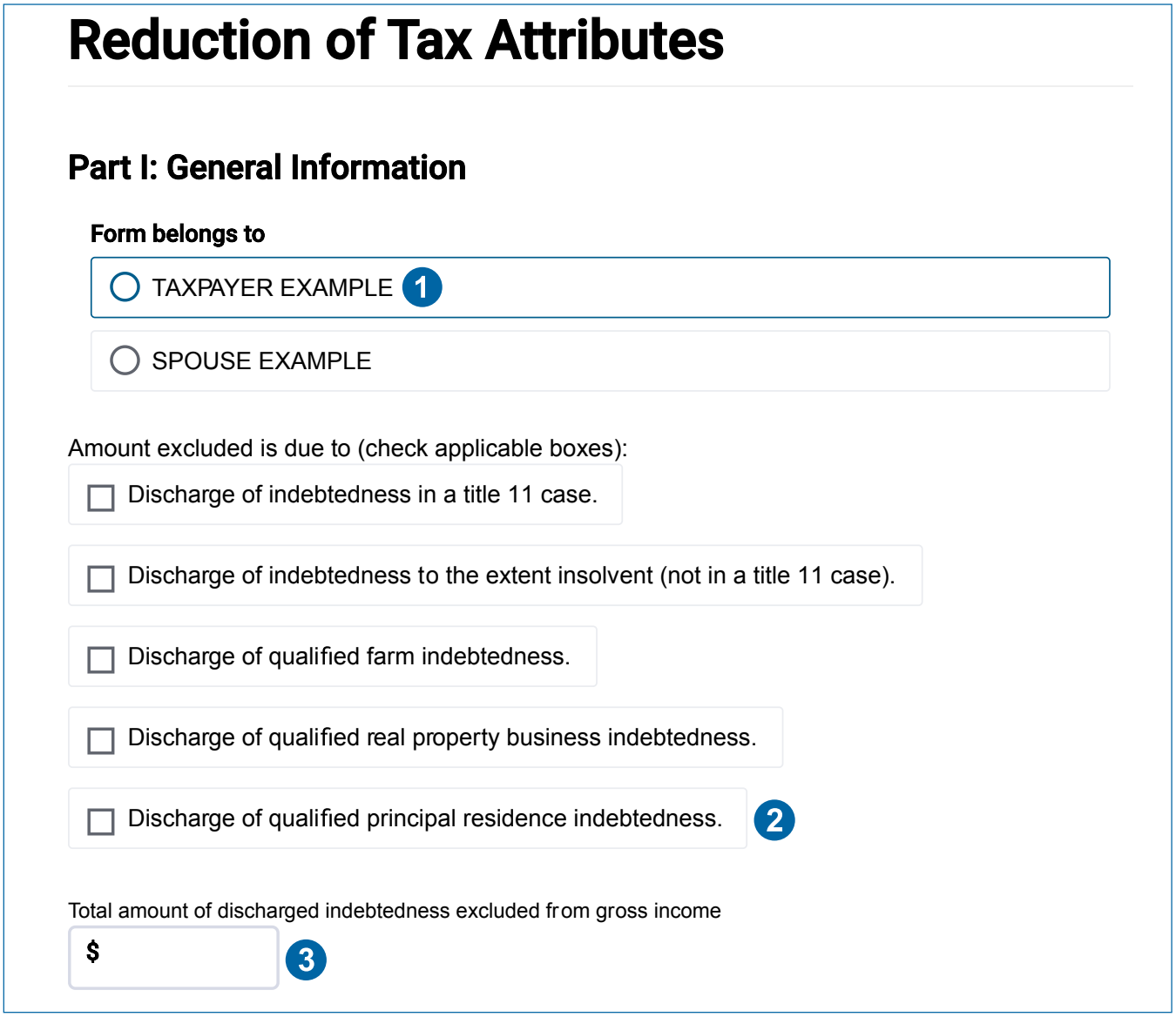
   Additional Resources:
   - Publication 523, Selling your Home
   - Publication 525, Taxable and Nontaxable Income
   - Publication 4681, Canceled Debts, Foreclosures, Repossessions,and Abandonments
   - Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)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

Entering Forgiveness of Qualified Principal Residence Indebtedness

Income>Other Income>Cancellation of Debt 1099-C, 982>Exclusions (Form982) or Keyword: 982 or CANC

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

The cancellation of debt must be entered in the Form 1099-C screen in TaxSlayer (see Tab D, Entering Cancellation of Debt). Also, **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. Following are instructions for completing the Form 982 screens in TaxSlayer:



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

Entering Forgiveness of Qualified Principal Residence Indebtedness (continued)

Part II: Reduction of Tax Attributes

Enter amount excluded from gross income:

Discharge of qualifed real property business indebtedness

$

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)

$ 4

Farm depreciable property used or held for use in business

$

4. If the taxpayer had a portion of the mortgage debt canceled but kept the home (loan modification or mortgage workout), the basis of the principal residence is reduced as follows:
   - In Part II, Reduction of Tax Attributes, on the line for “Basis of your principal residence” (line 10b) enter the smaller of:
     - The amount entered in Part I (see prior page)
     - The basis of your primary residence.

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 (Form 1099-A, Box 2) or the fair market value (Form 1099-A, Box 4).
    - 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, Box 2.
    - 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. See Tab D.
    - A loss on the main home can't be deducted



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. In that case:

- *Use Box 2 of Form 1099-C in place of Box 2 of Form 1099-A*
- *Use Box 7 of Form 1099-C in place of Box 4 of Form 1099-A*

Tab A: Who Must File

Chart A – For Most People Who Must File

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 2024 you were...[1]	THEN file a return if your gross income was at least...[2]
Single	under 65	$14,600
	65 or older	$16,550
Married filing jointly[3]	under 65 (both spouses)	$29,200
	65 or older (one spouse)	$30,750
	65 or older (both spouses)	$32,300
Married filing separately (see the Instructions for Form 1040)	any age	$5
Head of household (see the Instructions for Form 1040)	under 65	$21,900
	65 or older	$23,850
Qualifying Surviving Spouse (see the Instructions for Form 1040)	under 65	$29,200
	65 or older	$30,750

[1]If you were born on January 1, 1960 you are considered to be age 65 at the end of 2024. (If your spouse died in 2024 or if you are preparing a return for someone who died in 2024, see Publication 501).

[2]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
  - you are married filing a separate return and you lived with your spouse at any time in 2024 or
  - 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 either situation 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, (business income before subtracting expenses).

[3]If you didn't live with your spouse at the end of 2024 (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

*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 $3,250 ($5,200 if 65 or older and blind). 2. Your earned income was over $16,550 ($18,500 if 65 or older and blind). 3. Your gross income was more than the larger of — a. $3,250 ($5,200 if 65 or older and blind) or b. Your earned income (up to $14,150) plus $2,400 ($4,350 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 $1,300. 2. Your earned income was over $14,600. 3. Your gross income was more than the larger of — a. $1,300, or b. Your earned income (up to $14,150) plus $450.

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 $2,850 ($4,400 if 65 or older and blind). 2. Your earned income was over $16,150 ($17,700 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. $2,850 ($4,400 if 65 or older and blind), or b. Your earned income (up to $14,150) plus $2,000 ($3,550 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 $1,300. 2. Your earned income was over $14,600. 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. $1,300, or b. Your earned income (up to $14,150) plus $450.

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 $2,600 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**, Wage and Tax Statement, unemployment compensation, alimony (if taxable), 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. To determine if Form 8615 must be filed, see the page titled Form 8615, Tax for Certain Children Who Have Unearned Income (Kiddie Tax) in Tab H, Other Taxes, Payments, and Refundable Credits. A child filing Form 8615 does not make the parent's return out of scope.



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 2024.

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. Net earnings are Sch C profit multiplied by 92.35%. There is no self-employment tax on Sch C profit of less than $433.
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.

Chart C – Other Situations When You Must File (continued)

6. 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).
7. You purchased a new or used clean vehicle from a registered dealer and reduced the amount you paid at the time of sale by transferring the credit to the dealer. See Form 8936 and Schedule A (Form 8936). (Out of Scope)

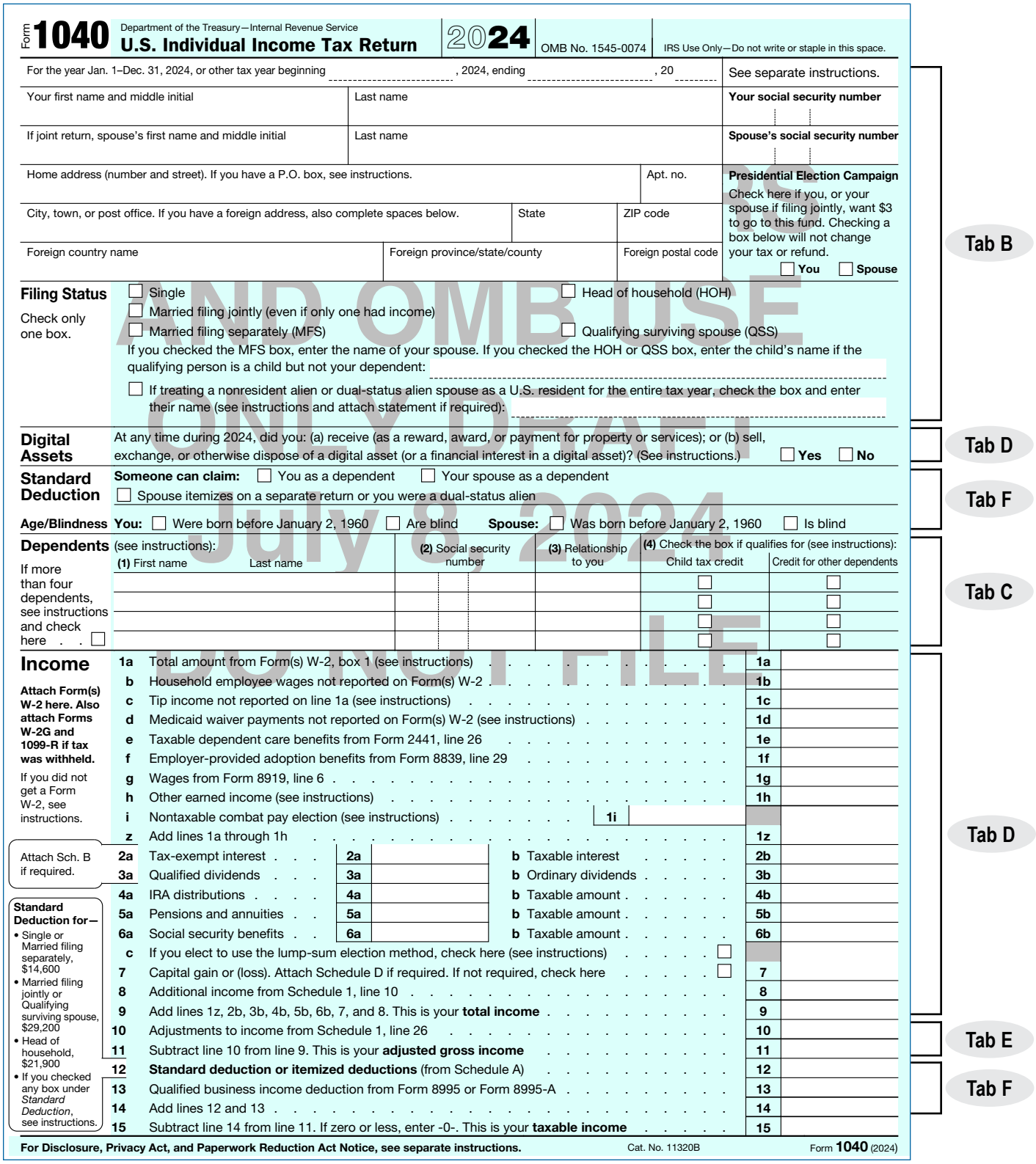
Chart D – Who Should File

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 from last year's tax return 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 additional child tax credit. See the Instructions for Schedule 8812, Credits for Qualifying Children and Other Dependents.
5. You qualify for a refundable American opportunity credit.
6. You qualify for the premium tax credit.
7. You receive a 1099-B, Proceeds From Broker and Barter Exchange Transactions, and the gross proceeds plus other income exceeds the filing limits in Chart A.
8. You receive Form 1099-S, Proceeds From Real Estate Transactions.
9. You are required to file a state return.
10. 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).
11. You qualify to file Form 4136, Credit for Federal Tax Paid on Fuels (Out of Scope).

Tab B: Starting a Return and Filing Status

Please reference the indicated Tabs for filling out the corresponding sections on the 1040 form.



Form **1040** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** 2024 OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2024, or other tax year beginning , 2024, ending , 20 — See separate instructions.

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

Filing Status Check only one box.
☐ Single ☐ Head of household (HOH)
☐ Married filing jointly (even if only one had income)
☐ Married filing separately (MFS) ☐ Qualifying surviving spouse (QSS)
If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:
☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required):

Digital Assets At any time during 2024, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

Tab D

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

Tab F

Age/Blindness **You:** ☐ Were born before January 2, 1960 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1960 ☐ Is blind

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) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
			☐	☐
			☐	☐
			☐	☐
			☐	☐

Tab C

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)				1a	
b	Household employee wages not reported on Form(s) W-2				1b	
c	Tip income not reported on line 1a (see instructions)				1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)				1d	
e	Taxable dependent care benefits from Form 2441, line 26				1e	
f	Employer-provided adoption benefits from Form 8839, line 29				1f	
g	Wages from Form 8919, line 6				1g	
h	Other earned income (see instructions)				1h	
i	Nontaxable combat pay election (see instructions)	1i				
z	Add lines 1a through 1h				1z	
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	
c	If you elect to use the lump-sum election method, check here (see instructions) ☐					
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐				7	
8	Additional income from Schedule 1, line 10				8	
9	Add lines 1z, 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	
12	**Standard deduction or itemized deductions** (from Schedule A)				12	
13	Qualified business income deduction from Form 8995 or Form 8995-A				13	
14	Add lines 12 and 13				14	
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your **taxable income**				15	

Attach Sch. B if required.

Standard Deduction for—
- Single or Married filing separately, $14,600
- Married filing jointly or Qualifying surviving spouse, $29,200
- Head of household, $21,900
- If you checked any box under *Standard Deduction*, see instructions.

Tab D

Tab E

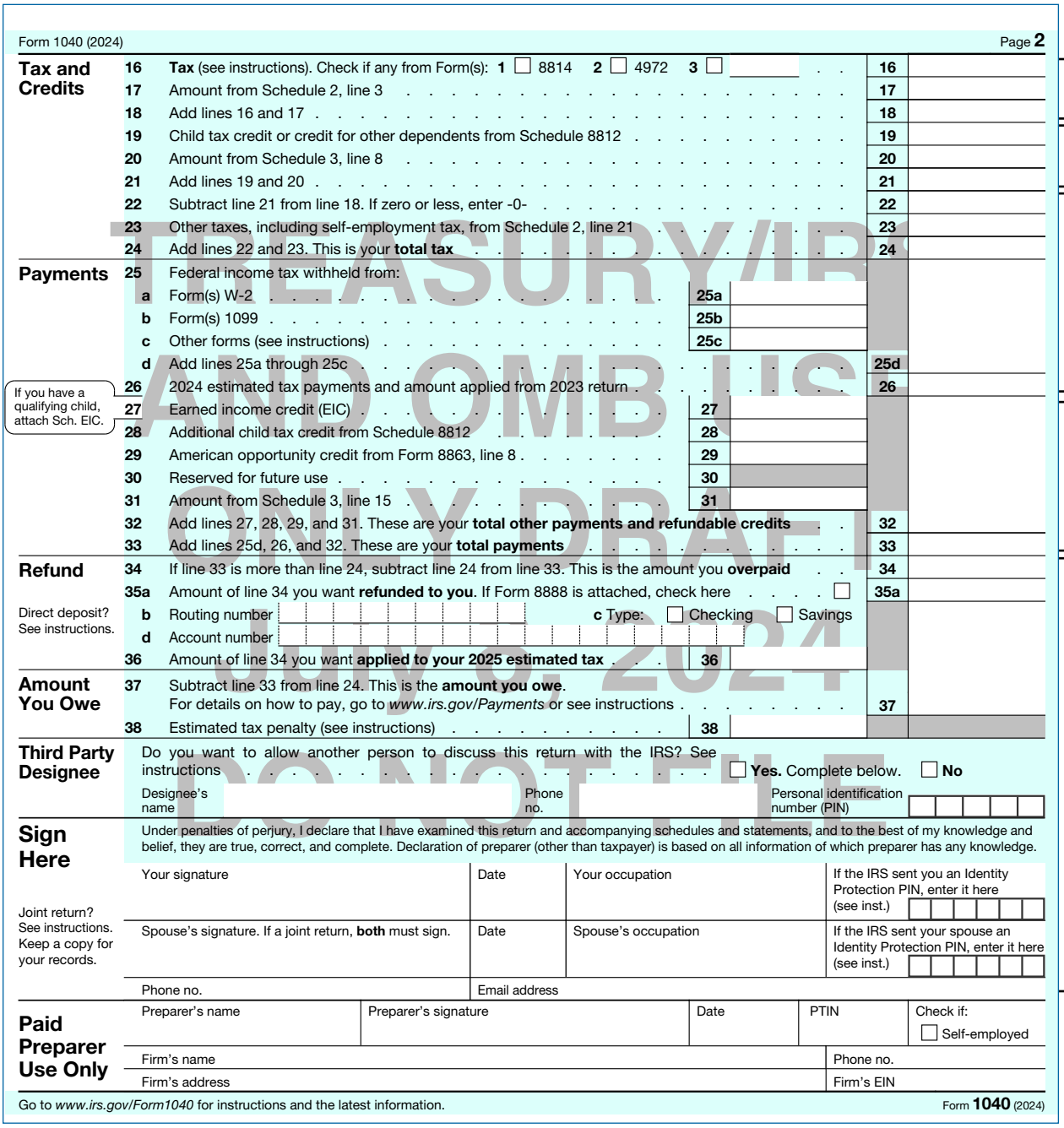
Tab F

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form **1040** (2024)

IRS AND OMB USE ONLY DRAFT July 8, 2024 DO NOT FILE

Form 1040 Job Aid (continued)

Please reference the indicated Tabs for filling out the corresponding sections on the 1040 form.



Form 1040 (2024) Page 2

Tax and Credits

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	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

Payments

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	2024 estimated tax payments and amount applied from 2023 return		26
27	Earned income credit (EIC)	27	
28	Additional child tax credit from Schedule 8812	28	
29	American opportunity credit from Form 8863, line 8	29	
30	Reserved for future use	30	
31	Amount from Schedule 3, line 15	31	
32	Add lines 27, 28, 29, and 31. These are your **total other payments and refundable credits**		32
33	Add lines 25d, 26, and 32. These are your **total payments**		33

If you have a qualifying child, attach Sch. EIC.

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
b	Routing number	c Type: ☐ Checking ☐ Savings	
d	Account number		
36	Amount of line 34 you want **applied to your 2025 estimated tax**	36	

Direct deposit? See instructions.

Amount You Owe

37	Subtract line 33 from line 24. This is the **amount you owe**. For details on how to pay, go to *www.irs.gov/Payments* or 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.

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		

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

Paid Preparer Use Only

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

Go to *www.irs.gov/Form1040* for instructions and the latest information. Form **1040** (2024)

Tab H

Tab G

Tab H

Tabs G, H, I, J

Tabs K, P

TREASURY/IRS AND OMB USE ONLY DRAFT July 9, 2024 DO NOT FILE

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, 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, credit for child and dependent care expenses 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

Important Reminders: The Intake/Interview process may be considered incomplete if questions applicable to the taxpayer's situation are left unanswered on Pages 1 through 3 and/or the applicable "To be completed by certified volunteer" shaded areas are not completed.

A quality review of each return must be completed using the Quality Review Checklist in Tab K.

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.

For prior year tax returns, taxpayers complete one current year Form 13614-C, Intake/Interview and Quality Review Sheet, to have their prior year return prepared. During the interview and quality review process, preparer and quality reviewer must refer to the applicable prior year Form 13614-C for the return being completed to ensure the return is within scope for the VITA/TCE program and that credits and deductions are not overlooked. Prior year Forms 13614-C are available for download at IRS.gov.

Form 13614-C Job Aid for Volunteers (Page 1)

Form **13614-C** (October 2024) | Department of the Treasury - Internal Revenue Service | **Intake/Interview and 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

- Complete pages 1-6 of this form.
- You are responsible for the information on your return. Provide complete and accurate information.
- If you have questions, 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

Your first name	M.I.	Last name	Your date of birth	Your job title
Spouse's first name	M.I.	Last name	Spouse's date of birth	Spouse's job title

Mailing address	Apt #	City	State	ZIP code

Your telephone number	Spouse's telephone number	Email address *(optional)*	Did you live or work in two or more states in 2024 ☐ Yes ☐ No

Check if you or your spouse were in 2024:

A U.S. citizen	☐ You ☐ Spouse ☐ No	Legally blind	☐ You ☐ Spouse ☐ No
In the U.S. on a visa	☐ You ☐ Spouse ☐ No	Totally and permanently disabled	☐ You ☐ Spouse ☐ No
A full-time student	☐ You ☐ Spouse ☐ No	Issued an identity protection PIN (IPPIN)	☐ You ☐ Spouse ☐ No
		Owners or holders of any digital assets	☐ You ☐ Spouse ☐ No

If due a refund, how would you like your refund
☐ Direct deposit ☐ Check by mail
☐ Split refund between accounts ☐ Other _____

If you have a balance due, how would you like to make your payment
☐ Bank account ☐ IRS.gov Direct Pay
☐ Set up installment agreement ☐ Mail payment to IRS

Would you like to receive written communications from the IRS in a language other than English ☐ You ☐ Spouse ☐ No
What language _____

Would you, or your spouse if married filing jointly, like $3 to go to the Presidential Election Campaign Fund ☐ You ☐ Spouse ☐ No

1. View photo ID's for each taxpayer and spouse (if filing a joint return)
2. Name as shown on Social Security records. See Tab B.
3. Taxpayer's current address where IRS should mail refund and /or other correspondence.
4. If not a U.S. citizen, or in the U.S. on a VISA, use Tab L, Resident or Nonresident Alien Decision Tree to determine if return is within scope.
5. See Tab R for definition of Legally Blind, Permanently and Totally Disabled and a full time Student.
6. See Tab P if taxpayer is a victim of identity theft or applied for and received an IP PIN.
7. See Tab K on how to enter information about a refund or balance due.
8. The "written communication" answer will be entered into TaxSlayer software.
9. President Election Campaign Fund answer will be entered into TaxSlayer software.

Form 13614-C Job Aid for Volunteers (Page 1 continued)

As of December 31, 2024, what was your marital status

☐ **Never Married** ☐ **Married** If married, were you married for all of 2024 ☐ Yes ☐ No

11

Did you live with your spouse during any part of the last six months of 2024 ☐ Yes ☐ No

☐ **Divorced** ☐ **Legally Separated but not Divorced** ☐ **Widowed**

Date of final decree _____ Date of separate maintenance decree _____ Year of spouse's death _____

To be completed by certified volunteer: Can anyone else claim the taxpayer or spouse on their tax return 12 ☐ Yes ☐ No

List the names below of everyone who lived with you last year (except your spouse) **AND** anyone you supported but did not live with you last year.

Answer Yes or No (Y/N)

18 **To be completed by certified volunteer (Yes, No, or N/A)**

Name (first, last) 13	Date of birth (mm/dd/yy) 14	Relationship to you (child, parent, none, etc.)	Number of months lived in your home in 2024 15	Single or Married as of 12/31/2024 (S/M)	U.S. Citizen 16	Resident of U.S., Canada or Mexico	Full-time student	Totally and permanently disabled	Issued IPPIN 17	Qualifying child or relative of any other person	This person provided more than 50% of their own support	This person had less than $5,050 of income	Taxpayer(s) provided more than 50% of support for this person	Taxpayer(s) paid more than half the cost of maintaining a home for this person

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10. See Tab H if taxpayer's marital status changed in 2024 (Married or Divorced). Verify how it may affect ACA and if return is within scope.
11. See Tab C to verify taxpayer's and spouse (if filing a joint return) dependency status.
12. 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. Use the Additional/Notes Comments on Page 5 if space is needed to list additional names.
13. Verify birth date for each person included on the tax return.

    Incorrect birth dates may cause efile rejection.
14. Verbally confirm the number of months each person listed lived in the home.

    Consider any temporary absences.
15. If not a US citizen, use Tab L, Resident or Nonresident Alien Decision Tree to determine if return is within scope.
16. Refer to Tab P if taxpayer indicates an IPPIN was issued for the dependent.
17. The certified volunteer will complete these questions for each listed person during the interview. Refer to Tabs B and C to determine Filing Status and Dependency Exemptions.

Important Reminder: Review all information on Page 1 before using Tabs B and C to determine Dependency Exemptions and Filing Status.

Form 13614-C Job Aid for Volunteers (Continued)

Important Reminder: During the interview, verify with taxpayer that each checked box on the left side of page (unshaded) is applicable to their situation. Check the boxes in the "To be completed by certified preparer" sections (shaded area) to indicate the item has been verified with the taxpayer. Unchecked boxes on Pages 2 and 3 must be addressed with the taxpayer and annotated "No" or "N/A" if any items do not apply to the taxpayer.

Form 13614-C Job Aid for Volunteers (Page 2)

Received money from any of the following in 2024:	(To be completed by certified volunteer) Income to be included	Notes/Comments
☐ (B) Wages as a part-time or full-time employee (1) How many jobs _____	☐ (B) W-2s (4) (3) #	
☐ (B/A) Tips	☐ (B/A) Tips (Basic when reported on W2)	
☐ (B/A) Retirement account, pension or annuity proceeds	☐ (B/A) 1099-R (Basic when taxable amount is reported) #	
	☐ (A) Qualified Charitable Distribution From 1099-R $	
☐ (B) Disability benefits (such as payments from insurance and worker's compensation) (2)	☐ (B) Disability benefits on 1099-R or W-2 #	(9)
☐ (B) Social Security or Railroad Retirement Benefits (5)	☐ (B) SSA-1099, RRB-1099 #	
☐ (B) Unemployment benefits	☐ (B) 1099-G #	
☐ (B) Refund of state or local income tax	☐ (B) Refund $	
	☐ (B) Itemized last year ☐ Yes ☐ No	
☐ (B) Interest or dividends (bank account, bonds, etc.)	☐ (B) 1099-INT # _____ ☐ (B) 1099-DIV #	
☐ (A) Sale of stocks, bonds or real estate	☐ (A) 1099-B (include brokerage statement) #	
Did you report a loss on last year's return ☐ Yes ☐ No	☐ Capital loss carryover ☐ Yes ☐ No	
☐ (B) Alimony (6)	☐ (B) Alimony $	
	Excluded from income ☐ Yes ☐ No	
☐ (A/M) Income from renting out your house or a room in your house	☐ (A/M) Rental income (advanced when the dwelling is a personal residence and rented for fewer than 15 days)	
If yes, did you use the dwelling unit as a personal residence and rent it for fewer than 15 days ☐ Yes ☐ No	☐ Rental expense $	
☐ Income from renting personal property such as a vehicle		
☐ (B) Gambling winnings, including lottery	☐ (B) W-2G or other gambling winnings (list losses below if taxpayer can itemize deductions) #	
☐ (A) Payments for contract or self-employment work	☐ (A) Schedule C	
Did you report a loss on last year's return ☐ Yes ☐ No (7)	☐ 1099-MISC #	
	☐ 1099-NEC #	
	☐ 1099-K #	
	☐ Other income reported elsewhere	
	☐ Schedule C expenses $	
☐ Any other money received during the year? (example: cash payments, jury duty, awards, digital assets, royalties, union strike benefits) (8)	☐ Other income (see Pub 4012 for guidance on other income, i.e., scope of service chart)	

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1. Certification indicators B, A, M should only be used to assign returns to preparers. Final certification level should be made using the Scope of Service Chart after completing interview. Volunteers should identify any issues that make the return out-of-scope (OOS)
2. During the interview, verify with taxpayer that each checked box on the left side of page (unshaded) is applicable to their situation. Mark the unchecked boxes "No" or "N/A" if those income items do not apply to the taxpayer.
3. Check the boxes in the "To be completed by certified preparer" sections (shaded area) to indicate the income item has been verified with the taxpayer. Record number of forms and dollar amounts if applicable.
4. See Tab D for Form W-2 instructions.
5. If Social Security or Railroad Retirement Benefits box is checked, determine if taxable.
6. See Tab E for definition of alimony.
7. When self-employment income is indicated, verify the return is within the scope of VITA/TCE Programs.
8. Not all these items are reported on Schedule 1, Line 8. See Publication 17, Your Federal Income Tax (For Individuals). Also see Tab D.
9. Use the Notes/Comments column to leave additional taxpayer information, preparer notes, and notes for the quality reviewer.

Form 13614-C Job Aid for Volunteers (Page 3)

Page 3

Expenses and Tax Related Events: Answer the questions on the left side of this page. Check only the boxes that apply to you and/or your spouse.

Paid any of the following expenses to itemize in 2024?	(To be completed by certified volunteer) Standard or Itemized Deductions	Notes/Comments
☐ (A) Mortgage Interest	☐ (A) 1098 #	
☐ (A) Taxes: state, local, real estate, sales, etc. 1		
☐ (A) Medical, dental, prescription expenses	☐ (B) Standard deduction ☐ (A) Itemized deduction	
☐ (A) Charitable contributions		
Paid any of these expenses in 2024?	**(To be completed by certified volunteer) Expenses to report**	**Notes/Comments**
☐ (B) Student loan interest 2	☐ (B) 1098-E	
☐ (B) Child and dependent care 3	☐ (B) Child and dependent care credit	
☐ (B/A) Contributions to a retirement account 4	☐ (B/A) IRA (Basic if a Roth IRA or 401K)	
☐ (B) School supplies by a teacher, teacher's aide or other educator	☐ (B) Educator expenses deduction $	
☐ (B) Alimony payments (do not include child support)	☐ (B) Alimony payments with spouse's SSN $	
	Adjustment to income ☐ Yes ☐ No	
Did any of the following happen during 2024?	**(To be completed by certified volunteer) Information to report**	**Notes/Comments**
☐ (B) You or someone in your family took educational classes (technical school, college, job related, etc.) 5	☐ (B) Taxable scholarship income ☐ (B) 1098-T (itemized statement from school, invoice, etc.) ☐ (B) Education credit or tuition and fees deduction	
☐ (A) Sell a home	☐ (A) Sale of home (1099-S)	
6 ☐ (A) Have a health savings account (HSA)	☐ HSA contributions ☐ HSA distributions	
7 ☐ (A) Purchase health insurance through the Marketplace (Exchange)	☐ (A) 1095-A	
8 ☐ (A) Purchase and install energy-efficient home items (example: windows, furnace, insulation, etc.)	☐ (B) Energy efficient home improvement credit	
☐ (A) Have credit card, mortgage, or other debt cancelled/forgiven by a lender	☐ (A) 1099-C	
☐ (A) Have a loss related to a declared Federal disaster area 9	☐ (A) 1099-A ☐ Disaster relief impacts return	
☐ (B) Have a tax credit disallowed (example: earned income credit, child tax credit, or American opportunity credit) 10	☐ (B) EITC, CTC, AOTC or HOH disallowed in a previous year Year disallowed Reason	
☐ Receive any letter or bill from the IRS 11	☐ Eligible for Low Income Taxpayer Clinic referral	
☐ (B) Make estimated tax payments or apply last year's refund to 2024 taxes 12	☐ Estimated tax payments ☐ Last year's refund applied to this year ☐ Last year's return available	

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1. Verify if taxpayer can itemize. See Tab F.
2. Student Loan Interest Adjustment. See Tab E.
3. If box is checked, ask taxpayer for childcare provider's TIN.
4. Verify eligibility for Retirement Savings Contribution Credit.
5. See Tab D for information on how to enter taxable scholarships that are not reported on Form W-2. See Tab J to compare credits and adjustments.
6. The volunteer certification indicator should be: (A) Advanced for Health Savings Accounts (HSAs). Refer to Publication 4012, VITA/TCE Volunteer Resource Guide, under Form 8889, Health Savings Accounts for out-of-scope issues related to HSAs.
7. Taxpayer must provide Form 1095-A if receiving insurance through the Marketplace.
8. For Energy energy efficient home improvement credit, the correct certification indicator should be: (A) on Form 5695 Part II. Reminder: Form 5695, Part I Residential Clean Energy Credit is out-of-scope.
9. Check for tax benefits for declared disaster areas.
10. See Tabs I, G, or J for impact on any credits for this year.
11. Determine if the letter may impact the return and refer the taxpayer to any available resource if help is needed.
12. Ask taxpayer for a copy of last years return to locate necessary information.

Form 13614-C Job Aid for Volunteers (Continued)

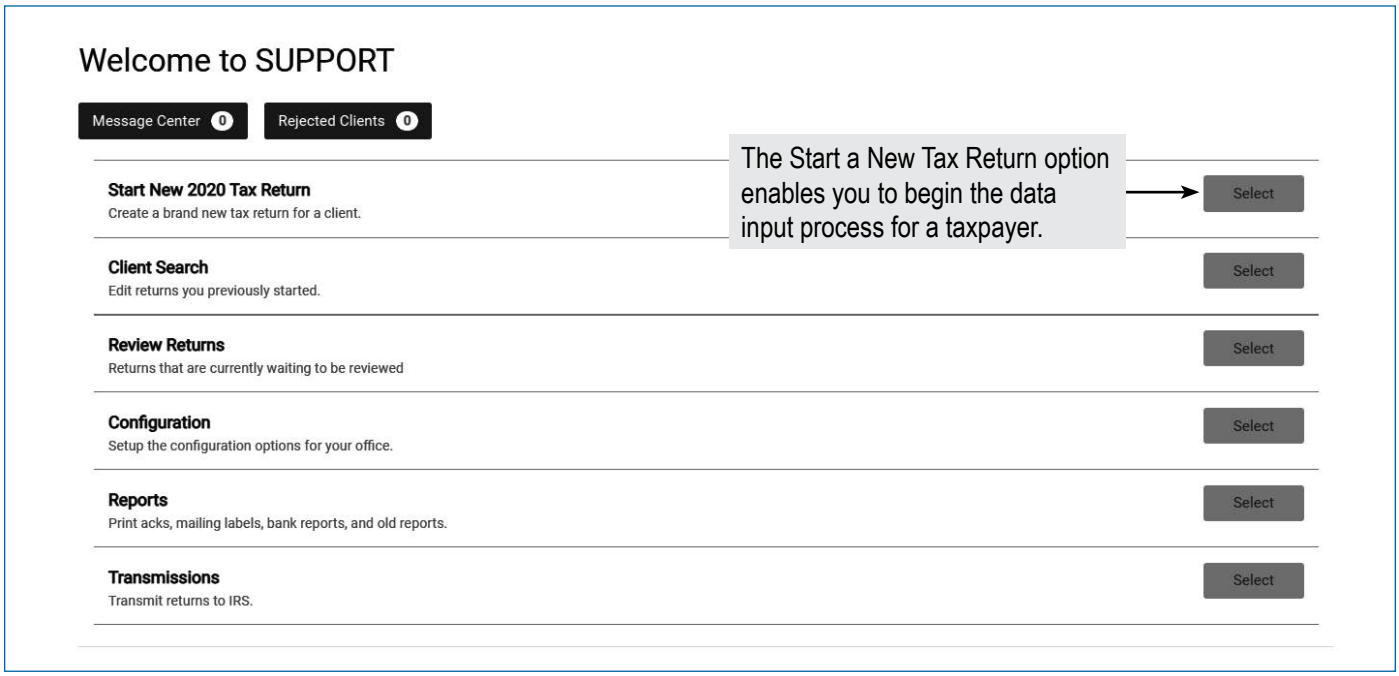
The questions on Page 4 are optional. The following information is for statistical purposes only. Taxpayer responses to these questions are not a part of their tax return and are not transmitted to the IRS with their tax return. Taxpayers are not required to answer these questions. The taxpayer has the option to leave this page blank or select "Prefer not to answer."

Form 13614-C Job Aid for Volunteers (Page 4)

Page 5

Additional Notes/Comments (1)

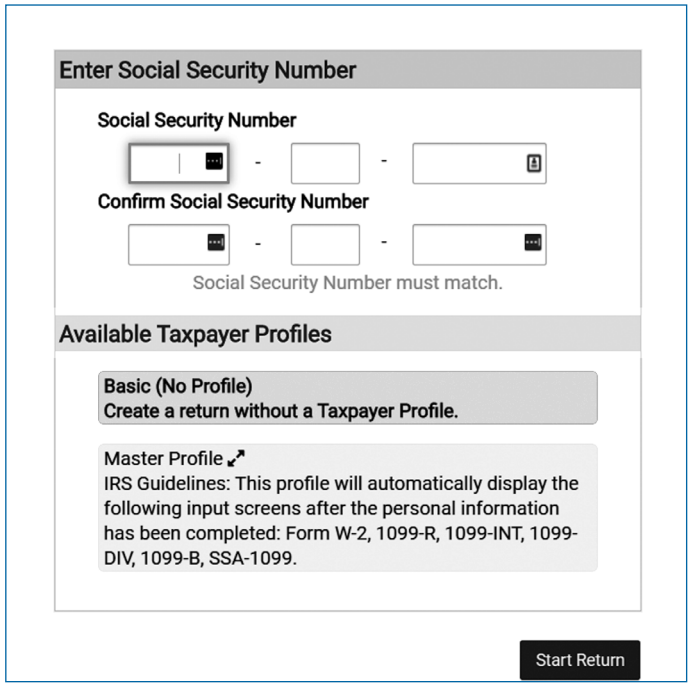
1. Preparer can leave notes for quality reviewer. Taxpayer can list additional names for anyone living with them last year (except their spouse) or anyone they supported but did not live with them last year.



These options will not appear for all users. Your screen may have different options based on the roles and permissions 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.



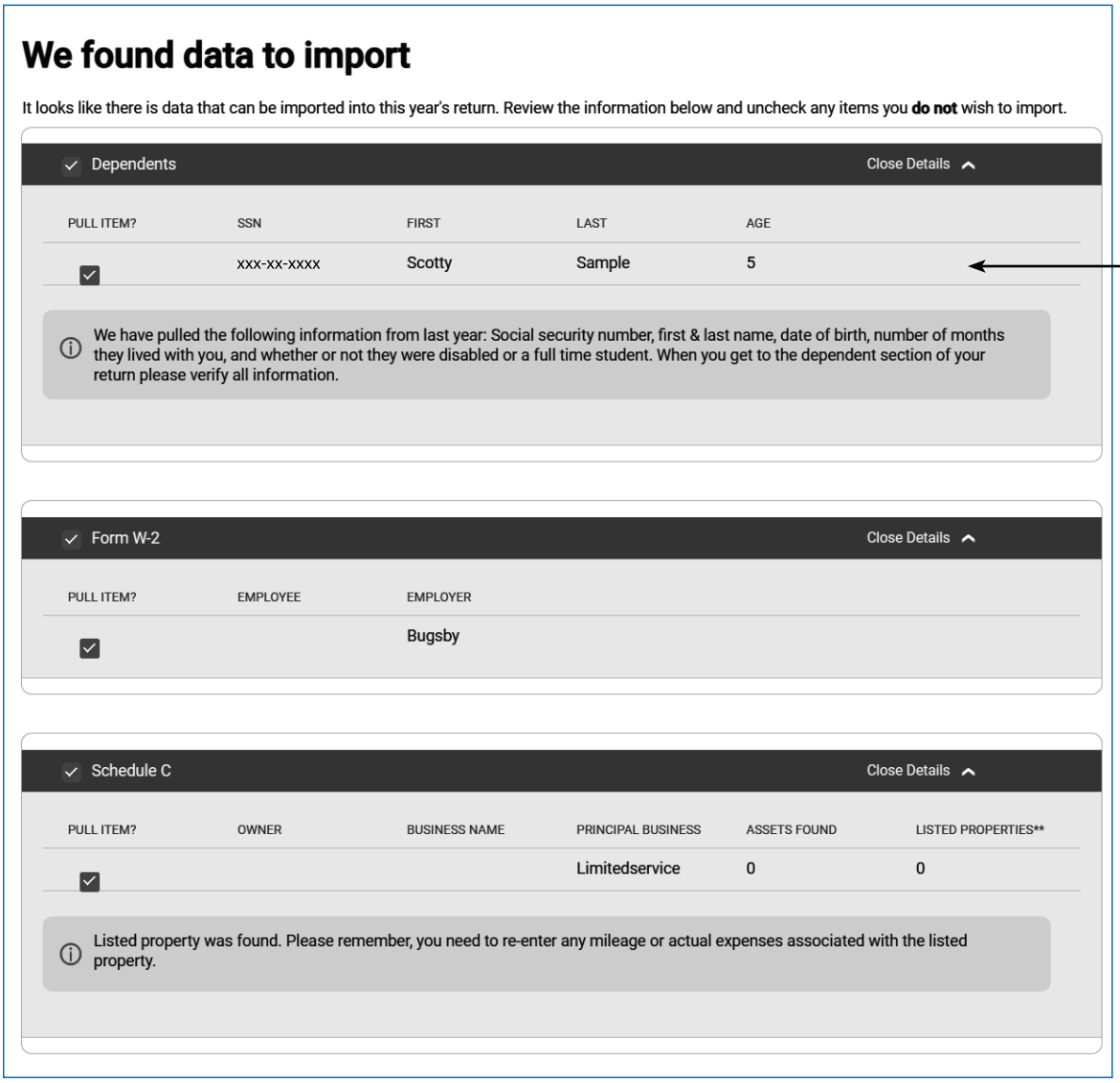
All returns are completed using the Basic (No Profile) Create a return without a Taxpayer Profile.

If the SSN is already in use, the software will display an error message. Talk to your site coordinator. The software will also display an error message if the two entries don't match. In this instance, make the necessary corrections.

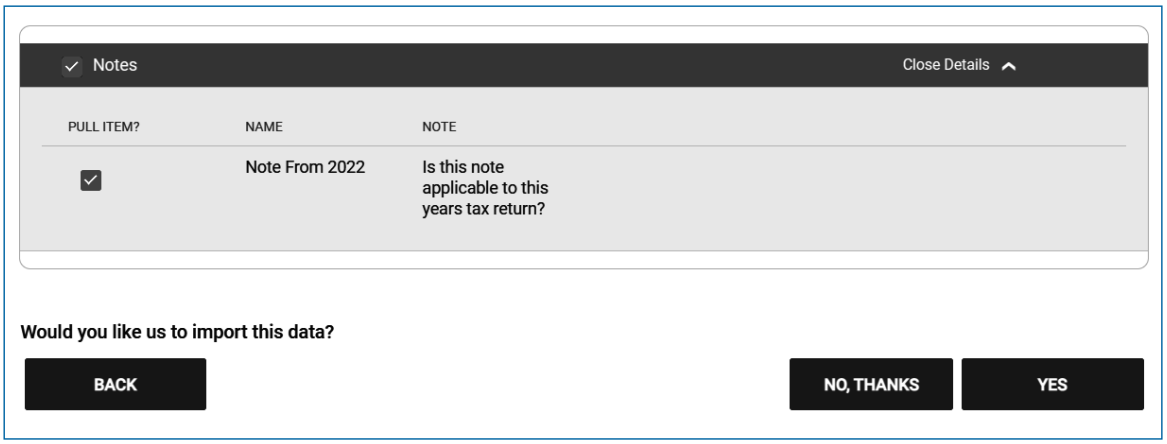
To create a return for a taxpayer without an SSN/ITIN that will be completing a Form W-7, Application for ITIN, enter an SSN of 000-00-0000. See Tab L for more details.

Pulling Prior Year Data

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



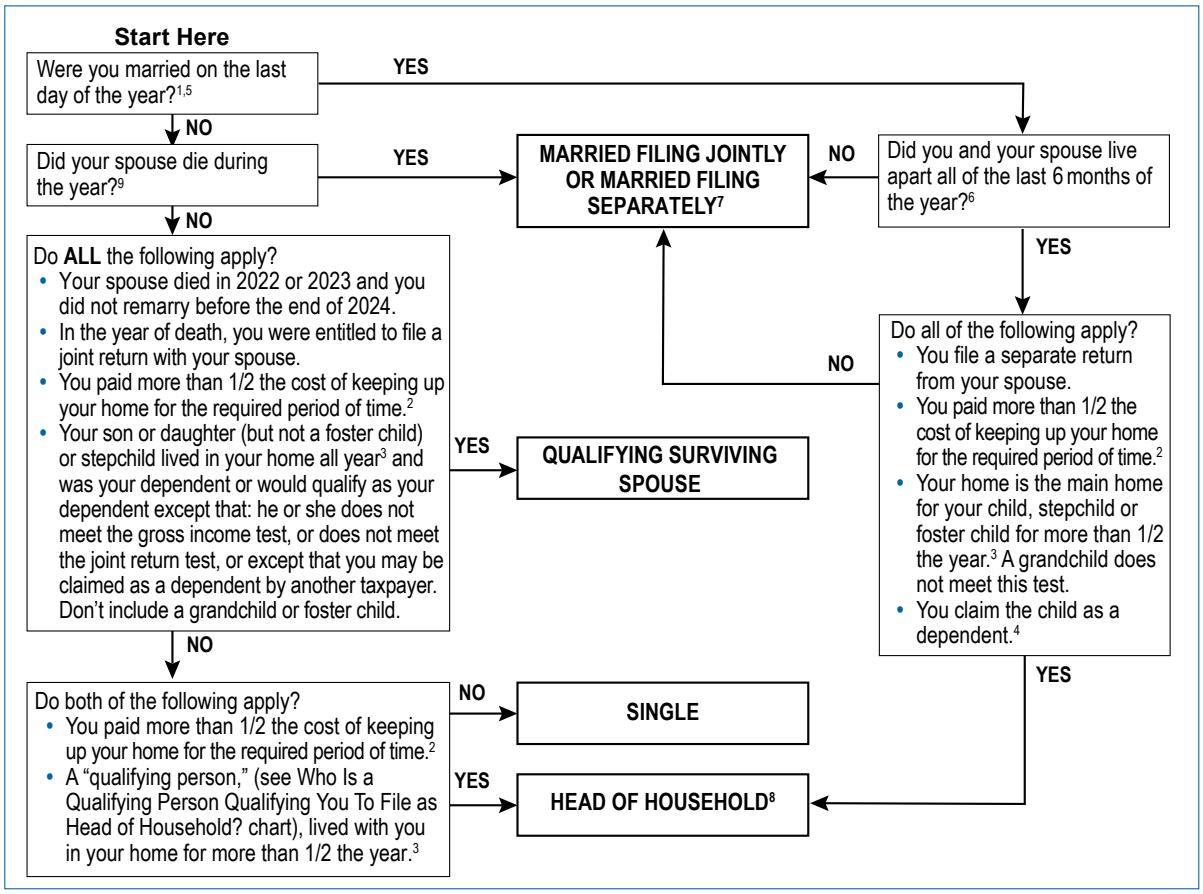
Uncheck the boxes for the items that you do not want to pull forward. Forms that are carried forward and not used will need to be deleted



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. For Head of Household, if the qualifying person is your dependent parent, your dependent parent doesn't have to live with you. 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. See Tab C.

[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 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 may be multiple filing statuses (for example, two families filing head of household or one family filing married filing jointly and another head of household) in shared living quarters if each household meets their determined filing requirements.

[9]If your spouse died during the year, you are considered married for the whole tax 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.

Filing Status – Interview Tips

Step	Probe or Ask the taxpayer:	Action
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.
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].
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 (a grandchild doesn't meet this test). For rules applying to birth, death or temporary absence during the year, see Publication 17 • 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**[7]. If **NO**, STOP. Your filing status is **married filing separately**[5].
4	Did your spouse die in 2022 or 2023?	If **YES**, go to Step 5. If **NO**, go to Step 6.
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 surviving spouse**. If **NO**, go to Step 6.
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 on the next page), lived with you in your home for more than 1/2 the year. If the qualifying person is your dependent parent, your dependent parent doesn't have to live with you.[4]	**YES** – Head of Household[7] **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. It must be reasonable to assume the absent person will return to the home after the temporary absence.

[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.

[7]There may be multiple filing statuses (for example, two families filing head of household or one family filing married filing jointly and another head of household) in shared living quarters if each household meets their determined filing requirements.

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 your child, or grandchild who lived with you more than half the year and meets certain other tests)[2]	the child is single	a qualifying person, whether or not the child meets the Citizen or Resident Test[7].
	the child is married and you can claim the child as a dependent	a qualifying person.
	the child is married and you can't claim the child as a dependent	not a qualifying person[3].
qualifying relative[4] who is your father or mother	you can claim your parent as a dependent[5]	a qualifying person[6].
	you can't claim your parent as a dependent	not a qualifying person.
qualifying relative[4] other than your father or mother (such as a grandparent, or sibling who meets certain tests).	your relative lived with you more than half the year, and you can claim them as a dependent, and is one of the following: child, stepchild, foster child, or a descendant of any of them; sibling, half sibling or a child of any of them; an ancestor or sibling of your parent; or stepsibling, stepparent, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law[5]	a qualifying person.
	your relative didn't live with you more than half the year	not a qualifying person.
	your relative isn't related to you in one of the ways listed above and is your qualifying relative only because your relative 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 your relative 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. A grandchild is not a qualifying person for head of household status if the taxpayer is married filing a separate return from their spouse.

[3]This person is a qualifying person if the only reason you can't claim the person as a dependent is that you, or your spouse if filing jointly, 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.

[7]The Citizen or Resident Test states: You generally 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.

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

***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.*

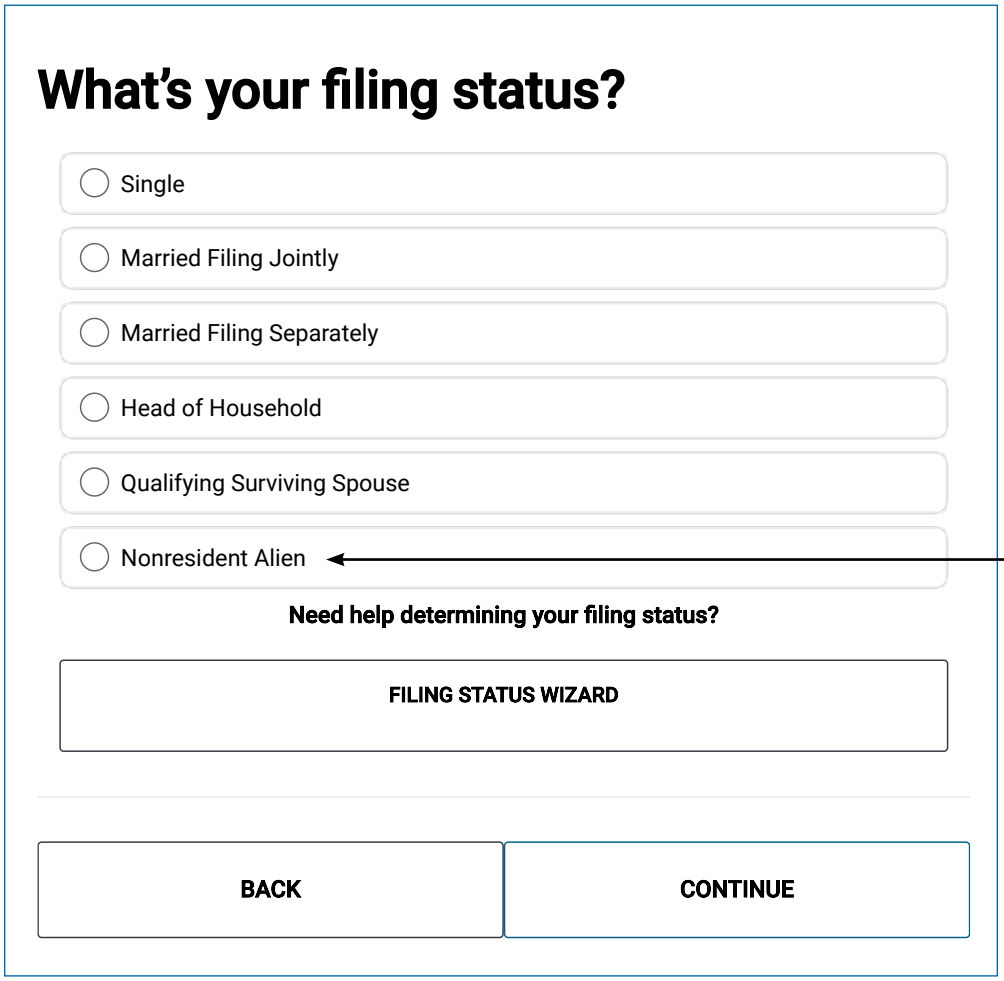
Payments received under Temporary Assistance for Needy Families or other public assistance programs used to pay the costs of keeping up the home can be counted as money you paid. Amounts paid out of funds received in the child's or qualifying person's name, such as Social Security, are considered paid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

Entering Filing Status

Basic Information>Filing Status

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

If the taxpayer's spouse died during the year, the taxpayer is considered married for the whole year for filing status purposes. If the taxpayer didn't remarry before the end of the tax year, a joint return can be filed for the taxpayer and deceased spouse. If remarried before the end of the tax year, taxpayer can file a joint return with the new spouse. The deceased spouse's filing status is Married Filing Separately for that year.



Refer the taxpayer to a site with Foreign Student certification. Resident aliens generally are taxed the same as U.S. citizens.

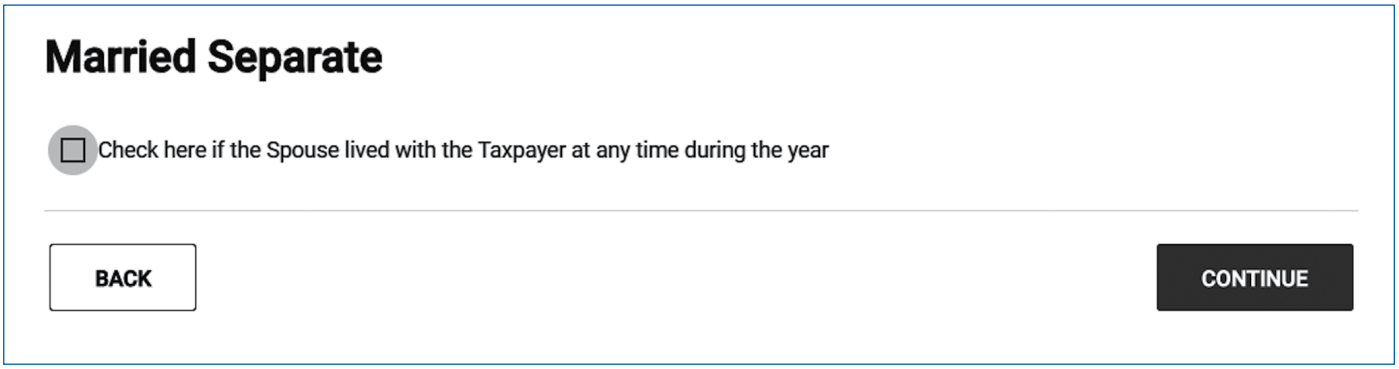
Do **not** use the Filing Status Wizard. Instead, use the Filing Status Interview Tips discussed earlier in this Tab.

TaxSlayer will delete the state return if you change the filing status or the state residency.

Dual status aliens have different filing requirements and may have to file Form 1040-NR, U.S. Nonresident Alien Income Tax Return. In this case, the return is Out of Scope.

Entering Filing Status (continued)

If Married Filing Separately is chosen as the filing status, a new screen will appear titled Married Separate.



Individuals who are married and living apart but not legally separated under a decree of divorce or separate maintenance are considered married for federal tax purposes. Individuals who are married in a foreign country are married for federal tax purposes if the relationship would be recognized as marriage under the laws of at least one state, possession, or territory of the United States, regardless of domicile. Individuals are ***not*** *lawfully married for federal tax purposes if they have entered into a registered domestic partnership, civil union, or other similar formal relationship not denominated as marriage under the applicable domestic or foreign law where such relationship was entered into, regardless of domicile.*

While there are legitimate reasons for married taxpayers to file separately, there are also drawbacks. A limited list is provided here. It is not all-inclusive and is provided for informational purposes only. Taxpayers filing married filing separately:

- *Can't claim American opportunity credit, lifetime learning credit or the student loan interest deduction*
- *Can't claim either the child and dependent care credit or the earned income credit unless the taxpayer meets the requirements to be considered unmarried*
- *Who lived with the spouse at any time during the year can't claim the credit for the elderly or the disabled and must include in income a greater percentage of Social Security or Railroad Retirement benefits*
- *Are limited to $1,500 in capital losses*
- *Can't claim the standard deduction if the spouse itemizes*
- *Who lived with the spouse at any time during the year have a modified adjusted gross income (MAGI) limit for contributions to Roth IRAs of $10,000*
- *Who is covered, or whose spouse is covered, by a retirement plan at work have a MAGI limit for deductible contributions to traditional IRAs of $10,000*

See Tab M, Other Returns, if taxpayers opt to file an injured spouse allocation rather than filing separately.

Basic Information>Personal Information

Entering the Last Name Correctly

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

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

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

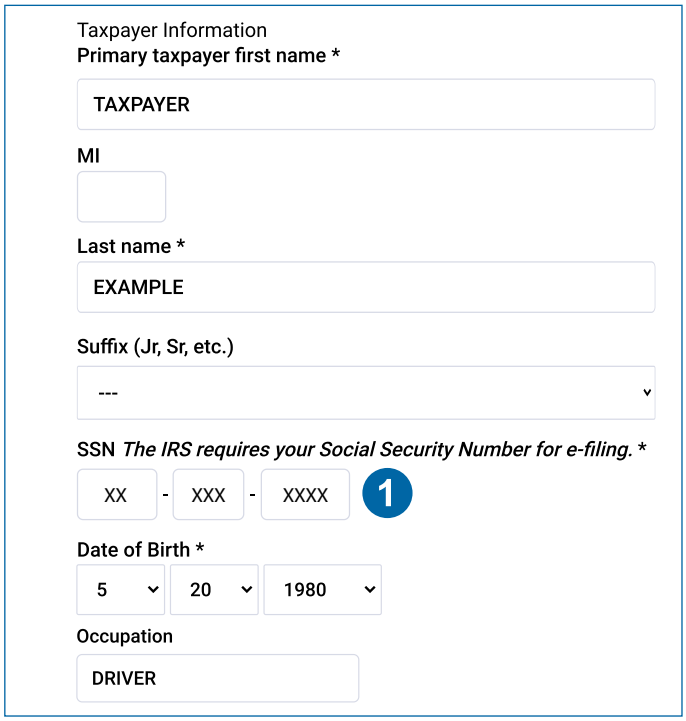
If this is a more recently issued Social Security card with a name on more than one line, the last name is on the bottom line.

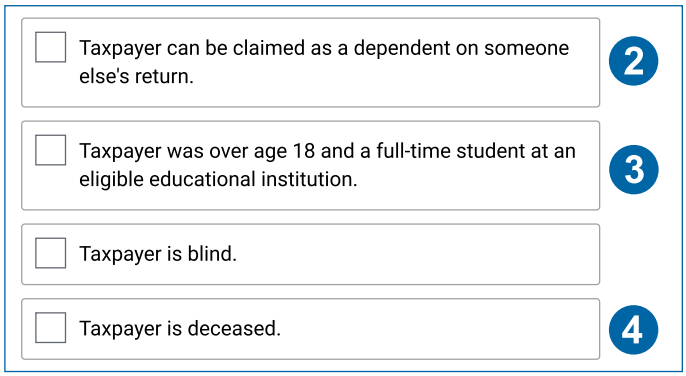
Entering Personal Information (continued)

Basic Information>Personal Information

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

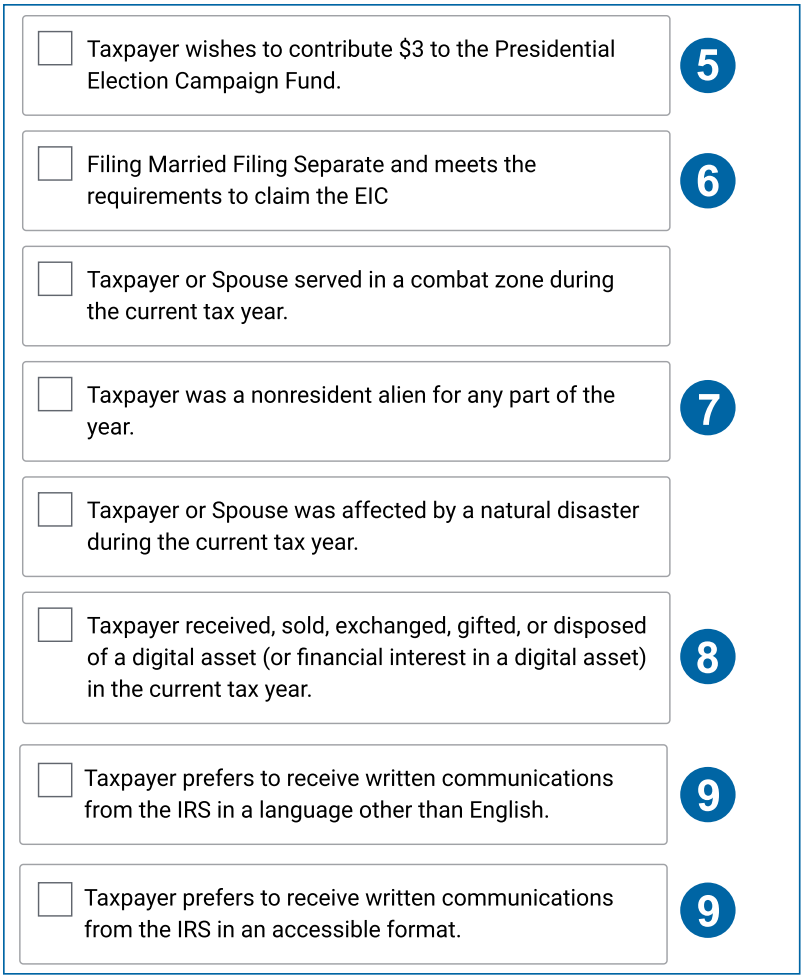
If a taxpayer is deceased, make the surviving spouse the primary taxpayer so their information will carryover in the next year.





1. If you incorrectly entered the SSN when you started the return, you can correct it here.
2. Check the box if another taxpayer can claim this person as a dependent.
3. Check the box if the taxpayer is over age 18 and is a full-time student during some part of each of any 5 calendar months of the year. This will automatically prevent the creation of Form 8880, Credit for Qualified Retirement Savings Contributions.
4. 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.

Entering Personal Information (continued)



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

5. 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.
6. This option will only appear if MFS filing status is selected. See Tab I, Summary of EIC Eligibility Requirements.
7. 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 non-resident alien as a resident alien. See footnotes in Tab L, Resident or Nonresident Alien Decision Tree/Chart.
8. 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 digital assets (virtual currency) during the tax year were purchases of virtual currency with real currency.
9. Taxpayers may choose to receive written communications from IRS in a language other than English or in an accessible format. Check the box and select the language or format from the drop down menu.

This screen contains a checkbox labeled Taxpayer is treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year. Check this box if the taxpayer was a U.S. citizen or resident at the end of the tax year who was married to a nonresident alien spouse, and they have elected to treat the spouse as a U.S. resident for the entire tax year. Volunteers may not advise on making this election. Choosing to make this election and preparing a required statement as described in Publication 519 is the responsibility of the taxpayer and spouse. For more details, see Tab L, Resident/NR Alien. Dual-status aliens are Out of Scope.

Identity Protection PINs are entered in the Miscellaneous Forms Menu or in the Basic Information section.

Spouse Information

Spouse first name *

SPOUSE

MI

Last name *

EXAMPLE

10

Suffix (Jr, Sr, etc.)

SSN *

XX - XXX - XXXX

11

Date of Birth

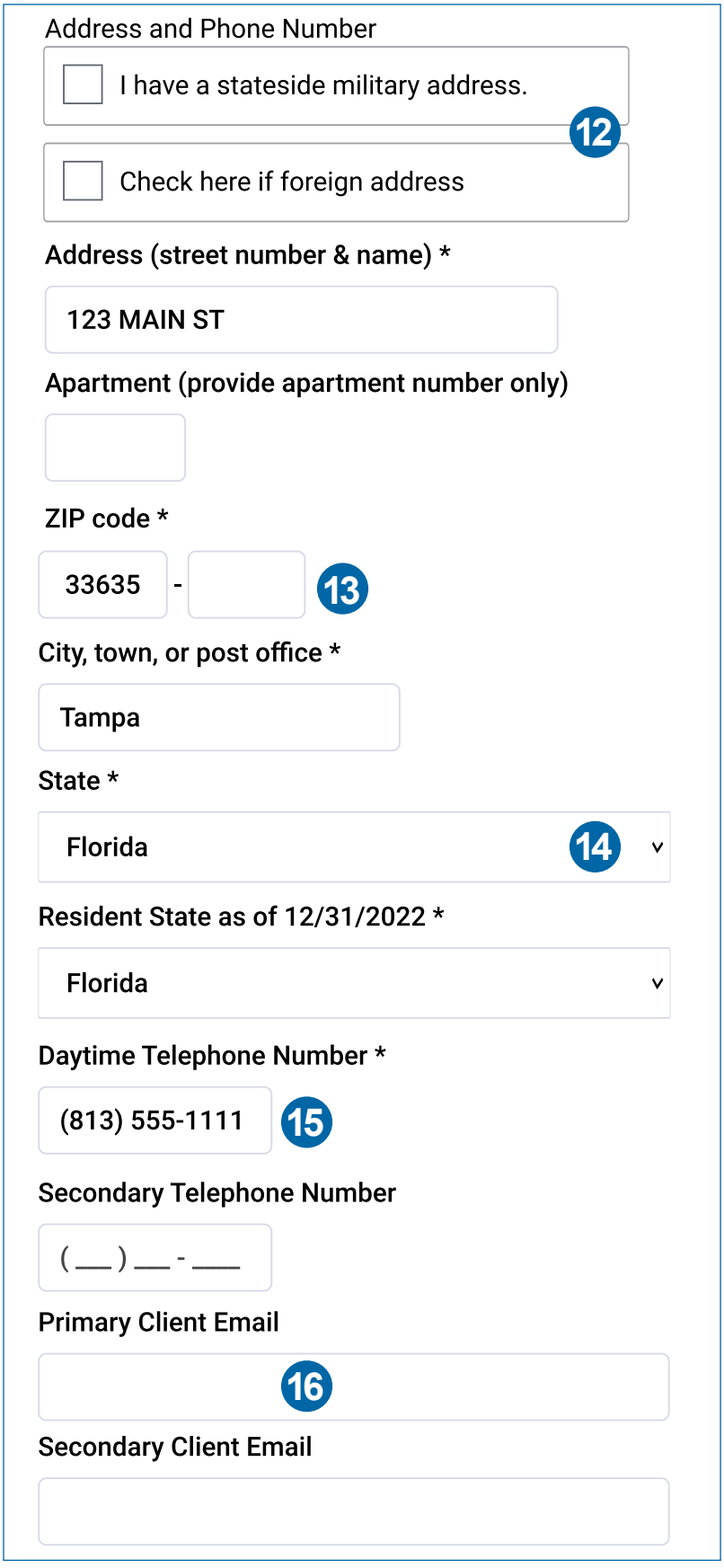
6 21 1979

- ☐ Spouse can be claimed as a dependent on someone else's return.
- ☐ Spouse was a nonresident alien for any part of the year.
- ☐ Spouse received, sold, exchanged, gifted, or disposed of a digital asset (or financial interest in a digital asset) in the current tax year.
- ☐ Spouse prefers to receive written communications from the IRS in a language other than English.
- ☐ Spouse prefers to receive written communications from the IRS in an accessible format.

10. Verify the spouse's last name with their Social Security card. If different from the taxpayer's, correct the auto-filled entry.

11. 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 actual SSN, the return must be marked for paper filing. It will be rejected if filed electronically.

Entering Personal Information (continued)



12. Check the military or foreign address boxes if they apply.

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

14. See Note on following page for residency status.

15. 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.

16. Enter the email address for an option to send the taxpayer a link to the Customer Portal. See Tab K.

Entering Personal Information (continued)

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 line (FPL) figure. See Tab H. That FPL will be used to make ACA calculations. If there isn't a state return to complete, select* ***None*** *from the list.*

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

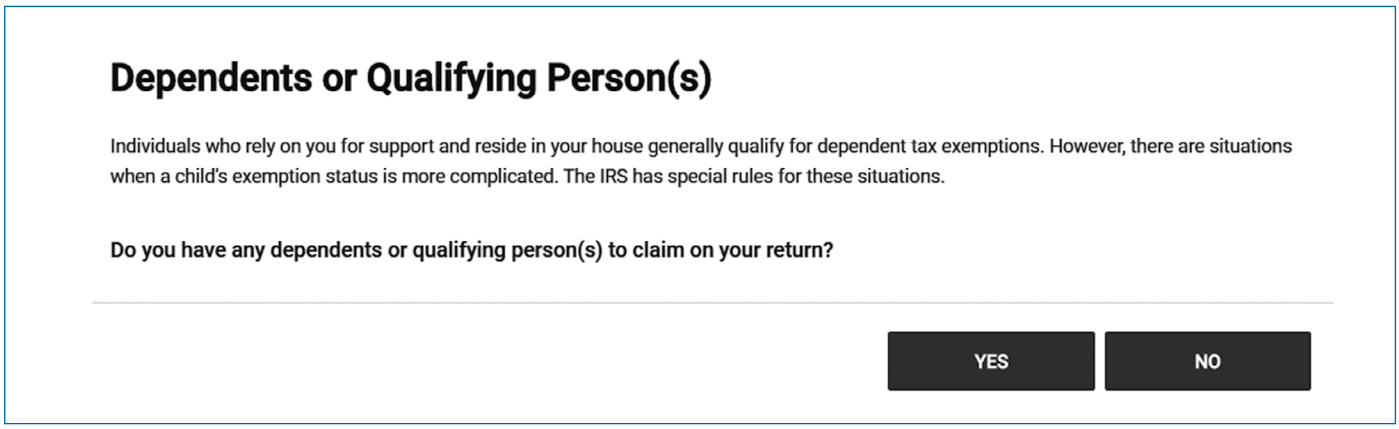
Basic Information>Dependents/Qualifying Person

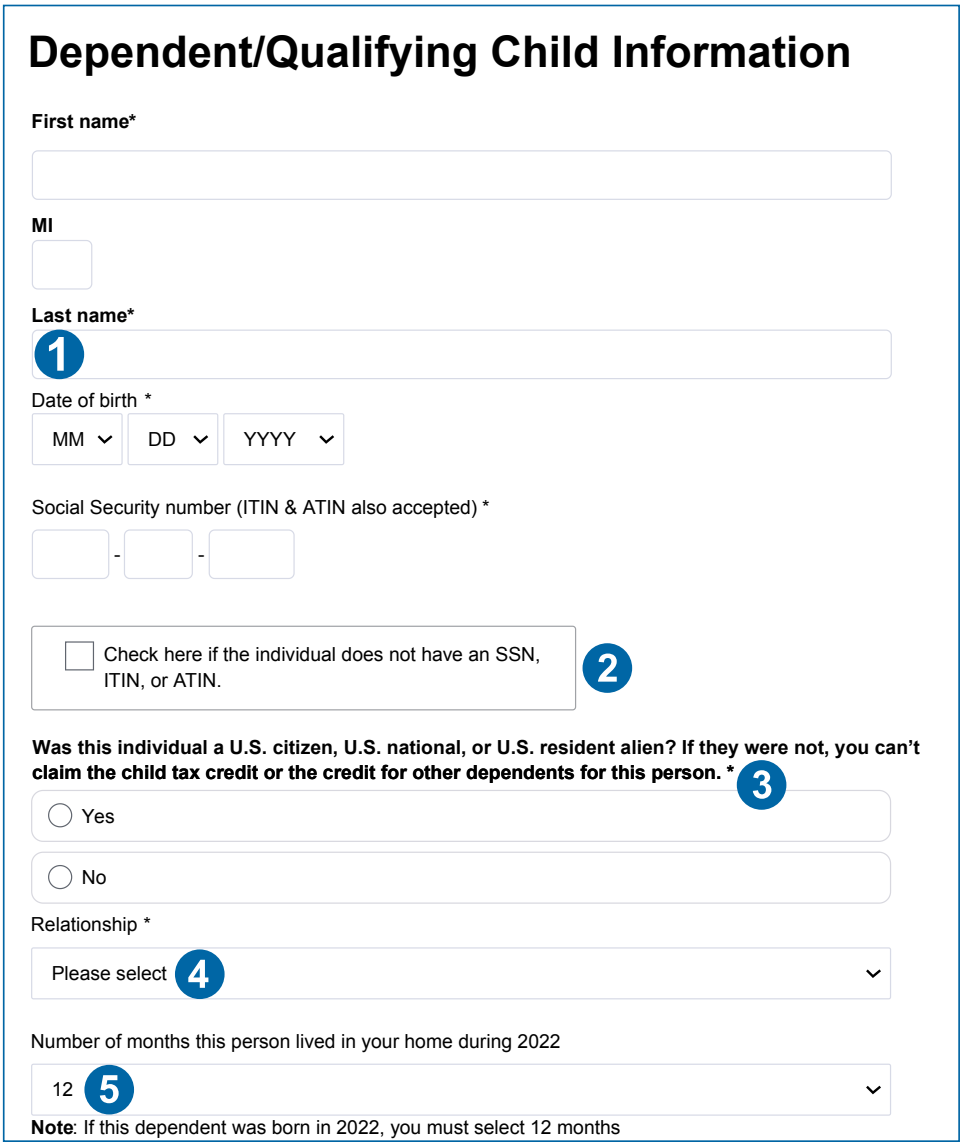
To determine if a person qualifies as the taxpayer's dependent or qualifying person, see Tab C, Dependents. Enter non-dependents that qualify the taxpayer for the earned income credit or the qualifying surviving spouse or head of household filing statuses in this section.

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

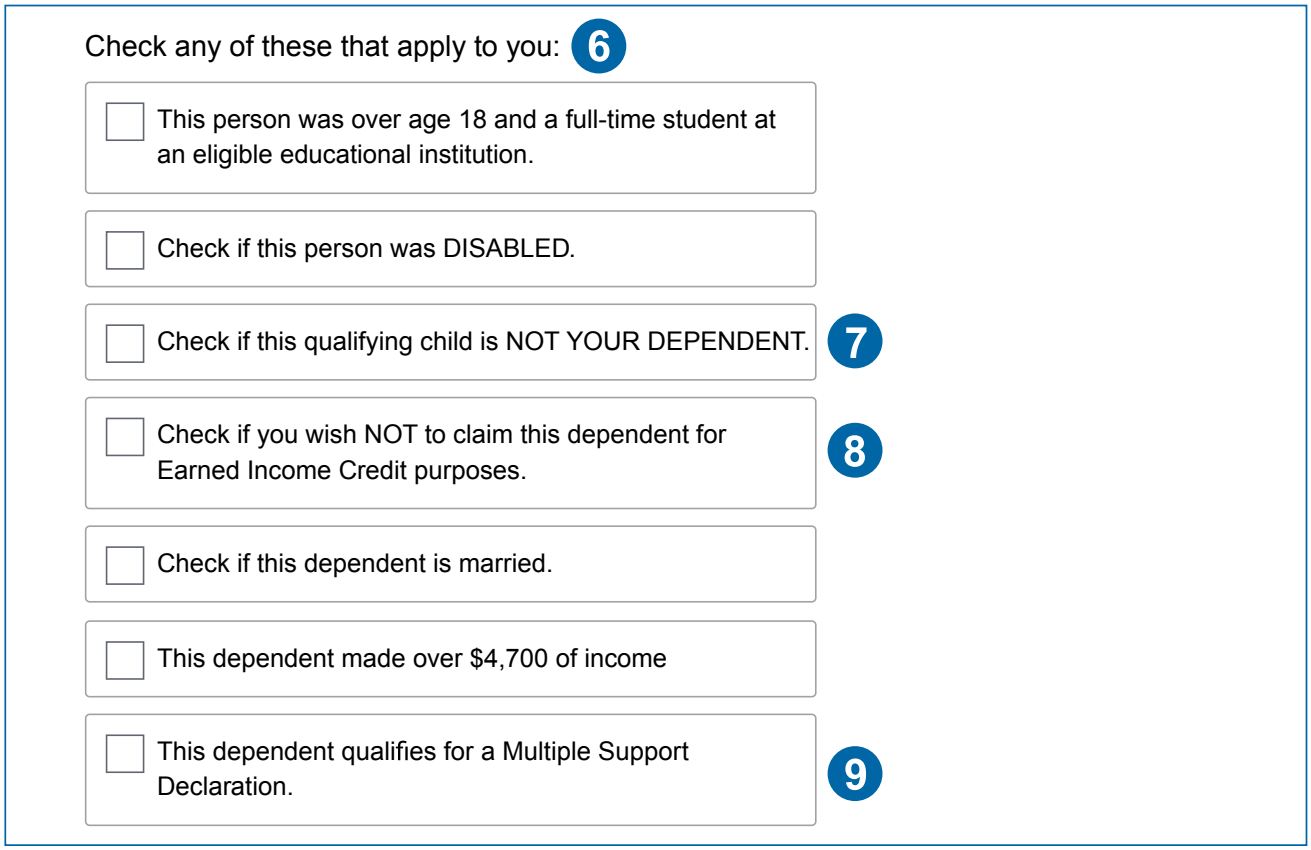
- *The correct date of birth is entered*
- *The dependent's name is spelled correctly*
- *The correct Social Security number is entered*

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





1. The taxpayer's name carries forward to the dependent. Make changes as needed based on the dependent's Social Security card.
2. Select **Check box if the dependent does not have an SSN/ITIN/ATIN**, 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 that the child does not have a TIN (such as the death of the child, which requires attaching a death certificate if e-filing).
3. When a dependent's information is carried forward, be sure to indicate whether the taxpayer is a U.S. citizen, U.S. national, or U.S. resident alien.
4. 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.
5. Use the drop down list to enter the number of months or select Lived in Mexico or Lived in Canada. Enter 12 months if the dependent was born or died during the year or was temporarily absent (school, vacation, etc.). If you are the noncustodial parent claiming your child as a dependent, select **Divorce/ Separation** for the number of months. For a qualifying relative who did not live with the taxpayer more than 6 months, select **Other reasons** for the number of months.



6. Carefully read the selections under the "Check any of these that apply to you:" list. Check all that apply.
7. Select the **Check if this qualifying child is NOT YOUR DEPENDENT** box if:
   a. the child provides more than half of his or her own support but qualifies the taxpayer for EIC, or
   b. the noncustodial parent is claiming the dependent, but the child qualifies the taxpayer as head of household or for dependent care credit or EIC, or
   c. the child is not a dependent but qualifies the taxpayer as head of household or as a qualifying surviving spouse.
8. If the dependent is not your qualifying child for EIC, select **Check if you wish to NOT claim this dependent for Earned Income Credit purposes**.
9. 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).

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, unless that taxpayer files a return only to claim a refund of income tax withheld or estimated tax paid.*
- *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 child, stepchild, foster child, sibling, half sibling, stepsibling, 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. 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. 3. The child must have lived with you for more than half of the year.[2] 4. The child must not have provided more than half of his or her own support for the year.[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.	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 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 person's gross income for the year must be less than $5,050.[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. You must provide more than half of the person's total support for the year.[4, 5]

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 • Child Tax Credit • Head of Household • Earned Income Credit • Credit for Child and Dependent Care Expenses • 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. **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 (or credit for other dependents) 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, Entering Dependent/Qualifying Person), 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.

Step	Probe/Ask the taxpayer:	Action
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

Table 1: All Dependents (continued)

Step	Probe/Ask the taxpayer:	Action
2	Was the person married as of December 31 of the tax year?	If **YES**: Go to Step 3 If **NO**: Go to Step 4
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
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.
5	Was the person your child, stepchild, eligible foster child, sibling, half sibling, stepsibling, 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
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
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 and lived with you for more than half the part of the year they were alive. A child lawfully placed with you for legal adoption or as an eligible foster child is considered to have lived with you for more than half the year if your main home was this person's main home for more than half the time since the child was adopted or placed with you in 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
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
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)

Step	Probe/Ask the taxpayer:	Action
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 withheld income tax or estimated tax paid.	If **YES**, the person isn't a qualifying relative. (See Table 1: All Dependents) If **NO**, go to Step 2.
2	Was the person your child, stepchild, foster child, or a descendant of any of them (i.e., your grandchild)? **OR** Was the person your sibling, half sibling, or a child of any of them? **OR** Was the person your parent, or an ancestor or sibling of either of them? **OR** Was the person your stepsibling, stepparent, 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 drop-down menu.
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. **Exceptions:** There are exceptions for kidnapped children; a person 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.
4	Did the person have gross income of less than the $5,050 threshold amount in 2024?[3]	If **NO**, you can't claim this person as a dependent. If **YES**, go to Step 5.
5	Did you provide more than half the person's total support for the year?[4] See Worksheet for Determining Support, later in this tab, 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.
6	Did another person provide more than half the person's total support?[4]	If **YES**, you can't claim this person as a dependent. If **NO**, go to Step 7.
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.
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.
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. See Tab B and navigation below. If **NO**, you can't claim this person as a qualifying child dependent.

To include Form 2120 with the return: Basic Information>Dependents/Qualifying Person>[Enter/edit dependent]>This dependent qualifies for a Multiple Support Declaration

Table 2: Qualifying Relative Dependents (continued)

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).

[4]**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.
If the taxpayer remarries, the support provided by the new spouse is treated as provided by the taxpayer.

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

Step	Probe/Ask the taxpayer:	Action
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.
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.
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.
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*: • The noncustodial parent can claim the child as a dependent without regard to any condition, such as payment of support. • The other parent won't claim the child as a dependent for the year. • 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. Alternatively, scan Form 8332 and upload to the return as a Scanned Document. See Tab K.

[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.

Dependency Worksheet for Determining Support

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[1] ..... **16.** _____

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

18. Enter the total of the person's other expenses[2] ..... **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.

Dependency Worksheet for Determining Support (continued)

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 the following sections in Publication 501: Multiple Support Agreement, Support Test for Children of Divorced or Separated Parents (or Parents Who Live Apart), or Kidnapped child under Qualifying Relative.

Footnotes

[1]Include medical and dental insurance premiums.

[2]Include childcare expenses.

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

***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.*

***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.*

***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.*

***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.*

***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. 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
- Grants to businesses, even disaster related, unless exempted by law
- 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 (including SSDI) – portion may be taxable – (See Tab D, Income, Form SSA-1099/RRB-1099 Tier 1 Distributions)
- Supplemental unemployment benefits
- Taxable scholarships and grants
- Tips and gratuities
- Tribal per capita payments
- Unemployment compensation

Footnotes

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

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

Nontaxable Income

Table B – Examples of Nontaxable Income (Examples of income items to exclude when determining whether a return must be filed)	
• 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 • Federal Employees' Compensation Act payments • Federal income tax refunds • Gifts • Grants to individuals if due to a qualified disaster (otherwise taxable unless exempted by law) • 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 in lieu of worker's compensation • Qualified Disaster Relief Payments (See Pub 525) • Qualified Medicaid waiver payments • Relocation payments • Rebate/Patronage Dividends issued by co-ops for personal use are not taxable • Reimbursements by employers or volunteer organizations for ordinary and necessary actual expenses • 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, Form SSA-1099/RRB-1099 Tier 1 Distributions) • 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

[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. Reportable rental income is in scope for 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.

Armed Forces Gross Income (continued)

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
- Cadet/midshipman pay
- Drills (Inactive Duty Training)
- Reserve training
- Training Duty

Bonus pay
- Career status
- Continuation pay
- Enlistment
- Officer
- Overseas extension
- Reenlistment

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
- 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 the year's service (requirement) isn't attributable to a combat zone, to the extent that qualified higher education expenses exceed $5,250 annually
- Certain payments made by an employer after March 27, 2020, and before January 1, 2026, of principal or interest on certain qualified educational loans.

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.

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

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

Family allowances
- Certain educational expenses for dependents
- Emergencies
- Evacuation to a place of safety
- Separation

Moving allowances
- Dislocation (limited to actual moving expenses)
- Military base realignment and closure benefit (Limits apply. See 42 U.S.C. 3374(c))
- Move-in housing
- Move household and personal items
- Moving trailers or mobile homes
- Storage
- Temporary lodging and temporary lodging expenses

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
- Travel benefits under Operation Hero Miles

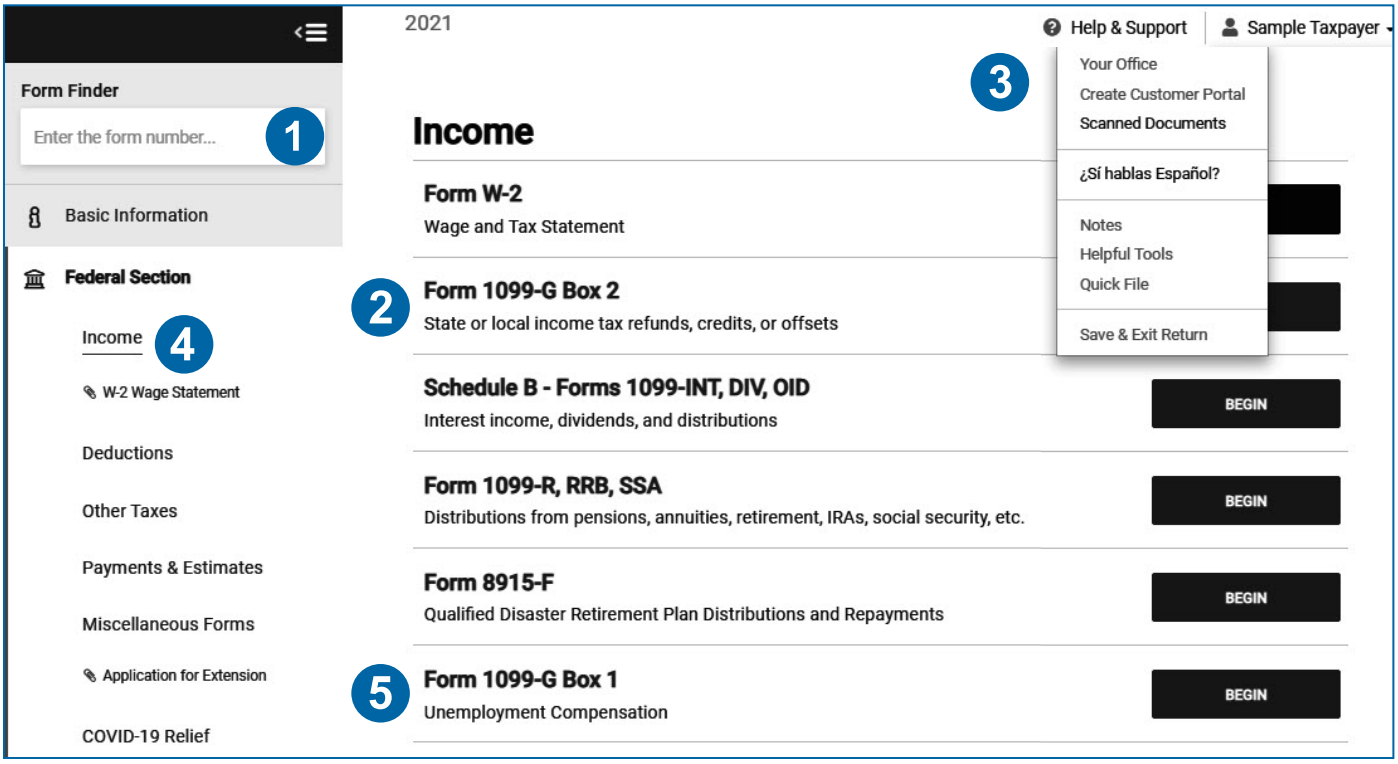
Living allowances
- BAH (Basic Allowance for Housing)
- BAS (Basic Allowance for Subsistence)
- Housing and cost-of-living allowances abroad paid by the U.S. Government or by a foreign government
- OHA (Overseas Housing Allowance)

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

How/Where to Enter Income

Federal Section>Income

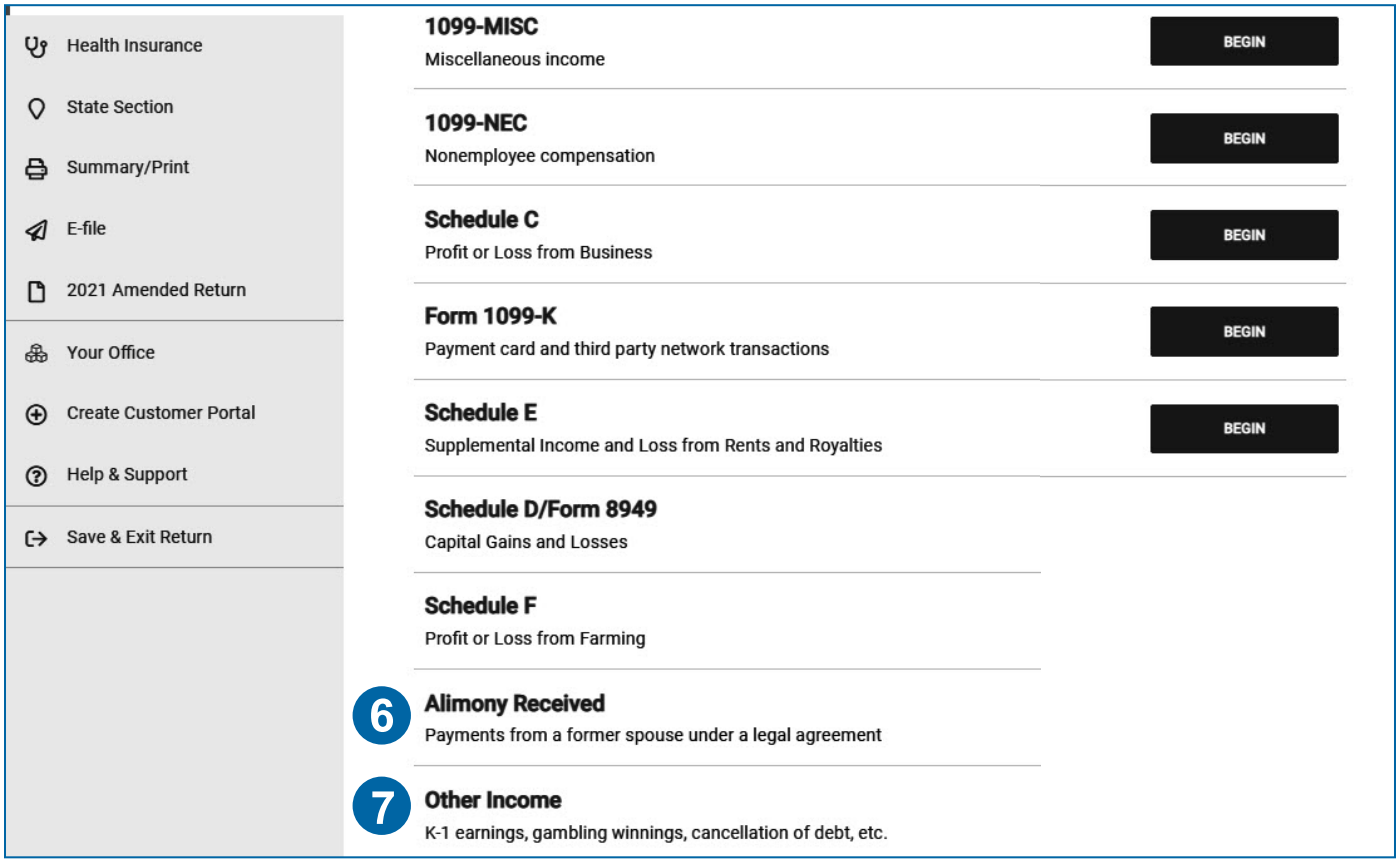


1. To go directly to a specific form, use the box to enter the form number or name. See Tab O, Using TaxSlayer® Pro Online, for entries.
2. If the taxpayer received a state refund in 2024 and itemized deductions for 2023 that included a deduction for state income tax, select the State and Local Refunds option and complete the State Refund worksheet.
3. Select **Quick File** from this pull-down menu next to the taxpayer's name to create a list of entry screens for this return.
4. You can go directly to the Income section from the quick link.
5. To enter unemployment compensation (Box 1) or taxable grants (Box 6) from Form 1099-G, go to:

   Income>Form 1099-G Box 1.

