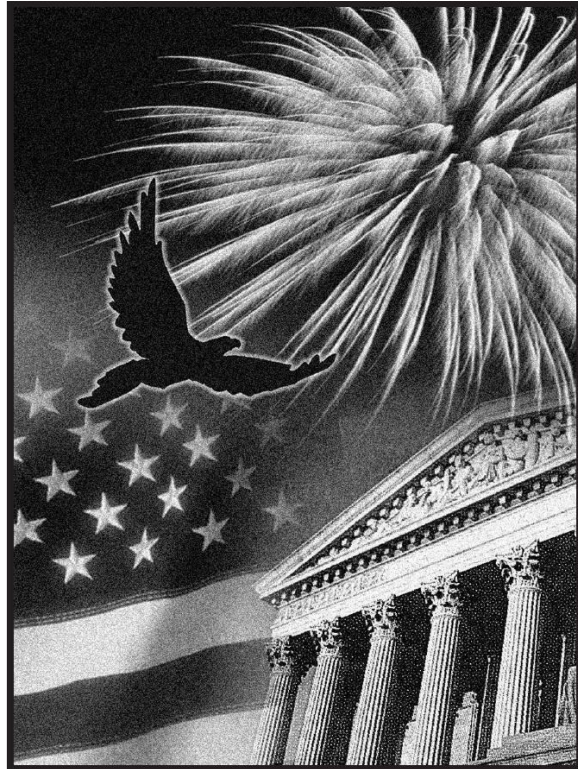


# Publication 530

## Tax Information for Homeowners

For use in preparing

Volume 2 of 2



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## Mortgage Larger than Certified Indebtedness

Certified indebtedness amount on your MCC

Original amount of your mortgage

The fraction won't change as long as you are entitled to take the mortgage interest credit.

**Example.** You bought a home this year. Your mortgage loan is \$125,000. The certified indebtedness amount on the MCC is \$100,000. You paid \$7,500 interest this year. You figure the interest to enter on Form 8396, line 1, as follows:

$$\frac{\$100,000}{\$125,000} = 80\% \quad (0.80)$$

$$\$7,500 \quad \times \quad 0.80 \quad = \quad \$6,000$$

You enter \$6,000 on Form 8396, line 1. In each later year, you will figure your credit using only 80% of the interest you paid for that year.

## Limits

Two limits may apply to your credit.

- A limit based on the credit rate.
- A limit based on your tax.

**Limit based on credit rate.** If the certificate credit rate is higher than 20%, the credit you are allowed can't be more than \$2,000.

**Limit based on tax.** After applying the limit based on the credit rate, your credit generally can't be more than your tax liability. See the Credit Limit Worksheet in the Form 8396 instructions to figure the limit based on tax.

## Dividing the Credit

If two or more persons (other than a married couple filing a joint return) hold an interest in the home to which the MCC relates, the credit must be divided based on the interest held by each person.

**Example.** You and your sibling were issued an MCC. You used it to get a mortgage on their main home. You have a 60% ownership interest in the home, and your sibling has a 40% ownership interest in the home. You paid \$5,400 mortgage interest this year and your sibling paid \$3,600.

The MCC shows a credit rate of 25% and a certified indebtedness amount of \$130,000. The loan amount (mortgage) on their home is \$120,000. The credit is limited to \$2,000 because the credit rate is more than 20%.

You figure the credit by multiplying the mortgage interest you paid this year (\$5,400) by the certificate credit rate (25%) for a total of \$1,350. Your credit is limited to \$1,200 ( $\$2,000 \times 60\% (0.60)$ ).

Your sibling figures the credit by multiplying the mortgage interest paid this year (\$3,600) by the certificate credit rate (25%) for a total of \$900. Your sibling's credit is limited to \$800 ( $\$2,000 \times 40\% (0.40)$ ).

## Carryforward

If your allowable credit is reduced because of the limit based on your tax, you can carry forward the unused portion of the credit to the next 3 years or until used, whichever comes first.

**Example.** You receive an MCC from State X. This year, your regular tax liability is \$1,100, you owe no alternative minimum tax, and your mortgage interest credit is \$1,700. You claim no other credits. Your unused mortgage interest credit for this year is \$600 (\$1,700 – \$1,100). You can carry forward this amount to the next 3 years or until used, whichever comes first.

**Credit rate more than 20%.** If you are subject to the \$2,000 limit because your certificate credit rate is more than 20%, you can't carry forward any amount more than \$2,000 (or your share of the \$2,000 if you must divide the credit).

**Example.** In the earlier example under Dividing the Credit, you and your sibling used the entire \$2,000 credit. The excess

You	$\$1,350 - \$1,200$	=	\$150
Your sibling	$\$900 - \$800$	=	\$100

\$150 for you (\$1,350 – \$1,200) and \$100 for your sibling (\$900 – \$800) can't be carried forward to future years, despite the respective tax liabilities for you and your sibling.

## **Refinancing**

If you refinance your original mortgage loan on which you had been given an MCC, you must get a new MCC to be able to claim the credit on the new loan. The amount of credit you can claim on the new loan may change. Table 2 summarizes how to figure your credit if you refinance your original mortgage loan. mortgage.

