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.
How to Get Technical Updates?

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

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.
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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.
Test Instructions

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.linklearn-certification.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

Federal Tax Law Update Test for Circular 230 Professionals
Limited to volunteers who are authorized under Circular 230 to practice before the IRS. These volunteers have a professional designation of attorney, Certified Public Accountant, and/or Enrolled Agent. Volunteers who complete this certification level can prepare any tax returns that fall within the scope of service of the VITA/ITCE Programs.
Estimated Completion Time: 1 hour
Minimum Proficiency Required: 12 out of 15 correct

Volunteer Standards of Conduct
All volunteers, including volunteers who do not prepare returns.
Estimated Completion Time: 1 hour
Minimum Proficiency Required: 8 out of 10 Correct

Intake/Interview and Quality Review
All tax law certified volunteers, site coordinators, quality reviewers, and instructors.
Estimated Completion Time: 20 minutes
Minimum Proficiency Required: 8 out of 10 Correct

Foreign Student
Estimated Completion Time: 2 hours
Minimum Proficiency Required: 40 out of 50 Correct

Basic
Recommended for, but not limited to, volunteers with 0-1 years of experience.
Estimated Completion Time: 4 hours
Minimum Proficiency Required: 20 out of 25 Correct

Advanced
Recommended for, but not limited to, volunteers with two or more years of experience.
Estimated Completion Time: 4 hours
Minimum Proficiency Required: 28 out of 35 Correct

Health Savings Accounts
Requires Basic or Advanced Certification
Estimated Completion Time: 2 hours
Minimum Proficiency Required: 12 out of 15 Correct

Optional Specialty Courses

Puerto Rico Level I
Requires Basic or Advanced Certification
Estimated Completion Time: 2 hours
Minimum Proficiency Required: 12 out of 15 Correct

Puerto Rico Level II
Requires Puerto Rico I Certification
Estimated Completion Time: 2 hours
Minimum Proficiency Required: 12 out of 15 Correct

Military
Requires Advanced Certification
Estimated Completion Time: 1 hour
Minimum Proficiency Required: 12 out of 15 Correct

International
Requires Advanced Certification
Estimated Completion Time: 1 hour
Minimum Proficiency Required: 12 out of 15 Correct
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 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.

### Standards of Conduct

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Total Answers Correct: 10
Total Questions: 10
Passing Score: 8 of 10

### Intake/Interview & Quality Review

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Total Questions: 10
Passing Score: 8 of 10

### Military Scenario 1

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Total Questions: 15
Passing Score: 12 of 15

### Military Scenario 3

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Total Questions: 35
Passing Score: 28 of 35

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Total Answers Correct: 10
Total Questions: 10
Passing Score: 8 of 10

### International Scenario 2

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Total Questions: 15
Passing Score: 12 of 15

### International Scenario 3

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Total Questions: 25
Passing Score: 20 of 25
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.

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Retest Answer Sheet

Name __________________________

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HSA/Circular 230 Retest Answer Sheet

Name ________________________________

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Total Answers Correct: 10
Total Questions: 15
Passing Score: 12 of 15
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 distressed 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.
   b. 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
Standards of Conduct Agreement – 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.

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:

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.

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.
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 telephone  Sponsoring partner name/site name

Number of years volunteered (including this year)  Volunteer signature  Date

Volunteer Certification Levels (Add the letter "P" for all passing test scores)

<table>
<thead>
<tr>
<th>Standards of Conduct (Required for ALL)</th>
<th>Intake/Interview &amp; Quality Review</th>
<th>Site Coordinator Training</th>
<th>Basic</th>
<th>Advanced</th>
<th>Military</th>
<th>International</th>
<th>HSA</th>
<th>Puerto Rico</th>
<th>Foreign Students</th>
</tr>
</thead>
</table>

Federal Tax Law Update Test for Circular 230 Professionals

Federal Tax Law Update Test for Circular 230 Professionals: Only volunteers in good standing as an attorney, CPA, or Enrolled Agent can take this certification. To qualify for this certification, the license information below must be completed by the volunteer and verified by the partner or site coordinator. Volunteers with this certification level can prepare any tax returns that fall within the scope of the VITA/TCE Programs. (Advanced, HSA, Military, etc.) The Scope of Services Chart is located in Publication 4362, VITA/TCE Volunteer Resource Guide. See Publication 1044, Site Coordinator Handbook, for additional requirements and instructions.

