



VITA/TCE Volunteer Assistor's Test/Retest Volunteer Income Tax Assistance (VITA) / Tax Counseling for the Elderly (TCE) 2018 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.



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

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 from customers.
- 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.

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

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.

Form 6744 – 2018 VITA/TCE Test

Table of Contents

	Preface	3
	Test Instructions	4
	Test Answer Sheet	7
	Retest Answer Sheet	9
Volunte	eer Standards of Conduct Test	.11
	Test Questions	11
	Volunteer Standards of Conduct Retest Questions	. 15
Intake /	/ Interview and Quality Review Test Questions	.21
	Intake / Interview and Quality Review Retest Questions	
Basic C	Course Scenarios and Test Questions	.25
	Basic Scenario 1: Jeff and Linda Arnold	
	Basic Scenario 2: Ava Harvard	. 26
	Basic Scenario 3: Ellen Santos	. 27
	Basic Scenario 4: Christopher and Amanda Drury	. 28
	Basic Scenario 5: Mathew Rice and Ashley Tufts	. 29
	Basic Scenario 6: George and Helen Reed	. 30
	Basic Scenario 7: Jacob and Martha Mills	. 31
	Basic Scenario 8: Emily Clark	. 40
	Basic Course Retest Questions	. 49
Advand	ced Course Scenarios and Test Questions	.57
	Advanced Scenario 1: Aiden Smith	. 57
	Advanced Scenario 2: Sean Yale	. 58
	Advanced Scenario 3: Tom and Carol Baker	. 59
	Advanced Scenario 4: Bill Johnson	. 60
	Advanced Scenario 5: Fran Emerson	. 61
	Advanced Scenario 6: Matthew and Mary Donnelly	
	Advanced Scenario 7: Austin Drake	
	Advanced Scenario 8: Roberta Wilson	
	Advanced Course Retest Questions	
Military	Course Scenarios and Test Questions.	.99
	Military Scenario 1: Sam Wagner	. 99
	Military Scenario 2: Sandy Samford	
	Military Scenario 3: Marshall and Hope Smith	
	Military Scenario 4: Alvin and Kelly Blackburn	
	Military Course Retest Questions	.110
Interna	tional Course Scenarios and Test Questions	115
	International Scenario 1: Luke and Laura Emerson	.115
	International Scenario 2: Drew and Sierra Hillsdale	.117
	International Scenario 3: Yolanda Lawson	
	International Course Retest Questions	125

Health Savi	ings Accounts – Test Questions13	31
HS	A Scenario 1: Leo Williams	31
HS	A Scenario 2: Ed and Christine Martinez 13	32
HS	A Scenario 3: Judy Young	33
HS	A Scenario 4: Carl and Monica Smith	34
HS	A Scenario 5: Peggy Walker	35
Hea	alth Savings Accounts – Retest Questions	41
Federal Tax	Law Update Test for Circular 230 Professionals14	47
Tes	st Questions	47
Ret	turn Preparation: Fran Rollins	50
Fed	deral Tax Law Update Retest for Circular 230 Professionals	59
Foreign Stu	udent Test for Volunteers16	33
Re	sidency Status, Form 8843, and Filing Status.	64
Sce	enario 1: De Lores Alvarez 16	66
Tax	xability of Income, ITINs, and Credits	70
Sce	enario 2: May Montri	71
Sce	enario 3: Sai Singh	76
Sce	enario 4: Sumon Azim	30
Ret	funds, Deductions, and the Best Form to Use	34

Form 6744 – 2018 VITA/TCE Test

Preface

Quality Return Process

An accurate return is the most important aspect of providing quality service to the taxpayer. It establishes credibility and integrity in the program. Throughout the training material you were introduced to the major components of the VITA/TCE return preparation process, including:

- · Understanding and applying tax law
- · Screening and interviewing taxpayers
- · Using references, resources, and tools
- · Conducting quality reviews

During training, you were given an opportunity to apply the tax law knowledge you gained. You learned how to verify and use the information provided by the taxpayer on the intake and interview sheet in order to prepare a complete and correct tax return.

You also learned how to use your reference materials and conduct a quality review.

Now it is time to test the knowledge and skills you have acquired and apply them to specific scenarios. This is the final step to help you prepare accurate tax returns within your scope of training.

We welcome your comments for improving these materials and the VITA/TCE programs. You may follow the evaluation procedures located on Link & Learn Taxes at www.irs.gov, or e-mail your comments to partner@irs.gov.

Thank you for being a part of this valuable public service for your neighbors and community.

Special Accommodations

If you require special accommodations to complete the test, please advise your instructor, Site Coordinator, or other VITA/TCE volunteer contact immediately.

Reference Materials

This test is based on the tax law that was in effect when the publication was printed. Use tax year **2018** values for deductions, exemptions, tax, or credits for all answers on the test. Remember to round to the nearest dollar. Test answers have been rounded up or down as directed in the specific instructions on the form.

 This is an open book test. You may use your course book and any other reference material you will use as a volunteer. A draft Form 13614-C, Intake/Interview & Quality Review Sheet, is included in the return preparation scenarios. Use this form when completing the tax returns and answering the test questions.

Please complete this test on your own. Taking the test in groups or with outside assistance is a disservice to the customers you volunteered to help.

Using Tax Preparation Software

The Practice Lab is a tax year 2018 tax preparation tool developed to help in the certification process for VITA/TCE volunteers. Go to www.irs.gov and type "Link & Learn Taxes" in the keyword search field. Click on the link to open the website. The link to the Practice Lab is listed under "Additional Resources." A universal password will be needed to access the Practice Lab. Your instructor, Site Coordinator, or other VITA/TCE volunteer contact will be able to provide you with the universal password. Once you access the Practice Lab, you will need to create an account if you do not already have one.

Using prior year software will not generate the correct answers for the 2018 test.

When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice. Use your city, state, and ZIP code when completing any of the forms, unless otherwise indicated. Any question posed by the software not addressed in the interview notes can be answered as you choose.

All taxpayer names, SSNs, EINs, and account numbers provided in the scenarios are fictitious.

Taking the Test

When taking the tests, you may encounter both mini-scenarios and tax preparation scenarios. The mini-scenarios do not require you to prepare a tax return. For each of these, read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

The tax preparation scenarios require you to complete a sample tax return. You can use the Practice Lab to prepare the sample returns. Answer the questions following the scenario.

You can complete the certification tests online using the Link & Learn Taxes website for

immediate scoring. Go to the Link & Learn Taxes e-learning application at www.linklearncertification.com or at www.irs.gov, using keyword search: Link & Learn. If your instructor prefers, you can complete the test answer sheet to be graded by hand.

Test Answer Sheet

The test scenarios on Link & Learn Taxes are the same as in this booklet. Read each question carefully before entering your answers online.

Mark your answers in the test booklet. Use the answer sheet if you are submitting the paper test to your instructor for grading. In that case, make sure your name is at the top of the page and give your Test Answer Sheet and the completed Form 13615, Volunteer Standards of Conduct Agreement to your instructor, Site Coordinator, or other VITA/TCE volunteer contact as directed. Do not submit your entire test booklet unless otherwise directed.

The retest questions are all based on the test scenarios. There are mini-scenarios and questions in Basic, Advanced, Military, and International. The Interview Notes for the mini-scenarios are included on the retest pages.

To answer the retest questions for return preparation scenarios, refer to the Interview Notes, Intake/Interview & Quality Review Sheet, and the tax return you prepared for the scenario.

Test Score

Once you submit your responses, Link & Learn Taxes will grade your test, provide you with an immediate score, and allow you to print or save your Form 13615, Volunteer Standards of Conduct Agreement. The system will also provide feedback for any missed questions.

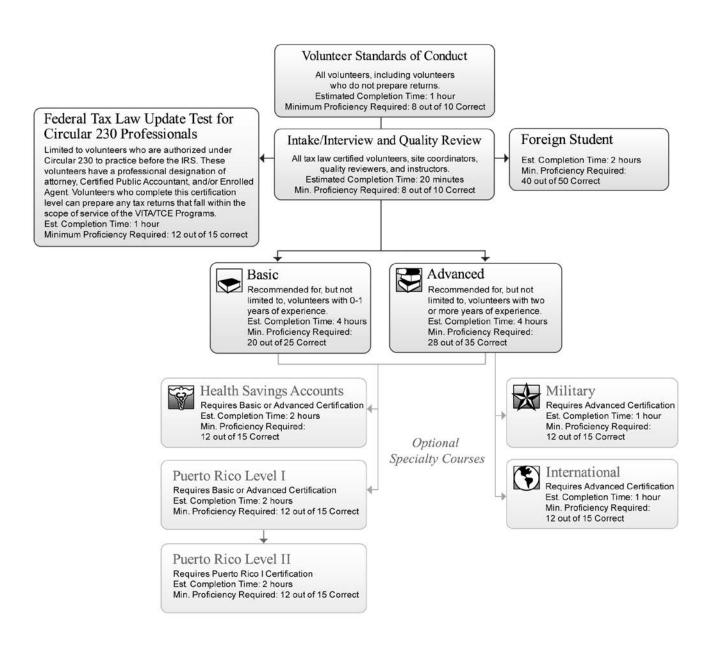
If you submit your paper test answer sheet to your instructor, he or she will advise you of your test results. Your signed Volunteer Standards of Conduct Agreement will be maintained by your Site Coordinator or other VITA/TCE volunteer contact.

Certification

A score of **80%** or higher is required for certification. If you do not achieve a score of at least **80%**, you should review the subjects you missed or discuss it with your instructor, Site Coordinator, or other VITA/TCE volunteer contact. For most tests, a retest is available. Retest questions are included in this test booklet.



Certification Tests



Test Answer Sheet

Name

If you are entering your test answers in Link & Learn Taxes, **do not use** this answer sheet. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Test Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

Privacy Act Notice

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

Our legal right to ask for information is 5 U.S.C. 301.

We are asking for this information to assist us in contacting you relative to your interest and/ or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished

Question Answer

1

S

Basic Scenario 1

to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers.

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

Question	Answer	
Standa	ards of C	onduct
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
Total Ar	nswers Co	rrect:
Total Q	uestions:	10
Passin	g Score:	8 of 10
Question	Answer	
Intake/Interview & Quality Review		
1.		
2.		
3.		

4. 5. 7. 8. 9.

Total Answers Correct: Total Questions:

Passing Score:

10

8 of 10

2.	
Basic	Scenario 2
3.	
4.	
Basic	Scenario 3
5.	
6.	
Basic	Scenario 4
7.	
8.	
Basic	Scenario 5
9.	
10.	
Basic	Scenario 6
11.	
12.	
13.	
Basic	Scenario 7
14.	
15.	
16.	
17.	
18.	
19.	
Basic	Scenario 8
20.	
21.	
22.	
23.	
24.	
25.	
Total A	nswers Correct:
Total Q	uestions: 25
Passin	g Score: 20 of 25

Question	n Answer
	ced Scenario 1
1.	
2.	
Advan	ced Scenario 2
3.	
4.	
5.	
Advan	ced Scenario 3
6.	
7.	
Advan	ced Scenario 4
8.	
9.	
Advan	ced Scenario 5
10.	
11.	
12.	
13.	
14.	
15.	
16.	
17.	
Advan	ced Scenario 6
18.	
19.	
20.	
21.	
22.	
23.	
24.	
	ced Scenario 7
25.	
26.	
27.	
28.	
29.	
30.	
31.	
	ced Scenario 8
32.	
33.	
	-
35.	
Total A	nswers Correct:

Total Answers Correct: _____ Total Questions: 35

Total Questions:35Passing Score:28 of 35

Question	Answer
Military	Scenario 1
1.	
2.	
Military	Scenario 2
3.	
4.	
Military	Scenario 3
5.	
6.	
7.	
8.	
9.	
Military	Scenario 4
10.	
11.	
12.	
13.	
14.	
15.	
	swers Correct:
Total Qu	
Passing	g Score: 12 of 15
Question	Answer
	/
Interna	tional Scenario 1
Internat 1.	
1. 2. 3.	
1. 2.	
1. 2. 3. 4.	
1. 2. 3. 4.	tional Scenario 1
1. 2. 3. 4. Interna 5. 6.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Interna 5. 6.	tional Scenario 1
1. 2. 3. 4. Internat 5. 6. Internat 7.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internat 5. 6. Internat 7. 8.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internation 5. 6. Internation 7. 8. 9.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internation 5. 6. Internation 7. 8. 9. 10.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11. 12.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11. 12. 13.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internation 5. 6. Internation 7. 8. 9. 10. 11. 12. 13. 14.	tional Scenario 1 tional Scenario 2
1. 2. 3. 4. Internation 5. 6. Internation 7. 8. 9. 10. 11. 12. 13. 14. 15.	tional Scenario 1 tional Scenario 2 tional Scenario 3
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11. 12. 13. 14. 15. Total An	tional Scenario 1
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11. 12. 13. 14. 15. Total An Total Qu	tional Scenario 1
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11. 12. 13. 14. 15. Total An Total Qu	tional Scenario 1
1. 2. 3. 4. Internat 5. 6. Internat 7. 8. 9. 10. 11. 12. 13. 14. 15. Total An Total Qu	tional Scenario 1

HSA/Circular 230/Foreign Student Test Answer Sheet

Name

If you are entering your retest answers in Link & Learn Taxes, **do not use** this answer sheet. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Retest Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

Instructions: Volunteers with a Basic or Advanced certification may certify on Health Savings Accounts (HSA). HSA is an optional specialty training and certification test available on Link & Learn Taxes.

Privacy Act Notice

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

Our legal right to ask for information is 5 U.S.C. 301.

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

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

Question Answer	Question Answer	Question Answer	Question Answer
HSA Scenario 1	Federal Tax Law Update	Foreign Student	Foreign Student
1.	Test for Circular 230	Residency Status, Form	Scenario 3
2.	Professionals	8843, and Filing Status	30.
3.	1.	1.	31.
HSA Scenario 2	2.	2.	32.
4.	3.	3.	33.
5.	4.	4.	34.
HSA Scenario 3	5.	5.	Foreign Student
6.	6.	6.	Scenario 4
7.	7.	7.	35.
8.	8.	8.	36.
	9.	9.	37.
HSA Scenario 4	10.	10.	38.
9.	11.	11.	Foreign Student
10.	12.	12.	Refunds, Deductions,
11.	13.	13.	and the Best Form to Use
HSA Scenario 5	14.	Foreign Student	39.
12.	15.	Scenario 1	40.
13.	Total Answers Correct:	14.	41.
14.	Total Questions: 15	15.	42.
15.		16.	43.
Total Answers Correct:	Passing Score: 12 of 15	17.	44.
Total Questions: 15		Foreign Student	45.
Passing Score: 12 of 15		Taxability of Income,	46.
		ITINs, and Credits	47.
		18.	48.
		19.	49.
		20.	50.
		21.	
			Total Answers Correct:

Total Questions: 50 Passing Score: 40 of 50

Foreign Student

23.

24

Scenario 2		
25.		
26.		
27.		
28.		
29.		

Retest Answer Sheet

Name _

If you are entering your retest answers in Link & Learn Taxes, **do not use** this answer sheet. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Retest Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

Privacy Act Notice

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

Our legal right to ask for information is 5 U.S.C. 301.

We are asking for this information to assist us in contacting you relative to your interest and/ or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished

to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers.

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

Question	
Standa	ards of Conduct
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
Total Ar	nswers Correct:
Total Q	uestions: 10
Passin	g Score: 8 of 10
Question	Answer
	Interview & v Review
<u>euant</u> 1.	
2.	
3.	<u> </u>
4.	
5.	<u> </u>
6.	
7.	

8. 9. 10.

Total Answers Correct: Total Questions:

Passing Score:

10

8 of 10

Question	Answer	
Basic	Scenario	1
1.		
2.		
Basic	Scenario	2
3.		
4.		
Basic	Scenario	3
5.		
6.		
	Scenario	4
7.		
8.		
	Scenario	5
9.		
10.		
	Scenario	6
11.		
12.		
13.		
	Scenario	7
14.		
15.		
<u> </u>		
17.		
10.		
	Scenario	8
20.		0
21.		
22.		
23.		
24.		
25.		
Total A	nswers Cor	rect:
Total Q	uestions:	25
Passin	g Score:	20 of 25

Question	Answer
	ced Scenario 1
1.	
2.	-
	ced Scenario 2
3.	
4.	-
5.	
Advan	ced Scenario 3
6.	
7.	
Advan	ced Scenario 4
8.	
9.	
Advan	ced Scenario 5
10.	
11.	
12.	
13.	
14.	
15.	
16.	
17.	
Advan	ced Scenario 6
18.	
19.	
20.	
21.	
22.	
23.	
24.	
Advan	ced Scenario 7
25.	
26.	
27.	
28.	
29.	
30.	
31.	
Advan	ced Scenario 8
32.	
33.	
34.	
35.	
Total Ar	swers Correct:

Total Answers Correct:

Total Questions:35Passing Score:28 of 35

Military	Scenario 1
1.	
2.	
Military	Scenario 2
3.	
4.	
Military	Scenario 3
5.	
6.	
7.	
8.	
9.	
	Scenario 4
10.	
11. 12.	
12.	
13.	
15.	
	swers Correct:
	lestions: 15
	g Score: 12 of 15
1 asonių	
Question	
Interna	tional Scenario 1
1.	
2.	
3.	
4.	
	tional Scenario 2
5.	
6.	
	tional Scenario 3
<u>7.</u> 8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	
Total An	swers Correct:
Total Qu	estions: 15
Passing	g Score: 12 of 15

Question Answer

HSA/Circular 230 Retest Answer Sheet

Name

If you are entering your retest answers in Link & Learn Taxes, **do not use** this answer sheet. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Retest Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

Privacy Act Notice

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

Our legal right to ask for information is 5 U.S.C. 301.

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

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

Question Answer	Question Answer
HSA Scenario 1	Federal Tax Law Update
1.	Test for Circular 230
2.	Professionals
3.	1.
HSA Scenario 2	2.
4.	3.
5.	4.
HSA Scenario 3	5.
	6.
7.	7.
8.	8.
	9.
HSA Scenario 4	10.
9.	11.
10.	12.
11.	13.
HSA Scenario 5	14.
12.	15.
13.	Total Answers Correct:
14.	Total Questions: 15
15.	
Total Answers Correct:	Passing Score: 12 of 15
Total Questions: 15	

12 of 15

Passing Score:

Volunteer Standards of Conduct Test

It is important that all individuals who volunteer their time and services in the VITA/TCE Programs understand their roles and responsibilities under the program. All volunteers are expected to:

- Take the Volunteer Standards of Conduct (VSC) Training, at a minimum, the first year of volunteering with VITA/TCE Programs
- Annually, pass the VSC/Ethics certification test with a score of 80% or higher; and
- Sign and date Form 13615, Volunteer Standards of Conduct Agreement, indicating they have successfully completed the certification test(s) and agree to adhere to the VSC.

These Volunteer Standards of Conduct requirements are in addition to the tax law certification process (i.e., Basic, Advanced, Military, or International) for becoming a qualified volunteer to teach tax law, correct tax returns, conduct quality reviews, prepare tax returns, or address tax law related questions as a volunteer in the VITA/TCE Programs.

Use your training and reference tools to answer the questions. You must answer eight of the following ten questions correctly to pass the Volunteer Standards of Conduct test.

Test Questions

Directions

Using your resource materials, answer the following questions:

- 1. Prior to working at a VITA/TCE site, **ALL** VITA/TCE volunteers (greeters, client facilitators, tax preparers, quality reviewers, etc.) must:
 - a. Annually pass the Volunteer Standards of Conduct (VSC) certification test with a score of 80% or higher.
 - b. Sign and date the Form 13615, Volunteer Standards of Conduct Agreement, agreeing to comply with the VSC by upholding the highest ethical standards.
 - c. Pass the Advanced tax law certification.
 - d. All of the above.
 - e. A and B
- **2.** Can a volunteer be removed and barred from the VITA/TCE Programs for violating the Volunteer Standards of Conduct?
 - a. Yes
 - b. No

- **3.** If a taxpayer offers you a \$20 bill because they were so happy about the quality service they received, what would be the appropriate action to take?
 - a. Take the \$20 and thank the taxpayer for the tip.
 - b. Tell the taxpayer it would be better to have the \$20 deposited directly into your bank account from his refund.
 - c. Thank the taxpayer, and explain that you cannot accept any payment for your services.
 - d. Refer the taxpayer to the tip jar located on the quality review and print station.
- 4. Jake is an IRS tax law-certified volunteer preparer at a VITA/TCE site. When preparing a return for Jill, Jake learns that Jill does not have a bank account to receive a direct deposit of her refund. Jill is distraught when Jake tells her the paper refund check will take three or four weeks longer than the refund being direct deposited. Jill asks Jake if he can deposit her refund in his bank account and then turn the money over to her when he gets it. What should Jake do?
 - a. Jake can offer to use his account to receive the direct deposit, and turn the money over to Jill once the refund is deposited.
 - b. Jake should explain that a taxpayer's federal or state refund cannot be deposited into a VITA/TCE volunteer's bank account and she will have to open an account in her own name to have the refund direct deposited.
 - c. Jake can suggest she borrow a bank account number from a friend because the taxpayer's name does **not** need to be on the bank account.
- 5. Max prepares a tax return for Ali at a VITA/TCE site. He finds out during the interview that Ali has no health insurance. After Ali leaves the site, Max writes her name and contact information down to take home to his wife who sells health insurance for profit. Which of the following statements is true?
 - a. There is no violation to the Volunteer Standards of Conduct (VSC) unless Max's wife makes a big commission on the sale of health insurance to Ali.
 - b. Max has violated the VSC because he is using confidential information to engage in a financial transaction to further his own or another's personal interest.
 - c. Max is doing Ali a favor by using her personal information to secure business for his wife.
 - d. Information a taxpayer provides at a VITA/TCE site can be used for the volunteer's personal gain.

- 6. Bob, an IRS tax law-certified volunteer preparer, told the taxpayer that cash income does not need to be reported because the IRS does not know about it. Bob indicated NO cash income on Form 13614-C. Bob prepared a tax return excluding the cash income. Jim, the designated quality reviewer, was unaware of the conversation and therefore unaware of the cash income and the return was printed, signed, and e-filed. Who has violated the Volunteer Standards of Conduct?
 - a. Bob, the tax law-certified volunteer who prepared the return.
 - b. Jim, the designated quality reviewer who was unaware of the cash income when he reviewed the return.
 - c. Betty, the site coordinator.
 - d. No one has violated the Volunteer Standards of Conduct.
- 7. Sue, a VITA/TCE site coordinator, was watching the local news when she saw Aaron, a new tax law-certified volunteer, in a story about several bank employees being arrested for suspicion of embezzlement. She saw Aaron being led out of the bank in handcuffs. Three days later, Sue is shocked when she sees Aaron show up at the site ready to volunteer, apparently out on bond. She pulls Aaron aside and explains that his arrest on suspicion of embezzlement could have a negative effect on the site and therefore she must ask him to leave the site. Sue uses the external referral process to report the details to IRS-SPEC by sending an email to WI.Voltax@irs.gov. Did Sue take appropriate actions as the site coordinator?
 - a. Yes
 - b. No
- 8. Heidi, a VSC-certified volunteer, is working at the intake station. As part of her duties, she is required to explain to the taxpayer what they are expected to do today as part of the return preparation process. What should Heidi tell them?
 - a. Form 13614-C, Intake/Interview & Quality Review Sheet, must be completed prior to having the return prepared.
 - b. You will be interviewed by the return preparer and asked additional questions as needed.
 - c. You need to participate in a quality review of your tax return by someone other than the return preparer.
 - d. All of the above.
- **9.** During the intake process, the volunteer should verify the taxpayer and spouse, if applicable, have photo identification. Additionally, taxpayers must provide verification of taxpayer identification number (SSN or ITIN) for everyone who will be on the tax return.
 - a. True
 - b. False

- **10.** Mary, a VSC-certified greeter, reviews the taxpayer's completed Form 13614-C, page 2, to identify what potential volunteer certification level is needed for this tax return. Mary sees the taxpayer has checked the "yes" box indicating he has self-employment income and the certification level next to the question is (A). All other questions answered "yes" have a (B) certification. When Mary assigns the return to a tax preparer, what tax law certification level should the tax preparer have?
 - a. Advanced
 - b. Basic
 - c. It doesn't matter, any level is fine
 - d. No tax law certification is necessary

Directions

Using your resource materials, answer the following questions:

- 1. Which volunteers must pass the Volunteer Standards of Conduct (VSC) certification test?
 - a. Site coordinators/local coordinators
 - b. Quality reviewers and tax return preparers
 - c. Greeters or client facilitators
 - d. All VITA/TCE site volunteers must pass the VSC certification test
- **2.** Failure of a VITA/TCE volunteer to comply with the Volunteer Standards of Conduct could result in which of the following?
 - a. The volunteer's removal from the VITA/TCE Programs.
 - Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely.
 - c. Termination of the sponsoring organization's partnership with the IRS.
 - d. All of the above may be considered an appropriate action depending on the type of violation and the sponsoring partner's corrective actions.
- **3.** Is having a donation/tip jar at the quality review station within the VITA/TCE site a violation of the Volunteer Standards of Conduct?
 - a. Yes
 - b. No
- 4. Maggie wants her tax refund quickly; however, she doesn't have a bank account for direct deposit. She asks Josh, the tax law-certified preparer, to deposit her refund into his checking account and turn the funds over to her when received. If Josh agrees to do this, has he violated any of the Volunteer Standards of Conduct?
 - a. Yes
 - b. No

- 5. Pat is a paid tax preparer in the community; he also gives back to the community by serving as an IRS tax law-certified volunteer tax preparer at a VITA/TCE site. While conducting the interview with the taxpayer, Pat discovers the taxpayer's small business will generate a loss, making the return out of scope for the VITA/ TCE Programs. Pat explains to the taxpayer that the tax return cannot be prepared at the VITA/TCE site, but he will offer the taxpayer a discount at his paid tax preparation business down the road. Has Pat violated the Volunteer Standards of Conduct (VSC)?
 - a. Yes, it is a violation of the VSC for Pat to solicit business from any taxpayer at the VITA/TCE site.
 - b. No, it is not a violation since the return cannot be prepared at the site.
 - c. No, none of the VSC addresses soliciting business while volunteering at the VITA/TCE site.
- 6. Ann, an IRS tax law-certified tax preparer, told the taxpayer that cash income does not need to be reported because the IRS will never know about it. Ann indicated NO cash income on Form 13614-C. Ann prepared the return without the cash income. The designated quality reviewer was unaware of the conversation and therefore unaware of the cash income and the return was printed, signed, and e-filed. Did the designated quality reviewer violate the Volunteer Standards of Conduct?
 - a. Yes
 - b. No
- 7. Jan, a greeter, overheard an IRS tax law-certified volunteer, Jim, trying to sell insurance to a taxpayer he was helping. Jim is an insurance agent in the community. Jan feels like Jim was pushy, made the taxpayer uncomfortable, and violated Volunteer Standard of Conduct #3. What should Jan do?
 - a. Make an announcement to the taxpayers in the waiting room to ignore Jim if he tries to sell them insurance.
 - b. Tell the site coordinator what she heard, so he can immediately remove Jim from the site and report the incident using the external referral process by sending an email to WI.Voltax@irs.gov.
 - c. Mind her own business and do nothing.
- **8.** Explaining the intake/interview and quality review process is important so the taxpayer understands they are expected to:
 - a. Have a completed Form 13614-C, Intake/Interview & Quality Review Sheet, prior to having the return prepared.
 - b. Answer the tax preparer's additional questions during the interview.
 - c. Participate in the quality review of their tax return.
 - d. All of the above.

- **9.** During the intake process, which of the following should the volunteer verify that the taxpayer and spouse, if applicable, have with them to ensure the taxpayers can be served that day?
 - a. Photo identification for both
 - b. Social Security or taxpayer identification number verification documents for everyone listed on the return
 - c. All tax statement documents, including Forms W-2, 1099-R, etc.
 - d. All of the above
- **10.** To ensure quality service and accurate return preparation, every site is required to have a process for assigning taxpayers to IRS tax law-certified preparers who are certified at or above the level required to prepare their tax return.
 - a. True
 - b. False

	Department of the Treasury - Internal Revenue Service	
Form 13615	Volunteer	
(October 2018)	Standards of Conduct Agreement –	
District of Country Country	VITA/TCE Programs	
The mission of the VITA/TCF	return preparation programs is to assist eligible taxpavers in satisfying their tax	

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.

Instructions: All VITA/TCE volunteers (whether paid or unpaid workers) must pass the Volunteer Standards of Conduct certification, and sign and date Form 13615, Volunteer Standards of Conduct Agreement, prior to working at a VITA/TCE site. In addition, return preparers, quality reviewers, site coordinators, and VITA/TCE tax law instructors must certify in the Intake/Interview & Quality Review and 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, with photo ID, and signs and dates the form.

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

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

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.

Taxpayer Impact: Taxpayer trust in the IRS and the local sponsoring partner organization is jeopardized when ethical standards are not followed. Fraudulent returns that report incorrect income, credits, or deductions can result in many years of interaction with the IRS as the taxpayer tries to pay the additional tax plus interest and penalties. This can result in an extreme burden for the taxpayer as the taxpayer tries to resolve the errors made on his or her return.

Volunteer Protection: The Volunteer Protection Act generally protects unpaid volunteers from liability for acts or omissions that occur while acting within the scope of their responsibilities at the time of the act or omission. It provides no protection for harm caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer.

For additional information on the volunteer standards of conduct, please refer to Publication 1084, Site Coordinator Handbook.

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

Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers. Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs. Please note: Sponsoring organizations may perform background checks on their volunteers.

Catalog Number 38847H

Standards of Conduct (Ethics)

Volunteer:

By signing this form, I declare that I have completed Volunteer Standards of Conduct certification and have read, understand, and will comply with the standards of conduct. I also certify that I am a U.S. citizen, a legal resident, or otherwise reside in the U.S. legally.

Full name (please print)	Volunteer position(s)	
		IRS Employee

Home address (street, city, state and ZIP code)

Email address			Daytime tel	ephone			Sp	onsoring partne	name	e/site na	ame	
Number of years voluntee	ered (including this ye	ar)	Volunteer s	ignature)					Date		
	Volunteer Ce	rtifica	ation Levels	(Add th	e lett	er "P" fo	r all pa	ssing test scores)			
Standards of Conduct	Intake/Interview	Site	Coordinator	Basic	Ad	vanced	Militar	y International	HSA	Puert	o Rico	Foreign
(Required for ALL)	& Quality Review		Training	Dasic	Au	vanceu	wintar	y memational	пол	1	2	Students
Federal Tax Law Upo	ate Test for Circula	r 230	Professional	e								
Federal Tax Law Update Tes qualify for this certification, the certification level can prepare in Publication 4012, VITA/TCE Note: Advanced certification is Publication 4396-A, Partner Re	t for Circular 230 Profi- license information bel any tax returns that fall Volunteer Resource G necessary for qualifica	ession ow mus within t uide. S tion for	als: Only volum at be completed he scope of the ee Publication CE Credits, the	teers in g by the vo VITA/TC 1084, Si e Federal	E Pro te Coo Tax L	er and ver grams. (A ordinator .aw Updat	rified by t dvanced Handbo te Test do	he partner or site co, HSA, Military, etc. ok, for additional i	A Score	or. Volur pe of Ser ments a	nteers wi vice Cha nd instru	th this art is located u ctions .
Professional designation (Attorney, CPA, or Enrolled)			sing jurisdiction			1	nse, reg	istration, or per		ctive or e date	1.12.22	biration date brovided)
Note: SPEC established the additional certification require									wever,	partners	s may e	stablish
Site Coordinator, Sponsori identification for this voluntee							t I have	verified the require	d certit	fication l	evel(s) a	and photo
Approving Official's (print (site coordinator, sponsoring	ed) name and title partner, instructor, etc	c.)		Ар	prov	ing Offic	cial's s	ignature and da	ite			
			ntinuing E									
Instructions: Complete this without a PTIN for Enrolled governing board requiremen completed form to the SPEC Site Coordinator Corner or	Agents or Non-creden ts for obtaining CE Cre Territory Office/Relati	tialed edits. 1 onship	preparers. CP. The site coordi Manager for	As, attorr nator, sp further pr	neys, onsor ocess	or CFPs o ing partne sing. Refe	do not re er, or ins er to the	equire a PTIN; how structor must sign a Fact Sheet - Con	ever, th and dat tinuing	ney mus e this for	t check rm and s	with their send the
Name as listed on PTIN o	ard		Volunteer	Prepare	r's Ta	ax Identii	fication	Number (PTIN)		C ID nu		f applicable)
Address (VITA/TCE Site or	teaching location)			Site S -		ntificatio	n Numt	per (SIDN)				
Professional Status (che	eck only one box)											
Enrolled Agent (EA)			Certified Public	Account	tant (C	CPA)		Non-credenti				
Attorney			Certified Finan	cial Planr	ner (C	FP)		(Participatin Program)	y in ui	e Annue	a rang	Season
	ertification Level ock only one box below	0				(Minimun	n of 10 v	Volunteer He olunteer hours req		o issue C	CE Cred	its)
Advanced	OR					for 14 Cl		12				
Advanced and One or		urses				ours volu for 18 Cl		l <u></u>				
Site Coordinator, Sponsori the activities this volunteer p				form, I d	eclare	e that I ha	ve valid	ated that the repor	ted volu	unteer he	ours are	based on
Approving Official's (print	ed) name and title (site co	ordinator, spor	nsoring p	artnei	r, instructo	or)					
Approving Official's signa	ture								Date	signed		
Catalog Number 38847H			w	ww.irs.go	οv				Fo	rm 136	6 15 (R	ev. 10-2018)
							Sta	Indards of Conduct	(Ethics	s)		19

Intake / Interview and Quality Review Test Questions

Directions

Review the Intake/Interview and Quality Review training and answer the following questions.

- All IRS-certified volunteer preparers participating in the VITA/TCE Programs must use Form 13614-C along with an effective interview for every return prepared at the site.
 - a. True
 - b. False
- 2. What should the certified volunteer preparer do before starting the tax return?
 - a. Make sure all questions on Form 13614-C are answered.
 - b. Change "Unsure" answers to "Yes" or "No" based on a conversation with the taxpayer.
 - c. Complete all applicable Certified Volunteer Preparer shaded-area questions on Form 13614-C.
 - d. All of the above.
- **3.** When reviewing Form 13614-C, you see the "Interest" question is marked "Yes" and the taxpayer gives you a Form 1099-INT. You should ask the taxpayer if they had any other interest income.
 - a. True
 - b. False
- 4. VITA/TCE sites are required to conduct quality reviews:
 - a. Of all the returns prepared by volunteers who have less than two years of experience preparing returns.
 - b. Of every return prepared at the site.
 - c. Only when there is a Quality Reviewer available.
 - d. Of all returns prepared by volunteers with certification levels below Advanced, Military, or International.
- **5.** You do not need to see proof of insurance coverage for a taxpayer if you feel that this information is not unusual or questionable.
 - a. True
 - b. False
- **6.** In most cases, a volunteer must review photo identification for every taxpayer to deter the possibility of identity theft.
 - a. True
 - b. False

- 7. When does the taxpayer sign the tax return?
 - a. Before quality review and before being advised of their responsibility for the accuracy of the information on the return.
 - b. Before quality review and after being advised of their responsibility for the accuracy of the information on the return.
 - c. After quality review and before being advised of their responsibility for the accuracy of the information on the return.
 - d. After quality review and after being advised of their responsibility for the accuracy of the information on the return.
- **8.** The site is busy with many taxpayers waiting for assistance. All volunteers are busy preparing tax returns. Can you quality review the return you just prepared instead of waiting for someone else to quality review the return?
 - a. Yes, if it is a returning taxpayer.
 - b. Yes, with approval of the Site Coordinator.
 - c. No, self review is never an acceptable quality review method.
 - d. No, unless you are certified at the Advanced level.
- **9.** Which of the following is true?
 - a. Quality review can be conducted by a volunteer preparer certified at Basic when the tax return required an Advanced certification to prepare.
 - b. Quality review is conducted after the taxpayer signs the tax return.
 - c. Quality review is an effective tool for preparing an accurate tax return.
 - d. Taxpayers do not need to be involved in the quality review process.
- 10. As part of the intake process, each site must:
 - a. Have a process to ensure a return is within the scope of the VITA/TCE Programs.
 - b. Identify the certification level needed to prepare a return.
 - c. Have a process to ensure volunteers have the certification needed for the returns they prepare.
 - d. All of the above.

Directions

Review the Intake/Interview and Quality Review training and answer the following questions.

- **1.** When should an IRS-certified volunteer preparer participating in the VITA/TCE Programs perform a complete interview of a taxpayer?
 - a. Only when the taxpayer has questions.
 - b. Only if the taxpayer has never visited your site.
 - c. Only when the site is not busy.
 - d. For every return prepared at the site.
- 2. The certified volunteer preparer should verify the return is within their certification level as part of the Intake/Interview process.
 - a. True
 - b. False
- **3.** When reviewing Form 13614-C, you see the "Interest" question is marked "Yes" and the taxpayer gives you a Form 1099-INT. What should you do next?
 - a. Input Form 1099-INT into tax software.
 - b. Go to the next question on Form 13614-C.
 - c. Ask the taxpayer if they had any other interest income.
- **4.** VITA/TCE sites are required to conduct quality reviews of every return prepared at the site.
 - a. True
 - b. False
- **5.** A taxpayer tells you that they had health insurance coverage for the entire year, but they did not bring proof of the coverage. This information along with all other information gathered during your interview does not seem unusual or questionable. As a tax preparer, you should:
 - a. Send the taxpayer home to get their insurance card.
 - b. Prepare the return giving credit for having health insurance coverage without seeing proof.
 - c. Prepare their return without giving them credit for having health insurance coverage.

- 6. What information must a volunteer review to deter the possibility of identity theft?
 - a. Form W-2
 - b. Photo identification
 - c. Last year's tax return
 - d. Medicaid card
- **7.** The taxpayer signs the tax return after quality review and after being advised of their responsibility for the accuracy of the information on the return.
 - a. True
 - b. False
- **8.** You can quality review a tax return you just prepared instead of waiting for someone else to quality review the return.
 - a. True
 - b. False
- 9. Which of the following four critical processes for quality review is not correct:
 - a. Engaging the taxpayer in the review process.
 - b. Using Google as a main reference for tax law determinations.
 - c. Using the Quality Review Checklist located in Publication 4012 as a guide while conducting the quality review.
 - d. Comparing source documents provided by the taxpayer.
- **10.** Completing a thorough interview before entering taxpayer information into the software helps avoid which of the following potential problems?
 - a. The volunteer may not have the required certifications to prepare the return.
 - b. The return may be out of scope.
 - c. The taxpayer may not have all the information needed to prepare the return.
 - d. All of the above.



Basic Course Scenarios and Test Questions

Directions

The first six scenarios do not require you to prepare a tax return. **Read the interview** notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

Basic Scenario 1: Jeff and Linda Arnold

Interview Notes

- Jeff and Linda got married in December of 2018.
- They are both U.S. citizens with valid Social Security numbers.
- They do not elect to file a joint return for 2018.
- Jeff worked all year and received wages of \$32,000. He received full health insurance coverage from his employer all year.
- Linda worked part-time at a book store January through September. She earned \$9,000 for the year. In November, she started working at the library. She had health insurance through her employers, except for the month of October when she was unemployed.

Basic Scenario 1: Test Questions

- 1. Jeff may need to make a shared responsibility payment.
 - a. True
 - b. False
- **2.** Linda does not need to make a shared responsibility payment because she qualifies for an exemption under the short coverage gap criteria.
 - a. True
 - b. False

- Ava is 43, divorced, and earned \$38,000 in wages.
- Ava's 20-year-old son, David, is unmarried and a full-time student working towards a degree in Business Administration. David lives on campus during the school year and spent the summer at home with his mother.
- David does not have a felony drug conviction.
- Ava paid \$4,000 of David's tuition that was not covered by his scholarship.
- Ava provided more than half of her son's support and all the cost of his room and board on campus.
- David's only income was \$3,800 in wages.
- Ava and David are U.S. citizens and have valid Social Security numbers.

Basic Scenario 2: Test Questions

- **3.** Ava cannot claim her son for the earned income credit because he did not live with her for more than half the year and does not meet the residency test.
 - a. True, David only lived with his mother during the summer, which was less than six months.
 - b. False, attendance at school is considered a temporary absence and this time is counted as time that her child lived with her.
- 4. David is Ava's qualifying person for which of the following? (Select all that apply)
 - a. Head of Household filing status
 - b. Credit for other dependents
 - c. Education credit
 - d. Child tax credit

- Ellen is 62. During the interview, she mentions that she always filed a joint return with her husband who died in 2014.
- Ellen has not remarried and she pays all the cost of keeping up her home. She earned \$28,500 in wages for 2018.
- Ellen provides all the support for her two grandchildren who lived with her all year. Tricia is 12 years old and Evan is 16 years old.
- She does not have enough deductions to itemize.
- Her income tax before credits is \$1,050.
- Ellen, Tricia, and Evan are all U.S. citizens with valid Social Security numbers.

Basic Scenario 3: Test Questions

- 5. What is the amount of Ellen's standard deduction?
 - a. \$24,000
 - b. \$19,600
 - c. \$18,000
 - d. \$12,000
- **6.** The maximum amount of additional child tax credit that Ellen is able to claim per qualifying child is:
 - a. \$500
 - b. \$1,000
 - c. \$1,400
 - d. \$2,000

- Christopher and his wife Amanda have lived in the United States since 2012 and have Individual Taxpayer Identification Numbers (ITINs).
- Christopher is 45 and Amanda is 40. They have been married since 2000. They both worked in 2018 and their combined wages for the year were \$40,000.
- They have one child, Jennifer, who is 3 years old and lived with them all year. Jennifer is a U.S. citizen and has a valid Social Security number.
- In order for them to work, they paid \$5,000 in daycare for Jennifer. The statement from the daycare provider includes the provider's name, address, valid Employer Identification Number, and the amount paid for Jennifer's care.
- Christopher and Amanda provided all the support for Jennifer and all the costs of keeping up their home.

