2018 – 2019 Basic Volunteer – Summary Chart

Category on I/I form	Line on I/I form	Description	Taxpayer's Forms	Directions	Tab in 4012	Instructions and Special Notes
Marital Status and Household Information	1.	Filing Status	Social Security Cards (or SSA-1099, ITIN)	Choose filing status in Basic Information section	B-6 through B-7	➢ Try to avoid using MFS (if one spouse itemizes, the other has to as well) ➢ If spouse died in current tax year → MFJ ➢ If spouse died in previous 2 tax years → QW or S ➢ If spouse died before previous 2 tax years→ S or HoH
Marital Status and Household Information	2.	Dependents List and Total Number of Exemptions	Social Security Cards; Possibly Form 8332	Type in taxpayer, spouse and dependent information in Basic Information; Start with QC Chart on C-5	C-1 through C-8	➢ Custodial Parent: HoH, EIC, and Child/Dependent Care Benefits ➢ Noncustodial Parent: Dependency exemption and Child Tax Credit
Income	Line 1.	Wages, Salaries	W-2	Federal Section → Income → Wages and Salaries (W-2)	D-4 through D6	➢ Check taxpayer's or spouse's name ➢ Make sure to type in all information exactly as you see it on the W-2 ➢ If the address is different than the one in the Basic Information section, make changes (MUST MATCH W-2 EXACTLY) ➢ Calculations on lines 3, 4, 5, 6 and 16 automatically fill in, so edit boxes as necessary ➢ If Box 12, 13 (retirement plan) or 14 is filled in, check to see if qualify for Retirement Savings Contribution Credit
	Line 1, 7, 8, or 15	Household Employee Income		Federal Section → Income → Other Income → Other Compensation → Household Employee Income	D-56	➢ If household employee earns less than $2,000 a year, employer is not required to issue W-2 but the amount must be entered as Household Employee Income
Income	Line 4.	Interest	1099-INT or 1099-OID	Federal Section → Income → Interest and Dividends (1099-INT, 1099-DIV) →Interest or Dividend Income → Interest Income, Form 1099-INT OR Tax Exempt Interest Income, Form 1099-INT, Box 8 or Form 1099-DIV, Box 10	D-7 through D-10	➢ Fill in the payer and Box 1 or 3 amount ➢ Fill in any other information such as early penalty or federal withholding ➢ Make sure if you put in early penalty that it carried over to Line 30 of the 1040 ➢ If the interest is tax exempt (amount in Box 8), enter on separate screen: "Tax Exempt Interest Income"
Income	Line 4.	Dividends	1099-DIV	Federal Section → Income → Interest and Dividends (1099-INT, 1099-DIV) → Dividend Income, Form 1099-DIV, Box 1	D-11	➢ Fill in payer and any information such as ordinary dividends, qualified dividends, capital gain or federal withheld ➢ Make sure if you put in a capital gain that it carried over to Line 13 of the 1040

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Income	Line 12.	Unemployment Compensation	1099-G	Federal Section → Income → Unemployment Compensation (1099-G Box 1)		➢ Fill in all information on 1099-G
Income	Line 13.	Social Security Benefits	SSA-1099	Federal Section → Income → IRA/Pension Distributions (1099-R, 1099-SSA) → Social Security Benefits	D-41 through D-42	➢ If taxpayer has other forms of income, add amount to IRA/Pension Distributions (1099-R, 1099-SSA) ➢ If no other source of income, consult Chart on A-1 of Pub 4012 (might not need to file) ➢ Fill in the form for Taxpayer/Spouse: o SS Benefit: Amount in Box 5 o Federal tax withheld: Amount in Box 6 o Medicare Premiums: Add Parts B, C and D
Income	Line 15.	Other Income (Gambling) Other Income (Prizes & Awards) Other Income (Jury Duty Pay)	W2-G 1099-MISC (For income not in Box 7) Jury duty statement	Federal Section → Income → Other Income → Gambling Winnings (W-2G) OR Other Inc. Not Reported Elsewhere Federal Section → Income → 1099-Misc Federal Section → Income → Other Income → Other Inc. Not Reported Elsewhere		➢ Fill in all information on W-2G ➢ If no W-2G, enter Description and Amount on Other Inc. Not Reported Elsewhere ➢ Amount will carry over to line 21 on the 1040 ➢ Make sure to enter any gambling losses (Sch A., Miscellaneous Deductions) ➢ Enter 1099-MISC with amount in box 3 ➢ Enter Description and Amount ➢ If jury duty pay is given to employer, record in Deductions → Other Adjustments
		Penalty on Early Withdrawal of Savings	1099-INT or 1099-OID	TaxSlayer (if entered on Interest Statement)		
Expenses	Line 4.	Standard Deduction or Itemized Deductions	Receipts and possibly 1098	TaxSlayer calculates the Standard Deductions automatically.	F-1 through F-11	➢ If the taxpayer wishes to itemize, please see an advanced volunteer or Site Coordinator