   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****.*

How/Where to Enter Income (continued)

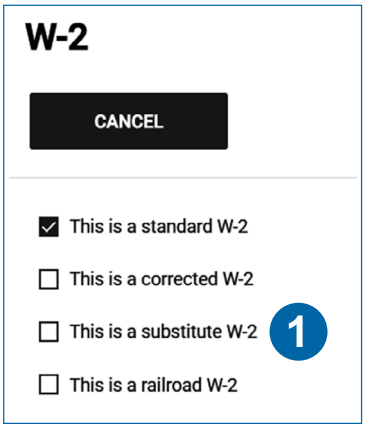


6. Alimony received pursuant to a divorce or separation instrument executed on or before December 31, 2018 is included as income on the return. For divorces after December 31, 2018, alimony is not included as income on the return. The alimony is also not included in income if the instrument is modified 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.
7. To enter Taxable Scholarship, Prisoner Earned Income, or Foreign Compensation – select **Other Income** then choose **Other Compensation**.

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.

Forms W-2 and W-2c Instructions

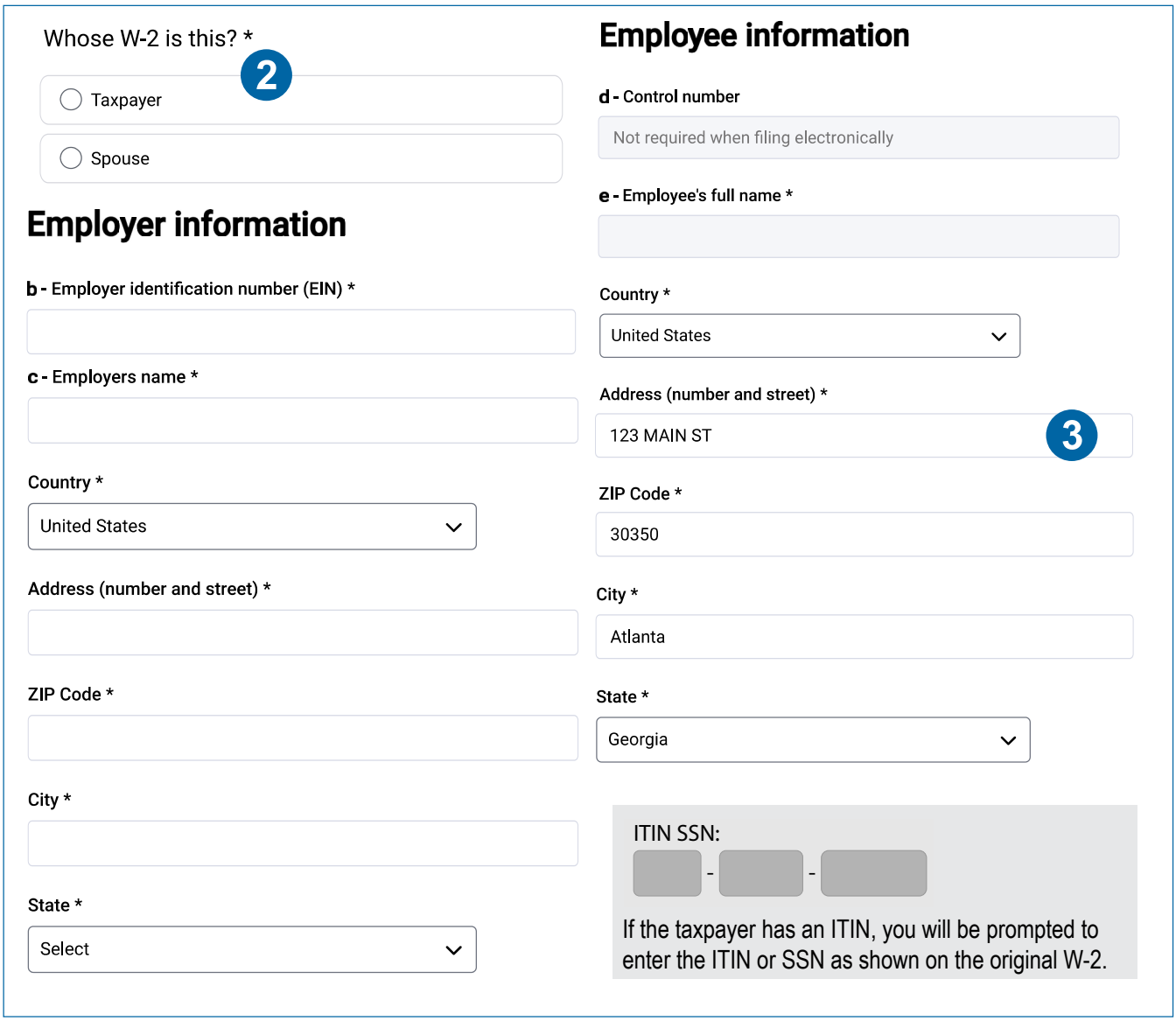
Income>Form W-2>Add a W-2 Wage Statement; or Keyword: W

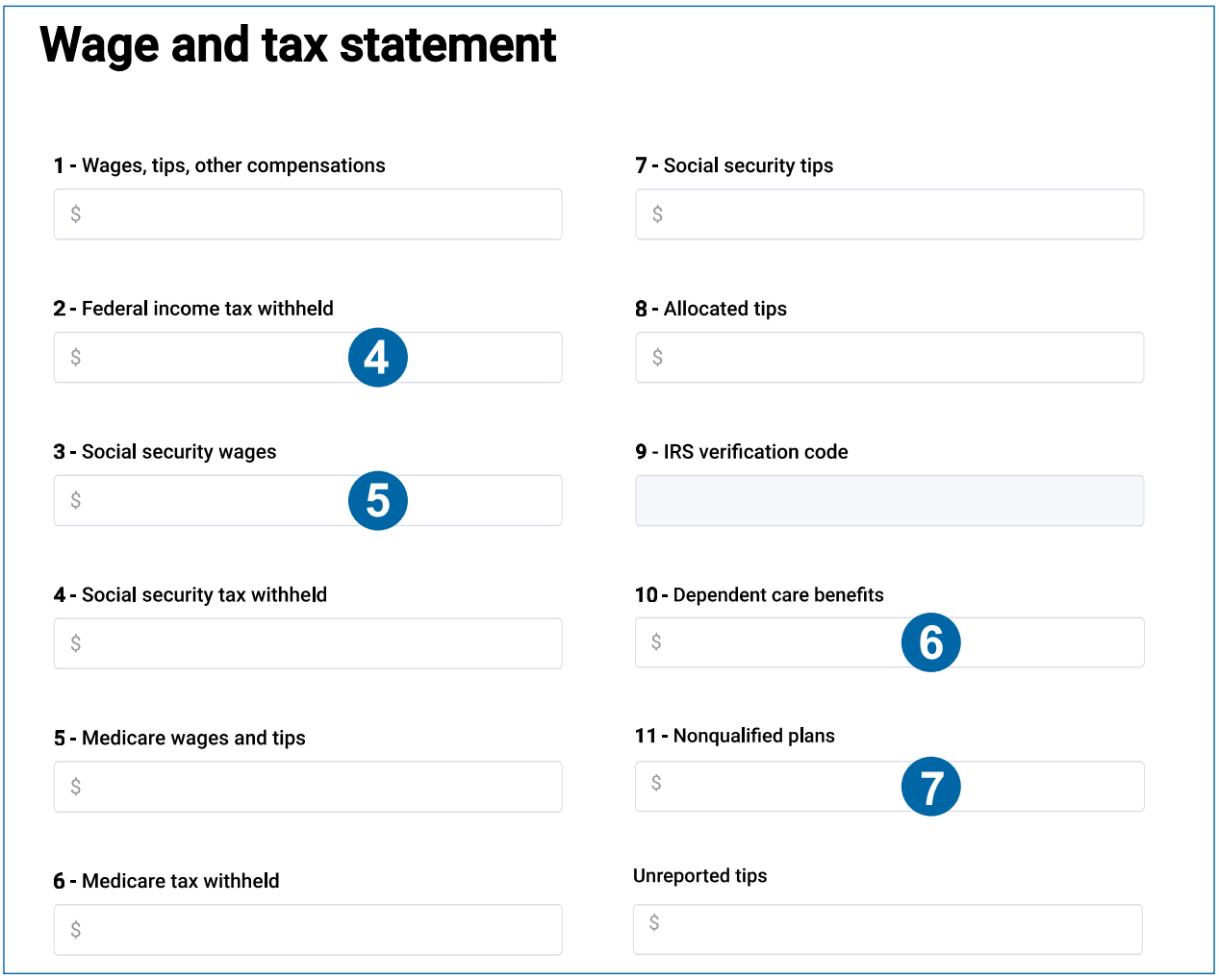


If the taxpayer has not received a W-2 from all employers by the end of January, they should contact their employer for the missing copy.

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.

1. For a Form W-2c, check the box for This is a corrected W-2 and enter the original W-2 data except where corrections are provided on the W-2c. 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 employer EIN, total income and withholding from their year-end pay stub. See Publication 5396-A. The return can be e-filed if Form 4852 includes the EIN, otherwise it must be a paper return.
2. Indicate if W-2 is for Taxpayer or Spouse. The software will not allow you to proceed until this is completed.

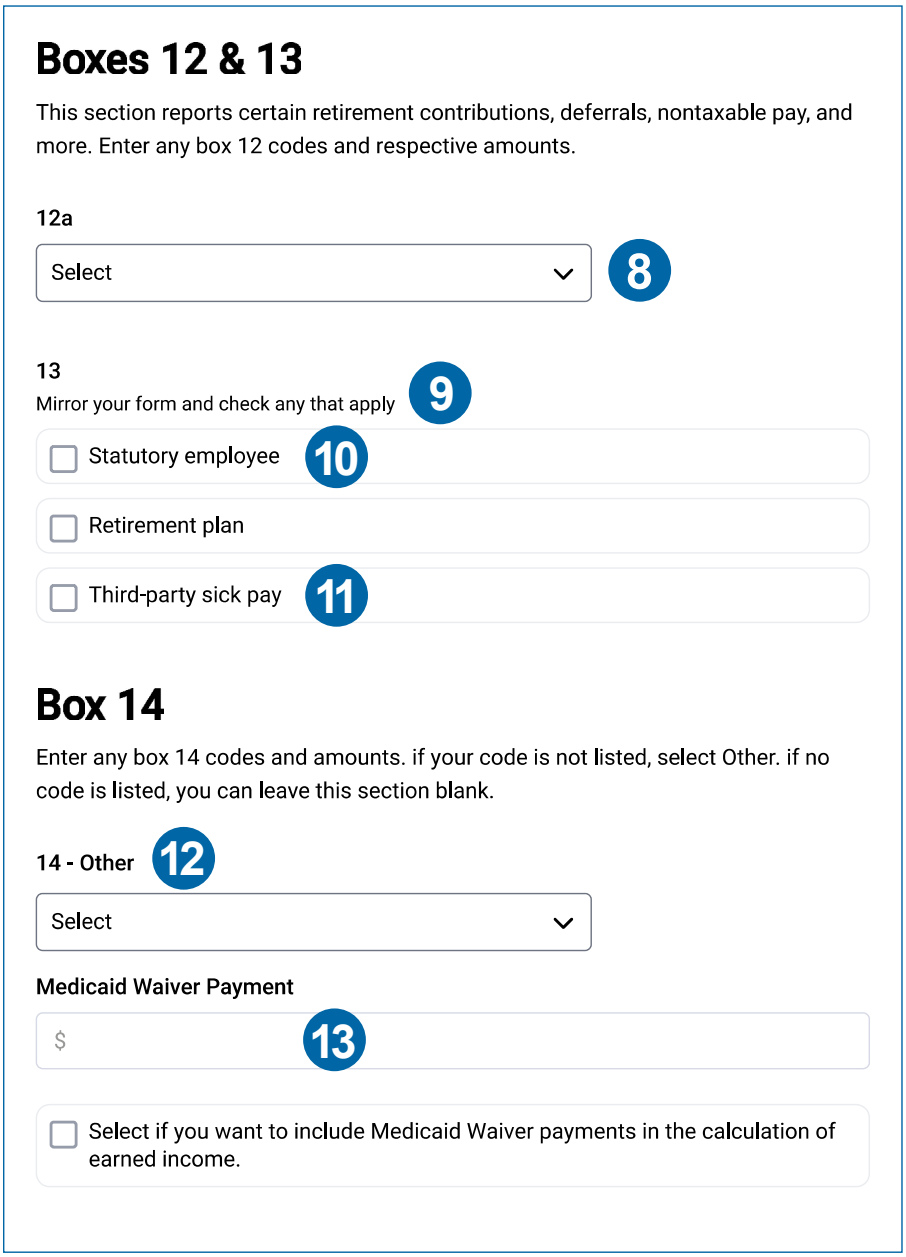




3. *(previous page)* Compare the taxpayer's address to Form W-2 address. If the address on the W-2 is different, correct the W-2 address here to match the original Form W-2. This won't change the tax return address.
4. Review Box 2 and Box 17 to ensure tax withheld was entered and is correct.
5. The 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.
6. If there is an entry in Box 10, Form 2441, Child and Dependent Care Expenses, must be completed (the amount will be included in AGI until this is done).
7. 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.

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.

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.



8. 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, input another W-2 with the additional Box 12 codes and $1 in Box 1 (subtract $1 from the original W-2). If Box 12 has Code W, add Form 8889, Health Savings Account, to the return. See Tab E, Adjustments to Income.

9. 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.

10. 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.

11. Third party pay, Box 13, is taxable income and reported in Box 1. Also see Box 12, Code J on the next page.

12. 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. Employers use this box for any other information that they want to give to their employees. For mandatory contributions to state disability and paid family leave programs, see Schedule A – Taxes You Paid in Tab F, Deductions. If none of the drop-down options apply, select **Other** and enter the amount.

13. A taxpayer may choose to include qualified Medicaid waiver payments in the calculation of earned income for the EIC and the ACTC even when excluded from AGI. Test to see if checking the box to include these payments in earned income is advantageous for the taxpayer after completing all other parts of the return. For more information, see Entering Medicaid Waiver Payments, later in this section.

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

The Box 12 codes below are In Scope except as noted. For less common codes, see Form W-2.

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*

F Elective deferrals under a section 408(k)(6) salary reduction SEP*

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 (If Box 1 is blank, do not include on return unless there is withholding. If there is withholding, enter under Payments & Estimates, Other [Federal or State] Withholding)

P Excludable moving expense reimbursements paid directly to employee

Q Nontaxable combat pay (Military certification required)

R Employee Contributions to MSA, Out of Scope

S Employee salary reduction contributions under a section 408(p) SIMPLE plan*

T Adoption benefits (Out of Scope)

W Employer contributions (including amounts the employee contributes through a cafeteria plan) to employee's health savings account. Form 8889 must be added, see Tab E.

Z Income under a nonqualified deferred compensation plan that fails to satisfy section 409 (Out of Scope)

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*

FF Permitted benefits under a QSEHRA (Out of Scope if premium tax credits are involved, see Tab H)

II Medicaid waiver payments excluded from gross income under Notice 2014-7

*Indicates elective (voluntary) contributions which qualify for the Retirement Savings Contributions Credit. See Tab G, Nonrefundable Credits.

Entering Medicaid Waiver Payments



Income>W-2; or Keyword: W

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.

Software entries for Medicaid waiver payments.

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

Enter the Form W-2 in the software as provided. Test to see if checking the box to include Medicaid waiver payments in earned income is advantageous for the taxpayer after completing all other parts of the return. See the Form W-2 Instructions page earlier in this section.

This process will include the Medicaid waiver payment on Form 1040, Line 1a, and subtract it back out on Schedule 1, Line 8s so there will be no change to AGI. If the box is checked to include the payment in earned income, an EIC will be calculated if the taxpayer is otherwise eligible.

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

Enter medicaid waiver payments not reported W-2 box 1 in Income>Other Income>Other Compensation>Medicaid waiver payments (not reported on W-2). Taxpayer may need provide this amount from final paycheck stub of the year.

If you want to include Medicaid Waiver payments in the calculation of earned income, go to the W-2 and select the **Select if you want to include Medicaid Waiver payments in the calculation of earned income** check box. If this box is checked, an EIC will be calculated if the taxpayer is otherwise eligible.

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. This process will include the Medicaid waiver payment on Form 1040, Line 1d, and subtract it back out on Schedule 1, Line 8s so there will be no change to AGI. If the amount is included in earned income, an EIC will be calculated if the TP is otherwise eligible.



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. For more information, see ***www.irs.gov/medicaidwaiverpayments****.*



Refer to the previous page and the Form 1099-MISC page, later in this tab for screenshots of where to enter Medicaid Waiver payment and optionally include in earned income.

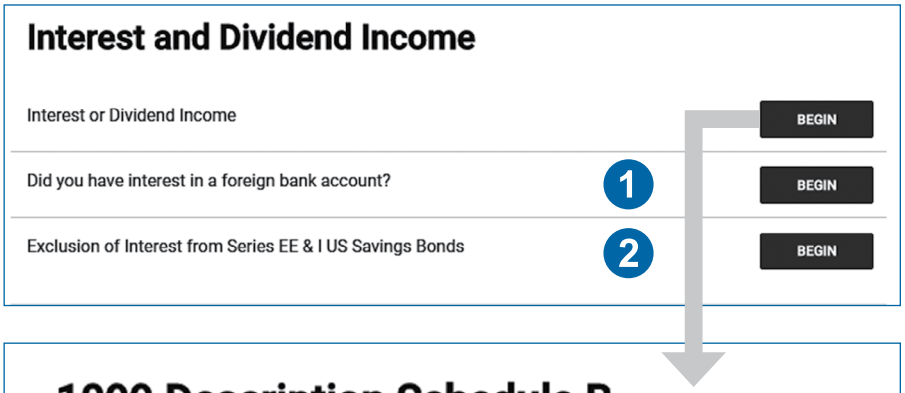
Interest Income

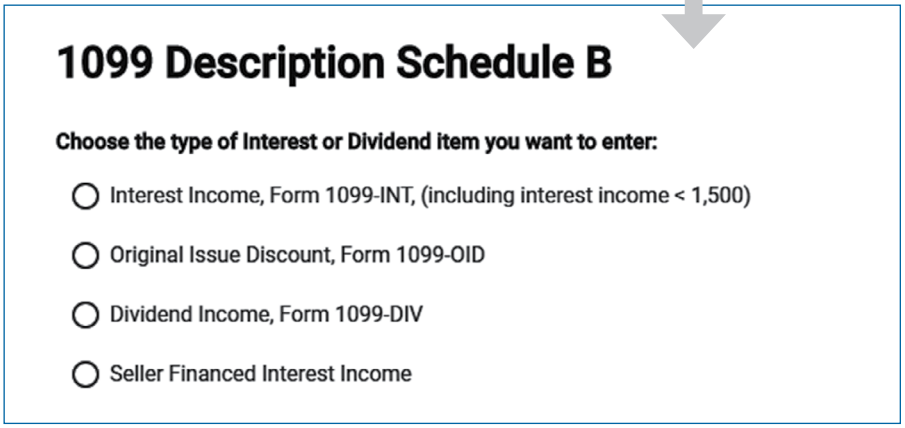
Income>Schedule B – Forms 1099-INT, DIV, OID>Interest or Dividend Income; or Keyword: INT

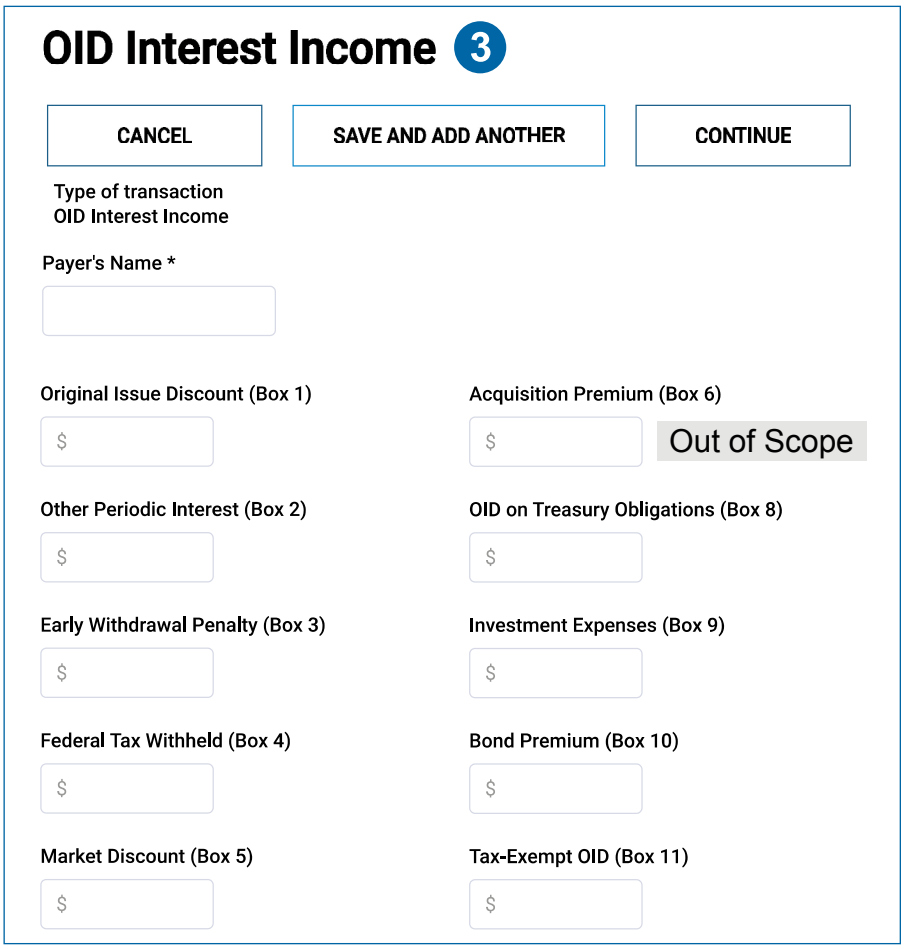
1. If the aggregate value of foreign financial accounts exceeds $10,000 at any time during the year, the FinCEN Report 114 is required to be filed electronically with Treasury, and the return is Out of Scope.
2. If U.S. Savings Bond interest is used to pay for higher education expenses, return is Out of Scope.
3. Form 1099-OID interest is treated like other interest.

Return is Out of Scope if:

- *there is a FATCA filing requirement (box is checked)*
- *alternative minimum tax (AMT) is generated on Form 6251 (seen on line 1 of Schedule 2), which may occur with a large amount of dividends or interest*
- *adjustment to Form 1099-OID is needed, no form was received, or there is an entry in Box 6*
- *net investment income tax (Form 8960) is generated.*



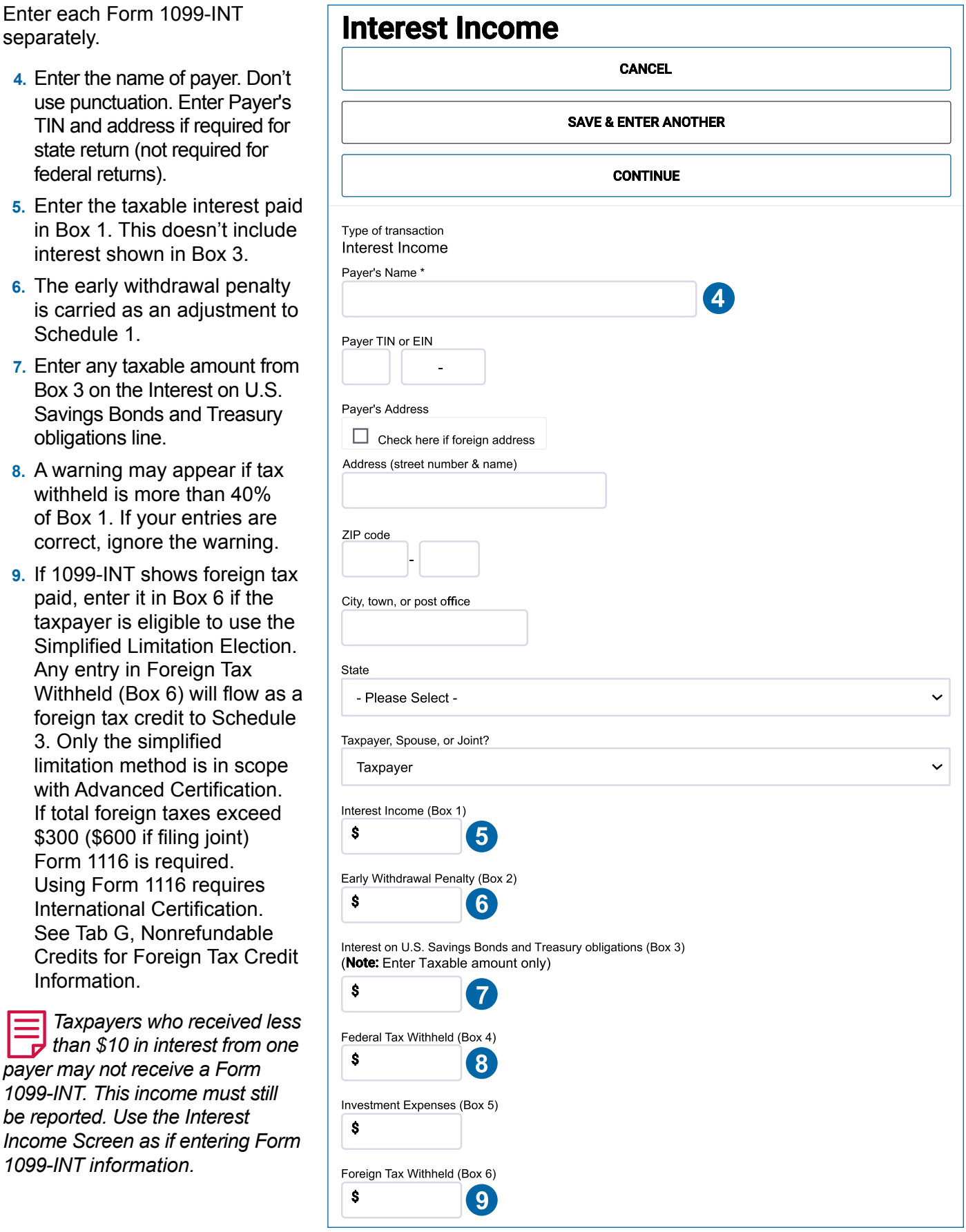




Enter each Form 1099-INT separately.

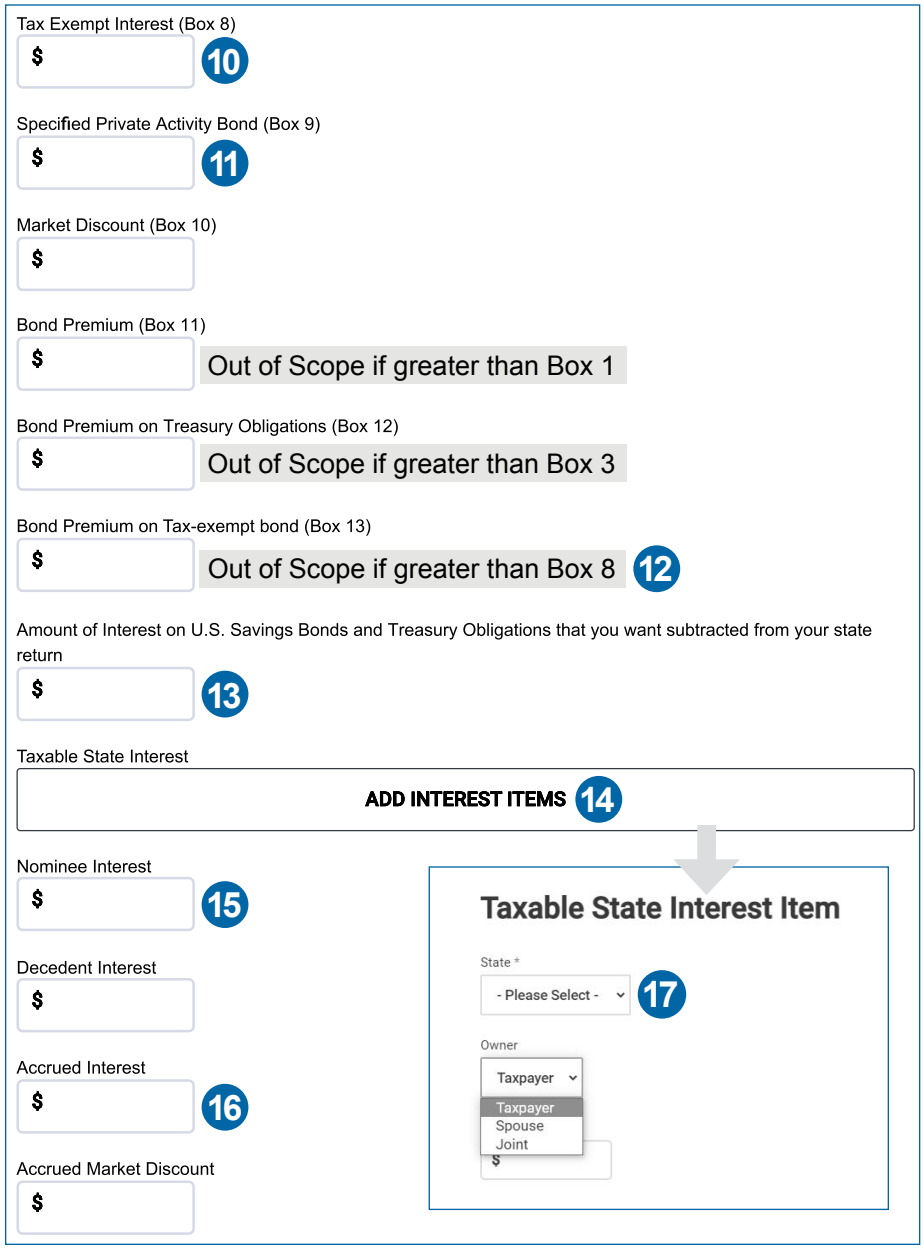
4. Enter the name of payer. Don't use punctuation. Enter Payer's TIN and address if required for state return (not required for federal returns).
5. Enter the taxable interest paid in Box 1. This doesn't include interest shown in Box 3.
6. The early withdrawal penalty is carried as an adjustment to Schedule 1.
7. Enter any taxable amount from Box 3 on the Interest on U.S. Savings Bonds and Treasury obligations line.
8. A warning may appear if tax withheld is more than 40% of Box 1. If your entries are correct, ignore the warning.
9. If 1099-INT shows foreign tax paid, enter it in Box 6 if the taxpayer is eligible to use the Simplified Limitation Election. Any entry in Foreign Tax Withheld (Box 6) will flow as a foreign tax credit to Schedule 3. Only the simplified limitation method is in scope with Advanced Certification. If total foreign taxes exceed $300 ($600 if filing joint) Form 1116 is required. Using Form 1116 requires International Certification. See Tab G, Nonrefundable Credits for Foreign Tax Credit Information.

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)

10. Enter the amount of tax-exempt interest from Box 8 of Form 1099-INT.
11. The entry for Specified Private Activity Bond will automatically carry to Form 6251, Alternative Minimum Tax. Return is Out of Scope if AMT is actually generated (as shown on Schedule 2).
12. If there is an amount in Box 13, subtract it from Box 8 and enter the result in Box 8. Do not enter Box 13.
13. IMPORTANT – Entries are transferred directly when a state return is added. If state tax law treats the interest differently, enter the amount of Box 3 interest that is exempt from state tax 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.
14. 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.
15. Nominee interest – Interest transferred to another person – Out of Scope.
16. Accrued interest – Interest paid to seller at time of purchase – Out of Scope.
17. Enter the state, owner, and amount and select **Continue To Next Step**.



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

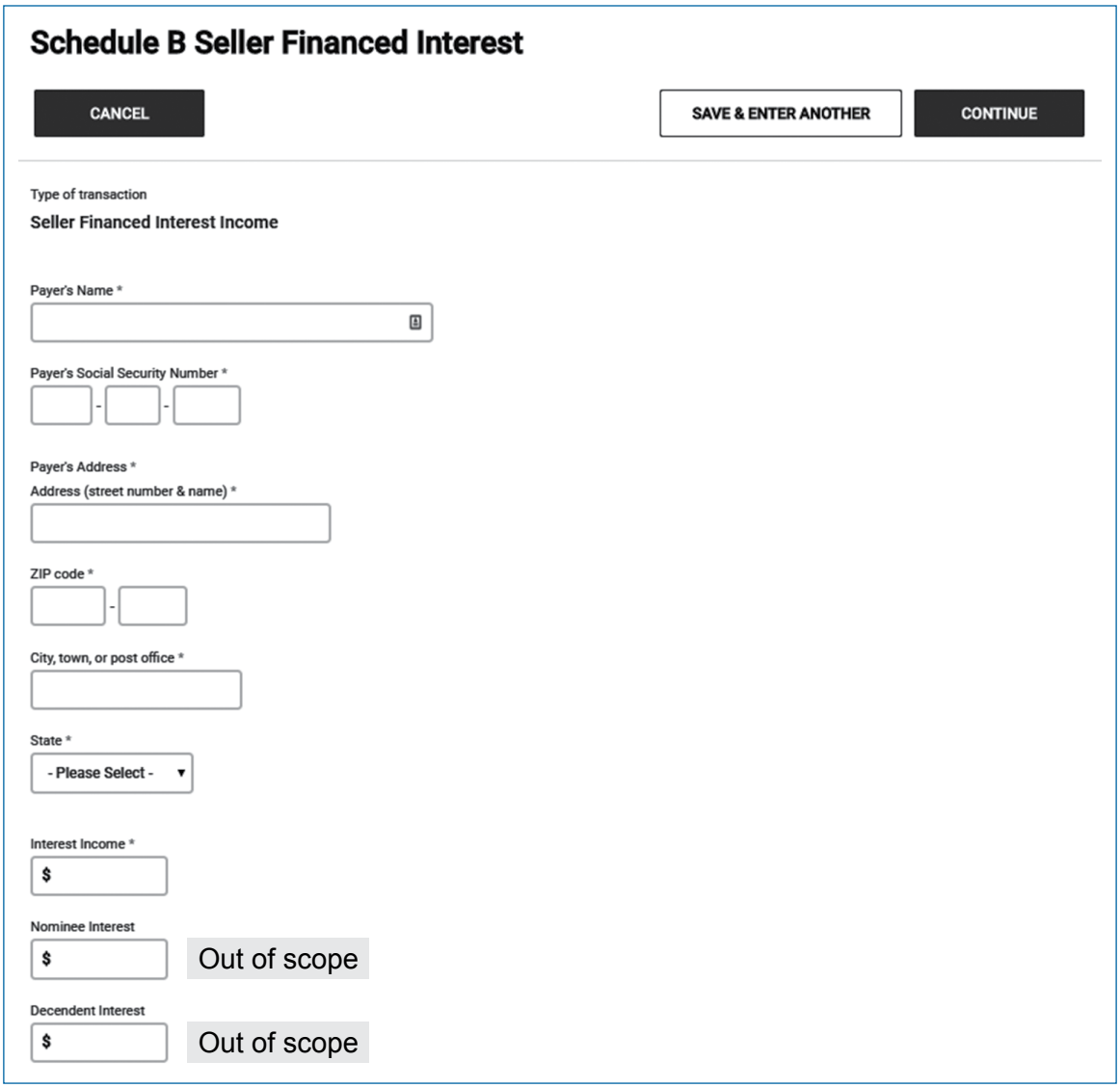
Interest on in-state municipal bonds is generally not taxable on the federal and state returns.

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

Seller Financed Mortgage Interest

Income>Schedule B - Forms 1099-INT, DIV, OID>Interest or Dividend Income>Seller Financed Interest Income; or Keyword: INT

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



Dividend Income (Form 1099-DIV)

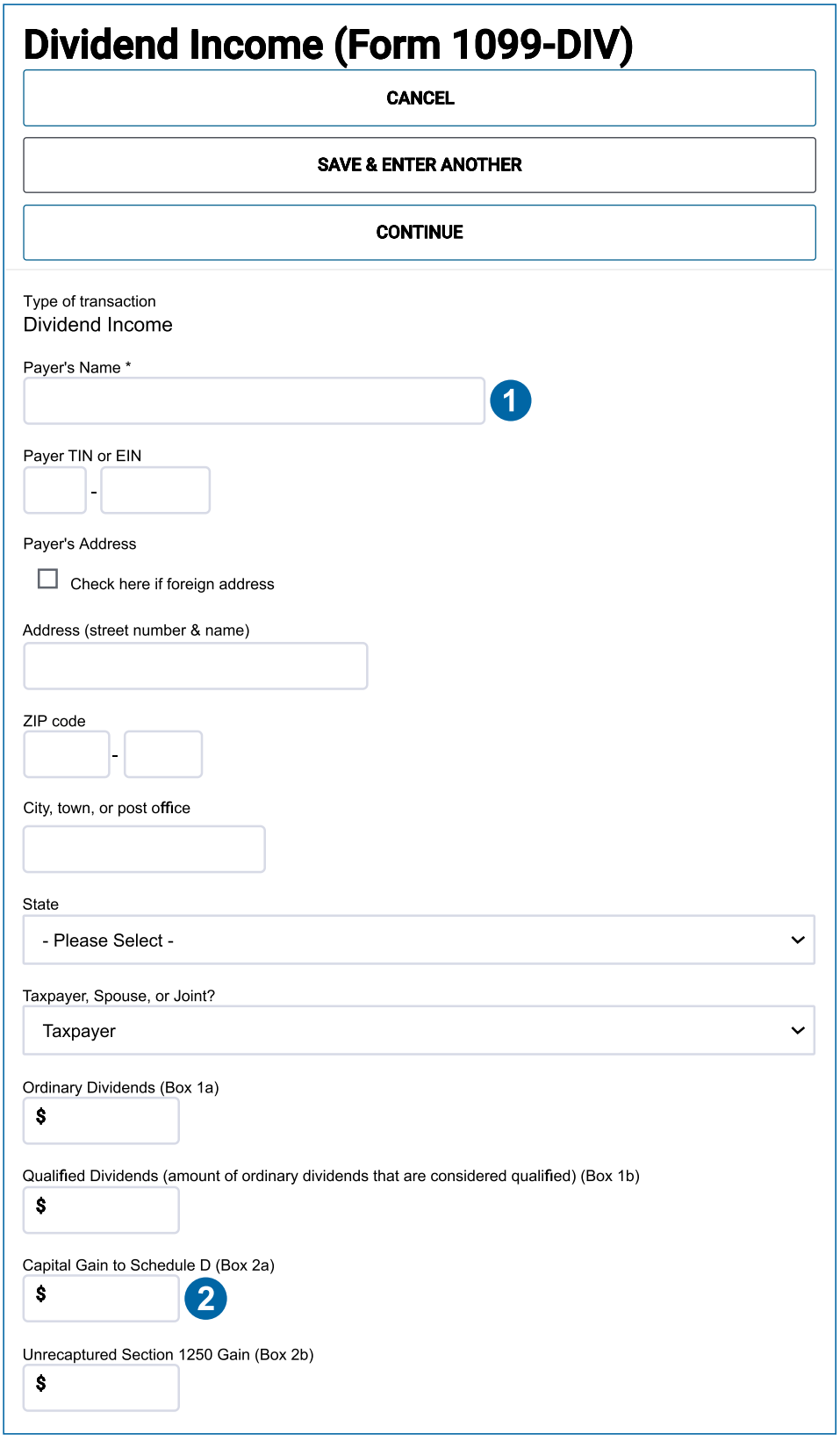
Income >Schedule B Forms 1099-DIV, INT, OID>Interest or Dividend Income ; or Keyword: DIV

1. Enter each Form 1099-DIV separately. Enter the Payer's Name. Do not enter Payer's TIN and address unless required for state return (not required for federal returns). Don't use punctuation.
2. 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.

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.

Return is Out of Scope if

- *there is a FATCA filing requirement (box is checked)*
- *alternative minimum tax (AMT) is generated on Form 6251 (seen on line 1 of Schedule 2), which may occur with a large amount of dividends or interest*
- *net investment income tax (Form 8960) is generated.*

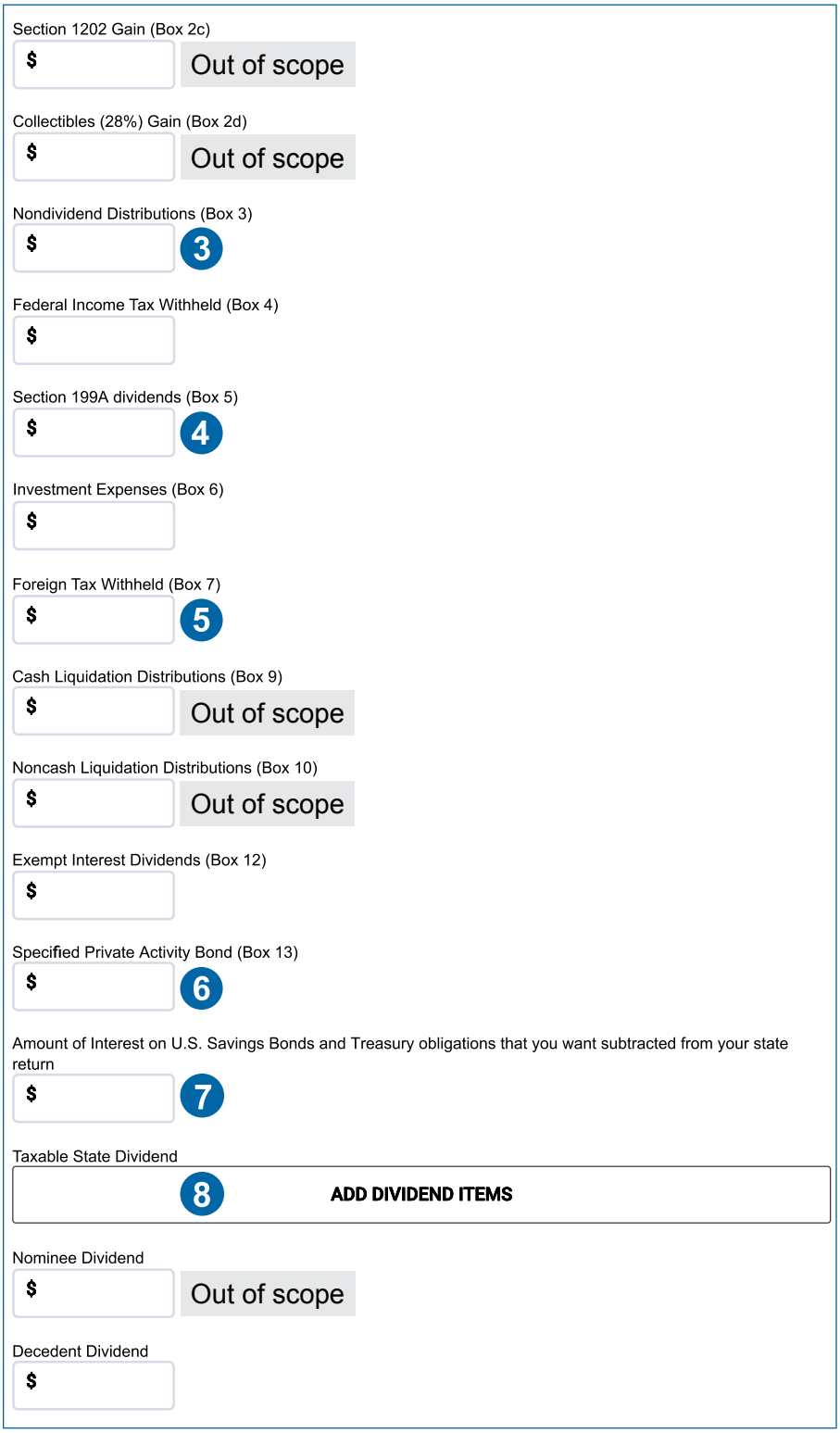


Dividend Income (Form 1099-DIV) (continued)

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.
4. Box 5 amount is carried to qualified business income deduction. No additional entry needed.
5. An entry in Foreign tax withheld (Box 7) will flow as a foreign tax credit to Schedule 3.

The simplified limitation election cannot be used if total foreign taxes exceed $300 ($600 if filing jointly). In that case Form 1116, Foreign Tax Credit, is required, which is in scope only with International certification. See Tab G, Nonrefundable Credits, for Foreign Tax Credit information.

6. Specified Private Activity Bond will automatically carry to Form 6251, Alternative Minimum Tax (AMT). Return is Out of Scope if AMT is actually generated (as shown on Line 1 of Schedule 2)
7. 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.
8. If any of the exempt interest dividends listed in Box 12 isn't exempt from state taxes, select the Add/Edit Dividend Items to add a Taxable State Dividend item. See state rules.



1099-DIV Boxes 2e (Sec. 897 ordinary dividends) and 2f (Sec. 897 capital gain) are Out of Scope if the recipient was a nonresident alien (In Scope and disregarded for all others).

State and Local Refund Worksheet

Income>Form 1099-G Box 2

The return is Out of Scope if Box 3 is other than the preceding tax year.

The taxpayer's state and local refund is wholly nontaxable if either 1 or 2 below apply. In this case the State and Local Refund Worksheet does not need to be completed.

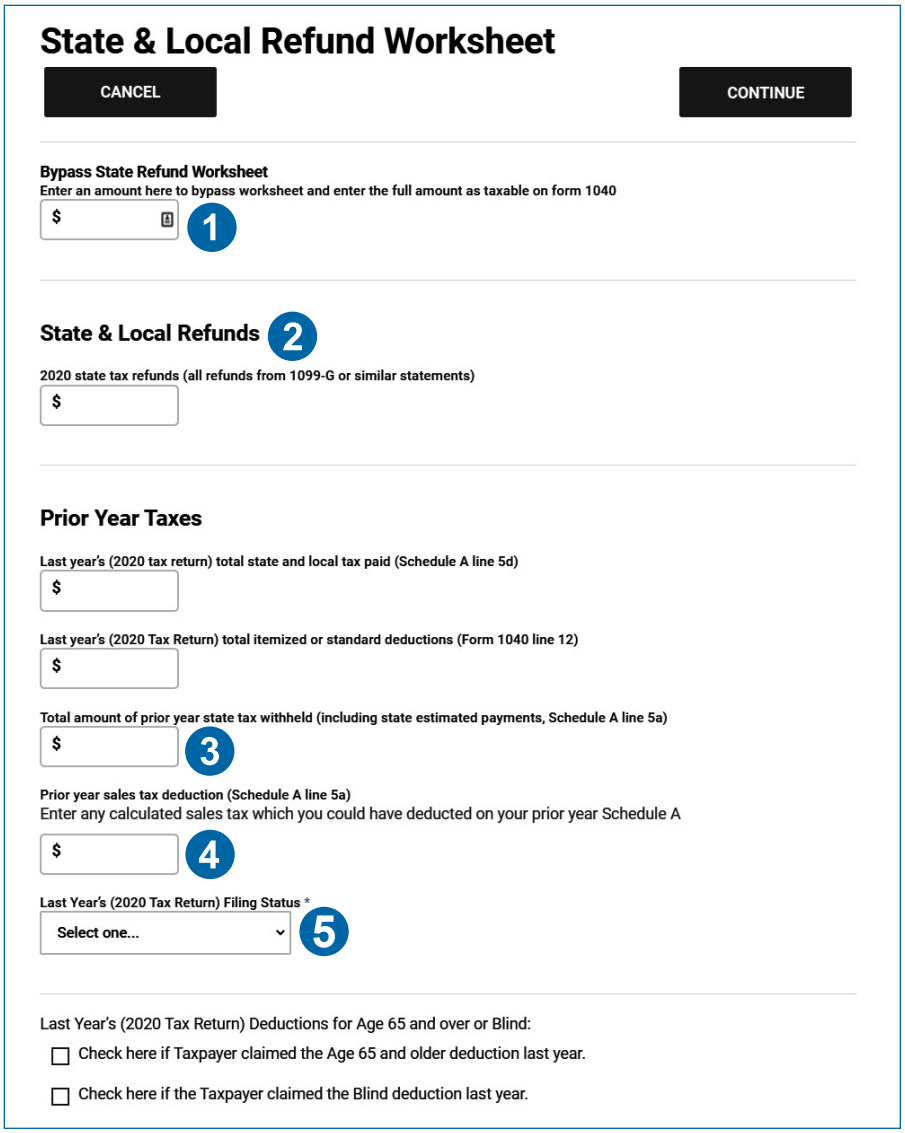
1. *The taxpayer didn't itemize deductions or they deducted state and local general sales taxes instead of state and local income taxes in the tax year indicated by Box 3, or*
2. *The total of all refunds for that tax year is less than the amount of state and local taxes not deducted due to the $10,000 limit.*

If neither 1 or 2 apply, then complete the worksheet to determine the portion of the refund that is taxable, if any.

*You may need to look up the sales tax that could have been deducted using the **IRS Sales Tax Deduction Calculator**.*

Amounts appearing in the unnumbered, blank box beside Box 9 are interest and are in scope.

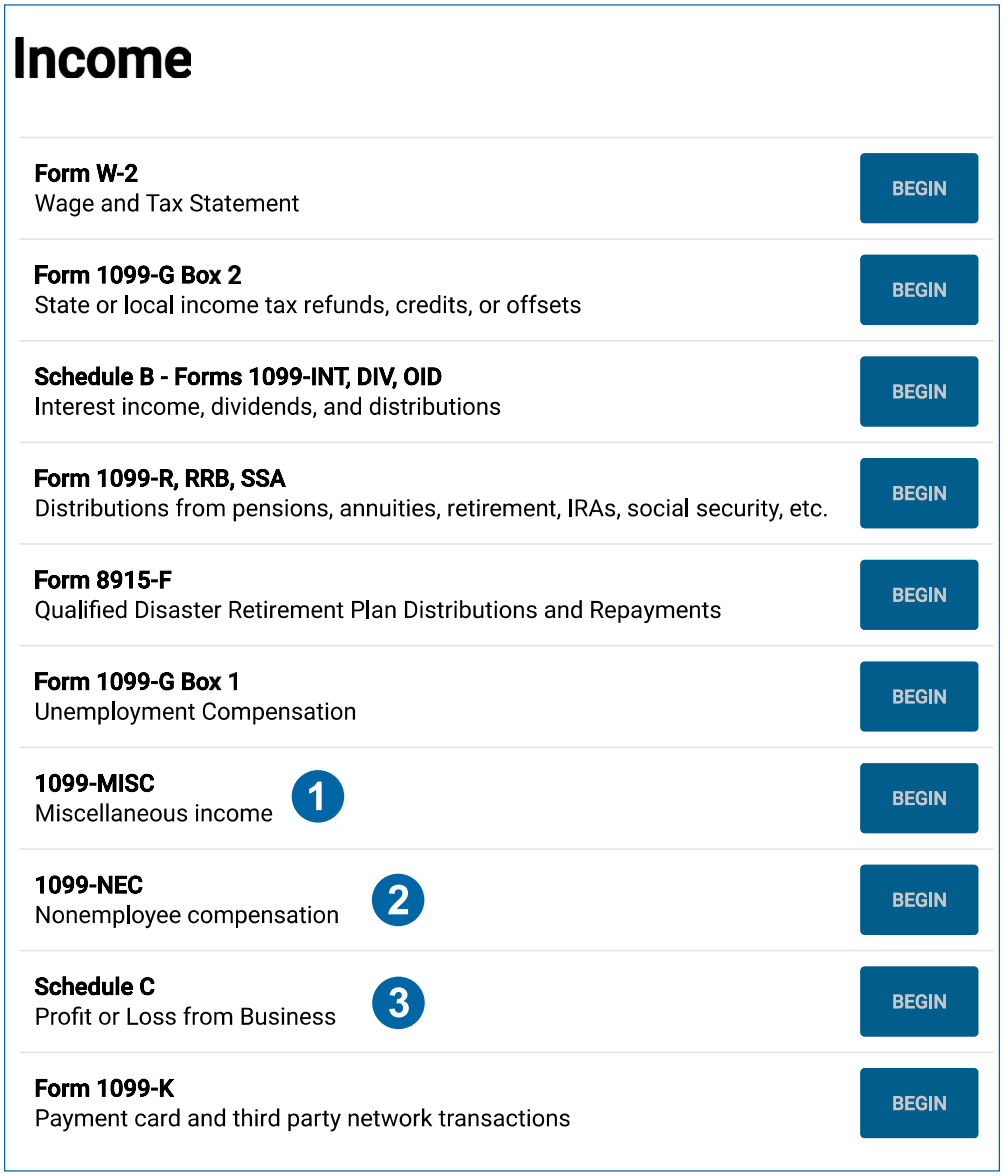
1. Any amount entered here will flow as taxable to Schedule 1, Line 1.
2. Use this worksheet to determine the portion of the taxpayer's prior year state refund that is considered taxable in the current year. Use a copy of the taxpayer's previous year return to enter all amounts in the spaces provided. The taxable portion will be included on the return as taxable income.
3. Include state tax withheld and state estimated payments made during 2023.
4. Enter any calculated sales tax not deducted on your prior year Schedule A. If the amount is not shown on that return, you can go to the IRS Sales Tax Deduction Calculator to determine the amount.
5. If last year's filing status was MFS, indicate if spouse itemized deductions.



Schedule C Self-Employment Income

Income>Schedule C; or Keyword: SC

1. Income reported on Form 1099-MISC that is not self-employment income is not entered on a Sch C. See Form 1099-MISC, later in this tab.
2. 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.
3. 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.



A taxpayer who received less than $600 in income from one payer may not receive a Form 1099-NEC. Likewise, a Form 1099-K may not be received if the payment threshold was not met ($5,000 for 2024). This income must still be reported. See Publication 334, Tax Guide for Small Business, and Publication 525, Taxable and Nontaxable Income, for additional information.

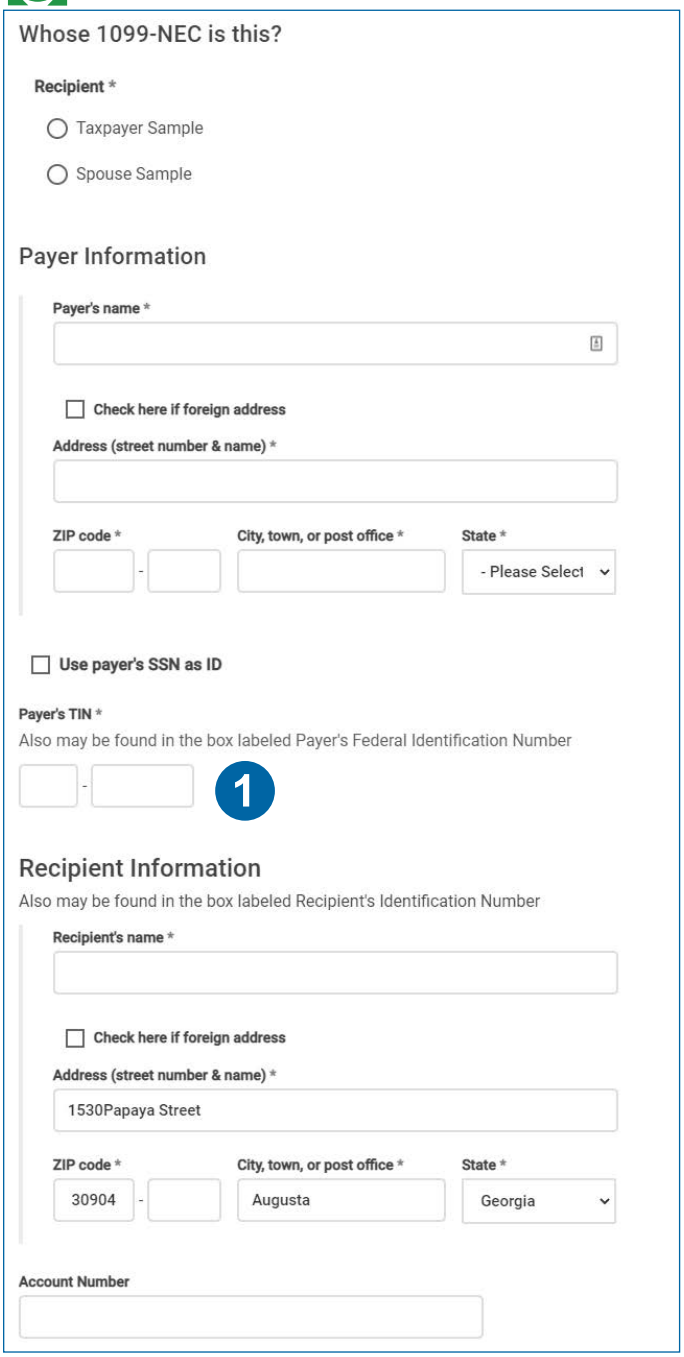
For taxpayers who have earnings as a notary, review the Instructions for Schedule SE, Self-Employment Tax, for reporting instructions. In TaxSlayer, make the following entries:

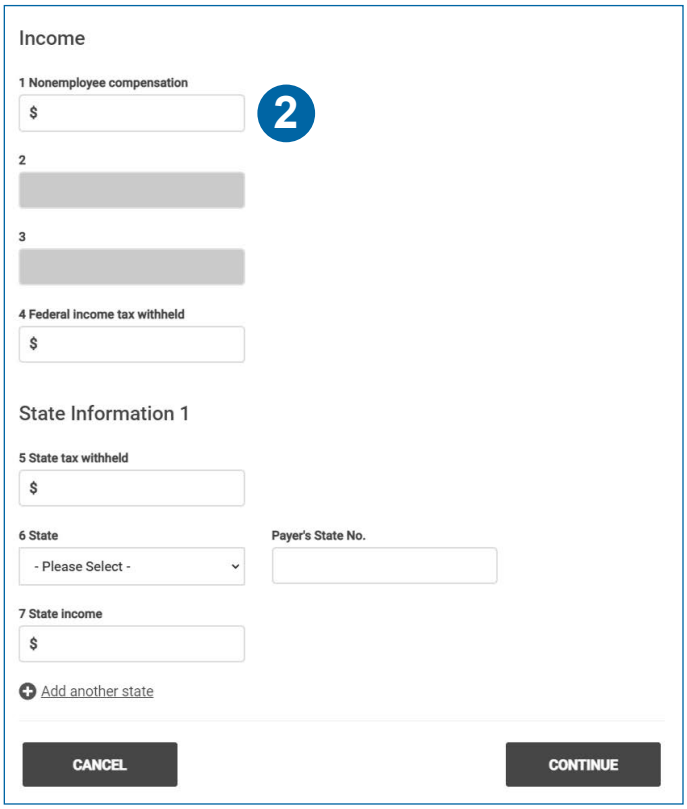
- *Report the notary income on a Schedule C.*
- *Other Taxes>Self-Employment Tax>Enter Exempt Notary Income*

*Gig economy workers such as rideshare drivers and delivery drivers can find tax information specific to their work at the **IRS Gig Economy Tax Center (www.irs.gov/sharing)***

Form 1099-NEC

Income>1099-NEC; or Keyword: NEC





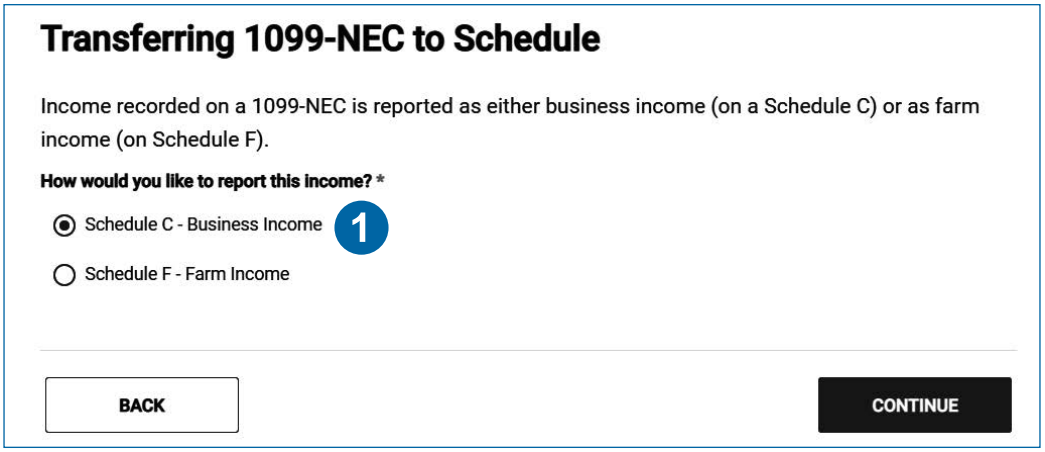
1. Enter Payer's TIN first to auto-populate the payer information.

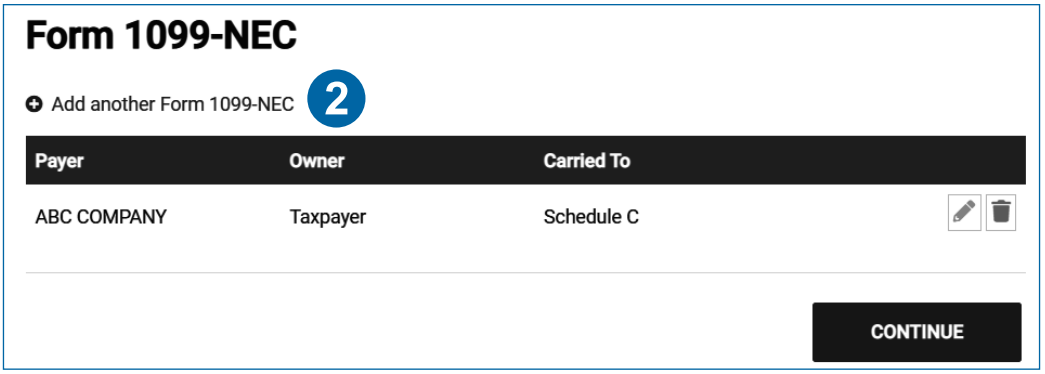
2. For a self-employed taxpayer, enter the Form 1099-NEC and then attach it to a Schedule C as described on the next page. Taxpayers with an amount on Form 1099-NEC, Box 1, who are not an employee or self-employed, do not need to complete Schedule C but should report this income as **Other Income** on Schedule 1. In that case, select Other Income in the Federal Section and then select **Other Income Not Reported Elsewhere**. 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.

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

Newspaper carriers under age 18 are only subject to self-employment tax if they must deliver or distribute newspapers to a point for delivery or distribution. Otherwise, earnings are generally not subject to self-employment tax for a newspaper carrier who is under age 18.

Connecting the Form 1099-NEC to Schedule C





1. Link the information from the 1099-NEC to Schedule C by selecting the **Schedule C** button and then selecting **Continue**.
2. 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 **Schedule C**, select **Report this income on a Schedule C I already created for my business** then choose business description and **Continue**.

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

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

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

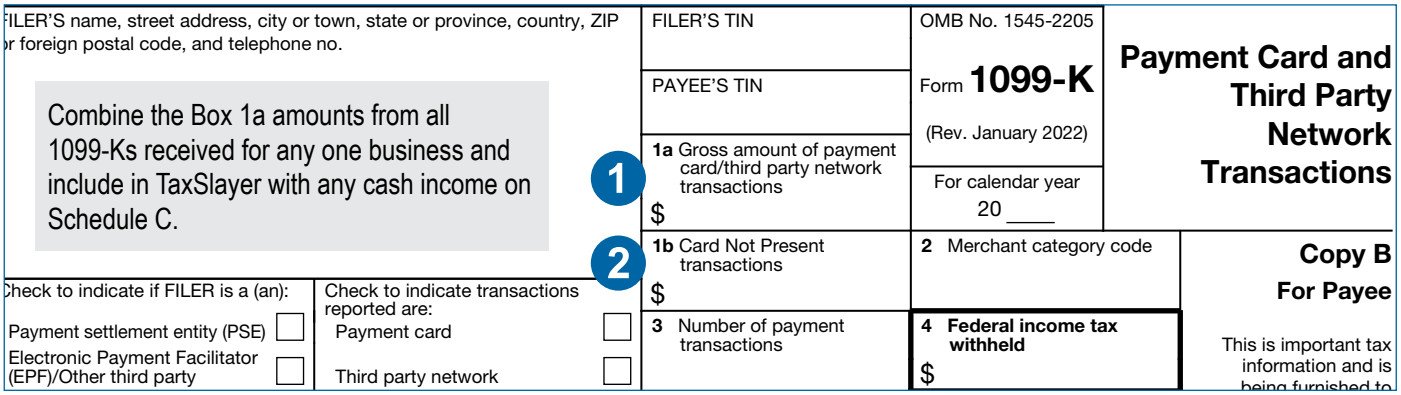
Form 1099-K

Income>Schedule C

Taxpayers will receive Form 1099-K, Payment Card and Third-Party Network Transactions if they received payments:

- From payment card transactions (e.g., debit, credit, or stored-value cards), or
- In settlement of third-party payment network transactions where gross payments are above the minimum reporting threshold of $5,000 (for any number of transactions).

Form 1099-K reporting by third-party settlement organizations applies only for transactions for the provision of goods or services settled through a third-party payment network.


FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

Combine the Box 1a amounts from all 1099-Ks received for any one business and include in TaxSlayer with any cash income on Schedule C.

FILER'S TIN

PAYEE'S TIN

OMB No. 1545-2205

Form **1099-K**

(Rev. January 2022)

For calendar year 20 ____

Payment Card and Third Party Network Transactions

1 **1a** Gross amount of payment card/third party network transactions $

2 **1b** Card Not Present transactions $

2 Merchant category code

Copy B For Payee

Check to indicate if FILER is a (an):
Payment settlement entity (PSE) ☐
Electronic Payment Facilitator (EPF)/Other third party ☐

Check to indicate transactions reported are:
Payment card ☐
Third party network ☐

3 Number of payment transactions

4 Federal income tax withheld $

This is important tax information and is being furnished to

1. Box 1a shows the aggregate gross amount of payment card/third party network transactions made to you through the Payment Settlement Entity (PSE) during the calendar year.
2. The amount in Box 1b is included in the amount in Box 1a. This is the subset of transactions where the card was not present at the time of the transaction or the card number was keyed into the terminal.

Taxpayers may receive a Form 1099-K representing the total dollar amount of total reportable payment transactions. This may not be the amount you should report as income, as it may not include all the receipts and it may include items that are not included in receipts (such as sales tax). You should consider the amounts shown on Form 1099-K, along with all other amounts received, when calculating gross receipts for the taxpayer's income tax return.

Taxpayers who receive a Form 1099-K that does not belong to them should contact the PSE. If there is an error on the form, request a corrected Form 1099-K from the PSE. Taxpayers should keep a copy of any corrected Form 1099-K with their records as well as any correspondence with the PSE.

If taxpayers shared a credit card terminal with another person or business, the Form 1099-K they receive will include payment card transactions belonging to the person or business that shared the terminal, in addition to their own payments. Where required, the taxpayer should file and furnish the appropriate information return (e.g., Form 1099-K or Form 1099-MISC) for each person or business with whom they shared a card terminal. In this case, the return is Out of Scope.

General FAQs on New Payment Card Reporting Requirements (www.irs.gov/payments/general-faqs-on-new-payment-card-reporting-requirements)

Understanding Your Form 1099-K (www.irs.gov/1099k)

Gig Economy Tax Center (www.irs.gov/businesses/sharing)

Form 1099-K Frequently Asked Questions

For details about these or other FAQs, see **Form 1099-K Frequently Asked Questions** on IRS.gov.

Is the gain or loss on the sale of a personal item used to compute my taxable income? Is that reported on a Form 1099-K?

The **gain** on the sale of a personal item is taxable. Taxpayers must report the transaction (gain on sale) on Form 8949, Sales and Other Dispositions of Capital Assets, and Form 1040, U.S. Individual Income Tax Return, Schedule D, Capital Gains and Losses. This is Out of Scope.

The **loss** on the sale of a personal item is not deductible. If you receive a Form 1099-K for the sale of a personal item that resulted in a loss, you should use the simplified method to report the receipt of the form by entering the amount on the line at the top of Schedule 1 (Form 1040), Additional Income and Adjustments to Income.

Example: If you bought a refrigerator for $1,000 (the purchase price) and sold it for $600 (the sales price), you have a **loss** of $400. Enter $600 on the line at the top of Schedule 1 to report the personal item sold at a loss.

How do I account for the fees I paid to an online marketplace related to the sale of my personal items?

You should include all fees (e.g., selling fees, payment processing fees, etc.) associated with the sale of your personal items in your basis when computing your gain or loss on the sale.

My friend and I went to a concert, and my friend reimbursed money to me for her concert ticket through an online application. If I get a Form 1099-K for the reimbursement, do I need to pay taxes on it?

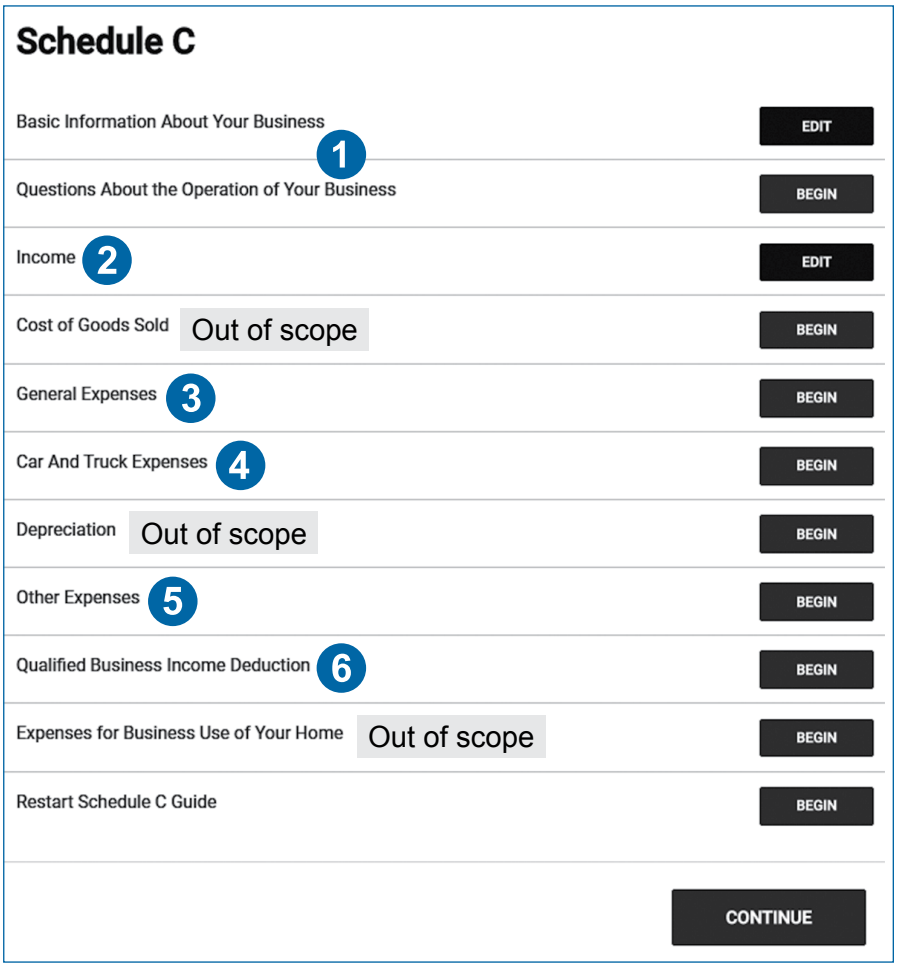
Because the money is not payment for the sale of goods or the provision of services, generally the reimbursement would not be taxable to you. If you cannot get the form corrected, the error should be reported on Schedule 1. Enter the amount reported in error on the appropriate line at the top of Schedule 1.

Schedule C – Menu

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

Businesses with inventory, employees, contract labor, depreciation, individual asset purchases exceeding $2,500, business use of the home, expenses over $50,000 or a net loss are Out of Scope.

1. Complete Basic Information About your Business and Questions About the Operation of Your Business for every Schedule C.
2. Select **Income** to enter any income for the business that was not reported on Form 1099-NEC, such as cash income or income from a Form 1099-K.
3. Most business expenses are entered in the General Expenses section.
4. See Schedule C – Car and Truck Expenses, later in this tab
5. Select **Other expenses** to enter any expenses not listed under General Expenses.
6. Qualified Business Income Deduction – See Tab F



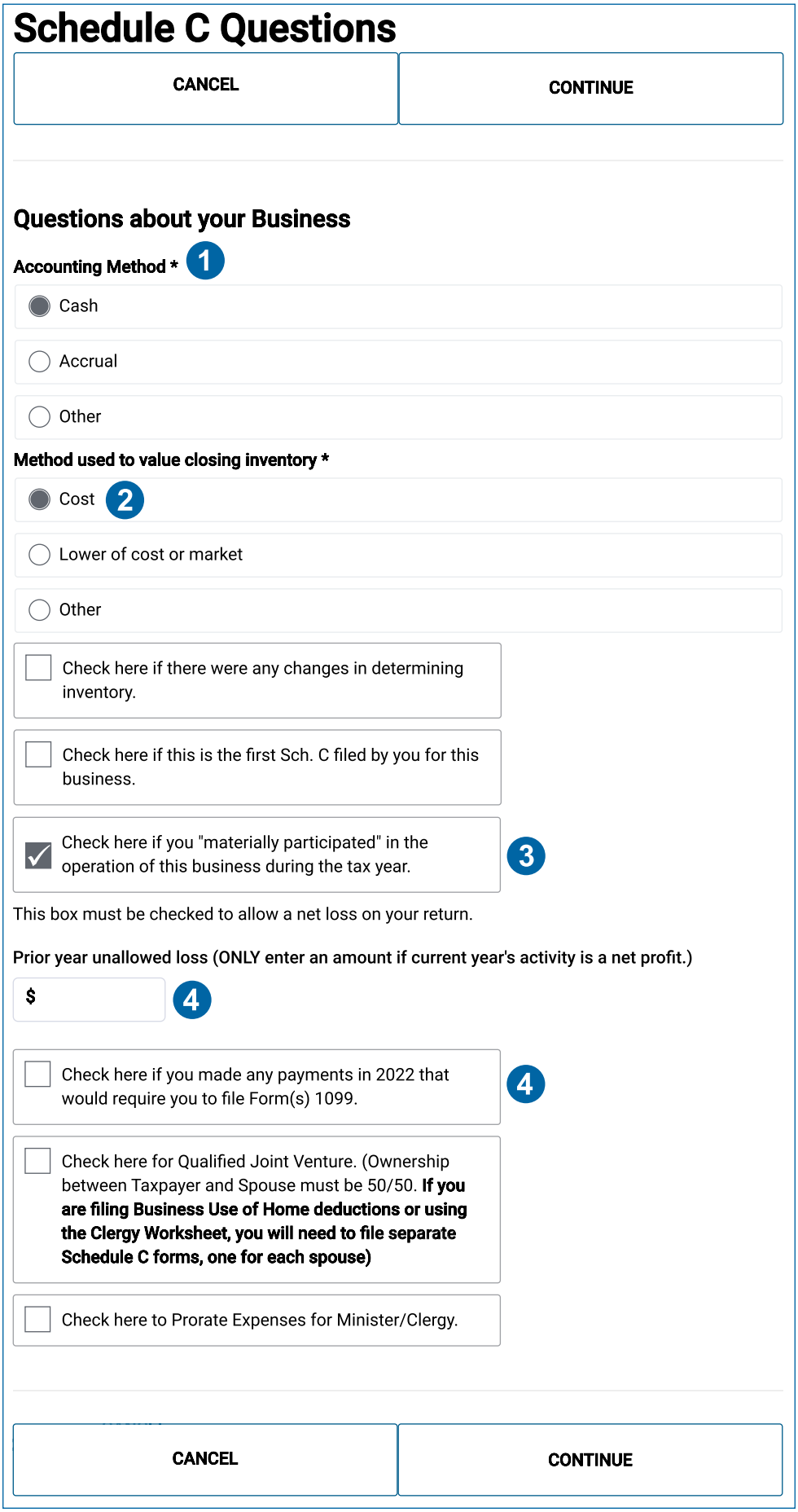
If the business accepted credit or debit cards in payment or received payments via 3rd party network, it may receive Form 1099-K Payment Card and Third Party Network Transactions (see note below).

Taxable 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 rental income is in scope for Military certification only. Forms 1099-K received for any other type of taxable income are Out of Scope.

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

*Taxpayers may elect to apply a de minimis safe harbor to amounts up to $2,500 per invoice or item paid to acquire or produce tangible property used in the taxpayer's trade or business. To elect the de minimis safe harbor for the tax year, enter in Other Expenses. Attach a statement to the taxpayer's timely filed original tax return (including extensions) for the tax year when qualifying amounts were paid. See **Publication 334**, Tax Guide for Small Business, for details.*

1. 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).
2. Even if there is no inventory, leave the default inventory method (Cost) as is.
3. In most cases, the taxpayers do materially participate in the business. This means that the taxpayer ran the business and did the work.
4. 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.



Schedule C Questions

CANCEL | CONTINUE

Questions about your Business

Accounting Method * 1

- (●) Cash
- ( ) Accrual
- ( ) Other

Method used to value closing inventory *

- (●) Cost 2
- ( ) Lower of cost or market
- ( ) Other

- [ ] 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. 3

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.)

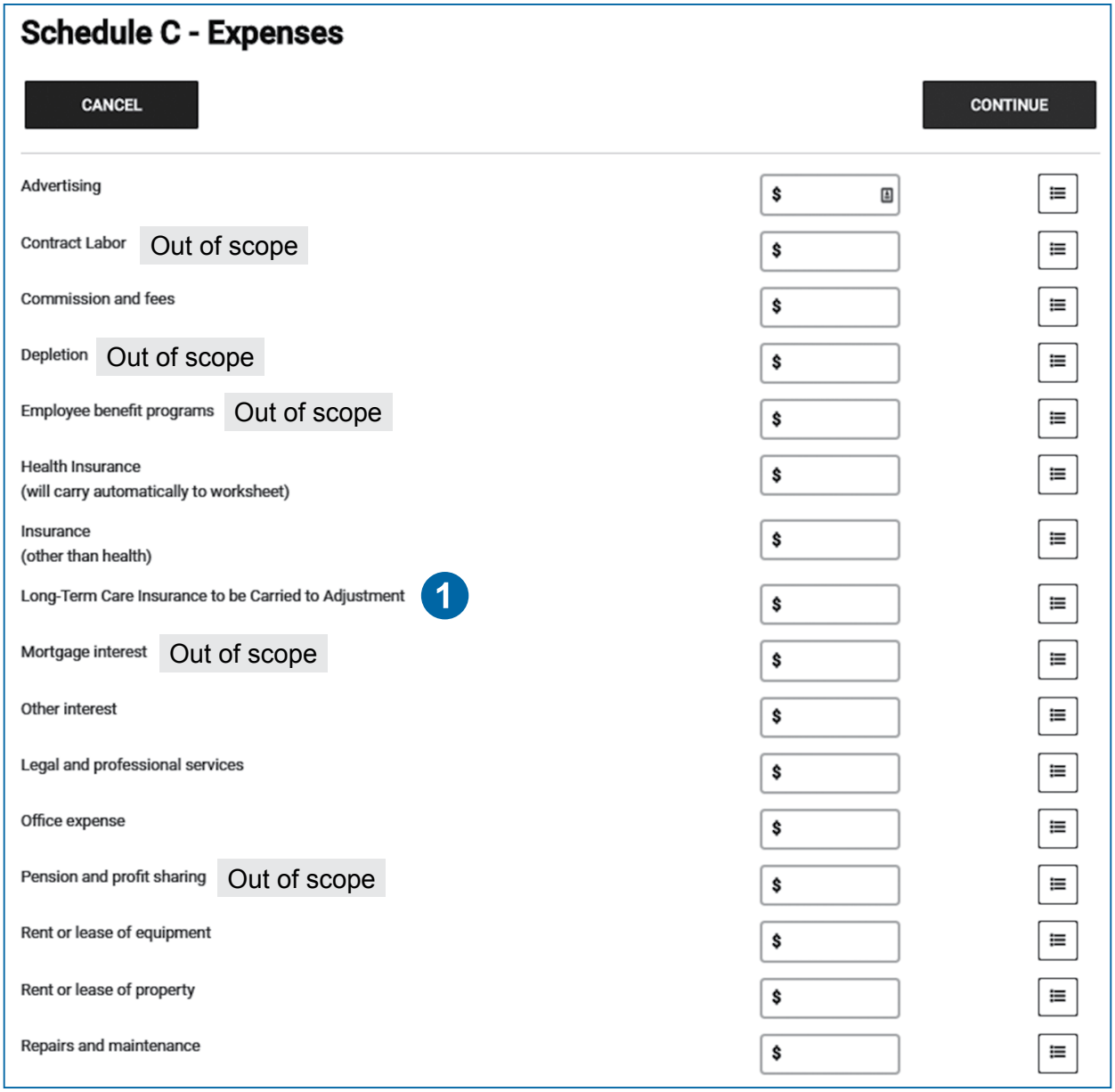
$ 4

- [ ] Check here if you made any payments in 2022 that would require you to file Form(s) 1099. 4
- [ ] 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.

CANCEL | CONTINUE

Schedule C – General Expenses

Income>Schedule C>General Expenses; or Keyword SC or BUS



1. Enter allowable LTC premiums here instead of on the Health Insurance line. These premiums must be entered separately for TaxSlayer to generate Form 7206 correctly. See following notes.

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.

Schedule C – General Expenses (continued)

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.

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.

Use the TaxSlayer Schedule C entry screen Health Insurance and Long-Term Care Insurance boxes for the 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.

Form 7206 is required for the self-employed health insurance deduction if any of the following apply:

- *You had more than one source of income subject to self-employment tax*
- *You file Form 2555 (in scope with International Certification only)*
- *You are using amounts paid for qualified long-term care insurance to figure the deduction*

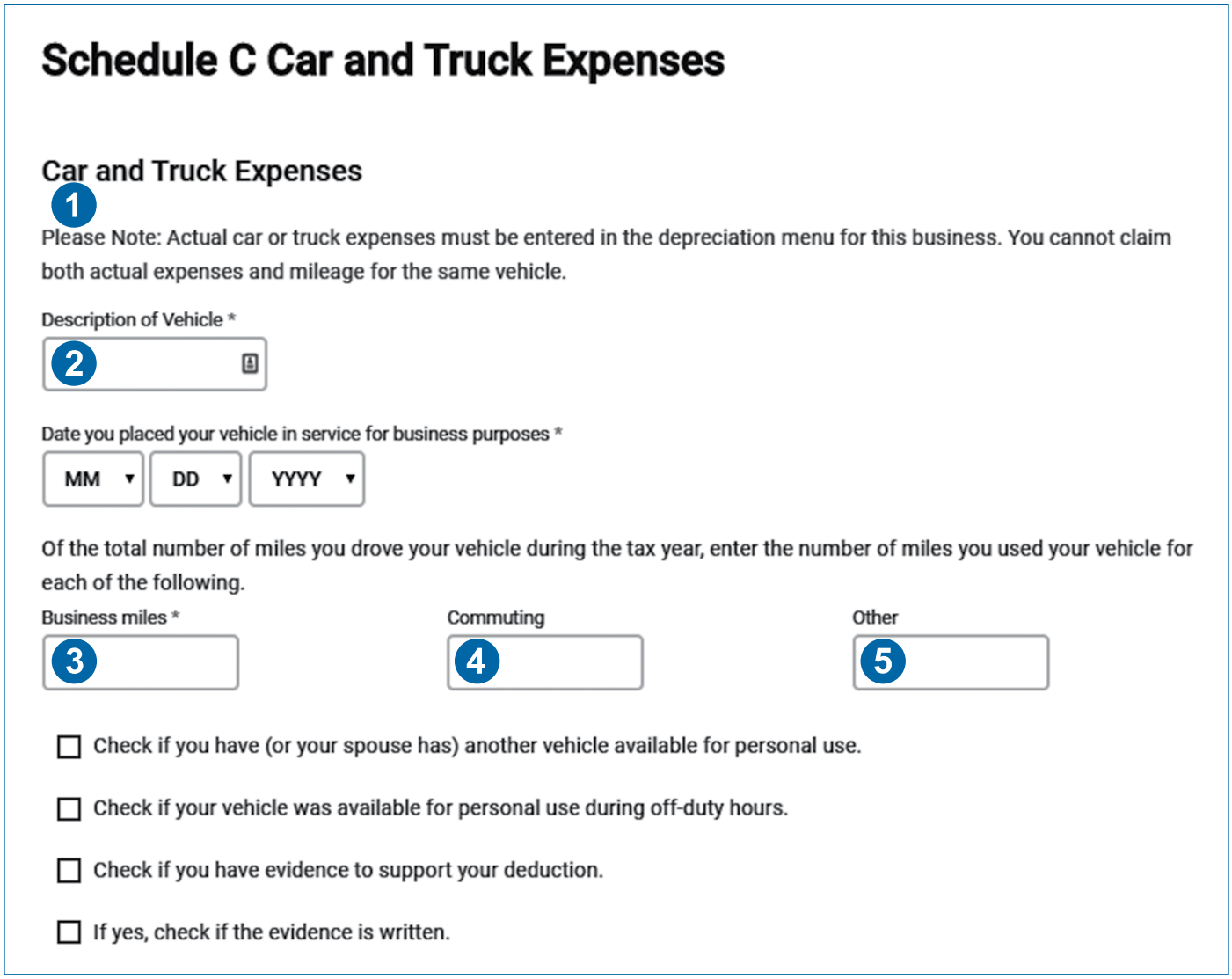
Car and truck expenses aren't entered on this page. Those expenses are entered on a separate page.

Vehicle rentals or leases 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.

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

Schedule C – Car and Truck Expenses

Income>Schedule C>Car and Truck Expenses; or Keyword: SC or BUS



1. Using actual expense deductions, such as gas, repairs, and depreciation, is Out of Scope.
2. Enter a brief description of the vehicle; for example, 2008 Ford.
3. Business miles: Miles related to the business activity that aren't commuting miles. For-hire drivers who have mileage in between customer pick-ups can claim the mileage as a business expense.
4. Commuting miles: Miles driven each day from home to the first business location and driven from the last business location back home.
5. Other: Miles driven for personal purposes.

The total of Business, Commuting and Other miles should add up to the total miles on the vehicle for the year.

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

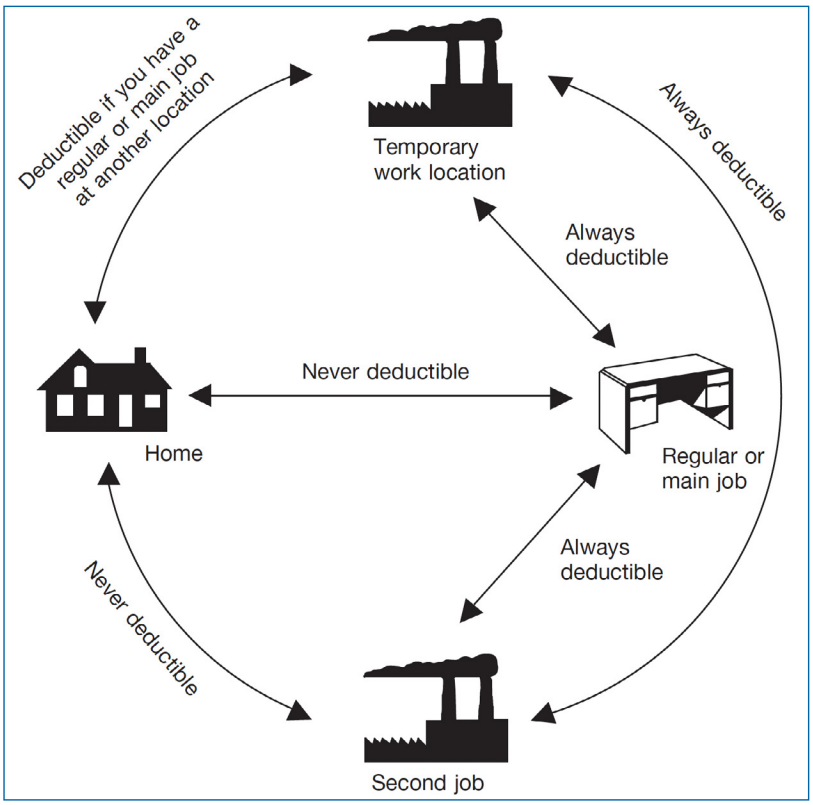
The car and truck expense deduction will automatically be calculated using the standard mileage rate, based on the number of business miles entered. The rate for 2024 is 67 cents per mile. In addition, the taxpayer can deduct the cost of business parking and tolls. Commuting and other personal automobile 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.

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.

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.

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).

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.