Basic Scenario 4: Test Questions

- **7.** Can Christopher and Amanda claim Jennifer as a qualifying child for the earned income credit (EIC)?
 - a. Yes, because their income is below the threshold for claiming EIC.
 - b. Yes, because Jennifer is 3 years old and lives with her parents.
 - c. No, because Christopher and Amanda both have ITINs.
 - d. Both a and b.
- 8. Which credits can Christopher and Amanda claim on their tax return?
 - a. Child and dependent care credit
 - b. Child tax credit
 - c. Credit for other dependents
 - d. Both a and b

- Mathew and Ashley are both 28 years old.
- Mathew and Ashley are not married to each other and lived together all year. Mathew has never been married. Ashley is still legally married to another man, but she does not want to file a joint return with her spouse.
- Ashley earned \$27,000 in wages during 2018. Mathew received \$13,000 in wages.
- Mathew has two children from a previous relationship. Mark is 9 and Kevin is 6 years old. Mark and Kevin lived with Mathew and Ashley for all of 2018. Mark and Kevin did not provide over half of their own support.
- Ashley paid all the rent, utilities, and household expenses. Mathew did not pay any household expenses.
- Mathew, Ashley, Mark, and Kevin are all U.S. citizens with valid Social Security numbers.

Basic Scenario 5: Test Questions

- 9. Which of the following statements is true?
 - a. Both Ashley and Mathew's filing status is Single.
 - b. Ashley is eligible to claim Head of Household and Mathew must file Single.
 - c. Ashley's filing status is Married Filing Separately and Mathew's filing status is Single.
 - d. Ashley's filing status is Married Filing Separately and Mathew's filing status is Head of Household.
- 10. Who can claim Mark and Kevin as qualifying children for earned income credit?
 - a. Ashley
 - b. Mathew
 - c. Both Mathew and Ashley

- George and Helen have an 18-year-old son, Joshua, who lived with them all year and is a college student.
- George and Helen provided all the support for Joshua and all the costs of keeping up their home.
- Joshua worked during the year and received wages of \$2,000. He had \$140 of federal withholding.
- The Reeds have a balance due on their return and are unsure what to do.
- George, Helen, and Joshua are U.S. citizens with valid Social Security numbers.

Basic Scenario 6: Test Questions

- **11.** What actions should George and Helen take to prevent having a balance due next year?
 - a. They should use the withholding calculator.
 - b. They should adjust their Form W-4 to increase withholding.
 - c. There is no way to prevent a balance due.
 - d. Both a and b.
- **12.** What options do George and Helen have if they are not able to full pay their balance due by the due date of the return?
 - a. Wait to file their return until they have the money to pay the full amount owed.
 - b. File Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return.
 - c. Pay as much as they can by the due date of the return and request a payment plan.
 - d. Both a and c.
- **13.** George and Helen ask if their son Joshua should file a tax return for 2018. How should the volunteer respond?
 - a. Joshua is exempt from filing because he is a student.
 - b. Joshua does not have to file because he is their dependent and they can claim his income on their tax return.
 - c. Joshua must file based on the 2018 filing threshold for children and other dependents.
 - d. Joshua should file a tax return to claim a refund of his withholding.

Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Jacob and Martha are age 65 years old and married. They elect to file Married Filing Jointly.
- They have a son, Daniel, who is 23 years old and a full-time college student in his third year of study. He is pursuing a degree in Business Administration and does not have a felony drug conviction.
- Jacob retired in 2018.
- Jacob received interest, Social Security benefits, and pension income. He went to the local casino and won some money in 2018. During the interview he mentions that he had gambling losses of \$700.
- · Martha received Social Security benefits and received wages from a part-time job.
- Jacob and Martha elected to have their 2017 refund of \$400 applied as an estimated tax payment to their 2018 tax return.
- Jacob and Martha do not have enough deductions to itemize.
- Daniel received a scholarship and the terms require that it be used to pay tuition. Jacob and Martha paid the cost of Daniel's tuition and books in 2018 not covered by scholarship. They also provided all of his support for 2018.
- Jacob and Martha were covered by Medicare Parts A and B for the whole year.
- Daniel had minimum essential healthcare coverage through his University health plan.
- If Jacob and Martha receive a refund, they would like to deposit half into their checking account and half into their savings account. Documents from their bank show that the routing number for both accounts is: 111000025. Their checking account number is 987654321 and their savings account number is 234567890.



Form- 13614-C (October 2018)		In		19		ury - Internal Qualit		Service View S	heet				Number i-1964
You will need: • Tax Information such a • Social security cards o • Picture ID (such as val	or ITIN letters for	or all pers	ons on yo			You are comple	e responente	nsible for t accurate in	I-3 of this fo the informa nformation. lease ask th	tion on yo		1997 - 1997 - 1999 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997	
	Volunteer							old the hig at <u>wi.volta</u> :	hest ethica x@irs.gov	l standard	s.		
Part I – Your Personal Infor	mation (If you a	are filing a	joint returr	n, enter	your nam	es in the sa	ame orde	er as last y	ear's return)	8			
1. Your first name JACOB		M.I.	Last n						aytime telepl DUR PHONE		🛛 Ýe] No
2. Your spouse's first name MARTHA		M.I.	Last n					Da	aytime telep	hone numb	er Is you X Ye	s [U.S. citizen?
3. Mailing address 5001 LAUREL ST	-					Apt # C	ity OUR CI	тү			State YS	1.5	ZIP code (OUR ZIP
4. Your Date of Birth 09/21/1953	5. Your job t RETIRED	itle				, were you d permane		abled	Yes 🗶 N	1966 - C. A. 1966	ll-time stud gally blind	lent	
7. Your spouse's Date of Birth 03/03/1953	n 8. Your spou	ise's job ti	le	9.	Last year	, was your id permane	spouse:		Yes X N	a. Fu	ll-time stud		
10. Can anyone claim you or		a depend	ont?	0.000	No No					10 0. LO	gaily billia		
11. Have you, your spouse, o	r dependents be	een a victi	m of tax re				2017	Identity Pi	rotection PIN	١?			res 🛛 No
Part II – Marital Status an	d Household	Information	ion										
					al constants for				1.11			1.1	
1. As of December 31, 2018,	what 🗌 Ne	ver Marrie	d (TI		•		Carbon and Burrene De	tnerships, c	vivil unions,	or other for		1997 - Marine Maria (m. 1997)	
		ver Marrie	d (Ti a. lf	Yes, Di	d you get	married in	2018?		a denor l'este de la serve de la serve			Yes 🛛 M	No
1. As of December 31, 2018,	what □ Ne ⊠ Ma	ver Marrie arried	d (Ti a.lf b.D	Yes, Di id you li	d you get ve with yo	married in ur spouse	2018?		civil unions, t			Yes 🛛 M	No
1. As of December 31, 2018,	what 🗌 Ne 🛛 Ma	ver Marrie arried /orced	d (Ti a. If b. Di Di	Yes, Di id you li ate of fil	d you get ve with yo nal decree	married in our spouse	2018? during a	any part of t	a denor l'este de la serve de la serve			Yes 🛛 M	No
1. As of December 31, 2018,	what 🗌 Ne 🛛 Ma 🗌 Div 🗌 Le	ver Marrie arried	d (TI a. If b. D Da rated Da	Yes, Di id you li ate of fil ate of se	d you get ve with yo nal decree	married in our spouse aintenance	2018? during a	any part of t	a denor l'este de la serve de la serve			Yes 🛛 M	No
1. As of December 31, 2018,	what 🗌 Ne 🛛 Ma 🗌 Div 🗌 Le	ver Marrie arried vorced gally Sepa	d (TI a. If b. D Da rated Da	Yes, Di id you li ate of fil ate of se	d you get ve with yo nal decree eparate m	married in our spouse aintenance	2018? during a	nent	the last six n	nonths of 2 	018? 🛛	Yes 🛛 M Yes 🗌 M	No No
 As of December 31, 2018, was your marital status? List the names below of: • everyone who lived with your statements 	what DNe W Ma Div Ley Wi you last year (ot	ver Marrie nrried vorced gally Sepa dowed ther than y	d (Ti a. If b. D rated D Ya	Yes, Di id you li ate of fil ate of se ear of se	d you get ve with yo nal decree eparate m	married in our spouse aintenance	2018? during a	nent	the last six n	nonths of 2 	018? 🕅	Yes 🛛 M Yes 🗌 M	No No list on page 3
 As of December 31, 2018, was your marital status? List the names below of: everyone who lived with y anyone you supported bu 	what I Ne X Ma I Div Lee Wi you last year (or it did not live wit	ver Marrie vorced gally Sepa dowed ther than y	d (TI a. If b. D parated Da Ya our spouse year	Yes, Di id you li ate of fil ate of se ear of se ear of se	d you get ve with yo nal decree eparate m pouse's de	married in ur spouse aintenance eath	2018? during a e agreen	nent If adv	the last six n ditional space	nonths of 2 	018? X d check he	Yes X M Yes 1 M ere 1 and ed Volunte	No No list on page : eer Prepare
 As of December 31, 2018, was your marital status? List the names below of: everyone who lived with your supported but the state of t	what Ne	ver Marrie arried vorced gally Sepa dowed ther than y th you last Relationship to you (for example: son, daughter, parent, none, etc)	d (Ti a. If b. D Di rated Di Ya our spouse year Number of months lived in your home last year	Yes, Di id you li ate of fin ate of se ear of se ear of se (yes/no)	d you get ve with yc al decree eparate m pouse's de Resident of US, Canada, or Mexico last year (yes/no)	married in ur spouse aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	the last six n ditional spac To be cc Is this	ce is neede mpleted b Did this person provide more than 50% of his/ her own support?	018? X d check he y a Certifi Did this person have less	Yes 🛛 M Yes 🗌 M	No No list on page 3 eer Preparen Did the taxpayer(s) pay more tha half the cost maintaining a home for this person?
 As of December 31, 2018, was your marital status? List the names below of: everyone who lived with y anyone you supported bu Name (<i>first, last</i>) Do not enter your name or spouse's name below (a) 	what Ne Ne Ma Div Ley Wi you last year (of t did not live with Date of Birth (mm/dd/yy) (b)	ver Marrie arried vorced gally Sepa dowed ther than y th you last Relationship kh you last Relationship con (for example: son, daughter, parent, none, etc) (c)	d (Ti a. If b. D Di rated Di Ye year Number of months lived in your home last year (d)	Yes, Di id you li ate of fin ate of se ear of s ear of s US Citizen (yes/no) (e)	Resident of US, Canada, or Mexico last year (yes/no) (f)	married in ur spouse aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no) (h)	Totally and Permanently Disabled (yes/no)	ditional space To be cc Is this person a qualifying child/relative of any other person?	ce is neede mpleted b Did this person provide more than 50% of his/ her own	018? X d check he y a Certifi Did this person have less than \$4,150 of income?	Yes Yes N Yes N Yes N Prece and A ed Volunte taxpayer(s) provide more than 50% of support for this person?	list on page 3 eer Preparer Did the taxpayer(s) pay more tha half the costs maintaining a home for this
 As of December 31, 2018, was your marital status? List the names below of: everyone who lived with your supported but the state of t	what Ne	ver Marrie arried vorced gally Sepa dowed ther than y th you last Relationship to you (for example: son, daughter, parent, none, etc)	d (Ti a. If b. D Di rated Di Ya our spouse year Number of months lived in your home last year	Yes, Di id you li ate of fin ate of se ear of se ear of se (yes/no)	d you get ve with yc al decree eparate m pouse's de Resident of US, Canada, or Mexico last year (yes/no)	married in ur spouse aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	ditional space To be cc Is this person a qualifying child/relative of any other person?	ce is neede mpleted b Did this person provide more than 50% of his/ her own support?	018? X d check he y a Certifi Did this person have less than \$4,150 of income?	Yes Yes N Yes N Yes N Prece and A ed Volunte taxpayer(s) provide more than 50% of support for this person?	No No list on page 3 eer Preparen Did the taxpayer(s) pay more tha half the cost maintaining a home for this person?

32

Basic Scenarios

'es	No	Unsure	Part III – Income – Last Year, Did You <i>(or Your Spouse)</i> Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1
	X		2. (A) Tip Income?
X			3. (B) Scholarships? (Forms W-2, 1098-T)
×			4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
	\mathbf{X}		6. (B) Alimony income or separate maintenance payments?
	×		7. (A) Self-Employment income? (Form 1099-MISC, cash)
	X		8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
_	\mathbf{X}		9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)
	\mathbf{X}		10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
×			11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
			13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
	\bowtie		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 Form W-2G
es	No	Unsure	Part IV – Expenses – Last Year, Did You <i>(or Your Spouse)</i> Pay
	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
_	\mathbf{X}		2. Contributions to a retirement account? 🛛 IRA (A) 🗌 401K (B) 🗌 Roth IRA (B) 🗌 Other
			3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
		2000-5a 1	Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
]	X		5. (B) Child or dependent care expenses such as daycare?
ב	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
	X		7. (A) Expenses related to self-employment income or any other income you received?
	\mathbf{X}		8. (B) Student loan interest? (Form 1098-E)
es	No	Unsure	Part V – Life Events – Last Year, Did You <i>(or Your Spouse)</i>
ו	X		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
ן	X		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
ן כ	X		3. (A) Adopt a child?
ן כ	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
ן כ	\boxtimes		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
ן כ	\mathbf{X}		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
ן כ	\mathbf{X}		7. (A) Receive the First Time Homebuyers Credit in 2008?
3			8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? \$400
- I	X		9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
ן כ			

			h	augustic - in	ala anation						Page
Vac				question in ea		an did you y		andont/a)			
Yes						ar, did you, y	our spouse, or dep	endent(s)			
				health care cov		0 (0) 1 4	L		F		
	X						box) Form 109		Form 1095-C		
	X				• ·		nge)? [Provide Form		nasiana ang kanalat 🛫		
							to help you pay your				
							A being claimed on t	his tax ret	urn?		
	X		4. (B) Have	an exemption g	ranted by the I	Marketplace?					
To be	Com	pleted by	a Certified Vo	lunteer Preparer	(Use Publication	4012 and che	ck the appropriate box(e	s) indicatin	g Minimum Essential Covera	age (MEC) for everyone	listed on the return
		Name		MEC All Year	No MEC	Mont	ths with MEC	Mor	ths with Exemption	Exempt All Year	Notes
Тахра	ayer					JFMAN	IJJASOND	JFM	AMJJASOND		
Spou	se					JFMAN	IJJASOND	JFM	AMJJASOND		
Depe	ndent					JFMAN	IJJASOND	JFM	AMJJASOND		
Depe	ndent					JFMAN	IJJASOND	JFM	AMJJASOND		
Depe	ndent			4		JFMAN	IJJASOND	JFM	AMJJASOND		
200			I Information	and Question	s Related to the	he Preparatio	on of Your Return				
									igs bolids c. To split ye	our refund between o	ifferent accounts
Many Your 5. Wo 6. Wo 7. Do 8. Are	free t answe uld yo uld yo you o you o	tax prepa ers will b ou say you ou say you r any men	aration sites be used only u can carry or u can read a mber of your bouse a Veter	operate by rece for statistical p	eiving grant m purposes. n in English, bo pok in English? a disability?	th understand	☐ Yes your bank account? lata from the follow ding & speaking? ⊠ ⊠ Very well ☐ ☐ Yes ⊠	⊠ No ⊠ Yes ing quest	X Yes	☐ No nis site to apply for ☐ Not at all ☐ Pre t at all ☐ Pre er	these grants.
Many Your 5. Wo 5. Wo 5. Wo 7. Do 8. Are Additional The Print on ot 1 ou relation of 1 ou r	free t answe uld you you o you o you o onal c onal c	tax prepa ers will b ou say you ou say you r any men or your sp comments comments ct of 1974 re it, and whe your interes n preparatio	equires that when ther your respon on sites or outree	n we ask for informa se is voluntary, requation in the IRS volu	Ake a payment eiving grant m purposes. In in English, bo pok in English? a disability? . Armed Force: . Armed Force: Pri tion we tell you ou irred to obtain a be inteer income tax p formation may also	directly from noney. The d th understand s? s? ivacy Act and ir legal right to as mefit, or mandat oreparation and o be used to esta	Yes your bank account? lata from the followi ding & speaking? Yes Yes Yes Yes Yes Paperwork-Reduction sk for the information, why ory. Our legal right to ask uotreach programs. The in ablish effective controls, si	No Yes ng quest Very wel Well No No No	Yes No No No Not well Not well Not well Prefer not to answe Prefer not to answe Prefer not to answe State Not well No No Not well No Not well No No Not well No No Not well No Not well No Not well No No Not well No No Not well No Not well No No No Not well No No Not well No No No No Not well No	No No Not at all Pre tat all Pre tat all Pre to tat all Pre to tat all Ore to this information to a others who coordinate ac others who reports is volu	these grants. efer not to answe efer not to answe hat could happen if v assist us in contactin tivities and staffing a intary. However, if y
Many Your 5. Wo 5. Wo 5. Wo 5. Wo 7. Do 3. Are Additional for the second second for the second second second for the second second second second for the second second second second second for the second second second second second second for the second second second second second second second for the second second second second second second second for the second	free t answuld you uld you you o you o you o onal c conal c eceive tive to er etur to rovide tion rec	tax prepa ers will b ou say you r any men or your sp comments to f 1974 re it, and whe your interes n preparation the requests. The	equires that when ther your respon st and/or participant of MB Control Nu	n we ask for informa se is voluntary, requ ation in the IRS may not be a mere say and the second se is voluntary requ ation in the IRS volu the activities. The ini- he IRS may not be a imber for this study in	Ake a payment eiving grant m purposes. in English, bo pook in English? a disability? . Armed Force: Printion we tell you ou irred to obtain a be inteer income tax p formation may alsy able to use your as is 1545-1964. Also	directly from noney. The d th understand s? s? ivacy Act and ir legal right to as mefit, or mandat preparation and do be used to est ssistance in thes s, if you have any	Yes your bank account? Iata from the followi iding & speaking? Yes Yes Yes Yes Yes Yes Yes Paperwork-Reduction sk for the information, why ory. Our legal right to ask poutreach programs. The ir ablish effective controls, si e programs. The Paperwo y comments regarding the	No No Yes Ing quest Very wel Well No No No Act Notic we are askii for information yo and correspon rk Reduction rk Reduction	Yes No No No Not well Not well Not well No Prefer not to answe Prefer not to answe State Prefer not to answe State Prefer not to answe No	☐ No his site to apply for the constant of the second s	these grants. efer not to answe efer not to answe hat could happen if v assist us in contacting tivities and staffing at intary. However, if yo er on all public

34

Basic Scenarios

		a Employee's social security number 132-00-XXXX	OMB No. 1545-0	Safe, accurate, FAST! Use		e IRS website at rs.gov/efile
0.0000000000	loyer identification number (-500XXXX	EIN)		1 Wages, tips, other compensatio 7,500.00	on 2 Federal income 750.0	
c Emp	loyer's name, address, and	ZIP code		3 Social security wages 7,500.00	4 Social security t 465.0	
	H'S BOOK STORE 5 OVERVIEW AVE		T T	5 Medicare wages and tips 7,500.00	6 Medicare tax wi 108.7	
YO	JR CITY, STATE ZI	Р		7 Social security tips	8 Allocated tips	
d Con	trol number			9 Verification code	10 Dependent care	benefits
e Emp	loyee's first name and initial	Last name	Suff. 1	1 Nonqualified plans	12a See instruction	s for box 12
500	RTHA MILLS	10		3 Statutory Retirement Third-pu employee plan aick pay		
ŤŪ	UR CITY, STATE Z	IP	2	4 Other	12c	
f Empl	oyee's address and ZIP cod	e			12d ^C ²	
15 State YS	Employer's state ID num 35-500XXXX	ber 16 State wages, tips, etc. 7,500.00	17 State income 350.00	tax 18 Local wages, tips, etc.	. 19 Local income tax	20 Locality nam
]	N-2 Wage an Stateme	d Tax –	2018	Departmen	nt of the Treasury-Interna	I Revenue Servic
Copy B	- To Be Filed With Emp	bloyee's FEDERAL Tax Return. ed to the Internal Revenue Service.				

PAYER'S name, street address country, and ZIP or foreign pos		province,	1	Gross distribut			3 No. 1545-0119	Distributions From Retirement Plans Insuranc
GILMER CORP 2250 DELTA AVE			⊅ 2а	Taxable amou			2018	Contracts, etc
YOUR CITY, STATE ZIF	0		\$	20,000.0	0	For	rm 1099-R	
			2b	Taxable amou not determined	1993 mar 1993 mar 1993		Total distribution	Copy Report thi
PAYER'S TIN	RECIPIENT'S TIN	-	3	Capital gain (in in box 2a)	cluded		Federal income tax withheld	federal ta return. If thi
34-600XXXX	131-00-XXXX		\$			\$	2,000.00	form show federal incom
RECIPIENT'S name	ua	rv	5 \$	Employee contr Designated Rol contributions o insurance prem	th r iiums	1	Net unrealized appreciation in employer's securi	tax withheld i
Street address (including apt. n 5001 LAUREL ST	o.)		7	Distribution code(s) 7	IRA/ SEP/ SIMPLE	\$	Other	This information % being furnished t
City or town, state or province, co YOUR CITY, STATE ZIF		gn postal code	9a	Your percentage distribution	of total %		Total employee contribu	itions the IRS
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement	12 \$	State tax withhe	əld	13	State/Payer's state	no. 14 State distribution \$
\$			\$			1		\$
Account number (see instructions	5)		15 \$	Local tax withh	eld	16	Name of locality	17 Local distributio
			\$,			\$
Form 1099-R	www.irs.	gov/Form1099F	1			De	partment of the Trea	sury - Internal Revenue Servic

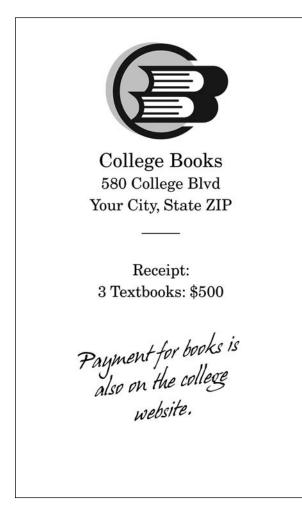
	REVERSE FOR MORE INFO	RMATION.	
Box 1. Name JACOB MI	LLS	Box 2. Ber	neficiary's Social Security Number 131-00-XXXX
Box 3. Benefits Paid in 2018 \$16,000.00	Box 4. Benefits Repaid to SS	6A in 2018	Box 5. Net Benefits for 2018 (Box 3 minus Bo \$16,000.00
DESCRIPTION OF J Paid by check or di \$14,692 Medicare Part B pre from your benefits: \$1,308 Medicare Prescripti (Part D) deducted fi \$0	rect deposit: emiums deducted on Drug premiums		DESCRIPTION OF AMOUNT IN BOX 4
Total Additions: Benefits for 2018:			dress Laurel St. City, State Zip
\$16,000			

2018 • PART OF	YOUR SOCIAL SECURITY E	SENEFITS S	HOWN IN BOX 5 MAY BE TAXABLE INCOM
Box 1 Name			neficiary's Social Security Number
MARTHA I	MILLS	DOX 2. De	132-00-XXXX
Box 3. Benefits Paid in 2018 \$15,000.00	Box 4. Benefits Repaid to SS	A in 2018	Box 5. Net Benefits for 2018 (Box 3 minus Box \$15,000.00
Paid by check or di \$12,188 Medicare Part B pro from your benefits: \$1,312 Medicare Prescript (Part D) deducted f \$0 Total Additions: Benefits for 2018: \$15,000	emiums deducted	\$1,50 Box 7. Ad 5001 I	
		Box 8. Cla	im Number (Use this number if you need to contact S
Draft as of June 21	, 2018 - Subject to C	hange	

PAYER'S name, street address, or foreign postal code, and tele	city or town, state or province, co ohone no.	ountry, ZIP	Payer's RTN (optional)		18 No. 1545-0112	Interes
2400 MILFORD AVE YOUR CITY, STATE	ZIP		1 Interest income \$ 375.00		∽ 1099-INT	Incom
			2 Early withdrawal penalty			Сору
PAYER'S TIN	RECIPIENT'S TIN		\$			Fan Daalala
39-400XXXX	131-00-XXXX		3 Interest on U.S. Savings Bo	nds and T	reas. obligations	- For Recipier
33-4007777	101-00-2000		\$			
RECIPIENT'S name	č.		4 Federal income tax withhele	5 Invest	ment expenses	This is important ta
JACOB MILLS			\$	\$		information and being furnished to th
UNCOD MILLO			6 Foreign tax paid	7 Foreign	country or U.S. possession	IRS. If you a
Street address (including apt. ne	p.)		\$			required to file return, a negligend
5001 LAUREL ST.			8 Tax-exempt interest	9 Specifinteres	ied private activity bond st	penalty or oth sanction may b
City or town, state or province,	country, and ZIP or foreign postal of	code	\$	\$		imposed on you
YOUR CITY, STATE	ZIP		10 Market discount	11 Bond	premium	this income taxable and the IR determines that it ha
		ATCA filing	\$	\$		not been reporte
	re	quirement	12 Bond premium on Treasury obligation: \$	13 Bond (\$	premium on tax-exempt bond	3
Account number (see instruction	ns)		14 Tax-exempt and tax credit bond CUSIP no.	15 State	16 State identification no.	17 State tax withheld \$
						\$

PAYER'S name, street address, city of ZIP or foreign postal code	r town, province or state, country, and	1 Reportable winnings	2 Date won	OMB No. 1545-023
RIDGETOP CASINO		\$ 2,000.00	5/28/2018	
777 CREST ROAD		3 Type of wager RAFFLE	4 Federal income tax withheld \$ 500.00	Form W-20 Certai
YOUR CITY, STATE ZIP		5 Transaction	6 Race	Gamblin
PAYER'S federal identification number	PAYER'S telephone number	7 Winnings from identical wagers	8 Cashier VP	Winning
		Winner's taxpayer identification no. 131-00-XXXX	•••	This information
38-600XXXX	YOUR PHONE #	131-00-7777		to the Intern Revenue Servio
WINNER'S name		11 First I.D.	12 Second I.D.	Revenue Servic
JACOB MILLS		YS987654	YS 316-00-XXXX	
Street address (including apt. no.)		13 State/Payer's state identification no.	14 State winnings	Сору
5001 LAUREL ST			\$	Report this incom on your federal ta
City or town, province or state, count	ry, and ZIP or foreign postal code	15 State income tax withheld	16 Local winnings	return. If this for shows feder
YOUR CITY, STATE ZIP		\$	\$	incom
		17 Local income tax withheld		tax withheld box 4, attach th copy to your return
		\$		bopy to your return
Under penalties of perjury, I declare correctly identify me as the recipient of				
Signature 🕨		Date 🕨		

FILER'S name, street address, city or foreign postal code, and telephone nu	town, state or province, country, ZIP or imber	1 Payments received for qualified tuition and related expenses	OMB No. 1545-1574	
BUCKEYE COLLEGE		\$ 7,000.00	2018	Tuitio
575 COLLEGE BLVD		2		Statemen
YOUR CITY, STATE ZIP			Form 1098-T	
FILER'S employer identification no.	STUDENT'S TIN	3 If this box is checked, your e		Copy
33-700XXXX	133-00-XXXX	its reporting method for 2018	,	For Studer
STUDENT'S name DANIEL MILLS		4 Adjustments made for a prior year	5 Scholarships or grants \$ 5,500.00	This is importan tax information and is beir
Street address (including apt. no.) 5001 LAUREL ST.		6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 includes amounts for an	furnished to th IRS. This for must be used complete Form 886
City or town, state or province, count YOUR CITY, STATE ZIF	General and the second second second second second second	\$	academic period beginning January – March 2019	to claim education credits. Give it to the
Service Provider/Acct. No. (see instr.)	8 Check if at least half-time student	9 Checked if a graduate student	10 Ins. contract reimb./refund	tax preparer or use it i prepare the tax return



- **14.** What is the amount of gambling winnings claimed on Jacob's and Martha's 2018 tax return?
 - a. \$0
 - b. \$1,300
 - c. \$2,000
 - d. \$2,500
- **15.** Jacob and Martha can claim \$2,000 of qualified education expenses to calculate Daniel's American opportunity credit.
 - a. True
 - b. False
- 16. How much of Martha and Jacob's Social Security is taxable?
 - a. \$0
 - b. \$6,851
 - c. \$7,169
 - d. \$26,350
- **17.** The amount of Martha and Jacob's standard deduction is \$_____.
- **18.** Which of the following items are included in the total payments on Jacob and Martha's tax return?
 - a. Federal income tax withheld from Forms W-2 and 1099
 - b. \$400 applied from 2017 return
 - c. Refundable credits
 - d. All of the above
- 19. What form must be used to split Jacob and Martha's refund?
 - a. Form 8888, Allocation of Refund (Including Savings Bond Purchases)
 - b. Form 8880, Credit for Qualified Retirement Savings Contributions
 - c. Form 8862, Information To Claim Earned Income Credit After Disallowance
 - d. There is no form. A refund can't be split.

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Emily is single and has two young girls, Sara and Madison, who lived with her all year.
- Emily paid more than half of the support for her daughters and all the cost of keeping up the home.
- Emily was unemployed for two months (March and April). She cashed in her 401(k) savings and used the money to pay household expenses.
- Emily is paying off a student loan that she took out when she attended college for a few courses in 2015.
- She took some courses this year at Drew Community College to improve her job skills as a health aide.
- Emily and her two daughters, Sara and Madison, had qualified health insurance from her employers for 10 months out of the year. They did not have coverage in March and April.



(October 2018) You will need: • Tax Information such as I • Social security cards or I • Picture ID (such as valid Part I – Your Personal Informa	TIN letters for a				view &	Juai	y ile	VICVV .	JUCCL			1545-	
 Tax Information such as Social security cards or I Picture ID (such as valid) 	TIN letters for a	9. 1098.				1	-						
Part I – Your Personal Informa		l perso for you	ns on you and you	ır spo	ouse.	 You an compl If you 	e responente ete and a have que	nsible for accurate estions,	1-3 of this for the informa information. please ask th	tion on you ne IRS-certi	fied volu		
Part I – Your Personal Informa		o repo	rt unethic	al be:	havior to t	he IRS, e	nail us a	at <u>wi.volt</u>	ax@irs.gov		5.		
	ation (If you are f	iling a jo	int return,	enter	r your name	es in the s	ame orde	er as last	year's return)				
1. Your first name EMILY		M.I.	Last na CLAR						Daytime telep		er Are yo X Ye	ou a U.S. citi s	izen?] No
2. Your spouse's first name		M.I.	Last na	ame				[Daytime telep	hone numbe	er Is you □ Ye	r spouse a l s	J.S. citizer] No
3. Mailing address 129 PENNINGTON PLACE						י <u>ו</u>	City OUR CI	ТҮ			State YS	Y	IP code OUR ZIP
	5. Your job title	_			. Last year	· •					-time stud		
	MED ASSISTAN			_	. Totally an	-			Yes 🛛 N	-	ally blind	□ Y	
7. Your spouse's Date of Birth	8. Your spouse'	s job title			. Last year						-time stud		
40.0	-				. Totally an			abled [Yes 🗌 N	lo c. Leg	ally blind	□ Y	es 🗌 N
10. Can anyone claim you or you					No 🛛					10			
11. Have you, your spouse, or de	· .			ated ic	aentity thef	t or been i	ssued an	identity	-rotection PIN	N?		□ Y	es 🛛 N
Part II – Marital Status and I				la lu al		ana da da ca		n e ve bin -	abili uni erec	av ath f-	a al velation	nahing	w atata loo
 As of December 31, 2018, wh was your marital status? 					-			nerships,	civil unions,	or other form		nships unde Yes □ N	
Hao your mantar status?	Marrie				id you get			ny part o	f the last six n	conthe of 20			
		he			inal decree		during a	iny part o	i ule last six li				0
		su Separa			separate m		e agreen	nent					
	□ Legan				spouse's de		e agreen						
		00											
 List the names below of: everyone who lived with you 	I last vear (other	than vo	ir snouse)				lf a	dditional space	e is needeo	l check he	ere 🗌 and li	st on page
 anyone you supported but d 				/					To be co	mpleted by	/ a Certifi	ed Volunte	er Prepar
	(mm/dd/yy) to yo exai son,	u (for nple: nhter,		US Citizen (yes/nc		Single or Married as of 12/31/18 (S/M)	Full-time Student last year (yes/no)	Totally and Permanen Disabled (yes/no)		person provide more than 50% of his/	Did this person have less than \$4,150 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person?	Did the taxpayer(s) pay more the half the cost maintaining home for the
		e, etc)			(yes/10)				(yes/no)	support?	(363/110)	(yes/no/N/A)	person?
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		(yes/no)			(yes/no)
SARA CLARK		JGHTER	12	YES		S	YES	NO					
MADISON CLARK	07/31/12 DAU	GHTER	12	YES	S YES	S	YES	NO					

Yes	No	Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 2
	X		2. (A) Tip Income?
	X		3. (B) Scholarships? (Forms W-2, 1098-T)
	X		4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
	X		6. (B) Alimony income or separate maintenance payments?
	X		7. (A) Self-Employment income? (Form 1099-MISC, cash)
	X		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)
	\mathbf{X}		10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
			11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
			12. (B) Unemployment Compensation? (Form 1099G)
			13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
			14. (M) Income (or loss) from Rental Property?
	\boxtimes		15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify
res	No	Unsure	Part IV – Expenses – Last Year, Did You <i>(or Your Spouse)</i> Pay
	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
	\boxtimes		2. Contributions to a retirement account?
			3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
			Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
\boxtimes			5. (B) Child or dependent care expenses such as daycare?
	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
	X		(A) Expenses related to self-employment income or any other income you received?
×			8. (B) Student loan interest? (Form 1098-E)
'es	No	Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
	\mathbf{X}		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
	X		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
	\boxtimes		3. (A) Adopt a child?
	\square		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit 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.)
	\mathbf{X}		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
	X		7. (A) Receive the First Time Homebuyers Credit in 2008?
	\boxtimes		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?
	X		10. Receive a letter from the IRS?

42

Basic Scenarios

											Page 3
				question in ea							
Yes	No	-				ar, did you, y	our spouse, or	lependent	(s)		
\mathbf{X}				health care cove							
	X						box) 🗌 Form		Form 1095-C		
	X			1.73	5 82		nge)? [Provide Fo				
				S)2			to help you pay y				
				S)2 S			A being claimed	on this tax r	return?		
	X		4. (B) Have	an exemption g	ranted by the I	Marketplace?					
To be	Com	npleted by	a Certified Vo	lunteer Preparer	(Use Publication	4012 and che	ck the appropriate t	ox(es) indica	ting Minimum Essential Covera	age (MEC) for everyone	e listed on the return.
		Name	2	MEC All Year	No MEC	Mon	ths with MEC	M	onths with Exemption	Exempt All Year	Notes
Тахр	ayer					JFMAN	IJJASON	DJFN	IAMJJASOND		
Spou	se					JFMAN	IJJASON	DJFN	IAMJJASOND		
Depe	nden	nt				JFMAN	IJJASON	DJFN	IAMJJASOND		
Depe	nden	ıt				JFMAN	IJJASON	DJFN	IAMJJASOND		
Depe	nden	ıt				JFMAN	IJJASON	DJFN	IAMJJASOND		
Part V	/11 – /	Additiona	I Information	and Questions	s Related to the	ne Preparati	on of Your Retu	n		18	
							contacts from th d will not change		evenue Service)		
			200 CO. 100 CO.	**************************************	na na shine baya tan ta san sa		· · · · · · · · · · · · · · · · · · ·				
			efund, would y		Direct deposit		⊠ You b. To purcha □ Yes	A STREET STREET	pouse vings Bonds c. To split y lo	our refund between 🛛 No	different accounts
4. If y	ou ha	ave a bala	nce due, woul	d you like to ma	ke a payment	directly from	your bank accou	it? 🗆 Y	es 🛛 🕅 No		
						noney. The d	lata from the fol	owing que	stions may be used by th	nis site to apply for	these grants.
				for statistical p							
					· · ·		ding & speaking?	X Very v	vell 🗌 Well 🗌 Not well	Not at all Pr	efer not to answer
				newspaper or bo			X Very well	U Well	Not well Not Not	otatall 🗌 Pr	efer not to answer
7. Do	you o	or any me	mber of your l	nousehold have	a disability?		□ Yes	No No	Prefer not to answer	er	
8. Are	e you	or your sp	ouse a Vetera	an from the U.S.	Armed Force	s?	Yes	🛛 No	Prefer not to answer	er	
Additi	onal	comments	3								
					Pri	vacv Act and	Paperwork Redu	tion Act No	tice		
do not you rel volunte do not informa	receive ative to er retu provide ation re	e it, and whe o your intere urn preparati e the reques equests. The	ther your respons st and/or participa on sites or outrea ted information, t OMB Control Nu	se is voluntary, requ ation in the IRS volu ch activities. The inf he IRS may not be a mber for this study i	tion we tell you ou ired to obtain a be nteer income tax p formation may also able to use your as is 1545-1964. Also	r legal right to as nefit, or mandat preparation and b be used to esta sistance in thes b, if you have an	sk for the information, ory. Our legal right to outreach programs. T ablish effective contro e programs. The Pap y comments regardin	why we are a ask for informa- te information s, send corres arwork Reduct the time estir	sking for it, and how it will be use ation is 5 U.S.C. 301. We are ask you provide may be furnished to spondence and recognize volunte tion Act requires that the IRS disp mates associated with this study c	ing for this information to others who coordinate a ers. Your response is vo olay an OMB control num	assist us in contacting ctivities and staffing at luntary. However, if you ber on all public
piease	write to	o the Interna	a Revenue Servic	e, Tax Products Co	ordinating Commi	ttee, SE:W:CAR		istitution Ave.	NW, Washington, DC 20224		

Catalog Number 52121E

43

	oloyer identification number (EIN)			1 Wa	ges, tips, other compensation	2 Federal	l income t	tax withheld
35	-600XXXX				33,000.00	2	2,600.0	00
c Emp	bloyer's name, address, and ZIP code	9		3 So	cial security wages	2020000000000000		ax withheld
	LEM RETIREMENT HOM	-			33,000.00		2,046.0	
	0 WEST 29TH STREET			5 Me	edicare wages and tips	6 Medica		
	UR CITY, STATE ZIP				33,000.00	0.48	479.6	0
10	OR CITT, STATE ZIP			7 So	cial security tips	8 Allocate	ed tips	
d Con	trol number			9 Ve	rification code	10 Depend	dent care	benefits
e Emp	oloyee's first name and initial Las	t name	Suff.	11 No	onqualified plans	C		s for box 12
						a DD	3,8	00.00
	ILY CLARK			13 Stal emp		12b		
129	9 PENNINGTON PLACE					0		
	UD OITY OTATE TO					d		
	OUR CITY, STATE ZIP			14 Oth	d heread heread	12c		
	OUR CITY, STATE ZIP			14 Oth	d heread heread	Cone		
	OUR CITY, STATE ZIP			14 Oth	d heread heread	12c 0 0 0 0 0 0 0 0 0 0 0 0 0		
YO	OUR CITY, STATE ZIP			14 Oth	d heread heread	Cone		
YO	loyee's address and ZIP code	16 State wages, tips, etc.	17 State incon		d heread heread	Cone	ne tax	20 Locality nam
YO f Empl	loyee's address and ZIP code	16 State wages, tips, etc. 33,000.00	17 State incom 2,238.00	ne tax	ler	Coge	ne tax	20 Locality nam
f Empl f State	loyee's address and ZIP code	(S (3) (3) S		ne tax	ler	Coge	ne tax	20 Locality nam
f Empl f State YS	loyee's address and ZIP code Employer's state ID number 35-600XXXX	33,000.00		ne tax	ler	Coge	ne tax	20 Locality nam
f Empl f State YS	loyee's address and ZIP code	33,000.00		ne tax	18 Local wages, tips, etc.	12d Geeen		20 Locality nam

	loyer identification number (EIN)			1 Wages	, tips, other compensation	2 Federa	al income ta	x withheld
1 - T T - 1	-700XXXX				3,500.00		350.00	
c Emp	loyer's name, address, and ZIP code			3 Social	security wages 3,500.00	4 Social	security tax 217.00	
DA	VIDSON INC.		-	5 Medic	are wages and tips	6 Medica	are tax with	
	5 NORTHRIDGE AVE				3,500.00		50.75	
YOU	UR CITY, STATE ZIP			7 Social	security tips	8 Allocat	ted tips	
d Conf	trol number			9 Verific	ation code	10 Depen	ident care b	enefits
e Emp	loyee's first name and initial Last r	ame	Suff.	11 Nonqu	ualified plans	12a See in	nstructions f	for box 12
						g DD	450	.00
129	IILY CLARK PENNINGTON PLACE UR CITY, STATE ZIP			13 Statutory employe 14 Other	e plan sick pay	12b		
						12d		
						000		
f Empl	ovee's address and ZIP code					Se .		
f Empl 15 State		16 State wages, tips, etc.	17 State income	tax 1	8 Local wages, tips, etc.	19 Local inco	me tax	20 Locality r
		16 State wages, tips, etc. 3,500.00	17 State income 210.00	tax 1	8 Local wages, tips, etc.	19 Local inco	me tax	20 Locality n
15 State	Employer's state ID number	(S (3, 3, 5))		tax 1	8 Local wages, tips, etc.	19 Local inco	me tax	20 Locality n
15 State YS	Employer's state ID number	3,500.00			•	19 Local incom		

or foreign postal code, and teleph			yment compensation	OMB No. 1545-012	- -	Certain		
STATE UNEMPLOYM 1000 GOVERNMENT F YOUR CITY, STATE Z (555) 555-4321	PLAZA		DU local income tax credits, or offsets	- 20 18		Government Payments		
PAYER'S TIN 35-700XXXX	RECIPIENT'S TIN 259-00-XXXX	3 Box 2 an	nount is for tax year	4 Federal income to \$ 220.00	ax withheld	Copy E For Recipient		
RECIPIENT'S name EMILY CLARK Street address (including apt. no.	EMILY CLARK Street address (including apt. no.)		iyments ire payments	6 Taxable grants \$ 8 If checked, box 2 is trade or business income		This is important tax information and is being furnished to the IRS. If you are required to file a return, a		
129 PENNINGTON PL City or town, state or province, co	ACE ountry, and ZIP or foreign postal code	9 Market g \$	Jain			negligence penalty of other sanction may be imposed on you if this		
YOUR CITY, STATE Z Account number (see instructions		10a State	10b State identifica	ation no. 11 State incom \$		held income is taxable and the IRS determines that it has not been		

PAYER'S name, street address country, and ZIP or foreign pos		r province,	1	Gross distribution	ON	IB No. 1545-0119	Distributions From Retirement Plans
KENT STATE BANK F			\$	2,000.00	4	2018	Insuranc Contracts, etc
SALEM RETIREMENT			2a	Taxable amount	1 '		Contracts, etc
743 COLQUITT WAY YOUR CITY, STATE ZI	P		\$	2,000.00	F	orm 1099-R	
			2b	Taxable amount not determined		Total distribution	Copy Report thi
PAYER'S TIN	RECIPIENT'S TIN	-	3	Capital gain (included in box 2a)	4	Federal income tax withheld	income on you federal ta return. If thi
38-200XXXX	259-00-XXXX		\$		\$	300.00	form show federal incom
EMILY CLARK	ua	rv	5 \$	Employee contributions Designated Roth contributions or insurance premiums	\$	appreciation in employer's securiti	tax withheld i box 4, attac this copy t your return
Street address (including apt. r 129 PENNINGTON PL			7	Distribution code(s) IRA/ SEP/ SIMPLE	100	Other	This information being furnished
City or town, state or province, or YOUR CITY, STATE ZI		gn postal code	9a	Your percentage of total distribution		Total employee contribut	10
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement	12 \$	State tax withheld	13	State/Payer's state	no. 14 State distributio \$
\$			\$				\$
Account number (see instruction	s)		15 \$	Local tax withheld	16	Name of locality	17 Local distributio \$
			\$		00000		\$

	ame, street address, city or town, state or reign postal code, and telephone number	OMB No. 1545-1576	Churchen
FINANCIAL AID F 666 LINCOLN YOUR CITY, STA		20 18	Studer Loan Interes Statemer
RECIPIENT'S TIN	BORROWER'S TIN	1 Student loan interest received by lender	Copy
38-900XXXX	259-00-XXXX	\$ 600.00	For Borrowe
YOUR CITY, STATE	PLACE ice, country, and ZIP or foreign postal code E ZIP		This is important ta information and is bein furnished to the IRS, you are required to file return, a negligenc penalty or oth sanction may b imposed on you if th IRS determines that a underpayment of ta results because yo
Account number (see instru	ctions)	2 If checked, box 1 does not include loan origination fees and/or capitalized interest for loans made before September 1, 2004	overstated a deduction for student loan interes

FILER'S name, street address, city or foreign postal code, and telephone nu	town, state or province, country, ZIP or mber	1 Payments received for qualified tuition and related expenses	OMB No. 1545-1574		
DREW COLLEGE		\$ 2,800.00	2018	Tuition	
1000 COLLEGE AVE		2		Statemen	
YOUR CITY, STATE ZIP			Form 1098-T		
FILER'S employer identification no.	STUDENT'S TIN	3 If this box is checked, your e		Copy E	
35-500XXXX	259-00-XXXX	its reporting method for 2018		For Studen	
STUDENT'S name EMILY CLARK		4 Adjustments made for a prior year	5 Scholarships or grants	This is importar tax informatio and is bein	
Street address (including apt. no.) 129 PENNINGTON PLAC)E	6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 includes amounts for an	furnished to th IRS. This forr must be used t complete Form 886	
City or town, state or province, count YOUR CITY, STATE ZIP	a na sera ca ne cana sera sera na sera ca na sera sera sera sera sera sera sera ser	\$	academic period beginning January – March 2019	to claim educatio credits. Give it to th	
Service Provider/Acct. No. (see instr.)	8 Check if at least half-time student	9 Checked if a graduate student	10 Ins. contract reimb./refund	tax preparer or use it t prepare the tax return	

River's Child Care

303 Twiggs Trail Your City, Your State Your Zip (555) 555-1234

December 31, 2018

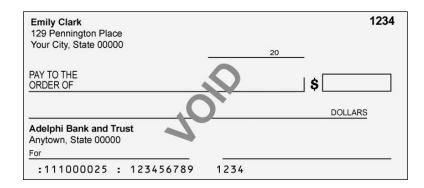
Received from Emily Clark:

\$1,500 for after-school care for Sara Clark \$1,500 for after-school care for Madison Clark

\$3,000 Total amount received for child care in 2018

Ellen River

EIN: 35-900XXXX



- 20. Does Emily have to pay a shared responsibility payment on her tax return?
 - a. Yes, she did not have full health coverage for 12 months of the year.
 - b. No, she can claim a short coverage gap exemption on her tax return.
- **21.** The amount of Emily's education credit claimed on her tax return is \$_____.
- **22.** Emily's total federal income tax withheld is \$_____.
- **23.** What is the total credit amount shown on Form 2441, Child and Dependent Care Expenses?
 - a. \$0
 - b. \$600
 - c. \$660
 - d. \$792
- 24. Emily is eligible to claim the child tax credit on her 2018 tax return.
 - a. True
 - b. False
- 25. Emily is subject to the 10% additional tax from her 401(k) distribution.
 - a. True
 - b. False



The first six scenarios do not require you to prepare a tax return. **Read the interview** notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

Basic Scenario 1: Jeff and Linda Arnold

Interview Notes

- Jeff and Linda got married in December of 2018.
- They are both U.S. citizens with valid Social Security numbers.
- They do not elect to file a joint return for 2018.
- Jeff worked all year and received wages of \$32,000. He received full health insurance coverage from his employer all year.
- Linda worked part-time at a book store January through September. She earned \$9,000 for the year. In November, she started working at the library. She had health insurance through her employers, except for the month of October when she was unemployed.