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Marital Status and Household Information		Exemptions		TaxSlayer Calculates		➢ No exemption amounts for TY 2018
Expenses	Line 5.	Credit for Child and Dependent Care Expenses	No forms, but need EIN/SSN of child care center/person	Federal Section→ Deductions → Credits Menu → Child Care Credit (Form 2441)	G-5 through G-8	➢ Fill in Step 1 – Child Care Providers information ➢ Click Step 2 – Dependents or Step 3 – Qualifying Persons and add expenses to the appropriate dependent/qualifying person ➢ Qualifying children must be under 13 or incapable of care ➢ Expenses must be for when taxpayer was working or looking for work ➢ If Box 10 of W-2 was filled in, form 2441 must be filled out
Expenses	Line 2.	Retirement Savings Contribution Credit	Box 12, Retirement Plan Box checked in Box 13, Box 14 or Taxpayer tells you he/she has contributed to a plan	Federal Section→ Deductions → Credits Menu → Retirement Savings Credit (Form 8880)	G-9 through G-11	➢ Check qualifications if Box 12 has a code D or E OR if Box 13 has retirement plan checked ➢ If Box 14 of W-2 has a code or if taxpayer has contributed to a plan, see site coordinator manual. ➢ On the 8880 form: ➢ Enter the amount of early distributions OR leave blank ➢ Note: make sure student status is reflected correctly for Taxpayer/Spouse in Basic Information Section
		Child Tax Credit/Credit for Other Dependents		TaxSlayer Calculates	G-12 through G-16	➢ Credit for each qualifying child under 17 ➢ $500 for dependents age 17 and older
		Credit for the Elderly or Disabled		Federal Section → Deductions → Credits Menu → Credit for the Elderly or Disabled (Schedule R)	G-17 through G-19	➢ Might apply if the taxpayer is over 65 years old OR under 65 years old and totally and permanently disabled ➢ Answer questions regarding disability and other income, as appropriate ➢ Call for assistance
Health Care Coverage	Line 1.	Health Care: Individual Responsibility	1095-A, 1095-B, 1095-C, other proof of health insurance	Health Insurance Section	Tab H	➢ Answer questions as applicable ➢ If taxpayer or someone in tax household did not have MEC all year, "Do you qualify for Health Care Exemptions?" o See ACA Tax Provisions in Site Coordinator/Advanced Volunteer Handbook
		Federal Income Tax Withheld	Check all income documents	TaxSlayer calculates based on input across all income docs		

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Category on I/I form	Line on I/I form	Description	Taxpayer's Forms	Directions	Tab in 4012	Instructions and Special Notes
Life Events	Line 8.	Estimated Tax Payments	Check previous year return	Enter amount of current year estimated tax payments and amount applied from PY return		
Life Events	Line 4.	Earned Income Credit		E-file Section → EIC Checklist Check if each dependent is a qualifying child for the EIC Federal Section → Deductions → Credits Menu → Earned Income Credit (Form 8862)	I-1 through I-6	➢ This is a very IMPORTANT CREDIT! ➢ EIC Disallowance: fill out Form 8862 if EIC has previously been disallowed/reduced but the taxpayer qualifies for the credit this tax year ➢ Refunds with EIC will be delayed until mid-February because of the PATH Act
		Additional Child Tax Credit		TaxSlayer Calculates		➢ Refundable portion of the Child Tax Credit ➢ Must have at least $2,500 of earned income
		Amount to Be Refunded		Add Form 8888 if taxpayer wants to invest in savings bonds		➢ Complete Form 8888 in the E-File Section > Taxpayer Bank Account Information
		Amount You Owe				