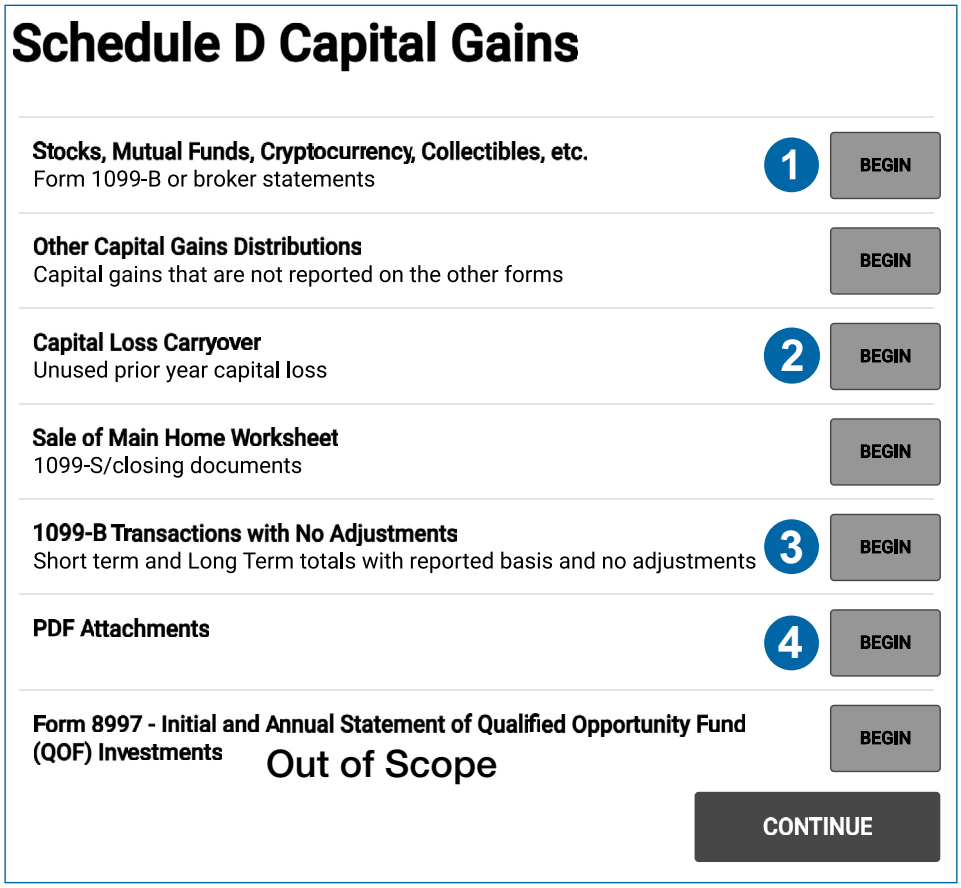
Regular or main job: Your principal place of business. If you have more than one job, you must determine which one is your regular or main job. Consider the time you spend at each, the activity you have at each, and the income you earn at each.

Temporary work location: A place where your work assignment 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. For overnight travel expenses, see **IRS Topic 511 Business Travel Expenses**

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

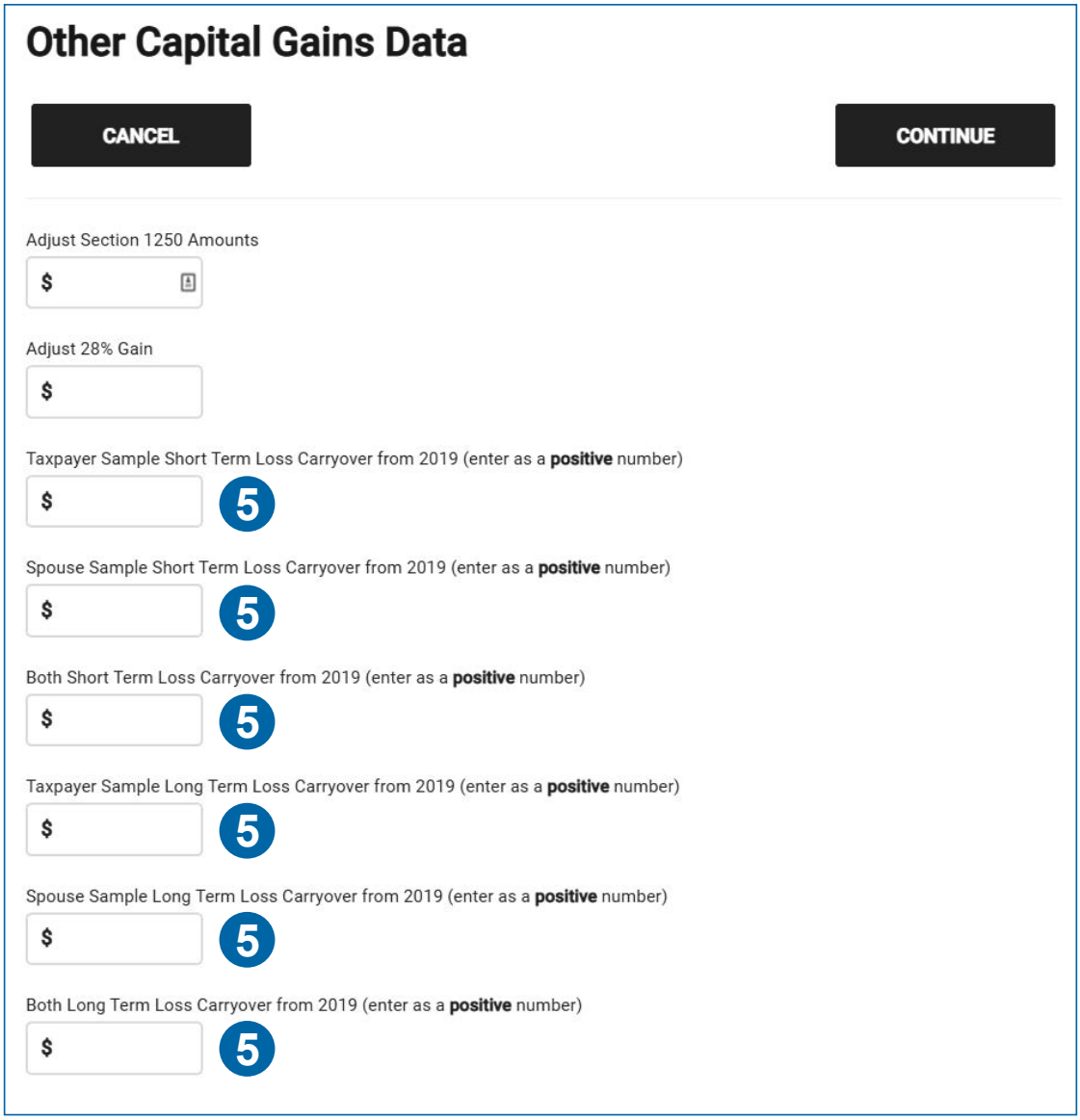
Income>Schedule D/Form 8949; or Keyword: CAP



1. Information regarding sale of capital assets 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. Capital transactions entered in this section will complete the appropriate sections of 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.
2. See the capital loss worksheet from the taxpayer's prior year return for the capital loss carryover amount(s).
3. A simplified method to report a summary of capital transactions is available ONLY if the cost basis was reported to the IRS and there are no adjustments to cost basis, capital gain or loss. This entry will carry directly to the correct line of Schedule D.
4. Select PDF Attachments to attach required documents to the return, such as Form 8332, Release/ Revocation of Release of Claim to Exemption for Child by Custodial Parent, Power of Attorney, Court Certificate of Appointment, or Consolidated Broker Statement with transactions in which the cost basis was not reported to the IRS and using Adjustment Code M- Reporting Multiple Transactions on a Single Row instead of completing and mailing Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return. Refer to Tab K for more information.

Income>Schedule D/Form 8949>PDF Attachments

Transactions involving digital assets (virtual currency), such as a disposition, sale, exchange or transfer, are Out of Scope. However, the tax return is in scope if the taxpayer is able to select No to the digital asset question on Form 1040. See Scope of Service in this publication and ***www.irs.gov/virtualcurrencyfaqs***



5. If the prior year return shows a capital loss, check the Capital Loss Carryover Worksheet generated with the prior year return to see if there are short- or long-term carryover losses to enter on this screen.

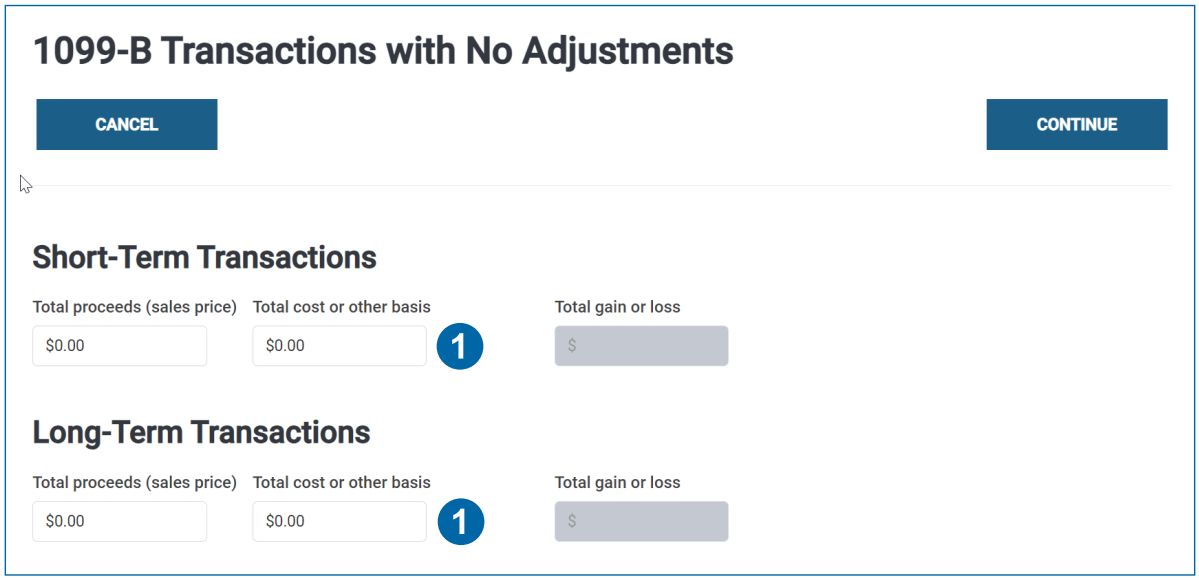
For certain low-income taxpayers, capital losses less than $3,000 (or $1,500 if MFS) may also carryover.

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 1099-B Transactions with No Adjustments

Income>Schedule D/Form 8949>1099-B Transactions with No Adjustments

A simplified method to report a summary of capital transactions is available ONLY if the cost basis is reported to the IRS and there are no adjustments to cost basis, capital gain or loss. This entry will carry directly to the correct line of Schedule D, Capital Gains and Losses.



1. Calculate the total proceeds (sale price) and cost or other basis for both short- and long-term transactions.

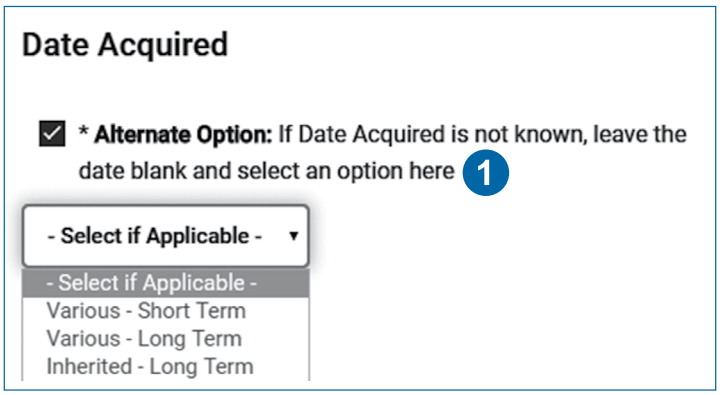
Generally, the Consolidated Broker Statement will contain the subtotals of Form 1099-B short- and long-term transactions.

Separate entries are required for taxpayer, spouse, and joint transactions on married filing jointly returns.

Entering Capital Gains and Losses

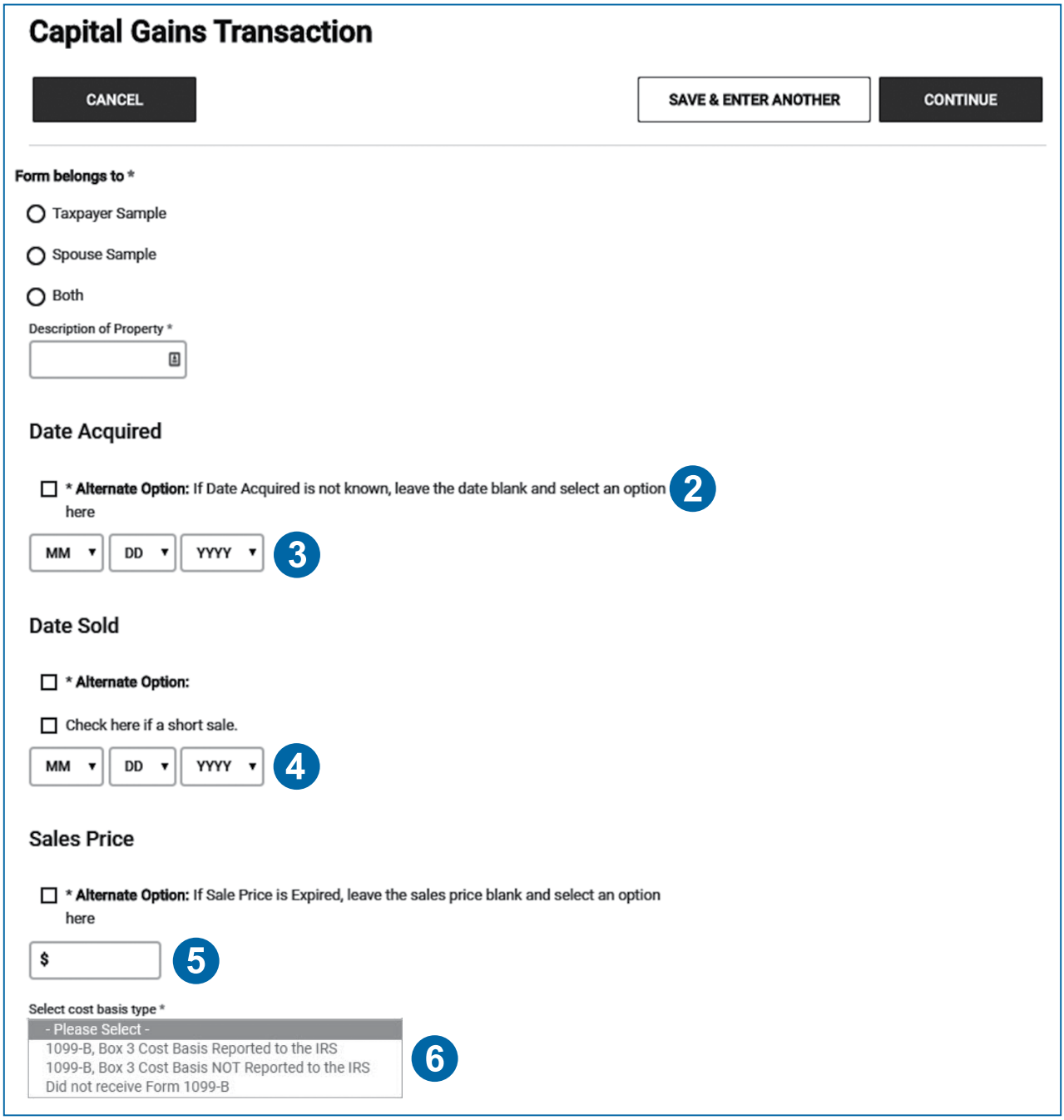
Select **Stocks, Mutual Funds, Crytocurrency, Collectibles, etc.** from the Schedule D Capital Gains screen to indicate cost basis is not reported to IRS, Form 1099-B was not received, or there is an adjustment to the capital gain or loss. Otherwise, use the simplified summary method discussed earlier.

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



1. If applicable for Date Acquired, check the Alternate Option box and select one of three options:
   - Various – Short Term (1 year or less)
   - Various – Long Term (more than 1 year)
   - Inherited – Long Term

Do not select Alternate Option for Date Sold. TaxSlayer no longer supports leaving Date Sold blank. Instead, use the date of the latest sale in the summarized transactions and select Adjustment Code M – Reporting Multiple Transactions on a Single Row.



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

2. 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**.

   ⚠ *Inherited securities are only in scope when the taxpayer provides the basis.*
   *Gifted securities are only in scope when the taxpayer provides the basis **and** the holding period.*

3. Enter the date from Form 1099-B Box 1b
4. Enter the date from Form 1099-B Box 1c
5. Enter the amount from Form 1099-B Box 1d
6. Choose the cost basis type that applies to this transaction.

7. Enter the amount from 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, refer to 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.
8. 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.
9. If summarizing transactions, check the box for Reporting Multiple Transactions on a Single Row. See Note earlier in this section.
10. 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.

For securities reported on a brokerage statement as "Worthless" use the Alternate Option and "Worthless" for the date sold. If securities have any value (even $1), they are not worthless.

Cost

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

$ 7

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.

$ 8

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

- ☐ Form 1099-B with Basis shown in Box 1e is Incorrect
- ☐ Disposed of Collectibles
- ☐ Form 1099-B showing accrued market discount in box 1f
- ☐ Form 1099-B or 1099-S with Selling Expenses or Options not Reflected on Form
- ☐ Exclude Some/All of the Gain from the Sale of Your Main Home
- ☐ Nondeductible Loss other than a Wash Sale
- ☐ Reporting Multiple Transactions on a SingleRow 9
- ☐ Received 1099-B/1099-S as a Nominee for the Actual Owner of the Property
- ☐ Other Adjustment Not Explained Above
- ☐ Exclude Part of the Gain from the Sale of Qualified Small Business Stock
- ☐ Rollover of Gain from QSB Stock, Empowerment Zone, Publicly Traded Securities
- ☐ Loss from the Sale of Small Business Stock more than Allowable Ordinary Loss
- ☐ Form 1099-B & Type of Gain/Loss shown in Box 2 is Incorrect
- ☐ Nondeductible Loss from a Wash Sale 10
- ☐ Exclude Gain from DC Zone Assets or Qualified Community Assets
- ☐ Reporting Gain from QOF Investment in Prior Tax Year
- ☐ Postpone Gain for Investments in QOFs

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.

11. Divide the transactions into four categories. The subtotaled amounts may appear on summary page included in the brokerage consolidated statement.
    a. Short term transactions with basis reported to the IRS – categorized as "Form(s) 8949 with Box A checked."
    b. Short term transactions with basis not reported to the IRS – categorized as "Form(s) 8949 with Box B checked."
    c. Long term transactions with basis reported to the IRS – categorized as "Form(s) 8949 with Box D checked."
    d. Long term transactions with basis not reported to the IRS – categorized as "Form(s) 8949 with Box E checked."
12. Enter the total Sales Price, Cost and Adjustments of each category on the capital gain entry screen.
13. If any of the transactions requires an adjustment to the reported basis, select the reason from the check box that includes that transaction.
14. 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:
    a. Electronic: Scan the pages and save as a PDF. Attach the PDF to the electronic return prior to creating the e-file.
    b. 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.



Common Items Found on the Brokerage Consolidated Statement

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

- *1099-INT (Summary-NOT detail)*
- *1099-DIV (Summary-NOT detail)*
- *1099-B (Summary and Detail) and "Cost basis" or "Transaction detail" for sale of stock: Input as capital gains or losses.*
- *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 their state (check their state rules).*
- *The chart should also show what percentage came from municipal bonds from each state: Input exempt interest from states other than theirs by selecting tax-exempt interest income and making the state adjustment (check their state rules).*
- *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 $300 or less ($600 MFJ) ; otherwise, in scope only if certified in International. See Tab G, Form 1116 - Foreign Tax Credit.*



Net capital losses greater than $3,000 ($1,500 if MFS) will carry forward to future tax years. For certain low-income taxpayers, capital losses smaller than this amount may also carryover. See the capital loss carryover worksheet for the short-term and long-term loss carryover amounts. Print the capital loss carryover worksheet for the taxpayer to keep as part of their records and use when preparing their return next year.

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 the taxpayer received a Form 1099-B or 1099-S (or substitute statement) that is incorrect, is excluding or postponing a capital gain, has a disallowed loss, or in certain other situations. Details are in the table below.

IF THE…	THEN…	Check the box with this description	Adjustment Code that will appear on Form 8949
Taxpayer received a Form 1099-B (or substitute statement) and the basis shown in box 1e 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 shown in Box 1e is Incorrect	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 or Form 1099-S with selling expenses or options not reflected on the form.	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 2 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 as a positive amount the nondeductible loss as an adjustment.	Nondeductible loss from a Wash Sale* (See Tab R, Glossary and Index, for definition of wash sale)	W
Taxpayer has an adjustment not explained earlier in this column…	Report the appropriate adjustment amount.	Other Adjustment Not Explained Above	O

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

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
The taxpayer is a nonresident alien individual who sold or exchanged an interest in a partnership engaged in a U.S. trade or business	P
Taxpayer sold or exchanged qualified small business stock and can exclude part of the gain.	Q
Taxpayer can exclude all or part of their 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

Capital Gains or Losses Sale of Main Home

Income>Schedule D/Form 8949>Sale of Main Home Worksheet; or Keyword -S

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.

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. Taxpayers with more than one home cannot choose which home to designate as their 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).

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

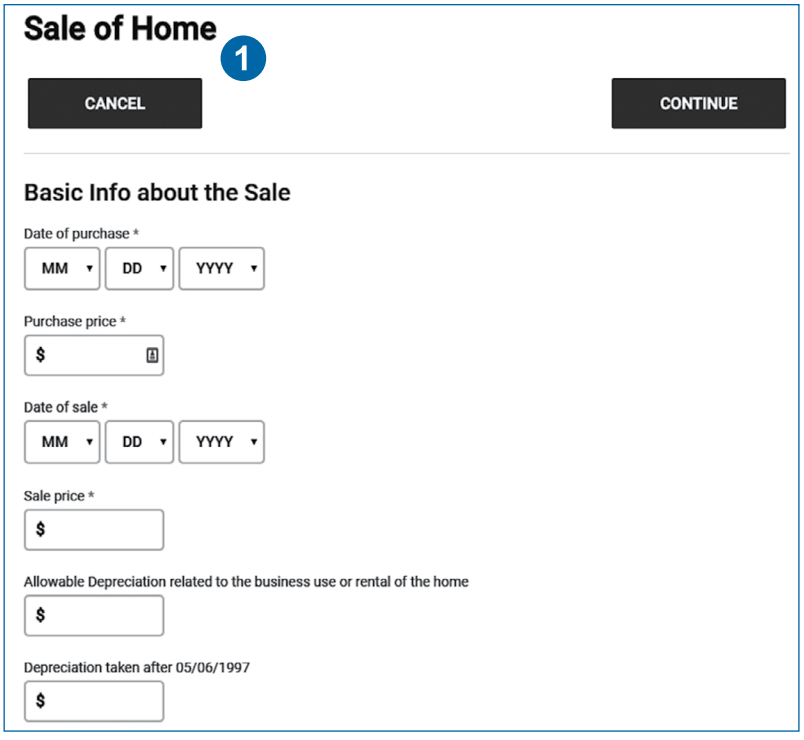
Test 2: The taxpayer hasn't excluded gain on the sale or exchange of another main home during the 2-year period ending on the date of the sale or exchange of their home.

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

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.

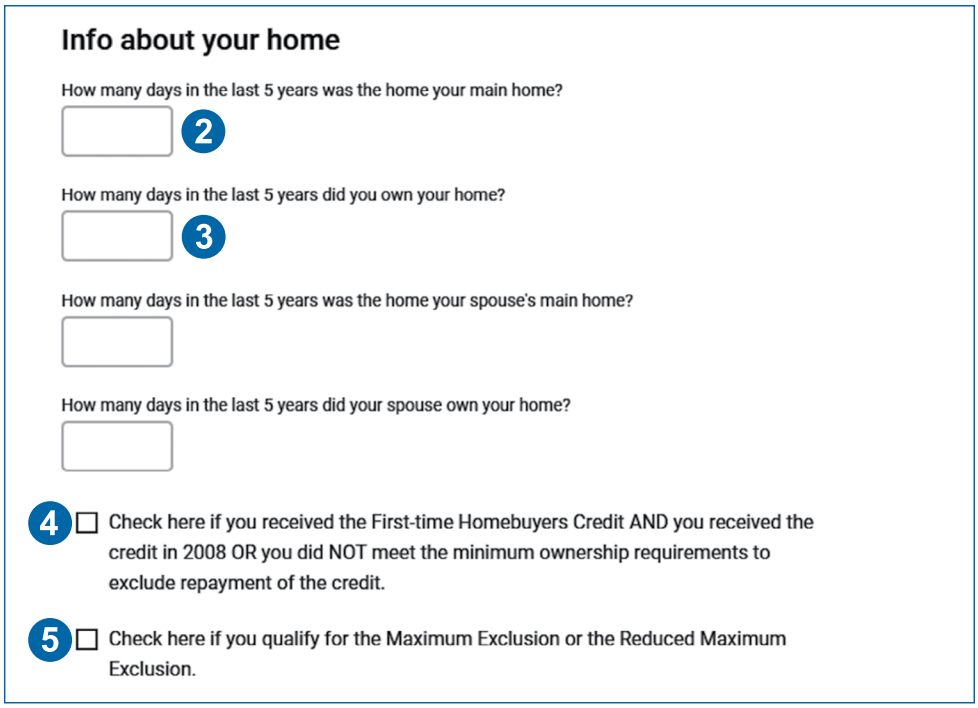
Death of spouse. If the taxpayer sells their home within 2 years after their spouse dies and has not remarried as of the sale date, they can count any time their spouse owned the home as time they owned it and any time when the home was their spouse's residence as time when it was their residence. In 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.

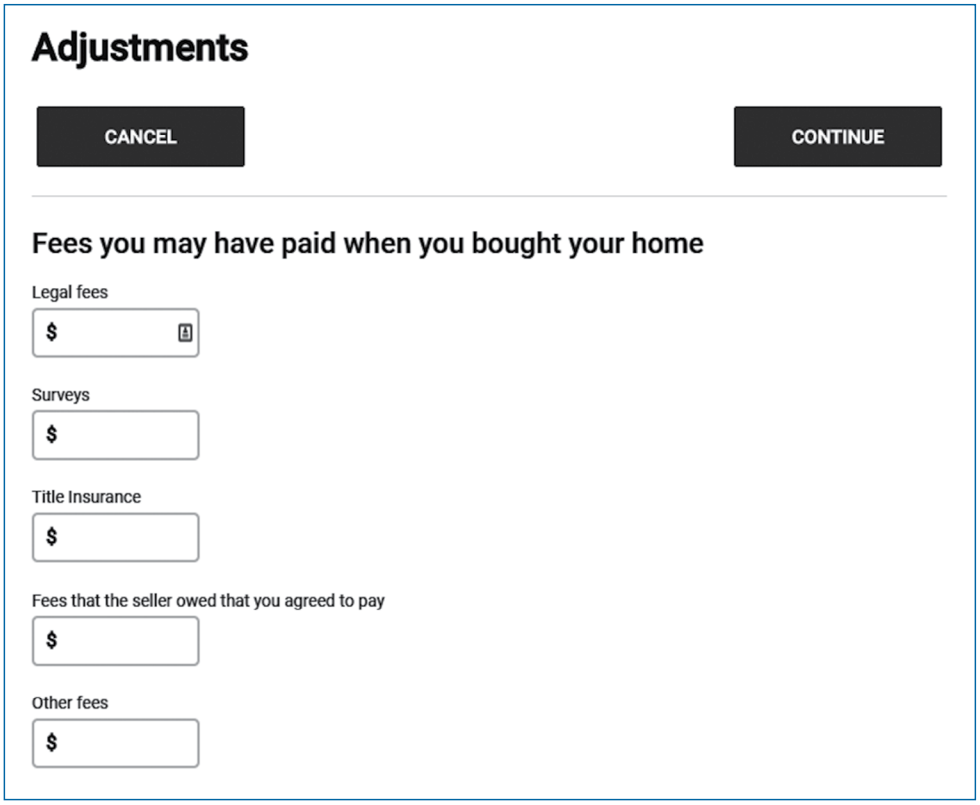
1. If the taxpayer is required to report the sale and it results in a gain, enter the purchase date, sale date, purchase price, and sales price in the Sale of Home Worksheet (you will enter capital improvements and other adjustments to basis on the next screen).



Capital Gains or Losses Sale of Main Home (continued)

2. Enter the number of days the dwelling was used as the main home (separate entry for spouse).
3. Enter the number of days the taxpayer owned the home (separate entry for spouse).
4. 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.
5. 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).



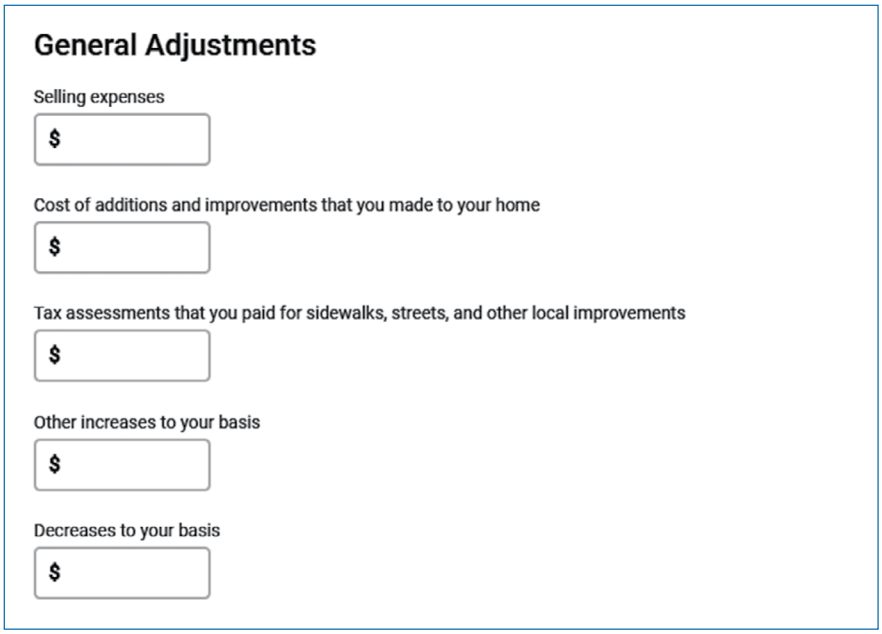


- The closing disclosure or HUD-1 Settlement Statement will give details about closing costs.
- If the sale must be reported and results in a gain, it will be listed on the appropriate Form 8949 (basis type C or F). The gain will be included with the other capital gains and losses on Schedule D.
- Enter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

Sale of the home is Out of Scope if there was ever a business use of the home or used as rental property.

Capital Gains or Losses Sale of Main Home (continued)

- 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. Additions or improvements to a home having a useful life of more than one year increase the basis. Repairs that maintain the home in good condition are not considered improvements and do not increase the 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.

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	03/04/2019	02/02/2022	200000	150000	H	-50000	6 0

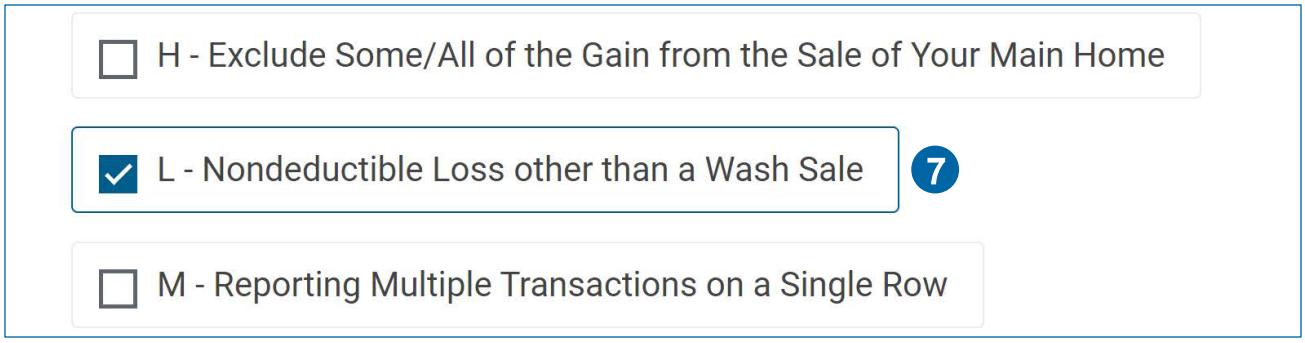
6. If the sale resulted in a gain but was not eligible for the exclusion, it will be reported on the appropriate Form 8949 as a gain.

Capital Gains or Losses Sale of Main Home (continued)

A loss on the sale of a main home can't be deducted, but must be reported if Form 1099-S was received. To report the sale,

- Use the Sale of Main Home worksheet to assist with determining the basis, but the information will NOT carry to Form 8949
- Add a new Capital Gain or Loss Item
- Enter the description of property, dates, sales price and adjusted basis amount
- Select the basis type as "Did not receive Form 1099-B"
- Enter the adjustment of the nondeductible net loss as a positive number to reduce the amount to $0.

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	02/03/2018	09/04/2022	190000	203800	L 7	13800	

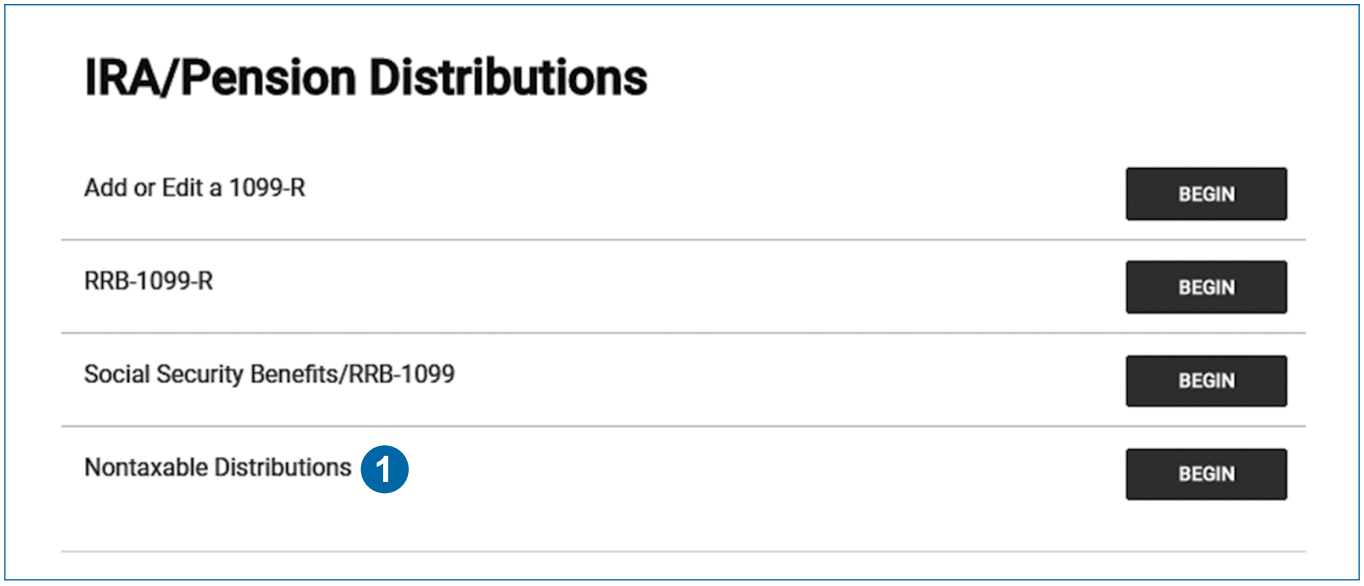


7. Select the adjustment reason as "nondeductible loss other than a wash sale" which will show as adjustment code L. Select other adjustments, if applicable.

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

Income>1099-R, RRB, SSA

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



1. Select Nontaxable Distribution and check the appropriate box if the taxpayer has qualified charitable distributions (QCDs) or is an eligible retired public safety officer, and part of their distribution was used to pay the premiums for accident or health insurance, or to pay long-term care insurance. Qualified health savings account (HSA) funding distributions (HFDs) from an IRA to an HSA are Out of Scope.

Form 1099-R

Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R; or Keyword: -R

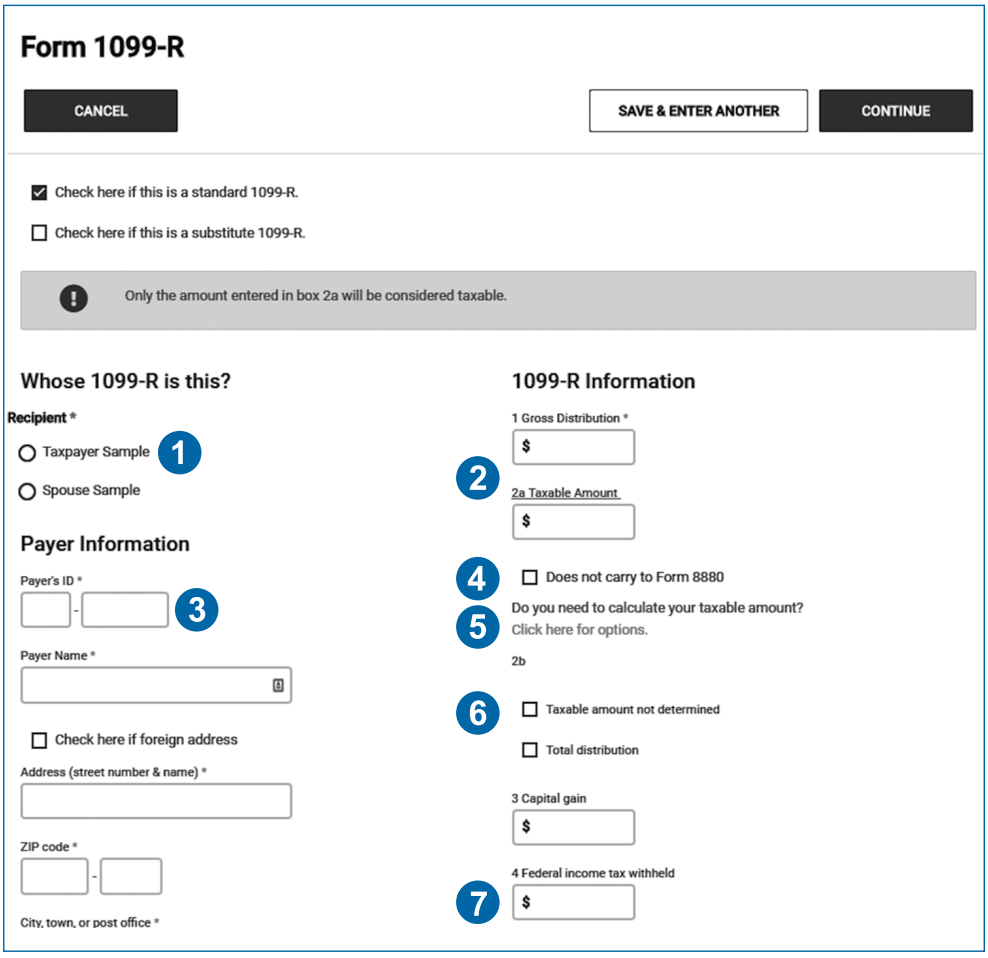
If the taxpayer and/or spouse made voluntary contributions to an IRA or other qualified retirement plan, then see Tab G, Nonrefundable Credits, for information on additional entries that may be required for Form 1099-R distributions.

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.

Refer to the Calculate Taxable Amount sections for the PSO Exclusion and Simplified Method, later in this tab.

1. If a joint return, choose who the document belongs to.
2. 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 distributions, return of excess contributions, etc.
3. Payer's ID/TIN and the first four letters of their name must be entered accurately. Payer ID/Name mismatch is a common e-file reject.
4. 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.
5. If Simplified Method is required or if the taxpayer has public safety officer (PSO) health insurance exclusion, then select **Click here for options**.
6. If Box 2b indicates "Taxable amount not determined" or "Total distribution", mark the appropriate box as shown on the document.
7. If Box 4 has an entry, ensure that the tax withheld is entered and is correct.



Form 1099-R (continued)

State *

- Please Select -

Phone Number

* Optional

(___) ___-____

Recipient Information

☐ Check here if foreign address

Address (street number & name) *

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

8 $

6 Net unrealized appreciation in employer's securities

$

7 Distribution Code(s) *

9

☐ IRA/SEP/Simple

8 Other (Not collected)

9a Your percentage of total distribution

9b Total employee contributions

10 $

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

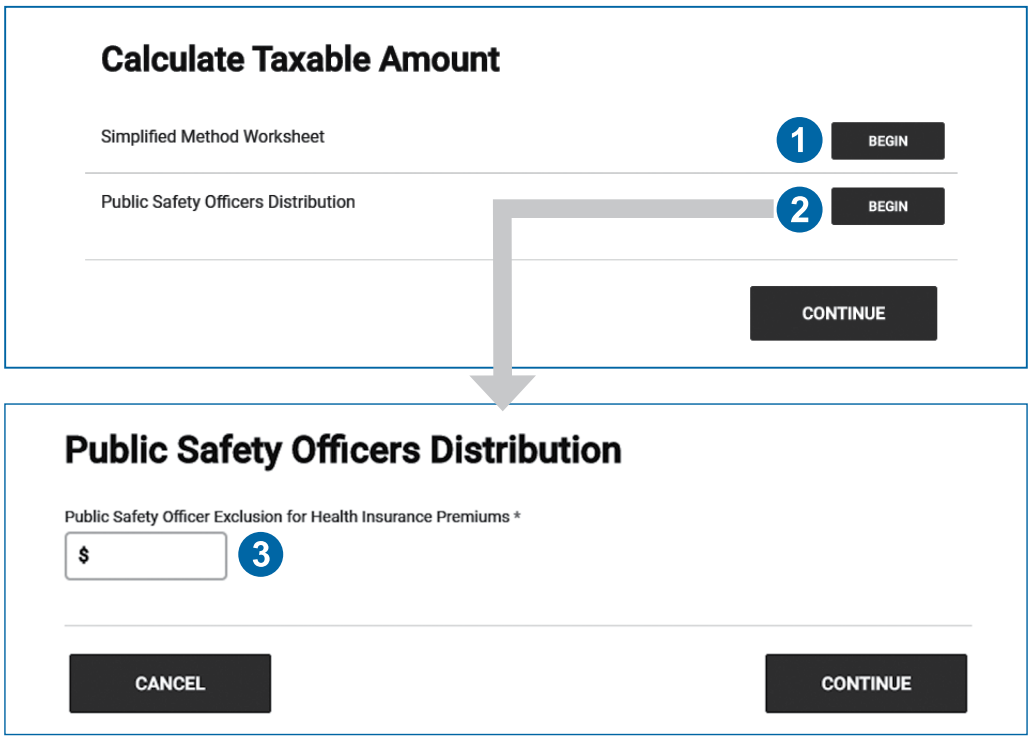
8. Box 5 on the document may be current year's amount of employee contributions or insurance premiums (recovery of cost basis or investment in the contract). If Box 5 is the same as Box 1, none of the distribution is taxable. If the payer has calculated the taxable amount of the pension in Box 2a, generally 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 (alternatively, this can be used for the PSO deduction if eligible as described on the next page).
9. Box 7 is a required entry – Enter exactly as shown on document. If IRA/SEP/Simple is marked, check to enter exactly as shown on the document. See Distribution Codes Chart in this tab. The simplified method cannot be used for code "D" or other non-qualified plan distributions.
10. Box 9b shows the total employee contributions and may be needed if Box 2a has no entry, which usually requires Simplified Method Worksheet (see #2 and #5, earlier).

Calculate Taxable Amount: PSO Exclusion

Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R>Calculate taxable amount; or Keyword: -R

Special Circumstances

The following screen is displayed after selecting the “Click here for options” link under “Are you a public safety officer or need to use the simplified worksheet to calculate your taxable amount?"



1. 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.
2. If the retired PSO does not need a Simplified Method calculation, select the PSO Distribution.
3. 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 (PSO)

If the taxpayer is an eligible retired public safety officer (police/law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew), they can elect to exclude from income distributions made from an eligible retirement plan used to pay the premiums for accident or health insurance or long-term care insurance. The premiums can be for coverage for the taxpayer, spouse, or dependents. The taxpayer can exclude from income the smaller of the amount of the insurance premiums or $3,000. The taxpayer can only make this election for amounts that would otherwise be included in their income. The amount excluded from their income can’t be used to claim a medical expense deduction. If both spouses are eligible retired PSOs, then each can exclude up to $3,000. Following the death of the PSO, this exclusion does not extend to the surviving spouse or dependents.

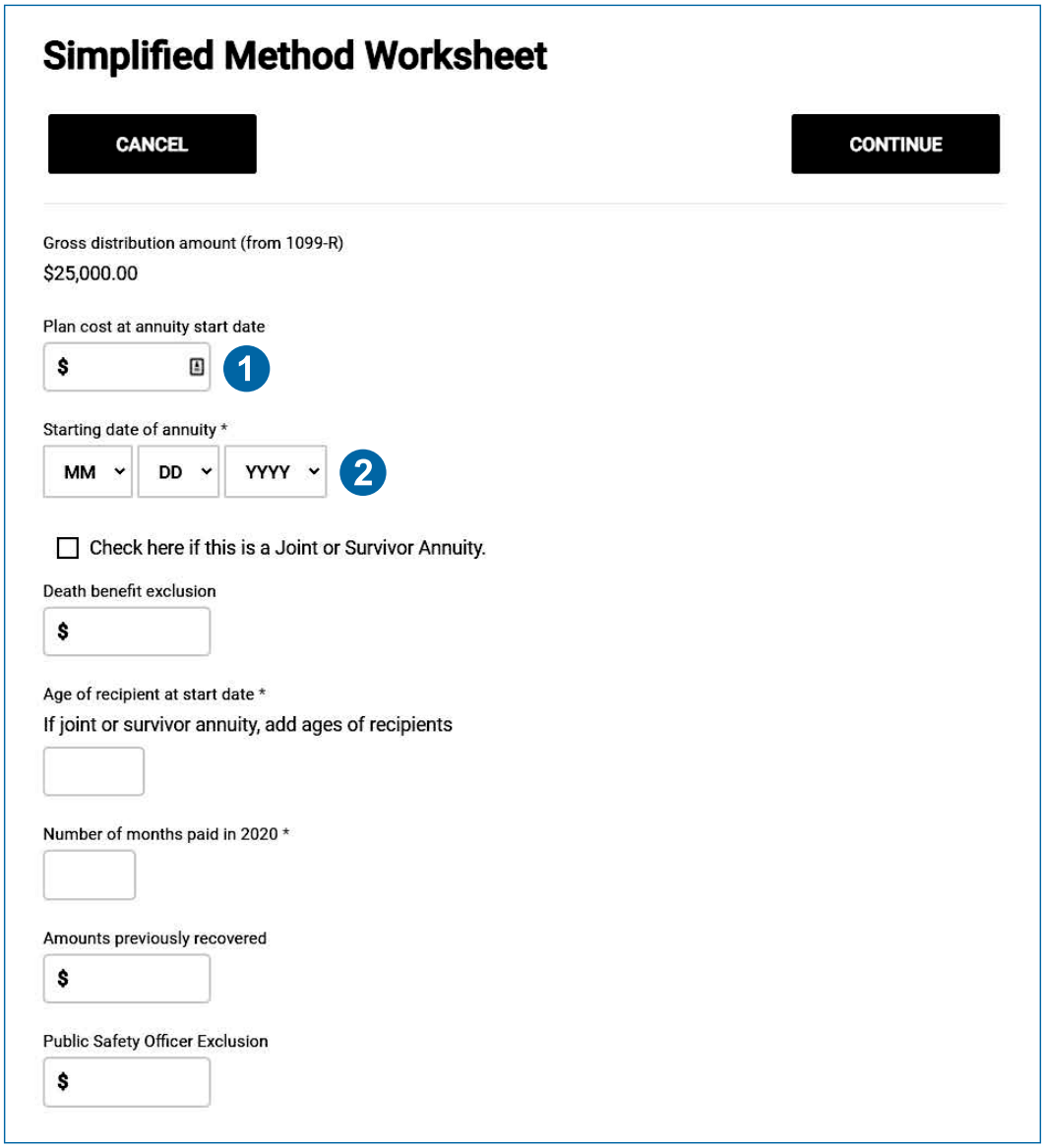
The distribution can be made directly from the plan to the insurance provider, or the distribution can be made to the taxpayer to pay to the provider of the insurance contract.

The definition of a qualified public safety employee used for the exception to the 10% penalty for early distributions is not applicable to the PSO exclusion.

Calculate Taxable Amount: Simplified Method

Income>Form 1099-R, RRB, SSA>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.



1. Enter the Plan cost (shown in Box 9b of 1099-R).
2. Enter the annuity start date. If the disability benefits were paid under this plan during the tax year, enter the date beginning after the taxpayer reached minimum retirement age as the annuity start date. The plan administrator should issue two separate 1099-R statements. If not, prorate the amount to be treated as wages based on the annuity start date.

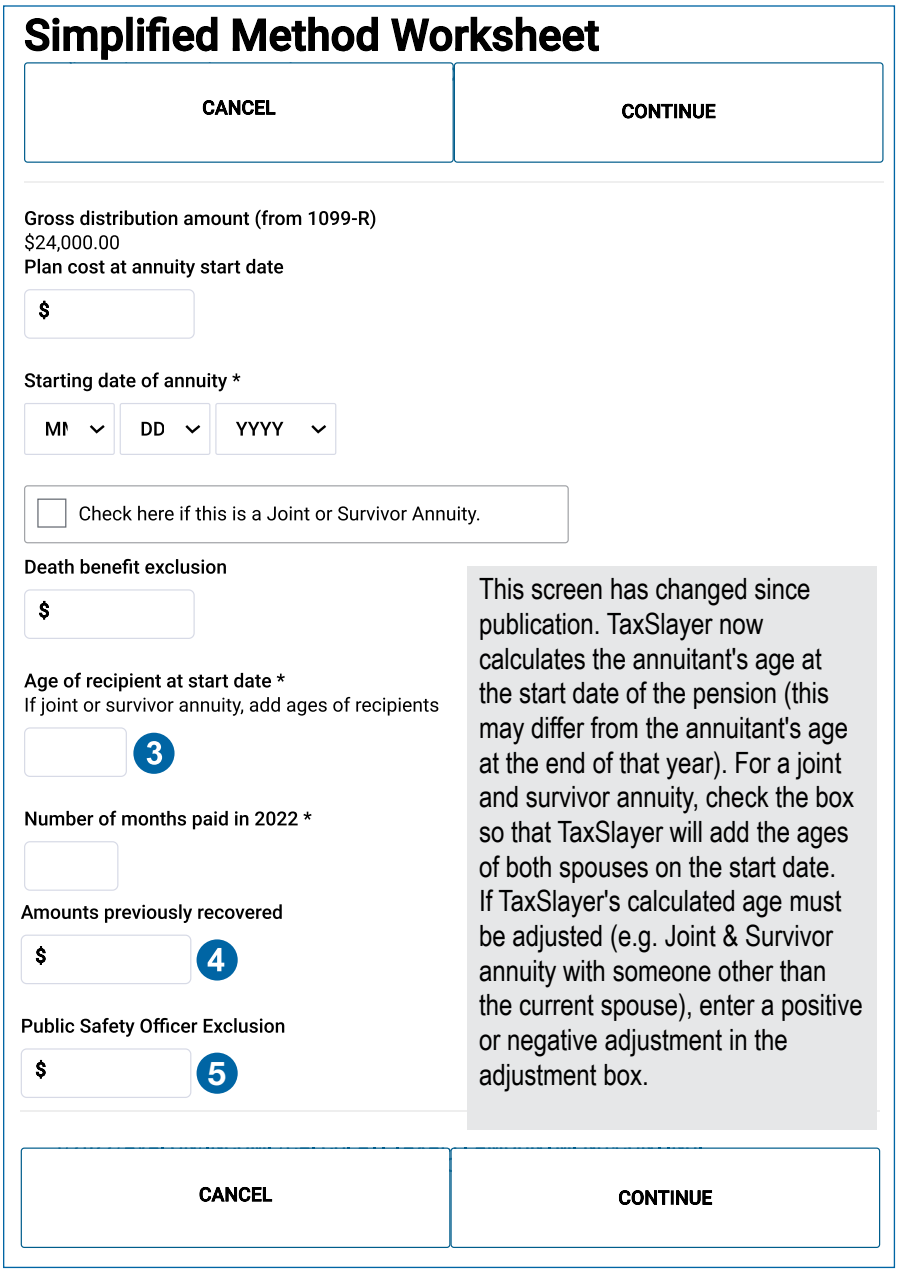
3. Enter the age of the taxpayer on the date the pension started – this may be different than the taxpayer's age at the end of that year.

   For a joint and survivor annuity, add the ages of both spouses on the start date. For the beneficiary of an employee who died, see Publication 575, Pensions and Annuities.

   For a joint and survivor annuity that starts:

   - After the death of the employee, use only the survivor's age and do not check the box for Joint and Survivor Annuity.
   - Before the death of either beneficiary, continue with the same exclusion amount after the first death.

4. Enter the amount that could have been recovered tax free in prior years even if not claimed. Look at last year's tax return to find this amount, or calculate the amount using the monthly tax free amount computed by TaxSlayer for the 2024 tax year times the number of months prior to 2024. For annuitants who retired between July 2, 1986 and Dec. 31, 1986, enter zero.



5. If applicable, enter the amount of the PSO exclusion, up to $3,000, from this distribution.

The taxable amount is calculated and carried to Box 2a on Form 1099-R.

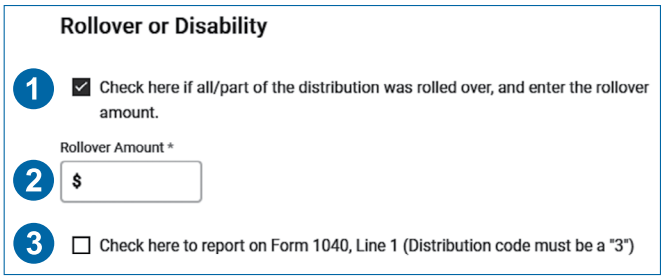
Form CSA 1099-R – Civil Service Retirement Benefits

Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R; or Keyword: -R

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.

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 pull-down 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



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.

1. If any portion was rolled over, check to bring up #2 on the screen to enter the amount. This is required for all Box 7 codes, including code G. However, don't check this box if 100% of the rollover is taxable; e.g. for a Roth conversion rollover with no basis.
2. Ensure that your Box 2a entry excludes any nontaxable portion of the rollover. Then enter the rollover amount here as the difference between Box 1 and Box 2a.
3. 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 Other Earned Income on Form 1040. It will be considered earned income in the calculation of some credits.

There is no cost recovery of employee contributions prior to minimum retirement age.

Two 1099-R's should be issued by the plan administrator for the year that minimum retirement age occurs. If not, preparer will have to prorate amount to be treated as wages based on the day the former employee reached the minimum retirement age during the year, then enter as two 1099-R forms into TaxSlayer.

Rollover – Key Points

- A taxpayer should not receive a Form 1099-R for a trustee-to-trustee transfer from one IRA to another (unless it is a Roth conversion), 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, trustee-to-trustee transfers between IRAs aren't limited and rollovers from traditional IRAs to Roth IRAs (conversions) aren't limited.
- 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 2020-46** for details.

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. Qualified plan loan offset amounts are shown on Form 1099-R, Box 7 Code M.

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.

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.

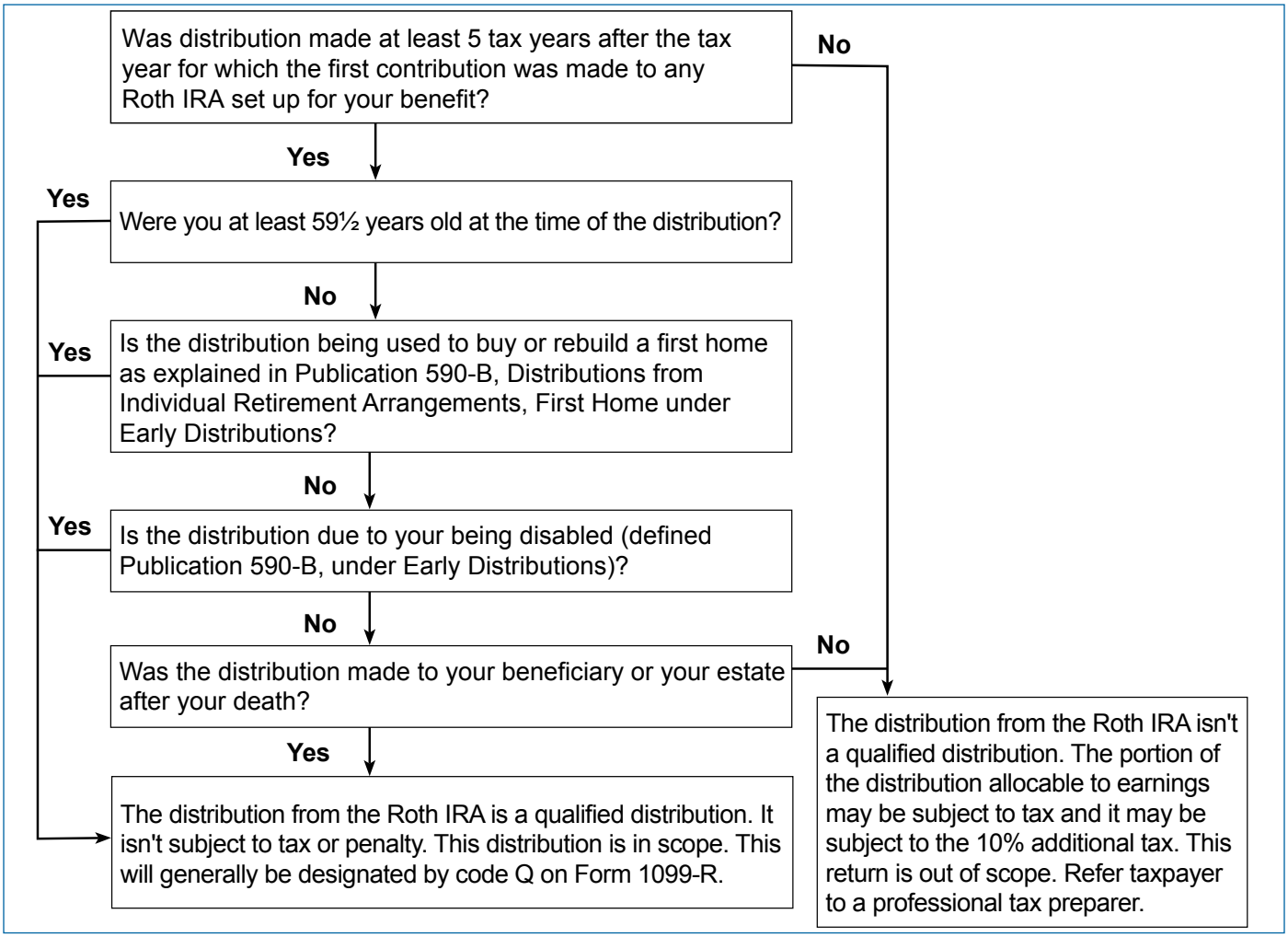
You don't include in your gross income qualified distributions or distributions that are a return of your regular contributions from your Roth IRA(s).

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. Use the the flowchart below to determine whether the taxpayer has a qualified Roth IRA distribution. Nonqualified distributions are Out of Scope.



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 drop-down 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, ask the taxpayer if any non-deductible contributions were made. If so, 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 on Form 1040, line 1h." This will reclassify the disability income as wages. It will also include the amount as income for calculation of the earned income credit, additional child tax credit, and child and dependent care 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 an inherited IRA and the original owner had a basis, the beneficiary takes over that basis (Out of Scope).
6 – Section 1035 exchange	Code 6 is a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contract. It is not reported on the tax return.
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 2a 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 itemized 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 this is a distribution for a retired public safety officer (PSO) from a plan maintained by the employer from which they retired as a PSO, then the PSO exclusion may apply. See earlier in this section for details. • If the IRA/SEP/SIMPLE box IS checked, ask the taxpayer if any non-deductible contributions were made. If so, the return 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. The return is Out of Scope if the taxable amount is not provided in Box 2a or by the taxpayer. 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.



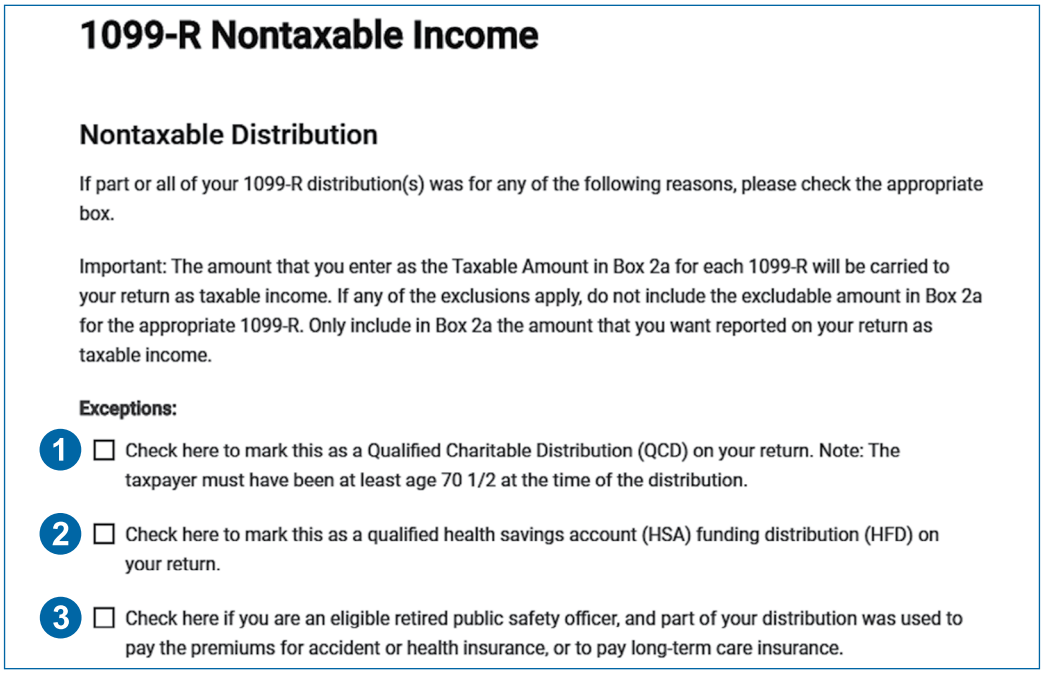
**The return is Out of Scope if the Form 1099-R distribution with codes 1, 2, or 7 is the result of a Traditional IRA to Roth IRA conversion.*

Form 1099-R Box 7 Distribution Codes (continued)

Box 7 Distribution Codes	Explanations
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. See Form 1099-R Rollovers, earlier in this section. Code G is also used by an employer to report designated Roth nonelective contributions and designated Roth matching contributions (in this case Boxes 1 and 2a will be the same as the entire contribution is taxable).
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.
L – Loans treated as deemed distributions	Code L is for loans treated as deemed distributions. This code could possibly be combined with codes 1, 2, 4, 7, or B. For more information on how it is treated see the codes on this chart.
M – Qualified plan loan offset	Code M is used for a qualified plan loan offset distribution due to plan termination or severance from employment. The taxpayer has until the due date, including extensions, to rollover any of the amount. It is always used with another code 1,2,4,7 or B. Treat the distribution based on the other code.
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.
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 select the exception reason from the dropdown list.
W – Charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements.	This distribution is excludable from gross income. It is not entered on the tax return.
5, 8, 9, A, E, J, K, N, P, R, T, U	These codes are Out of Scope.

Form 1099-R Nontaxable Income

Income>1099-R, RRB, SSA>Nontaxable Distributions



1. Qualified Charitable Distribution (QCD) may be used if the person was at least 70½. This makes that portion of the distribution nontaxable.
2. Qualified Health Savings Account funding distribution from an IRA (related to a Form 1099-R) if rolled over, is Out of Scope.
3. Do not use this checkbox as it alone will not produce the required Public Safety Officer (PSO) notation on Form 1040. See Calculate Taxable Amount: PSO Exclusion, earlier in this tab.

Qualified Charitable Distributions:

- The QCD can only be made from a traditional IRA.
- The QCD is not included in income.
- The QCD is not allowed as a charitable deduction.
- The QCD counts toward the taxpayer's Required Minimum 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.

A qualified charitable contribution (QCD) can be made by a taxpayer who is age 70 ½ or older at the time of distribution (unchanged). However, the excludable 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, separately for taxpayer and spouse.

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.

Subtract the QCD amount in Box 2a, but do not adjust the amount in Box 16, State Distribution, to match (other than as outlined in the Caution statement above).

Disaster Related Distributions

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

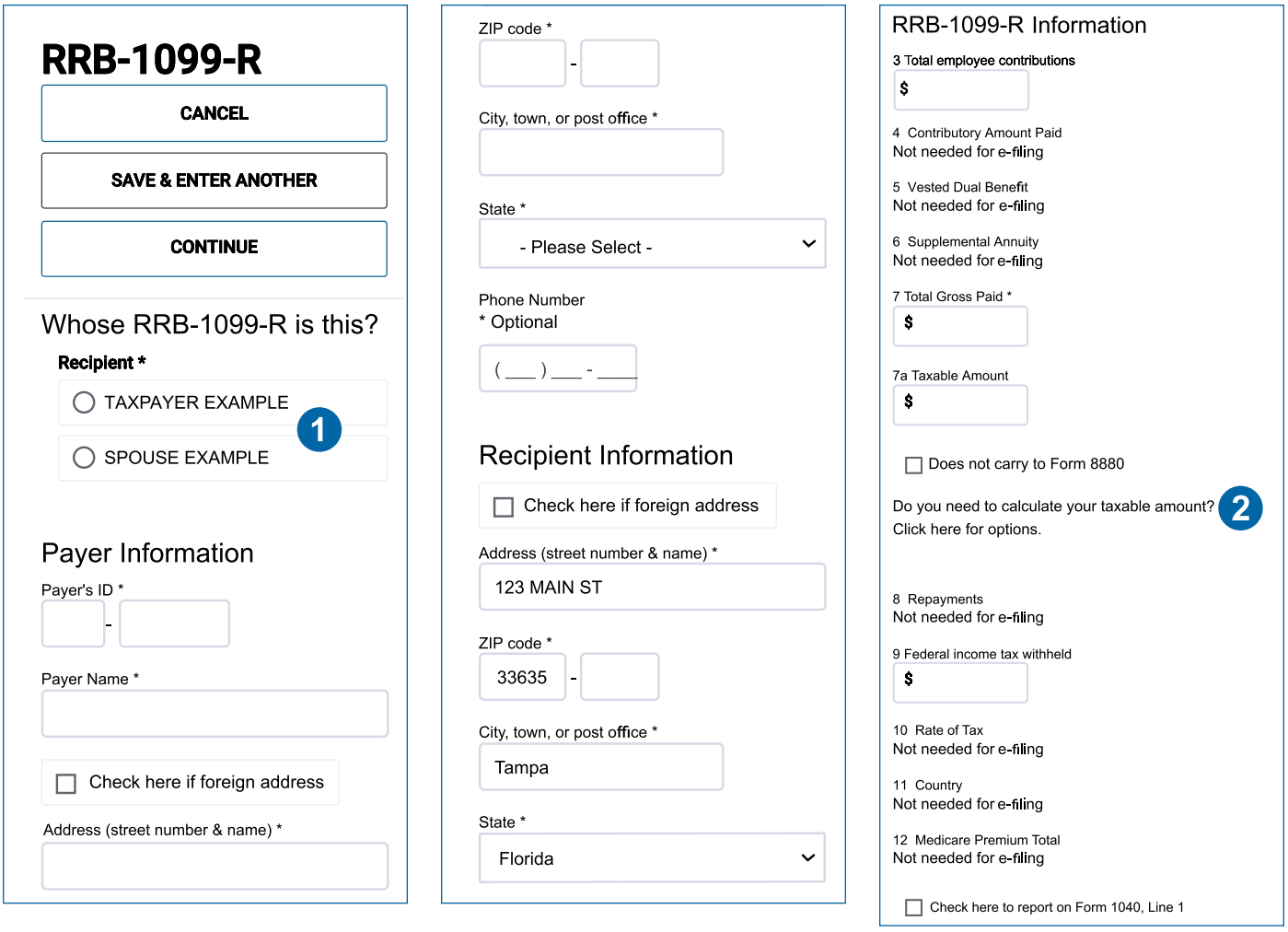
- Disaster Assistance and Emergency Relief for Individuals and Businesses at **www.irs.gov/disasters**
- Publication 5396, Fact Sheet for VITA/TCE Sites Impacted by Federally Declared Disasters at **www.irs.gov/pub/irs-pdf/p5396.pdf**
- Publication 5396-A, Job Aid: Using Form 4852 when Missing the Form W-2 or 1099-R for VITA/TCE Volunteers at **www.irs.gov/pub/irs-pdf/p5396a.pdf**
- Publication 5396-B, Casualty Loss Screening Tool at **www.irs.gov/pub/irs-pdf/p5396b.pdf**

Form RRB-1099-R Distributions

Income>Form 1099-R, RRB, SSA>RRB-1099-R; or Keyword: RRB

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).

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



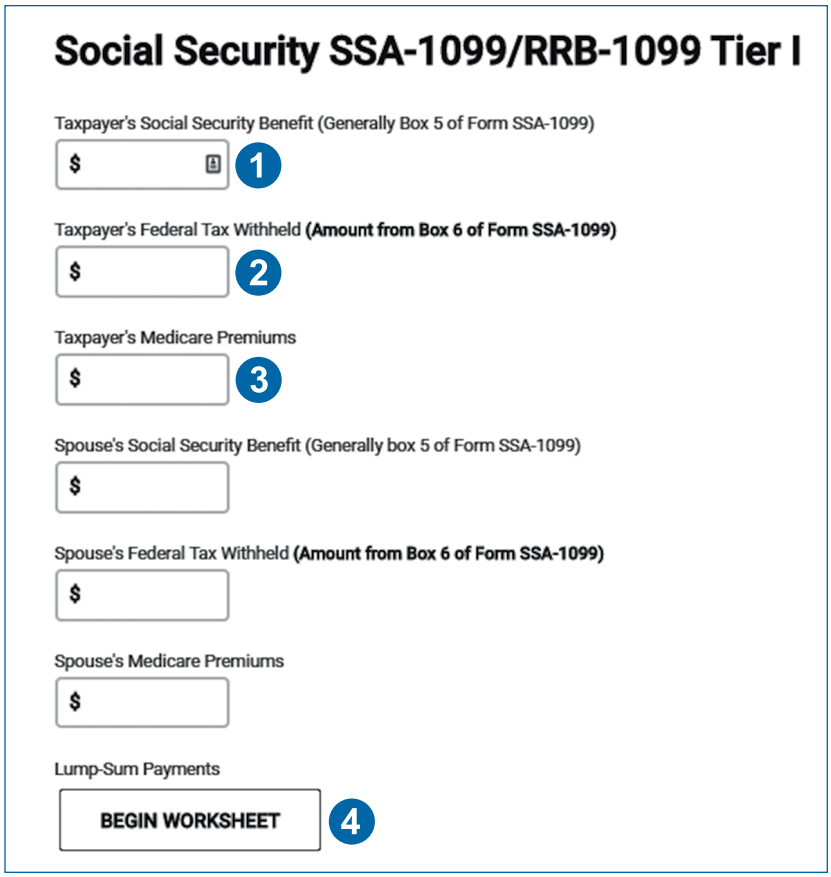
1. A spouse of a railroad retiree receives a spouse annuity and will have a separate RRB-1099-R even though the spouse was not employed by the railroad.
2. Taxable amount may have to be determined using Simplified Method. Railroad retirement pensions which start when the spouse is alive must use the joint and survivor simplified method. Survivor annuities are available for all surviving spouses. The simplified method is **always** needed for a railroad retiree, but it is never needed for the spouse's RRB-1099-R paid to the spouse while the retiree is alive.

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

Income>Form 1099-R, RRB, SSA>Social Security Benefits/RRB-1099; or Keyword: SSA



1. Enter amount from Box 5 of Form SSA-1099 or from Form RRB-1099 - Tier 1 (Blue form) Net Social Security Equivalent Benefits (SSEB).
2. Be sure to check for any tax withheld. This is found in Box 6 of the SSA-1099 and Box 10 of the RRB-1099.
3. Enter the sum of premiums for Medicare Parts A, B, C, and D (carries to itemized deductions). Repeat for spouse. Exclude any premiums instead used for the Public Safety Officer (PSO) exclusion or the Self Employed Health Insurance (SEHI) deduction.
4. 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 can provide prior year tax returns, complete the Social Security Lump-Sum Payment worksheet on the next page (TaxSlayer will reduce the taxable amount of Social Security if the lump-sum method is more beneficial). If prior year returns are not available, the whole amount must be reported in the year it was received.

If both or multiple Forms SSA-1099 or RRB-1099 (Tier 1 Blue Form) were received with the same SSN then combine them to enter together.

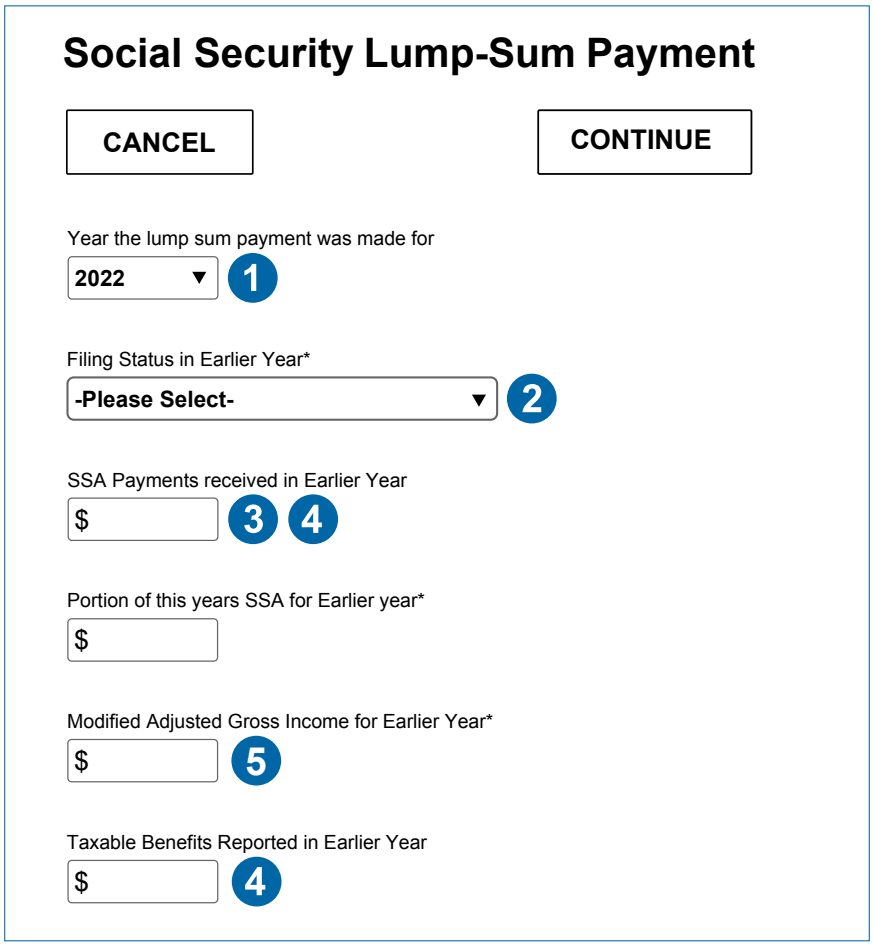
If Box 5 of an SSA-1099 or RRB-1099 is a negative amount, then the taxpayer repaid more than was received. Combine the amounts in Box 5 across all Forms SSA-1099 or RRB-1099 received (including for both spouses if filing jointly), to determine the combined net benefit.

- *If the combined net benefit is positive, then enter that amount into TaxSlayer.*
- *If the combined net benefit is a negative amount less than or equal to $3,000, then it would be a 2% miscellaneous itemized deduction not federally deductible through 2025 (so no entry is required in TaxSlayer for either the combined net benefit or miscellaneous deduction).*
- *If the combined net benefit is a negative amount in excess of $3,000, then the return is OOS. Taxpayer may be able to take an itemized deduction or a credit for part of the excess repayments if they were for benefits included in income in an earlier year. However, this deduction or credit is Out of Scope.*

Foreign social security from Canada or Germany that is treated as U.S. Social Security is Out of Scope

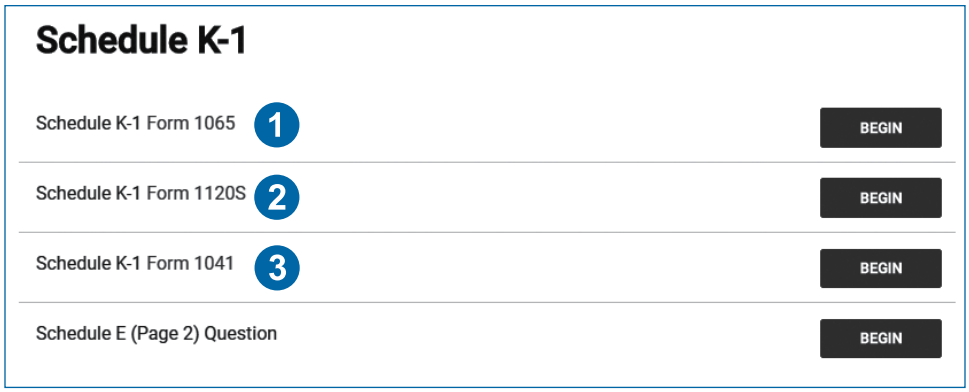
Form SSA-1099 Lump-Sum Distributions

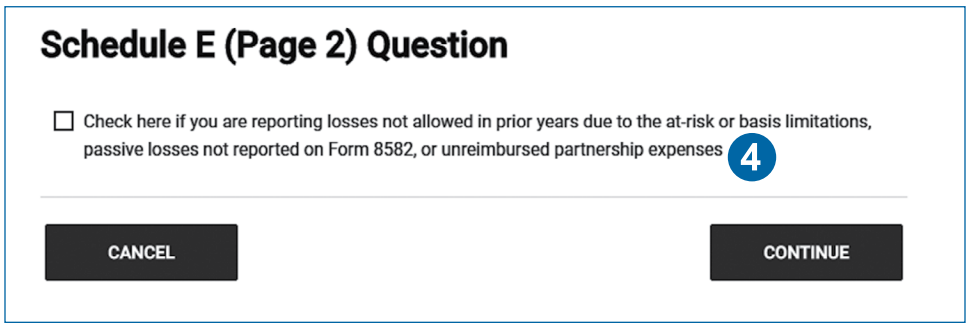
Income>Form 1099-R, RRB, SSA>Social Security Benefits/RRB 1099>Begin Worksheet; or Keyword SSA



1. Enter relevant year, as shown on Form SSA-1099. If more than one year has prior year payments use additional Lump-Sum worksheet.
2. Drop-down menu is available for prior year Filing Status.
3. If the prior year return was MFJ, include Social Security payments received that year by BOTH taxpayer and spouse.
4. 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.
5. To calculate modified AGI, add the following income to prior year AGI:
   - *Tax-exempt interest (Form 1040)*
   - *Student loan interest deduction (Schedule 1)*
   - *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*
   - *Adoption benefits (Form 8839)*
   - *Qualified U.S. Savings Bond interest (Form 8815)*

Income>Other Income>K-1 Earnings ; or Keyword: K-1





Choose the correct option based on the form that the Schedule K-1 comes from. The form number is identified at the top-left of the schedule beneath the words "Schedule K-1," as shown on the next 3 pages.

1. The taxpayer's Schedule K-1 may come from a Form 1065 (Partnership).
2. The taxpayer's Schedule K-1 may come from a Form 1120-S (S-Corporation)
3. Or, the taxpayer's Schedule K-1 may come from a Form 1041 (Estate or Trust) tax return.
4. This situation is Out of Scope.

Income reported on Schedule K-1 that is **In Scope** 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)
- Foreign tax credit
- 199A dividends

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

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 (Form 1041) Instructions and Scope

661117

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

Schedule K-1 (Form 1041)

Department of the Treasury
Internal Revenue Service

2023

For calendar year 2023, or tax year

beginning / / 2023 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's identifying number

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

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 Carryover
2a	Ordinary dividends	D	Long Term Cap Loss Carryover
2b	Qualified dividends		Other Codes OOS
3	Net short-term capital gain		
4	Net long-term capital gain		
4b	28% rate gain OOS	12	Alternative minimum tax adjustment 1
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		
8	Other rental income OOS	13	Credits and credit recapture
		A	Estimated Tax Paid
9	Directly apportioned deductions OOS	B	Income Tax Withheld
		C-Z	OOS
		14	Other information
		A	Tax-exempt interest
10	Estate tax deduction 2	B	3 Foreign Taxes
		I	Only enter for Sec. 199A REIT dividends, otherwise disregard (see Tab F).
			Codes F, G, H: 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.

OOS = Out of Scope; if any item is OOS, then the return is OOS (not unique to Schedules K-1).

1. Disregard Box 12 if AMT does not apply (will not apply if AGI is less than $133,300 for MFJ or QSS, $66,650 for MFS, or $85,700 for all other filing statuses). If AMT applies, the return is Out of Scope.
2. The taxpayer can claim this as a deduction on Schedule A, Line 16, other itemized deductions not subject to 2%, if itemizing. Enter in TaxSlayer on Form 1041 Schedule K-1.
3. Box 14b does not appear in the TaxSlayer Form 1041 K-1 entry screen. Instead make the following entries:
   a. Enter amounts for Code B in Deductions>Credits>Foreign Taxes Paid, see Tab G.
   b. Enter in state as needed.

Schedule K-1 (Form 1120-S) Instructions and Scope

671121

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

Schedule K-1 (Form 1120-S) 2023

Department of the Treasury
Internal Revenue Service

For calendar year 2023, or tax year beginning / / 2023 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

F Shareholder's name, address, city, state, and ZIP code

G Current year allocation percentage . . . %

H Shareholder's number of shares
Beginning of tax year
End of tax year

I Loans from shareholder
Beginning of tax year $
End of tax year $

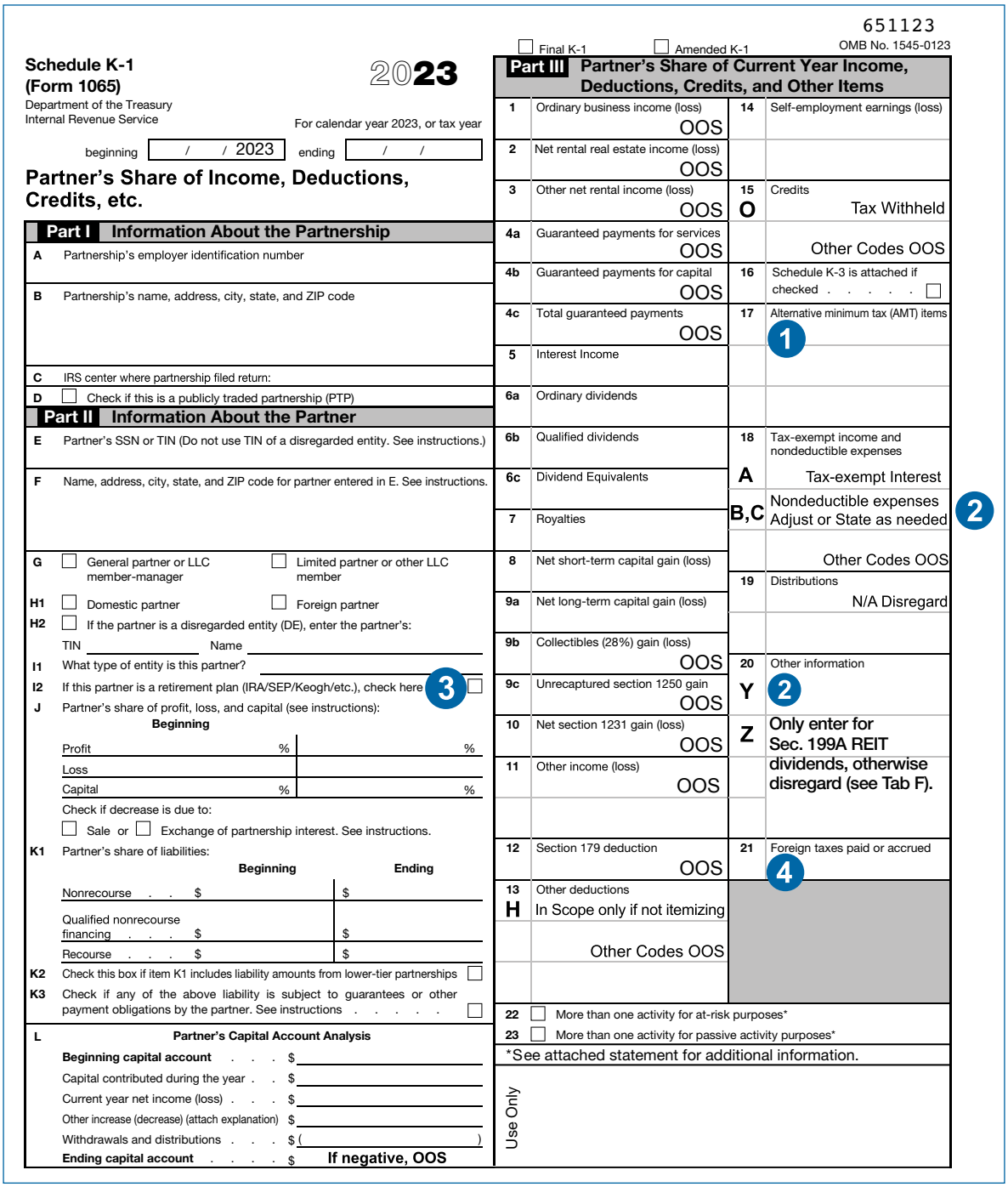
Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss) OOS	13 O	Credits Tax Withheld
2	Net rental real estate income (loss) OOS		Other Codes 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 1
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 A	Items affecting shareholder basis Tax-exempt Interest
10	Other income (loss) OOS	C	Nondeductible expenses Adjust or State as needed 2
		F	Foreign tax paid or accrued 3
			Other Codes OOS
		17 U	Other information 2
11	Section 179 deduction OOS	V	Only enter for Sec. 199A REIT dividends, otherwise disregard (see Tab F).
12 H	Other deductions In Scope only if not itemizing		
	Other Codes OOS		
			Other Codes OOS

OOS = Out of Scope; if any item is OOS, then the return is OOS (not unique to Schedules K-1).

1. Disregard Box 15 if AMT does not apply (will not apply if AGI is less than $133,300 for MFJ or QSS, $66,650 for MFS, or $85,700 for all other filing statuses). If AMT applies, the return is Out of Scope.
2. No need to enter in TaxSlayer (Box 16 Code C and Box 17 Code U)
3. Box 16f does not appear in the TaxSlayer Form 1120-S K-1 entry screen. Instead make the following entries:
   a. Enter amounts for Code F in Deductions>Credits>Foreign Taxes Paid, see Tab G.
   b. Enter in state as needed.

Schedule K-1 (Form 1065) Instructions and Scope



651123

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

Schedule K-1 (Form 1065) 2023

Department of the Treasury
Internal Revenue Service

For calendar year 2023, or tax year beginning / / 2023 ending / /

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

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 ☐ 3

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. See instructions.

K1 Partner's share of liabilities:

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

K2 Check this box if item K1 includes liability amounts from lower-tier partnerships ☐

K3 Check if any of the above liability is subject to guarantees or other payment obligations by the partner. See instructions ☐

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**

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)
2	Net rental real estate income (loss) OOS		
3	Other net rental income (loss) OOS	15 O	Credits Tax Withheld
4a	Guaranteed payments for services OOS		Other Codes 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 1
5	Interest Income		
6a	Ordinary dividends		
6b	Qualified dividends	18 A	Tax-exempt income and nondeductible expenses Tax-exempt Interest
6c	Dividend Equivalents	B,C	Nondeductible expenses Adjust or State as needed 2
7	Royalties		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 Y	Other information 2
9c	Unrecaptured section 1250 gain OOS	Z	Only enter for Sec. 199A REIT dividends, otherwise disregard (see Tab F).
10	Net section 1231 gain (loss) OOS		
11	Other income (loss) OOS		
12	Section 179 deduction OOS	21	Foreign taxes paid or accrued 4
13 H	Other deductions In Scope only if not itemizing		
	Other Codes 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.

Use Only

OOS = Out of Scope; if any item is OOS, then the return is OOS (not unique to Schedules K-1).

1. Disregard Box 17 if AMT does not apply (will not apply if AGI is less than $133,300 for MFJ or QSS, $66,650 for MFS, or $85,700 for all other filing statuses). If AMT applies, the return is Out of Scope.
2. No need to enter in TaxSlayer (Box 18 Codes B and C, and Box 20 Code Y)
3. Disregard the Form 1065 Schedule K-1 if box I2 is checked (indicating that the partner is a retirement plan such as an IRA).
4. Box 21 does not appear in the TaxSlayer Form 1065 K-1 entry screen. Instead make the following entries:
   a. Enter amounts for Line 21 in Deductions>Credits>Foreign Taxes Paid, see Tab G.
   b. Enter in state as needed.

