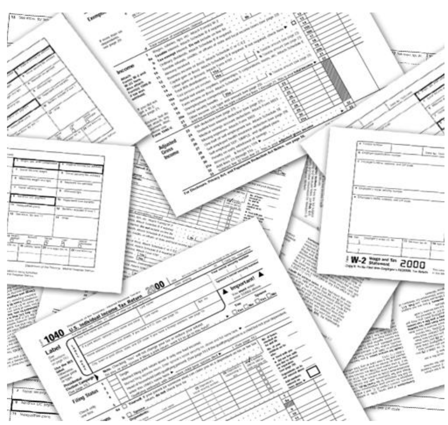
Tax Preparation Course Introduction

Pub 4491 – Part 1

AARP FOUNDATION TAX-AIDE

Welcome

- AARP Tax-Aide education is all about:
  - Interaction with taxpayer
  - Forms
  - Data
  - Calculations



AARP Foundation Tax-Aide

- Nationwide non-profit program administered by AARP Foundation
- Helps low-to-moderate income taxpayers with special attention to age 60+
- Free confidential service
- Committed to high-quality service
- Answers tax questions/prepares returns
- Funding from AARP Foundation and IRS

Objectives

- Course levels and training approach
- Certification process
- Volunteer responsibilities
- Critical components of return preparation process
- Resources available

Course Levels

- Two Levels
  - Basic – for Volunteer Income Tax Assistance (VITA) sites (not Tax-Aide)
  - Advanced – all Tax-Aide Counselors
- Optional Courses
  - Health Savings Accounts
  - Military
  - International

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Training Approach

- Process Based Training (PBT)

  Structured process combining interview, application of law, and tax software to complete return followed by full Quality Review of the return
- Learn to use IRS reference manuals

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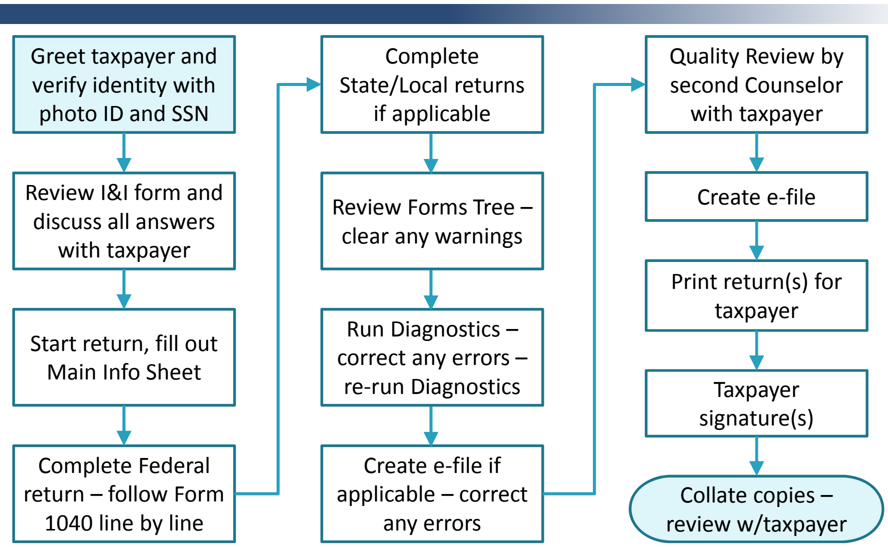
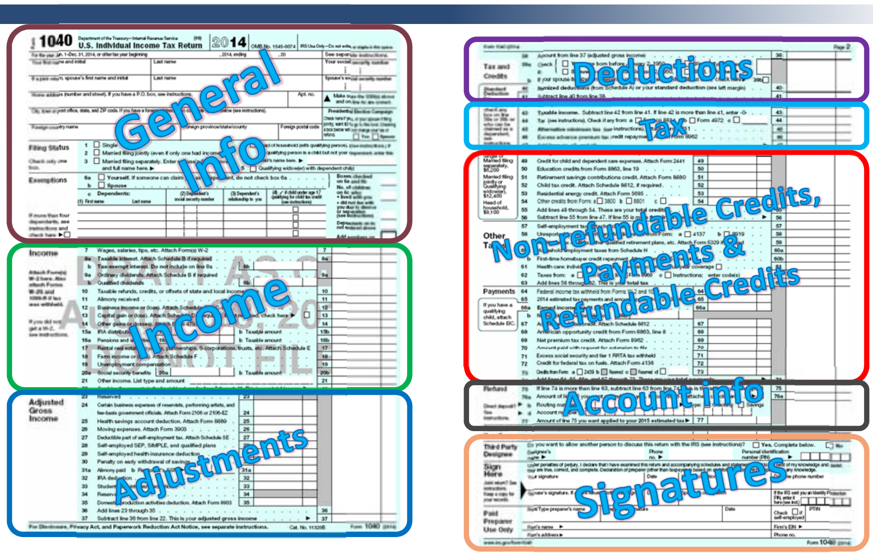
Training Approach

