



4012

VITA/TCE Volunteer Resource Guide

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

2017 RETURNS



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



How to Get Technical Updates?

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

Volunteer Standards of Conduct

VITA/TCE Programs

The mission of the VITA/TCE return preparation programs 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.

All VITA/TCE volunteers (whether paid or unpaid workers) must complete the *Volunteer Standards of Conduct (VSC)* certification and agree to adhere to the VSC by signing Form 13615, *Volunteer Standards of Conduct Agreement*, prior to working at a VITA/TCE site. In addition, return preparers, quality reviewers, and VITA/TCE tax law instructors must certify in tax law prior to signing this form. This form is not valid until the site coordinator, sponsoring partner, instructor, or IRS contact confirms the volunteer's identity and signs and dates the form.

As a volunteer in the VITA/TCE Programs, you must:

1. Follow the Quality Site Requirements (QSR).
2. Not accept payment, solicit donations, or accept refund payments for federal or state tax return preparation.
3. Not solicit business from taxpayers you assist or use the knowledge you gained (their information) about them for any direct or indirect personal benefit for you or any other specific individual.
4. Not knowingly prepare false returns.
5. Not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE Programs.
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 EFIN (electronic filing ID number);
- Removal of all IRS products, supplies, loaned equipment, and taxpayer information from your site;
- Termination of your sponsoring organization's partnership with the IRS;
- Termination of grant funds from the IRS to your sponsoring partner; and
- Referral of your conduct for potential TIGTA and criminal investigations.

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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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DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

WAGE AND INVESTMENT DIVISION

October 2, 2017

Greetings Volunteers,

New and returning volunteers, welcome to the 2018 Filing Season! Allow me to express my sincere appreciation to everyone serving as a volunteer for the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs. We understand your time is valuable and we appreciate you spending it with us to help the American taxpayer.

We overcame many challenges this past filing season and without your dedication and perseverance we would not have been able to offer exceptional free tax return preparation service to millions of taxpayers.

The success of the 2017 Filing Season was due to your support of the VITA and TCE programs. Your efforts helped us to achieve these accomplishments:

- Prepared more than 3.5 million federal tax returns
- Achieved an e-file rate of 97%
- Achieved an accuracy rate of 92%

This year we will continue our training on the TaxSlayer software to ensure that all volunteers have the opportunity to practice on the software prior to the opening of the sites. I welcome your suggestions for improving your experience as well as that of the taxpayers you serve. Please email your feedback to specdirect@irs.gov.

Again, thank you for your support. I look forward to another successful filing season.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Nolden".

Frank Nolden
Director, Stakeholder Partnerships,
Education and Communication

How to Use This Guide

This publication is designed to assist you in preparing an accurate paper or software-prepared return using TaxSlayer®.*

The decision trees and interview tips are from your training materials and Publication 17, Your Federal Income Tax Guide (For Individuals). Use these tools during the dialogue with the taxpayer—“ask the right questions; get the right answers.”

Note: *Publication 17 can be linked and researched electronically via WWW.IRS.gov.*

Also available via **WWW.IRS.gov** is the Interactive Tax Assistant (ITA), which is an excellent tool to guide you through answers to tax law questions.

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Note:

1. TaxSlayer® screen shots in this guide may not be updated for current tax law. Generally, the screens depicted mirror the last year's version. However, there are some instances where there are embedded references to earlier tax years.
2. Not all forms are authorized for all volunteer programs. Forms intended specifically for the Military VITA Program will be annotated as such. Volunteers should only provide tax assistance based on their level of certification—basic, advanced, military, international, or Health Savings Accounts.

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

Note: Volunteers are reminded to use this publication as a guide. The software may change after this publication goes to print. As a result, the screen images contained in this publication may vary in appearance, order, or functionality from the final version of the software you will use at the site. Some changes will be minor and self-explanatory. If additional information is needed, check TaxSlayer's VITA/TCE Blog at <https://vitablog.taxslayerpro.com/>.

FACT SHEET for SPEC Partners & Employees

Quality & Oversight Updates for 2018 Filing Season



August 2017

Key Messages

- Publications 4299, 1084, and 5166 will clarify the requirements for verifying taxpayer photo identification and taxpayer identification numbers.
- Information on *Free Financial Coaching Services for Veterans* will be added to Publications 1084 and 4396-A.
- The title of the Circular 230 Test has changed to *Federal Tax Law Update Test for Circular 230 Professionals*.
- Partners using online versions of tax preparation software can return IRS-loaned computers to the Depot without disk-wiping the computers.
- FS 2018 CE Credit information will be generated in L&L Taxes. Volunteers will be able to print their own certificates upon CE Credit approval.

This fact sheet provides updates to prepare employees, partners, site coordinators and volunteers for the upcoming filing season. This document is to be shared with all partners and coordinators.

Background: Stakeholder Partnerships, Education & Communication (SPEC) continues to encourage consistent site operations and effective communications to improve quality and oversight in the Volunteer Income Tax Assistance and Tax Counseling for the Elderly (VITA/TCE) Programs. The following updates are effective for the 2018 Filing Season.

Key Changes and Updates:

Update: Will clarify the requirements for verification of taxpayer photo identification and taxpayer identification numbers in Publication 4299, *Privacy, Confidentiality, and Civil Rights – A Public Trust*; Publication 1084, *VITA/TCE Volunteer Site Coordinator Handbook*; and Publication 5166, *VITA/TCE Volunteer Quality Site Requirements*.

Why: To provide a clear and consistent message to VITA/TCE volunteers regarding key SPEC policy requirements.

Update: Publications 1084, *VITA/TCE Volunteer Site Coordinator Handbook* and 4396-A, *Partner Resource Guide*, provide more information on making VITA/TCE sites accessible for people with disabilities. In addition these publications provide information on how veterans can receive free financial coaching services.

Why: To provide clearer guidance on how to make sites accessible for people with disabilities and to encourage partners to promote free financial counseling for veterans.

Change: *Federal Tax Law Update Test for Circular 230 Professionals* is the new name for the Circular 230 test.

Why: This decision was based on a recommendation from the Return Preparer Office (RPO). The change also reflects the information actually being tested.

Change: VITA/TCE volunteers using the online versions of tax preparation software are no longer required to follow disk-wiping procedures before returning IRS laptops to the Depot. However, desktop users must continue using the disk-wiping procedures.

Why: Because online tax preparation software does not retain data on computer hard drives, disk-wiping procedures are not necessary. This requirement reduces the burden for SPEC Partners.

New: Beginning in Filing Season 2018, CE Credit information will be generated through Link & Learn (L&L) Taxes when volunteers complete the certification fields in "My Account Information." Volunteers will be able to print certificates after CE Credits are approved.

Why: This enhancement to L&L Taxes automates the CE Credit process and provides a central location for collecting the required data and ensuring all volunteers have met the requirements to earn CE Credits.

Fact Sheet – Quality and Oversight Updates for 2018 Filing Season

Update: The TaxSlayer National Custom Questions Page includes a question used to provide the number of returns prepared using one or more virtual methods at VITA/TCE sites. To ensure an accurate count, volunteers should ask the site coordinator if uncertain how to answer this question.

Why: *As part of the filing season debrief, SPEC canvassed partners and employees regarding this question and determined the question was unclear and suggestions were received on how to better word this question for Filing Season 2018.*

New: The Certified Acceptance Agent (CAA) Forensic Training is now a recorded training. The training can be viewed at: <https://www.webcaster4.com/Webcast/Page/1104/21105>. The volunteer will still be required to participate in a Question & Answer conference call.

Why: *The open season to become a CAA is now year-round. This change allows volunteers to take the Forensic Training when it is most convenient to them.*

New: The Civil Rights Unit has made a change to their name in their address. The address is now:
Internal Revenue Service
Civil Rights Unit
1111 Constitution Avenue, NW, Room 2413
Washington, DC 20224
(Email complaints) edi.civil.rights.division@irs.gov

Why: *The name used in the address will now match the current name for the operating unit.*

Reminders:

Reminder: All SPEC Employees are asked to promote ITIN Program changes by sharing ITIN outreach material with SPEC Partners.

Why: *To assist ITIN holders with the renewal of expiring ITIN and provide guidance, including where taxpayers can go to get assistance, if needed.*

Reminder: The SPEC Director must approve all policy changes that alter the current Quality Site Requirements (QSR), software agreements, e-file requirement and security policies.

Why: *To keep quality standards, security requirements or other license agreements from being in jeopardy.*

SPEC Employees Only:

New: 2018 Filing Season Readiness Training will focus on refresher training on specific tax law topics and will include entry into TaxSlayer software and how to determine accuracy during quality reviews. This recommendation is based on feedback provided by SPEC employees.

Why: *To equip SPEC employees with the tools needed to review returns, write training materials, conduct employee performance reviews and/or educate partners.*

New: TaxSlayer mini-training sessions will be held in August and September. The training will include TaxSlayer practice sessions and a knowledge check.

Why: *SPEC employees will become more familiar with using TaxSlayer and eliminate training gaps.*

Scope of Service

Volunteers are trained to assist in the filing of Form 1040 and certain schedules and forms. To be covered under the Volunteer Protection Act, volunteers must stay within the scope of the VITA/TCE programs and prepare returns for which they achieved certification. This chart covers limitations or expansion of scope of service for each certification level. The check mark indicates within scope for that level of certification. The light gray areas indicate tax law topics not covered under that certification level. Form 1040 line items omitted from this chart are out of scope. Within each line item, there are specific elements that are out of scope for the VITA/TCE programs as indicated in the training. This list is not all-inclusive.

VITA/TCE Hot Line Assistor's column has been added below. For more information see Publication 5220, VITA/TCE Volunteer Site Scope & Referral Chart.

Form 1040 Line #	Description	Information Reporting Document	Basic	Advanced	Can Hotline Assistors Address these Tax Law Topics with VITA/TCE Volunteer?*
Filing Status			See Note 1	See Note 1	
1	Single		✓	✓	Yes
2	Married filing jointly		✓	✓	Yes
3	Married filing separately		✓	✓	Yes
4	Head of household		✓	✓	Yes
5	Qualifying widow(er)		✓	✓	Yes
Exemptions					
6a - d	Exemptions		✓	✓	Yes
Income			See Note 2	See Note 2	
7	Wages, salaries, tips, etc.	W-2	✓	✓	Yes
8a - b	Taxable interest, tax-exempt interest	1099-INT	✓	✓	Yes
9a - b	Ordinary dividends, qualified dividends	1099-DIV	✓	✓	Yes
10	Taxable refunds, etc.	1099-G	✓	✓	Yes
11	Alimony received		✓	✓	Yes
12	Business income or (loss)	1099-MISC, Box 7		✓ See Note 3	No
13	Capital gain or (loss)	1099-B		✓ See Note 4	No
15a - b	IRA distributions, taxable amount	1099-R	✓ See Note 5	✓	Yes
16a - b	Pensions and annuities, taxable amount	1099-R, RRB 1099-R	✓ See Note 5	✓ See Note 5A	Yes
17	Rental real estate (Military certification only) **	1099-MISC, Box 1			No
17	Royalties	1099-MISC, Box 2 & Sch K-1		✓ See Note 6	No
19	Unemployment compensation	1099-G	✓	✓	Yes
20a - b	Social Security benefits, taxable amount	SSA-1099, RRB-1099	✓	✓	Yes
21	Other income - varies	1099-MISC, Box 3	✓ See Note 7	✓ See Note 7	Yes (COD is No)

Note 1 • Limitation: Foreign Student certification only for taxpayers with F, J, M & Q visas

Note 2 • Limitation: Military certification only – Combat Zone, Incentive Pay, Re-Enlistment, Education Repayment, Recruitment Bonus

• Limitation: Advanced certification only- Unreported Tips

• Limitation: International certification only – Foreign Pay

Note 3 • Limitation: Schedule C – Follow the Schedule C-EZ guidelines, except up to \$25,000 of expenses are allowed and more than one Schedule C can be prepared if the taxpayers have more than one business

Note 4 • Limitation: Wash sales shown on Form 1099-B or brokerage statements only

Note 5 • Limitation: If taxable amount has been determined

Note 5A • Limitation: When taxable amount cannot be determined

Note 6 • Limitation: Only royalty income on Form 1099-MISC, Box 2 and Sch K-1

* If the VITA/TCE Hotline is unable to answer questions related to the tax law topic and you have performed your due diligence in seeking the answer, do not prepare the return. Please refer the taxpayer to a professional return preparer.

** Rental income and expenses are in-scope only for Military families renting their personal residence.

Scope of Service (continued)

Form 1040 Line #	Description	Information Reporting Document	Basic	Advanced	Can Hotline Assistors Address these Tax Law Topics with VITA/TCE Volunteer?*
Adjusted Gross Income					
23	Educator expenses		✓	✓	Yes
24	Certain business expenses of reservists (Military certification only)				No
25	Health Savings Account deduction (HSA certification only)	5498-SA, 1099-SA, W-2 (Box 12, Code W)	✓ See Note 7	✓ See Note 7	No
26	Moving expenses (Military certification only)				Yes (Job related only)
27	Deductible part of self-employment tax			✓	Yes
30	Penalty on early withdrawal of savings	1099-INT	✓	✓	Yes
31a - b	Alimony paid, recipient's SSN		✓	✓	Yes
32	IRA deduction			✓	Yes
33	Student loan interest deduction	1098-E	✓	✓	Yes
34	Reserved		✓	✓	Yes
Tax and Credits					
39a	Check if: blind/born <1/2/1953 Total boxes checked		✓	✓	Yes
39b	If your spouse itemizes on a separate return		✓	✓	Yes
40	Standard deduction		✓	✓	Yes
40	Itemized deductions		✓	✓	Yes
42-44	Exemptions, Taxable income, Tax		✓	✓	Yes
46	Excess APTC repayment	1095-A		✓	Yes
48	Foreign tax credit	1099-INT or 1099-DIV	✓ See Note 8	✓ See Note 8	No
49	Credit for child and dependent care expenses	W-2 and/or Provider Statement	✓	✓	Yes
50	Education credits	1098-T	✓	✓	Yes
51	Retirement savings contributions credit	W-2, Box 12	✓	✓	Yes
52	Child tax credit		✓	✓	Yes
53	Residential energy credit			✓	No
54	Credit for the elderly or the disabled		✓	✓	Yes
Other Taxes					
57	Self-employment tax			✓	Yes
58	Unreported social security and Medicare tax from Form 4137 only			✓	No
59	Additional tax on IRAs, other qualified retirement plans, etc.	1099-R	✓ See Note 10	✓ See Note 10	Yes
60b	First time homebuyer credit repayment			✓	Yes
61	Health care: individual responsibility		✓	✓	Yes

- Note 7
- Limitation: HSA certification only (requires Basic certification or higher) – HSA Distributions /Contributions
 - Limitation: COD for credit cards and home foreclosures (requires Advanced certification)
 - Limitation: International certification only – Foreign earned income exclusion
- Note 8
- Limitation: International certification only if Form 1116 needed
- Note 9
- Limitation: Nonbusiness energy property credit is in scope (page 2 of Form 5695)
- Note 10
- Basic certification: automatic calculation only
 - Advanced certification or higher: to remove addition to tax

* If the VITA/TCE Hotline is unable to answer questions related to the tax law topic and you have performed your due diligence in seeking the answer, do not prepare the return. Please refer the taxpayer to a professional return preparer.

Scope of Service (continued)

Form 1040 Line #	Description	Information Reporting Document	Basic	Advanced	Can Hotline Assistors Address these Tax Law Topics with VITA/TCE Volunteer?*
Payments					
64	Federal income tax withheld from	W-2 and 1099	✓	✓	No
65	2017 estimated tax payments and amount applied from 2016		✓	✓	Yes
66a	Earned income credit (EIC)		✓	✓	Yes
66b	Nontaxable combat pay election (Military certification only)	W-2, Box 12, Code Q			No
67	Additional child tax credit		✓	✓	Yes
68	American opportunity credit	1098-T	✓	✓	Yes
69	Net premium tax credit	1095-A		✓	Yes
70	Amount paid with request for extension		✓	✓	No
71	Excess social security and tier 1 RRTA	SSA-1099, RRB-1099	✓	✓	Yes
Refund					
75	Amount overpaid		✓	✓	No
76a-d	Bank account information		✓	✓	No
77	Amount you want applied to 2018 estimated tax		✓	✓	No
Amount You Owe					
78	Amount you owe		✓	✓	No
	Third Party Designee		✓	✓	No
	Identity Protection PIN section		✓	✓	No

* If the VITA/TCE Hotline is unable to answer questions related to the tax law topic and you have performed your due diligence in seeking the answer, do not prepare the return. Please refer the taxpayer to a professional return preparer.

VITA/TCE Quality Site Requirements

All taxpayers using the services offered through the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) Programs should be confident they are receiving accurate tax return preparation and quality service. The purpose of the ten **Quality Site Requirements (QSR)** is to ensure quality and accurate tax return preparation and consistent site operations. The QSR are required to be communicated to all volunteers and partners to ensure IRS and partner mutual objectives are met. The 10 requirements are listed below.

1. Certification
2. Intake/Interview & Quality Review Process
3. Photo ID and Taxpayer ID Numbers
4. Reference Materials
5. Volunteer Agreement
6. Timely Filing
7. Civil Rights
8. Site Identification Number (SIDN)
9. Electronic Filing Identification Number (EFIN)
10. Security

For additional information refer to Publication 5166, VITA/TCE Quality Site Requirements www.irs.gov/pub/irs-pdf/p5166.pdf or Publication 1084, Site Coordinator Handbook <https://www.irs.gov/pub/irs-pdf/p1084.pdf>

Notes

[illegible]

Tab: What's New

Important Changes for 2017



Due Date of Return

The due date for filing a 2017 return is Tuesday, April 17, 2018. This is because April 15, 2018 is a Sunday and Emancipation Day, a legal holiday in the District of Columbia, is observed on Monday, April 16, 2018.

Standard Deduction Increases

The standard deduction for taxpayers who do not itemize deductions on Schedule A (Form 1040) has increased. The standard deduction amounts for 2017 are:

- \$12,700 – Married Filing Jointly or Qualifying Widow(er) (increase of \$100)
- \$9,350 – Head of Household (increase of \$50)
- \$6,350 – Single or Married Filing Separately (increase of \$50)

Taxpayers who are 65 and Older or are Blind

For 2017, the additional standard deduction for taxpayers who are 65 and older or blind is:

- \$1,550 – Single or Head of Household (no change)
- \$1,250 for married taxpayers or Qualifying Widow(er) (no change)

Personal Exemption Amount

The amount a taxpayer can deduct for each exemption is \$4,050 for 2017 (no change).

Retirement Savings Contribution Credit Income Limits Increased

To claim this credit, the taxpayer's modified adjusted gross income (MAGI) must not be more than \$31,000 for Single, Married Filing Separately, or Qualifying Widower (increase of \$250). MAGI must not be more than \$46,500 (increase of \$375) for Head of Household, and \$62,000 (increase of \$500) for Married Filing Jointly.

Earned Income Credit (EIC)

For 2017, the maximum credit increased to:

- \$6,318 with three or more children
- \$5,616 with two children
- \$3,400 with one child
- \$510 with no children

Earned Income Amount Increased

To be eligible for a full or partial credit, the taxpayer must have earned income of at least \$1 but less than:

- \$48,340 (\$53,930 if Married Filing Jointly) with three or more qualifying children
- \$45,007 (\$50,597 if Married Filing Jointly) with two qualifying children
- \$39,617 (\$45,207 if Married Filing Jointly) with one qualifying child
- \$15,010 (\$20,600 if Married Filing Jointly) with no qualifying child

Investment Income

Taxpayers whose investment income is more than \$3,450 cannot claim the EIC.

Important Changes for 2017- continued

Standard Mileage Rate

For 2017, the following rates are in effect:

- 53.5 cents per mile for business miles driven
- 17 cents per mile driven for medical or moving purposes
- 14 cents per mile driven in service of charitable organizations (no change)

Itemized Deductions

Medical - The 7.5% threshold for taxpayers who have attained the age of 65 has expired. All taxpayers are now subject to a 10% AGI threshold.

Education Benefits

American opportunity credit for 2017 is gradually reduced (phased out) if taxpayers' MAGI is between \$80,000 and \$90,000 (\$160,000 and \$180,000 if Married Filing Jointly). Taxpayers cannot claim a credit if their MAGI is \$90,000 or more (\$180,000 or more if Married Filing Jointly). There is no change.

To claim the American opportunity credit, taxpayers must provide the educational institution's employer identification number (EIN) on Form 8863. Taxpayers should be able to obtain this information from Form 1098-T or the educational institution.

Lifetime learning credit for 2017 is gradually reduced (phased out) if taxpayers' MAGI is between \$56,000 and \$66,000 (\$112,000 and \$132,000 if Married Filing Jointly). Taxpayers cannot claim a credit if their MAGI is \$66,000 or more (\$132,000 or more if Married Filing Jointly).

Student loan interest deduction begins to phase out for taxpayers with MAGI in excess of \$65,000 (\$135,000 for joint returns) and is completely phased out for taxpayers with MAGI of \$80,000 or more (\$165,000 or more for joint returns).

Eligible Long-Term Care Premium Limits Increased

For 2017, the maximum amount of qualified long-term care premiums includible as medical expenses has increased. Qualified long-term care premiums up to the amounts shown below can be included as medical expenses on Schedule A (Form 1040) Itemized Deductions.

\$410: age 40 or under

\$770: age 41 to 50

\$1,530: age 51 to 60

\$4,090: age 61 to 70

\$5,110: age 71 and over



The limit on premiums is for each person.

Foreign Earned Income Exclusion

For 2017, the maximum foreign earned income exclusion will be \$102,100, up from \$101,300 for 2016.

Link & Learn Taxes – Optional Courses

Health Savings Account (HSA) Deduction

The annual contribution limits on deductions for HSAs for individuals with self-only coverage is \$3,400 (increase of \$50) and \$6,750 for family coverage (no change). There is an additional contribution amount for taxpayers who are age 55 or older.

Important Changes for 2017- continued



Deduction Amount and Modified AGI Limit for Traditional IRA Contributions Increased

For 2017, the maximum IRA deduction remains at \$5,500 (\$6,500 if age 50 or older). For taxpayers who are covered by a retirement plan at work, the deduction for contributions to a traditional IRA is reduced (phased out) if the modified AGI is:

- More than \$99,000 but less than \$119,000 for a married couple filing a joint return or a qualifying widow(er) if both spouses are covered by a retirement plan
- More than \$62,000 but less than \$72,000 for a single individual or head of household, or
- Less than \$10,000 for a married individual filing a separate return

For an IRA contributor who is **not** covered by a workplace retirement plan and is married to someone who is covered, the deduction is phased out if the couple's income is between \$186,000 and \$196,000.



Extended and Expired Legislation

As a reminder, the Protecting Americans from Tax Hikes Act of 2015 (PATH Act) made the following tax provisions permanent:

- Adjustments for up to \$250 for educator classroom expenses. This provision was modified to include certain expenses related to professional development courses the taxpayer takes related to the curriculum they teach or to their students. The deduction amount will be indexed for inflation for future years.
- Qualified Charitable Distribution (QCD).
- State and local general sales tax deduction.

The PATH Act extended the following provisions only through December, 31 2016. They are expired for 2017:

- Exclusion from gross income of qualified principal residence indebtedness
- Mortgage insurance premiums deductible as qualified residence interest
- Deduction for qualified tuition & fees
- Credit for nonbusiness energy property (residential energy credit)

Under the Protecting Americans from Tax Hikes (PATH) Act, ITINs that have not been used on a federal tax return at least once in the last three consecutive years will expire Dec. 31, 2017, and ITINs with middle digits 70, 71, 72 or 80 will also expire at the end of the year. Affected taxpayers who expect to file a tax return in 2018 must submit a renewal application.



Congress may enact additional legislation that will affect taxpayers after this publication goes to print. Any changes will be reflected in Publication 4491-X, VITA/TCE Training Supplement, available in mid-January on www.irs.gov.

Affordable Care Act: Qualified Small Employer Health Reimbursement Arrangement (QSEHRA)

New rules enacted under the 21st Century Cures Act of 2016 allow eligible employers to 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.

Important Changes for 2017- continued

W-2 Verification Code

This initiative is one in a series of steps to combat tax-related identity theft and refund fraud. The objective is to verify Form W-2 data submitted by taxpayers on e-filed individual tax returns. The form will include these instructions to taxpayer and tax preparers:

If you are e-filing and if there is a code in Box 9, enter it when prompted by your software. This code assists the IRS in validating the W-2 data submitted with your return. The code is not entered on paper-filed returns.

Proposed Regulations

Certain changes were made to Publications 4491 and 4012 due to proposed regulations published by the IRS on January 19, 2017. These regulations are proposed to apply to taxable years beginning after the date the regulations are published as final regulations in the Federal Register. However, pending the issuance of the final regulations, taxpayers may choose to apply these proposed regulations in any open taxable years. Since most of these provisions are advantageous to taxpayers, we have included them in the training publications:

- An individual is not a qualifying child 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.
- 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).
- The annual cost of maintaining a household when a qualifying child or dependent resides in the household for less than the entire taxable year, in certain circumstances, may be prorated on a monthly basis.
- The proposed regulations also, in certain circumstances, recognize the creation of a new household during a year and treat shared living quarters as separate households.
- If an individual meets the definition of a qualifying child for more than one taxpayer and the individual is not treated as the qualifying child of one of those taxpayers under the tiebreaker rules, then the individual will not prevent that taxpayer from claiming the childless EIC if he or she meets the other requirements of that section.
- Governmental payments (such as TANF) made to a recipient that is used, in part, to support others are treated as support of the others provided by the recipient, whereas any part of such a 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.
- A nonpermanent failure to occupy a home by reason of illness, education, business, vacation, military service, institutionalized care for a child who is permanently and totally disabled, or incarceration may be treated as a temporary absence due to special circumstances. This definition of temporary absence applies to the residency test for a qualifying child, to the relationship test for a qualifying relative who does not have a listed relationship to the taxpayer, and to the requirements to maintain a household for surviving spouse and Head of Household.
- The qualifying child of a Qualifying Widow(er) is a child, stepchild, or adopted child who qualifies as the taxpayer's dependent for the year or would qualify as the taxpayer's dependent except that he or she does not meet the gross income test, or does not meet the joint return test, or except that the taxpayer may be claimed as a dependent by another taxpayer.
- A taxpayer other than the adopting "individual" may be eligible to claim an exemption for an adopted child. For example, the parent of the adopting parent may claim a dependency exemption for the legally adopted child of the taxpayer's son or daughter (just as biological grandparents may claim an exemption for a grandchild) if all other requirements are met.
- An authorized placement agency also may be an Indian Tribal Government (ITG), or an agency or organization authorized by, or a political subdivision of, an ITG that places children in foster care or for adoption.

Important Changes for 2017- continued

Changes to Order of Pub 4012

- Tabs B, K and N have been reconfigured.
- Tab B is now called “Starting a Return/Filing Status” and contains all the information about the intake sheet, starting a return in TaxSlayer, determining the filing status and entering it in TaxSlayer.
- Tab K has been renamed “Finishing the Return” and now contains information from the prior year’s Tabs K and N about completing the e-File section, performing the quality review and printing the return.
- Tab N contains information about moving around in TaxSlayer. It also contains the list of navigation hints that used to be in Tab D.
- ACA information has been moved to Tab H, which is now called “ Other Taxes, Payments and ACA.”

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Legislative Extenders

Caution: This provision was expired at the time this publication went to print. This content is being provided in the event that it is extended for the current tax year. Publication 4491-X, released in January, will notify volunteers if they should consult this information, and will contain any legislative changes to this provision.

Discharge of Qualified Principal Residence Indebtedness

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

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

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

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

Volunteers may assist taxpayers who meet the following requirements:

- The home was never used in a business or as rental property
- The debt was **not** canceled because the taxpayer filed bankruptcy
- The taxpayer isn’t in bankruptcy when he/she comes to the site for assistance
- Form 1099-C doesn’t include an amount for interest
- The debt must be a mortgage used only to buy, build, or substantially improve the taxpayer’s primary residence, i.e., this money was not used to pay off credit cards, medical/dental expenses, vacations, etc.
- The mortgage was secured by the taxpayer’s primary residence
- The mortgage was not more than \$2 million (\$1 million if Married Filing Separately)

TaxSlayer® Hint: To exclude debt forgiven on principal residence, go to Other Income, Cancellation of Debt then Exclusions (Form 982).

Note 1: Form 1099-C, Box 3 (Interest if included in Box 2, Amount of Debt Canceled) and Box 16 out-of-scope.

Note 2: If a bankruptcy, out-of-scope.

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



Publication 4731-A

Screening Sheet for Foreclosures/Abandonments and Cancellation of Debt

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



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

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

Part I – Home Mortgage Loan

step

1

Did the taxpayer receive Form 1099-A, Acquisition or Abandonment of Secured Property, from their home mortgage lender?

YES – Go to Step 2

NO – Advise the taxpayer to get the documentation from the home mortgage lender.

step

2

Did the taxpayer ever use the home in a trade or business or as rental property?

YES – Go to Step 6

NO – Go to Step 3

step

3

Is box 5 of Form 1099-A checked indicating a recourse loan in which the taxpayer is personally liable?

YES – The sales price is the lesser of box 2 (Balance of principal outstanding) or box 4 (Fair Market Value of Property) on Form 1099-A.

NO – The sales price is the amount in box 2 (Balance of principal outstanding) on Form 1099-A. The taxpayer is not personally liable (non-recourse loan).

step

4

Ask the taxpayer for the cost or basis of the home.
Refer to Publication 523, *Selling your Home*, for further information, if needed.

step

5

Report the sale of the personal residence on Form 8949 and Schedule D.

If the disposition of the property results in a:

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

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

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

step

6

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

Refer the taxpayer to:

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

Additional Resources:

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



Publication 4731-A

Screening Sheet for Foreclosures/Abandonments and Cancellation of Debt



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

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

Part II – Home Mortgage Loan

step 1	Did the taxpayer receive Form 1099-C, Cancellation of Debt, from their home mortgage lender and is the information shown on the form correct? Note: Answer “yes” if the taxpayer has received a Form 1099-A and Form 1099-C.	YES – Go to Step 2 NO – Go to Step 6
step 2	Did the taxpayer ever use the home in a trade or business or as rental property?	YES – Go to Step 6 NO – Go to Step 3
step 3	Does box 3 of Form 1099-C show any interest or does box 6 show code A indicating bankruptcy? Note: If box 6 is not marked with code A but the taxpayer has subsequently filed bankruptcy, answer “yes.”	YES – Go to Step 6 NO – Go to Step 4
step 4	Ask the following questions to determine if the discharged debt is “qualified principal residence indebtedness.” a. Was the mortgage taken out to buy, build, or substantially improve the taxpayer’s principal residence? (Note: A principal residence is generally the home where the taxpayer lives most of the time. A taxpayer can have only one principal residence at any one time.) b. Was the mortgage secured by the taxpayer’s principal residence? 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? d. Was the mortgage amount more than \$2 million (\$1 million if Married Filing Separately)?	a. YES – Go to Step 4b NO – Go to Step 6 b. YES – Go to Step 4c NO – Go to Step 6 c. YES – Go to Step 6 NO – Go to Step 4d d. YES – Go to Step 6 NO – Go to Step 5
step 5	The discharged debt is “qualified principal residence indebtedness.” The Mortgage Forgiveness Debt Relief Act of 2007 allows for the exclusion of discharged qualified principal residence indebtedness canceled in 2007, 2008, and 2009; the Emergency Economic Stabilization Act of 2008 extended the exclusion for tax years 2010 through 2012; the American Taxpayer Relief Act of 2012 extended the exclusion to 12/31/2013; and, the Tax Increase Prevention Act of 2014 extended the exclusion to 12/31/2014. The Protecting Americans From Tax Hikes Act of 2015, extended the exclusion for tax years 2015 and 2016, and also allowed for debt discharge after 2016 to be excluded from taxable income if the taxpayer entered into a binding written agreement before January 1, 2017. The volunteer should complete the applicable lines on Form 982, and file it with the taxpayer’s return. If the residence was disposed of, the taxpayer also may be required to report the disposition (sale) on Form 8949 and Schedule D.	
step 6	These tax issues are outside the scope of the volunteer program. The taxpayer may qualify to exclude all or some of the discharged debt. However, the rules involved in the mortgage debt relief exclusions are complex. Refer the taxpayer to: <ul style="list-style-type: none">• www.irs.gov for the most up-to-date information.• The Taxpayer Advocate Service (TAS): 1-877-777-4778, TTY/TDD 1-800-829-4059. TAS may help if the problem cannot be resolved through normal IRS channels.• A professional tax preparer.	Additional Resources: <ul style="list-style-type: none">• Publication 523, Selling your Home• Publication 525, Taxable and Nontaxable Income• Publication 4681, Canceled Debts, Foreclosures, Repossessions, and Abandonments• Publication 4705, Overview of Mortgage Debt Forgiveness• 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

Reduction of Tax Attributes

Part I: General Information

Form belongs to

- ☒ Taxpayer Example
☐ Spouse Example

Amount excluded is due to (check applicable boxes):

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

Total amount of discharged indebtedness excluded from gross income *

\$

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

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

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

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

Part II: Reduction of Tax Attributes

Enter amount excluded from gross income:

Discharge of qualified real property business indebtedness

\$

Entering Forgiveness of Qualified Principal Residence Indebtedness (continued)

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

\$

Any net operating loss

\$

Any general business credit

\$

Any minimum tax credit carryover

\$

Any net capital loss

\$

Basis of nondepreciable and depreciable property (line 10a)

\$

Basis of your principal residence (line 10b)

\$

Farm depreciable property used or held for use in business

\$

Farm land used or held for use in business

\$

Other farm property used or held for use in business

\$

Any passive activity loss and credit carryovers

\$

Any foreign tax credit carryover

\$

- If the taxpayer had a portion of the mortgage debt cancelled but kept the home (loan modification or mortgage workout),
- Enter the amount of debt cancelled in Part II, Reduction of Tax Attributes, on the line for "Applied to reduce the basis of your principal residence."
- If the taxpayer disposed of the home due to foreclosure or Abandonment, and the lender cancelled 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 Sch D/Capital Gains section
- The basis is the taxpayer's adjusted basis in the home
- The sale price (amount realized) is based on whether the taxpayer is personally liable (recourse loan) or not personally liable (nonrecourse loan) for the debt:
- If the taxpayer is personally liable, the sale price is the lesser of the balance of the principal mortgage debt outstanding or the fair market value
- If the taxpayer isn't personally liable, then the sale price is the full amount of the outstanding debt, as reflected on Form 1099-A
- For both recourse and nonrecourse loans, add any proceeds the taxpayer received from the foreclosure sale to the amount realized.
- If the taxpayer ends up with a gain on the sale, some or all of the gain can be excluded under the rules for sale of main home, if the taxpayer qualifies
- A loss on the main home can't be deducted

Part III: Consent of Corporation to Adjustment of Basis of Its Property Under Section 1082(a)(2)

Amount excluded under section 1081(b) from gross income

\$

Tax year beginning

MM DD YYYY

Tax year ending

MM DD YYYY

State of incorporation

- Please Select -

Cancel

Continue

Caution: This provision was expired at the time this publication went to print. This content is being provided in the event that it is extended for the current tax year. Publication 4491-X, released in January, will notify volunteers if they should consult this information, and will contain any legislative changes to this provision.

Tuition and Fees Deduction at a Glance

Don't rely on this table alone. Refer to Publication 17 complete details.

Question	Answer
What is the maximum benefit?	You can reduce your income subject to tax by up to \$4,000.
Limit on modified adjusted gross income (MAGI)	\$160,000 if married filing joint return; \$80,000 if single, head of household, or qualifying widow(er). MFS is not eligible.
Where is the deduction taken?	As an adjustment to income on Form 1040.
For whom must the expenses be paid?	A student enrolled in an eligible educational institution who is either; <ul style="list-style-type: none">• you• your spouse, or• your dependent for whom you claim an exemption
What tuition and fees are deductible?	Tuition and fees required for enrollment or attendance at an eligible postsecondary educational institution, but not including personal, living or family expenses, such as room and board.
What records does the taxpayer need?	Beginning in tax year 2016, the tuition and fees deduction won't be allowed unless the taxpayer possesses a valid information return (Form 1098-T, Tuition Statement) from the educational institution.

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Residential Energy Credits

TaxSlayer Navigation: Federal Section>Deductions>Credits>Residential Energy Credit; 1040 View Line 53, or Keyword "5695"

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

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

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

Note: Not all ENERGY STAR products qualify for a tax credit. Beginning in 2016, exterior doors, exterior windows, and skylights will only be eligible for the nonbusiness energy property credit if they meet or exceed the specific requirements of the version 6.0 Energy Star program. For detailed information about qualifying improvements, visit the U.S. Department of Energy's EnergyStar Web site <https://www.energystar.gov/>

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

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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 for filing requirements.

If your filing status is...	AND at the end of 2017 you were...*	THEN file a return if your gross income was at least...**
Single	under 65	\$10,400
	65 or older	\$11,950
Married filing jointly***	under 65 (both spouses)	\$20,800
	65 or older (one spouse)	\$22,050
	65 or older (both spouses)	\$23,300
Married filing separately (see the instructions for Form 1040, line 3)	any age	\$ 4,050
Head of household (see the instructions for Form 1040, line 4)	under 65	\$13,400
	65 or older	\$14,950
Qualifying widow(er) (see the instructions for Form 1040, line 5)	under 65	\$16,750
	65 or older	\$18,000

* If you were born on January 1, 1953 you are considered to be age 65 at the end of 2017. (If your spouse died in 2017 or if you are preparing a return for someone who died in 2017, see Pub. 501)

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

- Do not include any social security benefits unless
 - (a) you are married filing a separate return and you lived with your spouse at any time in 2017 or
 - (b) one-half of your social security benefits plus your other gross income and any tax-exempt interest is more than \$25,000 (\$32,000 if married filing jointly).
 If (a) or (b) applies, see the instructions for lines 20a and 20b to figure the taxable part of social security benefits you must include in gross income.
- Gross income includes gains, but not losses, reported on Form 8949 or Schedule D.
- Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, do not reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.

*** If you did not live with your spouse at the end of 2017 (or on the date your spouse died) and your gross income was at least \$4,050, 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	<p>You must file a return if any of the following apply.</p> <ol style="list-style-type: none"> 1. Your unearned income was over \$2,600 (\$4,150 if 65 or older and blind). 2. Your earned income was over \$7,900 (\$9,450 if 65 or older and blind). 3. Your gross income was more than the larger of — <ol style="list-style-type: none"> a. \$2,600 (\$4,150 if 65 or older and blind) or b. Your earned income (up to \$6,000) plus \$1,900 (\$3,450 if 65 or older and blind).
Under 65 and not blind	<p>You must file a return if any of the following apply.</p> <ol style="list-style-type: none"> 1. Your unearned income was over \$1,050. 2. Your earned income was over \$6,350. 3. Your gross income was more than the larger of — <ol style="list-style-type: none"> a. \$1,050, or b. Your earned income (up to \$6,000) plus \$350.
Married Dependents	
Either age 65 or older or blind	<p>You must file a return if any of the following apply.</p> <ol style="list-style-type: none"> 1. Your unearned income was over \$2,300 (\$3,550 if 65 or older and blind). 2. Your earned income was over \$7,600 (\$8,850 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 — <ol style="list-style-type: none"> a. \$2,300 (\$3,550 if 65 or older and blind), or b. Your earned income (up to \$6,000) plus \$1,600 (\$2,850 if 65 or older and blind).
Under age 65 and not blind	<p>You must file a return if any of the following apply.</p> <ol style="list-style-type: none"> 1. Your unearned income was over \$1,050. 2. Your earned income was over \$6,350. 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 — <ol style="list-style-type: none"> a. \$1,050, or b. Your earned income (up to \$6,000) plus \$350.

Tax for Certain Children who have Unearned Income (Kiddie Tax)

For children under age 18 and certain older children, unearned income over \$2,100 is taxed at the parent's rate if the parent's rate is higher than the child's. For this purpose, "unearned income" includes all taxable income other than earned income, such as taxable interest, ordinary dividends, capital gains, rents, royalties, etc. It also includes taxable social security benefits, pension and annuity income, taxable scholarship and fellowship grants not reported on Form W-2, unemployment compensation, alimony, and income received as the beneficiary of a trust. If the child's unearned income is more than \$2,100, and the child is required to file a tax return, Form 8615 must be used to figure the child's tax. **Form 8615 is out of scope.**

Chart C – Other Situations When You Must File

You must file a return if any of the conditions below apply for 2017.

1. You owe any special taxes, including any of the following.
 - a. Alternative minimum tax.
 - 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.
 - 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 the instructions for line 60b.
 - 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 line 62.
 - g. Recapture taxes. See the instructions for line 44 and line 62.
2. You (or your spouse, if filing jointly) received HSA, Archer MSA or Medicare Advantage MSA distributions.
3. You had net earnings from self-employment of at least \$400.
4. You had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer social security and Medicare taxes.
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 D – Who Should File

1. You had income tax withheld from your pay.
2. You made estimated tax payments for the year or had any of your overpayment for last year's estimated tax applied to this year's taxes.
3. You qualify for the earned income credit. See Publication 596, Earned Income Credit (EIC), for more information.
4. You qualify for the additional child tax credit. See Form 1040 Instructions for more information on this credit.
5. 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)
6. You qualify for a refundable American Opportunity Credit.
7. You receive a 1099-B 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 qualify for the federal tax on fuels (out of scope).
10. You are required to file a state return.
11. You qualify for the Premium Tax Credit.

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**Tab B: Starting a
Return and Filing
Status**

Form 1040 Job Aid

Form	1040	Department of the Treasury—Internal Revenue Service U.S. Individual Income Tax Return (99)	2017	OMB No. 1545-0074	IRS Use Only—Do not write or staple in this space.																																				
For the year Jan. 1–Dec. 31, 2017, or other tax year beginning , 2017, ending , 20																																									
Your first name and initial		Last name		Your social security number																																					
If a joint return, spouse's first name and initial		Last name		Spouse's social security number																																					
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.	▲ Make sure the SSN(s) above and on line 6c are correct. 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. <input type="checkbox"/> You <input type="checkbox"/> Spouse																																				
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).																																									
Foreign country name		Foreign province/state/county		Foreign postal code																																					
Filing Status <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> 1 <input type="checkbox"/> Single 2 <input type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here. ▶ </div> <div style="width: 45%;"> 4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ 5 <input type="checkbox"/> Qualifying widow(er) (see instructions) </div> </div>																																									
Exemptions <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> 6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a. b <input type="checkbox"/> Spouse c Dependents: <table border="1" style="width: 100%; border-collapse: collapse; font-size: 8pt;"> <thead> <tr> <th>(1) First name</th> <th>Last name</th> <th>(2) Dependent's social security number</th> <th>(3) Dependent's relationship to you</th> <th>(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td><input type="checkbox"/></td></tr> </tbody> </table> </div> <div style="width: 35%;"> Boxes checked on 6a and 6b No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above ▶ </div> </div>						(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)					<input type="checkbox"/>					<input type="checkbox"/>					<input type="checkbox"/>					<input type="checkbox"/>											
(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)																																					
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Income <div style="display: flex; justify-content: space-between;"> <div style="width: 65%;"> 7 Wages, salaries, tips, etc. Attach Form(s) W-2 8a Taxable interest. Attach Schedule B if required b Tax-exempt interest. Do not include on line 8a 8b 9a Ordinary dividends. Attach Schedule B if required b Qualified dividends 9b 10 Taxable refunds, credits, or offsets of state and local income taxes 11 Alimony received 12 Business income or (loss). Attach Schedule C or C-EZ 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ <input type="checkbox"/> 14 Other gains or (losses). Attach Form 4797 15a IRA distributions 15a b Taxable amount 15b 16a Pensions and annuities 16a b Taxable amount 16b 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 18 Farm income or (loss). Attach Schedule F 19 Unemployment compensation 20a Social security benefits 20a b Taxable amount 20b 21 Other income. List type and amount 22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶ </div> <div style="width: 30%;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>7</td><td></td></tr> <tr><td>8a</td><td></td></tr> <tr><td>8b</td><td></td></tr> <tr><td>9a</td><td></td></tr> <tr><td>9b</td><td></td></tr> <tr><td>10</td><td></td></tr> <tr><td>11</td><td></td></tr> <tr><td>12</td><td></td></tr> <tr><td>13</td><td></td></tr> <tr><td>14</td><td></td></tr> <tr><td>15b</td><td></td></tr> <tr><td>16b</td><td></td></tr> <tr><td>17</td><td></td></tr> <tr><td>18</td><td></td></tr> <tr><td>19</td><td></td></tr> <tr><td>20b</td><td></td></tr> <tr><td>21</td><td></td></tr> <tr><td>22</td><td></td></tr> </table> </div> </div>						7		8a		8b		9a		9b		10		11		12		13		14		15b		16b		17		18		19		20b		21		22	
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Adjusted Gross Income <div style="display: flex; justify-content: space-between;"> <div style="width: 65%;"> 23 Educator expenses 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ 25 Health savings account deduction. Attach Form 8889 26 Moving expenses. Attach Form 3903 27 Deductible part of self-employment tax. Attach Schedule SE 28 Self-employed SEP, SIMPLE, and qualified plans 29 Self-employed health insurance deduction 30 Penalty on early withdrawal of savings 31a Alimony paid b Recipient's SSN ▶ 31a 32 IRA deduction 33 Student loan interest deduction 34 Reserved for future use 35 Domestic production activities deduction. Attach Form 8803 36 Add lines 23 through 35 37 Subtract line 36 from line 22. This is your adjusted gross income ▶ </div> <div style="width: 30%;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>23</td><td></td></tr> <tr><td>24</td><td></td></tr> <tr><td>25</td><td></td></tr> <tr><td>26</td><td></td></tr> <tr><td>27</td><td></td></tr> <tr><td>28</td><td></td></tr> <tr><td>29</td><td></td></tr> <tr><td>30</td><td></td></tr> <tr><td>31a</td><td></td></tr> <tr><td>32</td><td></td></tr> <tr><td>33</td><td></td></tr> <tr><td>34</td><td></td></tr> <tr><td>35</td><td></td></tr> <tr><td>36</td><td></td></tr> <tr><td>37</td><td></td></tr> </table> </div> </div>						23		24		25		26		27		28		29		30		31a		32		33		34		35		36		37							
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Tab B

Tab B

Tab C

Tab D

Tab E

Tab EXT

Form 1040 Job Aid-Page 2

Form 1040 (2017)		Page 2	
Tax and Credits	38	Amount from line 37 (adjusted gross income)	38
	39a	Check <input type="checkbox"/> You were born before January 2, 1953, <input type="checkbox"/> Blind. Total boxes <input type="checkbox"/> checked ▶ 39a	
		if: <input type="checkbox"/> Spouse was born before January 2, 1953, <input type="checkbox"/> Blind.	
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>	
	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40
	41	Subtract line 40 from line 38	41
	42	Exemptions. If line 38 is \$156,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions	42
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43
	44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44
	45	Alternative minimum tax (see instructions). Attach Form 6251	45
Standard Deduction for— • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$6,350 Married filing jointly or Qualifying widow(er), \$12,700 Head of household, \$9,350	46	Excess advance premium tax credit repayment. Attach Form 8962	46
	47	Add lines 44, 45, and 46	47
	48	Foreign tax credit. Attach Form 1116 if required	48
	49	Credit for child and dependent care expenses. Attach Form 2441	49
	50	Education credits from Form 8863, line 19	50
	51	Retirement savings contributions credit. Attach Form 8880	51
	52	Child tax credit. Attach Schedule 8812, if required	52
	53	Residential energy credit. Attach Form 5695	53
	54	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54
	55	Add lines 48 through 54. These are your total credits	55
Other Taxes	56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56
	57	Self-employment tax. Attach Schedule SE	57
	58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59
	60a	Household employment taxes from Schedule H	60a
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	60b
	61	Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/>	61
	62	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62
	63	Add lines 56 through 62. This is your total tax	63
	Payments	64	Federal income tax withheld from Forms W-2 and 1099	64
65		2017 estimated tax payments and amount applied from 2016 return	65
66a		Earned income credit (EIC)	66a
b		Nontaxable combat pay election 66b	
67		Additional child tax credit. Attach Schedule 8812	67
68		American opportunity credit from Form 8863, line 8	68
69		Net premium tax credit. Attach Form 8962	69
70		Amount paid with request for extension to file	70
71		Excess social security and tier 1 RRTA tax withheld	71
72		Credit for federal tax on fuels. Attach Form 4136	72
Refund	73	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73
	74	Add lines 64, 65, 66a, and 67 through 73. These are your total payments	74
	75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75
	76a	Amount of line 75 you want refunded to you . If Form 8888 is attached, check here ▶ <input type="checkbox"/>	76a
	b	Routing number <input type="text"/> ▶ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	d	Account number <input type="text"/>	
	77	Amount of line 75 you want applied to your 2018 estimated tax ▶ 77	
	78	Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions ▶ 78	
	79	Estimated tax penalty (see instructions) ▶ 79	
	Sign Here	Do you want to allow another person to discuss this return with the IRS (see instructions)? <input type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No	
Designee's name ▶		Phone no. ▶	Personal identification number (PIN) ▶ <input type="text"/>
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 accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
Your signature		Date	Your occupation
Daytime phone number			
Spouse's signature. If a joint return, both must sign.			
Date		Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Print/Type preparer's name			
Preparer's signature			
Date			
Paid Preparer Use Only	Check <input type="checkbox"/> if self-employed		
	PTIN		
	Firm's name ▶		
	Firm's EIN ▶		
Firm's address ▶			Phone no. ▶
Go to www.irs.gov/Form1040 for instructions and the latest information.			
Form 1040 (2017)			

Tab F

Tab H

Tab G

Tab J

Tab G

Tab H

Tab I

Tab G

Tab J

Tab H

Tab K

Form 13614-C Job Aid for Volunteers

View photo ID's for each taxpayer and spouse (if filing a joint return).	Name as shown on Social Security records (see Tab B Determining the Last Name of Taxpayer).	Taxpayer's current address where IRS should mail refund and/or other correspondence.	Use Tab C to verify taxpayer and spouse's dependency status.	Refer to Tab P if taxpayer is a victim of identity theft.	Refer to Pub 17, for definition of Legally Blind, Totally and Permanently Disabled and Full Time Student.	If not a US citizen, use Tab L Resident or Nonresident Alien Decision Tree to determine if return is within scope.
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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.

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

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

1. Your first name	M.I.	Last name	Telephone number	Are you a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Your spouse's first name	M.I.	Last name	Telephone number	Is your spouse a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No
3. Mailing address			Apt #	City
4. Your Date of Birth	5. Your job title		6. Last year, were you:	
			a. Full-time student <input type="checkbox"/> Yes <input type="checkbox"/> No	
			b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No	
7. Your spouse's Date of Birth	8. Your spouse's job title		9. Last year, was your spouse:	
			a. Full-time student <input type="checkbox"/> Yes <input type="checkbox"/> No	
			b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No	
10. Can anyone claim you or your spouse as a dependent?			<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure	
11. Have you or your spouse:			a. Seen a victim of identity theft? <input type="checkbox"/> Yes <input type="checkbox"/> No	
			b. Adopted a child? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II – Marital Status and Household Information

1. As of December 31, 2017, were you:

<input type="checkbox"/> Never Married	(This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
<input type="checkbox"/> Married	a. If Yes, Did you get married in 2017? <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Divorced	b. Did you live with your spouse during any part of the last six months of 2017? <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Legally Separated	Date of final decree _____
<input type="checkbox"/> Widowed	Date of separate maintenance agreement _____
	Year of spouse's death _____

2. List the names below of:

- everyone who lived with you last year (other than your spouse)
- anyone you supported but did not live with you last year

Additional space is needed check here ☐ and list on page 3

Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/17 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,050 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					

To be completed by a Certified Volunteer Preparer

Taxpayer must include everyone who lived with the taxpayer and anyone the taxpayer supported who lived elsewhere. Always confirm this information during the interview process, especially if the taxpayer did not list anyone.	Verify birth date for each person included on the tax return. Note: Incorrect birth dates may cause efile rejection.	Verbally confirm the number of months each person listed lived in the taxpayers' home. Note: Consider any temporary absences.	If not a US citizen, use Tab L Resident or Nonresident Alien Decision Tree to determine if return is within scope.	If taxpayer's marital status changed in 2017 (Married or Divorced), verify how it may affect ACA and if the return is within scope.	The Certified Volunteer Preparer will complete these questions for each listed person during the interview.	See Page 3 to verify if taxpayer listed additional names. Use page 4 to record interview notes.
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<p>Important Reminder: Review all information in Part II before using Tabs B and C to determining Dependency Exemptions and Filing Status.</p>	<p>Important Reminder: The Intake/Interview process may be considered incomplete if:</p> <ul style="list-style-type: none"> - questions are left unanswered in Parts I thru VI - Unsure answers are not addressed with the taxpayer and then annotated to "yes" or "no". - applicable Certified Volunteer Preparer shaded areas are not completed. 	<p>Important Reminder: Do not refer taxpayers to the Voltax e-mail address for IRS help or refund information.</p> <p>Refer to the back cover of Pub 4012 for appropriate IRS referrals.</p>
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Form 13614-C Job Aid for Volunteers Page 2

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

Appropriate box for each question in each section

Part III – Income – Last Year, Did You (or Your Spouse) Receive

1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? See Tab D Form W-2 Instructions

2. (A) Tip Income? If yes, verify tips were reported to employer. If not, complete Form 4137 (Advanced).

3. (B) Scholarships? (Forms W-2, 1098-T) See Tab D for information on how to enter taxable scholarships.

4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV) Verify the return is within the scope of VITA/TCE Programs.

5. (B) Refund of state/local income taxes? (Form 1099-G) If yes, determine if taxable.

6. (B) Alimony income or separate maintenance payments?

7. (A) Self-Employment income? (Form 1099-MISC, cash)

8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?

9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)

10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)

11. (A) Payments from Pensions, Annuities, and/or IRA? (Form 1099-R)

12. (B) Unemployment Compensation? (Form 1099-G)

13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)

14. (M) Income (or loss) from Rental Property?

15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify

Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay

1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No Roth IRA (A) 401K (B) See Tab E for definition of alimony.

2. Contributions to a retirement account? IRA (A) 401K (B) See Tab J and compare credits and adjustments.

3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)

4. (B) Unreimbursed employee business expenses? (such as uniforms or mileage)

5. (B) Medical expenses? (including health insurance premiums)

6. (B) Home mortgage interest? (Form 1098)

7. (B) Real estate taxes for your home or personal property taxes for your vehicle? (Form 1098)

8. (B) Charitable contributions?

9. (B) Child or dependent care expenses such as daycare?

10. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?

11. (A) Expenses related to self-employment income or any other income you received?

12. (B) Student loan interest? (Form 1098-E)

Part V – Life Events – Last Year, Did You (or Your Spouse)

1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12) If yes, ask taxpayer for child care provider's TIN.

2. (A) Have debt from a mortgage or credit card cancelled/forgiven by a commercial lender? (Forms 1099-C, 1099-A)

3. (A) Buy, sell or have a foreclosure of your home? (Form 1099-A)

4. (B) Have Earned Income Credit (EIC) or other credits disallowed in a prior year? If yes, for which tax year?

5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)

6. (B) Live in an area that was affected by a natural disaster? If yes, where? Check for tax benefits for declared disaster areas.

7. (A) Receive the First Time Homebuyers Credit in 2008?

8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?

9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?

Form 13614-C Job Aid for Volunteers Page 3

Appropriate box for each question in each section

Part VI – Health Care Coverage – Last year, did you, your spouse, or dependent(s)

1. (B) Have health care coverage?

2. (B) Receive one or more of these forms? (Check the box) Form 1095-B Form 1095-C

3. (A) Have coverage through the Marketplace (Exchange)? (Provide Form 1095-A)

3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?

3b. (A) If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?

4. (B) Have an exemption granted by the Marketplace?

Visit <http://www.healthcare.gov/> or call 1-800-318-2596 for more information on health insurance options and assistance.

If advance payments of the premium tax credit were paid on your behalf to help pay your health insurance premiums, you should report life events, marital status or family size changes, to your Marketplace. Reporting changes will help to make sure you are getting the proper amount of payments.

Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for every dependent listed in the order as in Part II)

	MEC Entire Year	No MEC	Part Year MEC (mark months with coverage)	Exemption (mark months exemptions applies)	Exemption All Year
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	

Refer taxpayers who have questions or need coverage to this web site/phone number.

You must use the flow chart in Tab ACA for all taxpayers.

Taxpayer must provide a copy of Form 1095-A if they received insurance through the marketplace.

Receiving advanced payments creates an automatic filing requirement. See Pub 17.

Complete for taxpayers and dependents after answering questions in the Certified Volunteer Preparer Section (Page 1, Part II).

Starting a New Return

Welcome to SUPPORT

Message Center 0

Rejected Clients

Start New Tax Return Create a brand new tax return for a client.	Select
Client Search Edit returns you previously started.	Select
Review Returns * Returns that are currently waiting to be reviewed	Select
Configuration Setup the configuration options for your office.	Select
Reports Print acks, mailing labels, bank reports, and old reports.	Select
Transmissions Transmit returns to IRS.	Select

The **Start a New Tax Return** option enables you to begin the data input process for a client.

Social Security Number Entry

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

Available Taxpayer Profiles ▶

Enter Social Security Number ▼

Social Security Number

- -

Confirm Social Security Number

- -

Starting a New Return (continued)

If the SSN is already in use, TaxSlayer Pro displays the following:

The screenshot shows a web interface with a header "Available Taxpayer Profiles" and a dropdown menu "Enter Social Security Number". Below the menu, there are two rows of input fields for the Social Security Number, each with three boxes separated by hyphens. The first row is labeled "Social Security Number" and the second row is labeled "Confirm Social Security Number". Below the input fields, there is a message: "There is already an active return using this SSN. Please use a new SSN or view the return via the client status list." To the right of the message is a button labeled "Start Return".

If the SSN doesn't match, TaxSlayer Pro displays the following:

The screenshot shows a web interface similar to the previous one, but with a message: "Please fix all fields with errors (marked in red) before starting this return." To the right of the message is a button labeled "Start Return". The input fields for the Social Security Number and its confirmation are present, but the confirmation field has a red error icon (a circle with an exclamation mark) next to it.

Pulling Prior Year Data

If no prior year data is found for this SSN, you will see the message below. Select Continue.

The screenshot shows a web interface with a header "No Prior Data". Below the header, there is a message: "Sorry, there was no prior year data found for your return." To the right of the message is a button labeled "Continue".

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

Starting a New Return (continued)

Pull Data To Current Return

TaxSlayer will automatically transfer your name, address and filing status from last year's return when you start this year's return. Please review the additional information below before pulling it forward to your current return. Uncheck any item(s) that you do not wish to pull forward. When you are done, choose "Continue to Next Step" at the bottom of the page.

Please review your information below and uncheck any item(s) that you do not wish to import to this year's return.

Here Are the Items We Will Pull Forward

☒ Select All Available

Toggle all details

☒ W-2 Items

Close Details

W-2 items are already listed on this return.

This information will **add to** (possibly duplicating) any existing W-2 items you have entered or pulled.

PULL ITEM?	EMPLOYEE	EMPLOYER
<input checked="" type="checkbox"/>	Taxpayer	services Inc
<input checked="" type="checkbox"/>	Spouse	Assoc

☒ Form 1099R Items

Close Details

PULL ITEM?	OWNER	FIRST
<input checked="" type="checkbox"/>	Spouse	Assoc

☒ Schedule A Miscellaneous Deductions

Close Details

Schedule A items are already listed on this return.

This information will **overwrite** any existing Schedule A items you have entered or pulled.

PULL ITEM?	TYPE	
<input checked="" type="checkbox"/>	Tax Return Preparation Fees	\$ 40.00

☒ Schedule C

Close Details

PULL ITEM?	OWNER	BUSINESS NAME	PRINCIPAL BUSINESS	ASSETS FOUND	LISTED PROPERTIES**
<input checked="" type="checkbox"/>	Taxpayer		Tax Preparation	0	0

☒ Bank Account Details

Close Details

There is Bank Account Information already listed on this return.

This information will **add to** (possibly duplicating) any existing Bank Accounts you have entered or pulled.

PULL ITEM?	ROUTING NUMBER	ACCOUNT NUMBER	ACCOUNT TYPE	BANK NAME
<input checked="" type="checkbox"/>			C	First

☒ State Refund Worksheet Details

Close Details

PULL ITEM?	STATE REFUNDS	PRIOR YEAR ITEMIZED DEDUCTIONS	PRIOR YEAR FILING STATUS
<input checked="" type="checkbox"/>	1273.00	26085.00	Married Filing Joint

No Data Found to Pull Forward

☐ Dependents

No Prior Data Found

☐ Schedule B Items

No Prior Data Found

☐ Schedule K-1 Items

No Prior Data Found

Show All

Select what you would like to pull forward by checking the boxes to the left of the items listed on the Pull Data to Current Return screen. When satisfied, check the Yes field and then hit the continue button located at the bottom right of the screen. Your prior year information will then be pulled to the current year tax return.

No, I'll re-enter data.

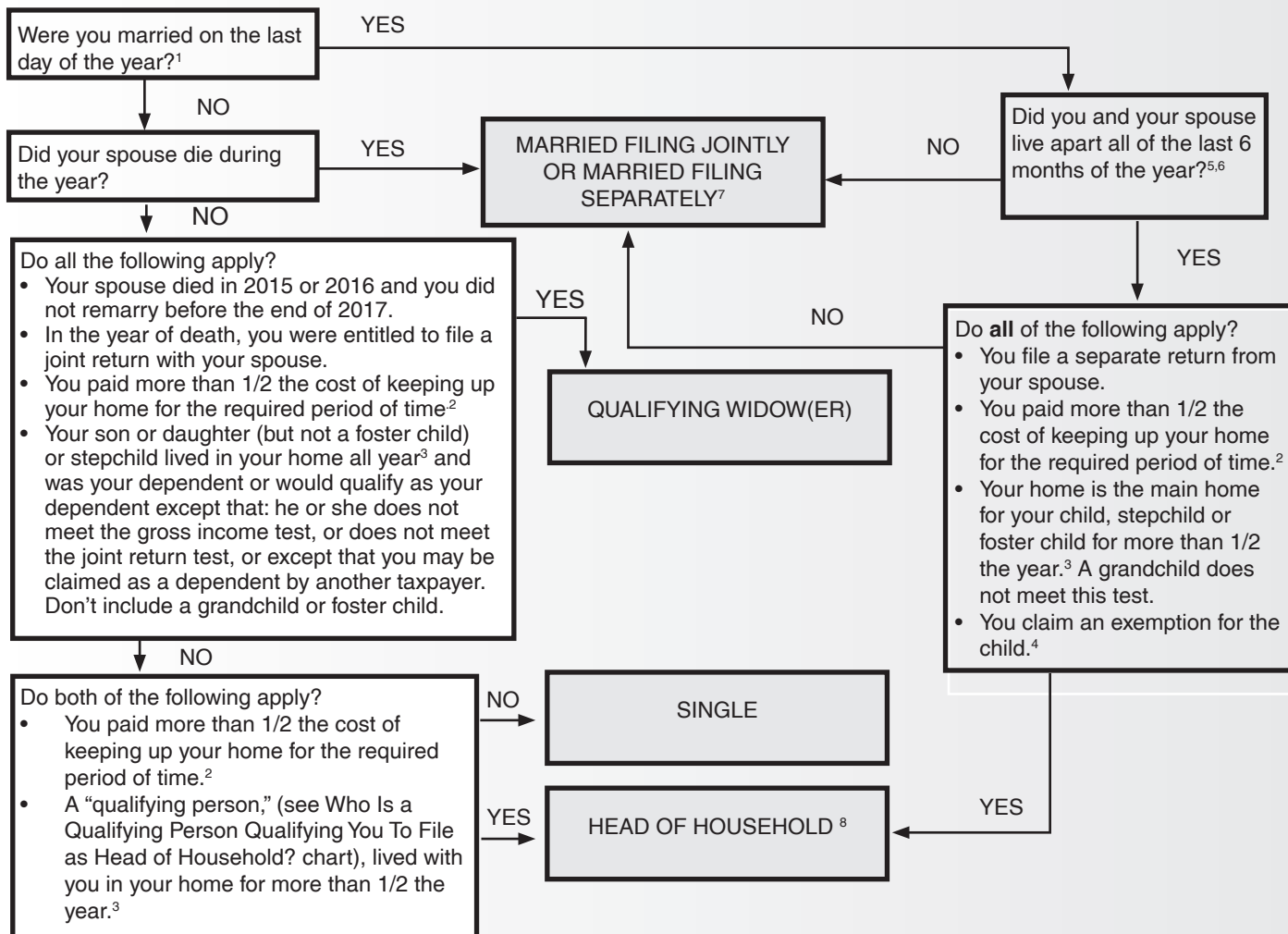
Yes, import my data.

Caution - 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.

Start Here



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, Filing Status, for rules applying to birth, death, or temporary absence during the year. There are special rules for claiming your parent as a qualifying person for head of household. See the Who Is a Qualifying Person Qualifying You To File as Head of Household? chart later in this tab)
4. Unless the child's other parent claims him or her under rules for children of divorced or separated parents or parents who lived apart.
5. You are considered unmarried for head of household purposes if your spouse was a nonresident alien at any time during the year and you do not choose to treat your nonresident spouse as a resident alien. However, your spouse is not a qualifying person for head of household purposes. You must have another qualifying person (see the Who Is a Qualifying Person Qualifying You To File as Head of Household? chart later in this tab) and meet the other tests to be eligible to file as a head of household.
6. The term "considered unmarried" refers to a taxpayer who has been deserted or abandoned by their spouse and is therefore no longer part of a functioning marital unit. Your spouse is considered to live in your home even if he or she is temporarily absent due to illness, education, business, vacation, military service, or incarceration.
7. If the taxpayer wants to file MFS, emphasize the advantages to Married Filing Jointly and the possibility of filing Form 8379, Injured Spouse Claim & Allocation (if appropriate). See Pub 17, Filing Status, MFS Special Rules for list of disadvantages. Respect a taxpayer's decision to file MFS. If domiciled in a community property state see Pub 555.
8. There can be multiple households within a shared living quarters if certain requirements are met.

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

Filing Status - Interview Tips

Probe/Action: Ask the taxpayer:

step 1	Were you married on December 31 of the tax year? (Answer yes if state common law rules were met; or if your spouse died during the year and you didn't remarry by the end of the year; answer no for individuals who have entered into a registered domestic partnership, civil union, or other similar relationship that isn't called a marriage under state (or foreign) law.)	If YES, go to Step 2. If NO, go to Step 4.
step 2	Do you and your spouse wish to file a joint return?	If YES, STOP. Your filing status is married filing jointly . If NO, go to Step 3. ²
step 3	Do all the following apply? <ul style="list-style-type: none"> 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 year³ Your home was the main home of your child, stepchild, or foster child for more than half the year. Include any individual who would qualify as your dependent except: he or she does not meet the gross income test, does not meet the joint return test, or if you could be claimed as a dependent of another taxpayer. (a grandchild doesn't meet this test) You claim an exemption for the child (unless the noncustodial parent claims the child under rules for divorced or separated parents or parents who live apart) 	If YES, STOP. You are considered unmarried and your filing status is head of household . If NO, STOP. Your filing status is married filing separately . ⁵
step 4	Did your spouse die in 2015 or 2016?	If YES, go to Step 5. If NO, go to Step 6.
step 5	Do all the following apply? <ul style="list-style-type: none"> You were entitled to file a joint return with your spouse for the year your spouse died You didn't remarry before the end of this tax year You have a child or stepchild who lived with you all year, except for temporary absences or other limited exceptions, and who is your dependent or who would qualify as your dependent except that: he or she does not meet the gross income test, does not meet the joint return test, or except that you may be claimed as a dependent by another taxpayer. Don't include a grandchild or foster child. You paid more than half the cost of keeping up the home for the required period of time.¹ 	If YES, STOP. Your filing status is qualifying widow(er) with dependent child . If NO, go to Step 6.
step 6	Do all the following apply? <ul style="list-style-type: none"> You paid more than half the cost of keeping up the home for the required period of time.¹ A "qualifying person," (see the Who Is a Qualifying Person Qualifying You To File as Head of Household? chart later in this tab), lived with you in your home for more than 1/2 the year⁴ 	If YES, STOP. Your filing status is head of household . ⁴ If NO, STOP. Your filing status is 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 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 don't choose to treat your nonresident spouse as a resident alien. However, your spouse isn't 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.

³ The term "considered unmarried" refers to a taxpayer who has been deserted or abandoned by their spouse and is therefore no longer part of a functioning marital unit. Your spouse is considered to live in your home even if he or she is temporarily absent due to illness, education, business, vacation, military service, or incarceration.

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

⁵ If filing a MFS return in a Community Property state, allocate income and expense according to state law. May be treated as out of scope.

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

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

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

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 the Exemptions/Dependency tab. **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 qualifying child for exemption purposes only because of the rules described under *Children of divorced or separated parents*. 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 for whom you can claim an exemption.

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

⁴ The term "qualifying relative" is covered in the Exemptions/Dependency tab.

⁵ If you can claim an exemption for a person only because of a multiple support agreement, that person isn't a qualifying person. See *Multiple Support Agreement*, in Pub 17.

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

Cost of Keeping Up a Home

Keep for Your Records



	Amount You Paid	Total Cost
Property Taxes*	\$_____	\$_____
Mortgage interest expenses*	\$_____	\$_____
Rent	\$_____	\$_____
Utility charges	\$_____	\$_____
Property insurance*	\$_____	\$_____
Food consumed on the premises	\$_____	\$_____
Other household expenses	\$_____	\$_____
**Under proposed regulations, fair market rental value (instead of the sum of payments for property taxes, mortgage interest expenses, and property insurance)	\$_____	\$_____
Totals		
Minus total amount you paid		(_____)
Amount others paid		\$_____

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

Note:

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

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

Entering Basic Information

TaxSlayer Navigation: Basic Information>Filing Status

After collecting necessary information from Form 13614-C, Intake/Interview & Quality Review Sheet and properly applying the tax law, you should choose your client's filing status. If you are unsure of which filing status to select, refer to Tab B. Select the circle next to the correct filing status and click **Continue**.

The screenshot shows a web form titled "What's your filing status?". On the left, there is a list of filing status options, each preceded by a radio button: Single, Married Filing Joint, Married Filing Separate, Head of Household, Qualifying Widow(er) with Dependent Children, and Nonresident Alien. On the right, there is a link "Need help determining your filing status?" with a button labeled "Filing Status Wizard". At the bottom left is a "< Back" button, and at the bottom right is a "Continue" button. A callout box with the text "Use the Tab B to determine Filing Status," has an arrow pointing to the "Married Filing Separate" option.

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

The second screen, under the Filing Status tab, is used to determine the spouse's return status.

The screenshot shows a web form titled "Married Separate". It contains two checkboxes with associated text: "Check here if Spouse lived with Taxpayer at any time during the year" and "Check here to claim the exemption for your spouse if he/she has NO Gross Income, is NOT filing a return, and CANNOT be claimed as a dependent on another person's return". At the bottom right, there is a "Continue" button.

Determining the Last Name of Taxpayer

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

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

Individuals may create a mySocialSecurity account at <https://secure.ssa.gov/RIL/SiView.do> to see how their information shows up on Social Security Administration records. In addition to using mySocialSecurity, preparers can also call and verify the taxpayer's information with Social Security in the presence of the taxpayer.