Basic Scenario 1: Retest Questions

- **1.** Jeff does not have to make a shared responsibility payment because he was covered by a health insurance plan through his employer for the full tax year.
 - a. True
 - b. False
- **2.** Linda must make a shared responsibility payment because she did not have qualified healthcare coverage all year.
 - a. True
 - b. False

- Ava is 43, divorced, and earned \$38,000 in wages.
- Ava's 20-year-old son, David, is unmarried and a full-time student working towards a degree in Business Administration. David lives on campus during the school year and spent the summer at home with his mother.
- David does not have a felony drug conviction.
- Ava paid \$4,000 of David's tuition that was not covered by his scholarship.
- Ava provided more than half of her son's support and all the cost of his room and board on campus.
- David's only income was \$3,800 in wages.
- · Ava and David are U.S. citizens and have valid Social Security numbers.

Basic Scenario 2: Retest Questions

- 3. David is Ava's qualifying child for the earned income credit.
 - a. True
 - b. False
- **4.** David is a qualifying person for Ava to claim Head of Household filing status, credit for other dependents and the education credit.
 - a. True
 - b. False

- Ellen is 62. During the interview, she mentions that she always filed a joint return with her husband who died in 2014.
- Ellen has not remarried and she pays all the cost of keeping up her home. She earned \$28,500 in wages for 2018.
- Ellen provides all the support for her two grandchildren who lived with her all year. Tricia is 12 years old and Evan is 16 years old.
- She does not have enough deductions to itemize.
- Her income tax before credits is \$1,050.
- Ellen, Tricia, and Evan are all U.S. citizens with valid Social Security numbers.

Basic Scenario 3: Retest Questions

- 5. Ellen's standard deduction is \$24,000.
 - a. True
 - b. False
- **6.** The maximum amount of additional child tax credit Ellen is able to claim per qualifying child is \$1,400.
 - a. True
 - b. False

- Christopher and his wife Amanda have lived in the United States since 2012 and have Individual Taxpayer Identification Numbers (ITINs).
- Christopher is 45 and Amanda is 40. They have been married since 2000. They both worked in 2018 and their combined wages for the year were \$40,000.
- They have one child, Jennifer, who is 3 years old and lived with them all year. Jennifer is a U.S. citizen and has a valid Social Security number.
- In order for them to work, they paid \$5,000 in daycare for Jennifer. The statement from the daycare provider includes the provider's name, address, valid Employer Identification Number, and the amount paid for Jennifer's care.
- Christopher and Amanda provided all the support for Jennifer and all the costs of keeping up their home.

Basic Scenario 4: Retest Questions

- **7.** Christopher and Amanda can claim Jennifer as a qualifying child for the earned income credit (EIC).
 - a. True
 - b. False
- 8. Jennifer is a qualifying child for the child tax credit.
 - a. True
 - b. False

- Mathew and Ashley are both 28 years old.
- Mathew and Ashley are not married to each other and lived together all year. Mathew has never been married. Ashley is still legally married to another man, but she does not want to file a joint return with her spouse.
- Ashley earned \$27,000 in wages during 2018. Mathew received \$13,000 in wages.
- Mathew has two children from a previous relationship. Mark is 9 and Kevin is 6 years old. Mark and Kevin lived with Mathew and Ashley for all of 2018. Mark and Kevin did not provide over half of their own support.
- Ashley paid all the rent, utilities, and household expenses. Mathew did not pay any household expenses.
- Mathew, Ashley, Mark, and Kevin are all U.S. citizens with valid Social Security numbers.

Basic Scenario 5: Retest Questions

- **9.** Ashley's correct filing status is Single.
 - a. True
 - b. False
- **10.** Mathew can claim Mark and Kevin as qualifying children for the earned income credit.
 - a. True
 - b. False

- George and Helen have an 18-year-old son, Joshua, who lived with them all year and is a college student.
- George and Helen provided all the support for Joshua and all the costs of keeping up their home.
- Joshua worked during the year and received wages of \$2,000. He had \$140 of federal withholding.
- The Reeds have a balance due on their return and are unsure what to do.
- George, Helen, and Joshua are U.S. citizens with valid Social Security numbers.

Basic Scenario 6: Retest Questions

- **11.** There is nothing George and Helen can do to prevent having a balance due next year.
 - a. True
 - b. False
- **12.** George and Helen should not file their tax return until they can pay the entire balance due.
 - a. True
 - b. False
- 13. Joshua should file a tax return to claim a refund of his withholding.
 - a. True
 - b. False

Read the scenario information for Jacob and Martha Mills beginning on page 31.

- **14.** Jacob and Martha must report **\$_____** of gambling winnings on their tax return.
- **15.** The amount of Daniel's qualifying education expenses must be reduced by the scholarship amount shown on Form 1098-T.
 - a. True
 - b. False
- 16. The taxable amount of Jacob and Martha's Social Security income is \$26,350.
 - a. True
 - b. False
- **17.** Jacob and Martha have an increased standard deduction for their filing status because they are both 65 years old.
 - a. True
 - b. False
- 18. The total payments reported on Jacob and Martha's joint tax return is \$6,986.
 - a. True
 - b. False
- **19.** Jacob and Martha must use Form 8888, Allocation of Refund (Including Savings Bond Purchases), to split their refund between their checking and savings accounts.
 - a. True
 - b. False

Read the information for Emily Clark beginning on page 40.

- **20.** Emily can claim an exemption on her 2018 tax return for not having healthcare coverage for 2 months of the year.
 - a. True
 - b. False
- 21. Emily qualifies for the American opportunity credit.
 - a. True
 - b. False
- 22. What is the total federal income tax withheld shown on Emily's tax return?
 - a. \$2,600
 - b. \$2,950
 - c. \$3,170
 - d. \$3,470
- **23.** What is Emily's total credit amount shown on Form 2441, Child and Dependent Care Expenses? \$_____.
- 24. Emily does NOT qualify for the child tax credit.
 - a. True
 - b. False
- **25.** Emily must pay a 10% additional tax of \$_____ on her early distribution from her 401(k).

Advanced Course Scenarios and Test Questions

Directions

The first four scenarios do not require you to prepare a tax return. **Read the interview** notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

Advanced Scenario 1: Aiden Smith

Interview Notes

- Aiden is 19 years old, unmarried, and was a first-year full-time student working on a degree in accounting during 2018. He has never had a felony drug conviction.
- Aiden did not provide more than half of his own support and can be claimed as a dependent by his mother.
- Aiden's income was \$4,000 in wages working as a part-time cook at a fast food restaurant.
- Aiden received Form 1098-T indicating \$5,000 for payments received for qualified tuition and related expenses in Box 1. He received \$8,500 in scholarships and grants, which was reported in Box 5.
- Aiden's scholarship was used to pay for room and board, tuition, and books. The cost of his books was \$845.
- Aiden is a U.S. citizen with a valid Social Security number.

Advanced Scenario 1: Test Questions

- 1. Which of the following statements is true?
 - a. The portion of the scholarship that was not used for qualified educational expenses must be included in Aiden's income.
 - b. The amount spent on books is not a qualified education expense.
 - c. The taxable portion of the scholarship must be reported on Aiden's mother's return.
 - d. None of Aiden's scholarship is taxable.
- 2. Room and board is a qualified education expense.
 - a. True
 - b. False

- Sean is 49 and his divorce became final on October 21, 2018. He pays all the cost of keeping up his home in the United States. He earned \$38,000 in wages in 2018.
- Sean's daughter, Sonya, lived with Sean all year. She is 18, single, and had \$4,000 in wages in 2018.
- Sonya's son, Jimmy, was born on November 17, 2018. Jimmy lived in Sean's home all year.
- · Sean provides more than half of the support for both Sonya and Jimmy.
- Sean, Sonya, and Jimmy are all U.S. citizens with valid Social Security numbers.

Advanced Scenario 2: Test Questions

- 3. Sean is able to claim the credit for other dependents for Sonya.
 - a. True
 - b. False
- 4. Who can Sean claim as a qualifying child(ren) for the earned income credit?
 - a. Sean has no qualifying children.
 - b. Sean can claim Jimmy, but not Sonya.
 - c. Sean can claim Sonya, but not Jimmy.
 - d. Sean can claim both Sonya and Jimmy.
- 5. Which of the following statements is true?
 - a. Sean must file Married Filing Separately because he was not considered single for the entire year.
 - b. Sonya and Jimmy are qualifying persons for Sean to file Head of Household.
 - c. Sean has to file Single.
 - d. Sean can choose to file a joint return with his ex-wife because his divorce was not final until October 21, 2018.

- Tom and Carol are resident aliens, married, and want to file a joint return.
- They have two children. Sydney is 5 years old and a resident alien. Benjamin is 2 years old and a U.S. citizen. Both children lived with the parents in the United States all year.
- Tom, Carol, and Sydney have Individual Taxpayer Identification Numbers (ITINs). Benjamin has a Social Security number.
- Tom earned \$30,000 in wages. Carol had \$8,000 in wage income. They had no other income.
- Tom and Carol provided all the support for Sydney and Benjamin.
- Sydney and Benjamin attended daycare while Tom and Carol were at work.
- Tom and Carol did not receive dependent care benefits from a dependent care benefits plan or flexible spending account.
- The daycare center provided the Baker's with a statement indicating the amount of \$3,250 paid for 2018, their name, address and valid Employer Identification Number.

Advanced Scenario 3: Test Questions

- 6. Who can Tom and Carol claim as a qualifying child for the child tax credit?
 - a. Sydney
 - b. Benjamin
 - c. Both Sydney and Benjamin
 - d. Neither Sydney or Benjamin
- 7. Which credit(s) are Tom and Carol eligible to claim? (Select all that apply.)
 - a. Credit for other dependents
 - b. Child and dependent care credit
 - c. Earned income credit
 - d. They don't qualify for any credits.

- Bill is 31 years old, married, and lived with his spouse Michelle from January 2018 to September 2018. Bill paid all the cost of keeping up his home. He indicated that he is not legally separated and he and Michelle agreed they will not a file a joint return.
- · Bill has an 8-year-old son, Daniel, who qualifies as Bill's dependent.
- Bill worked as a clerk and his wages are \$20,000 for 2018. His income tax before credits is \$500.
- In 2018, he took a computer class at the local university to improve his job skills.
- Bill has a receipt showing he paid \$1,200 for tuition. He paid for all his educational expenses and did not receive any assistance or reimbursement.
- Bill does not have enough deductions to itemize.
- Bill, Michelle, and Daniel are U.S. citizens with valid Social Security numbers.

Advanced Scenario 4: Test Questions

- 8. Bill does NOT qualify to claim which of the following:
 - a. Head of Household
 - b. Education benefit
 - c. Earned income credit
 - d. All of the above
- **9.** What is the maximum amount of the refundable additional child tax credit Bill is able to claim on Schedule 8812?
 - a. \$500
 - b. \$1,400
 - c. \$1,500
 - d. \$2,000

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Fran's husband died in March 2017. Fran filed a joint return with her husband for 2017. She has not remarried.
- Fran provided the entire cost of maintaining the household and all the support for her children, Meredith and Oliver, in 2018.
- Fran's older brother, Howard, lives with her and is permanently and totally disabled. He received disability income which he used to provide more than half of his own support.
- · Oliver attended day care while Fran worked.
- In September 2018, Fran's daughter, Meredith, enrolled in college to pursue a bachelor's degree. She had no previous post-secondary education. Yuma College is a qualified educational institution.
- · Meredith does not have a felony drug conviction.
- Fran brought a Form 1098-T and an account statement from the college. Meredith's purchases at the college bookstore were for course-related books.
- The terms of Meredith's scholarship require that it be used to pay for tuition.
- Fran took a distribution from her IRA and used all of the distribution to pay for some of Meredith's education expenses. All her IRA contributions were deductible in the year she made them.
- Fran received a Form 1099-C for cancelled credit card debt. Using the insolvency
 determination worksheet in Publication 4012, you helped Fran determine the value
 of her assets exceeded her liabilities and that she was solvent at the time the credit
 card debt was cancelled.
- Fran did not have minimum essential healthcare coverage (MEC) all year and does not qualify for any exemption. Meredith, Oliver, and Howard each had MEC all year.



Part I – Your Personal Informati 1. Your first name FRAN 2. Your spouse's first name 3. Mailing address 300 DAKOTA CIRCLE 4. Your Date of Birth 5	IN letters fo river's licen Volunteers	or all perso ise) for yo are traine To repo	ons on yo u and yo ed to prov ort unethi	ur spou vide hig cal beh , enter y ame	se. h quality avior to f	You a complete of the service o	re respon lete and have que and upho mail us a	nsible for t accurate in estions, ple old the high at wi.voltax	@irs.gov	tion on yoι e IRS-certi	fied volu	8,20 - 9 6 8 9 4 8 2 6 12 1 6 7	
Part I – Your Personal Informati 1. Your first name FRAN 2. Your spouse's first name 3. Mailing address 300 DAKOTA CIRCLE 4. Your Date of Birth 5		To repo re filing a jo M.I.	ort unethi Dint return Last n EMER	cal beh , <i>enter</i> y ame	avior to t	the IRS, e	mail us a	at <u>wi.voltax</u>	@irs.gov	standards			
1. Your first name FRAN 2. Your spouse's first name 3. Mailing address 300 DAKOTA CIRCLE 4. Your Date of Birth 5	ion (If you ar	M.I.	Last n	ame	our nam	es in the s	ame orde	er as last ve	ante materina)				
FRAN 2. Your spouse's first name 3. Mailing address 300 DAKOTA CIRCLE 4. Your Date of Birth 5			EMER					n ao iaoi jo	ear s return)		12		
2. Your spouse's first name 3. Mailing address 300 DAKOTA CIRCLE 4. Your Date of Birth 5		M.I.	-	SON					ytime teleph			u a U.S. citi	
3. Mailing address 300 DAKOTA CIRCLE I. Your Date of Birth 5		M.I.	Last n						UR PHONE		X Ye	52	No
A Your Date of Birth 5			0.0000000000	ame				Da	ytime teleph	none numbe	Is you		J.S. citizen?
300 DAKOTA CIRCLE4. Your Date of Birth5			_			Apt #	City				State	1	P code
							YOUR CI	TY			YS	Ŷ	OUR ZIP
	. Your job tit	tle		6.	Last year	, were you	l:			a. Full	-time stud	ent 🗌 Y	es 🛛 No
N 10/10/10	ANGEMEN		ANT	b. 1	Totally ar	nd permar	ently disa	abled 🗌	Yes 🕅 N	o c. Leg	ally blind	_ Y	
Your spouse's Date of Birth 8	. Your spous	se's job title	е	9.	Last year	, was you	r spouse:			a. Full	-time stud	ent 🗆 Y	es 🗌 No
				10000		nd permar			Yes IN	o c. Lea	ally blind		es 🗌 No
0. Can anyone claim you or your	spouse as a	a depende	nt?] Yes		Uns					,		<u> </u>
1. Have you, your spouse, or dep							Contractor and the second	Identity Pr	otection PIN	12		□ Y	es 🛛 No
Part II – Marital Status and H			a se el selection en acture.										A
. As of December 31, 2018, what		/er Married		nis inclu	des regist	tered dom	estic nar	nershins c	ivil unions, o	or other form	nal relation	nshins unde	r state law)
was your marital status?		rried				married ir		incrompo, o	ivii ariiorio, c			Yes \square N	
		incu						ny part of t	ne last six m	onthe of 20			
		orced			al decree		a during a	iny part of a	ie idst six ii	1011113 01 20			0
		ally Separ				aintenanc	e agreen	nent		-			
		lowed	5065 R		ouse's de		e ugreen	2017					
	X Wid	lowed	16	sai oi sp	ouse s u	calli		2017					
2. List the names below of:				-				If add	litional spac	e is needec	check he	re 🗆 and li	st on page 3
 everyone who lived with you lived with you lived with you supported but did 				<i>ə)</i>									1 0
2 2 11			S201200	US	Resident	Qingle or	Eull time	Totally and			Did this	Did the	Did the
	m/dd/yy) t e s	kelationship to you (for example: son, daughter, parent,	nonths lived in your home last year	Citizen (yes/no)	of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/18 (S/M)	Student	Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person?	person provide more than 50% of his/	person have less than \$4,150 of income? (yes/no)	taxpayer(s) provide more	taxpayer(s) pay more than half the cost of maintaining a home for this
	r	none, etc)		202			22995	1.120	(yes/no)	support?		(yes/no/N/A)	person?
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		(yes/no)			(yes/no)
		DAUGHTER		YES	YES	S	YES	NO					
	04/06/10	SON	12	YES	YES	S	YES	NO	-				
HOWARD BOLIVAR	10/27/72	BROTHER	12	YES	YES	S	NO	YES					

es	No	Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1
	X		2. (A) Tip Income?
×			3. (B) Scholarships? (Forms W-2, 1098-T)
	X		4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
5	X		6. (B) Alimony income or separate maintenance payments?
	X		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?
	X		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) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
	\boxtimes		13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
	\bowtie		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 FORM 1099-C
es	No	Unsure	Part IV – Expenses – Last Year, Did You <i>(or Your Spouse)</i> Pay
ו	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN?
	\mathbf{X}		2. Contributions to a retirement account?
			3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
			Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
≤			5. (B) Child or dependent care expenses such as daycare?
ן כ	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
] [X		7. (A) Expenses related to self-employment income or any other income you received?
	X		8. (B) Student loan interest? (Form 1098-E)
s	No	Unsure	Part V – Life Events – Last Year, Did You <i>(or Your Spouse)</i>
ן כ	\mathbf{X}		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
≤			2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
ן כ	\mathbf{X}		3. (A) Adopt a child?
ן כ	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
]	\mathbf{X}		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
ן ב	\mathbf{X}		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
ן כ	\mathbf{X}		7. (A) Receive the First Time Homebuyers Credit in 2008?
]	\mathbf{X}		8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?
	\mathbf{X}		9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
	X		10. Receive a letter from the IRS?

63

								Page 3
Check appropriate box for each								
Yes No Unsure Part VI - Hea			ar, did you, your s	pouse, or dep	endent(s)			
and the second sec	health care cov	Contraction of the Contraction o						
terms terms			? (Check the box)	- Maria and a state of the second		Form 1095-C		
and a second sec	a second a second s		blace (Exchange)?					
			ments made to help					
	and the second	a service of the serv	ır Form 1095-A bei	ig claimed on f	nis tax ret	urn?		
	an exemption g		•					
To be Completed by a Certified Vo		1						
Name	MEC All Year	No MEC	Months wi		0.000000	nths with Exemption	Exempt All Year	Notes
Taxpayer					1.5. O. S2534.5	AMJJASOND		
Spouse						AMJJASOND		
Dependent			JFMAMJJ	ASOND	JFM	AMJJASOND		
Dependent			JFMAMJJ	ASOND	JFM	AMJJASOND		
Dependent			JFMAMJJ	ASOND	JFM	AMJJASOND		
Part VII – Additional Information	n and Question	s Related to t	he Preparation of	Your Return				
Check here if you, or your spou 3. If you are due a refund, would y 4. If you have a balance due, wou Many free tax preparation sites Your answers will be used only 5. Would you say you can carry or 6. Would you say you can read a 7. Do you or any member of your 8. Are you or your spouse a Veter Additional comments	vou like: a. Id you like to ma operate by rec for statistical p n a conversation newspaper or bo household have	. Direct deposi X Yes ake a payment reiving grant m purposes. n in English, bo ook in English?	t t No directly from your t noney. The data fr oth understanding & ? X X	Yes ank account? om the follow speaking? Very well Yes	⊠ No ⊡ Yes ng quest	ngs Bonds c. To split y Yes No ions may be used by th II Well Not well	No Not at all □ Pr t at all □ Pr	these grants.
The Privacy Act of 1974 requires that whe do not receive it, and whether your respon you relative to your interest and/or particip volunteer return preparation sites or outrea do not provide the requested information, i information requests. The OMB Control No please write to the Internal Revenue Servi	se is voluntary, requ ation in the IRS volu ach activities. The in the IRS may not be umber for this study	ation we tell you ou uired to obtain a be unteer income tax nformation may als able to use your a is 1545-1964. Also	enefit, or mandatory. Ou preparation and outreac o be used to establish e ssistance in these progr o, if you have any comm	e information, why legal right to ask n programs. The ir fective controls, s ams. The Paperwo	we are aski or information formation yo end correspo rk Reduction	ng for it, and how it will be use on is 5 U.S.C. 301. We are ask ou provide may be furnished to ondence and recognize volunite n Act requires that the IRS disp tes associated with this study of	ing for this information to others who coordinate a ers. Your response is vo lay an OMB control num	assist us in contacting ctivities and staffing at untary. However, if yo ber on all public

64

		byee's social security number	OMB No. 1545	-000	Safe, accurate, 8 FAST! Use	*f	Visit the www.i	ne IRS website at irs.gov/efile
b Employer identification nur 34-600XXXX	nber (EIN)			1	Wages, tips, other compensation 36,300.00	2	Federal income 2,200.	
c Employer's name, address	, and ZIP code			3	Social security wages 36.300.00	4	Social security 2.250	tax withheld
GILMER CORP 2250 DELTA AVEN				5	Medicare wages and tips 36,300.00	6	Medicare tax w 526.3	ithheld
YOUR CITY, STAT	E ZIP			7	Social security tips	8	Allocated tips	
d Control number				9	Verification code	10	Dependent car	e benefits
 Employee's first name and FRAN EMERSON 300 DAKOTA CIRC YOUR CITY, STAT f Employee's address and ZI 	CLE E ZIP		Suff.	13	Nonqualified plans Statutory employee Retirement plan Third-part sick pay Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Image: Construction of the plan Imag	Cod.		is for box 12
15 State Employer's state II YS 34-600XXXX	0 number	16 State wages, tips, etc. 36,300.00	17 State incom 1,472.00		18 Local wages, tips, etc.	19 Lo	cal income tax	20 Locality name
Form W-2 Wage State Copy B-To Be Filed With			2016		Department	of the T	reasury—Interna	I Revenue Service

PAYER'S name, street address, country, and ZIP or foreign post PRAIRIE BANK 1727 OSAGE WAY YOUR CITY, STATE ZIP	al code	province,	\$	Gross distribution 3,200.00 Taxable amount	1	OMB No. 1545-0119	Distributions From Retirement Plans Insurance Contracts, etc
			\$	3,200.00		Form 1099-R	
			2b	Taxable amount not determined		Total distribution	Copy E Report this
PAYER'S TIN	RECIPIENT'S TIN	-	3	Capital gain (inclu in box 2a)	ided	4 Federal income ta withheld	x income on your federal tax return. If this form shows
30-600XXXX	601-00-XXXX		\$			\$ 320.00	federal income
RECIPIENT'S name	ua	rv	\$	Employee contribu Designated Roth contributions or insurance premiun	ns	 6 Net unrealized appreciation in employer's security 	tax withheld ir box 4, attach this copy to your return
Street address (including apt. no 300 DAKOTA CIRCLE	p.)		7	Distribution code(s)	IRA/ SEP/ MPLE	8 Other	This information is
JUU DAKUTA CIRCLE				1		\$	% being furnished to
City or town, state or province, co YOUR CITY, STATE ZIP	Carbon and Carbon concerns and a second	in postal code	9a	Your percentage of distribution	total %	9b Total employee contrib \$	butions the IRS
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement	12 \$	State tax withheld		13 State/Payer's stat	e no. 14 State distribution \$
\$			\$				\$
Account number (see instructions			15 \$	Local tax withheld		16 Name of locality	17 Local distribution \$
Form 1099-R		jov/Form1099R	\$				asury - Internal Revenue Service

CREDITOR'S name, street ad ZIP or foreign postal code, an	dress, city or town, state or province, country, d telephone no.	1 Date of identifiable event 06/15/18	OMB No. 1545-1424			
PRAIRIE BANK 1727 OSAGE WAY YOUR CITY, STAT		2 Amount of debt discharged \$ 600.00 3 Interest if included in box 2	2018	Cancellation of Debt		
CREDITOR'S TIN	DEBTOR'S TIN	\$ 4 Debt description	Form 1099-C	Convil		
30-600XXXX	601-00-XXXX	CREDIT CARD		Copy I For Debto		
DEBTOR'S name FRAN EMERSON				This is important ta information and is bein furnished to the IRS, you are required to file		
Street address (including apt. 300 DAKOTA CIRC		5 If checked, the debtor was p repayment of the debt		sanction may b		
City or town, state or province YOUR CITY, STAT	e, country, and ZIP or foreign postal code E ZIP			imposed on you taxable income result from this transactio and the IRS determine		
Account number (see instruct	ions)	6 Identifiable event code G	7 Fair market value of propert	y that it has not bee reported		

FILER'S name, street address, city or tow foreign postal code, and telephone numb		1 Payments received for qualified tuition and related expenses	OMB No. 1545-1574	
YUMA COLLEGE		\$ 6,800.00	2018	Tuitio
10 COLLEGE AVE		2		Statemer
YOUR CITY, STATE ZIP			Form 1098-T	
FILER'S employer identification no. ST	TUDENT'S TIN	3 If this box is checked, your e		Сору
37-700XXXX	602-00-XXXX	its reporting method for 2018	· 🗆	For Studer
STUDENT'S name MEREDITH EMERSON		4 Adjustments made for a prior year \$	5 Scholarships or grants \$ 3,500.00	This is importa tax informatic and is beir
Street address (including apt. no.) 300 DAKOTA CIRCLE		6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 includes amounts for an	furnished to the IRS. This for must be used complete Form 886
City or town, state or province, country, a YOUR CITY, STATE ZIP	and ZIP or foreign postal code	\$	academic period beginning January- March 2019	to claim education credits. Give it to the
Service Provider/Acct. No. (see instr.)	8 Check if at least half-time student	9 Checked if a graduate student	10 Ins. contract reimb./refund	tax preparer or use it prepare the tax return

ge int ount Billed \$6,800.00 \$ 320.00 \$ 320.00 \$ 525.00	Amount Paid -\$3,500.00 -\$4,220.00	
ount Billed \$6,800.00 \$ 320.00 \$ 75.00	-\$3,500.00	
ount Billed \$6,800.00 \$ 320.00 \$ 75.00	-\$3,500.00	
ount Billed \$6,800.00 \$ 320.00 \$ 75.00	-\$3,500.00	
\$6,800.00 \$320.00 \$75.00	-\$3,500.00	
\$ 320.00 \$ 75.00		
\$ 75.00	-\$4,220.00	
	-\$4,220.00	
\$ 525.00	-\$4,220.00	
94 - 920500000000000000000000000000000000000	-\$4,220.00	
	-\$4,220.00	
s Trail Your State 555-1234	Your Zip	
4		
ъ I		
J		
3	34	34

- 10. Which allowable filing status is most advantageous to Fran?
 - a. Qualifying Widow
 - b. Single
 - c. Married Filing Separately
 - d. Head of Household
- **11.** Howard qualifies Fran for which of the following:
 - a. Credit for other dependents
 - b. Child tax credit
 - c. Earned income credit
 - d. All of the above
- **12.** What is the amount of Fran's child and dependent care credit shown on Form 2441, Child and Dependent Care Expenses?
 - a. \$1,591
 - b. \$720
 - c. \$660
 - d. \$690
- **13.** What is the total amount of qualified educational expenses used in the calculation of Fran's American opportunity credit? \$_____.
- 14. What is the amount of Fran's individual shared responsibility payment?
 - a. \$0
 - b. \$695
 - c. \$1,295
 - d. \$1,390
- 15. How much is Fran's federal withholding?
 - a. \$0
 - b. \$320
 - c. \$2,200
 - d. \$2,520

- **16.** Cancelled debt from Form 1099-C, Cancellation of Debt, is reported on Fran's tax return as:
 - a. Wages
 - b. Other income
 - c. Capital gain
 - d. It is not reported on the return
- **17.** Which exception can Fran use to avoid the 10% additional tax on the early distribution from her IRA on Form 5329, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts?
 - a. She does not qualify for an exception.
 - b. Distribution made for higher education expenses.
 - c. Distribution made for purchase of a first home.
 - d. Distribution due to total and permanent disability.

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Matthew and Mary are married and want to file a joint return. They provided all the cost of keeping up the home and all of the support for their son Ryan.
- · Ryan has no income and no filing requirement.
- Matthew retired and began receiving retirement income on April 1, 2018. No distributions were received prior to his retirement. Matthew selected a joint survivor annuity for these payments.
- Matthew was covered by Medicare all year. Mary and Ryan had minimum essential healthcare coverage (MEC) through Mary's employer until October 14th when she was laid off. Mary and Ryan did not have MEC all of November and December 2018.
- Matthew and Mary stated if they are entitled to a refund, they want half of it deposited into their checking account and the other half deposited into their savings account. The checking account number is 123456789 and the savings account number is 987654321.



(October 2018)		Int	take/In	1910 A. M.		Qualit			Sheet			OMB N 1545-	
You will need: • Tax Information such as • Social security cards or • Picture ID (such as valid	ITIN letters	for all pers	ions on yo			You ar comple	e responente ete and a	nsible for accurate i	1-3 of this forma the informa nformation. lease ask th	tion on yo		1000 - 100 -	
	Voluntee			-					ghest ethica x@irs.gov	l standard	s.		
Part I – Your Personal Inform	ation (If you	are filing a	joint return	, enter	your nam	es in the sa	ame orde	er as last y	/ear's return)	ť.			
1. Your first name MATTHEW		M.I.		ame IELLY					aytime telepi OUR PHONE		er Are yo X Ye	ou a U.S. citi s	zen? No
2. Your spouse's first name MARY		M.I.	Last n DONN					D	aytime telep	hone numb	er Is you X Ye	ir spouse a l s	J.S. citizen' No
3. Mailing address 388 NOBLE CIRCLE							ity	тү			State YS		P code OUR ZIP
4. Your Date of Birth 01/11/1945	5. Your job RETIRED	title				, were you d permane		abled	Yes 🗶 N		ll-time stud gally blind	lent □ Ye □ Ye	· · · · · · · · · · · · · · · · · · ·
7. Your spouse's Date of Birth 06/26/1961	8. Your spo ADMIN AS		tle	10000		, was your d permane			Yes 🕅 N		ll-time stud		es 🛛 No es 🕅 No
10. Can anyone claim you or yo	our spouse a	s a depend	ent?	7 Yes	X No	Unsu	re						
11. Have you, your spouse, or	dependents b	peen a victi	m of tax re	lated ide	entity thef	t or been is	sued an	Identity F	rotection PIN	١?		🗆 Ye	es 🛛 No
	Household		10.15.15.10	ie is elu	dee veniet	avad davad	atio nort	nevehine	abili uniana	an ath an far	us al valatia	nabina unda	e etete less
1. As of December 31, 2018, w was your marital status?	/hat □ N ⊠ M □ D □ Le	ever Marrie larried ivorced egally Sepa /idowed	ed (Th a.lf b.Di Da arated Da	Yes, Die d you li ate of fir ate of se	d you get ve with yo nal decree	married in our spouse aintenance	2018? during a	ny part of	civil unions, the last six n			Yes 🛛 N	0
1. As of December 31, 2018, w	/hat □ N ⊠ M □ D □ L¢ □ W	ever Marrie larried ivorced egally Sepa /idowed	d (Th a. If b. Di Di arated Di Ye	Yes, Dio d you li ate of fir ate of se ear of se	d you get ve with yo nal decree eparate m	married in our spouse aintenance	2018? during a	ny part of		nonths of 2 — —	018? 🕱	Yes 🛛 No Yes 🗌 No	0
 As of December 31, 2018, w was your marital status? List the names below of: 	hat N M D L U N N N N N N N	lever Marrie larried ivorced egally Sepa /idowed	ed (Th a. If b. Di Di arated Di Ye rour spouse	Yes, Dio d you li ate of fir ate of se ear of se	d you get ve with yo nal decree eparate m	married in our spouse aintenance	2018? during a	ny part of	the last six n	nonths of 2 	018? 🗙	Yes 🛛 No Yes 🗌 No	o o st on page
 As of December 31, 2018, w was your marital status? List the names below of: everyone who lived with yo enyone you supported but Name (<i>first, last</i>) Do not enter your name or spouse's name below 	hat N M D D D D N N N N N N N N N N N N N N	ever Marrie larried ivorced egally Sepa /idowed /idowed /ith you last Relationship to you (for example: son, daughter, parent, none, etc)	ed (Th a. If b. Di Di arated Di Ye year Number of months lived in your home last year	Yes, Did d you li ate of fir ate of se ear of sp ear of sp citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Married in ur spouse aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no)	Totally and Permanent Disabled (yes/no)	the last six n Iditional space To be cc Is this	ce is neede mpleted b Did this person provide more than 50% of his/ her own support?	018? X d check he y a Certifi Did this person have less	Yes X No Yes No ere and lis	o o st on page er Prepare Did the taxpayer(s) pay more th half the cos maintaining home for thi person?
 As of December 31, 2018, w was your marital status? List the names below of: everyone who lived with yo anyone you supported but Name (<i>first, last</i>) Do not enter your name or spouse's name below (a) 	hat N M M D D D D D D D A D D A D A D A D A D	ever Marrie larried ivorced egally Sepa /idowed /idowed /ith you last Relationship to you (for example: son, daughter, parent, none, etc) (c)	ed (Th a. If b. Di Di arated Di Ye year Number of months lived in your home last year (d)	Yes, Did d you li ate of fin ate of se ear of sp ear of sp Citizen (yes/no) (e)	Resident of US, Canada, or Mexico last year (yes/no) (f)	Married in ur spouse aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no) (h)	Totally and Permanent Disabled (yes/no)	the last six n Iditional space To be cc Is this y person a qualifying child/relative of any other person?	ce is neede mpleted b Did this person provide more than 50% of his/ her own	d check he y a Certifi Did this person have less than \$4,150 of income?	Yes X No Yes No Yes No Pre and list ied Voluntee than 50% of support for this person?	o o st on page er Prepare Did the taxpayer(s) pay more th half the costs maintaining home for thi
 As of December 31, 2018, w was your marital status? List the names below of: everyone who lived with yo enyone you supported but Name (<i>first, last</i>) Do not enter your name or spouse's name below 	hat N M D D D D N N N N N N N N N N N N N N	ever Marrie larried ivorced egally Sepa /idowed /idowed /ith you last Relationship to you (for example: son, daughter, parent, none, etc)	ed (Th a. If b. Di Di arated Di Ye year Number of months lived in your home last year	Yes, Did d you li ate of fir ate of se ear of sp ear of sp citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Married in ur spouse aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no)	Totally and Permanent Disabled (yes/no)	the last six n Iditional space To be cc Is this y person a qualifying child/relative of any other person?	ce is neede mpleted b Did this person provide more than 50% of his/ her own support?	d check he y a Certifi Did this person have less than \$4,150 of income?	Yes X No Yes No Yes No Pre and list ied Voluntee than 50% of support for this person?	o o st on page er Prepare Did the taxpayer(s) pay more th half the costs maintaining home for thi person?