Note: Advanced certification is necessary for qualification for CE Credits, the Federal Tax Law Update Test does not qualify the volunteer to receive CE Credits. See Publication 4362-A, Partner Resource Guide, for additional information about requirements for CE Credits.

Professional designation (Attorney, CPA, or Enrolled Agent)  Licensing jurisdiction (state)  Bar, license, registration, or enrollment number  Effective or issue date  Expiration date (if provided)

Note: SPEC established the minimum certification requirements for volunteers who are authorized under Circular 230; however, partners may establish additional certification requirements for their volunteers. Volunteers should check with the sponsoring SPEC Partner.

Site Coordinator, Sponsoring Partner, Instructor or IRS: By signing this form, I declare that I have verified the required certification level(s) and proof of identification for this volunteer prior to allowing the volunteer to work at the VITA/TCE site.

Approving Official’s (printed) name and title (site coordinator, sponsoring partner, instructor, etc.)  Approving Official’s signature and date

For Continuing Education (CE) Credits ONLY (to be completed by the site coordinator or partner)

Instructions: Complete this section when an unpaid certified volunteer is requesting Continuing Education (CE) credits. CE credits will not be issued without a PTIN for Enrolled Agents or Non-credentialed preparers. CPAs, attorneys, or CFPs do not require a PTIN; however, they must check with their governing board requirements for obtaining CE Credits. The site coordinator, sponsoring partner, or instructor must sign and date this form and send the completed form to the SPEC Territory Office/Relationship Manager for further processing. Refer to the Fact Sheet - Continuing Education Credits on the Site Coordinator Corner or Publication 4362-A, Partner Resource Guide, for additional requirements and instructions.

Name as listed on PTIN card  Volunteer Preparer’s Tax Identification Number (PTIN)  CTEC ID number (if applicable)

Address (VITA/TCE Site or teaching location)  Site Identification Number (SIDN)

Professional Status (check only one box)

□ Enrolled Agent (EA)  □ Certified Public Accountant (CPA)  □ Non-credentialed Tax Return Preparer (Participating in the Annual Filing Season Program)

□ Attorney  □ Certified Financial Planner (CFP)

Certification Level (Check only one box below)  Volunteer Hours

□ Advanced  Total hours volunteered (Minimum of 10 volunteer hours required to receive CE Credits)

□ Advanced and One or More Specialty Courses  Total hours volunteered (Minimum of 10 volunteer hours required to receive CE Credits)

Site Coordinator, Sponsoring Partner, or Instructor: By signing this form, I declare that I have validated that the reported volunteer hours are based on the activities this volunteer performed in my site or training facility.

Approving Official’s (printed) name and title (site coordinator, sponsoring partner, instructor)

Approving Official’s signature  Date signed

Catalog Number 38847H

Form 13615 (Rev. 10-2016)
Intake / Interview and Quality Review Test Questions

Directions

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

1. 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.
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
Basic Scenario 2: Ava Harvard

Interview Notes

- 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
Basic Scenario 3: Ellen Santos

Interview Notes

- 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
Basic Scenario 4: Christopher and Amanda Drury

Interview Notes

- 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
Basic Scenario 5: Mathew Rice and Ashley Tufts

Interview Notes

- 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
Basic Scenario 6: George and Helen Reed