Name Controls for Individual Tax Returns

1. Primary Name Control (SEQ 0050) of Form 1040/1040A/1040EZ 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	O'Neil	ONEI
Kenneth McCarty	Kenneth	McCarty	MCCA
FNU Smith (First Name Unknown)	FNU	Smith	SMIT
Smith (No First Name)		Smith	SMIT

Determining the Last Name of Taxpayer (continued)

- 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
	FirstName Field	LastName 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

- 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/Secondary Name Control
	FirstName Field	LastName 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	JinZhang	Qui	QUI
	Yen Yin	Chiu	CHIU

Entering Basic Information (continued)

TaxSlayer Navigation: Basic Information>Personal Information

Next is an input screen that gathers the taxpayer's personal information.

Personal Information

Taxpayer's Information

Title * Primary First Name * MI

-- ▾ [] []

Last Name * Suffix (Jr, Sr, etc.)

[] -- ▾

Social Security Number *

[][]-[][]-[][]

Date of Birth *

MM ▾ DD ▾ YYYY ▾

Occupation *

[]

Spouse's Information

Title * Spouse First Name * MI

-- ▾ [] []

Last Name * Suffix (Jr, Sr, etc.)

[] -- ▾

Social Security Number *

[][]-[][]-[][]

Date of Birth

MM ▾ DD ▾ YYYY ▾

Occupation *

[]

You must input birth date. Include spouse if filing a joint return. Use drop down boxes to select Month, Date and Year.

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

Enter spouse's SSN. If the taxpayer is filing MFS and does not know the SSN of the spouse, enter the spouse's SSN as 000-11-0000. You may leave the spouse's DOB blank. Without the spouse's SSN, the return must be paper-filed.

[< Filing Status](#)
[Cancel](#) [Continue](#)

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

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

Checking the taxpayer is deceased box will generate a Date of Death box, which must be completed. Once completed, click 'Continue' at the bottom of the page to proceed.

☐ Check here if Taxpayer can be claimed as a dependent on someone else's return.

☐ Check here if Taxpayer was over age 18 and under 24 and a full-time student at an eligible educational institution.

☐ Check here if Taxpayer is blind.

☐ Check here if Taxpayer is deceased.

☐ Check here if Taxpayer wishes to contribute \$3 to the Presidential Election Campaign Fund.

☐ Check here if Taxpayer or Spouse served in a Combat Zone during the current tax year.

ID Theft PINs are entered in the Miscellaneous Forms Section

ID Theft PINs are entered in the Miscellaneous Forms Section.

Note: If the taxpayer or spouse is deceased, check the appropriate box from the list and enter the date of death when prompted. When you print the return, the tax software prints the Deceased and the date of death next to the deceased person's name at the top of Form 1040 page 1, as required by the IRS.

Entering Basic Information (continued)

☐ Check here if foreign address

Address (Number and Street) *
123 Sample Drive

Apartment

City, Town, or Post Office *
Augusta

State *
Georgia

Zip Code *
30904 - |

Residency Status *
Full-Year Resident of This State

Mobile Phone
(800) 123 - 4567

Daytime Telephone Number *
(800) 123 - 4567

Check the Military and foreign address boxes if they apply.

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

See Note 1 for residency status.

Always ask for at least one telephone number. The daytime phone will appear on the printed return. Enter area code first.

CancelContinue

Note 1: Resident State Return - This option will allow you to select the taxpayer state of residency. Once the state has been selected, clicking on **Continue** will prompt the state questions. The program will create the state return based on the state selected. If there isn't a state return to complete, choose **None** from the list. The program will automatically transfer basic information into the state return for you. Any additional states to be attached will be selected within the State Return section of the return.

Dependent/Qualifying Child Information:

Dependents or Qualifying Person(s) are entered on the next screen. If the taxpayer is claiming dependents or other qualifying persons on their tax return, select the **YES** button to begin filling in applicable information pertaining to each dependent. To bypass the dependent entry menu, select the **NO** button.



Entering Dependent/Qualifying Person

TaxSlayer Navigation: Basic Information>Dependents/Qualifying Person

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

Dependent or Qualifying Child

+ Add a Dependent or Qualifying Child

First Name	Last Name	Social Security Number		
Dependent One	Example	400-00-0002		
+ Add a Dependent or Qualifying Child				

To add multiple dependents, click the Add button.

Continue

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

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

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

Dependent / Qualifying Child Information

**Tab C: Exemptions/
Dependency**

Exemptions

- Exemptions reduce the taxpayer's taxable income
- Exemption Amount: \$4,050
- Two types:
 1. Personal exemptions—one exemption for the taxpayer and, if married, one for his or her spouse; unless either can be claimed as a dependent by another person.
 2. Exemptions for dependents—one exemption for each qualifying child or qualifying relative.
- Apply the rules for exemptions for dependents using the worksheets in the Form 1040 instructions and the interview tips in this publication.
- A person who **may** be claimed as a dependent on another taxpayer's return may not claim a personal exemption, even if the other taxpayer doesn't claim a dependency exemption for the person. In this case, no one obtains an exemption for the person.
- Any person who **may** be claimed as a dependent by another taxpayer may not claim another person as a dependent.

Definitions:

Student: To qualify as a student, your child must be, during some part of each of any 5 calendar months of the year:

1. A full-time student at a school that has a regular teaching staff, course of study, and a regularly enrolled student body at the school, or
2. A student taking a full-time, on-farm training course given by a school described in (1), or by a state, county, or local government agency.

The 5 calendar months don't have to be consecutive.

An on-the-job training course, correspondence school, or school offering courses **only** through the Internet doesn't count as a school for dependency exemption purposes.

Permanently and Totally Disabled: Your child 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.

Custodial and Noncustodial Parent: The custodial parent is the parent with whom the child lived 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.

Foster Child: A foster child is an individual who is placed with you by an authorized placement agency or by judgement, decree, or other order of any court of competent jurisdiction.

Personal Exemptions

Probe/Action: Ask the taxpayer:

step 1	Were you married during any part of the tax year? (Answer YES if state common law rules were met.)	If YES , go to Step 2. If NO , go to Step 7.
step 2	Were you still married on December 31 of the tax year?	If YES , go to Step 5. If NO , go to Step 3. Note: Abandonment doesn't change marital status—answer YES if the taxpayer's responses to Steps 3 and 4 are NO.
step 3	Did you obtain a final decree of divorce or separate maintenance by December 31 of the tax year?	If YES , you can't claim a personal exemption for your former spouse. Go to Step 7 to determine if you can claim your own personal exemption. If NO , go to Step 4.
step 4	Did your spouse die during the tax year? ¹	If YES , go to Step 5. If NO , go back through Steps 1–3 and clarify answers.
step 5	Are you filing a joint tax return?	If YES , go to Step 7. If NO , go to Step 6.
step 6	Did your spouse (including a nonresident alien spouse) have any gross income or can any other taxpayer claim your spouse as a dependent? ²	If YES to either, you can't claim a personal exemption for your spouse. Go to Step 7 to see about your own personal exemption. If NO to both, you can claim a personal exemption for your spouse. Go to Step 7 to see about your own personal exemption.
step 7	Can any other taxpayer claim you (or your spouse if filing jointly) as a dependent on his or her return? ³	If YES , you may not claim a personal exemption for that person on a separate return or the taxpayer who may be claimed as a dependent may not claim a personal exemption on a joint return. If NO , you may claim a personal exemption for yourself (and your spouse may claim a personal exemption, if filing jointly).

¹ If his or her spouse died during the year, the taxpayer can claim the spouse's exemption if the taxpayer didn't remarry during the year. See Publication 17 for other considerations.

² If married filing separately, the taxpayer can take his or her own exemption if no other taxpayer is entitled to claim him or her as a dependent.

If married filing separately, the taxpayer can claim an exemption for his or her spouse if the spouse had no gross income, isn't filing a return, and can't be claimed as a dependent on another taxpayer's return.

You can claim an exemption for your nonresident alien spouse on your separate return, provided your spouse has no gross income for U.S. tax purposes, has a SSN or ITIN, and isn't the dependent of another U.S. taxpayer.

³ If married filing jointly (other than to claim a refund of income tax withheld or estimated tax paid), the taxpayer can't be a dependent on another taxpayer's return.

Overview of the Rules for Claiming an Exemption for a Dependent

Caution: This table is only an overview of the rules. For details, see Publication 17.

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

Tests To Be a Qualifying Child	Tests To Be a Qualifying Relative
1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them.	1. The person can't be your qualifying child or the qualifying child of any other taxpayer. A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file an income tax return or files an income tax return only to get a refund of income tax withheld.
2. The child must be: (a) under age 19 at the end of the year and younger than you (or your spouse, if filing jointly), (b) under age 24 at the end of the year, a full-time student, and younger than you (or your spouse, if filing jointly), or (c) any age if permanently and totally disabled.	2. The person either (a) must be related to you in one of the ways listed under <i>Relatives who don't have to live with you</i> (see Table 2, step 2), or (b) must live with you all year as a member of your household ² (and your relationship must not violate local law).
3. The child must have lived with you for more than half of the year. ²	3. The person's gross income for the year must be less than \$4,050. 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. The child must not have provided more than half of his or her own support for the year. ⁵	4. You must provide more than half of the person's total support for the year. ^{4, 5}
5. The child isn't filing a joint return for the year (unless that joint return is filed only to claim a refund of income tax withheld or estimated tax paid).	
6. If the child meets the rules to be a qualifying child of more than one person, you must be the person entitled to claim the child as a qualifying child. See the "Qualifying Child of More Than One Person" chart.	

¹There is an exception for certain adopted children.

²There 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's exemption. This rule applies even if you provided all of your former spouse's support.

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

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

⁵A 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 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 for all of the following tax benefits, unless the special rule for children of divorced or separated parents applies¹.

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

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

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

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

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

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

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

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

For more details and examples, see Pub. 17 and 501.

1: When the special rule for children of divorced or separated parents applies (see Table 3, later in this tab) and the non-custodial parent claims the child as a dependent, the non-custodial parent may also claim the child tax credit and any educational benefit, if all other rules are met. The custodial parent should enter the child as a non-dependent in the software (see software entries in Tab B), 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: Dependency Exemption

Begin with this table for both Qualifying Child and Qualifying Relative dependents.

Probe/Action: Ask the taxpayer:

step 1	Can you or your spouse (if filing jointly) be claimed as a dependent on another taxpayer's tax return this year?	If YES : If you can be claimed as a dependent by another taxpayer, you may not claim anyone else as your dependent. If NO : Go to Step 2
step 2	Was the person married as of December 31, 2017?	If YES : Go to Step 3 If NO : Go to Step 4
step 3	Is the person filing a joint return for this tax year? (<i>Answer "NO" if the person is filing a joint return only to claim a refund of income tax withheld or estimated tax paid.</i>)	If YES : You can't claim this person as a dependent. If NO : Go to Step 4
step 4	Was the person a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico? (<i>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.</i>)	If YES : Go to Step 5 If NO : You can't claim this person as a dependent.
step 5	Was the person your son, daughter, stepchild, eligible foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (i.e., your grandchild, niece, or nephew)?	If YES : Go to Step 6 If NO : This person isn't your qualifying child. Go to Table 2: Dependency Exemption for Qualifying Relative
step 6	Was the person: -under age 19 at the end of the year and younger than you (<i>or your spouse, if filing jointly</i>) OR -under age 24 at the end of the year, a full-time student (see definition on page C-1) and younger than you (<i>or your spouse, if filing jointly</i>) 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: Dependency Exemption for Qualifying Relative
step 7	Did the person live with you as a member of your household, except for temporary absences ² , for more than half the year? (<i>Answer "YES" if the child was born or died during the year.</i>)	If YES : Go to Step 8 (Use Table 3 to see if the exemption 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: Dependency Exemption for Qualifying Relative
step 8	Did the person provide more than half of his or her own support ³ for the year?	If YES : You can't claim this person as a dependent If NO : Go to Step 9
step 9	Is the person a qualifying child of any other taxpayer?	If YES : Go to the chart: Qualifying Child of More Than One Person If NO : You can claim this person as a 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, Personal Exemptions and Dependents

³ A worksheet for determining support is included later in this section. 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.

Table 2: Dependency Exemption for Qualifying Relative

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

Probe/Action: Ask the taxpayer:

step 1	Is the person your qualifying child or the qualifying child of any other taxpayer? A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file a U.S. income tax return or files an income tax return only to get a refund of income tax withheld.	If YES , the person isn't a qualifying relative. (See Qualifying Child Interview Tips.) If NO , go to Step 2.
step 2	Was the person your son, daughter, stepchild, foster child, or a descendant of any of them (i.e., your grandchild)? OR Was the person your brother, sister, half-brother, half-sister, or a son or daughter of any of them? OR Was the person your father, mother, or an ancestor or sibling of either of them? OR Was the person your stepbrother, stepsister, stepfather, stepmother, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law? ¹	If NO , go to Step 3. If YES , go to Step 4. Note: The relatives listed in Step 2 are considered "Relatives who don't have to live with you" Note: To enter into TaxSlayer a qualifying relative who did not live with the taxpayer more than 6 months, choose "Other reasons" from the months dropdown menu.
step 3	Was the person any other person (other than your spouse) who lived with you all year as a member of your household? ²	If NO , you can't claim this person as a dependent. If YES , go to Step 4. Note: There are exceptions for kidnapped children; a child who was born or died during the year; certain temporary absences—school, vacation, medical care, etc. Divorced or separated spouse. If you obtained a final decree of divorce or separate maintenance during the year, you can't take your former spouse's exemption. This rule applies even if you provided all of your former spouse's support.
step 4	Did the person have gross income of less than \$4,050 in 2017? ³	If NO , you can't claim this person as a dependent. If YES , go to Step 5.
step 5	Did you provide more than half the person's total support for the year? ⁴	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.

continued on next page

Table 2: Dependency Exemption for Qualifying Relative

Continued

Probe/Action: Ask the taxpayer:

step 6	Did another person provide more than half the person's total support?	If YES , you can't claim an exemption for this person. If NO , go to Step 7.
step 7	Did two or more people together provide more than half the person's total support?	If YES , go to Step 8. If NO , you can't claim this person as a dependent.
step 8	Did you provide more than 10% of the person's total support for the year?	If YES , go to Step 9. If NO , you can't claim this person as a dependent.
step 9	Did the other person(s) providing more than 10% of the person's total support for the year provide you with a signed statement agreeing not to claim the exemption?	If YES , you can claim this person as a dependent. You must file Form 2120 with your return. If NO , you can't claim this person as a dependent.

Footnotes:

¹ 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 A worksheet for determining support is included at the end of this section.

See Table 3 for the exception to the support test for children of divorced or separated parents or parents who live apart. If a child receives social security benefits and uses them toward his or her own support, those benefits are considered as provided by the child. Benefits provided by the state to a needy person are generally considered support provided by the state. A proposed rule on which taxpayers may choose to rely treats governmental payments made to a recipient that the recipient uses, in part, to support others as support of the others provided by the recipient, whereas any part of such payment used for the support of the recipient would constitute support of the recipient by a third party. For example, if a mother receives TANF and uses the TANF payments to support her children, the proposed regulations treat the mother as having provided that support.

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

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

Probe/Action: Ask the taxpayer:

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

Footnotes:

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

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

³ **Post-1984 and Pre-2009 divorce decrees or agreements:**

The noncustodial parent must attach all of the following pages from the decree or agreement.

- Cover page (include the other parent's SSN on that page)
- The pages that include all the information identified in (1) through (3) above
- Signature page with the other parent's signature and date of agreement.

Release of exemption revoked

A custodial parent who has revoked his or her previous release of a claim to exemption for a child must attach a copy of the revocation to his or her return. For the revocation to be effective for 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: Non-custodial parents must attach the Form 8332, or a copy of Form 8332 or similar statement to their return.

Worksheet for Determining Support



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 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):
 - 6a. Enter the total rent paid 6a. _____
 - 6b. Enter the fair rental value of the home. If the person you supported owned the home, also include this amount in line 21. 6b. _____
7. Enter the total food expenses 7. _____
8. Enter the total amount of utilities (heat, light, water, etc. not included in line 6a or 6b) 8. _____
9. Enter the total amount of repairs (not included in line 6a or 6b) 9. _____
10. Enter the total of other expenses. Don't include expenses of maintaining the home, such as mortgage interest, real estate taxes, and insurance. 10. _____
11. Add lines 6a through 10. These are the total household expenses 11. _____
12. Enter total number of persons who lived in the household 12. _____

Expenses for the Person You Supported

13. Divide line 11 by line 12. This is the person's share of the household expenses 13. _____
14. Enter the person's total clothing expenses 14. _____
15. Enter the person's total education expenses 15. _____
16. Enter the person's total medical and dental expenses not paid for or reimbursed by insurance . . 16. _____
17. Enter the person's total travel and recreation expenses 17. _____
18. Enter the total of the person's other expenses 18. _____
19. Add lines 13 through 18. This is the total cost of the person's support for the year 19. _____

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

20. Multiply line 19 by 50% (.50) 20. _____
21. Enter the amount from line 2, plus the amount from line 6b if the person you supported owned the home. This is the amount the person provided for his or her own support 21. _____
22. Is line 21 more than line 20?

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

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

Did You Provide More Than Half?

23. Enter the amount others provided for the person's support. Include amounts provided by state, local, and other welfare societies or agencies. Don't include any amounts included on line 1. . . 23. _____
24. Add lines 21 and 23 24. _____
25. Subtract line 24 from line 19. This is the amount you provided for the person's support 25. _____
26. Is line 25 more than line 20?

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

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

Note: Taxpayers should keep a completed copy of this worksheet for their records.

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

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has rounded corners at the bottom. There is no handwriting or other markings on the page.

Tab D: Income

Income Quick Reference Guide

This list is a quick reference and volunteers should refer to Publication 17 for more information. Don't rely on this list alone. Some of the income items on this chart are out of scope for VITA/TCE. 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.

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

Table B – Examples of Nontaxable Income

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

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

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

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

³An 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.

⁴The 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).

⁵If 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 (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.

Table 1—Included Items

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

Basic pay <ul style="list-style-type: none"> • Active duty • Attendance at a designated service school • Back wages • CONUS COLA • Drills • Reserve training • Training Duty 	Special pay (cont.) <ul style="list-style-type: none"> • 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 <ul style="list-style-type: none"> • Submarine • Flight • Hazardous duty • High altitude/Low altitude (HALO)
Special pay <ul style="list-style-type: none"> • Aviation career incentives • Career sea • Diving duty • Foreign duty (outside the 48 contiguous states and the District of Columbia) • Foreign language proficiency • Hardship duty 	Bonus pay <ul style="list-style-type: none"> • Career status • Continuation pay • Enlistment • Officer • Overseas extension • Reenlistment 	Other pay <ul style="list-style-type: none"> • Accrued leave • High deployment per diem • Personal money allowances paid to high ranking officers • Student loan repayment from programs such as the Department of Defense Educational Loan Repayment Program when year's service (requirement) isn't attributable to a combat zone
		In-kind military benefits <ul style="list-style-type: none"> • Personal use of government-provided vehicle

Table 2—Excluded Items

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

Combat zone pay <ul style="list-style-type: none"> • Compensation for active service while in a combat zone • Note: Limited amount for officers 	Family allowances <ul style="list-style-type: none"> • Certain educational expenses for dependents • Emergencies • Evacuation to a place of safety • Separation 	Travel allowances <ul style="list-style-type: none"> • Annual round trip for dependent students • Leave between consecutive overseas tours • Reassignment in a dependent restricted status • Transportation for you or your dependents during ship overhaul or inactivation • Per diem
Other pay <ul style="list-style-type: none"> • Defense counsel services • Disability, including payments received for injuries incurred as a direct result of a terrorist or military action • Group-term life insurance • Professional education • ROTC educational and subsistence allowances • State bonus pay for service in a combat zone • Survivor and retirement protection plan premiums • Uniform allowances • Uniforms furnished to enlisted personnel 	Living allowances <ul style="list-style-type: none"> • 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 <ul style="list-style-type: none"> • Dependent-care assistance program • Legal assistance • Medical/dental care • Commissary/exchange discounts • Space-available travel on government aircraft
Death allowances <ul style="list-style-type: none"> • Burial services • Death gratuity payments to eligible survivors • Travel of dependents to burial site 	Moving allowances <ul style="list-style-type: none"> • Dislocation • Military base realignment and closure benefit (the exclusion is limited as described above) • Move-in housing • Move household and personal items • Moving trailers or mobile homes • Storage • Temporary lodging and temporary lodging expenses 	

How/Where to Enter Income

TaxSlayer Navigation: Federal Section>Income

- Select Guide Me to launch a step-by-step series of questions to help determine the various types of income that should be entered on the tax return.
- Select Enter Myself if you prefer to enter items of income without help.
- Regardless of which path you choose, the tax form entry screens are the same.
- If you don't need to enter or correct any income items, you can skip this section.

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

If the taxpayer received a state refund in 2017 and itemized deductions for 2016 that included a deduction for state income tax, click this and complete the State Refund worksheet.

Select Quick File from this pull-down menu to create a list of entry screens for this return.

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

To enter Taxable Scholarship, Prisoner Earned Income, or Foreign Compensation - click Other Income then choose Other Compensation.

To enter unemployment compensation, click Begin on the unemployment line or click Line 19 from the 1040 view.

TaxSlayer Pro 2016 | LG

Preview Return Help & Support Mr Taxpayer

Enter the Form Number...

Basic Information
Federal Section
Income
Deductions
Other Taxes
Payments & Estimates
Miscellaneous Forms

Health Insurance
State Section
Summary/Print
e-File
2016 Amended Return
Your Office
Help & Support

Income

Wages and Salaries Form W-2	Begin
State and Local Refunds Form 1099-G Box 2	Begin
Interest and Dividends Form 1099-DIV / 1099-DIV	Begin
IRA/Pension Distributions Form 1099-R / RRB, SSA	Begin
Unemployment Compensation Form 1099-G Box 1	Begin
Form 1099-Misc	Begin
Profit or Loss From A Business Schedule C	Begin
Rents and Royalties Schedule E	Begin
Capital Gain and Losses Schedule D	Begin
Profit or Loss From Farming Schedule F	Begin
Alimony Received	Begin
Other Income	Begin

Back Continue

\$0 Federal Refund
\$0 MT Refund Amount

Form W-2 Instructions

TaxSlayer Navigation: Federal Section>Income>Wages; 1040 View Line 7; or Keyword "W2"

W-2

i Control Number is not needed for e-filing

IRS Verification Code (If provided)

☒ This is a standard W-2
☐ This is a corrected W-2
☐ This is a substitute W-2

If a Form W-2 can't be obtained from the employer, check 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.

If there is a code in W-2 box 9, enter where indicated. This code assists the IRS in validating the W-2 data submitted with the return.

Employee

Whose W-2 is this? *

☐ Taxpayer Example
☐ Spouse Example

ITIN SSN *

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

- Please Select - ▾

Zip Code *

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

ITIN SSN:

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

Employer

i Note: Information entered below must match the IRS Master File. Please verify.

b EIN *

c Employer Name *

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

- Please Select - ▾

Zip Code *

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.

Form W-2 Instructions (continued)

Wages

1 Wages, Tips

\$

3 SS Wages

\$

5 Medicare Wages

\$

7 SS Tips

\$

9

Reserved

11 NonQual Plan

\$

2 Federal Tax Withheld

\$

4 Soc. Sec. Tax Withheld

\$

6 Medicare Tax

\$

8 Allocated Tips

\$

10 Dependent Care

\$

Unreported Tips

\$

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

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

If there is an entry in Box 10, Form 2441 must be completed.

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

Form W-2 ALERT!

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

A taxpayer with multiple Forms W-2 could possibly have a different address on several, if not all, 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.***

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

Form W-2 Instructions (continued)

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

Be sure to check box 13 as indicated on Forms W-2. This is important in calculating the deductibility of IRA contributions.

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.

If Box 16 and Box 17 are both blank, leave Box 15 blank.

12 Code Amount a <input type="text"/> \$ <input type="text"/> + add another row		13 <input type="checkbox"/> Statutory Employee <input type="checkbox"/> Retirement Plan <input type="checkbox"/> Third Party Pay Medicaid Waiver Payment in Box 1 \$ <input type="text"/>	
14 Code Amount <input type="text"/> \$ <input type="text"/> + add another row			
State Information <hr/> State Information <input type="button" value="Clear"/>			
15 State Name <input type="text"/> - Please Select -	State EIN <input type="text"/>	16 St Wages \$ <input type="text"/>	17 St Tax Paid \$ <input type="text"/>
	18 Local Wages \$ <input type="text"/>	19 Local Tax Paid \$ <input type="text"/>	20 Local Name <input type="text"/>

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

Form W-2 Reference Guide for Common Box 12 Codes

A Uncollected social security or RRTA tax on tips
B Uncollected Medicare tax on tips
D Elective deferrals to a section 401 (k) cash or deferred arrangement
E Elective deferrals under a section 403 (b) salary reduction agreement
G Elective deferrals and employer contributions (including nonelective deferrals) to a section 457 (b) deferred compensation plan
J Nontaxable sick pay
P Excludable moving expense reimbursements paid directly to employee

Q Nontaxable combat pay (Military certification)
T Adoption benefits (Out of scope)
W Employer contributions (including amounts the employee contributes through a cafeteria plan) to employee's health savings account (HSA certification)
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
EE Designated Roth contributions under a governmental section 457 (b) plan
 Codes D, E, and G indicate elective (voluntary) contributions which qualify for Retirement Savings Credit.

Interest Income

TaxSlayer Navigation: Federal Section>Income>Interest and Dividends>Interest Income, 1040 View Line 8a, or Keyword “1099-INT”

Interest and Dividend Income

Interest or Dividend Income

Did you have interest in a foreign bank account?

Exclusion of Interest from Series EE & I US Savings Bonds

Begin

Begin

Begin

Continue to Income

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

If the aggregate value of foreign financial accounts exceeds \$10,000 at any time during the year, the FinCEN Report 114 is required and the return is out of scope.

If Tax-Exempt interest is present on the Form 1099-INT, enter separately.

1099 Description Schedule B

Choose the type of Interest or Dividend item you want to enter:

☐ Interest Income, Form 1099-INT, Form 1099-OID (including interest income < 1,500)

☐ Tax Exempt Interest Income, Form 1099-INT, Box 8 or Form 1099-DIV, Box 10

☐ Dividend Income, Form 1099-DIV

☐ Seller Financed Interest Income

Cancel

Continue

Interest Income (continued)

Type of transaction
Interest Income

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

Payer's Name *

Annotating who received interest is important for state tax purposes.

Enter each Form 1099-INT separately.

Taxpayer, Spouse, or Joint?

Taxpayer ▼

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

Interest Income (Box 1)

The early withdrawal penalty is carried as an adjustment to Form 1040.

Early Withdrawal Penalty (Box 2)

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

Interest on U.S. Savings Bonds and Treasury obligations (Box 3)

ⓘ (Note: Enter Taxable amount only)

Federal Tax Withheld (Box 4)

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

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

Foreign Tax Paid (Box 6)

Amount of Interest on U.S. Savings Bonds and Treasury Obligations that you want subtracted from your state return

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

Nominee Interest

Nominee interest—Interest transferred to another person—out of scope.

OID Adjustment

Accrued Interest

ABP Adjustment

Accrued Market Discount

OID adjustment – Don't use this for interest reported on Form 1099-OID. This is only used when the OID instrument was bought or sold during the year. In that case, the return is out of scope. OID interest is treated the same as regular interest.

Accrued interest—Interest paid to seller at time of purchase—out of scope.

Private activity bond interest (PAB) is entered in Other Taxes>> Alternative Minimum Tax>>Interest from specified private activity bonds exempt from the regular tax.

Note: If Form 1099-INT shows state tax withheld, go to the Payments and Estimates section and enter them there as Other State Withholdings.

Tax-Exempt Interest

TaxSlayer Navigation: Federal Section>Income>Interest and Dividends>Interest or Dividend Income>Tax Exempt Interest; 1040 View Line 8b; or Keyword “1099-INT”

Enter the payer's name. Select whether the interest income belongs to the taxpayer, the spouse or if it is joint income.

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

If any of the tax exempt interest isn't exempt from state taxes, select the **Add/Edit** button to add a Taxable State Interest item. Interest on out-of-state municipal bonds isn't taxable on the federal return BUT IS generally taxable on the state return.

Enter the required information and select **Continue To Next Step**.

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

Schedule B Other Interest

Type of transaction

Tax Exempt Interest Income, Form 1099-INT, Box 8 or Form 1099-DIV, Box 10

Payer's Name *

Taxpayer, Spouse, or Joint?

Interest Income *

Taxable State Interest

Add Interest Items

Taxable State Interest Item

State *

- Please Select -

Owner

Taxpayer

Amount

\$

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

Note: Income from a reverse mortgage is not considered taxable income.

Seller Financed Mortgage Interest

TaxSlayer Navigation: Federal Section>Income>Interest and Dividends>Seller Financed Interest Income; 1040 View Line 8a; or Keyword "1099-INT"

Schedule B Other Interest

Type of transaction
Seller Financed Interest Income

Payer's Name *

Taxpayer, Spouse, or Joint?
Taxpayer ▼

Payer's Social Security Number *

Payer's Address *

Address (Number and Street) *

City, Town, or Post Office *

State *

Zip Code *

Interest Income *

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

Dividend Income (Form 1099-DIV)

TaxSlayer Navigation: Federal Section>Income>Interest and Dividends>Dividend Income; 1040 View Line 9a; or Keyword "1099-DIV"

Dividend Income (Form 1099-DIV)

Type of transaction

Dividend Income

Payer's Name *

Taxpayer, Spouse, or Joint?

Ordinary Dividends (Box 1a)

Qualified Dividends (amount of ordinary dividends that are considered qualified) (Box 1b)

Capital Gain to Schedule D (Box 2a)

Unrecaptured Section 1250 Gain (Box 2b)

Section 1202 Gain (Box 2c)

Collectibles (28%) Gain (Box 2d)

Nondividend Distributions (Box 3)

Federal Income Tax Withheld (Box 4)

Foreign Tax Paid (Box 6)

Nominee Dividend

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

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

Select whether the dividend income belongs to the taxpayer, the spouse or if it is joint income.

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

Non-dividend 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.

An entry in Foreign tax paid (box 6) will flow to the foreign tax credit line on Form 1040. Caution: Only the simplified limitation method is in scope. If total foreign taxes exceed \$300 (\$600 if filing joint), the simplified method cannot be used. In that case, Form 1116 is required, with International certification only. See the Nonrefundable Credits tab for Foreign Tax Credit information.

Enter dividends from federal bond funds which are fully taxable on the federal return but tax exempt on the state return.

State and Local Refund Worksheet

TaxSlayer Navigation: Federal Section>Income>State and Local Refunds; 1040 View Line 10; or Keyword "1099-G, Box 2"

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

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

Enter prior year state and local income tax that was deducted and state and local sales tax that could have been deducted.

State Refund Worksheet	
<div>Section 1 - State and Local Refunds</div> <div>State Tax Refunds (all refunds from 1099-G or similar statements)</div> <div>\$ <input type="text"/></div> <div>Last year's (2016 Tax Return) Standard/Itemized Deductions found on line 40 Form 1040 or line 24 Form 1040A. If you filed your 2016 return on form 1040EZ, please enter 0.</div> <div>\$ <input type="text"/></div> <div>Last Year's (2016 Tax Return) Filing Status *</div> <div>Select one... ▼</div> <div>Last Year's (2016 Tax Return) Deductions for Age 65 and over or Blind:</div> <div><input type="checkbox"/> Check here if Taxpayer claimed the Age 65 and older deduction last year.</div> <div><input type="checkbox"/> Check here if the Spouse claimed the Age 65 and older deduction last year.</div> <div><input type="checkbox"/> Check here if Taxpayer claimed the Blind deduction last year.</div> <div><input type="checkbox"/> Check here if the Spouse claimed the Blind deduction last year.</div> <div>Section 2 - If the filing status on your 2016 Form 1040 was married filing separately and you were forced to itemize because your spouse itemized in 2016, fill out this section ONLY.</div> <div>State Tax Refunds (all refunds from 1099-G or similar statements)</div> <div>\$ <input type="text"/></div> <div>Prior Year Taxes</div> <div>Prior Year State Tax Withheld</div> <div>\$ <input type="text"/></div> <div>Prior Year Sales Tax Deduction</div> <div>\$ <input type="text"/></div>	<div>Section 1– 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.</div> <div>Section 2– For taxpayers who filed a MFS tax return in the previous year and were forced to itemize deductions because their spouse itemized deductions, enter the amount from all current year Form 1099-G statements. This amount will be included on the return as taxable income.</div>
<div>Cancel Continue</div>	

Alimony Received--See Tab E for information about alimony income and deductions.

Schedule C Self-Employment Income

TaxSlayer Navigation: Federal Section>Income

If any of the self-employment income is reported on Form 1099-MISC, Miscellaneous Income, select **Form 1099-Misc**. In most cases, self-employment income reported on a Form 1099- MISC will be in Box 7, Nonemployee compensation.

<div><div><div><div><div></div><div>Basic Information</div></div><div><div><div></div><div>Federal Section</div></div><div><div><div></div><div>Income</div></div><div><div><div></div><div>Deductions</div></div><div><div><div></div><div>Other Taxes</div></div><div><div><div></div><div>Payments & Estimates</div></div><div><div><div></div><div>Miscellaneous Forms</div></div><div><div><div></div><div>Health Insurance</div></div><div><div><div></div><div>State Section</div></div><div><div><div></div><div>Summary/Print</div></div><div><div><div></div><div>e-File</div></div><div><div><div></div><div>2016 Amended Return</div></div><div><div><div></div><div>My Account</div></div><div><div><div></div><div>Help & Support</div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div>	<div><div>Income</div><div><div></div><div></div></div><div>Wages and Salaries Form W-2</div><div>Begin</div><div>State and Local Refunds Form 1099-G Box 2</div><div>Begin</div><div>Interest and Dividends Form 1099-INT / 1099-DIV</div><div>Begin</div><div>IRA/Pension Distributions Form 1099-R / RRB, SSA</div><div>Begin</div><div>Unemployment Compensation Form 1099-G Box 1</div><div>Begin</div><div>Form 1099-Misc</div><div>Begin</div><div>Profit or Loss From A Business Schedule C</div><div>Begin</div><div>Rents and Royalties Schedule E</div><div>Begin</div><div>Capital Gain and Losses Schedule D</div><div>Begin</div><div>Profit or Loss From Farming Schedule F</div><div>Begin</div><div>Alimony Received</div><div>Begin</div><div>Other Income</div><div>Begin</div></div>
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Select **Profit or Loss From A Business (Schedule C)** to enter self-employment **income** that isn't reported on a Form 1099-MISC. This would include income reported on Form 1099-K, Payment Card and Third Party Network Transactions, as well as all other cash and any other income received related to the business activity. Also, enter **expenses** related to the self-employment income.

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

Form 1099-MISC

TaxSlayer Navigation: Federal Section>Income>Form 1099-Misc; Keyword “MISC”

Form 1099-MISC

Whose 1099-MISC is this?

Recipient *

- ☐ Taxpayer Example
- ☐ Spouse Example

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

Payer Information

☐ Use Payer's SSN as ID

Payer's Federal ID *

-

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.

Payer's Name *

Payer's Address *

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

- Please Select -

▼

Zip Code *

-

Form 1099-MISC (continued)

Recipient Information

Recipient's Name *

Recipient's Address *

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

Zip Code *

 -

Account Number

1099-MISC Information

1 Rents

2 Royalties

3 Other income

4 Federal income tax withheld

5 Fishing boat proceeds

6 Medical and health care payments

7 Nonemployee compensation

8 Substitute payments in lieu of dividends or interest

☐ 9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale

Some income that isn't self-employment, such as prizes and awards, is reported in box 3, **Other income**. This income is reported on Form 1040, line 21.

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

Sometimes income reported in box 7, **Nonemployee compensation** is related to a hobby - an activity that isn't engaged in for profit. Activities not for profit are out of scope. See Pub 525, Taxable and Nontaxable Income, for more complete information about not-for-profit activities.

Self-employment income generally appears in box 7, **Nonemployee compensation**. If there is income reported in other boxes and it was earned by the business, it should also be reported as other business income on the Schedule C.

Form 1099-MISC (continued)

10 Crop insurance proceeds

\$

11 Foreign tax paid

\$

12 Foreign country or U.S. possession

13 Excess golden parachute payments

\$

14 Gross proceeds paid to an attorney

\$

15a Section 409-A Deferrals

\$

15b Section 409-A Income

\$

State Information 1

Clear

16 State tax withheld

\$

18 State income

\$

17 State

- Please Select -

Payer's State No.

Clear State Information 1

State Information 2

Clear

16 State tax withheld

\$

18 State income

\$

State

- Please Select -

Payer's State No.

Connecting the Form 1099-Misc to Schedule C

Where would you like to add the income?

Create a New Schedule C Income from Business

Continue

If the Form 1099-MISC income is self-employment, create a Schedule C by clicking here the Create a New Schedule C link.

Form 1099-MISC

Add a Form 1099-MISC

Owner	Payer	Carried To	
Taxpayer	Payer 1	None	<div>EditDelete</div>
Taxpayer	Payer 2	Schedule C	<div>EditDelete</div>
Taxpayer	Payer 3	Line 21	<div>EditDelete</div>
<div>Add a Form 1099-MISC</div>			

Continue to Income

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

Alert: Check to ensure the Form 1099-MISC is carried to the correct section of Form 1040.

Schedule C - Menu

TaxSlayer Navigation: Federal Section>Income>Form 1099-Misc>Continue>; 1040 View
Line 12; Keyword "C"

Caution: Businesses with inventory, employees, contract labor, depreciation, business use of the home, expenses over \$25,000 or a net loss are out of scope.

Complete **Basic Information About your Business** and **Questions About the Operation of Your Business** for every Schedule C.

Select **Income** to enter any income for the business that was not reported on Form 1099- MISC, such as cash income or income from a Form 1099-K.

Schedule C

Basic Information About Your Business

Questions About the Operation of Your Business

Income

Cost of Goods Sold

General Expenses

Car And Truck Expenses

Depreciation

Other Expenses

Expenses for Business Use of Your Home

Restart Schedule C Guide

Edit

Begin

Edit

Begin

Begin

Begin

Begin

Begin

Begin

Begin

Continue

Select **Other expenses** to enter any expenses not listed under **General Expenses**.

Most business expenses are entered in the **General Expenses** section.

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. Out of scope: A Form 1099-K received for the sale of goods held in inventory or for rental income (unless certified in Military).

Caution: Income from the manufacture, distribution, or trafficking of controlled substances (such as marijuana) is out of scope for the VITA/TCE programs.

Schedule C - Questions about your Business

Schedule C Questions

Questions about your Business

Accounting Method *

- ☒ Cash
☐ Accrual
☐ Other

Method used to value closing inventory *

- ☒ Cost
☐ Lower of cost or market
☐ Not Applicable

- ☐ 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.
- ☒ Check here if you "materially participated" in the operation of this business during the tax year.
- i** 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.)

\$

- ☐ Check here if you made any payments in 2016 that would require you to file Form(s) 1099.
- ☐ 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.

To be in scope, the accounting method must be **Cash** 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).

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

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 - General Expenses

TaxSlayer Navigation: Federal Section>Income>Profit or Loss from a Business>General Expenses;
1040 View Line 12; Keyword "C"

The following expenses are out of scope:

Contract Labor, Depletion, Employee benefit program, Health Insurance, Mortgage interest, Pension and profit sharing, and Wages.

Schedule C - Expenses

Advertising

\$

Contract Labor

\$

Commission and fees

\$

Depletion

\$

Employee benefit programs

\$

Health Insurance

(will carry automatically to worksheet)

\$

Insurance

(other than health)

\$

Mortgage interest

\$

Other interest

\$

Legal and professional services

\$

Office expense

\$

Pension and profit sharing

\$

Rent or lease of equipment

\$

Rent or lease of property

\$

Repairs and maintenance

\$

Supplies

\$

Taxes and licenses

\$

Travel

\$

Meals and entertainment (50%) Enter 100% of the expenses.

\$

Meals and entertainment (80%) Enter 100% of the expenses.

\$

Utilities

\$

Wages

(less employment credits)

\$

Cancel

Continue

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.

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

Note: Rentals or leases of equipment for more than 30 days are out of scope.

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

Schedule C - Car and Truck Expenses

TaxSlayer Navigation: Federal Section>Income>Profit or Loss from a Business>Car and Truck Expenses; 1040 View Line 12; Keyword "C"

Schedule C Car and Truck Expenses

Car and Truck Expenses

Please Note: Actual car or truck expenses must be entered in the depreciation menu for this business.

Description of Vehicle *

Date you placed your vehicle in service for business purposes *

MM

DD

YYYY

Of the total number of miles you drove your vehicle during the tax year, enter the number of miles you used your vehicle for each of the following.

Business miles *	Commuting	Other
<div></div>	<div></div>	<div></div>

☐ Check if you have (or your spouse has) another vehicle available for personal use.
☐ Check if your vehicle was available for personal use during off-duty hours.
☐ Check if you have evidence to support your deduction.
☐ If yes, check if the evidence is written.

Cancel

Continue

Using actual expense deductions, such as gas, repairs, and depreciation, is out of scope.

Enter a brief description of the vehicle; for example, *2008 Ford*.

Other: Miles driven for personal purposes.

Business miles: Miles related to the business activity that aren't commuting miles.

Commuting miles: Miles driven each day from home to the first business location and driven from the last business location back home.

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

Caution: Refer to Tab F, Deductible Transportation Expenses, for help determining deductible business mileage and non-deductible commuting mileage. For additional information and examples, see Publication 463, *Travel, Entertainment, Gift, and Car Expenses*.

Note: The car and truck expense deduction will automatically be calculated using the standard mileage rate, based on the number of business miles entered. The rate is 53.5 cents per mile for tax year 2017. In addition, the taxpayer can deduct the cost of parking and tolls.

Note: If you are self-employed and use your car 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. However, if you are self-employed and use your car in your business, you can deduct that part of the interest expense that represents your business use of the car. You cannot deduct the part of the interest expense that represents your personal use of the car. Enter the deductible amount on the Other Interest line on the Schedule C Expenses screen.

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

Schedule D Capital Gains

Schedule D Capital Gains



Capital Gains and Loss Items

Begin

Additional Capital Gains Distributions

Begin

Other Capital Gains Data (including Capital Loss Carryover)

Begin

Sale of Main Home Worksheet

Begin

Enter all capital transactions here.
The software will carry the transactions to the appropriate Form 8949. The totals for each Form 8949 will automatically carry to the correct line of Sch D.

Continue to Income

Other Capital Gains Data

Adjust Section 1250 Amounts

\$

Adjust 28% Gain

\$

Short Term Loss Carryover from 2016 (enter as a positive number)

\$

Long Term Loss Carryover from 2016 (enter as a positive number)

\$

Cancel

Continue

If the taxpayer has a Short Term or Long Term capital loss carryover from the prior year, enter on the appropriate lines.

Entering Capital Gains and Losses

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

- Select if Applicable -
Various - Short Term
Various - Long Term
Inherited - Long Term

- Select if Applicable -
Worthless - Short Term
Worthless - Long Term
Bankrupt - Short Term
Bankrupt - Long Term

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

Capital Gains Transaction

Description of Property *

Date Acquired

☐ * Alternate Option: If Date Acquired is not known, leave the date blank and select an option here

MM ▼ DD ▼ YYYY ▼

Form 1099-B box 1b

Date Sold

☐ * Alternate Option:

☐ Check here if a short sale.

MM ▼ DD ▼ YYYY ▼

Form 1099-B box 1c

Sales Price

☐ * Alternate Option: If Sale Price is Expired, leave the sales price blank and select an option here

\$

Form 1099-B box 1d

Select cost basis type *

- Please Select - ▼

Choose the cost basis type that applies to this transaction.

Code A or D
Code B or E
Code C or F

- Please Select -
1099-B, Box 3 Cost Basis Reported to the IRS
1099-B, Box 3 Cost Basis NOT Reported to the IRS
Did not receive Form 1099-B

Entering Capital Gains and Losses (continued)

Cost

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

\$

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.

\$

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

☐ Form 1099-B with Basis shown in Box 3 is Incorrect

☐ Form 1099-B & Type of Gain/Loss shown in Box 1c is Incorrect

☐ Received 1099-B/1099-S as a Nominee for the Actual Owner of the Property

☐ Exclude Some/All of the Gain from the Sale of Your Main Home

☐ Form 1099-B showing accrued market discount in box 1g

☐ Exclude Part of the Gain from the Sale of Qualified Small Business Stock

☐ Exclude Gain from DC Zone Assets or Qualified Community Assets

☐ Rollover of Gain from QSB Stock, Empowerment Zone, Publicly Traded Securities

☐ Nondeductible Loss from a Wash Sale

☐ Nondeductible Loss other than a Wash Sale

☐ Form 1099-B or 1099-S with Selling Expenses or Options not Reflected on Form

☐ Loss from the Sale of Small Business Stock more than Allowable Ordinary Loss

☐ Disposed of Collectibles

☐ Reporting Multiple Transactions on a Single Row

☐ Other Adjustment Not Explained Above

Collectible Exchange

☐ Is this a Collectible Exchange?

Form 1099-B box 1e or provided by taxpayer. If basis can't be determined, use zero. If inherited from a 2010 death see Adjustments to Basis Chart in this tab.

If an adjustment to basis or net capital gain is required, enter the adjustment amount and mark the reason(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.

TIP: If summarizing transactions, enter zero for the adjustment amount and select "M - Reporting Multiple Transactions on a Single Row."

If you have no more transactions to enter, click "Continue" (this will also save your entry.)

Click "Save & Enter Another" if you have more capital gain transactions to enter.

Entering Capital Gains and Losses (continued)

Exception to Entering Each Transaction on a Separate Row

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

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

Brokers' Statements

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

1. 1099-INT. (Summary-NOT detail)
2. 1099-DIV. (Summary-NOT detail)
3. 1099-B (Summary and Detail) and "Cost basis" or "Transaction detail" for sale of stock: Input as a capital gain and losses.
4. "Management" or "Investment fees": Input on Schedule A Line 23.
5. If there are dividends from mutual funds, look for an insert or chart that says what percentage came from federal government interest: Enter on the dividend input screen and select your state (check your state rules).
6. The chart should also show what percent came from municipal bonds from each state: Input exempt interest from states other than yours by selecting tax exempt interest income and making the state adjustment (check your state rules).
7. Foreign taxes paid: Enter Foreign taxes paid on the dividend input screen only if all foreign taxes relate to passive income and the total on all tax statements (1099, etc.) is less than \$300 (\$600 MFJ); otherwise, in scope only if certified in International.
8. If the taxpayer has margin interest and is itemizing deductions, the return is out of scope.

Capital Gain/Loss

+ Add a Capital Gains Transaction

Description	Date Acquired	Date Sold	Price	Cost	
50 Short C	2/5/2016	6/11/2016	\$1,000	\$600	 
50 Short B	7/7/2015	4/12/2016	\$200	\$300	 
50 Short A	Various - Short Term	2/27/2016	\$600	\$500	 
10 shares LTD	Various - Long Term	9/2/2016	\$1,000	\$500	 
10 shares LongF	1/10/2008	1/10/2016	\$150	\$250	 
10 shares LongE	1/6/2009	2/15/2016	\$200	\$500	 

+ Add a Capital Gains Transaction

Continue to Capital Gains

Note: Net losses greater than \$3000 (\$1500 if MFS) will carry forward to future tax years.

Adjustments to Basis in TaxSlayer–TY2017

Enter Capital Gain/Loss Transactions in TaxSlayer

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

In Scope			
IF...	THEN...	THEN select from the dropdown list	Adjustment Code that will appear on Form 8949
You received a Form 1099-B (or substitute statement) and the basis shown in box 3 is incorrect...	If the basis was not reported to the IRS, report the correct basis and make no adjustment. If the basis was reported to the IRS...	Form 1099-B with Basis in Box 3 is Incorrect & Correct Basis is Lower or Higher	B
You 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 that you paid (and that are not reflected on the form or statement you received).	Form 1099-B with Basis in Box 3 is Incorrect & Correct Basis is Lower or Higher	E
You sold or exchanged your 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 you would if 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
You have 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	L
You report 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
You received a Form 1099-B (or substitute statement) and the type of gain or loss (short term or long term) shown in box 1c is incorrect)...	Enter transaction with correct term (long or short). Enter -0- as the adjustment amount unless an adjustment is required because of another code.	Form 1099-B and Type of Gain/Loss indicated in Box 2 is incorrect	T
You have a nondeductible loss from a wash sale ...	Report the sale or exchange and enter the amount of the nondeductible loss as an adjustment.	Nondeductible loss from a Wash Sale	W
You have an adjustment not explained earlier in this column...	Report the appropriate adjustment amount.	Other adjustment	O

Adjustments to Basis in TaxSlayer–TY2017 (continued)

OUT OF SCOPE IF...	Adjustment Code
You received a Form 1099-B or 1099-S (or substitute statement) as a nominee for the actual owner of the property.	N
You sold or exchanged qualified small business stock and can exclude part of the gain.	Q
You can exclude all or part of your gain under the rules explained in the Schedule D instructions for DC Zone assets or qualified community assets.	X
You are electing to postpone all or part of your 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
You 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
You disposed of collectibles (see the Schedule D instructions).	C

Capital Gains or Losses Sale of Main Home

Report the sale or exchange of your main home as a Capital Gain or Loss if:

- You can't exclude all of your gain from income, or
- You received a Form 1099-S for the sale or exchange.

Generally, if you meet the following two tests, you can exclude up to \$250,000 of gain. If both you and your spouse meet these tests and you file a joint return, you can exclude up to \$500,000 of gain (but only one spouse needs to meet the ownership requirement in Test 1).

- Test 1. During the 5-year period ending on the date you sold or exchanged your home, you owned it for 2 years or more (the ownership requirement) and lived in it as your main home for 2 years or more (the use requirement).
Note: Military members may be able to suspend the 5-year period while serving on qualified official extended duty.
- Test 2. You haven'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 your home.

If you have a gain that can't be excluded, it is taxable.

Death of spouse. If you sell your home after your spouse dies (within 2 years after your spouse dies), and you have not remarried as of the sale date, you can count any time when your spouse owned the home as time you owned it, and any time when the home was your spouse's residence as time when it was your residence.

Sale of Home

Basic Info about the Sale

Date of purchase *

MM

DD

YYYY

Purchase price *

\$

Date of sale *

MM

DD

YYYY

Sale price *

\$

Allowable Depreciation related to the business use or rental of the home

\$

Depreciation taken after 05/06/1997

\$

If you are 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 improvement and other adjustments to basis on the next screen).

Capital Gains or Losses Sale of Main Home (continued)

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

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

Info about your home

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

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

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

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

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

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

Cancel

Continue

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

If the Use test and Ownership tests were met and the taxpayer is eligible for the Maximum Exclusion, check the box (reduced maximum exclusion is out of scope –refer to a professional).

Click continue –

Adjustments

Fees you may have paid when you bought your home

Legal fees

\$

Surveys

\$

Title Insurance

\$

Fees that the seller owed that you agreed to pay

\$

Other fees

\$

- If no 1099-S was received, and any gain can be excluded, you don't have to report the Sale of Main Home.
- If the sale must be reported and results in a gain, it will be listed on the appropriate F8949 (basis type C or F.) The gain will be included with the other capital gains and losses on Schedule D.
- Enter the fees from the purchase of the home that weren't included in the purchase price already entered.

Capital Gains or Losses Sale of Main Home

(continued)

General Adjustments

Selling expenses

\$

Cost of additions and improvements that you made to your home

\$

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

\$

Other increases to your basis

\$

Decreases to your basis

\$

Cancel

Continue

- Enter the selling expenses, cost of improvements and other increases or decreases to the basis of the home.
- 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.

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

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	MAIN HOME	03/04/2002	02/02/2017	200000	150000	H	-2500	47500

Capital Gains or Losses Sale of Main Home (continued)

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

Capital Gains Transaction

Description of Property *

MAIN HOME

Date Acquired

☐ * Alternate Option: If Date Acquired is not known, leave the date blank and select an option here

2

3

2010

Date Sold

☐ * Alternate Option:

☐ Check here if a short sale.

9

4

2016

Sales Price

☐ * Alternate Option: If Sale Price is Expired, leave the sales price blank and select an option here

\$ 190000

Select cost basis type *

Did not receive Form 1099-B

Loss on the sale of a main home can't be deducted; TO REPORT THE SALE, YOU MUST ENTER THE SALE AS A CAPITAL GAIN OR LOSS ITEM:

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

Capital Gains or Losses Sale of Main Home (continued)

Cost

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

\$ 203800

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.

\$ 13800

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

- ☐ Form 1099-B with Basis shown in Box 3 is Incorrect
- ☐ Form 1099-B & Type of Gain/Loss shown in Box 1c is Incorrect
- ☐ Received 1099-B/1099-S as a Nominee for the Actual Owner of the Property
- ☐ Exclude Some/All of the Gain from the Sale of Your Main Home
- ☐ Form 1099-B showing accrued market discount in box 1g
- ☐ Exclude Part of the Gain from the Sale of Qualified Small Business Stock
- ☐ Exclude Gain from DC Zone Assets or Qualified Community Assets
- ☐ Rollover of Gain from QSB Stock, Empowerment Zone, Publicly Traded Securities
- ☐ Nondeductible Loss from a Wash Sale
- ☒ Nondeductible Loss other than a Wash Sale
- ☐ Form 1099-B or 1099-S with Selling Expenses or Options not Reflected on Form

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

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 <i>Column (e)</i> in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	MAIN HOME	02/03/2010	09/04/2017	190000	203800	L	13800	

IRA/Pension Distributions

(Form 1099-R, Form SSA-1099)

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

IRA/Pension Distributions

Add or Edit a 1099-R

RRB-1099-R

Social Security Benefits/RRB-1099

Nontaxable Distributions

Begin

Begin

Begin

Begin

Continue to Income

Form 1099-R

TaxSlayer Navigation: Federal Section>Income>IRA/Pension Distributions>Add or Edit a 1099-R; 1040 View Line 15a, 15b, 16a or 16b; or Keyword "1099-R"

Caution: 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. If the taxable amount is not determined, Box 2b will be marked, and Box 2a may be blank, zero or the same as Box 1. In that case, you may need to use the Simplified Method. Make sure Box 2a reflects any changes due to simplified method, PSO health insurance, rollovers, return of capital etc.

☐ Check here if this is a substitute 1099-R.



Only the amount entered in box 2a will be considered taxable.

Whose 1099-R is this?

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

Recipient *

- ☐ Taxpayer Example
☐ Spouse Example

Payer Information

Payer's ID *

 -

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

Payer Name *

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

1099-R Information

1 Gross Distribution *

2a Taxable Amount

i Do you need to calculate your taxable amount?
Click here for options.

2b

- ☐ Taxable amount not determined
☐ Total distribution

3 Capital gain

4 Federal income tax withheld

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

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

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

Form 1099-R (continued)

Box 5 on the document may be current year's amount of employee contributions or insurance premiums. 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 2, generally the difference between Boxes 1 and 2 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.

State *

- Please Select -

Zip Code *

 -

Recipient Information

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

- Please Select -

Zip Code *

 -

Box 7 is a required entry – enter exactly as shown on document. If IRA/SEP/Simple is marked, check to enter exactly as on document. See Distribution Codes Chart in this tab.

5 Employee contributions or insurance premiums

\$

6 Net unrealized appreciation in employer's securities

\$

7 Distribution Code(s) *

☐ IRA/SEP/Simple

8 Other (Not collected)

9a Your percentage of total distribution

%

9b Total employee contributions

\$

10 Amount allocable to IRR within 5 years

Not needed for e-filing

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

Note: Tax Law for Hurricane Victims

Participants in 401(k)s and similar employer-sponsored retirement plans can make loans and hardship distributions to an individual whose principal place of abode is located in the hurricane disaster area and who has sustained an economic loss by reason of Hurricane Harvey, Irma, or Maria. Public Law 155, H.R. 3823 Disaster Tax Relief and Airport and Airway Extension Act of 2017, which was passed September 29, 2017, allows for Hurricane Harvey, Irma, or Maria impacted individuals to obtain tax-favored withdrawals from retirement plans, by providing an exception to the 10 percent early retirement plan withdrawal penalty for qualified hurricane relief distributions, providing favorable repayment terms over 3 years, and allowing taxpayers the option of spreading out income inclusion resulting from such withdrawals over a 3-year period. These options require the completion of Forms 8915 and/or 8606 and are out of scope for the VITA/TCE programs.

For more information about other tax relief related to Hurricane Harvey, Hurricane Irma, and other disasters, see the IRS disaster relief page. For information on government-wide relief efforts, visit www.usa.gov/hurricane-harvey or www.usa.gov/hurricane-irma.

Taxable Amount Not Determined (Special Circumstances)

TaxSlayer Navigation: Federal Section>Income>IRA/Pension Distributions>Add or Edit a 1099-R>Calculate taxable amount; 1040 View Line 15a, 15b, 16a or 16b; or Keyword “1099-R”

For the simplified general rule worksheet, click here.
If the taxpayer has both retired public safety officer (PSO) health insurance exclusion and simplified method features, select the simplified general rule worksheet.

Calculate Taxable Amount

Simplified General Rule Worksheet

Public Safety Officers Distribution

Begin

Begin

Continue

If the retired PSO does not need a simplified method calculation, select the PSO Distribution.

Public Safety Officers Distribution

Public Safety Officer Exclusion for Health Insurance Premiums

\$

Cancel

Continue

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

Distributions Used To Pay Insurance Premiums for Public Safety Officers

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

Form 1099-R Simplified Method

TaxSlayer Navigation: Federal Section>Income>IRA/Pension Distributions>Add or Edit a 1099-R>Calculate taxable amount; 1040 View Line 15a, 15b, 16a or 16b; or Keyword "1099-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 he used the general rule, refer the taxpayer to a professional tax preparer.

Since 1986, the employee's total after tax contribution is distributed over a number of months that represents the average life expectancy of someone who is this age (when they began receiving payments).

Simplified General Rule Worksheet

Gross distribution amount (from 1099-R)
\$5,000.00

Plan cost at annuity start date
\$

Starting date of annuity *
MM ▼ DD ▼ YYYY ▼

☐ Check here if this is a Joint or Survivor Annuity.

Death benefit exclusion
\$

Age of recipient at start date *
❗ If joint or survivor annuity, add ages of recipients

Number of months paid in 2016 *

Amounts previously recovered
\$

Public Safety Officer Exclusion for Health Insurance Premiums
\$

Enter the Plan cost (shown in Box 9b of 1099-R).

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.

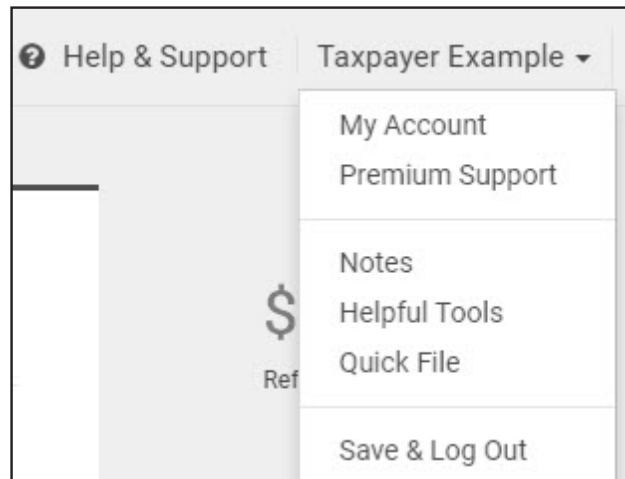
For a joint or survivor annuity, add the ages of both spouses on the start date. For the beneficiary of an employee who died, see Publication 575, Pensions and Annuities.

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

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 2017 tax year times the number of months prior to 2017. For annuitants who retired between July 2, 1986 and Dec. 31, 1986, enter zero.

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

Form 1099-R Simplified Method (continued)



To save time for next year's preparer, enter a Note with the taxpayer's annuity start date, age at the start date, and amounts previously recovered.

A screenshot of a 'Add a new note' form. The form has a dark background with white text. At the top, it says 'Add a new note' with a close button (X) in the top right corner. Below this, there is a large text area on the left. To the right of the text area, there are two input fields: 'Note Name' and 'Text for this note'. Below these fields, there is a 'Color' label. At the bottom of the form, there are 'Cancel' and 'Save' buttons.A screenshot of a 'Sample Note' form. The form has a light background with dark text. At the top, it says 'Sample Note' with a close button (X) in the top right corner. Below this, there is a 'Create New Note' section with a 'Title' input field and a 'Description' input field. Below the input fields, there is a text area containing the text 'Note created by Sample Preparer on 7/18/2017 12:32:58 PM'. At the bottom of the form, there are three buttons: 'Print PDF', 'Export CSV', and 'Save'.

Form 1099-R Rollovers and Disability Under Minimum Retirement Age

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

Rollover or Disability

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

Rollover Amount *

\$

☐ Check here to report on Form 1040, Line 7 (Distribution code must be a "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 put this disability income as wages on Line 7 of Form 1040, instead of Line 16. It will be considered earned income in the calculation of some credits.

*Minimum retirement age generally is the age at which you can first receive a pension or annuity if you aren't disabled.

Rollovers

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

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

Form 1099-R Roth IRA

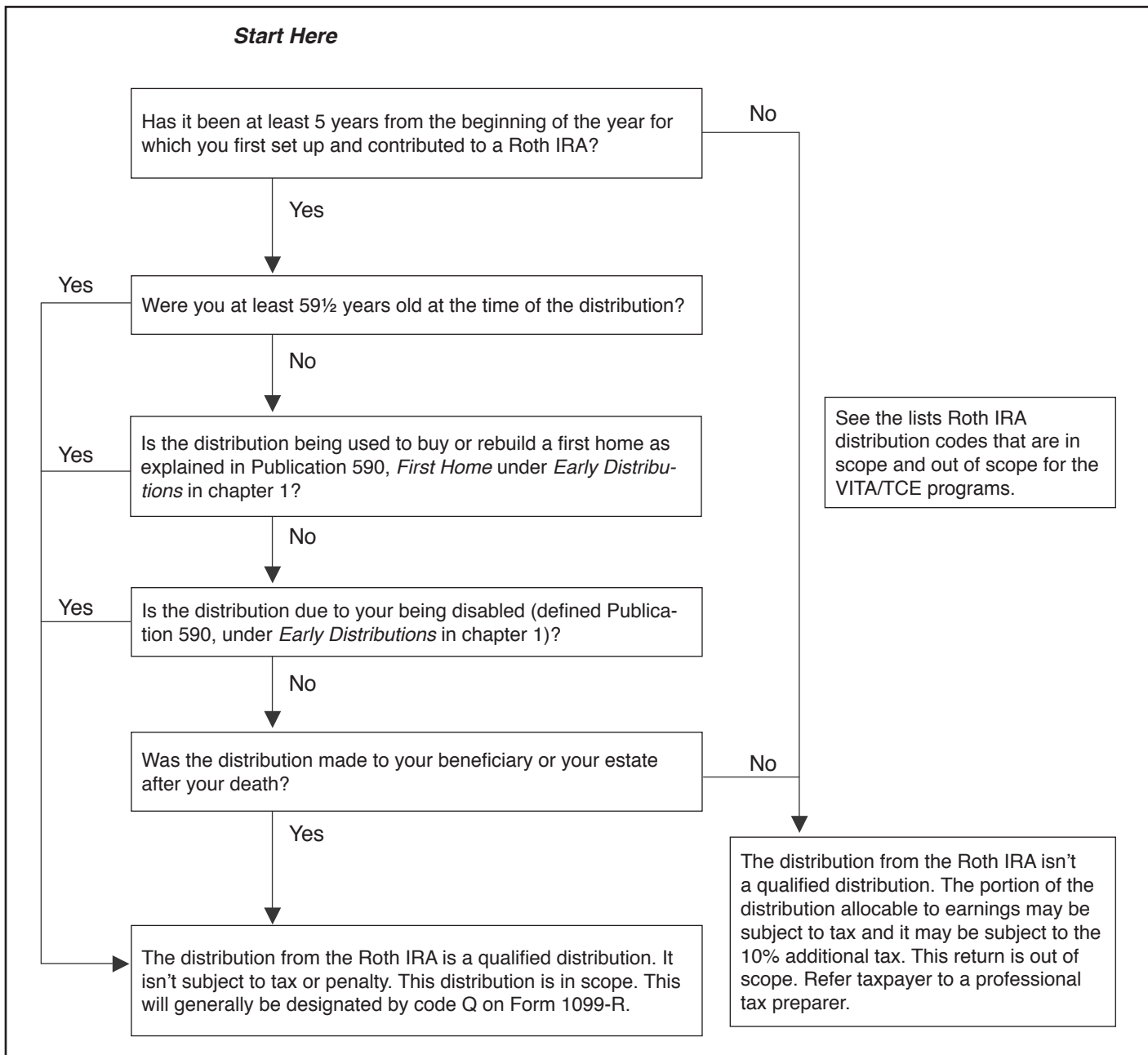
Basis of distributed property. The basis of property distributed from a Roth IRA is its fair market value (FMV) on the date of distribution, whether or not the distribution is a qualified distribution.

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)

Figure 2-1. Is the Distribution From Your Roth IRA a Qualified Distribution?



Form 1099-R Box 7 Distribution Codes

Box 7 Distribution Codes	Explanations
1 — Early distribution, no known exception.	<ul style="list-style-type: none"> 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, enter the amount rolled over in Line 1 of the Exclusion Worksheet below the 1099-R screen. 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 for a list of exceptions. If the taxpayer qualifies for an exception, go to Form 5329, enter the amount that qualifies for an exception and select the reason for the exception from the dropdown list.
2 — Early distribution, exception applies.	Code 2 applies if the taxpayer is under 59 ½ but the payer knows that an exception to the additional tax applies. If the IRA/SEP/SIMPLE box ISN'T checked, no further action needed. If the IRA/SEP/SIMPLE box IS checked, additional reporting may be required on Form 8606, and the return is out of scope.
3 — Disability.	<p>Code 3 is for a disability pension.</p> <ul style="list-style-type: none"> 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 Line 7." This will put this disability income on Line 7 of Form 1040 instead of Line 16. It will also include the amount in earned income for calculation of the earned income credit, the dependent care credit and the additional child tax credit. If the taxpayer has reached the minimum retirement age, no further action is needed.
4 — Death.	Code 4 is for a survivor's benefit or an inherited IRA. If it's a pension, the original retiree has died, and the survivor is receiving his or her share of the pension. If the original pensioner was using the Simplified Method, continue to use it for the survivor. If it's an inherited IRA and the original owner had a basis, the survivor takes over that basis.
5 — Prohibited transaction.	This code is out of scope.
6 — Tax-free Section 1035 exchange.	This code is out of scope.
7 — Normal distribution.	<p>Code 7 is for normal distributions. It may occur in several different situations:</p> <ul style="list-style-type: none"> 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 on the Exclusion Worksheet, line 1. This will check the "rollover" box at Line 15 of Form 1040. Link out from there and enter a description of the rollover. If the Box 2b is checked and there is an amount in Box 9b, complete the Simplified Method. Be sure to use the taxpayer's age at the time of retirement—not current age. If there is an amount in Box 2 that is different than Box 1, no further action is needed. If there is no amount (or zero) in Box 2a, check to see if there is an amount in Box 5. If this is the same amount as Box 1, the distribution is the taxpayer's own money coming back. Enter the Box 5 amount on line 5 of the Exclusion Worksheet. 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). Hit Continue and at the IRA/Pensions Distributions page, select Nontaxable Distributions and check the box to mark that there is a QCD. No charitable deduction may be taken for the donation.
8 — Excess contributions	This code is out of scope.
9 — Cost of current life insurance	This code is out of scope

Form 1099-R Box 7 Distribution Codes (continued)

Box 7 Distribution Codes	Explanations
A — May be eligible for 10-year tax option.	This code is out of scope.
B — Designated Roth account distribution	Code B is for a distribution from a designated Roth account. This code is in scope only if taxable amount has been determined.
D — Annuity payments from nonqualified annuities	Code D is used for a distribution from a private annuity in conjunction with the regular code. The distribution is subject to the net investment income tax. If the taxpayer has AGI over a threshold amount (\$200,000 for a single taxpayer or HoH, \$250,000 MFJ or QW, \$125,000 MFS), then this code means the return is out of scope. If the AGI is less than the threshold amount the return is in scope and no further action is needed.
E — Distributions under Employee Plans Compliance Resolution System (EPCRS).	This code is out of scope.
F — Charitable gift annuity.	Code F is used for the annuity payments from a charitable gift annuity. The difference between the distribution in Box 1 and the capital gain shown in Box 3 will appear on Line 15 of the 1040. Schedule D must be completed to report the capital gain. Describe it as "From 1099-R". The gain should be the amount in Box 3, and the gain is long term.
G — Direct rollover of distribution and direct payment.	Code G is for a direct rollover from a qualified plan to an eligible retirement plan. If box 2a, taxable amount, is zero or blank, it won't be taxed. If there is an amount in box 2a, the direct rollover is fully or partially taxable. No further action is needed.
H — Direct rollover of a designated Roth account distribution to a Roth IRA.	Code H is for a direct rollover of a distribution from a designated Roth account to a Roth IRA. It won't be taxed. No further action is needed. Box 2a should be blank. Place check mark in box IRA/SEP/SIMPLE.
J — Early distribution from a Roth IRA.	This code is out of scope.
K — Distribution of IRA assets not having a readily available FMV	This code is out of scope.
L — Loans treated as deemed distributions	Code L is for loans treated as deemed distributions. This code could possibly be combined with codes 1, 4, or B. For more information on how it is treated see the codes on this chart.
N — Recharacterized IRA contribution.	This code is out of scope.
P — Excess contributions plus earnings/excess deferrals	This code is out of scope.
Q — Qualified distribution from a Roth IRA.	This distribution isn't taxable. TaxSlayer® enters the distribution amount on Form 1040 Line 15a but not 15b. No further action is needed.
R — Recharacterized IRA contribution.	This code is out of scope.
S — Early distribution from a SIMPLE IRA in the first 2 years, no known exception.	A 25% additional tax will be applied unless the taxpayer qualifies for an exception. See Tab H for a list of exceptions. If the taxpayer qualifies for an exception, go to Form 5329 and enter the amount of the distribution not subject to the additional tax and the code for the exception and the amount that qualifies for it.
T — Roth IRA distribution, exception applies.	This code is out of scope.
U — Dividends distributed from an ESOP	This code is out of scope.
W — Charges or payments for LTC contracts	This code is out of scope.

Form 1099-R Nontaxable Income

Qualified Charitable Distribution (QCD) may be used if the person was at least 70½. This makes that portion of the distribution non-taxable. The taxpayer doesn't get a charitable deduction of that amount, if itemizing.

1099-R Nontaxable Income

Nontaxable Distribution

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

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

Exceptions:

- ☐ Check here to mark this as a Qualified Charitable Distribution (QCD) on your return.
- ☐ Check here to mark this as a qualified health savings account (HSA) funding distribution (HFD) on your return.
- ☐ Check here if you are an eligible retired public safety officer, and part of your distribution was used to pay the premiums for accident or health insurance, or to pay long-term care insurance.

Cancel

Continue

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

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

Form RRB-1099-R Distributions

TaxSlayer Navigation: Federal Section>Income>IRA/Pension Distributions>RRB-1099-R;
1040 View Line 15a, 15b, 16a or 16b; or Keyword "RRB-1099-R"

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 this form just like the information reported on Form SSA-1099. This screenshot shows the entry screen for Form RRB 1099-R Tier 2 (Green Form).

RRB-1099-R

Whose RRB-1099-R is this?