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Table 2. **Effect of Refinancing on Your Credit**

IF you get a new (reissued) MCC and the amount of your new mortgage is...	THEN the interest you claim on Form 8396, line 1, is...*
smaller than or equal to the certified indebtedness amount on the new MCC	all the interest paid during the year on your new mortgage.
larger than the certified indebtedness amount on the new MCC	interest paid during the year on your new mortgage multiplied by the following fraction. <div><div>Certified indebtedness amount on your new MCC</div><div><div></div><div>Original amount of your mortgage</div></div></div>

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If you didn't get a new MCC, you may want to contact the state or local housing finance agency that issued your original MCC for information about whether you can get a reissued MCC.

**Year of refinancing.** In the year of refinancing, add the applicable amount of interest paid on the old mortgage and the applicable amount of interest paid on the new mortgage, and enter the total on Form 8396, line 1.

If your new MCC has a credit rate different from the rate on the old MCC, you must attach a statement to Form 8396. The statement must show the calculation for lines 1, 2, and 3 for the part of the year when the old MCC was in effect. It must show a separate calculation for the part of the year when the new MCC was in effect. Combine the amounts from both calculations for line 3, enter the total on line 3 of the form, and

enter "See attached" on the dotted line next to line 2.

**New MCC can't increase your credit.** The credit that you claim with your new MCC can't be more than the credit that you could have claimed with your old MCC.

In most cases, the agency that issues your new MCC will make sure that it doesn't increase your credit. However, if either your old loan or your new loan has a variable (adjustable) interest rate, you will need to check this yourself. In that case, you will need to know the amount of the credit you could have claimed using the old MCC.

There are two methods for figuring the credit you could have claimed. Under one method, you figure the actual credit that would have been allowed. This means you use the credit rate on the old MCC and the interest you would have paid on the old loan.

If your old loan was a variable rate mortgage, you can use another method to determine the credit that you could have claimed. Under this method, you figure the credit using a payment schedule of a hypothetical self-amortizing mortgage with level payments projected to the final maturity date of the old mortgage. The interest rate of the hypothetical mortgage is the annual percentage rate (APR) of the new mortgage for purposes of the Federal Truth in Lending Act. The principal of the hypothetical mortgage is the remaining outstanding balance of the certified mortgage indebtedness shown on the old MCC.

**Caution:** You must choose one method and use it consistently beginning with the first tax year for which you claim the credit based on the new MCC.

**Tip:** As part of your tax records, you should keep your old MCC and the schedule of payments for your old mortgage.

# **Basis**

Basis is your starting point for figuring a gain or loss if you later sell your home, or for figuring depreciation if you later use part of your home for business purposes or for rent.

While you own your home, you may add certain items to your basis. You may subtract certain other items from your basis. These items are called adjustments to basis and are explained later under *Adjusted Basis*.

It is important that you understand these terms when you first acquire your home because you must keep track of your basis and adjusted basis during the period you own your home. You must also keep records of the events that affect basis or adjusted basis. See *Keeping Records*, later.

## **Figuring Your Basis**

How you figure your basis depends on how you acquire your home.

Generally, if you buy or build your home, your cost is your basis. If you receive your home as a gift, your basis is usually the same as the adjusted basis of the person who gave you the property. If you inherit your home from a decedent, different rules apply depending on the date of the decedent's death. Each of these topics is discussed later.

**Property transferred from a spouse.** If your home is transferred to you from your spouse, or from your former spouse as a result of a divorce, your basis is the same as your spouse's (or former spouse's) adjusted basis just before the transfer. Pub. 504, Divorced or Separated Individuals, fully discusses transfers between spouses.

## **Cost as Basis**

The cost of your home, whether you purchased it or constructed it, is the amount you paid for it, including any debt you assumed.

The cost of your home includes most settlement or closing costs you paid when you bought the home. If you built your home, your cost includes most closing costs paid when you bought the land or settled on your mortgage. See *Settlement or closing costs*, later.

**Caution:** If you elect to deduct the sales taxes on the purchase or construction of your home as an itemized deduction on Schedule A (Form 1040), you can't include the sales taxes as part of your cost basis in the home.

**Purchase.** The basis of a home you bought is the amount you paid for it. This usually includes your down payment and any debt you assumed. The basis of a cooperative apartment is the amount you paid for your shares in the corporation that owns or controls the property. This amount includes any purchase commissions or other costs of acquiring the shares.



**Construction.** If you contracted to have your home built on land that you own, your basis in the home is your basis in the land plus the amount you paid to have the home built. This includes the cost of labor and materials, the amount you paid the contractor, any architect's fees, building permit charges, utility meter and connection charges, and legal fees that are directly connected with building your home. If you built all or part of your home yourself, your basis is the total amount it cost you to build it. You can't include in basis the value of your own labor or any other labor for which you didn't pay.

**Real estate taxes.** Real estate taxes are usually divided so that you and the seller each pay taxes for the part of the property tax year that each owned the home. See *Real estate taxes paid at settlement or closing* under *State and Local Real Estate Taxes*, earlier, to figure the real estate taxes you paid or are considered to have paid.

If you pay any part of the seller's share of the real estate taxes (the taxes up to the date of sale) and the seller didn't reimburse you, add those taxes to your basis in the home. You can't deduct them as taxes paid.