Entering Rental Income in TaxSlayer

Income>Schedule E; or Keyword: SC

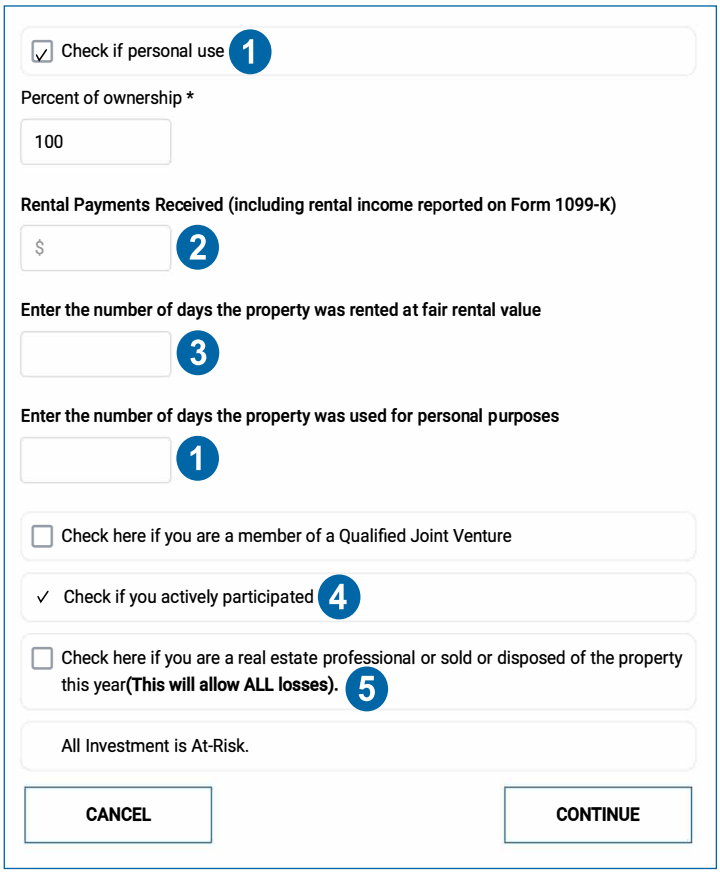
Rental of a personal residence for less than 15 days during the year is not considered a rental activity and is not taxable income and the expenses are not deductible on Schedule E (In Scope). Residence must have also had at least 15 days of personal use during the year. See Publication 527, Residential Rental Property.

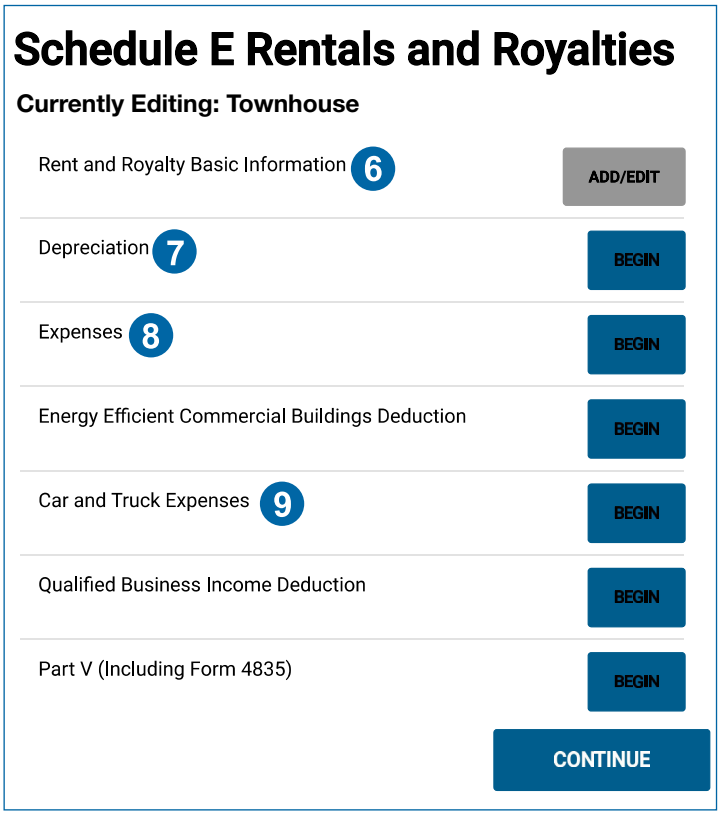
Home rental income is in scope only if preparer and quality reviewer have Military Certification and the taxpayer is active duty military. Taxpayer must provide depreciation amount.

Royalty Income from Form 1099-MISC or a Schedule K-1 with no expenses is in scope.

The following are Out of Scope:

- *Rental income other than as above.*
- *Rentals at less than fair rental value.*
- *Rental activities that are a business.*





1. 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.
2. Enter the total rental payments received for the tax year.
3. Enter number of days rented at fair rental value.
4. 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.
5. 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.
6. Select to edit the physical address, type of property, and to report the number of fair rental and personal use days.
7. If Form 4562, Depreciation and Amortization (Including Information on Listed Property), is required, the tax return is Out of Scope.
8. Select to enter rental expenses. See the next page.
9. Select to enter vehicle expenses using the standard mileage rate. The actual expense method is OOS.

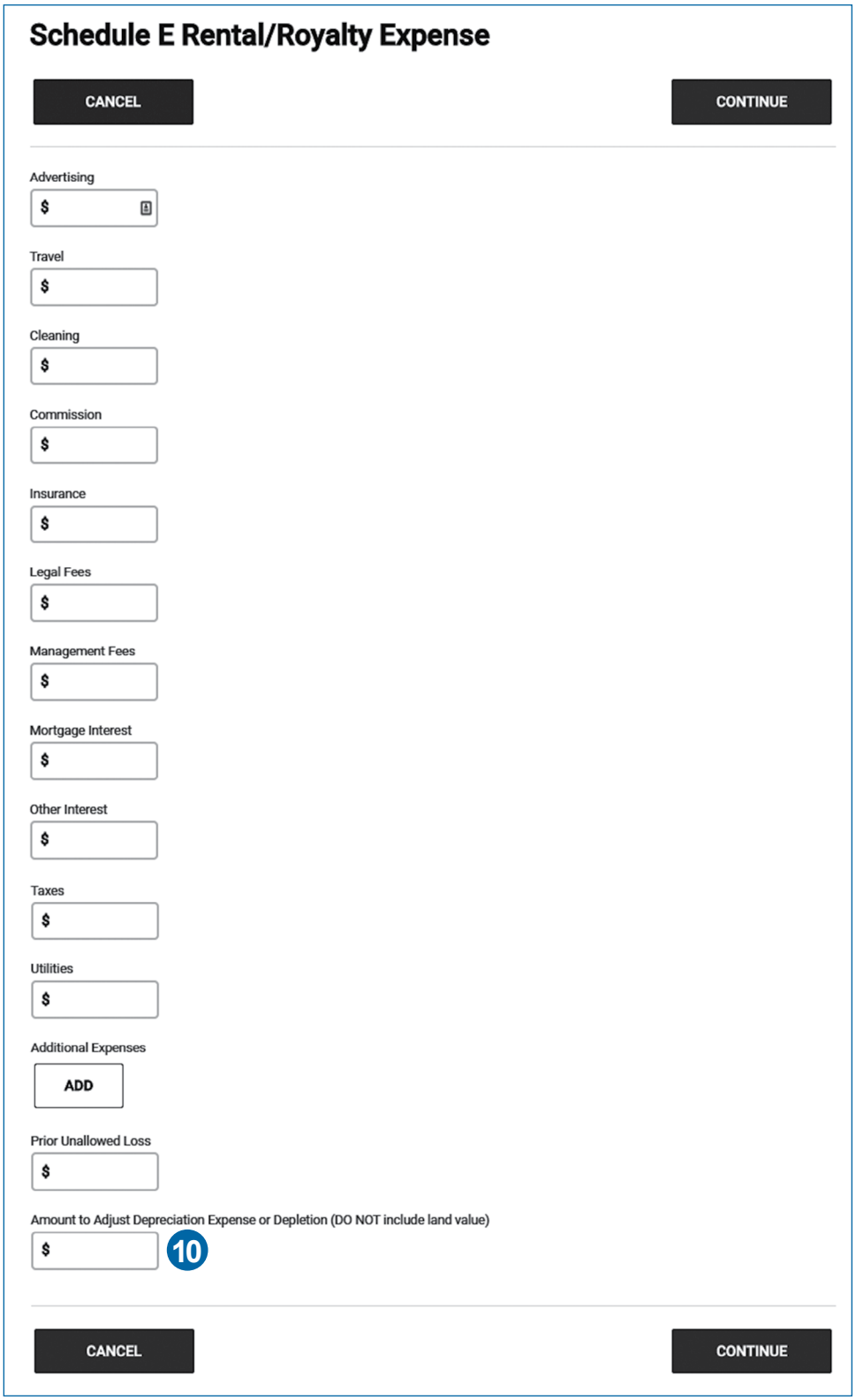
Entering Rental Income in TaxSlayer (continued)

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.

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

⚠ *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.*

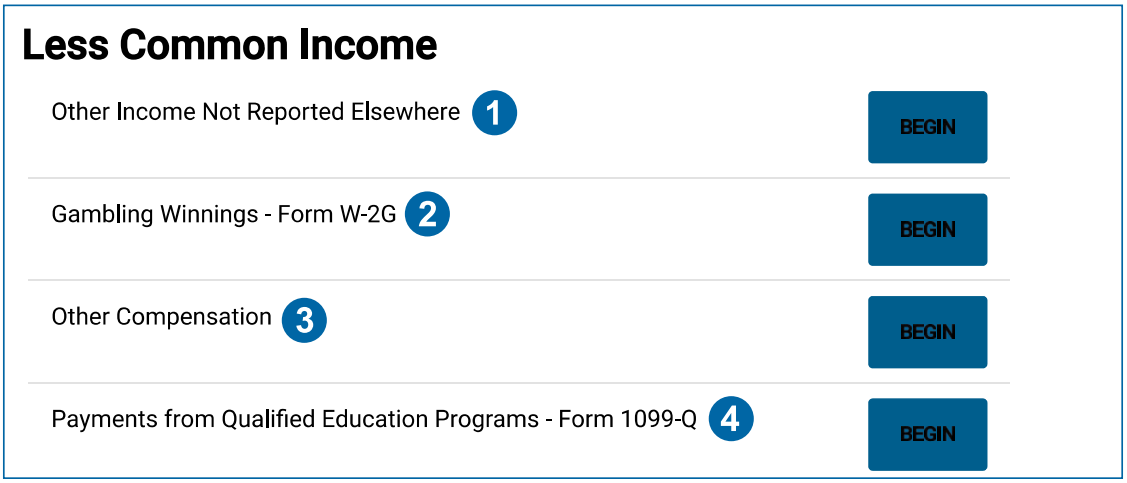
⚠ *Return is Out of Scope for taxpayers who filed or need to file Form(s) 1099.*



Less Common Income

Federal Section>Income>Other Income

Detailed information for each income type found on subsequent pages.



Income>Other Income>Other Income Not Reported Elsewhere

1. Use Other Income Not Reported Elsewhere and make the appropriate drop-down selection to enter amounts from:
   - Election and poll worker pay
   - Prizes and Awards (non-gambling)
   - Wages earned while incarcerated, but not reported on Form W-2 (goes to Schedule 1)
   - 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
   - Reemployment trade adjustment assistance (RTAA) payments from Form 1099-G, Box 5
   - Other income not entered elsewhere on the return

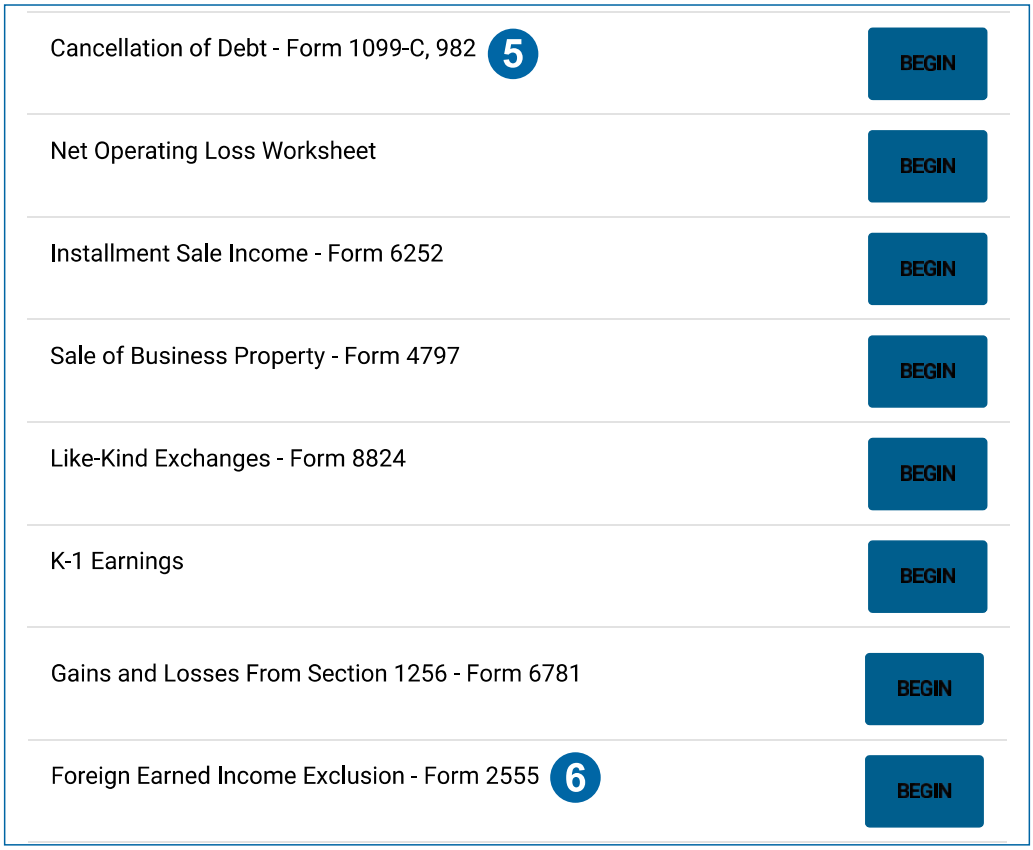
Income>Other Income>Gambling Winnings W-2G; or Keyword: W2G

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

Income>Other Income>Other Compensation>Household Employee Income; or Keyword: OTHER

3. See later in this section for additional instructions for using the Other Compensation menu to report Other Gambling Income not reported on W-2G, taxable scholarships and grants, household employee income, prisoner earned income reported on a W-2, Medicaid Waiver Payments (Not Reported on W-2), and foreign compensation.
4. 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)/529 or Achieving a Better Life Experience (ABLE) accounts are Out of Scope.

Less Common Income (continued)



5. Cancellation of Debt from a credit card and Discharge of Qualified Principal Residence Indebtedness are in scope for preparers with Advanced certifications. All other cancellation of debt reported on Forms 1099-C or 1099-A is Out of Scope.
6. 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.

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

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.

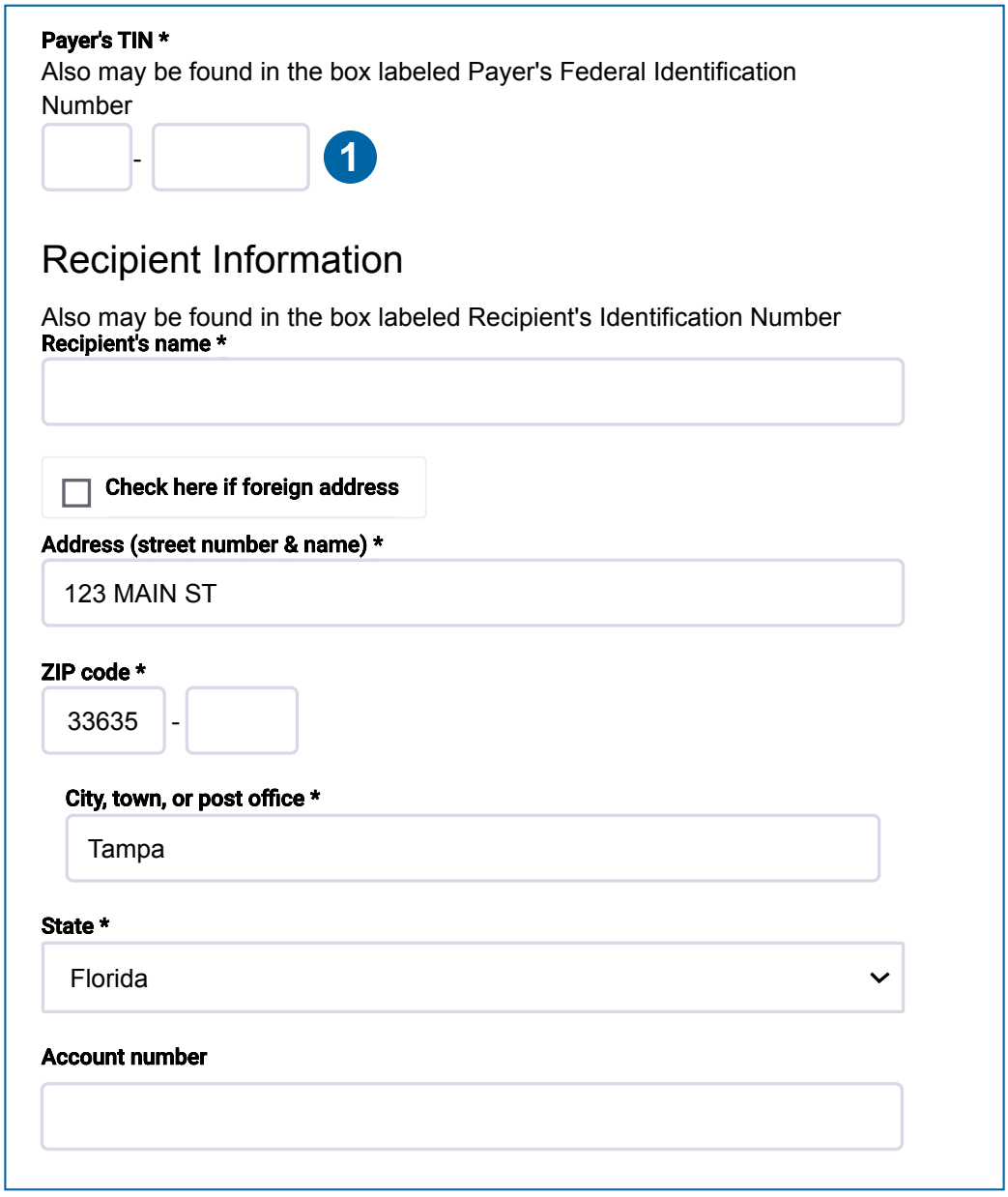
Form 1099-LTC, Long-Term Care Benefits:

Deductions>Adjustments>MA MSAs, Archer MSAs and Long-Term Care Insurance Contracts>scroll to Long Term Care (LTC) Insurance Contracts (Form 1099-LTC); or Keyword: 8853 or LTC

- 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.
- If Box 3 is checked for per diem, benefits received are taxable if they exceed the greater of actual costs or $410 per day for 2024.

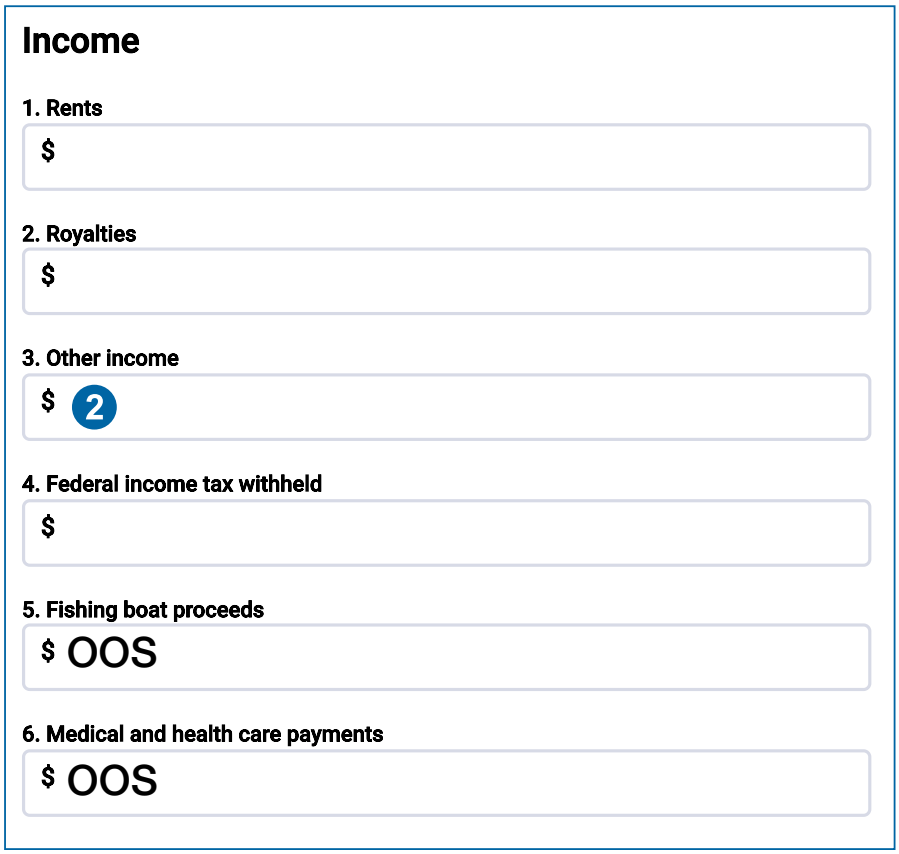
Form 1099-MISC

Income>1099-MISC; or Keyword: MIS

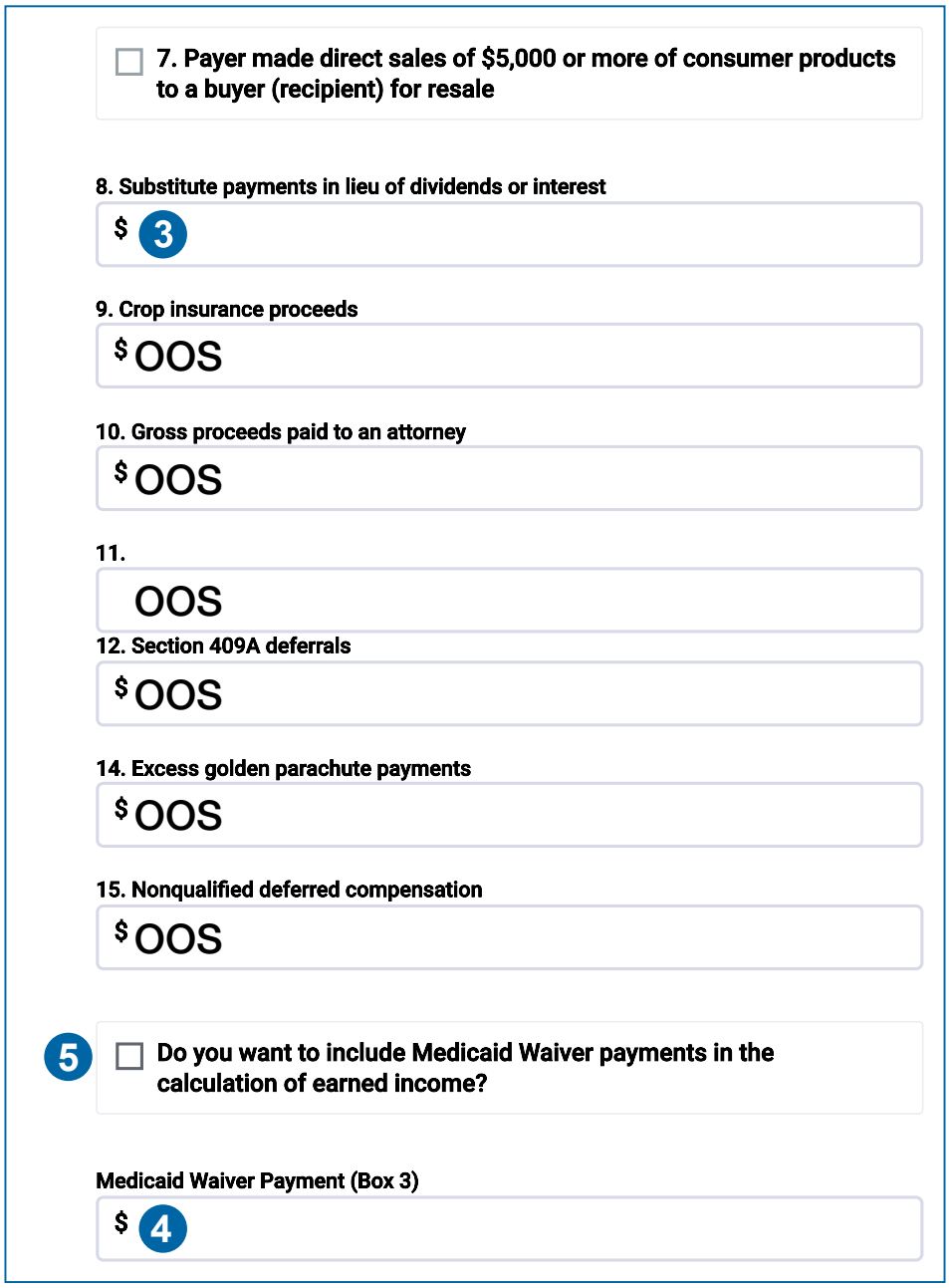


1. The Payer Information relates to the entity that paid the taxpayer and issued the Form 1099-MISC. In most cases, the Federal ID will be an employer identification number, not an SSN.

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



2. Some income that isn't self-employment, such as prizes and awards, and strike benefits is reported in Box 3, Other Income. For a Medicaid waiver payment reported in Box 3, enter in Box 3 and see #4 and #5, later in this section. To report strike benefits on the return, do not enter a 1099-MISC. Instead enter as Other Compensation (see #7 in Entering Other Compensation in TaxSlayer, later in this tab).

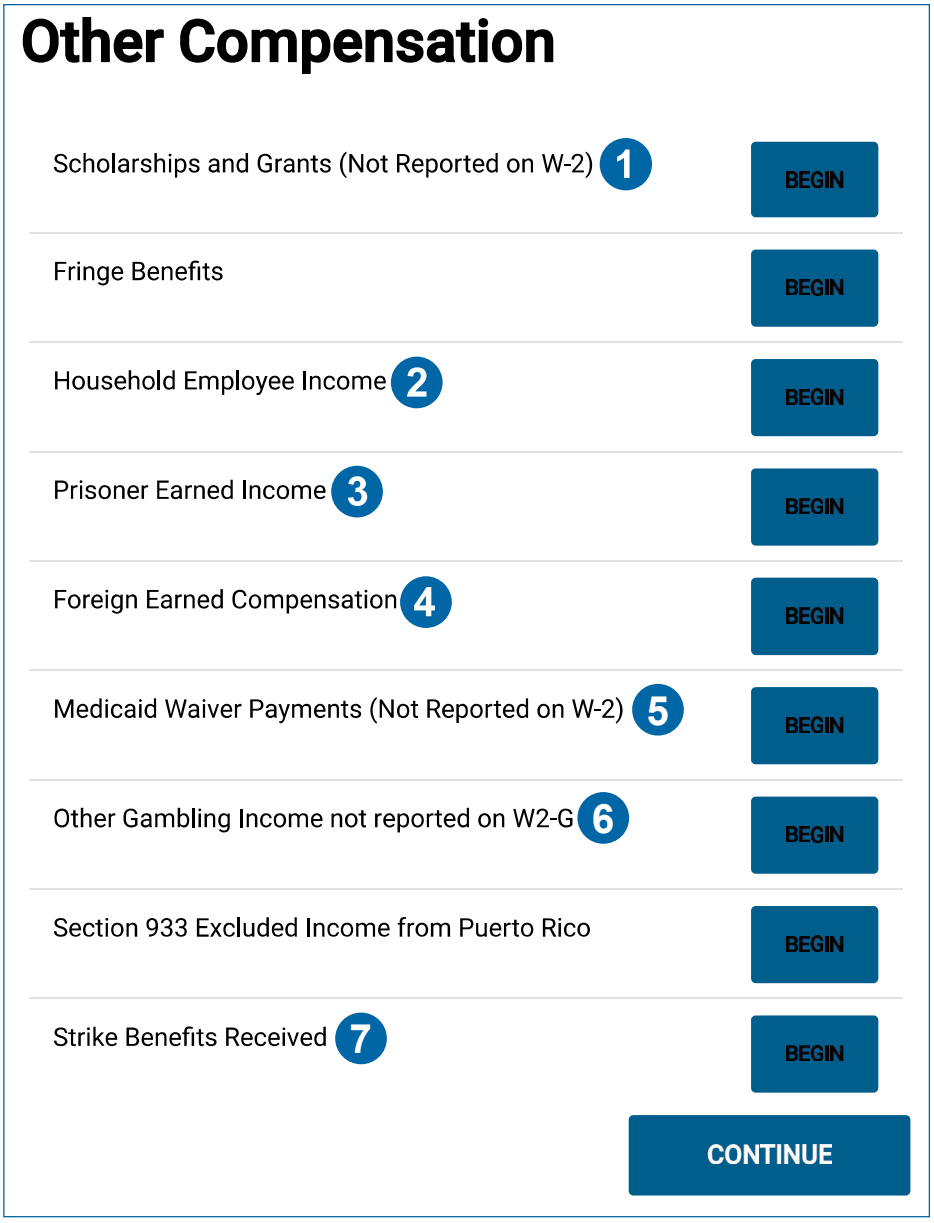


3. Report Box 8 amount as Other Income>Other Income Not Reported Elsewhere.
4. For a Medicaid waiver payment, also enter the amount here to exclude it from AGI via Schedule 1, Line 8s.
5. A taxpayer may choose to include Medicaid waiver payments in the calculation of earned income for the EIC and the ACTC even when excluded from AGI. Test to see if checking the box to include in earned income is advantageous for the taxpayer after completing all other parts of the return.

Self-employment income generally appears on Form 1099-NEC. If self-employment income was reported on Form 1099-MISC, it should instead be reported in gross receipts on the Schedule C.

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

Income>Other Income>Other Compensation; or Keyword: OTHER C



1. 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. The amount will appear on Form 1040, Schedule 1. Taxable scholarship is considered unearned income for most purposes but is considered earned income for determining filing requirement.
2. Enter wages received as a household employee for which the taxpayer did not receive a Form W-2 because the employer paid less than $2,700 in 2024. The amount will appear on Form 1040.
3. Enter the amount received for work while an inmate in a penal institution, in a work release program, or while in a halfway house and reported on a W-2. If not reported on a W-2, then see Less Common Income earlier in this section instead.

   This entry is made in addition to entering the Form W-2 for this income to remove it from earned income.

   For purposes of the Earned Income Credit, this isn't considered earned income.

   Wages earned while incarcerated will appear on Form 1040, Schedule 1.
4. Enter foreign earned income (wages, salaries, etc.) paid by a foreign employer for work performed while the taxpayer lived in a foreign country.
5. For more information, see Entering Medicaid Waiver Payments earlier in this tab.
6. Gambling income not reported on a Form W-2G entered here will be reported on Schedule 1. Also use this screen to enter any gambling losses not covered by Form W-2G reported winnings.
7. Strike Benefits Received entered here will be reported on Form 1040, on the other earned income line.

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.

Entering Cancellation of Debt

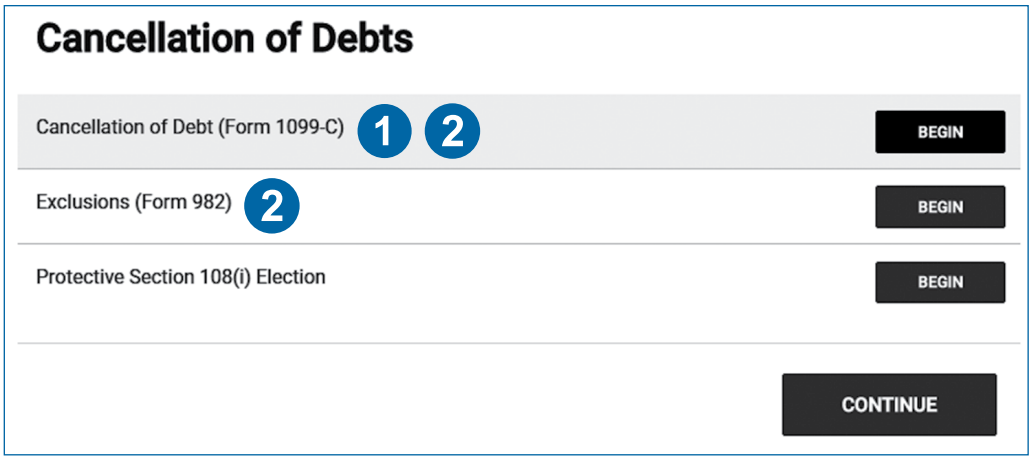
Income>Other Income>Cancellation of Debt 1099-C, 982>Cancellation of Debt (Form 1099-C); or Keyword CANC

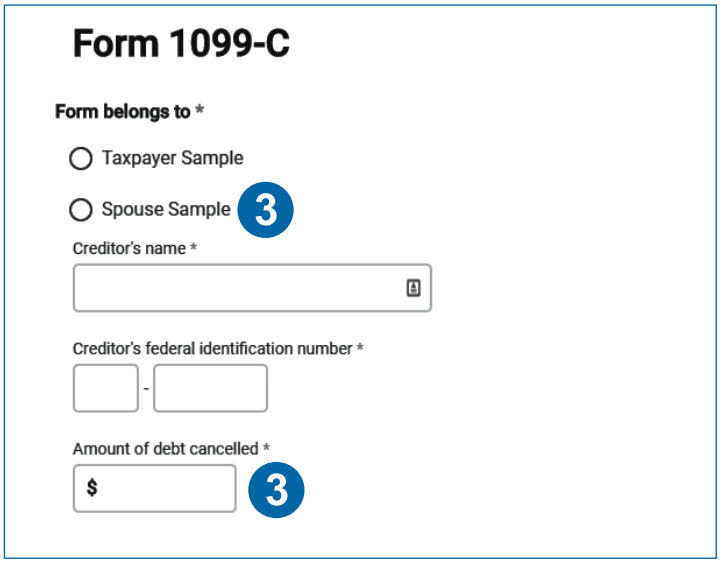
Generally, if a debt for which a taxpayer is personally liable is canceled or forgiven, the taxpayer must include the canceled amount in income.

A Taxpayer who is a guarantor or surety is not the debtor for purposes of the cancellation of debt and is not responsible for reporting the forgiven income. If a 1099-C is issued, the taxpayer should contact the issuer for a corrected statement.

Be sure to ask if the taxpayer was insolvent or in bankruptcy. The return is Out of Scope if the taxpayer had credit card debt canceled as part of a bankruptcy discharged during the tax year, or the taxpayer was insolvent during the tax year.

1. For cancellation of credit card debt, use the screening sheet (Publication 4731) on the next page to confirm if the return is in scope. If it is in scope, then enter the Form 1099-C in TaxSlayer (see below).
2. If the Form 1099-C was for mortgage forgiveness on the taxpayer's main home, see Legislative Extenders Tab for instructions, including determining if the return is in scope. For in scope discharge of qualified principal residence indebtedness you will need to complete both the Form 1099-C and the Form 982 screens in TaxSlayer.
3. Enter the information from the Form 1099-C. Be sure to indicate whether the canceled debt was for the taxpayer or the spouse.





Student Loan Debt Forgiveness

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. If discharge of student debt qualifies for exclusion, then no Form 1099-C should be issued. If issued, and taxpayer meets the requirements noted above, the taxpayer should try to obtain a corrected document. If unable, input as Income>Less Common Income> Cancellation of Debt (Form 1099-C) and again in Deductions > Adjustments > Other Adjustments > Other Adjustments Not Listed Above with the description of "Student Loan Forgiveness." For more information see Publication 970, Tax Benefits for Education.

Publication 4731
Screening Sheet for Nonbusiness Credit Card Debt Cancellation

Ask if the taxpayer was insolvent or in bankruptcy. The return is Out of Scope if the taxpayer had credit card debt canceled as part of a bankruptcy discharged during the tax year, or the taxpayer was insolvent during the tax year.

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

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?

☐ **Yes** – Go to Step 2
☐ **No** – Go to Step 6

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.

2. Was the credit card debt related to a business?

☐ **Yes** – Go to Step 6
☐ **No** – Go to Step 3

3. Does box 6 of the Form 1099-C indicate Code A for bankruptcy?

☐ **Yes** – Go to Step 6
☐ **No** – Go to Step 4

Note: If box 6 is not marked with a Code A, but the taxpayer has subsequently filed bankruptcy, answer “yes.”

4. Was the taxpayer insolvent* immediately before the cancellation of debt?

☐ **Yes** – Go to Step 6
☐ **No** – Go to Step 5

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.

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. Do **not** go to Step 6.

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:
- www.irs.gov for the most up-to-date information.
- A professional tax preparer.
- 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.
- 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 (Rev. 10-2024) Catalog Number 52643X Department of the Treasury **Internal Revenue Service** www.irs.gov

Insolvency Determination Worksheet

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

Insolvency Determination Worksheet

Assets (FMV)		Liabilities	
Homes	$	Mortgages	$
Cars		Home equity loans	
Recreational vehicles, etc.		Vehicle loans	
Bank accounts		Personal signature loans	
IRAs, 401Ks, etc.		Credit card debts	
Jewelry		Past-due mortgage interest, real estate taxes, utilities, and child care costs	
Furniture			
Clothes			
Misc.		Student loans	
Other assets		Other liabilities	
Total Assets:	$	Total Liabilities:	$

Total Assets minus Total Liabilities = $
(Negative amount equals insolvency)

Positive amount equals solvency

Entering Foreign Earned Income Exclusion

Federal Section>Income>Other Income>Foreign Earned Income Exclusion; or Keyword "2555"

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:

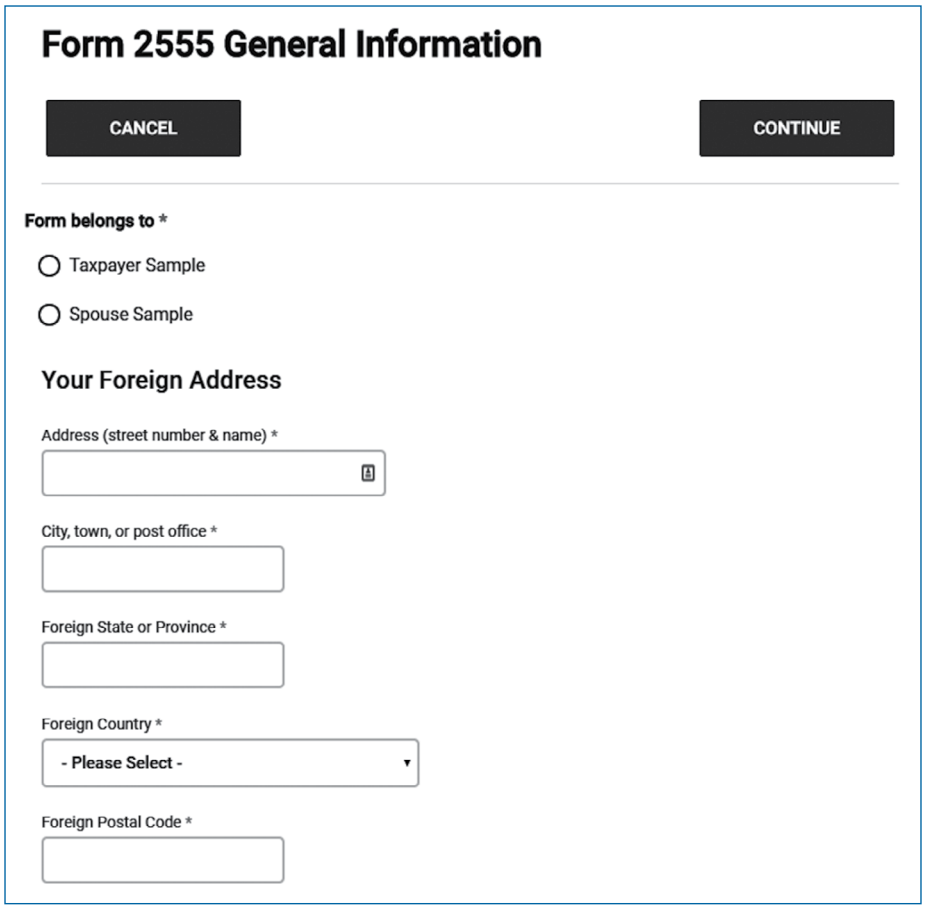
- Demonstrate that their tax home is in a foreign country
- Meet either the Bona Fide Residence Test or the Physical Presence Test
- Have income that qualifies as foreign earned income (reported on Form 1040 as taxable wages or as self-employment income)

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 2024, the maximum foreign earned income exclusion is $126,500. 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.

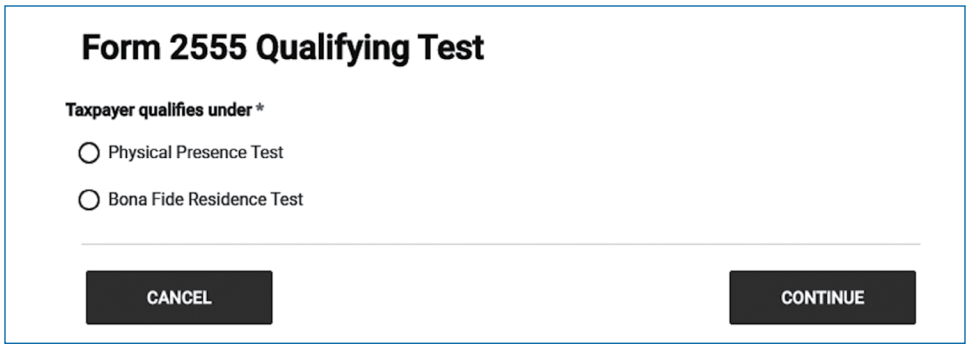
The taxpayer's tax home is the taxpayer's regular or principal place of business, employment, or post of duty, regardless of where the taxpayer maintains a family residence. A taxpayer may have more than one tax home during the year.

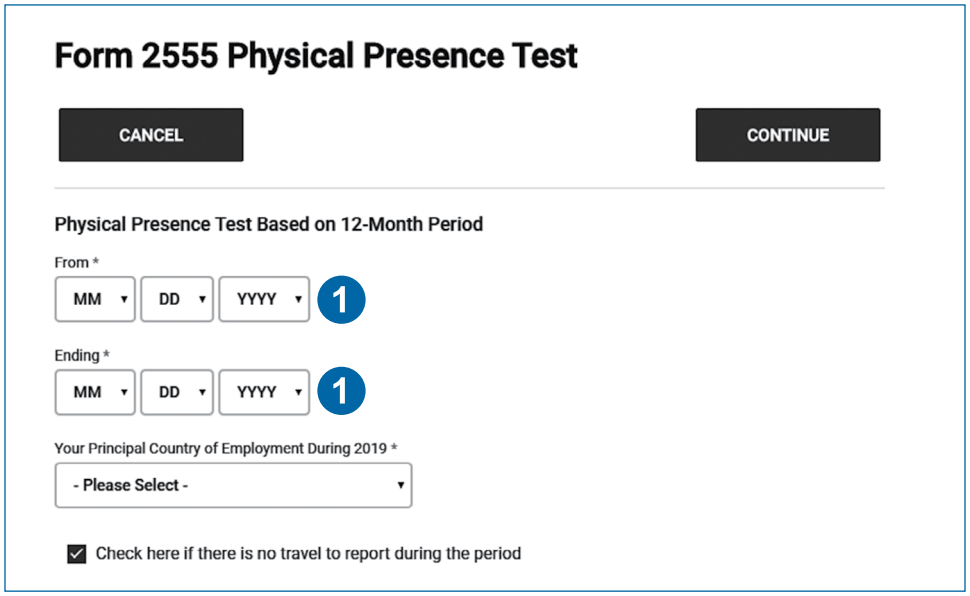


Entering Foreign Earned Income Exclusion (continued)

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 a bona fide resident of a foreign country or countries for an uninterrupted period that includes an entire tax year.





1. The 12-month period on which the physical presence test is based must include 365 days, part of which must be in 2024. The dates may begin or end in a calendar year other than 2024.

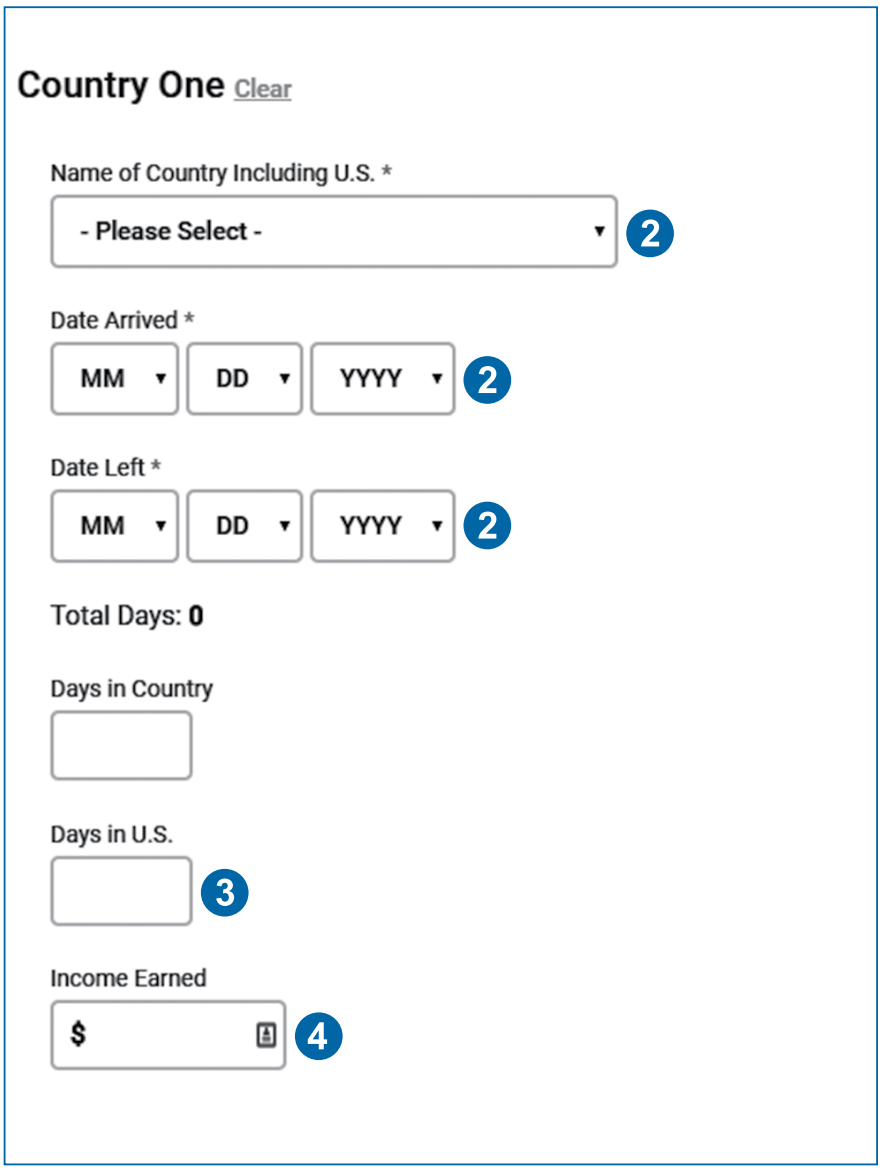
   To figure 330 full days, add all separate periods the taxpayer was present in a foreign country or countries during the 12-month period.

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 (continued)

2. If the taxpayer left the principal country of residence during the tax year, enter the information requested for each additional country he or she visited.

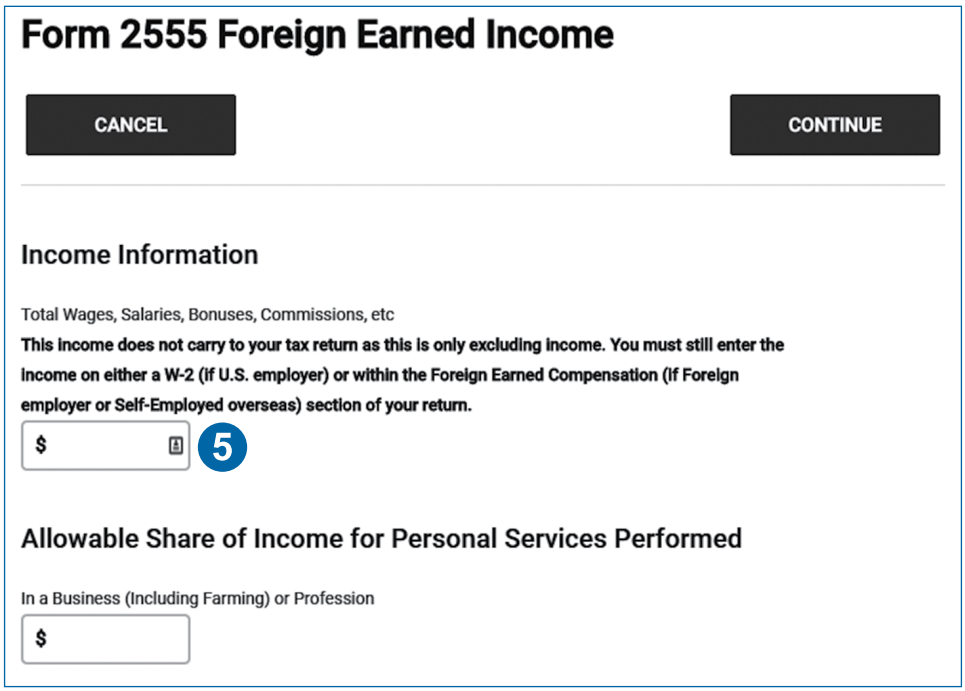
   If more than one additional country was visited, select **Add Country**. Select **Clear** if the taxpayer did not visit any other countries during their time abroad.
3. Days in the United States are entered in a separate field.
4. If no money was earned in the country to which the taxpayer traveled, enter $0.



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 (continued)





5. Enter the income the taxpayer earned during the 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.

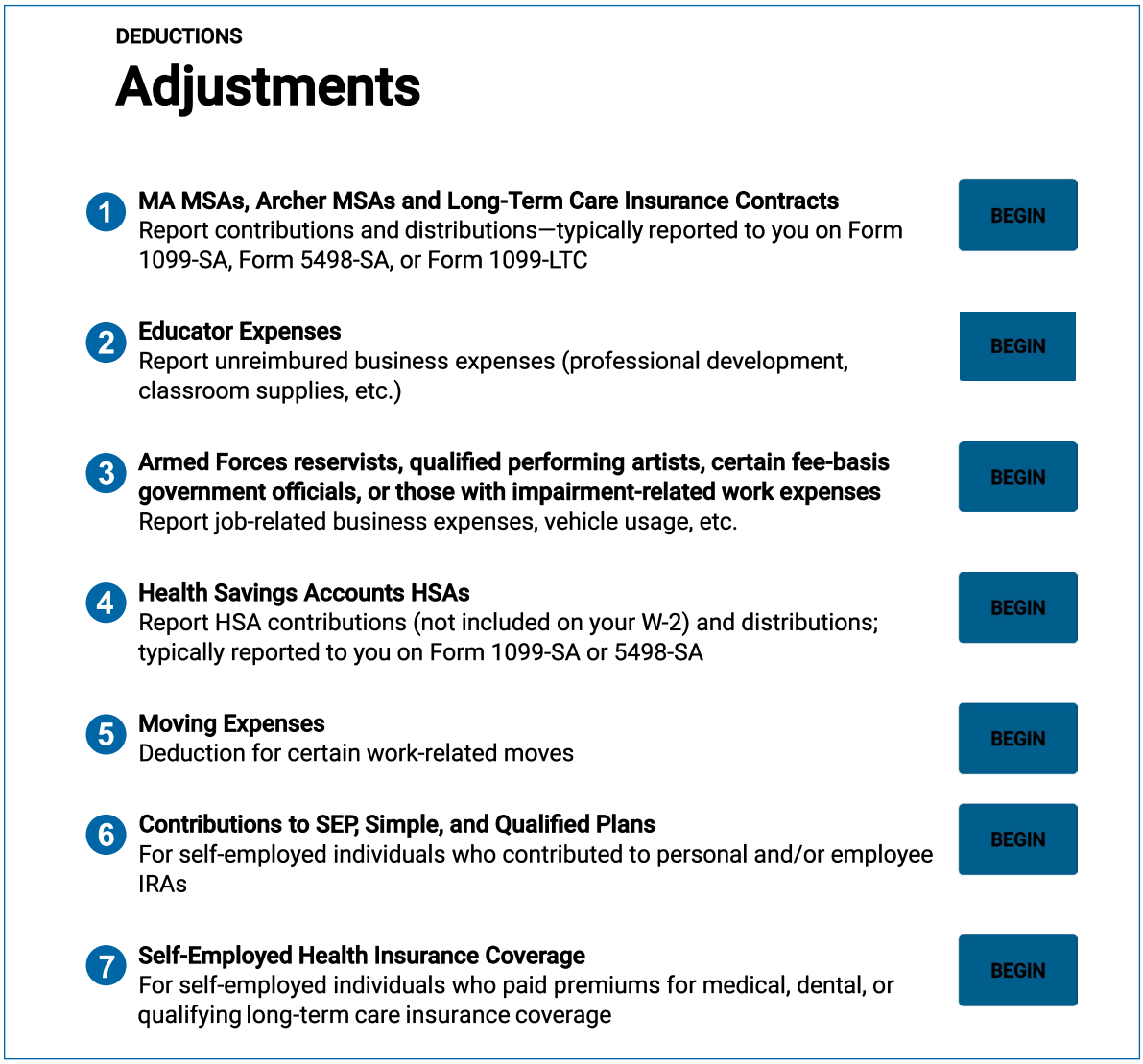
6. Enter the number of days in your qualifying period that fall within the 2024 tax year. Your qualifying period is the period during which you meet the tax home test and either the Bona Fide Residence or the Physical Presence Test.

Notes:

Tab E: Adjustments to Income

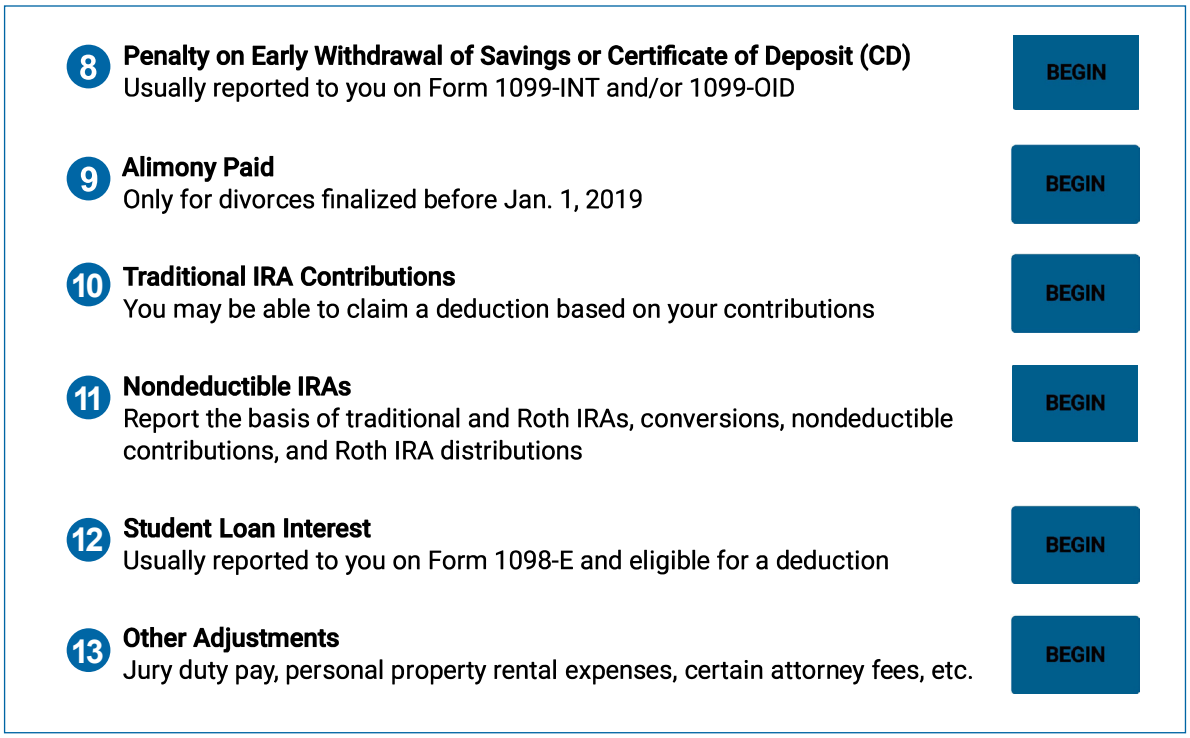
Adjustments to Income

Deductions>Adjustments



1. In Scope only for Form 1099-LTC, Long-Term Care (LTC) Insurance Contracts. MSAs are Out of Scope.
2. In tax year 2024, eligible educators can deduct up to $300 for materials and supplies used in the classroom.
3. In scope for Military certification only. See Employee Business Expenses, later in this tab.
4. Health Savings Account – select to open Form 8889, Health Savings Accounts.
5. 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.
6. Adjustments to income for contributions to Self-employed SEP, SIMPLE, and Qualified Plans – Out of Scope.
7. Self-employed health insurance deduction is in scope (Advanced certification required). Do not enter from this screen. See Schedule C – General Expenses in Tab D for details.

Adjustments to Income (continued)



8. Early withdrawal penalty auto-populates from Form 1099-INT.
9. If the taxpayer paid alimony to more than one person, add a second payee after entering the first. See Alimony Requirements, later in this tab, for post-2018 divorces.
10. Taxpayers have until the tax filing deadline (not including extensions) to make traditional IRA contributions.
11. Form 8606 Nondeductible IRAs is Out of Scope.
12. Taxpayers may deduct up to $2,500 in student loan interest they paid. See Student Loan Interest Deduction at a Glance later in this tab.
13. Select **Other Adjustments** for:
    - Jury duty pay (Schedule 1, line 24a) turned over to employer.
    - Other adjustments not listed above (Schedule 1, line 24z). Enter Description and Amount to report a miscellaneous adjustment to income. Combine multiple adjustments into a single entry with their total entered in Amount.

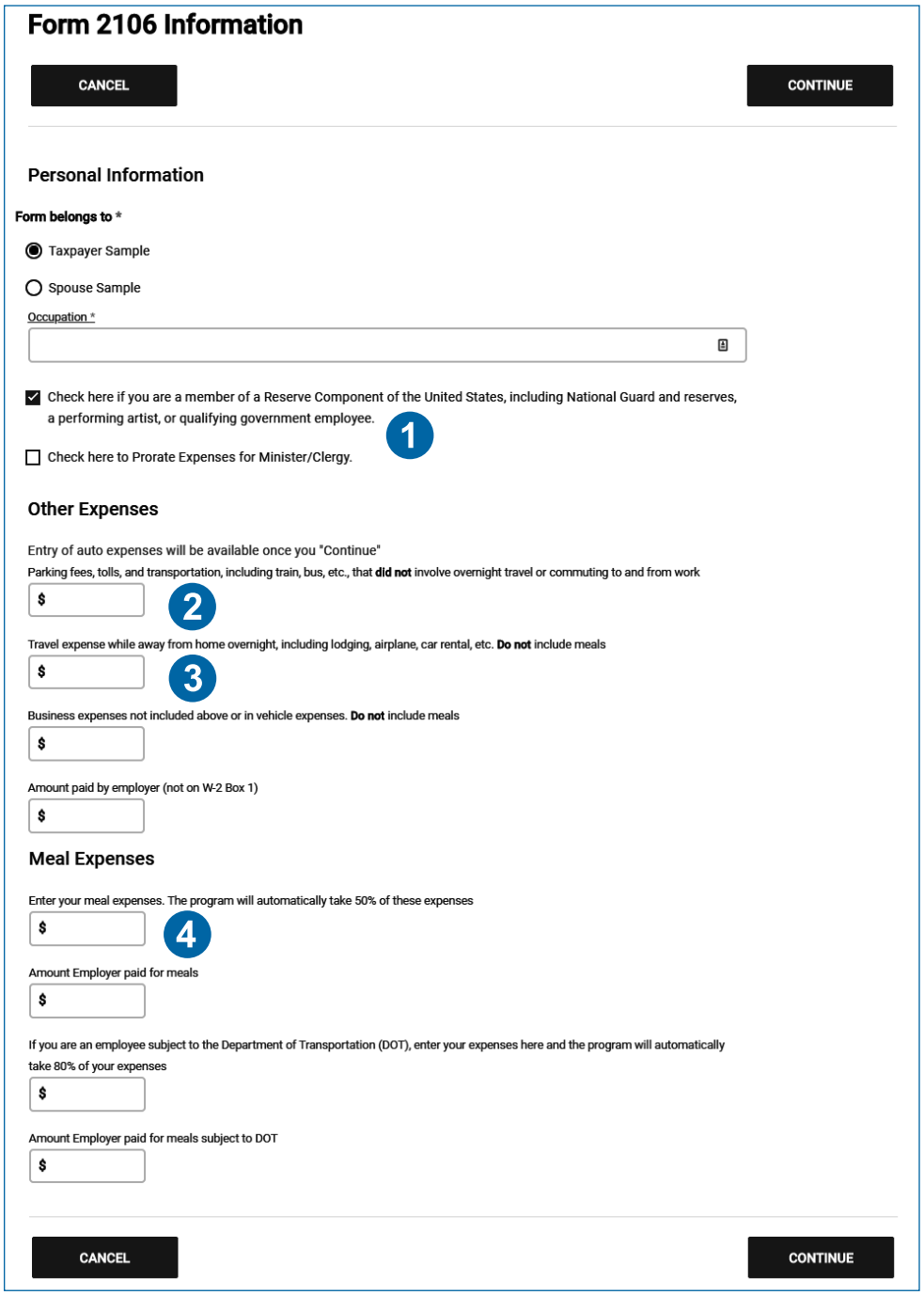
Employee Business Expenses

1. Check the box to indicate that the taxpayer is a member of a Reserve Component.
2. Enter parking fees, tolls, and transportation, including trains, buses, etc., that **didn't** involve overnight travel or commuting to and from work.
3. Enter travel expense while away from home overnight, including lodging, airfare, car rental, etc. **Don't** include meals.

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

   - actual lodging costs, limited to the federal per diem rate.
   - federal per diem rate for incidental expenses.
   - standard mileage rate (for car expenses) plus any parking fees, ferry fees and/or tolls.
4. Enter meal expenses at the federal per diem rate.

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

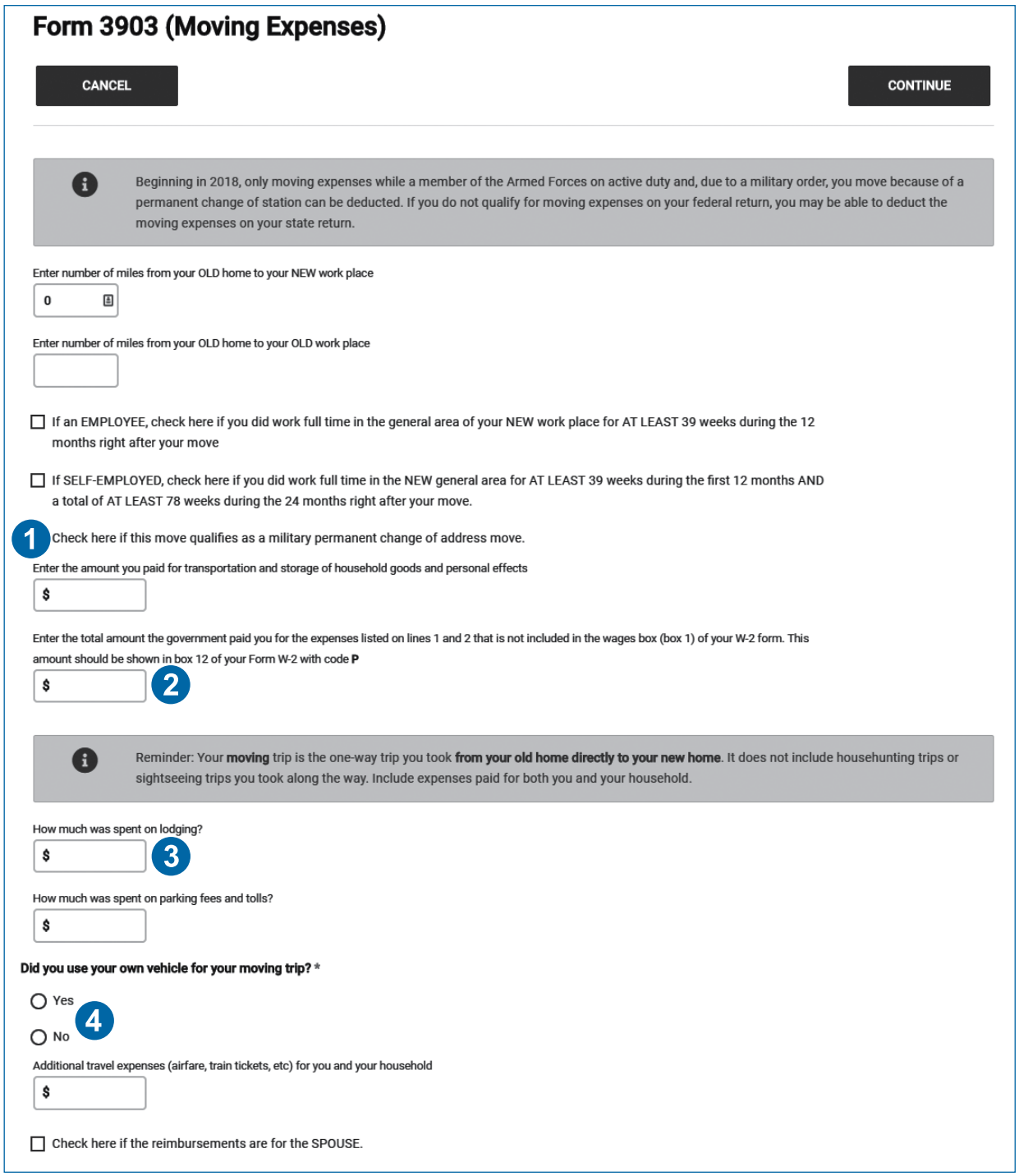


Form 2106 , Employee Business Expenses, is in scope for Military certification only.

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.

Moving Expenses

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



Form 3903 (Moving Expenses)

CANCEL CONTINUE

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.

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

0

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.

1 ☐ Check here if this move qualifies as a military permanent change of address move.

Enter the amount you paid for transportation and storage of household goods and personal effects

$

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**

$ 2

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?

$ 3

How much was spent on parking fees and tolls?

$

Did you use your own vehicle for your moving trip? *

○ Yes

○ No 4

Additional travel expenses (airfare, train tickets, etc) for you and your household

$

☐ Check here if the reimbursements are for the SPOUSE.

1. Check the box to indicate a Permanent Change of Station (PCS) move.
2. Enter amount from Form W-2, Box 12, code P.
3. Enter lodging costs. You can't deduct the cost of unnecessary side trips or lavish and extravagant lodging.
4. If yes, enter number of miles or the taxpayer's actual amounts for gas and oil if they maintained receipts. Don't enter both.

Moving Expenses (continued)

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.



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



21 cents per mile driven for medical or moving purposes for the year.



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

Deductions>Adjustments> Educator Expenses; or Keyword: EDUCA

Don't rely on this table alone. Refer to Publication 529, Miscellaneous Deductions, for more details.

Question	Answer
What is the maximum benefit?	$300 (If the taxpayer and spouse are both eligible educators, they can deduct up to $600, but **neither** can deduct more than their own expenses up to $300).
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. Qualified expenses include amounts paid or incurred for personal protective equipment, disinfectant, and other supplies used for the prevention of the spread of coronavirus. 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 education.

Professional development expenses include courses related to the curriculum in which the educator provides instruction.

The deduction amount is indexed for inflation and may change in future years.

Self-Employed Health Insurance Deduction

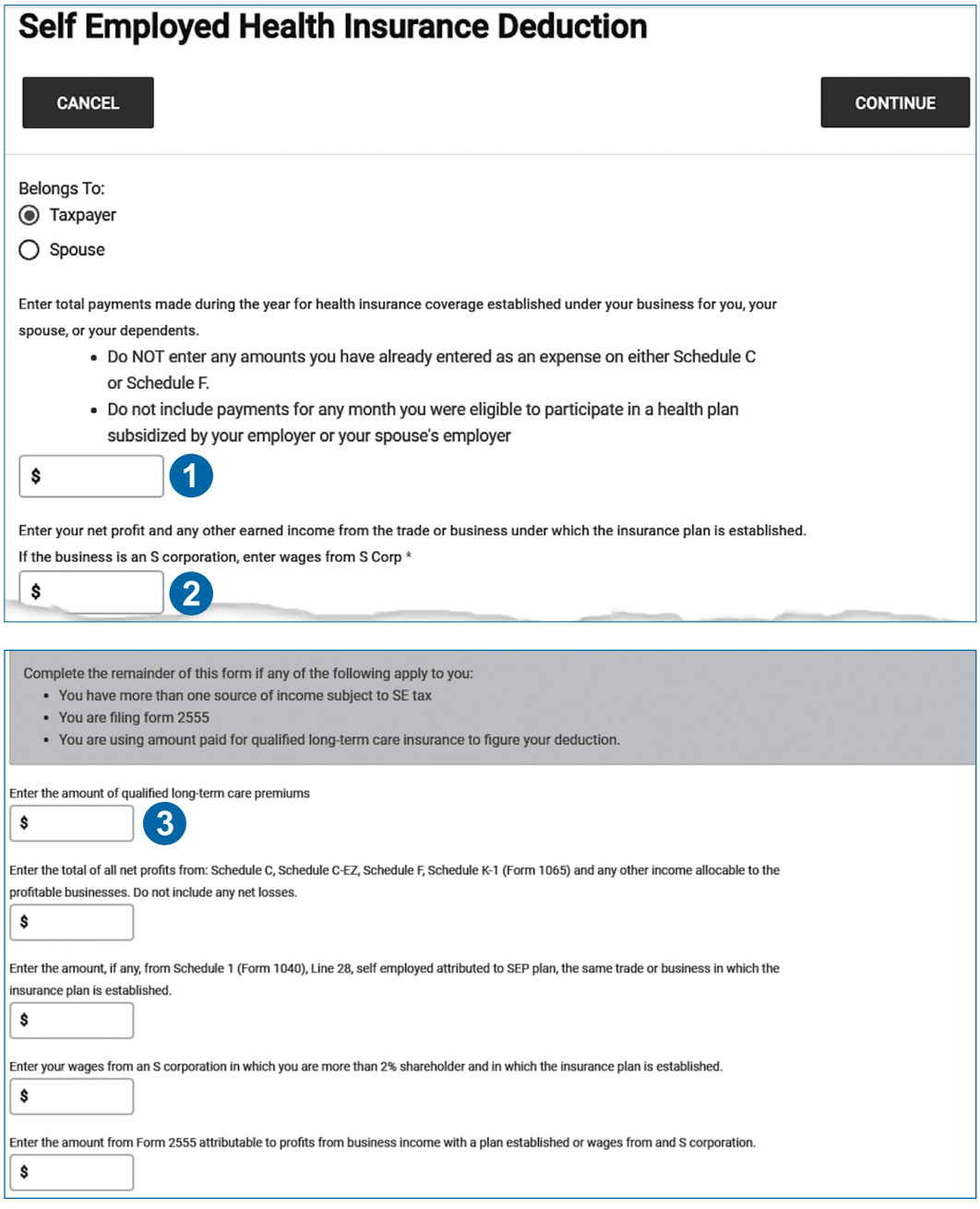
Income>Schedule C>General Expenses>Health Insurance; or Keyword: HEA

Do not enter self employed health insurance data on this screen. Instead 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.

1. Enter total amount of premiums paid here for health insurance
2. 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.
3. LTC premiums limited by age for 2024:
   - Age 40 or under: $470
   - Age 41 to 50: $880
   - Age 51 to 60: $1,760
   - Age 61 to 70: $4,710
   - Age 71 and over: $5,880

Calculations with Premium Tax Credit are Out of Scope with respect to the self-employed health insurance deduction.

For taxpayers who are itemizing deductions, test to see if claiming the health insurance on Schedule A yields a better result.



Deductions>Adjustments>Health Savings Accounts HSAs; or Keyword: HSA

Don't rely on this document alone. Refer to HSA references to provide assistance.

IRS

Publication 4885

Screening Sheet for Health Savings Accounts (HSA)

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).	For **YES** and **NO**: Complete Form 8889, Part I, lines 3-13. **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)

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.

Contributions to an employee’s HSA account through a Section 125 (cafeteria) plan are treated as employer contributions and aren't deductible. Such contributions are included as part of the code W amount in Form W-2 Box 12.

Deductions>Adjustments>Health Savings Accounts HSAs; or Keyword: HSA

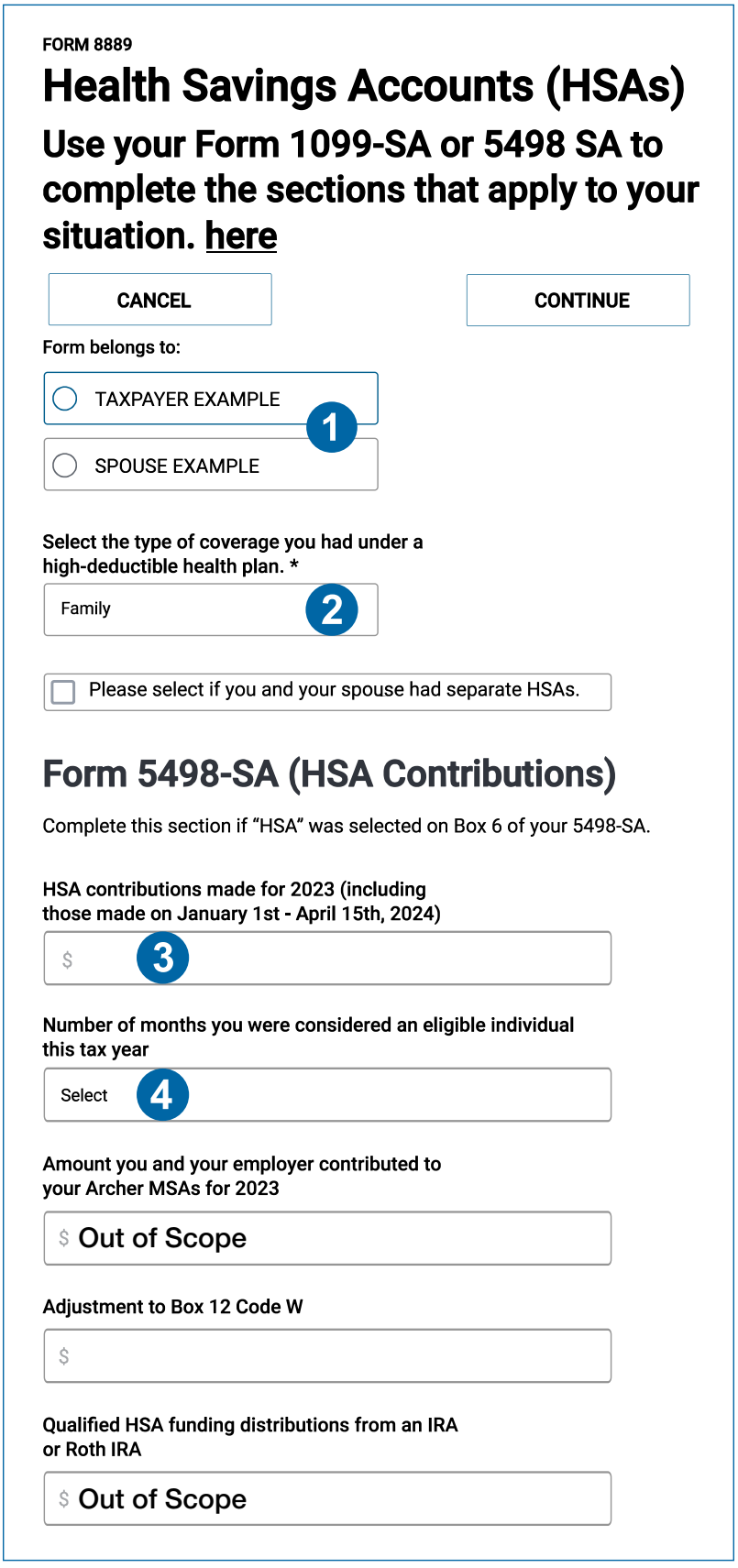
2024 Contribution Limits

- Family Plan: $8,300
- Self only Plan: $4,150
- Add $1,000 if the owner is age 55 or over at end of year

1. Add a second Form 8889 if taxpayer and spouse have separate HSAs.
2. Select the appropriate HDHP coverage for the individual. Self-only or family. This determines the maximum HSA contribution limits.

   Select family if taxpayer had family coverage on Dec 1 or if married and either spouse had family coverage at any time in the tax year. Otherwise select the coverage that was in effect the longest.

   "Check here if you and your spouse have separate HSAs" only appears if family coverage is selected. Only check this box if both spouses had contributions to their own separate HSAs. If checked, adjustments to Form 8889 Lines 3 and 6 are mandatory *(see next page)*.
3. Employee contributions are entered here. Contributions by relatives and friends are considered to be made by taxpayer. Don't include employer contributions or contributions through a pre-tax cafeteria plan. 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.
4. 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 and will continue coverage for the full next year).



5. 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.
6. Enter amount spent on qualifying expenses not reimbursed by insurance. See list on next page.
7. If Form 8889 Line 2 exceeds Line 13, there are excess contributions. Enter excess contributions (plus earnings) here if they were timely withdrawn; see caution below.

   ⚠ *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.*

8. 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.
9. If no adjustments to calculated amounts are needed, stop here.
10. Only answer Yes when an adjustment needs to be entered. An adjustment to Line 3 is required for:
    - Account owner had changes in coverage or eligibility during the year. See Instructions for Form 8889 and Caution below.
    - Married couples where each spouse had contributions to their own separate HSAs and they had family HDHP coverage at any time during the year. If they had 12 months of family coverage, enter $8,300 in the first adjustment box. Otherwise see Instructions for Form 8889 and Caution below.
11. If "Check here if you and your spouse have separate HSAs" was checked, then this entry for the Line 6 adjustment is mandatory. If they had family coverage for all 12-months, then the $8,300 limit can be split between the spouses however they'd like. Otherwise see Instructions for Form 8889 and the Caution below.
12. An entry is not needed in the age 55 or older box. This is a calculated amount.

⚠ *The scenarios that require adjustments as indicated in 10 and 11 above require complex calculations as described in the Instructions for Form 8889. If the volunteer is not trained on the scenario encountered, they should refer the taxpayer to a paid preparer.*

Form 1099-SA (HSA Distributions)

Complete this section if "HSA" was selected on Box 5 of your 1099-SA.

HSA distributions received during 2023 (including those made on January 1st - April 15th, 2024)

$ 5

Distributions used for qualified medical expenses

$ 6

Distributions you received in 2023 that you rolled over into another HSA, including any excess contributions (and the earnings on those excess contributions) included in Line 1 of your 1099-SA that were withdrawn by the date your return was due.

$ 7

Did you receive any distributions that meet the exceptions to the additional 20% tax?

8
- ◯ Yes
- ◯ No

HSA Adjustments 9

Complete this section if it applies to you. This will help us adjust any amounts that are auto-carried by the program.

Did you change your coverage during the tax year? Note: Also answer Yes if you and your spouse have separate HSAs?

10
- ◯ Yes
- ◯ No

Did you and your spouse have separate HSAs with family coverage under a high deductible health plan?

11
- ◯ Yes
- ◯ No

Did you and your spouse have separate HSAs with family coverage under a high-deductible health plan and you were age 55 or older at the end of the tax year?

12
- ◯ Yes
- ◯ No

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:

- Long-term care insurance premiums subject to limits see Tab F, Deductions.
- Health care continuation coverage such as coverage under COBRA,
- Health care coverage while receiving unemployment compensation, and
- 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)

Deductions>Adjustments>Alimony Paid; or Keyword: ALIM and Income>Alimony Received; or Keyword ALIM

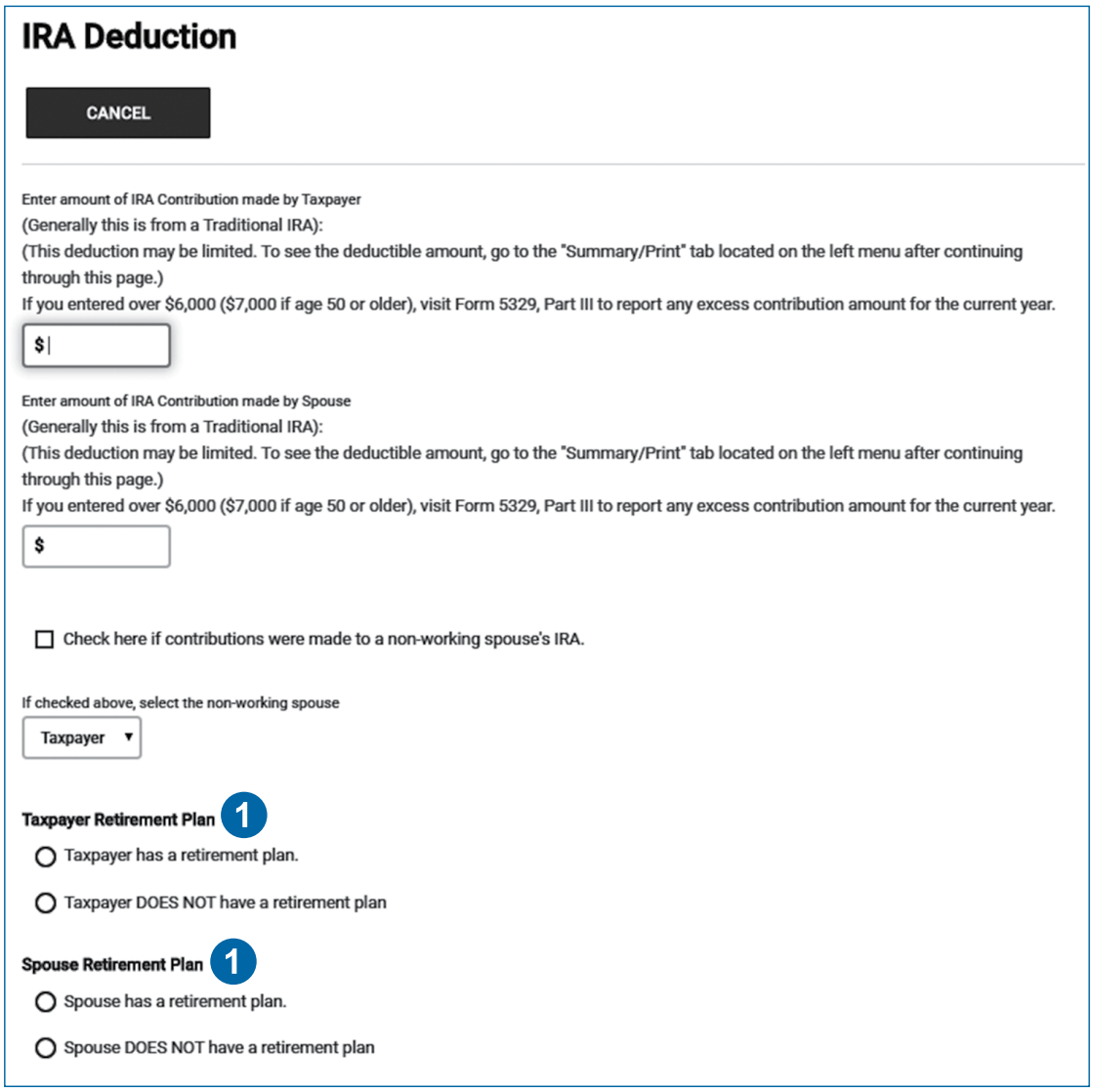
Payments ARE defined as alimony if all of the following are true:	Payments aren't alimony if any of the following are true:
Payments are required by a divorce or separation instrument.	Payments aren't required by a divorce or separation instrument.
Payer and recipient spouse don't file a joint return 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.

Alimony paid pursuant to a divorce or separation instrument executed on or before December 31, 2018, is deductible by the payer and includible in income by the recipient. For 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, alimony is not deductible for the spouse who makes the payments and will not be included in income for the spouse that receives the payment. State tax law may vary.

IRA Deduction

Deductions>Adjustments>Traditional IRA Contributions; or Keyword: IRA D

For 2024, the maximum combined traditional IRA deduction or Roth contribution is $7,000 ($8,000 if age 50 or older).



1. Check if the taxpayer's or spouse's Form W-2, Box 13 has Retirement plan checked.

The IRA Deduction may be limited based on Modified AGI and if taxpayer or spouse is covered by a retirement plan at work. For more information, see ***www.irs.gov/retirement-plans/ira-deduction-limits***

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 (including extensions). If not, a penalty will apply and the return will be Out of Scope.

IRA Deduction (continued)

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.

Deductible IRA contributions after age 70 1/2 may impact QCD amounts on a cumulative basis.

If a taxpayer receives Medicaid waiver payments that are excluded from gross income, then those amounts may increase the amount of nondeductible IRA contributions they can make, but not above the IRA contribution limit shown on the prior page.

TaxSlayer will carry traditional IRA contributions not allowed as a deduction to Form 8606 (Out of Scope), as nondeductible contributions (the only way to know is to look at the PDF).

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.

Contributions to a Roth IRA can be made at any age, but no deduction can be taken.

*If the taxpayer made a Traditional IRA contribution, select **Adjustments** from the Deductions menu, then select **Traditional IRA Contributions**. 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.*

To enter Roth IRA contributions: Deductions>Credits Menu>Retirement Savings Credit Form 8880>Enter Any Current Year Traditional or Roth IRA Contributions (Do not re-enter Traditional IRA contributions already reported in the Traditional IRA Contributions menu); or Keyword: 8880

Student Loan Interest Deduction at a Glance

Deductions >Adjustments>Student Loan Interest Deduction; or Keyword: STU

This table is only an overview of the rules. For details see Publication 970, Tax Benefits for Education.

Feature	Description
Maximum benefit	Taxpayers can reduce their income subject to tax by up to $2,500.
Loan qualifications	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: • the taxpayer, spouse, or a person who was the taxpayer's dependent when the loan was taken out, or could've been a dependent except that they filed MFJ, had gross income over the exemption amount, or the taxpayer could be claimed as a dependent. • enrolled at least half-time in a program leading to a degree, certificate or other recognized educational credential.
Time limit on deduction	Taxpayer can deduct interest paid during the remaining period of the student loan.
Phaseout	The amount of deduction depends on the taxpayer's 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 made 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 an employer under an educational assistance program.

Taxpayer cannot claim the deduction if filing status is Married Filing Separately or if the taxpayer or spouse (if MFJ) is claimed as a dependent.

For Student Loan Forgiveness, see Tab D, Student Loan Debt Forgiveness.

Student Loan Interest and Secure Act of 2019

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.

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 2024.

Standard Deduction Chart for Most People*

If the taxpayer's filing status is...	Their standard deduction is ...
Single or married filing separate return	$14,600
Married filing joint return or qualifying surviving spouse	$29,200
Head of household	$21,900

*Don't use this chart if the taxpayer was born before January 2, 1960, 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. See Tab L.



If you can be claimed as a dependent on another taxpayer's return (such as your parents' return), your standard deduction may be limited.

Standard Deduction Chart for People Born Before January 2, 1960 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. **Note:** Blind is defined in Tab R, Glossary and Index

Standard Deduction Chart for People Who Were Born Before January 2, 1960, 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 below.

☐ You were born before January 2, 1960. ☐ You are blind.
☐ Spouse was born before January 2, 1960. ☐ Spouse is blind.

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	$ 16,550 18,500
Married filing jointly	1 2 3 4	$ 30,750 32,300 33,850 35,400
Qualifying surviving spouse	1 2	$ 30,750 32,300
Married filing separately*	1 2 3 4	$ 16,150 17,700 19,250 20,800
Head of household	1 2	$ 23,850 25,800

* You can check the boxes for 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.

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, 1960.
☐ You are blind.
☐ Spouse was born before January 2, 1960.
☐ Spouse is blind.

Total number of boxes checked . . . . . **1.** _____

2. Is your **earned income*** more than $850?

☐ **Yes.** Add $450 to your earned income. Enter the total.
☐ **No.** Enter $1,300.

. . . . . **2.** _____

3. Enter the amount shown below for your filing status.

- Single or married filing separately—$14,600
- Married filing jointly—$29,200
- Head of household—$21,900

. . . . . **3.** _____

4. **Standard deduction.**

a. Enter the **smaller** of line 2 or line 3. If born after January 1, 1960, and not blind, **stop here** and enter this amount on Form 1040 or 1040-SR, line 12. Otherwise, go to line 4b . . . . . **4a.** _____

b. If born before January 2, 1960, or blind, multiply the number on line 1 by $1,550 ($1,950 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 12 . . . . . **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 or 1040-SR, line 1z, and Schedule 1, lines 3, 6, 8r, 8t, and 8u minus the amount, if any, on Schedule 1, line 15.*

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	Probe/Ask the taxpayer:	Action
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 Out of Scope.	If **YES**, go to Step 2. If **NO**, generally speaking, you should take the standard deduction if eligible.
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.
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 $5,050 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 2024 return	If **YES**, you can claim qualified expenses. Go to Step 4. If **NO**, you can't deduct these expenses. Go to Step 4. For more information refer to Publication 502, Medical and Dental Expenses
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 itemized deduction for the total amount of these taxes is limited to $10,000 ($5,000 MFS) per return. This limit does not apply to foreign income taxes.	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.
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.
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 12.
7	Was the mortgage a secured debt on a main or second home? For more information refer to Publication 936, Home Mortgage Interest Deduction	If **YES**, go to Step 8. If **NO**, you can't take an interest expense. Go to Step 12.
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 12.

Interview Tips – Itemized Deductions (continued)

Step	Probe/Ask the taxpayer:	Action
9	Is either of the following true? **a.** All of your home mortgages were taken out on or before October 13,1987. **b.** All of your home mortgages taken out after October 13, 1987 were used to buy, build, or substantially improve your main or second home **and** all mortgage balances were $750,000 or less ($375,000 if MFS). See Note 5.	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 10. See Note 4
10	Did you pay premiums in 2024 for qualified mortgage insurance for a home acquisition debt that was issued after 2006?	If **YES**, you may be able to take a deduction on your state return. However, this does not affect the Federal return. Go to Step 11. If **NO**, go to Step 11.
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.
12	Did you make a cash contribution to a qualified organization?	If **YES**, you must have a written record as described in Publication 526, Charitable Contributions, and then go to Step 13. If **NO**, go to Step 13.
13	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 14. See Note 2. If **NO**, Go to Step 14.
14	Is the total of all noncash donations $500 or less?	If **YES**, see Note 3 for more details. If **NO**, this is Out of Scope unless certified in Military. Refer taxpayer to a professional tax preparer.

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.*

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).*

3: *For more details on charitable contributions, see Publication 526, Charitable Contributions. To search for qualified organizations see* ***www.irs.gov/TEOS****.*

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.*

5: *Interest on home equity loans and lines of credit are deductible only if the borrowed funds are used to buy, build, or substantially improve the taxpayer's home that secures the loan. The loan must be secured by the taxpayer's main home or second home (qualified residence), and meet other requirements.*

Entering Schedule A – Itemized Deductions

Deductions>Itemized Deductions>Medical, Dental, and Vision Expenses; or Keyword: MED



1. 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**.
2. Select to enter unreimbursed medical expenses. Do not include any health or Long-Term Care (LTC) insurance premiums used for the Public Safety Officer (PSO) exclusion or the Self-Employed Health Insurance Deduction.
3. Select to enter taxes not entered elsewhere in the software.