Recipient *

- ☐ Taxpayer Example
☐ Spouse Example

Payer Information

Payer's ID *

 -

Payer Name *

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

Zip Code *

 -

Recipient Information

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

Zip Code *

 -

RRB-1099-R Information

3 Total employee contributions

4 Contributory Amount Paid

Not needed for e-filing

5 Vested Dual Benefit

Not needed for e-filing

6 Supplemental Annuity

Not needed for e-filing

7 Total Gross Paid *

7a Taxable Amount

☒ Do you need to calculate your taxable amount?

[Click here for options.](#)

8 Repayments

Not needed for e-filing

9 Federal income tax withheld

10 Rate of Tax

Not needed for e-filing

11 Country

Not needed for e-filing

12 Medicare Premium Total

Not needed for e-filing

☐ Check here to report on Form 1040, Line 7

Taxable amount may have to be determined using Simplified Method.

Cancel

Continue

Form SSA-1099 Distributions

TaxSlayer Navigation: Federal Section>Income>IRA/Pension Distributions>Social Security Benefits/RRB-1099; 1040 View Line 20; or Keyword "1099-SSA or RRB-1099"

Social Security SSA-1099/RRB-1099 Tier I

Taxpayer's Social Security Benefit (Generally Box 5 of Form SSA-1099)

\$

Taxpayer's Federal Tax Withheld (Amount from Box 6 of Form SSA-1099)

\$

Taxpayer's Medicare Premiums

\$

Spouse's Social Security Benefit (Generally box 5 of Form SSA-1099)

\$

Spouse's Federal Tax Withheld (Amount from Box 6 of Form SSA-1099)

\$

Spouse's Medicare Premiums

\$

Lump-Sum Payments

[Begin Worksheet](#)

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

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

Enter the total of Medicare Parts A, B, C, and D. Repeat for spouse.

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

[Cancel](#)

[Continue](#)

Note: Social Security repayment of \$3,000 or less. If the amount you repaid was \$3,000 or less, deduct it as a miscellaneous itemized deduction from your income in the year you repaid it. Enter it on Schedule A (Form 1040), line 23.
Repayment over \$3,000 is out of scope for the VITA/TCE programs.

Form SSA-1099 Lump-Sum Distributions

Social Security Lump-Sum Payment

Year the lump sum payment was made for

2015 ▾

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

Filing Status in Earlier Year *

- Please Select - ▾
- Please Select -
Single
Married Filing Joint
Married Filing Separate
Head of Household
Qualifying Widow(er) with Dependent Children
Nonresident Alien

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

Dropdown is available for prior year Filing Status.

\$

Modified Adjusted Gross Income for Earlier Year

\$

Taxable Benefits Reported in Earlier Year

\$

Social Security Lump-Sum Payment

Year the lump sum payment was made for

2015 ▾

Filing Status in Earlier Year *

- Please Select - ▾

SSA Payments received in Earlier Year

\$

Portion of this years SSA for Earlier year *

\$

Modified Adjusted Gross Income for Earlier Year

\$

Taxable Benefits Reported in Earlier Year

\$

Choose proper answers for all boxes. Leave the 3rd and/or 6th box empty if not applicable. All other boxes require entries.

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

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

Cancel

Continue

Add to AGI any tax-exempt interest and any adjustments from Lines 33 to 35.

Entering K-1 Information in TaxSlayer®

Schedule K-1

Schedule K-1 Form 1065

Schedule K-1 Form 1120S

Schedule K-1 Form 1041

Schedule E (Page 2) Questions

Begin

Begin

Begin

Begin

Continue

The taxpayer's Schedule K-1 may come from a Form 1065 (partnership), Form 1120S (S-corp) or Form 1041 (estate) Be careful to choose the right form.

Schedule E (Page 2) Question

☐ Check here if you are reporting losses not allowed in prior years due to the at-risk or basis limitations, passive losses not reported on Form 8582, or unreimbursed partnership expenses

Cancel

Continue

This situation would be out of scope.

Entering K-1 Information in TaxSlayer® (continued)

Form 1120S K-1

Part II - Information About the Shareholder

S-Corporation belongs to *

- ☐ Taxpayer Example
- ☐ Spouse Example

Part I - Information About the S-Corporation

S-Corporation's Name *

S-Corporation's EIN Number *

 -

☐ Check here if foreign address

Address (Number and Street) *

City, Town, or Post Office *

State *

Zip Code *

 -

Check the box if...

- ☐ This K-1 is from a Passive Entity. ←
- ☐ There is an amount on line 2 of the K-1 and this is a NonPassive Entity and you Materially Participate.
- ☐ There is an amount on line 2 of the K-1 and you Actively Participate.
- ☐ All Investment is At-Risk. ←
- ☐ Entire Interest in Investment has been disposed.

PTP Prior Year Unallowed Loss

Income from K-1 requires the Advanced certification level.

Enter all items as indicated on the taxpayer's K-1.

Be sure to indicate whether the income is attributable to taxpayer or spouse.

Most in-scope K-1s will be from a Passive Entity, and the taxpayer's investment will be at risk. Be sure to check these boxes if applicable – TaxSlayer® may give you a warning if the At-Risk box is left blank.

Cancel

Continue

Entering K-1 Information in TaxSlayer® (continued)

Form 1120S K-1

Part III - Shareholder's Share of Current Year Income, Deductions, Credits etc.

Actively Managed Passive Loss Carryover

\$

Disposition Gain/Loss

\$

Other Passive Loss Carryover

\$

Carry Gain/Loss to

Form 4797 ▼

1 Ordinary Business Income (Loss)

\$

2 Net Rental Real Estate Income (Loss)

\$

3 Other Net Rental Income (Loss)

\$

4 Interest Income

\$

5a Ordinary Dividends

\$

5b Qualified Dividends

\$

6 Royalties

\$

7 Net Short-Term Capital Gain (Loss)

\$

8a Net Long-Term Capital Gain (Loss)

\$

8b Collectibles (28%) Gain (Loss)

\$

8c Unrecaptured section 1250 Gain

\$

9 Net Section 1231 Gain (Loss)

\$

☐ Check if the Section 1231 Gain (Loss) is Passive

11 Section 179 Deduction

\$

Cancel

Continue

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

- Interest income (flows to 1040, line 8a)
- Dividend income (1040, line 9a)
- Qualified Dividends income (1040, line 9b)
- Net short-term capital gains and losses (Schedule D, line 5)
- Net long-term capital gains and losses (Schedule D, line 12)
- Tax-exempt interest income (Form 1040, line 8b)
- Royalty income (Schedule E)

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

Entering Rental Income in TaxSlayer®

Volunteers must certify at Military level to prepare Schedule E for rental income.

Schedule E Required Information

☐

Check here if you made any payments in 2017 that would require you to file Form(s) 1099.

✕ Cancel

✓ Continue

If the taxpayer made any payments that would require them to file Form 1099, the return is out of scope.

Enter the required information about the rental property in this section.

Schedule E Rent and Royalty Information

Type

--Select--

Description

Address

☐

Check here if foreign address

Address (Number and Street)

Zip Code

 -

City, Town, or Post Office

State

- Please Select -

Entering Rental Income in TaxSlayer® (continued)

Check here if taxpayer had any days of personal use, and enter the number of days here.

Enter the total rental payments received for the tax year.

Enter number of days rented at fair rental value.

☐ Check if personal use

Percent of ownership *
100 %

Rental payments received
\$

Refunds, Returns and Allowances
\$

Enter the number of days the property was rented at fair rental value

Enter the number of days the property was used for personal purposes

☐ Check here if you are a member of a Qualified Joint Venture

☐ Check if you actively participated

☐ Check here if you are a real estate professional or sold or disposed of the property this year (This will allow ALL losses).

Cancel Continue

Use Schedule E to report rental income only when taxpayer is not in the business of renting property. If in the business, return is out of scope. Refer taxpayers who are in the business of renting properties to a professional tax preparer.

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.

Schedule E Rentals and Royalties

Currently Editing: House

Rent and Royalty Basic Information

Depreciation

Expenses

Car and Truck Expenses

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

Clicking here will complete Form 4562. If Form 4562 is required, the tax return is out of scope.

Click here to enter rental expenses.

Click here to enter vehicle expenses.

Edit

Begin

Begin

Begin

Continue

Entering Rental Income in TaxSlayer® (continued)

Schedule E Rental/Royalty Expense

Advertising

Travel

Cleaning

Commission

Insurance

Legal Fees

Management Fees

Mortgage Interest

Other Interest

Repairs

Supplies

Taxes

Utilities

Additional Expenses

Add

Prior Unallowed Loss

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

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

CancelContinue

Caution: If the rental property has both personal and rental use days, you must manually compute the percentage to use on the rental expenses. For example if the house is rented half the year and you paid \$4,000 for Mortgage Interest, you have to manually input \$2,000 on the Mortgage Interest line.

Other Income

Detailed information for each income type found on subsequent pages.

Use Other Inc. Not Reported Elsewhere to enter amounts from:

- Form 1099-MISC Box 3 (Other Income), or Box 7 (hobby income) or Box 8 (Substitute payments in lieu of dividends or interest.)
- Jury Duty Pay
- Alaska Permanent Fund Dividend
- Gambling winnings not reported on a Form W-2 (use the description "Gambling Winnings")
- Other income not entered elsewhere on the return

Gambling winnings are reported to the taxpayer on Form W-2G and are fully taxable and must be reported as income on the tax return. Gambling Losses up to the amount of winnings reported may be deducted as a Miscellaneous deduction, not subject to the 2% limit on Schedule A.

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

Less Common Income

Other Income Not Reported Elsewhere

Gambling Winnings Form W-2G

Other Compensation

Payments from Qualified Education Programs Form 1099-Q

Cancellation of Debt Form 1099-C, Form 982

Installment Sale Income Form 6252

Sale of Business Property Form 4797

K-1 Earnings

Gains and Losses From Section 1256 Form 6781

Foreign Earned Income Exclusion Form 2555

Continue to Income

Cancellation of Debt from a credit card or Primary Mortgage Forgiveness are in scope for preparers with advance certifications.

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

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.

The K-1 Earnings menu allows you to enter all items of income, deductions, etc. that were reported to your client on Form K-1 from either a partnership (Form 1065), S-Corporation (Form 1120S), or trust (Form 1041). Enter the amounts from the K-1 in the spaces provided exactly as they appear on your client's paper K-1.

D-53

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only)

TaxSlayer Navigation: Federal Section>Income>Other Income>Foreign Earned Income Exclusion, 1040 View Line 21, or Keyword "Form 2555"

Form 2555 General Information

Form belongs to *

- ☐ Taxpayer Example
☐ Spouse Example

Your Foreign Address

Address (Number and Street) *

City, Town, or Post Office *

Foreign State or Province *

Foreign Country *

Foreign Postal Code *

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, line 7 as taxable wages or on line 12 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.

If the taxpayer qualifies to exclude foreign earned income, the excludable amount will be reported as a negative amount on Form 1040, line 21.

For 2017, the maximum exclusion is \$102,100.

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

Employer's US Address

Address (Number and Street) *

City, Town, or Post Office *

State *

Zip Code *

 -

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only) (continued)

General Information

Employer is *

- ☐ A Foreign Entity
- ☐ A U.S. Company
- ☐ Self
- ☐ Foreign Affiliate of U.S. Company
- ☐ Other

☐ Check here if you have filed Form 2555 since 1982

Year you last filed a 2555

- Please Select - ▼

☐ Check here if you have ever revoked (reversed or cancelled) either of the exclusions

Revocation Type

- Please Select - ▼

Revocation Year

- Please Select - ▼

Of what country are you a citizen? *

- Please Select - ▼

☐ Check here if you maintained a separate foreign residence because of adverse living conditions at your tax home.

Secondary Home

Days at secondary home

Tax home #1

Description

Date Established

MM ▼

DD ▼

YYYY ▼

Enter information for the taxpayer's tax home. The 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.

Tax home #2

Description

Date Established

MM ▼

DD ▼

YYYY ▼

Cancel

Continue

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only) (continued)

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

- 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, or
- 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

Form 2555 Qualifying Test

Taxpayer qualifies under *

- ☐ Physical Presence Test
- ☐ Bona Fide Residence Test

Cancel

Continue

Form 2555 Physical Presence Test

Physical Presence Test Based on 12-Month Period

From *

MM ▼ DD ▼ YYYY ▼

Ending *

MM ▼ DD ▼ YYYY ▼

Your Principal Country of Employment During 2016 *

- Please Select - ▼

☐ Check here if there is no travel to report during the period

The 12-month period on which the physical presence test is based must include 365 days, part of which must be in 2017. The dates may begin or end in a calendar year other than 2017.

To figure 330 full days, add all separate periods you were present in a foreign country during the 12-month period.

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only) (continued)

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.

Country One

Name of Country Including U.S. *

- Please Select -

Date Arrived *

MM

DD

YYYY

Date Left *

MM

DD

YYYY

Total Days: 0

Days in Country *

Days in U.S.

Income Earned

\$

Clear

Add Country

Cancel

Continue

If no money was earned in the country to which the taxpayer travelled, enter \$0.

Days in the United States are entered in a separate field.

If more than one additional country was visited, click Add Country. Click "Clear" if the taxpayer did not visit any other countries during their time abroad.

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only) (continued)

Form 2555 Bona Fide Residence Test

Date Bona Fide Residence

Began *

MM ▼ DD ▼ YYYY ▼

Ended

MM ▼ DD ▼ YYYY ▼

☐ Check here if residency end date exceeds 12/31/2016

Kind of Living Quarters in Foreign Country *

- ☐ Purchased House
☐ Rented House
☐ Rented Room
☐ Furnished by Employer

☐ Check here if any of your family lived abroad any part of the tax year (2016)

☐ Check here if you have submitted a statement to authorities of the foreign country where you claim Bona Fide residence that you are not resident

☐ Check here if you are required to pay income tax to that country.

If you were present in the United States or its possessions during the tax year, complete the columns below. Do not include the income from column (d) in Part IV, but report it on Form 1040.

1.

Date Arrived in U.S. (mm/dd/yyyy)

MM ▼ DD ▼ YYYY ▼

Number of Days
in U.S. on business

Date Left U.S. (mm/dd/yyyy)

MM ▼ DD ▼ YYYY ▼

Income Earned
in U.S. on business

\$

Clear

Add New

List any contractual terms or conditions relating to the length of employment abroad

Type of Visa under which you entered the foreign country

☐ Check here if your Visa limited the length of your stay or employment in a foreign country

☐ Check here if you maintained a home in the U.S. while abroad

If the home was a rental enter the occupant information here

Occupant Names

Occupant Relationship

None ▼

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, click Add New
- If the taxpayer did not visit the US or its possessions during the year, click 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.

Cancel

Continue

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only) (continued)

Form 2555 Foreign Earned Income

Income Information

Total Wages, Salaries, Bonuses, Commissions, etc

This income does not carry to your tax return as this is only excluding income. You must still enter the income on either a W-2 (if U.S. employer) or within the Foreign Earned Compensation (if Foreign employer or Self-Employed overseas) section of your return.

\$

Enter the income the taxpayer earned during the 2017 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 self-employment income. Amounts paid by the United States or its agencies to its employees don't qualify for the exclusion.

Allowable Share of Income for Personal Services Performed

In a Business (Including Farming) or Profession

\$

In a Partnership

\$

Partner Information

Partner Name

Partner Address

Partner Type

Noncash income (market value of property or facilities furnished by employer)

Home (Lodging)

\$

Meals

\$

Car

\$

Other Property or Facilities

\$

Description

Allowances, reimbursements, or expenses paid on your behalf

Cost of Living and Overseas Differential

\$

Family

\$

Entering Foreign Earned Income Exclusion Information in TaxSlayer® (International Certification only) (continued)

Home Leave

\$

Quarters

\$

For Any Other Purpose

\$

Description

Other Information

Other Foreign Earned Income

\$

Description

Total amount of meals and lodging included in line above that is excludable

\$

Cancel

Continue

Enter the number of days in your qualifying period that fall within your 2017 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.

Form 2555 Housing/Foreign Income Exclusion

Number of days in your qualifying period that fall within your 2017 tax year *

☐ Check here if you are claiming the Housing Exclusion or Deduction

Cancel

Continue

Entering Other Compensation in TaxSlayer®

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 non-qualifying expenses. "SCH" will appear on the dotted line next to line 7 on Form 1040. Taxable scholarship is considered "unearned" income.

Enter wages received as a household employee for which the taxpayer did not receive a Form W-2 because the employer paid less than \$2,000 in 2017. "HSH" will appear on the dotted line next to line 7 on Form 1040.

Other Compensation

Scholarships and Grants

Fringe Benefits

Household Employee Income

Prisoner Earned Income

Foreign Earned Compensation

Begin

Begin

Begin

Begin

Begin

Continue

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

Enter the amount received for work while an inmate in a penal institution. For purposes of the Earned Income Credit, this isn't considered "earned" income. This includes amounts received for work performed while in a work release program or while in a halfway house. "PRI" will appear on the dotted line next to line 7 on Form 1040. This entry is made in addition to entering the Form W-2 from the penal institution.

Enter Household Employee Income

Owner *

☒ Taxpayer Example

☐ Spouse Example

Employer's Name *

Amount Paid *

\$

When entering compensation on a joint return, be careful to indicate whether the income belonged to the taxpayer or the spouse.

Cancel

Continue

Entering Medicaid Waiver Payments

Scenario A:

If income is reported on Form W-2 (and payer will not change), enter the Form W-2 as provided. Then, go to line 21>Other income not reported elsewhere>enter Notice 2014-7 in the description field and the amount as a negative number. Then, go to Other Income>Other Compensation and enter the income as Medicaid Waiver wages. This will remove the income from EIC and other credit calculations. If filing MFJ and the Medicaid Waiver income belongs to the spouse, confirm that any child and dependent care credit has been calculated correctly.

Scenario B:

If income is reported on a Form 1099-MISC, go to line 21>Other income not reported elsewhere>enter Notice 2014-7 in the description field and \$0 in the amount field.

Scenario C:

If income is reported on a Form 1099-MISC and you are in the business of providing home care services, enter the full amount of payments under Gross Receipts in the Schedule C Income section. In Other Expenses, enter Notice 2014-7 as the description and the amount as a positive number.

Note 1: For the income to be excludable, the care must be in provider's home.

Note 2: If the income is NOT reported, do not do anything. It is excludable income. A taxpayer may not choose to include in gross income difficulty of care payments that are excludable from gross income under § 131 as provided in Notice 2014-7.



Publication 4731
Screening Sheet for Nonbusiness Credit Card Debt
Cancellation



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

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

Credit Card Debt

- | | | |
|---------------|--|---|
| step 1 | Did the taxpayer receive Form 1099-C, Cancellation of Debt, or other documentation (if less than \$600) from a creditor and is the information shown on the form or document correct?

Note: The creditor is not required to issue a Form 1099-C if the canceled debt is under \$600. However, the taxpayer may be required to report the canceled debt as income regardless of the amount. | YES – Go to Step 2
NO – Go to Step 6 |
| step 2 | Was the credit card debt related to a business? | YES – Go to Step 6
NO – Go to Step 3 |
| step 3 | Does box 6 of the Form 1099-C indicate Code A for bankruptcy?

Note: If box 6 is not marked with a Code A, but the taxpayer has subsequently filed bankruptcy, answer “yes.” | YES – Go to Step 6
NO – Go to Step 4 |
| step 4 | Was the taxpayer insolvent immediately before the cancellation of debt?

Use the Insolvency Determination Worksheet in Publication 4012 and interview the taxpayer to determine if the taxpayer was insolvent immediately before the cancellation of debt. | YES – Go to Step 6
NO – Go to Step 5 |
| step 5 | The cancellation of nonbusiness indebtedness or cancellation of debt (the amount in box 2 of Form 1099-C or an amount less than \$600 provided in other documentation) must be reported as ordinary income on Form 1040, line 21 (Other Income). No additional supporting forms or schedules are required for reporting income from canceled credit card debt. | |
| step 6 | This tax issue is outside the scope of the volunteer programs. The taxpayer may qualify to exclude all or some of the discharged debt. However, the rules involved are complex.

Refer the taxpayer to: <ul style="list-style-type: none">• www.irs.gov for the most up-to-date information.• The Taxpayer Advocate Service (TAS): 1-877-777-4778, TTY/TDD 1-800-829-4059. TAS may help if the problem cannot be resolved through normal IRS channels.• A professional tax preparer. | |



Insolvency Determination Worksheet



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

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

Total Assets minus Total Liabilities = \$

(Negative amount equals insolvency)

(Positive amount equals solvency)

Entering Cancellation of Credit Card Debt in TaxSlayer®

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

Caution: Be sure to ask if the taxpayer was insolvent or in bankruptcy – these situations makes the return out of scope.

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

If the taxpayer has another type of debt forgiven, or may have been insolvent at the time of the debt forgiveness, the taxpayer should be referred to a professional.

Cancellation of Debts

Cancellation of Debt (Form 1099-C)

Exclusions (Form 982)

Begin

Begin

Continue

Form 1099-C

Form belongs to *

☐ Taxpayer Example

☐ Spouse Example

Creditor's name *

Creditor's federal identification number *

-

Amount of debt cancelled *

\$

Cancel

Continue

Enter the information from the Form 1099-C.

Be sure to indicate whether the cancelled debt was for the taxpayer or the spouse.

If the Form 1099-C was for mortgage forgiven on the taxpayer's main home, see the next section on Discharge of Qualified Principal Residence Indebtedness, on the next page.

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has rounded corners at the bottom. There is no handwriting or other markings on the page.

Tab E: Adjustments

Adjustments to Income

Taxslayer Navigation: Federal Section>Adjustments>1040 View line

Must be Certified for Military. Check the box near the top of the form to indicate an Armed Forces PCS move.

Health Savings Account – select to open Form 8889. (HSA Certification required)

Adjustments	
Medical Savings Account Form 8853	Begin
Educator Expenses	Begin
Expenses for Reservists, Performing Artists, and Qualifying Government Employees	Begin
Health Savings Account Form 8889	Begin
Moving Expenses Form 3903	Begin
Contributions to SEP, Simple, and Qualified Plans	Begin
Self-Employed Health Insurance	Begin
Penalty on Early Withdrawal of Savings or CD	Begin
Alimony Paid	Begin
IRA Deduction	Begin
Nondeductible IRAs Form 8606	Begin
Student Loan Interest Deduction	Begin
Tuition and Fees Deduction	Begin
Domestic Production Form 8903	Begin
Other Adjustments	Begin
Continue to Deductions	

Flows over from input of Form 1099-INT in Interest Income.

See Legislative Extenders Tab for additional information.

Student Loan Interest paid is entered here

If the taxpayer paid alimony to more than one person, add a second payee after entering the first.

Note: Military reservists who must travel more than 100 miles away from home and stay overnight to attend a drill or reserve meeting may be able to deduct their travel expenses as an adjustment to income rather than as a miscellaneous itemized deduction.

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

- 1) actual lodging costs,
- 2) federal rate for per diem (for meals and incidental expenses) and
- 3) standard mileage rate (for car expenses) plus any parking fees, ferry fees and/or tolls.

Educator Expenses

Don't rely on this table alone. Refer to Publication 17 for more details.

Taxslayer Navigation: Federal section>Adjustments>Educator Expenses>1040 View line 34

Question	Answer
What is the maximum benefit?	\$250 (If the taxpayer and spouse are both eligible educators, they can deduct up to \$500, but neither can deduct more than their own expenses up to \$250). Taxpayers may be able to deduct expenses that are more than the limit as a miscellaneous deduction on Schedule A.
Who can claim the expense?	Eligible Educators — an eligible educator is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide who worked in a school for at least 900 hours during a school year.
What are qualifying expenses?	Qualifying expenses include ordinary and necessary expenses paid in connection with books, supplies, equipment (including computer equipment, software, and services), and other materials used in the classroom. Additionally, professional development expenses.
What are non qualifying expenses?	Expenses for home schooling or non-athletic supplies for courses in health or physical education.
What other issues apply?	Taxpayer must reduce qualified expenses by <ul style="list-style-type: none">• Excludable U.S series EE and I savings bond interest from Form 8815• Nontaxable qualified tuition program earnings or distributions• Nontaxable distribution of earnings from a Coverdell education savings account• Any reimbursements received for expenses that weren't reported on the Form W-2

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

Caution: The deduction amount will be indexed for inflation for future years.

Health Saving Accounts (HSA)

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 has a box 12 entry of code W for employer contributions. [**Caution:** contributions to an employee's account through a Section 125 (cafeteria) plan are treated as employer contributions and aren't deductible.]
- The taxpayer (or spouse) has a Form 1099-SA with an X in box 5 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.

Select the appropriate(HDHP) coverage for the taxpayer: **Self-only or family**. This determines the maximum HSA contribution limits.

Employee contributions are entered here. Contributions by relatives and friends are considered to be made by taxpayer. **Don't** include employer contributions on this line. The account holder needs to tell you how much was put in the HSA, because they might not have received the Form 5498-SA by the time they're preparing their tax return.

Form 8889 - Health Savings Account

Form belongs to:

Taxpayer

Coverage under high deductible health plan *

-- Please Select --

⚠ Please select Coverage under high deductible health plan.

HSA Contributions

HSA Contributions you made for 2017

❗ * INCLUDE contributions made from Jan 1 to Apr 15 of this year that were for 2016.

* DO NOT INCLUDE employer contributions, contributions through a cafeteria plan, or amounts that were rolled over into your HSA(s).

\$

Number of months during this tax year that you were an eligible individual

- Please Select -

Amount you and your employer contributed to your Archer MSAs for 2017 from Form 8853, lines 3 and 4. If you and your spouse had family coverage under an HDHP at any time during the tax year, also include any amount contributed to your spouse's Archer MSA.

\$

Employer Contributions made to your HSA for 2017

❗ We will automatically pull your employer contributions from your W-2. DO NOT enter amounts from your W-2.

\$

Qualified HSA Funding Distributions from IRA or ROTH IRA

\$

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.

Health Saving Accounts (HSA) (continued)

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.

Enter amount spent on qualifying medical expenses not reimbursed by insurance.

Form 8889 will calculate the amount of excess contributions, if any. **Caution:** If the excess isn't withdrawn by the due date of the return then the return is out-of-scope.


HSA Distributions

Total distributions received during 2016 from all HSAs.

 (Usually shown in Box 1 of Form(s) 1099-SA)

\$


Distributions used for qualified medical expenses

 * If you do not enter an amount here your entire distribution will be considered taxable.

\$

Distributions you received in 2016 that you rolled over into another HSA. Also include any excess contributions (and the earnings on those excess contributions) included above that were withdrawn by the due date of your return.


\$

 Exceptions - The additional 20% tax does not apply to distributions made after the account beneficiary dies, becomes disabled, or turns age 65.

☐ Check here if you meet any of the exceptions to the 20% tax.


HSA Adjustments

Limitation - Adjust amount of limitation from worksheet

 Note: This amount will adjust a calculated amount.

\$

Adjust your share of high-deductible health plan. If you and your spouse had separate HSAs AND had family coverage under an HDHP, see Page 4 of the Instructions for the amount to enter.

 Note: This amount will adjust a calculated amount.

\$

If you were age 55 or older at the end of the tax year, married, AND you or your spouse had family coverage under an HDHP at any time during the year, enter your Additional Contribution Amount.

 Note: This amount will adjust a calculated amount.

\$

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

Age 55 or older, look up "catch up" contribution limits in Form 8889 instructions.

Qualified medical expenses are expenses that generally would qualify for medical and dental expenses deduction. Examples include unreimbursed expenses for doctors dentists, and hospitals.

Only these Insurance premiums can be included: a) long-term care insurance based on premium limits shown in What's New tab, b) health care continuation coverage such as coverage under COBRA, c) health care coverage while receiving unemployment compensation, and d) Medicare and other health care coverage if the taxpayer was 65 or older (other than premiums for Medicare supplemental policy, such as Medigap)

A medicine or drug will be qualified medical expense only if the medicine or drug: a) requires a prescription, b) is available without a prescription (an over-the counter medicine or drug) and the taxpayer gets prescription for it, or c) is insulin.



Publication 4885

Screening Sheet for Health Savings Accounts (HSA)

NOTE: Only volunteers with **Health Savings Account Certification** may assist taxpayers with HSA issues.



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 If eligible, were contributions made to an HSA?

1

YES – Complete Form 8889, Part I, lines 1 and 2. Go to Step 2.

NO – STOP.

step 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)

2

YES – Complete Form 8889, Part I, lines 3-13.

FOR YES AND NO: Lines 4 and 10 are out of scope.

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).

NO – Refer to Form 8889 Instructions for additional information on completing line 3.

PART II – HSA Distributions

step Did the taxpayer receive distributions from the HSA trustee (whether or not Form 1099-SA received)?

1

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 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?

2

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 If any part of the distribution is taxable, was the distribution made after the taxpayer died, became disabled or turned 65?

3

YES – Check box on line 17a and complete 17b.

NO – Taxpayer will be subject to an additional 20% tax.

Alimony Requirements (Instruments Executed After 1984)

Payments ARE alimony if all of the following are true:

Payments are required by a divorce or separation instrument.

Payer and recipient spouse don't file a joint return with each other.

Payment is in cash (including checks or money orders).

Payment isn't 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.

Payments aren't required after death of the recipient spouse.

Payment isn't treated as child support.

These payments are deductible by the payer and includible in income by the recipient.

Payments AREN'T alimony if any of the following are true:

Payments aren't required by a divorce or separation instrument.

Payer and recipient spouse file a joint return with each other.

Payment is:

- Not in cash,
- A noncash property settlement,
- Spouse's part of community income, or
- To keep up the payer's property.

Payment is designated in the instrument as not alimony.

Spouses legally separated under a decree of divorce or separate maintenance are members of the same household.

Payments are required after death of the recipient spouse.

Payment is treated as child support.

These payments are neither deductible by the payer nor includible in income by the recipient.

IRA Deduction

Taxslayer Navigation: Federal Section>Adjustments>IRA deductions> 1040 view Line 32

IRA Deduction

Enter amount of IRA Contribution made by Taxpayer

- ❶ (Generally this is from a Traditional IRA):
(This deduction may be limited. To see the deductible amount, go to the "Summary/Print" tab located on the left menu after continuing through this page.)
If you entered over \$5,500 (\$6,500 if age 50 or older), visit Form 5329, Part III to report any excess contribution amount for the current year. ←

\$

Enter amount of IRA Contribution made by Spouse

- ❶ (Generally this is from a Traditional IRA):
(This deduction may be limited. To see the deductible amount, go to the "Summary/Print" tab located on the left menu after continuing through this page.)
If you entered over \$5,500 (\$6,500 if age 50 or older), visit Form 5329, Part III to report any excess contribution amount for the current year.

\$

☐ Check here if contributions were made to a non-working spouse's IRA.

If checked above, select the non-working spouse

Taxpayer ▼

Taxpayer Retirement Plan

- ☐ Taxpayer has a retirement plan.
☐ Taxpayer DOES NOT have a retirement plan

Spouse Retirement Plan

- ☐ Spouse has a retirement plan.
☐ Spouse DOES NOT have a retirement plan

Caution: If the total of traditional and Roth IRA contributions exceed the lesser of total compensation or the allowable limit, the taxpayer must withdraw the excess before the filing deadline or a penalty will apply and the return will be out of scope.

Note: Taxpayer's age must be 70½ or younger to contribute to a traditional IRA; if married filing separately, **couldn't** have lived together any time during the year. Contributions can be made until the filing deadline (generally April 15) of the year following the tax year.

Note: compensation for purposes of an IRA contribution includes alimony received.

TaxSlayer® Hint: If the taxpayer made a traditional IRA contribution, select Adjustments from the Deductions menu, then select IRA deduction. Don't enter a Roth IRA contribution on this screen. Enter it in the Credits section. If eligible, the software will calculate a Retirement Savings Contributions Credit. Be sure to enter any applicable retirement plan distributions. See the Nonrefundable Credits tab for more information on this credit.

Student Loan Interest Deduction at a Glance

Caution: This table is only an overview of the rules. For details, see Publication 17.

Taxslayer Navigation: Federal section>Adjustments>Student Loan Interest Deduction>1040 View line 33

Feature	Description
Maximum benefit	You can reduce your income subject to tax by up to \$2,500.
Loan qualifications	Your student loan: <i>Taxpayer must be legally liable for the loan.</i> <ul style="list-style-type: none">• 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: <ul style="list-style-type: none">• you, your spouse, or a person who was your dependent when you took out the loan, or would've been your dependent except you were a dependent, or had gross income over the exemption amount, or filed MFJ.• enrolled at least half-time in a program leading to a degree, certificate or other recognized educational credential.
Time limit on deduction	You can deduct interest paid during the remaining period of your student loan.
Phaseout	The amount of your deduction depends on your income level.

If student loan interest is paid by someone who isn't legally liable for it, the payment is treated as received by the person who's legally liable, and the person legally liable is allowed to take the adjustment.

Note: Taxpayer cannot claim deduction if filing status is Married Filing Separately.

Tab F: Deductions

Exhibit 1 – Standard Deduction for Most People*

This table provides the standard deduction amounts for tax year 2017.

If the taxpayer's filing status is...	Your standard deduction is ...
Single or married filing separate return	\$6,350
Married filing joint return or qualifying widow(er) with dependent child	\$12,700
Head of household	\$9,350

*Don't use this chart if the taxpayer was born before January 2, 1953, or is blind, or if someone else can claim an exemption for the taxpayer (or their spouse if married filing jointly).

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,
- You are filing a tax return for a short tax year because of a change in your annual accounting period, or
- 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.

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.

If an exemption for you can be claimed 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, 1953, or Who are Blind

Check the correct number of boxes below. Then go to the chart.

You: Born before January 2, 1953 ☐ Blind ☐

Your spouse, if claiming spouse's exemption: Born before January 2, 1953 ☐ Blind ☐

Total number of boxes checked ☐

IF your filing status is...	AND the number in box above is...	THEN your standard deduction is...
Single	1	\$ 7,900
	2	9,450
Married filing jointly or Qualifying widow(er) with dependent child	1	\$13,950
	2	15,200
	3	16,450
	4	17,700
Married filing separately	1	\$ 7,600
	2	8,850
	3	10,100
	4	11,350
Head of household	1	\$10,900
	2	12,450

*If someone else can claim you (or your spouse if filing jointly) as a dependent, use standard deduction worksheet for dependents.

Standard Deduction Worksheet for Dependents

Use this worksheet only if someone else can claim you (or your spouse if filing jointly) as a dependent.

Check the correct number of boxes below. Then go to the worksheet.

You: Born before January 2, 1953 ☐ Blind ☐

Your spouse, if claiming spouse's exemption: Born before January 2, 1953 ☐ Blind ☐

Total number of boxes checked ☐

1. Enter your earned income (defined below). If none, enter -0-.	1. _____
2. Additional amount.	2. <u> \$350 </u>
3. Add lines 1 and 2.	3. _____
4. Minimum standard deduction.	4. <u> \$1,050 </u>
5. Enter the larger of line 3 or line 4.	5. _____
6. Enter the amount shown below for your filing status. <input type="checkbox"/> Single or Married filing separately—\$6,350 <input type="checkbox"/> Married filing jointly—\$12,700 <input type="checkbox"/> Head of household—\$9,350	6. _____
7. Standard deduction. a. Enter the smaller of line 5 or line 6. If born after January 1, 1953, and not blind, stop here. This is your standard deduction. Otherwise, go on to line 7b. b. If born before January 2, 1953, or blind, multiply \$1,550 (\$1,250 if married) by the number in the box above. c. Add lines 7a and 7b. This is your standard deduction for 2017	7a. _____ 7b. _____ 7c. _____

Earned income includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any amount received as a scholarship that you must include in your income.

Interview Tips – Itemized Deductions

These interview tips will assist you in determining whether a taxpayer's itemized deductions are more than their standard deduction amount. It may be more advantageous for a taxpayer to itemize their deductions if the amount is larger than the allowable standard deduction amount.

step 1	<p>Do you have expenses in the following categories: medical and dental expenses, taxes you paid, home mortgage interest you paid, gifts to charity, job expenses, and certain miscellaneous deductions?</p> <p>Note: Casualty and theft losses and some miscellaneous deductions are beyond the scope of VITA/TCE.</p>	<p>If YES, go to Step 2.</p> <p>If NO, generally speaking, you should take the standard deduction if eligible. For further explanation see exceptions in Publication 17, Standard Deduction chapter.</p>
step 2	<p>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?</p>	<p>If YES, you can't deduct reimbursed expenses. Go to Step 4.</p> <p>If NO, you can claim these expenses. Go to Step 3.</p>
step 3	<p>Were the medical and dental expenses more than 10% of your adjusted gross income</p> <p>Note: You can include medical and dental bills you paid for:</p> <ul style="list-style-type: none"> • Yourself and your spouse • All dependents you claim on your return • Your child whom you don't claim as a dependent because of the rules for children of divorced or separated parents • Any person you could have claimed as a dependent on your return except that person received \$4,050 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 2017 return 	<p>If YES, you can claim qualified expenses. Go to Step 4.</p> <p>If NO, you can't deduct these expenses. Go to Step 4.</p>
step 4	<p>Were the following taxes you paid imposed on you: state sales tax, local or foreign income taxes, real or personal property taxes?</p>	<p>If YES, go to Step 5.</p> <p>If NO, you can't claim this expense as a deduction because you weren't obligated to pay the taxes. Go to Step 6.</p>
step 5	<p>Did you pay these taxes during this tax year?</p>	<p>If YES, you can claim these expenses and go to Step 6.</p> <p>If NO, you can't deduct taxes for this year that were paid in another year. Go to Step 6.</p>
step 6	<p>Are you legally liable for a home mortgage loan?</p>	<p>If YES, go to Step 7.</p> <p>If NO, you can't take an interest expense for a mortgage for which you aren't legally liable. Go to Step 12.</p>

Interview Tips – Itemized Deductions (continued)

step 7	Was the mortgage a secured debt on a main or second home?	If YES, go to Step 8. If NO, you can't take an interest expense. Go to Step 11.
step 8	Did you pay the mortgage interest in this tax year?	If YES, go to Step 9. If NO, you can't take the mortgage interest deduction. Go to Step 11.
step 9	Did you take out the mortgage on or before October 13, 1987?	If YES, your mortgage interest is fully deductible. Go to Step 10. If NO, follow the flowchart, <i>Is My Home Mortgage Interest Fully Deductible</i> in Publication 17 to determine what is deductible. Go to Step 11.
step 10	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 <i>Are My Points Fully Deductible This Year</i> flowchart in Publication 17 and then go to Step 11. See Note 1. If NO, go to Step 11.
step 11	Did you make a cash contribution to a qualified organization?	If YES, you must have a written record from that particular organization, and then go to Step 12. If NO, go to Step 12.
step 12	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 13. If NO, Go to Step 14
step 13	Is the total of all noncash donations \$500 or less?	If YES, see Publication 17 for more details. Go to Step 14. If NO, this is beyond the scope of VITA/TCE. Refer taxpayer to a professional tax preparer. Go to Step 14.
step 14	Do you have any employee, job hunting or investment expenses?	If YES, report the expenses on Schedule A, <i>Job Expenses and Certain Miscellaneous Deductions</i> . If NO, your employee and investment expenses aren't deductible.

Note 1: If you refinanced in an earlier year, and weren't eligible to take all the points in that year, you can add in this year's portion of those prior year points.

Note 2: For noncash donations less than \$250, you are not required to have a receipt where it is impractical to get one (for example if you leave property at a charity's unattended drop site).

Schedule A – Itemized Deductions

TaxSlayer Navigation: line 40 from 1040 View>Medical and Dental Expenses or click on Deductions from Federal Section>Itemized Deductions>Medical and Dental Expenses

Select to enter medical expenses.

If itemizing deductions, select itemized deductions. If MFS and spouse itemizes, taxpayer must also itemize. Standard deduction can't be used. It doesn't matter which spouse files first. Select to force itemized deduction.

Select to enter state and local taxes paid during the tax year in addition to income tax withheld.

Itemized Deductions	Begin
Use Standard or Itemized Deduction	Begin
Medical and Dental Expenses	Begin
Taxes You Paid	Begin
Mortgage Interest and Expenses	Begin
Gifts to Charity	Begin
Unreimbursed Employee Business Expense	Begin
Job-Related Travel Expenses Form 2106	Begin
Miscellaneous Deductions	Begin
Less Common Deductions	Begin

Schedule A Deductible and Non Deductible Medical Expenses

You can include:		You can't include:	
<ul style="list-style-type: none"> 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 the worksheet in Pub. 502) Diagnostic devices Expenses of an organ donor Eye surgery—to promote the correct function of the eye Fertility enhancement, certain procedures Guide dogs or other animals aiding the blind, deaf, and disabled Hospital services fees (lab work, therapy, nursing services, surgery, etc.) Lead-based paint removal Legal abortion Legal operation to prevent having children such as a vasectomy or tubal ligation Long-term care contracts, qualified Meals and lodging provided by a hospital during medical treatment Medical services fees (from doctors, dentists, surgeons, specialists, and other medical practitioners) Medicare Part D premiums 	<ul style="list-style-type: none"> 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, eye-glasses, 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 	<ul style="list-style-type: none"> 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— <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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

Caution: Taxpayers cannot include expenses paid for controlled substances.

Schedule A - Itemized Deductions (continued)

Schedule A - Medical Deductions

Medical and dental insurance: \$

Note: We automatically pull over the following

- ✱ Medicare premiums paid on your 1099SSA (Social Security).
- ✱ Self-employed health insurance you have already entered.
- ✱ Do not include medical/dental premiums deducted from your pay through a cafeteria plan (pre-tax).

Amount paid to doctors/dentists: \$

Prescriptions: \$

X-Rays, lab work, etc: \$

Nursing help (not for healthy baby or housework): \$

Hospital care (including meals and lodging): \$

Alcohol/Drug rehabilitation: \$

Medical aids (hearing aids, crutches, wheelchairs, etc): \$

Medical mileage driven (in miles):

Other medical expenses: Description: Amount: \$

Add/Edit Qualified Long-Term Care Premiums: Add Premiums

Cancel Continue

Note: Medical and dental floor percentage is 7.5%.
Some senior residences have an amount in the monthly cost which is a medical expense.

Schedule A - Taxes You Paid

* State and Local Tax amounts are automatically pulled from W-2, 1099, W-2G, and Estimates.
PLEASE DO NOT include any of these amounts in any of the boxes below or your calculations will NOT be correct.

Schedule A - Taxes You Paid

Taxes Paid

Additional State and Local Income Tax: \$

State and Local Sales Tax Paid: Add Sales Tax Worksheet

Prior Year 4th Quarter State Estimates paid after 12/31/2015: \$

Real Estate Taxes (Non-Business Property): \$

Personal Property (ex: Car Registration): \$

Other Taxes: Description: Amount: \$

Enter amount paid with last year's state return and any other payments not entered elsewhere.

Click here to calculate general sales tax deduction. Be sure to base sales tax on total income - taxable and non taxable.

Enter real estate taxes that are reported on Form 1098 with the mortgage interest on the mortgage interest screen.

Enter vehicle license registration fee if based on value under Personal Property taxes.

If taxpayers purchased or sold home in the tax year, they may not be able to deduct all Real Estate Taxes. Subtract any property tax refund received at closing. (see Publication 17, Real Estate Taxes 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.).

Cancel Continue

Note: In general, whether a taxpayer is allowed a deduction for the prepayment of state or local real property taxes in 2017 depends on whether the taxpayer makes the payment in 2017 and the real property taxes are assessed prior to 2018. A prepayment of anticipated real property taxes that have not been assessed prior to 2018 are not deductible in 2017. State or local law determines whether and when a property tax is assessed, which is generally when the taxpayer becomes liable for the property tax imposed. See IRS Advisory IR-2017-210 for examples.

<https://www.irs.gov/newsroom/irs-advisory-prepaid-real-property-taxes-may-be-deductible-in-2017-if-assessed-and-paid-in-2017>

Schedule A - Itemized Deductions (continued)

Schedule A Interest

Mortgage Interest Reported on Form 1098

Mortgage Interest Not Reported on Form 1098

Points Not Reported on Form 1098

Private Mortgage Insurance (PMI) Deduction

Begin

Begin

Begin

Begin

Continue

Select for mortgage interest reported on Form 1098. Enter amount from Form 1098, box 1 (and box 2, if applicable).

Mortgage Interest Reported on 1098

Add/Edit Interest Reported

Add Interest & Points Paid

Real Estate Taxes (Non-Business Property)

Real Estate Taxes (Non-Business Property)

\$

Cancel

Continue

If there are multiple mortgages, make additional Schedule A Interest entries.

Points from refinancing must be spread over the life of the mortgage unless used to remodel (see Publication 17, Points). Enter loan origination fee from closing statement as Points not reported on Form 1098 if not included as points on Form 1098.

Gifts to Charity

Cash Gifts to Charity

Non-Cash Gifts to Charity

Non-Cash Donations (more than \$500)

Limitation on Charitable Contributions Deduction [Learn more](#)

Declaration of Appraiser

Donee Acknowledgement

Begin

Begin

Begin

Begin

Begin

Begin


Continue

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.

Schedule A - Itemized Deductions (continued)

The cost of charitable raffles, bingos etc are not deductible as charitable donations but can be deducted as gambling losses to the extent of winnings.

Charity Cash Contributions



To group all cash contributions as one single entry, select the "Override" button below.

Charity Name

Description

Amount Donated

Date of Donation

\$

MM

DD

YYYY

✓ Override

Set the total contributions without itemizing.

✕ Cancel

✓ Continue

Note: Enter amounts given by cash or check under Cash Gifts to Charity. The 30% & 50% refer to the percentage of your AGI that can be deducted this year. See Publication 17 for definitions. Enter the value of noncash items (including miles driven in service to a charity) donated under Non-Cash Gifts to Charity. Be careful to list them separately. If Non-Cash contributions are greater than \$500 **Form 8283 must be completed and this form is out of scope.**

Certain qualified contributions made for relief efforts in disaster areas are not subject to the AGI limitation. See Public Law 155, H.R. 3823 Disaster Tax Relief and Airport and Airway Extension Act of 2017. For more information about other tax relief related to Hurricane Harvey, Hurricane Irma, and other disasters, see the IRS disaster relief page and the Fact Sheet for Federally Declared Disasters.

Schedule A - Miscellaneous Deductions

Schedule A - Miscellaneous Deductions

Amortizable premium on taxable bonds

Federal estate tax on income in respect to a decedent

Gambling losses to the extent of gambling winnings

Impairment-related work expenses

Repayment under claim of right (if greater than \$10,000)

☒ If your repayment was less than \$10,000, click "Add/Edit" below and enter it as an additional Miscellaneous Deduction.

Unrecovered investment in person

Tax Return Preparation

Safe Deposit Box Rental

Investment Fees and Expenses

Add/Edit Miscellaneous Deductions that are not listed above

Add Additional

For information about what qualifies to be added as an additional Miscellaneous Deduction, click here

Cancel

Continue

Gambling losses up to the amount of winnings are deducted here. You can't deduct gambling losses that are more than the taxpayers winnings reported on Line 21.

Non deductible Miscellaneous expenses: commuting; home repair; rent; loss from sale of home; personal legal expenses; lost/misplaced cash or property; fines/penalties.

Schedule A Job Related Travel Expenses

Travel Expenses

This chart summarizes expenses you can deduct when you travel away from your home for business purposes. (See publication 17 for definition of tax home)

Note: If you are an employee, travel expenses are deductible on Schedule A, Job Expenses and Certain Miscellaneous Deductions subject to the 2% of AGI Limit. If you are self employed, travel expenses are deductible as business expenses on Schedule C.

IF you have expenses for...	THEN you can deduct the cost of...
transportation	travel by airplane, train, bus, or car between your home and your business destination. If you were provided with a ticket or you are riding free as a result of a frequent traveler or similar program, your cost is zero. If you travel by ship, see <u>Luxury Water Travel</u> and <u>Cruise Ships</u> (under <i>Conventions</i>) for additional rules and limits.
taxi, commuter bus, and airport limousine	fares for these and other types of transportation that take you between: <ul style="list-style-type: none"> • The airport or station and your hotel, and • The hotel and the work location of your customers or clients, your business meeting place, or your temporary work location.
baggage and shipping	sending baggage and sample or display material between your regular and temporary work locations.
car	operating and maintaining your car when traveling away from home on business. You can deduct actual expenses or the standard mileage rate, as well as business-related tolls and parking. If you rent a car while away from home on business, you can deduct only the business-use portion of the expenses. Important note: The actual expense method is out of scope for the VITA/TCE program. If the taxpayer is using actual expenses for car expenses, refer the taxpayer to a professional tax preparer.
lodging and meals	your lodging and meals if your business trip is overnight or long enough that you need to stop for sleep or rest to properly perform your duties. Meals include the actual cost or standard deduction for meals and incidental expenses (M&IE). See <u>Meals</u> in Publication 17, Car Expenses and Other Employee Business Expenses for additional rules and limits.
cleaning	dry cleaning and laundry.
telephone	business calls while on your business trip. This includes business communication by fax machine or other communication devices.
tips	tips you pay for any expenses in this chart.
other	other similar ordinary and necessary expenses related to your business travel. These expenses might include transportation to or from a business meal, public stenographer's fees, computer rental fees, and operating and maintaining a house trailer.

Schedule A Job Related Travel Expenses (continued)

Deductible Entertainment Expenses When Are Entertainment Expenses Deducted?

General rule	You can deduct ordinary and necessary expenses to entertain a client, customer, or employee if the expenses meet the directly-related test or the associated test. If you deduct travel, entertainment, gift, or transportation expenses, you must be able to prove (substantiate) certain elements of the expense.
Definitions	<ul style="list-style-type: none">• Entertainment includes any activity generally considered to provide entertainment, amusement, or recreation, and includes meals provided to a customer or client.• An ordinary expense is one that is common and accepted in your trade or business.• A necessary expense is one that is helpful and appropriate.
Tests to be met	Directly-related test <ul style="list-style-type: none">• Entertainment took place in a clear business setting, or• Main purpose of entertainment was the active conduct of business, and you did engage in business with the person during the entertainment period, and you had more than a general expectation of getting income or some other specific business benefit.
	Associated test <ul style="list-style-type: none">• Entertainment is associated with your trade or business, and• Entertainment directly before or after a substantial business discussion.
Other rules	<ul style="list-style-type: none">• You can't deduct the cost of your meal as an entertainment expense if you are claiming the meal as a travel expense.• You can't deduct expenses that are lavish or extravagant under the circumstances.• You generally can deduct only 50% of your unreimbursed entertainment expenses (see <u>50% Limit</u>).

Schedule A Job Related Transportation Expenses

50% Limit

Table 3. Does the 50% Limit Apply to Your Expenses?

There are exceptions to these rules. See Publication 463 for additional guidance.

All employees and self-employed persons can use this chart.

Start Here

Were your meal and entertainment expenses reimbursed?
(Count only reimbursements your employer didn't include in box 1 of your Form W-2. If self-employed, count only reimbursements from clients or customers that aren't included on Form 1099-MISC, Miscellaneous Income.)

Yes

No

If an employee, did you adequately account to your employer under an accountable plan?
If self-employed, did you provide the payer with adequate records? (See chapter 6.)

Yes

No

Did your expenses exceed the reimbursement?

No

Yes

For the amount reimbursed...

Your meal and entertainment expenses **AREN'T** subject to the 50% limit. However, since the reimbursement wasn't treated as wages or as other taxable income, you can't deduct the expenses.

For the excess amount...

Your meal and entertainment expenses **ARE** subject to the 50% limit.*

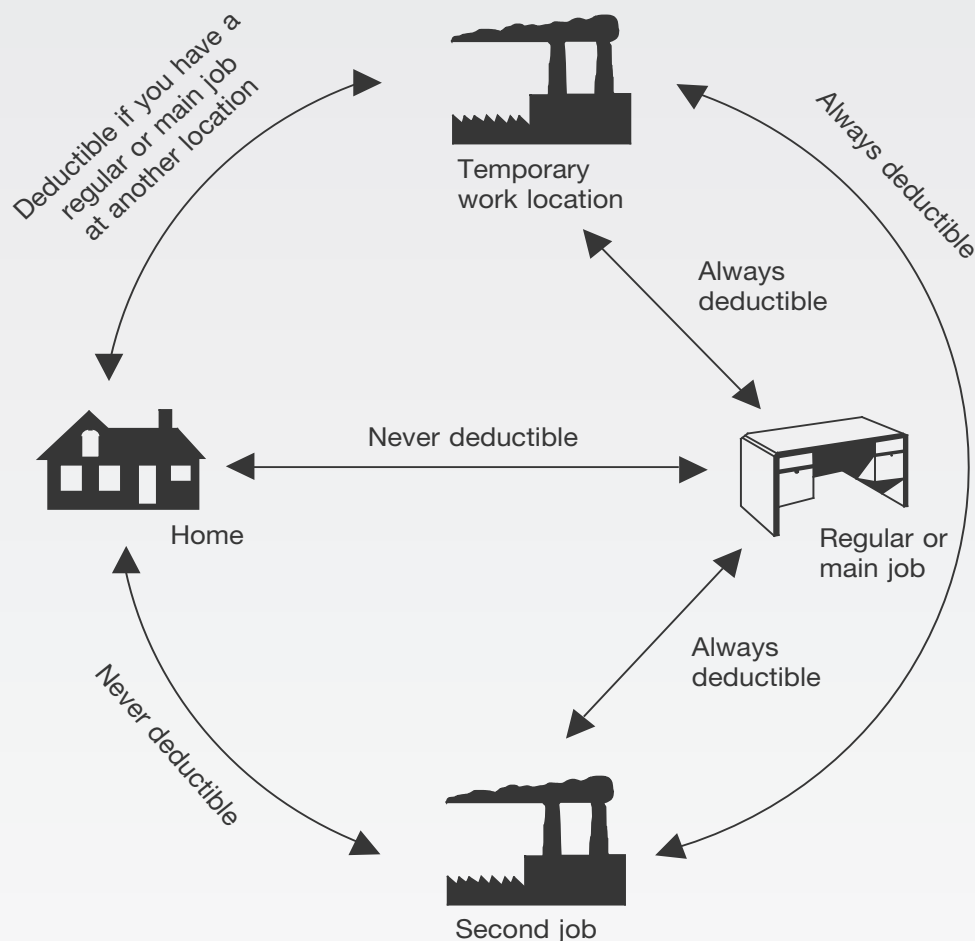
***50% limit for most taxpayers; 80% for those subject to Department of Transportation hours of service. See Publication 463 for more information.**

Schedule A Job Related Transportation Expenses

Deductible Transportation Expenses

Most employees and self-employed persons can use this chart.

(Don't use this chart if your home is your principal place of business.)



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.

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 don't go directly from your first job to your second job, you can only deduct the transportation expenses of going directly from your first job to your second job. You can't deduct your transportation expenses between your home and a second job on a day off from your main job.

Schedule A Job Related Transportation Expenses

Recordkeeping

How to Prove Certain Business Expenses

If you have expenses for ...	THEN you must keep records that show details of the following elements . . .			
	Amount	Time	Place or Description	Business Purpose Business Relationship
Travel	Cost of each separate expense for travel, lodging, and meals. Incidental expenses may be totaled in reasonable categories such as taxis, fees and tips, etc.	Dates you left and returned for each trip and number of days spent on business.	Destination or area of your travel (name of city, town, or other designation).	<p><u>Purpose:</u> Business purpose for the expense or the business benefit gained or expected to be gained.</p> <p><u>Relationship:</u> N/A</p>
Entertainment	Cost of each separate expense. Incidental expenses such as taxis, telephones, etc., may be totaled on a daily basis.	Date of entertainment. (Also see <i>Business Purpose</i> .)	Name and address or location of place of entertainment. Type of entertainment if not otherwise apparent. (Also see <i>Business Purpose</i> .)	<p><u>Purpose:</u> Business purpose for the expense or the business benefit gained or expected to be gained. For entertainment, the nature of the business discussion or activity. If the entertainment was directly before or after a business discussion: the date, place, nature, and duration of the business discussion, and the identities of the persons who took part in both the business discussion and the entertainment activity.</p> <p><u>Relationship:</u> Occupations or other information (such as names, titles, or other designations) about the recipients that shows their business relationship to you.</p> <p>For entertainment, you must also prove that you or your employee was present if the entertainment was a business meal.</p>
Gifts	Cost of the gift.	Date of the gift.	Description of the gift.	
Transportation	Cost of each separate expense. For car expenses, the cost of the car and any improvements, the date you started using it for business, the mileage for each business use, and the total miles for the year.	Date of the expense. For car expenses, the date of the use of the car.	Your business destination.	<p><u>Purpose:</u> Business purpose for the expense.</p> <p><u>Relationship:</u> N/A</p>

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**Tab G: Nonrefundable
Credits**

Nonrefundable Credits

Credits

Foreign Tax Credit Form 1116	Select for Form 1116 , Foreign Tax Credit	Begin
Child Care Credit Form 2441	Select for Form 2441 , Page 1, Line 49, Form 1040. See Child Tax Credit Tip & Interview Tips, later	Begin
Education Credits Form 1098-T	Select for Form 8863 , Lines 50 and 68, Form 1040. See Education Benefits Tab	Begin
Retirement Savings Credit Form 8880	Select for Form 8880 , for Retirement Savings Contributions Credit. Complete this screen if taxpayer (or spouse) made any contributions to a qualified retirement plan.	Begin
Residential Energy Credit Form 5695	Select for Form 5695 See Legislative Extenders tab for more information.	Begin
Adoption Credit Form 8839		Begin
DC First-Time Homebuyer Credit Form 8859		Begin
Mortgage Interest Credit Form 8396		Begin
Earned Income Credit Form 8862	Select for EIC worksheets , See Line 66a, Form 1040 and Earned Income Credit Tab	Begin
Credit for the Elderly or Disabled Schedule R	Select for Schedule R , Line 54, Box C, Form 1040	Begin
Alternative Motor Vehicle Credit (Hybrid Cars) Form 8910		Begin
Qualified Electric Motor Vehicle Credit Form 8936		Begin
Small Employer Health Insurance Premiums Form 8941		Begin
Credit for Federal Tax Paid on Fuels Form 4136		Begin
Credit for Increasing Research Activities from Pass-through Entities Form 6765		Begin

Continue to Deductions

Hint: Remember, the nonrefundable credits can't exceed the taxpayer's federal income tax.

Form 8863

TaxSlayer Navigation: Federal Section>Deductions>Credit Menu>Education Credits Form 1098-T. For complete education credit information refer to Tab J - Education Benefits

Schedule R

If taxpayer qualifies for the credit for the elderly or the disabled, open Schedule R. Refer to the Elderly or Disabled Decision Tree on the last page of this tab.

Form 1116 – Foreign Tax Credit

TaxSlayer Navigation: Federal Section>Deductions>Credits>Foreign Tax Credit, 1040 View Line 48, 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 **\$600**
- 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 \$600

i Note: Only enter an amount if you answered Yes to all the questions above.

\$|

If you are needing to file Form 1116 because you are not making the election above, complete Form 1116 Foreign Tax Credit.

[Go to Form 1116](#)

[Cancel](#)

[Continue](#)

ONLY the Simplified Limitation Election for the foreign tax credit is in scope for Advanced certification. To be eligible for this election, qualified foreign taxes must be \$300 (\$600 if MFJ) or less, all foreign source income is passive category (such as interest and dividends) and taxpayer meets the other requirements as explained in the Form 1116 Instructions. Do not enter amounts from Forms 1099-INT or 1099-DIV, box 6. The software will include these in the foreign tax credit calculation.

Form 1116 – Foreign Tax Credit (continued)

FOR INTERNATIONAL CERTIFICATION ONLY:

Foreign tax credit

Passive income

General limited income

Section 901(j) income

Income resourced by treaty

Lump-sum distributions

Passive and General limited income are in scope for VITA/TCE with International Certification. Select the appropriate category. If taxpayer has income in more than one category or from more than one country, another form can be added later.

The remaining selections on this menu are out of scope.

Begin

Begin

Begin

Begin

Begin

Continue

Form 1116 - Foreign Tax Credit

Passive income

Country of residence *

- Please Select -

Carryback or Carryover

Reduction in Foreign Taxes

Adjustments

Reduction of credit for international boycott operations

\$

Type of Income

Credit is claimed for taxes paid or accrued

☐ Paid

☐ Accrued

Delete

Select country of residence.

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.

\$

\$

\$

Cancel

Continue

Form 1116 – Foreign Tax Credit (continued)

Enter the gross INCOME of this category type in both places (not the tax). Enter income from this category type only, not total income. Do not enter any income excluded by Form 2555 in the first gross income box. Include any income excluded by Form 2555 in the second gross income box, but only if that income is of the category selected (passive or general income)

Select the country that imposed the tax.

Form 1116 - Foreign Tax Credit

Foreign Country or U.S. possession *

- Please Select -

Gross income from sources within the country of the specified type (Do not include income excluded by Form 2555, Foreign Earned Income)

\$

Expenses Directly Allocable to Income

\$

Other Deductions

\$

Gross income from sources within the country of the specified type (Including any income excluded by Form 2555, Foreign Earned Income)

\$

Home mortgage interest

\$

Other interest expense

\$

Losses from foreign sources

\$

Date paid or accrued *

MM DD YYYY

Enter the date the tax was paid or accrued.

Click on the itemized amounts boxes to enter taxes paid in foreign currency in the appropriate category.

Foreign taxes paid or accrued in foreign currency

Tax Withheld on Dividends (in Foreign Currency)

\$

Tax Withheld on Rents/Royalties (in Foreign Currency)

\$

Tax Withheld on Interest (in Foreign Currency)

\$

Other Foreign Taxes (in Foreign Currency)

\$

Foreign taxes paid or accrued in U.S. dollars

Dividends

\$

Rents and royalties

\$

Interest

\$

Other taxes

\$

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).

Cancel

Continue

Child and Dependent Care Credit Expenses

Probe/Action: To determine if a taxpayer qualifies for the Credit for Child and Dependent Care Expenses, ask the taxpayer for information from the decision tree on the next page.

Who is a qualifying person?

- A qualifying child who was under the age of 13 when the expenses were incurred and for whom a dependency exemption can be claimed, see caution 1 below.
- Any person who was incapable of self-care whom the taxpayer can claim as a dependent or could've claimed as a dependent except that the person had gross income of more than \$4,050 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 2017 return.
- A spouse who was physically or mentally incapable of self-care.
- The qualifying person must live with the taxpayer more than 1/2 the year.
- Incapable of self-care - Can't dress, clean, or feed themselves. Also persons who must have constant attention to prevent them from injuring themselves or others.

See Publication 17, ***Child and Dependent Care Credit*** for special rules regarding divorced or separated parents or parents who live apart.

Qualified work-related expenses

- Expenses must be paid for the care of the qualifying person to allow the taxpayer and spouse, if married, to work or look for work.
- The care includes the costs of services for the qualifying person's well-being and protection.
- Expenses to attend kindergarten or a higher grade aren't an expense for care.
- Expenses for summer day-camp are qualifying, but those for overnight camp aren't.

*Refer to the tables on page C-3 for the rules governing who may be claimed as a dependent.

Caution: Only the custodial parent may claim the child and dependent care credit even if the child's exemption is being claimed by the non-custodial parent under the rules for divorced & separated parents.

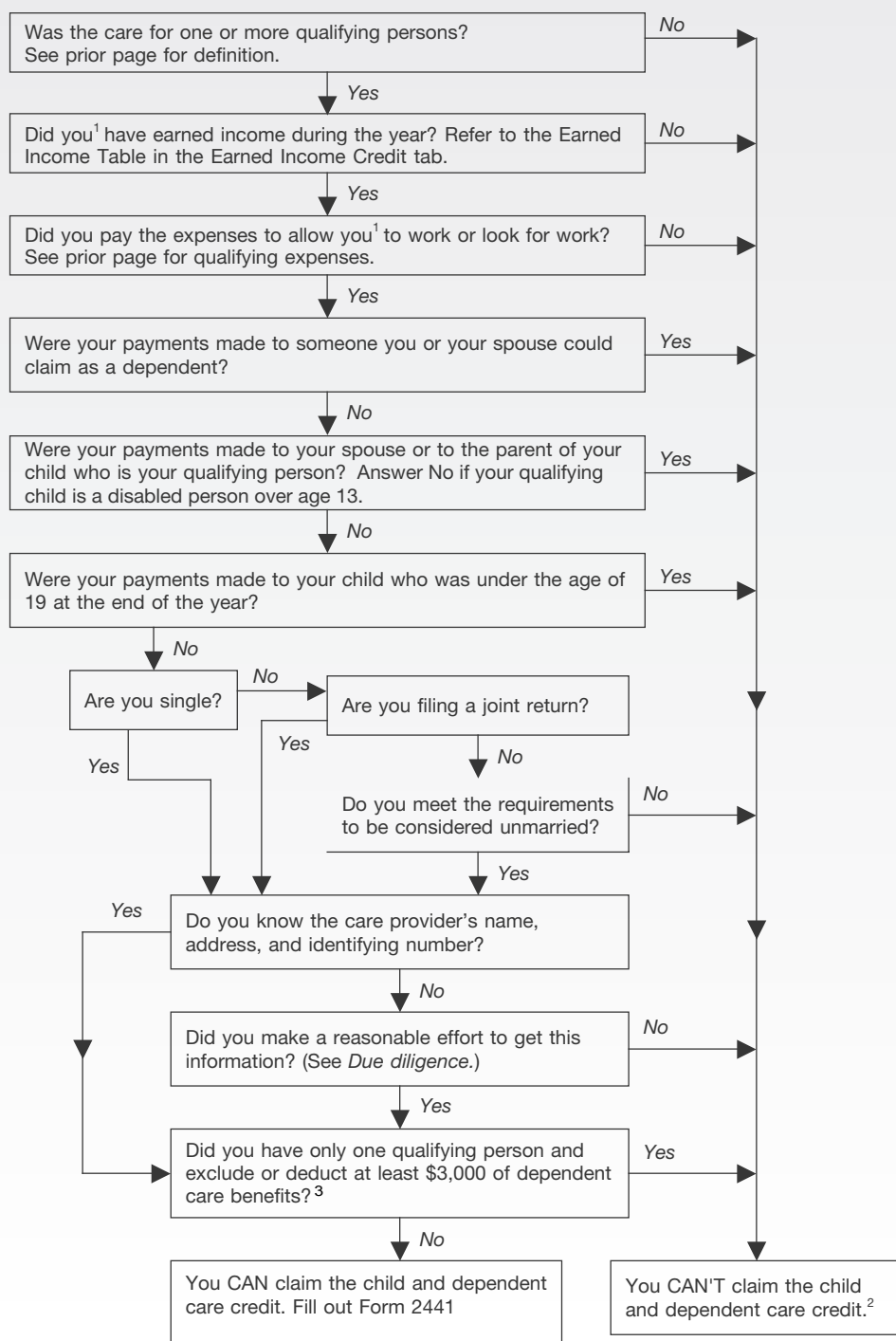
Caution: If Dependent Care Benefits are listed in Box 10 of a W2, then the taxpayer MUST complete Form 2441. If Form 2441 isn't completed, the Box 10 amount is added to Line 7 of the 1040 as taxable wages.

Note: If the qualifying child turned 13 during the tax year, the qualifying expenses include amounts incurred for the child while under age 13 when the care was provided.

Credit for Child & Dependent Care Expenses – Decision Tree

Can You Claim the Child and Dependent Care Credit

Start Here



¹ This also applies to your spouse. However, 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.)


² If you had expenses that met the requirements for 2016, except that you didn't pay them until 2017, you may be able to claim those expenses in 2017.

³ If two or more, the amount you can exclude or deduct is limited to \$5,000.

Form 2441 – Credit for Child and Dependent Care Expenses

Taxslayer Navigation: Federal Section>Deductions>Credits>Child Care Credit>1040 view line 49 or keyword "2441"

F2441 - Child Care Credit - Page 1

 The 2441 covers expenses paid for child care. The amount paid to the provider(s) of the child care must equal the total expenses of the dependents and any qualified person not listed on the return as a dependent. If the totals do not balance out to a difference of \$0, then there is a risk of rejection of the return.

Total Expenses	-	\$0.00
Total Amount Paid To Providers	-	\$0.00
Difference	-	\$0.00

Step 1 - Child Care Providers

Child Care Providers

Enter the required information about the child care provider you paid to care for your dependents and qualified persons. Once you have entered all providers, continue to Step 2 - Dependents.

Provider

ID Number

Amount

+ Add

Add a Child Care Provider

+ Step 2 - Dependents

+ Step 3 - Qualifying Persons

Cancel

Continue To Page 2

Add a Child Care Provider.

Next, enter the total amount of qualified expenses paid for each dependent. Select edit next to the appropriate dependent. Remember, it's possible for one qualifying person to have 0 expenses and another qualifying person have expenses exceeding \$3,000. The \$6,000 limit applies.

Hint: The tax return can't be filed electronically without a valid Employer Identification Number or Social Security Number for the Daycare Provider.

Caution: Only check the "qualifying person had no expenses" box if the person is both a qualifying person for the credit and had no expenses.

Form 2441 – Credit for Child and Dependent Care Expenses-(continued)

F2441 - Child Care Credit - Page 2

What is this page for?
The Credit for Dependent Care Expenses is for individuals who paid for child care so that they could work. For this credit to calculate, the Taxpayer and the Spouse, if applicable, must each have earned income. There are exceptions to the rule for disabled or full-time students who were unable to work. Complete the "Addition to Income" section below for the appropriate non-working spouse for the purpose of calculating this credit only.

*NOTE: Any amounts entered here are only used for the purposes of figuring this credit. It will not be added to your total income on your tax return.

Additions to Income for Taxpayer for this credit

NOTE: If Taxpayer was a full-time student or disabled, enter any additional income.

Figuring the amount to enter

Step 1: Figure out how many months you were a student (or disabled) and did not work. Do not include any month in which both you and your spouse (if applicable) were both students.

Step 2: If you have just one qualifying child that you paid expenses for, multiply the number of months you figured in Step 1 by \$250. If you have more than one qualifying child, multiply the number of months by \$500. The result is what you should report as Additional Income for Taxpayer.

Additional Income for Taxpayer for purposes of this credit

\$

Additions to Income for Spouse for this credit

NOTE: If the spouse was a full-time student or disabled, enter any additional income.

Figuring the amount to enter

Step 1: Figure out how many months your spouse was a student (or disabled) and did not work. Be sure to include any month in which both you and your spouse were students.

Step 2: If you have just one qualifying child that you paid expenses for, multiply the number of months you figured in Step 1 by \$250. If you have more than one qualifying child, multiply the number of months by \$500. The result is what you should report as Additional Income for Spouse.

Additional Income for Spouse for purposes of this credit

(If you are married filing separately and are eligible to file the 2441, please enter the taxpayers income)

\$

Benefits (Do not enter an amount from your W-2)

Employer-paid Dependent Care Benefits

\$

Forfeited Employer-paid Benefits

\$

Benefits Received from Sole Proprietorship or Partnership

\$

Form 2441 Page 2:
If the taxpayer or spouse is a full-time student or disabled enter \$250 per month (\$500 per month if more than one qualifying person was cared for during the year).
If the person also worked during the month, use the higher of \$250 (or \$500) or his or her actual earned income for that month.