If the seller paid any of your share of the real estate taxes (the taxes beginning with the date of sale), you can still deduct those taxes. Don't include those taxes in your basis. If you didn't reimburse the seller, you must reduce your basis by the amount of those taxes.

**Example 1.** You bought your home on September 1, 2025. The property tax year in your area is the calendar year, and the tax is due on August 15. The real estate taxes on the home you bought were \$1,275 for the year and had been paid by the seller on August 15. You didn't reimburse the seller for your share of the real estate taxes from September 1 through December 31. You must reduce the basis of your home by the \$426  $[(122 \div 365) \times \$1,275]$  the seller paid for

you. You can deduct your \$426 share of real estate taxes on your return for the year you purchased your home.

**Example 2.** You bought your home on May 3, 2025. The property tax year in your area is the calendar year. The taxes for the previous year are assessed on January 2 and are due on May 31 and November 30. Under state law, the taxes become a lien on May 31. You agreed to pay all taxes due after the date of sale. The taxes due in 2025 for 2024 were \$1,375. The taxes due in 2026 for 2025 will be \$1,425.

You can't deduct any of the taxes paid in 2025 because they relate to the 2024 property tax year and you didn't own the home until 2025. Instead, you add the \$1,375 to the cost (basis) of your home.

You owned the home in 2025 for 243 days (May 3 to December 31), so you can take a tax deduction on your 2026 return of \$949  $[(243 \div 365) \times \$1,425]$  paid in 2026 for

2025. You add the remaining \$476 (\$1,425 – \$949) of taxes paid in 2026 to the cost (basis) of your home.

**Settlement or closing costs.** If you bought your home, you probably paid settlement or closing costs in addition to the contract price. These costs are divided between you and the seller according to the sales contract, local custom, or understanding of the parties. If you built your home, you probably paid these costs when you bought the land or settled on your mortgage.

The only settlement or closing costs you can deduct are home mortgage interest and certain real estate taxes. You deduct them in the year you buy your home if you itemize your deductions. You can add certain other settlement or closing costs to the basis of your home.

***Items added to basis.*** You can include in your basis some of the settlement fees and closing costs you paid for buying your home.

A fee is for buying the home if you would have had to pay it even if you paid cash for the home.

The following are some of the settlement fees and closing costs that you can include in the original basis of your home.

- Abstract fees (abstract of title fees).
- Charges for installing utility services.
- Legal fees (including fees for the title search and preparation of the sales contract and deed).
- Recording fees.
- Surveys.
- Transfer or stamp taxes.
- Owner's title insurance.
- Any amount the seller owes that you agree to pay, such as back taxes or interest, recording or mortgage

fees, cost for improvements or repairs, and sales commissions.

If the seller actually paid for any item for which you are liable and for which you can take a deduction (such as your share of the real estate taxes for the year of sale), you must reduce your basis by that amount unless you are charged for it in the settlement.

***Items not added to basis and not deductible.*** Here are some settlement and closing costs that you can't deduct or add to your basis.

1. Fire insurance premiums.
2. Charges for using utilities or other services related to occupancy of the home before closing.
3. Rent for occupying the home before closing.

4. Charges connected with getting or refinancing a mortgage loan, such as:
  - a. Loan assumption fees,
  - b. Cost of a credit report,
  - c. Fee for an appraisal required by a lender, and
  - d. Mortgage insurance premiums.

***Points paid by seller.*** If you bought your home after April 3, 1994, you must reduce your basis by any points paid for your mortgage by the person who sold you your home.

If you bought your home after 1990 but before April 4, 1994, you must reduce your basis by seller-paid points only if you deducted them. See *Points*, earlier, for the rules on deducting points.

## Gift

To figure the basis of property you receive as a gift, you must know its adjusted basis (defined later) to the donor just before it was given to you, its fair market value at the time it was given to you, and any gift tax paid on it.

**Fair market value (FMV).** FMV is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and who both have a reasonable knowledge of all the necessary facts.

**Donor's adjusted basis is more than FMV.**

If someone gave you your home and the donor's adjusted basis, when it was given to you, was more than the FMV, your basis at the time of receipt is the same as the donor's adjusted basis.



***Disposition basis.*** If the donor's adjusted basis at the time of the gift is more than the FMV, your basis (plus or minus any required adjustments; see *Adjusted Basis*, later) when you dispose of the property will depend on whether you have a gain or a loss.

- Your basis for figuring a gain is the same as the donor's adjusted basis.
- Your basis for figuring a loss is the FMV when you received the gift.

If you use the donor's adjusted basis to figure a gain and it results in a loss, then you must use the FMV (at the time of the gift) to refigure the loss. However, if using the FMV results in a gain, then you have neither a gain nor a loss.

***Example 1.*** You received a house as a gift. At the time of the gift, the home had an FMV of \$80,000. The donor's adjusted basis was \$100,000. After you receive the house, no events occurred to increase or decrease the

basis. If you sell the house for \$120,000, you will have a \$20,000 gain because you must use the donor's adjusted basis (\$100,000) at the time of the gift as the basis to figure the gain.

***Example 2.*** The facts are the same as in Example 1, except this time you sell the house for \$70,000. You will have a loss of \$10,000 because the donor must use the FMV (\$80,000) at the time of the gift as the basis to figure the loss.