Interview Notes

- 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.
   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.
   d. Joshua should file a tax return to claim a refund of his withholding.
Basic Scenario 7: Jacob and Martha Mills

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.
### Part I – Your Personal Information

<table>
<thead>
<tr>
<th>1. Your first name</th>
<th>JACOB</th>
<th>M.I.</th>
<th>Last name</th>
<th>MILLS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Your spouse’s first name</td>
<td>MARTHA</td>
<td>M.I.</td>
<td>Last name</td>
<td>MILLS</td>
</tr>
</tbody>
</table>

#### Mailing address
5001 LAUREL ST

#### Your Date of Birth
- 4. Your Date of Birth: 09/21/1953
- 7. Your spouse’s Date of Birth: 03/03/1953

#### Your job title
- 5. Your job title: RETIRED
- 8. Your spouse’s job title: CASHIER

#### Your telephone number
- Daytime telephone number: YOUR PHONE #

#### Are you a U.S. citizen?
- Yes [X] No [ ]

#### Is your spouse a U.S. citizen?
- Yes [X] No [ ]

#### Apt #

#### City
YOUR CITY

#### State

#### ZIP code
YOUR ZIP

#### Part II – Marital Status and Household Information

1. As of December 31, 2018, what was your marital status?
- [X] Married
- [ ] Never Married
- [ ] Divorced
- [ ] Legally Separated
- [ ] Widowed

#### This includes registered domestic partnerships, civil unions, or other formal relationships under state law

#### a. If Yes, Did you get married in 2018?
- Yes [X] No [ ]

#### b. Did you live with your spouse during any part of the last six months of 2018?
- Yes [ ] No [X]

#### Date of final decree

#### Date of separate maintenance agreement

#### 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

<table>
<thead>
<tr>
<th>a</th>
<th>b</th>
<th>c</th>
<th>d</th>
<th>e</th>
<th>f</th>
<th>g</th>
<th>h</th>
<th>i</th>
<th>j</th>
</tr>
</thead>
<tbody>
<tr>
<td>DANIEL MILLS</td>
<td>01/17/1995</td>
<td>SON</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>S</td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

#### To be completed by a Certified Volunteer Preparer

- Is this person a qualifying child/relative of any other person?
- Did this person provide more than $4,150 of support for this person?
- Did the taxpayer(s) pay more than half the cost of maintaining a home for this person?
### Part III - Income - Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Tip Income?</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>3. (B) Scholarships? (Forms W-2, 1099-T)</td>
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<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>6. (B) Alimony income or separate maintenance payments?</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>7. (A) Self-Employment income? (Form 1099-MISC, cash)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>12. (B) Unemployment Compensation? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>14. (M) Income (or loss) from Rental Property?</td>
</tr>
<tr>
<td></td>
<td>☐</td>
<td>☒</td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify Form W-2G</td>
</tr>
</tbody>
</table>

### Part IV - Expenses - Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? ☐ Yes ☐ No</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>2. Contributions to a retirement account? ☐ IRA (A) ☐ 401K (B) ☐ Roth IRA (B) ☐ Other</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>4. (A) Deductions: ☐ Medical &amp; Dental (including insurance premiums) ☐ Mortgage Interest (Form 1098)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>☐ Taxes (State, Real Estate, Personal Property, Sales) ☐ Charitable Contributions</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>5. (B) Child or dependent care expenses such as daycare?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
</tr>
</tbody>
</table>

### Part V - Life Events - Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>3. (A) Adopt a child?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>4. Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2009?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? $400</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>9. (A) File a federal return last year containing a &quot;capital loss carryover&quot; on Form 1040 Schedule D?</td>
</tr>
<tr>
<td>☐</td>
<td>☒</td>
<td></td>
<td>10. Receive a letter from the IRS?</td>
</tr>
</tbody>
</table>
Basic Scenarios