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 – Medical Expenses

Schedule A Deductible and Nondeductible Medical Expenses			
You can include:		**You can't 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 (LTC) and qualified services and LTC insurance contracts • Meals and lodging provided by a hospital during medical treatment • Medical services fees (from doctors, dentists, surgeons, specialists, and other medical practitioners) • Medicare premiums (not Medicare tax)	• 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	• 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 obesity or other disease

For more information refer to Publication 502, Medical and Dental Expenses.

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.

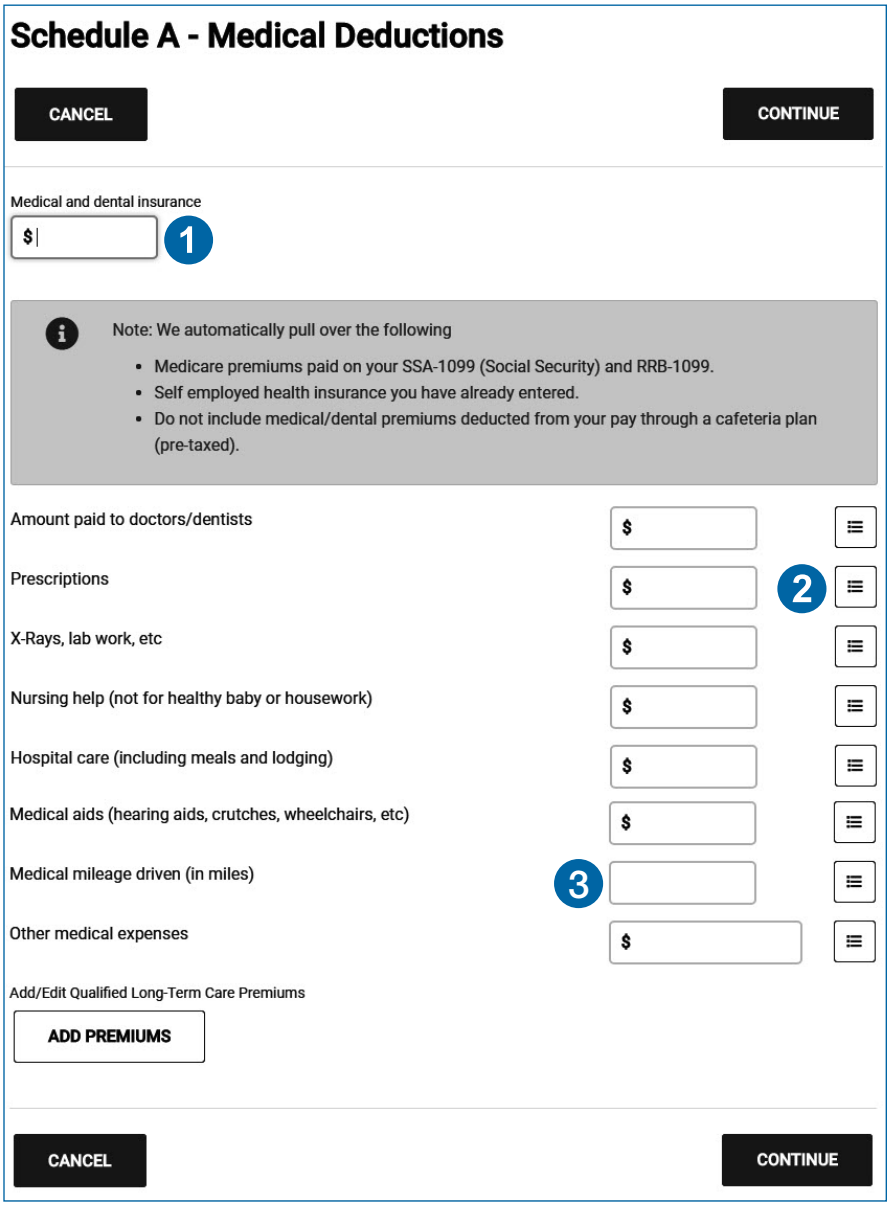
Entering Schedule A – Medical Expenses

1. If taxpayer has medical insurance through the Marketplace, remember to adjust the total premium after the PTC is calculated. Increase for APTC repayment (Schedule 2, Excess advance premium tax credit repayment line), decrease for additional PTC (Schedule 3, Net premium tax credit line).
2. To enter multiple expenses of a single type, click on the small calculator icon beside each 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.
3. Enter number of miles. Standard mileage rate for medical purposes is 21 cents per mile driven for tax year 2024.

   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: $470
   - Age 41 to 50: $880
   - Age 51 to 60: $1,760
   - Age 61 to 70: $4,710
   - Age 71 and over: $5,880

   The limit on premiums is based on age of the insured person.



Medical and dental floor percentage is 7.5%.

Some senior residences as part of a life-care arrangement have an amount in the entry fee and monthly cost which is a medical expense. The residence should document that amount. 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 a principal reason for being there is to get medical care. This can also include qualified long-term care such as maintenance and personal care services if conditions are met as described under Qualified Long-Term Care Services in Pub. 502.

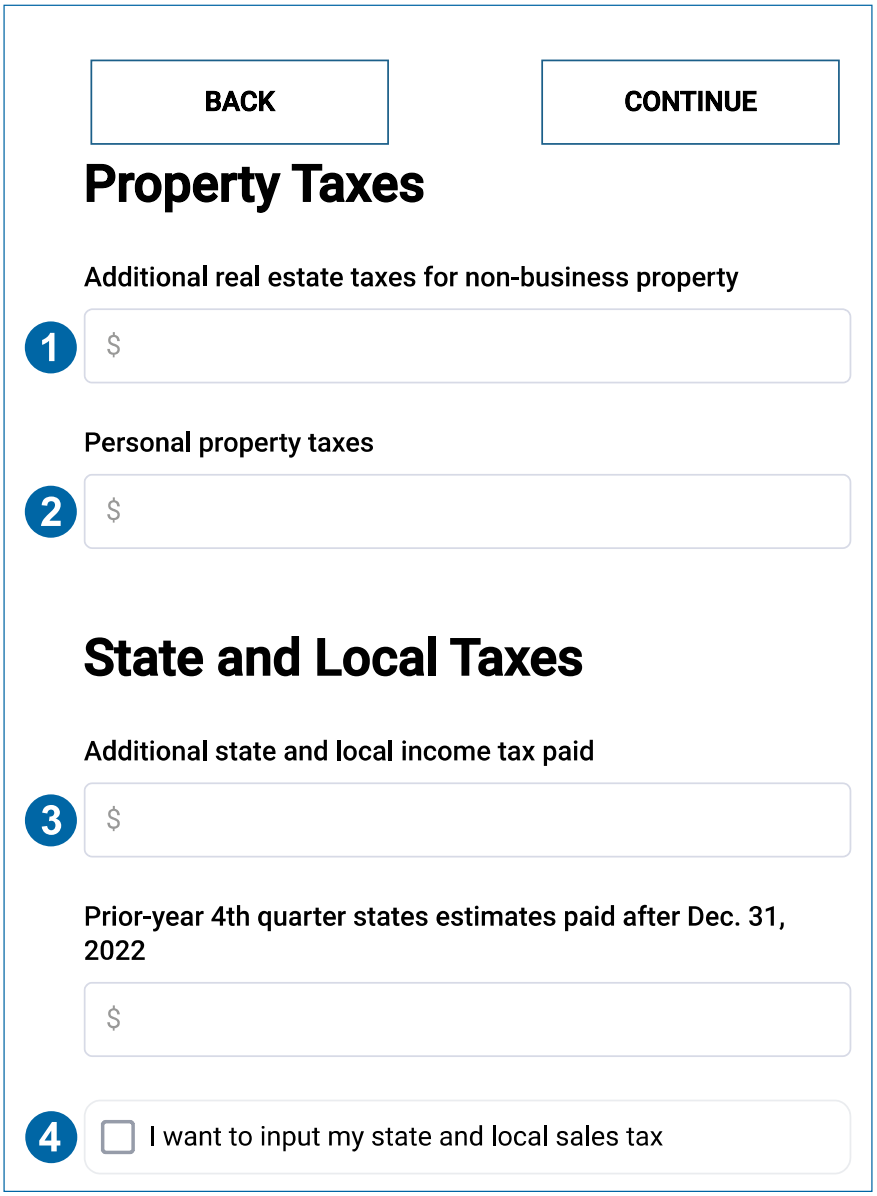
You can include parking fees and tolls under Other medical expenses even when you use the standard mileage rate.

Lodging for the purpose of obtaining medical care away from home is limited to $50 per person per night, up to $100 per day. See Publication 502, Medical and Dental Expenses.

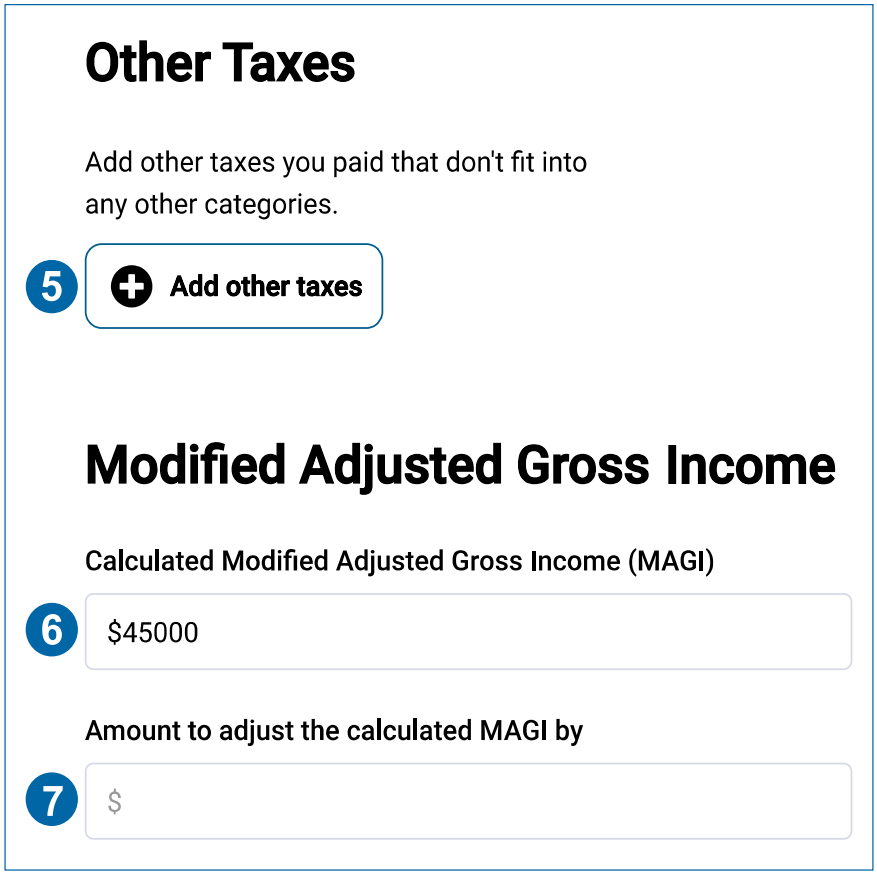
Entering Schedule A – Taxes you Paid

Deductions>Itemized Deductions>Taxes You Paid; or Keyword: TAX

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).



1. Real estate taxes reported on Form 1098 can be entered on the Mortgage Interest and Expenses screen. Amounts entered there will be added to entries made here in the Real Estate Taxes box.
2. Enter vehicle license registration fee if based on value (ad valorem) under Personal Property taxes.
3. Enter amount paid with last year's state return and any other state and local income tax payments not entered elsewhere. Mandatory contributions to state disability, paid family leave programs, and certain other state programs qualify as state income taxes and should be included in the additional state and local income tax box if not automatically carried there by TaxSlayer. Sometimes these amounts are reported on Form W-2, Box 14. See Instructions for Schedule A for details.
4. Always add a sales tax worksheet when itemizing deductions for states that have sales tax. Check the **I want to input my state and local sales tax** box and then select **Add sales tax you paid**. See later in this section for details.



5. If taxpayers wish to deduct their foreign income taxes (instead of claiming a credit), select **Add other taxes** and describe as “Foreign Income.” This is not subject to the $10,000 ($5,000 if Married Filing Separately) limit.
6. Calculated MAGI is an auto populated field.
7. Enter any nontaxable income that should be added for sales tax calculation purposes. See Tab D for examples of nontaxable income.

If taxpayers purchased or sold a home in the tax year, they may not be able to deduct all Real Estate Taxes. See Publication 17, “Real Estate Taxes” section, for more information.

Taxes you cannot deduct: utilities, fees/licenses (drivers, marriage, dog); assessments for improvements that increase property value; assessments for services to the property (sewer, trash collection, etc.).

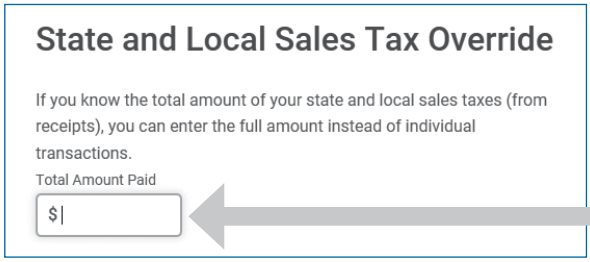
The following items aren’t deductible on Schedule A: Federal income and excise taxes, Social Security or Medicare taxes, federal unemployment (FUTA), railroad retirement taxes (RRTA), customs duties, federal gift taxes, per capita taxes, or foreign real property taxes.

Entering Schedule A – Sales Tax Deduction

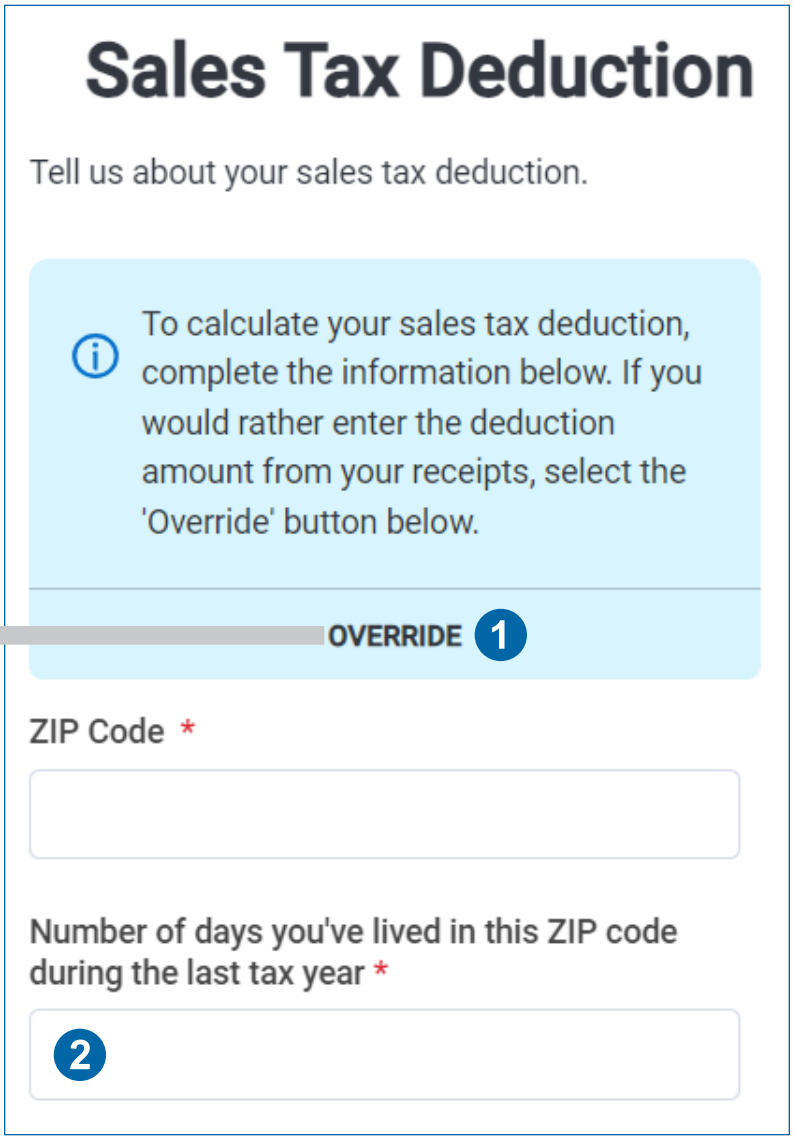
TaxSlayer will automatically select the greater of sales tax or state and local income tax.

1. It is generally simpler to adjust MAGI to let TaxSlayer calculate the sales tax deduction (see #7 on prior page). However, you can instead calculate this using the IRS sales tax deduction calculator.

   Use the override button to enter the amount calculated instead of completing the remaining fields on this screen

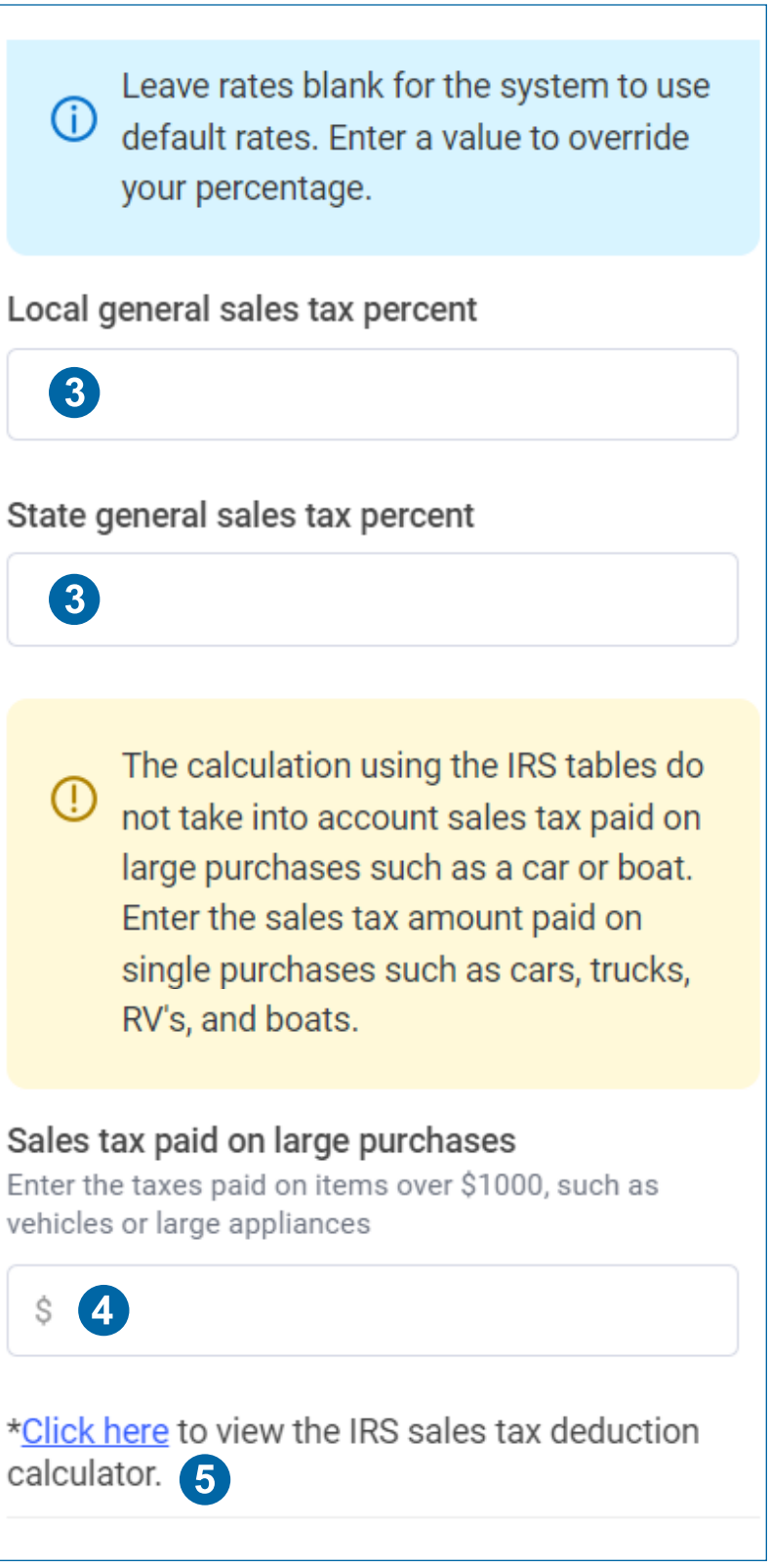


2. Enter the ZIP code and number of days for TaxSlayer to calculate the deduction.



Entering Schedule A – Sales Tax Deduction (continued)

3. Leave the local and general sales tax fields blank if you want the software to use the default rates.
4. Enter the amount of sales tax for specified large items purchased during the year (such as a motor vehicle) in the general sales taxes paid box. See Instructions for Schedule A for details.
5. TaxSlayer includes a link here to the IRS sales tax deduction calculator.

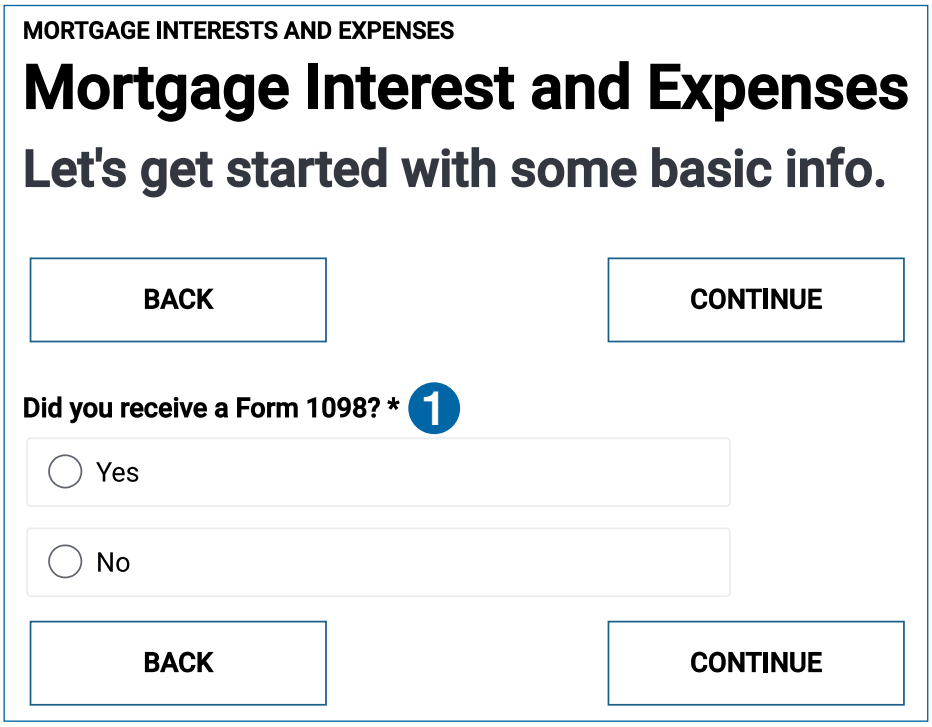


Entering Schedule A – Mortgage Interest Paid

Deductions>Itemized Deductions>Mortgage Interest and Expenses

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.



1. Select **Yes** if the mortgage interest was reported on Form 1098, or **No** if not.

   If there are multiple mortgages, make separate Mortgage Interest and Expenses entries.

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.

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 isn't deductible until you actually pay it (usually when you pay off the loan in full).

Entering Schedule A – Mortgage Interest Paid (continued)

FORM 1098

Mortgage Interest Information

Let's get some details from your Form 1098.

BACK CONTINUE

Before we begin, was the money from this loan used exclusively on this home?

- ◯ **Yes** , I've only used the loan to purchase, build, or upgrade the home it is secured by
- ◯ **No** , I've used some or all of this loan on something other than the home it's secured by

2

Form 1098 Information

If a box is empty on your Form 1098, leave it blank below.

Lender's name *

1 - Mortgage interest received from payer/borrower

$ 3

2 - Outstanding mortgage principal

$

3 - Mortgage origination date

MM/DD/YYYY

4 - Refund of overpaid interest

$ 4

5 - Mortgage insurance premiums

$ 5

6 - Points paid on purchase of principal residence

$ 6

☐ 7 - Address of property securing mortgage is the same as payer's/borrower's address.

8 - Address or description of property securing mortgage

Country

United States

Address (street number & name)

Apartment, suite, unit number, etc.

ZIP code

City

State

Select

9 - Number of properties securing the mortgage

10 - Other

- ◯ Real estate taxes 7
- ◯ Other
- ◯ None - box 10 is blank

11 - Mortgage acquisition date

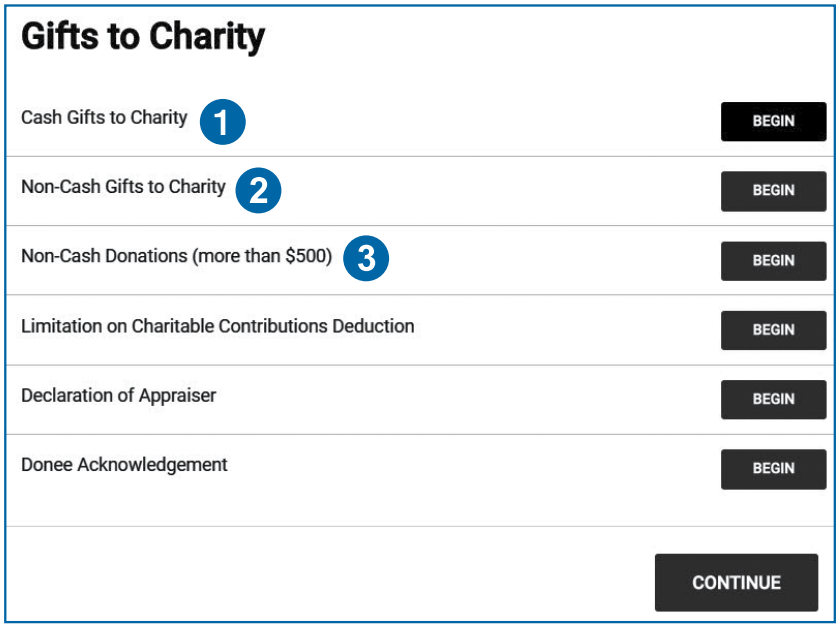
MM/DD/YYYY

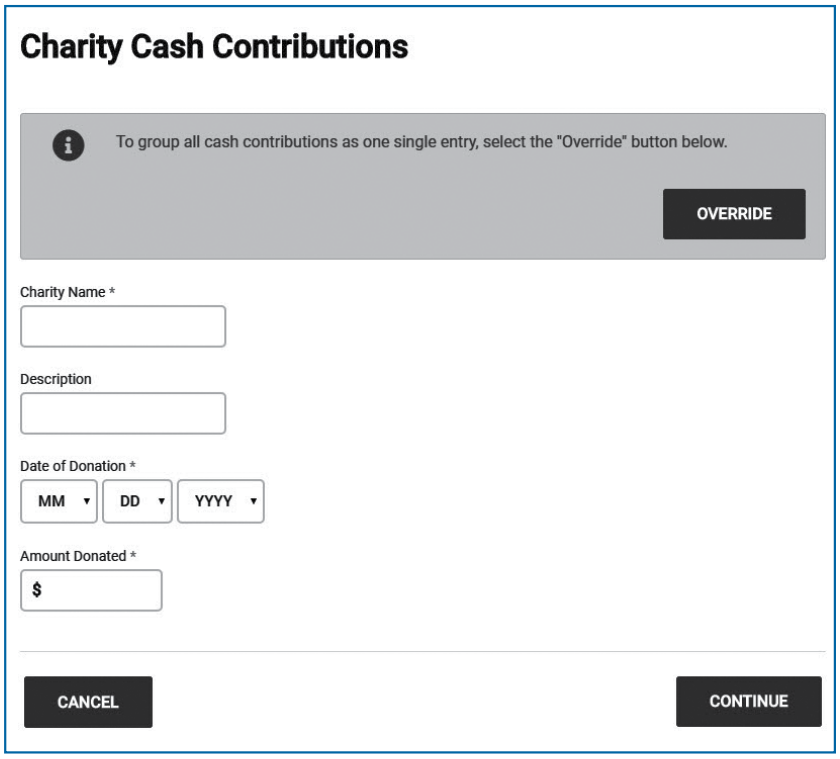
2. If you selected No, then the deduction for home mortgage interest may be limited. See Is My Home Mortgage Interest Fully Deductible? in **Publication 936**.
3. Enter the amount from Form 1098, Box 1.
4. Amounts in Box 4 may be taxable (if so, enter the taxable portion on the Other Income screen).
5. Private mortgage insurance premiums are not deductible for 2024 at the time this publication was printed.
6. Enter the deductible portion of Box 6 here. See second paragraph on the prior page.
7. Real estate taxes entered here will be added to any real estate taxes entered on the Taxes You Paid screen.

Entering Schedule A – Charitable Contributions

Deductions>Itemized Deductions>Gifts to Charity; or Keyword: CHAR

1. Enter amounts given by cash or cash equivalent under Cash Gifts to Charity. See Publication 526 for definitions.
2. Enter the value of noncash items (including miles (14 cents per mile) driven in service to a charity) donated under Noncash Gifts to Charity. Be careful to list them separately. The $500 limit applies to the total, not each noncash contribution.
3. 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, up to $5,000).





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.

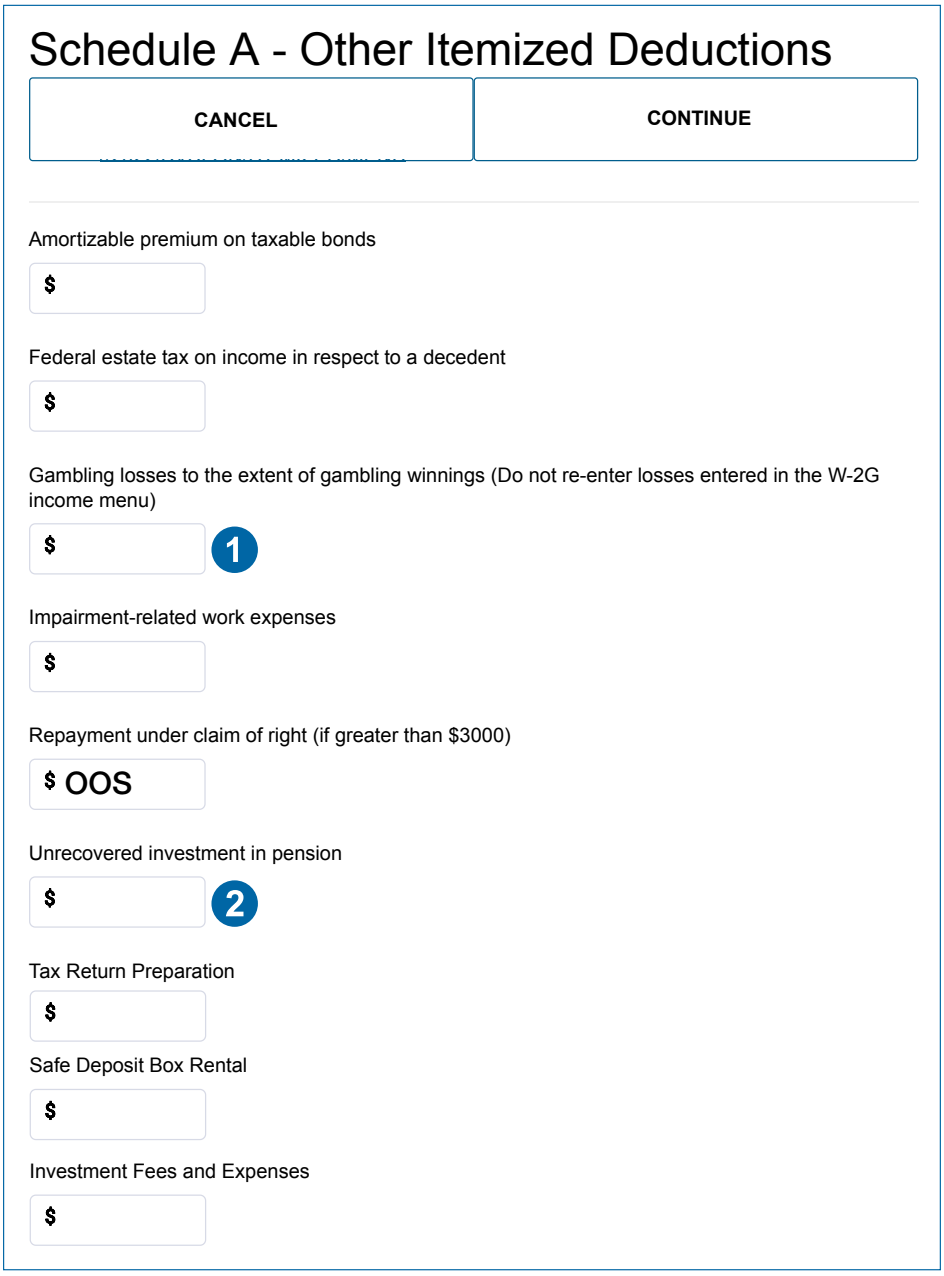
To check if an organization is eligible to receive tax-deductible charitable donations, use the IRS Tax Exempt Organization Search Tool at **www.irs.gov/charities-non-profits/tax-exempt-organization-search**

Entering Schedule A – Other Itemized Deductions

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.

Deductions>Itemized Deductions>Other Itemized Deductions

1. 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.
2. A retired taxpayer who contributed to the cost of an annuity or pension 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 (applicable after the death of the second person for a joint and survivor annuity).



Unrecovered Investment in pension = Total Employee Contribution less amount recovered using Simplified Method prior to death.

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.

Qualified Business Income (QBI) Deduction

If taxable income before the QBI deduction (adjusted gross income line less standard/itemized deduction) exceeds $383,900 for married filing joint returns and $191,950 for all other returns, the return is Out of Scope. See Publication 334, Tax Guide for Small Business, for additional information.

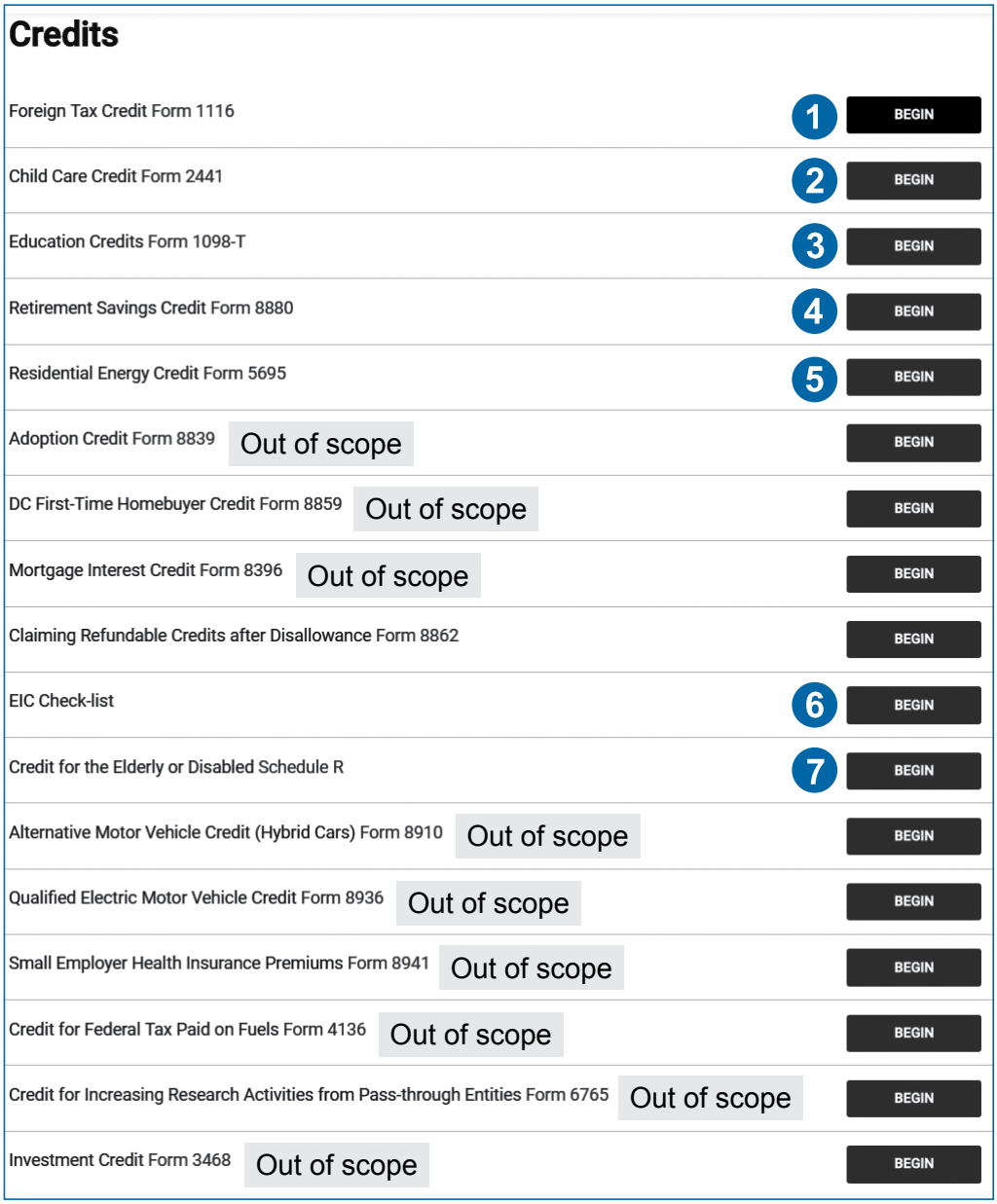
Notes:

Tab G: Nonrefundable Credits

Nonrefundable Credits

Federal Section>Deductions>Credits Menu

1. Select for Form 1116, Foreign Tax Credit. See later in this tab.
2. Select for Form 2441, Child and Dependent Care Expenses. See Child and Dependent Care Credit Expenses and Screening Sheet later in this tab.
3. Select for Form 8863 Education Credits. See Tab J, Education Benefits
4. 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. See later in this tab.
5. Select for Form 5695, Residential Energy Credits. See Residential Energy Credits later in this tab.
6. EIC checklist is not required for VITA/TCE.
7. If taxpayer qualifies for the credit for the elderly or the disabled, open Schedule R. See Credit for the Elderly or the Disabled – Screening Sheet later in this tab.



Nonrefundable credits can't exceed the taxpayer's federal income tax.

Form 8863

Federal Section>Deductions>Credits Menu>Education Credits; or Keyword "8863". For complete education credit information refer to Tab J, Education Benefits

Child Tax Credit (CTC)

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.

This is a credit intended to reduce tax. This part of the credit isn't refundable. The credit is up to $2,000 per qualifying child and calculates automatically.

Qualifying child:

1. Under age 17 at the end of the tax year.
2. A U.S. citizen or U.S. national[1] or resident alien of the United States. See Tab L, Resident/NR Alien.
3. Child must be claimed as your dependent.[2]
4. Your:
   a. child, adopted child, stepchild, eligible foster child, or a descendant of any of them
   b. sibling, half sibling, stepsibling, 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 exceptions to time lived with taxpayer in the Overview of the Rules for Claiming a Dependent chart in Tab C, Dependents).
7. Must have a Social Security number that is valid for employment issued before the due date of the return, including extensions.

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 the child tax credit, the additional child tax credit, or the credit for other dependents. See Tab C, Dependents, for additional information (including definitions and special rules relating to an adopted child, foster child, or qualifying child of more than one person).

Footnotes

[1]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.

[2]Refer to the tables in Tab C, Dependents, for the rules governing who may be claimed as a dependent.

Additional Child Tax Credit (ACTC) – General Eligibility

The child tax credit is generally a nonrefundable credit; however, certain taxpayers may be entitled to a refundable additional child tax credit:

- 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 $1,700 per qualifying child.



The IRS cannot issue refunds before mid-February for returns that claim the earned income credit (EIC) or the ACTC.



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.



(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.



See Disallowance of Certain Credits in Tab I, Earned Income Credit, if the taxpayer received a letter saying they had to complete Form 8862.

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.

Step	Probe/Ask the taxpayer:	Action
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.
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.
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.
4	Was the child under age 17 at the end of 2024?	If **YES**, go to Step 5. If **NO**, you can claim the credit for other dependents for this child.
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.

Modified Adjusted Gross Income Limits

- Married filing jointly - $400,000
- All other filing statuses - $200,000

Children of Divorced or Separated Parents

If the noncustodial parent can claim the child as a dependent, the noncustodial parent can also claim the child as a qualifying child for the child tax credit, the credit for other dependents, or the additional child tax credit.

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.

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 17 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 their spouse.

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.

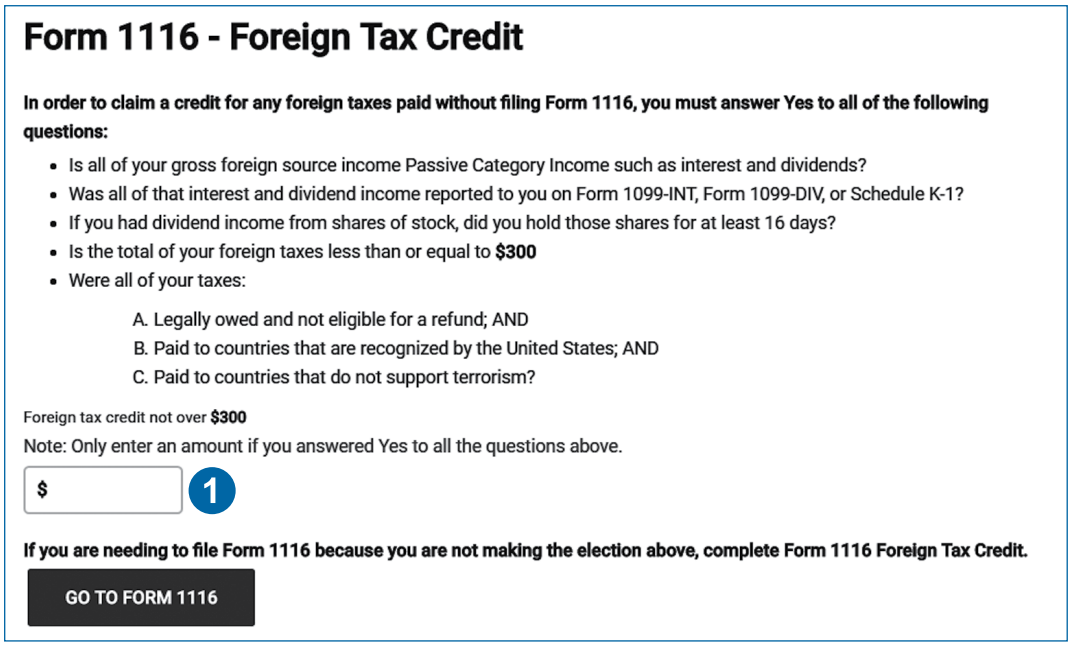
If previously disallowed, see Form 8862, Information To Claim Certain Credits After Disallowance, in Tab I, Earned Income Credit.

Table 2: Does Your Qualifying Relative Qualify You for the Credit for Other Dependents?

Step	Probe/Ask the taxpayer:	Action
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.
2	Did your qualifying relative have a SSN, ITIN, or ATIN issued on or before the due date of your 2024 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.
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.

Entering Form 1116 – Foreign Tax Credit

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.

$ 1

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.

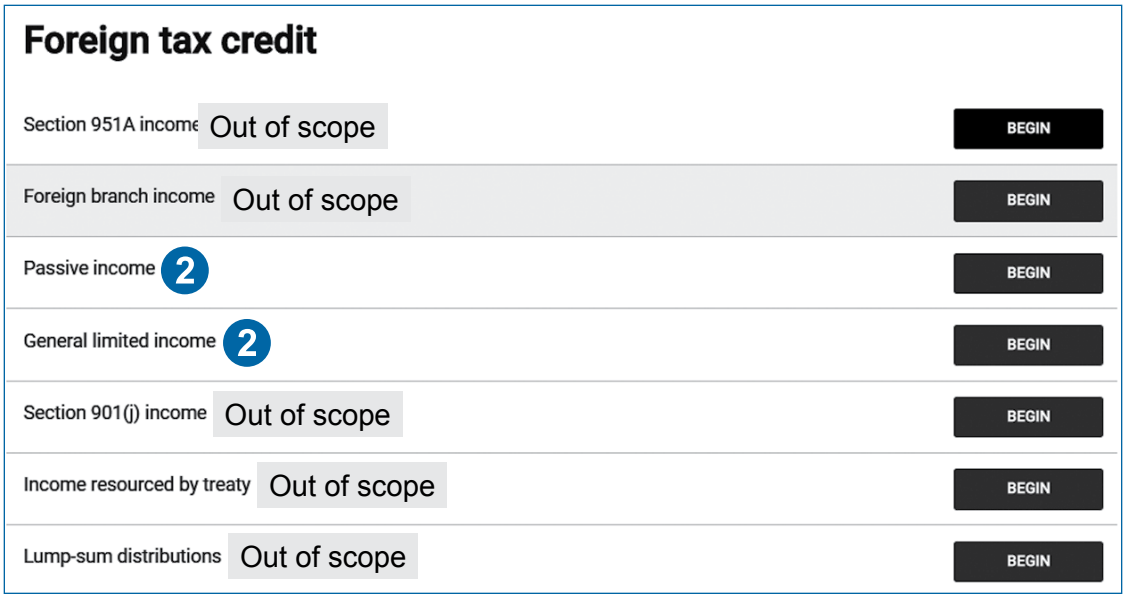
ONLY the Simplified Limitation Election to Claim the Foreign Tax Credit Without Filing Form 1116 is in scope for Advanced certification. To be eligible for this election, all of the following must be true:

- *the total of all foreign taxes paid/withheld is $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.*

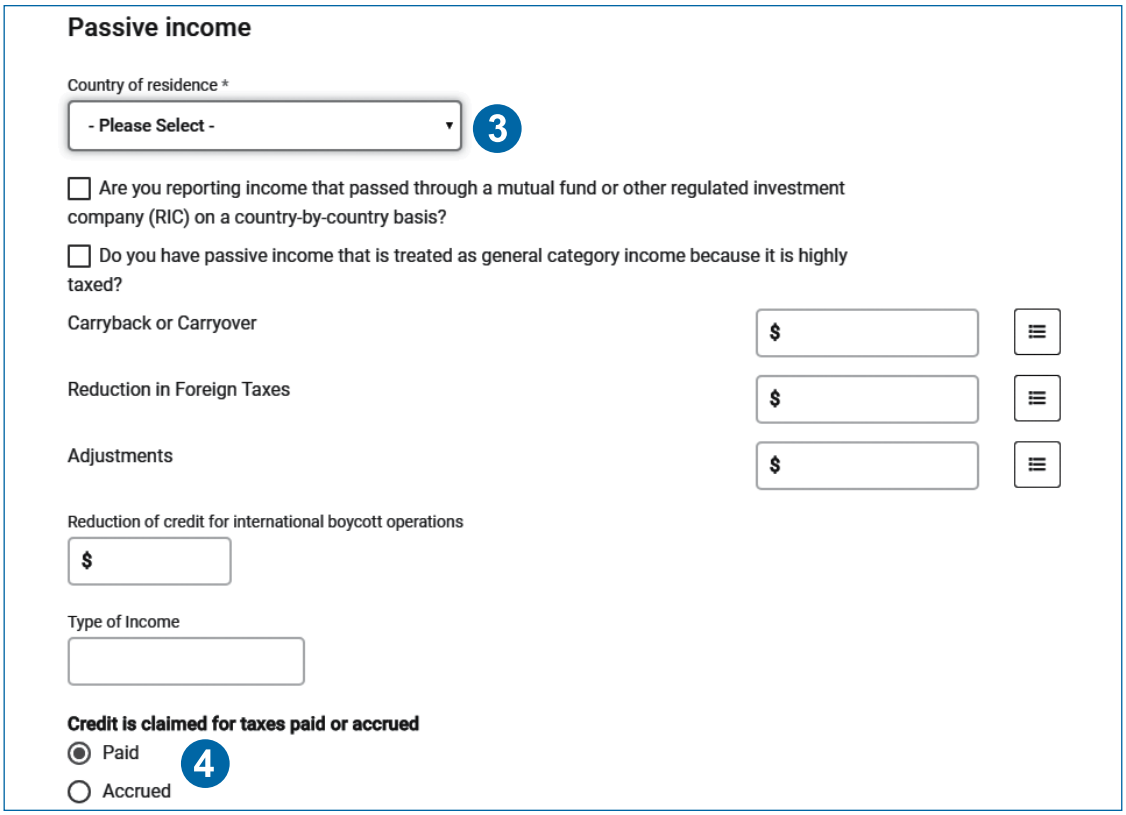
1. Foreign taxes from Form K-1 should be entered here. Make entries for amounts on Forms 1099-INT and 1099-DIV on those screens, not here (TaxSlayer will include these entries in the foreign tax credit calculation).

If the taxpayer has a carryback or a carryforward of unused foreign tax the return is Out of Scope.

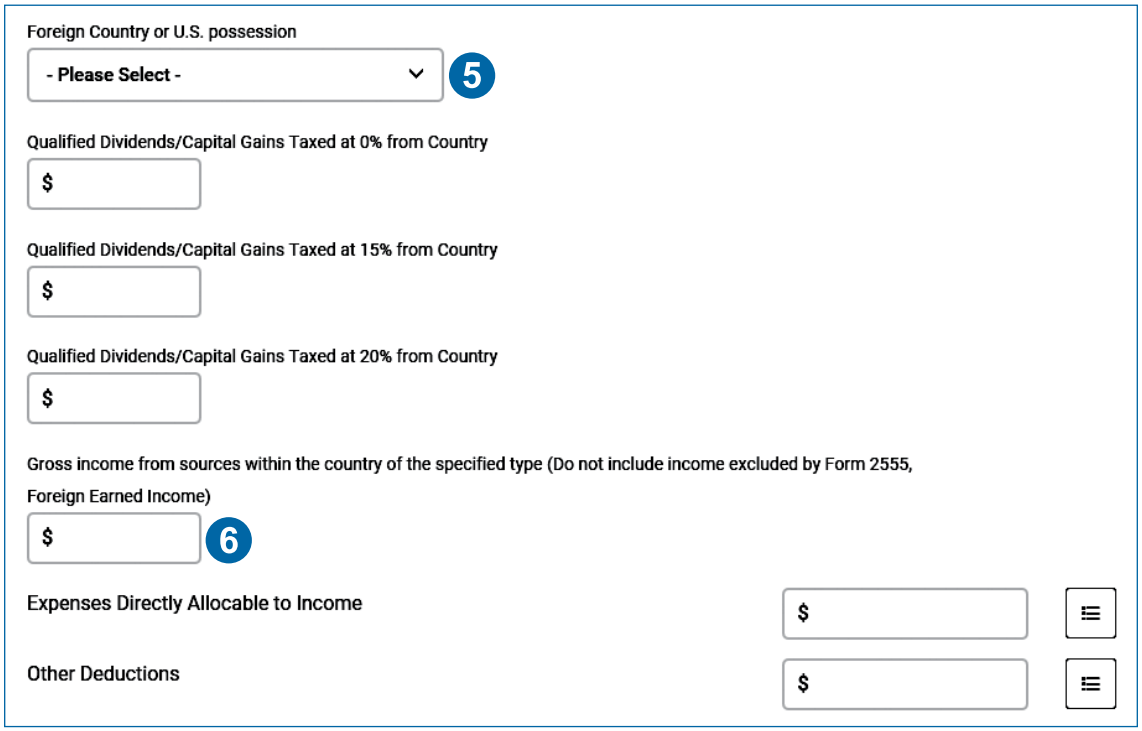
Foreign income tax is also eligible to be claimed on Schedule A as an itemized deduction. While that is an option, foreign tax claimed as a credit is generally more advantageous for taxpayers.



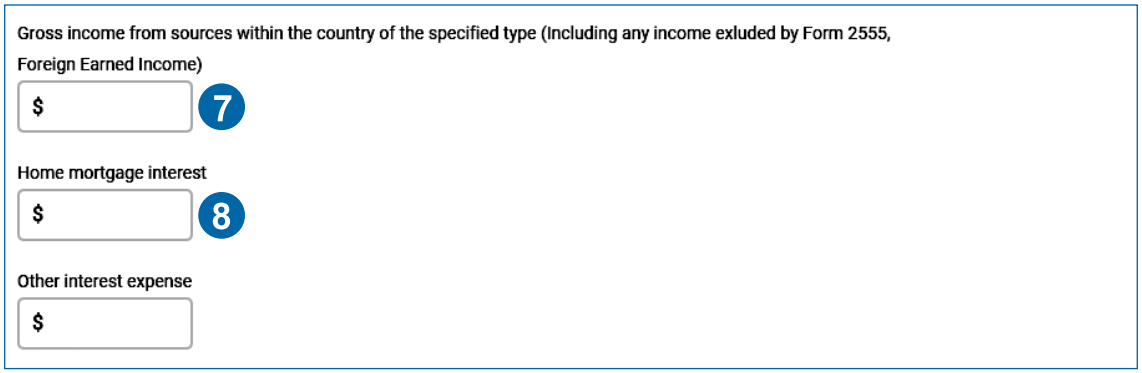
2. Passive and General limited income are in scope with International or Puerto Rico Level II certification only. Select the appropriate category. General limited income includes wages and self-employment income. If taxpayer has income in more than one category or from more than one country, another form can be added later.



3. Select country of residence
4. 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.

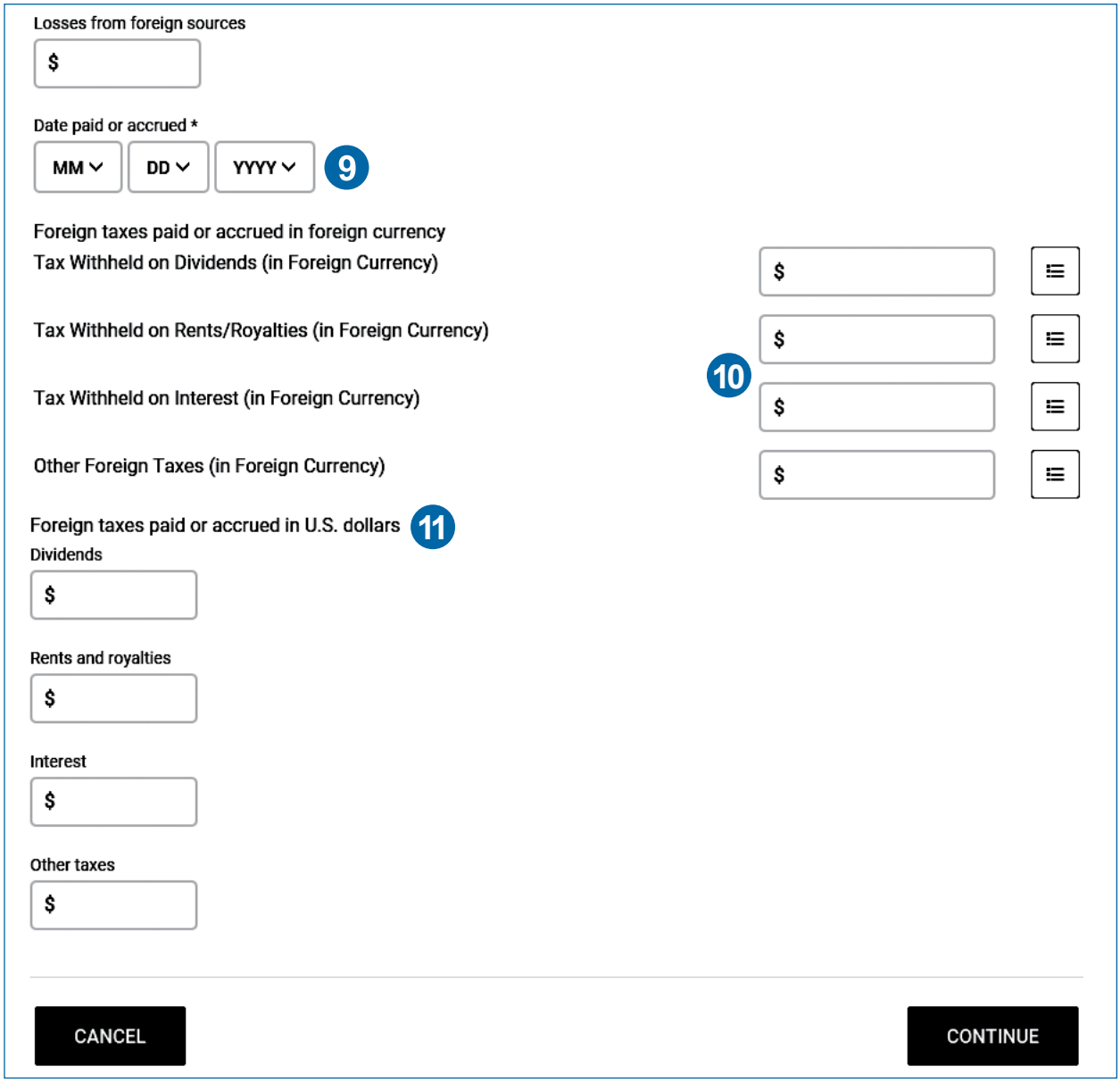


5. Select the country that imposed the tax.
6. Enter the gross income (not the tax) of this category type where indicated. Enter income from this category type only, not total income. Do not enter any income excluded by Form 2555.



7. 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).
8. 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.

Entering Form 1116 – Foreign Tax Credit (continued)



9. Enter the date the tax was paid or accrued.
10. Select the itemized amounts boxes to enter taxes paid in foreign currency in the appropriate category.
11. Enter the taxes paid (in U.S. dollars) in the appropriate category.

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).

Child and Dependent Care Expenses

Use the screening sheet on the next page to determine if a taxpayer qualifies for either or both of:

- The Credit for Child and Dependent Care Expenses
- The exclusion from income of dependent care benefits shown in Box 10 of Form W-2

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.

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 caution below.

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.

- 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 $5,050 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 2024 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 before-school care and after-school care qualify.
- 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.

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.

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.

Screening Sheet – Child & Dependent Care Expenses

Step	Probe/Ask the taxpayer:	Action
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	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
3	Did you pay the expenses[2] 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
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 **NO** – Go to Step 5
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 **NO** – Go to Step 6
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 **NO** – Go to Step 7
7	Are you single?	**YES** – Go to Step 10 **NO** – Go to Step 8
8	Are you filing a joint return?	**YES** – Go to Step 10 **NO** – Go to Step 9
9	Do you meet the requirements to be considered unmarried?[3]	**YES** – Go to Step 10 **NO** – You CAN'T claim the child and dependent care credit, but must complete Form 2441 for the exclusion if you had an amount in Form W-2, box 10
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
11	Did you have only one qualifying person and will exclude at least $3,000 of dependent care benefits?	**YES** – You CAN'T claim the child and dependent care credit, but must still complete Form 2441 for the exclusion **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 2023, except that you didn't pay them until 2024, you may be able to claim those expenses in 2024.

[3]All of the following requirements must be met to be considered unmarried:

- You file a return apart from your spouse,
- Your home is the home of the qualifying person more than half the year,
- You paid more than half the cost of keeping up your home for the year, and
- Your spouse doesn't live in your home for the last 6 months of the year.

Entering Child and Dependent Care Expenses

Deductions>Credits Menu>Child and Dependent Care Credit; or Keyword 2441

1. Enter the information for the care provider. You'll be able to add additional providers later.

The tax return can't be filed electronically without a valid Employer Identification Number or Social Security Number for the child care provider.

If the taxpayer's filing status is Married Filing Separately (MFS), then before the screen shown to the right, you will be prompted to answer:

Do all of the following apply to you?

- *You did not live with your spouse during the last 6 months of the tax year.*
- *Your home was the qualifying person's main home for more than half of the tax year.*
- *You paid more than half the cost of keeping up that home during the tax year.*

If you answer No to the above, then:

- *The taxpayer generally can't take the credit.*
- *The taxpayer may still be able to take the exclusion from income of dependent care benefits shown on Form W-2, Box 10.*
- *You will be prompted to enter Additional Spouse Income. See **Instructions for Form 2441, Part III**.*

When figuring this credit, foreign earned income, the foreign housing exclusion, and any amount earned while incarcerated or on work release are excluded from earned income.

Care Provider Information 1

Let's get started with some basic information about the care provider.

Please select the provider's type of tax ID number *

- ◯ SSN/ITIN
- ◯ Employer identification number (EIN)

Add an Institution

Provider's tax ID Number *

Provider's Name *

Country *

United States

Address (street number and name) *

ZIP code *

-

City, town, or post office *

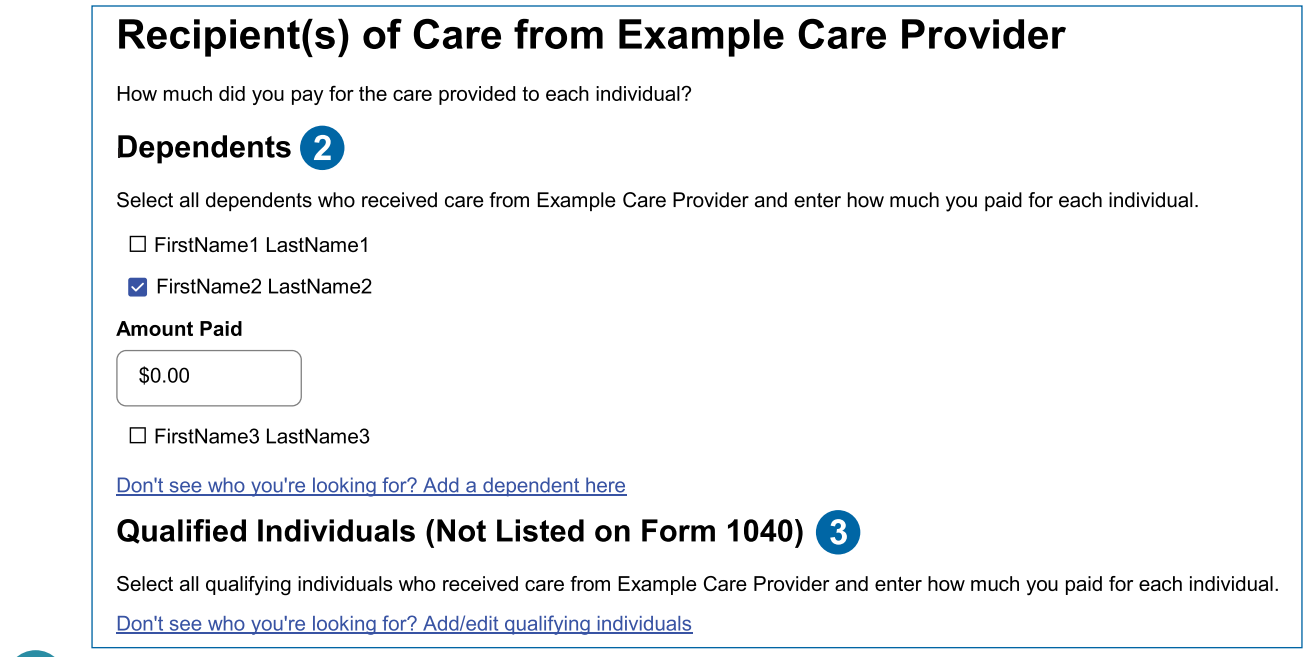
State *

☐ The provider is tax-exempt

☐ The provider is my household employee

☐ I was living abroad and used a foreign care provider

Provider's Phone Number

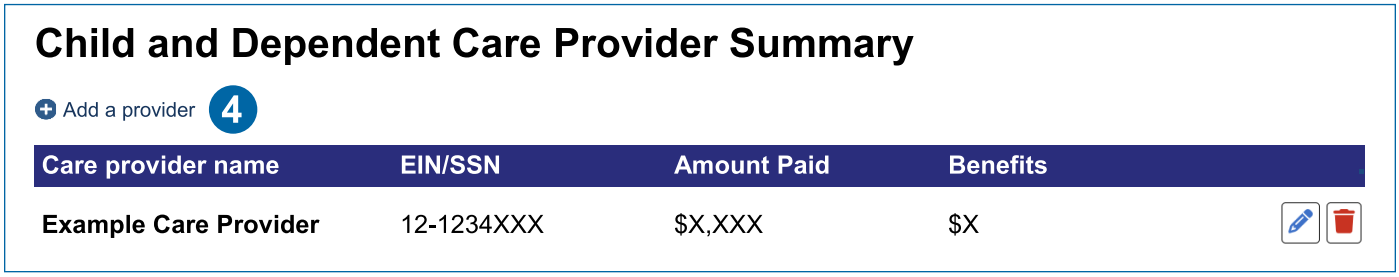


See earlier in this tab for definitions of qualifying person and qualified work-related expenses.

It is possible a qualifying person could have no expenses and a second qualifying person could have expenses exceeding $3,000. You should enter $0 for the one person and the actual amount for the second person. Having a second qualifying person will increase the limit for this credit from a maximum of $3,000 up to a maximum of $6,000.

2. Check the boxes for each dependent that is a qualifying person and enter the total amount of qualified work-related expenses **paid to this provider** for each. For a qualifying person with no expenses, check their box too and enter $0 for their expenses (see note above).
3. If you had a qualifying person that is not a dependent, then click the link at the bottom of this section to add them for this credit. After adding the additional qualifying individual(s), check the box(es) next to their name(s) and enter the total amount of qualified work-related expenses **paid to this provider** for them. For a qualifying person with no expenses, check their box too and enter $0 for their expenses (see note above).

A taxpayer/spouse that is a qualifying person would also be added here even though they are already listed on Form 1040. See earlier in this tab, Who is a qualifying person?



4. Select this link to add any additional care providers and then repeat 1 – 3 above. Select **CONTINUE** after adding all providers and entering qualified work-related expenses paid to each.

Entering Child and Dependent Care Expenses (continued)

5. Only enter dependent care benefits not reported on a Form W-2.
6. This section will only be displayed if you answered Yes to the question above it. Enter the number of months that the taxpayer (and spouse if filing jointly) were unable to work due to being disabled or enrolled as a full-time student.

Both spouses must have earned income in order to claim the credit. TaxSlayer will multiply the number of months unable to work by $250 ($500 if more than one qualifying person was entered) and add that to the earned income for the taxpayer (or spouse) when calculating this credit.

If your spouse died during the year and you file a joint return as a surviving spouse, you may, but aren't required to, take into account the earned income of your spouse who died during the year.

If this is a joint return between a surviving spouse and a deceased spouse, and the surviving spouse did not remarry, then enter 12 for the number of months the deceased spouse was unable to work. This ensures that the deceased spouse's earned income does not eliminate or reduce this credit.

Child Care Questions

Dependent Care Benefits

Did you receive any dependent care benefits from your employer that are not reported on your W-2? *

- ○ Yes
- ○ No

5

Disabled or Full-Time Student Exception

Were you or your spouse unable to work due to being disabled or enrolled as a full-time student? *

- ○ Yes
- ○ No

Disabled or Full-Time Student Exception 6

Please enter how many months of 20xx that you were unable to work.

Months unable to work

0

Please enter how many months of 20xx that you were unable to work.

Spouse months unable to work

0

Delayed Care Payments

Did you pay any care expenses for 20py in 20xx? *

- ○ Yes
- ○ No

Child and Dependent Care Credit Summary 7

Tax Credit Amount	Eligible Expenses	Employer Paid Benefits
$X,XXX	$X,XXX	$X,XXX

7. TaxSlayer's final screen for this credit summarizes the results of its calculations. Select the pencil icon (edit) if you need to adjust any entries.

Retirement Savings Contributions Credit – Screening Sheet

Step	Probe/Ask the taxpayer:	Action
1	Did you make a voluntary contribution or deferral to an IRA or other qualified plan for 2024?[1]	**YES** – Go to Step 2 **NO** – Not qualified for credit
2	Is AGI $38,250 or less ($57,375 if head of household, $76,500 if married filing jointly)?	**YES** – Go to Step 3 **NO** – Not qualified for credit
3	Were you born before January 2, 2007?	**YES** – Go to Step 4 **NO** – Not qualified for credit
4	Are you being claimed as a dependent on someone else's tax return for 2024?	**YES** – Not qualified for credit **NO** – Go to Step 5
5	Were you a full-time student[2] during 2024?	**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 2024 by the due date of the return.

[2]You were a student if during any part of 5 calendar months of 2024 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. **Note:** 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

- Form 8880, Credit for Qualified Retirement Savings Contributions, is used to claim this 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 (contribution must be voluntary; i.e., optional), 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 of the Form 13614-C, Intake/Interview and 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 next page for details regarding which distributions reduce the eligible contributions for 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.

Calculation of the Retirement Savings Contribution Credit

For certain taxpayers, the Saver's Credit is calculated using a percentage of their eligible contributions reduced by certain distributions. The percentage applied depends on their 2024 filing status and AGI:

Credit Rate (as % of your contribution)*	AGI Married Filing Jointly	AGI for Head of Household	AGI for Single, Married Filing Separately, or Qualifying Surviving Spouse
50%	not more than $46,000	not more than $34,500	not more than $23,000
20%	$46,001–$50,000	$34,501–$37,500	$23,001–$25,000
10%	$50,001–$76,500	$37,501–$57,375	$25,001–$38,250
0%	more than $76,500	more than $57,375	more than $38,250

*Contributions after reducing for certain distributions, if applicable. TaxSlayer will limit credit as needed based on tax liability.

Deductions>Credits Menu>Credit for Qualified Retirement Savings Contributions; or Keyword SAVE or 8880

Qualifying Contributions for the Retirement Savings Contributions (Saver's) Credit

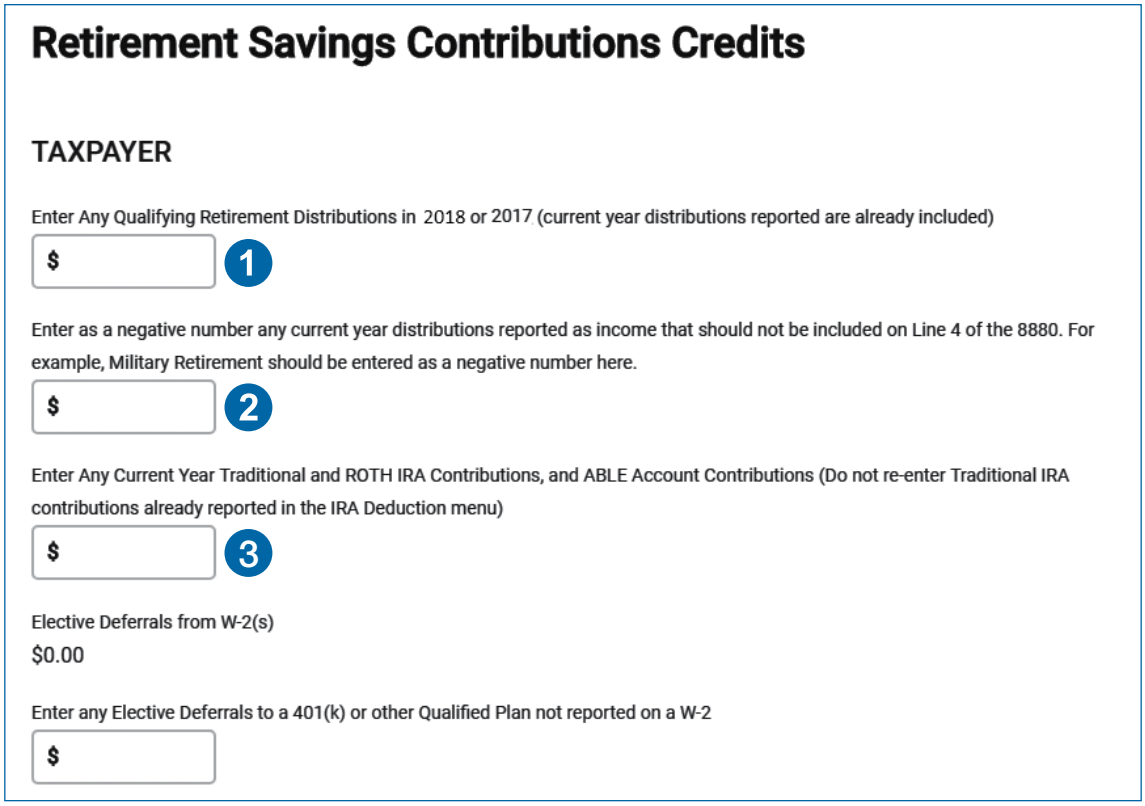
Verify total contribution amounts with the taxpayer. Total IRA contributions cannot exceed the lesser of total compensation or the annual limit. See Tab E, Adjustments to Income.

- Enter contributions to a traditional IRA made before the filing deadline on the Traditional IRA Contributions screen
- Enter contributions to a Roth IRA made before the filing deadline or to an Achieving a Better Life Experience (ABLE) account made by the designated beneficiary on the Form 8880 screen.
- TaxSlayer will automatically carry the following taxpayer or spouse's Form W-2 entries to Form 8880 as qualifying contributions for this credit:
  - Box 12 entries of D, E, F, G, H, S, AA, BB, EE
  - Box 14 amounts for voluntary retirement contributions that are marked as "Qualifies for Form 8880"

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.

Certain Distributions Reduce Eligible Contributions for the Saver's Credit

Qualifying contributions must be reduced by the gross amount of certain distributions. If filing jointly, include distributions for both spouses, even if only one had qualifying contributions.



1. Distributions entered on Form 1099-R or Form RRB-1099-R will be calculated by the software and should not be re-entered on this screen. Enter any distributions from the two prior tax years or distributions between January 1 and the tax filing deadline (including extensions).
2. TaxSlayer cannot identify which current tax year distributions are relevant, so it automatically reports the taxable amount of all current 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." If a manual adjustment to the amount TaxSlayer carries to Form 8880, is required, then enter the (combined) adjustment where indicated. This field is labeled: "Enter as a negative number any current year distributions reported as income that should not be included on Line 4 of the 8880…"

   Even though the field label on the screen only mentions negative adjustments, a positive value should instead be entered if a positive adjustment is required.
3. Enter any contributions to Roth IRAs or ABLE accounts where indicated. Do not re-enter deductible traditional IRA contributions already reported on the Traditional IRA Contributions screen. Nondeductible traditional IRA contributions are Out of Scope.

Certain distributions received after 2021 and before the due date (including extensions) of your 2024 tax return from any of the following types of plans are subtracted from contributions:

- *Traditional or Roth IRAs, or ABLE accounts*
- *401(k), 403(b), governmental 457, 501(c)(18)(D), SEP, or SIMPLE plans*
- *Qualified retirement plans (including the federal Thrift Savings Plan).*

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.

- Distributions from a military retirement plan (other than the federal TSP)
- Distributions not taxable as the result of a rollover or a trustee-to-trustee transfer
- Distributions from your eligible retirement plan (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

Residential Energy Credits



Deductions>Credits>Residential Energy Credits; or Keyword: ENER



This provision has been extended through December 31, 2032.

Form 5695, Residential Energy Credits, is used to calculate and claim the residential energy credits.

Part I, Residential Clean Energy Credit, taxpayers may be eligible to claim an energy credit for solar panels, solar water heaters, fuel cell property expenditures, wind turbines, geothermal heat pump property expenditures, and battery storage technology expenditures. This part of the form is Out of Scope. Taxpayers that have these expenses should be referred to a professional tax preparer.

Part II, Energy Efficient Home Improvement Credit – Key Points:

- A $1,200 aggregate yearly credit limit applies across any combination of building envelope components, home energy audits, and residential energy property:
  - Qualified energy efficiency improvements (building envelope components) having an expected lifespan of at least 5 years (installation labor costs don't qualify for this part of the credit):[1]
    - exterior doors (30% of costs up to $250 per door, up to a total of $500);
    - exterior windows and skylights (30% of costs up to $600); and
    - insulation materials or systems and air sealing materials or systems (30% of costs).
  - Home energy audits (30% of costs up to $150)[2].
  - Residential energy property (30% of costs, including labor, up to $600 for each item):[3]
    - central air conditioners;
    - natural gas, propane, or oil water heaters;
    - natural gas, propane, or oil furnaces and hot water boilers; and
    - improvements to or replacements of panelboards, subpanelboards, branch circuits, or feeders that were installed with building envelope components or qualified energy property and in a manner consistent with the National Electric Code, and have a load capacity of at least 200 amps.
- A separate $2,000 aggregate yearly credit limit applies across all heat pump water heaters, heat pumps, and biomass stoves and biomass boilers (30% of costs, including labor):[3]
  - electric or natural gas heat pump water heaters;
  - electric or natural gas heat pumps; and
  - biomass stoves and biomass boilers.

Additional Requirements to Qualify for the Energy Efficient Home Improvement Credit:

- Improvements must be placed into service by the taxpayer during the tax year.
- Systems and materials must be new, not used.
- Improvements must be for an existing home or for an addition to or renovation of an existing home, and not for a newly constructed home. The home must be located in the United States.
- When calculating the credit, taxpayers need to reduce the purchase price by any subsidies or rebates received.

*Energy efficiency standards can be found at: **www.irs.gov/credits-deductions/frequently-asked-questions-about-energy-efficient-home-improvements-and-residential-clean-energy-property-credits-energy-efficiency-requirements**.*

Footnotes:

[1]Improvements must be installed in or on the taxpayer's main home that they owned and is located in the U.S. If the price paid included installation labor without a breakout of the labor, the taxpayer must make a reasonable allocation between the cost of the qualifying property and the nonqualifying labor costs of the installation. Volunteers cannot make this allocation, but can use a reasonable allocation provided by the taxpayer.

[2]Home energy audit must have included an inspection of the taxpayer's main home located in the U.S. (includes renters) with a written report prepared by a certified home energy auditor.

[3]Listed energy property must have been installed in a home located in the U.S. and used as a residence by the taxpayer (includes renters; includes second homes).

Screening Sheet – Credit for the Elderly or the Disabled

Figure A. Are You a Qualified Individual?

Use the following chart to determine if the taxpayer is eligible for this nonrefundable credit:

Step	Probe/Ask the taxpayer:	Action
1	Were you married at the end of the tax year?	**YES** – Go to Step 2 **NO** – Go to Step 4
2	Did you live with your spouse at any time during the year?	**YES** – Go to Step 3 **NO** – Go to Step 4
3	Are you filing a joint return with your spouse? Answer **YES** if you qualify to be considered unmarried and file as Head of Household.	**YES** – Go to Step 4 **NO** – You aren't a qualified individual and can't take the credit for the elderly or the disabled
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
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
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
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
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 Instructions for Schedule R, 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.

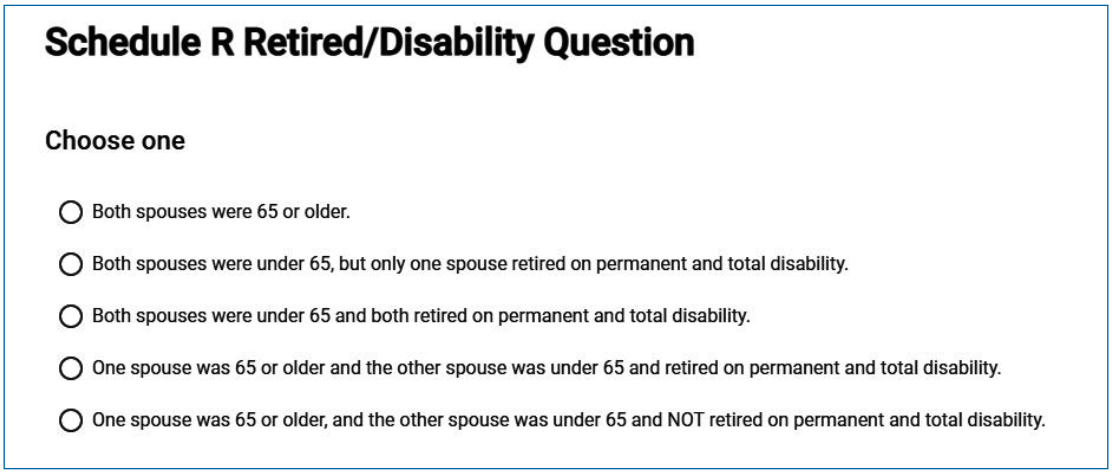
Screening Sheet – Credit for the Elderly or the Disabled (continued)

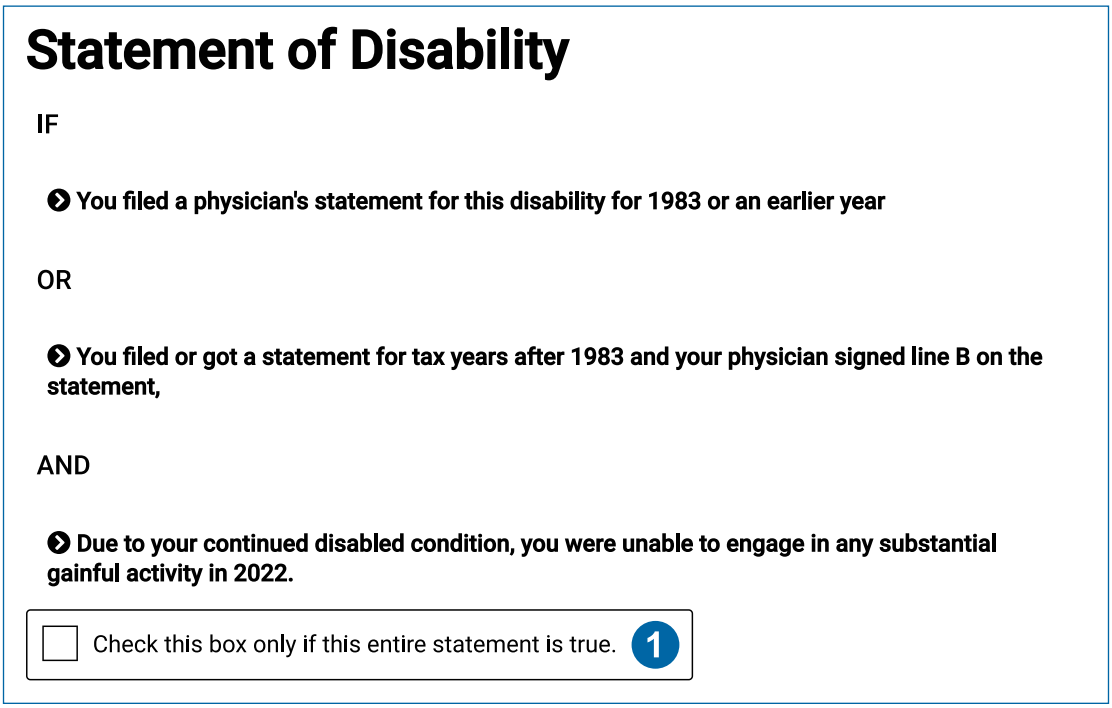
Figure B. Income Limits		
IF you are...	THEN you generally can't take the credit if...	
	Your adjusted gross income (AGI) is equal to or more than...	OR the total of your nontaxable Social Security and other nontaxable pension annuities or disability income is equal to or more than...
single, head of household, or qualifying surviving spouse 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 2024	$12,500	$3,750

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 below and answer the questions.

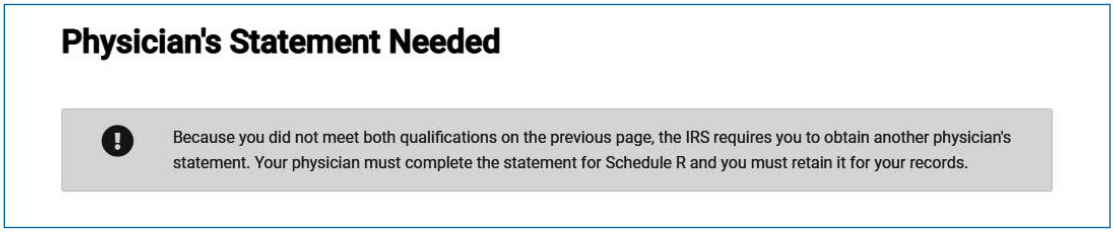
Entering the Credit for the Elderly or the Disabled

Deductions>Credits Menu >Credit for the Elderly or Disabled Schedule R; or Keyword: ELD

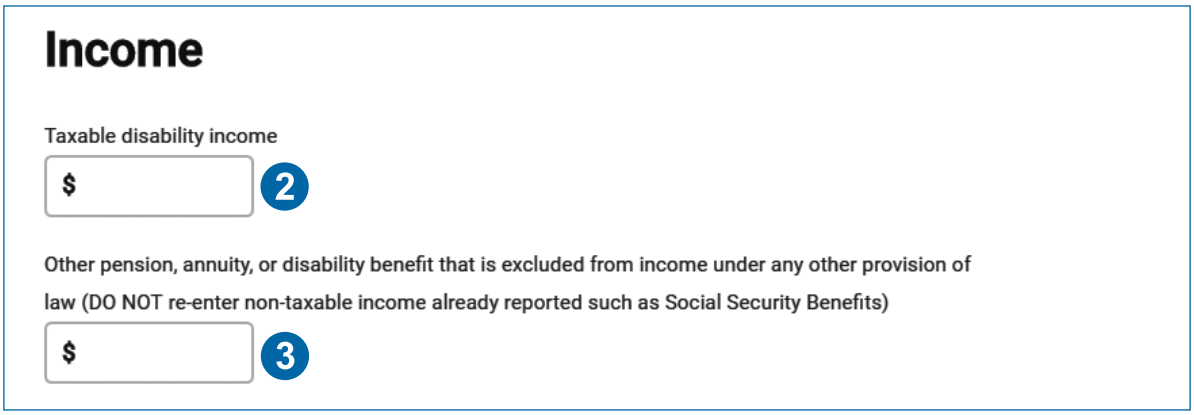




1. Check the box if the statements above regarding the taxpayer's disability are true. Not checking the box does not prevent the taxpayer from claiming the credit. However, they must obtain a physician's statement for their records. See the Instructions for Schedule R for a sample statement.



Entering the Credit for the Elderly or the Disabled (continued)

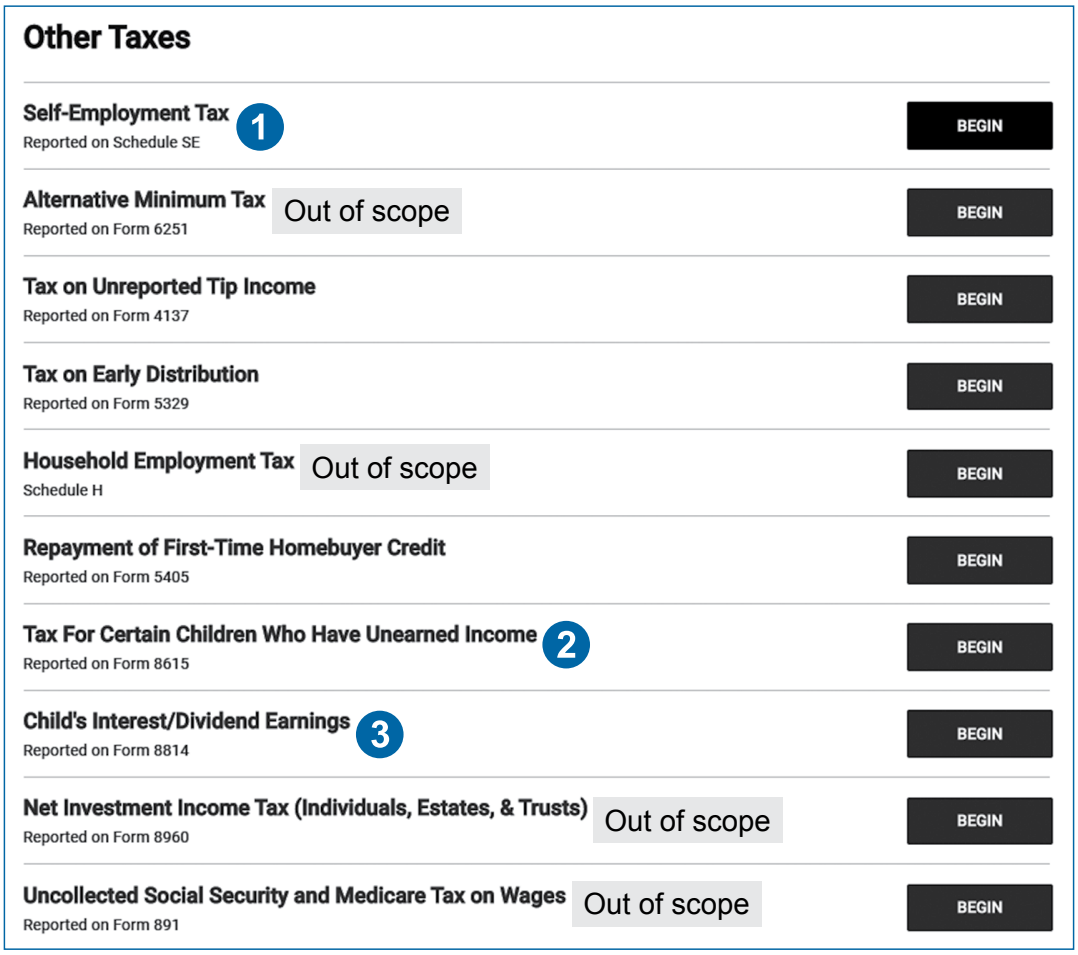


2. Enter the taxpayer's taxable disability income, if any, (such as from Form 1099-R) where indicated.
3. Enter pension, annuity or disability benefits excluded from income as indicated. Do not enter Social Security benefits. Enter Social Security income in the Social Security SSA-1099 screen in TaxSlayer.

Notes:

Tab H: Other Taxes, Payments, and Refundable Credits

Other Taxes



1. See Self-Employment Tax (and Notary Income) below
2. In scope only for Native Americans receiving per capita payments and Alaska residents receiving permanent fund dividends.
3. In scope only for Alaska residents receiving permanent fund dividends.

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 (and Notary Income)

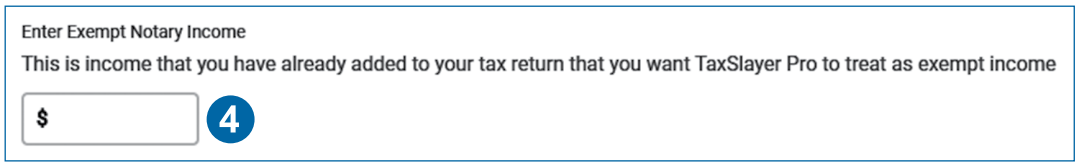
Self-employment tax is Social Security and Medicare taxes collected primarily from individuals who work for themselves, similar to the Social Security and Medicare taxes withheld from the pay of most wage earners.