***Example 3.*** The facts are the same as in Example 1, except this time you sell the house for \$90,000. Initially, you figure the gain using the donor's adjusted basis (\$100,000), which results in a loss of \$10,000. Because it is a loss, you must now recalculate the loss using the FMV (\$80,000), which results in a gain of \$10,000. So in this situation, you will have neither a gain nor a loss.

**Donor's adjusted basis equal to or less than the FMV.** If someone gave you your home after 1976 and the donor's adjusted basis, when it was given to you, was equal to or less than the FMV, your basis at the time of receipt is the same as the donor's adjusted basis, plus the part of any federal gift tax paid that is due to the net increase in value of the home.

***Part of federal gift tax due to net increase in value.*** Figure the part of the federal gift tax paid that is due to the net increase in value of the home by multiplying the total federal gift tax paid by a fraction. The numerator (top part) of the fraction is the net increase in the value of the home, and the denominator (bottom part) is the value of the home for gift tax purposes after reduction for any annual exclusion and marital or charitable deduction that applies to the gift.

The net increase in the value of the home is its FMV minus the adjusted basis of the donor.

Pub. 551 gives more information, including examples, on figuring your basis when you receive property as a gift.

## **Inheritance**

Your basis in a home you inherited is generally the FMV of the home on the date of the decedent's death or on the alternative valuation date if the personal representative for the estate chooses to use alternative valuation.

If an estate tax return was filed, your basis is generally the value of the home listed on the estate tax return. If you received a Schedule A (Form 8971) statement from an executor of an estate or other person required to file an estate tax return after July 2015, you may be required to report a basis consistent with the estate tax value of the property.

If an estate tax return wasn't filed, your basis is the appraised value of the home at the decedent's date of death for state inheritance or transmission taxes.

For more information on consistent basis reporting, see *Column (e)—Cost or Other Basis* in the Instructions for Form 8949. For more information on basis of inherited property generally, see Pub. 551 and Pub. 559.

If you inherited your home from someone who died in 2010, and the executor of the decedent's estate made the election to file Form 8939, Allocation of Increase in Basis for Property Acquired From a Decedent, refer to the information provided by the executor or see Pub. 4895, Tax Treatment of Property Acquired From a Decedent Dying in 2010, available at [IRS.gov/Pub/IRS-Prior/p4895-2011.pdf](https://www.irs.gov/pub/irs-prior/p4895-2011.pdf).

## Adjusted Basis

While you own your home, various events may take place that can change the original basis of your home. These events can increase or decrease your original basis. The result is called adjusted basis. See Table 3 for a list of some of the items that can adjust your basis.

**Improvements.** An improvement materially adds to the value of your home, considerably prolongs its useful life, or adapts it to new uses. You must add the cost of any improvements to the basis of your home. You can't deduct these costs.

Improvements include putting a recreation room in your unfinished basement, adding another bathroom or bedroom, putting up a fence, putting in new plumbing or wiring, installing a new roof, and paving your driveway.

Table 3. **Adjusted Basis**

*This table lists examples of some items that will generally increase or decrease your basis in your home. It isn't intended to be all inclusive.*

Increases to Basis	Decreases to Basis
<ul style="list-style-type: none"><li>• Improvements:<ul style="list-style-type: none"><li>– Putting an addition on your home</li><li>– Replacing an entire roof</li><li>– Paving your driveway</li><li>– Installing central air conditioning</li><li>– Rewiring your home</li></ul></li><li>• Assessments for local improvements (see <a href="#">Assessments for local benefits</a> under <i>What You Can and Can't Deduct</i>, earlier)</li><li>• Amounts spent to restore damaged property</li></ul>	<ul style="list-style-type: none"><li>• Insurance or other reimbursement for casualty losses</li><li>• Deductible casualty loss not covered by insurance</li><li>• Payments received for easement or right-of-way granted</li><li>• Depreciation allowed or allowable if home is used for business or rental purposes</li><li>• Value of subsidy for energy conservation measure excluded from income</li><li>• Adoption tax benefits</li><li>• The increase to the basis of the home which would be allowed due to the installation of any qualifying energy efficient properties must be reduced by any credit taken against the income tax. Also, see the Instructions for Form 5695.</li></ul>

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***Amount added to basis.*** The amount you add to your basis for improvements is your actual cost. This includes all costs for material and labor, except your own labor, and all expenses related to the improvement. For example, if you had your lot surveyed to put up a fence, the cost of the survey is a part of the cost of the fence.

You must also add to your basis state and local assessments for improvements such as streets and sidewalks if they increase the value of the property. These assessments are discussed earlier under *State and Local Real Estate Taxes*.

***Improvements no longer part of home.***

Your home's adjusted basis doesn't include the cost of any improvements that are replaced and are no longer part of the home.

***Example.*** You put wall-to-wall carpeting in your home 15 years ago. Later, you replaced that carpeting with new wall-to-wall carpeting.

The cost of the old carpeting you replaced is no longer part of your home's adjusted basis.

***Repairs versus improvements.*** A repair keeps your home in an ordinary, efficient operating condition. It doesn't add to the value of your home or prolong its life. Repairs include repainting your home inside or outside, fixing your gutters or floors, fixing leaks or plastering, and replacing broken window panes. You can't deduct repair costs and generally can't add them to the basis of your home.