Check appropriate box for each question in each section

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. (B) Have health care coverage?</td>
<td>☑</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. (B) Receive one or more of these forms? (Check the box)</td>
<td>☑</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>3. (A) Have coverage through the Marketplace (Exchange)?</td>
<td>☑</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3b. (A) If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. (B) Have an exemption granted by the Marketplace?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

To be Completed by a Certified Volunteer Preparer

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
</table>

Part VII – Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)
   - Check here if you, or your spouse if filing jointly, want $3 to go to this fund:
     - ☑ You
     - ☑ Spouse

3. If you are due a refund, would you like:
   - a. Direct deposit
     - ☑ Yes
     - ☑ No
   - b. To purchase U.S. Savings Bonds
     - ☑ Yes
     - ☑ No
   - c. To split your refund between different accounts
     - ☑ Yes
     - ☑ No

4. If you have a balance due, would you like to make a payment directly from your bank account?
   - ☑ Yes
   - ☑ No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants. Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking?
   - ☑ Very well
   - ☑ Well
   - ☑ Not well
   - ☑ Not at all
   - ☑ Prefer not to answer

6. Would you say you can read a newspaper or book in English?
   - ☑ Very well
   - ☑ Well
   - ☑ Not well
   - ☑ Not at all
   - ☑ Prefer not to answer

7. Do you or any member of your household have a disability?
   - ☑ Yes
   - ☑ No
   - ☑ Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces?
   - ☑ Yes
   - ☑ No
   - ☑ Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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. 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:CARP.TT:SP, 1111 Constitution Ave. NW, Washington, DC 20224.
<table>
<thead>
<tr>
<th>Box 1. Name</th>
<th>Box 2. Beneficiary’s Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>JACOB MILLS</td>
<td>131-00-XXXX</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Box 3. Benefits Paid in 2018</th>
<th>Box 4. Benefits Repaid to SSA in 2018</th>
<th>Box 5. Net Benefits for 2018 (Box 3 minus Box 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$16,000.00</td>
<td></td>
<td>$16,000.00</td>
</tr>
</tbody>
</table>

**DESCRIPTION OF AMOUNT IN BOX 3**

Paid by check or direct deposit: $14,692
Medicare Part B premiums deducted from your benefits: $1,308

**DESCRIPTION OF AMOUNT IN BOX 4**

Medicare Prescription Drug premiums (Part D) deducted from your benefits: $0

**Box 6. Voluntary Federal Income Tax Withholding**

$1,500.00

**Total Additions:**

**Benefits for 2018:**

$16,000

**Box 7. Address**

5001 Laurel St.
Your City, State Zip

**Box 8. Claim Number (Use this number if you need to contact SSA:**

Draft as of June 21, 2018 - Subject to Change

---

**FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT**

<table>
<thead>
<tr>
<th>Box 1. Name</th>
<th>Box 2. Beneficiary’s Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>MARTHA MILLS</td>
<td>132-00-XXXX</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Box 3. Benefits Paid in 2018</th>
<th>Box 4. Benefits Repaid to SSA in 2018</th>
<th>Box 5. Net Benefits for 2018 (Box 3 minus Box 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,000.00</td>
<td></td>
<td>$15,000.00</td>
</tr>
</tbody>
</table>

**DESCRIPTION OF AMOUNT IN BOX 3**

Paid by check or direct deposit: $12,188
Medicare Part B premiums deducted from your benefits: $1,312

**DESCRIPTION OF AMOUNT IN BOX 4**

Medicare Prescription Drug premiums (Part D) deducted from your benefits: $0

**Box 6. Voluntary Federal Income Tax Withholding**

$1,500.00

**Total Additions:**

**Benefits for 2018:**

$15,000

**Box 7. Address**

5001 Laurel St.
Your City, State Zip

**Box 8. Claim Number (Use this number if you need to contact SSA:**

Draft as of June 21, 2018 - Subject to Change

---
Basic Scenario 7: Test Questions

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.
Basic Scenario 8: Emily Clark