			Page 2
Check	appr	opriate bo	ox for each question in each section
Yes	No	Unsure	Part III – Income – Last Year, Did You <i>(or Your Spouse)</i> Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1
	X		2. (A) Tip Income?
	X		3. (B) Scholarships? (Forms W-2, 1098-T)
\boxtimes			4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	\mathbf{X}		5. (B) Refund of state/local income taxes? (Form 1099-G)
	X		6. (B) Alimony income or separate maintenance payments?
	X		7. (A) Self-Employment income? (Form 1099-MISC, cash)
	X		8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
\boxtimes			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)
\mathbf{X}			11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
\bowtie			13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
	\mathbf{X}		14. (M) Income (or loss) from Rental Property?
	\mathbf{X}		15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify
Yes	No	Unsure	Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay
	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
\boxtimes			2. Contributions to a retirement account? 🗌 IRA (A) 💢 401K (B) 🗌 Roth IRA (B) 🗌 Other
	X		3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
202 - 225			Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
	X		5. (B) Child or dependent care expenses such as daycare?
	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
	X		7. (A) Expenses related to self-employment income or any other income you received?
	X		8. (B) Student loan interest? (Form 1098-E)
Yes	No	Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
	X		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
	X		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
	X		3. (A) Adopt a child?
	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
	X		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
	X		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
	X		7. (A) Receive the First Time Homebuyers Credit in 2008?
	X		8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?
	X		9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
	X		10. Receive a letter from the IRS?
3. 			
Catalog	Numb	per 52121E	www.irs.gov Form 13614-C (Rev. 10-2018)

72

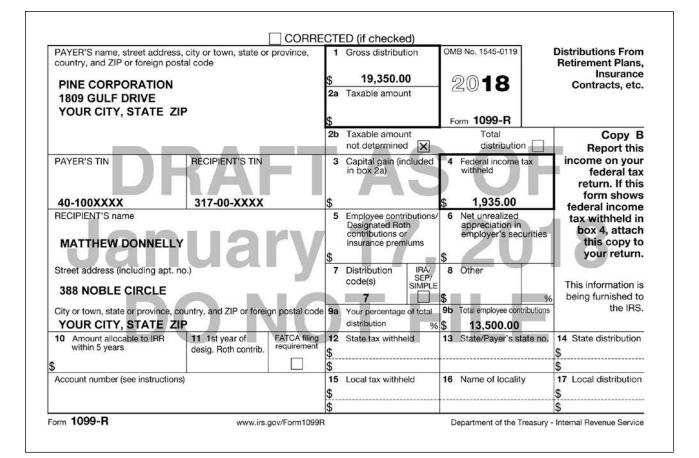
Advanced Scenarios

												Page 3
Chec				question in each								
Yes	No	Unsure	Part VI - Hea	alth Care Cover	age - Last yea	ar, did you,	your spouse	, or dep	endent(s)			0.
\boxtimes			1. (B) Have	health care cove	erage?							
	X		2. (B) Rece	ive one or more	of these forms	? (Check th	ie box) 🗌 F	orm 109	5-B 🗌	Form 1095-C		
	X			coverage throug	· · · · · · · · · · · · · · · · · · ·							
				yes, were advar								
			3b. (A) If	yes, Is everyone	e listed on you	r Form 109	5-A being clai	med on t	his tax retu	ırn?		
	X		4. (B) Have	an exemption g	ranted by the I	Marketplace	?					
To be	e Com	pleted by	a Certified Vo	lunteer Preparer	(Use Publication	4012 and ch	eck the approp	iate box(e	s) indicating	Minimum Essential Covera	age (MEC) for everyon	e listed on the return.)
		Name	2	MEC All Year	No MEC	Mo	nths with MEC	>	Mon	ths with Exemption	Exempt All Year	Notes
Тахр	ayer					JFMA	MJJAS	OND	JFMA	MJJASOND		
Spou	se					JFMA	MJJAS	OND	JFMA	MJJASOND		
Depe	endent	t				JFMA	MJJAS	OND	JFMA	MJJASOND		
Depe	endent	t				JFMA	MJJAS	OND	JFMA	MJJASOND		
Depe	endent	t				JFMA	MJJAS	OND	JFMA	MJJASOND		
Part \	VII – A	Additiona	I Information	n and Questions	s Related to the	ne Prepara	tion of Your I	Return				
				onal) (this email a					ternal Reve	enue Service)		
2. Pre	esiden	tial Electi	on Campaign	Fund (If you che	eck a box, you	r tax or refu	nd will not cha	ange)		127		1.
Ch	eck he	ere if you	or your spou	se if filing jointly,	, want \$3 to go	to this fund	I 🛛 Y	ou	🛛 Spo	use		
3. lf y	ou are	e due a re	efund, would y		Direct deposit X Yes	🗌 No	b. Тор □ Ү		U.S. Savin X No	gs Bonds c. To split y ⊠ Yes	our refund between	different accounts
4. lf y	ou hav	ve a bala	nce due, wou	ld you like to ma	ke a payment	directly fror	n your bank a	ccount?	Yes	🗵 No		
Many Your	free fansw	tax prepa ers will b	aration sites be used only	operate by rece for statistical p	eiving grant m urposes.	noney. The	data from the	e followi	ng questi	ons may be used by th	is site to apply for	these grants.
						th understa	nding & speal	king? X	Very well	U Well D Not well	🗆 Not at all 🔲 Pr	efer not to answer
				newspaper or bo			X Very w		Well			efer not to answer
				household have			□ Yes	X	No	Prefer not to answer	er	
8. Are	e you d	or your sp	ouse a Veter	an from the U.S.	Armed Forces	s?	□ Yes	X	No	Prefer not to answer	er	
Additi	onal c	comments	5									
-					Pri	ivacy Act an	d Paperwork F	Reduction	Act Notice	•		
do not you rel volunte do not informa	receive ative to er retur provide ation rec	it, and whe your intere m preparati the reques quests. The	ther your respon st and/or particip on sites or outrea ted information, f OMB Control Nu	se is voluntary, requi ation in the IRS volu ach activities. The inf the IRS may not be a umber for this study i	ired to obtain a be nteer income tax p formation may also able to use your as s 1545-1964. Also	enefit, or mand preparation and be used to essistance in the o, if you have a	atory. Our legal ri d outreach progra stablish effective ese programs. Th iny comments reg	ght to ask ms. The in controls, se e Paperwo jarding the	for information formation you and correspon rk Reduction time estimate	g for it, and how it will be usen n is 5 U.S.C. 301. We are ask u provide may be furnished to dence and recognize volunte Act requires that the IRS disp es associated with this study of V, Washington, DC 20224	ing for this information to others who coordinate a ers. Your response is vo lay an OMB control num	assist us in contacting ctivities and staffing at luntary. However, if you ber on all public

Catalog Number 52121E

Form 13614-C (Rev. 10-2018)

	loyer identification number (EIN) -000XXXX			1 Wa	ges, tips, other compensation 14.050.00	2 Federal income tax withheld 620.00		
10.575	loyer's name, address, and ZIP code			3 So	cial security wages	4 Social		ax withheld
(5)	A A A				14,700.00		911.4	0
	NWAY COMPANY			5 Me	edicare wages and tips	6 Medica	are tax wit	hheld
_	MPERIAL LANE				14,700.00		213.1	5
YOU	JR CITY, STATE ZIP			7 So	cial security tips	8 Allocat	ed tips	
d Cont	trol number			9 Ve	rification code	10 Depen	dent care	benefits
e Emp	loyee's first name and initial Last r	name	Suff.	11 No	onqualified plans	12a See in		for box 12 0.00
	RY DONNELLY NOBLE CIRCLE		Ī	13 Sta em	tutory Retirement Third-party ployee plan sick pay	12b B DD	6,5	60.00
YO	UR CITY, STATE ZIP		-	14 Oth	d Land Land	12c		
						12d		
f Empl	oyee's address and ZIP code					0g.		
15 State		16 State wages, tips, etc.	17 State incom	e tax	18 Local wages, tips, etc.	19 Local incor	me tax	20 Locality nam
YS	34-500XXXX	14,050.00	127.90					
						a Marana tao	1.00	
1	N-2 Wage and Tax Statement	2	ጋበጊል		Department of	of the Treasury	-Internal	Revenue Servic



PAYER'S name, street address, c country, and ZIP or foreign postal		ce, 1	Gross distribution	OMB No. 1545-0119	Distributions F Retirement Pla Insura
ESSEX BANK, CUSTODI	AN	\$	4,500.00	2018	Contracts,
FOR ROTH IRA OF MAT	THEW DONNELLY	2a	Taxable amount		
YOUR CITY, STATE ZIP		\$	0.00	Form 1099-R	
		2b	Taxable amount not determined	Total distribution	Copy Report t
PAYER'S TIN	RECIPIENT'S TIN	3	Capital gain (included in box 2a)	4 Federal income tax withheld	income on yo federal return. If t form sho
48-100XXXX	317-00-XXXX	\$		\$	federal inco
RECIPIENT'S name	uar	\$ \$	Employee contributions/ Designated Roth contributions or insurance premiums	appreciation in employer's securities	tax withheld box 4, atta this copy your retu
Street address (including apt. no.)		7	Distribution IRA/ code(s) IRA/	8 Other	
388 NOBLE CIRCLE			Q SIMPLE	s o	This informatio
City or town, state or province, cour YOUR CITY, STATE ZIP	ntry, and ZIP or foreign posta	al code 9a	and a second sec	9b Total employee contributions	
	11 1st year of FATCA desig. Roth contrib.		State tax withheld	13 State/Payer's state no.	14 State distribut \$
\$		\$			\$
Account number (see instructions)		15 \$	Local tax withheld	16 Name of locality	17 Local distribut \$
		\$			\$

Box 1. Name MATTHEW DO	ERSE FOR MORE INFO		neficiary's Social Security Number 317-00-XXXX
Box 3. Benefits Paid in 2018 Box \$15,912.00	4. Benefits Repaid to SS	A in 2018	Box 5. Net Benefits for 2018 (Box 3 minus Box 4 \$15,912.00
DESCRIPTION OF AMO Paid by check or direc \$14,424.00 Medicare Part B premi from your benefits: \$1,488.00	t deposit:		DESCRIPTION OF AMOUNT IN BOX 4
Medicare Prescription (Part D) deducted from \$0		Box 6. Vol \$1,59 Box 7. Ad	
Total Additions: Benefits for 2018: \$15,912			oble Circle City, State ZIP
Draft as of June 21, 20			im Number (Use this number if you need to contact SSA

ABC INVESTMENTS

456 Pima Plaza Your City, YS ZIP

2018 TAX REPORTING STATEMENT

Matthew and Mary Donnelly 388 Noble Circle Your City, YS ZIP Account No. 111-222 Recipient ID No. 317-00-XXXX Payer's Fed ID Number: 40-200XXXX

	m 1099-DIV* 2018 Dividends and Distributions B for Recipient (OMB NO. 1545-0110)
1a	Total Ordinary Dividends
1b	Qualified Dividends
2a	Total Capital Gain Distributions (Includes 2b- 2d)105.00
2b	Capital Gains that represent Unrecaptured 1250 Gain0.00
2c	Capital Gains that represent Section 1202 Gain
2d	Capital Gains that represent Collectibles (28%) Gain
3	Nondividend Distributions
4	Federal Income Tax Withheld
5	Investment Expenses
6	Foreign Tax Paid
7	Foreign Country or U.S. Possession
8	Cash Liquidation Distributions0.00
9	Non-Cash Liquidation Distributions
10	Exempt Interest Dividends0.00
11	Specified Private Activity Bond Interest Dividends
12	State
13	State Identification No
14	State Tax Withheld0.00
	m 1099-MISC* 2018 Miscellaneous Income B for Recipient (OMB NO. 1545-0115)
2	Royalties
4	Federal Income Tax Withheld

4	Federal Income Tax Withheld0.00
8	Substitute Payments in Lieu of Dividends or Interest
16	State Tax Withheld
17	State/ Payer's State No.
	State Income

Form 1099-INT* 2018 Interest Income Copy B for Recipient (OMB NO. 1545-0112)

oopy	
1	Interest Income
2	Early Withdrawal Penalty40.00
3	Interest on U.S. Savings Bonds and Treas. Obligations0.00
4	Federal Income Tax Withheld0.00
5	Investment Expenses0.00
6	Foreign Tax Paid0.00
7	Foreign Country or U.S. Possession.
8	Tax-Exempt Interest
9	Specified Private Activity Bond Interest0.00
10	Tax-Exempt Bond CUSIP No

Summary of 2018 Proceeds From Broker and Barter Exchange Transactions

Sales Price of Stocks, Bonds, etc.	6,450.00
Federal Income Tax Withheld	0.00

Gross Proceeds from each of your security transactions are reported individually to the IRS. Refer to the Form 1099-B section of this statement. Report gross proceeds individually for each security on the appropriate IRS tax return. Do not report gross proceeds in aggregate.

Page 1 of 2

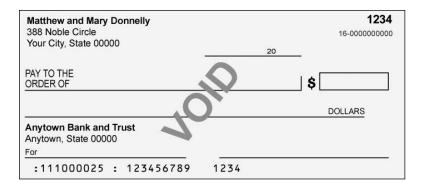
ABC INVESTMENTS

456 Pima Plaza Your City, YS ZIP

2018 TAX REPORTING STATEMENT

Matthew and Mary Donnelly 388 Noble Circle Your City, YS ZIP Account No. 111-222 Recipient ID No. 317-00-XXXX Payer's Fed ID Number: 40-200XXXX

Report	t on Form 89	949 with Bo	x A checked	s is reported t and/or Schedu						
	pel is a Substitu		,	D			1000 P box pu	mboro oro obown	holow	in hold type
Action	1a Date of Sale or Exchange	1b Date of Acquisition	Symbol, CUSI 1e Quantity Sold	2a Sales Price of Stocks , Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain / Loss (-)		4 Federal Income Tax Withheld	13 State	15 State Tax Withheld
Dakot	a Co. Com	mon Stock								
Sale		03/01/2018		3,150.00	3,600.00	(450.00)				
TOTAL	.s			3,150.00	3,600.00					
.ong-f Report		actions for 949 with Bo	which basis x E checked	s <u>is not report</u> and/or Sched						
3 Descr	ription, 1d Sto	ock or Other S	Symbol, CUSI	Р		(IRS Form	1099-B box nu	mbers are shown	below	in bold type
Action	1a Date of Sale or Exchange	1b Date of Acquisition	1e Quantity Sold	2a Sales Price of Stocks , Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain / Loss (-)	5 Wash Sale Loss Disallowed	4 Federal Income Tax Withheld	13 State	15 State Ta: Withheld
	Co. Commo									
	02/01/2018	06/23/2005	200.000	3,300.00 3,300.00	2,212.00	1,088.00				
					2,212.00					
	.S important tax			rnished to the Ini				ile a return, a neg reported.	ligence	penalty



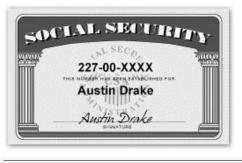
- 18. Ryan qualifies the Donnellys for which of the following credits?
 - a. Earned income credit
 - b. Credit for other dependents
 - c. Child tax credit
 - d. Both a and b
- **19.** Mary and Ryan did not have health care coverage that qualifies as minimum essential coverage for November and December 2018. Do they qualify for any exemptions?
 - a. No, they will have to pay an individual shared responsibility payment.
 - b. Yes, they qualify for a short-term coverage exemption.
 - c. Yes, they qualify for an unaffordable coverage exemption.
 - d. Yes, but only Ryan qualifies for an exemption.
- **20.** What is the total net amount of capital gain or loss shown on Schedule D, Capital Gains and Losses?
 - a. \$450 loss
 - b. \$638 gain
 - c. \$743 gain
 - d. \$1,088 gain
- **21.** What is the combined age used to calculate the taxable portion of the pension using the Simplified Method? _____.
- 22. Is Matthew's Social Security income taxable?
 - a. Yes, a portion of the Social Security income is taxable.
 - b. Yes, all of the Social Security income is taxable.
 - c. No, because their total income is less than \$32,000.
 - d. No, Social Security benefits are never taxable.
- **23.** The Donnellys want to split their refund between savings and checking accounts. How is this accomplished, if possible?
 - a. Complete Form 8888, Allocation of Refund (Including Savings Bond Purchases).
 - b. Splitting a refund is not possible.
 - c. This can only be accomplished if filing a paper return.
 - d. The Donnellys do not have an overpayment on their return.
- 24. What is the total income tax withholding on the tax return? \$_____

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- · Austin works as a self-employed ride share driver.
 - Austin is a cash-basis taxpayer who materially participates in the operation of his business. He did not make any payments that would require him to file Form 1099. Austin uses business code 485990.
- He received Form 1099-MISC and a Form 1099-K from the ride share company. He had an additional \$3,027 in cash tip income from individual customers NOT included on the Forms 1099.
- Austin provided a statement from the ride share company that indicated the amount of mileage driven and fees paid for the year. These fees are considered ordinary and necessary for the ride share business.
 - 22,500 miles driven while transporting customers.
 - Share ride fee \$3,960
 - Safe driver fee \$120
 - Airport fee \$715
 - GPS device fee \$120
- Austin's recordkeeping application shows he drove 4,570 miles between rides; 2,250 miles driven between his home and his first and last customer of the day. He had the following miscellaneous expenses:
 - Bottled water for customers \$42
 - Auto deodorizers \$15
 - Car washes \$85
 - Lunches eaten while waiting for customers \$1,200
- The total mileage on his car for 2018 was 37,200 miles. He placed his car in service on January 6, 2017. He always takes the standard mileage rate. This is Austin's only car and it was available for personal use.



 Austin paid \$300 each month in 2018 for private health insurance premiums established under his business. His insurance met the requirements for minimum essential coverage (MEC).

11/22/1981 SELF-EMPLOYED DRIVER b. Totally and permanently disabled Yes No c. Legally blind Yes No 7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student Yes No 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No Part II – Marital Status and Household Information (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? Married a. If Yes, Did you get married in 2018? Yes No b. Did you live with your spouse during any part of the last six months of 2018? Yes No No 2. List the names below of: • • Other than your spouse) If additional space is needed check here is and list on page or spouse's death Name (first, fast) Do not enter your name or spouse's name below Date of Birth is your (for months garmele is year) Citizen is year Married as full the contified Volunteer Prepar Name (aughter, is the year (but in garmele is year) Number of US, in you (for months garmele is year) Citizen is year) Married as full this person a gar	(October 2018)		Inta	1.000			Qualit			sheet			OMB N 1545-	
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) Austina Austina M.I. Last name Daytime telephone number Are you a U.S. citizen? Your spouse's first name Austina M.I. Last name Daytime telephone number Is your spouse of U.S. citizen? Your zpue 3. Mailing address M.I. Last name Daytime telephone number Is your spouse of U.S. citizen? Your zpue State ZIP code 4. Your bate of Birth 5. Your job title 6. Last year, were you: b. Totally and permanently disabled Yes No C. Legally blind Yes No 7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: b. Totally and permanently disabled Yes No C. Legally blind Yes No 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure I Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No 11. Have you, your spouse, or dependents been a victim	 Tax Information such as Social security cards or 	TIN letters for a	Il perso	ns on you			You ar complete	e responente	nsible for accurate i	the informa nformation.	tion on yo		1995-1992-19 . 4999-19 1999	
1. Your first name M.I. Last name Daytime telephone number Are you a U.S. citizen? AUSTIN Daytime telephone number Are you a U.S. citizen? Yes No 2. Your spouse's first name M.I. Last name Daytime telephone number Storter Storter Storter Storter No 3. Mailing address 1551 CONCORCD CIRCLE Apt # City City State ZIP code 4. Your Date of Birth 5. Your job title 6. Last year, ware you: a. Full-time student Yes No C. Legally blind Yes No 11/22/1981 SELF-EMPLOYED DRIVER b. Totally and permanently disabled Yes No c. Legally blind Yes No Less on No 10. Can anyone claim you or your spouse as a dependent? Yes X No Unsure Internationant No Legally blind Yes No 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No No 2. Did you live with you spouse bear Internationant Internationant Internationant Yes No No <											l standard	s.		
AUSTIN DRAKE YOUR PHONE # X Ýes No 2. Your spouse's first name M.I. Last name Daytime telephone number Is your spouse a U.S. citize 3. Mailing address Apt # City Daytime telephone number Is your spouse a U.S. citize 4. Your Date of Birth 5. Your job title 6. Last year, were you: a. Full-time student Yes No 7. Your spouse's Date of Birth 5. Your spouse's job title b. Totally and permanently disabled Yes No c. Legally blind Yes No 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure Insure Insure Insure Insure Insure No Legally blind Yes No 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No No 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been i	Part I – Your Personal Inform	nation (If you are	filing a jo	oint return,	enter y	your name	es in the s	ame orde	er as last y	/ear's return)	8			
3. Mailing address Yes No 1551 CONCORD CIRCLE Apt # City YOUR CITY State ZIP code 4. Your Date of Birth 5. Your job title 6. Last year, were you: a. Full-time student Yes No 11/22/1981 SELF-EMPLOYED DRIVER b. Totally and permanently disabled Yes No c. Legally blind Yes No 7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student Yes No 10. Can anyone claim you or your spouse as a dependent? Yes Yes No Luster 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No Part II – Marital Status and Household Information 1. Kas of December 31, 2018, what Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? Yes No 2. List the names below of: • Uvorced Date of final decree 10/28/2008 Yes No 2. List the names below of: • everyone who lived with you last year (other than your spouse) Everified Volunteer Prepar			M.I.											
1551 CONCORD CIRCLE YOUR CITY YS YOUR ZIP 4. Your Date of Birth 5. Your job title 6. Last year, were you: a. Full-time student Yes N 7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student Yes N 7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student Yes N 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure Yes N 11. Have you, your spouse, or dependents been a victim of tax related identity thef or been issued an Identity Protection PIN? Yes N 14. As of December 31, 2018, what Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? Married a. If Yes, Did you get married in 2018? Yes No 2. List the names below of: Legally Separated Date of final decree 10/28/2008 If additional space is needed check here and list on page 2. List the names below of: everyone who lived with you last year (other than your spouse) Resident Single or Numerid us apayer(6) Single or If additi	2. Your spouse's first name		M.I.	Last na	ame				D	aytime telep	hone numb			
11/22/1981 SELF-EMPLOYED DRIVER b. Totally and permanently disabled Yes No c. Legally blind Yes No 7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student Yes No 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No Part II - Marital Status and Household Information (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? Married a. If Yes, Did you get married in 2018? Yes No b. Did you live with your spouse during any part of the last six months of 2018? Yes No 2. List the names below of: •	그 같은 것 같은 다니 한 것 같은 것								TY					
7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student Yes No 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No Part II – Marital Status and Household Information Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your spouse as a dependent? Yes No 1. As of December 31, 2018, what Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your spouse during any part of the last six months of 2018? Yes No b. Did you live with your spouse's death Date of separate Date of separate 10/28/2008 Yes No 2. List the names below of: • everyone who lived with you last year (other than your spouse) Full-time Totally and I (yes/no) Full-time Totally and I (yes/no) Perton and its on page provide more provide duit did not live with you last year If additional space is needed check here in and list on page provide more provide more provide more provide (yes/no) If additional space is needed check here in taxpayer(s) provide more pr											1966 J. (1966)		ent 🗌 Y	es 🛛 No
b. Totally and permanently disabled Yes No c. Legally blind Yes No 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No Part II – Marital Status and Household Information Information Yes No Yes No 1. As of December 31, 2018, what Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? Married a. If Yes, Did you get married in 2018? Yes No 2. Divorced Date of final decree 10/28/2008 Yes No 2. List the names below of: • everyone who lived with you last year (other than your spouse) Year of spouse's death If additional space is needed check here is and list on page is anyone you supported but did not live with you last year Name (first, Iast) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Number of is you (for is you (for is you for is you row is your nome daughter, parent, nome, etc) Student (yes/no) Is this person? how for is you of or income? Is the row is you're than or is you're torm for the person? Did this person? how for is you for income? Is person? <td< td=""><td>11/22/1981</td><td>SELF-EMPLOY</td><td>ED DRI</td><td>/ER</td><td></td><td></td><td>and the second second second</td><td></td><td>and a state of the state of the</td><td>Yes 🗶 N</td><td></td><td></td><td>Second .</td><td>1.1.1.1</td></td<>	11/22/1981	SELF-EMPLOY	ED DRI	/ER			and the second second second		and a state of the	Yes 🗶 N			Second .	1.1.1.1
10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Yes No Part II - Marital Status and Household Information (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? Namerid (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? 10. As of December 31, 2018, what Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? No Yes No b. Did you get married in 2018? Yes No Yes No Ware de final decree 10/28/2008 Yes No Usgally Separated Date of separate maintenance agreement	7. Your spouse's Date of Birth	8. Your spouse	s job titl	9	9. Last year, was your spouse: a. Full-time st								lent 🗌 Y	es 🗌 No
11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? □ Yes ☑ N Part II – Marital Status and Household Information Inf Yes, Did you get married in 2018? □ Yes ☑ No 1. As of December 31, 2018, what was your marital status? □ Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? □ Yes ☑ No 0 Divorced Date of final decree 10/28/2008 0 Divorced Date of separate maintenance agreement 10/28/2008 0 Widowed Year of spouse's death If additional space is needed check here □ and list on page 2. List the names below of: • everyone who lived with you last year (other than your spouse) Number of US US • anyone you supported but did not live with you last year Catae of Singer or spouse's name below Number of US, Citizen daughter, parent, none, etc) Number of US, Citizen daughter, parent, none, etc) Single or (yes/no) (yes/no) (yes/no) (yes/no) Number of US, Citizen daughter, parent, none, etc) Number of US, Citizen daughter, parent, none, etc) Single or (yes/no) (yes/no) (yes/no) (yes/no) (yes/no) Is this person a guinfying perison a guinfying perison a guinfying person?					b.	Totally an	d perman	ently disa	abled 🗌	Yes 🗌 N	lo c. Leg	gally blind	□ Y	es 🗌 No
Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married as includes registered domestic partnerships, civil unions, or other formal relationships under state law as your marital status? Married a. If Yes, Did you get married in 2018? Yes b. Did you live with your spouse during any part of the last six months of 2018? Yes Married Divorced Date of final decree Widowed Year of spouse's death 2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year Relationship Number of US, or use's name below Name (first, last) Do not enter your name or spouse's name below Relationship Number of daughter, parent, none, etc) Number of US, parent, none, etc) Single or (yes/no) Vestor Married as year (yes/no) Single or (yes/no) Full-time Totally and Totally					-			2017 - 201						
1. As of December 31, 2018, what was your marital status? Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law was your marital status? 1. As of December 31, 2018, what was your marital status? Married a. If Yes, Did you get married in 2018? Yes No 2. List the names below of: Legally Separated Date of separate maintenance agreement 10/28/2008 Yes No 2. List the names below of: • verryone who lived with you last year (other than your spouse) Date of separate maintenance agreement If additional space is needed check here and list on page and list on page 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, you nome daughter, parent, nome, etc) Number of daughter, parent, nome, etc) Single or Married sa graver Full-time for Married sa graver (S/M) Is this person a graver(yes/no) Did this person a graver(yes/no) Single or Married sa of 12/31/18				ACCURATE ADVANCES IN NO.	ated ide	entity thef	t or been is	sued an	Identity F	rotection PIN	1?		<u> </u>	es 🛛 No
was your marital status? Married a. If Yes, Did you get married in 2018? □ Yes No b. Did you live with your spouse during any part of the last six months of 2018? □ Yes No Married Divorced Date of final decree 10/28/2008 □ Legally Separated Date of separate maintenance agreement 10/28/2008 Widowed Year of spouse's death	Part II – Marital Status and	d Household Inf	ormati	on										
b. Did you live with your spouse during any part of the last six months of 2018? ☐ Yes ☐ No Date of final decree 10/28/2008 ☐ Legally Separated Date of separate maintenance agreement ☐ Widowed Year of spouse's death				(Thi	is inclu	des regist	ered dome	estic part	nerships,	civil unions,	or other for	mal relatio	nships unde	er state law
X Divorced Date of final decree 10/28/2008 Legally Separated Date of separate maintenance agreement Year of spouse's death Image: Separate maintenance agreement Image: Separate maintenance agreement 2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year If additional space is needed check here I and list on page 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,	was your marital status?	Marrie	d		es, Dic	d you get	married in							
□ Legally Separated Date of separate maintenance agreement □ Widowed Year of spouse's death 2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year If additional space is needed check here □ and list on page 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 Last year (yes/no) Single or (J2/31/18) (S/M) Single or (J2/31/18) (S/M) Is this person a qualifying child/relative for any other person a gualifying child/relative for any other of any other person? (yes/no) Did this person? (yes/no) Did this to page. Did this ton page. Did														
 Widowed Year of spouse's death 2. List the names below of: everyone who lived with you last year (other than your spouse) anyone you supported but did not live with you last year Midowed Year of spouse's death If additional space is needed check here and list on page a					S		ur spouse				nonths of 2			
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 Name (<i>first, last</i>) Do not enter your name or spouse's name below				Da	te of fir	nal decree	ur spouse	during a	10/2		nonths of 2			
 everyone who lived with you last year (other than your spouse) anyone you supported but did not live with you last year 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 (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your name or spouse's name below Relationship to you (for example: son, daughter, parent, none, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) bo not enter your nome, etc) Number of (ist, last) enteryour nome, etc) <li< td=""><td></td><td>Legal</td><td>y Separ</td><td>Da ated Da</td><td>te of fir te of se</td><td>nal decree eparate m</td><td>ur spouse aintenance</td><td>during a</td><td>10/2</td><td></td><td>nonths of 2 —</td><td></td><td></td><td></td></li<>		Legal	y Separ	Da ated Da	te of fir te of se	nal decree eparate m	ur spouse aintenance	during a	10/2		nonths of 2 —			
• anyone you supported but did not live with you last year (birler trian your spouse) • anyone you supported but did not live with you last year Name (<i>first, last</i>) Do not enter your name or spouse's name below Married as on, augulifying parent, none, etc) • anyone you supported but did not live with you last year Name (<i>first, last</i>) Do not enter your name or spouse's name below • anyone you supported but did not live with you last year Name (<i>first, last</i>) Do not enter your name or spouse's name below • anyone you supported but did not live with you last year (<i>son</i> , <i>augulifying</i> , <i>parent</i> , <i>none</i> , <i>etc</i>) • <i>augulifying</i> , <i>parent</i> , <i>parent</i> , <i>son</i> , <i>augulifying</i> , <i>parent</i> , <i>pa</i>		Legal	y Separ	Da ated Da	te of fir te of se	nal decree eparate m	ur spouse aintenance	during a	10/2		nonths of 2 			
name or spouse's name below (mm/dd/yy) to you (for example: son, your home daughter, parent, none, etc) to spouse to the spouse of the spouse		☐ Legall ☐ Widov	y Separ ved	Da ated Da Ye	te of fir te of se ar of sp	nal decree eparate m	ur spouse aintenance	during a	nent	3/2008		018?	Yes 🗌 N	0
	• everyone who lived with yo	Legall	y Separa ved than yo	Da ated Da Yea ur spouse	te of fir te of se ar of sp	nal decree eparate m	ur spouse aintenance	during a	nent	3/2008	 ce is neede	018?	Yes 🗌 N	o st on page
	everyone who lived with ye anyone you supported but Name (first, last) Do not enter your	Legall Uvidov Uv	y Separa ved than yoo ou last y ationship ou (for mple: , ghter, ent,	Da ated Da Ye: ur spouse, ear Number of months lived in your home	te of fir te of se ar of sp) US Citizen	Resident of US, Canada, or Mexico last year	ur spouse aintenance eath Single or Married as of 12/31/18	during a e agreen Full-time Student last year	If ac Totally and Permanenti Disabled	ditional space To be cc Is this person a qualifying child/relative of any other person?	be is neede mpleted b Did this person provide more than 50% of his/ her own	d check he y a Certifi Did this person have less than \$4,150 of income?	Yes N ere and li ed Volunte Did the taxpayer(s) provide more than 50% of support for this person?	o st on page er Prepare Did the taxpayer(s) pay more th half the cos maintaining home for thi
	everyone who lived with you anyone you supported but Name (first, last) Do not enter your name or spouse's name below	Legall Uvidov Uv	y Separa ved than yoo ou last y ationship ou (for mple: , gther, e, etc)	Da ated Da Ye: ur spouse, ear Number of months lived in your home last year	te of fir te of se ar of sp) US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/18 (S/M)	Full-time Student last year (yes/no)	If ac	ditional space To be cc Is this person a qualifying child/relative of any other person?	e is neede mpleted b Did this person provide more than 50% of his/ her own support?	d check he y a Certifi Did this person have less than \$4,150 of income?	Yes N ere and li ed Volunte Did the taxpayer(s) provide more than 50% of support for this person?	o st on page er Prepare Did the taxpayer(s) pay more th half the cost maintaining home for thi person?
	everyone who lived with yo anyone you supported but Name (first, last) Do not enter your name or spouse's name below	Legall Uvidow Uv	y Separa ved than yoo ou last y ationship ou (for mple: , gther, e, etc)	Da ated Da Ye: ur spouse, ear Number of months lived in your home last year	te of fir te of se ar of sp) US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/18 (S/M)	Full-time Student last year (yes/no)	If ac	ditional space To be cc Is this person a qualifying child/relative of any other person?	e is neede mpleted b Did this person provide more than 50% of his/ her own support?	d check he y a Certifi Did this person have less than \$4,150 of income?	Yes N ere and li ed Volunte Did the taxpayer(s) provide more than 50% of support for this person?	o st on page er Prepare Did the taxpayer(s) pay more th half the cost maintaining home for thi person?

Check	appr	opriate bo	Page 2 Page 2
Yes	No	Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
	X		1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year?
\boxtimes			2. (A) Tip Income?
	X		3. (B) Scholarships? (Forms W-2, 1098-T)
	X		4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
	X		6. (B) Alimony income or separate maintenance payments?
X			7. (A) Self-Employment income? (Form 1099-MISC, cash)
X			8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
	X		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)
	\mathbf{X}		11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
	\square		13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
	\mathbf{X}		14. (M) Income (or loss) from Rental Property?
	\mathbf{X}		15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify
Yes	No	Unsure	Part IV – Expenses – Last Year, Did You <i>(or Your Spouse)</i> Pay
	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
	\mathbf{X}		2. Contributions to a retirement account? 🗌 IRA (A) 🗌 401K (B) 🗌 Roth IRA (B) 🗌 Other
	\mathbf{X}		3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
			Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
	X		5. (B) Child or dependent care expenses such as daycare?
	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
	X		7. (A) Expenses related to self-employment income or any other income you received?
	X		8. (B) Student loan interest? (Form 1098-E)
Yes	No	Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
	X		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
	\mathbf{X}		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
	\mathbf{X}		3. (A) Adopt a child?
	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
	\mathbf{X}		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
	\mathbf{X}		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
	X		7. (A) Receive the First Time Homebuyers Credit in 2008?
	\mathbf{X}		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?
	X		10. Receive a letter from the IRS?
Catalog	Numb	Der 52121E	www.irs.gov Form 13614-C (Rev. 10-2018)

82

Advanced Scenarios

											Page 3
Check			question in eac								
	No Unsure		alth Care Covera		ar, did you	, your spouse,	or dep	endent(s)			
			health care cove	1000							
			ive one or more		· · · · · · · · · · · · · · · · · · ·	, –			Form 1095-C		
		3. (A) Have	coverage throug	gh the Marketp	lace (Excha	ange)? [Provide	Form	1095-A]			
			yes, were advar	and the second					•		
		3b. (A) If	yes, Is everyone	e listed on you	r Form 109	5-A being claim	ed on t	his tax ret	urn?		
		4. (B) Have	an exemption gr	ranted by the N	Marketplace	∌ ?					
To be 0	Completed by	a Certified Vo	lunteer Preparer	(Use Publication	4012 and ch	neck the appropria	te box(e	s) indicatin	g Minimum Essential Cover	age (MEC) for everyor	e listed on the return.)
	Name		MEC All Year	No MEC	38.95	onths with MEC		100000	nths with Exemption	Exempt All Year	Notes
Тахрау	yer				JFMA	MJJASO	ND	JFM	AMJJASOND		
Spouse	е				JFMA	MJJASO	ND	JFM	AMJJASOND		
Depend	dent				JFMA	MJJASO	ND	JFM	AMJJASOND		
Depend	dent				JFMA	MJJASO	ND	JFM	AMJJASOND		
Depend	dent				JFMA	MJJASO	ND	JFM	AMJJASOND		
Part VI	I – Additiona	I Information	and Questions	Related to the	ne Prepara	tion of Your Re	turn			2) 2)	
1. Provi	ride an email :	address (optio	onal) (this email a	address will no	t be used f	or contacts from	the In	ternal Rev	enue Service)		
2. Presi	idential Electi	on Campaign	Fund (If you che	eck a box, you	r tax or refu	ind will not chan	ge)				
Chec	ck here if you	or your spou	se if filing jointly,	want \$3 to go	to this fund	d 🗌 You	ı	Spc	ouse		
3. If you	u are due a re	efund, would y		Direct deposit	🛛 No	b. To pur Ves		U.S. Savi No	ngs Bonds c. To split y	our refund between	different accounts
4. If you	u have a bala	nce due, wou	ld you like to ma	ke a payment	directly from	n your bank acc	ount?	□ Yes	No 🛛		
			operate by rece for statistical p		oney. The	data from the	followi	ng quest	ions may be used by th	nis site to apply fo	r these grants.
					th understa	unding & speakir	a? X	Verv we	II 🗌 Well 🔲 Not well	□ Not at all □ P	refer not to answer
			newspaper or bo	and a second state of the second second		X Very we	10 St. 12	Well			refer not to answer
			household have	°.		□ Yes	_	No	Prefer not to answer		
	•		an from the U.S.		s?	□ Yes	2.016	No	Prefer not to answer	er	
-	nal comments										
-											
-				101025		nd Paperwork Re					
do not ree you relativ volunteer do not pro informatio	ceive it, and whe ive to your intere r return preparati rovide the request on requests. The	ther your respon st and/or particip on sites or outrea ted information, t OMB Control Nu	se is voluntary, requi ation in the IRS volur ach activities. The inf the IRS may not be a umber for this study is	ired to obtain a be inteer income tax p ormation may also able to use your as s 1545-1964. Also	nefit, or mand preparation an o be used to e ssistance in th o, if you have a	latory. Our legal righ id outreach program establish effective co ese programs. The l any comments regar	t to ask f s. The in ntrols, se Paperwo ding the	for information formation you and correspond rk Reduction time estimation	ng for it, and how it will be use on is 5 U.S.C. 301. We are ask ou provide may be furnished to ondence and recognize volunte n Act requires that the IRS disp tes associated with this study (W, Washington, DC 20224	ting for this information to others who coordinate a eers. Your response is vo olay an OMB control nun	o assist us in contacting activities and staffing at bluntary. However, if you ober on all public
Outstand	N					10020000 •000000000			n na manafata inakana panta 7 ki 2 daga 24 na 2010.	- 12	

Catalog Number 52121E

Form 13614-C (Rev. 10-2018)

83

PAYER'S name, street address, c or foreign postal code, and teleph		tate or province, country, Zl	P 1 Rents	OMB No. 1545-0115			
TOP CARS RIDE SHA	RE		\$	2018	Miscellaneous		
8009 PIKE CIR YOUR CITY, STATE Z	'ID		2 Royalties		Income		
TOOR ON I, STATE 2			\$	\$ Form 1099-MISC			
			3 Other income	4 Federal income tax withheld	0		
			\$	\$	Copy 1		
PAYER'S TIN 38-700XXXX	RECIPI	227-00-XXXX	5 Fishing boat proceeds	6 Medical and health care payments	For State Tax Department		
			\$	\$			
RECIPIENT'S name		ust	7 Nonemployee compensation	dividends or interest			
Street address (including apt. no.)			\$ 800.00	\$			
1551 CONCORD CIRC	LE		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer	10 Crop insurance proceeds			
City or town, state or province, co	ountry, and Z	P or foreign postal code	(recipient) for resale ►	\$			
YOUR CITY, STATE Z	IP		11	12			
Account number (see inst	ructions)	FATCA filing requirement	13 Excess golden parachute payments	14 Gross proceeds paid to an attorney			
			\$	\$			
15a Section 409A deferrals	15b Sec	tion 409A income	16 State tax withheld \$	17 State/Payer's state no.	18 State income \$		
					\$		

FILER'S name, street address, city or town, state or province, country, ZIF or foreign postal code, and telephone no.	FILER'S TIN 38-700XXXX	OMB No. 1545-2205	Payment Card and		
TOP CARS RIDE SHARE	PAYEE'S TIN 227-00-XXXX	2018	Third Party		
8009 PIKE CIR YOUR CITY, STATE ZIP	1a Gross amount of payment card/third party network transactions		Network Transactions		
	\$ 45,600 1b Card Not Present transactions	2 Merchant category	code Copy E		
Check to indicate if FILER is a (an): Check to indicate transactions reported are:	\$		For Payee		
Payment settlement entity (PSE) Payment card Electronic Payment Facilitator (EPF)/Other third party Third party network	3 Number of payment transactions	4 Federal income tax withheld	This is important ta: information and is		
PAYEE'S name	5a January	5b February	being furnished to the IRS. If you are		
AUSTIN DRAKE	\$ 1,200	- Construction of the Construction	required to file a		
AUSTIN DRARE	5c March	5d April	return, a negligence penalty or othe		
Street address (including apt. no.)	\$ 2,050	and the second se	2,100 sanction may be		
	5e May	5f June	imposed on you i taxable incom		
1551 CONCORD CIRCLE	\$ 3,000		5,400 results from this transaction and the		
City or town, state or province, country, and ZIP or foreign postal code	5g July \$ 8.800	5h August	IRS determines that i		
YOUR CITY, STATE ZIP	5i September	5j October	has not been reported		
PSE'S name and telephone number	\$ 7.900	1.1	1.000		
a series and a series of the s	5k November	51 December	1,000		
	\$ 700	\$.	1.050		
Account number (see instructions)	6 State	7 State identification r			
		1	\$		

- **25.** What income must Austin report for his business on Schedule C, Profit or Loss From Business?
 - Only income reported on Form 1099-MISC, Miscellaneous Income, and Form 1099-K, Payment Card and Third Party Network Transactions, from the ride share company.
 - b. Only cash tip income from individual customers.
 - c. None. He must report all income from his ride share company as Other Income.
 - d. His income reported on Form 1099-MISC, Form 1099-K, and the cash tip income from his customers.
- **26.** What is Austin's mileage expense deduction (at the standard mileage rate) for his business as a ride share driver? (Round to the nearest dollar.)
 - a. \$12,263
 - b. \$14,753
 - c. \$15,979
 - d. \$20,274
- **27.** Which item(s) **can** be deducted by Austin as a business expense? (Select all that apply.)
 - a. Bottled water for customers
 - b. Safe driver fees
 - c. Lunch
 - d. GPS device fee
- 28. How does Austin's self-employment tax affect his tax return?
 - a. Austin's self-employment tax is not reported anywhere on Form 1040.
 - A portion of the self-employment tax is deducted as a business expense on Schedule C-EZ, Net Profit From Business, or Schedule C, Profit or Loss From Business.
 - c. The self-employment tax is added to his other taxes and the full amount is deducted as an adjustment to income.
 - d. The self-employment tax is added to his other taxes and one half the amount is shown as an adjustment to income.
- **29.** Austin's qualified business income (QBI) deduction reduces his self-employment tax.
 - a. True
 - b. False

- **30.** Self-employed health insurance deduction is claimed as a business expense on Schedule C, Profit or Loss From Business.
 - a. True
 - b. False
- **31.** Austin indicates he is not able to pay the entire balance due by the due date of the return (without extensions). What are his options?
 - a. He can submit a Form 9465, Installment Agreement Request.
 - b. He can apply for a full pay 120-day agreement online.
 - c. He can pay using his credit card.
 - d. Any of the above.

- Roberta Wilson is 63 years old and single.
- Her grandson, Jacob, is 9 years old and lived with her all year. Roberta paid all household expenses and Jacob qualifies as her dependent.
- Roberta and Jacob are both U.S. citizens and have valid Social Security numbers.
- Roberta claimed EIC for Jacob on her 2015 tax return, but he only lived with her for 2 months and the credit was disallowed.
- Roberta had wage income of \$35,000 in 2018.
- She is not sure if she should itemize or take the standard deduction.
- Roberta paid the following:
 - \$7,200 mortgage interest for a qualified home purchased in 2010.
 - In 2018, she took out a home equity loan for \$8,000 to pay off her credit cards.
 She paid interest in the amount of \$650 on this loan.
 - \$9,010 for real estate taxes.
 - \$1,762 for state income taxes withheld in 2018.
 - Unreimbursed doctor bills in the amount of \$2,200.
 - Unreimbursed prescription drugs for \$250.
 - Health club dues of \$600.
 - A statement received from her church showing donations made throughout the year totaling \$4,500.
 - Receipts for donations of furniture and clothing in good, used condition to Goodwill. The total estimated fair market value is \$500.
 - \$50 donated to a friend in need via their Go-Fund-Me account.
 - \$45 paid in 2018 on her 2017 balance due state income tax return.