However, repairs that are done as part of an extensive remodeling or restoration of your home are considered improvements. You add them to the basis of your home.

***Records to keep.*** You can use Table 4 as a guide to help you keep track of improvements to your home. Also see Keeping Records below.

**Energy conservation subsidy.** If a public utility gives you (directly or indirectly) a subsidy for the purchase or installation of an energy conservation measure for your home, don't include the value of that subsidy in your income. You must reduce the basis of your home by that value.

An energy conservation measure is an installation or modification primarily designed to reduce consumption of electricity or natural gas or to improve the management of energy demand.

**Adoption tax benefits.** If you claim an adoption credit for the cost of improvements you added to the basis of your home, decrease the basis of your home by the credit allowed. This also applies to amounts you received under an employer's adoption assistance program and excluded from income. For more information, see Form 8839, Qualified Adoption Expenses.

# Keeping Records



Keeping full and accurate records is vital to properly report your income and expenses, to support your deductions and credits, and to know the basis or adjusted basis of your home. These records include your purchase contract and settlement papers if you bought the property, or other objective evidence if you acquired it by gift, inheritance, or similar means. You should keep any receipts, canceled checks, and similar evidence for improvements or other additions to the basis. In addition, you should keep track of any decreases to the basis such as those listed in Table 3.

**How to keep records.** How you keep records is up to you, but they must be clear and accurate and must be available to the IRS.

**How long to keep records.** You must keep your records for as long as they are important for meeting any provision of the federal tax law.

Keep records that support an item of income, a deduction, or a credit appearing on a return until the period of limitations for the return runs out. (A period of limitations is the period of time after which no legal action can be brought.) For assessment of tax you owe, this is generally 3 years from the date you filed the return. For filing a claim for credit or refund, this is generally 3 years from the date you filed the original return, or 2 years from the date you paid the tax, whichever is later. Returns filed before the due date are treated as filed on the due date.

You may need to keep records relating to the basis of property (discussed earlier) for longer than the period of limitations.

Keep those records as long as they are important in figuring the basis of the original or replacement property. Generally, this means for as long as you own the property and after you dispose of it for the period of limitations that applies to you.

Table 4. **Record of Home Improvements**

Keep this for your records. Also, keep receipts or other proof of improvements.

Caution: <i>Remove from this record any improvements that are no longer part of your main home. For example, if you put wall-to-wall carpeting in your home and later replace it with new wall-to-wall carpeting, remove the cost of the first carpeting.</i>						
(a) Type of Improvement	(b) Date	(c) Amount		(a) Type of Improvement	(b) Date	(c) Amount
<b>Additions:</b>				<b>Heating &amp; Air Conditioning:</b>		
Bedroom				Heating system		
Bathroom				Central air conditioning		
Deck				Furnace		
Garage				Duct work		
Porch				Central humidifier		
Patio				Filtration system		
Storage shed				Other		
Fireplace						
Other				<b>Electrical:</b>		
				Lighting fixtures		
<b>Lawn &amp; Grounds:</b>				Wiring upgrades		
Landscaping				Other		
Driveway						
Walkway				<b>Plumbing:</b>		
Fences				Water heater		
Retaining wall				Soft water system		
Sprinkler system				Filtration system		
Swimming pool				Other		
Exterior lighting						
Other				<b>Insulation:</b>		
				Attic		
<b>Communications:</b>				Walls		
Satellite dish				Floors		
Intercom				Pipes and duct work		
Security system				Other		
Other						
				<b>Interior Improvements:</b>		
<b>Miscellaneous:</b>				Built-in appliances		
Storm windows and doors				Kitchen modernization		
Roof				Bathroom modernization		
Central vacuum				Flooring		
Other				Wall-to-wall carpeting		
				Other		

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# How To Get Tax Help

If you have questions about a tax issue; need help preparing your tax return; or want to download free publications, forms, or instructions, go to [IRS.gov](https://www.irs.gov) to find resources that can help you right away.

**Tax reform.** Tax reform legislation impacting federal taxes, credits, and deductions was enacted in P.L. 119-21, commonly known as the One Big Beautiful Bill Act, on July 4, 2025. Go to [IRS.gov/OBBB](https://www.irs.gov/OBBB) for more information and updates on how this legislation affects your taxes.

## **Preparing and filing your tax return.**

After receiving all your wage and earnings statements (Forms W-2, W-2G, 1099-R, 1099-MISC, 1099-NEC, etc.); unemployment compensation statements (by mail or in a digital format) or other government payment statements (Form 1099-G); and interest, dividend, and retirement statements from

banks and investment firms (Forms 1099), you have several options to choose from to prepare and file your tax return. You can prepare the tax return yourself, see if you qualify for free tax preparation, or hire a tax professional to prepare your return.

**Free options for tax preparation.** Your options for preparing and filing your return online or in your local community, if you qualify, include the following.