The self-employment tax rate on net earnings is 15.3% (12.4% Social Security tax plus 2.9% Medicare tax).

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.

Other Taxes>Self-Employment Tax>Enter Exempt Notary Income; or Keyword: SELF

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 and EIC calculations.



4. Enter the net profit from a Notary's business on the SE Tax input screen so that SE tax is not computed.

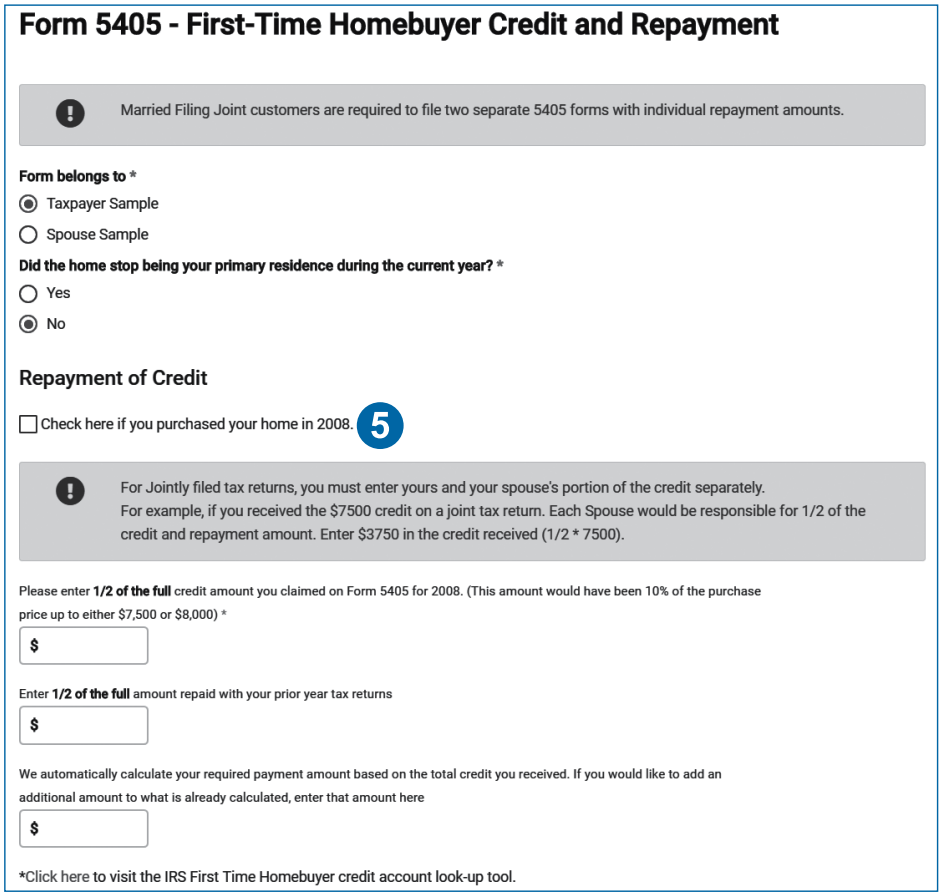
Unreported Social Security and Medicare Tax

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. Form 4137 is also used to remove this tax on tips that were unreported because they they were less than $20 per month.

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 Other Taxes>Tax on Unreported Tip Income; or Keyword: 4137

Form 5405, Repayment of the First-Time Homebuyer Credit

Other Taxes>Repayment of First-Time Homebuyer Credit; or Keyword: FIR



5. Use the **First-Time Homebuyer Credit Account Look-up tool** on IRS.gov to determine the amount of the repayment.

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.) Repayment ends in 2024.

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 on your child's tax return?

Step	Probe / Ask the Taxpayer	Action
1	Was the child's unearned income, including taxable scholarships and grants, more than $2,600?	**YES** – Go to Step 2 **NO** – Don't use Form 8615 to figure the child's tax.
2	Is the child required to file a tax return for the tax year? See Chart B - For Children and Other Dependents in Tab A.	**YES** – Go to Step 3 **NO** – Don't use Form 8615 to figure the child's tax.
3	Was the child under age 18 at the end of the tax year?	**YES** – Go to Step 8 **NO** – Go to Step 4
4	Was the child age 18 at the end of the tax year?	**YES** – Go to Step 7 **NO** – Go to Step 5
5	Was the child under age 24 at the end of the tax year?	**YES** – Go to Step 6 **NO** – Don't use Form 8615 to figure the child's tax.
6	Was the child a full-time student during the tax year?	**YES** – Go to Step 7 **NO** – Don't use Form 8615 to figure the child's tax.
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
8	Was at least one of the child's parents alive at the end of the tax year?	**YES** – Go to Step 9 **NO** – Don't use Form 8615 to figure the child's tax.
9	Is the child filing a joint return?	**YES** – Don't use Form 8615 to figure the child's tax. **NO** – Go to Step 10
10	Form 8615 must be used to figure the tax on the child's tax return. 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 for the child's tax return (but does not make the parents' tax return Out of Scope).	



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.

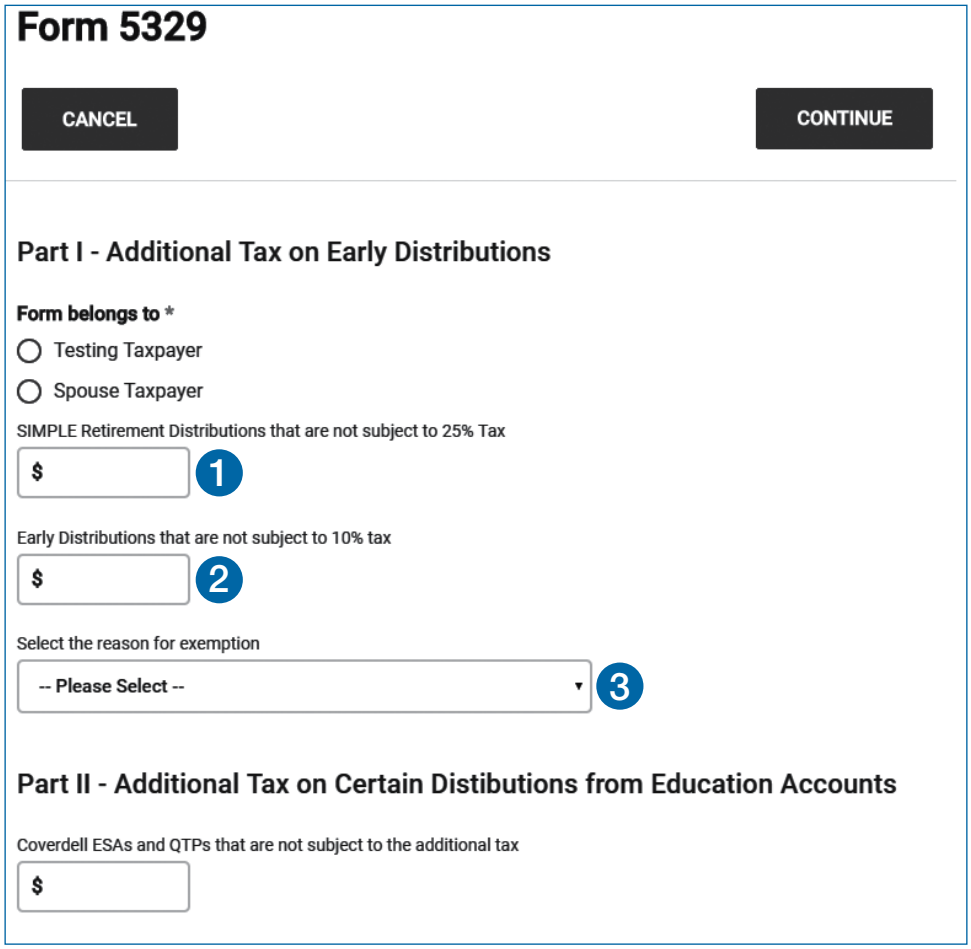
Additional Tax on IRAs and Other Qualified Plans

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 59½. If an exception applies, complete Part 1 - Additional Tax on Early Distributions as shown below.

Form 5329 is in scope for Part I only. Part I eliminates the additional tax on early distributions.

Advanced Certification required for this topic.



1. Funds distributed from a SIMPLE IRA in the first two years are subject to a 25% early distribution tax. If an exception applies, enter the amount not subject to the tax here.
2. Enter the amount not subject to additional tax.
3. Select the appropriate exception from the drop down menu.

Exception codes and explanations for early distributions from IRAs or other qualified retirement plans:

Do not rely on this list alone. For exceptions that apply to IRAs, see Publication 590-B for rules and details pertaining to each exception. For exceptions that apply to pensions or annuities, see Publication 575. See also Form 5329 Instructions.

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	Distributions incorrectly indicated as early distributions by code 1, J, or S in box 7 of Form 1099-R. Include on line 2 the amount you received when you were age 59½ or older.
13	Distributions from a section 457 plan, which aren't from a rollover from a qualified retirement plan.
14	Distributions from a plan maintained by an employer if: • You separated from service by March 1, 1986; • As of March 1, 1986, your entire interest was in pay status under a written election that provides a specific schedule for the distribution of your entire interest; and • The distribution is actually being made under the written election.
15	Distributions that are dividends paid with respect to stock described in section 404(k).
16	Distributions from annuity contracts to the extent that the distributions are allocable to the investment in the contract before August 14, 1982. For additional exceptions that apply to annuities, see *Tax on Early Distributions* under *Special Additional Taxes* in Pub. 575.
17	Distributions that are phased retirement annuity payments made to federal employees. See Pub. 721 for more information on the phased retirement program.
18	Permissible withdrawals under section 414(w).
19	Qualified birth or adoption distributions. Include an explanation that provides the name, age, and TIN of the child or eligible adoptee.[2]
20	Distributions due to terminal illness. Distributions that are made after the date on which your physician has certified that you have an illness or physical condition that can reasonably be expected to result in death in 84 months or less after the date of the certification. See Form 5329 Instructions for requirements.
21	Corrective distributions of the income on excess contributions distributed before the due date of the tax return (including extensions).
22	Qualified distributions to victims of domestic abuse. A qualified distribution to a victim of domestic abuse is a distribution made from an applicable eligible retirement plan and made to an individual during the 1-year period beginning on any date on which the individual is a victim of domestic abuse by a spouse or domestic partner.[3]
23	Distributions for eligible emergency expense distributions. A distribution from an applicable eligible retirement plan for the purposes of meeting the unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses.[4]
99	Enter this code if more than one exception applies. To aid in QR, add a preparer's note in TaxSlayer listing the amount of each exception.

See next page for footnotes

Footnotes for previous table

[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]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. Individuals may repay qualified birth or adoptions distributions at any time during the 3-year period beginning on the day after the date on which the distribution was received. For distributions made on or before December 29, 2022, repayment must be made before January 1, 2026.

[3]Limited to the lesser of $10,000 or 50% of the employee's nonforfeitable accrued benefit (vested accrued benefit). See **Notice 2024-55**.

[4]Emergency personal expense distributions are subject to three limitations:

- no more than one distribution per calendar year is permitted to be treated as an emergency personal expense distribution by any individual.
- the limit is the lesser of $1,000 or the employee's nonforfeitable accrued benefit (vested accrued benefit) balance amount by which the account exceeds $1,000 as of the distribution date; e.g., if the account balance is $1,300 at the time of the distribution, the maximum emergency expense distribution is $300.
- rules limit taking subsequent emergency personal expense distributions.

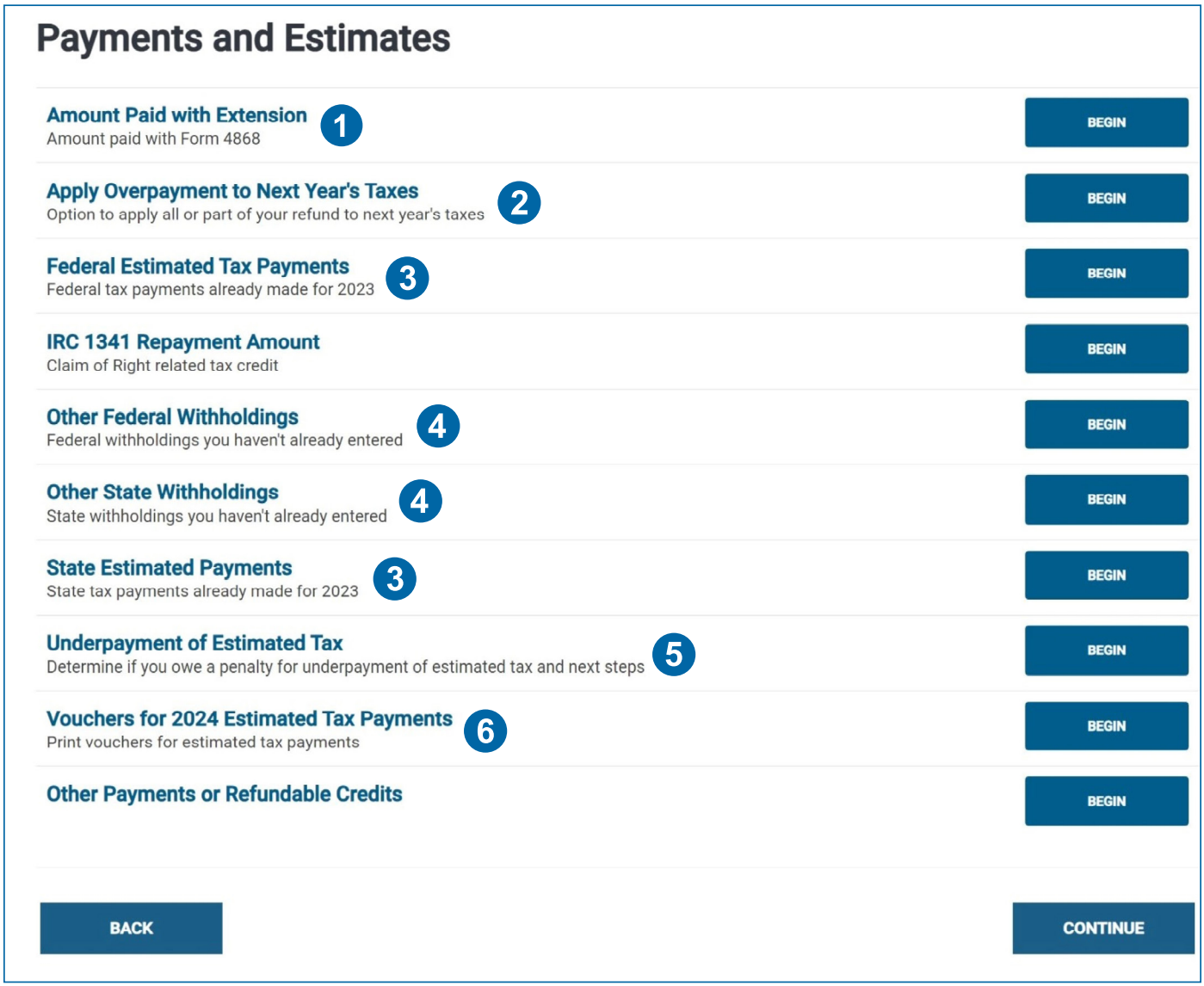
See **Notice 2024-55**.

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



Federal Section>Payments & Estimates

1. Amount Paid with Extension – Directly enter any payment made. When preparing a prior year return, remember to ask if payments have been made.
2. Amount to be Applied to 2025 Estimated Tax. Enter the amount of overpayment to apply to 2025. (To apply state refunds to next year's taxes, go to State>Payments>Apply Your State Refund.)
3. 2024 Estimated Tax Payments – Federal and/or State – Open Federal Estimated Payments for 2024 or State Estimated Payments and enter any refund amount from last year that was credited toward estimated taxes for the current year. Also enter actual amount paid in each quarter.
4. 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.
5. Form 2210, Underpayment of Estimated Tax, is Out of Scope. If the taxpayer is subject to a penalty for underpayment of estimated tax, the IRS will calculate the amount due and send the taxpayer a notice.
6. See Tab K, Finishing the Return, Estimated Tax Payments page.

Access the Health Insurance section from the navigation menu on the left side of the screen

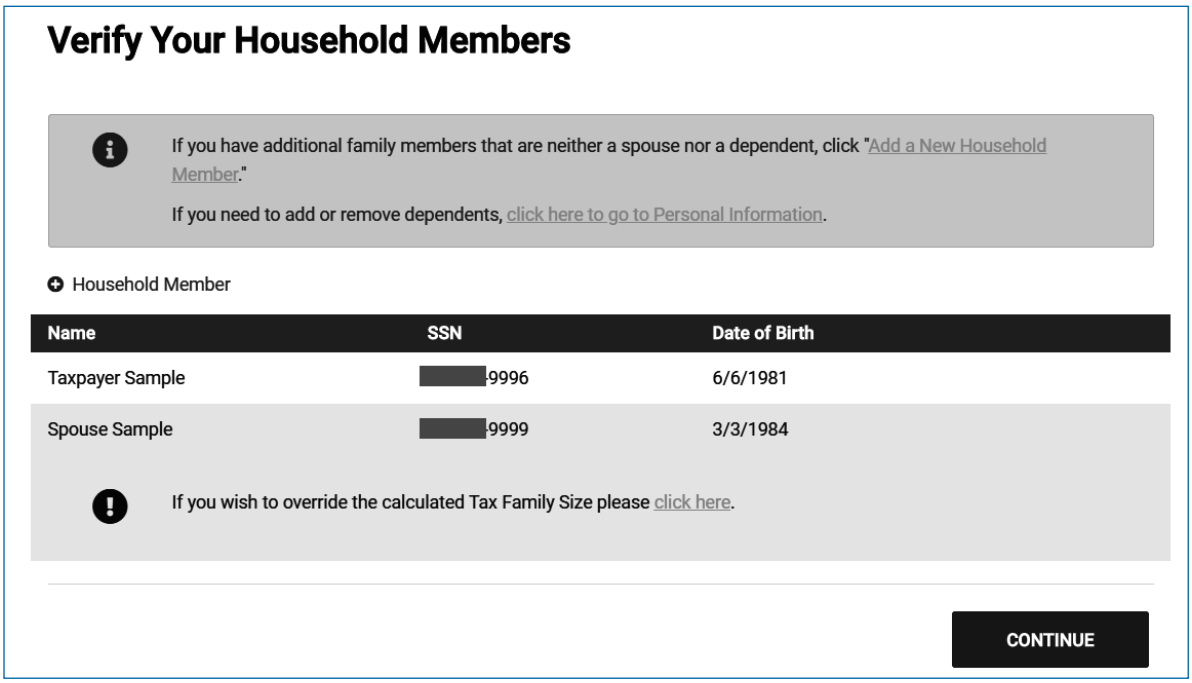


1. Answer Yes if Form 1095-A, Health Insurance Marketplace Statement, was received for coverage of the taxpayer, taxpayer's spouse if taxpayer is filing a joint return, or a dependent for any part of the year.
2. If the taxpayer applied for coverage via the Marketplace but was instead enrolled in Medicaid, 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.

If the federal return is rejected because Form 8962 is missing and the taxpayer, spouse, or dependent confirms that they did not have Marketplace coverage at any time during the tax year, go to the Health Insurance section and re-answer the questions presented. If no tax family member had coverage, click the appropriate option and the return can be e-filed a second time

If Marketplace fraud is suspected then the taxpayer should also contact the Marketplace. For more information taxpayers can refer to: ***www.healthcare.gov/protect-from-fraud-and-scams/****.*



Never override the calculated tax family size.

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**

Department of the Treasury
Internal Revenue Service

Health Insurance Marketplace Statement

Do not attach to your tax return. Keep for your records.
Go to *www.irs.gov/Form1095A* for instructions and the latest information.

☐ VOID
☐ CORRECTED

OMB No. 1545-2232

20**XX**

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	

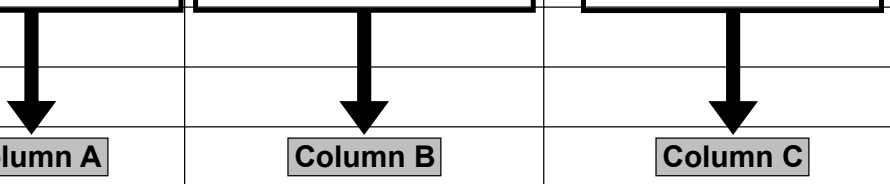
Part II **Covered Individuals**

	A. Covered individual name	**B.** Covered individual SSN	**C.** Covered individual date of birth	**D.** Coverage start date	**E.** Coverage termination date
16					
17					
18					
19					
20					

Premium Tax Credit: Form 1095-A Overview (continued)

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			
23 March			
24 April			
25 May			
26 June			
27 July			
28 August			
29 September			
30 October			
31 November			



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.

You may need to look up the SLCSP premium if:

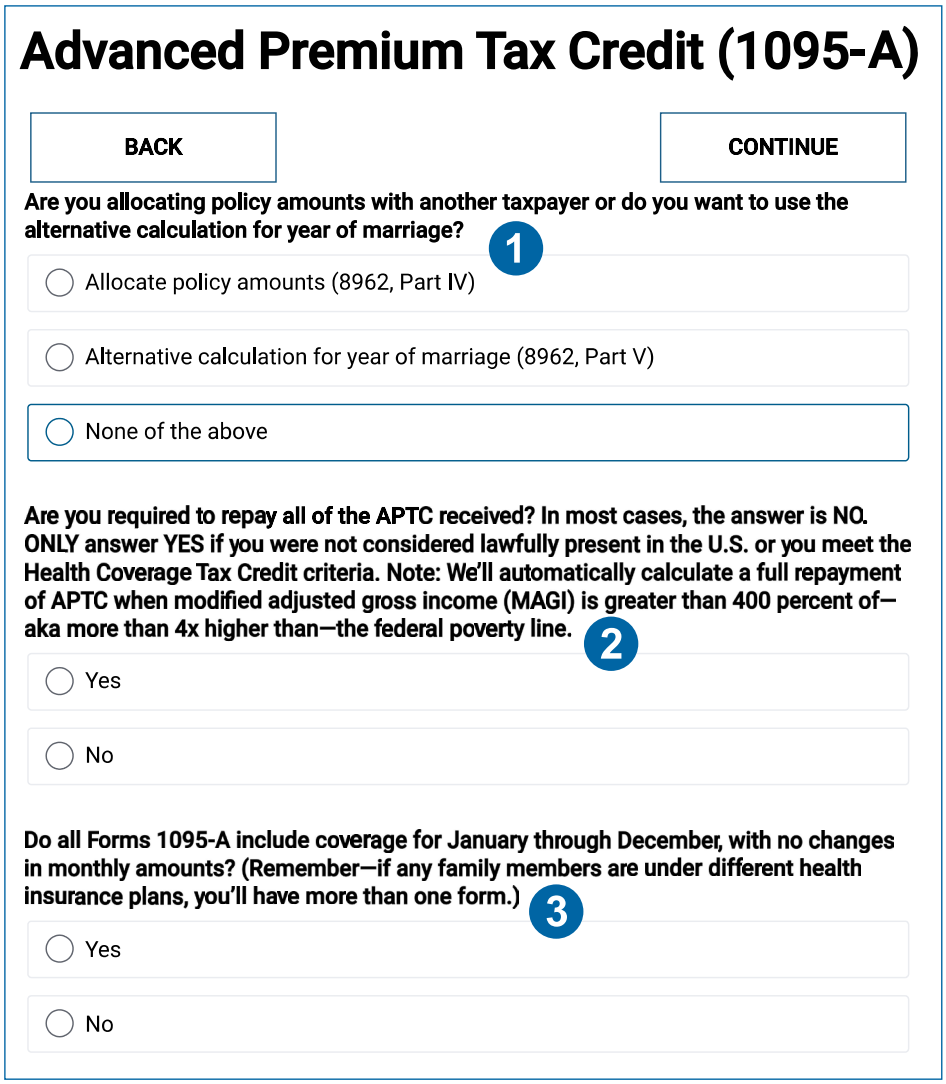
- It is incorrect, perhaps because a change in family size was not reported. See "Change in coverage family," later in this section.
- It is missing. When someone paid the full premium because he or she did not request APTC, Marketplaces routinely leave this space blank.
- There are multiple Forms 1095-A with conflicting information or the taxpayer otherwise thinks it's incorrect.

Column C – Advance payment of PTC

The taxpayer should seek a corrected Form 1095-A if information is incorrect, except for SLCSP premium information that can be completed or fixed.

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.

For taxpayers who purchased insurance through the Marketplace, complete this screen using their Form 1095-A.



1. Allocation of policy amounts and alternative calculation for year of marriage are Out of Scope. See next page for more details.
2. This question appears for all taxpayers with APTC. This question is really asking whether the taxpayer is 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 not lawfully present in the United States. See Publication 974 if some of the covered individuals listed on Form 1095-A were not lawfully present in the U.S.
3. 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 (however, the return **may** be Out of Scope due to requiring allocation of policy amounts, see next page). Also see "Consider married filing separately," later in this section.

If the taxpayer's income is below 100% of the FPL, a fourth question will appear.

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*

Answer NO ONLY if:

- *Income is below 100% (FPL), no APTC was paid, and the second bullet from above does not apply.*

Premium Tax Credit – Out of Scope Situations

Allocation of Policy Amounts (Shared Policy)

If either of 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 2024, are filing a joint return for 2024, and both spouses were unmarried as of January 1, 2024, 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).



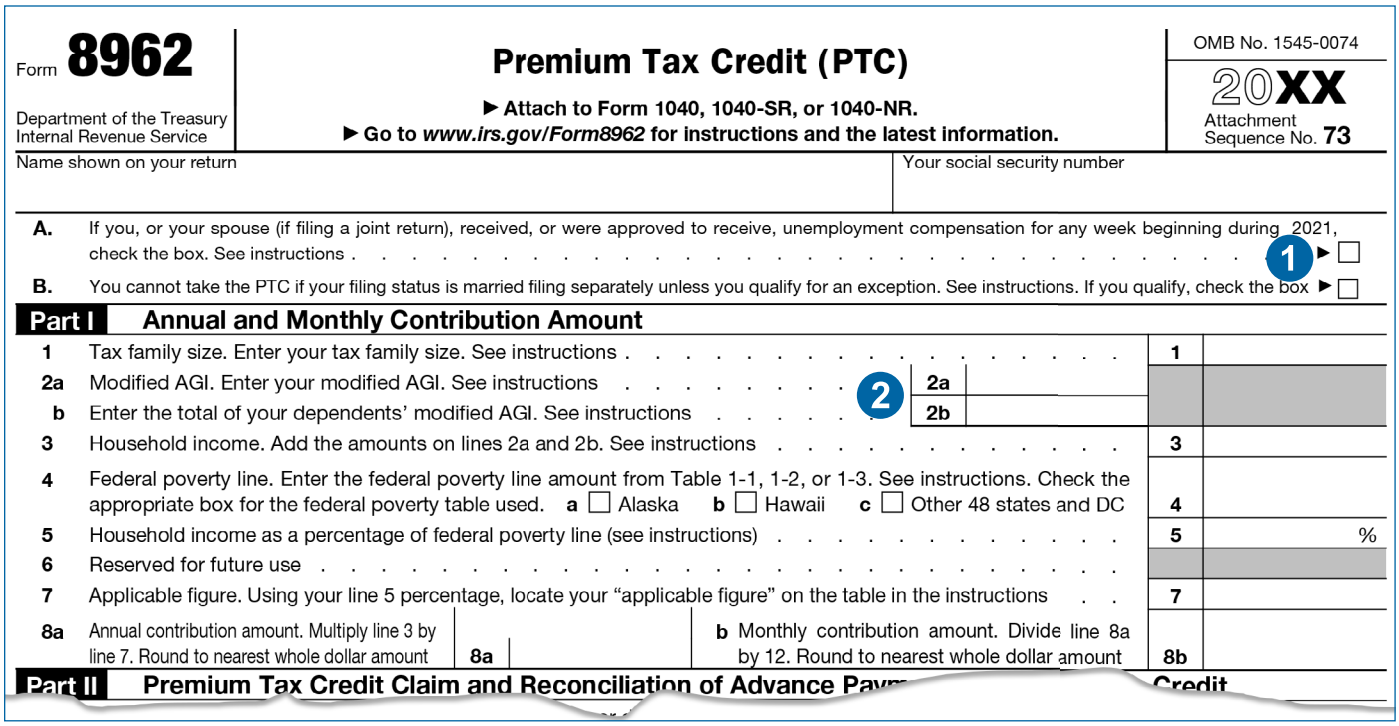
Taxpayers may choose to file MFJ or MFS without the alternative calculation, which remains in scope.

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.

See Publication 974, Premium Tax Credit (PTC), for more details about these out of scope topics.

Premium Tax Credit, Form 8962



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

A. If you, or your spouse (if filing a joint return), received, or were approved to receive, unemployment compensation for any week beginning during 2021, check the box. See instructions . . . ▶ ☐ (1)

B. 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 (2)	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	Reserved for future use			
7	Applicable figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions		7	
8a	Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount	8a		
	b Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount		8b	

Part II Premium Tax Credit Claim and Reconciliation of Advance Pay… Credit

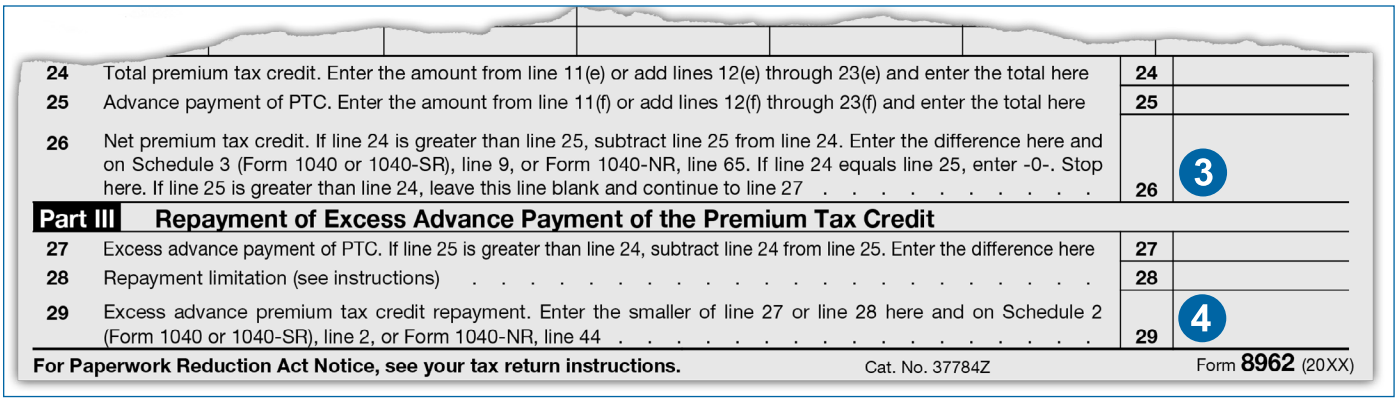
1. If a taxpayer is MFS and is eligible for relief from the requirement to file MFJ because of spousal abuse or abandonment, this box should be checked. If MFS but not eligible for relief, he/she is not eligible for a PTC and must repay APTC, subject to the repayment limitation. Refer taxpayer to Part IV, Allocation Situation 2, of the Form 8962 instructions to determine the amount of APTC the taxpayer must repay (Out of Scope).
2. 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.

Form 8962, Line 7 will be determined automatically by TaxSlayer.

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
- Excluded foreign earned income

Premium Tax Credit, Form 8962 (continued)



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	3
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	4

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 37784Z Form **8962** (20XX)

3. 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.
4. 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.

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 (Schedule 2); decrease the deduction for additional PTC (Schedule 3).

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.

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			
23 March			
24 April			
25 May			
26 June			
27 July			

Column A

Column B

Column C

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.

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

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			

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.

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, Who Can Take the PTC. If ineligible,
- Enter -0- in Column B

Change in coverage family

If your coverage family changed during the year and this was not timely reported to the Marketplace, then the SLCSP entry for Column B must be adjusted accordingly:

- For months where the SLCSP is correctly shown in Column B, use the reported amount.
- For months where the actual coverage family size was zero, enter -0- in Column B.
- Otherwise look up and enter the SLCSP in Column B applicable for that month's coverage family.

For more details, see the Instructions for Form 8962, Coverage family. See also Overlapping Coverage on the next page.

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**.

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 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.**

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:
  - The employer coverage was unaffordable, or
  - The taxpayer advised the Marketplace of the employer offer and the Marketplace determined the coverage was unaffordable for the employee (see Exception below), or
  - 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.

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 (not including extensions).
- 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 (not including extensions).
- 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 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 2024 repayment of APTC, the taxpayer should contact the Marketplace now to adjust their 2025 APTC to avoid similar repayments for the 2025 tax year!*

Repayment Caps for APTC		
Income (as % of federal poverty line)	**Taxpayers Filing as SINGLE**	**Taxpayers Using Other Filing Statuses**
Less than 200%	$375	$750
At least 200% but less than 300%	$950	$1,900
At least 300% but less than 400%	$1,575	$3,150
400% and above	No cap (full repayment)	No cap (full repayment)

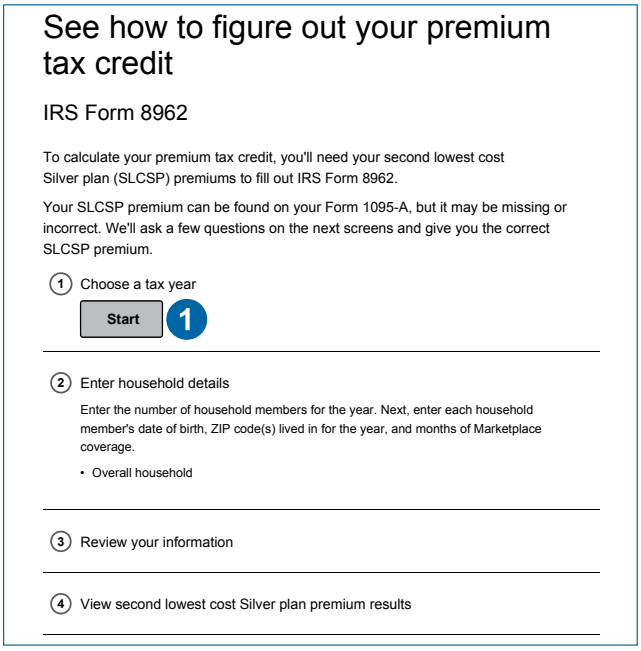
Who should use this tool?

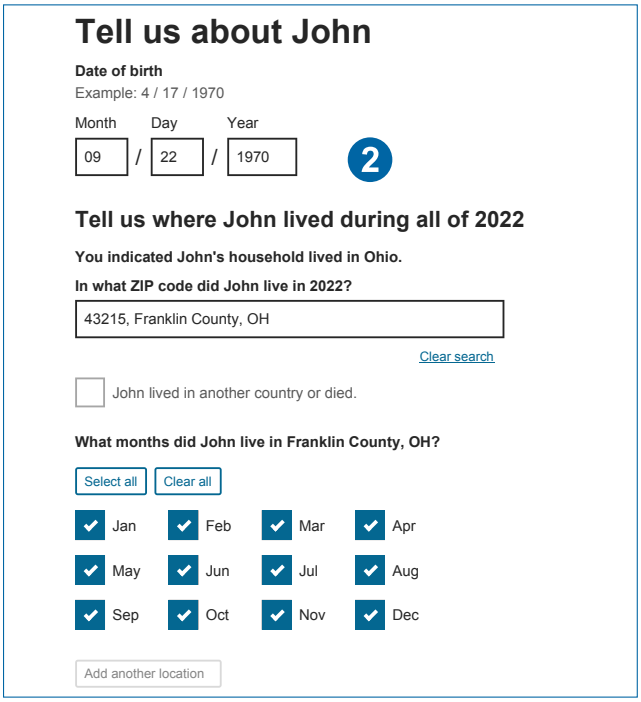
The tool is available for taxpayers who live in federal Marketplace (Healthcare.gov) states, or in a state that uses the Healthcare.gov technology. If you live in a state with a state-based Marketplace, contact the Marketplace by phone or online.

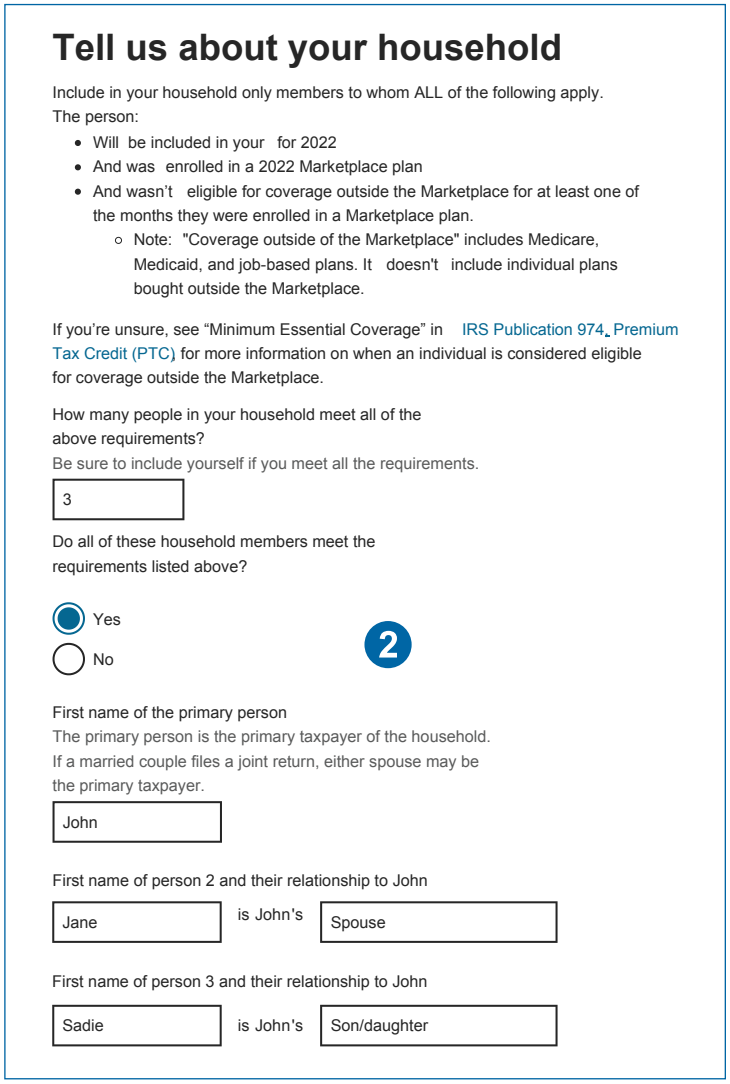
To begin, go to **www.healthcare.gov/tax-tool/**

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:

1. Choose a tax year, then select appropriate state(s).
2. Provide information about the taxpayer's household.

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!

3. 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**.
4. In the Review screen, confirm the information for each family member.
5. 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.*

John: Marketplace coverage 3

Select all months John was enrolled in a Marketplace plan and paid the premium.

Note: Don't select months John was eligible for other health coverage outside the Marketplace.

Select all | Clear all

☑ Jan	☑ Feb	☑ Mar	☑ Apr
☑ May	☑ Jun	☑ Jul	☑ Aug
☑ Sep	☑ Oct	☑ Nov	☑ Dec

Your results 5

These monthly premiums are used to calculate your premium tax credit. They're not the premiums you paid.

Enter these amounts on IRS Form 8962 when you prepare your 2022 income tax return.

	Monthly SLCSP Premiums
Jan	$1,355.34
Feb	$1,355.34
Mar	$1,355.34
Apr	$1,355.34
May	$1,355.34
Jun	$1,355.34
Jul	$1,355.34
Aug	$1,355.34
Sep	$1,355.34
Oct	$1,355.34
Nov	$1,355.34

Review your information 4

Tax year
2022 — Edit

John

Date of birth
09/22/1970 — Edit

Location(s) lived — Edit
All year:
43215, Franklin County, OH

Marketplace coverage months — Edit
All year

Jane — Remove this person

Relationship to John — Edit
Spouse

Date of birth
5/25/1972 — Edit

Location(s) lived — Edit
All year:
43215, Franklin County, OH

Marketplace coverage months — Edit
All year

Sadie — Remove this person

Relationship to John — Edit
Son/daughter

Date of birth
3/14/2017 — Edit

Location(s) lived — Edit
All year:
43215, Franklin County, OH

Marketplace coverage months — Edit
All year

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 2024 will be based on the 2023 federal poverty lines.

2023 Poverty Lines for the 48 Contiguous States and the District of Columbia			
For families/households with more than 8 persons, add $5,140 for each additional person (100% Poverty Line)			
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	$14,580	$20,120	$58,320
2	$19,720	$27,214	$78,880
3	$24,860	$34,307	$99,440
4	$30,000	$41,400	$120,000
5	$35,140	$48,493	$140,560
6	$40,280	$55,586	$161,120
7	$45,420	$62,680	$181,680
8	$50,560	$69,773	$202,240

2023 Poverty Lines for Alaska			
For families/households with more than 8 persons, add $6,430 for each additional person (100% Poverty Line)			
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	$18,210	$25,130	$72,840
2	$24,640	$34,003	$98,560
3	$31,070	$42,877	$124,280
4	$37,500	$51,750	$150,000
5	$43,930	$60,623	$175,720
6	$50,360	$69,497	$201,440
7	$56,790	$78,370	$227,160
8	$63,220	$87,244	$252,880

2023 Poverty Lines for Hawaii			
For families/households with more than 8 persons, add $5,910 for each additional person (100% Poverty Line)			
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	$16,770	$23,143	$67,080
2	$22,680	$31,298	$90,720
3	$28,590	$39,454	$114,360
4	$34,500	$47,610	$138,000
5	$40,410	$55,766	$161,640
6	$46,320	$63,922	$185,280
7	$52,230	$72,077	$208,920
8	$58,140	$80,233	$232,560

Tab I: Earned Income Credit

Earned Income Table

Earned Income for EIC[2]

Includes	Doesn't include
• Taxable wages, salaries, tips, and third-party sick pay • 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) • Election/poll worker compensation	• Interest and dividends • Social Security, including SSI and SSDI, 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[1] • 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 resulting from premiums paid by the taxpayer • 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)

[1]This particular income is entered as other income on the return and not counted as earned income. For instructions on entering this income, see Tab D, Income, Less Common Income and Entering Other Compensation in TaxSlayer.

[2]The same definitions can be applied to the Additional Child Tax Credit and the Dependent Care Credit.

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
- Not claiming a qualifying child because the child is not a dependent, e.g., a full time student under age 24 who supported themselves, or a disabled family member whose income covers half of their support. Support is not a test for EIC.

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	Part D Earned Income and AGI Limitations
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 25 but under age 65 as of December 31.[3]	You must have earned income to qualify for this credit. Your earned income and AGI must be less than: • $59,899 ($66,819 if Married Filing Jointly) with three or more qualifying children • $55,768 ($62,688 if Married Filing Jointly) with two qualifying children • $49,084 ($56,004 if Married Filing Jointly) with one qualifying child • $18,591 ($25,511 if Married Filing Jointly) with no qualifying child
You must meet certain requirements if you are separated from your spouse and not filing a joint return.[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 $11,600 or less.			
Can't be a qualifying child of another person.			

[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]Taxpayers turning 25 on January 1st are considered to be 25 as of December 31st. Taxpayers reaching the age 65 on January 1st are still considered to be 64 as of December 31st.

[4]Married taxpayers who don't file a joint return can claim the EIC only if they 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 a 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. If the separated spouse has a qualifying child but no qualifying child has a valid SSN, the separated spouse can still meet this special rule and claim self-only EITC.

Basic Information>Personal Information>Filing Married Filing Separate and meets the requirements to claim the EIC; or Keyword: PER

Taxpayers cannot file an amended return to claim the credit for a year they did not originally have a valid Social Security number.

EIC General Eligibility Rules

Step	Probe/Ask the taxpayer	Action
1	Calculate the taxpayer's earned income and adjusted gross income (AGI) for the tax year. Are both less than: • $59,899 ($66,819 if Married Filing Jointly) with three or more qualifying children; • $55,768 ($62,688 if Married Filing Jointly) with two qualifying children; • $49,084 ($56,004 if Married Filing Jointly) with one qualifying child; or • $18,591 ($25,511 if Married Filing Jointly) with no qualifying children?	If **YES**, go to Step 2. If **NO**, STOP. You can't claim the EIC.
2	Do you (and your spouse, if filing jointly) have a Social Security number (SSN) that allows you to work?[1] Answer "NO" if the taxpayer's Social Security card has a "NOT VALID FOR EMPLOYMENT" imprint, and if the cardholder 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.
3	Do any of the following apply: • you were not married at the end of 2024, or • you are filing a joint return with your spouse, or • the special rule for separated spouses applies (see Footnote 4 on the previous page)?	If **YES**, go to Step 4. If **NO**, STOP. You can't claim the EIC..
4	Are you 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.
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.
6	Is your investment income (interest, tax exempt interest, dividends, capital gains distributions & capital gains) more than $11,600?	If **YES**, STOP. You can't claim the EIC. If **NO**, go to Step 7.
7	Could you (or your spouse, if filing jointly) be the qualifying child of another taxpayer? Answer "NO" if the other taxpayer isn't required to file, and isn't filing a tax return or is filing a return only to claim a refund of withheld income tax or estimated tax paid.	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.

[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.

Separated spouses who are eligible to claim the EIC must check the checkbox on Schedule EIC and list a qualifying child to show they meet the special rule for claiming the credit.

If the taxpayer is filing MFS and meets the requirements to claim EIC, go to Basic Information>Personal Information>Filing Married Filing Separate and meets the requirements to claim the EIC.

The Due Diligence Worksheet in TaxSlayer is not required for volunteer preparers.

The IRS cannot issue refunds before mid-February for returns that claim the EIC.

EIC With a Qualifying Child

Step	Probe/Ask the taxpayer	Action
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.
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.
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.
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.
5	Did the child live with you in the United States for more than half (183 days for 2024) 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.
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 or file 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.

[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

Step	Probe/Ask the taxpayer	Action
1	Can you (or your spouse, if filing jointly) be claimed as a dependent by another person? Answer "NO" if the other person isn't required to file, and isn't filing a tax return or is filing a return only to claim a refund of withheld income tax or estimated tax paid.	If **NO**, go to Step 2. If **YES**, STOP. You can't claim the EIC.
2	Were you (or your spouse, if filing jointly) at least 25 but under age 65 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.
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.

Taxpayers born on January 1st are considered to be of age as of December 31st. Taxpayers reaching the age of 65 on January 1st are still considered 64 as of December 31st.

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 2024. 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 2024.
- 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 2024.
- 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 2024, 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 taxpayers can't claim the EIC because their qualifying child is treated under the tiebreaker rules as the qualifying child of another person for 2024, 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.

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

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), 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."

Steps for completing Form 8862:

- *Enter 8862 in the forms search box*
- *Select **Information to Claim Certain Refundable Credits After Disallowance***
- *Select **BEGIN** for the Credit to be claimed, e.g. Claim EIC After Disallowance*

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 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
- Research
- Equipment and other expenses not required for enrollment in or attendance at an eligible educational institution
- Travel
- Clerical help

Worksheet 1-1. Taxable Scholarship and Fellowship Income	
1. Enter the total amount of any scholarship or fellowship grant for 2024. 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

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.



Expenses for professional development of an educator can be claimed as an educator expense adjustment.



You generally can't claim more than one benefit for the same education expense.

What type of benefit?	What is your benefit?	What is the annual limit?
Scholarships, Fellowships, Grants, and Tuition Reductions	Amounts received may not be taxable	None
American Opportunity Credit	Credits can reduce the amount of tax you have to pay. 40% of the credit may be refundable (limited to $1,000 per student).	$2,500 credit per student (100% of the first $2,000 plus 25% of the second $2,000 of qualified expenses per student)
Lifetime Learning Credit	Credits can reduce amount of tax you must pay	$2,000 credit per tax return (20% of up to $10,000 of qualified expenses)
Student Loan Interest Deduction	Can deduct interest paid on qualified loans. See Tab E, Adjustments, for more information.	$2,500 deduction per return
Coverdell ESA* OOS if taxable	Earnings not taxed	$2,000 contribution per beneficiary
Qualified Tuition Program (QTP) (529 Plan)* OOS if taxable	Earnings not taxed	None
Education Exception to Additional Tax on Early IRA Distributions*	No 10% additional tax on early distribution	Amount of qualified education expenses reduced by any tax-free educational assistance
Education Savings Bond Program* OOS	Interest not taxed	Amount of qualified education expenses
Employer - Provided Educational Assistance*	Employer benefits not taxed	$5,250 exclusion
Business Deduction for Work-Related Education	Can deduct expenses	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 (continued)

What is the type of benefit?	What expenses qualify besides tuition and required enrollment fees?
Scholarships, Fellowships, Grants, and Tuition Reductions	Course-related expenses such as fees, books, supplies, and equipment
American Opportunity Credit	Course-related books, supplies, and equipment. See What are Qualifying Expenses later for additional information. **Note:** The maximum amount of qualified education expenses is $4,000.
Lifetime Learning Credit	Student activity fees and expenses for course related books, supplies, and equipment are included in qualified education expenses only if the fees and expenses must be paid to the institution for enrollment or attendance. **Note:** The maximum amount of qualified education expenses is $10,000
Coverdell ESA* OOS if taxable	• 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
Qualified Tuition Program (QTP) (529 Plan)* OOS if taxable	• 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: tuition only, 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.
Education Exception to Additional Tax on Early IRA Distributions*	• 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
Education Savings Bond Program* OOS	• Payments to Coverdell ESA • Payments to QTP
Employer-Provided Educational Assistance*	• Books, Supplies and Equipment • Principal or interest on any qualified education loan
Business Deduction for Work-Related Education	• 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 (continued)

What is the type of benefit?	What education qualifies?	What are some of the other conditions that apply?	In what income range do benefits phase out?
Scholarships, Fellowships, Grants, and Tuition Reductions	• Undergraduate & graduate • K-12	• Must be in degree or vocational program • Payment of tuition and required fees must be allowed under the grant	• No phaseout
American Opportunity Credit	• 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	• 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	• $80,000 – $90,000 • $160,000 – $180,000 for joint returns
Lifetime Learning Credit	• Undergraduate & graduate courses to acquire or improve job skills	• No other conditions	• $80,000 – $90,000 • $160,000 – $180,000 for joint returns
Student Loan Interest Deduction	• Undergraduate & graduate	• Must have been at least half-time student in degree program	• $80,000 – $95,000 • $165,000 – $195,000 for joint returns
Coverdell ESA* OOS if taxable	• Undergraduate & graduate • K-12	• Assets must be distributed at age 30 unless special needs beneficiary	• $95,000 – $110,000 • $190,000 – $220,000 for joint returns
Qualified Tuition Program (QTP) (529 Plan)* OOS if taxable	• Undergraduate & graduate • K -12 for no more than $10,000 of tuition • Apprenticeship program that is registered and certified by the Dept of Labor	• Distributions for principal or interest paid on the designated beneficiary's or their sibling's qualified student loan have a lifetime limit of $10,000 per individual.	• No phaseout
Education Exception to Additional Tax on Early IRA Distributions*	• Undergraduate & graduate	• No other conditions	• No phaseout
Education Savings Bond Program* OOS	• Undergraduate & graduate	• Applies only to qualified series EE bonds issued after 1989 or series I bonds	• $96,800 – $111,800 • $145,200 – $175,200 for joint and qualifying surviving spouse with a dependent child returns
Employer-Provided Educational Assistance*	• Undergraduate & graduate	• No other conditions	• No phaseout
Business Deduction for Work-Related Education	• Required by law to keep present job, salary, status • Maintain or improve job skills	• Can't be to meet minimum educational requirements of present trade/business • Can't qualify you for a new trade/business	• No phaseout

*Any nontaxable distribution is limited to the amount that doesn't exceed qualified education expenses.
OOS = Out of Scope



Taxpayers filing MFS cannot claim deductions for the American opportunity credit, lifetime learning credit, or student loan interest deductions.

Education Credits

Deductions>Credits Menu>Education Credits Form 1098-T; or Keyword: 8863

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

Credit Conditions	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 surviving spouse	$180,000 if married filing jointly; $90,000 if single, head of household, or qualifying surviving spouse
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 post secondary education before 2024. See Completion of first 4 years in Publication 970.	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[2] for at least one academic period beginning during 2024 (or the first 3 months of 2025 if the qualified expenses were paid in 2024)	Available for one or more courses
Felony drug conviction	As of the end of 2024, 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 2024 for academic periods beginning in 2024 or beginning in the first 3 months of 2025	Payments made in 2024 for academic periods beginning in 2024 or beginning in the first 3 months of 2025
TIN needed by filing due date	Filers and students must have a TIN by the due date of their 2024 return (including extensions)	
Educational institution's EIN	You must provide the educational institution's employer identification number (EIN) on your Form 8863, Education Credits.	

[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.

[2]The standard for what is half of the normal full-time workload is determined by each eligible educational institution.

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. A searchable database of all accredited schools is available on the U.S. Department of Education website: **www.ed.gov/accreditation**
- The eligible student is either the taxpayer, taxpayer's spouse or their dependent.

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) is considered to have given a gift to the student who in turn is treated as having paid the expenses.

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 post secondary 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 2024 or the first 3 months of 2025
- 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. The purchase of computer or peripheral equipment, computer software, or Internet access and related services qualify for the credit if the student needs the computer for attendance at the educational institution.
- For the 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.

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



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).



Taxpayers must have a Form 1098-T from an eligible educational institution to claim education benefits. If a student's educational institution isn't required to provide Form 1098-T to the student, they can claim a credit without Form 1098-T if the student otherwise qualifies, can demonstrate that they (or a dependent) were enrolled at an eligible educational institution, and can substantiate the payment of qualified tuition and related expenses. Refer to Publication 970 for required steps.



If the student includes the tax free educational assistance in income, has a filing requirement, and unearned income (including the taxable scholarship) over $2,600, the student may need to file Form 8615, Tax for Certain Children Who Have Unearned Income (Kiddie 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.

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 by Pell Grant and $4,000 was paid by loan proceeds. They paid $500 for books in 2024. To calculate the eligible expenses for their credit, take the $7,000 ($3,000 grant + $4,000 loan) paid in 2024, 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 credits.

☐ CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number	1 Payments received for qualified tuition and related expenses	OMB No. 1545-1574	Tuition Statement
Clark University 150 Learning Drive Memphis, TN 38101	$ 7,000	2024	
	2	Form 1098-T	

FILER'S employer identification no.	STUDENT'S TIN	3	Copy B For Student
98-000XXXX	XXX-XX-XXXX		

STUDENT'S name	4 Adjustments made for a prior year	5 Scholarships or grants	
Sarah Pine	$ OOS	$ 3,000	
Street address (including apt. no.) 123 Main Street	6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2025 ☐	
City or town, state or province, country, and ZIP or foreign postal code Memphis, TN 38101	$ OOS		
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 $

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.

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 2024 for the academic period		7,500
2. Less adjustments:		
a. Tax-free educational assistance received in 2024 allocable to the academic period	3,000	
b. Tax-free educational assistance received in 2025 (and before you file your 2024 tax return) allocable to the academic period	0	
c. Refunds of qualified education expenses paid in 2024 if the refund is received in 2024 or in 2025 before you file your 2024 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

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.

Forms 1098-T with amounts listed in boxes 4 or 6 are Out of Scope (OOS).

Entering Education Credits

Deductions>Credits Menu>Education Credits and/or Income>Other Income>Other Compensation>Scholarships and Grants; or Keyword: 1098 or 8863

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.

See Tab I, Earned Income Credit, Disallowance of Certain Credits, if the taxpayer received a letter saying they had to complete Form 8862, Information To Claim Certain Credits After Disallowance.

1. Select the student for whom you'll be entering qualified education expenses, or click the link to return to Basic Information.
2. Indicate if a Form 1098-T was provided for 2024. It is typically available in the student's online school account.
3. Answer as Yes if a Form 1098-T was received for 2023 and Box 7 was checked.
4. If qualified expenses were incurred for more than one institution, then you can add additional institutions later.

EDUCATION GUIDE

Select a Student 1

Please select the student you wish to explore education credits for:

- ◯ CHILD EXAMPLE XXX-XX-XXXX
- ◯ SPOUSE EXAMPLE XXX-XX-XXXX
- ◯ TAXPAYER EXAMPLE XXX-XX-XXXX

⊕ Don't see who you're looking for? Add a dependent or spouse here

Form 1098-T

Do you have a 1098T form?

Did the student receive Form 1098-T from the educational institution for 2023?

◯ Yes ◯ No 2

Did the student receive Form 1098-T from this institution for 2022 with box 7 checked?

◯ Yes ◯ No 3

Add an Institution 4

Institution Name *

Country *

United States

Address (Number and Street) *

ZIP Code *

City, Town, or Post Office *

State *

Employer identification number (EIN) *

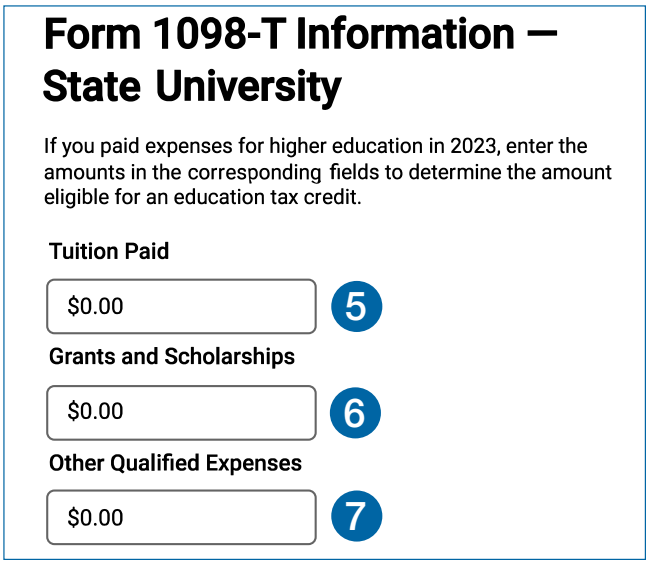
5. Enter amount from Form 1098-T, Box 1.
6. TaxSlayer will use the amount of tax-free education assistance entered here to adjust qualified education expenses. Enter the amount from Form 1098-T, Box 5:
   - Reduced by any taxable scholarship/ grant amounts included in Box 5.
   - Increased by any tax-free educational assistance amounts not reflected in Box 5 (see What is Tax-Free Educational Assistance? earlier in this tab.)
7. Enter any additional qualified education expenses not included in (5) Tuition Paid. The definition of qualifying expenses differs for the American Opportunity Credit vs. the Lifetime Learning Credit (see What are qualifying expenses? earlier in this tab.)

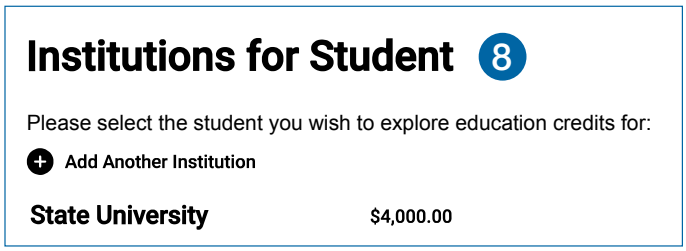
The following aren't qualifying expenses for education credits: room and board, insurance, medical, transportation, or personal expenses, even if the amount must be paid to the institution as a condition of enrollment or attendance. If the educational expenses are associated with sports, games, hobbies, or other noncredit courses, see ***Publication 970*** *for more information.*

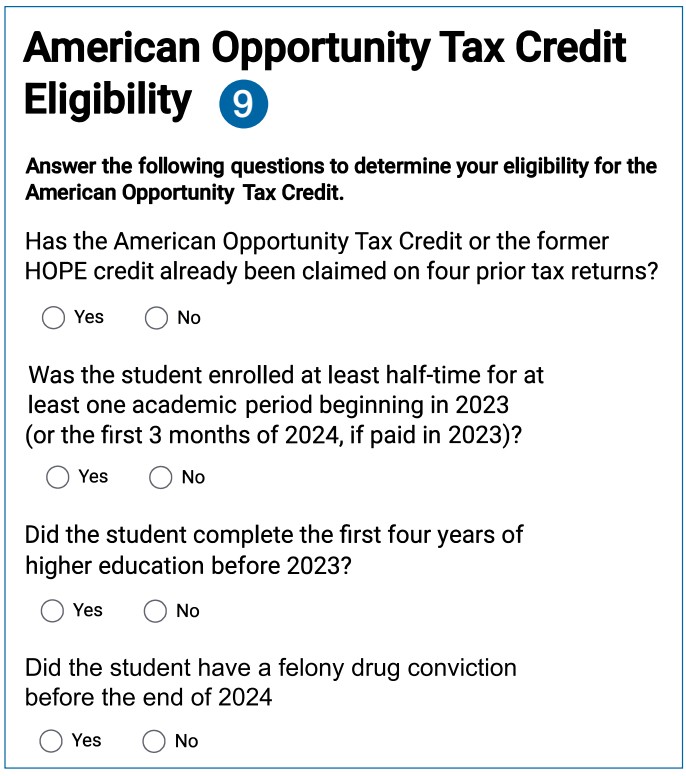
8. Add additional institutions if qualified education expenses were incurred for more than one institution.
9. The answers to the four questions shown will be used to determine eligibility for the American Opportunity Credit.

If the taxpayer was under age 24 at the end of the year, then TaxSlayer will prompt an additional question asking "Are you eligible for the refundable portion of the American Opportunity Credit?" See Student Under Age 24 Claiming American Opportunity Credit later in this tab for a chart to aid in answering this question.

TaxSlayer will recommend which credit is the most beneficial. You can make another selection if you don't want to accept TaxSlayer's recommendation. Click Continue after making your choice.







Ensure the expenses you entered are qualifying educational expenses for the credit that you selected. See #7 above. Click the pencil icon shown on the Education Credit Summary screen if you need to adjust this entry.

After you've selected which credit you'd like to apply, you can edit the education credit data you had entered or enter data for additional students.

Student Under Age 24 Claiming American Opportunity Credit

For a student claiming the credit on their own return

Probe/Action: Ask the taxpayer	Action
1. Were you under 24 at the end of the tax year?	If **NO**, do not use this chart; you **DO** qualify to claim part of the allowable American opportunity credit as a refundable credit if you meet all other qualifications. . If **YES**, go to question 2.
2. Were you over 18 at the end of the tax year?	If **YES**, go to question 3. If **NO**, go to question 4.
3. Were you a full-time student (defined below) for the tax year?	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 the tax year?	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 the tax year?	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 the tax year?	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 the tax year?	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 (should be reported on a W-2). 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 2024 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.

Support. Support includes food, shelter, clothing, medical and dental care, education, and the like. However, a scholarship received by a full-time student isn't considered support.

Tab K: Finishing the Return

Completing the e-File Section

Access the E-file section by selecting E-file from the navigation menu on the left side of the screen

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.

Click **E-File** in the left navigation bar.

The software will display any errors and warnings concerning the return.

1. If the software displays an error on the return, read the error carefully and select **FIX THIS** for that error.
2. Make corrections to the return to eliminate the error.
3. Select **E-File** again.
4. Select **FIX THIS** for each e-file error until you correct all errors.

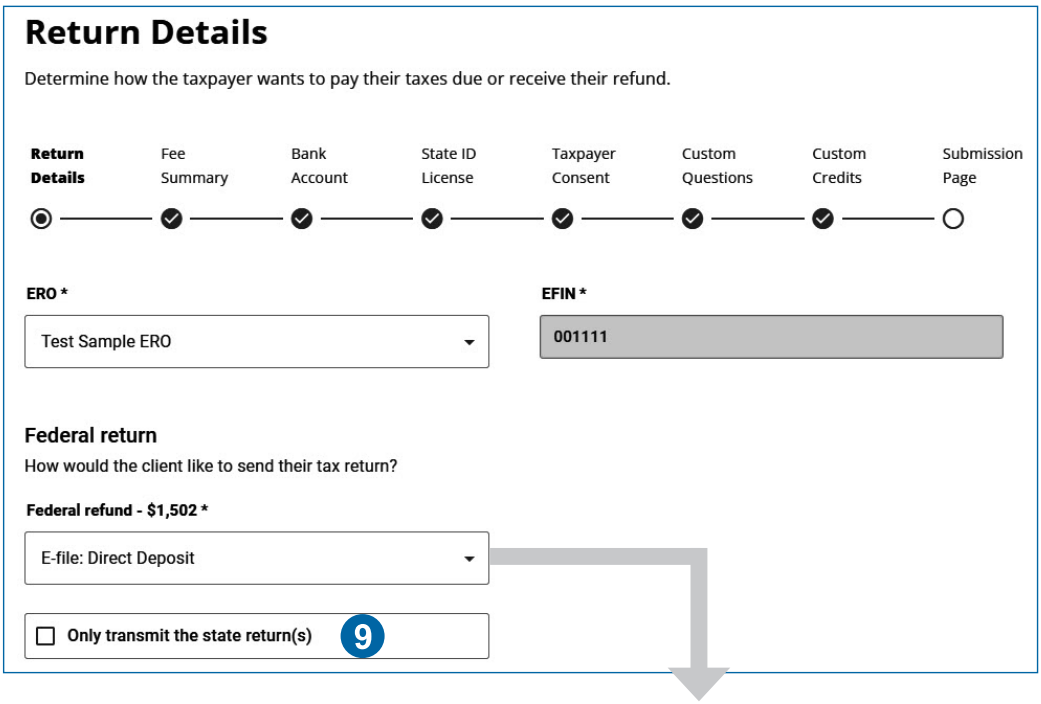
*You **cannot** e-file the return until you correct all e-file errors.*

5. Next, review any warnings.
6. If you need to change any information to eliminate a warning, select Federal Section in the left navigation bar and make corrections to that section of the return.
7. Review your notes. If you need to change something in the return, select the appropriate section in the left navigation bar and make changes.
8. When you finish reviewing warnings and notes, select Continue.

You can still e-file the return with warnings, but review each warning to ensure that you completed the return accurately.

Return Details

Your site will be the default entry for the ERO and EFIN boxes and no action is necessary in most cases. If you are volunteering in an ad hoc or virtual site, log into the software with the user name assigned to that site. The software will display an ERO drop-down box and defaults to the main location. Select the correct location from the preprogrammed list.



To navigate between e-file sections use either the radio buttons in the top navigation bar or the Continue and Back buttons at the bottom of the screen.

On some laptop displays, the sidebars obscure the Submission Page button. You should close one or the other sidebar to get a complete e-file process display, or reduce the zoom setting for the browser display.

Federal and State Return Types with a Refund		Federal and State Return Types with an Amount Owed	
E-file: Paper Check	E-filed with refund check mailed to taxpayer	Mail Payment	E-filed without direct debit
E-file: Direct Deposit	E-filed with direct deposit	Direct Debit	E-file with direct debit
Paper Return with Direct Deposit	Paper return with direct deposit	Paper Return	Paper return with check included
Paper Return	Paper return with check mailed to taxpayer		

9. Select the **Only transmit the state return(s)** box if the state return is to be e-filed, but federal will not be filed. You may need to do this if the taxpayer is not required to file a federal return or has already filed a federal return.

   Select an **E-file** option for the federal return even though you are not electronically filing the federal return. Then complete the remainder of the information on the E-File and Submission pages.

To apply a federal refund towards next year's taxes open Federal>Payments and Estimates>Apply Payments to Next Year's Taxes.

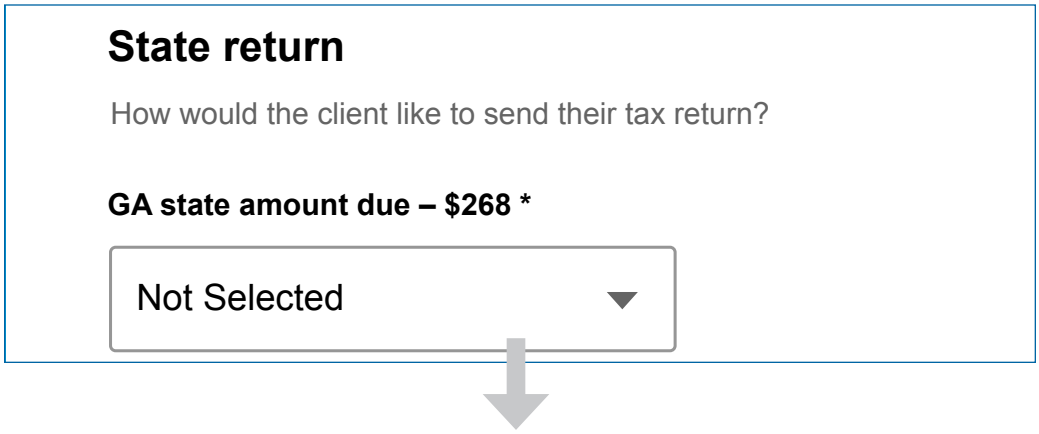
To apply state refund to next year's state taxes, go to State>Payments>Apply your State Refund.

For a no refund/no payment return, select e-file mail payment

State Return(s)

Enter type of state return

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.

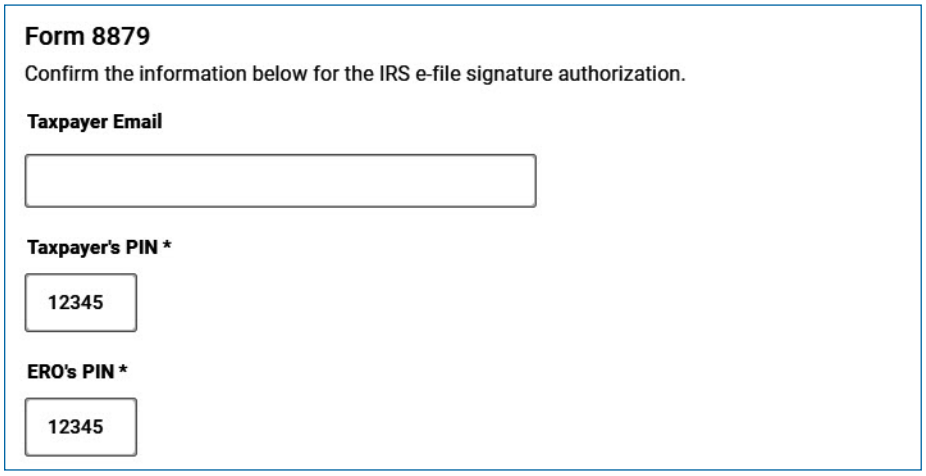


Federal and State Return Types with a Refund		Federal and State Return Types with an Amount Owed	
E-file: Paper Check	E-filed with refund check mailed to taxpayer	Mail Payment	E-filed without direct debit
E-file: Direct Deposit	E-filed with direct deposit	Direct Debit	E-file with direct debit
Paper Return with Direct Deposit	Paper return with direct deposit	Paper Return	Paper return with check included
Paper Return	Paper return with check mailed to taxpayer		

For a no refund/no payment return, select e-file mail payment

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. After reviewing the return and being advised that they are ultimately responsible for the information on the return, the taxpayer (and spouse if filing jointly) must sign Form 8879 before their return is electronically filed.



The taxpayer and spouse email addresses will be prefilled on this screen if they were input in the Personal Information section.

Taxpayer PIN Guidelines

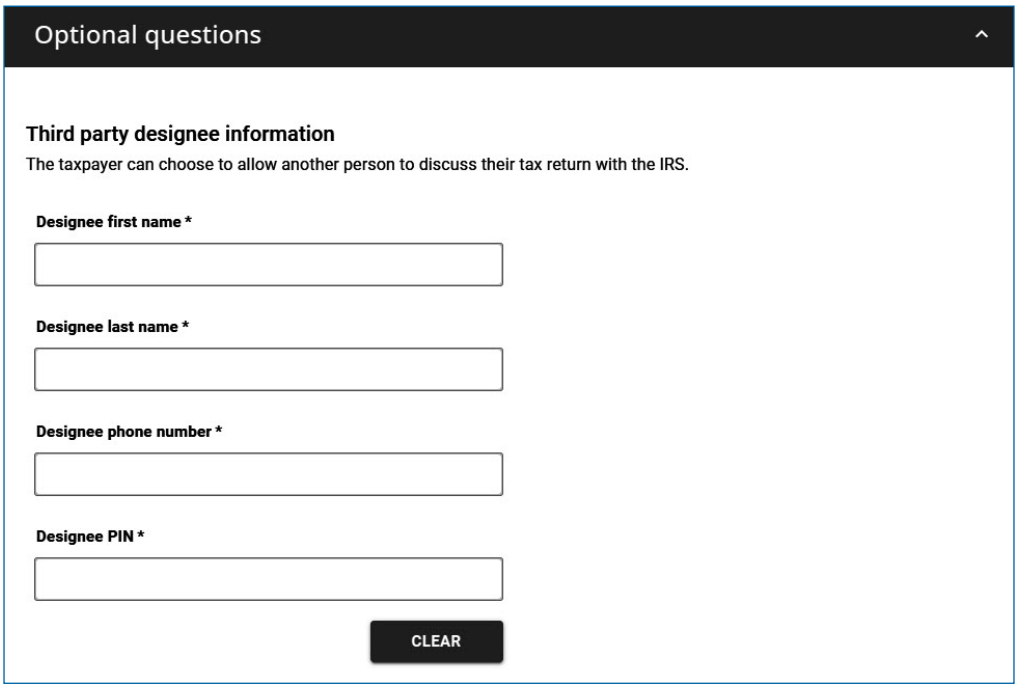
The PIN can be any five numbers except all zeros. If filing a joint return, a PIN is needed for the taxpayer and spouse.

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

Third Party Designee Info



Third party designee info can be completed if the taxpayer wishes, but the designee is never the volunteer preparer. The above screen is accessed by selecting **Optional questions** at the bottom of the Return Details section.

The Fee Summary screen can be skipped by clicking the adjacent radio button in the top navigation bar from the Return Details screen.

Completing Bank Account Information and Entering Direct Deposit 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.

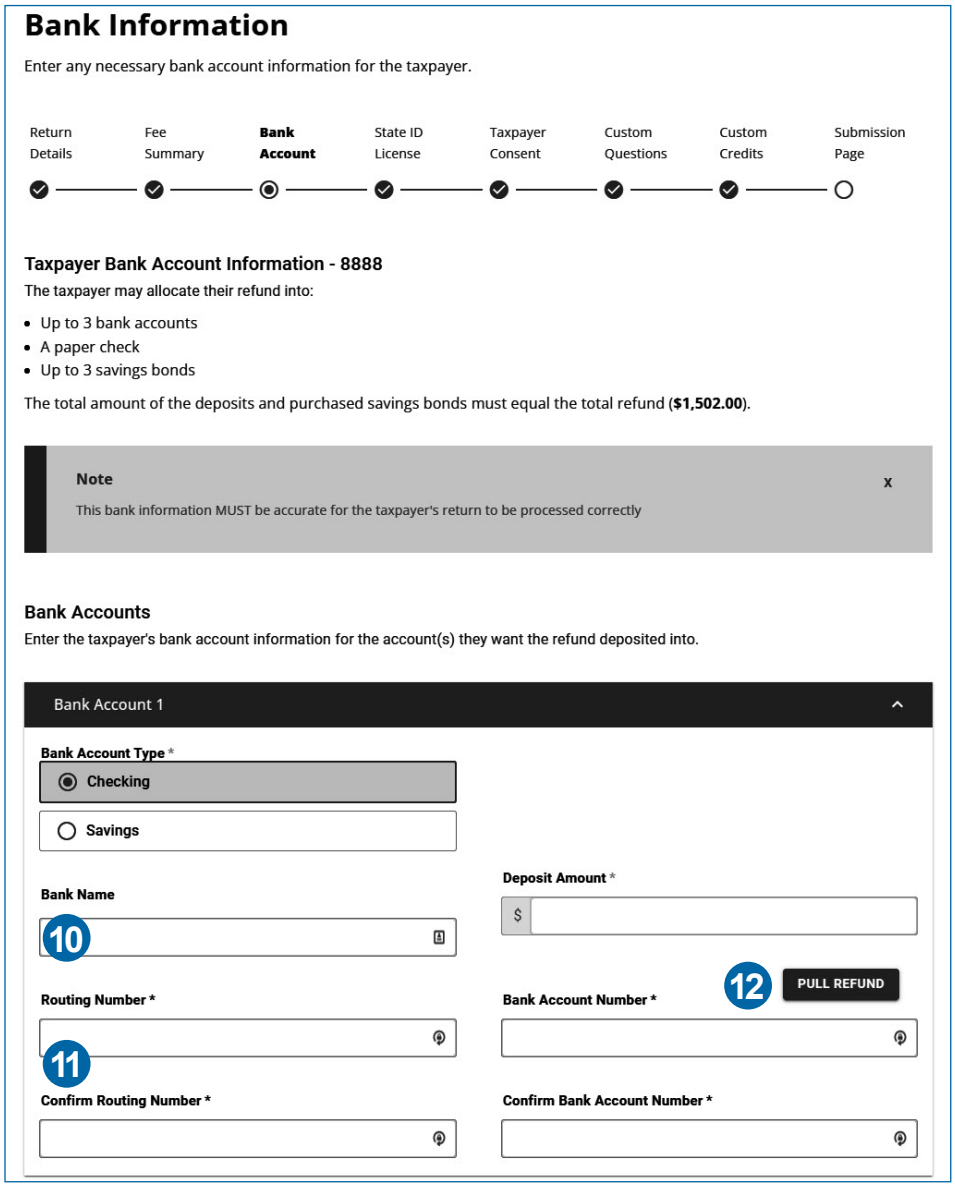
Re-loadable Prepaid Bank Cards and Cash App Accounts:

The taxpayer must provide the routing number and account number for the card /cash app account so that it can be entered on the bank information screen.

See Pointers for Direct Deposit of Refunds later in this tab.

Use written or electronic account information from the financial institution.

10. Input the name of the bank as stated on the check (Optional).
11. Input both the routing and account number twice on this screen. The taxpayer's name is required to be on the account.
12. Click **PULL REFUND** to populate Deposit Amount with the calculated refund. If the return is updated later, then refresh this by clicking **PULL REFUND** again if the refund changed.



(Administrator) Configuration>Office Setup

Split Refund Option

When the taxpayer elects to direct deposit his or her refund into two or three accounts, you will need to answer additional questions in the e-file section.

For this option to be available, someone with Administrator privileges must have updated Configuration>Office Setup and checked the box for Offer 8888. Volunteers will not see this change reflected until the next time they log on. This will allow all preparers at that site to offer Form 8888, Allocation of Refund). Form 8888 also supports double-entry of bank routing and account information.

Form 8888 is incorporated into the e-file section. This form cannot be accessed through the left menu or form finder.

Only one active account is displayed at a time. If the taxpayer wants the refund deposited into multiple accounts, the preparer will expand the 2nd, then the 3rd account.

The account must be in the name of the taxpayer (or spouse if filing jointly).

Entering Direct Debit Information

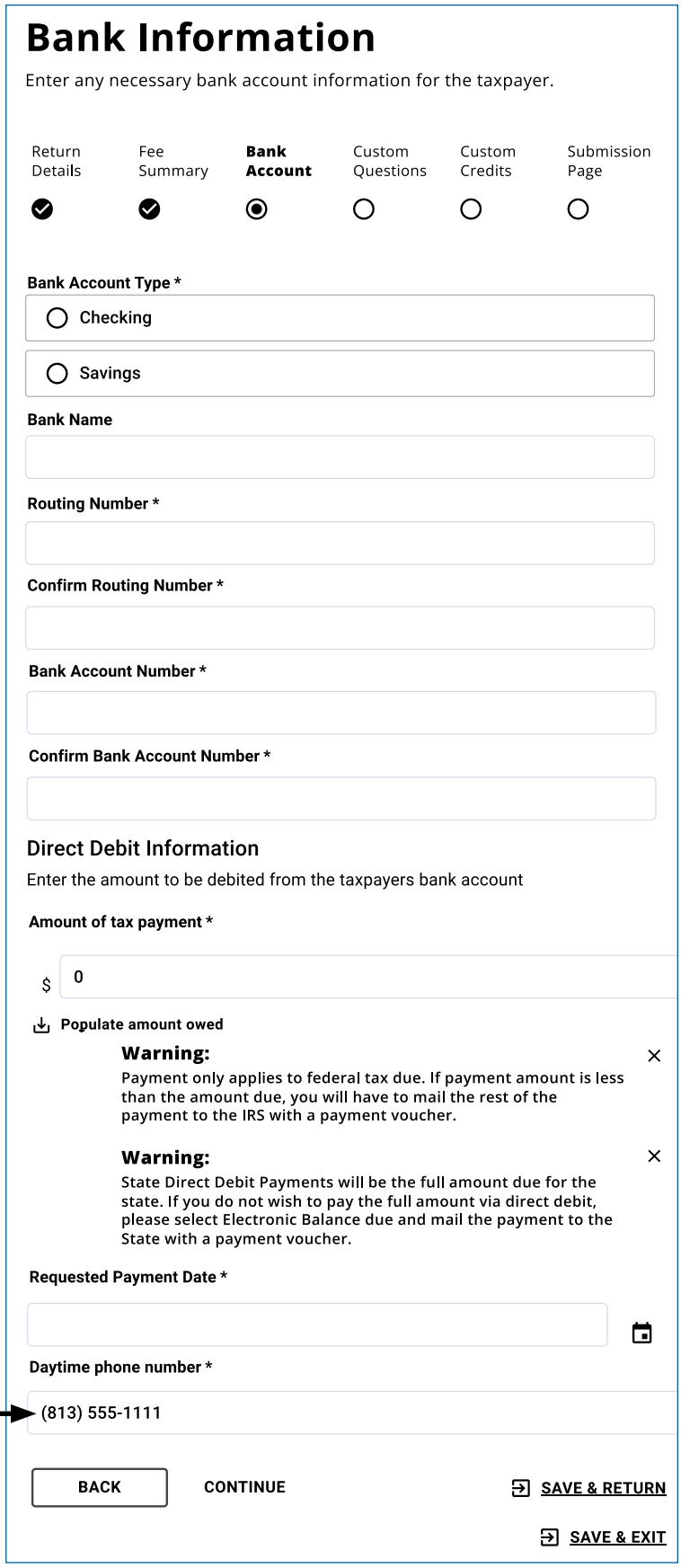
Payment date can be set up for due date of return or prior. If filing return after the due date, direct debit date must be the same date as the date the return is being transmitted or be within the previous five days of that date.

Instructions for canceling a direct debit are shown on Form 8879.

⚠ *A scheduled direct debit will not automatically get canceled if an amended return is e-filed or if the taxpayer makes a manual payment at irs.gov/payments.*

⚠ *Advise taxpayer to confirm their scheduled direct debit(s) actually gets withdrawn. Remind them that they are still responsible for making their payment by the due date if the funds are not withdrawn by the IRS or state agency.*

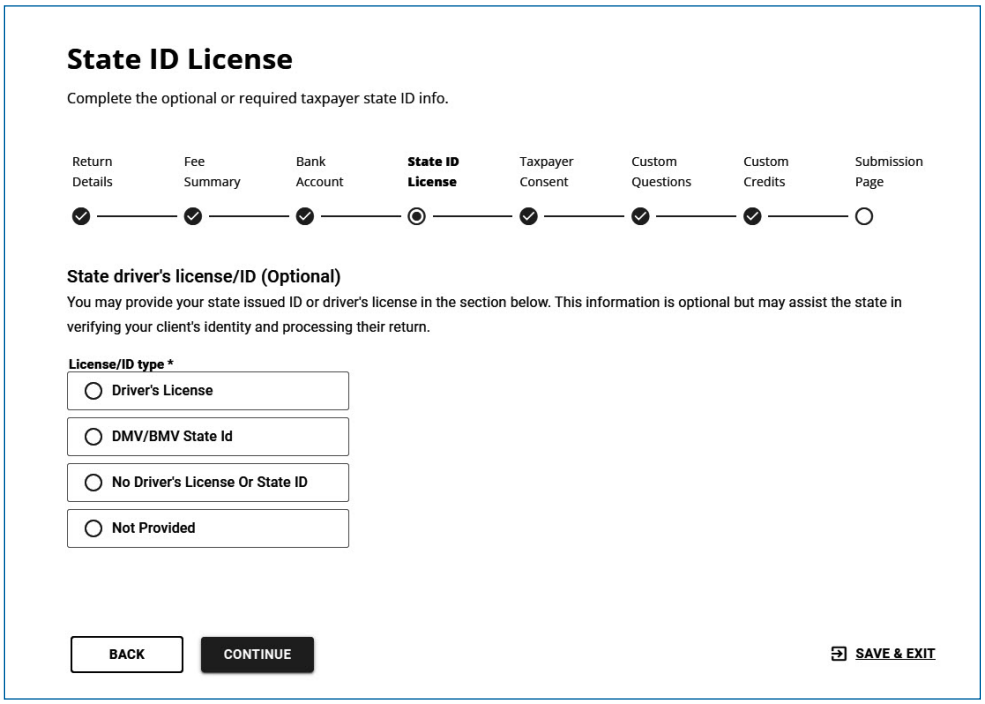
TaxSlayer will prefill this with the taxpayer's phone number entered in Personal Information.



State ID

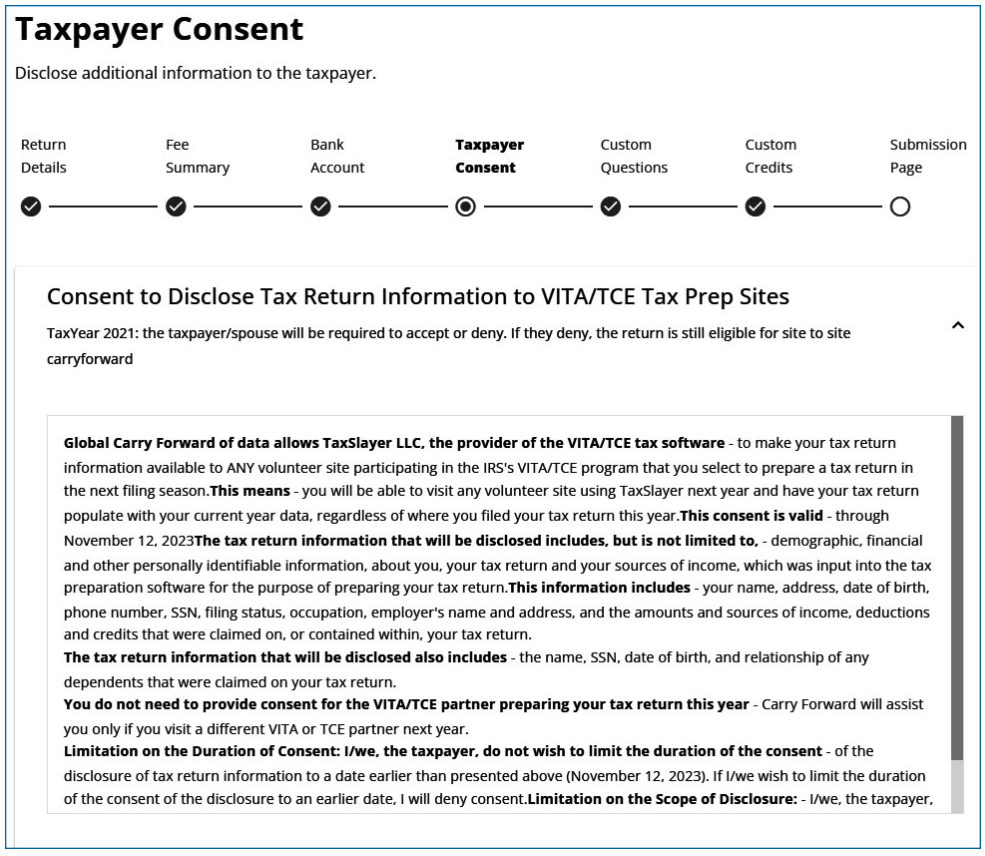
Some states require a drivers license or additional taxpayer identification in order to e-file the return. This screen will appear only if there is a state return. A second section for spouse will appear below on a joint return.

Select driver's license or ID, license number, date issued, date expires and issuing state. Some states will accept an expired license/ID, otherwise for an expired license/ID select **Not Provided**. See state requirement and work around if applicable.



Taxpayer Consents

The Taxpayer Consent section includes all consents assigned to the site. All consents must be accepted (with date entered) or declined (date unnecessary) in TaxSlayer before the return can be marked as ready for review or complete. Consents will be displayed in the order assigned or created (scroll down to get to the next consent). The paper consent forms are not needed if the taxpayer declines, enters their own PIN into TaxSlayer, or if the site uses another tax preparation software.

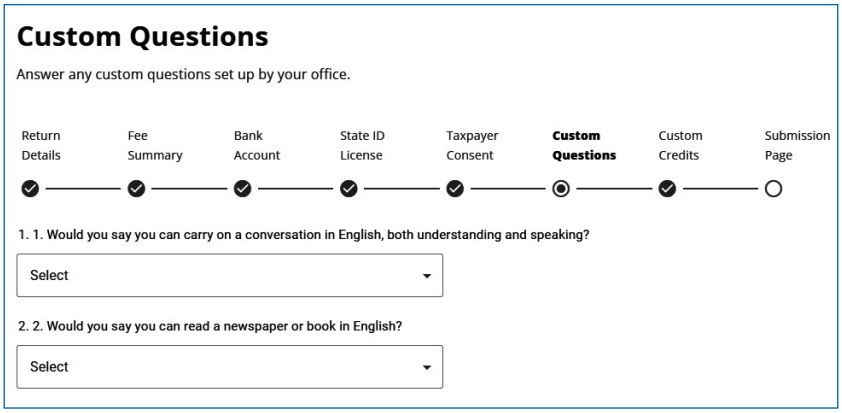


Global Carry Forward may be authorized via Form 15080, Consent to Disclose Tax Return Information to VITA/TCE Tax Return Preparation Sites. ***If accepted,*** *the taxpayer's data will carry forward next year to any VITA/TCE site using TaxSlayer.* ***If declined,*** *the taxpayer's data will carry forward next year only to the site that prepared the return.*

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.