Advanced Scenario 8: Test Questions

- **32.** If Roberta itemizes, what amount is she able to deduct for state income and real estate taxes?
 - a. \$9,010
 - b. \$10,000
 - c. \$10,772
 - d. \$10,817

- 33. If Roberta chooses not to itemize, how much is her standard deduction?
 - a. \$12,000
 - b. \$13,600
 - c. \$18,000
 - d. \$19,600
- **34.** Which of Roberta's expenses qualify as itemized deductions on Schedule A? (Select all that apply.)
 - a. \$50 donated to a friend in need
 - b. \$45 state income tax paid in 2018
 - c. \$7,200 mortgage interest on loan used to purchase home
 - d. \$650 interest on home equity loan used to pay off credit cards
- **35.** Roberta's earned income credit was disallowed 2 years ago. How does that impact her 2018 tax return?
 - a. There is no impact.
 - b. She must file a Form 8862, Information To Claim Earned Income Credit After Disallowance, with her return.
 - c. She is disallowed for 5 years.
 - d. She is disallowed forever.

The first four scenarios do not require you to prepare a tax return. **Read the interview** notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

Advanced Scenario 1: Aiden Smith

Interview Notes

- Aiden is 19 years old, unmarried, and was a first-year full-time student working on a degree in accounting during 2018. He has never had a felony drug conviction.
- Aiden did not provide more than half of his own support and can be claimed as a dependent by his mother.
- Aiden's income was \$4,000 in wages working as a part-time cook at a fast food restaurant.
- Aiden received Form 1098-T indicating \$5,000 for payments received for qualified tuition and related expenses in Box 1. He received \$8,500 in scholarships and grants, which was reported in Box 5.
- Aiden's scholarship was used to pay for room and board, tuition, and books. The cost of his books was \$845.
- Aiden is a U.S. citizen with a valid Social Security number.

Advanced Scenario 1: Retest Questions

- **1.** Aiden's scholarship is NOT taxable and does NOT need to be reported on his tax return.
 - a. True
 - b. False
- 2. Which of the following is NOT a qualified education expense?
 - a. Tuition
 - b. Books
 - c. Room and board
 - d. Lab fees required for enrollment

- Sean is 49 and his divorce became final on October 21, 2018. He pays all the cost of keeping up his home in the United States. He earned \$38,000 in wages in 2018.
- Sean's daughter, Sonya, lived with Sean all year. She is 18, single, and had \$4,000 in wages in 2018.
- Sonya's son, Jimmy, was born on November 17, 2018. Jimmy lived in Sean's home all year.
- Sean provides more than half of the support for both Sonya and Jimmy.
- Sean, Sonya, and Jimmy are all U.S. citizens with valid Social Security numbers..

Advanced Scenario 2: Retest Questions

- 3. Sean is able to claim Sonya for which of the following credit(s)?
 - a. Child tax credit
 - b. Credit for other dependents
 - c. Both a and b
 - d. Neither a nor b
- 4. Sean has two qualifying children for the earned income credit.
 - a. True
 - b. False
- 5. Sean's most advantageous allowable filing status is Head of Household.
 - a. True
 - b. False

- Tom and Carol are resident aliens, married, and want to file a joint return.
- They have two children. Sydney is 5 years old and a resident alien. Benjamin is 2 years old and a U.S. citizen. Both children lived with the parents in the United States all year.
- Tom, Carol, and Sydney have Individual Taxpayer Identification Numbers (ITINs). Benjamin has a Social Security number.
- Tom earned \$30,000 in wages. Carol had \$8,000 in wage income. They had no other income.
- Tom and Carol provided all the support for Sydney and Benjamin.
- Sydney and Benjamin attended daycare while Tom and Carol were at work.
- Tom and Carol did not receive dependent care benefits from a dependent care benefits plan or flexible spending account.
- The daycare center provided the Baker's with a statement indicating the amount of \$3,250 paid for 2018, their name, address and valid Employer Identification Number.

Advanced Scenario 3: Retest Questions

- **6.** Tom and Carol are able to eligible to claim Benjamin as a qualifying child for the child tax credit.
 - a. True
 - b. False
- **7.** Tom and Carol are eligible to claim the credit for other dependents and child and dependent care credit.
 - a. True
 - b. False

- Bill is 31 years old, married, and lived with his spouse Michelle from January 2018 to September 2018. Bill paid all the cost of keeping up his home. He indicated that he is not legally separated and he and Michelle agreed they will not a file a joint return.
- Bill has an 8-year-old son, Daniel, who qualifies as Bill's dependent.
- Bill worked as a clerk and his wages are \$20,000 for 2018. His income tax before credits is \$500.
- In 2018, he took a computer class at the local university to improve his job skills.
- Bill has a receipt showing he paid \$1,200 for tuition. He paid for all his educational expenses and did not receive any assistance or reimbursement.
- Bill does not have enough deductions to itemize.
- Bill, Michelle, and Daniel are U.S. citizens with valid Social Security numbers.

Advanced Scenario 4: Retest Questions

- **8.** Bill is not able to file Head of Household nor claim the earned income credit or education credit.
 - a. True
 - b. False
- **9.** The maximum amount of the refundable additional child tax credit Bill is allowed to claim on Schedule 8812 is \$1,400.
 - a. True
 - b. False

Read the information for Fran Emerson beginning on page 61.

- 10. Head of Household is Fran's most advantageous filing status.
 - a. True
 - b. False
- 11. How many qualifying persons does Fran have for the earned income credit?
 - a. 0
 - b. 1
 - c. 2
 - d. 3
- **12.** What is the amount of the child and dependent care credit Fran can claim on Form 2441, Child and Dependent Care Expenses? \$_____.
- **13.** The total amount of qualified educational expenses used in the calculation of Fran's 2018 American opportunity credit is:
 - a. \$3,300
 - b. \$3,825
 - c. \$4,000
 - d. \$4,220
- 14. What is the amount of Fran's individual shared responsibility payment? \$_____.
- **15.** What is the amount of Fran's federal withholding? \$_____.
- **16.** Fran's cancelled debt from Form 1099-C, Cancellation of Debt, must be included on her federal income tax return as other income.
 - a. True
 - b. False
- 17. Fran can use the higher education expenses exception to avoid the 10% additional tax on the early distribution from her IRA on Form 5329, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts.
 - a. True
 - b. False

Refer to the scenario information for Matthew and Mary Donnelly, beginning on page 70.

- **18.** Ryan qualifies the Donnellys for the credit for other dependents.
 - a. True
 - b. False
- **19.** The Donnellys must pay an individual shared responsibility payment because Mary and Ryan did NOT have healthcare coverage for each month of 2018.
 - a. True
 - b. False
- The net capital gain or loss reported on Schedule D, Capital Gains and Losses, is a gain of \$638.
 - a. True
 - b. False
- **21.** The combined age used to calculate the taxable portion of the pension using the Simplified Method is 129.
 - a. True
 - b. False
- 22. None of Matthew's Social Security income is taxable.
 - a. True
 - b. False
- **23.** The Donnellys can split their refund using Form 8888, Allocation of Refund (Including Savings Bond Purchases).
 - a. True
 - b. False
- 24. The total withholding on the tax return is \$4,146.
 - a. True
 - b. False

Refer to the scenario information for Austin Drake, beginning on page 80.

- **25.** Austin must report the income shown on Form 1099-MISC, Miscellaneous Income, and Form 1099-K, Payment Card and Third Party Network Transactions, and his cash tip income from customers on Schedule C, Profit or Loss From Business.
 - a. True
 - b. False
- **26.** What is Austin's mileage expense deduction (at the standard mileage rate) for his business as a ride share driver? \$_____. (Round to the nearest dollar.)
- 27. Austin cannot deduct the amount he pays for lunch.
 - a. True
 - b. False
- **28.** The full amount of his self-employment tax is deducted on Schedule 1.
 - a. True
 - b. False
- **29.** The Qualified Business Income (QBI) deduction does NOT reduce the income that is used to calculate self-employment taxes.
 - a. True
 - b. False
- **30.** Self-employed health insurance deduction is claimed as an adjustment to income on Schedule 1, Additional Income and Adjustments to Income.
 - a. True
 - b. False
- **31.** If Austin owes a balance due on his income tax return, he can pay with his credit card.
 - a. True
 - b. False

- Roberta Wilson is 63 years old and single.
- Her grandson, Jacob, is 9 years old and lived with her all year. Roberta paid all household expenses and Jacob qualifies as her dependent.
- Roberta and Jacob are both U.S. citizens and have valid Social Security numbers.
- Roberta claimed EIC for Jacob 2 years ago, but he only lived with her for 2 months and the credit was disallowed.
- Roberta had wage income of \$45,000 in 2018.
- · She is not sure if she should itemize or take the standard deduction.
- · Roberta paid the following:
 - \$7,200 mortgage interest for a qualified home purchased in 2010.
 - In 2018, she took out a home equity loan for \$8,000 to pay off her credit cards.
 She paid interest in the amount of \$650 on this loan.
 - \$9,010 for real estate taxes.
 - \$1,762 for state income taxes withheld in 2018.
 - Unreimbursed doctor bills in the amount of \$2,200.
 - Unreimbursed prescription drugs for \$250.
 - Health club dues of \$600.
 - A statement received from her church showing donations made throughout the year totaling \$4,500.
 - Receipts for donations of furniture and clothing in good, used condition to Goodwill. The total estimated fair market value is \$500.
 - \$50 donated to a friend in need via their Go-Fund-Me account.
 - \$45 paid in 2018 on her 2017 balance due state income tax return.

Advanced Scenario 8: Retest Questions

- **32.** If Roberta chooses to itemize her deductions, she is able to take a deduction of \$10,772 for state income and real estate taxes.
 - a. True
 - b. False
- 33. If Roberta chooses not to itemize, her standard deduction is \$19,600.
 - a. True
 - b. False

- **34.** Roberta is able to deduct interest paid on her home equity loan and the donation she made to a friend in need.
 - a. True
 - b. False
- **35.** Roberta must file Form 8862, Information To Claim Earned Income Credit After Disallowance, to claim the earned income tax credit after the disallowance.
 - a. True
 - b. False

Military Course Scenarios and Test Questions

Directions

The first three scenarios do not require you to prepare a tax return. **Read the interview** notes for the scenario carefully and use your training and resource materials to answer the questions.

Military Scenario 1: Sam Wagner

Interview Notes

- Sam Wagner is a retired member of the U.S. Armed Forces.
- He received Form 1099-R from the Defense Finance & Accounting Service.
- Form 1099-R indicates \$22,000 in box 1 and box 2a.
- Sam is considered 100% disabled and received a letter of determination from the Department of Veterans Affairs (VA).
- He received a payment in the amount of \$6,000 from the VA for disability.

Military Scenario 1: Test Questions

- 1. The payment Sam received from VA is taxable.
 - a. True
 - b. False
- 2. Which of the following documents are issued by VA for disability payments?
 - a. Form W-2, Wage and Tax Statement
 - b. Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
 - c. Forms W-2 or 1099-R, depending on the type of disability
 - d. No form is required to be issued

- Sandy Samford is single.
- Sandy is a supply specialist in the National Guard. She attended training drills one weekend a month for 8 months in 2018.
- Sandy only owns one vehicle. She placed her vehicle in service on September 3, 2016.
- Sandy's total mileage in 2018 was 18,500 miles. Her average daily roundtrip commuting distance was 45 miles.
- Sandy's duty station is 153 miles away from her residence. She drove 2,448 miles based on her travel log.
- Sandy paid \$1,920 for lodging and \$1,042 for meals. Lodging and meals were within federal per diem rate for the area.
- Sandy paid \$215 for the cost and upkeep of her uniforms. She is permitted to perform civilian activities while wearing her uniform.
- · Sandy did not receive reimbursement for any of her out-of-pocket expenses.

Military Scenario 2: Test Questions

- 3. Sandy is able to deduct her travel expenses when she attends her training drills.
 - a. True
 - b. False
- 4. Which expenses are allowable as an adjustment to income?
 - a. Lodging and meals
 - b. Lodging, meals and travel (to/from duty station)
 - c. Lodging, meals, travel (to/from duty station) and uniforms
 - d. None of the above

- Marshall and Hope lived in Little Rock, AR where Marshall was stationed in the Air Force for five years. He received new orders to move to Arnold Air Force Base in Tullahoma, TN. This is a permanent change of station (PCS).
- They decided to make a Personally Procured Move (PPM) and save the money.
- Marshall traveled to Tullahoma, TN in September to find a home to rent. They
 wanted to find a place with a good school district for their three kids. He spent
 \$1,000 on round-trip airfare, hotel, food and rental car.
- Marshall and Hope spent \$150 on boxes, tape, bubble wrap, and mattress bags. They paid \$550 for the rental truck.
- Hope is afraid to drive long distances so they spent \$625 to ship their second car.
- On December 15, 2018 Marshall and Hope packed their belongings and began driving from Little Rock, AR to Tullahoma, TN. On the way, they made a side trip to Memphis, TN and to visit family in Mississippi. Their trip took them a total of three days and two nights instead of the authorized one day for travel.
- The Smiths drove their rental truck a total of 600 miles. The shortest, most direct route from Little Rock, AR to Tullahoma, TN is 413 miles.
- They spent a total of \$200 for tickets to an attraction. They spent one night at a hotel for \$250 and one night with family.
- Marshall and Hope spent \$550 on food and \$375 on souvenirs.
- They also spent \$200 on storage fees in Tullahoma, TN for items that would not fit in their new home because it was smaller.
- Their move was estimated to cost \$1,600 and the Air Force provided \$1,520 in advance.
- Marshall and Hope are U.S. citizens and have valid Social Security numbers.

- 5. How much can Marshall and Hope claim for mileage? \$_____ (Round to the nearest dollar.)
- 6. Marshall and Hope's net financial profit from the move will be reported on:
 - a. Form W-2, Wage and Tax Statement
 - b. Form 1040 Schedule C, Profit or Loss from Business, or Schedule C-EZ, Net Profit from Business
 - c. Form 1040, Schedule 1, Additional Income and Adjustments to Income
 - d. Does not need to be reported
- How much can Marshall and Hope claim as their lodging expense?
 \$______
- 8. Which of the following are NOT qualified moving expenses for Marshall and Hope?
 - a. Expenses that are reasonable for the circumstances of a move.
 - b. Moving household goods and personal effects.
 - c. Traveling expenses for shortest, most direct route available from the former home to the new home.
 - d. Expenses for stopovers, side trips, or pre-move house hunting.
- **9.** The cost for Marshall and Hope to ship their car falls into the category for moving household goods and personal effects.
 - a. True
 - b. False

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Alvin and Kelly are married and want to file a joint return.
- Alvin and Kelly have a seven-year-old son named Connor. Connor lived with his
 parents the entire year.
- Alvin, Kelly, and Connor have valid Social Security numbers that allow them to work and were issued by the due date of the return.
- Alvin and Kelly are not qualifying children of any other person.
- Alvin was deployed to Syria and entered a combat zone on April 20, 2018 and returned to the U.S on March 3, 2019.
- Alvin and Kelly elect NOT to include combat pay in the calculation of their earned income credit.
- · Alvin has rental property, which he placed into service in 2016
- Rental property:
 - Alvin is an active participant.
 - Single family residence, 3571 Oak Street, Your City, Your State.
 - Purchased property: 06/03/2009.
 - Rented: 1/1/2018 12/31/2018.
 - Annual rental income: \$12,000.
 - Insurance: \$1,000.
 - Management fees: \$1,200.
 - Alvin paid \$450 to replace a broken doorbell, shower head, leaky faucet and unclog drains. He learned how to complete these repairs after watching Do-It-Yourself videos on the internet. He estimates his time for completing the repairs is worth \$1,000, which is equivalent to professional electrician and plumber labor cost.
 - Real estate property tax: \$1,500.
 - Mortgage Interest: \$3,840.
 - Depreciation: \$2,200.
 - Alvin did not make any payments that would require him to file Form 1099.

- Alvin and Kelly did not itemize last year and do not have enough deductions to itemize this year.
- Each member of the Blackburn family had health insurance for the entire year through a TRICARE plan that meets the Affordable Care Act requirement for minimum essential coverage.



1. Your first name M.I. Last name Daytime telephone number Are you a I 2. Your spouse's first name M.I. Last name Daytime telephone number X'es 3. Mailing address M.I. Last name Daytime telephone number Is your spouse's first name 902 ALLEN STREET M.I. Last name Apt # City Douglither telephone number Is your spouse's State 902 ALLEN STREET SOLDIER 6. Last year, were you: a. Full-time student State 902/91972 SOLDIER b. Totally and permanently disabled Yes No c. Legally blind 7. Your spouse's Date of Birth 8. Your spouse's job title b. Last year, was your spouse: a. Full-time student 08/02/1976 DISABLED b. Last year, was your spouse. n. c. Legally blind 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II - Marital Status and Household Information 1. Kas of December 31, 2018, what Never Married If Yes, Did you get married in 2018? Yes b. Did you live with you last year (other t			
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 Are you a I Alvin Daytime telephone number Are you a I BLACKBURN Daytime telephone number Is your spouse's first name MI.I. Last name Daytime telephone number Is your spouse's last 'er's 'er's' State Apt # City 'our city 'er's 'er's' State Apt # City 'our proves is state 'ye's' State Apt # City 'our proves' is state 'ye's' State Apt # City 'our proves' is state 'ye's' State City 'our proves' is potitife State 'ye's' State City 'our proves' is potitife State 'ye's' <th col<="" th=""><th>•</th><th></th></th>	<th>•</th> <th></th>	•	
ALVIN BLACKBURN Your Phone # X ves 2. Your spouse's first name KELLY M.I. Last name BLACKBURN Daytime telephone number Is your spouse's X ves 3. Mailing address 902 ALLEN STREET M.I. Last name BLACKBURN Daytime telephone number Is your spouse's State Yos 4. Your Date of Birth 05/09/1972 5. Your job title 6. Last year, were you: DISABLED Apt # City Your apouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: b. Totally and permanently disabled Y es No c. Legally blind 10. Can anyone claim you or your spouse as a dependent? Y es No Unsure . . 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II - Marital Status and Household Information Yes 1. As of December 31, 2018, what was your marital status? Never Married Widowed Yes 2. List the names below of: • everyone who lived with you last year Date of sparate maintenance agreement (minddyy) If additional space is needed check here of 12018? . . Did this person are montha spouse's name below Did thi			
ALVIN BLACKBURN YOUR PHONE # X Yes 2. Your spouse's first name KELLY M.I. Last name BLACKBURN Daytime telephone number Is your spouse Verson 3. Mailing address 902 ALLEN STREET M.I. Last name BLACKBURN Daytime telephone number Is your spouse Verson State Yes 4. Your Date of Birth 05/09/1372 5. Your job title 6. Last year, were you: DISABLED Apt # City YOUR CITY State Yes No c. Legally blind 7. Your spouse's Date of Birth 05/02/1976 8. Your spouse's job title 9. Last year, was your spouse: b. Totally and permanently disabled Yes No c. Legally blind 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure - - 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? - - Part II - Marital Status and Household Information 			
KELLY BLACKBURN X pt # City YOUR CITY X Yes 3. Mailing address Apt # City YOUR CITY State 902 ALLEN STREET Apt # City YOUR CITY State 4. Your Date of Birth 05/09/1972 5. Your job title SOLDIER 6. Last year, were you: b. Totally and permanently disabled Yes No c. Legally blind 7. Your spouse's Date of Birth 08/02/1976 8. Your spouse's job title DISABLED 9. Last year, was your spouse: b. Totally and permanently disabled Yes No c. Legally blind 10. Can anyone claim you or your spouse as a dependent? Yes No Legally blind C. Legally blind 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married a. If Yes, Did you get married in 2018? City is with you respouse during any part of the last six months of 2018? Yes Divorced Date of final decree Ibid you live with you spouse's death If additional space is needed check here 2. List the names below of: • everyone who lived with you last year (other than your spouse) Number of US months son, your home daughter, parent, none, ectc) Number of US mordus, straper	🗌 No	c	
902 ALLEN STREET YOUR CITY YS 4. Your Date of Birth 5. Your job title 5. Your job title 6. Last year, were you: a. Full-time student 05/09/1972 SOLDIER b. Totally and permanently disabled Yes No c. Legally blind 08/02/1976 DISABLED 9. Last year, was your spouse: a. Full-time student b. Totally and permanently disabled Xes No c. Legally blind 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure Interview A. Full-time student 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II - Marital Status and Household Information Totally and permanently disabled Xes No c. Legally blind 1. As of December 31, 2018, what was your marital status? Married a. If Yes, Did you get married in 2018? Yes Yes Yes Yes Divorced Divorced Date of separate Date of separate maintenance agreement Yes If additional space is needed check here To be completed by a Certified V Name (first, last) Do not entery our name or spouse's name below Date of Birth (mm/ddyy) Nou for invertin and you for inverting and in the way of inverting a	use a U.S.		
05/09/1972 SOLDIER b. Totally and permanently disabled Yes No c. Legally blind 7. Your spouse's Date of Birth 08/02/1976 8. Your spouse's job title DISABLED 9. Last year, was your spouse: a. Full-time student 05/09/1972 DISABLED 9. Last year, was your spouse: a. Full-time student 01. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married (This includes registered domestic partnerships, civil unions, or other formal relationship was your is pouse during any part of the last six months of 2018? Yes b. Did you live with your spouse during any part of the last six months of 2018? Yes Never Married Yes 0 Divorced Date of final decree It egally Separated Date of separate maintenance agreement If additional space is needed check here To be completed by a Certified V Name (first, last) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Number of US (ves/no) Number of US (ves/no) Married as of 12/31/18 (ves/no) Is this birthere than ans 4,150 than and y,150 than bar of biris have less on p	ZIP co YOUR	R ZIP	
7. Your spouse's Date of Birth 8. Your spouse's job title 9. Last year, was your spouse: a. Full-time student 9. Last year, was your spouse: 9. Last year, was your spouse: a. Full-time student 10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II – Marital Status and Household Information 1. As of December 31, 2018, what Never Married (This includes registered domestic partnerships, civil unions, or other formal relationship was your marital status? Married a. If Yes, Did you get married in 2018? Yes b. Did you live with your spouse during any part of the last six months of 2018? Yes b. Did you live with your spouse during any part of the last six months of 2018? Yes 2. List the names below of: • everyone who lived with you last year (other than your spouse) If additional space is needed check here is anyone you supported but did not live with you last year If you (free final diverse is anyone you supported but did not live with you last year If additional space is needed check here is anyone you spouse's name below Name (first, Iast) Do not enter your name or spouse's name below Date of Birth is you (free start, parent, none, etc) Number of is you (free start, parent, none, etc) Stisot hany of income? types of thas year (yes		🛛 No	
08/02/1976 DISABLED b. Totally and permanently disabled X Yes No c. Legally blind 10. Can anyone claim you or your spouse as a dependent? Yes X No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married (This includes registered domestic partnerships, civil unions, or other formal relationship was your marital status? Married a. If Yes, Did you get married in 2018? Yes Divorced Date of final decree Divorced Date of separate maintenance agreement Yes • Widowed Year of spouse's death If additional space is needed check here If additional space is needed check here • anyone you supported but did not live with you last year Name (<i>first, last</i>) Do not enter your name or spouse's name below Date of Bind for thay year Single or dist, fast year If additional space is needed check here Did this person a dualitying or itax year Did this person a dualitying or itax year Did this person a dualitying or itax year Single or itax year Single or itax year Single or itax year Single or itax year Is this person a dualitying or inconce? thisy person? Itax year Singl		X No	
10. Can anyone claim you or your spouse as a dependent? Yes No Unsure 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married was your spouse during any part of the last six months of 2018? Yes Divorced Divorced Date of final decree Date of separated Date of separated Date of separated If additional space is needed check here is of US, was your was your was usported but did not live with you last year If additional space is needed check here is of US, was your marital status? 2. List the names below of: • everyone who lived with you last year (other than your spouse) Number of US, was your marital status? If additional space is needed check here is of US, was your spouse is name below If additional space is needed check here is on, your hore is on, etc) Name (first, last) Do not enter your name or spouse's name below Relationship is your (for example: is on, daughter, parent, none, etc) Number of US, was your of the space is needed check here is on, your hore is on, etc) Son, daughter, parent, none, etc) was your ferent, none, etc) Number of US, was year Single or (Yes/no) Full-time for any other parson provide that har year (yes/no) Is his person is upport?		No No	
11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married a. If Yes, Did you get married in 2018?	Yes	X No	
Part II – Marital Status and Household Information 1. As of December 31, 2018, what was your marital status? Never Married a. If Yes, Did you get married in 2018? (This includes registered domestic partnerships, civil unions, or other formal relationship b. Did you live with your spouse during any part of the last six months of 2018? Yes Divorced Date of final decree Date of separate maintenance agreement If additional space is needed check here Widowed Year of spouse's death If additional space is needed check here If additional space is needed check here 2. List the names below of: • everyone who lived with you last year (other than your spouse) If additional space is needed check here If additional space is needed check here Name (first, last) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Number of US, or your home daughter, parent, none, etc) Number of US, parent, none, etc) Single or (yes/no) Full-time (s/kno) Totally and parson a qualifying child/relative more than of any other spow (yes/no) Did this person a qualifying of any other spow (yes/no) Did this person taxes, point of any other spow (yes/no)	□ Yes	No No	
1. As of December 31, 2018, what was your marital status? Never Married (This includes registered domestic partnerships, civil unions, or other formal relationship 1. As of December 31, 2018, what was your marital status? Married (This includes registered domestic partnerships, civil unions, or other formal relationship 2. List the names below of: Divorced Date of separate maintenance agreement		AND	
was your marital status? Married a. If Yes, Did you get married in 2018? Image: Space state statest stat	o undor etc	ata law	
b. Did you live with your spouse during any part of the last six months of 2018? Xes b. Did you live with your spouse during any part of the last six months of 2018? Xes Date of final decree Legally Separated Date of separate maintenance agreement Widowed Year of spouse's death 2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year Name (first, last) Do not enter your name or spouse's name below Date of Birth Relationship Mind/d/yy) Date of Birth adughter, parent, none, etc) Date of last year Legally Separated Date of separate maintenance agreement Citizen Date of spouse's death Legally Separated Date of separate maintenance agreement Citizen Son, daughter, parent, none, etc) Date of Birth Son, daughter, parent, none, etc) Date of Birth Son, daughter, parent, none, etc) Date of Birth Son, daughter, parent, none, etc) Date of Birth Son, Citizen Date of Birth Did this Did this Dis person Dis person? Dis pe		ate iaw)	
□ Divorced Date of final decree □ Legally Separated Date of separate maintenance agreement □ Widowed Year of spouse's death 2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year If additional space is needed check here Name (first, last) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Relationship to you (for example: Number of Use (is ver), on none, etc) Number of Use (is ver), on none, etc) Number of Use (is ver), on none, etc) Resident of US, Canada, or fusice (yes/no) Full-time to you (for last year (yes/no) To be completed by a Certified V			
□ Legally Separated Date of separate maintenance agreement □ Widowed Year of spouse's death □ Widowed Year of spouse's death 2. List the names below of: • everyone who lived with you last year (other than your spouse) • anyone you supported but did not live with you last year If additional space is needed check here □ Name (first, last) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Relationship to you (for example: Number of your home last year US (Citzen i last year (yes/no) Full-time is types in a gerson person a gerson have less than \$4,150 than \$4,15			
Widowed Year of spouse's death Widowed Year of spouse's death Image: Severyone who lived with you last year (other than your spouse) If additional space is needed check here • everyone who lived with you last year (other than your spouse) If additional space is needed check here • anyone you supported but did not live with you last year To be completed by a Certified V 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, example: son, daughter, parent, none, etc) None (jes/no) Single or Married as of 12/31/18 (s/M) Full-time (jes/no) To be completed by a Certified V (jes/no) Is this person in one, etc) Resident (jes/no) None, etc) Single or Married as of 12/31/18 (s/M) Single or (jes/no) Full-time (jes/no) Did this person in have less than \$4,150 of income? (jes/no) Did this person income? (jes/no) Not have less than \$4,150 of income? (jes/no) Single or (jes/no) Full-time (jes/no) To the organization of income? (jes/no) Single or (jes/no) <td< td=""><td></td><td></td></td<>			
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 Name (<i>first, last</i>) Do not enter your name or spouse's name below Married as son, aughter, parent, none, etc) Bat year And and first and aughter, parent, none, etc) And aughter parent, none, etc) And aughter parent, none, etc) And aughter parent, none, etc) And aughter parent, none, etc) And aughter parent, none, etc) And aughter parent, parent par			
 everyone who lived with you last year (other than your spouse) anyone you supported but did not live with you last year Name (first, last) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Bate of Birth (aughter, parent, none, etc) Number of (yes/no) Date of Birth (mm/dd/yy) Bate of Birth (aughter, parent, none, etc) Number of (yes/no) Son, (yes/no) Single or (yes/no)			
 anyone you supported but did not live with you last year Name (first, last) Do not enter your name or spouse's name below Date of Birth (mm/dd/yy) Belationship to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, none, etc) Number of to you (for example: son, daughter, none, etc) Number of to you (for example: son, daughter, none, etc) Number of to you (for example: son, daughter, none, etc) Number of to you (for example: son, daughter, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (for example: son, daughter, parent, none, etc) Number of to you (fo	and list on	n page	
Name (first, last) Do not enter your name or spouse's name belowDate of Birth (mm/dd/yy)Relationship to you (for example: son, daughter, none, etc)Number of months lived in your home last yearUS Citizen (yes/no)Resident of US, Canada, or Mexico last year (yes/no)Single or Married as of 12/31/18Full-time Totally and Permanently lives/no)Totally and person a qualifying of any other of any other yes/no)Is this person a qualifying of income? (yes/no)Did this person have less to you (for person, aver (yes/no)	olunteer P	repare	
name or spouse's name below (mm/dd/yy) to you (for example: son, daughter, parent, none, etc) to you (for example: son, daughter, none, etc) to you for example: son, daughter, none, etc) to you for example: son, daughter, none, etc) to you for example: son, daughter, as year (yes/no) tax year (yes/no) to you howe last year (yes/no) to you how last year		the	
	ver(s) taxp le more pay 50% of half ort for main erson? hom to/N/A) pers	payer(s) / more tha f the cost intaining me for this son?	
(a) (b) (c) (d) (e) (f) (g) (h) (i) (yes/no)	(yes	s/no)	
CONNOR BLACKBURN 02/01/2011 SON 12 YES YES S YES NO			

es	No	Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1
	X		2. (A) Tip Income?
	X		3. (B) Scholarships? (Forms W-2, 1098-T)
ו	X		4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
ונ	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
ן נ			6. (B) Alimony income or separate maintenance payments?
ם	X		7. (A) Self-Employment income? (Form 1099-MISC, cash)
ו	X		8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
	X		9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)
ו	×		10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
			11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
			13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
			14. (M) Income (or loss) from Rental Property?
	×		15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify
es	No	Unsure	Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay
]	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
	X		2. Contributions to a retirement account? 🛛 IRA (A) 🗌 401K (B) 🗌 Roth IRA (B) 🗌 Other
			3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	×		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
		22	Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
	X		5. (B) Child or dependent care expenses such as daycare?
	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
	X		7. (A) Expenses related to self-employment income or any other income you received?
	X		8. (B) Student loan interest? (Form 1098-E)
es	No	Unsure	Part V – Life Events – Last Year, Did You <i>(or Your Spouse)</i>
	X		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
ן נ	X		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
ו			3. (A) Adopt a child?
ו	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
ונ			5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
ו	X		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
ו			7. (A) Receive the First Time Homebuyers Credit in 2008?
ונ	\boxtimes		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?
			N 중위에서 2010년 2011년

106

Military Scenarios

Yes		· ·		question in ea							
						ar, did you, yo	ur spouse, or dep	pendent(s)			
				health care cov	-				1005 0		
	X						ox) 🗌 Form 109		m 1095-C		
	X			•	•	· · · ·	e)? [Provide Form				
			3a. (A) If	yes, were adva	nce credit pay	ments made to	help you pay your	health care pr	emiums?		
			3b. (A) If	yes, Is everyon	e listed on you	Ir Form 1095-A	being claimed on	this tax return?	?		
	X		4. (B) Have	an exemption g	ranted by the l	Marketplace?	2019-27 				
To be	Com	pleted by	a Certified Vol	lunteer Preparer	(Use Publication	1 4012 and check	the appropriate box(es) indicating Mir	nimum Essential Cover	age (MEC) for every	one listed on the return.
		Name		MEC All Year	No MEC	Months	s with MEC	Months	with Exemption	Exempt All Year	Notes
Тахра	ayer					JFMAM	JJASOND	JFMAN	IJJASOND		
Spou						JFMAM	JJASOND	JFMAN	IJJASOND		
Depe	ndent			-					IJJASOND		
Depe	ndent					JFMAM	JJASOND	JFMAN	IJJASOND	T I	
Depe						JFMAM	JJASOND	JFMAN	IJJASOND	T I	
2000/02/2020	1992 9494 9494		Information	and Question	s Related to t	Second States and the second states of	of Your Return				
							ontacts from the In	ternal Revenu	e Service)		
							will not change)	iternar revenu			
			•								
			or your should	se it tiling jointly	want \$3 to do	to this fund	X You	V Spouse	2		
				2007	, want \$3 to go Direct deposit		You You	Spouse		our refund betwee	n different accounts
			or your spous fund, would y	2007	, want \$3 to go . Direct deposit Yes				e Bonds c. To split y □ Yes	our refund betwee ⊠ No	n different accounts
3. If yo	ou are	e due a re	fund, would y	ou like: a.	Direct deposit	t 🖾 No	b. To purchase	U.S. Savings	Bonds c. To split y		n different accounts
3. If yo 4. If yo	ou are	e due a re ve a bala	fund, would y nce due, woul	ou like: a. d you like to ma	Direct deposit	t X No directly from yo	b. To purchase Yes pur bank account?	U.S. Savings No Yes	Bonds c. To split y	🛛 No	
3. If yo 4. If yo Many	ou are ou hav free t	e due a re ve a bala tax prepa	fund, would y nce due, woul aration sites o	ou like: a. d you like to ma	Direct deposit Yes ke a payment eiving grant n	t X No directly from yo	b. To purchase Yes pur bank account?	U.S. Savings No Yes	Bonds c. To split y Ves	🛛 No	
3. If yo 4. If yo Many Your a	ou are ou hav free t answe	e due a re ve a bala tax prepa ers will t	fund, would y nce due, woul aration sites be used only	ou like: a. d you like to ma operate by rece for statistical p	Direct deposit Yes Ake a payment eiving grant n purposes.	t X No directly from yo noney. The dat	b. To purchase Yes bur bank account? ta from the follow	U.S. Savings X No Yes ing questions	Bonds c. To split y Ves	⊠ No his site to apply f	or these grants.
3. If yo 4. If yo Many Your a 5. Wo	ou are ou hav free t answe uld yo	e due a re ve a bala tax prepa ers will t ou say yo	fund, would y nce due, woul aration sites be used only u can carry or	ou like: a. d you like to ma operate by rece for statistical p	Direct deposit Yes ke a payment eiving grant n purposes. in English, bo	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow ng & speaking?	U.S. Savings No Yes ing questions Very well	Bonds c. To split y ☐ Yes ⊠ No s may be used by t] Well ☐ Not well	⊠ No his site to apply f □ Not at all □	or these grants.
3. If yo 4. If yo Many Your 5. Wo 6. Wo	ou are ou hav free t answ uld yo uld yo	e due a re ve a bala tax prepa ers will t ou say yo ou say yo	fund, would y nce due, woul aration sites be used only u can carry or u can read a r	ou like: a. d you like to ma operate by rece for statistical p a conversation	Direct deposit Yes ake a payment eiving grant n burposes. n in English, bo pok in English?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow ng & speaking? X Very well	U.S. Savings No Yes ing questions Very well Well	Bonds c. To split y ☐ Yes ⊠ No s may be used by t] Well ☐ Not well	No Not at all □ to at all □	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do	ou are ou hav free t answe uld yo uld yo you o	e due a re ve a bala tax prepa ers will t bu say yo bu say yo r any me	fund, would y nce due, woul aration sites of be used only u can carry or u can read a r mber of your h	ou like: a. d you like to ma operate by rece for statistical p a conversation newspaper or bo	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo pok in English? a disability?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow ng & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No	Bonds c. To split y ☐ Yes ⊠ No s may be used by t] Well ☐ Not well] Not well ☐ Not	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t bu say yo bu say yo or any me or your sp	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo pok in English? a disability?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow mg & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t bu say yo bu say yo r any me	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo pok in English? a disability?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow mg & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t bu say yo bu say yo or any me or your sp	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo pok in English? a disability?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow mg & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t bu say yo bu say yo or any me or your sp	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo pok in English? a disability?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow mg & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t bu say yo bu say yo or any me or your sp	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo pok in English? a disability?	t X No directly from yo noney. The dat th understandir	b. To purchase Yes bur bank account? ta from the follow mg & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t ou say yo ou say yo or any me or your sp	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo bok in English? a disability? . Armed Force	t 🕅 No directly from yo noney. The dat th understandir s?	b. To purchase Yes pur bank account? ta from the follow ng & speaking? Very well Yes Yes Yes	U.S. Savings No Yes ing questions Very well Well No No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer
3. If yo 4. If yo Many Your 5. Wo 6. Wo 7. Do 8. Are	ou are ou hav free t answe uld yo uld yo you o you o	e due a re ve a bala tax prepa ers will t ou say yo ou say yo or any me or your sp	fund, would y nce due, woul aration sites be used only u can carry or u can read a r mber of your h pouse a Vetera	ou like: a. d you like to ma operate by reco for statistical p a conversation newspaper or bo nousehold have	Direct deposit Yes ake a payment eiving grant n burposes. in English, bo bok in English? a disability? . Armed Force	t 🕅 No directly from yo noney. The dat th understandir s?	b. To purchase Yes bur bank account? ta from the follow mg & speaking? Very well Yes	U.S. Savings No Yes ing questions Very well Well No No	Bonds c. To split y Yes No s may be used by t Well Not well Not well Not well Prefer not to answ	No Not at all Dot at all Dot at all Dot at all Dot at all	or these grants. Prefer not to answer

volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers. Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs. The Papervork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1964. Also, if you have any comments regarding the time estimates associated with this study or suggestion on making this process simpler, please write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224

Form 13614-C (Rev. 10-2018)

-	a Employee's social security number 283-00-XXXX	OMB No. 1545-0008	Safe, accurate, FAST! Use		a IRS website : s.gov/efile	
b Employer identification number 40-600XXXX	er (ÊIN)	1 V	ages, tips, other compensation 8,500.00	2 Federal income t 520.00		
c Employer's name, address, ar	nd ZIP code	3 5	ocial security wages	4 Social security ta		
DFAS P.O. BOX 9999 IOWA CITY, IOWA 5	2240		8,500.00 Nedicare wages and tips 8,500.00	527.00 6 Medicare tax withheld 123.25 8 Allocated tips		
d Control number			erification code	10 Dependent care	benefits	
e Employee's first name and ini	tial Last name	Suff. 11 N	lonqualified plans	12a See instructions	for box 12 50.00	
ALVIN BLACKBURI 902 ALLEN STREET YOUR CITY, STATE	r	13 s [14 0	tatutory Redirement Third-party plan sick pay X ther	12b 0 12c 0 0 0 0 0 0 0 0 0 0 0 0 0		
f Employee's address and ZIP of	UNITED IN THE REAL PROPERTY OF			* 12d °		
15 State Employer's state ID n YS 40-600XXXX	umber 16 State wages, tips, etc. 8,500.00	17 State income tax 300.00	18 Local wages, tips, etc.	19 Local income tax	20 Locality na	
1						
Form W-2 Wage a	and Tax -	2018	Department	of the Treasury-Internal	Revenue Serv	
	e e con con Sta					

Box 1. Name KELLY BL	ACKBURN	Box 2. Be	neficiary's Social Security Number 251-00-XXXX
Box 3. Benefits Paid in 2018 \$9,600.00	Box 4. Benefits Repaid to SS/	A in 2018	Box 5. Net Benefits for 2018 (Box 3 minus Box 4) \$9,600.00
Paid by check or di \$9,024.00 Medicare Part B pro from your benefits: \$576.00	emiums deducted ion Drug premiums	Box 6. Vol Box 7. Ad	DESCRIPTION OF AMOUNT IN BOX 4 untary Federal Income Tax Withholding
			LLEN STREET City, State Zip
Total Additions:		Your	
Total Additions: Benefits for 2018: \$9,600		Your	

- 10. Alvin and Kelly's 2018 return is due April 15, 2019.
 - a. True
 - b. False
- 11. Alvin's rental income is reported on which schedule?
 - a. Schedule C, Profit or Loss from Business or C-EZ, Net Profit from Business
 - b. Schedule D, Capital Gains and Losses
 - c. Schedule E, Supplemental Income and Loss
 - d. Schedule F, Profit or Loss From Farming
- **12.** What is the amount of rental expenses Alvin and Kelly can claim on their joint return? \$_____
- 13. Combat pay is included in box 1 of Form W-2, Wage and Tax Statement.
 - a. True
 - b. False
- 14. What is the amount of earned income credit the Blackburns are eligible to claim?
 \$______
- 15. Combat pay _____. (Select all that apply.)
 - a. Is reported on Form W-2, box 12a, Code Q
 - b. Can be used to calculate the child tax credit
 - c. Can be used to calculate the earned income credit
 - d. Is taxable income



The first three scenarios do not require you to prepare a tax return. **Read the interview** notes for the scenario carefully and use your training and resource materials to answer the questions.

Military Scenario 1: Sam Wagner

Interview Notes

- Sam Wagner is a retired member of the U.S. Armed Forces.
- He received Form 1099-R from the Defense Finance & Accounting Service.
- Form 1099-R indicates \$22,000 in box 1and box 2a.
- Sam is considered 100% disabled and received a letter of determination from the Department of Veterans Affairs (VA).
- He received a payment in the amount of \$6,000 from the VA for disability.