- **Free File.** This program lets you prepare and file your federal individual income tax return for free using software or Free File Fillable Forms. However, state tax preparation may not be available through Free File. Go to [IRS.gov/FreeFile](https://www.irs.gov/freefile) to see if you qualify for free online federal tax preparation, e-filing, and direct deposit or payment options.
- **VITA.** The Volunteer Income Tax Assistance (VITA) program offers free tax help to people with low-to-moderate

incomes, persons with disabilities, and limited-English-speaking taxpayers who need help preparing their own tax returns. Go to [IRS.gov/ VITA](https://www.irs.gov/VITA), download the free IRS2Go app, or call 800-906-9887 for information on free tax return preparation.

- **TCE.** The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors. Go to [IRS.gov/TCE](https://www.irs.gov/TCE) or download the free IRS2Go app for information on free tax return preparation.
- **MilTax.** Members of the U.S. Armed Forces and qualified veterans may use MilTax, a free tax service offered by the Department of Defense through Military OneSource. For more information,

go to [MilitaryOneSource](https://www.militaryonesource.mil/MilTax)  
([MilitaryOneSource.mil/MilTax](https://www.militaryonesource.mil/MilTax)).

Also, the IRS offers Free Fillable Forms, which can be completed online and then e-filed regardless of income.

**Using online tools to help prepare your return.** Go to [IRS.gov/Tools](https://www.irs.gov/Tools) for the following.

- The [Earned Income Tax Credit Assistant](https://www.irs.gov/EITCAssistant) ([IRS.gov/ EITCAssistant](https://www.irs.gov/EITCAssistant)) determines if you're eligible for the earned income credit (EITC).
- The [Online EIN Application](https://www.irs.gov/EIN) ([IRS.gov/EIN](https://www.irs.gov/EIN)) helps you get an employer identification number (EIN) at no cost.
- The [Tax Withholding Estimator](https://www.irs.gov/W4App) ([IRS.gov/W4App](https://www.irs.gov/W4App)) makes it easier for you to estimate the federal income tax you want your employer to withhold from your paycheck. This is tax withholding. See how your withholding affects your refund, take-home pay, or tax due.

- The [Sales Tax Deduction Calculator](#) ([IRS.gov/ SalesTax](#)) figures the amount you can claim if you itemize deductions on Schedule A (Form 1040).



**Getting answers to your tax questions.** On IRS.gov, you can get up-to-date information on current events and changes in tax law.

- [IRS.gov/Help](#): A variety of tools to help you get answers to some of the most common tax questions.
- [IRS.gov/ITA](#): The Interactive Tax Assistant, a tool that will ask you questions and, based on your input, provide answers on a number of tax topics.
- [IRS.gov/Forms](#): Find forms, instructions, and publications. You will find details on the most recent tax changes and interactive links to help you find answers to your questions.

- You may also be able to access tax information in your e-filing software.

## **Need someone to prepare your tax**

**return?** There are various types of tax return preparers, including enrolled agents, certified public accountants (CPAs), accountants, and many others who don't have professional credentials. If you choose to have someone prepare your tax return, choose that preparer wisely. A paid tax preparer is:

- Primarily responsible for the overall substantive accuracy of your return,
- Required to sign the return, and
- Required to include their preparer tax identification number (PTIN).



*Although the tax preparer always signs the return, you're ultimately responsible for providing all the information required for the preparer to accurately prepare your return and for the accuracy of every item reported on the*

*return. Anyone paid to prepare tax returns for others should have a thorough understanding of tax matters. For more information on how to choose a tax preparer, go to [Tips for Choosing a Tax Preparer](#) on IRS.gov.*

**Employers can register to use Business Services Online.** The Social Security Administration (SSA) offers online service at [SSA.gov/employer](https://ssa.gov/employer) for fast, free, and secure W-2 filing options to CPAs, accountants, enrolled agents, and individuals who process Form W-2, Wage and Tax Statement; and Form W-2c, Corrected Wage and Tax Statement.

**Business tax account.** If you are a sole proprietor, a partnership, an S corporation, a C corporation, or a single-member limited liability company (LLC), you can view your tax information on record with the IRS and do more with a business tax account. Go to [IRS.gov/BusinessAccount](https://irs.gov/BusinessAccount) for more information.

**IRS social media.** Go to [IRS.gov/SocialMedia](https://www.irs.gov/SocialMedia) to see the various social media tools the IRS uses to share the latest information on tax changes, scam alerts, initiatives, products, and services. At the IRS, privacy and security are our highest priority. We use these tools to share public information with you. **Don't** post your social security number (SSN) or other confidential information on social media sites. Always protect your identity when using any social networking site.

The following IRS YouTube channels provide short, informative videos on various tax-related topics in English and ASL.

- [Youtube.com/irsvideos.](https://www.youtube.com/irsvideos)
- [Youtube.com/irsvideosASL.](https://www.youtube.com/irsvideosASL)

**Over-the-Phone Interpreter (OPI) Service.** The IRS offers the OPI Service to taxpayers needing language interpretation.



The OPI Service is available at Taxpayer Assistance Centers (TACs), most IRS offices, and every VITA/TCE tax return site. This service is available in Spanish, Mandarin, Cantonese, Korean, Vietnamese, Russian, and Haitian Creole.

**Accessibility Helpline available for taxpayers with disabilities.** Taxpayers who need information about accessibility services can call 833-690-0598. The Accessibility Helpline can answer questions related to current and future accessibility products and services available in alternative media formats (for example, braille-ready, large print, audio, etc.). The Accessibility Helpline does not have access to your IRS account. For help with tax law, refunds, or account-related issues, go to [IRS.gov/ LetUsHelp](https://www.irs.gov/LetUsHelp).