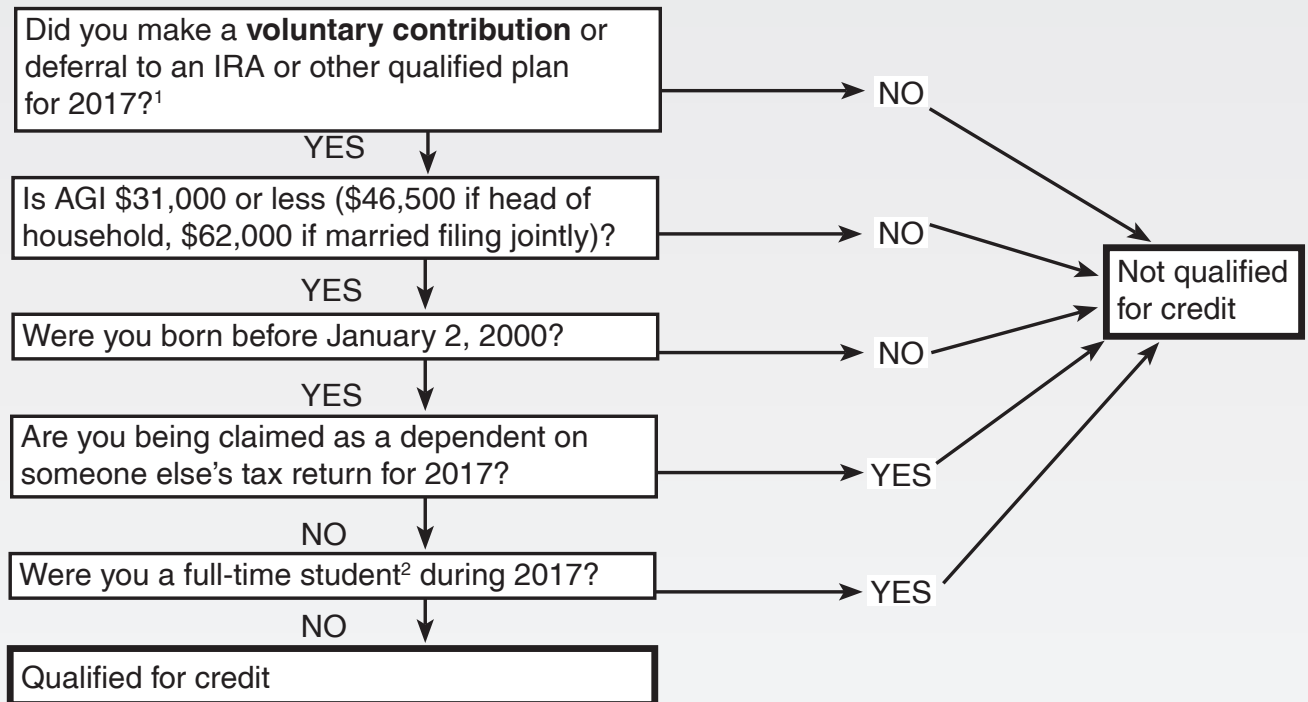
Caution: Only enter dependent care benefits not reported on a W-2

Note: Foreign earned income and housing exclusion, and Medicaid Waiver payments are subtracted from the wages listed on Line 7 when figuring the credit. Subtract any amount earned while incarcerated or on work release.

Note: Both spouses must have earned income in order to claim the credit. Complete the additions to income for taxpayer if the taxpayer or spouse was either a full time student or disabled.

Retirement Savings Contributions Credit – Decision Tree

To determine if a taxpayer qualifies for the Credit for Qualified Retirement Savings Contributions, review the return information and ask the taxpayer the following:



¹ Plans that qualify are listed in the Other Credits chapter of Publication 17. Answer yes if the taxpayer will make a qualifying IRA contribution for tax year 2017 by April 17, 2018.

² You were a student if during any part of 5 calendar months of 2017 you:

- Were enrolled as a full-time student at a school, or
- Took a full-time, on-farm training course given by a school or a state, county, or local government agency.

A school includes technical, trade and mechanical schools. It does not include on-the job training courses, correspondence schools, or schools offering courses only through the Internet.

Important Reminders for Retirement Savings Contributions Credit

- Be sure to look at the taxpayer's Form(s) W-2. An entry in box 12 or an "X" in the Retirement box is an indicator that the taxpayer may be eligible for this credit. A full description of all codes used in box 12 can be found in Instructions for Forms W-2 and W-3.
- An entry in box 14 on the W-2 may also indicate a contribution to a state retirement system. **Caution:** If these are treated as employer contributions they aren't eligible for the credit. See Form W-2 Instructions.
- When using tax software, remember to key in all entries as they appear on the Form W-2.
- A contribution to a traditional or Roth IRA qualifies for this credit, but may not appear on any taxpayer document. Remember to review the expenses section on page 2 of the Intake/Interview & Quality Review Sheet and ask taxpayers if they made any IRA contributions.
- Some distributions reduce the eligible contributions for this credit. In addition to distributions for the current year as shown on Forms 1099-R, be sure to ask about distributions in the prior two years and up to the due date of the return.
- See the next page for a list of distributions that don't reduce the eligible contributions for this credit.
- Form 8880 is used to claim this credit.
- If taxpayer (or spouse if MFJ) is a full-time student, be sure to mark it in the Personal Information Section. This credit is not available to full-time students.

Retirement Savings Contributions Credit (continued)

TaxSlayer Navigation: Federal Section>Deductions>Credits>Retirement Savings Credit, 1040 View Line 51, or Keyword "8880"

Open the Retirement Savings Contributions Credits screen if the taxpayer meets eligibility criteria and any of the following are true:

1. The taxpayer(s) make a traditional IRA or a ROTH IRA contribution before the filing deadline.
2. The taxpayer or spouse's Form W-2 includes:
 - box 12 entries of D, E, F, G, H, S, AA, BB
 - box 14 amounts that are voluntary retirement contributions or marked as "Qualifies for Form 8880"

Verify total contribution amounts with the taxpayer. Total IRA contributions cannot exceed lesser of total compensation or the annual limit. See Tab E for limits.

Caution: Internal Revenue Code section 414(h)(2) provides that any plan established by a governmental unit, where the contributions of employing units are designated employee contributions, but the employer "picks up" the contributions, the contributions are treated as employer contributions, not voluntary contributions made by the employee. They do not qualify for the credit.

Retirement Savings Contributions Credits

TAXPAYER

Enter Any Qualifying Retirement Distributions in 2016, 2015, or 2014

\$

Enter as a negative number any current year distributions reported as income that should not be included on Line 4 of the 8880. For example, Military Retirement should be entered as a negative number here.

\$

Enter Any Current Year Traditional or ROTH IRA Contributions

\$

Elective Deferrals from W-2(s)

\$0.00

Enter any Elective Deferrals to a 401(k) or other Qualified Plan not reported on a W-2

\$

Cancel

Continue

Note: Certain distributions received after 2014 and before the due date (including extensions) of your 2017 tax return from any of the following types of plans are subtracted from contributions:

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

Distributions entered on Form 1099-R will be calculated by the software. Any other distributions from the 2 prior years or between January 1 and the tax filing deadline must be entered manually where indicated.

Enter as a negative number any current year distributions reported as income on the tax return that should not be included in the calculation of the credit (for example, military pensions). See the list on the following page for other examples.

Retirement Savings Contributions Credit (continued)

Don't include any of the following as distributions:

- Military pensions
- Distributions not taxable as the result of a rollover or a trustee-to-trustee transfer
- Distributions from your IRA (other than a Roth IRA) rolled over or converted to your Roth IRA
- Loans from a qualified employer plan treated as a distribution
- Distributions of excess contributions or deferrals (and income allocable to such contributions or deferrals)
- Distributions of contributions made during a tax year and returned (with any income allocable to such contributions) on or before the due date (including extensions) for that tax year
- Distributions of dividends paid on stock held by an employee stock ownership plan under section 404(k)
- Distributions that are taxable as the result of an in-plan rollover to your designated Roth account
- Distributions from an inherited IRA by a nonspousal beneficiary

The credit is calculated using the following percentages:

If AGI is—		And your filing status is—		
Over—	But not over—	Married filing jointly	Head of household	Single, Married filing separately, or Qualifying widow(er)
---	\$18,500	.5	.5	.5
\$18,500	\$20,000	.5	.5	.2
\$20,000	\$27,750	.5	.5	.1
\$27,750	\$30,000	.5	.2	.1
\$30,000	\$31,000	.5	.1	.1
\$31,000	\$37,000	.5	.1	.0
\$37,000	\$40,000	.2	.1	.0
\$40,000	\$46,500	.1	.1	.0
\$46,500	\$62,000	.1	.0	.0
\$62,000	---	.0	.0	.0

Child Tax Credit

This is a credit intended to reduce the tax. This part of the credit isn't refundable. The credit is up to \$1,000 per qualifying child.

Qualifying child:

1. Under age 17 at the end of the tax year.
2. A U.S. citizen or U.S. national* or resident alien of the United States. See the ITIN Returns tab.
3. Claimed as your dependent.**
4. Your:
 - a. son or daughter, adopted child, stepchild, eligible foster child, or a descendant of any of them
 - b. brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew)
5. Didn't provide over half of his or her own support.
6. Lived with the taxpayer for more than half of the tax year. (See Interview Tips for Child Tax Credit for Exception to Time Lived with You section if the child didn't live with the taxpayer for more than half the year.)

* National is an individual who, although not a U.S. citizen, owes his or her allegiance to the United States. U.S. nationals include American Samoans and Northern Mariana Islanders who chose to become U.S. nationals instead of U.S. citizens.

**Refer to the tables on page C-3 for the rules governing who may be claimed as a dependent.

Caution: If the taxpayer is able to claim the dependent under the rules for divorced and separated parents, he or she is the only parent entitled to claim the child tax credit or additional child tax credit.

Additional Child Tax Credit – General Eligibility

Note: Make sure the taxpayers credit hasn't been disallowed previously. If previously disallowed see Form 8862 in the EITC tab.

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 \$3,000 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.

Schedule 8812 is used to calculate the allowable additional child tax credit.

See Tab C, Exemptions/Dependency, and the worksheet in the instruction booklet for additional information (including definitions and special rules relating to an adopted child, foster child, or qualifying child of more than one person).

Note: No credit or refund for an overpayment for a taxable year shall be made to a taxpayer before the 15th day of the second month following the close of the taxable year (generally February 15th) if the taxpayer claimed the EITC or additional child tax credit on the tax return.

Note: Taxpayers claiming the Child Tax Credit must now have a valid identification number by the due date of the tax return (including extensions). Taxpayers may not file an amended return to retroactively claim the additional child tax credit for a qualifying child if a valid TIN for the child is issued after the due date of the tax return.

Note: You must claim the child as a dependent on your return to qualify for the Child Tax Credit

Note: If you claim the foreign earned income exclusion, the housing exclusion, or the housing deduction on Form 2555 or Form 2555-EZ, you can't claim the additional child tax credit.

Note: See Disallowance of Certain Refundable Credits in the EIC tab if the taxpayer received a letter saying they had to complete Form 8862.

Note: Disaster relief – Qualifying taxpayers can elect to substitute earned income from tax year 2016 for the calculation of EITC and CTC. Puerto Rico taxpayers can substitute Social Security taxes paid for earned income. See Public Law 155, H.R. 3823 Disaster Tax Relief and Airport and Airway Extension Act of 2017. For more information about other tax relief related to Hurricane Harvey, Hurricane Irma, and other disasters, see the IRS disaster relief page and the Fact Sheet for Federally Declared Disasters.

Child Tax Credit

(Remember to apply the steps for each child.)

Probe/Action: Ask the taxpayer:

step 1	Is this child your son, daughter, adopted child, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (for example, your grandchild, niece, or nephew)? A descendant is of any generation.	If YES , go to Step 2. If NO , you can't claim the child tax credit for this child. STOP if the taxpayer has no other children.
step 2	Is this child under age 17 at the end of the tax year?	If YES , go to Step 3. If NO , you can't claim the child tax credit for this child. STOP if the taxpayer has no other children.
step 3	Did the child provide over half of his or her own support for the tax year?	If NO , go to Step 4. If YES , you can't claim the child tax credit for this child. STOP if the taxpayer has no other children.
step 4	Did the child live with you for more than half of the tax year? If the child didn't live with you for the required time, see the following notes below the chart: <ul style="list-style-type: none"> Exception to Time Lived with You Kidnapped Child Children of Divorced or Separated Parents or Parents who live apart. 	If YES , go to Step 5. If NO , you can't claim the child tax credit for this child. STOP if the taxpayer has no other children.
step 5	Is this child a U.S. citizen, U.S. national, or resident alien of the United States? Note: 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. See ITIN Return tab for definition of Resident Alien.	If YES , go to Step 6. If NO , you can't claim the child tax credit for this child. STOP if the taxpayer has no other children.

Questions: Who Must Use Publication 972?

step 6	Are you excluding income from Puerto Rico or are you filing Form 2555, Form 2555-EZ (relating to foreign earned income), or Form 4563, <i>Exclusion of Income for Bona Fide Residents of American Samoa</i> ?	If NO , go to Step 7. If YES , you must use Publication 972 to figure the credit.
step 7	Are you claiming any of the following credits? <ul style="list-style-type: none"> Adoption Credit, a residential energy credit, Form 5695, Part II; Mortgage Interest credit, Form 8396; District of Columbia first-time homebuyer credit, Form 8859. 	If NO , use the Child Tax Credit Worksheet to figure the credit. If YES , you must use Publication 972 to figure the credit.

Exception to Time Lived with You

A child is considered to have lived with you for all of the current tax year if the child was born or died in 2017 and your home was this child's home for the entire time he or she was alive. Temporary absences for special circumstances, such as for school, vacation, medical care, military service, or detention in a juvenile facility, count as time lived at home.

Kidnapped Child

A kidnapped child is considered to have lived with you for all of the current tax year if:

- In the year the kidnapping occurred, the kidnapped child is presumed by law enforcement to have been taken by someone who isn't a family member, and
- The kidnapped child lived with the taxpayer for more than half of the portion of the year prior to the kidnapping.

Modified Adjusted Gross Income Limits

- Married filing jointly - \$110,000
- Single, head of household, or qualifying widow(er) - \$75,000
- Married filing separately - \$55,000

Children of Divorced or Separated Parents

A child will be treated as being the qualifying child of his or her noncustodial parent if all of the following apply:

- The parents were divorced or legally separated or lived apart at all times during the last 6 months of the current tax year.
- The child received over half of his or her support for the current tax year from the parents.
- The child was in the custody of one or both of the parents for more than half of the current tax year.
- A decree of divorce or separate maintenance or written separation agreement that applies to the current tax year provides that (a) the noncustodial parent can claim the child as a dependent, or (b) the custodial parent will sign a written declaration that he or she won't claim the child as a dependent for the current tax year.
- The custodial parent signs Form 8332 or similar statement that he or she won't claim the child as a dependent in the current tax year. If the divorce decree or separation agreement went into effect before 2009, the non custodial parent may be able to attach certain pages of the decree or agreement instead of Form 8332.

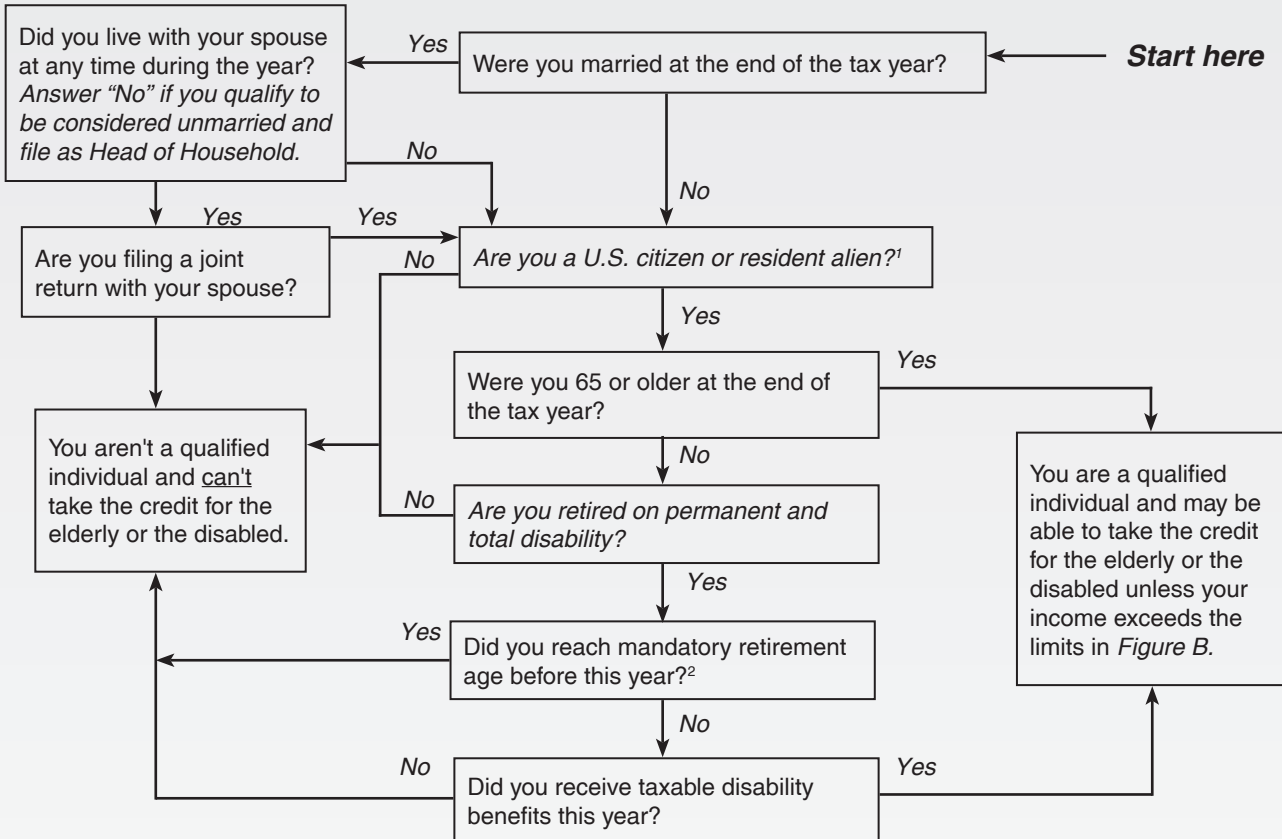
Note: Current tax year reference applies to tax year 2017.

Credit for the Elderly or the Disabled

– Decision Tree

Use the following chart to determine if the taxpayer is eligible for the Credit for the Elderly or the Disabled:

Figure A. Are You a Qualified Individual?



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 *U.S. Citizen or Resident Alien* under Qualified Individual. If you and your spouse choose to treat you as a U.S. resident alien, answer "yes" to this question.

² Mandatory retirement age is the age set by your employer at which you would have been required to retire, had you not become disabled.

Figure B. Income Limits

IF you are . . .	THEN you generally can't take the credit if...	
	Your adjusted gross income (AGI)* is . . .	OR the total of your nontaxable social security and other nontaxable pension annuities or disability income is equal to or more than . . .
single, head of household, or qualifying widow(er) with dependent child	\$17,500	\$5,000
married filing a joint return and both spouses qualify in <i>Figure A</i>	\$25,000	\$7,500
married filing a joint return and only one spouse qualifies in <i>Figure A</i>	\$20,000	\$5,000
married filing a separate return and you lived apart from your spouse for all of 2017	\$12,500	\$3,750

* AGI is the amount on Form 1040A, line 22, or Form 1040, line 38.

Tax Software Hint: Be sure to include the taxpayer's total social security benefits, regardless of the taxability, to ensure the correct calculation of the credit. The software does not calculate this credit automatically. If the taxpayer appears to qualify for the credit, refer to the navigation path above and answer the questions.

Entering the Credit for the Elderly or the Disabled

TaxSlayer Navigation: Federal Section>Deductions>Credits Menu>Credit for the Elderly or Disabled; Form 1040 view Line 54, Box C; or Keyword: "Schedule R"

Schedule R Retired/Disability Question

Choose one

- ☐ You were 65 or older.
- ☒ You were under 65 and you retired on permanent and total disability.

Indicate whether the taxpayer is 65 or older, or under 65 and retired on permanent and total disability

✕ Cancel

✓ Continue

Statement of Disability

- IF ☒ You filed a physician's statement for this disability for 1983 or an earlier year
- OR ☒ You filed or got a statement for tax years after 1983 and your physician signed line B on the statement,
- AND ☒ Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2016.

☒ Check this box only if this entire statement is true.

◀ Back

✕ Cancel

✓ Continue

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

Physician's Statement Needed



Because you did not meet both qualifications on the previous page, the IRS requires you to obtain another physician's statement. Your physician must complete the statement for Schedule R and you must retain it for your records.

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

Enter the TP's taxable disability income, if any, (such as from Form 1099-R) where indicated.

Income

Taxable disability income

\$12000

Other pension, annuity, or disability benefit that is excluded from income under any other provision of law (DO NOT re-enter non-taxable income already reported such as Social Security Benefits)

\$

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.

✕ Cancel

✓ Continue

**Tab H: Other Taxes,
Payments and ACA**

Other Taxes and Payments

Hint: TaxSlayer provides all the forms and schedules you need in order to figure and report these taxes, and in most cases, performs the calculations.

Other Taxes



Self-Employment Tax Schedule SE	Begin
Alternative Minimum Tax Form 6251	Begin
Tax On Unreported Tip Income Form 4137	Begin
Tax On Early Distribution Form 5329	Begin
Household Employment Tax Schedule H	Begin
First-time Homebuyer Repayment Form 5405	Begin
Tax For Children Under Age 18 Form 8615	Begin
Child's Interest/Dividend Earnings Form 8814	Begin
Net Investment Income Tax Form 8960	Begin

Self-Employment Tax –

Entered automatically from Schedule SE. TaxSlayer® calculates the amount using the entries from Schedule C.

Unreported Social Security and Medicare Tax –

TaxSlayer Navigation: Federal Section>Income>Wages>Add or edit W-2>Unreported tips; 1040 View Line 7; or Keyword “W2”. If unreported because less than \$20/mo **PLUS** Form 4137: Federal Section>Other Taxes>Tax on Unreported Tip Income; 1040 View Line 58; or Keyword “4137”

Comes from Form 4137 Tip income not reported on Form W-2.

Additional Tax on IRA's and Other Qualified Plans –

TaxSlayer Navigation: Federal Section>Other Taxes> >Tax on Unreported Tip Income; 1040 View Line 59; or Keyword “5329”

A 10% penalty is calculated on Form 5329 for early withdrawal before age 59-1/2. If an exception applies, enter the code and the amount on line 2 of Form 5329. See next page.

Household Employment Taxes – (out of scope)

Repayment of First-Time Homebuyer Credit Form 5405 –

TaxSlayer Navigation: Federal Section>Other Taxes> >First-time Homebuyer Repayment; 1040 View Line 60b; or Keyword “5405”

2008 homebuyers who received the First Time Homebuyer Credit (\$7,500 loan) started repayments in 2010 and must enter the repayment on page 2 of Form 1040, Other Taxes section or complete Form 5405, Part II if required. (See 5405 instructions for when it is required.)

Other Taxes and payments (continued)

Note: For those with HSA certification only. Additional taxes for HSA distributions not used for qualified medical expenses may be applicable unless age 65, disabled, or deceased See Form 8889. All other taxes on this line are out-of-scope

Form 5329

When using TaxSlayer® enter the amount not subject to additional tax. Select the appropriate exception from the drop down menu.

Part I - Additional Tax on Early Distributions

Form belongs to
Taxpayer Example

SIMPLE Retirement Distributions that are not subject to 25% Tax

\$

Early Distributions that are not subject to 10% tax [Learn more](#)

\$

Select the reason for exemption

– Please Select –

Exception codes and explanations for early distributions from IRA or retirement plans:

(Do not rely on this list alone. See Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), for rules and details pertaining to each exception.)

No	Exception
01	Qualified retirement plan distributions (doesn't apply to IRAs) if you separated from service in or after the year you reach age 55 (age 50 for qualified public safety employees).
02	Distributions made as part of a series of substantially equal periodic payments (made at least annually) for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your designated beneficiary (if from an employer plan, payments must begin after separation from service).
03	Distributions due to total and permanent disability. Does not apply if the disability occurred after the distribution.
04	Distributions due to 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) 10% of your adjusted gross income for the year.
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. Footnote 1
08	IRA distributions made qualified for higher education expenses.
09	IRA distributions made for purchase of a first home, up to \$10,000.
10	Distributions due to an IRS levy on the qualified retirement plan.
11	Qualified distributions to reservists while serving on active duty for at least 180 days.
12	Other (see Other, below). Also, enter this code if more than one exception applies. * Footnote 2

Other Taxes and payments (continued)

Footnote 1

07 Medical insurance for yourself, your spouse, and your dependents (no 10% 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.

Footnote 2

*Other: 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 59 1/2 or older. See Form 5329 Instructions or Pub. 590-B for additional exceptions. For additional exceptions that apply to annuities, see Pub. 575.

Note: For those with HSA certification only. Additional taxes for HSA distributions not used for qualified medical expenses may be applicable unless age 65, disabled, or deceased. See Form 8889. All other taxes on this line are out of scope.

AFFORDABLE CARE ACT (ACA)

Health Insurance Questionnaire

Did you or your family have health insurance at any time in 2016?

☒ Yes

☐ No

Select Yes if anyone in the tax household had Minimum Essential Coverage (MEC) at any time during the year. (See Types of Minimum Essential Coverage chart, later in this tab).

Below are some examples of healthcare plans that may be purchased or qualify as a purchased plan under the Affordable Care Act.

- A private plan purchased from a health insurance company
- An employer-sponsored health insurance plan or insurance through your work, spouse's work or parent's work

Health Insurance Questionnaire

Did you purchase health insurance via HealthCare.gov or a State Marketplace? *

☒ Yes

☐ No

Answer Yes if the taxpayer received Form 1095-A for any part of the year.

[Restart Questionnaire](#)

If the taxpayer applied for coverage via the Marketplace but was instead enrolled in Medicaid, answer No.

[Continue](#)

A Yes answer will require entry of information from Form 1095-A. See Premium Tax Credit section later in this tab for help entering Form 1095-A.

Types of Minimum Essential Coverage

Minimum essential coverage means health care coverage under any of the following programs. It does not, however, include coverage consisting solely of excepted benefits. Excepted benefits include stand-alone vision and dental plans, workers' compensation coverage, and coverage limited to a specified disease or illness.

Employer-sponsored coverage:

- Group health insurance coverage for employees under—
 - A governmental plan, such as the Federal Employees Health Benefit program,
 - A plan or coverage offered in the small or large group market within a state, or
 - A grandfathered health plan offered in a group market
- A self-insured health plan for employees,
- COBRA coverage,
- Retiree coverage, or
- Coverage under an expatriate health plan for employees and related individuals.

Individual health coverage:

- Health insurance you purchase directly from an insurance company
- Health insurance you purchase through the Marketplace
- Health insurance provided through a student health plan
- Catastrophic coverage, or
- Coverage under an expatriate health plan for non-employees such as students and missionaries

Coverage under government-sponsored programs:

- Medicare Part A coverage,
- Medicare Advantage plans,
- Most Medicaid coverage,*
- Children's Health Insurance Program (CHIP) coverage,
- Most types of TRICARE coverage,
- Comprehensive health care programs offered by the Department of Veterans Affairs,
- Health coverage provided to Peace Corps volunteers,
- Department of Defense Nonappropriated Fund Health Benefits Program,
- Refugee Medical Assistance, or
- Coverage through a Basic Health Program (BHP) standard health plan.

Other coverage:


- Certain foreign coverage,
- Certain coverage for business owners, or
- Coverage recognized by HHS as minimum essential coverage.**

*Medicaid programs that provide limited benefits generally don't qualify as minimum essential coverage; however, HHS will provide a hardship exemption to individuals with certain types of limited-benefit Medicaid coverage.

**Plans recognized as minimum essential coverage are listed at: www.cms.gov/CCIIO/Programs-and-Initiatives/HealthInsurance-Market-Reforms/minimum-essential-coverage.html, scroll down and click on the link for the list of approved plans.

No proof of coverage is needed. Oral statement from the taxpayer is acceptable, unless normal due diligence leads you to believe the taxpayer's statement is incorrect.

Verify Your Household Members



If you have additional family members that are neither a spouse nor a dependent, click ["Add a New Household Member."](#)

If you need to add or remove dependents, [click here to go to Personal Information.](#)

+ Add New Household Member

Name	SSN	Date of Birth
Taxpayer Example	400-00-xxxx	1/1/1985
Spouse Example	xxx-xx-xxxx	5/5/1986
Dependent Example	400-00-xxxx	2/2/2010
+ Add New Household Member		

Continue to Months Insured

Use the Add a New Household Member button only to add a family member for whom you must pay an SRP or claim an exemption. This may include a person the taxpayer can, but does not, claim as a dependent.

Months Insured – Select Yes if everyone in the tax household was insured for all 12 months. If No, select the number of months each individual had coverage. Individuals are treated as having MEC for a month as long as they were covered for at least one day during that month.

Months Insured

Was your entire household insured for all 12 months of 2016? *

- ☐ Yes
- ☒ No

Please enter the number of months insured for each household member.

Name	Months Insured
Taxpayer Example	<div>- Please Select -</div>
Spouse Example	<div>- Please Select -</div>
Dependent Example	<div>- Please Select -</div>
<div><div>Restart Questionnaire</div><div>Continue</div></div>	

Then indicate which months the individual had coverage:

Months Insured - Taxpayer Example

Specify the 10 months that Taxpayer Example had minimum essential coverage

☐ January

☐ February

☒ March

☒ April

☒ May

☒ June

☒ July

☒ August

☒ September

☒ October

☒ November

☒ December

[◀ Back to Months Insured](#)

[Continue](#)

Exemptions: Overview

Exemptions: Where do I start?

STEP
1

Does anyone in the tax household already have an exemption in hand from the Marketplace?

Marketplace exemptions require an application. If a person applied for an exemption through the Marketplace (or if they were granted an exemption because they were denied Medicaid coverage in a state that did not expand Medicaid), they should have received an Exemption Certificate Number (ECN) from the Marketplace. It is a 6 or 7 digit alphanumeric code.

STEP
2

Is household or gross income under the filing threshold?

If yes, everyone on the tax return is exempt from the coverage requirement, and there is no need to consider additional exemptions. Line 7 on Form 8965 is used to claim an income-based exemption. See Household Exemptions for Income Below Filing Threshold section later in this tab for more information about this exemption.

STEP
3

If the tax household does not qualify for an exemption under Step 2, does any individual qualify for an exemption that can be claimed directly on the tax return?

If yes, the exemption code is entered on Form 8965, Part III. (Refer to the Types of Coverage Exemptions chart later in this tab).

STEP
4

For any uninsured individual that does not qualify under Step 2 or 3, does any individual in the tax household qualify for an exemption from the Marketplace?

If yes, direct the person to the Marketplace for additional help. Enter “pending” as shown on the following page if the Marketplace has not processed the application for exemption before the return is filed. A tax return with a “pending” exemption can still be e-filed. The IRS may follow up with a taxpayer directly on a pending submission if the Marketplace does not approve the exemption.

Dependents' Modified AGI (if filing requirement)

Enter the AGI for your dependents from Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4; and Form 1040NR, line 37

\$

Enter any tax-exempt interest for your dependents from Form 1040, line 8b; Form 1040A, line 8b; Form 1040EZ, the amount written to the left of the line 2 entry space; and Form 1040NR, line 9b

\$

Enter any amounts for your dependents from Form 2555, lines 45 and 50, and Form 2555-EZ, line 18

\$

Enter for each of your dependents the difference, if any, between Form 1040, lines 20a and 20b; and Form 1040A, lines 14a and 14b

\$

[< Back](#)

[Continue](#)

- Enter the dependent's income ONLY if their gross income exceeds the filing threshold.
- The software will calculate household income for the filing threshold exemption.
- TaxSlayer will also use the appropriate dependents' MAGI for SRP and PTC purposes.

2017 Federal Tax Filing Requirement Thresholds – Dependents

Use this chart to help you determine if a dependent you claimed on your return must file his or her own tax return. If the dependent is required to file a tax return because his or her income meets the filing threshold, the dependent's MAGI must be included in household income for purposes of Form 8965, even if you elect to report that dependent's income on Form 8814. Do not include a dependent's MAGI in household income if the dependent's income is below the filing threshold, even if he or she chooses to file a return for another reason.

In this chart, **unearned income** includes taxable interest, ordinary dividends, capital gain distributions, 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. Was your dependent **either** age 65 or older or blind?

☐ **No.** Your dependent must file a return if **any** of the following apply.

1. Your dependent's unearned income was over \$1,050.
2. Your dependent's earned income was over \$6,350.
3. Your dependent's gross income was more than the larger of —
 - a. \$1,050, or
 - b. Your dependent's earned income (up to \$6,000) plus \$350.

☐ **Yes.** Your dependent must file a return if any of the following apply.

1. Your dependent's unearned income was over \$2,600 (\$4,150 if 65 or older **and** blind).
2. Your dependent's earned income was over \$7,900 (\$9,450 if 65 or older **and** blind).
3. Your dependent's gross income was more than the larger of —
 - a. \$2,600 (\$4,150 if 65 or older **and** blind) or
 - b. Your dependent's earned income (up to \$6,000) plus \$1,900 (\$3,450 if 65 or older and blind).

Married dependents. Was your dependent **either** age 65 or older or blind?

☐ **No.** Your dependent must file a return if **any** of the following apply.

1. Your dependent's unearned income was over \$1,050.
2. Your dependent's earned income was over \$6,350.
3. Your dependent's gross income was at least \$5 and his or her spouse files a separate return and itemizes deductions.
4. Your dependent's gross income was more than the **larger** of —
 - a. \$1,050, or
 - b. Your dependent's earned income (up to \$6,000) plus \$350.

☐ **Yes.** Your dependent must file a return if **any** of the following apply.

1. Your dependent's unearned income was over \$2,300 (\$3,550 if 65 or older **and** blind).
2. Your dependent's earned income was over \$7,600 (\$8,850 if 65 or older **and** blind).
3. Your dependent's gross income was at least \$5 and his or her spouse files a separate return and itemizes deductions.
4. Your dependent's gross income was more than the **larger** of —
 - a. \$2,300 (\$3,550 if 65 or older **and** blind), or
 - b. Your dependent's earned income (up to \$6,000) plus \$1,600 (\$2,850 if 65 or older **and** blind).

Note: For children under age 18 and certain older children, unearned income over \$2,100 is taxed at the parent's rate if the parent's rate is higher than the child's. For this purpose, "unearned income" includes all taxable income other than earned income, such as taxable interest, ordinary dividends, capital gains, rents, royalties, etc. It also includes taxable social security benefits, pension and annuity income, taxable scholarship and fellowship grants not reported on Form W-2, unemployment compensation, alimony, and income received as the beneficiary of a trust. If the child's unearned income is more than \$2,100 and the child is required to file a tax return, Form 8615 must be used to figure the child's tax. Form 8615 is out of scope.

Do you qualify for Health Care Exemptions?

To determine if you can claim the "Coverage is Unaffordable" exemption, you must enter the following premium values from your Form 8965 Worksheet. Use the link below to determine the premium amounts. If you already know this return would not qualify to claim the "Coverage is Unaffordable" exemption, please select continue below to continue through the Health Insurance menu.

Monthly Premium for the Lowest Cost Bronze Plan Premium (worksheet line 1)

Monthly Premium for the Second Lowest Cost Silver Plan Premium (worksheet line 10)

[Click here to obtain the LCBP and SLSCP premium amounts to enter above.](#)

[Click here to determine if you can claim a health coverage exemption.](#)

[< Back](#)

[Continue](#)

Caution: Use this screen to claim the Coverage is Unaffordable exemption if you have determined that no other exemption applies. See the Types of Coverage Exemptions chart later in this tab. Otherwise, "Continue" past this page. If this exemption applies, it must be entered as shown on the Claiming Exemptions page (later in this tab) for each person and month it can be claimed.

Entering Exemptions in TaxSlayer

If the software determines that the household or gross income (filing threshold) exemption applies, select No and continue. Otherwise, if any individual in the household qualifies for an exemption, either through the Marketplace or claimed on the tax return, select Yes:

Health Care Exemption Certificates

Tip: If the filing threshold exemption applies, it applies to the entire family for the whole year and no other exemption is needed.



You do not qualify to claim the coverage exemption for household or gross income below the filing threshold, but if you received exemption certificates or can claim another coverage exemption, answer Yes below and then continue.

Did you receive an exemption certificate from a marketplace or qualify to claim a coverage exemption on your return? *

☒ Yes

☐ No

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[Continue](#)

Exemptions: Form 8965, Part II

Household Exemptions for Income Below Filing Threshold

Exemption Type	Details
Household income below filing threshold (Form 8965, Line 7)	<p>Household income is the sum of the modified adjusted gross income (MAGI) from the tax return and the MAGI of all dependents required to file a tax return. Use the Filing Requirements for Children and Other Dependents chart (in this tab) to determine whether the dependent is required to file his or her own tax return.</p> <div style="display: flex; align-items: center; justify-content: center;"> <div style="border: 1px solid black; padding: 5px; margin: 5px;">MAGI</div> <div style="margin: 0 10px;">=</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;"> Adjusted Gross Income (AGI) <i>Form 1040, Line 37</i> </div> <div style="margin: 0 10px;">+</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;"> Tax-Exempt Interest <i>Form 1040, Line 8b</i> </div> <div style="margin: 0 10px;">+</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;"> Excluded Foreign Income <small>* International certification only</small> <i>Form 2555, Form 2555-EZ</i> </div> </div>
Gross income below filing threshold (Form 8965, Line 7)	<p>Gross Income means all income received in the form of money, goods, property, and services that is not exempt from tax, see definition of gross income below.</p> <ul style="list-style-type: none"> • Do not include income of any dependents

If either exemption applies, stop.
There is no need to consider other exemptions for individual members of the household.

2017 Federal Tax Filing Requirement Thresholds

Filing Status	Age*	Must file a return if gross income** exceeds
Single	Under 65	\$10,400
	65 or older	\$11,950
Head of Household	Under 65	\$13,400
	65 or older	\$14,950
Married Filing Jointly***	Under 65 (both spouses)	\$20,800
	65 or older (one spouse)	\$22,050
	65 or older (both spouses)	\$23,300
Married Filing Separately	Any age	\$4,050
Qualifying Widow(er)	Under 65	\$16,750
	65 or older	\$18,000

* If you were born on January 1, 1953, you are considered to be age 65 at the end of 2017. (If your spouse died in 2017 or if you are preparing a return for someone who died in 2017, see Pub. 501.)

** Gross income means all income you received in the form of money, goods, property, and services that isn't exempt from tax, including any income from sources outside the United States. It also includes gain from the sale of your main home, even if you can exclude part or all of it. Include only the taxable part of social security benefits (Form 1040, line 20b; Form 1040A, line 14b). It also include gains, but not losses, reported on Form 8949 or Schedule D. Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, do not reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.

*** If you did not live with your spouse at the end of 2017 (or on the date your spouse died) and your gross income was at least \$4,050, you must file a return regardless of your age.

Claiming Exemptions

For all other exemptions, indicate the individual, the type of exemption (and Marketplace-issued certificate number, if applicable) and the months of eligibility:

Health Insurance/Exemption

Name of Individual *

Taxpayer Example

Do you have a marketplace-issued certificate for this exemption or going to apply for an exemption from the marketplace? *

Yes

No

Exemption Type on the return

-- Please Select --

-- Please Select --

Coverage is unaffordable

Short gap in coverage

Citizens living abroad and certain noncitizens

Member of health care sharing ministry

Member of Federally-recognized Indian tribe

Incarceration

Aggregate self-only coverage considered unaffordable

Resident of a state that did not expand Medicaid

Member of tax household born, adopted, or died

Eligible for health coverage tax credit

if you take the exemption.

February

June

October

March

July

November

April

August

December

< Back

Continue

Health Coverage Exemptions

+ Add another exemption

Name of Individual	Type	
Taxpayer Example	B	<div><div></div><div></div></div>

+ Add another exemption

To enter an exemption for another individual on the return, or to enter a second exemption for different months for the same individual, click here.

Continue

H-12

Claiming Exemptions (continued)

Enter “Pending” if the Marketplace has not processed the application for exemption before the return is filed:

Health Insurance/Exemption

Name of Individual *

Spouse Example ▼

Do you have a marketplace-issued certificate for this exemption or going to apply for an exemption from the marketplace? *

- ☒ Yes
☐ No

Exemption Certificate Number (enter PENDING if applying or applied for)

PENDING

Indicate full year or specify months for which you qualify to take the exemption.

☐ Full Year

☐ January





☐ February

☐ March

☐ April

Health Coverage Exemptions

+ Add another exemption

Name of Individual	Type	
Spouse Example	Certificate PENDING	 
Taxpayer Example	B	 

+ Add another exemption

Continue

The exemption types on this screen are the same exemption codes as the next page.

Types of Coverage Exemptions

This chart shows all of the coverage exemptions available for 2017, including information about where each can be obtained and the code that is to be used on Form 8965 when you claim the exemption. If your coverage exemption was granted by the Marketplace, you will need to enter the Exemption Certificate Number (ECN) provided by the Marketplace. For additional detail about the eligibility rules for the coverage exemptions that are claimed on the tax return, see the Instructions for Form 8965.

Coverage Exemption	Granted by Marketplace	Claimed on tax return	Code for Exemption
Income below the filing threshold — Your gross income or your household income was less than your applicable minimum threshold for filing a tax return		✓	No Code See Part II
Coverage considered unaffordable — The required contribution is more than 8.16% of your household income		✓	A
Short coverage gap — You went without coverage for less than 3 consecutive months during the year. There is a look-back rule for gaps of coverage at the start of the year. See the Instructions for Form 8965 for details.		✓	B
Citizens living abroad and certain noncitizens — You were: <ul style="list-style-type: none"> • A U.S. citizen or resident who was physically present in a foreign country or countries for at least 330 full days during any period of 12 consecutive months; • A U.S. citizen who was a bona fide resident of a foreign country or countries for an uninterrupted period that includes an entire tax year; • A bona fide resident of a U.S. territory • A resident alien who was a citizen or national of a foreign country with which the U.S. has an income tax treaty with a nondiscrimination clause, and you were a bona fide resident of a foreign country for an uninterrupted period that includes an entire tax year; • Not lawfully present in the U.S. and not a U.S. citizen or U.S. national. For this purpose, an immigrant with Deferred Action for Childhood Arrivals (DACA) status is not considered lawfully present and therefore qualifies for this exemption. For more information about who is treated as lawfully present in the U.S. for purposes of this coverage exemption, visit www.HealthCare.gov; or • A nonresident alien, including (1) a dual-status alien in the first year of U.S. residency and (2) a nonresident alien or dual-status nonresident alien who elects to file a joint return with a U.S. spouse. This exemption doesn't apply if you are a nonresident alien for 2017, but met certain presence requirements and elected to be treated as a resident alien. For more information see Pub. 519. 		✓	C
Members of a health care sharing ministry — You were a member of a health care sharing ministry.		✓	D
Members of Indian tribes — You were either a member of a Federally-recognized Indian tribe, including an Alaska Native Claims Settlement Act (ANCSA) Corporation Shareholder (regional or village), or you were otherwise eligible for services through an Indian health care provider or the Indian Health Service.	*	✓	E
Incarceration — You were in a jail, prison, or similar penal institution or correctional facility after the disposition of charges.		✓	F
Aggregate self-only coverage considered unaffordable — Two or more family members' aggregate cost of self-only employer-sponsored coverage was more than 8.16% of household income, as was the cost of any available employer-sponsored coverage for the entire family.		✓	G
Resident of a state that did not expand Medicaid — Your household income was below 138% of the federal poverty line for your family size and at any time in 2017 you resided in a state that didn't participate in the Medicaid expansion under the Affordable Care Act.		✓	G
Member of tax household born or adopted during the year — The months before and including the month that an individual was added to your tax household by birth or adoption. You should claim this exemption only if you are also claiming another exemption on your Form 8965.		✓	H
Member of tax household died during the year — The months after the month that a member of your tax household died during the year. You should claim this exemption only if you are also claiming another exemption on your Form 8965		✓	H
Members of certain religious sects — The marketplace determined that you are a member of a recognized religious sect.	✓		Need ECN See Part I
Ineligible for Medicaid based on a state's decision not to expand Medicaid coverage — The marketplace found that you would have been determined ineligible for Medicaid solely because the state in which you resided didn't participate in Medicaid expansion under the Affordable Care Act.	✓		Need ECN See Part I
General hardship — The Marketplace determined that you experienced a hardship that prevented you from obtaining coverage under a qualified health plan	✓		Need ECN See Part I
Coverage considered unaffordable based on projected income — The Marketplace determined that you didn't have access to coverage that is considered affordable based on your projected household income.	✓		Need ECN See Part I
Certain Medicaid programs that are not minimum essential coverage — The Marketplace determined that you were (1) enrolled in Medicaid coverage provided to a pregnant woman that is not recognized as minimum essential coverage; (2) enrolled in Medicaid coverage provided to a medically needy individual (also known as Spend-down Medicaid or Share-of-Cost Medicaid) that is not recognized as minimum essential coverage; or (3) enrolled in Medicaid coverage provided to a medically needy individual and were without coverage for other months because the spend-down had not been met.	✓		Need ECN See Part I

Hardship Exemptions Granted by the Marketplace

- Homelessness
- Eviction in the last 6 months or facing eviction or foreclosure
- Utility shut-off notice
- Domestic violence
- Recent death of a close family member
- Disaster that resulted in significant property damage
- Bankruptcy in the last 6 months
- Significant debt from medical expense in the last 24 months
- High expense caring for ill, disabled or aging relative
- Failure of another party to comply with a medical support order for a dependent child who is determined ineligible for Medicaid or CHIP
- Through an appeals process, determined eligible for a Marketplace QHP, PTC, or CSR but was not enrolled
- Determined ineligible for Medicaid because the state did not expand coverage
- Individual health insurance plan was cancelled and you believe Marketplace plans are considered unaffordable
- Other hardship in obtaining coverage

* The coverage exemptions for members of Indian tribes is no longer granted by the Marketplace, except in Connecticut. See the Instructions for Form 8965 to claim the exemption.

Exemptions: Form 8965, Part III

Coverage is Unaffordable, Code A or G

STEP 1:

To begin, screen the uninsured person for eligibility for other exemptions.

STEP 2:

Section A in the Affordability Worksheet in the Form 8965 instructions calculates the affordability threshold, the maximum affordable amount. Compare the cost of coverage (referred to as the required contribution amount) to the affordability threshold.

- **Affordability threshold (tax year 2017) = .0816 x household income**

form 8965 instructions: affordability worksheet

(A) Affordability Threshold

Enter 8.16% of your household income (see *Household Income*). For this purpose, increase household income by the amount of any premium that is paid through a salary reduction arrangement and excluded from gross income.

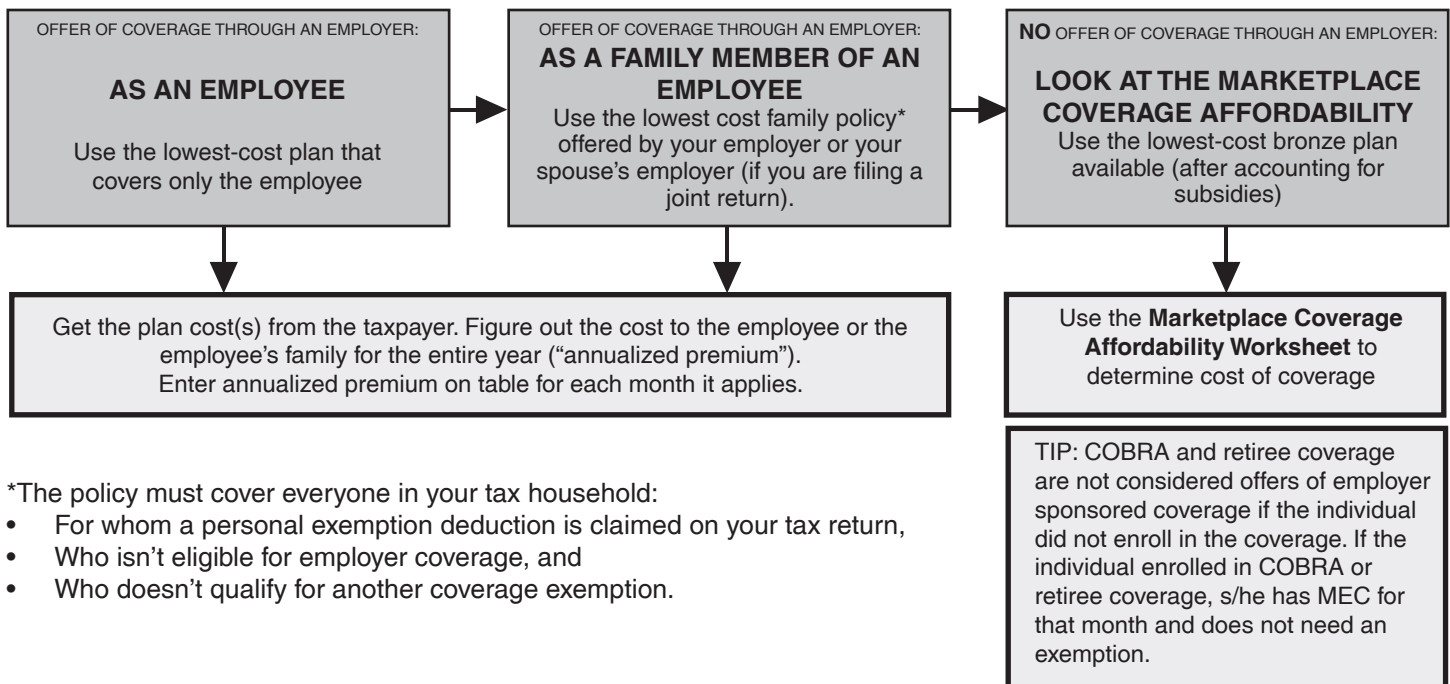
WHAT'S INCLUDED IN HOUSEHOLD INCOME?

AGI (Form 1040, line 37)

- Tax-exempt interest (Form 1040, line 8b)
- Foreign income (Form 2555, line 45 and 50)
- If dependent has a tax filing requirement (see 2017 Federal Tax Filing Requirement Thresholds – Dependents earlier in this tab) include dependent income
- If someone in the household paid for coverage through a salary reduction agreement, include that amount as income

STEP 3:

Determine what type of affordability exemption each uninsured person in the household might be eligible for. There are three options. STOP at the first one that applies to each uninsured household member.



*The policy must cover everyone in your tax household:

- For whom a personal exemption deduction is claimed on your tax return,
- Who isn't eligible for employer coverage, and
- Who doesn't qualify for another coverage exemption.

Coverage is Unaffordable, Codes A or G, (continued)

STEP 4: CODE A

Calculate the affordability of the offer of coverage:

Annualized premium for a month > Affordability threshold = Unaffordable

A person can claim **CODE A** exemption on Form 8965 for that month.

When the employer offers separate coverage for one or more members of the tax household (may be referred to as stand-alone coverage), add the cost of the offers needed to cover everyone in the tax household as appropriate and test the aggregate offer.

EXAMPLE: Are Fred or Wilma eligible for the affordability exemption?

Let's take a married couple, Fred and Wilma, who were uninsured all year. Their household income was \$25,000 for the year. Wilma's employer offered both employee coverage and family coverage:

- The employee-only premiums cost \$150/month
(Annualized premium: $150 \times 12 = 1,800$)
- The employee + spouse premiums cost \$400/month
(Annualized premium: $400 \times 12 = 4,800$)

Why do we use an "annualized" premium for each month?

The affordability threshold is always based on a percentage of annual income. Using annualized premiums allows an apples-to-apples comparison between premium cost and income in the relevant months.

example: affordability worksheet, affordability threshold and annualized premiums

(A) Affordability Threshold

Enter 8.16% of your household income (see *Household Income*). For this purpose, increase household income by the amount of any premium that is paid through a salary reduction arrangement and excluded from gross income.

2,040

For each individual, coverage is considered unaffordable and the individual is exempt for any month in which (B), the Required Contribution Amount, is more than (A), the Affordability Threshold.

Members of your tax household (enter one name per column):

Wilma

Fred

= income x 8.16%
(% of affordability in 2017)

Annualized required contribution for:

	Wilma	Fred	
January	1,800	4,800	Annualized premiums
February	1,800	4,800	
March	1,800	4,800	
April	1,800	4,800	
May	1,800	4,800	
June	1,800	4,800	
July	1,800	4,800	
August	1,800	4,800	
September	1,800	4,800	
October	1,800	4,800	
November	1,800	4,800	
December	1,800	4,800	

Wilma: \$1,800 < \$2,040

- **Not eligible** for Code A exemption

Fred: \$4,800 > \$2,040

- **Eligible** for Code A exemption
- Complete Form 8965

STEP 5 (if applicable): CODE G

If multiple people in the household have employer coverage offers:

There is an exemption that may be claimed if the self-only offer is affordable but the combined cost crosses the affordability threshold. This can only be claimed if:

- Multiple people have employer offers of coverage.
- The cost of self-only coverage is affordable for each person. (Each is less than the affordability threshold.)
- The cost of self-only coverage for both, combined, exceeds the affordability threshold.
- Family coverage is not offered, or, if it is offered, its cost exceeds the affordability threshold.

If this exemption applies for any month of the year, the **CODE G** exemption can be claimed for the entire year for the entire household.

Marketplace Coverage Affordability Worksheet

This worksheet is used only if there is no offer of employee coverage

TIP: If the **lowest cost bronze plan (LCBP)** costs less than 8.16% of income (above), there is an affordable offer of coverage. No Code A exemption is available. (The Marketplace presented affordable coverage and the marketplace affordability exemption does not apply)

LCBP: Go to the taxpayer's Marketplace, such as www.healthcare.gov.

NOTE: The look up tool asks about tobacco use. Tobacco use is the use of a tobacco product 4 or more times per week within no longer than the past 6 months by legal users of tobacco products (generally those 18 and older).

LINE 1: LCBP - Asks for the **lowest cost bronze plan (LCBP)** for everyone in the tax household who is:

- Not offered employer sponsored coverage, and
- Not otherwise exempt.

Find this value using the Tax Tool for your Marketplace.

Remember: Include people who are covered through Medicare or Medicaid!

If **married filing separately**, enter LCBP here and on Line 12 (skip lines 2-11).



Do not complete this worksheet unless you were instructed to do so in the Affordability Worksheet.

1. Enter the monthly premium for the lowest cost bronze plan that covers everyone in your tax household for whom a personal exemption deduction is claimed, who isn't eligible for employer coverage, and who doesn't qualify for another coverage exemption for the month. To find the lowest cost bronze plan go to www.HealthCare.gov/tax-tool or the Marketplace for your area. If you are married and file a separate return, enter the monthly premium here and on line 12. Don't complete lines 2-11.

2. Enter your household income (see *Household income*)

3. Enter the total of all nontaxable social security benefits received by you, your spouse, and each claimed dependent who must file a tax return*

4. Add lines 2 and 3

5. Enter the federal poverty line for the number of individuals in your tax household less any dependents not claimed. See the instructions for Form 8962, line 4

6. Divide line 4 by line 5. If the result (without rounding) is less than 1.0 or more than 4.0, skip lines 7 through 10 and enter -0- on line 11

7. Multiply line 6 by 100 and round to the nearest whole number. Enter the applicable figure for the result from the table in the instructions for Form 8962, line 7

8. Multiply line 4 by line 7

9. Divide line 8 by 12.0

10. Enter the monthly premium for the second lowest cost silver plan premium that covers everyone in your tax household for whom a personal exemption deduction is claimed, who isn't eligible for minimum essential coverage (other than coverage in the individual market), and who doesn't qualify for another coverage exemption for the month. To find the second lowest cost silver plan go to www.HealthCare.gov/tax-tool or the Marketplace for your area

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

12. Subtract line 11 from line 1. If zero or less, enter -0-. This is the individual's required contribution for the month

13. Is the individual eligible for this coverage for every month of the year?

☐ **Yes.** Multiply line 12 by 12.0. This is the annualized premium. Enter this amount in the space for every month on the *Affordability Worksheet*

☐ **No.** Multiply line 12 by 12.0. This is the annualized premium. Enter this amount in the space on the *Affordability Worksheet* for each month the individual was eligible for the coverage being tested.

*If the individual filed Form 1040, figure the nontaxable social security benefits received by that individual by subtracting Form 1040, line 20b from Form 1040, line 20a. If the individual filed Form 1040A, figure the nontaxable social security benefits received by that individual by subtracting Form 1040A, line 14b from Form 1040A, line 14a. If the individual filed Form 1040EZ, he or she should have received a Form SSA-1099 or Form RRB-1099 showing the social security benefits received by that individual, all of which were nontaxable.

LINE 2: Household MAGI is adjusted gross income + tax exempt interest + excluded foreign earned income. Include MAGI of any claimed dependents with a filing requirement.

LINE 6: If **less than 1.0 (100% FPL)** or **over 4.0 (400% FPL)**, skip lines 7-10. *Note:* This % will also help identify who is eligible for Medicaid in Line 10.

Line 13: Enter the appropriate amount on the Affordability Worksheet as directed. Compare this amount to the affordability threshold.

- If the annualized premium costs less than 8.16% of income, no exemption applies.
- If the annualized premium costs more than 8.16% of income, Code A applies.

Line 10: Second lowest cost silver plan (SLCSP): Go to the Marketplace at <https://www.healthcare.gov/tax-tool/>

Do not include individuals in your tax household that are eligible for other employer sponsored or government sponsored MEC, or who are otherwise exempt.

For example, that means that the SLCSP cost would NOT INCLUDE the taxpayer or spouse who is enrolled in or eligible for Medicare or Medicaid. (This is different from line 1).

If the taxpayer is unsure whether they or their dependents were eligible for Medicaid, see <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-eligibility-levels/index.html>

TIP: Note that more than one marketplace coverage affordability worksheet may be needed if circumstances changed during the year.

Note: Notice 2017-74 provides that for purposes of the affordability exemption, if an individual resides in a rating area served by a Marketplace that does not offer a bronze plan, the individual generally should use as his or her applicable plan the lowest cost metal-level plan available in the Marketplace serving the rating area in which the individual resides that would cover all nonexempt members of the individual's family.

How to Use the Healthcare.gov Tax Tool

WHO SHOULD USE THIS TOOL?

Taxpayers who live in federal marketplace (Healthcare.gov) states, or in a state that uses the Healthcare.gov technology. If you live in a state with a state-based marketplace, contact the marketplace by phone or online.

To begin, go to <https://www.healthcare.gov/tax-tool/>.

- Select “Claim an ‘affordability’ exemption”

These instructions focus on using the tool to claim the affordability exemption but the tool also allows a taxpayer to find their SLCSP to complete or correct Column B of the Form 1095-A.

1 2 3 4 5 | Family members

Get information you need to claim an affordability exemption

To claim an affordability exemption, you'll need to know the premiums of 2 health plans available to your family in 2016: the lowest cost Bronze plan and the second lowest cost Silver Plan (SLCSP). We'll ask a few questions and provide both premiums.

1 What's an "affordability exemption," and do I qualify?

What you'll need to use this tool:

- The ZIP code and county where each family member lived, for each month of 2016
- The birthdate of each family member
- The months each family member didn't have another coverage exemption
- The months each family member was not eligible for coverage outside the Marketplace, including employer coverage

The Tax Tool will ask you to enter all members of the household, even those with other coverage or an exemption.

Step 1 for each family member determines whether someone will be included in the lowest cost bronze plan (LCBP), which you will enter on Line 1 of the ACA Marketplace Coverage Affordability Worksheet.

1 2 3 4 5 | Family members

Health coverage eligibility and exemption status

Step 1 of 2: Family member 1

Select the months that this family member:

- **Was** eligible for employer coverage OR
- **Had** another coverage exemption

SELECT ALL MONTHS **UNSELECT ALL MONTHS**

<input type="checkbox"/> January	<input type="checkbox"/> February	<input type="checkbox"/> March	<input type="checkbox"/> April	<input type="checkbox"/> May	<input type="checkbox"/> June
<input type="checkbox"/> July	<input type="checkbox"/> August	<input type="checkbox"/> September	<input type="checkbox"/> October	<input type="checkbox"/> November	<input type="checkbox"/> December

Follow the instructions closely! Check the boxes for the months the person was:

- Eligible for employer-sponsored coverage (from their own employer or a member of their family on the same tax return)
- Eligible for another exemption

Leave the boxes unchecked if those circumstances don't apply.

How to Use the Healthcare.gov Tax Tool (continued)

Step 2

for each family member determines whether someone will be included in the second lowest cost silver plan (SLCSP), which you will enter on Line 10 of the ACA Marketplace Coverage Affordability Worksheet.

1 2 3 4 5 | Family members

Health coverage eligibility and exemption status

Step 2 of 2: Family member 1

Select the months in 2016 that this family member was eligible for coverage outside the Marketplace, like Medicare, Medicaid, CHIP, or an employer plan.

Any months for which you indicated that this family member was eligible for employer coverage or qualified for another exemption are disabled. This family member is either not eligible for or does not need an affordability exemption for these months.

[SELECT ALL MONTHS](#) [UNSELECT ALL MONTHS](#)

<input type="checkbox"/> January	<input type="checkbox"/> February	<input type="checkbox"/> March	<input type="checkbox"/> April	<input type="checkbox"/> May	<input type="checkbox"/> June
<input type="checkbox"/> July	<input type="checkbox"/> August	<input type="checkbox"/> September	<input type="checkbox"/> October	<input type="checkbox"/> November	<input type="checkbox"/> December

Follow the instructions closely! **Check the boxes** for the months the person was:

- Eligible for or enrolled in Medicare, Medicaid, or CHIP. Months will be disabled if you said in Step 1 that a person was eligible for employer-sponsored coverage or an exemption.

Leave the boxes unchecked if those circumstances don't apply.

Next, several screens will ask for the family's ZIP code and whether they lived in the same place for all months. Then, **confirm the information for each family member**.

Remember: Print out the review information and the results page screens for the taxpayer's records.

1 2 3 4 5 | Review your information

Review your information

Year 2016 [EDIT](#)

First Family Member

Date of Birth: 1/2/1968 [EDIT](#)

Coverage Information

Was eligible for employer coverage OR Had another coverage exemption for the following months:
January - December

Was eligible for coverage outside the Marketplace for the following months:
None

Locations

Location: 15931, Cambria County PA
January - December

Other family members

Spouse [REMOVE](#) [EDIT](#)

Date of Birth: 1/2/1970

Coverage Information

Was eligible for employer coverage OR Had another coverage exemption for the following months:
None

Was eligible for coverage outside the Marketplace for the following months:
None

Locations

Lived With First All Year

How to Use the Healthcare.gov Tax Tool (continued)

The results page shows the **LCBP** and **SLCSP** for the household.

Remember: Print out the review information and the results page screens for the taxpayer's records.

NOTE:
If household income on the ACA Marketplace Worksheet is less than 100% FPL or greater than 400% FPL, use only the LCBP. Do not enter the SLCSP amount on Line 10 of the Worksheet (because the person is not eligible for PTC).

If the taxpayer's filing status is married filing separately, use only the LCBP. Enter zero on Line 10 of the Worksheet (because the person is not eligible for PTC).

1234**5**Your tax information

Your tax information

Information to claim an affordability exemption
Use the monthly premiums below to complete the Marketplace Coverage Affordability Worksheet (IRS Form 8965 Instructions, page 11). When you complete the worksheet, you'll find out if you qualify for the affordability exemption. The instructions explain how to claim the exemption if you do.

Enter premiums on the lines of the Marketplace Affordability Worksheet indicated below.

What to do next

DOWNLOAD THE 2016 FORM 8965 AND INSTRUCTIONS

[INSTRUCTIONS FOR FORM 8965 - 2016 \(PDF\)](#)[FORM 8965 - 2016 \(PDF\)](#)

	Monthly Lowest cost Bronze plan premium	Monthly Second lowest cost Silver plan premium
January	\$199.66	\$247.89
February	\$199.66	\$247.89
March	\$199.66	\$247.89
April	\$199.66	\$247.89
May	\$199.66	\$247.89
June	\$199.66	\$247.89
July	\$199.66	\$247.89
August	\$199.66	\$247.89
September	\$199.66	\$247.89
October	\$199.66	\$247.89
November	\$199.66	\$247.89
December	\$199.66	\$247.89

You may have to complete more than one worksheet. If the monthly premiums in either column changed during the year, you'll need to complete a separate worksheet for each part of the year. These premiums may change if during the year you or any family members: lived in different locations, had different eligibility for other exemptions or had different eligibility for certain coverage.

[PRINT](#)[SAVE AS PDF](#)[EMAIL](#)

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 a result, the tax credit for 2017 will be based on the 2016 federal poverty lines.

2016 Poverty Lines for the 48 Contiguous States and the District of Columbia

For families/households with more than 8 persons, add \$4,160 for each additional person (100% Poverty Line)

Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	\$11,880	\$16,394	\$47,520
2	\$16,020	\$22,108	\$64,080
3	\$20,160	\$27,821	\$80,640
4	\$24,300	\$33,534	\$97,200
5	\$28,440	\$39,247	\$113,760
6	\$32,580	\$44,960	\$130,320
7	\$36,730	\$50,687	\$146,920
8	\$40,890	\$56,428	\$163,560

2016 Poverty Lines for Alaska

For families/households with more than 8 persons, add \$5,200 for each additional person (100% Poverty Line)

Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	\$14,840	\$20,479	\$59,360
2	\$20,020	\$27,628	\$80,080
3	\$25,200	\$34,776	\$100,800
4	\$30,380	\$41,924	\$121,520
5	\$35,560	\$49,073	\$142,240
6	\$40,740	\$56,221	\$162,960
7	\$45,920	\$63,370	\$183,680
8	\$51,120	\$70,546	\$204,480

2016 Poverty Lines for Hawaii


For families/households with more than 8 persons, add \$4,780 for each additional person (100% Poverty Line).

Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line
1	\$13,670	\$18,865	\$54,680
2	\$18,430	\$25,433	\$73,720
3	\$23,190	\$32,002	\$92,760
4	\$27,950	\$38,571	\$111,800
5	\$32,710	\$45,140	\$130,840
6	\$37,470	\$51,709	\$149,880
7	\$42,230	\$58,277	\$168,920
8	\$47,010	\$64,874	\$188,040

Shared Responsibility Payment

How is the Payment Calculated?

- For the year, based on the **greater** of the calculated:
 - percentage of income or
 - flat dollar amount
 - Limited to maximum of 3X per household (\$2,085 for 2016)
- Cannot exceed the national average premium for bronze level health plans
- Prorated for months without coverage/exemption

Greater of				
				
	2014	2015	2016	After 2016
Percentage income (annual)	1% of household income above the filing threshold	2% of household income above the filing threshold	2.5% of household income above the filing threshold	2.5% of household income above the filing threshold
Flat dollar amount (annual)	\$95 per adult 50% for individuals under 18	\$325 per adult 50% for individuals under 18	\$695 per adult 50% for individuals under 18	\$695 per adult <i>plus</i> an increase based on cost of living 50% for individuals under 18

TaxSlayer will calculate and add dependents' MAGI to taxpayers' MAGI for the SRP calculation from entries already entered

Dependents' Modified AGI (if filing requirement)

Enter the AGI for your dependents from Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4; and Form 1040NR, line 37

\$

Enter any tax-exempt interest for your dependents from Form 1040, line 8b; Form 1040A, line 8b; Form 1040EZ, the amount written to the left of the line 2 entry space; and Form 1040NR, line 9b

\$

Enter any amounts for your dependents from Form 2555, lines 45 and 50, and Form 2555-EZ, line 18

\$

Enter for each of your dependents the difference, if any, between Form 1040, lines 20a and 20b; and Form 1040A, lines 14a and 14b

\$

← Back

Continue

Enter dependents' AGI ONLY (not taxpayer or spouse) **if dependents' gross income is above the filing threshold**. See page the 2017 Federal Tax Filing Requirement Thresholds – Dependents chart, earlier in this tab.

Shared Responsibility Payment (Example)

TaxSlayer will complete Worksheet A. The example below shows an SRP calculation for a taxpayer who must pay an SRP for six months for herself and six months for her dependent.

Worksheet A

Use this worksheet if you were referred here from Step 1 under *Shared Responsibility Payment*. After completing the worksheet, go to Step 3 under *Shared Responsibility Payment*. If everyone in your tax household had either minimum essential coverage or a coverage exemption for every month during 2016, stop here. You do not owe a shared responsibility payment.

Complete the monthly columns by placing "Xs" in each month in which you or another member of your tax household had neither minimum essential coverage nor a coverage exemption.												
Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Taxpayer SRP							X	X	X	X	X	X
Dependent SRP	X	X	X	X	X	X						
1. Add the total number of Xs in a month. If 5 or more, enter 5	1	1	1	1	1	1	1	1	1	1	1	1
2. Add the total number of Xs in a month for individuals 18 or over*							1	1	1	1	1	1
3. Enter one-half the number of Xs in a month for individuals under 18*	0.5	0.5	0.5	0.5	0.5	0.5						
4. Add lines 2 and 3 for each month	0.5	0.5	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0	1.0
5. Multiply line 4 by \$695 for each month. If \$2,085 or more, enter \$2,085	348	348	348	348	348	348	695	695	695	695	695	695
6. Add the amounts for each month on line 5												6255
7. Divide line 6 by 12.0. This is your flat dollar amount. Enter this amount on line 1 of the Shared Responsibility Payment Worksheet												521
8. Add the total number of Xs entered for each month on line 1. Go to Step 3												12

*For purposes of figuring the shared responsibility payment, an individual is considered under 18 for an entire month if he or she didn't turn 18 before the first day of the month. An individual turns 18 on the anniversary of the day the individual was born. For example, someone born on March 1, 2001, is considered age 18 on March 1, 2019, and, therefore, isn't considered age 18 for purposes of the shared responsibility payment until April 2019.

Premium Tax Credit: Form 1095-A Overview

A person who purchased insurance through the Marketplace will receive Form 1095-A. A taxpayer who received the benefit of advance payments of the premium tax credit (APTC) must complete Form 8962. **You cannot prepare the return for taxpayers who received the benefit of APTC 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, SLCSF premiums, or APTC. The taxpayer should seek a corrected 1095-A if enrollment related information is incorrect.

This includes:

- Policy issuer's name (Part I)
- Policy start or end date (Part I, Part II)
- Premium cost (Part III, Column A)
- APTC received (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
Health Insurance Marketplace Statement
OMB No. 1545-0082
2016

Full Form 1095-A
Department of the Treasury
Internal Revenue Service

Information about Form 1095-A and its separate instructions is at www.irs.gov/form1095a.

Part I Recipient Information

1 Marketplace identifier 2 Marketplace-assigned policy number 3 Policy issuer's name
4 Recipient's name 5 Recipient's SSN 6 Recipient's date of birth
7 Recipient's spouse's name 8 Recipient's spouse's SSN 9 Recipient's spouse's date of birth
10 Policy start date 11 Policy termination date 12 Street address (including apartment no.)
13 City or town 14 State or province 15 Country and ZIP or foreign postal code

Part II Covered Individuals

Part III Coverage Information

Months	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSF) premium	C. Monthly advance payment of premium tax credit
21 January	Column A	Column B	Column C
22 February			
23 March			
24 April			
25 May			
26 June			

Column A - Monthly Premium: These are the total monthly enrollment premiums for the policy in which the individuals are covered. **This is the full premium, including the amount paid by APTC but it includes only the premiums for essential health benefits. The amount does not include the cost of certain "extra" benefits such as adult dental coverage.**

Column B - Monthly SLCSF premium: If this column is blank and the individuals enrolled in a plan through a Federally-facilitated Marketplace, go to www.Healthcare.gov and use the tax tool to find the SLCSF premium to enter in Column B. If the individuals enrolled through a State-based Marketplace, go to the state's website to determine the SLCSF premium. In some cases, the state will send a table with the information. If the State-based Marketplace does not have a look-up tool to find the SLCSF premium, call the Marketplace to obtain a correct SLCSF premium. The SLCSF premium is the premium for the second lowest cost silver-level plan that covers all the members of the coverage family.