Payment Options	➢ Payment options: 1) Electronic funds withdrawal 2) EFTPS: free system that allows tax payments by phone or online (www.eftps.gov or 1-800-316-6541) 3) Credit card: make tax payments on American Express, Discover, MasterCard or VISA (convenience fee charged by service provider) 4) Check or money order: make check payable to "United States Treasury" and submit along with 1040-V (Payment Voucher) 5) Full pay within 60 or 120 agreement: get up to 120 days to make full payment; no user fee charged 6) Form 9465, Installment Agreement Request: make payments on a monthly schedule; user fee charged ($105 or $52 if direct debit from bank account) 7) Online Payment Agreement (OPA): taxpayer can request a pre-assessment installment agreement on current liabilities (www.irs.govv, search OPA) ➢ Advise taxpayers to pay as much as possible by filing deadline to reduce interest and penalties. ➢ If taxpayers have a small amount of withholding, advise them to increase withholdings with employer using a Form W-4. ➢ If taxpayers owe at least $1,000, taxpayers must make estimated tax payments. ETS is reported on a Form 2210, but is OUT OF SCOPE! Inform taxpayers that they will receive a notice from the IRS that figures the penalty.

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AL Return Page	Directions	Special Notes
Add State Return(s) → Select your state return Residency	➢ Choose Resident, Part Year, or Non-Resident.	➢ If the taxpayer is not a full-year AL resident, call your supervisor for assistance with other state returns ➢ In most instances, when you enter an AL address in the Basic Information section, a full-year resident AL return will automatically be created
Alabama State Return	➢ Fill in the following info: o Prior year filing (yes or no) o Present Employer name and address o Consumer Use Tax (usually 0)	➢ This information will most likely present itself after completing the Basic Information section ➢ If you need to change residency status to part year or non-resident, you'll need to delete the existing AL return and create a new one
Congratulations! You have completed your standard Alabama state return!	Would you like to add any of the following items or any additional items not listed below to your Alabama state return? ➢ Click "Yes" if: o Federal and state dependency differ o Federal and state filing status differ o Some federal income is nontaxable on the state return ▪ Defined benefits ▪ Unemployment compensation ▪ Social security benefits ▪ Railroad retirement Income o Some income requires manual entries ▪ Retirement distributions: only IRAs and disability retirement that should be treated as wages on federal and state pull through automatically ▪ Defined contributions must be added to the state return (AL40, pg 2, Pt I, line 5b) • State Section > Adjustments to Income > Taxable Portion of Pensions > Enter Defined Contributions <u>taxable</u> amount ▪ Defined benefits disability income must be removed from the state return • State Section > Adjustments to Income > Taxable Portion of Pensions > Is your Federal Taxable Pension Fully Exempt from AL Income Tax? > Yes (ONLY if disability income is the only retirement distribution)	Filing Status: ➢ To file HoF, the taxpayer must have a qualifying person who is not a foster child AND the taxpayer must be legally separated/divorced; it is not enough to have lived apart for the past 6 months. ➢ Single, MFJ and MFS all carry over from Federal return ➢ QW does not exist in Alabama, so TaxSlayer should select Head of Family. See AL Pub 4012 for detailed instructions for changing filing status. Dependency: ➢ You cannot claim foster children or non-related individuals (such as friends or cousins) who lived with the taxpayer for the entire year as dependents on the Alabama return. ➢ See AL Pub 4012 for detailed instructions for adding/removing dependents Nontaxable income: ➢ List nontaxable income types and amounts o State Section > Basic Information > Income reported on your Federal return but not reported on your Alabama return ▪ DB, SS, RR, unemployment ▪ AL40, pg 2, Part IV, line 5 o Generally, defined benefits are not taxable by the state of Alabama. This even includes distributions are not Code 7: ▪ Code 1- Defined benefits early distributions ▪ Code 3- Defined benefits disability distributions that are treated as wages on the federal return