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.
### Form 13614-C

**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, 1095.
- 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.

**Part I – Your Personal Information** *(If you are filing a joint return, enter your names in the same order as last year’s return)*

<table>
<thead>
<tr>
<th>1. Your first name</th>
<th>M.I.</th>
<th>Last name</th>
<th>DAYTIME TELEPHONE NUMBER</th>
<th>YOUR PHONE #</th>
<th>ARE YOU A U.S. CITIZEN?</th>
<th>IS YOUR SPOUSE A U.S. CITIZEN?</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMILY</td>
<td></td>
<td>CLARK</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Your spouse’s first name</th>
<th>M.I.</th>
<th>Last name</th>
<th>DAYTIME TELEPHONE NUMBER</th>
<th>YOUR PHONE #</th>
<th>ARE YOU A U.S. CITIZEN?</th>
<th>IS YOUR SPOUSE A U.S. CITIZEN?</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**3. Mailing address**

129 PENNINGTON PLACE

**4. Your Date of Birth**
04/29/1978

**5. Your job title**
MED ASSISTANT

**6. Last year, were you:**
- a. Full-time student
- b. Totally and permanently disabled
- c. Legally blind

<table>
<thead>
<tr>
<th>7. Your spouse’s Date of Birth</th>
<th>M.I.</th>
<th>Last name</th>
<th>DAYTIME TELEPHONE NUMBER</th>
<th>YOUR PHONE #</th>
<th>ARE YOU A U.S. CITIZEN?</th>
<th>IS YOUR SPOUSE A U.S. CITIZEN?</th>
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</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**Part II – Marital Status and Household Information**

1. **As of December 31, 2018, what was your marital status?**
   - Never Married
   - Married
   - Divorced
   - Legally Separated
   - Widowed

   *(This includes registered domestic partnerships, civil unions, or other formal relationships under state law)*

   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

   **Date of final decree**
   **Date of separate maintenance agreement**
   **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

<table>
<thead>
<tr>
<th>Name (first, last)</th>
<th>Date of birth</th>
<th>Relationship to you</th>
<th>Number of months lived in your home last year</th>
<th>US Citizen (yes/no)</th>
<th>Resident of US, Canada, or Mexico last year (yes/no)</th>
<th>Single or Married as of 12/31/18 (S/M)</th>
<th>Full-time Student last year (yes/no)</th>
<th>Totally and Permanently Disabled (yes/no)</th>
<th>Is this person a qualifying child/relative of any other person? (yes/no)</th>
<th>Did this person provide more than 50% of expenses? (yes/no)</th>
<th>Did this person have less than $4,150 of income? (yes/no)</th>
<th>Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SARA CLARK</td>
<td>05/06/10</td>
<td>DAUGHTER</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>S</td>
<td>YES</td>
<td>NO</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>MADISON CLARK</td>
<td>07/31/12</td>
<td>DAUGHTER</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>S</td>
<td>YES</td>
<td>NO</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**To be completed by a Certified Volunteer Preparer**

*Note: If additional space is needed check here □ and list on page 3*
### Part III - Income - Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
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<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 2</td>
</tr>
<tr>
<td>☒</td>
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<td>2. (A) Tip Income?</td>
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<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
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<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)</td>
</tr>
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<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
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<td></td>
<td>11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
<td>☒</td>
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<td></td>
<td>12. (B) Unemployment Compensation? (Form 1099-G)</td>
</tr>
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<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
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<td>14. (M) Income (or loss) from Rental Property?</td>
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<td></td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify</td>
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</table>