Military Scenario 1: Retest Questions

- 1. The payment Sam received from the VA is subject to which type of tax?
 - a. Federal tax
 - b. State tax
 - c. Federal and state taxes
 - d. None of the above
- 2. The VA issues Form 1099-R for disability payments.
 - a. True
 - b. False

- Sandy Samford is single.
- Sandy is a supply specialist in the National Guard. She attended training drills one weekend a month for 8 months in 2018.
- Sandy only owns one vehicle. She placed her vehicle in service on September 3, 2016.
- Sandy's total mileage in 2018 was 18,500 miles. Her average daily roundtrip commuting distance was 45 miles.
- Sandy's duty station is 153 miles away from her residence. She drove 2,448 miles based on her travel log.
- Sandy paid \$1,920 for lodging and \$1,042 for meals. Lodging and meals were within federal per diem rate for the area.
- Sandy paid \$215 for the cost and upkeep of her uniforms. She is permitted to perform civilian activities while wearing her uniform.
- Sandy did not receive reimbursement for any of her out-of-pocket expenses.

Military Scenario 2: Retest Questions

- 3. What number of miles qualify as a deductible travel expense?
 - a. 0
 - b. 384
 - c. 2,448
 - d. 18,500
- **4.** Sandy is able to take an adjustment to income for lodging, meals, travel (to/from duty station) and uniforms.
 - a. True
 - b. False

- Marshall and Hope lived in Little Rock, AR where Marshall was stationed in the Air Force for five years. He received new orders to move to Arnold Air Force Base in Tullahoma, TN. This is a permanent change of station (PCS).
- They decided to make a Personally Procured Move (PPM) and save the money.
- Marshall traveled to Tullahoma, TN in September to find a home to rent. They
 wanted to find a place with a good school district for their three kids. He spent
 \$1,000 on round-trip airfare, hotel, food and rental car.
- Marshall and Hope spent \$150 on boxes, tape, bubble wrap, and mattress bags. They paid \$550 for the rental truck.
- Hope is afraid to drive long distances so they spent \$625 to ship their second car.
- On December 15, 2018 Marshall and Hope packed their belongings and began driving from Little Rock, AR to Tullahoma, TN. On the way, they made a side trip to Memphis, TN and to visit family in Mississippi. Their trip took them a total of three days and two nights instead of the authorized one day for travel.
- The Smiths drove their rental truck a total of 600 miles. The shortest, most direct route from Little Rock, AR to Tullahoma, TN is 413 miles.
- They spent a total of \$200 for tickets to an attraction. They spent one night at a hotel for \$250 and one night with family.
- Marshall and Hope spent \$550 on food and \$375 on souvenirs.
- They also spent \$200 on storage fees in Tullahoma, TN for items that would not fit in their new home because it was smaller.
- Their move was estimated to cost \$1,600 and the Air Force provided \$1,520 in advance.
- Marshall and Hope are U.S. citizens and have valid Social Security numbers.

Military Scenario 3: Retest Questions

- **5.** How many miles can Marshall and Hope use to calculate their qualified moving expenses? _____ miles.
- **6.** The net financial gain from Marshall and Hope's move is included as wages on Form 1040, U.S. Individual Income Tax Return.
 - a. True
 - b. False
- 7. How much can Marshall and Hope claim as qualified lodging expenses?
 - a. \$0
 - b. \$125
 - c. \$250
 - d. \$500
- **8.** The Smiths can deduct the cost of their side trip and house hunting trip as qualified moving expenses.
 - a. True
 - b. False
- **9.** Marshall and Hope can claim their \$200 storage expense as a qualified moving expense.
 - a. True
 - b. False

Refer to the scenario information for Alvin and Kelly Blackburn beginning on page 103.

- **10.** Individuals serving in a combat zone receive an extension to file their return and pay their tax. The deadline is extended for 180 days plus the number of days left to take action when they entered the combat zone.
 - a. True
 - b. False
- **11.** The net rental income (rental income minus expenses) is figured using Schedule E and reported as rental income on Form 1040, Schedule 1, Additional Income and Adjustments to Income.
 - a. True
 - b. False
- 12. Alvin cannot take a rental expense deduction for which of the following items?
 - a. Depreciation
 - b. Repairs
 - c. Value of his labor
 - d. Management fees
- **13.** What is the correct amount reported as wages on Form 1040, U.S Individual Income Tax Return \$_____.
- 14. What is the amount of the Blackburn's earned income credit?
 - a. \$1,285
 - b. \$2,466
 - c. \$2,899
 - d. \$3,400
- **15.** Combat pay is never taxable to most soldiers.
 - a. True
 - b. False

International Course Scenarios and Test Questions

Directions

The first two scenarios do not require you to prepare a tax return. **Read the interview** notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

International Scenario 1: Luke and Laura Emerson

Interview Notes

- Luke and Laura are married and live in Switzerland.
- Luke is a U.S. citizen and has a valid Social Security number. Laura is a citizen of Switzerland.
- Laura's daughter from a previous marriage, Melanie, is 3 years old. Melanie lived with Luke and Laura all year. Luke began the process of adoption after he and Laura married in 2016. The adoption was final in 2018. Melanie is now a U.S. citizen and has a valid Social Security number issued by the due date of the return, including extensions.
- Luke and Laura have a son, Simon, who was born on July 4, 2018. Simon is a U.S. citizen and has a valid Social Security number issued by the due date of the return, including extensions.
- Luke is employed by a Fortune 500 company and earned \$50,000.
- Laura has been out of the workforce for two years and decided to go back to work when Simon was 3 months old. She earned the equivalent of \$4,000 in U.S. dollars.
- Luke and Laura provide all the financial support for Melanie and Simon.
- Melanie and Simon attend the Child Development Center (CDC) while Luke and Laura work. Luke paid the CDC \$2,400 for childcare in 2018. CDC has an employer identification number.
- During the interview, Laura mentions that she has never filed a joint return with Luke. She asks the volunteer what is required to file a joint return with Luke. Based on the information provided, Laura decides she does not want to be treated as a resident alien for U.S. tax filing purposes this year.

- 1. Luke has qualifying children for which tax credit(s)? (Select all that apply.)
 - a. Child tax credit
 - b. Credit for other dependents
 - c. Child and dependent care
 - d. None of the above
- **2.** Since Laura does not want to file a joint return, Luke must use Married Filing Separately as his filing status.
 - a. True
 - b. False
- **3.** Laura's income is not included on the return because she does not choose to be treated as a resident alien.
 - a. True
 - b. False
- **4.** In the future, if Laura and Luke choose to file Married Filing Jointly and treat Laura as a resident alien for tax purposes, this election can be terminated by:
 - a. Revoking the election in a written statement
 - b. The death of either spouse
 - c. The IRS, due to insufficient records
 - d. All of the above

- Drew and Sierra currently live in Sydney, Australia.
- They moved there on March 3, 2017 and currently rent a 2-bedroom condo in Sydney, Australia. Sierra was transferred there for an indefinite period of time. Drew and Sierra intend to eventually return to the United States.
- Their son attends college in the U.S. and is finishing up his bachelor's degree.
- Drew and Sierra are both employed by the same U.S.-based Fortune 500 company.
- Drew and Sierra returned to the U.S. for five days to attend their son's college graduation in May of 2018. They also took a 2-week vacation throughout Australia hiking the Outback and taking diving excursions at the Great Barrier Reef in August 2018.
- Drew and Sierra are U.S. citizens and have valid Social Security numbers.
- Neither Drew nor Sierra work for the U.S. government.
- Drew and Sierra own a home in the U.S. It is vacant while they are overseas, but Sierra's sister checks on it for them.

International Scenario 2: Test Questions

- **5.** The trip to the U.S. disqualifies Drew and Sierra from meeting the bona fide residence test in order to exclude their foreign earned income.
 - a. True
 - b. False
- 6. Drew and Sierra meet the physical presence test.
 - a. True
 - b. False

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Yolanda is a U.S. citizen, single and has no children. She has lived and worked in Germany since February 1, 2016. She loves her life in Germany and did not return to the U.S. since she moved there. She has no intentions of returning to the U.S. Therefore, she does not maintain an address in the U.S.
- She considers herself a resident of Germany. She shares a two-bedroom apartment with her roommate at 491 Wolframstrasse, 35510 Bad Cannstatt, a city district of Stuttgart, Germany.
- Income:
 - Yolanda's visa type: Unlimited.

totaling \$600 when converted to U.S. dollars. Her taxes were paid to Germany as she earned her income.

- Yolanda works at the U.S. Consulate and has a Form W-2 for her salary. She earned \$60,000 in wages and paid \$7,000 in withholding.
- Yolanda loves to shop. In 2018, she decided to get a part-time job at a department store on the weekends so she could use the employee discount OCIAL SECURI on her purchases. Her part-time N. SECD job with the department store was 510-00-XXXX located at 27-29 Konigstrasse, **Yolanda Lawson** 70173 Stuttgart, Germany. - Yolanda earned an equivalent of Yolanda Lawson \$3,000 in wages and paid taxes

- Yolanda opened a checking and savings account at a German bank. She earned \$150 of interest (converted to U.S. dollars) at the Bank of Stuttgart. She paid foreign tax to Germany on this interest income in the amount of 38.5 euro. The exchange rate on the date she paid the tax was 1 U.S. Dollar (USD) = 1.17 Euro.
- Yolanda was not required to file FinCen Form 114 and she did not receive a distribution, was not a grantor of, nor was she a transferor to a foreign trust.
- Yolanda did not itemize in 2017 and does not have enough deductions to itemize in 2018.
- Yolanda was covered under a health care plan the entire year that was purchased through her job with the U.S. Consulate.

Form 13614-C Department of the Intake/Interview						ury - Internal			Sheet	8				OMB N 1545-	
You will need: • Tax Information such as • Social security cards or • Picture ID (such as valid	ITIN letters for	or all pers	persons on your tax return. or you and your spouse.				 Please complete pages 1-3 of this form. You are responsible for the information on your return complete and accurate information. If you have questions, please ask the IRS-certified volume 								
	Volunteers	To rep	ort uneth	ical bel	navior to	the IRS, er	nail us a	at <u>wi.vol</u> t	ax@irs.c	jov	standard	s.			
	ation (If you a				your nam	nes in the same order as last year's r									
1. Your first name YOLANDA		M.I.		Last name LAWSON						eleph IONE	ione numb #	er Are y	ou a L es		izen?] No
2. Your spouse's first name			Last r	name					Daytime t	eleph	ione numb		ur spo		J.S. citizei] No
3. Mailing address 491 WOLFRAMSTRASSE, 35		INCTATT					turre	ART				State	MANY		IP code 7600
4. Your Date of Birth	5. Your job ti			6	Last year	, were you					a. Fu	II-time stu			
11/15/1972	GOVERNME		OYEE	0.000		nd permane		abled	Yes			gally blind			
7. Your spouse's Date of Birth	8. Your spou	ise's job tit	le			, was your					101 10100 10100	II-time stu		Annual Contract	es 🗌 N
							and permanently disabled				o c. Le	gally blind	1	ΩY	es 🗌 N
10. Can anyone claim you or y	our spouse as	a depende	ent?	□ Yes	🛛 No	🗌 Unsu	re								
11. Have you, your spouse, or	dependents be	een a victir	n of tax re	elated id	entity thef	t or been is	sued an	Identity	Protection	n PIN	?			ΠY	es 🛛 N
1. As of December 31, 2018, w	hat 🛛 Ne	ver Marrie	d (T		•	tered dome		tnerships	, civil unic	ons, o	or other for		1.12		er state lav
Part II – Marital Status and 1. As of December 31, 2018, w was your marital status? 2. List the names below of: • everyone who lived with you	hat 🛛 Ne Div Div Leç Wid	ver Marrie rrried vorced gally Sepa dowed	d (T a. If b. D rated D Y	Yes, Di hid you li hate of fi hate of s hear of s	d you get ive with yo nal decree	married in our spouse e naintenance	2018? during a	nent	f the last	six m		018?] Yes] Yes		er state lav o o
1. As of December 31, 2018, w was your marital status?	hat X Ne Ma Div Leg Wid bu last year (ot	ver Marrie rrried vorced gally Sepa dowed her than ye	d (T a. If b. D prated D Y our spous	Yes, Di hid you li hate of fi hate of s hear of s	d you get ive with yo nal decree eparate m	married in our spouse e naintenance	2018? during a	nent	f the last	six m	onths of 2 	018?	Yes Yes	□ N □ N	er state lav o o st on page
 As of December 31, 2018, w was your marital status? List the names below of: • everyone who lived with you 	hat X Ne Ma Div Leg Wid bu last year (ot did not live wit Date of Birth (mm/dd/yy)	ver Marrie rrried vorced gally Sepa dowed <i>her than y</i> u h you last Relationship to you (for <i>example:</i> <i>son,</i> <i>daughter,</i> <i>parent,</i>	d (T a. If b. D prated D Y pour spous year	Yes, Di iid you li ate of fi ate of s ear of s ear of s ce US Citizen (yes/no)	d you get ive with yo nal decree eparate m pouse's d Resident of US,	married in our spouse an aintenance eath Single or Married as of 12/31/18	2018? during a	nent If a	f the last dditional To t ls this person qualifyi child/re of any o person	six m space e col ang lative other	e is neede mpleted t Did this person provide more than 50% of his/ her own	018?	Yes Yes fied Ve bid th taxpa provid than so than so this p	and li and li olunte be more yer(s) de more fort for erson?	er state lav o o st on page er Prepar Did the taxpayer(s pay more t half the co maintaining home for th
 As of December 31, 2018, w was your marital status? List the names below of: everyone who lived with yo anyone you supported but Name (<i>first, last</i>) Do not enter your 	hat X Ne Ma Div Leg Wid bu last year (ot did not live wit Date of Birth (mm/dd/yy)	ver Marrie rrried vorced gally Sepa dowed <i>ther than yu</i> h you last Relationship to you (for <i>example:</i> <i>son,</i> <i>daughter,</i>	d (T a. If b. D prated D Y our spous year Number of months lived in your home	Yes, Di iid you li ate of fi ate of s ear of s ear of s ce US Citizen (yes/no)	d you get ive with yo nal decree eparate m pouse's d Resident of US, Canada, or Mexicoo last year	married in our spouse an aintenance eath Single or Married as of 12/31/18	2018? during a e agreen Full-time Student last year	If a	f the last	six m space be col	e is neede mpleted b Did this person provide more than 50% of his/	d check h by a Certi Did this person have less than \$4,15 of income?	Yes Yes fied Ve bid th taxpa provid than so than so this p	and li and li olunte be yer(s) de more 50% of ort for	er state lav o o st on page er Prepar Did the taxpayer(s pay more t half the co maintaining
 As of December 31, 2018, w was your marital status? List the names below of: everyone who lived with yo anyone you supported but Name (<i>first, last</i>) Do not enter your name or spouse's name below 	hat X Ne Ma Div Leg Wid bu last year (ot did not live wit Date of Birth (mm/dd/yy)	ver Marrie rrried vorced gally Sepa dowed <i>her than yu</i> h you last Relationship Relationship to you (for <i>example:</i> <i>son,</i> <i>daughter,</i> <i>parent,</i> <i>none, etc)</i>	d (T a. If b. D D rated D Y vear Number of months lived in your home last year	Yes, Di hid you li hate of fi hate of s ear of s ear of s ear of s Citizen (yes/no)	d you get ive with yo nal decree eparate m pouse's d Resident of US, Canada, or Mexico last year (yes/no)	married in bur spouse an aintenance eath Single or Married as of 12/31/18 (S/M)	2018? during a e agreen Student last year (yes/no)	If a	f the last dditional To t ls this person qualifyi child/re of any o person	six m space be col	e is neede mpleted t Did this person provide more than 50% of his/ her own support?	d check h by a Certi Did this person have less than \$4,15 of income?	Yes Yes fied Ve bid th taxpa provid than so than so this p	and li and li olunte be more yer(s) de more fort for erson?	er state lav o o st on page er Prepar Did the taxpayer(s pay more t half the co- maintaining home for th person?

'es	No	Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 2 (One W-2, and her foreign income)
	X		2. (A) Tip Income?
	X		3. (B) Scholarships? (Forms W-2, 1098-T)
۵			4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	\mathbf{X}		5. (B) Refund of state/local income taxes? (Form 1099-G)
]	X		6. (B) Alimony income or separate maintenance payments?
	X		7. (A) Self-Employment income? (Form 1099-MISC, cash)
]	X		8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
]	\mathbf{X}		9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)
	\mathbf{X}		10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
]	\bowtie		11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
]	X		13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
	\mathbf{X}		14. (M) Income (or loss) from Rental Property?
٥			15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify Foreign Income
s	No	Unsure	Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay
]	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
]	X		2. Contributions to a retirement account? 🗌 IRA (A) 🗌 401K (B) 🗌 Roth IRA (B) 🗌 Other
]	\boxtimes		3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
]	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
			Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
]	X		5. (B) Child or dependent care expenses such as daycare?
]	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
]	X		7. (A) Expenses related to self-employment income or any other income you received?
]	\mathbf{X}		8. (B) Student loan interest? (Form 1098-E)
s	No	Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
]	X		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
]	\square		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
]	\boxtimes		3. (A) Adopt a child?
]	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
]	\boxtimes		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
1	\mathbf{X}		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
1	\mathbf{X}		7. (A) Receive the First Time Homebuyers Credit in 2008?
]	X		8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?
]		0.000	9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
]	X		e. A fine a reachairtean hac year containing a capital loce canyorer en rein te re concate b.

120

											Page
			question in ea								
			alth Care Cover		r, did you,	your spouse,	or dep	endent(s)			
		1. (B) Have	health care cov	erage?							
		2. (B) Rece	ive one or more	of these forms	? (Check the	e box) 🗌 Fo	rm 109	5-B 🗌	Form 1095-C		
		1.	coverage throug	-							
		3a. (A) If	yes, were adva	nce credit payr	nents made	to help you pa	ay your	health car	e premiums?		
		3b. (A) If	yes, Is everyon	e listed on you	r Form 1095	5-A being claim	ned on t	his tax ret	urn?		
		4. (B) Have	an exemption g	ranted by the M	/larketplace	?					
To be Co	ompleted by	a Certified Vo	lunteer Preparer	(Use Publication	4012 and ch	eck the appropri	ate box(e	s) indicatin	g Minimum Essential Cov	verage (MEC) for everyo	ne listed on the return.
	Name	V	MEC All Year	No MEC	Mor	nths with MEC		Mor	ths with Exemption	Exempt All Year	Notes
Тахрауе	er				JFMA	MJJASO	DND	JFM	AMJJASON	D	
Spouse			-		JFMA	MJJASO	DND	JFM	AMJJASON	D	
Depende	lent		1		JFMA	MJJASO	DND	JFM	AMJJASON	D	
Depende	N () - ()				JFMA	MJJASO	DND	JFM	AMJJASON	D	
Depende			×		JFMA	MJJASO	DND	JFM	AMJJASON	D	
1222.00 A. BAR 10220	(1220) C.C.	I Information	and Question	s Related to th	e Preparat	ion of Your R	eturn				
			onal) (this email					ternal Rev	enue Service)		
			Fund (If you ch								
			se if filing jointly					Spc	ouse		
		efund, would y	ou like: a.	Direct deposit		S	rchase		ngs Bonds⊂c. To spli □ Y€		n different accounts
4. If you	have a bala	nce due, wou	ld you like to ma	ake a payment	directly from	1 your bank ac	count?	🗌 Yes	No 🛛		
			operate by rece for statistical p		oney. The	data from the	follow	ing quest	ions may be used by	this site to apply fo	or these grants.
					th understar	nding & speaki	na? 🗙	Verv wel	II 🗌 Well 🔲 Not we	ell 🗆 Notatall 🗆 I	Prefer not to answer
	S	1.5	newspaper or bo			X Very we		Well			Prefer not to answe
			household have			□ Yes		No	Prefer not to ans		
			an from the U.S.		?	☐ Yes		No	Prefer not to ans		
	al comments			. Annea Foree				110			
				Pri	vacy Act and	d Paperwork R	eduction	n Act Notic	e		
do not rece you relative volunteer n do not prov information	eive it, and whe e to your intere return preparati vide the reques n requests. The	ther your respon- st and/or particip on sites or outrea ted information, t OMB Control Nu	se is voluntary, requ ation in the IRS volu ich activities. The inf he IRS may not be a imber for this study i	ired to obtain a be inteer income tax p formation may also able to use your as is 1545-1964. Also	nefit, or manda preparation and be used to es sistance in the , if you have an	atory. Our legal rig d outreach program stablish effective c ese programs. The ny comments rega	ht to ask ns. The in ontrols, se Paperwo arding the	for information formation you and correspond rk Reduction time estimation	ng for it, and how it will be u on is 5 U.S.C. 301. We are ou provide may be furnished ondence and recognize volu on Act requires that the IRS tes associated with this stu W, Washington, DC 20224	asking for this information I to others who coordinate inteers. Your response is v display an OMB control nu	to assist us in contacting activities and staffing at roluntary. However, if yo mber on all public
-	umber 52121E					www.irs.gov				Form 13	614-C (Rev. 10-201

121

	5 - 6L	ee's social security number 510-00-XXXX	OMB No. 154	6-0008	Safe, accurate, FAST! Use	≁ file	Visit the IRS website a www.irs.gov/efile	
b Employer identification number	r (EIN)			1 Wag	ges, tips, other compensation	2 Federal	income tax withheld	
42-500XXXX					60,000.00		7,000.00	
c Employer's name, address, an	d ZIP code			3 Soc	cial security wages	4 Social s	ecurity tax withheld	
US CONSULATE					60,000.00		3,720.00	
3000 BAHNHOFSTRA	SSE			5 Me	dicare wages and tips	6 Medicare tax withheld 870.00		
87600 KAUFBEUREN	. GERMA	NY			60,000.00			
	,			7 Social security tips 8 Allocated tips				
d Control number				9 Ver	ification code	10 Depend	ent care benefits	
e Employee's first name and init	ial Last na	me	Suff.	11 No	nqualified plans	12a See ins	tructions for box 12	
						DD	5,400.00	
YOLANDA LAWSON				13 State	loye Retirement Third-party loyee plan sick pay	12b		
491 WOLFRAMSTRA	SSE					ode		
35510 BAD CANNST	ATT			14 Oth	er	12c		
STUTTGART, GERM	ANY					C od		
						12d		
						0 de		
f Employee's address and ZIP c	ode							
5 State Employer's state ID nu	umber	16 State wages, tips, etc.	17 State incon	ne tax	18 Local wages, tips, etc.	19 Local incom	e tax 20 Locality nar	
1								
wage a Statem	nd Tax ent	Ē	2018	5	Department	I of the Treasury-	Internal Revenue Serv	
opy B—To Be Filed With Ei his information is being furnis								

- 7. Which of the following statements is true?
 - a. The foreign earned income exclusion is voluntary.
 - b. The election for foreign earned income exclusion is made by completing Form 2555 or Form 2555-EZ.
 - c. Once the election is made to exclude foreign earned income, that choice remains in effect for that year and all later years until it is revoked.
 - d. All of the above.
- **8.** Yolanda meets the requirements of the bona fide residence test and can exclude her foreign earned income.
 - a. True
 - b. False
- **9.** Which of the following statements is true? Yolanda does not have to report her interest income from the Bank of Stuttgart because:
 - a. Form 1099-INT was not issued.
 - b. Taxes were already paid on the income.
 - c. It qualifies for foreign earned income exclusion.
 - d. None of the above. She must report her worldwide income, which includes her interest income.
- What is the amount of foreign taxes paid on interest income, converted to U.S. dollars? \$_____ (Round to the nearest dollar. Refer to Exchange Rates in Publication 4491, Chapter 16, Income Other Income.)
- **11.** Which sources of Yolanda's income do NOT qualify for the foreign earned income exclusion? (Select all that apply.)
 - a. Interest income from Bank of Stuttgart
 - b. Wages from the department store
 - c. Wages from U.S. Consulate
 - d. All of the above.
- 12. Which sources of Yolanda's income are classified as Passive Category Income?
 - a. Interest income from the Bank of Stuttgart
 - b. Wages from the department store
 - c. Wages from U.S. Consulate
 - d. None of the above.

- The correct amount of foreign earned income excluded from Yolanda's tax return is
- 14. Which of the following statements is NOT true?
 - a. Yolanda can take the foreign tax credit for the income taxes paid on her interest income from the Bank of Stuttgart and has to file Form 1116.
 - b. Yolanda can claim the foreign earned income exclusion of \$3,000 from her part-time job at the department store. Therefore, she cannot take the foreign tax credit for the \$600 income taxes from her part-time job at the department store.
 - c. Yolanda can claim both the foreign tax credit for the \$600 paid to Germany and exclude the \$3,000 foreign earned income from her part-time job at the department store.
- **15.** Yolanda must include the amount of foreign tax paid to Germany as withheld federal income taxes.
 - a. True
 - b. False

The first two scenarios do not require you to prepare a tax return. **Read the interview** notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.

International Scenario 1: Luke and Laura Emerson

Interview Notes

- Luke and Laura are married and live in Switzerland.
- Luke is a U.S. citizen and has a valid Social Security number. Laura is a citizen of Switzerland.
- Laura's daughter from a previous marriage, Melanie, is 3 years old. Melanie lived with Luke and Laura all year. Luke began the process of adoption after he and Laura married in 2016. The adoption was final in 2018. Melanie is now a U.S. citizen and has a valid Social Security number issued by the due date of the return, including extensions.
- Luke and Laura have a son, Simon, who was born on July 4, 2018. Simon is a U.S. citizen and has a valid Social Security number issued by the due date of the return, including extensions.
- Luke is employed by a Fortune 500 company and earned \$50,000.
- Laura has been out of the workforce for two years and decided to go back to work when Simon was 3 months old. She earned the equivalent of \$4,000 in U.S. dollars.
- Luke and Laura provide all the financial support for Melanie and Simon.
- Melanie and Simon attend the Child Development Center (CDC) while Luke and Laura work. Luke paid the CDC \$2,400 for childcare in 2018. CDC has an employer identification number.
- During the interview, Laura mentions that she has never filed a joint return with Luke. She asks the volunteer what is required to file a joint return with Luke. Based on the information provided, Laura decides she does not want to be treated as a resident alien for U.S. tax filing purposes this year.

- **1.** Luke can claim child tax credit and child and dependent care credit for Melanie and Simon.
 - a. True
 - b. False
- **2.** Laura does not want to be treated as a resident alien for U.S. tax purposes. What is the most advantageous filing status for Luke?
 - a. Single
 - b. Married Filing Separately
 - c. Head of Household
 - d. Qualifying Widower
- 3. Should Laura's income be included on Luke's return:
 - a. Yes, because she is married to a U.S. citizen.
 - b. No, because she is a nonresident alien and chooses not to file Married Filing Jointly.
 - c. Yes, because both Luke and Laura must report their worldwide income.
- **4.** In the future, if Luke and Laura choose to file Married Filing Jointly and treat Laura as a resident alien for tax purposes, the election is permanent and can never be suspended or ended.
 - a. True
 - b. False

- Drew and Sierra currently live in Sydney, Australia.
- They moved there on March 3, 2017 and currently rent a 2-bedroom condo in Sydney, Australia. Sierra was transferred there for an indefinite period of time. Drew and Sierra intend to eventually return to the United States.
- Their son attends college in the U.S. and is finishing up his bachelor's degree.
- Drew and Sierra are both employed by the same U.S.-based Fortune 500 company.
- Drew and Sierra returned to the U.S. for five days to attend their son's college graduation in May of 2018. They also took a 2-week vacation throughout Australia hiking the Outback and taking diving excursions at the Great Barrier Reef in August 2018.
- Drew and Sierra are U.S. citizens and have valid Social Security numbers.
- Neither Drew nor Sierra work for the U.S. government.
- Drew and Sierra own a home in the U.S. It is vacant while they are overseas, but Sierra's sister checks on it for them.

International Scenario 2: Retest Questions

- **5.** Drew and Sierra are eligible to exclude their foreign earned income because they meet the physical presence test.
 - a. True
 - b. False
- **6.** Simply going to Australia to work for a year or more is enough for Drew and Sierra to meet the bona fide residence test.
 - a. True
 - b. False

Refer to the scenario information for Yolanda Lawson, beginning on page 118.

- 7. If Yolanda qualifies to exclude her foreign earned income, she must declare the election each year she meets the criteria.
 - a. True
 - b. False
- **8.** What eligibility requirements must Yolanda meet in order to be eligible to exclude her foreign earned income?
 - a. Her home must be in a foreign country.
 - b. She must meet the bona fide residence test or physical presence test.
 - c. She must have income that qualifies as foreign earned income.
 - d. All of the above.
- **9.** Yolanda is not required to report the \$150 of interest from the Bank of Stuttgart because it was earned in a German bank.
 - a. True
 - b. False
- **10.** To convert a sum of money into U.S. dollars, divide the amount of foreign currency by the exchange rate for the foreign currency for one U.S. dollar.
 - a. True
 - b. False
- **11.** Yolanda is able to exclude her wages from the U.S. Consulate and the department store because she earned them in a foreign country.
 - a. True
 - b. False
- **12.** General category income consists of wages earned in a foreign country that an individual does not exclude, or excludes only part of, under the foreign earned income exclusion.
 - a. True
 - b. False

- **13.** What is the correct amount of foreign earned income excluded from Yolanda's tax return?
 - a. \$0
 - b. \$63,000
 - c. \$60,000
 - d. \$3,000
- **14.** Yolanda must file Form 1116 to take the foreign tax credit unless she qualifies for the election to report foreign tax credit directly on Form 1040, Schedule 3.
 - a. True
 - b. False
- 15. What is the amount of federal income tax withheld on Yolanda's Form 1040?
 - a. \$7,633
 - b. \$7,600
 - c. \$7,000
 - d. \$6,367



Health Savings Accounts – Test Questions

Directions

The first four scenarios do not require you to prepare a tax return. Read the interview notes for each scenario and use your training and resource materials to answer the questions.

HSA Scenario 1: Leo Williams

Interview Notes

- Leo Williams is single and 45 years old.
- Leo works as an IT manager and his Form W-2 shows wages of \$47,250.
- Leo participated in his employer's self-only coverage High Deductible Health Plan (HDHP) all year.
- Leo does not have any other health coverage.
- Leo has had an HSA for two years.
- Leo's employer contributed \$1,500 in 2018 to Leo's HSA.
- In 2018, Leo's aunt contributed \$1,900 to Leo's HSA.
- Leo is a U.S. citizen and has a valid Social Security number.

HSA Scenario 1: Test Questions

- **1.** Is Leo an eligible individual for HSA purposes even though he did not make his own contributions?
 - a. Yes
 - b. No
- 2. What amount will Leo use to compute his HSA deduction on Form 1040, Schedule 1, line 25?
 - a. \$0
 - b. \$1,500
 - c. \$1,900
 - d. \$3,400
- 3. Employer contributions to Leo's HSA are reported on his Form W-2, box 12, code W.
 - a. True
 - b. False

- Ed and Christine are married and will file a joint return.
- Ed is 47 years old, and Christine is 56 years old.
- Both were enrolled in self-only coverage High Deductible Health Plans (HDHPs) through their employers for the entire year of 2018.
- Ed and Christine each have an HSA.
- Both have contributed the maximum amounts to their HSAs in 2018.
- Ed and Christine are both U.S. citizens and have valid Social Security numbers.

HSA Scenario 2: Test Questions

- 4. The amount that can be contributed to an HSA depends on the following:
 - a. Taxpayer's age and type of HDHP coverage
 - b. Date the taxpayer became eligible
 - c. Date taxpayer ceases to be eligible
 - d. All of the above
- **5.** Ed and Christine are both eligible to make catch-up contributions to their individual HSAs.
 - a. True
 - b. False

- Judy Young is 58 years old.
- Judy is single, is not disabled, and has no dependents.
- In 2018, she had earnings from her job of \$24,300.
- Judy has participated in her employer's self-only HDHP coverage since June 1, 2018 when she started a new job.
- Judy was an eligible individual all year.
- Judy asked the HSA trustee from her previous job to rollover the balance of \$2,000 into the HSA at her new job.
- In 2018, Judy contributed \$975 to her HSA.
- In 2018, Judy took funds from her HSA to pay the following expenses:
 - Insulin \$275
 - Doctor visit \$185
 - Yoga classes \$480
 - Prescription medicine \$225
 - Premiums for COBRA coverage \$1,425
- Judy is a U.S. citizen and has a valid Social Security number.

HSA Scenario 3: Test Questions

- 6. The amount of Judy's HSA contribution reported on Form 8889, line 2 is \$975.
 - a. True
 - b. False
- 7. The amount of *total* distributions reported on Form 8889, line 14a is:
 - a. \$685
 - b. \$1,165
 - c. \$2,110
 - d. \$2,590
- 8. What is the amount reported on Form 8889, line 15?
 - a. \$460
 - b. \$685
 - c. \$2,110
 - d. \$2,590

- Carl, age 46, and Monica, age 42, are married and will file a joint return.
- They have two children, Adriane and Robert, whom they will claim as dependents on their joint return.
- Monica's cousin, Michael (age 29), came to live with them in July 2018. Michael does not qualify as their dependent, but they paid \$500 of Michael's medical bills in November 2018.
- · Carl was enrolled all year in an HDHP with family coverage.
- Carl has had an HSA for four years. He has no other health insurance.
- In 2018, Carl made regular contributions to his HSA totaling \$4,000.
- In 2018, Carl took \$1,800 from his HSA to pay the following medical expenses:
 - \$300 to purchase Monica's eyeglasses (needed for medical reasons).
 - \$725 health club membership for Carl.
 - \$250 for over-the-counter eye medicine for their son, Robert (no prescription from doctor).
 - \$525 for Adriane's physical therapy sessions.
- Carl, Monica, Adriane, Robert, and cousin Michael are all U.S. citizens and have valid Social Security numbers.

HSA Scenario 4: Test Questions

- **9.** The adjustment to income on Form 1040, Schedule 1, line 25 for Carl's HSA deduction is:
 - a. \$1,800
 - b. \$3,400
 - c. \$4,000
 - d. \$6,750
- 10. Whose qualified medical expenses can Carl include for HSA purposes?
 - a. Carl
 - b. Adriane and Robert
 - c. Carl, Monica, Adriane, and Robert
 - d. Carl, Monica, Adriane, Robert, and Michael
- **11.** On his Form 8889, Carl can include the \$300 to purchase Monica's eyeglasses as a qualifying medical expense for HSA purposes.
 - a. True
 - b. False

Use the interview notes, taxpayer documents, and reference materials needed for this scenario. **Please complete Form 1040 through line 15,** and the appropriate forms (including Form 8889), schedules, or work-sheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Peggy Walker, age 48, is a single parent raising her son, Marcus.
- Marcus is a full-time student and had no income.
- Peggy qualifies to file as Head of Household.
- Peggy does not have enough deductions to itemize.
- For the last five years, Peggy has had family health coverage through a High Deductible Health Plan (HDHP) from her employer.
- Peggy has had an HSA for several years.
- In 2018, she contributed \$1,500 to her HSA.
- Peggy's grandmother helped her out and contributed \$1,000 to her HSA in 2018.
- Peggy's employer also contributed \$600 to her HSA in 2018.
- Peggy paid the following expenses in 2018 using money from her HSA:
 - Urgent care bill for Peggy \$615
 - Prescription medicine for Peggy \$125
 - Insulin for Marcus \$140
 - Dancing lessons for Peggy \$200
 - Doctor visits for Marcus \$400
- Peggy and Marcus are U.S. citizens and have valid Social Security numbers.



Form 13614-C (October 2018)		Int				sury - Internal Qualit			heet			OMB N 1545-	
You will need: • Tax Information such as • Social security cards or • Picture ID (such as valid	ITIN letters f	or all pers	ons on vo	our tax r ur spou	return. Ise.	 Please complete pages 1-3 of this form. You are responsible for the information on your return complete and accurate information. If you have questions, please ask the IRS-certified volume 						19 20 20 20 20 20 20 20 20 20 20 20 20 20	
	Volunteer		and the second				Contraction of the second		ghest ethica x@irs.gov	l standards	s.		
Part I – Your Personal Inform	ation (If you a				our nam	es in the sa	ame orde						
1. Your first name PEGGY		M.I.		Last name WALKER					aytime telepl DUR PHONE		er Are yo X Ye	ou a U.S. cit s □	izen?] No
2. Your spouse's first name			Last n	ame				D	aytime telepl	none numb	er Is you □ Ye		U.S. citizen?] No
3. Mailing address 65421 SW 17TH ST							ity OUR CI	тү			State YS	1.775	IP code OUR ZIP
4. Your Date of Birth 05/20/1969	5. Your job t MANAGER	title		5-8560		, were you d permane		abled 🗌	Yes 🗶 N		-time stud ally blind	lent 🛛 Y	
7. Your spouse's Date of Birth	8. Your spor	use's job tit	e	100000		, was your id permane			Yes 🗆 N		-time stud ally blind		es □ No es □ No
10. Can anyone claim you or yo	our spouse as	a depende	ent?		X No	Unsu					-		
11. Have you, your spouse, or o	dependents b	een a victir	n of tax rel	ated ide	entity thef	t or been is	sued an	Identity P	rotection PIN	1?		□ Y	es 🛛 No
 As of December 31, 2018, w was your marital status? List the names below of: 	☐ Ma □ Di □ Le	ever Marrie arried vorced gally Sepa idowed	a. lf b. Di Da rated Da	Yes, Dio d you liv ate of fin ate of se	d you get ve with yo nal decree	married in our spouse aintenance	2018? during a	ny part of	civil unions, o	nonths of 20 	018?	Yes □ N Yes □ N	0
• everyone who lived with yo		· · · · · · · · · · · · · · · · · · ·		<i>)</i>)				If ac					st on page 3
anyone you supported but				110	Desident	Qiagle of	Euli time	Totally and					er Preparer
Name (first, last) Do not enter your name or spouse's name below (a)	Date of Birth (mm/dd/yy) (b)	Relationship to you (for example: son, daughter, parent, none, etc) (c)	Number of months lived in your home last year (d)	US Citizen (yes/no) (e)	Resident of US, Canada, or Mexico last year (yes/no) (f)	Single or Married as of 12/31/18 (S/M) (g)	Full-time Student last year (yes/no) (h)	Totally and Permanentil Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)		Did this person have less than \$4,150 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)
MARCUS WALKER	01/18/2007	SON	12	YES	YES	S	YES	NO					

Health Savings Accounts (HSA)

136

Yes	No	Unsure	Part III – Income – Last Year, Did You <i>(or Your Spouse)</i> Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1
	X		2. (A) Tip Income?
	X		3. (B) Scholarships? (Forms W-2, 1098-T)
	X		4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
	X		6. (B) Alimony income or separate maintenance payments?
	X		7. (A) Self-Employment income? (Form 1099-MISC, cash)
	X		8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
	\mathbf{X}		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)
	\bowtie		11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
	X		12. (B) Unemployment Compensation? (Form 1099G)
	X		13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
	\mathbf{X}		14. (M) Income (or loss) from Rental Property?
		\mathbf{X}	15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify
Yes	No	Unsure	Part IV – Expenses – Last Year, Did You <i>(or Your Spouse)</i> Pay
	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
	\mathbf{X}		2. Contributions to a retirement account? 🗌 IRA (A) 🗌 401K (B) 🗌 Roth IRA (B) 🗌 Other
	X		3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
			Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
	X		5. (B) Child or dependent care expenses such as daycare?
	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
	X		7. (A) Expenses related to self-employment income or any other income you received?
	X		8. (B) Student loan interest? (Form 1098-E)
Yes	No	Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
X			1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
	X		2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
	X		3. (A) Adopt a child?
	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
	\mathbf{X}		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
	X		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
	X		7. (A) Receive the First Time Homebuyers Credit in 2008?
	\boxtimes		8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?
	X		9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
	X		10. Receive a letter from the IRS?