Column C - Advance payment of PTC

TIP: A person may be entitled to PTC even if no APTC was paid for the coverage. Do not assume someone is ineligible for PTC just because Columns B and C of Form 1095-A are blank. If an individual meets all the eligibility rules in the Form 8962 instructions but only the enrollment premium amounts in Column A appear on Form 1095-A and Columns B and C are blank, look up the person's SLCSF premiums and enter them on the Advanced Premium Tax Credit (1095-A) screen in the Premium Amount of SLCSF section.

You may need to look up the SLCSF premium if:

- It is incorrect, perhaps because a change in family size was not reported.
- It is missing. This happens when someone paid the full premium because he or she did not request advance payments of the premium tax credit. Marketplaces routinely leave this space blank.
- There are multiple Forms 1095-A with conflicting information or the taxpayer otherwise thinks it's incorrect.

See <https://www.healthcare.gov/tax-tool/> or your state's tax tool.

Premium Tax Credit

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

This question appears for all taxpayers with APTC:

This question is really asking: Is the taxpayer liable for **unlimited** APTC repayment?

Answer NO in most cases.

Only answer YES if the tax return:

- Includes an undocumented immigrant who received APTC; or
- Has a person who was eligible for the Trade Adjustment Assistance Health Care Tax Credit (HCTC) (out of scope)

Advanced Premium Tax Credit (1095-A)

Did you receive a 1095-A statement or any Premium Tax Credits to assist you in paying for your health care for 2016? *

☒ Yes

☐ No

Are you required to repay all of the APTC received? In most cases, the answer is NO. ONLY answer YES if you were not considered lawfully present in the U.S. or you meet the Health Coverage Tax Credit criteria. Note: We will automatically calculate a full repayment of APTC when MAGI is greater than 400 percent of Federal Poverty Line.

☐ Yes

☒ No

Is your household income below 100% of the Federal poverty line, and do you meet all of the requirements under either "Estimated household income at least 100% of the Federal poverty line" or "Alien lawfully present in the United States"?

☐ Yes

☒ No

This question appears only if taxpayer's income is under 100% FPL:

Answer YES in most cases. Answer YES if:

- The marketplace awarded APTC; or
- The person 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

CAUTION: The TaxSlayer default answer is NO for this question.

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 in the last year, check the box. See Form 8962 Instructions for details. If a taxpayer is Married Filing Separately and is not eligible for relief, he/she must repay APTC, subject to the repayment limitation.

Do all Forms 1095-A include coverage for January through December, with no changes in monthly amounts?

☒ Yes

☐ No

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 SLCSF premium amounts are not the same for all 12 months, select "No".

Premium Tax Credit, (continued)

Please enter your annual Advance Premium Tax Credit information

Premium Amount (Form 1095-A, line 33A)

\$

Annual Premium Amount of SLCSP (Form 1095-A, line 33B)

\$

Annual Advance Payment of PTC (Form 1095-A, line 33C)

\$

If the following situations apply, a **shared policy allocation** may be required and 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.)

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 the year and are filing a joint return, and taxpayers were both unmarried as of January 1, 2017
- 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

Premium Tax Credit, Form 8962

Review the Form 8962 for accuracy:

If a taxpayer is MFS and is eligible for relief because of spousal abuse or abandonment, this box should be checked.

If MFS but not eligible for relief, he/she must repay APTC, subject to the repayment limitation.

Form **8962** Premium Tax Credit (PTC)
Department of the Treasury Internal Revenue Service
▶ Attach to Form 1040, 1040A, or 1040NR.
▶ Information about Form 8962 and its separate instructions is at www.irs.gov

Name shown on your return: **ACA Example** Your social security number: **111-00-xxxx**

You cannot claim 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 the number of exemptions from Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d	1	3
2a	Modified AGI. Enter your modified AGI (see instructions)	2a	110003
	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	110003
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 <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input checked="" type="checkbox"/> Other 48 states and DC	4	20090
5	Household income as a percentage of federal poverty line (see instructions)	5	401 %
6	Did you enter 401% on line 5? (See instructions if you entered less than 100%.) <input type="checkbox"/> No. Continue to line 7. <input checked="" type="checkbox"/> Yes. You are not eligible to take the PTC. If advance payment of the PTC was made, see the instructions for how to report your excess advance PTC repayment amount.		

The dependents' MAGI should appear on this line **ONLY IF the dependents' gross income is above the filing threshold.**

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, line 69. This amount will increase taxpayer's refund or reduce the balance due.

23 December

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	500
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 Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27	26	

Part III Repayment of Excess Advance Payment of the Premium Tax Credit

27	Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27	500
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	500

For Paperwork Reduction Act Notice, see your tax return instructions. Form 8962 (2016)

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, line 46.

Premium Tax Credit – Special Situations

See Instructions for Form 8962 and Publication 974, *Premium Tax Credit*, for additional information.

Multiple Forms 1095-A

Some taxpayers will have multiple Forms 1095-A. This will happen if the taxpayer:

- Changed Marketplace plans during the year
- Updated their application with new information that resulted in a new enrollment
- Had family members enrolled in different Marketplace plans
- Had more than 5 family members in the same plan

Entering Multiple Forms 1095-A on One Form 8962 - Make sure everyone on the Forms 1095-A is also on the tax return. If not, this may be a Shared Policy Allocation.

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.

Column C (entered in Column F of Form 8962): Add the amounts together.

Part III Coverage Information			
Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January	Column A	Column B	Column C
22 February			
23 March			
24 April			
25 May			
26 June			
27 July			

The taxpayer stopped paying premiums

What you'll see: Numbers in Columns B and C but no premium in Column A (-0-) for a month on Form 1095-A, Part III

What to do:

- The taxpayer can only claim a PTC for a month of enrollment if the premium for the month is paid by the tax return due date (without extensions). If the APTC is high and covers most of the premium, can the taxpayer make the (late) premium payment? It may be more cost-effective to pay the premium than to repay the APTC. When the premium is paid, ask for a corrected Form 1095-A.
- 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. Note: There should never be consecutive months like this. If so, there is an error on Form 1095-A.

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			

Even if the taxpayer isn't eligible for PTC, he or she is still considered to have coverage for the month, despite nonpayment of premium.

The taxpayer is ineligible for the PTC

- See Form 8962 instructions
- Enter 0 in column B

Premium Tax Credit

Handling Unexpected APTC Repayments

Many tax preparers are seeing clients with unexpected repayments of APTC that they must repay on Form 8962, Line 29.

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 TP or spouse lived in Hawaii or Alaska, ensure that state is selected as the resident state in the Basic Information section.

Consider income adjustments to reduce household income.

- If the taxpayer is eligible to claim an IRA deduction, remember that taxpayers can contribute to an IRA until the tax filing deadline.
- If the taxpayer or spouse has an HSA and has not contributed the maximum for the tax year, he or she may contribute to their HSA until the tax filing deadline.
- If the taxpayer or spouse is self-employed, ensure all business expenses have been claimed. The taxpayer should be referred to a professional return preparer if they wish to claim the self-employed health insurance deduction which will also reduce their household income.
- If the taxpayer or spouse is eligible and wishes to claim HCTC or establish a SEP-IRA, refer to a professional return preparer.

Consider married filing separately.

- The taxpayer may be ineligible for the PTC, but filing separately may cap repayment at a lower level based on income.

Important! If the taxpayer is currently enrolled in Marketplace coverage and has a 2017 repayment, the taxpayer should contact the Marketplace **now** to adjust their 2018 APTC to avoid similar repayments for the 2018 tax year!

Repayment Caps for APTC		
Income (as % of federal poverty line)	Taxpayers Filing as SINGLE	Taxpayers Using Other Filing Statuses
Under 200%	\$300	\$600
200% – 299%	\$750	\$1,500
300% – 399%	\$1,275	\$2,550
400% and above	No cap (full repayment)	No cap (full repayment)

Allocation of Policy Amounts

Caution: If this situation applies, the return is out of scope.

Policy amounts (enrollment premiums, SLCSP premiums, and/or APTC) on a Form 1095-A need to be allocated between the taxpayer's tax family and another tax family if:

- The policy covered at least one individual in the taxpayer's tax family and at least one individual in another tax family, and
- The taxpayer received a Form 1095-A for the policy that does not accurately represent the members of their tax family who were enrolled in the policy (meaning that it either lists someone who is not in their tax family or does not list a member of their tax family who was enrolled in the policy), or
- The other tax family received a Form 1095-A for the policy that includes a member of the taxpayer's tax family.

TIP: If the taxpayer received a Form 1095-A, make sure everyone listed on the form is the taxpayer, their spouse, or their dependent.

Alternative Calculation for Year of Marriage Eligibility

Alternative Calculation for Year of Marriage Eligibility

Line numbers in the following table refer to Form 8962.

Answer questions 1–5 below to determine whether you may be eligible to elect the alternative calculation for year of marriage.

- | | |
|----------|--|
| 1 | Were you and your spouse each unmarried on January 1, 2017?
<input type="checkbox"/> Yes. Continue to the next question in this table.
<input type="checkbox"/> No. You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “No” box on line 9 and continue to line 10. If you completed Part IV, check the “No” box on line 10, skip line 11, and continue to <u>Lines 12 through 23—Monthly Calculation</u> , later. |
| 2 | Were you married on December 31, 2017?
<input type="checkbox"/> Yes. Continue to the next question in this table.
<input type="checkbox"/> No. You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “No” box on line 9 and continue to line 10. If you completed Part IV, check the “No” box on line 10, skip line 11, and continue to <u>Lines 12 through 23—Monthly Calculation</u> , later. |
| 3 | Are you filing a joint return with your spouse for 2017?
<input type="checkbox"/> Yes. Continue to the next question in this table.
<input type="checkbox"/> No. You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “No” box on line 9 and continue to line 10. If you completed Part IV, check the “No” box on line 10, skip line 11, and continue to <u>Lines 12 through 23—Monthly Calculation</u> , later. |
| 4 | Was anyone in your tax family enrolled in a qualified health plan before your first full month of marriage? (For example, if you got married on July 15, your first full month of marriage was August.)
<input type="checkbox"/> Yes. Continue to the next question in this table.
<input type="checkbox"/> No. You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “No” box on line 9 and continue to line 10. If you completed Part IV, check the “No” box on line 10, skip line 11, and continue to <u>Lines 12 through 23—Monthly Calculation</u> , later. |
| 5 | Was APTC paid for anyone in your tax family during 2017?
<input type="checkbox"/> Yes. You are eligible to elect the alternative calculation for year of marriage if excess APTC was paid during 2017. <ul style="list-style-type: none">• If you entered 400 or less on Form 8962, line 5, continue to <u>Worksheet 3</u> next to determine whether excess APTC was paid during 2017.• If you entered 401 on Form 8962, line 5, excess APTC was paid, and you are eligible for the alternative calculation. Do not complete Worksheet 3. Instead, see <i>Alternative Calculation for Year of Marriage</i> in Pub. 974 to determine if electing the alternative calculation reduces your repayment amount. <input type="checkbox"/> No. You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “No” box on line 9 and continue to line 10. If you completed Part IV, check the “No” box on line 10, skip line 11, and continue to <u>Lines 12 through 23—Monthly Calculation</u> , later. |

Caution: Taxpayers may choose to file MFJ or MFS without the alternative calculation, which remains in scope. If the taxpayer answers YES to question 5 and elects this alternative calculation, the return is out of scope.

Applicable Figure Table

<133	0.0204	188	0.0587	245	0.0803	302	0.0969	359	0.0969
133	0.0306	189	0.0591	246	0.0807	303	0.0969	360	0.0969
134	0.0312	190	0.0596	247	0.0810	304	0.0969	361	0.0969
135	0.0318	191	0.0601	248	0.0814	305	0.0969	362	0.0969
136	0.0324	192	0.0605	249	0.0817	306	0.0969	363	0.0969
137	0.0330	193	0.0610	250	0.0821	307	0.0969	364	0.0969
138	0.0336	194	0.0615	251	0.0824	308	0.0969	365	0.0969
139	0.0342	195	0.0620	252	0.0827	309	0.0969	366	0.0969
140	0.0348	196	0.0624	253	0.0830	310	0.0969	367	0.0969
141	0.0354	197	0.0629	254	0.0833	311	0.0969	368	0.0969
142	0.0360	198	0.0634	255	0.0836	312	0.0969	369	0.0969
143	0.0366	199	0.0638	256	0.0839	313	0.0969	370	0.0969
144	0.0372	200	0.0643	257	0.0842	314	0.0969	371	0.0969
145	0.0378	201	0.0647	258	0.0845	315	0.0969	372	0.0969
146	0.0384	202	0.0650	259	0.0848	316	0.0969	373	0.0969
147	0.0390	203	0.0654	260	0.0851	317	0.0969	374	0.0969
148	0.0396	204	0.0657	261	0.0854	318	0.0969	375	0.0969
149	0.0402	205	0.0661	262	0.0857	319	0.0969	376	0.0969
150	0.0408	206	0.0664	263	0.0859	320	0.0969	377	0.0969
151	0.0413	207	0.0668	264	0.0862	321	0.0969	378	0.0969
152	0.0417	208	0.0671	265	0.0865	322	0.0969	379	0.0969
153	0.0422	209	0.0675	266	0.0868	323	0.0969	380	0.0969
154	0.0427	210	0.0679	267	0.0871	324	0.0969	381	0.0969
155	0.0432	211	0.0682	268	0.0874	325	0.0969	382	0.0969
156	0.0436	212	0.0686	269	0.0877	326	0.0969	383	0.0969
157	0.0441	213	0.0689	270	0.0880	327	0.0969	384	0.0969
158	0.0446	214	0.0693	271	0.0883	328	0.0969	385	0.0969
159	0.0450	215	0.0696	272	0.0886	329	0.0969	386	0.0969
160	0.0455	216	0.0700	273	0.0889	330	0.0969	387	0.0969
161	0.0460	217	0.0704	274	0.0892	331	0.0969	388	0.0969
162	0.0464	218	0.0707	275	0.0895	332	0.0969	389	0.0969
163	0.0469	219	0.0711	276	0.0898	333	0.0969	390	0.0969
164	0.0474	220	0.0714	277	0.0901	334	0.0969	391	0.0969
165	0.0479	221	0.0718	278	0.0904	335	0.0969	392	0.0969
166	0.0483	222	0.0721	279	0.0907	336	0.0969	393	0.0969
167	0.0488	223	0.0725	280	0.0910	337	0.0969	394	0.0969
168	0.0493	224	0.0728	281	0.0913	338	0.0969	395	0.0969
169	0.0497	225	0.0732	282	0.0916	339	0.0969	396	0.0969
170	0.0502	226	0.0736	283	0.0919	340	0.0969	397	0.0969
171	0.0507	227	0.0739	284	0.0922	341	0.0969	398	0.0969
172	0.0511	228	0.0743	285	0.0925	342	0.0969	399	0.0969
173	0.0516	229	0.0746	286	0.0928	343	0.0969	400	0.0969
174	0.0521	230	0.0750	287	0.0931	344	0.0969		
175	0.0526	231	0.0753	288	0.0933	345	0.0969		
176	0.0530	232	0.0757	289	0.0936	346	0.0969		
177	0.0535	233	0.0760	290	0.0939	347	0.0969		
178	0.0540	234	0.0764	291	0.0942	348	0.0969		
179	0.0544	235	0.0768	292	0.0945	349	0.0969		
180	0.0549	236	0.0771	293	0.0948	350	0.0969		
181	0.0554	237	0.0775	294	0.0951	351	0.0969		
182	0.0558	238	0.0778	295	0.0954	352	0.0969		
183	0.0563	239	0.0782	296	0.0957	353	0.0969		
184	0.0568	240	0.0785	297	0.0960	354	0.0969		
185	0.0573	241	0.0789	298	0.0963	355	0.0969		
186	0.0577	42	0.0793	299	0.0966	356	0.0969		
187	0.0582	243	0.0796	300	0.0969	357	0.0969		
		244	0.0800	301	0.0969	358	0.0969		

Notes

[illegible]

<p>Tab I: Earned Income Credit</p>

Earned Income Table

Earned Income for EIC	
Includes	Doesn't include
<ul style="list-style-type: none"> ■ Taxable wages, salaries, and tips ■ Union strike benefits ■ Taxable long-term disability benefits received prior to minimum retirement age ■ Net earnings from self-employment ■ Gross income of a statutory employee ■ Household employee income ■ Nontaxable combat pay election ■ Non-Employee 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) 	<ul style="list-style-type: none"> ■ Interest and dividends ■ Social security and railroad retirement benefits ■ Welfare benefits ■ Workfare payments ■ Pensions and annuities (except if disability pension and taxpayer is under minimum retirement age) ■ Veteran's benefits (including VA rehabilitation payments) ■ Workers' compensation benefits ■ Alimony ■ Child support ■ Nontaxable foster-care payments ■ Unemployment compensation ■ Taxable scholarship or fellowship grants that aren't reported on Form W-2 ■ Earnings for work performed while an inmate at a penal institution or on work release* ■ Salary deferrals (for example, under a 401(k) or 403(b) plan or the Federal Thrift Savings Plan) ■ The value of meals or lodging provided by an employer for the convenience of the employer ■ Disability Insurance payments ■ Excludable dependent care benefits (line 24 of Form 2441) ■ Salary reductions such as under a cafeteria plan ■ Excludable employer-provided educational assistance benefits (may be shown in box 13 of Form W-2) ■ Anything else of value received from someone for services performed, if it isn't currently taxable, which include Medicaid waiver payments that have been excluded from income.

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

***Note:** This particular income is entered as other income on the return and not counted as earned income.

Summary of EIC Eligibility Requirements

Part A Rules for Everyone	Part B Rules If You Have a Qualifying Child	Part C Rules If You Don't Have a Qualifying Child
Taxpayers & qualifying children must all have SSN that is valid for employment by the due date of the return (including extensions).	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.. If child is married, see Note below.	Must be at least age 25 but under age 65 as of December 31.*
Filing status can't be married filing separately.	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 or Form 2555-EZ (relating to foreign earned income).		Can't be a qualifying child of another person.
Investment income must be \$3,450 or less.		
Can't be a qualifying child of another person.		
<div>Part D</div> <div>Earned Income and AGI Limitations</div> <div>You must have earned income to qualify for this credit.</div> <div>Your earned income and AGI must be less than:</div> <div><div>■ \$48,340 (\$53,930 for married filing jointly) if you have three or more qualifying children,</div><div>■ \$45,007 (\$50,597 for married filing jointly) if you have two qualifying children,</div><div>■ \$39,617 (\$45,207 for married filing jointly) if you have one qualifying child, or</div><div>■ \$15,010 (\$20,600 for married filing jointly) if you don't have a qualifying child.</div></div>		

Note: To meet the joint return test, the child cannot file a joint return for the year unless it's to only claim a refund of income tax withheld or estimated tax paid.

Caution: Taxpayers cannot file an amended return to claim the credit for a year they did not originally have a valid social security number.

Note: Disaster relief – Qualifying taxpayers can elect to substitute earned income from tax year 2016 for the calculation of EITC and CTC. Puerto Rico taxpayers can substitute Social Security taxes paid for earned income. See Public Law 155, H.R. 3823 Disaster Tax Relief and Airport and Airway Extension Act of 2017. For more information about other tax relief related to Hurricane Harvey, Hurricane Irma, and other disasters, see the IRS disaster relief page and the Fact Sheet for Federally Declared Disasters.

EIC General Eligibility Rules

Probe/Action: Ask the taxpayer:

step 1	<p>Calculate the taxpayer's earned income and adjusted gross income (AGI) for the tax year. Are both less than:</p> <ul style="list-style-type: none"> • \$48,340 (\$53,930 married filing jointly) with three or more qualifying children; • \$45,007 (\$50,597 married filing jointly) with two qualifying children; • \$39,617 (\$45,207 married filing jointly) with one qualifying child; or • \$15,010 (\$20,600 married filing jointly) with no qualifying children? 	<p>If YES, go to Step 2. If NO, STOP. You can't claim the EIC.</p>
step 2	<p>Do you (and your spouse, if filing jointly) have a social security number (SSN) that allows you to work?*</p> <p>Note: 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.</p>	<p>If YES, go to Step 3. If NO, STOP. You can't claim the EIC.</p>
step 3	<p>Is your filing status married filing separately?</p>	<p>If YES, STOP. You can't claim the EIC. If NO, go to Step 4.</p>
step 4	<p>Are you (or your spouse, if married) a nonresident alien?</p> <p>Note: 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.</p>	<p>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.</p>
step 5	<p>Are you (or your spouse, if filing jointly) filing Form 2555 or Form 2555-EZ (Foreign Earned Income) to exclude income earned in a foreign country?</p>	<p>If YES, STOP. You can't claim the EIC. If NO, go to Step 6.</p>
step 6	<p>Is your investment income (interest, tax exempt interest, dividends & capital gains) more than \$3,450?</p>	<p>If YES, STOP. You can't claim the EIC. If NO, go to Step 7.</p>
step 7	<p>Are you (or your spouse, if filing jointly) the qualifying child of another taxpayer?</p>	<p>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.</p>

***Note:** If your Social Security card says **VALID FOR WORK ONLY WITH DHS AUTHORIZATION**, you **can** use your Social Security number to claim EITC if you otherwise qualify.

Note: Disaster relief – Qualifying taxpayers can elect to substitute earned income from tax year 2016 for the calculation of EITC and CTC. Puerto Rico taxpayers can substitute Social Security taxes paid for earned income. See Public Law 155, H.R. 3823 Disaster Tax Relief and Airport and Airway Extension Act of 2017. For more information about other tax relief related to Hurricane Harvey, Hurricane Irma, and other disasters, see the IRS disaster relief page and the Fact Sheet for Federally Declared Disasters.

EIC With a Qualifying Child

Probe/Action: Ask the taxpayer:

step 1	<p>Does your qualifying child have an SSN that allows him or her to work?</p> <p>Note: 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.</p>	<p>If YES, go to Step 2.</p> <p>If NO, STOP. You can't claim the EIC on the basis of this qualifying child.</p>
step 2	<p>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?</p>	<p>If YES, go to Step 3.</p> <p>If NO, STOP. This child isn't your qualifying child. Go to interview tips for EIC without a Qualifying Child.</p>
step 3	<p>Was the child any of the following at the end of the tax year:</p> <ul style="list-style-type: none"> 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? 	<p>If YES, go to Step 4.</p> <p>If NO, STOP. This child isn't your qualifying child. Go to interview tips for EIC without a Qualifying Child.</p>
step 4	<p>Did the child file a joint return for the year?¹</p> <p>Note: Answer NO if the child and his or her spouse filed a joint return only as a claim for a refund.</p>	<p>If NO, go to Step 5.</p> <p>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.</p>
step 5	<p>Did the child live with you in the United States for more than half (183 days for 2017) of the tax year?</p> <p>Note: Active duty military personnel stationed outside the United States are considered to live in the United States for this purpose.</p>	<p>If YES, go to Step 6.</p> <p>If NO, STOP. This child isn't your qualifying child. Go to interview tips for EIC without a Qualifying Child.</p>
step 6	<p>Is the child a qualifying child of another person?</p> <p>Note: There may be a case when a qualifying child can't be claimed by anyone. Example: The only parent that the child lives with doesn't work nor files a tax return and another adult can't meet the general eligibility rules. In this example no one qualifies to claim this child as a qualifying child for EIC.</p>	<p>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.</p> <p>If NO, compute the EIC using the appropriate EIC worksheet.</p>

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's exemption or you can't claim the child's exemption because you gave that right to the child's other parent.

EIC Without a Qualifying Child

Probe/Action: Ask the taxpayer:

step 1	Can you (or your spouse, if filing jointly) be claimed as a dependent by another person?	If NO, go to Step 2. If YES, STOP. You can't claim the EIC.
step 2	Were you (or your spouse, if filing jointly) at least 25 but under age 65 on December 31 of the tax year? 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.	If NO, STOP. You can't claim the EIC. If YES, go to Step 3.
step 3	Did you (and your spouse, if filing jointly) live in the United States for more than half (at least 183 ¹ days) of the tax year?	If NO, STOP. You can't claim the EIC. If YES, compute EIC using the appropriate EIC worksheet.

¹ More than 183 days in a leap year.

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

Note 1: Taxpayers meeting the above age criteria should file a paper return to avoid a potential rejected electronic filed return AND IN YEAR TAXPAYER TURNS 65 IF DEATH OCCURS BEFORE BIRTHDAY.

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 following rules apply if multiple taxpayers claim the same qualifying child. 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 2017. 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 2017.
- 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 2017.
- 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 2017, but only if that person's AGI is higher than the highest AGI of any of the child's parents who can claim the child.

Note: If you can't claim the EIC because your qualifying child is treated under the tiebreaker rules as the qualifying child of another person for 2017, you may be able to take the EIC using a different qualifying child, or take the EIC if they qualify using the rules for people who don't have a qualifying child.

Note: Subject to these tiebreaker rules, you and the other person may be able to choose which of you claims the child as a qualifying child.

Disallowance of Certain Refundable Credits

Taxslayer Navigation: Federal section>Deductions>Credit menu>Earned Income Credit

Form 8862, *Information to Claim Certain Refundable Credits After Disallowance* must be completed for any taxpayer whose EIC, child tax credit (CTC)/additional child tax credit (ACTC), or American opportunity tax credit 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 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.

**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).

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 for the tax year.	1. _____
	<ul style="list-style-type: none">• 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.	
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 or the Armed Forces Health Professions Scholarship and Financial Assistance Program.)	2. _____
3.	Subtract line 2 from line 1	3. _____
4.	Enter the amount from line 3 that your scholarship or fellowship 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 (see Education Expenses above)	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)	7. _____
8.	Subtract line 7 from line 5	8. _____
9.	Taxable part. Add lines 2, 4, and 8. This amount is taxable to the person in whose name the scholarship was received.	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 Pub 970 and the Treasury fact sheet on pell grants for more information.

Highlights of Education Tax Benefits for Tax Year 2017

This chart highlights some differences among the benefits discussed in this publication. See the text for definitions and details. Don't rely on this chart alone.

Caution: *You generally can't claim more than one benefit for the same education expense.*

	Scholarships, Fellowships, Grants, and Tuition Reductions	American Opportunity Credit	Lifetime Learning Credit	Student Loan Interest Deduction	Tuition and Fees Deduction	Coverdell ESA†	Qualified Tuition Program (QTP)†	Education Exception to Additional Tax on Early IRA Distribution†	Education Savings Bond Program†	Employer-Provided Educational Assistance†	Business Deduction for Work-Related Education
What is your benefit?	Amounts received may not be taxable	Credits can reduce the amount of tax you have to pay. 40% of the credit may be refundable (limited to \$1,000 per student).	Credits can reduce amount of tax you must pay	Can deduct interest paid	Can deduct expenses	Earnings not taxed	Earnings not taxed	No 10% additional tax on early distribution	Interest not taxed	Employer benefits not taxed	Can deduct expenses
What is the annual limit?	None	\$2,500 credit per student	\$2,000 credit per tax return	\$2,500 deduction	\$4,000	\$2,000 contribution per beneficiary	None	Amount of qualified education expenses	Amount of qualified education expenses	\$5,250 exclusion	Amount of qualifying work-related education expenses
What expenses qualify besides tuition and enrollment fees?	Course-related expenses such as fees, books, supplies, and equipment	Course-related books, supplies, and equipment	Amounts paid for required books, etc., that must be paid to the educational institution, etc., ARE required fees	Books Supplies Equipment Room & board Transportation Other necessary expenses	None	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	Books Supplies Equipment Room & board if at least half-time student Expenses for special needs Computer Equipment & Technology	Books Supplies Equipment including computer or peripheral equipment, computer software and internet access and related services if used primarily by the student enrolled at an eligible education institution Room & board if at least half-time student Expenses for special needs services	Payments to Coverdell ESA Payments to QTP	Books Supplies Equipment	Transportation Travel Other necessary expenses

Highlights of Education Tax Benefits for Tax Year 2017

	Scholarships, Fellowships, Grants, and Tuition Reductions	American Opportunity Credit	Lifetime Learning Credit	Student Loan Interest Deduction	Tuition and Fees Deduction	Coverdell ESAT	Qualified Tuition Program (QTP) [†]	Education Exception to Additional Tax on Early IRA Distribution [†]	Education Savings Bond Program [†]	Employer-Provided Educational Assistance [†]	Business Deduction for Work-Related Education
What education qualifies?	Undergraduate & graduate K-12	Undergraduate & graduate A graduate student can claim the American Opportunity Credit if and only if the student hasn't completed the first four years before the beginning of the tax year	Undergraduate & graduate Courses to acquire or improve job skills	Undergraduate & graduate	Undergraduate & graduate	Undergraduate & graduate K-12	Undergraduate & graduate	Undergraduate & graduate	Undergraduate & graduate	Undergraduate & graduate	Required by employer or law to keep present job, salary, status Maintain or improve job skills
What are some of the other conditions that apply?	Must be in degree or vocational program Payment of tuition and required fees must be allowed under the grant	Can be claimed for only 4 tax years (which includes years Hope credit claimed) Must be enrolled at least half-time in degree program No felony drug conviction(s) Must not have completed first 4 years of postsecondary education before end of preceding tax year	No other conditions	Must have been at least half-time student in degree program	Can't claim both deduction & education credit for same student in same year	Assets must be distributed at age 30 unless special needs beneficiary	No other conditions	No other conditions	Applies only to qualified series EE bonds issued after 1989 or series I bonds	No other conditions	Can't be to meet minimum educational requirements of preset trade/business Can't qualify you for new trade/business
In what income range do benefits phase out?	No phaseout	\$80,000 - \$90,000 \$160,000 - \$180,000 for joint returns	\$56,000 - \$66,000 \$112,000 - \$132,000 for joint returns	\$65,000 - \$80,000 \$135,000 - \$160,000 for joint returns	\$60,000 - \$80,000 \$130,000 - \$160,000 for joint returns	\$95,000 - \$110,000 \$190,000 - \$220,000 for joint returns	No phaseout	No phaseout	\$76,000 - \$91,000 \$113,950 - \$143,950 for joint and qualifying widow(er) with a dependent child returns	No phaseout	No phaseout

[†] Any nontaxable distribution is limited to the amount that doesn't exceed qualified education expenses.

Caution: Taxpayers filing MFS cannot claim deductions for the American Opportunity Credit, Lifetime Learning Credit, or Student Loan Interest Deductions.

Education Credits

Probe/Action: To determine if a taxpayer qualifies for the Education Credit.

TaxSlayer Navigation: Federal Section>Deductions>Credits>Education Credits 1098T

Note: New law passed placing a Ban on claiming the American Opportunity credit. If taxpayers claim the American Opportunity credit even though they are not eligible, they can be banned from claiming the credit up to 10 years.

Comparison of Education Credits

	American Opportunity Credit	Lifetime Learning Credit
Maximum credit	Up to \$2,500 credit per eligible student	Up to \$2,000 credit per return
Limit on modified adjusted gross income (MAGI)	\$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)	\$132,000 if married filing jointly; \$66,000 if single, head of household, or qualifying widow(er)
Refundable or nonrefundable	40% of credit may be refundable ¹ ; the rest is nonrefundable	Nonrefundable—credit limited to the amount of tax you must pay on your taxable income
Number of years of postsecondary education	Available ONLY if the student had not completed the first 4 years of postsecondary education before 2017	Available for all years of postsecondary education and for courses to acquire or improve job skills
Number of tax years credit available	Available ONLY for 4 tax years per eligible student (including any year(s) Hope credit was claimed)	Available for an unlimited number of tax years
Type of program required	Student must be pursuing a program leading to a degree or other recognized education credential	Student does not need to be pursuing a program leading to a degree or other recognized education credential
Number of courses	Student must be enrolled at least half-time for at least one academic period beginning during 2017 (or the first 3 months of 2018 if the qualified expenses were paid in 2017)	Available for one or more courses
Felony drug conviction	As of the end of 2017, 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 2017 for academic periods beginning in 2017 or beginning in the first 3 months of 2018	
TIN needed by filing due date	Filers and students must have a TIN by the due date of their 2017 return (including extensions)	
Educational institution's EIN	You must provide the educational institution's employer identification number (EIN) on your Form 8863	

Who Can Claim the Credit?

- Taxpayers who paid qualified educational expenses of higher education for an eligible student.
- Taxpayers who paid the education expenses for a student enrolled at or attending an eligible educational institution. (to determine if eligible, see <http://ope.ed.gov/accreditation>)
- The eligible student is either the taxpayer, taxpayer's spouse or a dependent for whom the taxpayer claims an exemption on the tax return.

Note: Qualified education expenses paid by a dependent for which an exemption is claimed, or by a third party for that dependent, are considered paid by the taxpayer. 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. **This doesn't entitle the student to claim a personal exemption on his/her tax return.** Anyone paying the expenses (even directly to the institution) are considered to have given a gift to the student who in turn is treated as having paid the expenses.

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

Note: There are two 4-year tests for American Opportunity Credit. First, the credit can be taken only four tax years. Second, the student must not have completed four years of academic credit before the beginning of this tax year. Follow the examples in the **Who is Eligible Student for the American Opportunity Credit** section in Publication 970 for additional information.

Education Credits (Continued)

Probe/Action: To determine if a taxpayer qualifies for the Education Credit.

Who Can Claim a Dependent's Expenses?

If the taxpayer...	Then only...
Claims an exemption on the return for 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 exemption 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 separate 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 applies

What Expenses Qualify?

- Expenses paid for an academic period starting in 2017 or the first 3 months of 2018
- Expenses not refunded when the student withdraws from class
- Expenses paid with the proceeds from a loan

What are Qualifying Expenses?

- The term "qualified tuition and related expenses" is expanded for the American Opportunity credit (AOC) to include expenditures for course materials. For this purpose, course materials are books, supplies, and equipment needed for a course of study whether or not the materials are purchased from the educational institution as a condition of enrollment or attendance.

What is Tax-Free Educational Assistance?

- Tax-free parts of scholarships and fellowships
- Pell grants (see chapter 1 of Publication 970)
- Employer-provided educational assistance (see Publication 970)
- Veterans' educational assistance
- Any other nontaxable payment (other than gifts or inheritances) received as educational assistance

Note: Don't reduce the qualified education expenses by any scholarship or fellowship reported as income on the student's tax return if the use of the scholarship isn't restricted **and** used to pay education expenses that aren't qualified (such as room and board).

Note: New law enacted requiring taxpayers to have a Form 1098-T from an eligible educational institution to claim Education benefits.

Determining Qualified Education Expenses

Box 1 may include non-taxable scholarship and grant amounts. Some students may choose to pay non-qualifying 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.

Box 2 Shows the total amount billed in 2017 for qualified tuition and related expenses less any reduction in charges made in 2017 that relate to those billed in 2017.

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 2017 Form 1098-T	Tuition Statement
		2 Amounts billed for qualified tuition and related expenses \$		
FILER'S federal identification no.	STUDENT'S social security number	3 If this box is checked, your educational institution has changed its reporting method for 2014 <input type="checkbox"/>		Copy B For Student This is important tax information and is being furnished to the Internal Revenue Service.
STUDENT'S name		4 Adjustments made for a prior year \$	5 Scholarships or grants \$	
Street address (including apt. no.)		6 Adjustments to 2018 scholarships or grants for a prior year \$	7 Checked if the amount in box 1 or 2 includes amounts for an academic period beginning January - March 2015 <input type="checkbox"/>	
City or town, state or province, country, and ZIP or foreign postal code		9 Checked if a graduate student <input type="checkbox"/>	10 Ins. contract reimb./refund \$	
Service Provider/Acct. No. (see Instr.)	8 Check if at least half-time student <input type="checkbox"/>			
Form 1098-T		(keep for your records) www.irs.gov/form1098t		Department of the Treasury - Internal Revenue Service

Determine the amount paid by verifying the payment received from the student account statement with the amount shown in Box 1 or 2 of Form 1098-T. Remember to include books, supplies, 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.**

Adjusted Qualified Education Expenses Worksheet (Form 8863 instructions)	
1. Total qualified education expenses paid for on behalf of the student in 2017 for the academic period	5,500
2. Less adjustments:	
a. Tax-free educational assistance received in 2017 allocable to the academic period.	3,000
b. Tax-free educational assistance received in 2018 (and before you file your 2017 tax return) allocable to the academic period	0
c. Refunds of qualified education expenses paid in 2017 if the refund is received in 2017 or in 2018 before you file your 2017 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-	2,500

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 \$10,000 in box 2 and a \$3,000 Pell grant in box 5. During your interview with Bill and Sue, you determine that \$5,000 was paid in September 2017 for the fall semester; \$3,000 was paid by Pell Grant and \$2,000 was paid by loan proceeds. Also, \$5,000 was billed in December for the Spring 2018 semester, which was paid in January 2018. They paid \$500 for books in 2017. To calculate the eligible expenses for their credit, take the \$5,000 (\$3,000 grant + \$2,000 loan) paid in 2017 plus the \$500 for books and enter on line 1 of the worksheet above. The \$3,000 will be entered on line 2a. The line 3 amount would be \$3,000. Subtracting line 3 from line 1, you get qualified education expenses of \$2,500. In this same example, if the taxpayers opted to include all the income as wages, they wouldn't have any adjustments to subtract to determine their expenses.

Note: If the student doesn't have a copy of their student account statement, ask them to go online thru their college or university to get this information.

Entering Education Benefits

Taxslayer Navigation: Federal Section>Deductions>Credits Menu>Education Credits>1040 view line 50

Credit Type	Name/SSN	Qualifying Expenses		
American Opportunity Credit	Dependent Taxpayer 411-00-XXXX	1500.00	Edit	Delete
Lifetime Learning	Mrs Taxpayer 411-00-XXXX	400.00	Edit	Delete
Tuition and Fees	Mr Taxpayer 411-00-XXXX	250.00	Edit	Delete

Continue

Form 8863 - Educational Credit

Select an Eligible Student

Mr Taxpayer - xxx-xx-6661

Select the type of credit *

- ☒ American Opportunity
- ☐ Lifetime Learning
- ☐ Tuition and Fees Deduction

Qualified Expenses *

Please ensure that you reduce the amount entered for "qualified expenses" by any scholarships / grants received, pursuant to IRS Publication 970.

\$ 5000

Institution 1

Name *

Augusta University

☐ Check here if foreign address

Address (Number and Street) *

2500 Walton Way

ZIP Code *

30909

City, Town, or Post Office *

Augusta

State *

Georgia

Note: TaxSlayer® will allow you to compare the education benefits and determine the largest refund using each benefit.

If the taxpayer was under age 24 at the end of the year and met the conditions as outlined in the student under age 24 chart in this tab, they can't take the refundable American Opportunity credit.

See determining qualified expenses page earlier in this tab.

For lifetime learning credit-course books, materials, supplies not included unless paid directly to institution as condition of enrollment.

Entering Education Benefits (continued)

Taxslayer Navigation: Federal Section>Deductions>Credits Menu>Education Credits>1040 view line 50

Did the student receive Form 1098-T from this institution for 2016? *

- ☒ Yes
☐ No

Did the student receive Form 1098-T from this institution for 2015 with Box 2 filled in and Box 7 checked? *

- ☐ Yes
☒ No

Enter the Institution's Federal Identification Number (from Form 1098-T) *

15 - 9000000

Has the Hope Scholarship Credit or American Opportunity Credit already been claimed on 4 prior tax returns? *

- ☐ Yes
☒ No

Was the student enrolled at least half-time? *

- ☒ Yes
☐ No

Did the student complete the first 4 years of post-secondary education before 2016? *

- ☐ Yes
☒ No

Was the student convicted, before the end of 2016, of a felony for possession or distribution of a controlled substance? *

- ☐ Yes
☒ No

- Only the taxpayer is eligible if he or she claims the student as a dependent. Only the student is eligible if he or she isn't claimed as a dependent (even if he or she *can* be claimed) - no matter who pays.
- For the American Opportunity credit only, qualified tuition & related expenses include books, supplies & equipment needed for the course, whether or not they were purchased from the institution as a condition of enrollment. Computers, however, can only be included IF they are a requirement for enrollment or attendance.

Note: 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.

Note: See Disallowance of Certain Refundable Credits in the EIC tab if the taxpayer received a letter saying they had to complete Form 8862.

Student Under Age 24 Claiming American Opportunity Credit

1. Were you under 24 at the end of 2017?	<p>If no, stop here; you do qualify to claim part of the allowable American opportunity credit as a refundable credit.</p> <p>If yes, go to question 2.</p>
2. Were you over 18 at the end of 2017?	<p>If yes, go to question 3.</p> <p>If no, go to question 4.</p>
3. Were you a full-time student (define later) for 2017?	<p>If no, stop here; you do qualify to claim part of your allowable American opportunity credit as a refundable credit.</p> <p>If yes, go to question 5.</p>
4. Were you 18 at the end of 2017?	<p>If yes, go to question 5.</p> <p>If no, go to question 6.</p>
5. Was your earned income (defined later less than one-half of your support for 2017?	<p>If no, stop here; you do qualify to claim part of your allowable American opportunity credit as a refundable credit.</p> <p>If yes, go to question 6.</p>
6. Was either of your parents alive at the end of 2017?	<p>If no, stop here; you do qualify to claim part of your allowable American opportunity credit as a refundable credit.</p> <p>If yes, go to question 7.</p>
7. Are you filing a joint return for 2017	<p>If no, you do not qualify to claim part of your allowable American opportunity credit as a refundable credit.</p> <p>If yes, you do qualify to claim part of your allowable American opportunity credit as a refundable credit.</p>

Earned income. Earned income includes wages, salaries, professional fees, and other payments received for personal services actually performed. Earned income includes the part of any scholarship or fellowship that represents payment for teaching, research, or other services performed by the student that are required as a condition for receiving the scholarship or fellowship. Earned income does not include that part of the compensation for personal services rendered to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered.

Full-time student. Solely for purposes of determining whether a scholarship is considered support, you were a full-time student for 2017 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 (defined earlier), or took a full-time, on-farm training course given by such an institution or by a state, county, or local government agency.

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has rounded corners at the bottom. There is no handwriting or other markings on the page.

Tab K: Finishing the Return

Completing the e-File Section

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.

If the return might include Earned Income Credit, American Opportunity Credit or Additional Child Tax Credit, there will be due diligence questions to answer. See Tab I for instructions on answering due diligence questions.

After the due diligence questions, you will come to the e-File Section. There are seven sections on the first page:

- Return Type
- Tax Preparation and E-File Information
- State Return(s)
- Taxpayer Bank Account Information
- Third Party Designee Info
- Questions
- State ID (Optional) (Shows only if there is a state return)

Return Type

Select type of federal return

Click here if state return is to be E-filed,
but federal will not be filed at all.

Your return is now ready to be e-Filed to the IRS.
Please make sure that all information you enter below is correct.

In order for us to transmit your client's return to the IRS you must complete all Steps in the e-File Process.

CAUTION: Your client's return will not be sent to the IRS unless you complete ALL steps. None of the information is saved until all information is entered and the "Continue" button below is clicked.

To continue the e-File process, please first select a return type and the form will ask for all required information.

[Refund and Estimated Check Summary](#)

☐ Send State Only

Federal Return Type: Please Select

ERO Information: Please Select

Please Select ERO to us: E-file: Paper Check

Efile#: E-file: Direct Deposit

EroName#: Paper Return with Direct Deposit

Self Prepared: Paper Return

Self Prepared: ☐

Tax Preparation and E-File Information

Select type of federal return

Return Types with a Refund

Electronic Mailed = E-filed with refund check mailed to taxpayer

Direct Deposit = E-filed with direct deposit

Paper Return with Direct Deposit

Paper Return = Paper return with check mailed to taxpayer

Return Types with an Amount Owed

Mail Payment = E-filed without direct debit

Direct Debit = E-file with direct debit

Paper Return = Paper return with check included

Completing the e-File Section (continued)

State Return(s)

Enter type of state return

State Return(s)

Choose how you would like to file your state returns:

State	Refund/Due	Return Type
GA	Due: \$ 1849.00	<div>Not Selected Not Selected Paper Return E-file: Mail Payment E-file: Direct Debit</div>

By using a computer system and software to prepare and transmit this return electronically, I agree to the disclosure of all information pertaining to my use of the system and software to create this return and to the electronic transmission of this tax return to the Department, as applicable by law.

State Return Types with a Refund

Paper Return = Paper return with check mailed to taxpayer

Electronic Mailed = E-filed with refund check mailed to taxpayer

Paper Return with Direct Deposit

Direct Deposit = E-filed with direct deposit

State Return Types with an Amount Owed

Paper Return = Paper return with check included

Electronic State Balance Due = E-filed without direct debit

Taxpayer Bank Account Information

If direct deposit or direct debit is selected for either federal or state return, the Taxpayer Bank Account Information screen will appear.

In this section, the preparer inputs the bank routing and account number for direct deposit of refund or automatic withdrawal of balance due.

Note: This bank information MUST be accurate for your return to process correctly.

Name of Bank

Type of Account

Routing Transit Number

Confirm Routing Transit Number

Bank Account Number

Confirm Bank Account Number

NOTE: See Pointers for Direct Deposit of Refunds later in this tab.

Caution: Use original source document for input.

Checking

Input both the routing and account number twice on this screen

Input the name of the bank as stated on the check.

Completing the e-File Section (continued)

TaxSlayer Navigation: (Administrator) Configuration>Office Setup

Split Refund Option

Office Configuration

- ☒ Print Digital Signatures on 1040
- ☐ Disable Third Party Designee Prefill
- ☒ Offer 8888
- ☐ Hide Preparer Name on 1040 Print

When the taxpayer elects to direct deposit his or her refund into two or three accounts or to purchase saving bonds, you will need to answer additional questions in the e-file section.

First, someone with Administrator privileges needs to go to Configuration>Office Setup and mark the box for Offer 8888.

This will allow all preparers at that site to offer Form 8888.

When you wish to go back to double-entry of bank routing and account numbers, the Administrator must uncheck this box.

Note: This bank information MUST be accurate for your return to process correctly.

You may split your refund in up to 3 accounts, paper check and purchase up to 3 savings bonds. The total deposits and savings bond purchases must equal your total refund of \$2,094.00

Bank Accounts

Enter bank account information where you would like your refund deposited.

Account Type	Bank Name	Routing Number	Account Number	Deposit Amount
Checking ▾				\$0.00
Checking ▾				\$0.00
Checking ▾				\$0.00

Pull Refund

Paper Check Allocation

Allocate portion of the refund to be issued as a paper check.

\$0.00

Purchase Savings Bonds

You can purchase up to 3 savings bonds with the remainder of your refund.

Bond amounts must be in \$ 50 increments

Completing the e-File Section (continued)

Purchase Savings Bonds

From Split Refund Screen, savings bonds can be purchased.

Purchase Savings Bonds

You can purchase up to 3 savings bonds with the remainder of your refund.

Bond amounts must be in \$ 50 increments

Purchase A Bond

☒ I do not want to purchase this bond

Amount to be used for bond purchase for yourself

\$0.00

Purchase another bond for yourself or someone else

☒ I do not want to purchase this bond

Bond Amount

\$0.00

Enter the owner's name (First then Last) for the bond registration

If you would like to add a co-owner or beneficiary, enter the name here (First then Last)

☐ Is Beneficiary?

Afterwards, if you wish to go back to double-entry of bank routing and account numbers, the Administrator must uncheck the 8888 box in Configuration>Office Setup.

Estimated Tax Penalty: Out of scope

Third Party Designee Info

This information is optional

Designee First Name

Designee Last Name

Designee Phone

() -

Designee Pin

☐ Click checkbox to easily remove the data from each field

Third party designee info can be completed if the taxpayer wishes, but the designee is never the volunteer preparer.

Completing the e-File Section (continued)

Questions

Answer national and local questions

1. Other than English what language is spoken in your home?	Please Select ▼
2. Are you or your spouse a Veteran from the US Armed Force?	Please Select ▼
3. Do you or any member of your household have a disability?	Please Select ▼
4. Was this return prepared using a Virtual or Drop-Off method?	Please Select ▼

Use these fields for information that is helpful to your site. For example, these fields could be used to enter the preparer's name and/or new versus returning taxpayers. These fields are used by the military to report rank, grade, enlisted/retired, etc

After the end of the tax season a custom report can be created.

State ID (Optional)

Appears only if there is a state return

You may provide your state issued id or drivers license in the section below. This information is optional but may assist the state in verifying your identity and processing your return.

Taxpayer ID Information

Type	None Available ▼	<div>Select driver's license or ID, license number, date issued, date expires and issuing state. If taxpayer's license has expired, select None Available. Some states require a drivers license number to e-file. See state requirement and work around if applicable.</div>
Number		
IssueDate	mm/dd/yyyy	
ExpireDate	mm/dd/yyyy	
	No Expiration date	
IssueState	Please Select ▼	
NY Document ID		
If issue state is NY, this field is required		

Select SAVE.

PIN Guidelines

The Practitioner PIN method is the only electronic signature method for taxpayers using TaxSlayer software. The ERO may enter the taxpayer's PINs in the electronic return record before the taxpayers sign Form 8879, but the taxpayers must sign and date the appropriate form before the ERO originates the electronic submission of the return. The taxpayer must sign and date the Form 8879 after reviewing the return and ensuring the tax return information on the form matches the information on the return.

Practitioner 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 PIN in TaxSlayer®

- 98765 is defaulted in Office Setup
- The information is pulled from Office Setup to Part III of Form 8879

Form 8453, Transmittal for an IRS E-file Return

Form 8453 will be used to transmit specific supporting documents that can't be e-filed. Those paper forms, schedules and supporting documents include:

- Form 2848, Power of Attorney and Declaration of Representative (or POA that states the agent is granted authority to sign the return)
- Form 8332, Release / Revocation of Release of Claim to Exemption for Child by Custodial Parent (or certain pages from a divorce decree or separation agreement, that went into effect after 1984 and before 2009) (see instructions)
- Form 8949, Sales and Other Dispositions of Capital Assets (or a statement with the same information), if you elect not to report your transactions electronically on Form 8949. Form 8453 is to be mailed to the Austin Submission Processing Center within three business days.

Mail Form 8453 to:

Internal Revenue Service

Attn: Shipping and Receiving, 0254

Receipt and Control Branch

Austin, TX 73344-0254

TIP - Alternatively, a PDF of the attachments can be attached to the electronic return. In that case, no Form 8453 is required. To do this, scan the document to create the PDF. However, only select forms can be uploaded into TaxSlayer.

Quality Review Process

Follow local procedures to request quality review.

ERO Information

Efin: 369258

Company Name: Support

Client Information

Client Name:

Email Address:

Return Information

Type of Return: Mail Payment

Federal Due: \$25,767.00

Tax Preparation Charges:

Preparer Fee: \$0.00

Electronic Filing Fee: \$0.00

Total Fees: \$0.00

☐

Mark Paid

Return Complete: Yes

Form 8879

Taxpayer's Pin: 17890

ERO's Pin: 98765

State Return Information

GA

Due: \$4,231.00

Paper Return

Review/Retransmit Status

☐

Ready for Retransmit

☐

Ready For Review

Approved

Failed

Approved

Set Return Tags

TaxSlayer Basic Quality Review Process

Below is guidance on one method that can be used to conduct a thorough Quality Review using TaxSlayer.

To promote accuracy, per Quality Site Requirement #2: Intake/Interview & Quality Review Process, this process must include an interview with the taxpayer while reviewing Form 13614-C, Intake/Interview & Quality Review Sheet, all supporting documents, and the completed tax return.

The Quality Reviewer should verify the tax return is within the volunteer's certification level. If the tax return does not fall within the appropriate certification level, refer the taxpayer to another IRS tax law-certified volunteer preparer with the appropriate certification level or to another site that prepares returns at that certification level.

In addition, at minimum the Quality Review (QR) process should include:

- Explaining the tax preparation process that includes encouraging questions throughout the interview process
- Verifying all questions in Parts I-VI are completed and "Unsure" answers have been addressed and changed to "Yes" or "No"
- Reviewing all supporting documentation provided by the taxpayer (Forms W-2, 1099, 1095, payment receipts, etc.)
- Validating the accuracy of the filing status and dependency determinations by using the resource tools and, if applicable, completing the volunteer section for individuals listed in Part II; Question 2
- Exercising due diligence by using probing questions to ensure complete information is gathered
- Ensuring the following basic Quality Review concerns are addressed:

1. A complete **Intake/Interview Sheet** was used to prepare this tax return.
2. **Name(s) and SSNs/ITINs** for taxpayer(s) match the supporting documents.
3. **The taxpayer(s) address and Date of Birth** match the Intake/Interview Sheet and have been confirmed with the taxpayer.
4. **Filing status** was correctly determined.
5. **Dependent information** is correctly shown including names, SSNs/ITINs, and DOBs.
6. All **income** indicated on the Intake/Interview Sheet and W-2s/1099s is shown.
7. Any **Adjustments** to Income are correctly reported.
8. The complete return reflects the correct standard deduction unless itemized deductions were used. If **itemized deductions** were used, the Schedule A is complete and accurate based on supporting documents.
9. The **non-refundable credits** are correctly reported, due diligence.
10. All payments from **W-2s and 1099s** and estimated tax payments are correct.
11. The **refundable credits** are correctly reported including the EIC determination based on the information provided, due diligence.
12. If **direct deposit or debit** was elected, information on the return matches the taxpayer's checking/saving account and routing information.

Due Diligence:

All IRS tax law-certified volunteers are required to exercise due diligence. This means, as a volunteer, you are required to do your part when preparing or quality reviewing a tax return to ensure the information on the tax return is correct and complete.

Doing your part includes: confirming a taxpayer's (and spouse, if applicable) identity and providing top-quality service by helping them understand and meet their tax responsibilities.

Generally, as an IRS tax law-certified volunteer, you can rely in good faith on information from a taxpayer without requiring documentation as verification. For more information, refer to Publication 5166, IRS Volunteer Quality Site Requirements.


TaxSlayer Basic Quality Review Process (continued)

Quality Review using TaxSlayer: Start with your TaxSlayer Online User Guide, Review Process, pages 98-107 in printed version.

NOTE: Page numbers may differ from the online version.

Return Open: After return is prepared and still opened by the preparer, select the drop down on the Submission page and click the drop down option next to “Print Return”. The Quality Reviewer may select the “Quality Review 20XX” print set. Although TaxSlayer call these print sets, returns can be viewed without printing using Adobe.

NOTE: A peer-to-peer reviewer may use the “Return Open” process.



Return Closed: If preparer closes return, the Quality Reviewer should select the printer icon drop down list from the Client List page. This list will include the printer options for the Quality Reviewer.



SSN	NAME	PHONE	PREPARER	STATUS
	SARAH PRACTICE	(706) 766-4141	Bob Smith	In Progress

NOTE: A designated reviewer may use the “Return Closed” process.

Selecting Quality Review 2017 print set while return is opened or closed, the Quality Reviewer will be able to review all documents included in the tax return. Compare the IRS Form 13614-C to the embedded TaxSlayer Intake/Interview sheet to verify the documents included in the tax return.

TaxSlayer Basic Quality Review Process (continued)

Below is an example of the TaxSlayer Intake/Interview sheet that encompasses two pages of the TaxSlayer print set.

TAX YEAR: 2016

PROCESS DATE:

CLIENT : 011-00- XXXX JAMES TAXPAYER
SPOUSE : 012-00- XXXX ANNETTE TAXPAYER

BIRTH DATE : 08/05/1957
BIRTH DATE : 01/11/1958

ADDRESS : 1024 FOREST AVENUE
: YOUR CITY, ST, ZIP

PREPARER : 995

Home : (218) 555-1234
Work : -
Cell : -

PREPARER FEE:
ELECTRONIC :
TOTAL FEES :

STATUS : 2
FED TYPE: Electronic Mail
ST TYPE : Regular Tax
E-MAIL : NONE@TAXSLAYERPRO.COM

DEPENDENT NAME	BIRTH DATE	SSN	RELATIONSHIP	MONTHS
TIMMY TAXPAYER	04/06/2010	013-00- XXXX	STEPCHILD	12
JENNY TAXPAYER	11/06/1960	015-00- XXXX	SISTER	10
JULIE TAXPAYER	03/28/1994	014-00- XXXX	DAUGHTER	12

LISTING OF FORMS FOR THIS RETURN

FORM 1040
FORM W-2
FORM W-2G
FORM 1099-R (RETIREMENT DISTRIBUTIONS)
SCHEDULE B (INTEREST/DIVIDEND INCOME)
SCHEDULE C (BUSINESS INCOME)
CAPITAL GAIN TAX WORKSHEET
SCHEDULE EIC (EARNED INCOME CREDIT)
SCHEDULE SE (SELF EMPLOYMENT TAX)
FORM 2441 (CHILD CARE CREDIT)
FORM 8812 (ADDITIONAL CHILD TAX CREDIT)
FORM 8863 (EDUCATION CREDITS)
FORM 8879 (E-FILE SIGNATURE AUTHORIZATION)
FORM 8965 (HEALTH COVERAGE EXEMPTIONS)
STUDENT LOAN INTEREST DEDUCTION WORKSHEET

* QUICK SUMMARY *

SUMMARY	FEDERAL
FILING STATUS	2
TOTAL INCOME	48451
TOTAL ADJUSTMENTS	848
ADJUSTED GROSS INCOME	47603
DEDUCTIONS	12600
EXEMPTIONS	20250
TAXABLE INCOME	14753
TAX	1473
CREDITS	1473
PAYMENTS	3328
OTHER TAXES	1476
EARNED INCOME CREDIT	1238
REFUND	3090
AMOUNT DUE	0

The page above shows:

1. **Name(s) and SSNs/ITINs** for taxpayer(s)
2. **The taxpayer(s) address and Date of Birth** of all persons listed on the tax return
3. **Filing status**
4. **Dependent information** including names, SSNs/ITINs, and DOBs

5. All **income** indicated on the Intake/Interview Sheet and W-2s/1099, etc. is shown
6. Any **Adjustments to Income**
7. **Standard deduction or itemized deductions** were used, showing Schedule A if used
8. **Non-refundable credits** are correctly reported, due diligence
9. Payments from **W-2s and 1099s** and estimated tax payments, etc.
10. **Refundable credits**, including the EIC determination based on the information provided, due diligence
11. If **direct deposit or debit** was elected, viewing the FED TYPE (FED TYPE definitions are available on the VITA/TCE blog using keyword search “return types”)

CLIENT : JAMES TAXPAYER 011-00- XXXX
SPOUSE : ANNETTE TAXPAYER 012-00- XXXX
PREPARER : 995 DATE : 01/10/2018

* W-2 INCOME FORMS SUMMARY *

T/S EMPLOYER	WAGES	FED WITH	FICA	MED TAX	STATE WITH	ST
1. EMPLOYEE 1	18577	728	1152	269	834	MD
TOTALS.....	18577	728	1152	269	834	

* W-2G INCOME FORMS SUMMARY *

	[T/S]	PAYER	GROSS WINNING	FED WITH	STATE WITH ST
1.	T	SEASIDE CASINO	6000	600	300 NJ
		TOTALS.....	6000	600	300

* 1099-R INCOME FORMS SUMMARY *

	[T/S]	PAYER	GROSS DIST	TAXABLE AMT	FED WITH	STATE WITH
1.	T	MASON COUNTY PENS	12250	12250	0	0
		TOTALS.....	12250	12250	0	0

* 1099-MISC INCOME FORMS SUMMARY *

	[T/S]	PAYER	RENTS	ROYALTIES	OTHER INCOME	FEDERAL WITH	NONEMPLOYEE COMPENSATION
1.	T	RICKS HOME CARE	0	0	0	0	8500
		TOTALS.....	0	0	0	0	8500

NOTE: The Quality Review 2017 print set includes many pages. The site has the option, to create a unique print set. To create a unique print set, see TaxSlayer User guide, Configuring Printing, **pages 44-48** in the printed version.

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.

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 one spouse is incapable of signing the joint return and hasn't given someone a POA to sign on their behalf, the other (capable) spouse may be able to sign on behalf of their incapacitated spouse. A statement attached to the return may be required. See Pub 501.

Deceased Taxpayer

TaxSlayer Navigation: Federal Section>Personal Information **PLUS** Federal Section>Miscellaneous Forms>Claim a Refund Due to a Deceased Taxpayer

If a taxpayer died before filing the return, 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 the taxpayer didn't have to file a return but had tax withheld, a return must be filed to get a refund.

If filing a paper return, write "Deceased," the decedent's name, and the date of death across the top of the tax return.

TaxSlayer will automatically note on the top of Form 1040 the decedent's name and date of death.

If the spouse died during the year and the surviving spouse didn't remarry, a joint return can be filed.

If no one has yet been appointed as executor or administrator, the surviving spouse can sign the return for the deceased spouse and enter "Filing as surviving spouse" in the area where the return is signed.

If the spouse died before signing the return, the executor or administrator must sign the return for the deceased spouse.

Form 2848, Power of Attorney and Declaration of Representative is no longer valid because the taxpayer is deceased and therefore, Form 56 or new Form 2848 signed by estate executor or representative must be completed.

Claiming a Refund for a Deceased Person

If a surviving spouse is filing a joint return with the decedent, file the tax return to claim the refund.

Court-appointed representatives should file the return and attach a copy of the certificate that shows their appointment.

All other filers requesting the decedent's refund should file the return and attach Form 1310.

Power of Attorney

1. Read Pub 17 on Power of Attorney & Signatures. For additional details, see Pub 947 and Form 2848 Instructions.
2. See Tab O for TaxSlayer detailed instructions.
3. 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 to a PDF and attach the PDF to the return prior to creating the e-file.

Even when the taxpayer's agent is using a power of attorney different than Form 2848, follow the same process.

Printing the Tax Return

TaxSlayer Navigation: 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, you will click on Save. The program will display the Submission page. From this page click on the drop down arrow, select the appropriate print set, and click on Print Return. Once the PDF is generated you can choose the pages you wish to print and the number of copies you wish.

Distributing Copies of Returns

Taxpayer

- Form 1040 with all forms/schedules including signed Form 8879 and Form 8453, if applicable
- Organize the taxpayer's copy of the return according to the attachment sequence at the top right corner of each form. Any supplemental schedules are put at the end.
- Form 8332, if applicable
- Original Power of Attorney, if applicable
- State forms/schedules, as applicable
- All other taxpayer documents including Form(s) W-2 and Form(s) 1099

ERO

- Form 8453 and attachments

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.

Paper State Return

- Signed state return with all forms and schedules.
- Attach a copy of the federal return if required by state instructions.

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 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.

Balance Due Returns (amount owed on return)

Form 1040, 1040A, or 1040EZ Instructions for additional information)

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 April filing due date, to avoid a failure-to-file penalty.
- There are separate penalties for filing late and paying late. The late filing penalty is higher.
- Advise taxpayers to file the return on time, even if they can't pay the full amount owed. They should pay as much as they can with the return to reduce penalties and interest.

Payment Methods

1. Electronic Funds Withdrawal

E-filing allows taxpayers to file their return early and schedule their payment for withdrawal from their **checking** or **savings** account on a future date up to the **April filing due date**.

2. IRS Direct Pay

IRS direct pay at irs.gov is a free one-time payment from your checking account to the IRS. Use this secure service to pay your tax bill or make an estimated tax payment directly from your checking or savings account at no cost to you. You'll receive instant confirmation that your payment has been submitted. Just follow the easy steps below. Bank account information isn't retained in IRS systems after payments are made.

It takes just 5 easy steps to make a payment:

Step 1	Step 2	Step 3	Step 4	Step 5
Provide your tax information	Verify your identity	Enter Your payment information	Review and electronically sign the transaction	Print or record your online confirmation number

3. Check or money order payments

- Don't attach the payment to the return.
- Refer to instructions on Form 1040V, Payment Voucher.
- Submit the payment with a properly completed Form 1040V.
- No cash payments.

4. Credit card payments

- American Express, Discover, Mastercard, or Visa cards are accepted.
- A convenience fee will be charged by the service providers.
- Visit [IRS.gov/E-pay](https://www.irs.gov/E-pay) or call service provider for details.

1-888-UPAY-TAX™ (1-888-872-9829) 1-877-754-4413 (Customer Service) www.officialpayments.com/fed	1-888-PAY-1040™ (1-888-729-1040) 1-888-658-5465 (Customer Service) www.PAY1040.com	844-872-9829 Payment 855-508-0160 Live Operator Service 844-825-8729
--	--	---

Pointers for Direct Deposit of Refunds

- Using a check or documentation from the financial institution as proof of account, verify:
 - Routing Transit Number (RTN). The RTN must contain 9 digits and begin with 01 through 12 or 21 through 32.
 - Depositor Account Number (DAN). The DAN can be up to 17 characters. Include hyphens but omit spaces and special symbols. Don't include the check number or the dollar amount on canceled checks. On the sample check below, the account number is 20202086.
- Don't use a deposit slip for proof of RTN as this may not be the same RTN used for direct deposit. For direct deposit into a savings account, the taxpayer should obtain a statement from the financial institution to verify the routing and account number for direct deposit. For direct deposit into a checking account, if the taxpayer doesn't have a cancelled check, the taxpayer should also contact their financial institution.
- Entering the incorrect RTN and/or DAN will result in a 4–6 week delay of the refund, or it may go into some else's account. If the direct deposit is voided, a paper check will automatically be mailed to the address on the electronic tax form.
- Double-check the RTN of the financial institution if:
 - You are unfamiliar with the financial institution. (Some types of accounts that exist through brokerage firms can't accept direct deposits.)
 - The RTN is for a credit union, which is payable through another financial institution. The taxpayer should contact his or her credit union for the correct RTN.
- Savings Bonds - Taxpayers can buy U.S. savings bonds with their federal tax refund. Even if the taxpayer doesn't have a bank account or a Treasury account they can elect this option. Taxpayers can make bond purchases for themselves, add beneficiaries or co-owners, and make bond purchases for someone other than themselves. Refer to Form 8888 or www.IRS.gov for more details.
- 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, *Allocation of Refund (Including Savings Bond Purchases)*.



Caution: 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.



Caution: Direct deposit of a taxpayer's refund is to be made to an account (or accounts) only in the taxpayer's name. Advise taxpayers their refund may only be deposited directly into his/her own account(s).

Taxpayer's federal and state refunds can't be deposited into VITA/TCE Volunteer or any associated partners' personal or business bank/debit card accounts.

TONY MAPLE
JENNIFER MAPLE
123 Pear Lane
Anyplace, GA 00000

PAY TO THE
ORDER OF

ANYPLACE BANK
Anyplace, GA 00000

For

1234
15-00000000

DOLLARS

Do not include the check number.

Routing number (line 74b) 250250025

Account number (line 74d) 20202086

1234

Note: To combat fraud and identity theft, IRS permits a maximum of three refunds to be electronically deposited into a single financial account. The fourth and subsequent refunds automatically will convert to a paper refund check and be mailed to the taxpayer.

Balance Due Returns (continued)

5. EFTPS (Electronic Federal Tax Payment System)

Taxpayers can use EFTPS to pay their federal taxes, but they must enroll first. EFTPS is a fast, easy, convenient and secure service provided free by the Department of Treasury. For more information or to enroll visit [IRS.gov/E-pay](https://www.irs.gov/E-pay) or call EFTPS Customer Service at 1-800-316-6541 (for individual payments). TTY/TDD help is available by calling 1-800-733-4829.

Note: You must have a valid Social Security Number (SSN) to use this application. This application can't accommodate Individual Taxpayer Identification Numbers (ITINs)

6. PayNearMe

Through a partnership with OfficialPayments.com and the PayNearMe Company, taxpayers can now make a **cash payment** without the need of a bank account or credit card at more than 7,000 7-Eleven stores nationwide. To find a location near you, visit the [PayNearMe](#) locations

Web page.

Visit the Payments Options Web page on IRS.gov for the most current information about tax payments.

What if the taxpayer can't pay?

- **Can you pay in full within 120 days?** If taxpayers can pay the full amount they owe within 120 days, go to [irs.gov](https://www.irs.gov) to establish your request to pay in full. By doing this, taxpayers can avoid paying the fee to set up an installment agreement.
- **Applying online for a payment agreement.** If the taxpayer's balance due isn't more than \$50,000, the taxpayer can apply online for a payment agreement instead of filing Form 9465. To do that, go to [IRS.gov](https://www.irs.gov) and enter "Online Payment Agreement" or "OPA" in the "Search" box.
- 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 (out of scope).

Offer in Compromise

If the taxpayer can't pay through an installment agreement and/or by liquidating assets, they may be eligible for an Offer in Compromise (offer). An offer is an agreement between the taxpayer and the IRS that settles a tax debt for less than the full amount owed. The IRS may accept an offer if:

- The IRS agrees that the tax debt may not be accurate,
- The taxpayer has insufficient assets and income to pay the amount due in full, or
- The taxpayer has exceptional circumstances and paying the amount due would cause an economic hardship or would be unjust.

The taxpayer can use the Offer in Compromise Pre-Qualifier tool located at [irs.gov](https://www.irs.gov) (key word "offer") to determine if an offer is a realistic option to resolve their balance due. The questionnaire format assists in gathering the information needed and provides instant feedback as to eligibility. To apply for an offer, the taxpayer must read and complete the forms located in the Offer in Compromise booklet, Form 656-B. The Form 656-B, Offer in Compromise, may be found at www.irs.gov (key word "offer").

Balance Due Returns (continued)

How can a taxpayer avoid a balance due in the future?

TIP: The more withholding allowances claimed, the less taxes withheld.

- If the taxpayer didn't have enough withheld from his/her paycheck or pension income and there is an amount owed on the current return:
 - Advise the taxpayer to access the Withholding Calculator at [IRS.gov](https://irs.gov).
 - On the **Form W-4/Form W-4P**, the taxpayer can reduce the number of allowances or request an additional amount to be withheld.
 - Advise the taxpayer to submit a revised **Form W-4** to the employer. For pension income taxpayers should submit a revised **Form W-4P** to the pension payer. **Form W-4V** is used to request withholding from Social Security or 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 advanced premium tax credits, they should notify the Marketplace when they have any significant change to income, family size or a life event.

NOTE: This information only applies to federal balance due returns. For state information, consult the applicable state.

Estimated Tax Payments

TaxSlayer Navigation: Federal Section>Payments & Estimates>Vouchers for Next Year's Estimated Payments; or Keyword: 1040-ES

Estimated Payments for Next Year

First Quarter(April 18, 2017)

\$

Second Quarter(June 15, 2017)

\$

Third Quarter(September 15, 2017)

\$

Fourth Quarter(January 16, 2018)

\$

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.

Cancel

Continue

Vouchers will be generated when the return is printed.