### Part IV - Expenses - Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
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<tbody>
<tr>
<td>☒</td>
<td></td>
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<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN?</td>
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<tr>
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<td>2. Contributions to a retirement account?</td>
</tr>
<tr>
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<td></td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents?     (Form 1068-T)</td>
</tr>
<tr>
<td>☒</td>
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<td>4. (A) Deductions:</td>
</tr>
<tr>
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<td></td>
<td></td>
<td>Medical &amp; Dental (including insurance premiums)</td>
</tr>
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<td>☒</td>
<td></td>
<td></td>
<td>Taxes (State, Real Estate, Personal Property, Sales)</td>
</tr>
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<td></td>
<td></td>
<td>Mortgage Interest (Form 1098)</td>
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<td></td>
<td>Charitable Contributions</td>
</tr>
<tr>
<td>☒</td>
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<td>5. (B) Child or dependent care expenses such as daycare?</td>
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<td></td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?</td>
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<td>☒</td>
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<td></td>
<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
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<td></td>
<td></td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
</tr>
</tbody>
</table>

### Part V - Life Events - Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td>☒</td>
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<td>3. (A) Adopt a child?</td>
</tr>
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<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
</tr>
<tr>
<td>☒</td>
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<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where?</td>
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<td>☒</td>
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<td></td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2009?</td>
</tr>
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<td>8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>9. (A) File a federal return last year containing a &quot;capital loss carryover&quot; on Form 1040 Schedule D?</td>
</tr>
<tr>
<td>☒</td>
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<td></td>
<td>10. Receive a letter from the IRS?</td>
</tr>
</tbody>
</table>
Check appropriate box for each question in each section

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td>□</td>
<td>□</td>
<td>1. (B) Have health care coverage?</td>
</tr>
<tr>
<td>□</td>
<td>☒</td>
<td>□</td>
<td>2. (B) Receive one or more of these forms? (Check the box) □ Form 1095-B □ Form 1095-C</td>
</tr>
<tr>
<td>□</td>
<td>☒</td>
<td>□</td>
<td>3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>X</td>
<td>3b. (A) If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>4. (B) Have an exemption granted by the Marketplace?</td>
</tr>
</tbody>
</table>

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
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</thead>
</table>

Part VII - Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)
   - Check here if you, or your spouse if filing jointly, want $3 to go to this fund
   - X You
   - □ Spouse

3. If you are due a refund, would you like:
   - a. Direct deposit
   - X Yes
   - No
   - b. To purchase U.S. Savings Bonds
   - □ Yes
   - □ No
   - c. To split your refund between different accounts
   - X Yes
   - □ No

4. If you have a balance due, would you like to make a payment directly from your bank account?
   - □ Yes
   - X No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants. Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking?
   - X Very well
   - □ Well
   - □ Not well
   - □ Not at all
   - □ Prefer not to answer

6. Would you say you can read a newspaper or book in English?
   - X Very well
   - □ Well
   - □ Not well
   - □ Not at all
   - □ Prefer not to answer

7. Do you or any member of your household have a disability?
   - □ Yes
   - X No
   - □ Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces?
   - □ Yes
   - X No
   - □ Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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 staff 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:T.SP, 1111 Constitution Ave, NW, Washington, DC 20224.

Catalog Number 52121E www.irs.gov Form 13614-C (Rev. 10-2010)
## Basic Scenarios

**Form W-2 Wage and Tax Statement 2018**

Copy B—To BeFiled With Employee’s FEDERAL Tax Return.  
This information is being furnished to the Internal Revenue Service.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>a</td>
<td>Employee's social security number</td>
<td>259-00-XXXX</td>
</tr>
<tr>
<td>b</td>
<td>Employer identification number (EIN)</td>
<td>35-600XXXX</td>
</tr>
<tr>
<td>c</td>
<td>Employer’s name, address, and ZIP code</td>
<td>SALEM RETIREMENT HOME 1270 WEST 29TH STREET YOUR CITY, STATE ZIP</td>
</tr>
<tr>
<td>d</td>
<td>Control number</td>
<td></td>
</tr>
<tr>
<td>e</td>
<td>Employee’s first name and initial</td>
<td>EMILY</td>
</tr>
<tr>
<td>f</td>
<td>Employee’s name and address</td>
<td>CLARK 129 PENNINGTON PLACE YOUR CITY, STATE ZIP</td>
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<tr>
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**Employee Information**