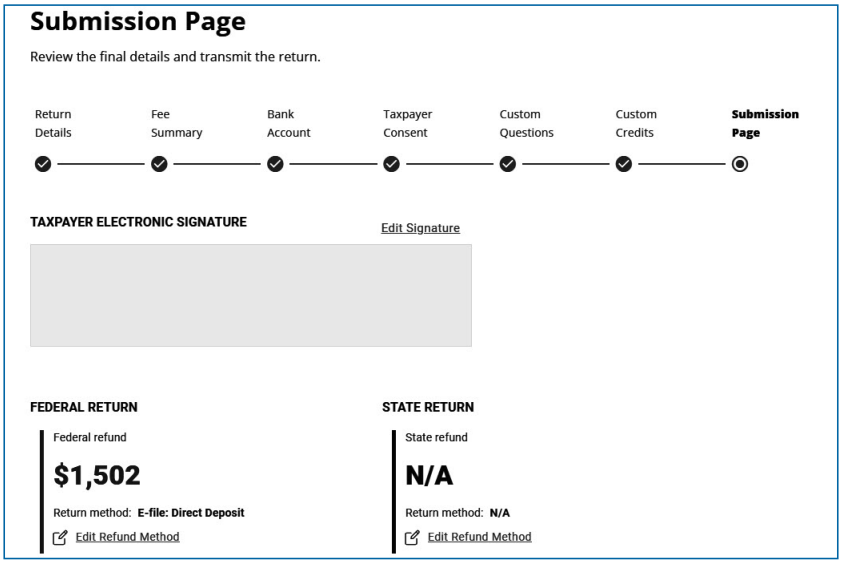


After the end of the tax season a custom report can be created.

*If your site or group administrator marked a question as **Required**, you must answer the question to continue. If you select **BACK** before you answer the required questions, TaxSlayer Pro Online does **NOT** save any of the data entered on this page.*

Completing the Submission Page

TaxSlayer Pro Online indicates in State Return Information if the preparer selected Paper Return for the state(s) associated with the return.

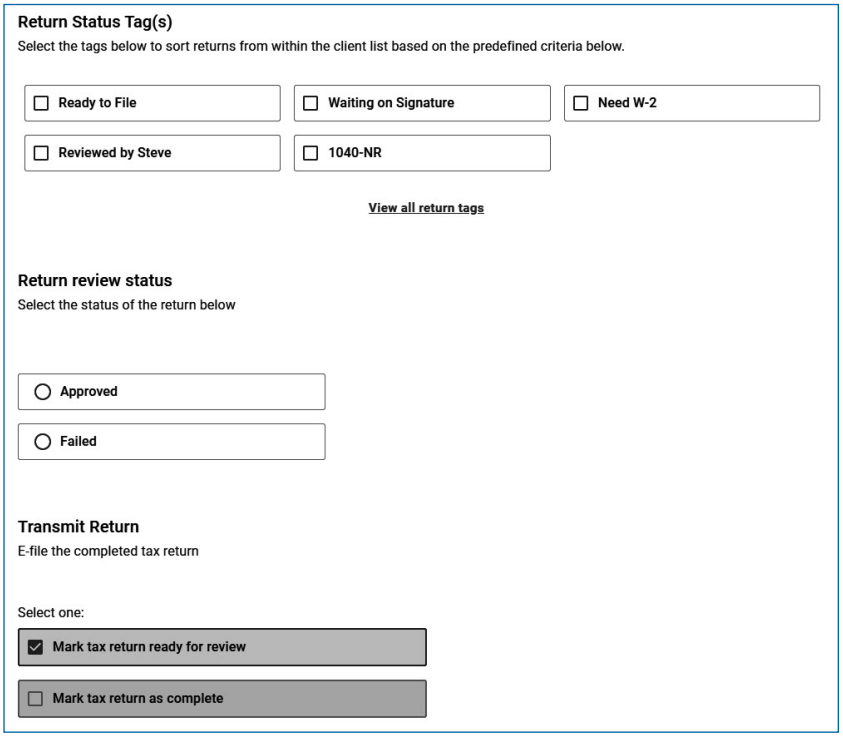


Return Status

Use tags as directed by your site coordinator. After you're finished preparing the return, select **Mark tax return ready for review**. Once the Quality Reviewer confirms the accuracy of the return, mark the return **Approved**. After the return is shared with the taxpayer(s), select **Mark tax return as complete**.

Extra button appears after ready for review is checked (approve or deny) which has to be checked before the reviewer can mark Complete.

Most preparers won't see the transmit button.



TaxSlayer left menu>VITA/TCE publications and User Guides>Attachments. Download the 20XX Pro Online User Guide for more detailed information about Using the Customer Portal, including supported file types, size limitations, etc.

Inviting Taxpayers to the Customer Portal – Initial Invitation

You can invite the taxpayer to the Customer Portal at any point after you complete the taxpayer's Basic Information pages. To begin the invitation to the Customer Portal, use the following steps:

1. Do one of the following:
   a. Select **Create Customer Portal** from the taxpayer drop-down menu,
   b. Select **Create Customer Portal** from the left navigation panel,
   c. Select **CUSTOMER PORTAL** on the Submission page

TaxSlayer displays the Customer Portal Link page, defaulting the taxpayer's phone number and/or email address from Basic Information

2. Verify the taxpayer's phone number or email address, or type the information in the appropriate box.

If you type both a phone number and email address, the Customer Portal defaults the invitation to the taxpayer's email address. Select **CONTINUE***.*

TaxSlayer Pro Online displays a message that the link was sent to the taxpayer successfully. Each link is unique to the taxpayer. It cannot be used to create a Customer Portal account for another taxpayer.

Working in the Customer Portal

As the tax preparer, you can send tax documents to the taxpayer, access files when the taxpayer uploads them, and chat with the taxpayer. This provides a full range of communication and document sharing options when working with a taxpayer on a tax return.

Making Tax Documents Available to the Taxpayer

When you need a taxpayer to review tax documents, whether as a review before filing or after filing, you can make those documents available through Customer Portal. To do so, use the following steps:

1. Navigate through the return to the Submission page.
2. Click **SEND TAX RETURN DOCUMENTS TO CUSTOMER PORTAL**.

Accessing Documents After Taxpayer Upload

After a taxpayer uploads documents, you can access them from Scanned Documents. To do so, use the following steps:

1. Click Scanned Documents from the Taxpayer drop-down menu. TaxSlayer Pro Online displays the Scanned Documents page, which includes any tax return documents you have made available to the taxpayer through Customer Portal and any documents the taxpayer has uploaded.
2. Download the documents as needed.

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



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.

Due Diligence

By law, tax return preparers must exercise due diligence in preparing or assisting in the preparation of tax returns. IRS-SPEC defines due diligence as the degree of care and caution reasonably expected from, and ordinarily exercised by, a volunteer in the VITA/TCE program. This means, as a volunteer, you must do your part when preparing or quality reviewing a tax return to ensure the information on the return is correct and complete. Doing your part includes confirming a taxpayer's (and/or spouse, if married filing jointly) identity and providing top-quality service by helping them understand and meet their tax responsibilities.

Generally, IRS-certified volunteers may rely in good faith on information from a taxpayer without requiring documentation as verification. However, part of due diligence requires volunteers to ask a taxpayer to clarify information that may appear to be inconsistent or incomplete. When reviewing information for accuracy, volunteers need to ask themselves if the information is unusual or questionable.



If at any time a volunteer becomes uncomfortable with the information provided by the taxpayer, the volunteer should not prepare the tax return. If necessary, ask the coordinator for assistance.

Quality Review Process

Quality Site Requirement #2: Intake/Interview and Quality Review Process, requires every site to use a complete quality review process for all returns prepared to ensure accuracy. Every item on the Quality Review Checklist must be addressed while reviewing Form 13614-C, Intake/Interview and Quality Review Sheet, all supporting documents, return preparer comments, and the completed tax return. The quality reviewer **must** contact the taxpayer so that they can participate in the quality review process.

There are two acceptable quality review methods:

Designated Review – This preferred quality review method uses a designated quality reviewer. This is 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.

Self-review is not allowed. All returns must be quality reviewed by another volunteer certified to the level required for the return.

Quality Review Checklist

- During quality review process, taxpayer's (and spouse's, if married filing jointly) photo ID is verified again by quality reviewer.
- Verify volunteer return preparer and quality reviewer are certified to prepare/review this return and return is within scope of the program.
- Verify all applicable questions on Form 13614-C, Pages 1 through 3 were answered. Any errors or incomplete information were:
  - discussed with the taxpayer
  - corrected
  - notated on Form 13614-C
- All applicable information in the "to be completed by certified volunteer" gray-shaded area of Form 13614-C is completed.
- Check Form 13614-C for additional comments left by the return preparer.
- Names, addresses, SSNs, ITINs, and EINs are verified and correct on the return.
- 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 on Form 13614-C (with or without source documents) indicated on Pages 2 and 3 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 Affordable Care Act (ACA) were considered for each person named on the tax return and are correct.
- Federal income tax withholding and estimated tax payments are correct.
- Direct deposit/debit and checking/saving routing and account numbers are correct .

Quality Review Process (continued)

- Confirm federal and state return types are correct (for example, e-file or paper).
- SIDN is included and correct on the return.
- During quality review, the taxpayer(s) was advised that they are responsible for the information on their return.

Refer to Publication 5838, VITA/TCE Intake/Interview and Quality Review Handbook, for additional guidance on how to conduct a quality review.

TaxSlayer Basic Quality Review Print Set

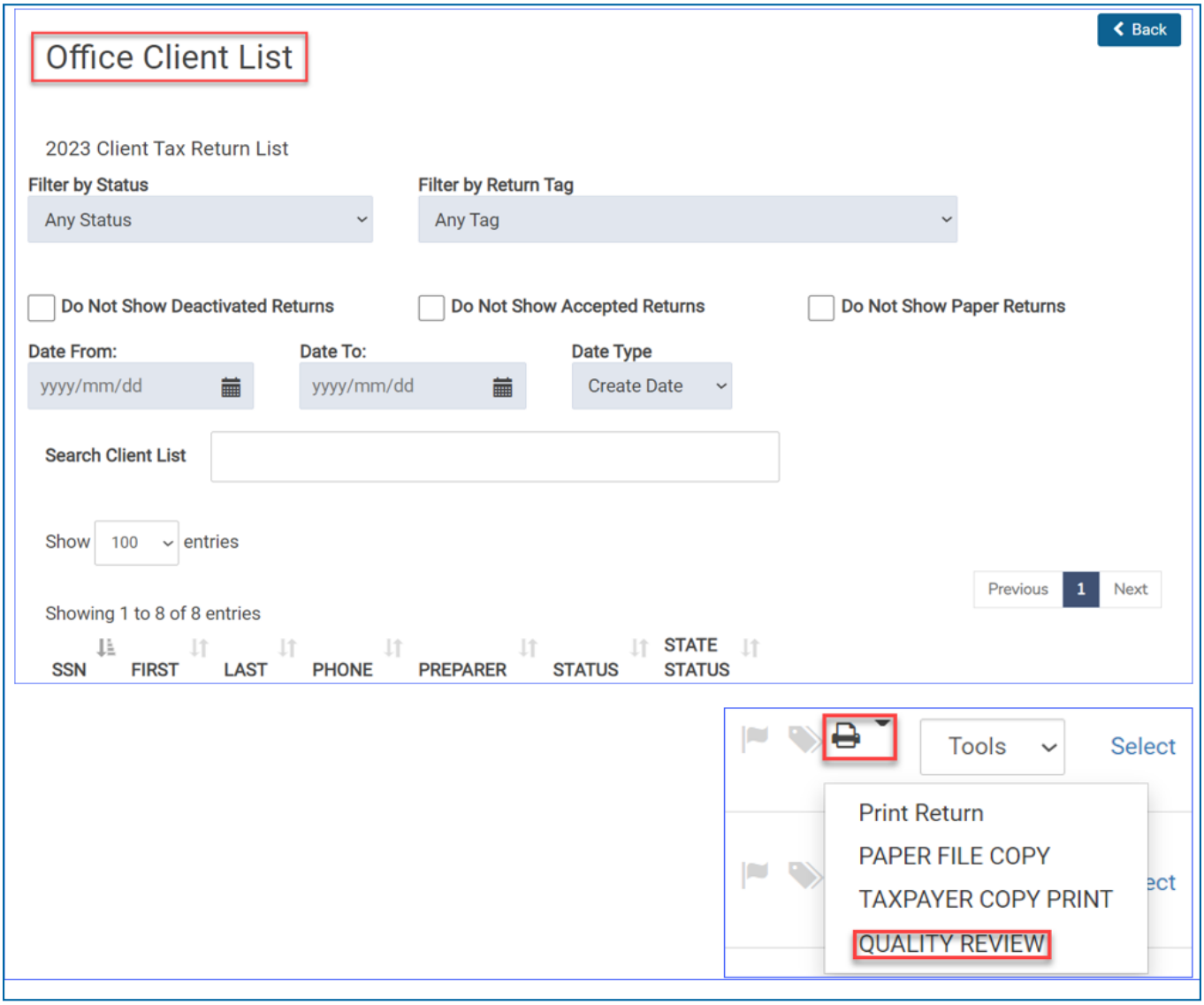
Quality Review using TaxSlayer: Refer to Publication 5838, VITA/TCE Intake/Interview and Quality Review Handbook.

Return Open: After the return is prepared and still opened by the preparer, the preparer should select **Return Preview** from the top of the page in TaxSlayer. The Quality Reviewer can review the tax return in their browser or Adobe Reader without printing from here.



TaxSlayer Basic Quality Review Print Set (continued)

Return Closed: If the preparer closes the return, the Quality Reviewer should select the **printer icon drop down list** from the Office Client List page. This list will include the printer options for the Quality Reviewer.



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 Client Form Listing Summary included at the start of the print set to verify all the correct documents are included in the tax return.

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 Approved. When the return is shared with and Form 8879 is signed by the taxpayer(s), select the **Mark tax return as complete** button on the submission page in TaxSlayer. By selecting this option, TaxSlayer makes the return available for transmission to the TaxSlayer Processing Center.

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)." Attach a statement that is signed and dated by the taxpayer to the return. Alternatively, you may scan the statement as a PDF and attach it to the return prior to creating the e-file. 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. Alternatively, you may scan the statement as a PDF and attach it to the return prior to creating the e-file. 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. Preparation of Form 56 is Out of Scope, but the return itself remains in scope.

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



PDF Attachments can be found in the Schedule D Capital Gains menu. Such attachments will be included with the e-file and are not restricted to Schedule D related items.

Deceased Taxpayer

Basic Information>Personal Information>Taxpayer is deceased; or Keyword: PER

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.

In Basic Information (see Tab B), check the box to indicate that taxpayer and/or spouse is deceased and enter their date of death. TaxSlayer will automatically note this on the top of Form 1040.

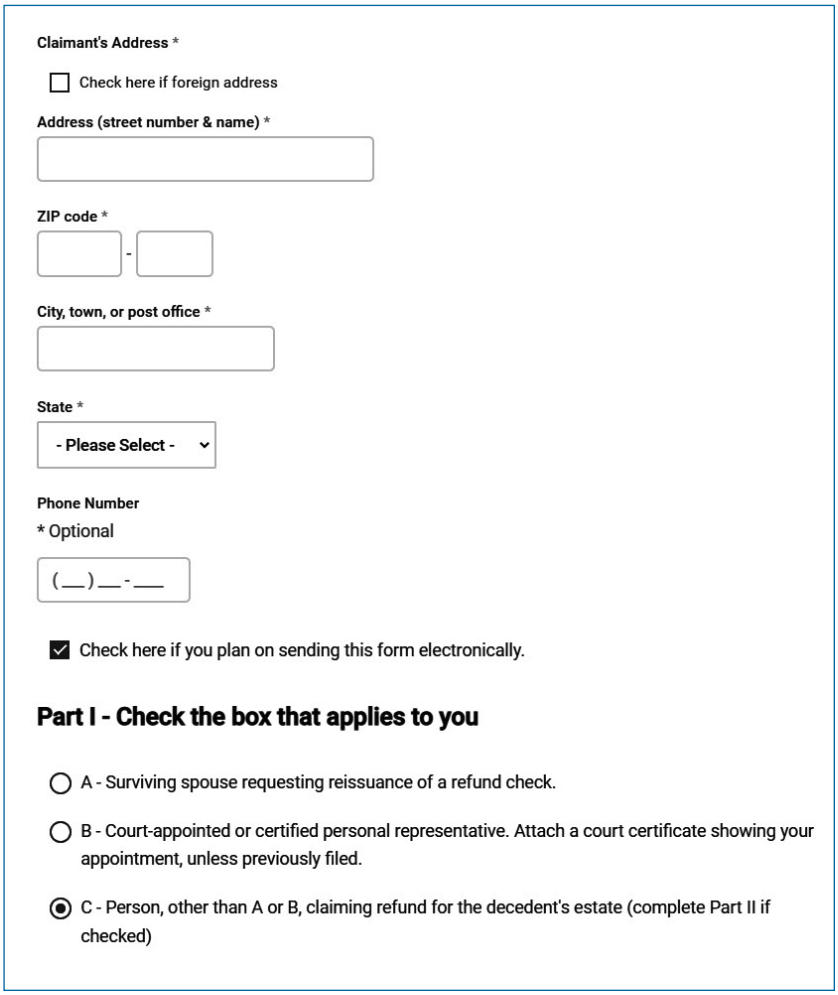
Form 2848, Power of Attorney and Declaration of Representative, is invalid once the taxpayer dies; therefore Form 56 or new Form 2848 signed by estate executor or representative must be completed. See Publication 559, Survivors, Executors, and Administrators, for details.

Claiming a Refund for a Deceased Person

Federal Section>Miscellaneous Forms>Form 1310

Form 1310 is not applicable for a surviving spouse filing jointly with their deceased spouse.

If filing MFJ and both spouses are deceased, add a Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, for each spouse. The screenshot shows the three options available in Part I of Form 1310:

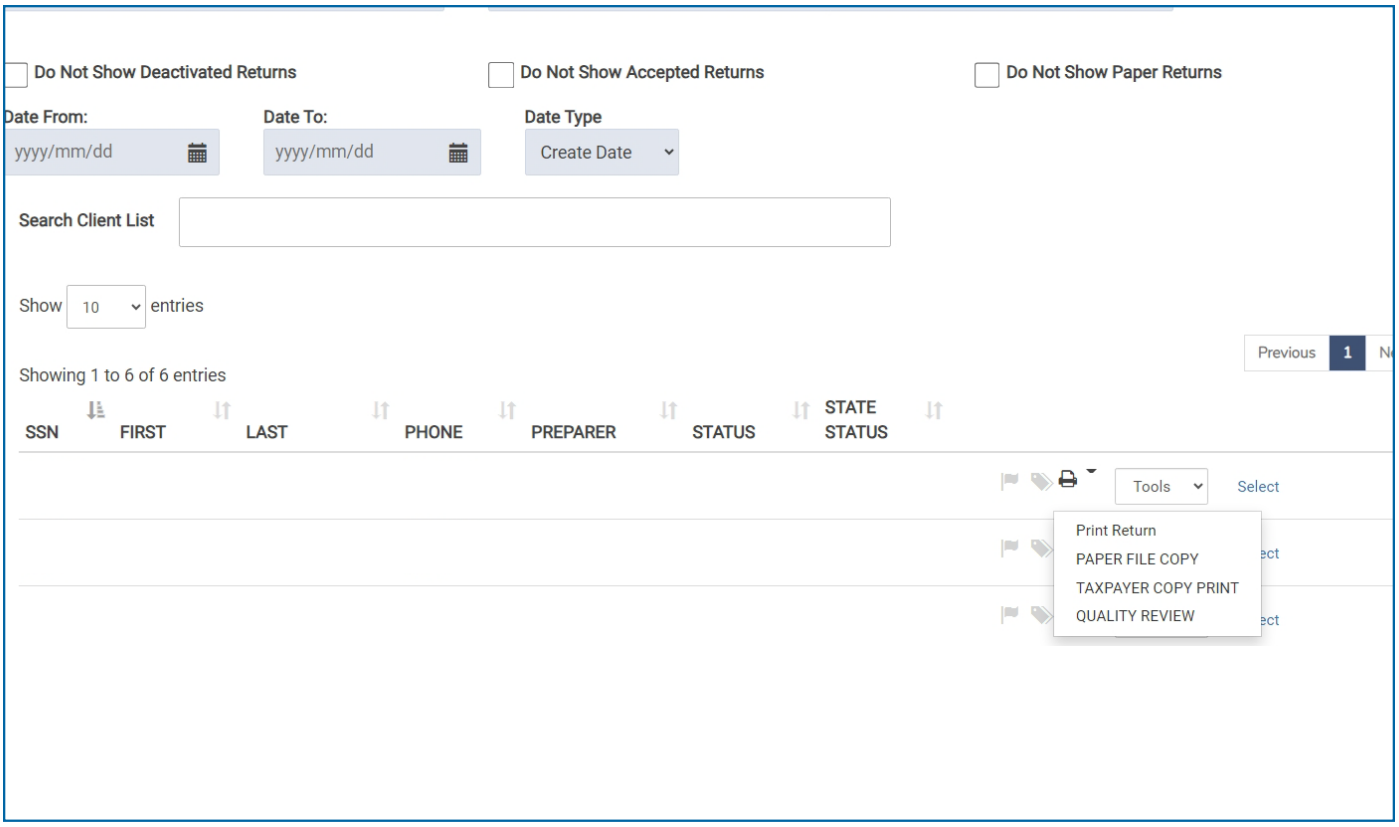


- Option A – Must be paper filed.
- Option B – Only applicable for a court-appointed or certified personal representative claiming a refund on Form 1040-X (must be paper filed, attaching a copy of the certificate that shows their appointment). For such a representative filing the original return (e.g. using Form 1040), do not file Form 1310; instead just attach the certificate that shows their appointment.
- Option C – not permitted if there is a representative as described in Option B. Only option C is allowed to be filed 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. Paper file the return if the e-file rejects due to the SSN being locked by the IRS.

Printing the Tax Return

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. Sites have the option to create their own print sets as a means of saving paper. Once the PDF is generated, you can choose the pages you wish to print and the number of copies you wish.



Direct debit information does not print automatically with the print set TAXPAYER COPY PRINT. The first page of the QUALITY REVIEW print set includes a return summary with the direct debit account, amount, and date. Print this page for taxpayers with a direct debit, and the taxpayer should review the information to make sure it is correct.

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 worksheets produced and all other taxpayer documents including Forms W-2, 1099, and 13614-C.
- If direct debit, highlight procedure for canceling the debit in case needed later.

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.



- *If not already watermarked, clearly mark the taxpayer's file copy so they know which copy to send to the IRS*
- *Provide IRS address or pre-addressed envelope(s) to the taxpayer*
- *Remind taxpayer that their return must be postmarked no later than the tax deadline*

Pointers for Direct Deposit of Refunds

1. Using a check, paper or electronic documentation from the financial institution as proof of account, verify:
   a. Routing Transit Number (RTN). The RTN must contain 9 digits and begin with 01 through 12 or 21 through 32.
   b. 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 on the next page, 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.
   a. 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.
   b. 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:
   a. You are unfamiliar with the financial institution. (Some types of accounts that exist through brokerage firms can't accept direct deposits.)
   b. 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.



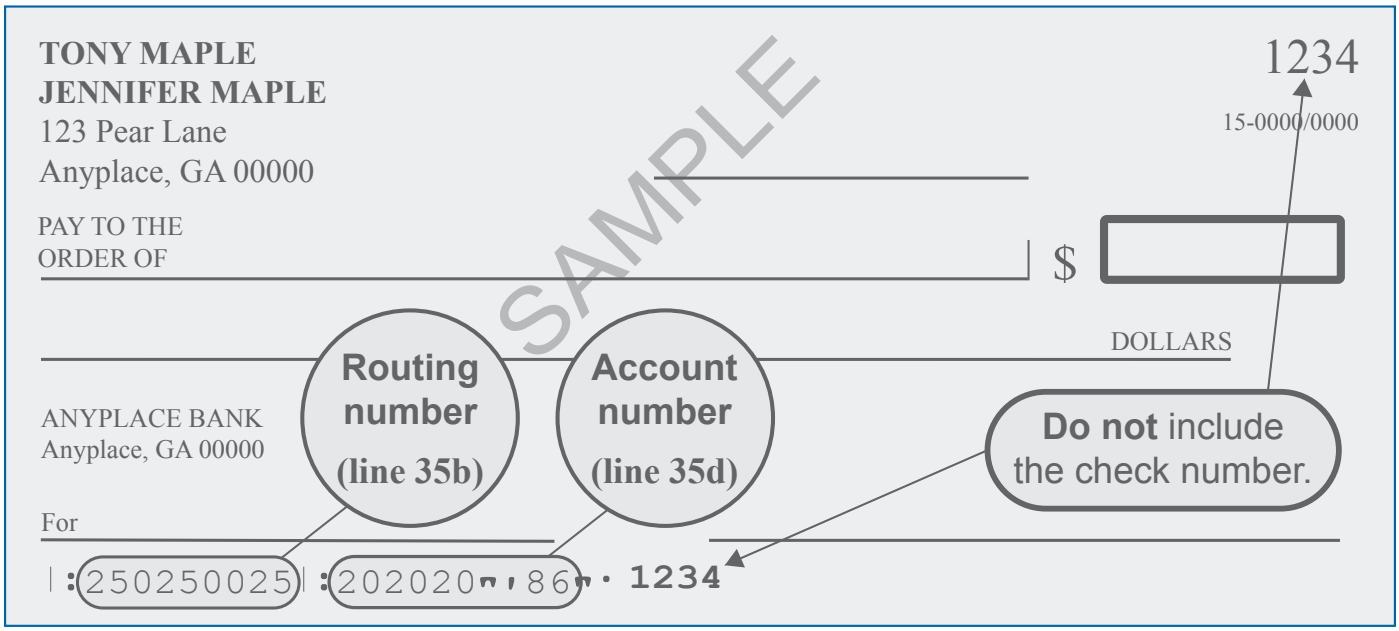
To ensure the direct deposit information was entered correctly:

1. *Ask the taxpayer to review the bank account and routing numbers on the printed return (for a direct deposit) or on the return summary page (for a direct debit).*
2. *Ask the taxpayer to initial next to the banking information on their copy of the return to confirm they have verified the information and that it is correct.*

Complete these steps for both the federal and state returns.

5. 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. In TaxSlayer, Form 8888 is completed as part of the e-file section.

Pointers for Direct Deposit of Refunds (continued)



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.

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).

The taxpayer's federal and/or state refunds can't be deposited into a personal or business bank/debit card account of a VITA/TCE volunteer or partner.

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. For more information on interest and penalties, see **Tax Topic No. 653** (www.irs.gov/taxtopics/tc653)

Payment Methods

See Publication 5034 (en-sp), Need to Make a Payment?, for a one-page summary of payment options that you can print for taxpayers with a balance due.

1. Electronic Funds Withdrawal
   a. 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
   a. IRS direct pay on the IRS website is a free 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. Check your state department of revenue website for direct pay options for a state amount owed.

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
   a. Don't attach the payment to the return.
   b. Refer to instructions on Form 1040-V, Payment Voucher and/or State Voucher.
   c. Submit the payment with a properly completed Form 1040-V and/or State Voucher. Don't staple or attach the payment to the 1040-V.
   d. Don't mail cash.

4. Debit/Credit Card and Digital Wallet Payments
   a. A convenience fee will be charged by the service providers..
   b. For details, go to **Pay Your Taxes by Debit or Credit Card or Digital Wallet** (www.irs.gov/paybycard).



See Form 1040 Instructions for additional information.

Taxpayers can check the balance owed on their account by creating an account on IRS.gov or by requesting an account transcript. ***www.irs.gov/account***

5. Electronic Federal Tax Payment System (EFTPS)

   a. 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, go to **EFTPS: The Electronic Federal Tax Payment System** (www.irs.gov/eftps) or call EFTPS Customer Service at 1-800-555-4477 (for individual payments). TTY/TDD help is available by calling 1-800-733-4829. Assistance is available in Spanish at 1-800-244-4829.

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)

   a. 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, go to **IRS site Pay With Cash at a Retail Partner** (www.irs.gov/paywithcash).

7. Pay by Mobile Device

   a. To pay through a mobile device, taxpayers may download the IRS2Go app.

What if the taxpayer can't pay?

Online Payment Agreement (OPA):

If the taxpayer's balance is $50,000 or less, the taxpayer can make a payment arrangement at **Apply Online for a Payment Plan** (www.irs.gov/paymentplans). If the taxpayer can pay within 180 days, there is no user fee for an Online Payment Agreement (OPA). Taxpayers may also call the IRS to set up a short-term payment plan.

If the taxpayer requires more than 180 days to pay, there is an installment agreement user fee. The amount of the fee is less if the payments are set up using direct debit or applying online compared to applying by phone, mail, or in person. If the taxpayers' income is below certain limits, they may qualify for a reduced fee, which may be identified when going through the OPA process. See Form 9465, Installment Agreement Request, instructions for fee information and Form 13844, Application for Reduced Use Fee for Installment Agreement.

Taxpayers can revise their agreement via OPA.

OPA can be used even before the taxpayer receives a bill for the balance due.

Taxpayers who don't use OPA:

If the taxpayer can pay within 180 days, the taxpayer must call IRS at 1-800-829-1040.

If the taxpayer needs longer than 180 days, the application for an installment agreement can be made by using Form 9465. If the return is being filed electronically, Form 9465 can be included with the e-filed return.

Miscellaneous Forms>Installment Agreement Request; or Keyword: 9465

OPA payment plans are processed quicker than requests made with electronically filed returns.

If the taxpayer requires more than 180 days to pay, there is an installment agreement user fee. The user fee is more using this method than using OPA. Low income taxpayers may qualify for a reduced user fee by using Form 13844.

Taxpayer who need to revise their agreement must call IRS at 1-800-829-1040 or file a new Form 9465. This may also be done in TaxSlayer.

Requesting additional time to pay due to undue hardship

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.

Offer in Compromise is Out of Scope for VITA/TCE. The taxpayer can use the **Offer in Compromise Pre-Qualifier tool** (www.irs.gov/offers) 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. An offer is subject to a user fee. If the taxpayers' income is below certain limits, they may qualify for a waiver of the user fee. The application for this is part of Form 656-B.

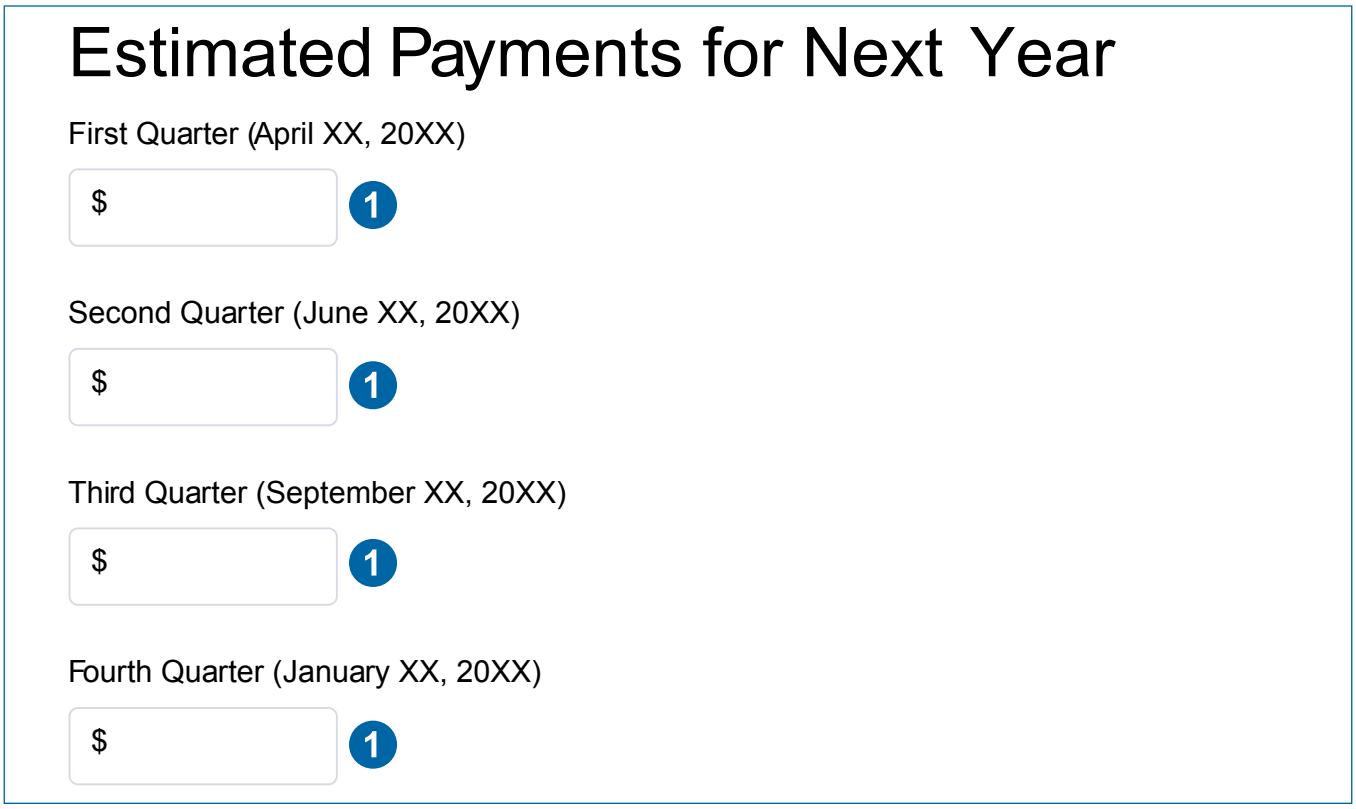
How Can a Taxpayer Avoid a Balance Due in the Future?

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 (www.irs.gov/withholding)**.
  - 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 receive retirement payments other than pensions or annuities to submit Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, to the payer of their retirement payments 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.

This information only applies to federal balance due returns. For state information, consult the applicable state.

Payments & Estimates>Vouchers for 20XX Estimated Tax Payments; or Keyword VOU

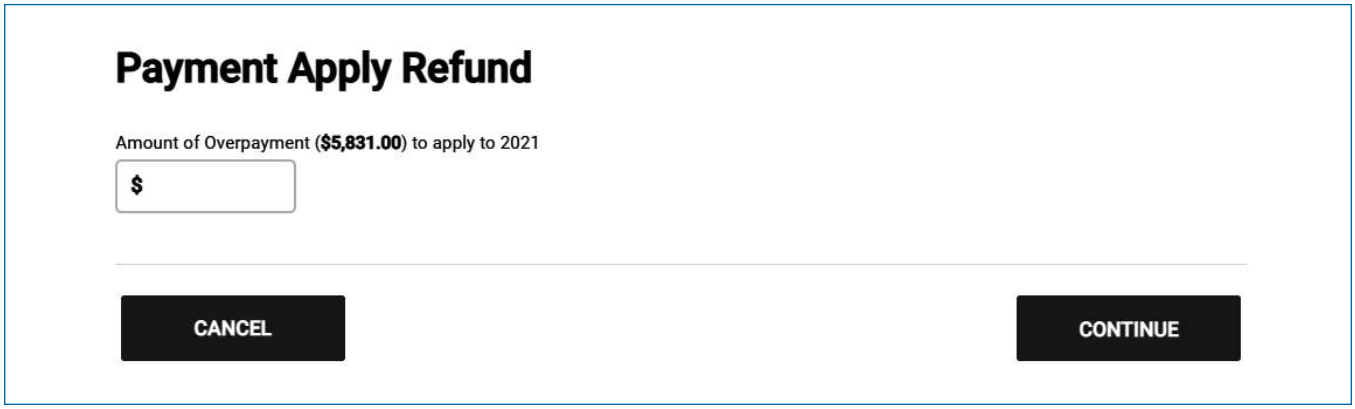


1. Enter amount to be printed on each voucher. Taxpayer can make pen and ink changes to a voucher if the situation changes during the year. At least one amount must be entered for the vouchers to print. A 1040 Estimated Payments Calculator is also available at the above navigation, but not via keyword.

Vouchers will be generated when the return is printed. To enter State Estimated Payments, go to State> Miscellaneous Forms

When the IRS due date falls on Saturday, Sunday, or a legal holiday, the due date is the next business day.

Federal Section>Payments & Estimates>Apply Overpayment to Next Year's Taxes

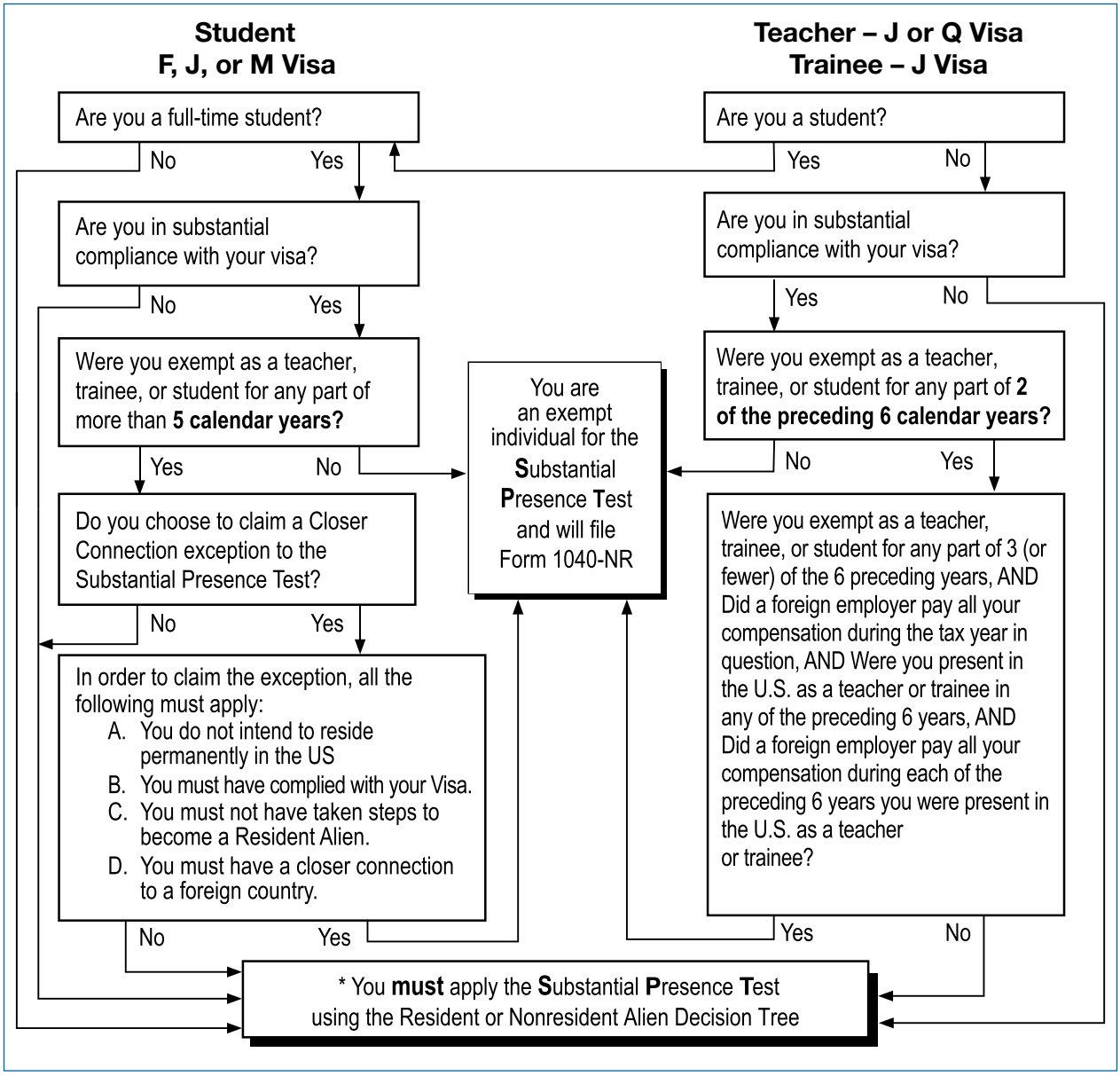


Tab L: Resident/NR Alien

Substantial Presence Test? – Decision Tree

If the taxpayer checked "In the U.S. on a visa" for the taxpayer or spouse on Form 13614-C, you must determine if they are a Resident or Nonresident Alien for tax purposes. Proceed to the **Substantial Presence Test – Decision Tree/Chart** to determine whether the number of days they are present in the U.S. are exempt. If they are exempt, you must be certified in the Foreign Student and Scholar tax law to prepare the return. If not exempt, proceed to the **Resident or Nonresident Alien Decision Tree/Chart. Please review and pay close attention to Footnotes 6 and 7**.

If you are temporarily present in the United States on an F, J, M, or Q visa, use this chart to determine if you are an exempt individual for the Substantial Presence Test (SPT).



Do not count the following as days of presence in the United States for the substantial presence test: Days you are an exempt individual.

If additional days of presence due to COVID-19 travel restrictions cause the taxpayer to become a "resident" using the physical presence test rules, see possible exceptions allowed in ***Revenue Procedure 2020-20****.*

Trainees on a Q visa are ***Out of Scope*** *for the Foreign Student and Scholar program.*

Substantial Presence Test? – Decision Chart 1 (Student)

Chart on this page is an alternative (508 Compliant) to the flowchart on the prior page, but the information is the same.

If you are temporarily present in the United States on an F, J, or M visa, use this chart to determine if you are an exempt individual for the Substantial Presence Test (SPT).

Step	Probe / Ask the Taxpayer – Student – F, J, or M Visa	Action
1	Are you a full-time student?	**YES** – Go to Step 2 **NO** – Go to Step 7 and STOP
2	Are you in substantial compliance with your visa?	**YES** – Go to Step 3 **NO** – Go to Step 7
3	Were you exempt as a teacher, trainee, or student for any part of more than 5 calendar years?	**YES** – Go to Step 4 **NO** – Go to Step 6
4	Do you choose to claim a Closer Connection exception to the Substantial Presence Test?	**YES** – Go to Step 5 **NO** – Go to Step 7
5	In order to claim the exception, all the following must apply: 1. You do not intend to reside permanently in the US 2. You must have complied with your Visa. 3. You must not have taken steps to become a Resident Alien. 4. You must have a closer connection to a foreign country.	**YES** – Go to Step 6 **NO** – Go to Step 7
6	You are an exempt individual for the Substantial Presence Test and will file Form 1040-NR	
7	*You must apply the Substantial Presence Test using the Resident or Nonresident Alien Decision Tree	

Do not count the following as days of presence in the United States for the substantial presence test: Days you are an exempt individual.

*If additional days of presence due to COVID-19 travel restrictions cause the taxpayer to become a "resident" using the physical presence test rules, see possible exceptions allowed in **Revenue Procedure 2020-20**.*

Substantial Presence Test? – Decision Chart 2 (Teacher or Trainee)

The chart on this page is an alternative (508 Compliant) to the flowchart on the prior page, but the information is the same.

If you are temporarily present in the United States as a Teacher on J or Q Visa, or Trainee on J Visa, use this chart to determine if you are an exempt individual for the Substantial Presence Test (SPT).

Step	Probe / Ask the Taxpayer – Teacher J or Q/Trainee J Visa	Action
1	Are you a student?	**YES** – Go to Decision Chart 1, starting at Step 1 **NO** – Go to Step 2
2	Are you in substantial compliance with your visa?	**YES** – Go to Step 3
3	Were you exempt as a teacher, trainee, or student for any part of 2 of the preceding 6 calendar years?	**YES** – Go to Step 4 **NO** – Go to Step 5
4	Were you exempt as a teacher, trainee, or student for any part of 3 (or fewer) of the 6 preceding years, AND Did a foreign employer pay all your compensation during the tax year in question, AND Were you present in the U.S. as a teacher or trainee in any of the preceding 6 years, AND Did a foreign employer pay all your compensation during each of the preceding 6 years you were present in the U.S. as a teacher or trainee?	**YES** – Go to Step 5 **NO** – Go to Step 6
5	You are an exempt individual for the Substantial Presence Test and will file Form 1040-NR	
6	*You must apply the Substantial Presence Test using the Resident or Nonresident Alien Decision Tree	

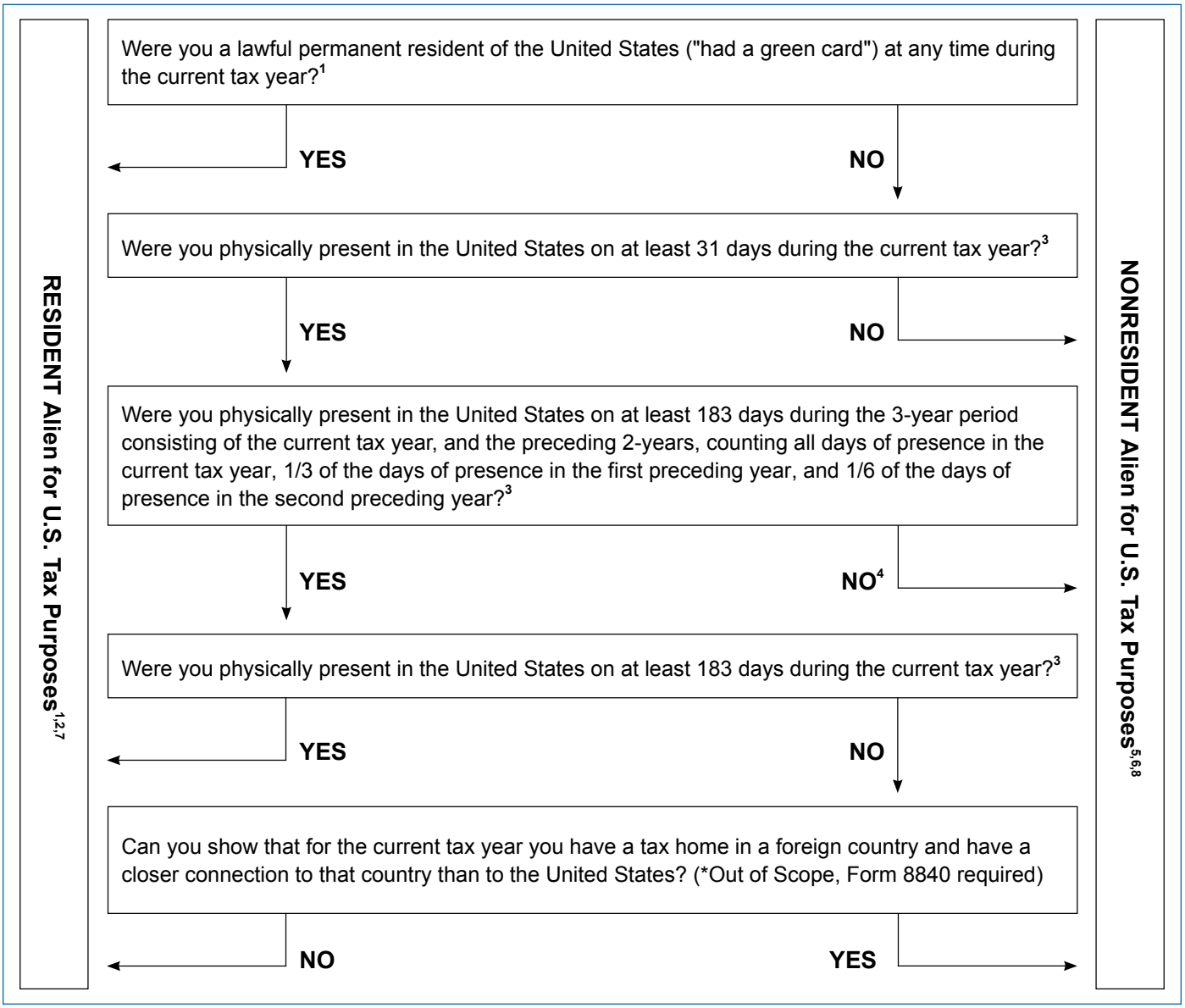
Do not count the following as days of presence in the United States for the substantial presence test: Days you are an exempt individual.

*If additional days of presence due to COVID-19 travel restrictions cause the taxpayer to become a "resident" using the physical presence test rules, see possible exceptions allowed in **Revenue Procedure 2020-20**.*

*Trainees on a Q visa are **Out of Scope** for the Foreign Student and Scholar program.*

Resident or Nonresident Alien Decision Tree

Determine residency status for federal income tax purposes.



[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, 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. See Effect of Tax Treaties in Publication 519 and 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.) Foreign Student and Scholar certification is required to prepare a return for these individuals.

[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 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.)

Footnotes *(continued)*

[6]If after using the Substantial Presence Test – Decision Tree/Chart and the Resident or Nonresident Alien Decision Tree/Chart on the prior page and have determined a taxpayer is a Nonresident Alien for U.S. Tax Purposes:

- You will only complete a tax return for a Nonresident Alien if you have certified on the Foreign Student and Scholar tax law, and at least 1 other person at your site is also certified on the Foreign Student and Scholar tax law, who can quality review the return.
- See the Scope of Service, Form 1040-NR, to confirm if the return is In Scope.
- 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 Volunteer Resource Guide, to conduct the Quality Review.
- As the initial return screen opens or under the Basic Information Section in TaxSlayer Pro, select Nonresident Alien, if you have certified under the Foreign Student and Scholar tax law 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 three (3) choices; Single nonresident alien, Married nonresident alien, or Qualifying Surviving Spouse.

[7]If after using the Substantial Presence Test – Decision Tree/Chart and the Resident or Nonresident Alien Decision Tree/Chart on the prior page and 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.

[8]At the end of the tax year, if you are married and one spouse is a U.S. citizen or a resident alien and the other spouse is a nonresident alien, you can choose to treat the nonresident spouse as a U.S. resident. In this case, both spouses must report and pay tax on their worldwide income.

(This choice is in effect for the taxable year for which you made the election and for all subsequent years of the taxpayers until revoked or suspended). See Nonresident Spouse Treated as a Resident in Publication 519, U.S. Tax Guide for Aliens, for more details. (**This election is Out of Scope for the Foreign Student and Scholar certification**).

- Starting in TY2024, a checkbox is provided on Form 1040 to make this election (checkbox is In Scope, but choosing to make the election is the responsibility of the taxpayer and spouse). Advising on making this election is **Out of Scope** (refer taxpayer to a professional tax preparer for advice). This election also applies to future years unless suspended or ended. A joint return must be filed for the first year in which this election is made, however a joint or married filing separate return may be filed in subsequent years.

Resident or Nonresident Alien Decision Chart

Chart on this page is an alternative to the flowchart on prior page, but the information is the same.

Determine residency status for federal income tax purposes.

Step	Probe/Ask the taxpayer	Action
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[1,2,7] **NO** – Go to Step 2
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[5,6,8]
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[4,5,6,8]
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[1,2,7] **NO** – Go to Step 5
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[5,6,8] **NO** – RESIDENT Alien for U.S. tax purposes[1,2,7]

[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, 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. See Effect of Tax Treaties in Publication 519 and 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.) Foreign Student and Scholar certification is required to prepare a return for these individuals.

[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 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.)

[6]If after using the Substantial Presence Test - Decision Tree/Chart and the Resident or Nonresident Alien Decision Tree/Chart on the prior page and have determined a taxpayer is a Nonresident Alien for U.S. Tax Purposes:

- You will only complete a tax return for a Nonresident Alien if you have certified on the Foreign Student and Scholar tax law, and at least 1 other person at your site is also certified on the Foreign Student and Scholar tax law, who can quality review the return.
- See the Scope of Service, Form 1040-NR, to confirm if the return is In Scope.
- 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 Volunteer Resource Guide, to conduct the Quality Review.
- As the initial return screen opens or under the Basic Information Section in TaxSlayer Pro, select Nonresident Alien, if you have certified under the Foreign Student and Scholar tax law 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 three (3) choices; Single nonresident alien, Married nonresident alien, or Qualifying Surviving Spouse with dependent child.

[7]If after using the Substantial Presence Test – Decision Tree/Chart and the Resident or Nonresident Alien Decision Tree/Chart on the prior page 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.

Footnotes *(continued)*

[8]At the end of the tax year, if you are married and one spouse is a U.S. citizen or a resident alien and the other spouse is a nonresident alien, you can choose to treat the nonresident spouse as a U.S. resident. In this case, both spouses must report and pay tax on their worldwide income.

(This choice is in effect for the taxable year for which you made the election and for all subsequent years of the taxpayers until revoked or suspended). See Nonresident Spouse Treated as a Resident in Publication 519, U.S. Tax Guide for Aliens, for more details. (**This election is Out of Scope for the Foreign Student and Scholar certification**).

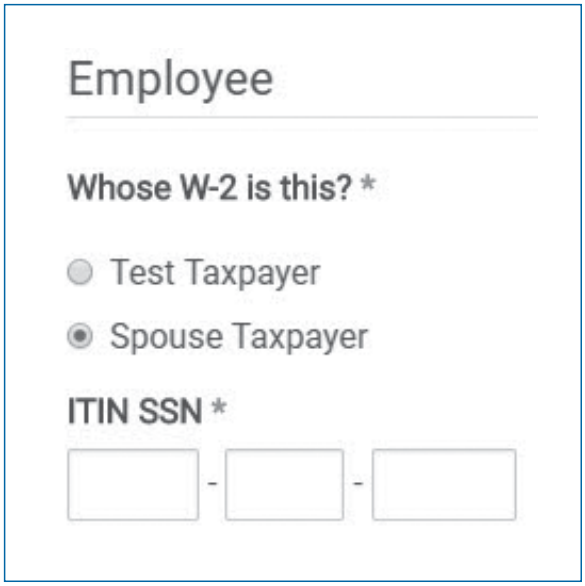
- Starting in TY2024, a checkbox is provided on Form 1040 to make this election (checkbox is In Scope, but choosing to make the election is the responsibility of the taxpayer and spouse). Advising on making this election is **Out of Scope** (refer taxpayer to a professional tax preparer for advice). This election also applies to future years unless suspended or ended. A joint return must be filed for the first year in which this election is made, however a joint or separate return may be filed in subsequent years.

Electronic Filing of Returns with Valid ITIN

Federal Section>Income> Form W-2; 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.



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 Taxpayer, Spouse, or Dependent(s) are Applying for an ITIN

Federal Section>Miscellaneous Forms> Form W-7; or Keyword: W7 or 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 four temporary TINs will be entered as follows:

The taxpayer's	000-00-0000
The spouse's	000-00-0000
The first dependent's	000-00-0000
The second dependent's	000-00-0000

2. Ensure that a check mark is correctly listed next to "Check here if the individual does not have an SSN, ITIN, or ATIN.
3. Select "Yes" to the statement "This dependent will be completing a Form W-7, Application for ITIN."
4. 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.
5. 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.
6. 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.
7. 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.

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.

8. 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.

Creating a Temporary ITIN when the Taxpayer, Spouse, or Dependent(s) are Applying for an ITIN (continued)

Any ITIN that wasn't included on a U.S. 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," or "99" ***assigned before 2013*** *have expired. These affected taxpayers who expect to file a tax return this year must submit a renewal application. If a renewal application was previously submitted and approved, the applicant does not need to renew again.*

For more information refer to Instructions for Form W-7.

The following communication products provide information on the Individual Taxpayer Identification Number (ITIN) program.

Publication 519, U.S. Tax Guide for Aliens

Publication 519 (SP), U.S. Tax Guide for Aliens (Spanish Version)

Publication 1915, Understanding Your IRS Individual Taxpayer Identification Number ITIN

Publication 1915 (SP), Understanding Your IRS Individual Taxpayer Identification Number ITIN (Spanish Version)

Notes:

Tab M: Other Returns

Overview of Amended Return Preparation Process in TaxSlayer

Access the federal and state amended return screens from the navigation menu on the left side of the screen.

Taxpayers should file Form 1040-X, Amended Return, to correct any errors or omissions on a return they have already filed. Taxpayer should file an amended return if they:

- received another Form W-2, a corrected Form W-2, or another income statement that was not reported on the original return,
- received an additional Form 1099 (such as unemployment compensation) or a corrected Form 1099 that was not reported on the original return,
- claimed dependents, deductions or credits they should not have claimed,
- did not claim dependents, deductions or credits they could have claimed,
- should have used a different filing status, or
- have a change in their tax liability.

Taxpayers usually do not need to file an amended return to fix a math error or if they forgot to attach a form or schedule. The IRS will correct the math error while processing the tax return and notify the taxpayer by mail. The agency will send a letter to request any missing forms or schedules.

When to file an amended return?

File an amended return after an original return has been submitted and accepted. You can confirm this using:

- Where's My Refund?
- Taxpayer’s on-line account in the current processing year

If the amended return has a balance due, then file it by the return's due date, even if the original return has not been processed yet.

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).

Electronic vs. Paper Amended

Amended returns can be filed electronically for Form 1040, 1040-SR, 1040-NR, or 1040-SS for the current or two prior tax periods. Amended returns for any other tax years or tax types must be filed by paper. A Form 1040-X can be e-filed if the SSN matches a previously "accepted" e-filed return (even non-TaxSlayer e-files). Taxpayers will be allowed to electronically file up to three "accepted" amended returns. After the third accepted Amended Return, all subsequent attempts will reject.

Amended returns must also be filed by paper if:

- the original return was filed by paper in the current processing year.
- the primary Social Security number is different from the one provided on the original return.
- the spouse's Social Security number (if applicable) is different from the one provided on the original return.
- the original return was filed as a surviving spouse.
- responding to an IRS notice and including other changes to the return not included in the notice (send to address on notice)
- your site did not prepare the original e-filed return and you are unable to recreate the original e-filed return with all documents

Direct deposit is available for electronically filed amended returns. However, direct debit is not available.

The current processing time can take up to 16 weeks for both paper and electronically filed amended returns.

Taxpayers can also amend their return electronically if there is change to their filing status or to add a dependent who was previously claimed on another return.

For more information, see **IRS Form 1040-X FAQs** (www.irs.gov/filing/amended-return-frequently-asked-questions).

Deleting an Amended Return

To delete an unwanted amended return from TaxSlayer:

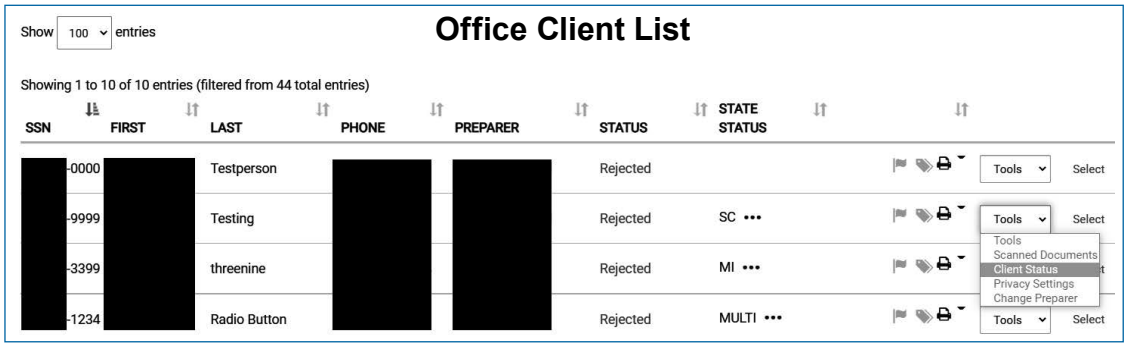
- Go to the **20XX Amended Return menu** and select **Delete Amended Return**.
- If a return was previously filed, then delete any changes made in TaxSlayer.
- Select **Summary/Print>View/Print Return** and verify there is no 1040-X. If a return was previously filed, then also confirm it matches the originally filed return.



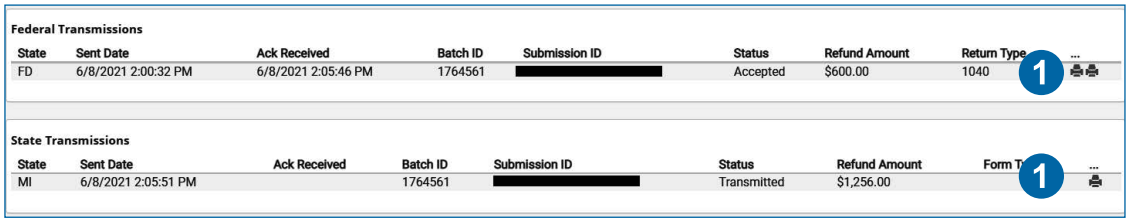
The above actions will only delete the federal amended return. If needed, you must separately delete state amended returns (or answer "No" within the state to the "Do you want to file an amended return?")

Original Return Prepared by the Site and Accepted in TaxSlayer

The guidance for preparing an amended return depends on whether or not the VITA/TCE site prepared the original return. 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.



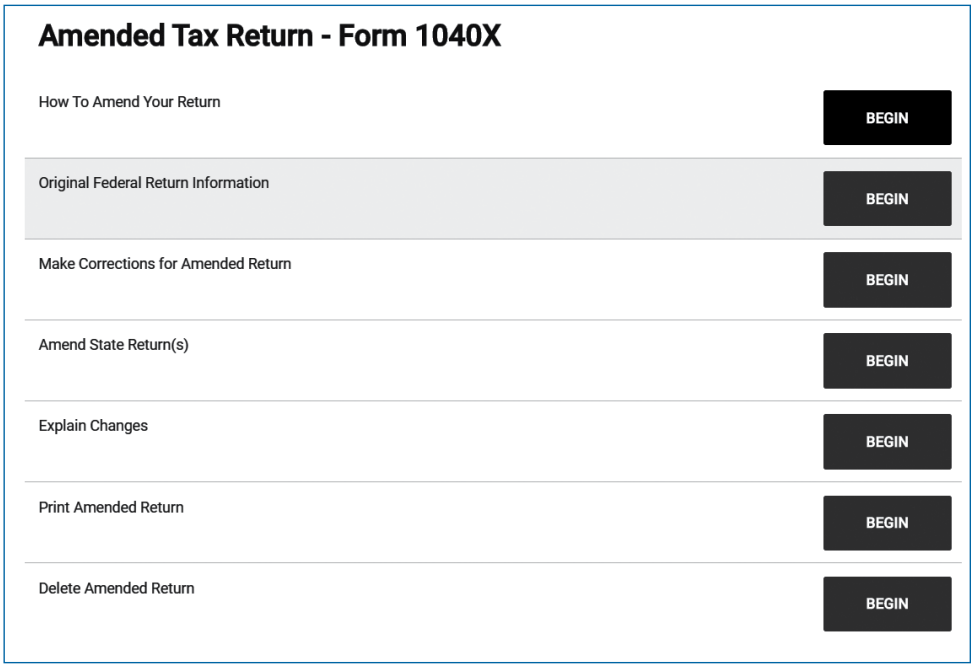
To view and print the original filed and accepted return, go to Client List>Tools>Client Status.



1. Clicking on these links displays the original accepted return. Other Icon is Form 9325 , Acknowledgement and General Information for Taxpayers Who File Returns Electronically.

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.

2. Pull the original tax return amounts to Form 1040-X, Amended Return, column A. Original Amount, by taking the following steps:
   a. Find and open the original return in TaxSlayer.
   b. Select 20XX Amended Return. TaxSlayer displays the Amended Tax Returns – Form 1040-X page:
   c. Select **Begin** on the **Original Return Information** line.



d. Because the IRS accepted the return through TaxSlayer, the software defaults the original accepted return information on this page. Compare the carryforward information to the printed original return. Make changes if necessary. If the IRS issued a notice and made an adjustment to the original return or if the taxpayer previously filed an amended return, update the information accordingly using these documents.

e. Show amount paid with original return and any additional tax paid later on designated line. Also include any pending direct debit payment unless the taxpayer will cancel it. Filing an amended return will not automatically cancel a previously scheduled direct debit payment. Refer to Part II of Form 8879 for instructions on how the taxpayer can revoke/cancel a scheduled payment and the appropriate timeframe.

f. TaxSlayer asks for the state refund amount, or the amount paid if there is a state balance due. If amending a state return, go to the Payments and Credits line and select Begin or Edit. Enter the amount paid with the original state return or state refund received.

g. 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. If the taxpayer is not adding or removing an exemption, uncheck the last box.

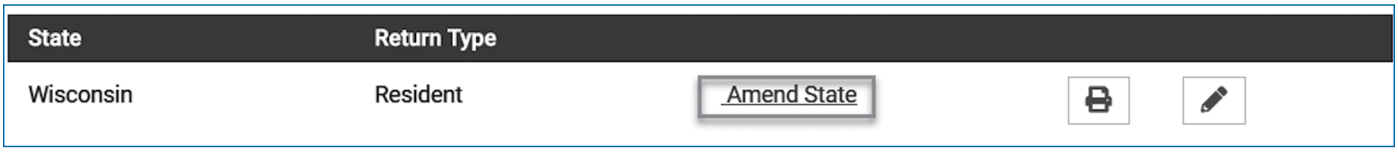
h. When finished, select **Continue**.

3. Go to **Make corrections for Amended Return** and make all necessary changes 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.)

4. Amend the State Return (if needed)

a. Select **Begin** on the **Amend State Return(s)** line. If there are no state changes, skip to step 5.

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 or click the **Yes** radio button.

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. Indicate the reason for amending the state return (varies by state).

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.

5. Review amended return and explain changes

   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 agrees with the original Form 1040, U.S. Individual Tax Return. Next, verify the amounts in Column C agree with the amended return figures. 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. Write down which lines have changed on Form 1040-X and state amended return.

   f. Select **Begin** on the Explain Changes line. Enter each line number and an explanation for the change on that line. Repeat with each state amended return (menu wording and location varies by state).

   g. Ask a Quality Reviewer to double-check all entries on the federal and state amended returns.

6. If the amended return will be e-filed:

   a. Go to e-file section and select the radio button for amended tax return.



   b. At the following screen, set the return type to either E-file: Mail Payment or E-file: Paper Check. Direct deposit is available for electronically filed amended returns. However, direct debit is not available. Do not select the option for direct debit even if offered by TaxSlayer.

   c. Continue through the remainder of the Submission section.

   d. Print return copies for taxpayer (including Form 8879, IRS e-file Signature Authorization) and state as shown below. Form 8879 may show incorrect amount of balance due (1040-X Line 20) or overpayment (1040-X Line 21) – if so, make pen and ink change.

E-file Print Chart

Tax Forms	Total	IRS	State	Taxpayer
1040-X*	2		1	1
1040 (with "As Amended" written across the top)	1			1
Any federal forms changed or added*	2		1	1
State voucher (if any)	1		1	
Any required State forms	2		1	1

e. If amended return results in a balance due, review Form 1040-V, Payment Voucher. If amount is not correct, make pen and ink change. If no 1040-V in print package, go to this **1040-V link**, choose voucher for year of amended return and fill in the fillable form. Provide taxpayer with address from current 1040-V since remittance addresses on prior year 1040-Vs may have changed.

f. Share return with taxpayer and secure signature(s) on Form 8879.

g. In TaxSlayer, mark return Complete. Transmit if authorized to do so, otherwise, save and exit.

h. After return has been transmitted, check status on Client List>Tools>Client Status. There will be a listing for return type of 1040 (Amended). Ensure return is accepted.

i. E-file or prepare paper return for state amended return filing, as appropriate, after federal e-filed amended return is accepted. Confirm state return was transmitted and accepted after it was e-filed. TaxSlayer support for e-filing state amendments may vary by state.

7. If amended return will be a paper return:

Print forms as indicated in table below.

Paper Return Chart

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

a. Staple to the front of the 1040-X:

   i. A copy of any Form W-2 or Form W-2c that supports changes on this return.

   ii. A copy of any Form W-2G or 1099-R that support changes on this return, but only if tax was withheld.

b. If there is a balance due, taxpayer needs to include the payment with the 1040-X. Attach the payment to the 1040-X. No separate payment voucher is needed. Direct debit is not available for amended returns. Alternatively, the taxpayer can make a payment through direct pay on IRS.gov.

c. Direct deposit is not available for paper filed amended returns.

d. Verify the state payment voucher amount (if used for your state) and that the state amended return requirements are met.

e. Do not attach the original return

f. Have the taxpayer(s) sign the 1040-X and amended state return.

g. If responding to a notice from the IRS to include other changes not included in the notice, send the federal amended return to the address shown on the notice. If not, use the address in the 1040-X instructions.

If e-filing, use client status to check on transmission or acceptance

Original Return Not Created by the Site Preparing the Amended Return

The taxpayer must provide a copy of the original return, IRS adjusted amounts after the original return was processed, or previously filed amended returns.

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.

   When amending a return electronically, all documents must be input individually.

2. Go to the 20xx Amended Return menu > Original Federal Return Information screen to provide the original return information.

   a. This menu populates Form 1040-X, column A. Enter information from original return, or adjusted figures if a previous amendment was filed or an IRS adjustment was made.

   b. 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.

   c. Go to the Amend State Return screen.

   d. Select **Edit Amended** link at Amended State Return screen.

   e. Select **Amended Return**.

   f. Select **Yes** at the Create Amended Return box.

   g. 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 5 through 7 above.

*Taxpayers can use the **Where's My Amended Return?** online tool to check the status of their Form 1040-X. When using the tool, taxpayers will need to enter their Social Security or Taxpayer Identification number along with their date of birth and ZIP code to prove their identity. Once authenticated, they can view the status of their amended return across three processing stages: received, adjusted and completed.*

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. Review the applicable 4012 revision for the the tax year being prepared.
- 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. Review the Form 13614-C revision for the prior year being prepared. Ask questions pertaining to tax law provisions applicable for that year that may no longer be relevant for the current year. Ask your relationship manager for an electronic copy of the prior year Form 13614-C if the site does not have hard copies available for reference.
- 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 and Form 8888 are available for prior year returns. If scheduling direct debit for a prior year return, the payment date must be the date the return is transmitted or within the five days preceding that date. Taxpayers may also use Direct Pay on **www.irs.gov** to make a payment.
- If completing returns for more than one year, complete the earliest tax return year first (e.g. 2020). After completing the 2020 return, log out and log back in. Then the 2021 return can be started with some carryforward (even if the 2020 return has not been transmitted). TaxSlayer may start the 2021 return without the name showing in the client list. Scroll down or search for the SSN.

Useful Tools and Resources:

- Prior year return tax preparation software.
  - TaxSlayer Pro® Online users can access the prior year software after logging in. The tax year selected will be displayed at the top left of the screen; e.g., 2023 Tax Program. Use the "Change Tax Year" drop-down list at the top right to select a different year.
  - 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 prior year 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).
- Taxpayer's Wage and Income Transcripts from their IRS records are extremely useful.

Taxpayers can access their transcripts online at **Get Your Tax Records (www.irs.gov/transcript)**. *To register for a new account, see* **Create a New Account** *on IRS.gov for instructions. Taxpayers can also request transcripts to be mailed to the address on file. Most requests will be processed within 10 business days. In addition, taxpayers can request a transcript via Form 4506-T, Request for Transcript of Tax Return, or by calling 1-800-908-9946. Return transcripts are available for the current year and returns processed during the prior 3 processing years.*

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. An unmasked transcript may be provided to a taxpayer (or representative) by requesting it in person at a Taxpayer Assistance Center (TAC). Appointments are required.* **Go to Contact Your Local IRS Office (www.irs.gov/appointments)** *to find a TAC office near you*

- Prior year publications and instructions to forms and schedules are available on the IRS website.
- Use the online tool Interactive Tax Assistant (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.

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, a taxpayer who filed a tax return under an ITIN and later got an SSN cannot file amended return(s) to claim the EITC.

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.

Don't refer taxpayers to their local IRS Taxpayer Assistance Center because they no longer prepare tax returns for individuals.

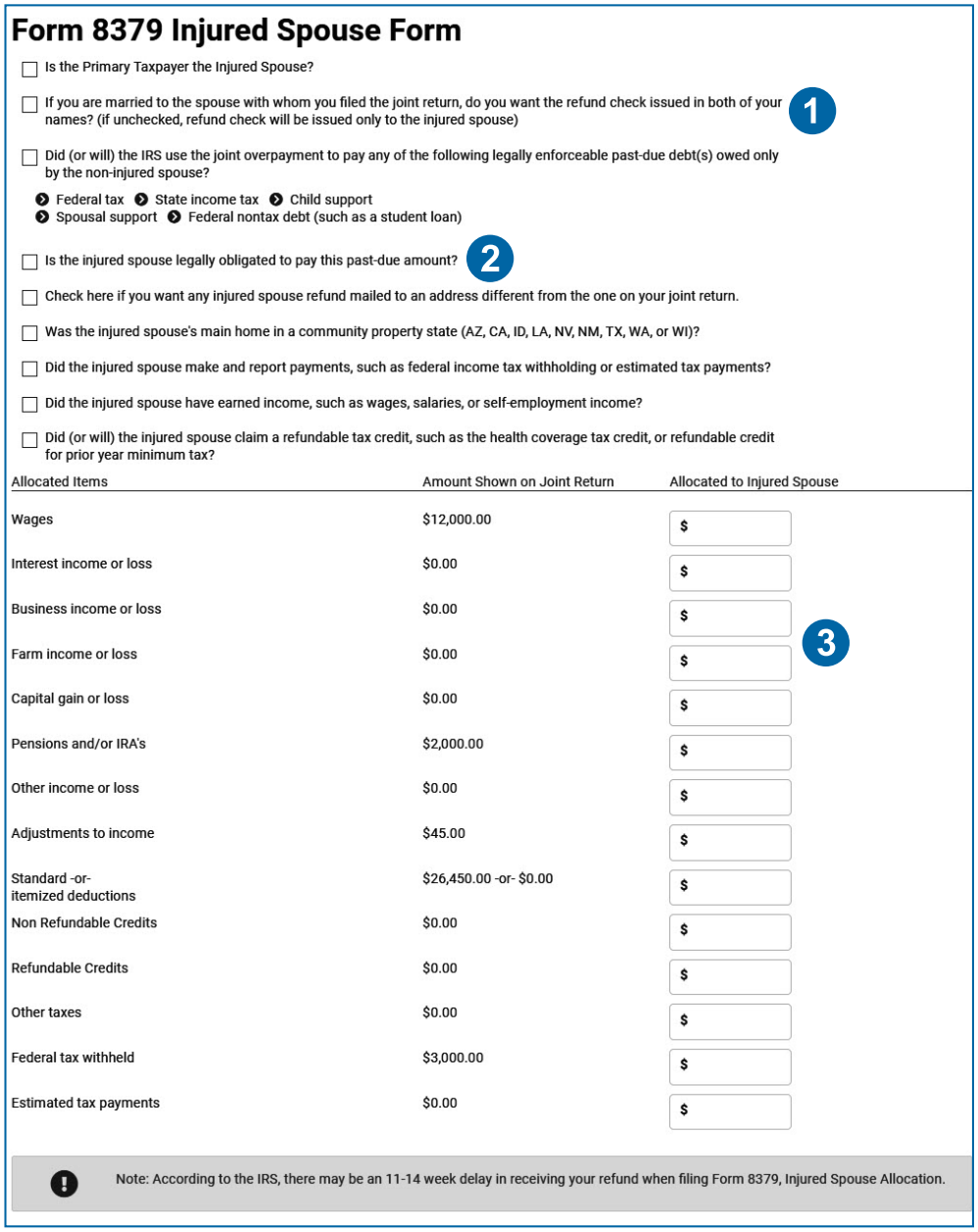
Filing an Injured Spouse Allocation

Federal Section>Miscellaneous Forms>Form 8379

Form 8379, Injured Spouse Allocation, is filed by one spouse (the injured spouse) on a jointly filed tax return when the joint overpayment was (or is expected to be) applied (offset) to a past-due obligation of the other spouse. By filing Form 8379, the injured spouse may be able to get back his or her share of the joint refund.

To properly determine the amount of tax owed and overpayment due to each spouse, an allocation must be made as if each spouse filed a separate tax return instead of a joint return. So, each spouse must allocate his or her separate wages, self-employment income and expenses (and self-employment tax), and credits such as education credits, to the spouse who would have shown the item(s) on his or her separate return.

1. If the second box is checked, the refund will be generated in both names.
2. If the "Is the injured spouse legally obligated…" box is checked, Form 8379 cannot be filed.
3. Allocate any refundable child tax credit, child and dependent care credit, additional child tax credit, and education credit solely based on a dependent's education expenses to the spouse who would have claimed the qualifying child (or qualifying relative) as a dependent if separate returns had been filed. Allocate any other credits as the taxpayer determines.



Form 8379 Injured Spouse Form

- ☐ Is the Primary Taxpayer the Injured Spouse?
- ☐ If you are married to the spouse with whom you filed the joint return, do you want the refund check issued in both of your names? (if unchecked, refund check will be issued only to the injured spouse) **1**
- ☐ Did (or will) the IRS use the joint overpayment to pay any of the following legally enforceable past-due debt(s) owed only by the non-injured spouse?
  - Federal tax · State income tax · Child support
  - Spousal support · Federal nontax debt (such as a student loan)
- ☐ Is the injured spouse legally obligated to pay this past-due amount? **2**
- ☐ Check here if you want any injured spouse refund mailed to an address different from the one on your joint return.
- ☐ Was the injured spouse's main home in a community property state (AZ, CA, ID, LA, NV, NM, TX, WA, or WI)?
- ☐ Did the injured spouse make and report payments, such as federal income tax withholding or estimated tax payments?
- ☐ Did the injured spouse have earned income, such as wages, salaries, or self-employment income?
- ☐ Did (or will) the injured spouse claim a refundable tax credit, such as the health coverage tax credit, or refundable credit for prior year minimum tax?

Allocated Items	Amount Shown on Joint Return	Allocated to Injured Spouse
Wages	$12,000.00	$
Interest income or loss	$0.00	$
Business income or loss	$0.00	$
Farm income or loss	$0.00	$ **3**
Capital gain or loss	$0.00	$
Pensions and/or IRA's	$2,000.00	$
Other income or loss	$0.00	$
Adjustments to income	$45.00	$
Standard -or- itemized deductions	$26,450.00 -or- $0.00	$
Non Refundable Credits	$0.00	$
Refundable Credits	$0.00	$
Other taxes	$0.00	$
Federal tax withheld	$3,000.00	$
Estimated tax payments	$0.00	$

Note: According to the IRS, there may be an 11-14 week delay in receiving your refund when filing Form 8379, Injured Spouse Allocation.

For more information regarding allocating income, deductions and credits, see **Form 8379 Instructions**

Generally, if you file Form 8379 with a joint return on paper, the time needed to process it is about 14 weeks (11 weeks if filed electronically). If you file Form 8379 by itself after a joint return has been processed, the time needed is about 8 weeks. Processing errors can increase the time needed to process the form.

Record Keeping

Taxpayers should keep copies of their tax returns as part of their tax records. It can help them with the preparation of future tax returns, and they'll need them if they file an amended return or are audited.

Copies of their returns and other records can also be helpful to their surviving spouse or the executor or administrator of their estate.

How Long To Keep Records

Taxpayers must keep their records as long as they may be needed for the administration of any provision of the Internal Revenue Code. Generally, this means they must keep records that support items shown on the return until the period of limitations for that return runs out.

The period of limitations is the period of time in which the taxpayer can amend their return to claim a credit or refund or the IRS can assess additional tax. For additional information, refer to the Period of Limitations chart in Publication 17, Your Federal Income Tax (For Individuals).

Filing an Extension Using TaxSlayer



Miscellaneous Forms>Form 4868; or Keyword: 4868 or EXTE

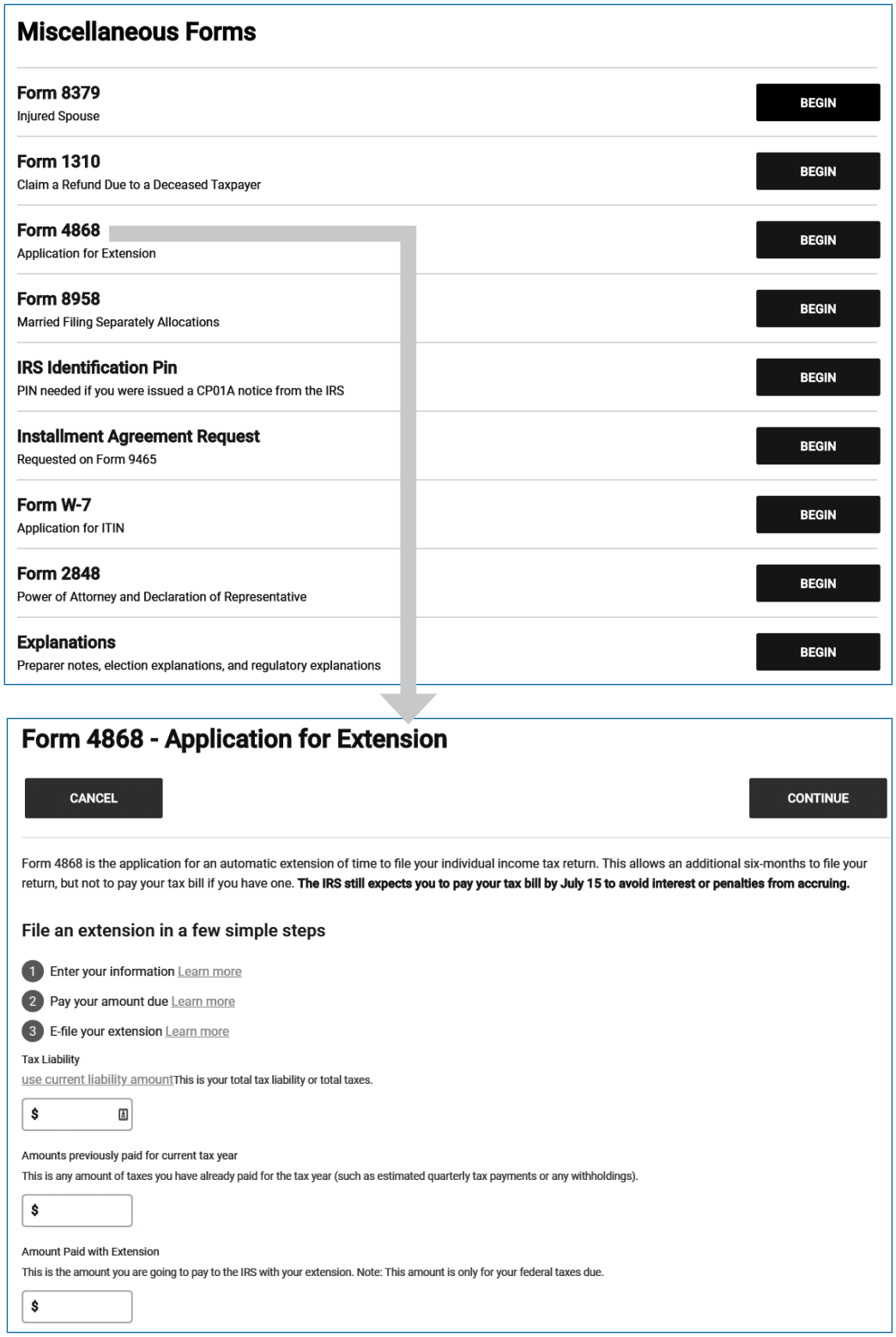
Form 4868 – Application for Extension

How To File Your Extension

1. Enter your Information: Fill out the required information including the total tax liability, total amounts previously paid for the current tax year, and amount being paid with the extension. Volunteers cannot assist in determining tax liability for Out of Scope topics/forms. 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 acknowledgment regarding your extension (whether the IRS accepted or rejected it) electronically within 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. For details, visit **www.irs.gov** and select the Make a Payment button.
    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.

Automatic 60 Day Extension to File

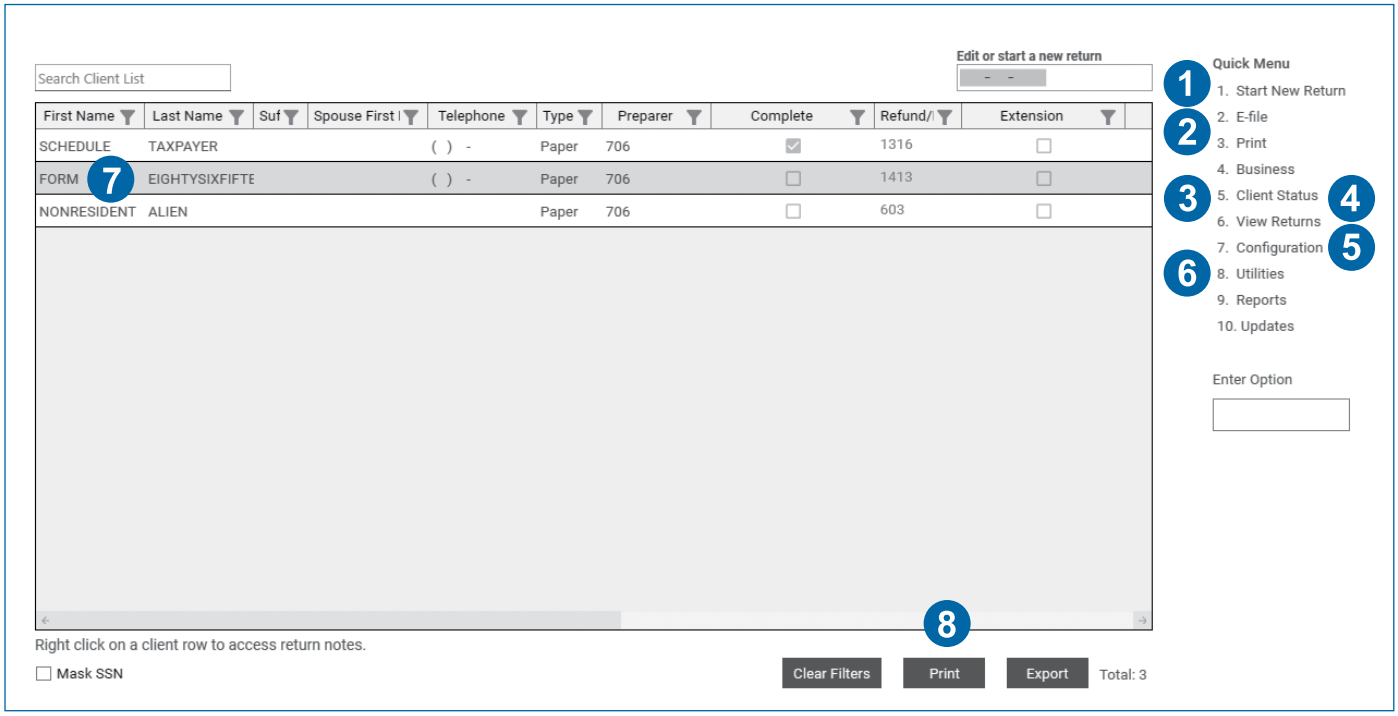
Taxpayers whose main home is located in a disaster area are now automatically provided an extension of time to file returns, pay taxes, or complete other time-sensitive acts beginning on the first date specified in a federal disaster declaration and ending 60 days after the last date specified in that 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.



Tab N: Using TaxSlayer® Pro Desktop

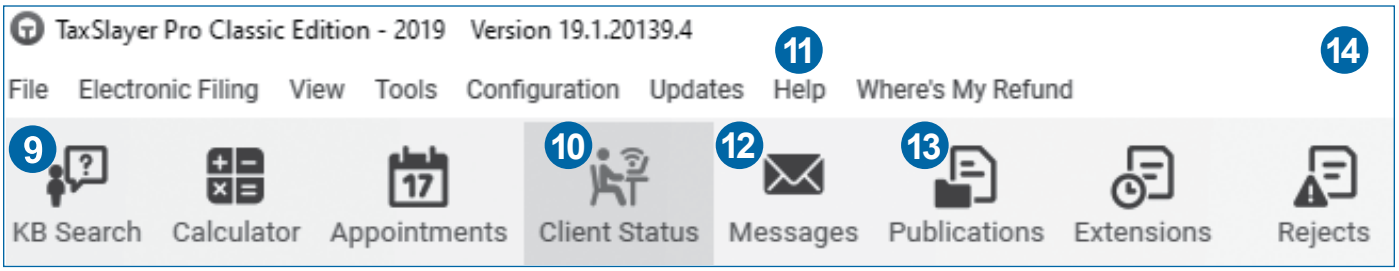
Navigating TaxSlayer® Pro (Desktop)

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.



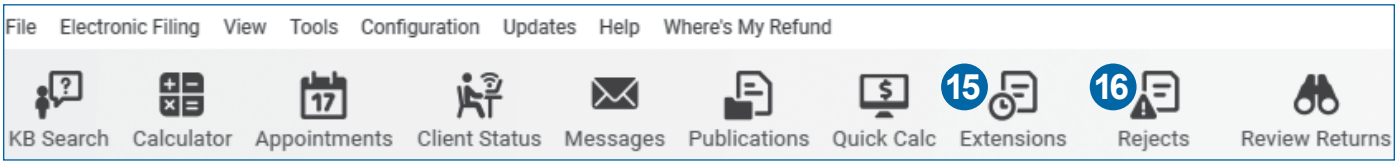
1. To begin a new return select **Start New Return**
2. Access the E-file section to transmit/e-file returns and extensions, check acknowledgments and print reports.
3. Client Status – search by SSN and display the taxpayer's Social Security number, phone numbers, address, Federal return type, IRS Transaction date, and Reject information.
4. 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.
5. Configuration – to set up the program defaults, preparers, etc.
6. Utilities – this menu allows you to backup and recall returns, and do other administrative tasks.
7. To edit an existing return, select the return in the Client List.
8. Select Print to print returns, extensions, and blank forms.

The toolbar appears at the top of the screen throughout the program, although some icons may not appear on all screens:



9. Select KB Search to search the knowledge base.
10. 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.
11. The HELP button takes you to the VITA/TCE Blog. You can search by category or keyword. Requires an internet connection.
12. Check the Message Center.
13. Brings up a link to IRS publications, forms and instructions. Requires an internet connection.
14. Many input screens provide an icon at the top of the screen that allows you to view the form from the current menu.

View from the exit screen when you mark the return as not complete.