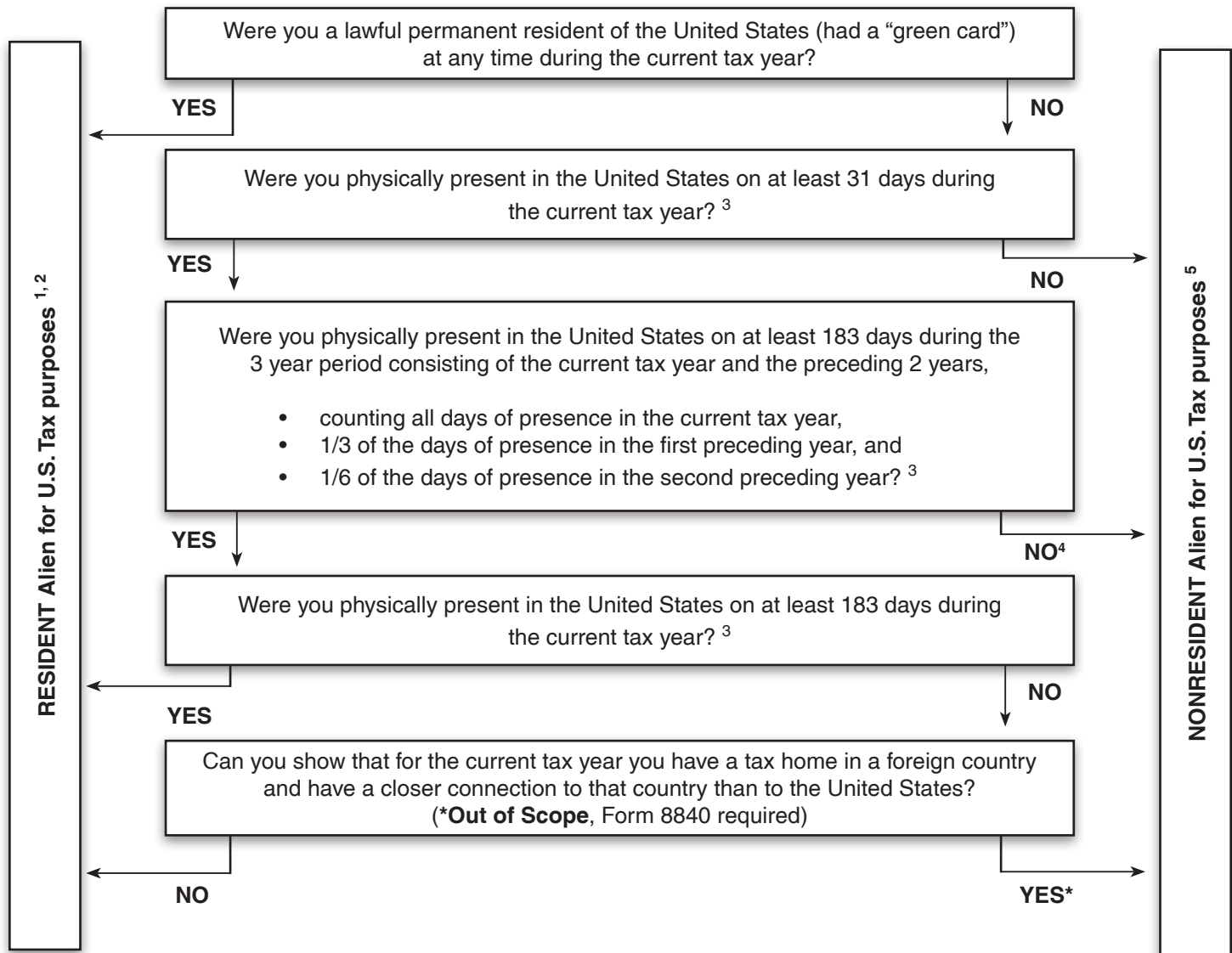
NOTE: When the IRS due date for doing any act from filing a return, paying taxes, etc. falls on Saturday, Sunday, or a legal holiday, the due date is delayed until the next business day.

You don't have to make the payment due January 15, if you file your current tax return by February 16, and pay the entire balance due with your return.

**Tab L: Resident/NR
Alien**

Resident or Nonresident Alien Decision Tree

Start here to determine your residency status for federal income tax purposes



1 If this is your first year of residency, you may have a dual status for the year. See Dual Status Aliens in Pub 519. **(Out of Scope)**

2 In some circumstances you may still be considered a nonresident alien and eligible for benefits under an income tax treaty between the U.S. and your country. Check the provision of the treaty carefully. **(Out of Scope)**

3 See Days of Presence in the United States in Pub 519 for days that do not count as days of presence in the U.S. (Exempt individuals such as students, scholars, and others temporarily in the U.S. under an F, J, M, or Q visa's immigration status do not count their days of presence in the U.S. for specified periods of time.)

4 If you meet the substantial presence test for the following year, you may be able to choose treatment as a U.S. resident alien for part of the current tax year. See Substantial Presence Test under Resident Aliens and First Year Choice under Dual Status Aliens in Pub. 519. **(Out of Scope)**

5 Nonresident students from Barbados, Hungary, and Jamaica, as well as trainees from Jamaica, may qualify for an election to be treated as a U.S. Resident for tax purposes under their tax treaty provisions with the U.S. A formal, signed, election statement must be attached to the Form 1040 (preparation of the statement is **Out of Scope**). (It continues until formally revoked.)

Resident or Nonresident Alien Decision Tree (continued)

If after using the Resident or Nonresident Alien Decision Tree (Page L-1) you have determined a taxpayer is a **Resident Alien** for U.S. Tax Purposes, and does not meet any of the exceptions that would be outside of the scope of the VITA program, select one of the filing statuses listed under the Basic Information Section in TaxSlayer Pro. A Resident Alien is treated like a U.S. Citizen when determining filing status.

If after using the Resident or Nonresident Alien Decision Tree (Page L-1) you have determined a taxpayer is a **Nonresident Alien** for U.S. Tax Purposes, under the Basic Information Section in TaxSlayer Pro, select Nonresident Alien, if you have certified under the Foreign Student and Scholar Module and the taxpayer's circumstances are within the scope of the Foreign Student and Scholar VITA program. **After** selecting the Nonresident Alien filing status, you will be given six (6) choices; Single resident of Canada or Mexico or single U.S. national, Other single nonresident alien, Married resident of Canada or Mexico or married U.S. national, Married resident of South Korea, Other married nonresident alien, or Qualified widower(er) with dependent child. You will only complete a tax return for a Nonresident Alien if you have certified on the Foreign Student and Scholar Module, and at least 1 other person at your site, who is also certified on the Foreign Student and Scholar Module, can quality review the return.

Be sure to have the taxpayer complete Form 13614NR and use Pub 4011 to conduct the Quality Review.

Electronic Filing of Returns with Valid ITIN

TaxSlayer Navigation: Federal Section>Income>W-2; 1040 View Line 7; Keyword "W2"

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) not belonging to that taxpayer.

1. The taxpayer's ITIN must be entered on the personal information screen in the space provided for the taxpayer's, or if applicable, spouse's social security number.
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.

Employee

Whose W-2 is this? *

- ☐ Test Taxpayer
- ☒ Spouse Taxpayer

ITIN SSN *

	-		-	
--	---	--	---	--

Note: ITIN taxpayers requesting to file Forms 1099-R 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 efile these types of returns.

Creating a Temporary TIN when the Spouse and/or Dependent(s) are Applying for an ITIN

TaxSlayer Navigation: Federal Section>Miscellaneous Forms> Application for ITIN Form W-7

TaxSlayer® will not generate temporary ITINs for the taxpayer, spouse and/or dependents on a return if Form W-7 is needed. The ITIN application requires a federal tax return be associated with all Form W-7 applications (with some exceptions as noted in the instructions for Form (W-7). Federal tax returns can't be filed using electronic return preparation software without a TIN (taxpayer identification number). If the taxpayer is working under an erroneous social security number, that social security number should be used only on the W-2.

1. In the TIN field for all individuals needing to complete Form W-7, enter all digits as zeros "0". A return requiring three temporary TINs will be entered as follows:

The spouse's	000-00-0000	Start a return using all digits as zeros "0". Go to Miscellaneous Forms to find the W-7.
The first dependent's	000-00-0000	
The second dependent's	000-00-0000	
2. Select each individual in TaxSlayer®. See Preparing the Return tab, determining the Last Name of Taxpayer. Fill in 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).
3. Print the return package, and provide the return package to the taxpayer to mail with Forms W-7 to the address shown on the Form W-7 instructions.
4. If the taxpayer has a family pack that includes multiple Forms W-7 with one return, or multiple returns with one Form W-7, these forms should be staggered and stapled together to show the entire package as a family pack. This will prevent separation of the forms/returns that could delay the processing time.
5. Have taxpayers mail Form W-7 application(s), all necessary documentation, and tax return or take to a Certified Acceptance Agent (CAA) or local IRS office. **Note: Not all local IRS offices are authorized to process Form W-7 applications. See the list of supporting documentation in the Form W-7 Instructions.**
6. If applicable, prepare a copy of the state return with a copy of the federal return attached. If taxpayers will not owe state taxes, suggest they hold the state return until they receive their official ITIN letter(s) - may take 6-8 weeks - and record the ITINs on the tax returns before mailing.

Note: ITINs will expire if not used within three years.

The following communication products provide information on changes being made to the Individual Taxpayer Identification Number (ITIN) program this year. They are intended for use in raising awareness among taxpayers with a need to file a federal tax return in 2018 but whose ITIN will expire at the end of 2017. The products, available in multiple languages, are offered in electronic format for electronic distribution or for printing.

Publication 5259 (EN-SP), *ITIN Fact Sheet*

This publication is a guide to changes IRS is implementing resulting from the December 2015 PATH Act legislation requiring expiration of certain ITINs. It also covers changes to the use of a passport as a stand-alone document for dependent ITIN applications.

Publication 5256 (EN-SP), *You May Need to Renew Your Expired ITIN*

This publication provides taxpayers quick facts about which ITINs are expiring and how to get more information. It provides three flyers per page and can be printed and cut/separated for use.

Publication 5257 (EN-SP), *Renewing Your ITIN*

This publication is a full page document detailing the facts about expiring ITINs and basic information about how to renew them. There's an electronic version with resource links and a printable version with instructions on how and where to find more information.

Notes

[illegible]

Tab M: Other Returns

Amended Returns

TaxSlayer Navigation: 2017 Amended Return

Cautions:

(1) Protecting Americans from Tax Hikes (PATH) Act of 2015 prevents taxpayers using newly issued ID numbers to retroactively claim refundable tax credits in prior years. For example, someone who filed a tax return under an ITIN and later got an SSN cannot file amended return(s) to claim EITC.

(2) If you must change the filing status, TaxSlayer warns that all state returns will be deleted, so it is imperative to have/print a paper copy of all state returns filed.

Important: Amended returns cannot be electronically filed and must be mailed to the IRS. Direct deposit/debit isn't available for amended returns.

If the original return is not already in TaxSlayer®, you will need a copy of their original return. See “Amending Returns - Original Return Not Created in TaxSlayer” on page M-4.

If the return was created, e-filed, and accepted with TaxSlayer, follow these steps.

A. Pull original tax return amounts to Form 1040X Original column

1. Open the original return in TaxSlayer®.
2. If the return was previously adjusted by the IRS, modify the original return to match the changes the IRS made before opening Form 1040X.
3. To open Form 1040X, open the navigation MENU on the left and click 2017 Amended Return.
4. Where it says **Original Federal Return Information**, select “Begin”.
5. Verify that each “Original Amount” agrees with the taxpayer’s file copy of the return. If the original amounts are not on the TaxSlayer form, manually enter the numbers from the original return.
6. When you have confirmed or entered all amounts from the original return, click “Continue”.

B. Enter corrections and provide explanation of changes in Form 1040X

7. Where it says **Make Corrections for Amended Return**, select “Begin”. Read the instructions and click Continue.
8. If there are any Income changes in the amended return, click “Edit” on the appropriate line to enter the appropriate amount(s) that are dictating the reason for the amended return and click Continue.
9. If there are changes in other sections (like Basic Information, Deductions/Credits, Other Taxes, Health Insurance, etc.), go to that section, make the appropriate entries, and click Continue.
10. When you have finished making amending entries on the federal return, select “2017 Amended Return” at the left navigation MENU.
11. Where it says **Explain Changes**, select “Begin”. Enter the reason(s) for the federal amended return, and click “Continue.”

C. Any Amendments to a State Return

12. **If the state return needs to be amended**, select “Amend State Return(s)”, and click “Begin”. If there are no state changes, skip to the steps for “Print Return ...”
13. Answer state-specific questions and enter amounts from original state return by selecting “+Amend State.” Complete each menu item.
14. Make changes that do not flow from the federal return by selecting “Edit State.” Complete each menu item that changed.
15. When you have completed the necessary entry or entries, click “Continue” until you’re out of the state return and select “2017 Amended Return” on the MENU (at the left).

Amended Returns (continued)

TaxSlayer Navigation: 2017 Amended Return

D. Print Return and assemble the Form 1040X package to be mailed

16. Select **Print Amended Return**, click “Begin”, then “Continue”. On the “Print Results” page click “Print your 2017 Tax Return”.
17. In the pdf of the return, examine Column A to verify all lines from the original Form 1040 have transferred. Next, examine Column B to verify that the amendment change(s) you entered appear on the correct line(s) of the column. Then verify that the amount(s) on line(s) changed appear in the correct total amount(s) of these lines in Column C.
18. Verify the correct amount overpaid or owed on Lines 18 or 20, respectively, are shown. On page 2, verify that any changed exemption and dependent information is correct and that appropriate boxes are checked for qualifying children eligible for Child Tax Credit.
19. 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.
20. Ask a Quality Reviewer to double-check everything done for the amended return.
21. Print the following copies of tax forms (If a state amendment is not needed, skip state forms)

	<u>Total</u>	<u>IRS</u>	<u>State</u>	<u>Taxpayer</u>
1040X	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

22. For an amended return, form 1040X is the voucher if a balance is due. The taxpayer should simply enclose a check with it — and not use the printed inaccurate voucher.
23. Verify the state voucher amount (if used for your state) and that state amended return requirements are met.
24. Have taxpayers sign the 1040X and the state amended return and initial any handwritten entries. Use pre-addressed envelopes. Advise taxpayer that amended return should not be filed until all refunds have been received or by April due date for a current year amended return. **Remind taxpayers to enclose payment – if payment is due.**
25. Attach any new or corrected documents (like a late 1099-R). Do not attach the original return.
26. If responding to a notice from the IRS, send the federal amended return to the address shown in the notice. If not, use the address in 1040-X Instructions.

Amended Returns (continued)

- ☐ Check here to enter your originally filed exemption amounts for yourself, spouse, and dependent(s).
- ☐ Check here if the Address has changed from your last filed return and you would like the IRS to change it in their records.
- ☐ Check here if you did not previously want \$3 to go to the Presidential Election Campaign Fund but now want it to.
- ☐ Check here if your spouse did not previously want \$3 to go to the Presidential Election Campaign Fund but now want it to.

Follow the prompts to Cancel or Continue

- ☒ Check here to enter your originally filed exemption amounts for yourself, spouse, and dependent(s).

Exemptions: If you filed Form 1040 or 1040A, these figures can be found at the far right of line 6. If you filed Form 1040EZ, enter 1 if single or 2 if Married Filing Joint. [click here.](#)

Yourself and spouse

Your dependent children who lived with you

Your dependent children who did not live with you due to divorce or separation

Other dependents

Deductions for Exemptions

- ☐ Check here if the Address has changed from your last filed return and you would like the IRS to change it in their records.
- ☐ Check here if you did not previously want \$3 to go to the Presidential Election Campaign Fund but now want it to.
- ☐ Check here if your spouse did not previously want \$3 to go to the Presidential Election Campaign Fund but now want it to.

Follow the prompts to Cancel or Continue

Amending Returns

Original Return Not Created in TaxSlayer

1. Create the complete amended return (federal and state) in the program the way it should be currently with the changed information (**NOT how it was originally submitted and accepted**).

- For a very simple return, create the correct return as you normally would have. Also create a correct state return.
- For a more voluminous return, instead of entering every document, you can add them together to eliminate much of the typing. Because this will be a paper return, much of the information that goes with an e-filed return is not necessary. EINs, business addresses, etc. can be eliminated or dummy entries made.
- If the return contains multiple copies of income documents, you can add them together and enter the totals. For example, ...
- If there are several W-2s, choose one EIN (needed solely to satisfy TaxSlayer), then enter the total from all Box 1s, the total from all Box 2s, and the totals from any other boxes that will affect the tax return (generally 7, 8, 10, 12, 13, and 17).
- Do the same for 1099-INTs (separating taxable from tax-exempt interest), 1099-DIVs (separating ordinary dividends from qualified dividends), and 1099-Rs (separating by Box 7 codes)
- Schedule C's that are not being changed can be created using just the net profit as the total income.
- Schedule D's that are not being changed can be created using one transaction for long term and one for short term transactions, entering the net gain as the sales price with no basis.
- Enter information for adjustments and credits

2. In the e-File section, select "Paper" for federal and state.

3. Go to the Amended Return Section and select "**Original Federal Return Information.**" Click Begin, and enter the return data from the original return.

4. When you have confirmed or entered all amounts from the original return, continue with step 6 on page M-1 and complete the remaining steps.

Prior Year Returns

TaxSlayer Navigation: Tax Year 20XX Returns>Create Prior Year

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 level 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 3 years prior to the current tax year.
- A **current** year Form 13614-C must be completed for **each** prior year and will be used to determine the scope and certification level of each return.
- Taxpayers with out-of-scope returns should be advised to seek assistance from a paid tax preparer.
- Assign prior year returns to experienced volunteers if at all possible.
- Direct deposit or debit isn't available for prior year returns. IRS will mail refund checks to the address on the prior year return.

Caution: Taxpayers can't retroactively claim some tax credits with newly issued ID numbers.

As of December 2015, taxpayers can no longer:

- File a prior year return claiming EITC on the basis of newly issued social security numbers (SSNs) for themselves and/or qualifying dependent(s).
- File a prior year return claiming American Opportunity Tax Credit on the basis of newly issued SSNs, Individual Taxpayer Identification Numbers (ITINs) or Adoption Taxpayer Identification Numbers (ATINs) for themselves and/or qualifying student(s).
- File a prior year return claiming Additional Child Tax Credit on the basis of newly issued SSNs, ITINs, or ATINs for themselves and/or qualifying child.

Technical resources:

The following tools are useful resources:

- Prior year return tax preparation software.
 - TaxSlayer Pro® Online users can access the prior year software from the home page.
 - 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 Publications 17 and 4012 and volunteer quality alerts/volunteer tax alerts (available on irs.gov)
- Forms 13614-C from prior years are helpful. Sites may keep hard copies or rely on electronic copies.
- Taxpayer's Wage and Income Transcripts from their IRS records are extremely useful.

Note: For transcripts, taxpayers can go to irs.gov/individuals/Get-Transcript, register, and secure transcripts online if they have email and can comply with enhanced verification. Taxpayers can also request transcripts to be mailed to the address on file and takes 5 to 10 calendar days for delivery. In addition, taxpayers can request a transcript via Form 4506-T, or by calling 1-800-908-9946.

- Prior year publications and instructions to forms and schedules are available on www.irs.gov.
- Use the online tool Interactive Tax Assistance (ITA) for answers to many current and prior year tax law questions. ITA is available on www.irs.gov.

Prior Year Returns (continued)

TaxSlayer Navigation: Tax Year 20XX Returns>Create Prior Year

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 at Tab P, “Where to File” page. Also, refer to Tab K 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 for the applicable tax year and review the “What’s New” section.

What if a site cannot prepare a requested prior year return?

If possible, refer the taxpayer to other VITA/TCE sites that offer prior year return service. Otherwise, advise the taxpayer to seek assistance from a paid tax preparer. (**Note:** Don’t refer taxpayers to their local IRS Tax Assistance Center because they no longer prepare tax returns for individuals.)

Filing for an Extension Using TaxSlayer®?

TaxSlayer Navigation: Federal Section>Miscellaneous Forms>Application for Extension Form 4868;
Keyword “4868” or “EXT”

Form 4868 - Application for Extension

How To File Your Extension

1. Enter your Information: Fill out all of the information in the “Required Extension Information” section below. Click “Continue”.
2. E-File Your Extension: Start by selecting efile 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). Complete the extension e-file process. You should get an acknowledgement regarding your extension (whether the IRS accepted or rejected it) by email within the 24-48 hours of filing.
3. Pay the 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. You will then enter your banking information, the date you would like the transaction to take place and re-enter the amount to pay for confirmation. When you submit your extension, the withdrawal information will be sent.
 - b. Pay by Credit Card: You can use your credit card and pay by phone by contacting one of the IRS approved service providers.
 - c. Mail in your payment with your Form 4868: The form will print with your draft tax return. Mail the form with your payment by check or money order.

Miscellaneous Forms	
Injured Spouse Form Form 8379	Begin
Claim a Refund Due to a Deceased Taxpayer Form 1310	Begin
Application for Extension Form 4868	Edit
Married Filing Separately Allocations Form 8958	Begin
IRS Identification Pin	Begin
Installment Agreement Form 9465	Begin

[← Back to Payments & Estimates](#)[Continue to Health Insurance](#)

Required Extension Information	
Tax Information	
Tax Liability	\$
Tax Payments	\$
Amount Paid with Extension	\$

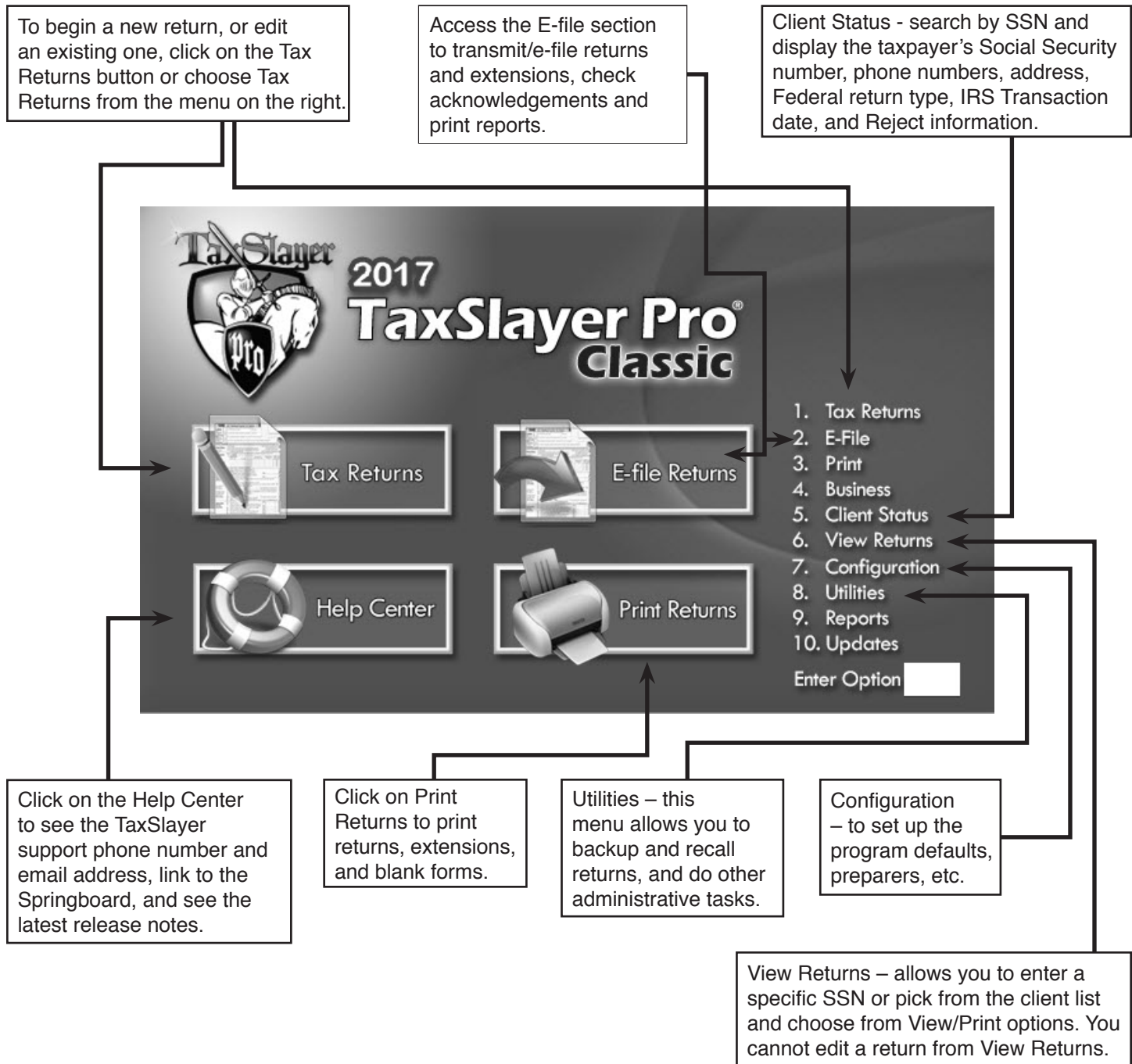
[Go to Extension Payment](#)[Cancel](#)[Continue](#)

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**Tab N: Using
TaxSlayer® Desktop**

Navigating TaxSlayer Pro Classic (Desktop)



Navigating TaxSlayer Pro Classic (Desktop)

- continued

The toolbar appears at the top of the screen throughout the program, although some icons may not appear on all screens:

The diagram illustrates the TaxSlayer Pro Classic desktop interface, showing the main toolbar and a secondary menu. Callouts provide detailed instructions for various icons and menu items.

Main Toolbar Icons and Callouts:

- HELP button:** Takes you to the TaxSlayer desktop knowledge base. You can search by category or keyword. **Requires an internet connection.**
- Client Status 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.
- Check Message Center icon:** Check the Message Center.
- IRS Publications icon:** Brings up a link to IRS publications, forms and instruction. **Requires an internet connection.**
- Exit icon (X):** To exit the TaxSlayer program, simply click the "x" in the upper right corner. You will NOT be asked to confirm.

Secondary Menu (File) Callouts:

- File menu:** To switch users, click on File in the upper left corner, then Logoff User. You'll get a new login screen.
- Logoff User:** To switch users, click on File in the upper left corner, then Logoff User. You'll get a new login screen.
- Close:** Display a list of existing returns – click on one to select without having to display the entire client list.
- Previous Returns:** Brings up the extension menu, where you can create or select an extension.

Other Callouts:

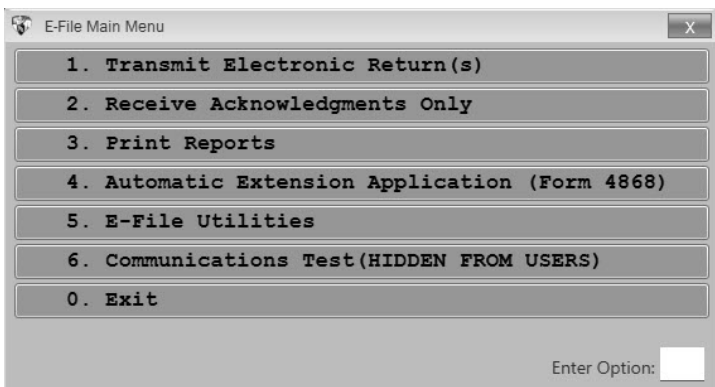
- 4868 icon:** View rejected returns.
- REJECTED icon:** View rejected returns.
- Notes icon:** The Notes icon is only visible inside the return – click here to add a note to the tax return.
- User Name:** The current User Name appears in the upper right corner of the screen throughout the program.

Navigating TaxSlayer Pro Classic (Desktop)

- continued

From the Desktop landing page: for more details, see the TaxSlayer Pro Desktop User Guide

E-file Main Menu



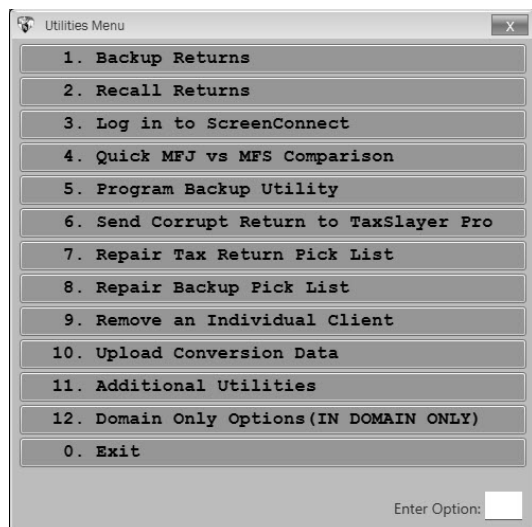
E-File Main Menu

1. Transmit Electronic Return(s)
2. Receive Acknowledgments Only
3. Print Reports
4. Automatic Extension Application (Form 4868)
5. E-File Utilities
6. Communications Test (HIDDEN FROM USERS)
0. Exit

Enter Option:



Utilities Main Menu

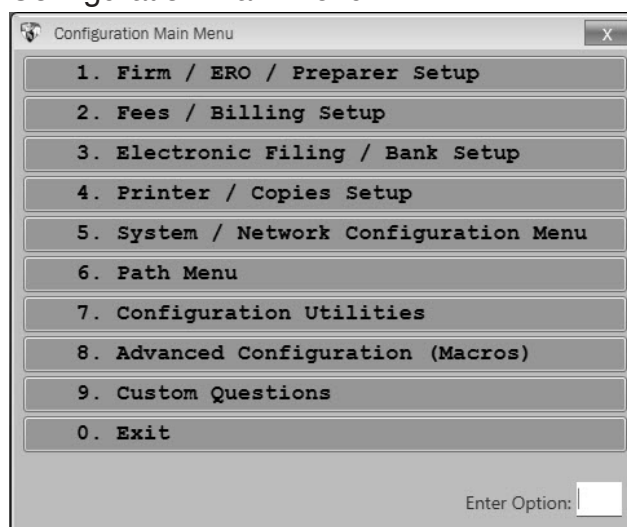


Utilities Menu

1. Backup Returns
2. Recall Returns
3. Log in to ScreenConnect
4. Quick MFJ vs MFS Comparison
5. Program Backup Utility
6. Send Corrupt Return to TaxSlayer Pro
7. Repair Tax Return Pick List
8. Repair Backup Pick List
9. Remove an Individual Client
10. Upload Conversion Data
11. Additional Utilities
12. Domain Only Options (IN DOMAIN ONLY)
0. Exit

Enter Option:

Configuration Main Menu



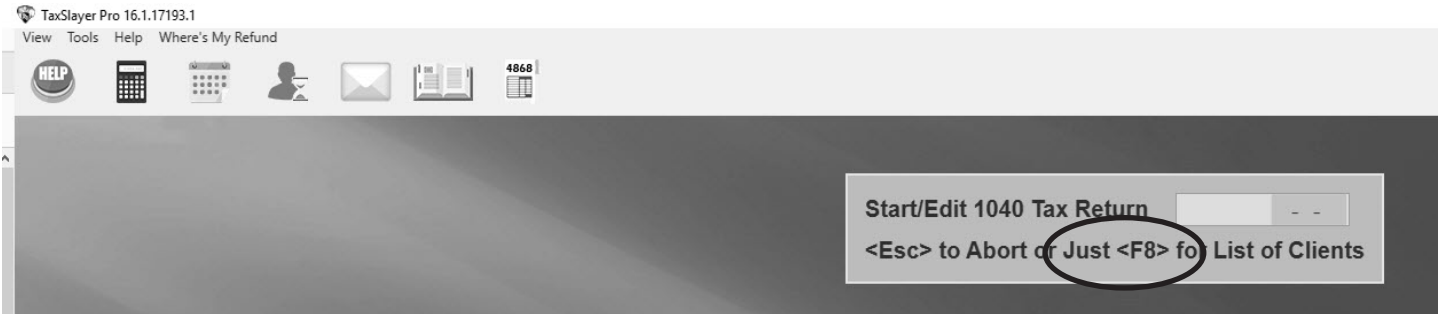
Configuration Main Menu

1. Firm / ERO / Preparer Setup
2. Fees / Billing Setup
3. Electronic Filing / Bank Setup
4. Printer / Copies Setup
5. System / Network Configuration Menu
6. Path Menu
7. Configuration Utilities
8. Advanced Configuration (Macros)
9. Custom Questions
0. Exit

Enter Option:

Start a New Return

To start a new return from scratch, enter a SSN. To see a list of existing returns, hit the F8 key. The ESC key will take you back to the starting menu.



From the client list, you can start a new return by entering the SSN here:

Create a Return or Select a Client to Edit

Enter Taxpayer's SSN to start or select a return: [---]

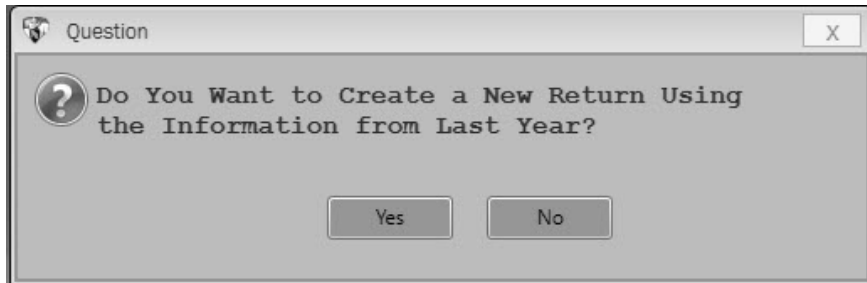
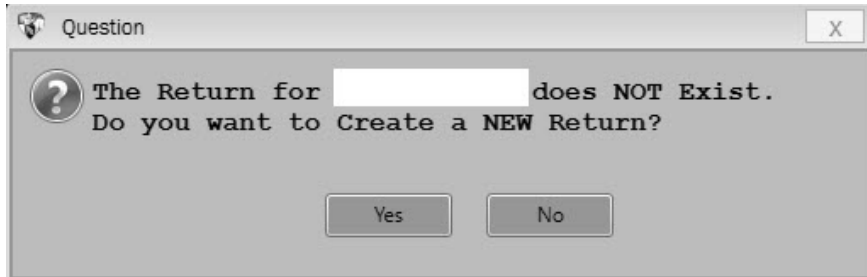
Right click on a client row to access return notes.

First Name	Last Name	Suf	Spouse First	Telephone	Type	Preparer	Complete	Refund/I
				() -	Elf Mail	349162	<input type="checkbox"/>	95
		LINDA		(256)	Dir Deb	2	<input checked="" type="checkbox"/>	4478
		FHDF		(706)	Paper	0	<input type="checkbox"/>	1149
		BARBARA		(757)	Elf Mail	12	<input checked="" type="checkbox"/>	718
		YESENIA		(787)	Dir Deb	26	<input checked="" type="checkbox"/>	129
				(805)	Elf Mail	995	<input checked="" type="checkbox"/>	1043
				(404)	Dir Depos	995	<input checked="" type="checkbox"/>	1275
		MABLE		(251)	Elf Mail	995	<input checked="" type="checkbox"/>	1609
				(757)	Dir Depos	995	<input checked="" type="checkbox"/>	5073
				(256)	Elf Mail	333	<input checked="" type="checkbox"/>	855

Clear Filters Print Export Total: 38

Start a New Return (continued)

To start a new, type in the SSN – if the return does not exist, it will ask if you're ready to start a new one. If the prior year exists on this computer, it will ask if you want to pull the information from last year:



General input tips:

If there is no Cancel button, hit the ESC key to get out of a single-entry screens

Desktop TaxSlayer expects you to enter rounded dollar figures. Some fields (like Wages in a W-2) will round for you if you enter a decimal point, but many others (like dividends) don't allow the decimal to be entered. The program gives you a warning as your start the return.

Short Term Loss Carryover from 2015:

The Entire TaxSlayer Pro Program Requires Whole Dollar Entries Only. You Must Round Everything to the Nearest Whole Dollar. (Whole Dollar Amount Example: 1200 NOT 1200.49)

Form 1040

You can go to a return section by clicking on the menu on the upper left, or use the hot links from the specific lines of the 1040

The 1040 View page displays the return, with personal info on top, including the TP and SP age next to DOBs. Scroll down to see page 2 of the Form 1040.

Form 1040 Federal Amount Due=\$1,513 No State

Summary Information

Phone 1 706-555-1234 Effective Tax Rate: 11.47 %
Phone 2 - - Total Time in Return : 00:02
Phone 3 - - Current Preparer Fees: \$0.00
Federal Type: Regular Tax
States:

Taxpayer
DOB 07/20/1987 Age : 29
Spouse

Form 1040 Department of the Treasury—Internal Revenue Service (99) **2016** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2016, or other tax year beginning , 2016, ending , 20

Your first name and initial **TAXPAYER** Last name **EXAMPLE** See separate instructions.
Your social security number **XXX-XX-0000**

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

Home address (number and street). If you have a P.O. box, see instructions. Apt. no.
1234 MAIN ST **▲** Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).
EVANS, GA 30809 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

Foreign country name Foreign province/state/county Foreign postal code

Filing Status

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

Check only one box.

Exemptions

6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6a
b ☐ Spouse

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If child under age 17 qualifying for child tax credit (see instructions)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than four dependents, see instructions and check here ☐

d Total number of exemptions claimed

Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	23500
8a	Taxable interest. Attach Schedule B if required	8a	30
b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	5
b	Qualified dividends	9b	5

Attach Form(s) W-2 here. Also attach Forms

Diagnostic Warnings

* There is a Balance DUE on the Federal return, is Form 2210 required? For more information, select Help Guide at the top of the Payments, Estimates, EIC Menu.

You can click on Form Finder on the lower left side to open a new form, or open an existing for by clicking on it in the Completed forms list

Diagnostics are displayed across the bottom.

Desktop Sub-menus

Personal Information Menu

1. Name & Address
- >>2. Dependents & Qualifying Children
3. Filing Status.....[1]
4. Preparer Code.....[1]
- >>5. Other Categories
6. Full-year minimum essential health care coverage?.[YES]
7. Health Insurance through the Marketplace/Exchange?.[NO]
0. Exit

Enter Option:

Income Menu

<<1. Wages, Salaries, Tips (W-2).....	[23500]
>>2. Interest or Dividends (Sch B, 8815).....	[35]
3. Interest or Dividends (Less than \$1500).....	[0]
4. State & Local Refunds (1099-G Box 2).....	[0]
5. Alimony Received.....	[0]
6. Business Income/Loss (Sch C, C-EZ, 1099MISC).....	[0]
>>7. Capital Gain/Loss(Sch D).....	[5]
8. Installment Sale (6252).....	[0]
9. Other Gains/Loss (4797, 8824).....	[0]
10. IRA/Pension Distributions (1099R, RRB-1099-R).....	[0]
11. Rents, Royalties, Entities (Sch E,K-1,4835,8582).....	[0]
12. Farm Income (Sch F).....	[0]
13. Unemployment Compensation (1099-G Box 1).....	[0]
14. Social Security Benefits (1099-SSA, RRB-1099).....	[0]
15. Other Income (W-2G, 2555).....	[0]
* 16. Total Income.....	[23540]
17. Form 1099-MISC	
0. Exit	

Enter Option:

1. Personal Information
2. Income Menu
3. Adjustments Menu
4. Itemized Deductions Menu
5. Tax Computation Menu
6. Credits Menu
7. Other Taxes Menu
8. Payments, Estimates & EIC
9. Miscellaneous Forms
10. State Return
11. View Results
12. Mark Return Electronic
13. Custom Questions
14. Diagnostic Warnings

Tax Computation Menu

* 1. Tax.....	[1513]
2. Income Averaging for Farmers & Fishermen (Sch J).....	[0]
3. Tax for Children Under Age 18 (8615).....	[0]
4. Child's Interest and Dividends (8814).....	[0]
5. Tax on Lump-Sum Distribution (4972).....	[0]
6. Tax from Recapture of an Education Credit.....	[0]
0. Exit	

Enter Option:

Adjustments Menu

1. Educator Expenses.....	[0]
2. Business Expenses of Reservists (2106).....	[0]
3. Health Savings Account Deduction (8889).....	[0]
4. Moving Expenses (3903).....	[0]
* 5. One Half of Self Employment Tax.....	[0]
6. SEP, SIMPLE & Qualified Plans.....	[0]
7. Self-Employed Health Insurance.....	[0]
8. Penalty on Early Withdrawal of Savings.....	[0]
9. Alimony Paid.....	[0]
10. Traditional IRA Deduction (Not Roth IRA).....	[0]
11. Nondeductible IRAs (8606)	
12. Student Loan Interest Deduction.....	[0]
13. Tuition and Fees Deduction (8917).....	[0]
14. Domestic Production Activities (8903).....	[0]
15. Medical Savings Account Deduction (8853).....	[0]
16. Other Adjustments.....	[0]
* 17. Total Adjustments.....	[0]
0. Exit	

Enter Option:

Credits Menu

1. Foreign Tax Credit (1116).....	[0]
2. Child & Dependent Care Expenses Credit (2441).....	[0]
3. Credit for the Elderly or the Disabled (Sch R).....	[0]
4. Education Credits (8863).....	[0]
5. Retirement Savings Credit (8880).....	[0]
6. Child Tax Credit.....	[0]
7. General Business Credit (3800).....	[0]
8. Residential Energy Credits (5695).....	[0]
9. Mortgage Interest Credit (8396).....	[0]
10. Prior Year Minimum Tax Credit (8801).....	[0]
11. Adoption Credit (8839).....	[0]
12. DC First-Time Homebuyer Credit (8859).....	[0]
13. Credit to Holders of Tax Credit Bonds (8912).....	[0]
14. Qualified Electric Vehicle Credit (8834).....	[0]
* 15. Total Credits.....	[0]
0. Exit	

Desktop Sub-menus (continued)

Other Taxes Menu

1. Self Employment Tax (Sch SE).....[	0]
2. Alternative Minimum Tax (6251).....[	0]
3. Social Security & Medicare Tax on Tips (4137).....[	0]
4. Uncollected SS & Medicare Tax (8919).....[	0]
5. Tax on Early Distribution (5329).....[	0]
6. Household Employment Tax (Sch H).....[	0]
7. First-Time Homebuyer Credit Repayment.....[	0]
8. Health Coverage Exemptions / Responsibility Payment (8965)[	0]
9. Other Taxes.....[	0]
10. NQDC Interest determined under section 409A(a)(1)(B)(ii) ..[	0]
0. Exit	

Enter Option:

Payments, Estimates, & EIC Menu

1. Estimated Payments Made for 2016.....[	0]
* 2. Estimated Payments from K-1.....[	0]
3. State Estimated Payments.....[	0]
4. Other Federal Withholdings (Form 1099[ ]).....[	0]
5. Other State Withholdings.....[	0]
6. Earned Income Credit.....Sch EIC.....[	0]
7. Additional Child Tax Credit.....8812.....[	0]
8. Amount Paid With Extension.....4868.....[	0]
9. Excess FICA & Medicare Tax.....[	0]
10. Shareholders LT Gains.....2439.....[	0]
11. Federal Tax Paid on Fuels Credit....4136.....[	0]
12. Health Coverage Tax Credit.....8885.....[	0]
13. Apply Refund.....[	0]
14. Direct Deposit Information	
15. Generate 2017 Estimates.....1040-ES	
<<16. Payment Voucher.....1040-V.....[	0]
17. Underpayment of Estimated Tax.....2210.....[	0]
18. Farmers Underpayment of Tax.....2210-F.....[	0]
19. Virgin Islands Tax Allocation.....8689.....[	0]
20. IRC 1341 Repayment Amount.....[	0]
21. Premium Tax Credit (PTC).....8962.....[	0]
0. Exit	

Enter Option:

1. Personal Information
2. Income Menu
3. Adjustments Menu
4. Itemized Deductions Menu
5. Tax Computation Menu
6. Credits Menu
7. Other Taxes Menu
8. Payments, Estimates & EIC
9. Miscellaneous Forms
10. State Return
11. View Results
12. Mark Return Electronic
13. Custom Questions
14. Diagnostic Warnings

Select Form/Schedule to View

Description
0. Exit
1. Quick Summary
2. Print Return
3. Print Selected Forms/States
4. Prior Years Comparison
5. Form 1040
6. Form 1040A
7. Schedule A
8. Schedule A State & Local General Sales Tax Worksheet
9. Schedule B
10. Capital Gain Tax Worksheet
11. Why No EIC Calculated
12. Form 2441
13. Form 8879
14. Child Tax Credit Worksheet
15. Schedule 8812
16. Form 8867
17. Form W-2
18. Cover Page
19. Client Invoice
20. Client Letter
21. Privacy Letter
22. Client Form Listing Summary

Ok Cancel

Miscellaneous Forms Menu

1. Amended Return (1040X)
2. Claim Refund Due a Deceased Taxpayer (1310)
3. Injured Spouse Allocation (8379)
4. MFJ vs MFS Comparison
5. MFS Allocation for Community Property States (8958)
6. Net Operating Loss Worksheet / Form 1045
7. Installment Agreement Request (9465)
8. Automatic Extension Form (4868)
9. Power of Attorney Form (2848)
10. Information to Claim EIC after Disallowance (8862)
11. Notes / Statements
>>12. Forms 4810, 8082, 8275, 8594, 8821, 8840, 8843, 8854, 8857, 8938
13. Application for ITIN (W-7)
14. 1040 Override
15. Enter Prior Year(s) Data for Comparison
16. Send Client's Corrupt Return
17. Preparer Explanation for Not E-Filing (8948)
0. Exit

Enter Option:

E-File Menu

1. Return Type...: Direct Debit
2. Signature Authorization: 8879
3. Electronic Payment
4. Other E-File Information
5. To Remove From E-Filing
0. Exit

Enter Option:

View Form Option

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. The F2441 is one place where you can get a quick view of a single form.

Click on the magnifying glass icon and a facsimile of the Form 2441 will open in a new window.

View Tools Help Where's My Refund

SSN: 451-00-2222 Client: NEW & MISSUS RETURN Federal Type: Regular Tax / R

Form 2441 - Child Care Credit Information Menu

1. Amount Paid to Child Care Providers.....	[9500]
2. Number of Qualifying Persons.....	[3]
3. 2016 Qualified Expense You Incurred/Paid.....	[9500]
4. Taxpayer's Earned Income.....	[13231]
5. Spouse's Earned Income.....	[11500]
6. Employer-paid Dependent Care Benefits.....	[0]
7. Carryover Amount, if Any.....	[0]
8. Forfeited Amount, if Any.....	[0]
9. Include Combat Pay for Earned Income for.....	[]
10. Remove Form 2441	
0. Exit	

Enter Option:

Form **2441** Child and Dependent Care Expenses

Department of the Treasury Internal Revenue Service (IRS)

OMB No. 1545-0074

2016

Attachment Sequence No. 21

Your social security number 1-0000

Part I Persons or Organizations Who Provided the Care—You must complete this part. (If you have more than two care providers, see the instructions.)

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)
	DAY CARE	1234 MAIN ST EVANS GA 30809	87-8787878	5000

How to Use the Calculator

Click on the small Calculator right of the input field to bring up a calculator screen.

Press F10 to Create Supporting Notes

Amount Paid to Doctors, Dentists, Eye Doctors, etc.:

Calculator

100.00 ^
=
235.00
+
235.00
=
470.00 v

Clear Tape Print Tape

470.00

Decimal Places
☒ Two ☐ Six
☐ Four ☐ Eight

CarryBack BkS

C 7 8 9 /
MC 4 5 6 x
MR 1 2 3 -
MS 0 . = +

Use the calculator to total amounts for a particular entry, then click "Carryback" to bring the total back to the entry field.

Press F10 to Create Supporting Notes

Amount Paid to Doctors, Dentists, Eye Doctors, etc.: 0

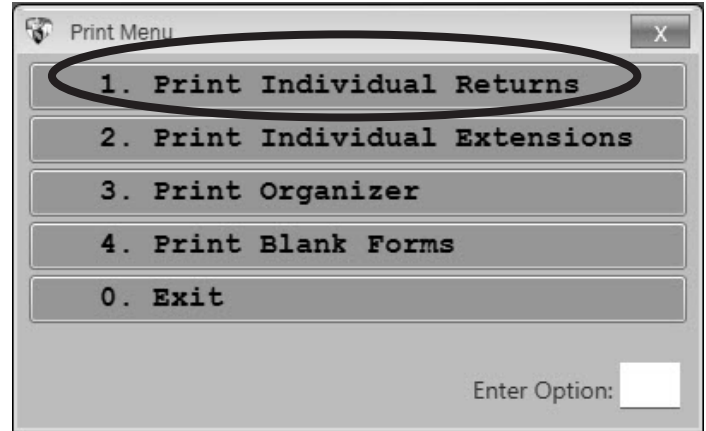
Printing from Desktop

There are many different print settings available. If you are not able to print the way you would prefer, ask your site coordinator to check the Printer settings in Configuration.

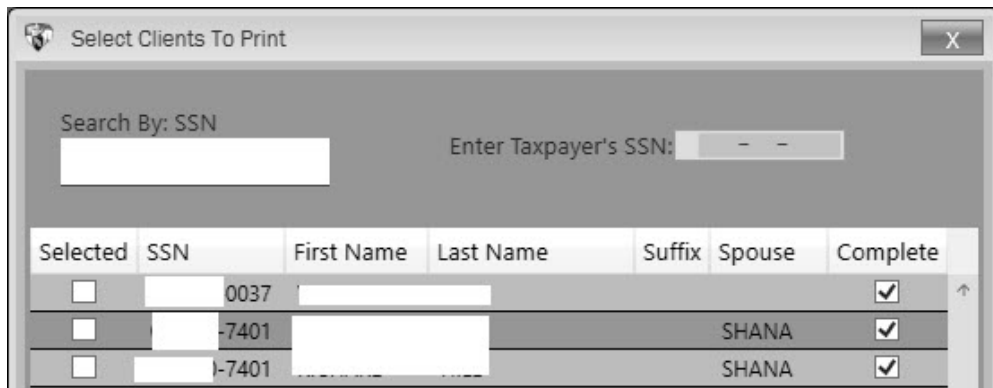
Print from the main menu by clicking on the Print button or selecting from the menu at the right:



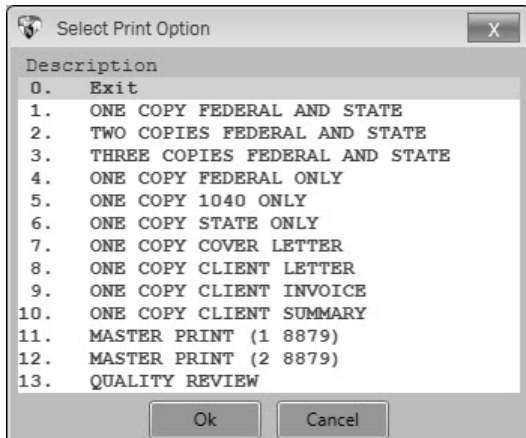
Choose what you want to print:



Pick one or more returns from the list or enter an SSN:



Choose your print package:



Click on Print Selected at the bottom of the return list to generate the prints:

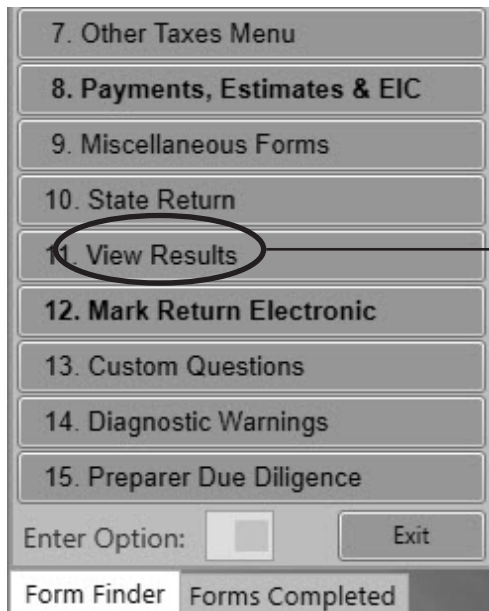


Printing from Desktop (continued)

There are many different print settings available. If you are not able to print the way you would prefer, ask your site coordinator to check the Printer settings in Configuration.

Print from inside the return:

- Select View Results from the menu on the upper left side.
- Select the form you wish to print.
- You'll also be offered a chance to print the return when you mark it Complete in the Electronic Return section



7. Other Taxes Menu

8. Payments, Estimates & EIC

9. Miscellaneous Forms

10. State Return

11. View Results

12. Mark Return Electronic

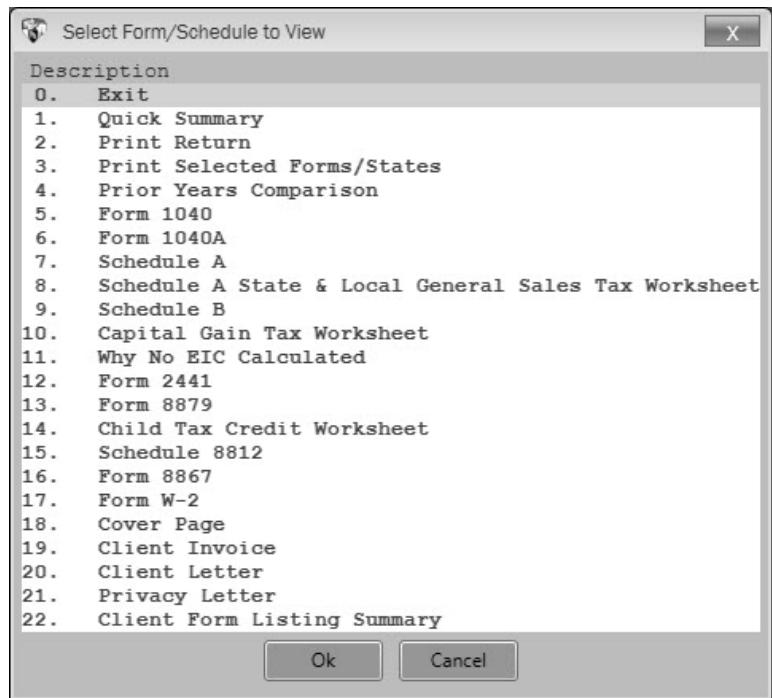
13. Custom Questions

14. Diagnostic Warnings

15. Preparer Due Diligence

Enter Option:

Form Finder Forms Completed



Select Form/Schedule to View

	Description
0.	Exit
1.	Quick Summary
2.	Print Return
3.	Print Selected Forms/States
4.	Prior Years Comparison
5.	Form 1040
6.	Form 1040A
7.	Schedule A
8.	Schedule A State & Local General Sales Tax Worksheet
9.	Schedule B
10.	Capital Gain Tax Worksheet
11.	Why No EIC Calculated
12.	Form 2441
13.	Form 8879
14.	Child Tax Credit Worksheet
15.	Schedule 8812
16.	Form 8867
17.	Form W-2
18.	Cover Page
19.	Client Invoice
20.	Client Letter
21.	Privacy Letter
22.	Client Form Listing Summary

Personal Information

If the spouse or dependent 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

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

Personal Information Entry

Taxpayer's Information

Name: [] [] [] SSN: [-] [-] [-]

Date of Birth: [/] [/] [/] Occupation: []

Spouse's Information

Name: [] [] [] A=Applied, N=NRA or SSN: [-] [-] [-]

Date of Birth: [/] [/] [/] Occupation: []

U.S. Address

Check for Foreign Address ☐

Street Address: [] Apt: []

Zip Code: [-]

City/Post Office: [] State: []

Phone 1: [()] [-] Phone 2: [()] [-] Phone 3: [()] [-]

E-Mail: []

Ok Cancel

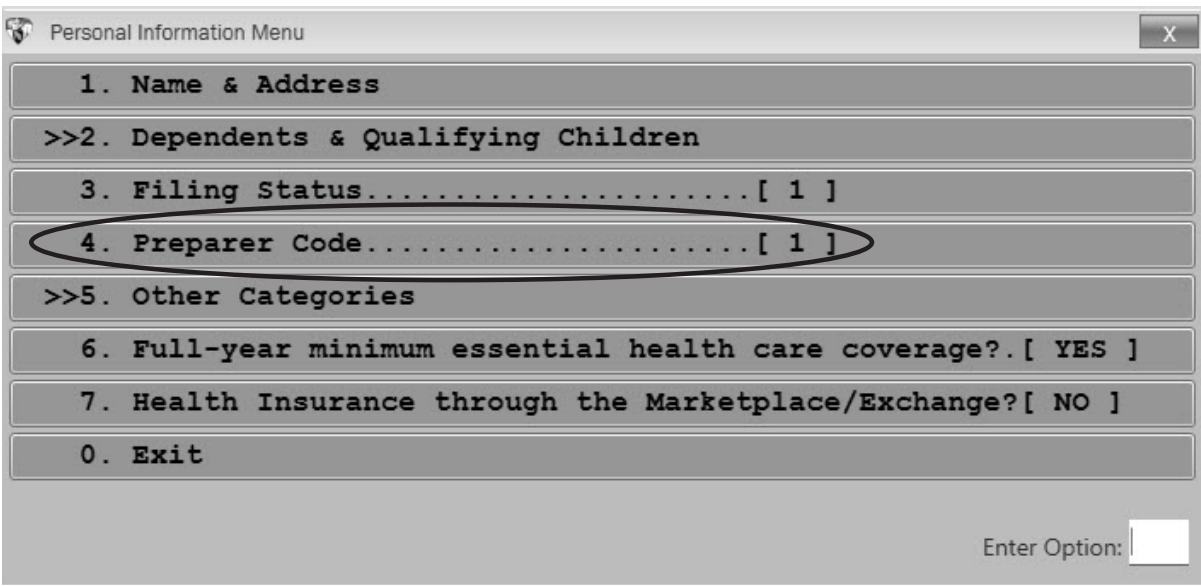
Enter "N" for the spouse's SSN if they are a non-resident alien without an ITIN.
Enter "A" for the spouse's SSN if the spouse has applied for an SSN or ITIN, but not yet received it.
Form W-7 can be added to the return from the Miscellaneous Forms menu if the TP or spouse needs to apply for an (or renew) an ITIN. The W-7, the completed tax return and all supporting documents must be submitted together.

CAUTION: Without an SSN or ITIN, the return can NOT be e-filed, but you can enter the rest of the 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.

Personal Information (continued)

Preparer Code identifies the preparer by number.



Personal Information Menu

- 1. Name & Address
- >>2. Dependents & Qualifying Children
- 3. Filing Status.....[1]
- 4. Preparer Code.....[1]
- >>5. Other Categories
- 6. Full-year minimum essential health care coverage?.[YES]
- 7. Health Insurance through the Marketplace/Exchange?[NO]
- 0. Exit

Enter Option:

See next slide for Other Categories menu.

Personal Information (continued)

Other Categories Menu

Third Party Designee information can be defaulted in Configuration

Other Categories Menu

1. Allow Another Person to Discuss Return With IRS...: Yes
2. Third Party Designee Name.....:
3. Third Party Designee Phone.....:
4. Third Party Designee PIN.....: 98765
5. Disaster Designation.....:
6. Military Processing.....:
7. Attach PDF Document.....:
8. Print Date.....:
9. Force Itemized Deductions or Dual-Status Alien....:
10. Print English or Spanish Forms.....: English
11. Are you a non-paid preparer?.....: No
12. Print organizer for client next year.....: No
13. Taxpayer's Identity Protection PIN.....:
- >>14. Driver's License Information
 - 15. Send Return Electronically as an Imperfect Return.: No
 - 16. Mark Return as Private: NO
0. Exit

Enter Option:

Enter the ID Theft PIN if IRS has assigned one to the taxpayer or spouse.

Select Military Special Processing Literal

Description
1. Blank Literal
2. Combat Zone with Deployment Date
3. Combat Zone
4. Desert Storm

Some state returns require a Driver's License or State ID number:

Drivers License/State ID Information Menu

1. Taxpayer License/State ID Information
2. Spouse License/State ID Information
0. Exit

Enter Option:

Personal Information-Dependents

Edit, Delete and Add dependents as needed. A qualifying child who is not being claimed as a dependent on this return only due to the special rules for divorced/separated parents should also be added to the return if they qualify the taxpayer for a credit such as Earned Income Credit

Question

Do You Want to Enter Dependents Now?

Yes No

Edit Dependent Information

NAME	AGE	SSN	RELATION	MONTHS IN HOME	TAX CREDIT
0.					

New Edit Delete Other Exit

Insert Key Enter Key Delete Key ESC Key

If the child does not have an ITIN or SSN, you can choose from the drop down. This will allow you to complete the return, but it can NOT be filed electronically

Dependent Information Entry Screen

First Name: []

Middle Initial: []

Last Name: ("ENTER", if same): []

Date of Birth: [/ /]

Social Security No: [- -] or []

Relationship: []

Number of Months Lived With: [12 Months]

Ok

Applied for SSN
Applied for ITIN
Died in 2016
Amish
Mennonite
SSA205(C)
F4029

Choose the number of months that the child lived with the TP.

12 Months
1 Months
2 Months
3 Months
4 Months
5 Months
6 Months
7 Months
8 Months
9 Months
10 Months
11 Months
12 Months
12 Months or Born or Died during 2016
KC - Kidnapped during 2016
CN - Lived in Canada
MX - Lived in Mexico
NC - Did Not Live With Due to Divorce/Separation
OT - Did Not Live With Other than Divorce/Separation

Personal Information-Dependents (continued)

Select Reason(s) Dependent Did Not Live with the Taxpayer

Selected

- ☐ Divorce Decree
- ☐ Form 8332 - Release of Claim to Exemption by Custodial Parent
- ☐ Form 2120 - Multiple Support Declaration

Check All Uncheck All Ok

If the child lived with the other parent, but the TP is able to claim this year under the special rules for divorced/separated parents, be sure to choose "NC". If you select NC for non-custodial child, you will get some extra screens:

Question

Did you ask if there is an active Form 8332, Release/Revocation of Claim to Exemption for Child by Custodial Parent, or a similar statement in place and, if applicable, did you attach it to the return for DEPENDENT EXAMPLE?

Yes No

After each dependent's information screen is completed, it will ask other questions based on the information provided. For an older dependent, you will be asked if the child is a full-time student or disabled. It will also prompt you for more information about dependent care expenses, and the release of exemption for a child.

Dependent Information Menu

1. Dependent Name.....	DEPENDENT EXAMPLE
2. Birth Date.....	07/20/2010 Age: 6
3. SSN.....	111-00-1111
4. Relationship.....	SON
5. Months.....	0
6. Qualifies for Child Tax Credit.....	YES
7. Full-Time Student.....	NO
8. Disabled.....	NO
9. Remove from EIC/SSN not Valid for EIC.....	NO
10. Paid Dependent Care Expenses.....	0
11. Qualifying Child Not a Dependent.....	NO
12. Dependent Due Diligence Notes.....	
13. Child Tax Credit Due Diligence Questions..	ANSWERED
14. Is This Person Married.....	NO
15. If Married, Filing MFJ return only for Claim of Refund..	N/A
16. Identity Protection PIN.....	
0. Exit	

Enter Option:

Edit any items that pertain to this dependent.

ACA

When you are finished entering the Personal Info for TP, Spouse and Dependents, desktop will ask about MEC, and then Marketplace coverage.

If you answer YES here, the software will not compute the Shared Responsibility Payment (SRP). If you answer NO, the SRP will be computed based on no coverage for all family members. If the tax family had coverage for some part of the year, or qualifies for a coverage exemption, you must add **Form 8965** later in the return. A diagnostic warning will display to remind you.

Question

?

Did you have minimum essential health care coverage for yourself, your spouse (if filing jointly), and anyone you could or did claim as a dependent for every month of 2016?

Minimum essential coverage includes:

Employer provided health care coverage

Health Insurance you bought through the Health Insurance Marketplace

Medicare, most Medicaid coverage

Most health care coverage provided to veterans and active duty service members

Yes

No

Diagnostic Warnings

* This return contains a health care responsibility tax. If you or any household member had health care coverage/exemptions for any months during the year, complete Form 8965.

If you answer YES to Marketplace coverage, you will have to open the **Form 8962** later to add the information from the Form 1095-A. A diagnostic warning will display to remind you.

Question

?

Did you, your spouse, or a dependent enroll in health insurance through the marketplace/exchange?

Yes

No

Diagnostic Warnings

* Taxpayer(s) enrolled in health insurance through the marketplace/exchange. Please complete Form 8962.

The Personal Information summary menu will appear next – if you need to change your answers to the MEC or marketplace questions, you can click on that item

Personal Information Menu

1. Name & Address

>>2. Dependents & Qualifying Children

3. Filing Status.....[1]

4. Preparer Code.....[1]

>>5. Other Categories

6. Full-year minimum essential health care coverage?.[NO]

7. Health Insurance through the Marketplace/Exchange?[NO]

0. Exit

Enter Option:

ACA (continued)

If you need to address partial MEC, add F8965 for a coverage, or complete Form 8962 for the Premium Tax Credit, you can do this at any point by using the Form Finder on the lower left side, or from the 1040 view by clicking on the Shared Responsibility Payment line or one of the Premium Tax Credit lines. Be sure to address those things before finishing the return

5. Tax Computation Menu

6. Credits Menu

7. Other Taxes Menu

8. Payments, Estimates & EIC

9. Miscellaneous Forms

10. State Return

11. View Results

12. Mark Return Electronic

13. Custom Questions

14. Diagnostic Warnings

15. Preparer Due Diligence

Enter Option: Exit

Form FINDER Forms Completed

Form FINDER:

Search for Keyword:

1040ES

1040V

1040X

1042S-RRB

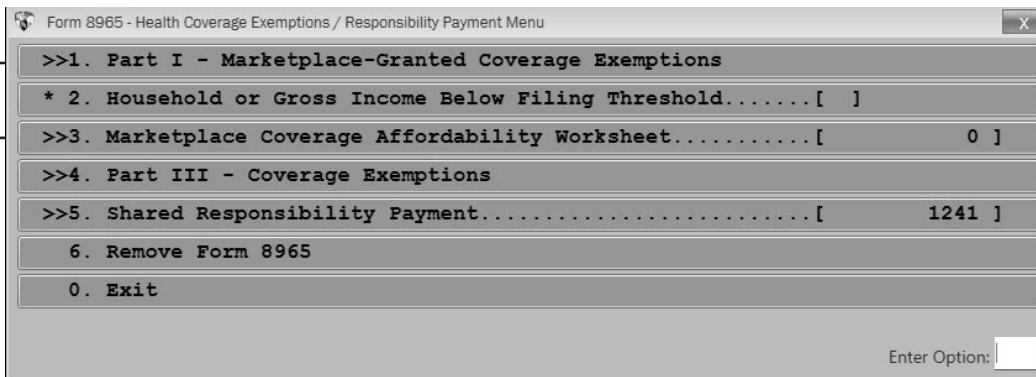
1042S-SSA

1045

If you have a qualifying child, attach Schedule EIC.	46	Excess advance premium tax credit repayment. Attach Form 8962	46		
	47	Add lines 44, 45, and 46	47	7178	
	48	Foreign tax credit. Attach Form 1116 if required	48		
	49	Credit for child and dependent care expenses. Attach Form 2441	49		
	50	Education credits from Form 8863, line 19	50		
	51	Retirement savings contributions credit. Attach Form 8880	51		
	52	Child tax credit. Attach Schedule 8812, if required	52	1000	
	53	Residential energy credits. Attach Form 5695	53		
	54	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54		
	55	Add lines 48 through 54. These are your total credits	55	1000	
56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56	6178		
Other Taxes	57	Self-employment tax. Attach Schedule SE	57		
	58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58		
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59		
	60a	Household employment taxes from Schedule H	60a		
	60b	First-time homebuyer credit repayment. Attach Form 5405 if required	60b		
	61	Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/>	61	1241	
	62	Taxes from: a <input type="checkbox"/> Form 9395 b <input type="checkbox"/> Form 990 c <input type="checkbox"/> Instructions: enter code(s)	62		
	63	Add lines 56 through 62. This is your total tax	63	7419	
	Payments	64	Federal income tax withheld from Forms W-2 and 1099	64	200
		65	2016 estimated tax payments and amount applied from 2015 return	65	
66a		Earned income credit (EIC)	66a		
66b		Nontaxable combat pay election <input type="checkbox"/>	66b		
67		Additional child tax credit. Attach Schedule 8812	67		
68		American opportunity credit from Form 8863, line 8	68		
69		Net premium tax credit. Attach Form 8962	69		

ACA-Form 8965 and Marketplace exemptions

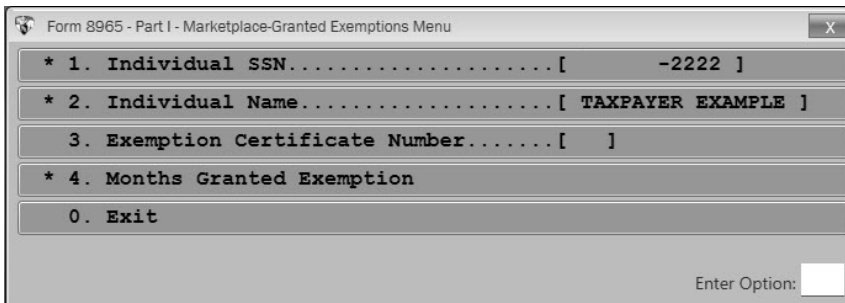
If a member of the tax family has an ECN from the marketplace, select the Part I exemption. Enter as many as needed.



Form 8965 - Health Coverage Exemptions / Responsibility Payment Menu

- >>1. Part I - Marketplace-Granted Coverage Exemptions
 - * 2. Household or Gross Income Below Filing Threshold.....[]
 - >>3. Marketplace Coverage Affordability Worksheet.....[0]
 - >>4. Part III - Coverage Exemptions
 - >>5. Shared Responsibility Payment.....[1241]
 - 6. Remove Form 8965
 - 0. Exit

Enter Option:



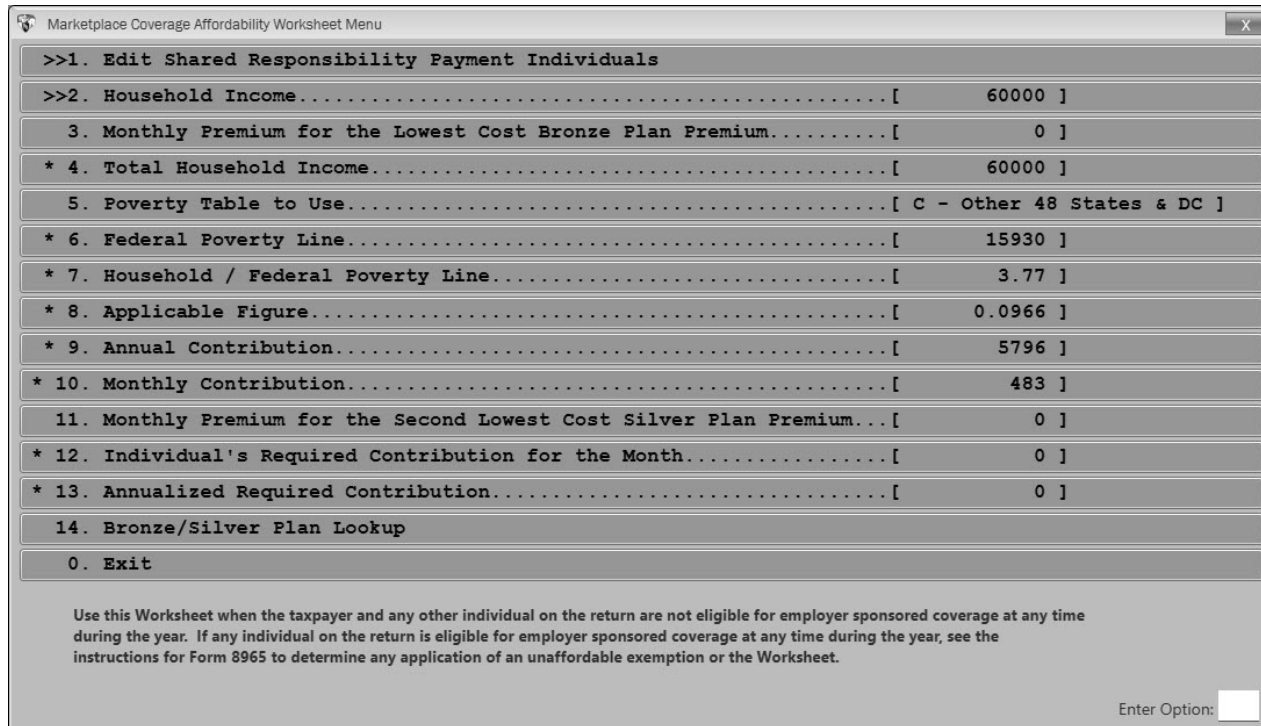
Form 8965 - Part I - Marketplace-Granted Exemptions Menu

- * 1. Individual SSN.....[-2222]
- * 2. Individual Name.....[TAXPAYER EXAMPLE]
- 3. Exemption Certificate Number.....[]
- * 4. Months Granted Exemption
- 0. Exit

Enter Option:

If the Household Income (HHI) on the return is lower than the filing threshold, the software will indicate it on line 2. No input is necessary

Marketplace Affordability worksheet doesn't give you the affordability threshold – you still need to manually calculate that and compare to the Annualized Required Contribution . See Tab H for instructions.