- Income tax training
  - Start with basics
  - Continue through complete return
  - It becomes a process
  - Course follows progression through Form 1040

Tax Return Preparation is a Process



Federal Return (1040)



Filing Returns

- All returns completed on computer
  - TaxWise software supplied by IRS
    - Resides on server at vendor (TWO)
- All returns must have quality review
  - 2nd pair of eyes
- All returns filed electronically
- Each taxpayer gets printed copy

Certification Process

- Complete two tests to meet IRS/AARP Tax-Aide certification requirements
  - Volunteer Standards of Conduct (VSC) Test
  - Advanced Test
- Minimum score of 80% required on each
- May take one retest if necessary
- Show competency in use of TaxWise®
- New volunteers generally do not complete optional courses

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Volunteer Responsibilities

- Stay within scope of program
- Stay within training completed
- Become familiar with and use resources
  - IRS Pubs
  - IRS help facilities
  - State Pubs and help facilities
  - Fellow counselors
  - AARP Tax-Aide Cybertax Alerts
- Understand return is client's responsibility

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Volunteer Responsibilities

- Protect confidentiality and security
- Do not retain any data at site
  - Exception – Form 8453 and attachments
- Record ALL activity at site every shift
- Follow site's e-file process

Volunteer Protection Act of 1997

- Certified volunteers not liable if:
  - Received IRS/AARP Foundation Tax-Aide Training
  - Harm not wilful
  - Act within scope of program and training
  - AARP Foundation Tax-Aide policies and procedures are followed

Expectations for Instructors

- Provide positive learning experience
- Help you learn and understand preparation process
- Answer questions
- Check workbook assignments
- Provide feedback

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Expectations for Volunteers

- Be positive (not disruptive) in a learning environment
- Follow directions (don't jump ahead)
- Ask questions
- Timely completion of assignments
- Successful certification

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Process Components

Each will be covered in a later slide

- IRS Forms
  - Form 13614-C
  - Form 1040
  - Form 1095-A
  - Form 1099 (various)
  - Form 8962
  - Form 8965
- IRS Publications
  - Pub 4491
  - Pub 4012
  - Pub 17
  - 1040 Instructions
  - Pub 5157
- TaxWise Software
- State reference material as applicable

Training Reference Icons


Definitions


Interview


Tax Law


TaxWise


Quality Review


Exit Interview


Practice

The Starting Point – Taxpayer Interview

Form **13614-C** (October 2014)

Department of the Treasury - Internal Revenue Service

Intake/Interview & Quality Review Sheet

OMB Number 1545-1964

You will need:
- **Tax Information such as Forms W-2, 1099, 1098.**
- **Social security cards or ITIN letters for all persons on your tax return.**
- **Picture ID (such as valid driver's license) for you and your spouse.**

- **Please complete pages 1-3 of this form.**
- **You are responsible for the information on your return. Please provide complete and accurate information.**
- **If you have questions, please ask the IRS certified volunteer preparer.**

Part I – Your Personal Information

1. Your first name | M.I. | Last name | Are you a U.S. citizen? ☐ Yes ☐ No
2. Your spouse's first name | M.I. | Last name | Is your spouse a U.S. citizen? ☐ Yes ☐ No
3. Mailing address | Apt # | City | State | ZIP code
4. Telephone number(s) | Email address (optional)
5. Your Date of Birth | 6. Your job title | 7. Last year, were you: a. Full time student ☐ Yes ☐ No b. Totally and permanently disabled ☐ Yes ☐ No c. Legally blind ☐ Yes ☐ No
8. Your spouse's Date of Birth | 9. Your spouse's job title | 10. Last year, was your spouse: a. Full time student ☐ Yes ☐ No b. Totally and permanently disabled ☐ Yes ☐ No c. Legally blind ☐ Yes ☐ No
11. Can anyone claim you or your spouse on their tax return? ☐ Yes ☐ No ☐ Unsure
12. Have you or your spouse: a. Been a victim of identity theft? ☐ Yes ☐ No b. Adopted a child? ☐ Yes ☐ No

Part II – Marital Status and Household Information

1. As of December 31 of last year, were you:
   - ☐ Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
   - ☐ Married a. Did you live with your spouse during any part of the last six months of 2014? ☐ Yes ☐ No
     b. Was your marriage recognized under the laws of the state(s) you are filing in? ☐ Yes ☐ No ☐ Unsure
   - ☐ Divorced or Legally Separated Date of final decree or separate maintenance agreement ______
   - ☐ Widowed Year of spouse's death ______

2. List the names below of:
   - **everyone** who lived with you last year *(other than you or your spouse)*
   - **anyone** you supported but did not live with you last year