**Alternative media preference.** Form 9000, Alternative Media Preference, or Form 9000(SP) allows you to elect to receive

certain types of written correspondence in the following formats.

- Standard Print.
- Large Print.
- Braille.
- Audio (MP3).
- Plain Text File (TXT).
- Braille-Ready File (BRF).

**Disasters.** Go to [IRS.gov/DisasterRelief](https://www.irs.gov/DisasterRelief) to review the available disaster tax relief.

**Getting tax forms and publications.** Go to [IRS.gov/Forms](https://www.irs.gov/Forms) to view, download, or print all the forms, instructions, and publications you may need. Or you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to place an order.

**Mobile-friendly forms.** You'll need an IRS Online Account (OLA) to complete mobile-friendly forms that require signatures.

You'll have the option to submit your form(s) online or download a copy for mailing. You'll need scans of your documents to support your submission. Go to [IRS.gov/MobileFriendlyForms](https://www.irs.gov/MobileFriendlyForms) for more information.

**Getting tax publications and instructions in eBook format.** Download and view most tax publications and instructions (including the Instructions for Form 1040) on mobile devices as eBooks at [IRS.gov/eBooks](https://www.irs.gov/eBooks).

IRS eBooks have been tested using Apple's iBooks for iPad. Our eBooks haven't been tested on other dedicated eBook readers, and eBook functionality may not operate as intended.

**Access your online account (individual taxpayers only).** Go to [IRS.gov/Account](https://www.irs.gov/Account) to securely access information about your federal tax account.

- View the amount you owe and a breakdown by tax year.
- See payment plan details or apply for a new payment plan.
- Make a payment or view 5 years of payment history and any pending or scheduled payments.
- Access your tax records, including key data from your most recent tax return, and transcripts.
- View digital copies of select notices from the IRS.
- Approve or reject authorization requests from tax professionals.

**Get a transcript of your return.** With an online account, you can access a variety of information to help you during the filing season.

You can get a transcript, review your most recently filed tax return, and get your adjusted gross income. Create or access your online account at [IRS.gov/ Account](https://www.irs.gov/Account).

**Tax Pro Account.** This tool lets your tax professional submit an authorization request to access your individual taxpayer IRS OLA. For more information, go to [IRS.gov/ TaxProAccount](https://www.irs.gov/TaxProAccount).

**Using direct deposit.** The safest and easiest way to receive a tax refund is to *e-file* and choose direct deposit, which securely and electronically transfers your refund directly into your financial account. Direct deposit also avoids the possibility that your check could be lost, stolen, destroyed, or returned undeliverable to the IRS. Eight in 10 taxpayers use direct deposit to receive their refunds. If you don't have a bank account, go to [IRS.gov/](https://www.irs.gov/)

[DirectDeposit](#) for more information on where to find a bank or credit union that can open an account online.

## **Reporting and resolving your tax-related identity theft issues.**

- Tax-related identity theft happens when someone steals your personal information to commit tax fraud. Your taxes can be affected if your SSN is used to file a fraudulent return or to claim a refund or credit.
- The IRS doesn't initiate contact with taxpayers by email, text messages (including shortened links), telephone calls, or social media channels to request or verify personal or financial information. This includes requests for personal identification numbers (PINs), passwords, or similar information for credit cards, banks, or other financial accounts.

- Go to [IRS.gov/IdentityTheft](https://www.irs.gov/IdentityTheft), the IRS Identity Theft Central webpage, for information on identity theft and data security protection for taxpayers, tax professionals, and businesses. If your SSN has been lost or stolen or you suspect you're a victim of tax-related identity theft, you can learn what steps you should take.
- Get an Identity Protection PIN (IP PIN). IP PINs are six-digit numbers assigned to taxpayers to help prevent the misuse of their SSNs on fraudulent federal income tax returns. When you have an IP PIN, it prevents someone else from filing a tax return with your SSN. To learn more, go to [IRS.gov/IPPIN](https://www.irs.gov/IPPIN).

## **Ways to check on the status of your refund.**

- Go to [IRS.gov/Refunds](https://www.irs.gov/Refunds).

- Download the official IRS2Go app to your mobile device to check your refund status.
- Call the automated refund hotline at 800-829-1954.



*The IRS can't issue refunds before mid-February for returns that claimed the EITC or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.*

**Making a tax payment.** The IRS recommends paying electronically whenever possible. Options to pay electronically are included in the list below. Payments of U.S. tax must be remitted to the IRS in U.S. dollars. [Digital assets](#) are **not** accepted. Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to make a payment using any of the following options.

- [IRS Direct Pay](#): Pay taxes from your bank account. It's free and secure, and no sign-



in is required. You can change or cancel within 2 days of scheduled payment.

- [\*Debit Card, Credit Card, or Digital Wallet:\*](#) Choose an approved payment processor to pay online or by phone.
- [\*Electronic Funds Withdrawal:\*](#) Schedule a payment when filing your federal taxes using tax return preparation software or through a tax professional.
- [\*Electronic Federal Tax Payment System:\*](#) This is the best option for businesses. Enrollment is required.
- [\*Check or Money Order:\*](#) Mail your payment to the address listed on the notice or instructions.
- [\*Cash:\*](#) You may be able to pay your taxes with cash at a participating retail store.
- [\*Same-Day Wire:\*](#) You may be able to do same-day wire from your financial institution.