Yes No	Unsure	Part VI - Hos	alth Care Cover	age - Last ve	ear, did you, your spouse, or d	ependent/e	=)		
			health care cover	-	an, and you, your spouse, or a	opendenti	,		
				U	s? (Check the box) 🛛 Form 10	095-B	Form 1095-C		
					place (Exchange)? [Provide For				
				•	ments made to help you pay yo		are premiums?		
					ur Form 1095-A being claimed o		anna i Annana ann an ann an an an an an an an an		
			an exemption g	No. 21 Sector States of March & Sector	a tradicio de la construcción de la				
				-	on 4012 and check the appropriate bo	v(ec) indicati	ng Minimum Essential Cover	ane (MEC) for evenion	e listed on the retur
10 00 001	<u></u>	a certified vo							
Taurauar	Name		MEC All Year	No MEC	Months with MEC		A M J J A S O N D	Exempt All Year	Notes
Taxpayer									
Spouse					JFMAMJJASON		AMJJASOND		
Depender	55				JFMAMJJASON		AMJJASOND		
Depender					JFMAMJJASON	and the second second	AMJJASOND		
Depender					JFMAMJJASON		AMJJASOND		
Part VII –	Additiona	I Information	and Questions	s Related to t	the Preparation of Your Return	n			
3. If you a 4. If you h	re due a re ave a bala	efund, would y	se if filing jointly, you like: a. Id you like to ma	, want \$3 to go Direct deposi Yes ake a payment	it b. To purchas ⊠ No □ Yes t directly from your bank account	X No t? □ Ye	rings Bonds c. To split y D U Yes Ps X No	🛛 No	
3. If you a 4. If you h Many free Your answ 5. Would y	re due a re ave a bala tax prepa vers will t rou say yo	efund, would y nce due, wou aration sites be used only u can carry of	se if filing jointly, you like: a. Id you like to ma operate by rece for statistical p m a conversation	, want \$3 to go Direct deposi Yes ake a payment eiving grant n purposes. n in English, bo	o to this fund X You it b. To purchas X No Yes t directly from your bank account money. The data from the follo oth understanding & speaking?	Se U.S. Sav ⊠ No ? □ Ye wing ques	ings Bonds c. To split y Yes X No tions may be used by the ell Well Not well	⊠ No his site to apply fo □ Not at all □ P	r these grants. refer not to answ
3. If you a 4. If you h Many free Your anso 5. Would y 6. Would y	e due a re ave a bala tax prepa wers will b you say yo you say yo	efund, would y nce due, wou aration sites be used only u can carry of u can read a	se if filing jointly, you like: a. Id you like to ma operate by rece for statistical p n a conversation newspaper or bo	, want \$3 to go Direct deposi Yes ake a payment eiving grant n purposes. h in English, bo pok in English?	o to this fund X You it b. To purchas ⊠ No Yes t directly from your bank account money. The data from the follow oth understanding & speaking? ? X Very well	Se U.S. Sav	ings Bonds c. To split y > >s X No X tions may be used by the ell Well Not well Not	⊠ No nis site to apply fo □ Not at all □ P nt at all □ P	r these grants. refer not to answ
3. If you a 4. If you h Many free Your answ 5. Would y 6. Would y 7. Do you	re due a re ave a bala tax prepa wers will t rou say yo rou say yo or any me	efund, would y nce due, wou aration sites be used only u can carry of u can read a mber of your	se if filing jointly, you like: a. Id you like to ma operate by rece for statistical p m a conversation	, want \$3 to go Direct deposi □ Yes kke a payment eiving grant n burposes. n in English, bo pok in English? a disability?	o to this fund X You it b. To purchas X No Yes t directly from your bank account money. The data from the follow oth understanding & speaking? ? X Very well ☐ Yes	Se U.S. Sav ⊠ No ? □ Ye wing ques	ings Bonds c. To split y Yes X No tions may be used by the ell Well Not well	⊠ No his site to apply for □ Not at all □ P ht at all □ P er	r these grants.
3. If you a 4. If you h Many free Your answ 5. Would y 6. Would y 7. Do you	re due a re ave a bala tax prepa vers will b rou say yo rou say yo or any me or your sp	efund, would y nce due, wou aration sites be used only u can carry ou u can read a mber of your pouse a Veter	se if filing jointly, you like: a. Id you like to ma operate by rece for statistical p in a conversation newspaper or bo household have	, want \$3 to go Direct deposi □ Yes kke a payment eiving grant n burposes. n in English, bo pok in English? a disability?	o to this fund X You it b. To purchas X No Yes t directly from your bank account money. The data from the follow oth understanding & speaking? ? X Very well ☐ Yes	Se U.S. Sav X No Se U.S. Sav No Ne Ne Se U.S. Sav No No Sav Sav Sav Sav Sav Sav Sav Sav	ings Bonds c. To split y Yes X No tions may be used by the ell Well Not well Not well Not onswer	⊠ No his site to apply for □ Not at all □ P ht at all □ P er	r these grants. refer not to answ
3. If you a 4. If you h Many free Your answ 5. Would y 6. Would y 7. Do you 8. Are you Additional	re due a re ave a bala tax prepa wers will b rou say yo or any me or your sp comments	efund, would y nce due, wou aration sites be used only u can carry ou u can read a mber of your bouse a Veter	se if filing jointly, you like: a. Id you like to ma operate by rece for statistical p in a conversation newspaper or bo household have an from the U.S.	, want \$3 to ga Direct deposi □ Yes ake a payment eiving grant m burposes. n in English, bo bok in English? a disability? . Armed Force	o to this fund You it b. To purchas No Yes t directly from your bank account money. The data from the follow oth understanding & speaking? Yery well Yes es? Yes rivacy Act and Paperwork Reduct	se U.S. Sav X No R? Ye wing ques Very we Well No X No X No	ings Bonds c. To split y Yes X No tions may be used by the ell Vell Not well Not well Not well Prefer not to answer Prefer not to answer ice	⊠ No his site to apply for □ Not at all □ P of at all □ P er er er	r these grants. refer not to answ refer not to answ
3. If you a 4. If you h Many free Your answ 5. Would y 5. Would y 7. Do you 8. Are you Additional	Act of 1974 r e the request avers will b vou say yo or any me or your sp comments	equires that when the your respon st and/or particip on Sites or Outree	se if filing jointly, you like: a. Id you like to ma operate by rece for statistical p in a conversation newspaper or bo household have an from the U.S.	, want \$3 to go Direct deposi □ Yes ake a payment eiving grant m burposes. n in English, bo bok in English? a disability? . Armed Force Pr tion we tell you ou iired to obtain a b inteer income tax formation may als also to use your a is 1545-1964. Als	o to this fund You it b. To purchas No Yes t directly from your bank account money. The data from the follow oth understanding & speaking? Yes es? Yes	se U.S. Sav X No Se U.S. Sav No Seven a seven as Seven a seven as Seven as Seve	ings Bonds c. To split y by Yes is X No tions may be used by th ell Well Not well Not well Not well Prefer not to answe Prefer not to answe Prefer not to answe State of the second Not well A Not Prefer not to answe Not well A Not Not well A Not Prefer not to answe Not well A Not Prefer not to answe State of the second Not well A Not Not well A Not Not Not well A Not Not Not well A Not Not Not Not Not Not Not Not	No Not at all □ P t at all □ P t at all □ P t t at all □ P t d. We must also tell you ing for this information to others who coordinate a ers. Your response is vo aly an OMB control num	what could happen o assist us in contac ctivities and staffing Juntary. However, if ber on all public

138

Health Savings Accounts (HSA)

			e's social security number	OMB No. 1545	-0008	Safe, accurate, FAST! Use	≁ file	Visit th www.i	ne IRS website at irs.gov/efile	
50	oyer identification numbe	r (EIN)			1 Wa	ges, tips, other compensation 34.620.00	2 Fede	2 Federal income tax withheld 2,369.00		
c Emple WILI 2520	Employer's name, address, and ZIP code WILLIAMS MANUFACTURING 2520 AUSTIN BLVD YOUR CITY, STATE ZIP					3 Social security wages 4 Social security tax w 34,620.00 2,14 5 Medicare wages and tips 6 Medicare tax withhe			tax withheld	
d Contr	rol number				9 Ve	rification code	10 Depe	endent care	e benefits	
PEG 6542 YOL	oyee's first name and init GGY WALKER 21 SW 17TH ST JR CITY, STATE oyee's address and ZIP c	ZIP	ne	Suff.	11 No		12a See 9 12b 0 0 12b 0 0 0 12c 0 0 0 0 0 0 0 0 0 0 0 0 0		is for box 12 600.00	
15 State YS	Employer's state ID no 44-100XXXX	umber	16 State wages, tips, etc. 34,620.00	17 State incom 456.00	e tax	18 Local wages, tips, etc.	19 Local inc	ome tax	20 Locality nam	
-orm V	N-2 Wage a Statem		DERAL Tax Return.	2016)	Department o	of the Treasu	ry—Interna	I Revenue Servic	

country, ZIP or foreign postal	JSTEE OF AMERICA		OMB No. 1545-1517	Distributions From an HSA Archer MSA, or Medicare Advantage MSA
PAYER'S TIN	RECIPIENT'S TIN	1 Gross distribution	2 Earnings on excess co	ont. Copy E
44-400XXXX	441-00-XXXX	\$ 1,480.00	\$	For
RECIPIENT'S name		3 Distribution code	4 FMV on date of death	Recipient
PEGGY WALKER		1	\$	
Street address (including apt. 65421 SW 17TH ST City or town, state or province YOUR CITY, STAT	REET e, country, and ZIP or foreign postal code	5 HSA 🗶 Archer MSA MA MSA		This informatior is being furnished to the IRS
Account number (see instruct	ions)			
Form 1099-SA	(keep for your records)	www.irs.gov/Form1099	SA Department of the Trea	sury - Internal Revenue Service

- **12.** The amount of Peggy Walker's HSA deduction on Form 8889, line 13 is \$2,500.
 - a. True
 - b. False
- 13. How much of Peggy's HSA distribution is taxable?
 - a. \$0
 - b. \$125
 - c. \$140
 - d. \$200
- 14. The amount of qualified medical expenses reported on Form 8889, line 15 is \$_____.
- 15. What is the amount of the additional 20% tax reported on Form 8889, line 17b?
 - a. \$0
 - b. \$40
 - c. \$108
 - d. \$188



Health Savings Accounts – Retest Questions

Directions

These first four scenarios do not require you to prepare a tax return. Read the interview notes for each scenario and use your training and resource materials to answer the questions.

HSA Scenario 1: Leo Williams

Interview Notes

- Leo Williams is single and 45 years old.
- Leo works as an IT manager and his Form W-2 shows wages of \$47,250.
- Leo participated in his employer's self-only coverage High Deductible Health Plan (HDHP) all year.
- Leo does not have any other health coverage.
- Leo has had an HSA for two years.
- Leo's employer contributed \$1,500 in 2018 to Leo's HSA.
- In 2018, Leo's aunt contributed \$1,900 to Leo's HSA.
- Leo is a U.S. citizen and has a valid Social Security number.

HSA Scenario 1: Retest Questions

- 1. For Leo to be an eligible individual and qualify for an HSA, which of the following must be true?
 - a. He cannot be claimed as a dependent on someone else's return.
 - b. He must have an HDHP and cannot be enrolled in Medicare
 - c. He cannot have any other health coverage.
 - d. All of the above
- 2. Where on Form 1040, Schedule 1, would Leo report his HSA deduction?
 - a. Additional income section
 - b. Adjustments to income section
 - c. None of the above
- 3. Employer contributions to an HSA are reported on an employee's Form W-2.
 - a. True
 - b. False

- Ed and Christine are married and will file a joint return.
- Ed is 47 years old, and Christine is 56 years old.
- Both were enrolled in self-only coverage High Deductible Health Plans (HDHPs) through their employers for the entire year of 2018.
- Ed and Christine each have an HSA.
- Both have contributed the maximum amounts to their HSAs in 2018.
- Ed and Christine are both U.S. citizens and have valid Social Security numbers.

HSA Scenario 2: Retest Questions

- 4. Ed and Christine can have a joint HSA.
 - a. True
 - b. False
- Because Christine is age 55 or older, she is eligible to increase her HSA contribution by \$_____.

Interview Notes

- Judy Young is 58 years old.
- Judy is single, is not disabled, and has no dependents.
- In 2018, she had earnings from her job of \$24,300.
- Judy has participated in her employer's self-only HDHP coverage since June 1, 2018 when she started a new job.
- Judy was an eligible individual all year.
- Judy asked the HSA trustee from her previous job to rollover the balance of \$2,000 into the HSA at her new job.
- In 2018, Judy contributed \$975 to her HSA.
- In 2018, Judy took funds from her HSA to pay the following expenses:
 - Insulin \$275
 - Doctor visit \$185
 - Yoga classes \$480
 - Prescription medicine \$225
 - Premiums for COBRA coverage \$1,425
- Judy is a U.S. citizen and has a valid Social Security number.

HSA Scenario 3: Retest Questions

- 6. Judy will report her HSA contribution on Form 8889, line 2.
 - a. True
 - b. False
- 7. Judy will receive Form 1099-SA that reports her HSA distribution.
 - a. True
 - b. False
- **8.** Which of the following expenses will not be included on Judy's Form 8889, line 15?
 - a. Insulin
 - b. Doctor visit
 - c. Premiums for COBRA coverage
 - d. Yoga classes

Interview Notes

- Carl, age 46, and Monica, age 42, are married and will file a joint return.
- They have two children, Adriane and Robert, whom they will claim as dependents on their joint return.
- Monica's cousin, Michael (age 29), came to live with them in July 2018. Michael does not qualify as their dependent, but they paid \$500 of Michael's medical bills in November 2018.
- Carl was enrolled all year in an HDHP with family coverage.
- · Carl has had an HSA for four years. He has no other health insurance.
- In 2018, Carl made regular contributions to his HSA totaling \$4,000.
- In 2018, Carl took \$1,800 from his HSA to pay the following medical expenses:
 - \$300 to purchase Monica's eyeglasses (needed for medical reasons).
 - \$725 for a health club membership for Carl.
 - \$250 for over-the-counter eye medicine for their son, Robert (no prescription from doctor).
 - \$525 for Adriane's physical therapy sessions.
- Carl, Monica, Adriane, Robert, and cousin Michael are all U.S. citizens and have valid Social Security numbers.

HSA Scenario 4: Retest Questions

- 9. Carl's HSA deduction amount on Form 1040, Schedule 1, line 25, is \$_____.
- **10.** The amount Carl paid for his health club membership is a qualified medical expense for HSA purposes.
 - a. True
 - b. False
- **11.** What is the total amount of **unqualified** medical expenses paid by Carl for HSA purposes?
 - a. \$250
 - b. \$975
 - c. \$1,075
 - d. \$1,325

Refer to the scenario information for Peggy Walker beginning on page 135.

HSA Scenario 5: Retest Questions

- 12. The amount Peggy Walker will report on her Form 8889, line 13 is:
 - a. \$600
 - b. \$1,500
 - c. \$2,500
 - d. \$3,100
- **13.** Peggy Walker's total income includes a taxable HSA distribution of \$200.
 - a. True
 - b. False
- 14. Which expense is not reported on Form 8889, line 15?
 - a. Insulin
 - b. Doctor's visit
 - c. Dancing lessons
 - d. Prescription medicine
- **15.** Peggy must pay an additional 20% tax on the portion of her HSA distribution that was not used for unreimbursed qualified medical expenses.
 - a. True
 - b. False

146

Federal Tax Law Update Test for Circular 230 Professionals

Directions

Read each question carefully and use your training and resource materials to answer the questions. All questions are based on calendar-year taxpayers.

Test Questions

- **1.** Pete and Shirley are filing a joint return. They have two dependent children. What is the total amount of their exemptions for tax year 2018?
 - a. \$0
 - b. \$4,050
 - c. \$8,100
 - d. \$16,200
- **2.** Bill and Martha are filing a joint return. They are both over 65 years old. Neither of them are blind. What is their standard deduction?
 - a. \$0
 - b. \$12,000
 - c. \$24,000
 - d. \$26,600
- **3.** Sarah's divorce was finalized on March 4, 2018. As ordered in the divorce decree, Sarah received \$14,000 in alimony for the year. Sarah is not required to include any of the alimony income on her tax return.
 - a. True
 - b. False
- ITINs that have not been used on a federal tax return at least once in the last ______ consecutive years will expire.
 - a. Two
 - b. Three
 - c. Four
 - d. Five

- **5.** Which of the following statements is **false** regarding the deduction for qualified business income (QBI)?
 - a. The deduction changes the calculation of self-employment tax.
 - b. Taxable income is not reduced below zero by the deduction.
 - c. The deduction is limited for higher incomes and for specified service trades or businesses.
 - d. A sole proprietor may be able to deduct up to 20% of QBI.
- **6.** A taxpayer can claim a coverage exemption for him/herself or another member of the tax household for any month in which:
 - The individual is eligible for coverage under an employer plan and that coverage is considered unaffordable, or
 - The individual isn't eligible for coverage under an employer plan and the coverage available for that individual through the Marketplace is considered unaffordable.

Coverage is considered unaffordable if the individual's **required contribution** is more than _____ of household income.

- a. 8.05%
- b. 8.12%
- c. 8.16%
- d. 8.20%
- **7.** Taxpayers who itemize their deductions for tax year 2018 are subject to a _____ AGI threshold for medical and dental expenses.
 - a. 0%
 - b. 2%
 - c. 7.5%
 - d. 10%

- **8.** Ed is single with no dependents. He has receipts for the expenses listed below that he paid in 2018. His AGI is \$100,000. Under the Tax Cuts and Jobs Act, what are his total itemized deductions for 2018?
 - \$8,000 in unreimbursed medical expenses
 - \$5,400 in state and local income taxes
 - \$6,000 in real estate taxes
 - \$400 in ad valorem personal property taxes
 - \$4,300 in mortgage interest
 - \$1,800 in interest from a home equity loan used to pay credit card debt
 - \$2,000 in charitable contributions
 - \$600 in dues to professional organizations
 - \$180 for a safe deposit box rental
 - \$200 for subscriptions to professional journals
 - \$225 in tax preparation fees
 - \$1,000 in union dues
 - a. \$16,300
 - b. \$16,800
 - c. \$17,005
 - d. \$18,600
 - e. \$20,605
- 9. Which of the following statements are **false**? (Select all that apply)
 - a. The maximum nonrefundable amount of the child tax credit is \$1,000 per qualifying child.
 - b. The maximum nonrefundable amount of the new credit for other dependents is \$500 per qualifying dependent.
 - c. The amount of the refundable additional child tax credit is limited to \$1,400 per qualifying child.
 - d. Children with an ITIN qualify for the child tax credit and the additional child tax credit.

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

Interview Notes

- Fran's husband died in March 2015. Fran filed a joint return with her husband for 2015. She has not remarried.
- Fran provided the entire cost of maintaining the household and all the support for her children, Mary and Oliver, in 2018.
- Fran's older brother, Henry, lives with her and is permanently and totally disabled. He received disability income which he used to provide more than half of his own support.
- Fran paid for Oliver to attend daycare while Fran worked.
- In September 2018, Fran's daughter, Mary, enrolled in college to pursue a bachelor's degree. She had no previous post-secondary education and does not have a felony drug conviction. Yuma College is a qualified educational institution.
- Fran brought a Form 1098-T and an account statement from the college. The terms of Mary's scholarship require that it be used to pay for tuition. Mary's purchases at the college bookstore were for course-related books.
- Fran took a distribution from her IRA and used all of the distribution to pay for some of Mary's education expenses. All her IRA contributions were deductible in the year she made them.
- Fran received a Form 1099-C for cancelled credit card debt. Using the insolvency determination worksheet in Publication 4012, you helped Fran determine the value of her assets exceeded her liabilities and that she was solvent at the time the credit card debt was cancelled.
- Fran did not have minimum essential health care coverage (MEC) all year. Mary, Oliver, and Henry had MEC all year. For the purposes of this scenario, assume Fran does not qualify for any exemption.



Form 13614-C (October 2018)		Int				Qualit			heet				Number 5-1964
You will need: • Tax Information such as • Social security cards or • Picture ID (such as valid	ITIN letters a driver's lice	for all pers ense) for yo	ons on yo ou and yo	ur spol	ise.	 You are complete If you here the second second	e responete and a nave que	nsible for accurate i estions, p	1-3 of this formation. If the information. Iease ask th	tion on yo ne IRS-cer	tified volu	1.00 E.000 D	
		To rep	ort unethi	cal beh	avior to t	the IRS, er	nail us a	at <u>wi.volta</u>	hest ethica x@irs.gov		s.		
Part I – Your Personal Inform	ation (If you	are filing a	oint return	, enter	your nam	es in the sa	ame orde	er as last y	ear's return)	8	<u>15</u>		
l. Your first name F RAN		M.I.	Last n ROLL						aytime telepl DUR PHONE		er Are yo	buaU.S.c s [itizen? ⊒ No
2. Your spouse's first name		M.I.	Last n	ame				D	aytime telep	hone numb	er Is you		U.S. citizen?
3. Mailing address 300 DAKOTA CIRCLE							ity OUR CI	TY			State YS		ZIP code YOUR ZIP
4. Your Date of Birth	5. Your job					, were you			12/052508		II-time stud	lent 🗌 `	Yes 🕅 No
04/15/1975	MANAGEM	IENT ASSIS	TANT			nd permane			Yes 🗶 N		gally blind	Kenned	Yes 🛛 No
7. Your spouse's Date of Birth	8. Your spo	ouse's job tit	e	0,000		, was your					II-time stud	lent 🗌 `	Yes 🗌 No
						nd permane		abled	Yes 🗌 N	lo c. Le	gally blind		Yes 🗌 No
10. Can anyone claim you or yo] Yes	🛛 No	🗌 Unsu							
11. Have you, your spouse, or			the second s	lated ide	entity thef	t or been is	sued an	Identity P	rotection PIN	٧?			Yes 🛛 No
Part II – Marital Status and			10100										
1. As of December 31, 2018, w		ever Marrie	000 M (25.2					tnerships,	civil unions,	or other for			ler state law)
was your marital status?	□ M	larried		2010/02/07/07/07/07		married in		-				Yes 🔲 I	
		2			and a file of a second second		during a	ny part of	the last six n	nonths of 2	018?	Yes 🗌 🛛	No
		ivorced	10 10 10 10		nal decree	New Address							
		egally Sepa	anaa - 1966		21.11 20 2 년 2일 전	aintenance	e agreen	1969 (1969) - 19 60 - 1 969 (1969)		_			
	× w	/idowed	Ye	ear of sp	ouse's de	eath		2015	2				
 List the names below of: everyone who lived with yo 	ou last year (c	other than ye	our spouse	e)				If ad	ditional space	e is neede	d check he	ere 🗌 and	list on page 3
anyone you supported but	did not live w	rith you last	year						To be co		y a Certifi	ed Volunt	eer Preparer
Name (<i>first, last</i>) 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 12/31/18 (S/M)	Full-time Student last year (yes/no)	Totally and Permanentl 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?	Did this person have less than \$4,150 of income? (yes/no)	Did the taxpayer(s) provide mor than 50% of support for this person? (yes/no/N/A)	half the cost of maintaining a home for this
1776	4	(c)	(d)	(e)	(f)	(g)	(h)	(i)		(yes/no)			(yes/no)
(a)	(b)	The second second second second			VEO	S	YES	NO					
MARY ROLLINS	08/01/98	DAUGHTER		YES	YES							-	_
5.2		DAUGHTER SON BROTHER	12 12 12	YES YES YES	YES	S S	YES	NO YES					

es	No	Unsure	Part III – Income – Last Year, Did You (or Your Spouse) Receive
X			1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1
ן כ	X		2. (A) Tip Income?
3			3. (B) Scholarships? (Forms W-2, 1098-T)
]	X		4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
]	X		5. (B) Refund of state/local income taxes? (Form 1099-G)
]	X		6. (B) Alimony income or separate maintenance payments?
]	X		7. (A) Self-Employment income? (Form 1099-MISC, cash)
]	X		8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
1	×		9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)
]	\mathbf{X}		10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
]			11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)
1	X		12. (B) Unemployment Compensation? (Form 1099G)
	X		13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
ונ	\bowtie		14. (M) Income (or loss) from Rental Property?
3			15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify FORM 1099-C
s	No	Unsure	Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay
1	X		1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No
	\mathbf{X}		2. Contributions to a retirement account? 🛛 IRA (A) 🗌 401K (B) 🗌 Roth IRA (B) 🗌 Other
3			3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
1	X		4. (A) Deductions: 🗌 Medical & Dental (including insurance premiums) 🗌 Mortgage Interest (Form 1098)
	48	0.00	Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions
			5. (B) Child or dependent care expenses such as daycare?
1	X		6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
]	X		7. (A) Expenses related to self-employment income or any other income you received?
Ľ.	×		8. (B) Student loan interest? (Form 1098-E)
s	No	Unsure	Part V – Life Events – Last Year, Did You (or Your Spouse)
	X		1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
1			2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)
	X		3. (A) Adopt a child?
]	X		4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?
1	\boxtimes		5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
1	×		6. (B) Live in an area that was declared a Federal disaster area? If yes, where?
	X		7. (A) Receive the First Time Homebuyers Credit in 2008?
	X		8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?
	X		9. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?
]			

152

Chec	k ann	ronriate	hoy for each	question in ea	ch section														Page
Yes				alth Care Cover		ar. did	vou. v	our sp	ouse. or	depe	ndent(s	5)							
		X		health care cove															
	X		2. (B) Recei	ive one or more	of these forms	? (Che	ck the	box)	🗌 Form	1095	-в 🗆	Form	1095	5-C					
	X		3. (A) Have	coverage throug	h the Market	blace (E	Exchar	ge)? [F	rovide F	orm 1	095-A]								
			3a. (A) If	yes, were adva	nce credit pay	ments	made t	o help	you pay	our h	ealth ca	are pre	miums	s?					
			3b. (A) If	yes, Is everyon	e listed on you	ır Form	1095-	A bein	claimed	on th	is tax re	eturn?							
	\mathbf{X}		4. (B) Have	an exemption g	ranted by the l	Market	place?												
To be	Com	pleted by	a Certified Vo	lunteer Preparer	(Use Publication	n 4012 a	nd che	ck the a	propriate	box(es	s) indicati	ng Mini	mum E	ssent	ial Cove	rage (ME	EC) for eve	ryone list	ed on the return.
		Name	V.	MEC All Year	No MEC		Mon	hs with	MEC		Mc	onths v	/ith Ex	emp	tion	Exen	npt All Ye	ar	Notes
Тахр	ayer					JFN	AAN	1 J J .	ASO1	۱D	JFM	ΑΜ	JJA	AS	OND				
Spou	se					JFN	AAN	1 J J .	ASOI	۱D	JFM	ΑΜ	JJA	AS	OND				
Depe	ndent	l				JFN	/ A N	1 J J .	1024	۱D	JFM	ΑΜ	JJA	AS	OND				
Depe	ndent	L.				JFN	/ A N	1 J J	1024	۱D	JFM	ΑΜ	JJA	AS	OND)			
Depe	ndent	L.	Ī			JFN	/ A N	1 J J .	1024	۱D	JFM	ΑΜ	JJA	AS	OND)			
Part \	/II – A	dditiona	I Information	and Questions	Related to t	he Pre	paratio	on of Y	our Retu	Irn									
			Concerned and the second second second	onal) (this email a							ernal Re	venue	Servi	ce)					
				Fund (If you che						9)									
		0.00 approx. *0.000000	이 것은 것 같은	se if filing jointly	이 옷을 알 수 있는 것을 알 수 있는 것을 하는 것을 통했다.		fund		X You		🗌 Sp			1.22					
3. If y	ou are	e due a re	efund, would y		Direct deposit Yes	t D M	lo		To purch	iase l	J.S. Sav X No		onds		o split		und betw	een diffe	erent accounts
4. If y	ou ha	ve a bala	nce due, wou	ld you like to ma	ke a payment			your ba	nk accou	int?	□ Ye		X	No					
Many	free	tax prep	aration sites	operate by rece	iving grant n						ng ques	tions			ed by	this site	e to apply	for the	se grants.
				for statistical p															
				n a conversation			erstand					ell 🗌	Well		lot wel				
				newspaper or bo		?			ery well		Well		Not w			ot at all	C] Prefei	not to answe
				household have				XY	es		No				to ansv				
8. Are	you o	or your s	pouse a Veter	an from the U.S.	Armed Force	s?		□ Y	es	\boxtimes	No		Prefe	r not	to ansv	/er			
Additi	onal o	comment	5																
-					Pr	ivacy A	ct and	Paperv	ork Redu	ction	Act Noti	ice							
				n we ask for informa	910 129		0.74 Holder Inc. 275		Provide the second states and				And the state of the state		-				

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers. Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs. The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1964. Also, if you have any comments regarding the time estimates associated with this study or suggestion on making this process simpler, please write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:TT:SP, 1111 Constitution Ave. NW, Washington, DC 20224



153

b Employer identification number 34-600XXXX	er (EIN)			1 Wa	ges, tips, other compensation 36.300.00	2 Fe	2 Federal income tax withheld 2,200.00		
c Employer's name, address, ar	d ZIP code			3 So	cial security wages	4 Sc	cial security		
GILMER CORP					36,300.00		2,250	200	
2250 DELTA AVENU	F			5 Me	dicare wages and tips 36,300.00	6 M	edicare tax w 526.		
YOUR CITY, STATE	270		1	7 So	cial security tips	8 AI	8 Allocated tips		
d Control number				9 Ve	rification code	10 De	ependent car	e benefits	
e Employee's first name and init	ial Last nan	ne	Suff.	11 No	nqualified plans	C ed +	ee instructior	ns for box 12	
FRAN ROLLINS 300 DAKOTA CIRCL	E			13 Stal	oloyee plan sick pay	12b	ĩ		
YOUR CITY, STATE	2000 Contractor		5	14 Oth		4 12c			
reek en i, eraiz						Cod	1		
						12d			
f Employee's address and ZIP c	ode					og e			
15 State Employer's state ID n YS 34-600XXXX	1.1.1.1.1.2	16 State wages, tips, etc. 36,300.00	17 State incom 1,472.00		18 Local wages, tips, etc.	19 Local	income tax	20 Locality name	
1									
W-2 Wage a	nd Tax	-	2016	1	Department	of the Trea	surv-Interna	al Revenue Servic	

PAYER'S name, street address country, and ZIP or foreign po		r province,	1	Gross distributio	m	OM	B No. 1545-0119	Distributions From Retirement Plans,
PRAIRIE BANK CUST			\$ 3,200.00		2018		Insurance Contracts etc	
FOR THE IRA OF FRAN ROLLINS 1727 OSAGE WAY				Taxable amount	able amount			Contracts, etc.
YOUR CITY, STATE ZI	P		\$	3,200.00		Fo	m 1099-R	
TOOK ON T, STATE 2			2b	Taxable amount not determined			Total distribution	Copy B Report this
PAYER'S TIN	RECIPIENT'S TIN		3	Capital gain (inc in box 2a)	luded	4	Federal income tax withheld	income on your federal tax return. If this
30-600XXXX	601-00-XXXX		\$			\$	320.00	form shows federal income
FRAN ROLLINS		5 \$	Employee contrib Designated Roth contributions or insurance premiu	2	6 \$	Net unrealized appreciation in employer's securitie	s tax withheld in box 4, attach this copy to your return.	
Street address (including apt.	no.)		7	Distribution code(s)	IRA/ SEP/ SIMPLE	8	Other	This information is
300 DAKOTA CIRCLE				1		\$		% being furnished to
City or town, state or province, or YOUR CITY, STATE ZI		gn postal code	9a	Your percentage o distribution		9b	Total employee contributio	
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement	12 \$	State tax withheld	ł	13	State/Payer's state no	 a. 14 State distribution \$
5			\$					\$
Account number (see instruction	s)		15 \$	Local tax withheld	4	16	Name of locality	17 Local distribution \$
			\$					\$

CREDITOR'S name, street add ZIP or foreign postal code, and	ress, city or town, state or province, country, I telephone no.	1 Date of identifiable event 06/15/18	OMB No. 1545-1424		
PRAIRIE BANK		2 Amount of debt discharged \$ 600 00 2018		Cancellation	
1727 OSAGE WAY		\$ 600.00		of Deb	
YOUR CITY, STAT	E ZIP	3 Interest if included in box 2 \$	Form 1099-C		
CREDITOR'S TIN	DEBTOR'S TIN	4 Debt description	6. Ø	Copy E	
30-600XXXX	601-00-XXXX	CREDIT CARD		For Debto	
DEBTOR'S name FRAN ROLLINS				This is important ta information and is bein furnished to the IRS, you are required to file	
Street address (including apt. r 300 DAKOTA CIRC		5 If checked, the debtor was p repayment of the debt		sanction may be	
City or town, state or province YOUR CITY, STATE	country, and ZIP or foreign postal code			imposed on you i taxable income result from this transaction and the IBS determine	
Account number (see instruction	ons)	6 Identifiable event code	7 Fair market value of prop	erty that it has not bee	
1		G	\$	reported	

FILER'S name, street address, city or foreign postal code, and telephone no	town, state or province, country, ZIP or umber	1 Payments received for qualified tuition and related expenses	OMB No. 1545-1574	
YUMA COLLEGE		\$ 6,800.00	2018	Tuition
10 COLLEGE AVE YOUR CITY, STATE ZIP		2		Statement
· · · · · · · · · · · · · · · · · · ·			Form 1098-T	
FILER'S employer identification no.	STUDENT'S TIN		ducational institution changed	Copy E
37-700XXXX	602-00-XXXX	its reporting method for 201	° 🗌	For Student
STUDENT'S name MARY ROLLINS		4 Adjustments made for a prior year	5 Scholarships or grants \$ 3,500.00	This is importan tax informatior and is being furnished to the
Street address (including apt. no.) 300 DAKOTA CIRCLE		6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 includes amounts for an	IRS. This form must be used to
City or town, state or province, count YOUR CITY, STATE ZIF	Generation of the sector of the sector of the sector	\$	academic period beginning January – March 2019	complete Form 8860 to claim education credits. Give it to the
Service Provider/Acct. No. (see instr.	8 Check if at least half-time student	9 Checked if a graduate student	10 Ins. contract reimb./refund	tax preparer or use it to prepare the tax return



Statement of Account

December 31, 2018

Mary Rollins

Student ID 602-00-XXXX

Date	Transaction	Amount Billed	Amount Paid
08/30/2018	Tuition – Fall Semester 2018	+\$6,800.00	
08/30/2018	Scholarship		-\$3,500.00
09/03/2018	Meal plan	+\$ 320.00	
09/03/2018	Parking pass	+\$ 75.00	
09/04/2018	Campus Bookstore charge to student account	+\$ 525.00	
09/05/2018	Payment – check #1234		-\$4,220.00

12/31/2018 Account Balance.....\$0.00

River's Child Care	303 Twiggs Trail Your City, Your State Your Zip Ph: (555) 555-5555
December 31, 2018	
Received from Fran Rollins:	
\$4,000 for after-school care for Oliver Ro	ollins
\$4,000 Total amount received for child c	are in 2018
Ellen River	
EIN: 35-900XXXX	

Fran Rollins 300 Dakota Circle	1234	
Your City, State 00000	20	
PAY TO THE ORDER OF	\$\$	
	DOLLARS	
Adelphi Bank and Trust Anytown, State 00000		
For		
:111000025 : 123456789	1234	

- 10. Which allowable filing status is most advantageous to Fran?
 - a. Qualifying Widow
 - b. Single
 - c. Married Filing Separately
 - d. Head of Household
- 11. Henry is Fran's qualifying person for which of the following?
 - a. Credit for other dependents
 - b. Child tax credit
 - c. Earned income credit
 - d. All of the above
- **12.** What is the total amount of qualified educational expenses used in the calculation of Fran's American opportunity credit? \$_____.
- 13. What is the amount of Fran's shared responsibility payment?
 - a. \$0
 - b. \$695
 - c. \$1,295
 - d. \$1,390
- 14. Mary and Oliver are Fran's qualifying children for which of the following?
 - a. Child tax credit for both Mary and Oliver
 - b. The credit for other dependents for both Mary and Oliver
 - c. Child tax credit for Oliver and the credit for other dependents for Mary
 - d. The child tax credit for Oliver and no other credits for Mary
- **15.** Which exception can Fran use to avoid the 10% additional tax on the early distribution from her IRA on Form 5329?
 - a. She does not qualify for an exception
 - b. Distribution made for higher education expenses
 - c. Distribution made for purchase of a first home
 - d. Distribution due to total and permanent disability



Read each question carefully and use your training and resource materials to answer the questions. All questions are based on calendar-year taxpayers.

Retest Questions

- 1. Pete and Shirley are filing a joint return. They have two dependent children. The total amount of their exemptions for tax year 2018 is \$16,600.
 - a. True
 - b. False
- 2. Bill and Martha are filing a joint return. They are both over 65 years old. Neither of them are blind. What is their standard deduction? \$_____.
- **3.** Sarah's divorce was finalized on March 4, 2018. As ordered in the divorce decree, Sarah received \$14,000 in alimony for the year. How much of the alimony income must be included on Form 1040?
 - a. \$0
 - b. \$7,000
 - c. \$11,900
 - d. \$14,000
- **4.** An ITIN will expire if not used on at least one tax return for a period of two consecutive taxable years.
 - a. True
 - b. False
- **5.** Which of the following statements is **true** regarding the deduction for qualified business income (QBI)?
 - a. The deduction changes the calculation of self-employment tax.
 - b. Taxable income is reduced below zero by the deduction.
 - c. The deduction is not limited by income or service trade or business.
 - d. A sole proprietor may be able to deduct up to 20% of QBI.

- **6.** Taxpayers are eligible for the affordability exemption if the individual's required contribution is more than ______ of household income for 2018.
 - a. 8.05%
 - b. 8.12%
 - c. 8.16%
 - d. 8.20%
- 7. When itemizing deductions for tax year 2018, the 7.5% threshold for medical and dental expenses for taxpayers who have attained the age of 65 has expired. All taxpayers are now subject to a 10% AGI threshold.
 - a. True
 - b. False
- **8.** Ed is single with no dependents. He has receipts for the expenses listed below that he paid in 2018. His AGI is \$100,000. What are his total itemized deductions?
 - \$_____
 - \$8,000 in unreimbursed medical expenses
 - \$5,400 in state and local income taxes
 - \$6,000 in real estate taxes
 - \$400 in ad valorem personal property taxes
 - \$4,300 in mortgage interest
 - \$1,800 in interest from a home equity loan used to pay credit card debt
 - \$2,000 in charitable contributions
 - \$600 in dues to professional organizations
 - \$180 for a safe deposit box rental
 - \$200 for subscriptions to professional journals
 - \$225 in tax preparation fees
 - \$1,000 in union dues
- 9. Which of the following statements are true? (Select all that apply)
 - a. The maximum nonrefundable amount of the child tax credit is \$1,000 per qualifying child.
 - b. The maximum nonrefundable amount of the new credit for other dependents is \$500 per qualifying dependent.
 - c. The amount of the refundable additional child tax credit is limited to \$1,400 per qualifying child.
 - d. Children with an ITIN no longer qualify for the child tax credit or the additional child tax credit.

Read the information for Fran Rollins beginning on page 150.

- 10. Head of Household is the most advantageous allowable filing status Fran can use.
 - a. True
 - b. False
- 11. How many qualifying persons does Fran have for the earned income credit?
 - a. 0
 - b. 1
 - c. 2
 - d. 3
- **12.** The total amount of qualified educational expenses used in the calculation of Fran's 2018 American opportunity credit is:
 - a. \$3,300
 - b. \$3,825
 - c. \$4,000
 - d. \$4,220
- 13. What is the amount of Fran's shared responsibility payment? \$_____.
- **14.** Mary is a qualifying child for the credit for other dependents and Oliver is a qualifying child for the child tax credit.
 - a. True
 - b. False
- **15.** Fran qualifies for an exception to the 10% additional tax on the early distribution from her IRA.
 - a. True
 - b. False



2018 VITA/TCE Foreign Student Test for Volunteers

Welcome to the Link & Learn Taxes Foreign Student Test. The test requires you to prepare four tax returns using Form 1040NR-EZ and/or Form 8843 and then answer 50 online questions. You must successfully complete the test at an overall 80% proficiency to earn VITA/TCE certification.

Please complete this test on your own for an accurate assessment of your skills and knowledge. You may use any reference materials available to you as a volunteer to complete this test.

Volunteers who use tax preparation software to complete the test need to make sure they are using the final 2018 version.

Introduction

This section of the VITA/TCE certification Foreign Student test covers determining residency status, the use of Form 8843, and filing status. It consists of 13 true/false questions and 4 scenario-based multiple choice questions.

Allow approximately 20 minutes to complete this segment.

- Hans entered the U.S. on December 15, 2013 in F-1 immigration status. He had never been to the United States before and he did not change immigration status during 2018. For federal income tax purposes, Hans is a nonresident alien for 2018.
 - a. True
 - b. False
- Abshir is a visiting professor at the local university. Abshir was a graduate student from August 2012 to July 2014 in F-1 immigration status. He re-entered the United States on December 20, 2018 in J-1 immigration status. For federal income tax purposes, Abshir is a resident alien for 2018.
 - a. True
 - b. False
- Juan served as a visiting scholar in F-1 immigration status from December 2012 through June 2015. In January of 2017, Juan returned to the United States as a graduate student. For federal income tax purposes, Juan is a nonresident alien for 2018.
 - a. True
 - b. False
- **4.** Emil came to the United States in F-2 immigration status with his wife on August 20, 2017. He has not changed his immigration status. For federal income tax purposes, Emil is a resident alien for 2018.
 - a. True
 - b. False
- 5. Tamera lived with her parents in F-2 immigration status in the United States from August 2010 to June 2012. She returned to the U.S. to attend college in F-1 immigration status on May 1, 2017. Tamera does not need to file Form 8843 for 2018.
 - a. True
 - b. False

- 6. Monica entered the United States on August 10, 2012 in J-1 student immigration status. On December 2, 2016, her husband Aaden joined her in J-2 immigration status. He is not electing to file jointly with his spouse. Aaden must file Form 8843 for 2018.
 - a. True
 - b. False
- **7.** Monica and Aaden from Question 6 had a child while here in the U.S. on July 4, 2018. Monica and Aaden need to file Form 8843 for their child for 2018.
 - a. True
 - b. False
- Flora and Tomas have been in the U.S. in F-1 immigration status, since August 2017. Their son, Lorenzo, joined them under F-2 status in May 2018. Flora and Tomas must file Form 8843 for Lorenzo for 2018.
 - a. True
 - b. False
- Lukas is from Austria and is a Ph.D. student in astrophysics who is going to defend his dissertation in June. He arrived in the U.S. as a student on May 28, 2017. Lukas is a nonresident alien for tax purposes in 2018.
 - a. True
 - b. False
- 10. Aarav is a junior majoring in marine biology. He is in the U.S. in F-1 immigration status from India. He transferred from an Indian school and arrived in the U.S. on September 1, 2016. Aarav worked in a lab on campus and as a summer intern for a company in New York. He will graduate in May, 2019. The company issued him Form 1099-MISC.

For tax purposes, Aarav is required to be a resident alien since the company issued him a Form 1099-MISC.

- a. True
- b. False
- **11.** Mai is a nursing student from Singapore who first arrived in F-1 immigration status on April 10, 2017. She does not have a TIN and she did not work or receive a scholarship in 2018.

Mai must file Form 8843. Since she is only required to file Form 8843, she has until June 17, 2019 to file the form.

- a. True
- b. False

- **12.** Alex entered the U.S. in J-1 immigration status in August 2017, and lives alone. His wife, Maria, could not accompany him because she had to care for her ailing parents. Alex can file as Single because he did not live with his spouse at all during 2018.
 - a. True
 - b. False
- **13.** Ev and Valda were married in June 2016, and they both entered the U.S. in J-1 immigration status to complete their graduate work. They had a daughter, Bonnie, in October 2017. Currently, Ev and Bonnie live in Omaha, where he is completing his graduate work. However, Valda left the family and moved to Atlanta in November 2017, and has not been heard from since. Because Ev and Valda are still married, he can file using a Single filing status.
 - a. True
 - b. False

Scenario 1: De Lores Alvarez

Use the following information to prepare Form 8843.

De Lores Alvarez came to the U.S. to study on August 1, 2017, in F-1 immigration status. Her passport number is 4682936 and it was issued by her home country, Peru. Her home address is 46 Primero Calle, Lima, Peru. Her address at school is Firestone University, 222 Tread Blvd., Lauderdale, MN 55000. Her U.S. taxpayer identification number is XXX-XX-XXXX.

De Lores is attending Firestone University, 222 Tread Blvd., Lauderdale, MN 55000, telephone 612-555-XXXX. Her specialized program is Alternative Fuel Systems and the director is Professor Marri M. Young, also at 222 Tread Blvd., Lauderdale, MN 55000, telephone 612-555-XXXX ext. 1267.

De Lores has not taken steps to apply for permanent residency. De Lores had no income, so she is not required to file any other tax forms.

After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.