If additional space is needed check here ☐ and list on page 3

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 12/31/14 (S/M) (g)	Full-time Student last year (yes/no) (h)	Totally and Permanently Disabled (yes/no) (i)	**To be completed by a Certified Volunteer Preparer** Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than $3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)

Volunteers are trained to provide high quality service and uphold the highest ethical standards.
To report unethical behavior to the IRS, email us at wi.voltax@irs.gov or call toll free 1-877-330-1205

Catalog Number 52121E www.irs.gov Form **13614-C** (Rev. 10-2014)

TAX-AIDE

Form 13614-C: Intake/Interview Sheet

Yes	No	Unsure	Check appropriate box for each question in each section
			Part III – Income – Last Year, Did You *(or Your Spouse)* Receive
☐	☐	☐	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? ______
☐	☐	☐	2. (A) Tip Income?
☐	☐	☐	3. (B) Scholarships? (Forms W-2, 1098-T)
☐	☐	☐	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
☐	☐	☐	5. (B) Refund of state/local income taxes? (Form 1099-G)
☐	☐	☐	6. (B) Alimony income?
☐	☐	☐	7. (A) Self-Employment income? (Form 1099-MISC, cash)
☐	☐	☐	8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?
☐	☐	☐	9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)
☐	☐	☐	10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)
☐	☐	☐	11. (A) Distribution from Pensions, Annuities, and/or IRA? (Form 1099-R)
☐	☐	☐	12. (B) Unemployment compensation? (Form 1099-G)
☐	☐	☐	13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)
☐	☐	☐	14. (M) Income (or loss) from Rental Property?
☐	☐	☐	15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, etc.) (Forms W-2G) Specify
			Part IV – Expenses – Last Year, Did You *(or Your Spouse)* Pay
☐	☐	☐	1. (B) Alimony? If yes, do you have the recipient's SSN? ☐ Yes ☐ No
☐	☐	☐	2. Contributions to a retirement account? ______ IRA (A) ______ 401K (B) ______ Roth IRA (B) ______ Other
☐	☐	☐	3. (B) Post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)
☐	☐	☐	4. (B) Unreimbursed employee business expenses? (such as uniforms or mileage)
☐	☐	☐	5. (B) Medical expenses? (including health insurance premiums)
☐	☐	☐	6. (B) Home mortgage interest? (Form 1098)
☐	☐	☐	7. (B) Real estate taxes for your home or personal property taxes for your vehicle? (Form 1098)
☐	☐	☐	8. (B) Charitable contributions?
☐	☐	☐	9. (B) Child or dependent care expenses such as daycare?
☐	☐	☐	10. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?
☐	☐	☐	11. (A) Expenses related to self-employment income or any other income you received?
			Part V – Life Events – Last Year, Did You *(or Your Spouse)*
☐	☐	☐	1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)
☐	☐	☐	2. (COD) Have debt from a mortgage or credit card cancelled/forgiven by a commercial lender? (Forms 1099-C, 1099-A)
☐	☐	☐	3. (A) Buy, sell or have a foreclosure (COD) of your home? (Form 1099-A)
☐	☐	☐	4. (B) Have Earned Income Credit (EIC) disallowed in a prior year? If yes, for which tax year? ______
☐	☐	☐	5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)
☐	☐	☐	6. (B) Live in an area that was affected by a natural disaster? If yes, where? ______
☐	☐	☐	7. (A) Receive the First Time Homebuyers Credit in 2008?
☐	☐	☐	8. (B) Pay any student loan interest? (Form 1098-E)
☐	☐	☐	9. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? ______
☐	☐	☐	10. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?

Catalog Number 52121E www.irs.gov Form **13614-C** (Rev. 10-2014)

TAX-AIDE

Form 13614-C Part IV: Health Care Coverage

Yes	No	Unsure	Check appropriate box for each question in each section
Part VI: Health Care Coverage *(includes CHIP, Medicare, Medicaid, Employer-Sponsored Insurance, Individual Health Insurance, etc.)*			
☐	☐	☐	1. Last year, did you have health care coverage for you, your spouse, and all qualifying dependents? (Forms W-2, 1099 SSA and Form 1095 series)
☐	☐	☐	2. Last year, did you or your spouse receive an advance payment from the Marketplace to help you pay for your monthly health care payments? (Form 1095A)

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

If you're receiving advance payments of the premium tax credit to help pay for your health insurance coverage, you should report life changes, such as income, marital status or family size changes, to your marketplace. Reporting changes will help to make sure you are getting the proper amount of advance payments.

To be completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return)

Had Health Care Coverage	(B) For the Entire year *(12 months)*	(B) For part of the year *(Less than 12 months)*	(B) No Health Care Coverage at all	(B) Qualify for an exemption
Taxpayer				
Spouse				
Dependent number 1 *(page 1)*				
Dependent number 2 *(page 1)*				
Dependent number 3 *(page 1)*				
Dependent number 4 *(page 1)*				

Course Introduction

Questions?

Comments…