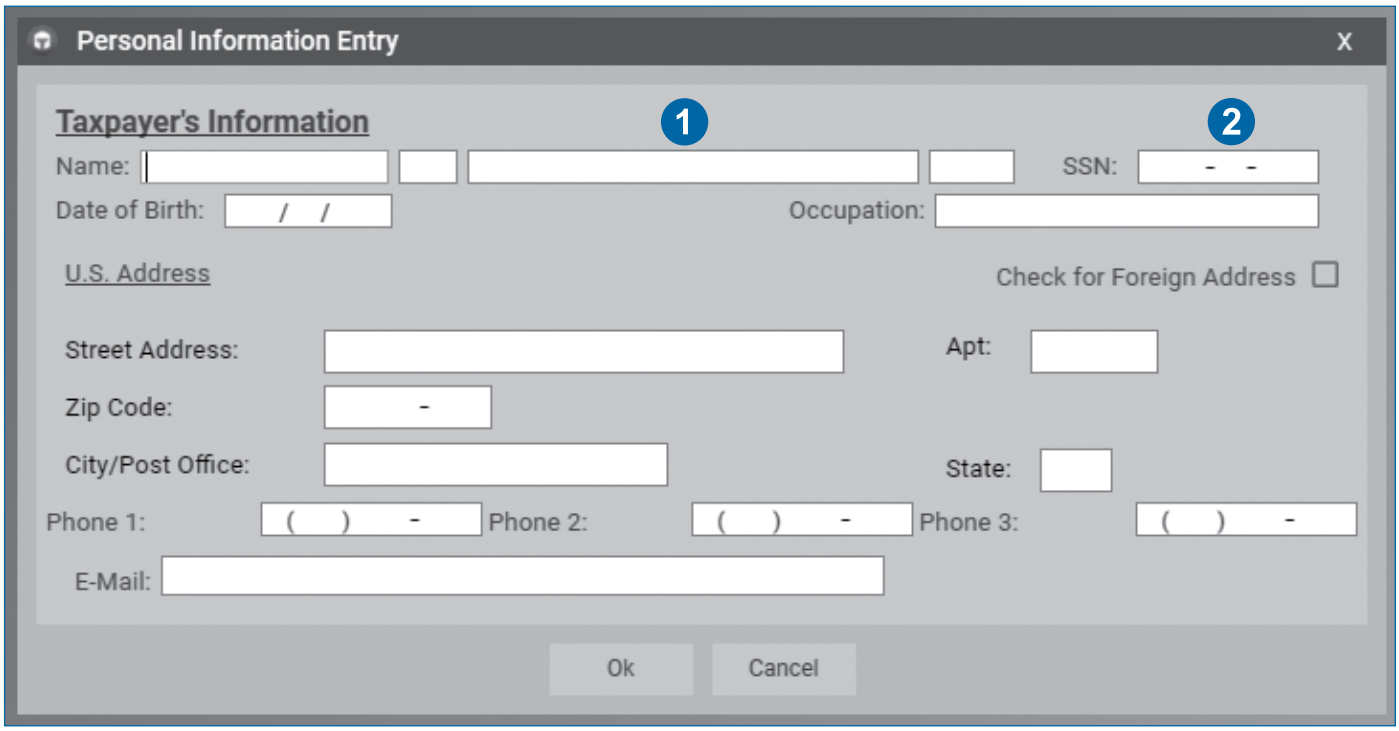


15. Brings up the extension menu, where you can create or select an extension.
16. View rejected returns. The number here reflects the rejected returns for the whole site.

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



1. 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
2. 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

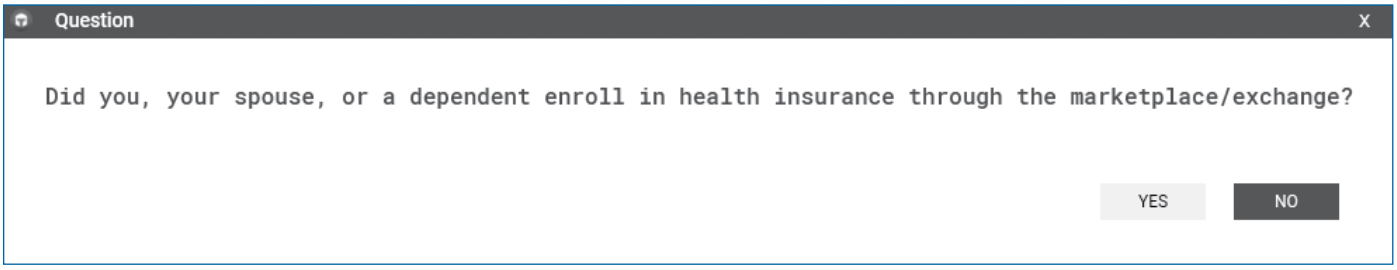
Without an SSN or ITIN, the return cannot be e-filed. You may be able to file a paper return.

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.



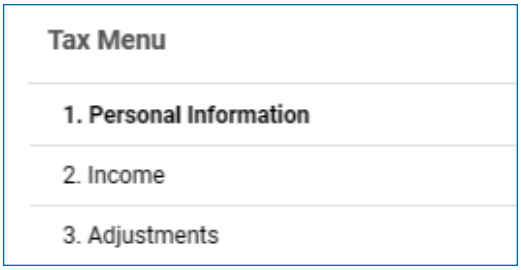
The Personal Information summary menu will appear next. If you need to change your answers to the Marketplace questions, you can select that item.

Income – Key Highlights

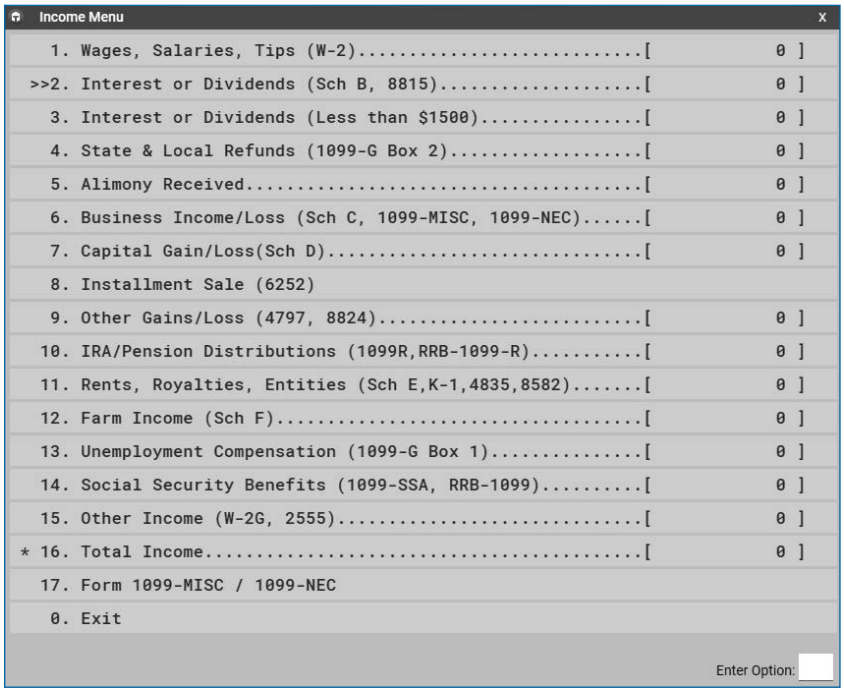
After entering personal and Premium Tax Credit information, enter all items of income. Refer to Tab D, Income, for additional information and specific instructions on these topics. The list of income items is found in the income menu screen. If you exit or are at the Main Menu, you can select the corresponding menu option to get back to the item that you want.

Select the specific item and follow the software prompts.

MAIN MENU



INCOME MENU



- 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 Tax Computation>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 **Other** 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.

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. Next to letter “j” labeled Public Safety Officer, enter the excluded amount.
7. 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.

This is a guide on entering Public Safety Officer Distributions into TaxSlayer. This is not intended as tax advice.

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.

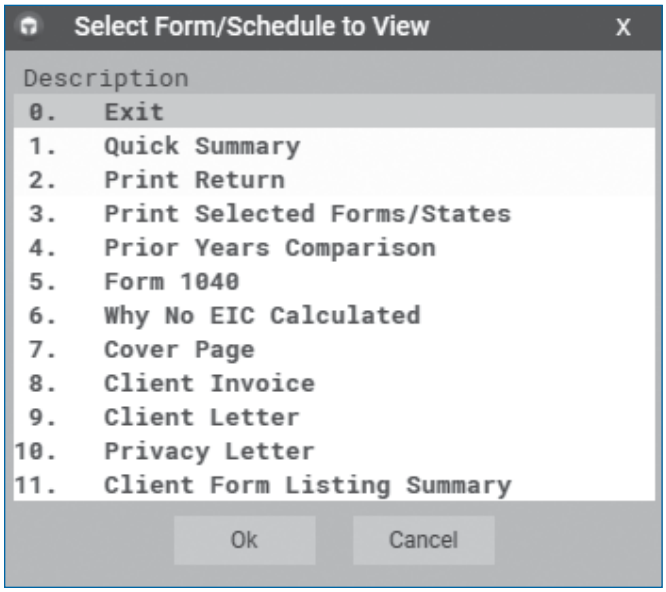
Entering Medicaid Waiver Payments

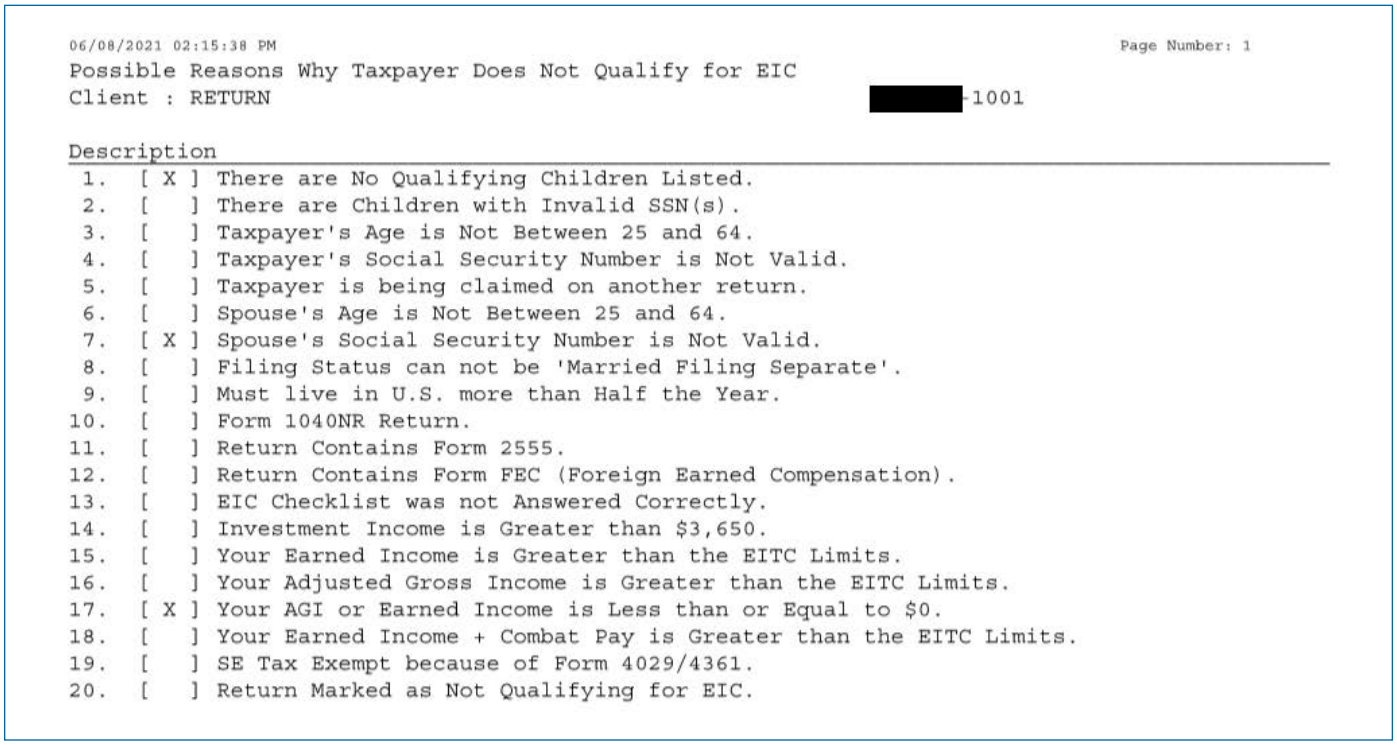
(that may be excluded from income under Notice 2014-7):

- 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. Answer Yes, when prompted, when exiting Form W-2 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. Answer Yes, when prompted, when exiting Form 1099-MISC or Form 1099-NEC 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.





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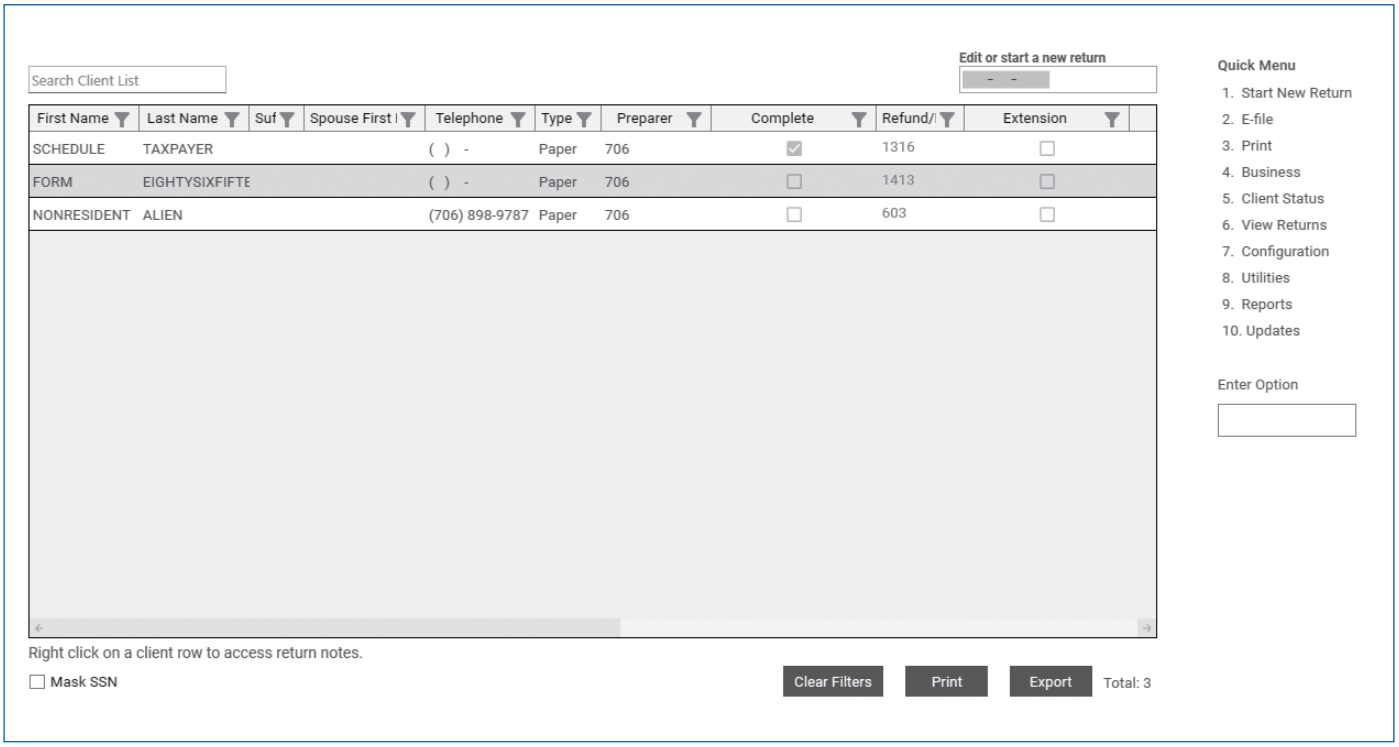
Possible Reasons Why Taxpayer Does Not Qualify for EIC

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

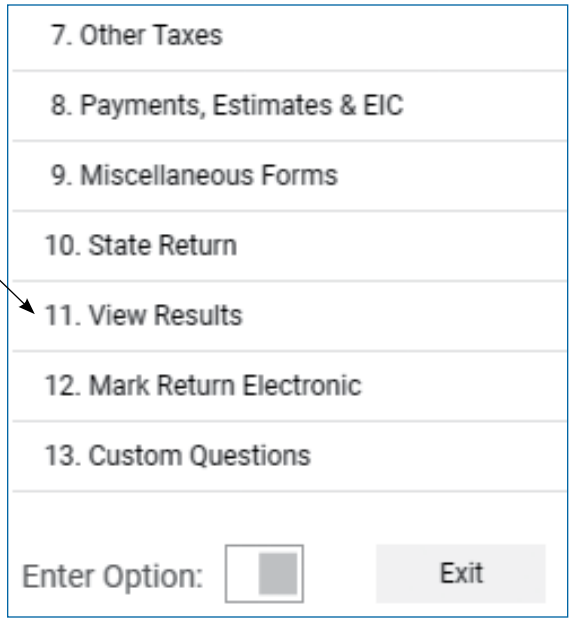
There are different print settings available:



- Print from TaxSlayer Pro home page menu by selecting **3. 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 **Print Return**
- Select print option

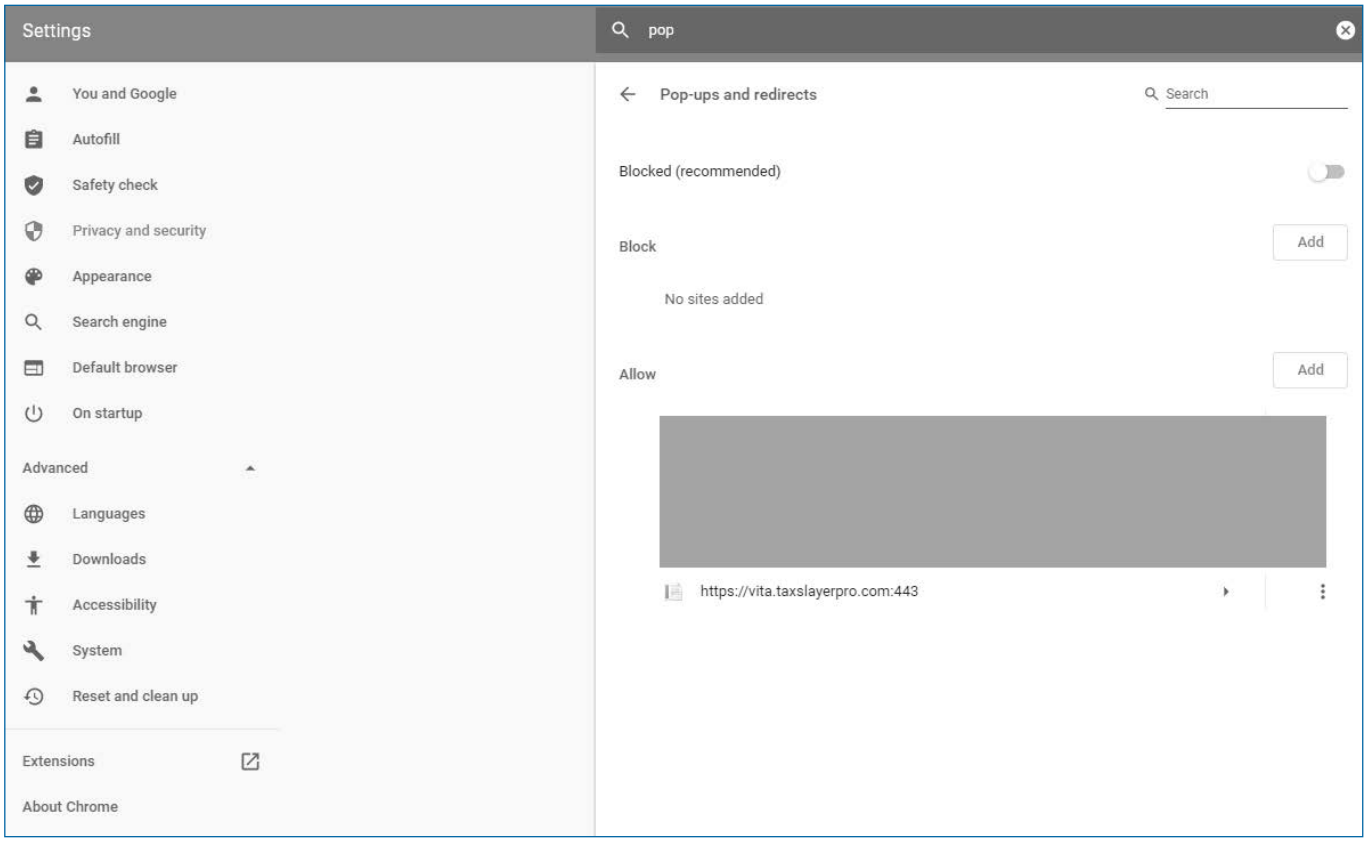


Tab O: Using TaxSlayer® Pro Online

Logging in to TaxSlayer® Pro Online

1. To set up TaxSlayer® Pro Online as a Favorite, use the following steps:
2. Open Microsoft Edge, Chrome, Firefox or Safari.
3. Type **https://vita.taxslayerpro.com** in the address line. Current and prior year software can be accessed upon logging in.
4. In Microsoft Edge,
   a. Select the 3 horizontal dots at the upper right side of the screen, then the favorites icon appears
   b. Select **Add**
   c. In Name, type the name you want the favorites to display
   d. Select **OK**
5. In Chrome, press Ctrl+D or:
   a. Select the 3 vertical dots at the upper right side of the screen
   b. Select Bookmarks and lists
   c. Select Bookmark this tab

*If using Chrome set your browser settings to allow popups and redirects from the TaxSlayer site. Settings>Privacy and Security>Site Settings>Popups and Redirects. On the Allow line, click **Add** and enter https://vita.taxslayerpro.com:443*



Screenshot above only references Chrome.

*Another technique in Chrome to unblock a site is to go to a page where pop-ups are blocked. In the address bar, click **Pop-up blocked**. Click the link for the pop-up you want to see. To always see pop-ups for the site, select **Always allow pop-ups and redirects from [site]**, and then **Done**.*

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**.

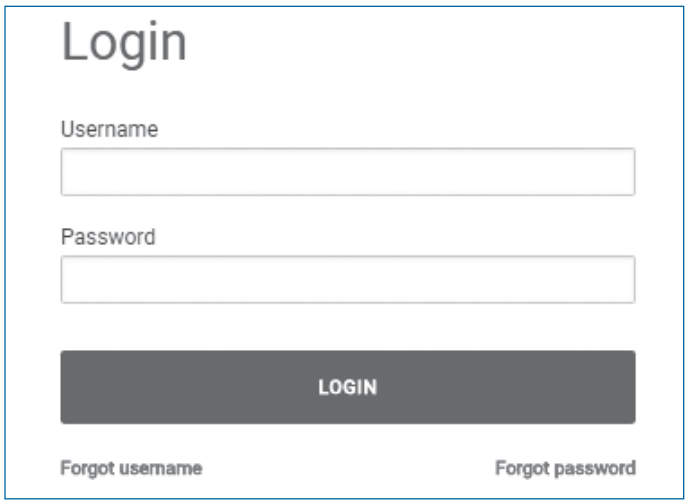
When you receive your code, enter it and select **Verify**.

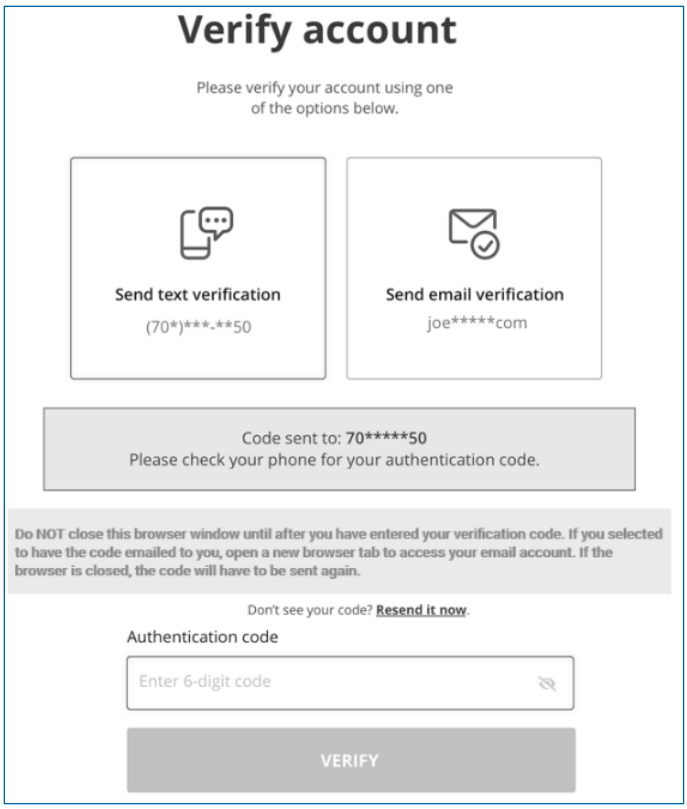
If your account was set up with only an email address, the cell phone option will not appear.

You will need to perform this process periodically based on systems requirements.

See TaxSlayer User Guide for updated login procedures

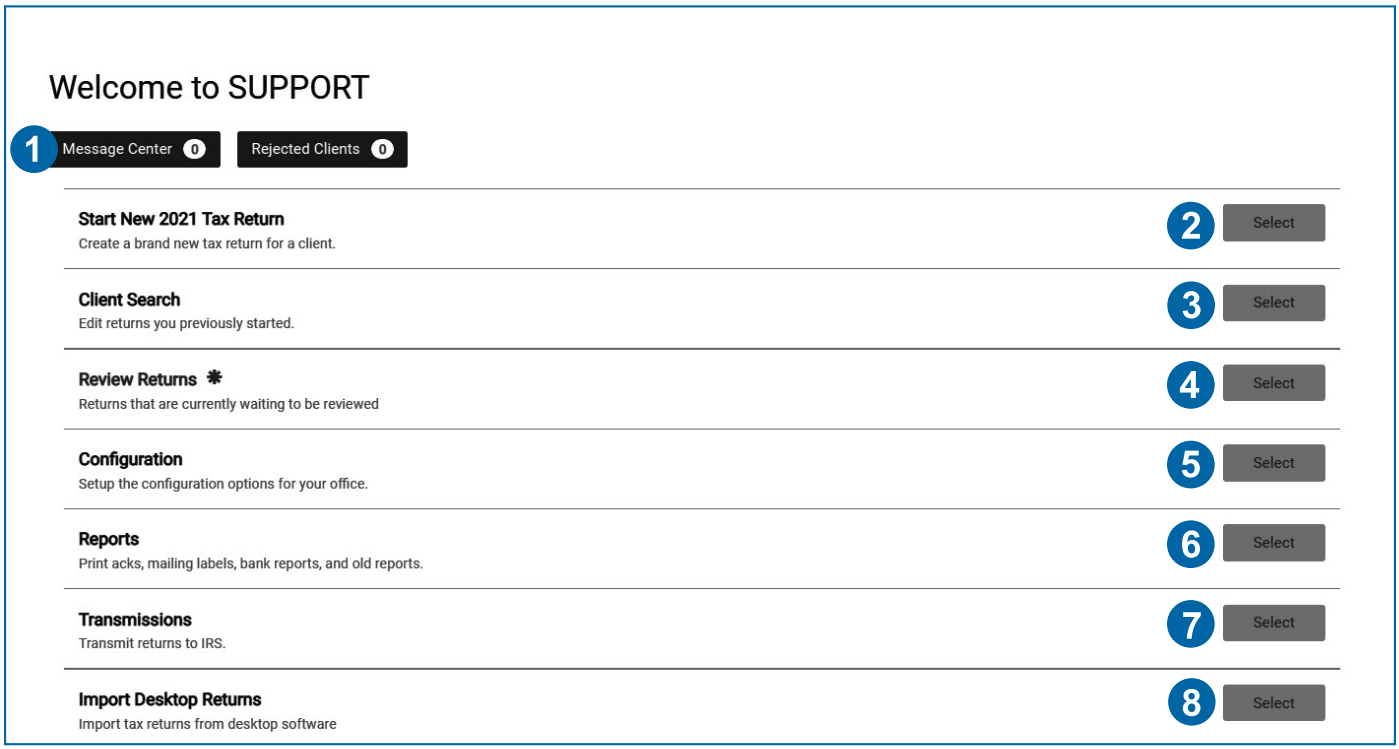
*After two unsuccessful login attempts, you will be required to select **I'm not a robot**.*





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 (most volunteers will not see all of these options).



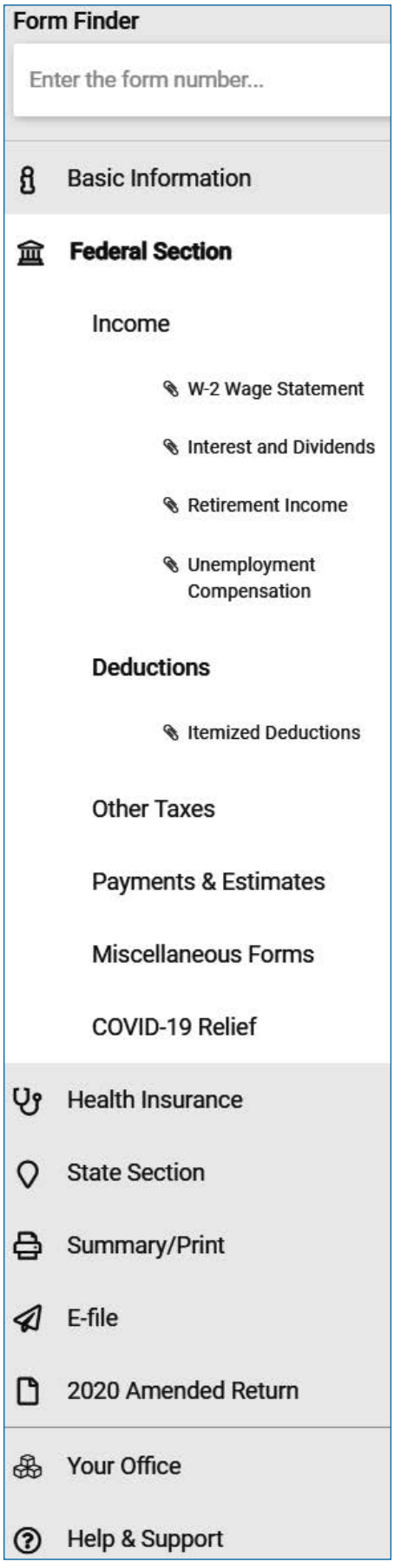
1. Open the Message Center bar (under Welcome) to review any messages that were sent to you. Delete those no longer needed.
2. Select to start a new return.
3. Select to open an existing return.
4. This option displays the Review Returns page, listing all returns that tax preparers have marked for review. 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.
5. Configuration: Used by site administrators to manage site options and preparers.
6. Reports: Used by site administrators to view pre-configured reports.
7. 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.
8. Import Desktop returns – Users of Pro Online have global carryforward for prior year client information carryforward. Returns prepared in Desktop for the prior year will carryforward to Desktop. If the EFIN is transitioning from Desktop to Pro Online and wishes for the carryforward to Pro Online, select Import Desktop Return. This just needs to be done once at the beginning of the season.

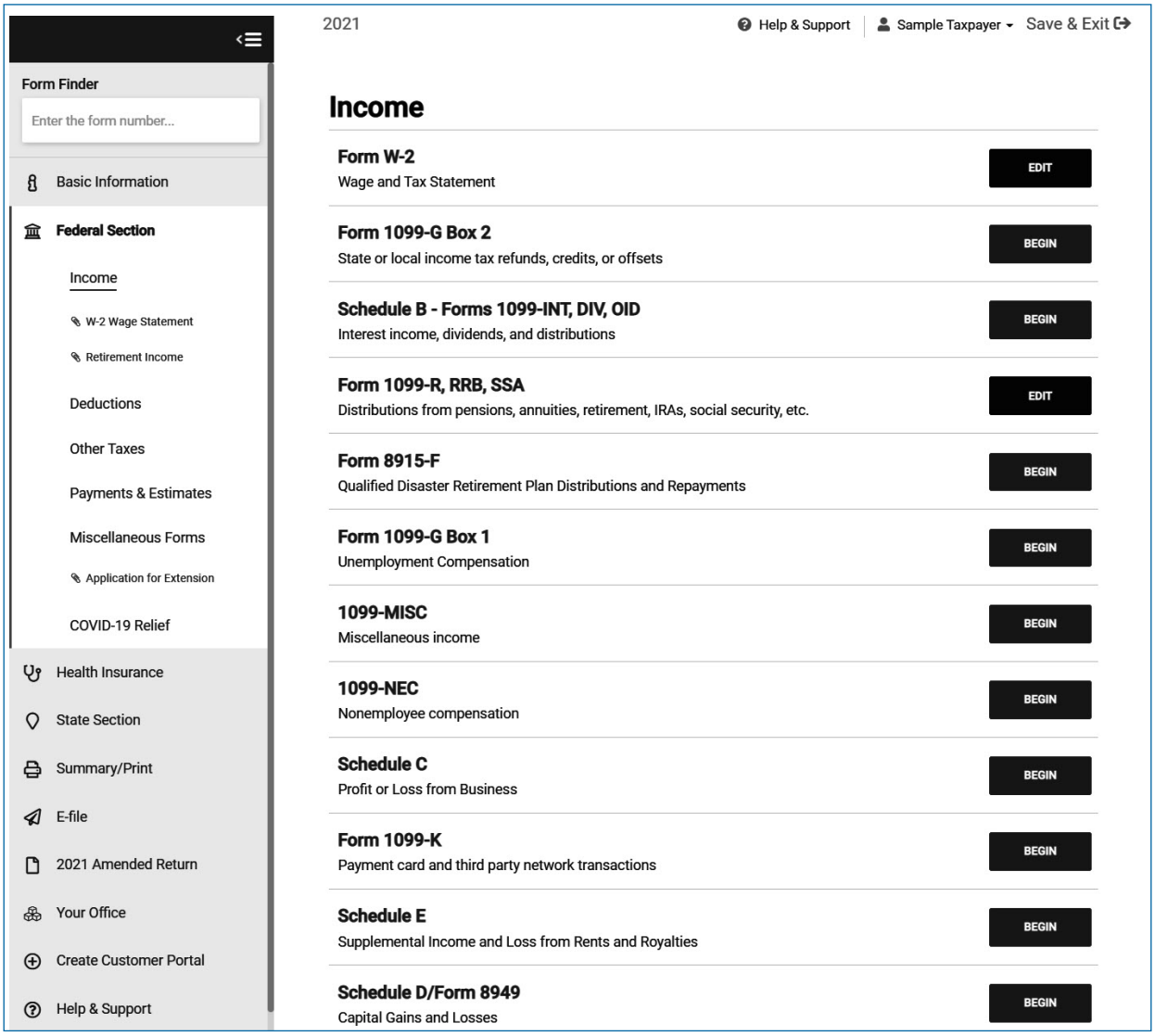
After selecting Start New 20XX Tax Return, you can select a client profile. Each profile will send you to appropriate data input screens for that kind of taxpayer, e.g., working family with kids, retired with investments, retired without investments. Recommend using Basic (No Profile), which provides access to the entire navigation suite.

Pro Online Homepage (continued)

The list below has helpful hints on how to navigate within TaxSlayer software easier.

- *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. Forms already entered will show on this menu.*
- *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 from year to year (until manually deleted), select the pull-down 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 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.*
- *For attachments such as Form 8332, a POA, or certificate of court appointed rep's appointment, as well as a portion of a broker statement, go to* ***Capital Gains*** *and select* ***PDF Attachments****.*
- *To Deactivate a return, go to Client List>Tools>Deactivate.*
- *From the Client List, select* ***Client Status*** *to view any rejected or accepted returns and/or select a Print of a return that was e-filed.*





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.

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.

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.

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.

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 is in scope, but volunteers may not complete Form 2848 on behalf of taxpayers)
- Explanations (Preparer Notes) are transmitted in the e-file to the IRS, unlike Internal Notes discussed earlier.

After preparing or reviewing a form, **Continue** must be selected in order to save information on that form. Other forms may be added from the navigation column or the Form Finder box on the left-hand side. It is not necessary to navigate back into the Income or Deductions pages. However, in the state return, click **Continue** on each state page until the Exit [state name] Return prompt is reached. (If Continue is not an option, select Back.)

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. However, New Hampshire levies a tax on interest and dividend income.

For Military certification, refer to the note in Tab B, Starting a Return, Entering Personal 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. TaxSlayer will also delete the state return if you change the filing status or the state residency.

Summary/Print Page

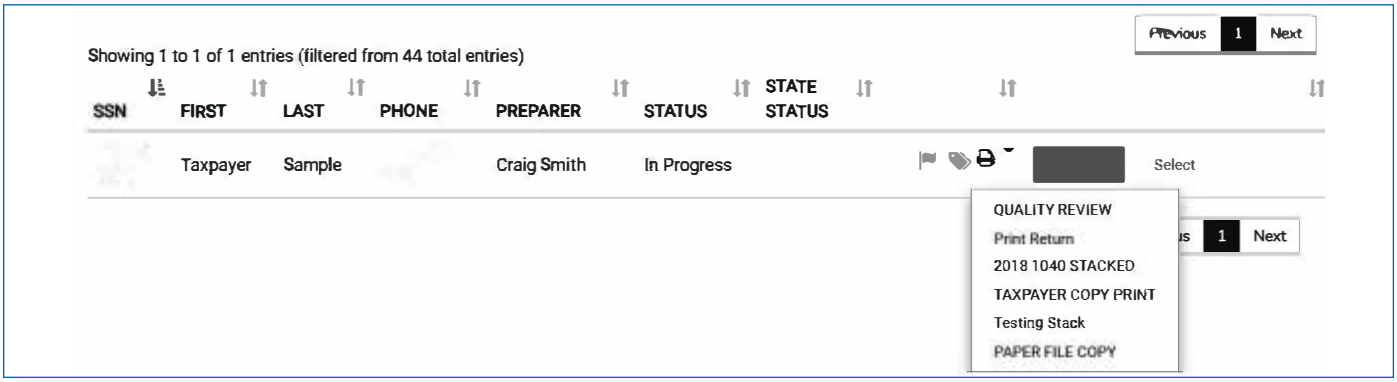
The Calculation Summary screen is an overview of each section of the tax return. Select the show details link located next to each item to view a breakdown of what items are included in the tax return. You can view and/or edit each item of income, adjustments, tax, payments, etc., by selecting the link 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. This view/print option will be the TaxSlayer default print set, not your site's default print set. Your site's print sets and other print options available from the Client search screen are shown in the sample below.

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**. These are the default print sets, but your site may have defined custom print sets for your use.

Refer to Publication 5838, VITA/TCE Intake/Interview and Quality Review Handbook, for complete quality review instructions.



Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
982 Reduction of Tax Attributes…	982 or CANC	Income>Other Income>Cancellation of Debt 1099-C, 982>Exclusions (Form982)	EXT-6
1040-ES Estimated Tax Payments (Vouchers)	VOU	Payments & Estimates>Vouchers for 20XX Estimated Tax Payments	K-28
1040-X Amended Return	N/A	Access the federal and state amended return screens from the navigation menu on the left side of the screen	M-3
1095-A Health Insurance	N/A	Access the Health Insurance section from the navigation menu on the left side of the screen	H-10
1098 Mortgage Interest Statement	1098	Deductions>Itemized Deductions>Mortgage Interest and Expenses	F-14
1098-E Student Loan Interest	STU	Deductions>Adjustments>Student Loan Interest Deduction	E-17
1098-T Tuition Statement	1098 or 8863	Deductions>Credits Menu>Education Credits and/or Income>Other Income>Other Compensation>Scholarships and Grants	J-12
1099-A Acquisition or Abandonment	CAP	Income>Schedule D/Form 8949>Sale of Main Home Worksheet or use Stocks, Mutual Funds, Cryptocurrency, Collectibles, etc.	EXT-3
1099-B Proceeds from Broker and Barter Exchange	CAP	Income>Schedule D/Form 8949>Stocks, Mutual Funds, Cryptocurrency, Collectibles, etc.	D-32
1099-C Cancellation of Debt	CANC	Income>Other Income>Cancellation of Debt 1099-C, 982>Cancellation of Debt (Form 1099-C)	D-71
1099-DIV Dividends	DIV	Income >Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-18
1099-G State Tax Refund	-G	Income>Form 1099-G Box 2	D-20
1099-G Unemployment Compensation	-G or UNEM	Income>Form 1099-G Box 1	D-6
1099-INT Interest Income	INT	Income>Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-18
1099-K Payment Card and Third Party…	SC or -K	Income>Schedule C	D-24
1099-LTC Long-Term Care and Accelerated Death Benefits	8853 or LTC	Deductions>Adjustments>MA MSAs, Archer MSAs and Long-Term Care Insurance Contracts>scroll to Long Term Care (LTC) Insurance Contracts (Form 1099-LTC)	D-66
1099-MISC Miscellaneous Income	MIS	Income>1099-MISC	D-67
1099-NEC Nonemployee Compensation	NEC	Income>1099-NEC	D-22
1099-OID Original Issue Discount	INT	Income>Schedule B – Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-14
1099-R IRA Distribution	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	D-45
1099-R Pension Distributions	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	D-45
1099-R Retirement	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	D-45
1099-S Proceeds from Real Estate Transaction	-S	Income>Schedule D/Form 8949>Stocks, Mutual Funds, Cryptocurrency, Collectibles, etc.	D-40
1099-SA HSA	HSA	Deductions>Adjustments>Health Savings Accounts HSAs	E-12
1310 Statement of Person Claiming Refund Due a Deceased Taxpayer	1310	Federal Section>Miscellaneous Forms>Form 1310	K-19
2120 Multiple Support Declaration	N/A	Basic Information>Dependents/Qualifying Person>[Enter/edit dependent]>This dependent qualifies for a Multiple Support Declaration	C-6
4852 Substitute for Form W-2	W	Income>Form W-2>Add a W-2 Wage Statement. Then select: **This is a substitute W-2**	D-8

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
4852 Substitute for Form 1099-R	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R Then select: **Check here if this is a substitute 1099-R**	D-45
5329 Additional Taxes on Qualified Plans and Other Tax-Favored Accounts	5329	Other Taxes>Tax on Early Distribution	H-6
5498-SA	HSA	Deductions>Adjustments>Health Savings Accounts HSAs	E-10
CSA 1099-R Civil Service Annuity Paid	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	D-49
CSF 1099-R Statement of Survivor Annuity Paid	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	D-49
K-1 Beneficiary's (or Partner's) Share of Income	K-1	Income>Other Income>K-1 Earnings	D-59
RRB 1099 Railroad Retirement Benefits (Tier 1 blue form)	SSA	Income>Form 1099-R, RRB, SSA>Social Security Benefits/RRB-1099	D-57
RRB 1099-R Railroad Retirement Benefits (Tier 2 green form)	RRB	Income>Form 1099-R, RRB, SSA>RRB-1099-R	D-56
SSA-1099 Social Security Benefits	SSA	Income>Form 1099-R, RRB, SSA>Social Security Benefits/RRB-1099	D-57
W-2 Wages & Salaries	W	Income>Form W-2>Add a W-2 Wage Statement	D-8
W-2G Gambling Winnings	W2G	Income>Other Income>Gambling Winnings W-2G	D-65
Alimony Paid	ALIM	Deductions>Adjustments> Alimony Paid	E-14
Alimony Received	ALIM	Income>Alimony Received	E-14
Amended Return	N/A	Access the federal and state amended return screens from the navigation menu on the left side of the screen	M-3
American Opportunity Credit	8863	Deductions>Credits Menu>Education Credits Form 1098-T	J-8
Annuity Calculator, Simplified Method or Public Safety Officer Exclusion	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R>Calculate taxable amount	D-47
Attachments	CAP	Income>Schedule D/Form 8949>PDF Attachments	D-32
Brokers Statements	BROK	See appropriate 1099	
Business Expenses	SC or BUS	Income>Schedule C>General Expenses, and Income>Schedule C>Car and Truck Expenses	D-28 D-30
Cancellation of Debt	CANC	Income>Other Income>Cancellation of Debt 1099-C, 982>Cancellation of Debt (Form 1099-C)	D-71
Capital Gains	CAP	Income>Schedule D/Form 8949	D-32
Capital Gains Distributions	DIV	Income >Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-18
Capital Loss Carryover	CAP	Income>Schedule D/Form 8949>Capital Loss Carryover	D-32
Charitable Distribution from IRA	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R then subtract distribution that was sent directly from an IRA to charity from Box 1 and enter the difference in Box 2a., and Income>Form 1099-R, RRB, SSA>Nontaxable Distributions to add QCD indicator to return	D-45 D-54
Child and Dependent Care Expenses	2441	Deductions>Credits Menu>Child and Dependent Care Credit	G-14
Deactivate Return		Client List>Tools>Deactivate	
Deceased Taxpayer	PER plus 1310	Basic Information>Personal Information>Taxpayer is deceased, and complete Form 1310 if person filing the form is other than the spouse and getting a refund. Federal Section>Miscellaneous Forms>Form 1310	K-19
Direct Deposit/Direct Debit		Access the E-file section by selecting E-file from the navigation menu on the left side of the screen	K-3

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
Dividend Income	DIV	Income >Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-18
Donations to Charity	CHAR	Deductions>Itemized Deductions>Gifts to Charity	F-16
Early Withdrawal Penalty (not on 1099-INT)	EARL	Deductions >Adjustments	E-3
Earned Income Credit for Married Filing Separate (MFS)	PER	Basic Information>Personal Information>Filing Married Filing Separate and meets the requirements to claim the EIC	I-4
Education Expenses	8863	Deductions >Credits Menu>Education Credits Form 1098-T	J-8
Educator Expenses	EDUCA	Deductions>Adjustments> Educator Expenses	E-8
Elderly or Disabled Credit	ELD	Deductions>Credits Menu >Credit for the Elderly or Disabled Schedule R	G-24
Energy Credit	ENER	Deductions>Credits>Residential Energy Credits	G-20
Estimated Tax Payments paid for current tax year	FED	Federal Section>Payments & Estimates	H-9
Estimated Payment Vouchers (Federal) for next year	VOU	Payments & Estimates>Vouchers for 20XX Estimated Tax Payments	K-28
Exempt Interest	INT	Income>Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-14
Extension, Filing for	4868 or EXTE	Miscellaneous Forms>Form 4868	M-13
First-Time Homebuyer Credit (Repayment)	FIR	Other Taxes>Repayment of First-Time Homebuyer Credit	H-4
Foreign Tax Credit	1116	Deductions>Credits Menu>Foreign Tax Credit	G-8
Gambling Winnings	W2G	Income>Other Income>Gambling Winnings W-2G	D-65
Gambling Losses	2G or W2G	Income>Other Income>Gambling Winnings W-2G, or Deductions>Itemized Deductions>Other Itemized Deductions	D-65 F-17
Health Savings Accounts	HSA	Deductions>Adjustments>Health Savings Accounts HSAs	E-12
Household Employee Income (no W-2)	OTHER	Income>Other Income>Other Compensation>Household Employee Income	D-65
Identity Protection PIN	PIN	Basic Information>IRS Identity Protection PIN, or Federal Section>Miscellaneous Forms>IRS Identification PIN	P-6
Injured Spouse	INJ	Miscellaneous Forms>Form 8379	P-10
Interest Income or Interest Income not on a Form	INT	Income>Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	D-14
IRA Contributions (Traditional IRA)	IRA D	Deductions>Adjustments>Traditional IRA Contributions	E-15
IRA Contributions (ROTH IRA)	8880	Deductions>Credits Menu>Credit for Qualified Retirement Savings Contributions>Enter Any Current Year Traditional or Roth IRA Contributions (Do not re-enter Traditional IRA contributions already reported in the Traditional IRA Contributions menu)	E-16
IRA Distributions	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	D-45
IRA Qualified Charitable Distribution (Not a Charitable Gift Annuity)	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R then subtract distribution that was sent directly from an IRA to charity from Box 1 and enter the difference in Box 2a., and Income>Form 1099-R, RRB, SSA>Nontaxable Distributions to add QCD indicator to return	D-45 D-54
IRA Rollover	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R THEN, check the box “Check here if all/part of the distribution was rolled over and enter the rollover amount.” Go back and reduce Box 2a by amount of rollover.	D-45
ITIN, Application for	W7 or ITIN	Miscellaneous Forms>Form W-7	L-10
Jury Duty Pay		Income>Other Income>Other Income Not Reported Elsewhere	D-65

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
Jury Duty Paid to the Employer	ADJ	Deductions>Adjustments	**E-3**
Lump Sum Social Security Benefit	SSA	Income>Form 1099-R, RRB, SSA>Social Security Benefits/RRB 1099>Begin Worksheet	**D-58**
Medical and Dental Expenses	MED	Deductions>Itemized Deductions>Medical, Dental, and Vision Expenses	**F-7**
Medicaid Waiver Payments on W-2 (that may be excluded from income under Notice 2014-7)	W	Income>W-2 THEN, enter amount of the payment in the Medicaid Waiver Payment box below box 13 (this amount will be subtracted on Schedule 1). Also check the box above this amount if TP wishes to include the amount in earned income	**D-12**
Mileage for Charitable Travel	CHAR	Deductions>Itemized Deductions>Gifts to Charity>Noncash Gifts to Charity	**F-16**
Mileage for Medical Travel	MED	Deductions>Itemized Deductions>Medical, Dental, and Vision Expenses	**F-7**
Mortgage Interest and Points Paid	MORT	Deductions>Itemized Deductions>Mortgage Interest and Expenses	**F-14**
Mortgage Interest Paid—not on Form 1098	MORT	Deductions>Itemized Deductions>Mortgage Interest and Expenses	**F-14**
Name/Surname (Entering taxpayer's)		Basic Information>Personal Information	**B-19**
Noncash Donations that total $500 or less	CHAR	Deductions>Itemized Deductions>Gifts to Charity>Noncash Gifts to Charity	**F-16**
Notary Income	SELF	Income>Schedule C **and also** Other Taxes>Self-Employment Tax>Enter Exempt Notary Income (exempt from SE tax and EIC)	**D-21**
OID Interest	INT	Income>Schedule B – Forms 1099-INT, DIV, OID>Interest or Dividend Income	**D-14**
Other Income (prizes, jury duty, etc.)		Federal>Income>Other Income	**D-65**
Pension Distributions	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R	**D-45**
Personal Property Taxes	TAX	Deductions>Itemized Deductions>Taxes You Paid	**F-10**
PIN, Identity Protection	PIN	Basic Information>IRS Identity Protection PIN or Federal Section>Miscellaneous Forms>IRS Identification PIN	**P-6**
Private Activity Bond interest	INT	Income>Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	**D-14**
Prizes and Awards	N/A	Income>Other Income>Other Income Not Reported Elsewhere	**D-65**
Public Safety Officer Exclusion	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R>Calculate taxable amount	**D-47**
Real Estate Taxes	TAX	Deductions>Itemized Deductions>Taxes You Paid	**F-10**
Refunds of State and Local Income Tax (if reportable)	-G	Income>Form 1099-G Box 2	**D-20**
Retirement Savings Credit	SAVE or 8880	Deductions>Credits Menu>Credit for Qualified Retirement Savings Contributions	**G-18**
Roth IRA Contributions	SAVE or 8880	Deductions>Credits Menu>Credit for Qualified Retirement Savings Contributions THEN, enter any current year traditional or Roth IRA contributions	**G-18**
Royalties (Simple royalties with no associated expenses)	SC	Income>Schedule E	**D-63**
Sale of Main Home	-S	Income>Schedule D/Form 8949>Sale of Main Home Worksheet	**D-40**
Sale of Stock	CAP	Income>Schedule D/Form 8949>Stocks, Mutual Funds, Cryptocurrency, Collectibles, etc.	**D-32**
Sales Tax Deduction	TAX	Deductions>Itemized Deductions>Taxes You Paid	**F-10**
Schedule C	SC	Income>Schedule C	**D-21**
Scholarships and Grants	OTHER	Income>Other Income>Other Compensation	**D-70**
Self-employed Health Insurance Deduction	HEA	Income>Schedule C>General Expenses>Health Insurance	**E-9**

Form or Topic	Keyword	Navigation to Data Entry Screen	Pub 4012 Page
Self-employment Income	SC	Income>Schedule C	**D-21**
Seller-financed Mortgage Interest Paid	MORT	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Not Reported on Form 1098	**F-14**
Seller-financed Mortgage Interest Received	INT	Income>Schedule B - Forms 1099-INT, DIV, OID>Interest or Dividend Income>Seller Financed Interest Income	**D-17**
Simplified Method	-R	Income>Form 1099-R, RRB, SSA>Add or Edit a 1099-R>Calculate taxable amount	**D-47**
Social Security Benefits	SSA	Income>Form 1099-R, RRB, SSA>Social Security Benefits/RRB-1099	**D-57**
State and Local Taxes Paid	TAX	Deductions>Itemized Deductions>Taxes You Paid	**F-10**
Student Loan Interest	STU	Deductions>Adjustments> Student Loan Interest Deduction	**E-17**
Substitute W-2	W	Income>Form W-2>Add a W-2 Wage Statement Then select: This is a substitute W-2	**D-8**
Tax Exempt Interest	INT	Income>Schedule B-Forms 1099-INT, DIV, OID>Interest or Dividend Income	**D-14**
Taxable Refund Worksheet or State and Local Tax Refund Worksheet		Income>Form 1099-G Box 2	**D-20**
Taxes Paid, Federal, State or Local Estimated	ESTIM	Federal>Payments & Estimates	**H-9**
Tip Income (not reported to employer)	W	Federal Section>Income>W-2>Unreported tips	**H-4**
Tip Income (not reported to employer because tips were less than $20 per month)	W and 4137	Income>W-2>Unreported tips AND Other Taxes>Tax on Unreported Tip Income	**H-4**
Traditional IRA Contributions	IRA D	Deductions>Adjustments>Traditional IRA Contributions	**E-15**
Tribal Per Capita Payments not on 1099		Income>Other Income>Other Income Not Reported Elsewhere	**D-65**
Unemployment Compensation	-G	Income>Form 1099-G Box 1	**D-6**
Unemployment Compensation Repayment—Same Year as Benefit Received	-G	Income>Form 1099-G Box 1	**D-6**
Volunteer Expenses	CHAR	Deductions>Itemized Deductions>Gifts to Charity	**F-16**
Vouchers for Estimated Payments Federal State	VOU	Payments & Estimates>Vouchers for 20XX Estimated Tax Payments	**K-28**
Wages & Salaries	W	Income>Form W-2>Add a W-2 Wage Statement	**D-8**
W-7 Application for ITIN	W7 or ITIN	Miscellaneous Forms>Form W-7	**L-10**

Tab P: Partner Resources

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.

IRS Voice and Chat Bots

Voice bots are software powered by artificial intelligence (AI) that allow a caller to navigate an interactive voice response (IVR) system with their voice, generally using natural language. Chat bots simulate human conversation through web-based text interaction, also using AI-powered software to respond to natural language prompts.

The IRS has deployed voice and chat bots in English and Spanish for phone lines that assist taxpayers with tax payments issues or understanding an IRS notice they may have received. The bots are now available to help taxpayers with:

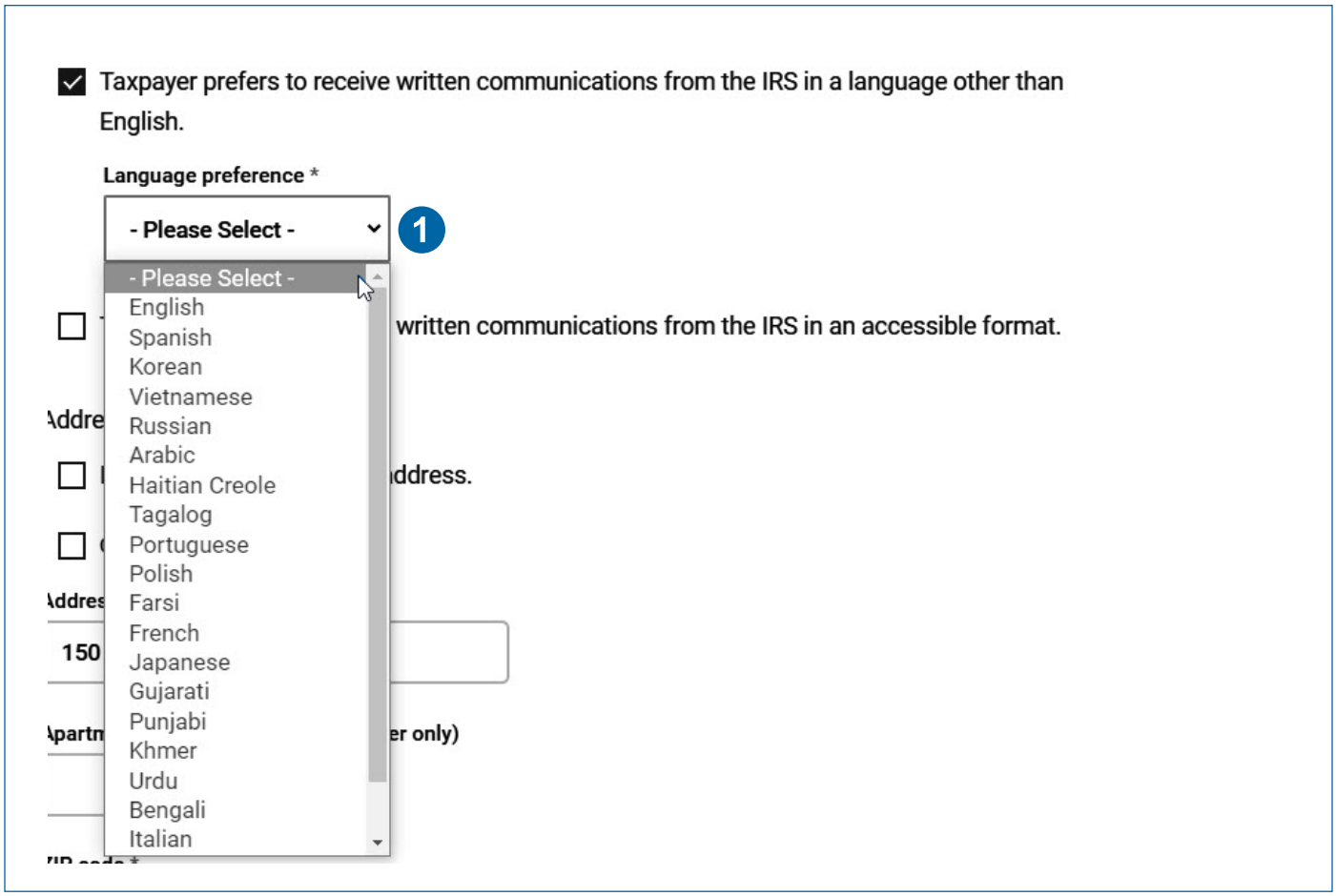
- How to make one-time payments
- Answers to frequently asked questions
- Collection notice clarification

IRS voice bots will also enable taxpayers to authenticate their identity to establish payment plans, request a transcript and obtain information about their accounts, such as payoff details.

Other Languages

IRS is translating tax resources into more languages. Currently, basic tax information is available in twenty languages. Refer to **www.irs.gov/mylanguage**.

Form 13614-C, Intake/Interview and Quality Review Sheet, is available in multiple languages. These can be downloaded at **www.irs.gov/forms-instructions**.



1. 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.

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

Taxpayers can receive IP PINs in two ways. 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. Taxpayers may also Opt-In to receive an IP PIN. (See Voluntary Opt-In IP PIN later in this section, for more information).

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.

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.[1]
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.[1]
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.[1] 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] Alternatively, if the reject was due to the dependent SSN, verify dependent information is correct and taxpayer meets requirements to claim dependent. The primary taxpayer can obtain an IP PIN and e-file again with the IP PIN entered on the return. The IRS will accept the return assuming there are no other issues with it. 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.

Footnotes:

[1]Taxpayer must return to the site to sign Form 8879 (IRS e-file Signature Authorization) if they did not already do so.

[2]Do not file Form 14039 if the taxpayer received any of the following IRS identity verification letters: Letters 4883C or 6330C, 5071C or 6331C, 5447C, 5747C. Their return may not get processed until the taxpayer follows the instructions in the letter.

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. Go to **Retrieve Your Identity Protection PIN (IP PIN)** at **www.irs.gov/retrieveippin**.
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.

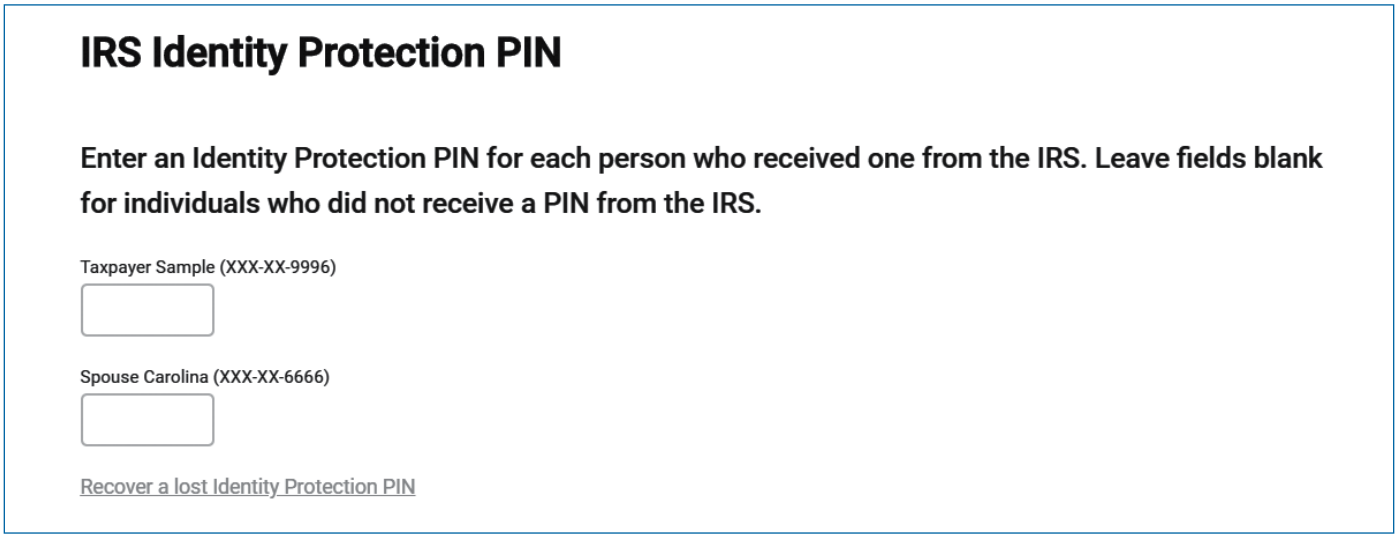
The taxpayer will need to mail a paper tax return without the IP PIN if either of the following situations apply:

1. The taxpayer has moved since January 1 of this year, or
2. It's after October 14 and the taxpayer hasn't filed his/her current or prior year tax return.

Existing IP PIN users seeking to retrieve their numbers should not apply for a new IP PIN with Form 15227. The Form 15227 application process is only for taxpayers who are newly opting into the program and do not already have an IP PIN requirement.

IRS will review the return to confirm the taxpayer's identity which may delay a refund.

Basic Information>IRS Identity Protection PIN or Federal Section>Miscellaneous Forms>IRS Identification PIN; or Keyword: PIN



Identity Protection PIN Opt-In Program Expanded for all Taxpayers

Taxpayers may voluntarily opt-in to receive an Identity Protection PIN (IP PIN) every year. 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.
- If a taxpayer is eligible to opt out of the voluntarily IP PIN program, they can do so from the Identity Protection PIN section of their profile in their online account.

Here's how it works:

- Taxpayers may go to the **Get an IP PIN (www.irs.gov/ippin)** 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. Once clients have opted in and obtained an IP PIN online, they will need to retrieve their IP PIN each year at the start of the filing season by accessing the account they created at **www.irs.gov/ippin**. This tool is generally available from mid-January through mid-November.

Alternatives to online Get an IP PIN tool:

Taxpayers who cannot authenticate their identities online may file Form 15227, Application for an Identity Protection Personal Identification Number. The taxpayers adjusted gross income on the last filed return must be below $73,000 for Individuals or $146,000 for Married Filing Joint. An IRS assister will call taxpayers to ask a series of questions to verify their identities. Once the taxpayer's identity is verified, they will receive their IP PIN via the U.S. Postal Service usually within four to six weeks.

Taxpayers who cannot authenticate online or with the Form 15227 process, have the option to verify their identities in person by **making an appointment** at an IRS office. Taxpayers must bring one current government-issued picture identification document and another identification document to prove their identity. 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 **Get Your Tax Record** at **www.irs.gov/transcripts** to 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. Mail it with the required fee to the address for the state the taxpayer lived in when the return was filed. See addresses on Form 4506.

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.

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. Taxpayers can check the status of their Form 1040-X, Amended U.S. Individual Income Tax Return, for the current year and up to three prior years at **Where's My Amended Return**.

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. Keep basis documents and returns until the property is disposed of or sold. See Publication 550, Investment Income and Expenses, for details. In some cases of unreported income, the IRS has up to 6 years from date of filing to assess additional taxes.

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). Refer taxpayers to Publication 17, Filing Information section, or **Recordkeeping** at **www.irs.gov/businesses/small-businesses-self-employed/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 **Get Free Tax Prep Help** at **irs.treasury.gov/freetaxprep/**, download the IRS mobile app IRS2Go, or call 1-800-906-9887 for more information. For AARP Tax Aide sites, go to **AARP Foundation Tax-Aide Locator** at **www.aarp.org/money/taxes/aarp_taxaide/locations.html** or call 1-888-227-7669 for this information.

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 **www.taxpayeradvocate.irs.gov**, and in your local directory. You can also call 1-877-777-4778.

See Publication 1546, The Taxpayer Advocate Service Is Your Voice at the IRS, for details on what TAS provides.

Refund Information

Taxpayers should be directed to **Where's My Refund?** (www.irs.gov/refunds) for specific information about their refund. Taxpayers can view refund information for the current year and two prior years. For amended returns, taxpayers can check **Where's My Amended Return?** (www.irs.gov/1040xstatus).

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

 *Miscellaneous Forms>Form 8379*

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. Refer to Tab M, Other Returns, and see Publication 4491 and Form 8379 Instructions for additional details.

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.

Missing Refund

When a taxpayer has verified that they did not receive a refund, even though IRS records or a letter specifies otherwise, they can initiate a trace by calling 800-919-9835 or filing Form 3911, Taxpayer Statement Regarding Refund. The taxpayer should mail Form 3911 to their usual IRS Service Center or send it via FAX. See list of FAX numbers at **www.taxpayeradvocate.irs.gov**.

Where Do You File?

Mail your return to the address shown below that applies to you.

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.

Make the check or money order payable to "United States Treasury." Taxpayers should write "2024 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 enclose it with Form 1040-V. Do not staple or attach to Form 1040-V.

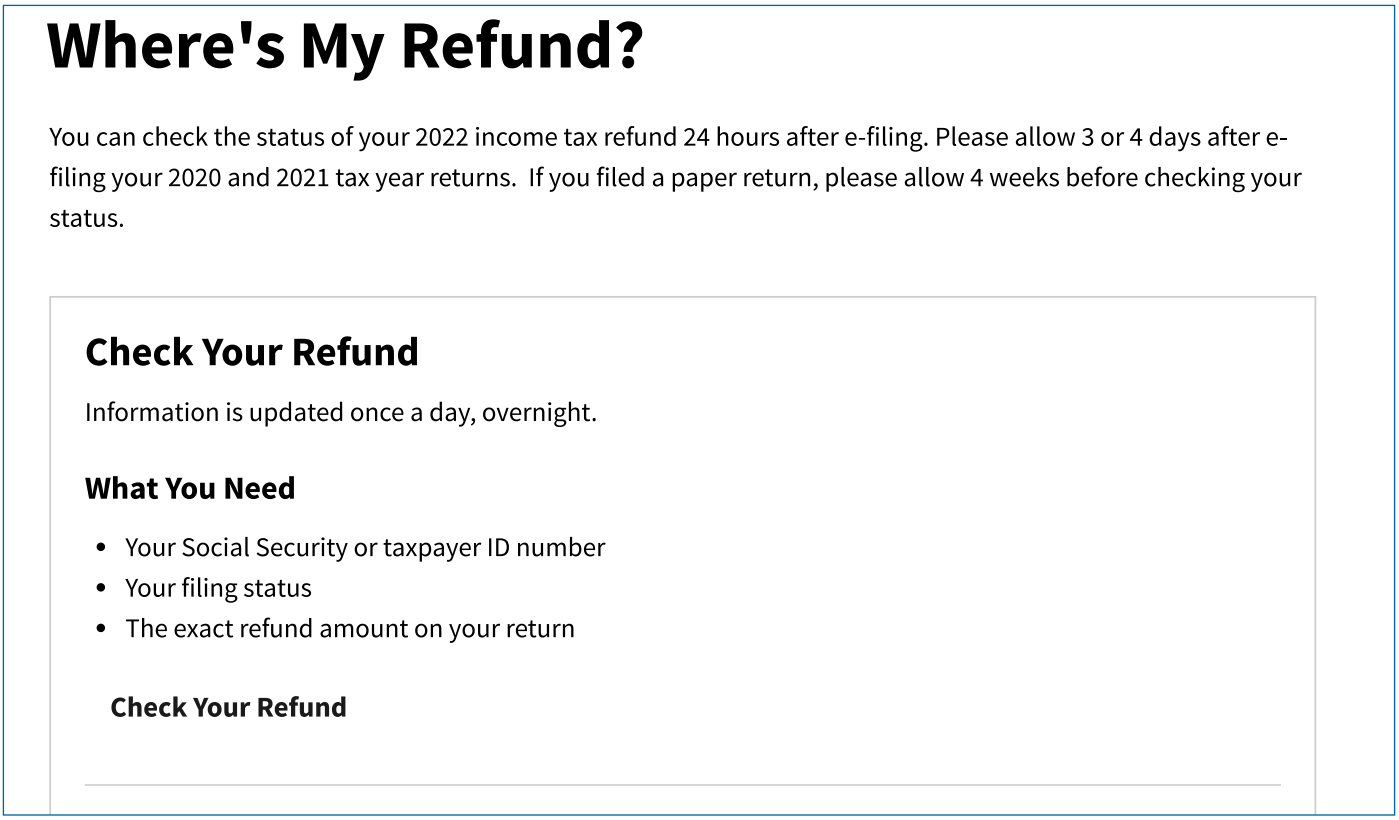
IF you live in...	And you ARE NOT enclosing a payment use this address …	and you ARE enclosing a payment use this address...
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New York, Rhode Island, Vermont, Virginia, West 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
Pennsylvania	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P. O. Box 802501 Cincinnati, OH 45280-2501
Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service P.O. Box 1214 Charlotte, NC 28201-1214
Arkansas, Oklahoma	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service PO Box 931000 Louisville, KY 40293-1000
Arizona, New Mexico	Department of Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service P. O. Box 802501 Cincinnati, OH 45280-2501
Alaska, California, Colorado, Hawaii, Idaho, Kansas, Michigan, Montana, Nebraska, Nevada, Ohio, Oregon, North Dakota, South Dakota, Utah, Washington, 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.		

*Mailing addresses for amended returns can be found in the instructions for Form 1040-X. Mailing address for other forms can be found at **IRS.gov/wheretofile**.*

Where's My Refund

Taxpayers can access information about their refunds for the current and two prior tax years at **Where's My Refund (www.irs.gov/refunds)**.

Taxpayers should view their Online Account to see payment history, prior year adjusted gross income (AGI), or other tax records.



Where's My Refund?

You can check the status of your 2022 income tax refund 24 hours after e-filing. Please allow 3 or 4 days after e-filing your 2020 and 2021 tax year returns. If you filed a paper return, please allow 4 weeks before checking your status.

Check Your Refund

Information is updated once a day, overnight.

What You Need

- Your Social Security or taxpayer ID number
- Your filing status
- The exact refund amount on your return

Check Your Refund

Interactive Tax Assistant (ITA)

The **ITA tool (www.irs.gov/ita)** 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.

- 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, go to **Tax Topics** at **www.irs.gov/taxtopics**.

Tax Information for Individuals

IRS.gov/individuals has links for topics such as:

- View your Tax Account
- Get Your Transcript
- Options for paying your taxes
- Understanding your IRS notice or letter

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[1] using TaxSlayer® Pro Desktop.
- Offer Facilitated Self Assisted[2] (FSA) services, if available. Options include TaxSlayer FSA and VITA Free File.

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, Confidentiality, and Civil Rights – 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, VITA/TCE Intake/Interview and Quality Review Training.
- The volunteer will need to make notes on the Form 13614-C, Intake/Interview and 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.

[1]This option should be established during the Pre-Planning Phase of site operations. Refer to Contingency Plan Option, later in this tab.

[2]This option should be established during the Pre-Planning Phase of site operations. Refer to Publications 5683, VITA/TCE Handbook for Partners and Site Coordinators, for more detailed information.

- 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.

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.

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 virtual VITA/TCE process located in Publication 5450, VITA/TCE Site Operations.

100% Virtual Process

See Publication 5450, VITA/TCE Site Operations, 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.



For a complete listing of contingency options, refer to IRS Publication 5683, VITA/TCE Handbook for Partners and Site Coordinators.

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.



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.



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:

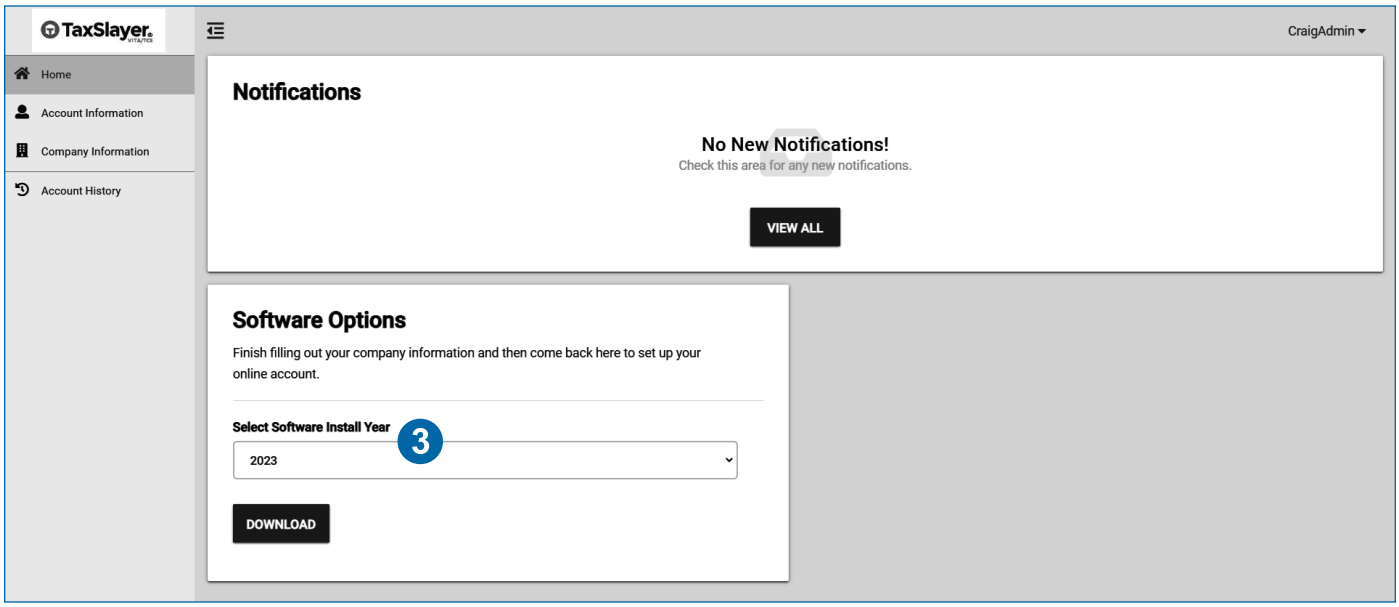
Access Springboard

The URL is **https://vita.taxslayerpro.com/**

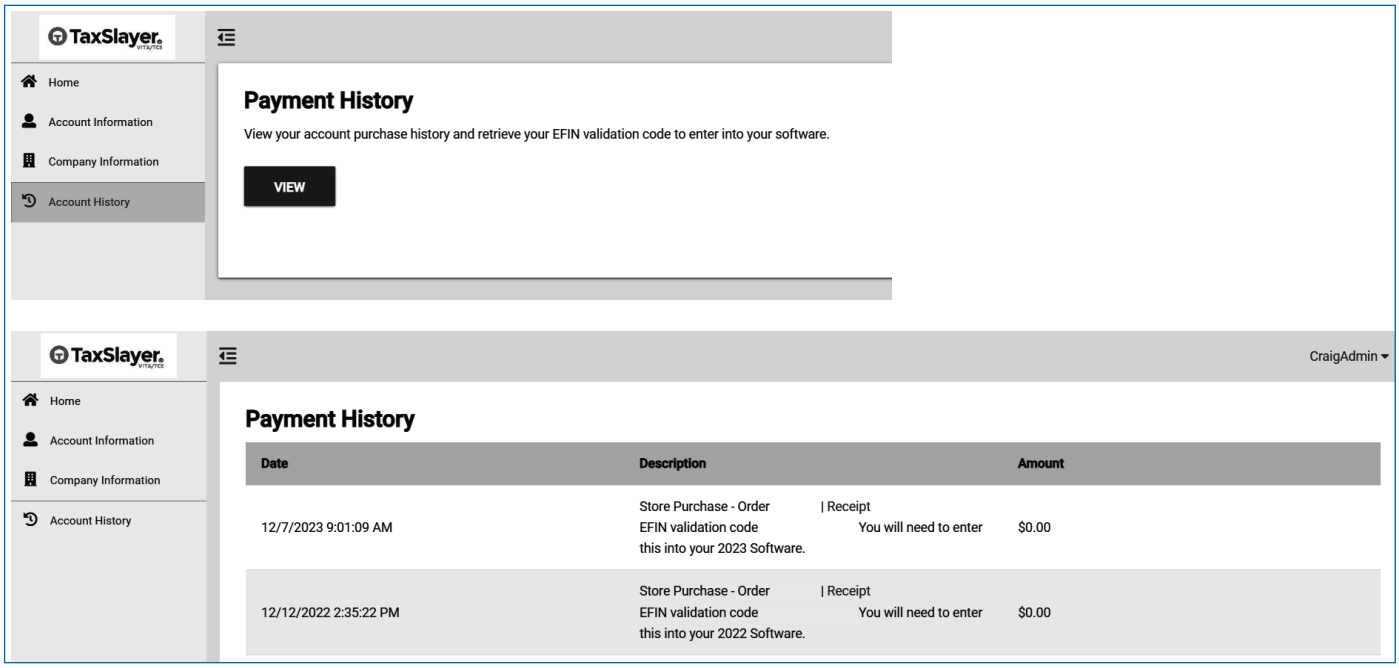


1. Click **My Account Login** in the top right corner to login with username and password created from the link provided by TaxSlayer when your order was originally placed.
2. From the Springboard, download the ProOnline User Guide for detailed contingency procedures

Contingency Plan Option (continued)



3. To download the TaxSlayer Pro program from the internet, complete the following steps:
   - Look for Software Options to the left of the screen
   - Select the dropdown to install **20XX TaxSlayer Pro Software**
   - Select **Run**
   - Follow the on screen prompts to download and install the TaxSlayer Pro software



*Select **Account History>View** to access your EFIN/Office validation code that is required to be entered into the software during setup.*

*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. The rejected reason code will show on the Summary/Print page while in a return.



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.



Refer to the TaxSlayer Validation Errors report to identify federal or state returns not accepted.



See also the TaxSlayer Reject Resource Guide. In TaxSlayer's side menu choose ***VITA/TCE Publications and User Guides****. Then click on* ***ATTACHMENTS*** *near the top-left, scroll down and click on* ***IRS Reject Resource Guide****. Also see* ***TaxSlayer's Reject Code Knowledgebase****.*

Top Reject Codes



The 3 digit reject codes in the table below are the middle or trailing digits of the full reject code; e.g., reject code R0000-500-01 is listed as 500 below and F8962-070 is listed as 070 below.

Top Reject Codes	Suggested Solutions
065 At least one of the following must have a nonzero value: Total Income, AGI, Tax, Total Credits, Total Tax, or Total Payments.	A $0 AGI return cannot be e-filed.
070 Missing Form 8962 or "ACA Explanation"	Verify if the taxpayer, spouse, or dependents had Marketplace coverage at any time during the tax year. Go to the Health Insurance section and re-answer the questions presented. If no tax family member had coverage, click the appropriate option and the return can be e-filed a second time.
164, 600 Taxpayer must file Form 8862 to claim EITC after disallowance.	Complete Form 8862, Information To Claim Certain Credits After Disallowance. See Disallowance of Certain Credits in Tab I, Earned Income Credit.
181 A valid IP PIN was not entered for the primary taxpayer and the IRS is expecting one.	See IPPIN Guidance for Identity Theft Victims in Tab P, Partner Resources, for information about retrieving a PIN, entering it into TaxSlayer, or paper filing as an alternative. PIN must be entered before retransmitting the return.
194, 452, 510, 513, 515, 902 or 932 Duplicate SSN for the taxpayer or spouse in IRS database. A tax return has been filed previously for the SSN.	Verify SSN. If correct, the return will need to be mailed. Work with the taxpayer to determine if ID Theft could be the cause, and see IPPIN Guidance for Identity Theft Victims in Tab P, Partner Resources.
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 1099-R. 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.

Top Reject Codes (continued)

Top Reject Codes	Suggested Solutions
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 primary taxpayer can obtain an IP PIN and e-file again with the IP PIN entered on the return. The IRS will accept the return assuming there are no other issues with it. Taxpayers also have the option to paper file returns with duplicate claims for dependents. Explain that this could be inadvertent error on another 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 primary taxpayer can obtain an IP PIN and e-file again with the IP PIN entered on the return. The IRS will accept the return assuming there are no other issues with it. Taxpayers also have the option to paper file returns with duplicate claims for dependents. Explain that this could be inadvertent error on another return OR it is possible someone else may have knowingly claimed this dependent.
516 SSN is listed on another return as a dependent. Verify SSN.	If correct, the primary taxpayer can obtain an IP PIN and e-file again with the IP PIN entered on the return. The IRS will accept the return assuming there are no other issues with it. Taxpayers also have the option to paper file the return. Explain that this could be inadvertent error on another return OR it is possible someone else may have knowingly claimed the taxpayer as a dependent.
517 Dependent's SSN was listed as the taxpayer's/spouse's SSN on another return without the box checked that someone can claim that taxpayer/spouse as a dependent.	Verify SSN of the dependent. This rejection is common on the returns of parents who are still claiming a young adult who also files their own tax return. If this dependent can be claimed by the taxpayer, the primary taxpayer can obtain an IP PIN and e-file again with the IP PIN entered on the return. The IRS will accept the return assuming there are no other issues with it. Taxpayers also have the option to paper file the return (and the dependent will need to file an amended return indicating they can be claimed as someone's 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.
901, 941 The Taxpayer's or Spouse's SSN has been locked because the Social Security Administration records indicate the number belongs to a deceased individual.	Verify SSN. If correct, but the individual is not deceased, then have the taxpayer contact the SSA to correct their records (wait at least 2 weeks after SSA is contacted before reattempting to e-file, otherwise return must be mailed). If the individual is deceased, then the return will need to be mailed.

Notes:

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 basis plus applicable increases or decreases to basis; e.g., capital improvements, assessments, etc. See Publication 551, Basis of Assets, for details.

Adjusted Gross Income (AGI) – Gross income minus adjustments to income. AGI will never be more than gross total income on the return and in some cases may be lower.

Adjustments to Income – Specified adjustments such as educator expenses, deductible contributions to a health savings account, penalty on early withdrawal of savings, contributions to a traditional IRA, student loan interest, etc. Adjustments 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 price of a capital asset plus costs of purchase, such as certain commissions and fees. See Publication 551, Basis of Assets, for details. Also see Adjusted Basis.

Blind – A taxpayer is considered blind if either totally blind as of December 31 of the tax year or they have a statement certified by their eye doctor (ophthalmologist or optometrist) that:

- They cannot see better than 20/200 in their better eye with glasses or contact lenses, or
- Their field of vision is 20 degrees or less.

The taxpayer must keep the statement in their records in case the IRS asks for it, but does not need to show it to the volunteer.

Capital Gain or Loss – The difference between the basis of a capital asset and the amount received when it has been sold.

Carryback – the portion of an income tax deduction (as for a net operating loss) or credit which cannot be taken entirely in a given period and which may be deducted from taxable income of a prior period.

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.

Deduction – An amount subtracted from adjusted gross income before the tax is computed. See also Itemized Deductions and Standard Deduction.

Dependent – Either a qualifying child or a qualifying relative (not necessarily a biological relative) of the taxpayer using the rules found in Tab C.

Digital Asset – Any digital representation of value recorded on a cryptographically secured, distributed ledger (blockchain) or similar technology. For examples, digital assets include convertible virtual currencies and cryptocurrencies such as Bitcoin, stablecoins, and non fungible tokens (NFTs).

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 Credit – A credit based on qualified education expenses paid during the tax year. Includes the sometimes partially refundable American opportunity tax credit (AOTC) and the nonrefundable lifetime learning credit.

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 judgment, 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, up to an annual limit, 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, eligible state and local taxes, 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 time. It does not have to be a traditional house. A single-family home, a condominium, a cooperative apartment, a mobile home, and a houseboat each may be a main home.
If a taxpayer owns and lives in just one home, then that property is their main home. Taxpayers with more than one home cannot choose which home to designate as their main home. Taxpayers who own or live in more than one home, must apply a "facts and circumstances" test to determine which property is their main home. See Publication 523, Sale of Home for details.

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.

Modified Adjusted Gross Income (MAGI) – Adjusted gross income plus or minus specified items. Definition varies depending on tax benefit.

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 Credit – 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 – Taxes such as self-employment tax and taxes on IRAs and other qualified retirement plans, that are added to the income tax to establish the total tax.

Payments – Includes federal withholding, estimated tax payments, refundable credits, and amount applied from a prior year overpayment, that are subtracted from the total tax, along with applicable credits, to establish the amount overpaid or amount owed.

Practitioner PIN Method – An electronic signature option for taxpayers who use an Electronic Return Originator to e-file.

Refundable Credit – Allows a taxpayer to get a refund even if they don't owe any tax. Examples include the earned income tax credit (EITC), additional child tax credit (partially refundable), American opportunity tax credit (partially refundable), and premium tax credit

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.

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, a person must be 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.

Supplemental Security Income (SSI) – Monthly benefits to people with limited income and resources who are permanently and totally disabled, blind, or age 65 or older. Amount does not necessarily remain constant all year. It is possible to get SSI alone or in conjunction with Social Security benefits.

Taxable Income – Adjusted Gross Income minus standard or itemized deductions and qualified business income (QBI) deduction.

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.

Common Acronyms:

ACTC – Additional Child Tax Credit

AGI – Adjusted Gross Income

ATIN – Adoption Taxpayer ID Number

AOC/AOTC – American Opportunity Tax Credit

CDC – Child and Dependent Care Credit

COD – Cancellation of Debt

EFIN – Electronic Filing Identification Number

EIC/EITC – Earned Income Tax Credit

EIN – Employer Identification Number

ERO – Electronic Return Originator

HDHP – High-Deductible Health Plan

HOH – Head of Household

HSA – Health Savings Account

IRA – Individual Retirement Arrangement/Account

ITIN – Individual Taxpayer Identification Number

LTC/LTI – Long-Term Care/LTC Insurance

MAGI – Modified Adjusted Gross Income

MFS/MFJ – Married Filing Separately/Jointly

NFT – Non-fungible Token

POA – Power of Attorney

QBI – Qualified Business Income

QSS – Qualifying Surviving Spouse (with child)

SEHI – Self-Employed Health Insurance

SIDN – Site Identification Number

SSI – Supplemental Security Income

SSDI – Social Security Disability Insurance

SSN – Social Security Number

TAS – Taxpayer Advocate Service

TCE – Tax Counseling for the Elderly

TIN – Taxpayer Identification Number

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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 such as currently not collectible status or an 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 stolen due to identity theft, and appealing IRS decisions. Individual taxpayers include self-employed taxpayers or those with individual tax debt even if it is related to operation of a business. LITCs may also help taxpayers who have both a federal tax dispute and related state and local tax disputes. In addition, LITCs provide education, outreach, and information on taxpayer rights and responsibilities in different languages for individuals who speak English as a second language.

Where is the nearest LITC?

For more information or to find an LITC near your taxpayer, visit **www.taxpayeradvocate.irs.gov/litc** and use the "Find your local clinic" search tool at the bottom of the page. The location listed may be the main office, as many clinics have additional locations. Call your clinic to find more information. You can access the latest version of Publication 4134, Low Income Tax Clinic List, at **www.irs.gov/pub/irs-pdf/p4134.pdf**. You can also call 800-TAX-FORM (800-829-3676) to request this publication.

Note: Your site can order printed copies of Publication 4134 and you can contact your local LITCs to request copies of their brochures or business cards. All LITCs provide education about taxpayer rights and responsibilities. LITCs funded under a pilot program educate individuals who speak English as a second language about their taxpayer rights and responsibilities and may not offer representation assistance. IRS Publication 4134 and the LITC locator tool note these clinics.

Taxpayer Advocate Service Is Here to Help You

The Taxpayer Advocate Service (TAS) is an ***independent*** organization within the Internal Revenue Service (IRS), led by the National Taxpayer Advocate, that helps taxpayers and protects taxpayer rights. TAS offers free help to taxpayers when a tax problem is causing a financial difficulty, when they've tried and been unable to resolve their issue with the IRS, or when they believe an IRS system, process, or procedure just isn't working as it should. TAS strives to ensure that every taxpayer is treated fairly and knows and understands their rights under the Taxpayer Bill of Rights.

TAS has offices in every state, the District of Columbia, and Puerto Rico. To find your local advocate's number:

- Visit **www.TaxpayerAdvocate.irs.gov/contact-us**;
- Check your local directory; or
- Call TAS toll-free at 877-777-4778.

The Taxpayer Advocate Service's website, **www.TaxpayerAdvocate.irs.gov**, is a resource for all taxpayers. It covers a variety of tax-related concepts and problems, breaking each down to describe what taxpayers should know, what they should do, and where they can get more help if needed. Taxpayers can also learn about their taxpayer rights.

If a taxpayer comes into a VITA/TCE site with a tax problem they have been unsuccessful in resolving with the IRS, is facing a financial difficulty due to an IRS problem, or believes an IRS system, process, or procedure is not functioning as it should, TAS may be able to help.

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 (en-sp), Your Civil Rights are Protected Poster for IRS Assisted Programs (VITA/TCE/LITC) (English & Spanish Version), 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: **civil.rights.division@irs.gov**

Do not send tax returns, payments or other non-civil rights information to this address.

Information for Volunteers

TaxSlayer	
TaxSlayer Volunteer Support Need site SIDN when you call	1-800-421-6346 (Do not give to the public)
TaxSlayer via E-Mail	**support@vita.taxslayerpro.com**
TaxSlayer Chat	From inside a return, select Help and Support, then choose Chat

Prior Year Return Access	
See Prior Year Returns in Tab M for details	**vita.taxslayerpro.com**

Internal Revenue Service	
VITA/TCE Hotline for tax law questions (volunteer use only)	1-800-829-8482 (800-TAX-VITA) **Monday – Friday 7:00 AM – 7:00 PM** **January 20, 2025 – April 18, 2025** 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	**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 (Bureau of the Fiscal Service)	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
Also see Tab P, Partner Resources	