

Page	What	Instructor Notes/Errata
--	Clarify years	When using TaxWise 2015 to work the returns, use the years as presented (e.g. year of birth, year of retirement). When using TaxWise 2014 to work the practice returns, roll the years back one. The result should be that a person age 65 is age 65 in both TaxWise 2015 and 2014.
5	Hudson: clarify IRA	Gail's contribution to her IRA was for 2015.
15	Clark: rounding	Volunteers may get a rounding difference on the Cap Gn Wkt depending on how the sales are entered.
21, 22	Clark: brokerage statement	Typo in title: "Supplemental" should be "Supplemental." Disregard "Gordon" in the name of the recipient.
45	Moore: clarify annuity	Joanne takes her late husband's retirement as the survivor; but because she is the only one alive at the start of the annuity, Joanne is treated as the employee and the annuity is based on her life alone (Pub 575).
46	Moore: taxpayer error on intake form	During the interview, Joanne says she made a mistake and Corey is not disabled; Diana is the only child who is disabled.
59	Holmes: Supplemental	If an asset is properly titled in a community property state, 100% of the basis is stepped up or down to the FMV on the date of death. In non-community property states, only the portion (generally half) of the asset that belonged to the decedent is stepped up or down to FMV. Instructors should determine the rules for their state before doing this supplemental exercise.
65	Bates: clarify income	Yard maintenance income was reported on 1099-Misc by the payer (presumably a business), so we assume that Gail and her neighbor agreed that she would work as an independent contractor. If it had not been reported at all, it might be considered household employee income and entered on Wkt1 as it was under the \$1,900 reporting threshold for the employer.
78	McCook: specification for ACA	Use zip code 46205 for the market policy affordability exemption. (Hint: the exemption applies.)
84	McCook: correct sale date	The sale date for 100 Matte Investor Class Fund should be 09/18/2015.
87	McCook: Supplemental Exercise 2 clarification	Supplement 2 is added to the basic practice return (it is not additive to Supplement 1) for the line-by-line answers.
87	McCook: Supplemental Exercise 2 clarification	The McCooks moved into your state on March 31, 2015 (use Indiana for the sales tax worksheet); use Washington with no local sales to calculate their sales tax deduction for January through March. Discuss your state's implication of part-year residency.
93	Wright: Supplemental	Assume that the Tuition and Fees adjustment is extended.
102	Yale: clarification re early distribution	Use of the distributed funds is irrelevant. If the Yales have qualified expenses, they can reduce the penalty. Assume that in addition to the medical expenses and higher education expenses as in the workbook, the Yales spent \$500 per month for room and board (at home) for Douglas. See Pub 970. (This results in no penalty for the early distribution.)

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105	Yale: medical insurance clarification	In the interview, Gale confirms that her employer offered subsidized coverage for Thomas and the children (but they chose to not take that coverage). Thus, Thomas is not eligible for the 1040 Line 29 deduction for self-employed health coverage for any month during the year and the return is in scope.
107	Yale: Supplemental Exercise	Assume that the Meals and Incidental Expense (M&IE) rate is \$46 per day for Gale's trip. See Form 2106 instructions.
137	ACA Exercise #34	Question c should read: Would the answer to b(i) and b(ii) be different...
138	Filing Status #5	Susie's job is part time, not full time.
141	Quiz: WHO MUST FILE Question 2: If you turn 65 on January 1, 1951 you follow the guidelines for under 65 for purposes of determining whether or not you must file a return for 2015?	Should read as follows: If you were born on January 1, 1951 you follow the guidelines for under 65 for purposes of determining whether or not you must file a return for 2015?
141	Quiz: WHO MUST FILE Question 5	Change tax years to 2015.
144	Quiz: Capital Gain or Loss – Stocks #10	... Jim sold all the stock on 12/1/ 2015 ...