Contact your financial institution for availability, cost, and time frames.

**Note:** The IRS uses the latest encryption technology to ensure that the electronic payments you make online, by phone, or from a mobile device using the IRS2Go app are safe and secure. Paying electronically is quick and easy.

**What if I can't pay now?** Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information about your options.

- Apply for an [online payment agreement \(IRS.gov/ OPA\)](https://www.irs.gov/OPA) to meet your tax obligation in monthly installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- Use the [Offer in Compromise Pre-Qualifier](https://www.irs.gov/oc/prequalifier) to see if you can settle your tax debt for less than the full amount you owe.

For more information on the Offer in Compromise program, go to [IRS.gov/OIC](https://www.irs.gov/OIC).

**Filing an amended return.** Go to [IRS.gov/1040X](https://www.irs.gov/1040X) for information and updates.

**Checking the status of your amended return.** Go to [IRS.gov/WMAR](https://www.irs.gov/WMAR) to track the status of Form 1040-X amended returns.



*It can take up to 3 weeks from the date you filed your amended return for it to show up in our system, and processing it can take up to 16 weeks.*

**Understanding an IRS notice or letter you've received.** Go to [IRS.gov/Notices](https://www.irs.gov/Notices) to find additional information about responding to an IRS notice or letter.

**IRS Document Upload Tool.** You may be able to use the Document Upload Tool to respond digitally to eligible IRS notices and letters by securely uploading required documents online through IRS.gov.

For more information, go to [IRS.gov/DUT](https://www.irs.gov/DUT).

**Schedule LEP.** You can use Schedule LEP (Form 1040), Request for Change in Language Preference, to state a preference to receive notices, letters, or other written communications from the IRS in an alternative language. You may not immediately receive written communications in the requested language. The IRS's commitment to LEP taxpayers is part of a multi-year timeline that began providing translations in 2023. You will continue to receive communications, including notices and letters, in English until they are translated to your preferred language.

**Contacting your local TAC.** Keep in mind, many questions can be answered on IRS.gov without visiting a TAC. Go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp) for the topics people ask about most. If you still need help, TACs provide tax help when a tax issue can't be handled online or by phone.

All TACs now provide service by appointment, so you'll know in advance that you can get the service you need without long wait times. Before you visit, go to [IRS.gov/TAC](https://www.irs.gov/TAC) to find the nearest TAC and to check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

Below is a message to you from the Taxpayer Advocate Service, an independent organization established by Congress.

## **The Taxpayer Advocate Service (TAS) Is Here To Help You**

### **What Is the Taxpayer Advocate Service?**

The Taxpayer Advocate Service (TAS) is an ***independent*** organization within the Internal Revenue Service (IRS). TAS helps taxpayers resolve problems with the IRS, makes administrative and legislative recommendations to prevent or correct the

problems, and protects taxpayer rights. We work to ensure that every taxpayer is treated fairly and that you know and understand your rights under the Taxpayer Bill of Rights. We are Your Voice at the IRS.

## **How Can TAS Help Me?**

TAS can help you resolve problems that you haven't been able to resolve with the IRS on your own. Always try to resolve your problem with the IRS first, but if you can't, then come to TAS. ***Our services are free.***

- TAS helps all taxpayers (and their representatives), including individuals, businesses, and exempt organizations. You may be eligible for TAS help if your IRS problem is causing financial difficulty, if you've tried and been unable to resolve your issue with the IRS, or if you believe an IRS system, process, or procedure just isn't working as it should.

- To get help any time with general tax topics, visit [www.TaxpayerAdvocate.IRS.gov](http://www.TaxpayerAdvocate.IRS.gov). The site can help you with common tax issues and situations, such as what to do if you make a mistake on your return or if you get a notice from the IRS.
- TAS works to resolve large-scale (systemic) problems that affect many taxpayers. You can report systemic issues at [www.IRS.gov/SAMS](http://www.IRS.gov/SAMS). (Be sure not to include any personal identifiable information.)

## **How Do I Contact TAS?**

TAS has offices in every state, the District of Columbia, and Puerto Rico. To find your local advocate's number:

- Go to [www.TaxpayerAdvocate.IRS.gov/Contact-Us](http://www.TaxpayerAdvocate.IRS.gov/Contact-Us),
- Check your local directory, or

- Call TAS toll free at 877-777-4778.

## **What Are My Rights as a Taxpayer?**

The Taxpayer Bill of Rights describes ten basic rights that all taxpayers have when dealing with the IRS. Go to [www.TaxpayerAdvocate.IRS.gov/Taxpayer-Rights](http://www.TaxpayerAdvocate.IRS.gov/Taxpayer-Rights) for more information about the rights, what they mean to you, and how they apply to specific situations you may encounter with the IRS. TAS strives to protect taxpayer rights and ensure the IRS is administering the tax law in a fair and equitable way.



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To help us develop a more useful index, please let us know if you have ideas for index entries. See “Comments and Suggestions” in the “Introduction” for the ways you can reach us.

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