Marketplace Coverage Affordability Worksheet Menu

- >>1. Edit Shared Responsibility Payment Individuals
- >>2. Household Income.....[60000]
- 3. Monthly Premium for the Lowest Cost Bronze Plan Premium.....[0]
- * 4. Total Household Income.....[60000]
- 5. Poverty Table to Use.....[C - Other 48 States & DC]
- * 6. Federal Poverty Line.....[15930]
- * 7. Household / Federal Poverty Line.....[3.77]
- * 8. Applicable Figure.....[0.0966]
- * 9. Annual Contribution.....[5796]
- * 10. Monthly Contribution.....[483]
- 11. Monthly Premium for the Second Lowest Cost Silver Plan Premium...[0]
- * 12. Individual's Required Contribution for the Month.....[0]
- * 13. Annualized Required Contribution.....[0]
- 14. Bronze/Silver Plan Lookup
- 0. Exit

Use this Worksheet when the taxpayer and any other individual on the return are not eligible for employer sponsored coverage at any time during the year. If any individual on the return is eligible for employer sponsored coverage at any time during the year, see the instructions for Form 8965 to determine any application of an unaffordable exemption or the Worksheet.

Enter Option:

ACA-Form 8965 and IRS exemptions

If a member of the tax family is eligible for an IRS exemption, select the Part III Coverage Exemption. Enter as many as needed, for each individual.

Form 8965 - Health Coverage Exemptions / Responsibility Payment Menu

- >>1. Part I - Marketplace-Granted Coverage Exemptions
- * 2. Household or Gross Income Below Filing Threshold.....[]
- >>3. Marketplace Coverage Affordability Worksheet.....[0]
- >>4. Part III - Coverage Exemptions
- >>5. Shared Responsibility Payment.....[1241]
- 6. Remove Form 8965
- 0. Exit

Enter Option:

Select the IRS-granted exemption from the drop-down menu, and the months for which that exemption applies. The months won't display on this screen, even after you make your selection, but they will carry to Form 8965.

Form 8965 - Part III - Coverage Exemptions Menu

- * 1. Individual SSN.....[-2222]
- * 2. Individual Name.....[TAXPAYER EXAMPLE]
- 3. Exemption Type.....[]
- * 4. Months Claiming Exemption
- 0. Exit

Enter Option:

Select Exemption Type

Exemption

- 0. Exit
- 1. A - Coverage is Considered Unaffordable
- 2. B - Short Coverage Gap
- 3. C - Citizens Living Abroad and Certain Noncitizens
- 4. D - Members of a Health Care Sharing Ministry
- 5. E - Members of Federally-recognized Indian Tribes
- 6. F - Incarceration
- 7. G - Aggregate self-only coverage considered unaffordable
- 8. G - Resident of a state that did not expand Medicaid
- 9. H - Member of tax household born, adopted or died
- 10. Blank Exemption Type

Ok Cancel

ACA-Form 8965 and partial coverage

If some family members had MEC, but not all family members for all year – click on Line 5 for the Shared Responsibility then “Edit” each individual’s months of coverage.

>>1. Part I - Marketplace-Granted Coverage Exemptions

* 2. Household or Gross Income Below Filing Threshold.....[]

>>3. Marketplace Coverage Affordability Worksheet.....[0]

>>4. Part III - Coverage Exemptions

>>5. Shared Responsibility Payment.....[1241]

6. Remove Form 8965

0. Exit

Enter Option:

If the taxpayer was eligible to claim a dependent who is not being claimed by another, but chose not to claim that person, click field **1. Elected Not to Claim** to add another person to the tax household size.

Shared Responsibility Payment Menu

1. Elected Not to Claim a Dependent You could have Claimed.....[NO]

>>2. Household Income.....[60000]

>>3. Edit Shared Responsibility Payment Individuals

* 4. Flat Dollar Amount.....[1043]

* 5. Percentage Income Amount.....[1241]

* 6. National Average Bronze Plan Premium.....[5352]

* 7. Shared Responsibility Payment.....

0. Exit

Edit Individuals for Shared Responsibility Payment

	SSN	NAME
0.	Exit	
1.	222-22-2222	TAXPAYER EXAMPLE
2.	111-00-1111	DEPENDENT EXAMPLE

New Edit Delete Exit

Insert Key Enter Key Delete Key ESC Key

Double-click or Edit the individual. For each individual, then click on **4. Months with No Coverage and No Exemption** so that only the boxes with no coverage AND no exemption are checked.

Form 8965 - Shared Responsibility Payment Menu

* 1. Individual's SSN.....[-2222]

* 2. Individual's Name.....[TAXPAYER EXAMPLE]

* 3. Individual's Birth Date.....[07/20/1987]

4. Months with No Coverage and No Exemption

0. Exit

Enter Option:

Select Months Where Individual had No Coverage and No Exemption

Month
<input type="checkbox"/> January
<input type="checkbox"/> February
<input type="checkbox"/> March
<input type="checkbox"/> April
<input type="checkbox"/> May
<input checked="" type="checkbox"/> June
<input checked="" type="checkbox"/> July
<input checked="" type="checkbox"/> August
<input checked="" type="checkbox"/> September
<input checked="" type="checkbox"/> October
<input checked="" type="checkbox"/> November
<input checked="" type="checkbox"/> December

Check All Uncheck All Ok

ACA-Dependent's MAGI

If a dependent claimed on the return (or who could have been claimed) is required to file a tax return (see tab H for the tax filing thresholds for dependents), the dependent's MAGI is included in Household Income. From the F8965 menu, click on **Shared Responsibility Payment**

Form 8965 - Health Coverage Exemptions / Responsibility Payment Menu

>>1. Part I - Marketplace-Granted Coverage Exemptions	
* 2. Household or Gross Income Below Filing Threshold.....[]	
>>3. Marketplace Coverage Affordability Worksheet.....[0]	
>>4. Part III - Coverage Exemptions	
>>5. Shared Responsibility Payment.....[1241]	
6. Remove Form 8965	
0. Exit	

Enter Option:

Click on **Household Income** to add the dependent's MAGI.

Shared Responsibility Payment Menu

1. Elected Not to Claim a Dependent You could have Claimed.....[NO]	
>>2. Household Income.....[60000]	
>>3. Edit Shared Responsibility Payment Individuals	
* 4. Worksheet A.....[9035]	
* 5. Percentage Income Amount.....[1241]	
* 6. National Average Bronze Plan Premium.....[4237]	
* 7. Shared Responsibility Payment.....[1241]	
0. Exit	

Enter Option:

Most of these fields will automatically fill with information from the return but **lines 8, 9, 10 and 14** require information from the dependent's separate tax return. If more than one dependent had a filing requirement, enter the total from all the dependents' returns, as applicable. **The information from this worksheet is used to compute HHI for both the SRP and the PTC.**

Caution: Nothing in the desktop program prompts the you to include dependent's MAGI – the preparer needs to remember

Form 8965 - Household Income Menu

* 1. Taxpayer Adjusted Gross Income.....[60000]	
* 2. Taxpayer Tax-exempt Interest.....[0]	
* 3. Taxpayer Form 2555 Amounts.....[0]	
* 4. Taxpayer Form 8814 Amounts.....[0]	
* 5. Add Lines 2, 3 and 4.....[0]	
* 6. Add Lines 1 and 5.....[60000]	
* 7. Dependents Calculated Form 8814 Amount...[0]	
8. Dependents Adjusted Gross Income.....[0]	
9. Dependents Tax-exempt Interest.....[0]	
10. Dependents Form 2555 Amounts.....[0]	
* 11. Add Lines 9 and 10.....[0]	
* 12. Add Lines 7, 8 and 11.....[0]	
* 13. Household Income (Add Lines 6 and 12)....[60000]	
14. Dependents Nontaxable SSA Benefits.....[0]	
0. Exit	

Enter Option:

ACA-Form 8962, Premium Tax Credits

Form 8962 - Premium Tax Credit Menu

>>1. Annual and Monthly Contribution Amounts.....[5796]

2. Allocating Policy Amounts with Another Taxpayer.....[NO]

3. Use Annual PTC Totals?.....[NO]

>>4. Enter Form 1095-A Amounts (Form 8962 Part 2)

* 5. Net Premium Tax Credit.....[0]

* 6. Excess Advance Premium Tax Credit Repayment.....[0]

7. Required to Repay All of the Excess APTC Received...[NO]

8. Remove Form 8962

0. Exit

Enter Option:

If the F1095-A includes a person who is not part of the tax family, or if someone in the tax family is listed on another taxpayer's Form 1095-A, the policy amounts must be allocated – this is OUT OF SCOPE

Enter Annual Totals from Form(s) 1095-A, Line 33

Form 1095-A, Line 33A Totals (Premium Amount):

Form 1095-A, Line 33B Totals (Premium Amount of SLCSPP):

Form 1095-A, Line 33C Totals (Advance Payment of PTC):

Ok Cancel

Form 1095-A Amounts Menu

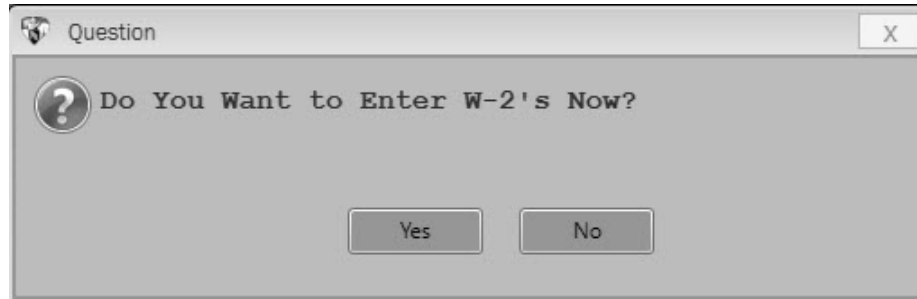
1. January.....	[0]	[0]	[0]
2. February.....	[0]	[0]	[0]
3. March.....	[0]	[0]	[0]
4. April.....	[0]	[0]	[0]
5. May.....	[0]	[0]	[0]
6. June.....	[0]	[0]	[0]
7. July.....	[0]	[0]	[0]
8. August.....	[0]	[0]	[0]
9. September.....	[0]	[0]	[0]
10. October.....	[0]	[0]	[0]
11. November.....	[0]	[0]	[0]
12. December.....	[0]	[0]	[0]
0. Exit			

See Form 8962 instructions to determine the correct amounts to enter above.

Preparer needs to indicate YES or NO to using annual PTC amounts, and then click on the next line to enter the amounts. Once entered, the form will display either the Net Premium Tax Credit (to be refunded) or the Excess PTC Repayment.

Form W-2

After entering personal and ACA information, the next item should be Income:



After selecting Yes, the screen below will appear and you will select New to enter a W-2.

NOTE: Only Whole Dollar Entries should be entered.

The Entire TaxSlayer Pro Program Requires Whole Dollar Entries Only.
You Must Round Everything to the Nearest Whole Dollar.
(Whole Dollar Amount Example: 1200 NOT 1200.49)

[T/S]	EIN	EMPLOYER	WAGES	FEDERAL TAX W/H	FICA TAX W/H	MEDICARE TAX W/H	STATE TAX W/H
0. Exit							

New Edit Delete Other Exit
Insert Key Enter Key Delete Key ESC Key

If the W-2 contains an entry on Line 9, Verification Code, enter this number when inputting the W-2 data

b Employer identification number (EIN)			1 Wages, tips, other compensation	2 Federal income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages	4 Social security tax withheld	
			5 Medicare wages and tips	6 Medicare tax withheld	
			7 Social security tips	8 Allocated tips	
d Control number			9 Verification code	10 Dependent care benefits	
a Employee's first name and initial	Last name	Self	11 Nonpayment notice	12a See instructions for box 12	
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b	
			14 Other	12c	
				12d	
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 (continued)

To edit a W-2, highlight the W-2 to edit and select the edit key:

[T/S]	EIN	EMPLOYER	WAGES	FEDERAL TAX W/H	FICA TAX W/H	MEDICARE TAX W/H	STATE TAX W/H
0.		Exit					
1.	T	54-5454545 IIUUU	60000	5500	3720	870	0
TOTALS:			60000	5500	3720	870	0

Buttons: New (Insert Key), Edit (Enter Key), Delete (Delete Key), Other, Exit (ESC Key)

Main Menu:

TaxSlayer Pro 16.1.17193.1

View Tools Help Where's My Refund

1. Personal Information

2. Income Menu

3. Adjustments Menu

4. Itemized Deductions Menu

If you exit or are at the Main Menu, you can select 2, to get back to the Income menu to enter any income item(s).

Income Menu:

<<1. Wages, Salaries, Tips (W-2).....	[60000]
2. Interest or Dividends (Sch B, 8815).....	[0]
3. Interest or Dividends (Less than \$1500).....	[0]
4. State & Local Refunds (1099-G Box 2).....	[0]
5. Alimony Received.....	[0]
6. Business Income/Loss (Sch C, C-EZ, 1099MISC).....	[0]
7. Capital Gain/Loss(Sch D).....	[0]
8. Installment Sale (6252)	
9. Other Gains/Loss (4797, 8824).....	[0]
10. IRA/Pension Distributions (1099R,RRB-1099-R).....	[0]
11. Rents, Royalties, Entities (Sch E,K-1,4835,8582).....	[0]
12. Farm Income (Sch F).....	[0]
13. Unemployment Compensation (1099-G Box 1).....	[0]
14. Social Security Benefits (1099-SSA, RRB-1099).....	[0]
15. Other Income (W-2G, 2555).....	[0]
* 16. Total Income.....	[60000]
17. Form 1099-MISC	
0. Exit	

Enter Option:

Income – Other Compensation

Other Line 7 income: To enter Taxable Scholarship, Prisoner Earned Income, or Foreign Compensation, select “Other Compensation” on the W2 Menu.

The screenshot shows the 'Form W-2' window with a menu bar containing [T/S], EIN, EMPLOYER, WAGES, FEDERAL TAX W/H, FICA TAX W/H, MEDICARE TAX W/H, and STATE TAX W/H. Below the menu bar is a list with '0. Exit'. At the bottom are buttons for New, Edit, Delete, Other, and Exit. The 'Other' button is circled, and an arrow points down to a secondary window titled 'Form W-2 - Other Compensation Menu'. This window contains a list of options: 1. W-2 Default State, 2. W-2 Default Locality, 3. Foreign Employer Compensation [0], 4. Taxpayer's Scholarships, Grants [0], 5. Taxpayer's Fringe Benefits [0], 6. Taxpayer's Household Employee Income [0], 7. Taxpayer's Prisoner Earned Income [0], and 0. Exit. An 'Enter Option:' field is at the bottom right.

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 non qualifying expenses. Taxable scholarship is considered “unearned income.” “Sch” will appear on the dotted line next to line 7 on Form 1040.

d	Total number of exemptions claimed		lines above ▶	5
7	Wages, salaries, tips, etc. Attach Form(s) W-2	SCH=1500	7	25000
8a	Taxable interest. Attach Schedule B if required		8a	20

Enter the amount received for work while an inmate in a penal institution. For purposes of the Earned Income Credit, this isn't considered “earned” income. This includes amounts received for work performed while in a work release program or while in a halfway house. “PRI” will appear on the dotted line next to line 7 on Form 1040. This entry is made in addition to entering the Form W-2 from the penal institution. Enter wages received as a household employee for which the taxpayer did not receive a Form W-2 because the employer paid less than \$1,900 in 2016. “HSH” will appear on the dotted line next to line 7 on Form 1040. When entering compensation on a joint return, be careful to indicate whether the income belonged to the taxpayer or the spouse. Enter foreign earned income (wages, salaries, etc.) paid by a foreign employer for work performed while the taxpayer lived in a foreign country

Interest and/or Dividend

Schedule B – Interest/Dividend Income

Commonly used: Simple line items, use Interest/Dividends, #3

Income Menu

X

1. Wages, Salaries, Tips (W-2)	[0]
2. Interest or Dividends (Sch B, 8815)	[0]
3. Interest or Dividends (Less than \$1500)	[0]

Input the dollar amount

Press F10 to Create Supporting Notes

Interest < \$1500: 0

Interest and/or Dividend Income will be entered from the Income Menu #2 when entering specific payer(s) documents:

Income Menu

X

1. Wages, Salaries, Tips (W-2)	[0]
2. Interest or Dividends (Sch B, 8815)	[0]
3. Interest or Dividends (Less than \$1500)	[0]

Schedule B Interest

Private activity bond interest (PAB) is entered in Other Taxes>> Alternative Minimum Tax>>Interest from specified private activity bonds exempt from the regular tax.

Select New:

Schedule B - 1099 Transactions

X

T/S TYPE	PAYER	AMOUNT	FEDERAL TAX W/II	QUALIFIED DIVIDENDS	CAPITAL GAINS
D. Exit					

New

Edit

Delete

Other

Exit

Insert Key

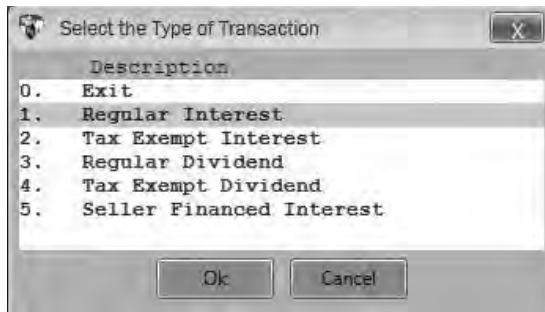
Enter Key

Delete Key

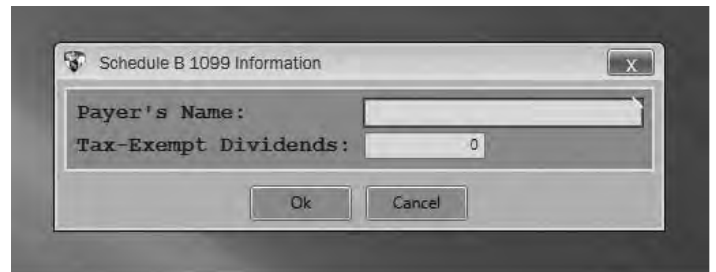
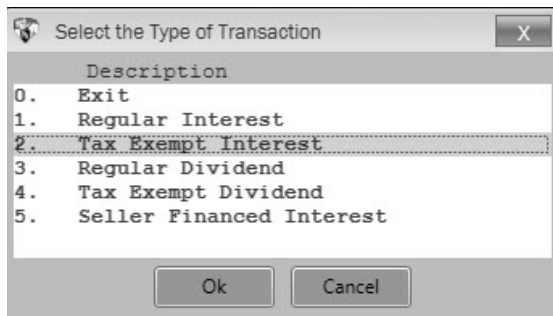
ESC Key

Interest and/or Dividend (continued)

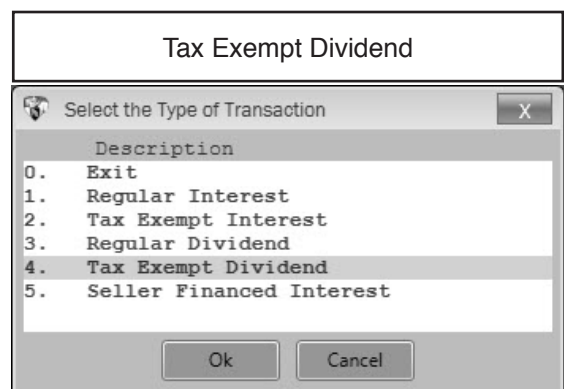
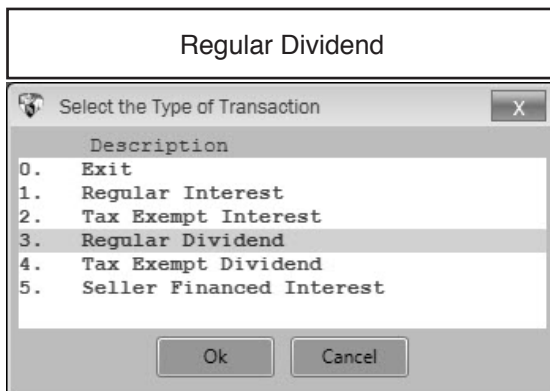
Select Interest Type as reported by payer document:



Tax Exempt Interest:



For Dividend Income, select #3 or 4 from the menu:



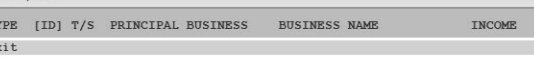
Schedule C or C-EZ / 1099 MISC

The screenshot shows the 1040EZ tax form software interface. On the left, a sidebar contains a 'Form Finder' section with a search bar and a list of forms. 'SCHEDULE C' is circled in red. The main window displays the 'Form 1040' with the following details:

- Form 1040**
- Federal Refund=\$5,538**
- State Refund=\$632**
- Income Section:**
 - Line 7: Total number of exemptions claimed: 2
 - Line 8a: Wages, salaries, tips, etc. Attach Form(s) W-2: 24000
 - Line 9a: Tax-exempt interest. Do not include on line 8a: 0
 - Line 10: Ordinary dividends. Attach Schedule B if required: 0
 - Line 11: Qualified dividends: 0
 - Line 12: Taxable refunds, credits, or offsets of state and local income taxes: 0
 - Line 13: Capital gain or (loss). Attach Schedule D if required. If not required, check here: 66
 - Line 14: Other gains or (losses). Attach Form 4797: 0
 - Line 15a: IRA distributions: 0
 - Line 15b: Taxable amount: 0
 - Line 16a: Pensions and annuities: 0
 - Line 16b: Taxable amount: 0
 - Line 17: Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E: 0
 - Line 18: Farm income or (loss). Attach Schedule F: 0
 - Line 19: Unemployment compensation: 0
 - Line 20a: Social security benefits: 0
 - Line 20b: Taxable amount: 0
 - Line 21: Other income. List type and amount: 0
 - Line 22: Combine the amounts in the far right column for lines 7 through 21. This is your total income: 24066
- Adjusted Gross Income Section:**
 - Line 23: Educator expenses: 0
 - Line 24: Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ: 0
 - Line 25: Health savings account deduction. Attach Form 8889: 0
 - Line 26: Moving expenses. Attach Form 3903: 0
 - Line 27: Deductible part of self-employment tax. Attach Schedule SE: 0
 - Line 28: Self-employed SEP, SIMPLE, and qualified plans: 0

The Schedule C / C-EZ can be accessed by using any of the following options. Clicking on any of the options here will open the Schedule C / C-EZ Menu shown below

Clicking on <2. Income Menu> will bring up the Income Menu shown below. You will then need to click <6. Business Income /Loss> to access Schedule C, C-EZ



Schedule C/C-EZ

TYPE	[ID]	T/S	PRINCIPAL BUSINESS	BUSINESS NAME	INCOME	EXPENSES
0.	Exit					

New Edit Delete Pull Exit

Insert Key Enter Key Delete Key ESC Key

Income Menu		X
1. Wages, Salaries, Tips (W-2).....	[0]	
2. Interest or Dividends (Sch B, 8815).....	[0]	
3. Interest or Dividends (Less than \$1500).....	[0]	
4. State & Local Refunds (1099-G Box 2).....	[0]	
5. Alimony Received.....	[0]	
6. Business Income/Loss (Sch C, C-EZ, 1099MISC).....	[0]	
7. Capital Gain/Loss (Sch D).....	[0]	
8. Installment Sale (6252)		
9. Other Gains/Loss (4797, 8824).....	[0]	
10. IRA/Pension Distributions (1099R, RRB-1099-R).....	[0]	
11. Rents, Royalties, Entities (Sch E,K-1,4835,8582).....	[0]	
12. Farm Income (Sch F).....	[0]	
13. Unemployment Compensation (1099-G Box 1).....	[0]	
14. Social Security Benefits (1099-SSA, RRB-1099).....	[0]	
15. Other Income (W-2G, 2555).....	[0]	
* 16. Total Income.....	[0]	
17. Form 1099-MISC		
0. Exit		

Enter Option:

Schedule C or C-EZ/1099 MISC (continued)

Click on <New > then Select your option of Schedule C or -Schedule C-EZ

Complete the Principal Business Activity and Code as shown below.

Principal Business or Professional Activity Codes		6- or 8-digit codes are based on the North American Industry Classification System (NAICS). Select the category that best describes your primary business activity (for example, Real Estate). Then select the activity that best identifies the principal source of your sales or receipts (for example, Real Estate).	9-digit codes are based on the North American Industry Classification System (NAICS). Select the category that best describes your primary business activity (for example, Real Estate). Then select the activity that best identifies the principal source of your sales or receipts (for example, Real Estate). Now find the six-digit code assigned to this activity (for example, 511210) and enter it on Schedule C or C-EZ, line 7.
Accommodation, Food Services, & Drinking Places Accommodation 721100 Rooming & boarding houses 721210 RV (recreational vehicle) parks & recreational camps 721300 Traveler accommodation (including hotels, motels, & bed & breakfast inns) Food Services & Drinking Places 722510 Cafeterias & buffets 722511 Full-service restaurants 722512 Limited-service restaurants 722513 Snack & non-alcoholic beverage bars 722514 Drinking places (alcoholic beverages) 722515 Special food service (including food service contractors & caterers)	Arts, Entertainment, & Recreation 791100 Amusement, gambling, & recreation industries 791200 Gambling industries 791300 Other amusement & recreation services (including golf courses, skiing facilities, marinas, fitness centers, bowling centers, skating rinks, miniature golf courses) Museums, Historical Sites, & Similar Institutions 791400 Museums, historical sites, & similar institutions Performing Arts, Spectator Sports, & Related Industries 791500 Agents & managers for artists, athletes, entertainers, & other public figures 791600 Independent artists, writers, & performers 791700 Performing arts companies 791800 Promoters of performing arts, sports, & similar events 791900 Spectator sports (including professional sports clubs & track meets)	Finance & Insurance Credit Intermediation & Related Activities 521000 Depository credit intermediation (including commercial banks, savings institutions, & credit unions) 522000 Nondepository credit intermediation (including sales financing & consumer lending) 523000 Activities related to credit intermediation (including loan brokers) Insurance Agents, Brokers, & Related Activities 531000 Insurance agencies & brokers 532000 Other insurance-related activities Securities, Commodity Contracts, & Other Financial Investments & Related Activities 531100 Commodity contracts dealers 531200 Commodity contracts dealers 531300 Investment bankers & securities dealers 531400 Securities & commodity exchanges 531500 Securities brokers 531600 Other financial investment activities (including investment advisors)	Health Care & Social Assistance Ambulatory Health Care Services 621000 Home health care services 621100 Medical & diagnostic laboratories 621200 Offices of chiropractors 621300 Offices of dentists 621400 Offices of medical health practitioners (except physicians) 621500 Offices of podiatrists 621600 Offices of optometrists 621700 Offices of physical, occupational, & speech therapists, & audiologists 621800 Offices of physicians (except mental health specialists) 621900 Offices of podiatrists 622000 Offices of all other miscellaneous health practitioners Hospitals 622100 Hospitals Nursing & Residential Care Facilities 623000 Nursing & residential care facilities Social Assistance 631000 Child day care services 632000 Community food & housing, & emergency & other relief services 633000 Individual & family services 634000 Vocational rehabilitation services Information 511000 Publishing industries (except Internet) 512000 Broadcasting (except Internet)

Schedule C-EZ/1099 MISC (continued)

Click on the Business Categories

The Principal Business Category option will appear

Select a Category then drill down to the business codes as shown Below.

Direct input of business code. If you know your business code, you can enter it here.

Click the down arrow to see the Business Category.

Select the Principal Business Activity and Code

Click Here To View Entire List Of Codes Click Here For Business Categories

Enter the Principal Business Code:

Or, Enter description:

Select the Principal Business Category:

ACCOMMODATION AND FOOD SERVICES

Code	Description
ACCOMMODATION AND FOOD SERVICES	
721100	TRAVELER ACCOMMODATION
721210	RV (RECREATIONAL VEHICLE) PARKS AND RECREATIONAL CAMPS
721310	ROOMING AND BOARDING HOUSES
722300	SPECIAL FOOD SERVICES
722410	DRINKING PLACES (ALCOHOLIC BEVERAGES)
722511	FULL-SERVICE RESTAURANTS
722513	LIMITED-SERVICE RESTAURANTS
722514	CAFETERIAS AND BUFFETS
722515	SNACK AND NONALCOHOLIC BEVERAGE BARS

Ok Cancel

Schedule C or C-EZ/1099 MISC (continued)

Complete the Business information screen then click OK.

Schedule C-EZ Data Entry

Business Code Entered:

Principal Business or Profession: UNCLASSIFIED

Business Name:

Employer ID Number: -

U.S. Address Check for Foreign Address ☐

Street Address:

Zip Code: -

City/Post Office: State:

Ok Cancel

The schedule C/ C-EZ Name and Address Screen will appear. Click the Item number to make a change.

Schedule C-EZ - Name & Address Menu

1. Name.....: ABC DELIVERY

2. Employer ID Number...: 36-0000099

3. Business Code.....:

4. Principal Business...: UNCLASSIFIED

5. Address.....: 230 S DEARBORN

6. City, State, Zip....: CHICAGO IL 60604

7. Made Payments that would Require Filing Form(s) 1099?...: NO

8. Did You or Will You File All Required Forms 1099?.....: NO

0. Exit

Enter Option:

Schedule C or C-EZ/1099 MISC (continued)

Schedule C or C-EZ Edit Menu

Click on Gross Receipts or Sales and Enter Gross Receipts or Sales. You can also add a statement as shown below

Schedule C-EZ - Edit Menu

1. Change Basic Information	
2. Gross Receipts or Sales	[0]
3. Form 1099-MISC	[0]
4. Income Reported on a Statutory Employee W-2	[0]
5. Expenses	[0]
* 6. Ownership of Schedule C-EZ	[Taxpayer]
0. Exit	

Enter Option:

Click F10 to create Supporting Notes

Press F10 to Create Supporting Notes

Gross Receipts or Sales:

Click New to create a new Supporting Statement

Edit Statement for Gross Receipts or Sales

Description	Amount
0. Exit	

New Edit Delete Exit

Insert Key Enter Key Delete Key ESC Key

Supporting Statement Data Entry

Description:

Amount:

Ok Cancel

Note: 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.

Schedule C or C-EZ/1099 MISC (continued)

Select 3 (Form 1099 MISC)

Schedule C-EZ - Edit Menu

1. Change Basic Information	
2. Gross Receipts or Sales.....	[0]
3. Form 1099-MISC.....	[0]
4. Income Reported on a Statutory Employee W-2...	[0]
5. Expenses.....	[0]
* 6. Ownership of Schedule C-EZ.....	[Taxpayer]
0. Exit	

Enter Option:

Click New to complete form 1099Misc

Form 1099-MISC

[T/S]	LINK	EIN	PAYER	RENTS	ROYALTIES	OTHER INCOME	SCH C INCOME	CROP PROCEEDS
0.	Exit							

New Edit Delete Other Exit

Insert Key Enter Key Delete Key ESC Key

Schedule C or C-EZ/1099 MISC (continued)

Complete form 1099 MISC

Look for any Federal Tax Withheld while completing the form

Form 1099-MISC <Ctrl+E> - Exit without saving

a. Payer's EIN <input type="text" value="-"/>		Recipient Payers Taxpayer		2016 Form 1099-MISC	
b. Payer's Name/Address <input type="text"/> <input type="text"/> <input type="text"/>		<input type="checkbox"/> Foreign		1. Rents <input type="checkbox"/> 100% <input type="text" value="0.00"/>	
c. Recipient Address <input type="text" value="1234 MAIN ST"/> <input type="text" value="30809-0000"/> <input type="text" value="EVANS"/> <input type="text" value="GA"/>		<input type="checkbox"/> Foreign		2. Royalties <input type="text" value="0.00"/>	
d. Account Number <input type="text"/> e. Medicaid Waiver Payment (Box 3 or 7) <input type="text" value="0.00"/>		3. Other Income <input type="checkbox"/> Link <input type="text" value="0.00"/>		4. Federal Tax Withheld <input type="text" value="0.00"/>	
15a. Section 409A deferrals <input type="text" value="0.00"/>		15b. Section 409A income <input type="text" value="0.00"/>		5. Fishing boat proceeds <input type="text" value="0.00"/>	
		6. Medical and health care payments <input type="text" value="0.00"/>		7. Nonemployee compensation <input type="text" value="0.00"/>	
		8. Substitute payments <input type="text" value="0.00"/>		9. Payer made direct sales	
		10. Crop proceeds <input type="checkbox"/> Defer <input type="text" value="0.00"/>		11. <input type="text" value="-"/>	
		12. <input type="text" value="-"/>		13. Excess gold parachute <input type="text" value="0.00"/>	
		14. Attorney gross proceeds <input type="text" value="0.00"/>		16. St. ID # <input type="text"/>	
		17. St. ID # <input type="text"/>		State Income <input type="text" value="0.00"/> State Tax W/H <input type="text" value="0.00"/>	
				State Income <input type="text" value="0.00"/> State Tax W/H <input type="text" value="0.00"/>	

Enter Option (0 to exit): _____

Complete Expense Menu then Exit.

Schedule C-EZ - Expenses Menu

1. Expenses.....	[0]
2. Car and Truck Expenses...	[0]
* 3. Notice 2014-7.....	[0]
* 4. Total Expenses.....	[0]
0. Exit	

Enter Option:

Schedule D

Edit, Delete and Add new Schedule Capital Gain/Loss transactions as needed. Select **Other** to enter Long and Short term carryovers and access the Sale of Home worksheet (see Tab D for more information on Capital Gains and Losses)

Choose the cost basis type that applies to this transaction:
Code A or D
Code B or E
Code C or F

Box 3 Cost Basis Reported to the IRS
Box 3 Cost Basis NOT Reports to the IRS
Form 1099-B Not Received

Various - Short-Term
Inherited - Short-Term
Various - Long-Term
Inherited - Long-Term

Bankrupt - Short-Term
Worthless - Short-Term
Bankrupt - Long-Term
Worthless - Long-Term
Various - Short-Term (Not Electronic)

A snapshot of the transaction will display on the next screen. 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. See Tab D for more info.

Enter the Date Acquired and Date Sold, or select from the pick list for Date Acquired or Date Sold.

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

Schedule D-Loss Carryover and Sale of Main Home

Select Other to enter Long and Short term carryovers and access the Sale of Home worksheet
(see Tab D for more information)

Edit Capital Gain/Loss Transactions

DESCRIPTION	DATE ACQUIRED	DATE SOLD	SALES PRICE	COST	GAIN/ LOSS	FROM
0. Exit						

New

Edit

Delete

Other

Print

Exit

Insert Key

Enter Key

Delete Key

ESC Key

Long Term Loss Carryover from 2015:

0

Short Term Loss Carryover from 2015:

0

Schedule D - Other Menu

1. Additional Capital Gain Distributions.....[0]

2. Short Term 1099-B Transactions with No Adjustments[0]

3. Long Term 1099-B Transactions with No Adjustments.[0]

4. Short Term Gain/Loss Like-Kind Exchange.....[0]

5. Long Term Gain/Loss Like-Kind Exchange.....[0]

6. Long Term Like-Kind Exchange Pre-05/1997 Amount...[0]

7. Short Term Loss Carryover from 2015.....[0]

8. Long Term Loss Carryover from 2015.....[0]

9. Form 6781 - Gains/Losses from Sec 1256 Gains & Straddles

10. Sale of Main Home Worksheet

11. Adjust 28% Rate/1250 Worksheets

12. Remove Schedule D

13. Is Schedule D Required?.....[YES]

14. Attach PDF Document.....[]

0. Exit

Enter Option:

Schedule D - Sale of Home Worksheet Menu

Part 1 - Gain\Loss on Sale

1. Selling price of home.....[200000]

2. Date home was sold.....[02/02/2016]

3. Selling expenses.....[0]

* 4. Total sale price.....[200000]

>>5. Adjusted basis of home sold.....[150000]

* 6. Gain/Loss on sale of home.....[50000]

Part 2 - Exclusion and Taxable Gain

>>7. Maximum Exclusion.....[250000]

8. Depreciation taken after 05/06/97.....[0]

* 9. Gain/Loss after recap. of depreciation.....[50000]

10. Aggregate number of days of nonqualified use...[0]

11. Number of days taxpayer owned the property....[0]

* 12. Exclusion Taken.....[50000]

* 13. Taxable Gain on Sale of the Home.....[0]

* 14. Unrecaptured Section 1250 Gain.....[0]

15. Remove Sale of Home Worksheet

0. Exit

Sale of Main Home

(for more information on the exclusion, see Tab D)

Capital Gains or Losses Sale of Main Home

Report the sale or exchange of your main home as a Capital Gain or Loss if:

- You can't exclude all of your gain from income, or
- You received a Form 1099-S for the sale or exchange.

Generally, if you meet the following two tests, you can exclude up to \$250,000 of gain. If both you and your spouse meet these tests and you file a joint return, you can exclude up to \$500,000 of gain (but only one spouse needs to meet the ownership requirement in Test 1).

- Test 1. During the 5-year period ending on the date you sold or exchanged your home, you owned it for 2 years or more (the ownership requirement) and lived in it as your 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. You haven'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 your home.

If you have a gain that can't be excluded, it is taxable.

Death of spouse. If you sell your home after your spouse dies (within 2 years after your spouse dies), and you have not remarried as of the sale date, you can count any time when your spouse owned the home as time you owned it, and any time when the home was your spouse's residence as time when it was your residence.

Schedule D - Sale of Home Worksheet Menu

Part 1 - Gain/Loss on Sale

1. Selling price of home.....	[200000]
2. Date home was sold.....	[02/02/2016]
3. Selling expenses.....	[0]
* 4. Total sale price.....	[200000]
>>5. Adjusted basis of home sold.....	[150000]
* 6. Gain/Loss on sale of home.....	[50000]

Part 2 - Exclusion and Taxable Gain

>>7. Maximum Exclusion.....	[250000]
8. Depreciation taken after 05/06/97.....	[0]
* 9. Gain/Loss after recap. of depreciation.....	[50000]
10. Aggregate number of days of nonqualified use...	[0]
11. Number of days taxpayer owned the property....	[0]
* 12. Exclusion Taken.....	[50000]
* 13. Taxable Gain on Sale of the Home.....	[0]
* 14. Unrecaptured Section 1250 Gain.....	[0]
15. Remove Sale of Home Worksheet	
0. Exit	

Enter Option:

Schedule D - Sale of Home - Adjust Basis Menu

1. Purchase price of the home.....	[150000]
2. Date home was purchased.....	[02/02/1999]
3. Seller paid points after 1990.....	[0]
* 4. Total purchase price.....	[150000]
>>5. Settlement fees and closing costs.....	[0]
6. Cost of additions and improvements.....	[0]
7. Tax assessments for local improvements.....	[0]
8. Other increases to basis.....	[0]
* 9. Total increases to basis.....	[150000]
10. Depr. related to bus. or rental of home...	[0]
11. Other decreases to basis.....	[0]
* 12. Total decreases to basis.....	[0]
* 13. Adjusted Basis of Home Sold.....	[150000]
0. Exit	

Enter Option:

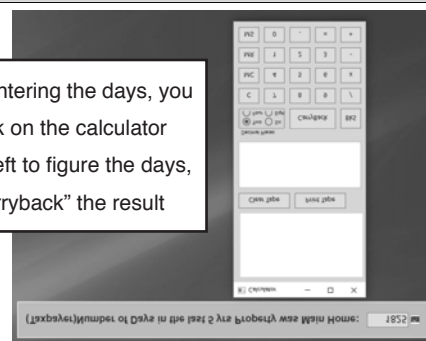
Schedule D - Sale of Home - Maximum Exclusion Menu

[Taxpayer] []

* 1. Maximum Amount.....	[250000]
2. Number of Days Property was Main Home.....	[1825]
3. Number of Days Property was Owned.....	[1825]
4. Number of Days since previous exclusion....	[0]
* 5. Exclusion amount.....	[250000]
6. Do You Qualify for Reduced Max Exclusion.....	[YES]
0. Exit	

Enter Option:

When entering the days, you can click on the calculator on the left to figure the days, and "carryback" the result



If you are required to report the sale AND IT RESULTS IN A GAIN -- Open the Sale of Home Worksheet. You will be prompted to enter most information.

- To edit or enter the sales price, sale date, and selling expenses **Click on Adjusted Basis of the Home** to bring up a worksheet where you can enter purchase price, improvements and other adjustments to basis
- **Click on Maximum Exclusion** for a worksheet where you can enter the days it was main home and days owned for TP and Spouse

CAUTION: If the TP had days of non-qualified use after 2008 (when the TP owned the home but didn't use it as a main home) return is OUT OF SCOPE

TIP: If the taxpayer received the 2008 First Time Homebuyers Credit: Form 5405 will be required to determine how much of the credit must be repaid

Income - Form 1099-R

Form 1099-R select #10, IRA/Pension Distributions:

Income Menu	
1. Wages, Salaries, Tips (W-2).....[	0]
2. Interest or Dividends (Sch B, 8815).....[	0]
3. Interest or Dividends (Less than \$1500).....[	0]
4. State & Local Refunds (1099-G Box 2).....[	0]
5. Alimony Received.....[	0]
<<6. Business Income/Loss (Sch C, C-EZ, 1099MISC).....[	0]
>>7. Capital Gain/Loss(Sch D).....[	0]
8. Installment Sale (6252)	
9. Other Gains/Loss (4797, 8824).....[	0]
10. IRA/Pension Distributions (1099R, RRB-1099-R).....[	0]

Form 1099-R select #10, IRA/Pension Distributions:

Form 1099-R					X	
[T/S]	EIN	PAYER	GROSS DISTRIB	TAXABLE AMOUNT	FEDERAL TAX W/H	STATE TAX W/H
0.	Exit					

Insert Key Enter Key Delete Key ESC Key

Income - Form 1099-R (continued)

Form 1099R <Ctrl+E> - Exit without saving

a. Payer's EIN -		Payers Recipient Taxpayer		1. Gross Distribution 0.00		2016 Form 1099-R RRB-1099-R	
b. Payer's Name/Address Foreign		2a. Taxable Amount SGR 0.00		2b. Taxable Amount not determined		Total Distribution	
c. Recipient Address Foreign		3. Capital Gain 0.00		4. Federal Tax Withheld 0.00		5. Insurance Premiums 0.00	
d. Account Number		6. Unreal. Sec. 0.00		7. Distrib. Code IRA/ SEP/ Simple		8. Other Perc. % 0 0.000	
e. Amount Rolled Over 0.00		9a. Perc. of Total Dist. 0.000		9b. Total Contribution 0.00		10. Amt allocable to IRR 0.00	
f. Subject to 5329 Exclusion		11. 1st year of Roth cont		12. St. ID # State Dist. 0.00		State Tax W/H 0.00	
g. Type of 1099-R Standard <input checked="" type="checkbox"/> Substitute		13. St. ID # State Dist. 0.00		Locality Local Dist. 0.00		Local Tax W/H 0.00	
h. Report on 4972 <input type="checkbox"/> i. 1040 Ln 7 <input type="checkbox"/>		Locality Local Dist. 0.00		Local Tax W/H 0.00			

Enter Option (0 to exit):

Simplified Method: Check the very small box "SGR" in 2A

a. Payer's EIN -		Payers Recipient Taxpayer		1. Gross Distribution 0.00		2016 Form 1099-R RRB-1099-R	
b. Payer's Name/Address Foreign		2a. Taxable Amount SGR <input checked="" type="checkbox"/> 0.00		2b. Taxable Amount not determined		Total Distribution	
c. Recipient Address Foreign		3. Capital Gain 0.00		4. Federal Tax Withheld 0.00		5. Insurance Premiums 0.00	
d. Account Number		6. Unreal. Sec. 0.00		7. Distrib. Code IRA/ SEP/ Simple		8. Other Perc. % 0 0.000	
e. Amount Rolled Over		9a. Perc. of Total Dist. 0.000		9b. Total Contribution 0.00		10. Amt allocable to IRR	
f. Subject to 5329 Exclusion		11. 1st year of Roth cont		12. St. ID # State Dist. 0.00		State Tax W/H 0.00	
g. Type of 1099-R Standard <input checked="" type="checkbox"/> Substitute		13. St. ID # State Dist. 0.00		Locality Local Dist. 0.00		Local Tax W/H 0.00	
h. Report on 4972 <input type="checkbox"/> i. 1040 Ln 7 <input type="checkbox"/>		Locality Local Dist. 0.00		Local Tax W/H 0.00			

Enter Option (0 to exit):

Question

Would you like to use the Simplified General Rule Worksheet?

Yes No

Income - Form 1099-R (continued)

Simplified General Rule Worksheet

Description	
0.	Exit
1.	Starting Date of Annuity.....[/ /]
2.	Plan Cost at Annuity Start Date.....[0]
3.	Death Benefit Exclusion.....[0]
4.	Age of Recipient at Start Date.....[0]
5.	Number of Months Paid in 2016.....[0]
6.	Amounts Previously Recovered.....[0]
7.	Cost Remaining at Beginning of 2016.....[0]
8.	Remove Simplified Method Worksheet

Ok Cancel

Public Safety Exclusions

To exclude the amount for a Public Safety Officer, from the Main Menu of the Tax Return (Form 1040) select:

- **Income Menu**
- **IRA/Pension Distributions (1099-R, RRB-1099-R, 8930)**
- Select **New** and fill out the Payer's Information
- Enter the Gross Distribution in Box 1 as it is shown on the 1099-R
- 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 or \$3,000** can be excluded (subtracted) from distribution.
- Select the **Other / Roth** Button
- Select **Public Safety Officers Insurance Distribution**
- Select **"YES"**
- Select either **Form 1040 Line 16** or **Form Line 7**. This section should match the line of the 1040 that the 1099-R is reported on, usually line 16. When you view Form 1040, the abbreviation **PSO** will be displayed in the left margin of the 1040.

If you selected **Form 1040 Line 7** you will be prompted to input the **Amount of Distribution being excluded on Form 1040, Line 7**. The exclusion and the abbreviation PSO will print on the dotted line of Form 1040, Line 7.

Note: This is a guide on entering Public Safety Officer Distributions into the TaxSlayer Pro Program. This is not intended as tax advice.

Retired Public Safety Officer (PSO) may have up to \$3,000 for health and/or long-term care (LTC) insurance, if paid directly from the retirement plan. The remainder, if any, is entered on Sch A, Itemized Deductions as insurance cost. The insurance can be for the taxpayer, spouse and family. When Box 7 is Code 4, the PSO deduction may no longer be used.

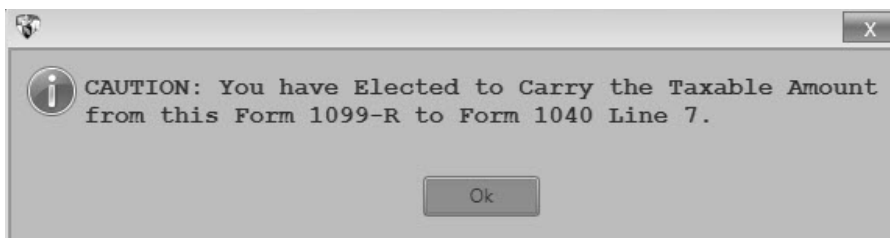
Income - Form 1099-R Disability

Entering F1099-R when box 7 contains code 3 – Disability:

Form 1099R <Ctrl+E> - Exit without saving

a. Payer's EIN <input type="text"/>		Recipient Payers <input type="button"/> Taxpayer <input checked="" type="button"/>		1. Gross Distribution <input type="text"/> 0.00		2016 Form 1099-R RRB-1099-R <input type="checkbox"/>	
b. Payer's Name/Address <input type="text"/> <input type="text"/> <input type="text"/>		<input type="checkbox"/> Foreign		2a. Taxable Amount SGR <input checked="" type="checkbox"/> <input type="text"/> 0.00		2b. Taxable Amount not determined <input type="checkbox"/> Total Distribution <input type="checkbox"/>	
c. Recipient Address <input type="text"/> <input type="text"/> 1234 MAIN ST <input type="text"/> 30809-0000 EVANS GA		<input type="checkbox"/> Foreign		3. Capital Gain <input type="text"/> 0.00		4. Federal Tax Withheld <input type="text"/> 0.00	
d. Account Number <input type="text"/>		e. Amount Rolled Over <input type="text"/> 0.00		5. Insurance Premiums <input type="text"/> 0.00		6. Unreal. Sec. <input type="text"/> 0.00	
f. Subject to 5329 <input type="text"/>		Exclusion Standard <input checked="" type="checkbox"/> Substitute <input type="checkbox"/>		7. Distrib. Code IRA/ SEP/ Simple <input type="checkbox"/>		8. Other <input type="text"/> 0 Perc. % <input type="text"/> 0.000	
g. Type of 1099-R <input type="checkbox"/>		h. Report on 4972 <input type="checkbox"/>		9a. Perc. of Total Dist. <input type="text"/> 0.000		9b. Total Contribution <input type="text"/> 0.00	
i. 1040 Ln 7 <input checked="" type="checkbox"/>				10. Amt allocable to IRR <input type="text"/> 0.00		11. 1st year of Roth cont <input type="text"/>	
				12. St. ID # <input type="text"/> State Dist. <input type="text"/> 0.00 State Tax W/H <input type="text"/> 0.00			
				Locality <input type="text"/> Local Dist. <input type="text"/> 0.00 Local Tax W/H <input type="text"/> 0.00			
				13. St. ID # <input type="text"/> State Dist. <input type="text"/> 0.00 State Tax W/H <input type="text"/> 0.00			
				Locality <input type="text"/> Local Dist. <input type="text"/> 0.00 Local Tax W/H <input type="text"/> 0.00			
Enter Option (0 to exit): <input type="text"/>							

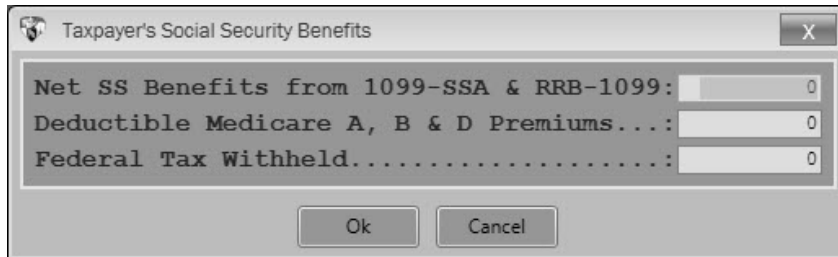
Form 1099-R – Code 3 Disability and the recipient (taxpayer or spouse) is under the minimum retirement age for the company he/she retired from, then check box on line i – to report on line 7. This will allow for the calculation of this income for the Earned Income Tax Credit, Child Tax Credit/Additional Child Tax Credit and Dependent Care Credit.



Income - Form SSA 1099

Here you will select #1 for the Taxpayer and #2 for the Spouse's SS Benefits.

Entry for the Primary Taxpayer:

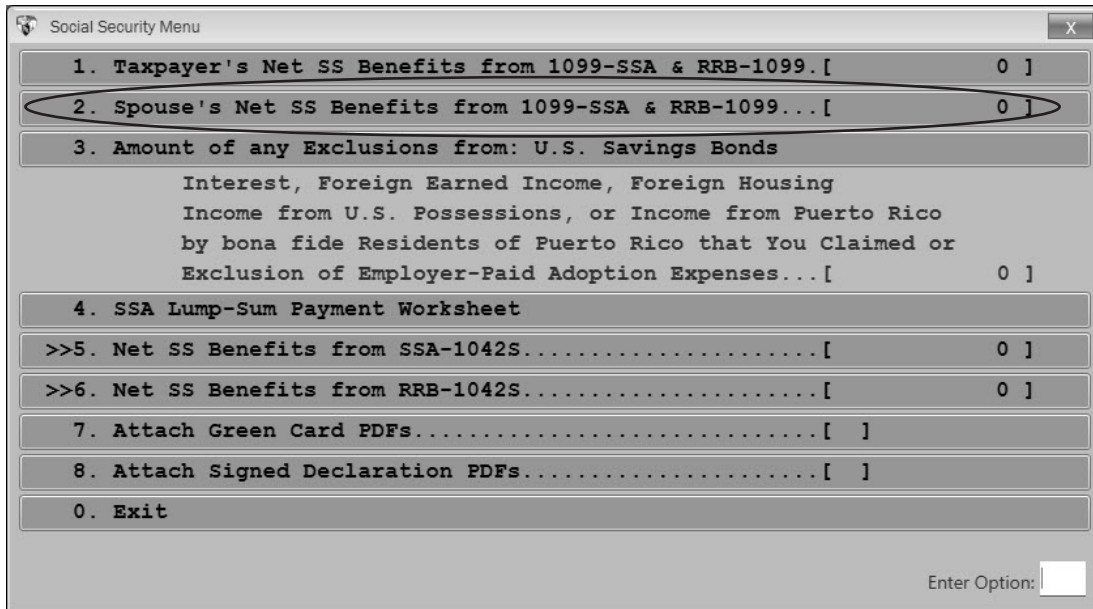


A dialog box titled "Taxpayer's Social Security Benefits" with a close button (X) in the top right corner. It contains three input fields, each with a value of 0:

Net SS Benefits from 1099-SSA & RRB-1099:	0
Deductible Medicare A, B & D Premiums...	0
Federal Tax Withheld.....	0

At the bottom are "Ok" and "Cancel" buttons.

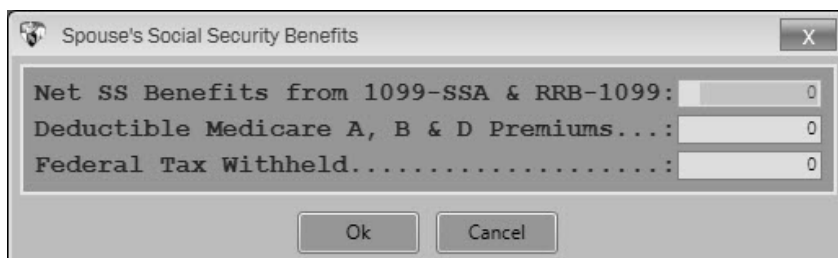
Entry for Spouse:



A dialog box titled "Social Security Menu" with a close button (X) in the top right corner. It contains a list of options, with option 2 circled:

1. Taxpayer's Net SS Benefits from 1099-SSA & RRB-1099. [0]
2. Spouse's Net SS Benefits from 1099-SSA & RRB-1099... [0]
3. Amount of any Exclusions from: U.S. Savings Bonds
Interest, Foreign Earned Income, Foreign Housing
Income from U.S. Possessions, or Income from Puerto Rico
by bona fide Residents of Puerto Rico that You Claimed or
Exclusion of Employer-Paid Adoption Expenses... [0]
4. SSA Lump-Sum Payment Worksheet
- >>5. Net SS Benefits from SSA-1042S..... [0]
- >>6. Net SS Benefits from RRB-1042S..... [0]
7. Attach Green Card PDFs..... []
8. Attach Signed Declaration PDFs..... []
0. Exit

At the bottom right is a label "Enter Option:" followed by a text input field.



A dialog box titled "Spouse's Social Security Benefits" with a close button (X) in the top right corner. It contains three input fields, each with a value of 0:

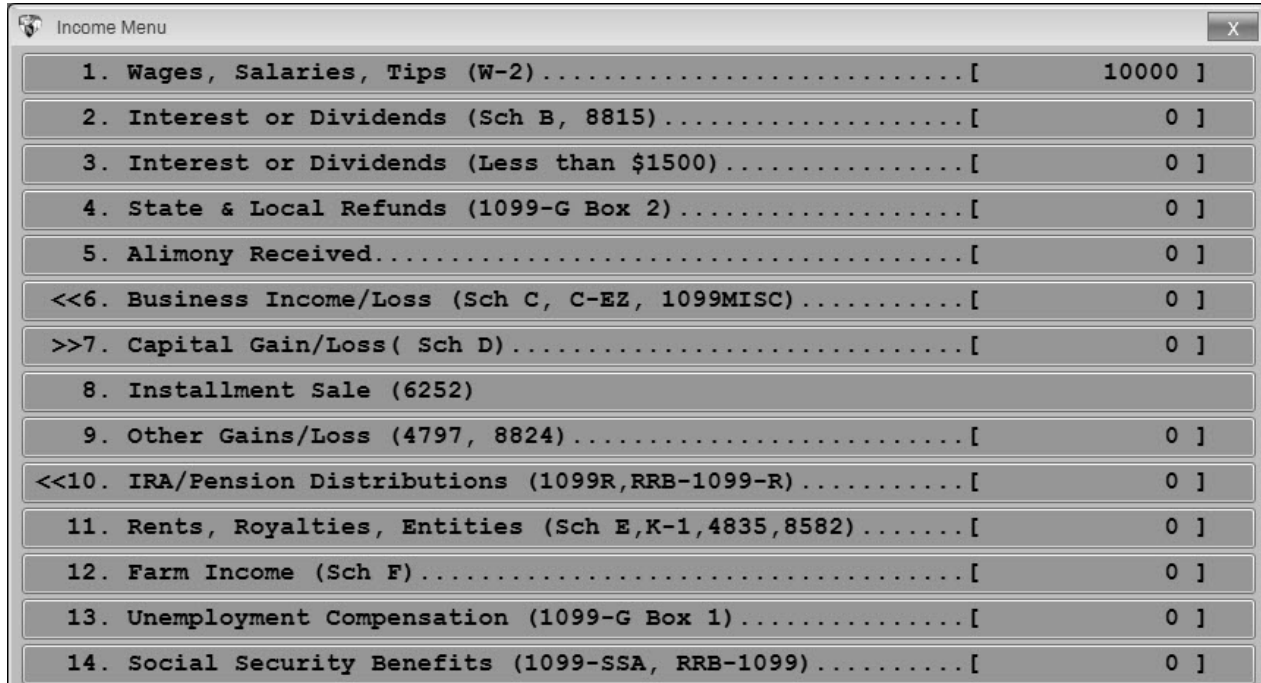
Net SS Benefits from 1099-SSA & RRB-1099:	0
Deductible Medicare A, B & D Premiums...	0
Federal Tax Withheld.....	0

At the bottom are "Ok" and "Cancel" buttons.

Income - Form 1099-SSA & RRB 1099

Form SSA 1099 –Social Security Benefits

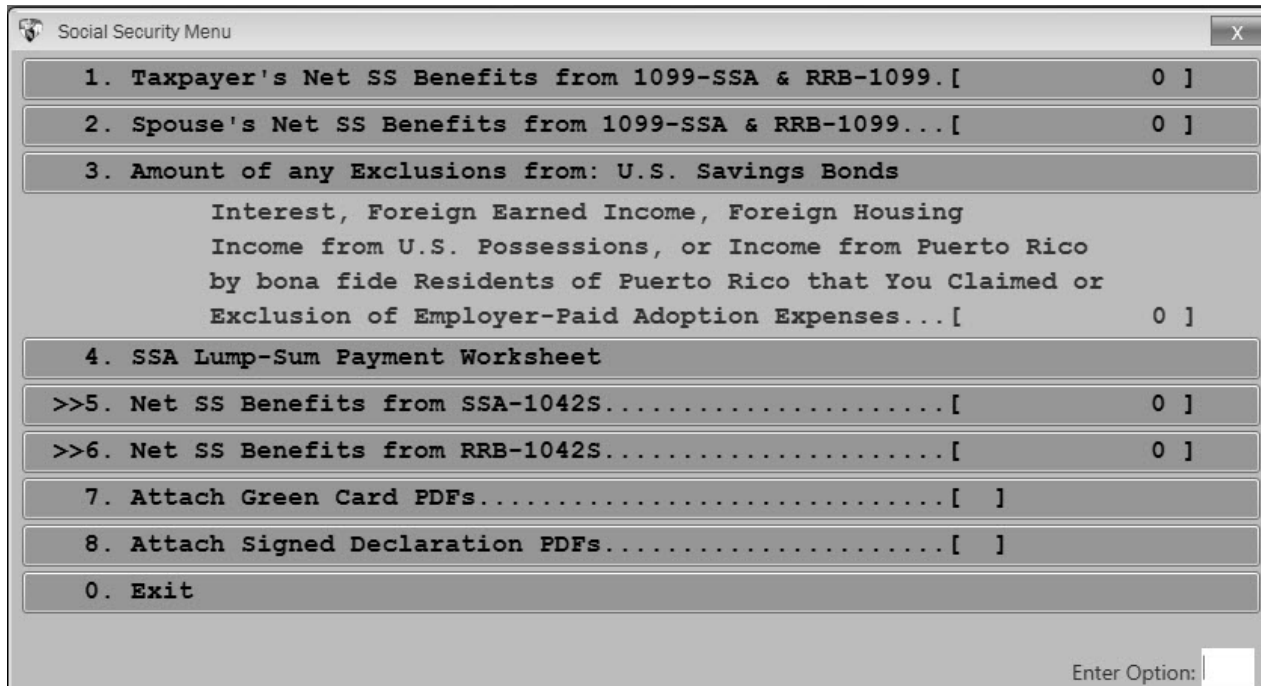
From Income Menu select #14, Social Security Benefits



A screenshot of a software window titled "Income Menu" with a close button (X) in the top right corner. The window contains a list of 14 menu items, each with a description and a value in brackets. Item 14, "Social Security Benefits (1099-SSA, RRB-1099)", is highlighted.

Item	Description	Value
1.	Wages, Salaries, Tips (W-2)	10000
2.	Interest or Dividends (Sch B, 8815)	0
3.	Interest or Dividends (Less than \$1500)	0
4.	State & Local Refunds (1099-G Box 2)	0
5.	Alimony Received	0
<<6.	Business Income/Loss (Sch C, C-EZ, 1099MISC)	0
>>7.	Capital Gain/Loss (Sch D)	0
8.	Installment Sale (6252)	
9.	Other Gains/Loss (4797, 8824)	0
<<10.	IRA/Pension Distributions (1099R, RRB-1099-R)	0
11.	Rents, Royalties, Entities (Sch E, K-1, 4835, 8582)	0
12.	Farm Income (Sch F)	0
13.	Unemployment Compensation (1099-G Box 1)	0
14.	Social Security Benefits (1099-SSA, RRB-1099)	0

Then select #1, Taxpayer's net SS Benefits from 1099-SSA & RRB -1099 from the menu:



A screenshot of a software window titled "Social Security Menu" with a close button (X) in the top right corner. The window contains a list of 8 menu items. Item 1, "Taxpayer's Net SS Benefits from 1099-SSA & RRB-1099", is highlighted. Item 3 includes a detailed description of exclusions.

Item	Description	Value
1.	Taxpayer's Net SS Benefits from 1099-SSA & RRB-1099	0
2.	Spouse's Net SS Benefits from 1099-SSA & RRB-1099	0
3.	Amount of any Exclusions from: U.S. Savings Bonds Interest, Foreign Earned Income, Foreign Housing Income from U.S. Possessions, or Income from Puerto Rico by bona fide Residents of Puerto Rico that You Claimed or Exclusion of Employer-Paid Adoption Expenses	0
4.	SSA Lump-Sum Payment Worksheet	
>>5.	Net SS Benefits from SSA-1042S	0
>>6.	Net SS Benefits from RRB-1042S	0
7.	Attach Green Card PDFs	
8.	Attach Signed Declaration PDFs	
0.	Exit	

Enter Option:

Income - Form RRB-1099

Form 1099-R RRB

Check box on right for RRB-F1099-R

Form 1099R <Ctrl+E> - Exit without saving

a. Payer's EIN -	Payers Taxpayer	1. Gross Distribution 0.00	2016 Form 1099-R RRB-1099-R <input type="checkbox"/>
b. Payer's Name/Address Foreign <input type="checkbox"/>		2a. Taxable Amount SGR <input type="checkbox"/> 0.00	
		2b. Taxable Amount not determined <input type="checkbox"/>	Total Distribution <input type="checkbox"/>
		3. Capital Gain 0.00	4. Federal Tax Withheld 0.00
		5. Insurance Premiums 0.00	6. Unreal. Sec. 0.00

View of F1099-R when the RRB – 1099-R Box has been checked

Form 1099R <Ctrl+E> - Exit without saving

a. Payer's EIN -	Payers Taxpayer	3. Employee Contributions 0.00	2016 Form 1099-R RRB-1099-R <input checked="" type="checkbox"/>
b. Payer's Name/Address Foreign <input type="checkbox"/>		4. Contributory Amount Paid 0.00	
		5. Vested Dual Benefit 0.00	
		6. Supplemental Annuity 0.00	
		7. Total Gross Paid 0.00	
		7a. Taxable Amount SGR <input type="checkbox"/> 0.00	
		8. Repayments 0.00	
		9. Federal Income Tax W/H 0.00	
		10. Rate of Tax 0.000	
		11. Country	
		12. Medicare Premium Total 0.00	
c. Recipient Address Foreign <input type="checkbox"/> 1234 MAIN ST 30809-0000 EVANS GA			
d. Claim Number and Payee Code e. Report on 4972 <input type="checkbox"/> f. Report on 1040 Line 7 <input type="checkbox"/>			

Enter Option (0 to exit): _____

Income K-1

Income Menu – K-1 Income: Select #11

<<10. IRA/Pension Distributions (1099R,RRB-1099-R).....[	0]
11. Rents, Royalties, Entities (Sch E,K-1 4835,8582).....[	0]
12. Farm Income (Sch F).....[	0]
13. Unemployment Compensation (1099-G Box 1).....[	0]
14. Social Security Benefits (1099-SSA, RRB-1099).....[	0]
15. Other Income (W-2G, 2555).....[	0]
* 16. Total Income.....[	10000]
17. Form 1099-MISC	
0. Exit	

Enter Option:

Selection #11 will prompt the screen below. For K-1, select #2:

Schedule E - Rent, Royalties, Partnerships Menu

1. Rents and Royalties	
2. K-1 Input	
3. Income or Loss from REMICS.....[	0]
4. Part V (Including Form 4835).....[	0]
5. Form 8582 - Passive Activity Loss Limitations	
6. Prior Year Loss Not on 8582 or Unreimbursed Expenses...[	NO]
7. Made Payments that would Require Filing Form(s) 1099?..[	NO]
* 8. Did You or Will You File All Required Forms 1099?.....[	NO]
9. IRC Section 469(c)(7)(A) Election.....[	NO]
10. Remove Schedule E	
11. Form 4562	
0. Exit	

Enter Option:

Select New:

K-1s

FORM	NAME	ID NUMBER	T/S/J
0.	Exit		

New

Edit

Delete

Pull

Exit

Insert Key

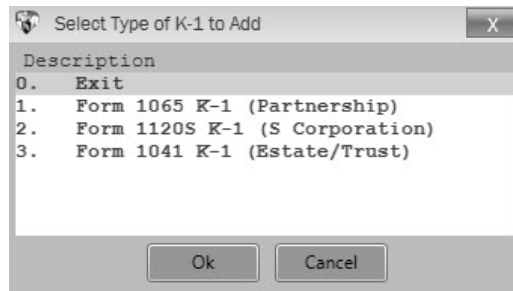
Enter Key

Delete Key

ESC Key

Income K-1 (continued)

Select Type:

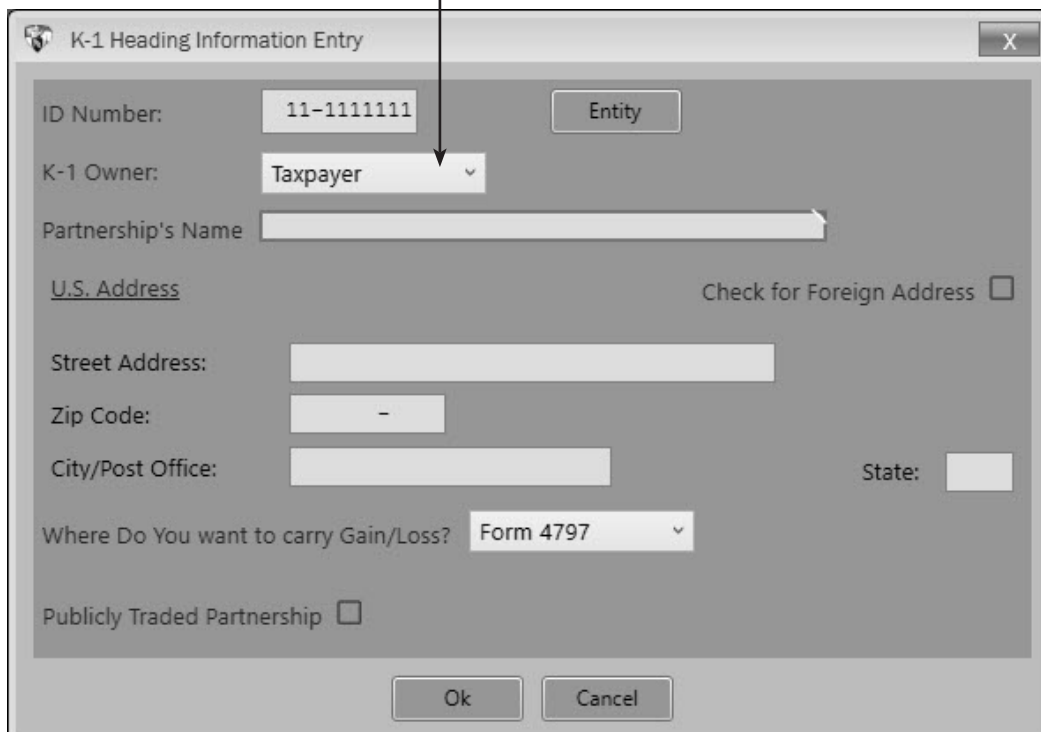


A dialog box titled "Select Type of K-1 to Add" with a close button (X) in the top right corner. It contains a list box with the following items:

	Description
0.	Exit
1.	Form 1065 K-1 (Partnership)
2.	Form 1120S K-1 (S Corporation)
3.	Form 1041 K-1 (Estate/Trust)

At the bottom are "Ok" and "Cancel" buttons.

Select drop down box for Spouse or Joint options:



A dialog box titled "K-1 Heading Information Entry" with a close button (X) in the top right corner. It contains the following fields and controls:

- ID Number: 11-1111111
- Entity: [button]
- K-1 Owner: Taxpayer (dropdown menu with a downward arrow)
- Partnership's Name: [text field]
- U.S. Address: [text field]
- Check for Foreign Address: ☐
- Street Address: [text field]
- Zip Code: - [text field]
- City/Post Office: [text field]
- State: [text field]
- Where Do You want to carry Gain/Loss? Form 4797 (dropdown menu with a downward arrow)
- Publicly Traded Partnership: ☐

At the bottom are "Ok" and "Cancel" buttons.