	8843		dical Conditio ien individuals only. m8843 for the latest inf	•	2018
Departr Internal	ment of the Treasury Revenue Service beginnin	For the year January 1-De	ecember 31, 2018, or oth 18, and ending	ner tax year , 20 .	Attachment Sequence No. 102
Your fir	rst name and initial	Last name		Your U.S. taxpayer identit	ication number, if any
addre you a form	esses only if are filing this by itself and vith your tax	country of residence	Address	in the United States	
Par		tion			
1a b		ample, F, J, M, Q, etc.) and date atus. If your status has changed			See instructions.
2	Of what country or count	tries were you a citizen during th	a tay year?		
3a	What country or countrie	es issued you a passport?			
b	Enter your passport num	iber(s) 🕨			
	2018 201	of days you were present in the 17 2016	United States during:		
	Enter the number of days	s in 2018 you claim you can excl	lude for purposes of t	he substantial presence tes	t 🕨
Pala 5	For teachers, enter the n	ame, address, and telephone nu	mber of the academic	c institution where you taug	ht in 2018 ►
6	For trainees, enter the r you participated in during	name, address, and telephone r g 2018 ►		or of the academic or othe	
7	Enter the type of U.S. vis	sa (J or Q) you held during: ► 15 2016	2012	2013	
	2014 201	15 2016 attach a statement showing the	2017	If the type of visa you I	held during any
8	Were you present in the	e United States as a teacher, to ough 2017)?	rainee, or student for	r any part of 2 of the 6 pr	
	If you checked the "Yes"	" box on line 8, you cannot exclu explained in the instructions.			
Part					
9	Enter the name, address	, and telephone number of the a	cademic institution yo	ou attended during 2018 ►	
10	27 N N N N N N N N N N	s, and telephone number of the o			
	Enter the type of U.S. vis 2014 201	sa (F, J, M, or Q) you held during	: > 2012	2013 If the type of visa you I	
11	of these years changed, Were you present in the	attach a statement showing the United States as a teacher, train	new visa type and the nee, or student for any	e date it was acquired. / part of more than 5 calenc	lar
11 12	vears?	s" hox on line 12 you must pro	ovide sufficient facts	on an attached statement	
	If you checked the "Yes	t intend to reside permanently in	the United States.		
	If you checked the "Yes establish that you do not During 2018, did you app in the United States or I	t intend to reside permanently in ply for, or take other affirmative s have an application pending to	steps to apply for, law change your status t	to that of a lawful permane	ent
12	If you checked the "Yes establish that you do not During 2018, did you app in the United States or I resident of the United St If you checked the "Yes"	t intend to reside permanently in ply for, or take other affirmative s	steps to apply for, law change your status t	to that of a lawful permane	ent . □Yes □No

16 Ei ev 	ote: You must attach a statement to verify that all of the net proceeds of the sports event(s) were contrib ganization(s) listed on line 16. Individuals With a Medical Condition or Medical Problem escribe the medical condition or medical problem that prevented you from leaving the United States	fited from the sport
en N OI Part V 17a D 	vent(s) ote: You must attach a statement to verify that all of the net proceeds of the sports event(s) were contribing anization(s) listed on line 16. Individuals With a Medical Condition or Medical Problem escribe the medical condition or medical problem that prevented you from leaving the United States	
or Part V 17a D	ote: You must attach a statement to verify that all of the net proceeds of the sports event(s) were contrib ganization(s) listed on line 16. Individuals With a Medical Condition or Medical Problem escribe the medical condition or medical problem that prevented you from leaving the United States	
Part V 17a D 	Individuals With a Medical Condition or Medical Problem escribe the medical condition or medical problem that prevented you from leaving the United States	
 b E	escribe the medical condition or medical problem that prevented you from leaving the United States ►	
b E		
0	nter the date you intended to leave the United States prior to the onset of the medical condition or medical n line 17a ►	al problem described
c E	nter the date you actually left the United States >	1
18 P	hysician's Statement:	
10	pertify that	
	Name of taxpayer	
_		
	Physician's or other medical official's address and telephone number	
<u></u>	Physician's or other medical official's signature	Date
Sign her only if yo are filing this forn itself and not with your tax	they are true, correct, and complete.	f my knowledge and beli
return	Your signature	Date
		Form 8843 (201

To answer the following multiple choice questions, refer to the Form 8843 you completed for De Lores Alvarez.

- 14. On what line should De Lores report her most current immigration status?
 - a. Line 1b
 - b. Line 2
 - c. Line 3a only
- 15. On line 4b, how many days of exempted presence did De Lores have for 2018?
 - a. 0
 - b. 153
 - c. 365
- 16. What sections will De Lores need to complete?
 - a. Part I only
 - b. Parts I and III
 - c. Parts I, II, and III
 - d. Part III only
- 17. What is the due date of De Lores's Form 8843 for tax year 2018?
 - a. April 15, 2019
 - b. June 17, 2019
 - c. October 15, 2019
 - d. December 31, 2019

Introduction

This segment of the VITA/TCE certification test includes 7 true/false and 14 scenariobased multiple choice questions on taxability of income, ITINs, and credits.

Allow approximately 45 minutes to complete this segment.

- **18.** Monica, who is a nonresident alien and is in the United States in J-1 immigration status, spent \$4,000 on qualifying tuition and educational expenses. She is eligible to claim an education credit on her tax return.
 - a. True
 - b. False
- **19.** Ron received \$492 of interest on his personal bank account. He is an international student from Ireland in F-1 immigration status. He arrived in the United States in 2017. Ron's interest income is nontaxable in the U.S.
 - a. True
 - b. False
- **20.** Suzan and Jeffrey are a married nonresident alien couple from Ireland. Both are in the U.S. in F-1 immigration status and arrived in 2018. They paid \$1,500 in child care expenses for their child who was born in the United States and is a U.S. citizen. They will not be able to claim these expenses on a U.S. tax return.
 - a. True
 - b. False
- **21.** Li is in J-1 student immigration status from the People's Republic of China. She earned \$4,995 in wages in 2018. Her wages are reported to her on Form 1042-S (box 1, Income Code 20). Li will not have to report these as taxable wages.
 - a. True
 - b. False
- **22.** Ron is here in J-1 student immigration status as of August 1, 2018. Under the terms of his visa, he is permitted to work in the U.S. Ron must request an ITIN to report his income from wages.
 - a. True
 - b. False

- **23.** Vedad, in F-1 student immigration status from Bosnia, is on the basketball team. He arrived in the U.S. on June 18, 2018 on a full athletic scholarship that includes payments for his room and board. The amount of his scholarship for room and board is taxable.
 - a. True
 - b. False
- **24.** Hiro is in the U.S. in F-1 immigration status. He arrived from Japan on August 6, 2015. Hiro worked in the library and earned \$2,400 in wages and had income tax withholding of \$50. Hiro does not need to file Form 1040NR-EZ, only Form 8843.
 - a. True
 - b. False

Scenario 2: May Montri

Use the following information to prepare Form 1040NR-EZ.

May Montri, a citizen of Israel, came to the United States in F-1 immigration status (number 3344123344) on August 1, 2016.

She has remained in the country since then and is a full-time student at the local university. May, born September 25, 1999, is single. She began working at the university on January 10, 2018. She filed the proper withholding and treaty forms with the university payroll office before beginning her job. May has not filed a U.S. tax return in any prior year.

May's address in Israel is 240 Main St., Tel Aviv, Israel. If she is entitled to a refund, she wants a direct deposit to her checking account. The routing number is 123456789 and the account number is 98765432100. She doesn't want to designate anyone to discuss her return with the IRS. She did not take any affirmative steps to apply for permanent residence in the U.S. May's U.S. income will not be taxed in her home country.

Using the following information (Form 1042-S and Form W-2), complete May's federal income tax return. (May would also need to file Form 8843, but assume that she has already completed that on her own.)

After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.

b Employer identification number XX-XXXXXXXX	r (EIN)			1 Wages	s, tips, other compensation 7,500.00		2 Federal income tax withheld 750.00	
c Employer's name, address, and	d ZIP code			3 Socia	I security wages	4 Social se	curity tax withheld	
STATE UNIVERSITY 122 MAIN STREET				5 Medicare wages and tips		6 Medicare	6 Medicare tax withheld	
TOWN, NY 14200				7 Social security tips		8 Allocated	8 Allocated tips	
d Control number					9 Verification code		10 Dependent care benefits	
e Employee's first name and initi	al Last name		Suff.	11 Nonq	ualified plans	12a See instr	ructions for box 12	
MAY MONTRI 125 COLLEGE DRIVE INTERNATIONAL HALL TOWN, NY 14200					13 Statutory Patriement Third-party pian ack pay 14 Other			
f Employee's address and ZIP co	de					d e		
15 State Employer's state ID nu NY XX-XXXXXXX	mber 16 S	tate wages, tips, etc. 7,500.00	17 State incom 75.00	e tax 1	8 Local wages, tips, etc.	19 Local income	tax 20 Locality nar	

Department Internal Rev	of the Treasury venue Service	► Go to www.irs.go	ov/Form10	42S for instruct		and the latest informatio			. Inte		py A for evenue Service
	2 Gross income	3 Chapter indicato	r. Enter "3	" or "4"				3f Ch. 3 sta	f Ch. 3 status code		
code		3a Exemption code	4a	Exemption code	04	XXX-XX-X	XXX	1	13g Ch. 4 status code		
20	3,000.00	3b Tax rate	. 4b	Tax rate .		13h Recipient's GIIN	13i	Recipient's number, if a	foreign tax id	entificat	tion 13j LOB code
5 Withhok	ding allowance							number, ii a	riy		
6 Net inco	me										
7a Federa	l tax withheld				1	13k Recipient's account	t number				
		eld was not deposite		IRS because							
escrow	/ procedures were	applied (see instruct	ions)	1. N. D. H.	ш	13I Recipient's date of birth (YYYYMMDD)					
B Tax withheld by other agents											
9 Overwith	held tax repaid to rec	pient pursuant to adjus	tment proce	dures (see instruct	ions)						
()		14a Primary Withholding A	gent's Na	ame (if applic	able)		
10 Total w	vithholding credit (combine boxes 7a, 8	and 9)								
						14b Primary Withholding	g Agent's	EIN			
11 Tax pa	id by withholding a	agent (amounts not w	ithheld) (se	e instructions)	- 0			!'	S Check if pr	ro-rata i	basis reporting
					15a Intermediary or flow-th	rough ent	ity's EIN, if an	y 15b Ch. 3	status coo	de 15c Ch. 4 status code	
12a Withholding agent's EIN 12b Ch. 3 status code 12c Ch. 4 status code			code								
	XX-XXXXXX	į		5		15d Intermediary or flow-t	hrough er	ntity's name			
12d Withh	olding agent's nar	ne									
	UNIVERSIT	•				15e Intermediary or flow-	through e	entity's GIIN			
12e Withh	olding agent's Glo	bal Intermediary Ider	tification N	lumber (GIIN)		15f Country code 15g Foreign tax identification number, if any				, if any	
12f Count	ry code 12	g Foreign taxpayer is	entification	n number, if any	7	15h Address (number a	nd street)			
				23							
	ess (number and st	reet)				15i City or town, state or province, country, ZIP or foreign postal code					
12i City or	town, state or pro	wince, country, ZIP o	r foreign p	ostal code		16a Payer's name			1	6b Pay	yer's TIN
TOWN.	NY 14200										
	ient's name	1	3b Recipie	ent's country coo	de	16c Payer's GIIN		1	6d Ch. 3 statu	is code	16e Ch. 4 status code
MAY M	ONTRI										
	ss (number and stree	et)				17a State income tax w	ithheld	17b Paye	r's state tax	no. 1	7c Name of state
125 CO	LLEGE DRIV	E, INTERNAT	IONAL	HALL			0.00	XX-)	XXXXX		NY
13d City o	or town, state or pr	ovince, country, ZIP	or foreign p	ostal code						-	
TOWN	NY 14200										

orm 1040	NR-EZ				turn for (OMB No. 154	5-0074
Department of the						pendents	ion i	201	8
nternal Revenue S	ervice Your first name and in	Go to www.irs.go itial	ov/Form1040	Last name	structions and	the latest informat		ing number (see in	structions)
Please print	Present home address	s (number, street, and a	apt. no., or rura	al route). If you	have a P.O. box, s	see instructions.			
or type. See									
separate	City, town or post offic	ce, state, and ZIP code	. If you have a	foreign addres	s, also complete s	spaces below. See ins	tructions.	-	
nstructions.				1					
	Foreign country name			Foreign pro	vince/state/count		Foreig	n postal code	
Filing Status	1 🗆 Single no	onresident alien	_2		d nonresident	t alien			
Check only one box.									
		aries, tips, etc. At unds, credits, or c	ALL DOLLARS AND ALL DOLLARS				3		+
		and fellowship g			A CONTRACTOR OF A CONTRACTOR OFTA CONTRACTOR O		5		<u> </u>
	그렇게 이 것 같은 것 가지 않는 것 가지 않는 것	e exempt by a trea							-
Attach		, 4, and 5					. 7		
Form(s)	AND	and fellowship gra	IL NEED STREET	10000	8		10 C		
W-2 or 1042-S		an interest deduct			9				
1042-5 here.	10 Subtract the	e sum of line 8 and	line 9 from I	line 7. This is	your adjusted	d gross income	. 10		
Also		eductions. See the					. 11		
attach		come. Subtract lin							_
Form(s)		our tax in the tax			3	alle de la construir de la cons	. 13		_
1099-R if		social security ar				137 b ∐8919	 14 15 		
tax was withheld.		3 and 14. This is y ome tax withheld f			and a state of the second		15		
withineid.		ome tax withheld				+ +			
		ted tax payments and	Selection of the second		and the second	+ +	-		
		mount paid with F					-		
		6a through 18. Th			ments	es es es	▶ 19		
Refund	20 If line 19 is n	nore than line 15, su	btract line 1	5 from line 19	 This is the an 	nount you overpaid	20		_
nerana	21a Amount of li	ne 20 you want ref	unded to yo	u. If Form 88	388 is attached	, check here 🕨 [21a		
	b Routing nu				c Type: C	hecking 🗌 Savi	ngs		
Direct	d Account nu								
deposit?		t your refund che ve. enter that add		o an addre	ss outside the	e United States n	ot		
See	SHOWH ADD	ve, enter that add	ress nere.						
instructions.									
	22 Amount of lir	ne 20 you want appli				T			
Amount		owe. Subtract line			and a second		23		
You Owe		ax penalty (see inst			1 .				
Third	Do you want to allow	v another person to d	liscuss this re	turn with the l	RS? See instruc	tions. 🗌 Yes. Co	omplete the	following.	No No
Party									
Designee	Designee's name			Phone no.		Personal i number (F	dentificatio PIN)		
Sign	Under penalties of pe	rjury, I declare that I h	ave examined	this return and	accompanying s	chedules and statem	ents, and to	the best of my k	nowledge
Here		rue, correct, and accu expayer) is based on all					ea auring th	ie tax year. Deci	aration of
	Voursissature		7	Data	1		3		
Keep a copy of this return for your records.	Your signature			Date	Your occupatio	n in the United States	PIN, enter		Protection
	rint/Type preparer's na	me	Preparer's sig	nature		Date	here (see i		
Paid Preparer –							self-employ	ved	
	'irm's name 🕨 ►					Firm's EIN ►			
	firm's address ►					Phone no.			
	Privacy Act, and Pa					Cat. No. 21534N	En	m 1040NR-E	7 10010

			Schedule OI – Othe Answ	r Information (see ver all questions	instructions)							
	Of w	hat country or countri	es were you a citizen or natior	nal during the tax yea	r?							
	ln w	hat country did you cla	aim residence for tax purpose	s during the tax year								
	Have	e you ever applied to b	be a green card holder (lawful	permanent resident)	of the United States? .	🗌 Yes 🗌 No						
	1. 2.	A green card holder (lawful permanent resident) of or (2) , see Pub. 519, chapter 4	the United States?		☐ Yes ☐ No ☐ Yes ☐ No						
		ou had a visa on the la us on the last day of th	ast day of the tax year, enter e tax year.		P	enter your U.S. immigratio						
	Have If "Y	ve you ever changed your visa type (nonimmigrant status) or U.S. immigration status?										
	List Note	all dates you entered a e: If you are a resident	and left the United States durin of Canada or Mexico AND co or Canada or Mexico and ski	ng 2018. See instruct	ions. e United States at freque	ent						
	Dat	e entered United States mm/dd/yy	Date departed United States mm/dd/yy	Date e	entered United States Date mm/dd/yy	e departed United States mm/dd/yy						
	Give		iding vacation, non-workdays, , 2017									
	Did	you file a U.S. income	tax return for any prior year? ar and form number you filed			🗌 Yes 🗌 No						
			 If you are claiming exemptio elow. See Pub. 901 for more ir 			eaty with a foreign country						
	1.		he country, the applicable ta e amount of exempt income ir		가슴 걸 때 이 것 같은 것이 같은 것 같아요. 여러 사람이 있었다. 것 같아요. 가지 않는 것 같아.							
		(a	i) Country	(b) Tax treaty article	(c) Number of months claimed in prior tax years	(d) Amount of exempt income in current tax year						
			mount on Form 1040NR-EZ, I									
	2. 3.	Are you claiming trea	tax in a foreign country on any ty benefits pursuant to a Com by of the Competent Authority	petent Authority dete	ermination?	Yes . No Yes . No						
-		1				Form 1040NR-EZ (2013						

To answer the following multiple choice questions, refer to the Form 1040NR-EZ you completed for May Montri.

- 25. What amount is entered for wages, salaries, tips, etc. on Form 1040NR-EZ?
 - a. \$7,500
 - b. \$750
 - c. \$75
- 26. What is the Adjusted Gross Income (AGI) on Form 1040NR-EZ?
 - a. \$0
 - b. \$75
 - c. \$750
 - d. \$7,500
- 27. What is the net taxable income on Form 1040NR-EZ?
 - a. \$7,425
 - b. \$7,500
 - c. \$75
 - d. \$3,000
- 28. What is the amount of total payments on Form 1040NR-EZ?
 - a. \$0
 - b. \$75
 - c. \$750
 - d. \$4,050
- **29.** Does May have a balance due (tax owed)?
 - a. Yes
 - b. No

Use the following information to prepare Form 1040NR-EZ.

Sai Singh, a citizen of India, came to the United States as a student. He entered in F-1 immigration status (visa number 88779914) on August 3, 2014. He has remained in the country since then and is a full-time student at the local university.

Sai was born on September 25, 1993, and is single. He filed the proper treaty and withholding forms with the university payroll office before beginning as a graduate research assistant in 2018. Sai has not filed a U.S. tax return in any prior year. His address in India is 900 Dali Road, Delhi, India.

If he is entitled to a refund, he wants it mailed to him. He doesn't want to designate anyone else to discuss his return with the IRS. Sai has not taken any steps to apply for permanent residence in the U.S.

He will not be taxed in his home country on the income he has from the U.S. Using the following Form W-2, prepare Sai's federal income tax return. (He has already completed his Form 8843.)

After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.

	al	Employee's social security number	OMB No. 1545	0008	Safe, accurate, FAST! Use		he IRS website at irs.gov/efile	
	oyer identification number (EIN)			1 Wa	ges, tips, other compensation 27,200.00	2 Federal income 2,900		
c Emplo	oyer's name, address, and ZIP o	ode		3 So	cial security wages	4 Social security	tax withheld	
	T UNIVERSITY MAIN STREET			5 Me	dicare wages and tips	6 Medicare tax w	vithheld	
TOW	/N, NY 14200		7 So	cial security tips	8 Allocated tips			
d Control number					rification code	10 Dependent car	10 Dependent care benefits	
SAI 23 I TOV	oyee's first name and initial SINGH NDIA BLVD VN, NY 14200 yee's address and ZIP code	Last name	Suff.	11 No 13 Sta em 14 Oth		12a See instruction 9 12b 9 12c 9 12c 12c 12c 12c<	ns for box 12	
15 State	Employer's state ID number	16 State wages, tips, etc. 27,200.00	17 State incom 900.00	e tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	
orm -	V-2 Wage and T Statement	ax C ee's FEDERAL Tax Return.	2018	l	Department	of the Treasury-Intern	al Revenue Service	

Department of the	Treasury	► Go to www.irs.g		liens Wit					201	8
nternal Revenue S	Your first name		00110111040	Last name			natest informatic		ig number (see in:	structions)
Please print	Present home a	address (number, street, and	apt. no. or rura	al route). If you ha	ave a P.O. I	DOX SEE	instructions			
or type.										
See separate	City, town or po	ost office, state, and ZIP code	e. If you have a	foreign address,	also comp	lete spac	ces below. See instr	uctions.	÷	
instructions.	Foreign country name Foreign province/state/county							Eoroian	postal code	
	roleigh country			i oreign provi	HUC/State/U	ounty		roleigh	postal code	
Filing Status		gle nonresident alien	_2		nonresi	dent al	ien	- <u>-</u>		
Check only one box.									0	
		s, salaries, tips, etc. At ble refunds, credits, or d			income			3	0	-
		arship and fellowship of			(And a second se			5		-
	지정에 가슴 옷을 다 다 다 다 다 다 다 다 다 다 다 다 다 다 다 다 다 다	ncome exempt by a trea	And the second second second			6		1 1		-
Attach Form(s)	200 Billion Control 19	nes 3, 4, and 5	10. Dist. (1997)	1000 A		•	• • • • • • •	7		_
W-2 or		arship and fellowship gr Int loan interest deduct				8		_		
1042-S		act the sum of line 8 and			· · [ross income	10		
here. Also		zed deductions. See t								
attach	12 Taxab	ble income. Subtract lin	e 11 from li	ne 10. If line 1						
Form(s)	2.5.6.5.1 (J. 1977)	Find your tax in the tax						13		
1099-R if		orted social security a				_	7 b ∐8919	14		
tax was withheld.	· · · · · · · · · · · · · · · · · · ·	nes 13 and 14. This is a lincome tax withheld			(1) (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2	16a	• • • • • • •	15		
manifold.		al income tax withheld		· · · · · · · · · · · · · · · · · · ·		16b		-		
	0.000 (1 000234)	stimated tax payments an			- 10 B	17				
		for amount paid with				18				
		nes 16a through 18. Th								
Refund	STATE STATE	19 is more than line 15, su nt of line 20 you want ref					· · · · · · · · · · · · · · · · · · ·	20 21a		
		ng number					cking Saving	the second se		
Direct	d Accou	int number								
Direct deposit?	14578 St. 2017	want your refund che		o an address	s outside	the U	nited States no	ot 🛛		
See	snowi	n above, enter that add	iress nere:							
instructions.								-		
	22 Amour	nt of line 20 you want appli	ed to your 20	019 estimated	tax 🕨	22		-		
Amount		nt you owe. Subtract line				pay, s	ee instructions	23		
You Owe	24 Estima	ated tax penalty (see ins	tructions) .			24				
Third	Do you want t	o allow another person to c	liscuss this re	turn with the IR	S? See ins	struction	ns. 🗌 Yes. Cor	mplete the f	ollowing.	🗌 No
Party	200200000						Personal id	ontification		
Designee	Designee's name			Phone no.			number (PI			
Sign Here	and belief, the	s of perjury, I declare that I h y are true, correct, and accu than taxpayer) is based on al	urately list all a	amounts and so	urces of U.	S. sourc	ce income I receive	nts, and to th d during the	tax year. Deck	nowledge aration of
Keep a copy of this return for your records.	Your sign	ature		Date	Your occuj	pation in	the United States	If the IRS ser PIN, enter it here (see ins	nt you an Identity P t.)	rotection
Paid	Print/Type prepar	er's name	Preparer's sig	nature		1		Check i if self-employe		
Preparer Use Only	Firm's name 🕨	Q.					Firm's EIN ►	1		
	Firm's address 🕨	25. 					Phone no.			
For Disclosure	, Privacy Act, a	and Paperwork Reduction	on Act Notice	e, see instruct	tions.	C	Cat. No. 21534N	Form	1040NR-E	Z (2018)

			Schedule OI-Othe Ansv	r Information (see ver all questions	instructions)					
	Of w	hat country or countri	es were you a citizen or natio	nal during the tax yea	r?					
	In w	hat country did you cla	aim residence for tax purpose	s during the tax year?						
	Have		be a green card holder (lawful		0-17		∕es ∏ N			
			de a green card holder (lawiur	permanent resident) (of the Officed States					
		e you ever:					res 🗌 No			
	2.	A green card holder (lawful permanent resident) of or (2), see Pub. 519, chapter	the United States?			res 🗌 No			
		u had a visa on the last day of th	ast day of the tax year, enterne tax year.	r your visa type. If yo	p.	•	-			
	Have If "Y	e you ever changed yo es," indicate the date a	our visa type (nonimmigrant st and nature of the change. ►	atus) or U.S. immigrat	tion status?		íes 🗌 N			
ì	If "Yes," indicate the date and nature of the change. List all dates you entered and left the United States during 2018. See instructions. Note: If you are a resident of Canada or Mexico AND commute to work in the United States at frequent intervals, check the box for Canada or Mexico and skip to item H									
	Dat	e entered United States mm/dd/yy	Date departed United States mm/dd/yy	Date e	ntered United States mm/dd/yy	Date departed United mm/dd/yy	States			
	-									
			iding vacation, non-workdays , 2017							
	Did y If "Y	you file a U.S. income es," give the latest yea	tax return for any prior year? ar and form number you filed	• • • • • • • •		· · · · · □N	íes 🗌 N			
	Inco com	me Exempt from Tax- plete (1) through (3) be	-If you are claiming exemptic elow. See Pub. 901 for more i	on from income tax ur nformation on tax trea	ider a U.S. income ities.	tax treaty with a fore	eign counti			
	1.	 Enter the name of the country, the applicable tax treaty article, the number of months in prior years you clair treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required. See instruction 								
		(a	a) Country	(b) Tax treaty article	(c) Number of mor claimed in prior tax					
			mount on Form 1040NR-EZ,							
	2. 3.	Are you claiming trea	tax in a foreign country on any ty benefits pursuant to a Com by of the Competent Authority	npetent Authority dete	rmination?	and the second se	res ∐ No res ∏ No			
		~ ~ ~	1977 - 1977 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 - 1978 -			Form 1040	NR-EZ (20			

To answer the following questions, refer to the Form 1040NR-EZ you completed for Sai Singh.

- 30. What amount is entered for wages, salaries, tips, etc. on Form 1040NR-EZ?
 - a. \$0
 - b. \$20,100
 - c. \$21,000
 - d. \$27,200
- 31. What amount is entered as itemized deductions on Form 1040NR-EZ?
 - a. \$12,000
 - b. \$900
 - c. \$3,000
 - d. \$24,000
- 32. What is the amount for the personal exemption on Form 1040NR-EZ?
 - a. \$6,350
 - b. \$4,050
 - c. \$8,100
 - d. \$0
- 33. What is the amount of federal income tax withheld on Form 1040NR-EZ?
 - a. \$0
 - b. \$900
 - c. \$2,900
 - d. \$3,800
- 34. What is the amount of the refund on Form 1040NR-EZ?
 - a. \$1,263
 - b. \$1,056
 - c. \$2,720
 - d. \$2,900

Scenario 4: Sumon Azim

Use the following information to prepare Form 1040NR-EZ.

Sumon Azim is a resident of Bangladesh (visa number 987654321). He arrived in the United States in F-1 immigration status on September 1, 2017 as a full-time student. Sumon is 27 years old and single. His address in Bangladesh is 15 Charity Street, Bhola.

Sumon has not taken any affirmative steps to apply for permanent residence in the United States. Sumon filed a Form 1040NR-EZ for tax year 2017.

If he is entitled to a refund, he wants a direct deposit to his checking account. The routing number is 987654321 and the account number is 12345678910. He will not be taxed by the Bangladesh government on the income he has earned in the United States. Assume Sumon has already completed his Form 8843, and prepare his federal income tax return with the following Form W-2. College Town University reports all student income on Form W-2. Mr. Azim failed to respond to the university in time for them to properly issue Form 1042-S for his treaty-exempt income. However, he is still entitled to his treaty benefit.

After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.

b Employer identification number (EIN) XX-XXXXXXX c Employer's name, address, and ZIP code COLLEGE TOWN UNIVERSITY 23 SOUTHWEST STREET COLLEGE TOWN, VA 23000	1 Wages, tips, other compensation 11,560.00 3 Social security wages 5 Medicare wages and tips	2 Federal income tax withheld 780.00 4 Social security tax withheld 6 Medicare tax withheld	
c Employer's name, address, and ZIP code COLLEGE TOWN UNIVERSITY 23 SOUTHWEST STREET	 Social security wages Medicare wages and tips 	4 Social security tax withheld	
COLLEGE TOWN UNIVERSITY 23 SOUTHWEST STREET	5 Medicare wages and tips		
23 SOUTHWEST STREET		6 Medicare tax withheld	
COLLEGE TOWN, VA 23000			
	7 Social security tips	8 Allocated tips	
d Control number	9 Verification code	10 Dependent care benefits	
e Employee's first name and initial Last name	Suff. 11 Nonqualified plans	12a See instructions for box 12	
SUMON AZIM 10 MAIN STREET	13 Statutory Retirement Third-party employee plan sick pay	* 12b C	
INTERNATIONAL STUDENT HALL COLLEGE TOWN, VA 23000	14 Other	12c	
		* 12d	
f Employee's address and ZIP code		d •	
15 State Employer's state ID number 16 State wages, tips, etc. 17 State VA XX-XXXXXX 11,560.00 110		9 Local income tax 20 Locality nam	
	Department of	the Treasury-Internal Revenue Servic	
Form W-2 Wage and Tax 201	υÖ		

Department of th nternal Revenue					th No Dep structions and th	ne latest informati	ion.	201	0
itemai nevenue	Your first name		gotti onnio	Last name		ie latest mornat		ying number (see in:	structions)
Please print or type. See	Present nome a	address (number, street, an		1.4					
separate nstructions	A CONTRACTOR OF A CONTRACT	ost office, state, and ZIP co y name	de. If you have		s, also complete sp vince/state/county	aces below. See inst		gn postal code	
Filing Status		gle nonresident alien		2 🗌 Marrie	d nonresident a	alien			
	A COLUMN AND A	s, salaries, tips, etc.	Attach Form	(s) W-2			. 3		
	1000 COLOR 1000	ole refunds, credits, o	- ALTERNATION DATE		al income taxes		. 4		
		larship and fellowship				red statement.	. 5		
Attach		income exempt by a tr							
Attach Form(s)		ines 3, 4, and 5 .					. 7		-
N-2 or		arship and fellowship					_		
1042-S		ent loan interest dedu act the sum of line 8 ar	The Western Contract of the Second	A100	9	gross income	. 10	r	
nere.		zed deductions. See							-
Also attach	1.5.0.5 (NO.2.2)	ble income. Subtract							-
Form(s)		Find your tax in the ta					. 13		
1099-R if	14 Unrep	ported social security	and Medica	re tax from F	orm: a 🗌 41:	37 b 8919	14		
ax was	15 Add li	ines 13 and 14. This i	s your total	tax			▶ 15		
withheld.		al income tax withhele							
	- and the states of the	ral income tax withhel		- 20 CON- 200	and the second se		-		
		estimated tax payments					_		
		t for amount paid with					b 40		
		ines 16a through 18.							
Refund	- (S.C.S.)	19 is more than line 15, nt of line 20 you want r				all many second second real second second			-
		ng number				ecking Savir			-
	1 20 KG (1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	unt number							
Direct deposit? See	(COVA	want your refund ch n above, enter that ac			ss outside the	United States n	ot		
nstructions.									
						rr			
Amount		nt of line 20 you want ap				and instructions	▶ 23		
You Owe		nt you owe. Subtract lin ated tax penalty (see in				see instructions	23		
Third	1	o allow another person to		15		ons. 🗌 Yes. Co	omplete th	e following.	□ No
Party Designee	Designee's			Phone		Personal i	dentificatio	on	,
Jesignee	name ►			no. 🕨	<u> </u>	number (P			
Sign Here	and belief, they	s of perjury, I declare that y are true, correct, and ac than taxpayer) is based on	curately list all	amounts and a	ources of U.S. sou	urce income I receiv			
Keep a copy of his return for our records.	Your sign	ature		Date	Your occupation	in the United States	If the IRS PIN, enter here (see		rotection
Paid	Print/Type prepar	er's name	Preparer's s	ignature		Date	Check	if PTIN	
Preparer	2002000000	5					self-emplo	yed	
Jse Only	Firm's name					Firm's EIN ►			
	Firm's address <	20				Phone no.			

		Schedule OI – Other Answ	r Information (see i er all questions	nstructions)	
Of w	hat country or countrie	es were you a citizen or nation	al during the tax year	?	
ln w	hat country did you cla	im residence for tax purposes	during the tax year?		
Have	a you aver applied to b	e a green card holder (lawful p			11
Hav	e you ever applied to b	e a green card holder (lawiul p	bermanent resident) d	of the United States?	
	e you ever:				Yes 🗆 No
2.	A green card holder (lawful permanent resident) of to or (2), see Pub. 519, chapter 4	the United States?		🖸 Yes 🗌 No
	ou had a visa on the la us on the last day of th	ast day of the tax year, enter e tax year.		P	enter your U.S. immigratio
Hav If "Y	e you ever changed yo es," indicate the date a	ur visa type (nonimmigrant sta and nature of the change. ►	atus) or U.S. immigrat	ion status?	🗌 Yes 🗌 No
List Note	all dates you entered a e: If you are a resident	nd left the United States durir of Canada or Mexico AND co or Canada or Mexico and ski	ng 2018. See instructi mmute to work in the	ons. • United States at freque	ent
Dat	te entered United States mm/dd/yy	Date departed United States mm/dd/yy	Date er	ntered United States Date mm/dd/yy	departed United States mm/dd/yy
3					
Give 2010		ding vacation, non-workdays, , 2017			
Did lf "Y	you file a U.S. income es," give the latest yea	tax return for any prior year? Ir and form number you filed	 . <u></u>		🗌 Yes 🗌 No
		-If you are claiming exemption Now. See Pub. 901 for more in			eaty with a foreign country
1.		ne country, the applicable ta e amount of exempt income in			
	(a) Country		(b) Tax treaty article	(c) Number of months claimed in prior tax years	(d) Amount of exempt income in current tax year
		mount on Form 1040NR-EZ, li			
•		ax in a foreign country on any ty benefits pursuant to a Com			
2. 3.	If "Vee " attach a see	y of the Competent Authority	determination letter to	o your return.	1010110 57
	ii res, attach a cop	8			
	n res, attach a cop	h k it			Form 1040NR-EZ (20

To answer the following multiple choice questions, refer to the Form 1040NR-EZ you completed for Sumon Azim.

- **35.** What amount is entered on Form 1040NR-EZ on the line for wages, salaries, tips, etc.?
 - a. \$3,560
 - b. \$7,510
 - c. \$11,560
- 36. What is the taxable income?
 - a. \$0
 - b. \$3,450
 - c. \$11,450
 - d. \$11,560
- 37. On which line will Sumon enter his treaty benefits information?
 - a. Line I
 - b. Line J
 - c. No treaty amounts are allowed without Form 1042-S.
 - d. Treaty benefits are only subtracted from wages, salaries, tips, etc. and listed nowhere else.
- **38.** Can Sumon claim a standard deduction rather than itemizing his state income taxes?
 - a. Yes
 - b. No

Introduction

This part of the VITA/TCE certification test includes 12 true/false or multiple choice questions.

Allow approximately 20 minutes to complete this segment.

- **39.** Liam, an international student from Ireland, has a Form W-2 that shows amounts withheld for Social Security and Medicare taxes. Liam is an F-1 nonresident alien for tax purposes. Which form should he file to receive a refund of these taxes once attempts to obtain a refund through his employer have failed?
 - a. Form 843
 - b. Form 8233
 - c. Form 8880
 - d. Form 8962
- **40.** Carlos and Sophia are from Mexico. Carlos is a scholar at a local university in J-1 scholar immigration status and Sophia is in J-2 immigration status. Sophia worked at a local boutique in 2018. Her Form W-2 shows Social Security and Medicare withholding. Sophia found out her spouse does not have to pay Social Security or Medicare taxes. Sophia is eligible for a refund of her Social Security and Medicare taxes withheld.
 - a. True
 - b. False
- **41.** Wei, an international student from People's Republic of China, received \$10,563 of interest income in 2018 from accounts he opened when he first arrived in the U.S. on August 27, 2015. What type of federal income tax return does he need to file?
 - a. Form 1040
 - b. Form 1040NR
 - c. Form 1040NR-EZ
 - d. He does not need to file a return
- **42.** Harold, his wife and son entered the United States for the first time in 2017. They are all residents of France, and Harold is in F-1 immigration status. Harold won \$500 at the local casino.

Which federal income tax return does Harold use to report this income?

- a. Form 843
- b. Form 1040
- c. Form 1040NR
- d. Form 1040NR-EZ

- **43.** William Cambridge is a visiting scholar from England. He arrived in the U.S. on August 28, 2017 in a J-1 immigration status and was accompanied by his wife Kathryn and his son George. Since his arrival, his second child, Charlotte, was born in the U.S. William earned \$70,000 in 2018 from State University. When he files his federal tax return, can he claim the exemptions for his wife and children?
 - a. Yes
 - b. No
- **44.** Staffan, a graduate student of physics from Sweden, is in F-1 immigration status. He first arrived in the U.S. on April 18, 2015. Staffan needs help preparing his tax return. He has receipts for his donations to a local charity and wants to know where to claim them. Staffan cannot claim charitable contributions on Form 1040NR-EZ.
 - a. True
 - b. False
- **45**. Adi is in F-1 immigration status from Indonesia. He entered the United States in September 2016 and enrolled as a full time undergraduate student. Adi is pursuing his first degree in mathematics.

Adi cannot claim an education credit on his tax return.

- a. True
- b. False
- **46.** Siobhan is a single, nonresident alien who began studying in the U.S. in 2017 in F-1 immigration status from South Africa. She has wages of \$6,700, interest income from her savings account of \$230, and sold a few U.S. shares of stock that her aunt left to her for \$6,000. She donated \$2,000 of the proceeds to a local charity. Which tax form must Siobhan use to report her income?
 - a. Form 8843
 - b. Form 1040
 - c. Form 1040NR
 - d. Form 1040NR-EZ

- **47.** Some students and scholars may owe money with their tax return. Nonresidents have which of the following payment options?
 - a. Ask for an extension of time to pay or an installment agreement.
 - b. Pay the entire balance by the due date for the return.
 - c. Put the balance on a credit card.
 - d. All of the above.
- **48.** Gariagdy, who is from Turkmenistan, earned \$9,248 in 2017. He had \$195 withheld for state income taxes. He listed the taxes as a deduction on his federal return for 2017, and it lowered his taxable income for 2017. Gariagdy received a state refund of \$117 in 2018 from the 2017 tax return. He would include this refund on his 2018 federal return.
 - a. True
 - b. False
- **49.** Teresa came to the U.S. in 2014 for postgraduate study. She took out a student loan to help pay the tuition. Teresa graduated in December 2017, but remained in the U.S. for one year of practical training. She began repaying the loan on July 1, 2018 and paid \$49 in interest during 2018. Teresa cannot claim this interest as a deduction.
 - a. True
 - b. False
- **50.** Frederick, a student from Malta, had \$8,785 in wages reported to him on Form W-2. Although all of his wages are excluded from tax by treaty, he is required to file a tax return.
 - a. True
 - b. False

Link & Learn Taxes

Link & Learn Taxes is web-based training designed specifically for VITA/TCE volunteers. Each volunteer's ability to prepare complete and accurate returns is vital to the credibility and integrity of the program. Link & Learn Taxes, as part of the complete volunteer training kit, provides the path to achieving this high level of quality service.

Link & Learn Taxes and the printed technical training kit, Publication 4480, work together to help volunteers learn and practice.

Link & Learn Taxes for 2018 includes:

- Access to all VITA/TCE courses
- Easy identification of the VITA/TCE courses with the course icons
 - As you progress through a lesson, the content for Basic, Advanced, Military, or International will display, depending on the level of certification you selected
- PowerPoint presentations that can be customized to fit your classroom needs
- VITA/TCE Central to provide centralized access for training materials and reference links
- The Practice Lab
 - Gives volunteers practice with an early version of the IRS-provided tax preparation software
 - Lets volunteers complete test practice problems
 - Lets volunteers prepare test scenario returns for the test/retest



Go to <u>www.irs.gov</u>, type "Link & Learn" in the Keyword field and click Search. You'll find a detailed overview and links to the courses.

FSA (Facilitated Self Assistance) empowers taxpayers to prepare their own returns with the assistance of a certified volunteer. Taxpayers complete their own returns using interview-based software supplied by leaders in the tax preparation industry. Volunteers assist taxpayers with tax law and software questions.

Virtual VITA allows partners to initiate the intake process for taxpayers in one location, while utilizing a certified volunteer to prepare the return in an entirely different location. By incorporating this flexibility, partners can provide taxpayers with more convenient locations to file their taxes.

For more information contact your SPEC Relationship Manager to see if you should start a FSA or Virtual VITA site in your community.





Your online resource for volunteer and taxpayer assistance

Partner and Volunteer Resource Center

https://www.irs.gov/Individuals/Partner-and-Volunteer-Resource-Center

- What's Hot!
- Site Coordinator's Corner

Quality and Tax Alerts for IRS Volunteer Programs

https://www.irs.gov/individuals/quality-and-tax-alerts-for-irs-volunteer-programs

• Volunteer Tax Alerts

Volunteer Training Resources

https://www.irs.gov/Individuals/Volunteer-Training-Resources

Outreach Corner

https://www.irs.gov/Individuals/Outreach-Corner

Tax Trails for Answers to Common Tax Questions https://www.irs.gov/Individuals/Tax-Trails-Main-Menu

Online Services and Tax Information for Individuals

https://www.irs.gov/Individuals

After You File

- Where's My Refund?
- Refund reductions
- Understanding Your IRS Notice or Letter
- Withholding Calculator
- Keep a copy of your return
- Changing your name or address

File Your Return

- Validating your electronically filed return
- Need to renew your ITIN?
- Answers to your tax questions
- Find a mailing address for paper returns
- Tax relief in disaster situations

Make a Payment

- IRS Direct Pay pay online directly from your bank account
- Other ways you can pay
- Can't pay? Set up a payment agreement
- Do I have to pay estimated taxes?

Manage Your Tax Info

- Get Transcript
- View your tax account
- Life events can affect your taxes
- Protect your identity
- IRS2Go mobile app

eBooks

Want to view our training products on your mobile or tablet devices? Click here to access our eBooks: <u>https://www.irs.gov/Individuals/Site-Coordinator-Corner</u>.

Mobile App

Another device to use for additional information is IRS2Go. Click here to download IRS2Go mobile app: <u>https://www.irs.gov/uac/irs2goapp</u>.

and much more!

Your direct link to tax information 24/7: www.irs.gov