The K-1 Earnings menu allows you to enter all items of income, deductions, etc. that we reported to your client on Form K-1 from either a partnership (Form 1065), S-Corporation (Form 1120S), or trust (Form 1041). Enter the amounts from the K-1 in the spaces provided exactly as they appear on your client's paper K-1

Income K-1 (continued)

Select Line item to be entered in the "Enter Option" box :

K-1 1065 Edit Screen

Heading Information	
A. Id Number.....A	11-1111111
B. Owner.....B	Taxpayer
C. Partnership's Name.....C	ANY COMPANY
D. Partnership's Address.....D	1234 MAIN ST
E. Is all Investment At-Risk?.....E	Yes
F. Has Entire Interest in Investment been Disposed Of?.....F	No
G. Is Partnership Foreign?.....G	No
H. Actively Managed Passive Loss Carryover.....H	0
I. Other Passive Loss Carryover.....I	0
J. Disposition Gain/Loss.....J	0
K. Where Do You want to Carry Gain/Loss?.....K	Form 4797
L. K-1 from a Publicly Traded Partnership?.....L	No
M. PTP Prior Year Unallowed Loss.....M	0

Income, Deductions, Credits, and Other Items

Income	
1. Ordinary Income/Loss from Trade or Bus. Activities.....1	0
2. Net Income/Loss from Rental Real Estate Activities.....2	0
3. Net Income/Loss from Other Rental Activities.....3	0
4. Guaranteed Payment to Partner.....4	0
5. Interest.....5	0
6A. Ordinary Dividends.....6A	0
6B. Qualified Dividends.....6B	0
7. Royalties.....7	0
8. Net Short-Term Capital Gain/Loss.....8	0
9A. Net Long-Term Capital Gain/Loss.....9A	0
9B. Collectible (28%) Rate Gain/Loss.....9B	0
9C. Unrecaptured Section 1250 Gain.....9C	0
10. Net Gain/Loss under Section 1231.....10	0
11A. Other Portfolio Income (Loss).....11A	0
11B. Involuntary Conversions.....11B	0
11C. Section 1256 Contracts & Straddles.....11C	0
11D. Mining Exploration Costs Recapture.....11D	0
11E. Cancellation of Debt.....11E	0

Enter Option:

Exit

Income – Other Income

Form 1040

Federal Refund=\$2,006

Income

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

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

Adjusted Gross Income

Form Finder: Search Keyword: OTHER INCOME

1099MISC OTHER OTHER ADJUSTMENTS OTHER INCOME

Income

7 Wages, salaries, tips, etc. Attach Form(s) W-2

8a Taxable interest. Attach Schedule B if required

8b Tax-exempt interest. Do not include on line 8a

9a Ordinary dividends. Attach Schedule B if required

9b Qualified dividends

10 Taxable refunds, credits, or offsets of state and local income taxes

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here

14 Other gains or (losses). Attach Form 4797

15a IRA distributions

15b Taxable amount

16a Pensions and annuities

16b Taxable amount

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits

20b Taxable amount

21 Other income. List type and amount

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income

To access the other income menu

- Click on form finder then type Other Income
- Click Other Income line 21 on the return or
- Click Income Menu

Click Other Income to Add Edit or Delete other income Item

Other Income Menu

1. Other Income [0]

* 2. Form 1099-MISC Other Income [0]

>>3. Qualified Education Program Payments (1099-Q) [0]

>>4. Cancellation of Debt (1099-C) [0]

>>5. NOL Carryover from Prior Year(s) [0]

>>6. Gambling Winnings (W-2G) [0]

>>7. Foreign Earned Income Exclusion (2555, 2555-EZ) [0]

* 8. Income from Form(s) 6478, 8814, 8853, 8864 & 8889 [0]

9. Section 933 Excluded Income from PR [0]

* 10. Medicaid Waiver Payments included on Form W-2 Box 1 [0]

* 11. Medicaid Waiver Payments included on Form 1099Misc Box 3 [0]

12. Taxable Clergy Parsonage [0]

* 13. Total Other Income [0]

0. Exit

Enter Option:

Other Income

T/S Description Amount Earned

0. Exit

New Edit Delete Exit

Insert Key Enter Key Delete Key ESC Key

Other Income

Description of Other Income []

Amount of Other Income \$ [0]

Is this EARNED Income <Y/N> ? [N]

<T>xpayer or <S>pouse ? []

Ok Cancel

Income – Other Income (continued)

Entering Medicaid Waiver Payments :

Scenario A: If income is reported on Form W-2 (and payer will not change), enter the Form W-2 as provided. Then, go to line 21>Other income not reported elsewhere>enter Notice 2014-7 in the description field and the amount as a negative number. Then, go to Other Income>Other Compensation and enter the income as Medicaid Waiver wages. This will remove the income from EIC and other credit calculations as necessary.

Scenario B: If income is reported on a Form 1099-MISC, go to line 21>Other income not reported elsewhere>enter Notice 2014-7 in the description field and \$0 in the amount field.

Scenario C: If income is reported on a Form 1099-MISC and you are in the business of providing home care services, enter the full amount of payments under Gross Receipts in the Schedule C Income section. In Other Expenses, enter Notice 2014-7 as the description and the amount as a positive number.

Credits - Child Care

Select Credit Menu to view the Credit Menu

The screenshot shows the TaxSaver Pro 16.1.171721 software interface. On the left, a sidebar contains a menu with options 1 through 15, with '6. Credits Menu' highlighted. Below the sidebar is a 'Form Finder' window with a search bar containing '2441'. The main window displays the 'Form 1040' with the 'Tax and Credits' section. Line 49, 'Credit for child and dependent care expenses', is circled. The 'Form 1040' also shows 'Federal Refund=\$4,714' and 'State Refund=\$632'.

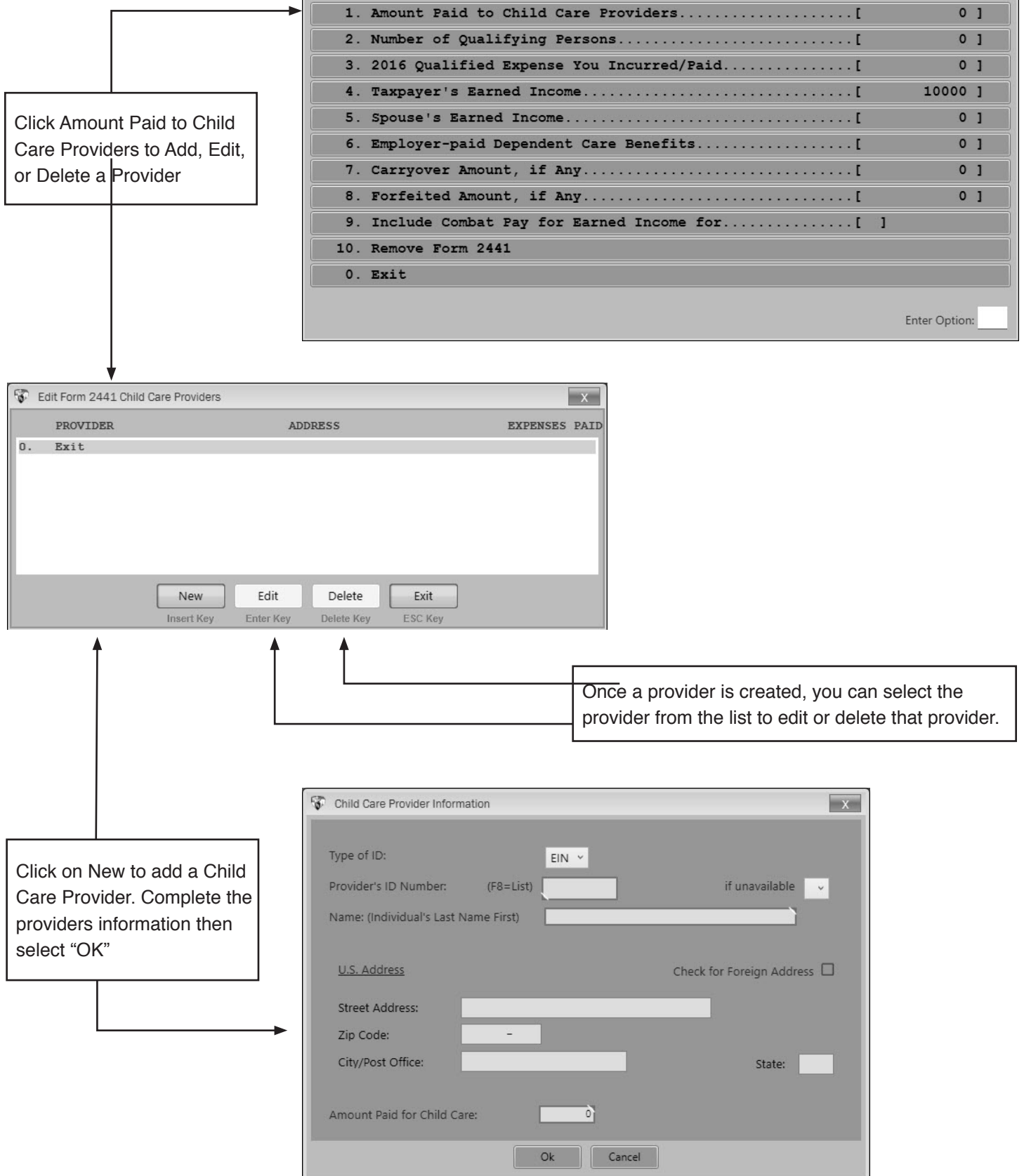
The 'Credits Menu' window displays a list of credits with their corresponding line numbers and amounts. The 'Child & Dependent Care Expenses Credit (2441)' is highlighted. The list includes:

Line	Credit Description	Amount
1.	Foreign Tax Credit (1116)	0
2.	Child & Dependent Care Expenses Credit (2441)	0
3.	Credit for the Elderly or the Disabled (Sch R)	0
4.	Education Credits (8863)	0
5.	Retirement Savings Credit (8880)	0
6.	Child Tax Credit	0
7.	General Business Credit (3800)	0
8.	Residential Energy Credits (5695)	0
9.	Mortgage Interest Credit (8396)	0
10.	Prior Year Minimum Tax Credit (8801)	0
11.	Adoption Credit (8839)	0
12.	DC First-Time Homebuyer Credit (8859)	0
13.	Credit to Holders of Tax Credit Bonds (8912)	0
14.	Qualified Electric Vehicle Credit (8834)	0
* 15.	Total Credits	0
0.	Exit	

Access the Child and Dependent care Information Menu by clicking on the Credits Menu, or on Line 49 of the Form 1040 View or type 2441 in Form Finder window.

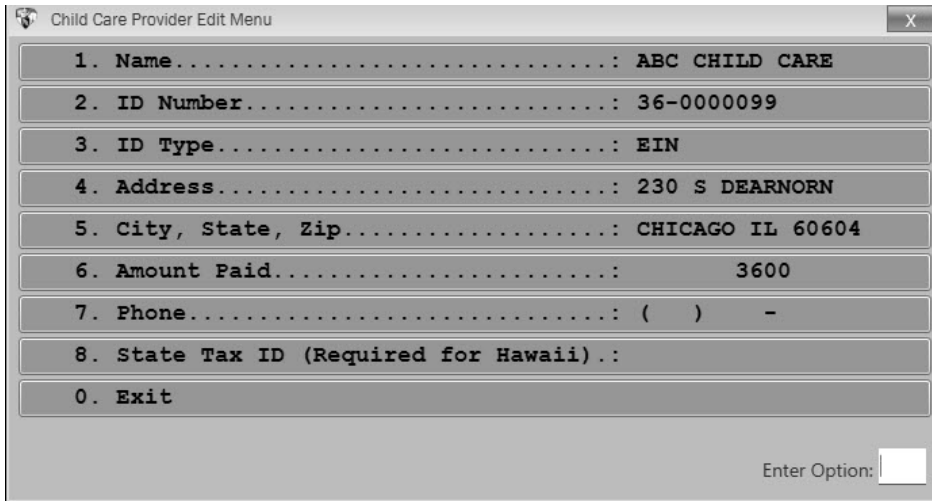
Select Credit Menu to view the Credit Menu then click Child and Dependent Care Expenses Credit

Credits - Child Care (continued)



Credits - Child Care (continued)

The Child Care Provider Edit Menu will come up automatically after you add a Provider. This will allow you the opportunity to make corrections to the Child Care Provider then Exit.



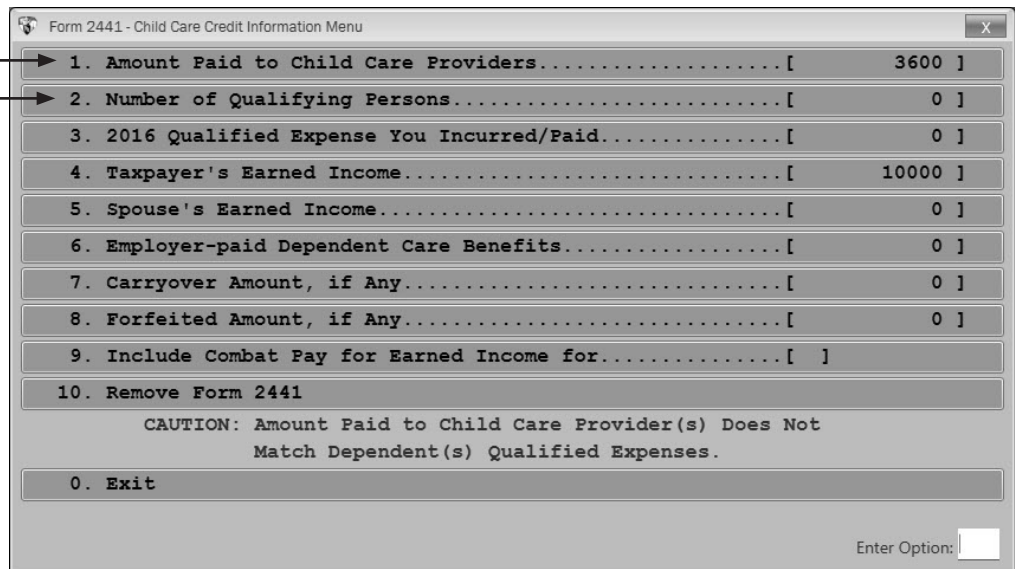
Child Care Provider Edit Menu

1. Name.....	: ABC CHILD CARE
2. ID Number.....	: 36-0000099
3. ID Type.....	: EIN
4. Address.....	: 230 S DEARNORN
5. City, State, Zip.....	: CHICAGO IL 60604
6. Amount Paid.....	: 3600
7. Phone.....	: () -
8. State Tax ID (Required for Hawaii) ..	
0. Exit	

Enter Option:

Click to Modify Provider Information

Click to Select or Add Qualifying Persons



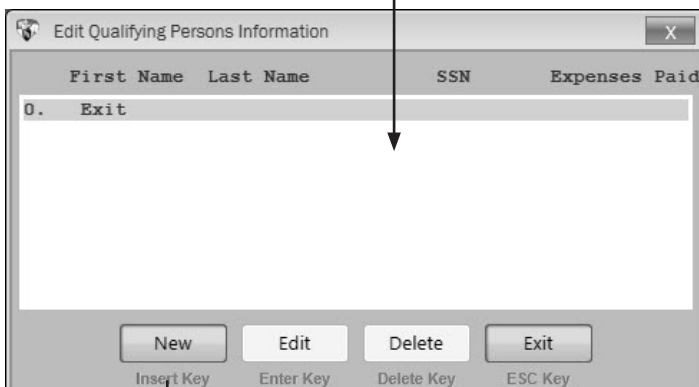
Form 2441 - Child Care Credit Information Menu

1. Amount Paid to Child Care Providers.....	[3600]
2. Number of Qualifying Persons.....	[0]
3. 2016 Qualified Expense You Incurred/Paid.....	[0]
4. Taxpayer's Earned Income.....	[10000]
5. Spouse's Earned Income.....	[0]
6. Employer-paid Dependent Care Benefits.....	[0]
7. Carryover Amount, if Any.....	[0]
8. Forfeited Amount, if Any.....	[0]
9. Include Combat Pay for Earned Income for.....	[]
10. Remove Form 2441	

CAUTION: Amount Paid to Child Care Provider(s) Does Not Match Dependent(s) Qualified Expenses.

0. Exit

Enter Option:

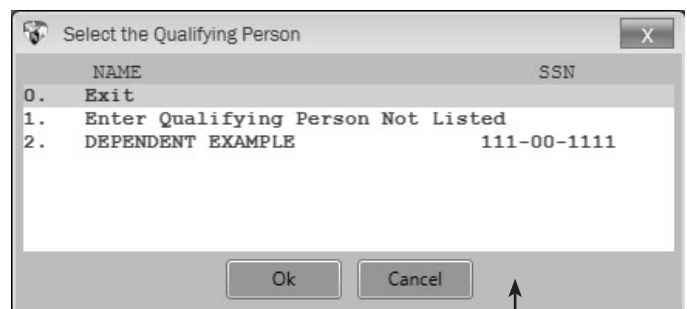


Edit Qualifying Persons Information

First Name	Last Name	SSN	Expenses Paid
0. Exit			

New Edit Delete Exit

Insert Key Enter Key Delete Key ESC Key



Select the Qualifying Person

NAME	SSN
0. Exit	
1. Enter Qualifying Person Not Listed	
2. DEPENDENT EXAMPLE	111-00-1111

Ok Cancel

Click new to Add Qualifying Person Not Listed. You will need to verify this child qualifies before adding.

Credits - Child Care (continued)

Click to Edit Qualifying
Persons Information.

Form 2441 - Child Care Credit Information Menu

1. Amount Paid to Child Care Providers.....	[3600]
2. Number of Qualifying Persons.....	[0]
3. 2016 Qualified Expense You Incurred/Paid.....	[0]
4. Taxpayer's Earned Income.....	[10000]
5. Spouse's Earned Income.....	[0]
6. Employer-paid Dependent Care Benefits.....	[0]
7. Carryover Amount, if Any.....	[0]
8. Forfeited Amount, if Any.....	[0]
9. Include Combat Pay for Earned Income for.....	[]
10. Remove Form 2441	

CAUTION: Amount Paid to Child Care Provider(s) Does Not Match Dependent(s) Qualified Expenses.

0. Exit

Enter Option:

Form 2441 - Earned Income for the Taxpayer

* 1. Calculated Earned Income from 1040.....	[10000]
2. Income for being a Student or Disabled.....	[0]
3. Additional Income.....	[0]
* 4. Total Earned Income for Taxpayer.....	[10000]
0. Exit	

Enter Option:

Click "Income for being a Student or Disabled" then enter the number of months as a full time student or disabled.

Question

? Was the Spouse Enrolled as a Full-Time Student at a School During Any 5 Months of 2016 or Disabled (Not Capable of Self-Care)?

Yes No

Credits - Child Care (continued)

Employer-Paid Benefits are pulled from W2. The amount pulled can be adjusted.

Benefits received from Sole proprietorship or Partnership are not shown and must be added.

Form 2441 - Child Care Credit Information Menu

1. Amount Paid to Child Care Providers.....	[3600]
2. Number of Qualifying Persons.....	[0]
3. 2016 Qualified Expense You Incurred/Paid.....	[0]
4. Taxpayer's Earned Income.....	[10000]
5. Spouse's Earned Income.....	[0]
6. Employer-paid Dependent Care Benefits.....	[0]
7. Carryover Amount, if Any.....	[0]
8. Forfeited Amount, if Any.....	[0]
9. Include Combat Pay for Earned Income for.....	[]
10. Remove Form 2441	

CAUTION: Amount Paid to Child Care Provider(s) Does Not Match Dependent(s) Qualified Expenses.

0. Exit

Enter Option:

Form 2441 - Employer Paid Benefits

* 1. Amount Pulled from W2s.....	[0]
2. Adjust Amount Pulled from W2s.....	[0]
3. Benefits Received from Sole Proprietorship or Partnership...	[0]
* 4. Total Employer Paid Dependent Care Benefits.....	[0]
0. Exit	

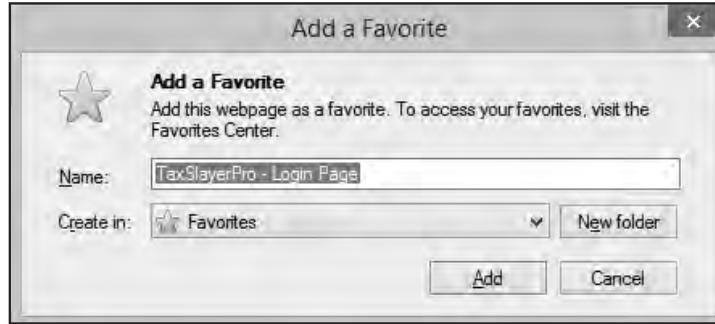
Enter Option:

**Tab O: Using
TaxSlayer® Pro Online**

Setting TaxSlayer® Pro Online as a Favorite

To set up TaxSlayer® ProOnline as a Favorite in your web browser, use the following steps:

1. Open Internet Explorer, Mozilla Firefox, or Google Chrome.
2. Type <https://vita.taxslayerpro.com/proavalon> in the address line. Current and prior year software can be accessed upon logging in.
3. Click on the **Favorites** icon.
4. Click **Add**.
5. In Name, type the name you want the favorites to display.



6. Click OK.

Logging on to Pro Online the first time

The user name isn't case sensitive. To log on to TaxSlayer® ProOnline, enter your Username, Password, and Security Code.

Login

Username

Password

Access Code

LOGIN

Forgot username

Forgot password

Note: See TaxSlayer User Guide for updated login procedures

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 security level.

Welcome to SUPPORT

Message Center0

Rejected Clients

Start New Tax Return Create a brand new tax return for a client.	Select
Client Search Edit returns you previously started.	Select
Review Returns * Returns that are currently waiting to be reviewed	Select
Configuration Setup the configuration options for your office.	Select
Reports Print acks, mailing labels, bank reports, and old reports.	Select
Transmissions Transmit returns to IRS.	Select

Start New Tax Return: Select to start a new return.

Time-saving tips: After selecting “Start a new 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. Alternatively, after you enter the basic information you can go to Quick Files (from the dropdown menu beside the taxpayer’s name) and list the entry screens you want to see. Additional forms or screens can be added by entering their name or number in the form search box.

Client Search: Select to open an existing return.

Review Returns: This option displays the Review Returns page, listing all returns that tax preparers have marked for review. The Quality Reviewer can select returns to review, and then mark the return as Approved or Rejected.

Navigating TaxSlayer® Pro Online

TaxSlayer Navigation: Federal Section>Income

Income

This section is used to enter all items of income on the tax return. You will be given two options from the main income page:

- Select **Guide Me** to launch a step-by-step series of questions to help determine the various types of income that should be entered on the tax return.
- Select **Enter Myself** if you prefer to enter in items of income without the help. This will take you to the income entry screen which lists the various types of income that should be reported on the tax return. Select a **Begin** or an **Edit** button to enter/edit an item of income. See the **Income tab** for more directions on entering specific types of income.

TaxSlayer Navigation: Federal Section>Deductions

Deductions

This section is used to enter all deductions, adjustments or subtractions on the tax return.

- Select **Guide Me** to launch a step-by-step series of questions to help determine the various types of deductions that should be entered on the tax return.
- Select **Enter Myself** if you prefer to enter deductions without assistance. This will take you to the deductions entry screen which lists the various types of deductions that should be reported on the tax return. Select a **Begin** or an **Edit** button to enter/edit a deduction. See the Adjustments, Deductions, Nonrefundable Credits, Earned Income Credit, and Education Benefits tabs for additional information and specific instructions on these topics.

Deductions	
Adjustments	Begin
Standard Deduction	Begin
Itemized Deductions	Begin
Credits Menu	Begin
Compare Deductions	Begin
<div><div>← Back to Income</div><div>Continue to Other Taxes</div></div>	

Navigating TaxSlayer® Pro Online (continued)

TaxSlayer Navigation: Federal Section>Other Taxes

Other Taxes

This section is used to enter any other tax types for which the taxpayer may be liable. Select the Begin button next to any other tax item to enter in data applicable to the taxpayer. See the Other Taxes and Payments tab for additional information and specific instructions.

TaxSlayer Navigation: Federal Section>Payments and Estimates

Payments & Estimates

This section is used to enter such items as payments, apply overpayments to next year's return and to print vouchers for next year's estimated payments. Select the Begin button next to any payment or estimate item to enter in data applicable to the taxpayer. See the Other Taxes and Payments tab for additional information and specific instructions.

TaxSlayer Navigation: Federal Section>Miscellaneous Forms

Miscellaneous Forms

This section of the Federal Section is used to enter the following:

- Injured Spouse Form - 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

TaxSlayer Navigation: State Section

State Section

If you chose a State of Residency from within the Personal Information screen, this part of the program will be created based on all the necessary information entered into the return for you.

If you don't have a state return, you can click **Continue** or use any of the navigation options on the left side of your screen.

The following states don't have state income tax returns that can be filed through the program:

Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington and Wyoming.

The **Add Another State Return(s)** will help you to create any state return that you will be including in the tax return.

Choose a state from the drop down box located on the Select Your State Return page and select **Continue**.

You will be prompted to select the taxpayer's state residency type. Most states have a separate resident, part year resident and non-resident tax return. Select **Continue**.

Navigating TaxSlayer® Pro Online (continued)

Select the **Begin** button to enter other state data applicable to the taxpayer. The federal and state information entered on the federal return will automatically pull into the state. When you have entered in all applicable state data items select **Continue**.

To **delete** a state return, select **State Return** from the left side of your screen. Select the **delete icon** next to the state that you would like to delete.

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 (shown below) or the 1040 View, which allows you to link from most of the line items on Page 1 and 2 of the Form 1040

Select View/Print the Return to create a PDF of the return that can be printed or reviewed.

Calculation Summary	
Total Income	\$0.00
Adjusted Gross Income	\$0.00
Tax and Credits	\$0.00
Total Tax	\$0.00
Payments	\$0.00
Amount You Owe	\$0.00

Navigating TaxSlayer

Form or Topic	Key Word	1040 View	Navigation to Data Entry Screen
982 Reduction of Tax Attributes...	98	21	Income>Other Income>Cancellation of Debt Form 1099-C, Form 982
1040-ES Estimated Tax Payments	1040	N/A	Payments & Estimates>Vouchers for Next Year's Estimated Payments
1040-X Amended Return	N/A	N/A	Select 2017 Amended Return Section from side menu or create prior year return
1095-A Health Insurance	N/A	46/61/69	Select Health Insurance Section from side menu>Follow screens to Advanced Premium Tax Credit
1098 Mortgage Interest Statement	1098	40	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Reported on Form 1098
1098-E Student Loan Interest	1098	33	Deductions>Adjustments>Student Loan Interest Deduction
1098-T Tuition Statement	1098	34/50	Deductions>Credits Menu>Education Credits
1099-A Acquisition or Abandonment	Capital	12/21/13	Income>Capital Gain and Losses>Sale of Main Home Worksheet or use Capital Gains and Loss Items
1099-B Proceeds from Broker and Barter Exchange	10	13	Income>Capital Gain and Losses>Capital Gain and Loss Items
1099-C Cancellation of Debt	-C or CANC	21	Income>Other Income>Cancellation of Debt Form 1099-C, Form 982
1099-DIV Dividends	D	9	Income> click Income from Federal Section>Interest and Dividends>Interest or Dividend Income
1099-G State Tax Refund	G	10	Income>State and Local refunds
1099-G Unemployment Compensation	10,UN	19	Income>Unemployment Compensation
1099-INT Interest Income	INT	8	Income>Interest and Dividends>Interest or Dividend Income
1099-INT Box 9, Private Activity Bond Interest (PAB)	6251	45	Other Taxes>Alternative Minimum Taxes>Interest from specified private activity bonds exempt from the regular tax
1099-K Payment Card and Third Party...	C	12	Income>Profit or Loss from a Business>Add or edit a Schedule C>Income (include in gross receipts or sales)
1099-MISC Miscellaneous Income	MIS	N/A	Income>Form 1099-MISC
1099-OID Original Issue Discount	INT	8	Treat the same as 1099-INT
1099-Q Payments from Education Programs	N/A	21	If not taxable, do not enter, if taxable, then out of scope

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
1099-QA Distributions from ABLE Accounts	N/A	21	If not taxable, do not enter, if taxable, then out of scope
1099-R IRA Distribution	-R	15	Income>IRA/Pension Distributions> Add or Edit a 1099-R
1099-R Pension Distributions	-R	16	Income>IRA/Pension Distributions> Add or Edit a 1099-R
1099-R Retirement	-R	16	Income>IRA/Pension Distributions> Add or Edit a 1099-R
1099-S Proceeds from Real Estate Transaction	CAP	13	Income>Capital Gain and Losses>Capital Gains and Loss Item
1099-SA HSA	HSA	25	Deductions>Adjustments>Health Savings Account Form 8889
2120 Multiple Support Declaration	N/A	N/A	Not in TaxSlayer, take exemption, keep form in TP files
4852 Substitute for Form W-2	W2	7	Income>Wages>Add a W-2>This is a substitute W-2
4852 Substitute for Form 1099-R	495	15	Income>IRA/Pension Distributions>Add a 1099-R>Check here if this is a substitute 1099-R
CSA 1099-R Civil Service Annuity Paid	-R	16	Income>IRA/Pension Distributions>Add or Edit a 1099-R
CSF 1099-R Statement of Survivor Annuity Paid	-R	16	Income>IRA/Pension Distributions>Add or Edit a 1099-R
K-1 Beneficiary's (or Partner's) Share of Income	K	N/A	Income>Other Income>K-1 Earnings
RRB 1099 Railroad Retirement Benefits (Tier 1 blue form)	RR	20b	Income>IRA/Pension Distributions>Social Security Benefits/RRB-1099
RRB 1099-R Railroad Retirement Benefits (Tier 2 green form)	RR	16	Income>IRA/Pension Distributions>RRB-1099-R
SSA-1099 Social Security Benefits	SSA	20	Income>IRA/Pension Distributions>Social Security Benefits/RRB-1099
W-2 Wages & Salaries	W	7	Income>Wages and Salaries
W-2G Gambling Winnings	W2G	21	Income>Other Income>Gambling Winnings
Alimony Paid	ALIM	31	Deductions>Adjustments> Alimony Paid
Alimony Received	ALIM	11	Income>Alimony Received
Amended Return	N/A	N/A	2017 Amended Return Section from side menu (Tab M)
American Opportunity Credit	1098	50	Deductions>Credits>Education Credits
Annuity Calculator, Simplified Method or Public Safety Officer Exclusion	-R	16	Income>IRA/Pension Distributions>Add or edit a 1099-R>Click here for options
Attach a PDF to the Return	CAP	13	Income>Capital Gain and Losses>PDF Attachments
Brokers Statements	N/A	N/A	See appropriate 1099

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
Business Expenses	C or SCHEDULE C	12	Income>Profit or Loss From A Business>Add a Schedule C Income from Business>General Expenses, Car And Truck Expenses, or Other Expenses
Cancellation of Debt	CAN	21	Income>Other Income>Cancellation of Debt
Capital Gains	CAP	13	Income>Capital Gains and Losses
Capital Gains Distributions	INT or DIV	9	Income>Interest or Dividend Income>Interest or Dividend Income>Dividend Income>Capital Gain to Schedule D
Capital Loss Carryforward	CAP	13	Income>Capital Gains and Losses>Other Capital Gains Data (including Capital Loss Carryover)
Charitable Distribution from IRA	-R	15	Income>IRA/Pension Distribution>Add or edit 1099-R>Subtract distribution that was sent directly by trustee to charity from Box 1 and enter the difference in Box 2a.
Charitable Donations	CHA	40	Deductions>Itemized Deductions>Gifts to Charity
Deceased Taxpayer	PER plus 1310	N/A	Personal Information>Check here if Taxpayer is deceased. PLUS complete Form 1310 if person filing the return is other than spouse (Miscellaneous Forms>Claim a Refund Due to a Deceased Taxpayer).
Direct Deposit/Direct Debit	N/A	N/A	E-File Section from side menu>Federal Return Type, State Return Type. Then enter Taxpayer Bank Account Information.
Dividend Income	D	9a	Income >Interest and Dividends>Interest or Dividend Income
Donations to Charity	CHA	40	Deductions>Itemized Deductions>Gifts to Charity
Early Withdrawal Penalty (not on 1099-INT)	EARL	30	Deductions>Adjustments> Penalty on Early Withdrawal of Savings or CD
Education Expenses	EDUCA, 886	34/50	Deductions >Credits Menu>Education Credits
Educator Expenses	EDUCA	23	Deductions>Adjustments> Educator Expenses
Elderly or Disabled Credit	ELD	54	Deductions>Credits>Credit for the Elderly or Disabled Schedule R
Energy Credits	ENER	53	Deductions>Credits>Resident Energy Credit

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
Estimated Tax Payments for the tax year	FED or PAY	65	Payments & Estimates>Federal Estimated Payments
Estimated Payment Vouchers Federal State	VOU STAT	N/A	Payments & Estimates>Vouchers for Next Year's Estimated Payments
Exempt Interest	INT	8b	Income>Interest & Dividends>Interest or Dividend Income>Tax Exempt Interest Income Form 1099-INT, Box 8 or Form 1099-DIV, Box 10
Extension, Filing for	EXTE	N/A	Miscellaneous Forms>Application for Extension
First Time Home Buyer Credit (Repayment)	FIR	60b	Other Taxes>First-time Homebuyer Repayment
Foreign Tax Credit	1116	48	Deductions>Credits>Foreign Tax Credit
Gambling Winnings	W2G or	21	Income >Other Income>Gambling Winnings
Health Savings Accounts	HSA	25	Deductions>Adjustments> Health Savings Account
Household Employee Income (no W-2)	OT or OTHER	7	Income>Other Income>Other Compensation> Household Employee Income
Identity Theft PIN	PIN	N/A	Miscellaneous Forms>IRS Identification Pin
Injured Spouse	INJ	N/A	Miscellaneous Forms>Injured Spouse Form
Interest Income	INT	8	Income>Interest and Dividends>Interest or Dividend Income>Interest Income, Form 1099-INT
Interest Income not on a Form	INT	8	Income>Interest and Dividends> Interest or Dividend Income>Interest Income, Form 1099-INT
Investment Management Fees	MIS	40	Deductions>Itemized Deductions>Miscellaneous Deductions>Investment Fees and Expenses
ITIN, Application for	N/A	N/A	Miscellaneous Forms>Application of ITIN
IRA Contributions (Traditional IRA)	IRA	32	Deductions>Adjustments>IRA Deduction
IRA Contributions (ROTHIRA)	IRA	51	Deductions>Credits>Retirement Savings Credit>Any Current Year Roth IRA Contributions
IRA Distributions	-R	15	Income>IRA/Pension Distributions>Add or Edit a 1099-R

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
IRA Qualified Charitable Distribution (Not a Charitable Gift Annuity)	-R	15	Income>IRA/Pension Distribution>Add or edit 1099-R>Subtract distribution that was sent directly by trustee to charity from Box 1 and enter the difference in Box 2a. Go to Nontaxable Distributions and check the “Check here to mark this as a Qualified Charitable Distribution (QCD) on your return.” Box
IRA Rollover	-R	15	Income>IRA/Pension Distributions> Add or Edit a 1099-R check the box “Check here if all/part of the distribution was rolled over, and enter the rollover amount.”
Jury Duty Pay	N/A	21	Income>Other Income>Other Inc. Not Reported Elsewhere
Jury Duty Paid to the Employer	J	36	Deductions>Other Adjustments>Jury Duty Pay
Lump Sum Social Security Benefit	SSA	20	Income>IRA/Pension Distributions>Social Security Benefits/ RRB-1099>Begin Worksheet
Management Fees (Investment)	MIS	N/A	Deductions>Itemized Deductions>Miscellaneous Deductions>Investment Fees and Expenses
Medical and Dental Expenses	MED	40	Deductions>Itemized Deductions>Medical and Dental Expenses
Medicaid Waiver Payments on W-2	W	7/21	Income > Wages and salaries Form W-2 and enter the amount in the “Medicaid Waiver Payment in Box 1” to be subtracted on line 21.
Mileage for Charitable Travel	CHA	40	Deductions>Itemized Deductions>Gifts to Charity>Noncash Gifts to Charity
Mileage for Medical Travel	MED	40	Deductions>Itemized Deductions>Medical and Dental Expenses
Mortgage Insurance Premiums	MORT	40	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Private Mortgage Insurance (PMI) Deduction
Mortgage Interest and Points Paid	MORT	40	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Reported on Form 1098
Mortgage Interest Paid—not on Form 1098	MORT	40	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Not Reported on Form 1098
Noncash Donations that total \$500 or less	CHA	40	Deductions>Itemized Deductions>Gifts to Charity>Non-Cash Gifts to Charity

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
Noncash Donations that total more than \$500 but are individually less than \$5,000	CHA	40	Deductions>Itemized Deductions>Gifts to Charity>Non-Cash Donations (more than \$500)
OID Interest	INT	8	Income>Interest and Dividends>Interest or Dividend Income
Other Income (prizes, jury duty, etc.)	N/A	21	Income>Other Income>Other Inc. Not Reported Elsewhere
PDF, Attaching	N/A	13	Income>Capital Gain and Losses>PDF Attachments
Pension Distributions	-R	16	Income>IRA/Pension Distributions> Add or Edit a 1099-R
Personal Property Taxes	Proper	40	Deductions>Itemized Deductions> Taxes You Paid
PIN, Identity Theft	PIN	N/A	Miscellaneous Forms>IRS Identification Pin
Private Activity Bond interest	6251	45	Other Taxes and Payments>Alternate Minimum Tax>Interest from specified private activity bonds exempt from the regular tax
Prizes and Awards	N/A	21	Income>Other Income>Other Inc. Not Reported Elsewhere
Public Safety Officer Exclusion	-R	16	Income>IRA/Pension Distributions>Add or edit 1099-R>Click here for options
Real Estate Taxes	MORT	40	Deductions>Itemized Deductions> Mortgage Interest and Expenses>Mortgage Interest Reported on Form 1098
Refunds of State and Local Income Tax (if reportable)	G [box 2]	10	Income>State and Local Refunds
Residential Energy Credit	ENER,RESI	53	Deductions>Credits>Residential Energy Credit
Retirement Savings Credit	RETI	51	Deductions>Credits>Retirement Savings Credit
Roth IRA Contributions	IRA	51	Deductions>Credits>Retirement Savings Credit>Any Current Year Roth IRA Contributions
Royalties (Simple royalties with no associated expenses)	SC	17	Income>Rents and Royalties
Sale of Stock	CAP	12	Income>Capital Gain and Losses
Sale of Main Home	CAP	12	Income>Capital Gain and Losses>Sale of Main Home Worksheet or use Capital Gains and Loss Items
Sales Tax Deduction	SALE or TAX	40	Deductions>Itemized Deductions>Taxes You Paid
Schedule C	SC	12	Income>Profit or Loss from a Business

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
Scholarships and Grants;	OT or OTHER	7	Income>Other Income>Other compensation> Scholarships and Grants
Self-employment Income	C	12	Income>Profit or Loss from a Business
Seller-financed Mortgage Interest Paid	MORT	40	Deductions>Itemized Deductions>Mortgage Interest and Expenses>Mortgage Interest Not Reported on Form 1098
Seller-financed Mortgage Interest Received	INT	8	Income>Interest and Dividends>Interest or Dividend Income>Seller Financed Interest Income
Simplified Method	-R	16	Income>IRA/Pension Distributions>Add or edit a 1099-R>Click here for options
Social Security Benefits	SSA	20	Income>IRA/Pension Distributions> Social Security Benefits/ RRB-1099
State and Local Tax Refund Worksheet	G [box 2]	10	Income>State and Local Refunds
State and Local Taxes Paid	STAT	40	Deductions>Itemized Deductions>Taxes You Paid> Additional State and Local Income Tax
Student Loan Interest	STU or LOA	33	Deductions>Adjustments> Student Loan Interest Deduction
Substitute W-2	W	7	Income>Wages>Add a W-2>This is a substitute W-2
Taxable Refund Worksheet	G [box 2]	10	Income>State and Local Refunds
Tax Exempt Interest	INT	8	Income>Interest and Dividends>Interest or Dividend Income>Tax Exempt Interest Income
Taxes Paid, Federal Estimated	FED or PAY	65	Payments & Estimates>Federal Estimated Payments for 2017
Taxes Paid, State and Local	STAT	40	Deductions>Itemized Deductions>Taxes You Paid> Additional State and Local Income Tax
Taxes Paid, State and Local Estimated	FED or STATE	65	Payments & Estimates>State Estimated Payments
Tip Income (not reported to employer)	W	7	Income>Wages>Unreported Tips (on W2 below line 10)
Tip Income (not reported to employer because tips were less than \$20 per month)	4137	58	Income>Wages>Unreported Tips PLUS Other Taxes and Payments>Tax on Unreported Tip Income
Traditional IRA Contributions	IRA	32	Deductions>Adjustments>IRA Deduction
Tribal Per Capita Payments not on 1099	N/A	21	Income>Other Income>Other Inc. Not Reported Elsewhere

Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Navigating TaxSlayer (continued)

Form or Topic	Keyword	1040 Line	Navigation to Data Entry Screen
Tuition and Fees Adjustment	TUI	34/50	Deductions>Adjustments> Tuition and Fees Deduction
Unemployment Compensation	UN	19	Income>Unemployment Compensation
Unemployment Compensation Repayment—Same Year as Benefit Received	G	19	Income>Unemployment compensation
Unemployment Compensation Repayment—Year after Benefits Received—greater than \$3,000	MIS	40	Deductions>Itemized Deductions>Miscellaneous Deductions>Repayment under claim of right (if greater than \$3000)
Unemployment Compensation Repayment—Year after Benefits Received—less than \$3,000	MIS	40	Deductions>Itemized Deductions>Miscellaneous Deductions>Add Additional
Unrecovered Investment in Pension	MIS	40	Deductions>Itemized Deductions>Miscellaneous Deductions>Unrecovered investment in pension
Volunteer Expenses	CHA	40	Deductions>Itemized Deductions>Gifts to Charity
Vouchers for Estimated Payments Federal State	VOU	N/A	Payments & Estimates>Vouchers for NextYear's Estimated Payments
Wages & Salaries	W	7	Income>Wages and Salaries
W-7 Application for ITIN	N/A	N/A	Miscellaneous Forms>Application for ITIN
Withholding not on another form	WITH	N/A	Payments & Estimates>Other Fed (or State) Withholding

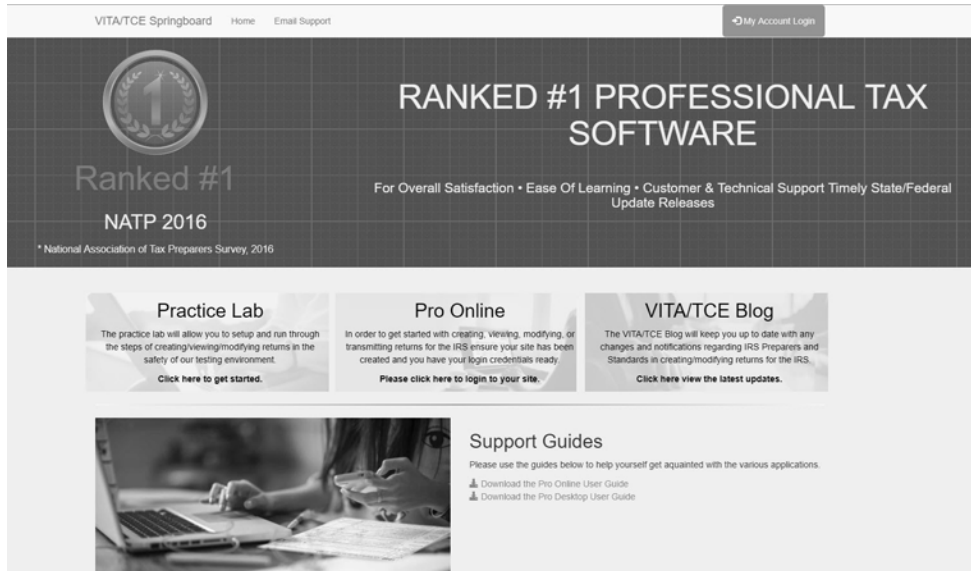
Note: For each form or topic listed in the left column use any of the navigation methods in the three columns to the right. If any column is N/A, use another method.

Contingency Plan Option

Contingency Plan – TaxSlayer Pro, also referred to as Desktop, to be utilized in the rare occasions where TaxSlayer Pro Online is unavailable or the site loses internet for an extended period of time. The Desktop software should be downloaded and installed as part of pre-season preparation. Follow the instructions below to download the desktop software:

Access Springboard

The URL is <https://vita.taxslayerpro.com/>



Click on My Account in the top right corner to login with username and password created from the link provided by TaxSlayer when your order was originally placed.



Sign In

Username:

Password:

LOGIN

[Forgot user name or password?](#)

Contingency Plan Option (continued)

TaxSlayer Pro
Professional Tax Software

Welcome, Logout

MyAccount
Company Info
Account History

Company Settings

TAXSLAYER
123 VITA/TCE Lane
Somewhere, GA 30165

Security Settings


Change Password
Change Password Email
Reset program password

Message Center

Contact Account Manager
Generic
nonreply@taxslayer.com
70612345678 ext. 123
Refer a Friend

Other Options
Install 2016 TaxSlayer Pro software
2015 version
2014 version
2013 version (Individual Returns)
2013 version (Business Returns)
Go to 2015 Pro Online

PROFESSIONAL TAX PREPARER BLOG
The IRS Online PTIN (Preparer Tax Identification Numbers) System Has Been Re-Opened
2017-06-22 15:23
Over the past few weeks, tax preparers who have [...] July Education Month
2017-06-19 12:11
TaxSlayer Pro would like to help you take your business to new heights! July will be filled with FREE [...] Tips to Get You Through the End of Tax Season Rush
2017-03-15 06:00
You've made it through the first half of tax season - congratulations! Now that you are in the calm before the storm, it's a great [...]

CONTACT US
Looking for assistance in the tax program? Or maybe you are ready to renew the software, no problem contact us today.
Payment Methods


To download the TaxSlayer Pro program from the internet, complete the following steps:

- Look for **Other Options** to the right of the screen
- Select **Install 20XX TaxSlayer Pro Software**
- Select **Run**
- Follow the on screen prompts to download and install the TaxSlayer Pro software

NOTE: Select Account History to access your EFIN/Office validation code that is required to be entered into the software during setup.

My Account
Company Info
Account History

Company Information

Account History

Date	Time	Description
11/21/2016	12:27:12 PM	Store Purchase - Order #63 | Receipt EFIN validation code 7Q0000063847. You will need to enter this into your 2017 Software.

NOTE: If you are running anti-virus software or a firewall in the background, be sure that you select '**Allow**', or '**Permit**' or '**Unblock**' if prompted to do so to allow the TaxSlayer Pro program files to download and install.

Install the Software on computers to be used in the event TaxSlayer Pro Online is unavailable for an extended period of time.

Notes

This image shows a single page of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**Tab P: Partner
Resources**

Information for Assisting People with Disabilities

It is important to read and understand Publication 5192 Ten Key Points for Communicating with People with Disabilities (refer to the link below) because there are many misconceptions (often benevolent but misguided) about interacting with people with disabilities. Therefore, if one wants to show concern and respect for a person with a disability, it is worth considering the guidelines in Publication 5192.

<https://www.irs.gov/pub/irs-pdf/p5192.pdf> - Ten Key Points for Communicating with People with Disabilities

The following videos describe the taxpayer experience at free tax preparation sites and explain basic information about the return preparation process. This information is beneficial for the volunteers who serve as American Sign Language interpreters at the sites across the country and useful for anyone who wants to better understand the tax preparation process.

The new URL for each video listed below, can be found at American Sign Language (ASL) Videos | Internal Revenue Service. <https://www.irs.gov/newsroom/videos-american-sign-language-asl>

1. **ASL: Get Free Tax Help** – provides an introduction to the free tax preparation services available to qualified taxpayers.
2. **ASL: What to Bring at Tax Time** – focuses on the process of completing the Intake/Interview & Quality Review Sheet, and documents necessary for taxpayers to bring to VITA/TCE sites.
3. **ASL: Understanding Your Tax Return** – provides information on completing the tax form 1040 and goes through the free tax return preparation process at VITA/TCE sites.

Financial Coaching for Veterans

Veterans can receive free financial coaching services. This initiative focuses on helping Veterans reach their financial goals, providing support, encouragement, accountability, and tools to assist making informed decisions. Financial coaches are available through the dedicated toll-free number, 844-904-6257 and provide virtual coaching or tele-coaching.

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 deaf and hard of hearing individuals is available. For more information go to www.veteranscrisisline.net

IRS Taxpayer Assistance Center - Appointment Service

The IRS offers appointments at 44 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.

Identity Theft Job Aid for Volunteers

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 tax return and pay their fair share of taxes

Every December, the IRS Identity Protection Specialized Unit (IPSU) mails Notice CP01A to taxpayers previously identified as identity theft victims. The notice includes a 6-digit Identity Protection Personal Identification Number (IP PIN) to be entered on the tax return. Taxpayers are mailed Notice CP01A every year as long as the identity theft indicator remains on their account (usually 3 years). Use the most recent IP PIN regardless of the tax year.

When assisting taxpayers who are victims or may be victims of identity theft at VITA/TCE site:

If...	Then...
Identity Protection PIN (IP) PIN was issued to primary and/or, secondary and/or dependent taxpayer(s)	Ensure the IP PIN is input correctly on the tax return.
Taxpayer received an IP PIN but didn't bring it with them	<ol style="list-style-type: none"> 1. Complete a tax return for the taxpayer. 2. Provide taxpayer with a complete copy of the tax return. (Provide two copies if the taxpayer will mail the tax return.) 3. Refer to Replacing Lost or Missing IP PIN below. 4. If taxpayer wants to e-file, arrange for the taxpayer to provide the IP PIN by returning to the site or via telephone.
Taxpayer received an IP PIN but misplaced or lost it	<ol style="list-style-type: none"> 1. Complete a tax return for the taxpayer. 2. Provide taxpayer with a complete copy of the tax return. (Provide two copies if the taxpayer will mail the tax return.) 3. Refer to Replacing Lost or Missing IP PIN below. 4. If the taxpayer receives original or a replacement IP PIN and wants to e-file, arrange for the taxpayer to provide the IP PIN by returning to the site or via telephone.
Taxpayer didn't receive IP PIN but IRS rejected the e-filed tax return because the IP PIN wasn't entered.	<ol style="list-style-type: none"> 1. Refer to Replacing Lost or Missing IP PIN below. 2. Provide taxpayer with two complete copies of the tax return. 3. If the taxpayer receives the original or a replacement IP PIN and taxpayer wants to e-file, advise the taxpayer to provide the IP PIN by returning to the site or via telephone. 4. If IPSU doesn't provide the IP PIN, advise taxpayer to follow IPSU 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.	<ol style="list-style-type: none"> 1. Advise the taxpayer to contact the IPSU for assistance. If required, the IPSU will advise the taxpayer to complete Form 14039 and to mail it with their tax return to the IRS. 2. Provide the taxpayers two copies of their tax return.

Replacing a Lost or Missing IP PIN

If a taxpayer didn't receive his/her new IP PIN or the taxpayer misplaced it, the taxpayer has two options:

1. A taxpayer can register and create a user profile to get his/her current IP PIN at <https://www.irs.gov/individuals/get-an-identity-protection-pin>. The registration process will require the taxpayer to provide specific personal information and answer a series of questions to validate his/her identity.
2. Contact IPSU at 1-800-908-4490, to request his/her IP PIN to be mailed.

Frequent Taxpayer Inquiries

Taxpayers normally ask questions during the interview process about the topics covered in this section. Visit www.irs.gov-keyword: 1040 Central 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-Years' Returns

Transcripts of prior-year returns may be obtained by going to <https://www.irs.gov/individuals/Get-Transcript> or by filing Form 4506-T, Request for Transcript of Tax Return. The website can be used to get prior-year information needed for this year's return.

If an actual copy is needed, taxpayer should complete Form 4506, Request for Copy of Tax Return, and mail it with the required fee to the IRS campus where the return was filed.

Amended Returns (See Other Returns Tab)

Form 1040X, Amended U.S. Individual Income Tax Return should be used by taxpayers to amend their return. Many mistakes are corrected in processing by the IRS and a letter of explanation is mailed at the time an error is identified or when a refund is issued. In these cases, taxpayers aren't required to file an Amended Return as the corrections have already been made.

Preparation of amended returns has expanded in the VITA/TCE programs. Sites can choose to file amended returns even if they didn't prepare the original return.

Taxpayer Address Changes

Taxpayers should use Form 8822, Change of Address, to notify the IRS of any change of address. If taxpayers move after filing the return and before a refund is received, they should notify their old post office and the IRS of their new address.

Recordkeeping

Taxpayers should keep their tax documents until the statute of limitations runs out for the return. Usually, this is three years from the date the return was due or filed, or two years from the date the tax was paid, whichever is later. Refer taxpayers to Publication 17, Filing Information or at www.irs.gov – keyword: Recordkeeping.

FREE Tax Preparation Locations

Consult your Site Coordinator for information about the location of other VITA/TCE sites in your area. Taxpayers may call 1-800-829-1040 or visit AARP's website at www.aarp.org/taxaide or call 1-888-227-7669 for this information.

Problems Navigating the IRS

Taxpayers may contact the Taxpayer Advocate if their attempts to deal with an IRS problem are unsuccessful.

Taxpayers can visit www.irs.gov/advocate or see Publication 1546, for details on what the Taxpayer Advocate Service provides. Also suggest Publication 910, Guide to Free Tax Services.

Refund Information

Taxpayers should be directed to www.irs.gov to obtain information about their refund. Specific information is available by clicking on "Where's My Refund?"

Innocent Spouse Relief

Taxpayers who file a joint tax return are jointly and individually responsible for the tax and any interest or penalty due on

the joint return even if they later divorce. In some cases, a spouse (or former spouse) will be relieved of the tax, interest, and penalties on a joint tax return. Spousal relief is granted in certain situations when a taxpayer can prove he/she isn't liable for amounts due in joint filing situations.

Taxpayers should see Publication 971, Innocent Spouse Relief which explains the types of relief, who may qualify for them, and how to get them. Married persons who didn't file joint returns, but who live in community property states, may also qualify for relief. (Out of scope for VITA/TCE prepared returns.)

Injured Spouse Relief

An injured spouse claim is different from an innocent spouse relief request. An injured spouse can request the division of tax overpayment attributed to each spouse. The injured spouse must file Form 8379, Injured Spouse Allocation, to request his or her portion of a joint refund.

Married Filing Separately

Unless required to file separately, married taxpayers may want their tax figured on a joint return and on separate returns, to make sure they are receiving the most advantageous filing status. Filing separately may be advantageous for some taxpayers in certain situations. Generally, however, married taxpayers pay more combined tax on separate returns than they would on a joint return. See Publication 17, Filing Status, for Special Rules (which outlines the disadvantages).

Social Security Numbers and Account Information

Social Security 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 www.ssa.gov. Local Social Security offices would continue to provide benefit verification letters.

Hardship Refund Request

A taxpayer's tax refund will be offset (intercepted) to pay outstanding Federal tax debts, child support, Federal non-tax 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 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 800-304-3107, TTD 800-877-8339, between 8:30 a.m. and 6 p.m. Eastern Time.

Useful Publications and Forms

Tax Publications for Individual Taxpayers

General Guides

- 1** Your Rights as a Taxpayer
- 17** Your Federal Income Tax For Individuals
- 334** Tax Guide for Small Business (For Individuals Who Use Schedule C or C-EZ)
- 509** Tax Calendars for 2015
- 910** IRS Guide to Free Tax Services

Specialized Publications

- 3** Armed Forces' Tax Guide
- 54** Tax Guide for U.S. Citizens and Resident Aliens Abroad
- 463** Travel, Entertainment, Gift, and Car Expenses
- 501** Exemptions, Standard Deduction, and Filing Information
- 502** Medical and Dental Expenses (Including the Health Coverage Tax Credit)
- 503** Child and Dependent Care Expenses
- 504** Divorced or Separated Individuals
- 505** Tax Withholding and Estimated Tax
- 514** Foreign Tax Credit for Individuals
- 516** U.S. Government Civilian Employees Stationed Abroad
- 517** Social Security and Other Information for Members of the Clergy and Religious Workers
- 519** U.S. Tax Guide for Aliens
- 521** Moving Expenses
- 523** Selling Your Home
- 524** Credit for the Elderly or the Disabled
- 525** Taxable and Nontaxable Income
- 526** Charitable Contributions
- 527** Residential Rental Property (Including Rental of Vacation Homes)

- 529** Miscellaneous Deductions
- 530** Tax Information for Homeowners
- 531** Reporting Tip Income
- 535** Business Expenses
- 544** Sales and Other Dispositions of Assets
- 550** Investment Income and Expenses (Including Capital Gains and Losses)
- 551** Basis of Assets
- 554** Tax Guide for Seniors
- 555** Community Property
- 556** Examination of Returns, Appeal Rights, and Claims for Refund
- 559** Survivors, Executors, and Administrators
- 561** Determining the Value of Donated Property
- 570** Tax Guide for Individuals With Income From U.S. Possessions
- 571** Tax-Sheltered Annuity Plans (403(b) Plans) For Employees of Public Schools and Certain Tax-Exempt Organizations
- 575** Pension and Annuity Income
- 590** Individual Retirement Arrangements (IRAs)
- 594** The IRS Collection Process
- 596** Earned Income Credit (EIC)
- 721** Tax Guide to U.S. Civil Service Retirement Benefits
- 901** U.S. Tax Treaties
- 907** Tax Highlights for Persons with Disabilities
- 915** Social Security and Equivalent Railroad Retirement Benefits

- 925** Passive Activity and At-Risk Rules
- 926** Household Employer's Tax Guide For Wages Paid in 2015
- 929** Tax Rules for Children and Dependents
- 936** Home Mortgage Interest Deduction
- 946** How To Depreciate Property
- 947** Practice Before the IRS and Power of Attorney
- 969** Health Savings Accounts and Other Tax-Favored Health Plans
- 970** Tax Benefits for Education
- 971** Innocent Spouse Relief
- 972** Child Tax Credit
- 974** Premium Tax Credit
- 1542** Per Diem Rates (For Travel Within the Continental United States)
- 1544** Reporting Cash Payments of Over \$10,000 (Received in a Trade or Business)
- 1546** Taxpayer Advocate Service – Your Voice at the IRS

Spanish Language Publications

- 1SP** Derechos del Contribuyente
- 17SP** El Impuesto Federal sobre los Ingresos Para Personas Físicas
- 594SP** El Proceso de Cobro del IRS
- 596SP** Crédito por Ingreso del Trabajo
- 850** English-Spanish Glossary of Words and Phrases Used in Publications Issued by the Internal Revenue Service
- 1544SP** Informe de Pagos en Efectivo en Exceso de \$10,000 (Recibidos en una Ocupación o Negocio)

Commonly Used Tax Forms

Form Number and Title

- 1040** U.S. Individual Income Tax Return
- Sch A** Itemized Deductions
- Sch B** Interest and Ordinary Dividends
- Sch C** Profit or Loss From Business
- Sch C-EZ** Net Profit From Business
- Sch D** Capital Gains and Losses
- Sch E** Supplemental Income and Loss
- Sch EIC** Earned Income Credit
- Sch R** Credit for the Elderly or the Disabled
- Sch SE** Self-Employment Tax
- 1040A** U.S. Individual Income Tax Return
- 1040EZ** Income Tax Return for Single and Joint Filers With No Dependents
- 1040-ES** Estimated Tax for Individuals
- 1040-V** Payment Voucher
- 1040X** Amended U.S. Individual Income Tax Return
- 1116** Foreign Tax Credit
- 2106** Employee Business Expense
- 2106-EZ** Unreimbursed Employee Business Expenses
- 2120** Multiple Support Declaration
- 2441** Child and Dependent Care Expenses
- 2848** Power of Attorney and Declaration of Representative

Form Number and Title

- 3903** Moving Expenses
- 4137** Social Security and Medicare Tax On Unreported Tip Income
- 4562** Depreciation and Amortization
- 4868** Application for Automatic Extension of Time
- 5329** Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts
- 5405** First Time Homebuyer Credit and Repayment
- 5695** Residential Energy Credits
- 8332** Release of Claim to Exemption by Custodial Parent
- 8379** Injured Spouse Allocation
- 8453** Transmittal for an IRS e-file Return
- 8812** Additional Child Tax Credit
- 8822** Change of Address
- 8863** Education Credits (American Opportunity, and Lifetime Learning Credits)
- 8879** IRS e-file Signature Authorization
- 8880** Credit for Qualified Retirement Savings Contribution
- 8949** Sales and Other Dispositions of Capital Assets
- 8962** Premium Tax Credit
- 8965** Health Coverage Exemptions
- 9465** Installment Agreement Request

Where to File



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.

IF you live in...	THEN use this address if you:	
	Are not enclosing a check or money order...	Are enclosing a check or money order...
Florida, Louisiana, Mississippi, Texas	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service P.O. Box 1214 Charlotte, NC 28201-1214
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Fresno, CA 93888-0002	Internal Revenue Service P.O. Box 7704 San Francisco, CA 94120-7704
Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Wisconsin	Department of the Treasury Internal Revenue Service Fresno, CA 93888-0002	Internal Revenue Service P.O. Box 802501 Cincinnati, OH 45280-2501
Alabama, Georgia, Kentucky, New Jersey, North Carolina, South Carolina, Tennessee, Virginia	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P.O. Box 931000 Louisville, KY 40293-1000
Delaware, Maine, Massachusetts, Missouri, New Hampshire, New York, Vermont	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P.O. Box 37008 Hartford, CT 06176-7008
Connecticut, District of Columbia, Maryland, Pennsylvania, Rhode Island, West Virginia	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0002	Internal Revenue Service P.O. Box 37910 Hartford, CT 06176-7910
A foreign country, U.S. possession or territory*, or use an APO or FPO address, or file Form 2555, 2555-EZ, 4563, or 8891, or are a dual-status alien	Department of the Treasury Internal Revenue Service Austin, TX 73301-0215	Internal Revenue Service P.O. Box 1303 Charlotte, NC 28201-1303

*If you live in American Samoa, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands, see Pub. 570

Note: Mailing addresses for amended returns can be found in the instructions for Form 1040X.

Where's My Refund

Where's My Refund - It's Quick, Easy and Secure.



Available on [irs.gov](https://www.irs.gov)

[En Español](#)



You can generally expect the IRS to issue your refund in less than 21 calendar days after we receive your tax return.

Use this tool to check on the status of your refund. It provides the most up-to-date information the IRS has. There's no need to call us unless Where's My Refund? tells you to do so. Where's My Refund? is updated every 24 hours – usually overnight – so you only need to check once a day.

How to Use Where's My Refund?

1

When to check...

- Within 24 hours after we've received your e-filed tax return
- 4 weeks after you mail your paper return

2

What you need...

- Social Security Number
- Filing status
- Exact refund amount

3

How...

- Get your [refund status at...](#)

**where's
my refund?**

Interactive Tax Assistant (ITA)

Available on [irs.gov](https://www.irs.gov) and TaxSlayer®.

The ITA tool is a tax law resource that takes you through a series of questions and provides you with responses to a limited number of tax law questions.

- Simply answer the questions and click the "Continue button" 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/Change button" 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.

ITA Topics by Category

- | | | |
|-----------------------|----------------------------|--------------|
| • Affordable Care Act | • Income | • Deductions |
| • Credits | • General Filing Questions | |

For additional information on tax law resource tools refer to the links below.

<https://www.irs.gov/Individuals/Tax-Trails-Main-Menu>

<https://www.irs.gov/taxtopics/>

**Tab Q: TaxSlayer
Admin**

Optional Contingency Plans for Maintaining 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*)
- Offer Facilitated Self Assisted** (FSA) services, if available
- *TaxSlayer® ProWeb Alternative Preparation Solution** using TaxSlayer® Desktop

*This option should be established during the Pre-Planning Phase of site operations.

**This option should be established during the Pre-Planning Phase of site operations. Refer to Publication 1084, *VITA/TCE IRS Volunteer Site Coordinator Handbook* for more detailed information.

Temporary Virtual VITA/TCE Process

Secure Taxpayer Consent:

- The taxpayer must present proof of identity, which includes a photo identification for him/her and if applicable, their spouse.
- If the taxpayer agrees to use the virtual process for preparing their tax return, the volunteer will prepare Page 1 of the Form 14446, *Virtual VITA/TCE Site Model Taxpayer Consent*, and the taxpayer is required to complete Page 2. Taxpayer must answer "Yes" or "No" to the question regarding "Request to Quality Review Your Tax Return." The taxpayer keeps Page 1 of the form, while the site maintains Page 2.
- The appropriate virtual method(s) and step-by-step procedures will be explained to the taxpayer and timeframes will be established for the taxpayer to return to the site and complete the process.

A secure process for authenticating both the taxpayer and the volunteer must be provided to the taxpayer, in the event that additional information is required to complete the tax return. Please refer to Publication 4299, *Privacy and Confidentiality-A Public Trust* for more information.

Intake/Interview:

The intake and interview process must be performed before the taxpayer leaves the site.

- IRS tax law certified volunteers must conduct the initial interview following all the steps outlined in Pub 5101, *Intake/Interview* and *Quality Review Training*.
- The volunteer will need to make notes on the Form 13614-C indicating the appropriate filing status and dependency exemptions.
 - 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 SSN's and/or ITIN's will need to be written on the Form 13614-C for all persons that will be included on the tax return.
- A phone number where the taxpayer can be reached will be secured for use by the IRS certified tax return preparer. Refer to Publication 4299, *Privacy and Confidentiality-A Public Trust* 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, 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.

Optional Contingency Plans for Maintaining Site Operations (continued)

Quality Review Only Using the Virtual Model:

If the site is able to prepare the return using normal face-to-face procedures but the return isn't able to be Quality Reviewed during the taxpayer's visit:

- Follow all of the procedures above in the "Secure Taxpayer Consent".
- Complete the tax return as normal.
- Explain that the taxpayer will be contacted by the Quality Reviewer.

Refer to Publication 4299, *Privacy and Confidentiality-A Public Trust* for more information.

For more detailed information on how to use a Virtual VITA/TCE process throughout the filing season refer to the Virtual VITA/TCE process located in Publications 1084, Site Coordinators Handbook and 4396-A, Partner Resource Guide.

TaxSlayer Pro Alternative Solution Contingency Plan

TaxSlayer makes a contingency procedure available in the rare event that the web site becomes unavailable. If that happens, you can use TaxSlayer Pro's desktop application to prepare and e-file returns.

Download the desktop application in advance so that your site does not have any downtime. Do not install TaxSlayer Pro on a network as a contingency plan. Instead, install on a stand-alone computer with an internet connection.

To download the desktop application, refer to Tab N.

TIP: For a complete listing of contingency options, refer to IRS Publication 4396-A, Partner Resource Guide.

In order for the TaxSlayer Pro Desktop contingency plan to work successfully, it is important to keep the designated computers updated with the latest desktop software versions. TaxSlayer Pro Desktop automatically updates the first time you open it each day, if the computer is connected to the internet. We recommend that you do this daily or weekly.

If a software system outage necessitates the use of a temporary contingency plan, you can use the installed and updated version of TaxSlayer Pro Desktop to complete any returns you need to prepare during the outage. Sites will be able to work the return completely from the desktop application, including e-filing and getting acknowledgments. The return will remain in the desktop application for the duration of the filing season.

TIP: Returns prepared using the desktop software during a contingency plan will be transmitted from the desktop software. You will also 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.

Rejected Returns

The most common rejects involve errors in either the taxpayer(s) or their dependents' Social Security Number (SSN) and the Employer Identification Number (EIN) that appears on the Forms W2 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 numbers. Neither the IRS nor TaxSlayer Pro® can resolve these rejects.

(Top) Reject Codes

Top Reject Codes	Suggested Solutions
506 Qualifying child's SSN listed for the purpose of claiming Earned Income Credit (EIC) has been used on another tax return.	Verify SSN of the dependent. If correct, the return will need to be mailed. Explain that this could be inadvertent error on a mailed return OR it is possible someone else may have knowingly claimed this dependent.
504 Dependent's Social Security Number (SSN) must match data from the IRS Master File.	Verify NAME & SSN or ITIN. Check Spelling & Data Entry. Verify info with client - have client contact SSA to verify information. Ask to see the Social Security Card(s).
503 Last name for the secondary taxpayer on the return does not match the IRS Master File and/or Social Security Administration (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.
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 EIC 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.
541 Taxpayer must be older than qualifying child on Schedule EIC.	Verify birthdays of taxpayer and child.
500 Primary SSN and Primary Name Control of the Tax Form must match data from the IRS Master File.	Verify NAME & SSN or ITIN. Double Check Source Document. Review NAME Control.
535 Qualifying SSN on Schedule EIC and the corresponding Year of Birth must match data received from the Social Security Administration.	Verify birthday of child. Verify NAME & SSN.
502 Employer Identification Number of Form W-2, W-2G, or 1099-R must match data from the IRS Master File.	Based on the ACK Report determine if W-2, W-2G or 1099R. If more than one, determine from ACK Report which number. Double check the source document. If still incorrect contact payer or have client contact payer. If still unable to resolve will have to mail the return.
600 Taxpayer must file Form 8862 to claim EIC after disallowance.	Complete Form 8862.
507 Dependent's SSN on the Form 1040/A was previously used for the same purpose.	Verify SSN of the dependent. If correct, the return will need to be mailed. Explain that this could be inadvertent error on a mailed return or it is possible someone else may have knowingly claimed this dependent.

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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 <https://www.irs.gov/uac/Your-Civil-Rights-Are-Protected> for reasonable accommodation.

If a taxpayer believes that he or she has been discriminated against, a written complaint should be sent to:

**Internal Revenue Service
Civil Rights Unit
1111 Constitution Avenue, NW, Room 2413
Washington DC 20224**

Email edi.civil.rights.division@irs.gov

Do not send tax returns, payments or other non-civil rights information to this address.

Low Income Tax Clinics

Low Income Taxpayer Clinics (LITCs) represent low income individuals in disputes with the Internal Revenue Service, including audits, appeals, collection matters, and federal tax litigation. LITCs can also help taxpayers respond to IRS notices and correct account problems. Some LITCs provide education for low income taxpayers and taxpayers who speak English as a second language (ESL) about their taxpayer rights and responsibilities.

LITC services are free or low cost for eligible taxpayers. LITCs are independent from the IRS but receive some of their funding from the IRS through the LITC grant program. Each clinic determines whether prospective clients meet income guidelines and other criteria before agreeing to represent them.

Find a clinic near you on the LITC Map or IRS Publication 4134, *Low Income Taxpayer Clinic List*. This publication is also available at www.irs.gov/orderforms or at your local IRS office.

Taxpayer Advocate Service

The Taxpayer Advocate Service (TAS) is 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 haven't 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. The local advocate's number is in the local directory and at taxpayeradvocate.irs.gov.

The Taxpayer Advocate Service's website, taxpayeradvocate.irs.gov, is a resource for all taxpayers. The website covers a variety of tax-related concepts and problems, breaking each down to describe what the taxpayer should know, what they should do, and where they can get more help if needed. Taxpayers can also learn about their taxpayer rights. The site is mobile-responsive, so it's easy to use on any device.

If a taxpayer comes into a VITA/TCE site with a tax problem for which they have been unsuccessful in resolving with the IRS, TAS may be able to help.

For more information, the taxpayer can call toll-free 1-877-777-4778 (1-800-829-4059 for TTY/TDD) or locate the closest advocate at taxpayeradvocate.irs.gov.

Contact Information for Volunteers

TaxSlayer	
TaxSlayer Volunteer Support	1-800-421-6346 (Do not give to the public)
TaxSlayer via E-Mail	support@vita.taxslayerpro.com

Tax Year Website	
https://vita.taxslayerpro.com	Current and 3 previous years accessible from one URL

Internal Revenue Service	
VITA/TCE Hotline (for volunteer use only)	1-800-829-8482 (800-TAX-VITA)
IRS SPEC Territory Office	
Enterprise Service Desk (Help Desk)	
IRS e-file Help Desk	1-866-255-0654
Identity Theft	1-800-908-4490
VolTax (To Report Unethical Behavior to IRS)	wi.voltax@irs.gov
Volunteer Tax Alerts	https://www.irs.gov/Individuals/Quality-and-Tax-Alerts-for-IRS-Volunteer-Programs

State Department of Revenue	
State Volunteer Hotline	
State e-file Help Desk	
State General Information	
State Website	
Partner Point of Contact	

Contact Information for Taxpayers	
IRS Tax-Help	www.irs.gov
Where's My Refund Website	www.irs.gov/refunds
IRS Forms and Publications	www.irs.gov/orderforms
IRS Taxpayer Advocate	www.irs.gov/advocate
IRS Tax-Help for Deaf (TDD)	1-800-829-4059
Social Security Administration	www.ssa.gov/
Refund Offset Inquiry (Financial Management System)	1-800-304-3107