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**Wages, tips, other compensation**

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**Social security wages**

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<td>3,500.00</td>
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<td>4</td>
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**Medicare wages and tips**

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<td>5</td>
<td>3,500.00</td>
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<tr>
<td>6</td>
<td>479.60</td>
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**Social security tips**

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**Other**

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**State wages, tips, etc.**

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<tr>
<td>16</td>
<td>3,500.00</td>
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<td>210.00</td>
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**State income tax**

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<tbody>
<tr>
<td>18</td>
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**Local wages, tips, etc.**

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**Local income tax**

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**Dependency status**

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<tr>
<td>12b</td>
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**Code**

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**Department of the Treasury—Internal Revenue Service**
Basic Scenarios
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

Emily Clark
129 Pennington Place
Your City, State 00000

PAY TO THE ORDER OF $ ________________

Adelphi Bank and Trust
Anytown, State 00000

:111000025 : 123456789 1234

VOID
Basic Scenario 8: Test Questions

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
Basic Course Retest 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: 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
Basic Scenario 2: Ava Harvard

Interview Notes

- 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
Basic Scenario 3: Ellen Santos

**Interview Notes**

- 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
Basic Scenario 4: Christopher and Amanda Drury

Interview Notes

- 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
Basic Scenario 5: Mathew Rice and Ashley Tufts

Interview Notes

- 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
Basic Scenario 6: George and Helen Reed

Interview Notes

• 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
Basic Scenario 7: Retest Questions

Directions

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
Basic Scenario 8: Retest Questions

Directions

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
Advanced Scenario 2: Sean Yale

Interview Notes

- 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.
Advanced Scenario 3: Tom and Carol Baker

Interview Notes

- 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.
Advanced Scenario 4: Bill Johnson

Interview Notes

- 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 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
Advanced Scenario 5: Fran Emerson

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

- 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.
Advanced Scenarios

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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 FRAN
   M.I.
   Last name EMERSON
   Daytime telephone number
   YOUR #
   Are you a U.S. citizen? Yes No
   Is your spouse a U.S. citizen? Yes No

2. Your spouse’s first name
   M.I.
   Last name
   Daytime telephone number
   YOUR #

3. Mailing address
   300 DAKOTA CIRCLE
   Apt
   City YOUR CITY
   State
   Zip code
   YOUR ZIP

4. Your Date of Birth
   04/15/1975

5. Your job title
   MANAGEMENT ASSISTANT

6. Last year, were you:
   a. Full-time student Yes No
   b. Totally and permanently disabled Yes No
   c. Legally blind Yes No

7. Your spouse’s Date of Birth
   04/15/1975

8. Your spouse’s job title

9. Last year, was your spouse:
   a. Full-time student Yes 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

1. As of December 31, 2018, what was your marital status?
   □ Never Married
   □ Married
   (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
   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

   □ Divorced
   □ Legally Separated
   □ Widowed
   Date of final decree
   Date of separate maintenance agreement
   Year of spouse’s death 2017

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 3

<table>
<thead>
<tr>
<th>Name (first, last)</th>
<th>Date of birth (mm/dd/yy)</th>
<th>Relationship to you (e.g., son, daughter, parent, none, etc.)</th>
<th>Number of months lived in your home last year</th>
<th>U.S. Citizen (yes/no)</th>
<th>Resident of US, Canada, or Mexico last year (yes/no)</th>
<th>Single or Married as of 12/31/18 (S/M)</th>
<th>Full-time Student last year (yes/no)</th>
<th>Tot. and Permanently Disabled (yes/no)</th>
<th>Is this person a qualifying child/relative of any other person (yes/no)</th>
<th>Did this person provide more than 50% of this person’s support (yes/no)</th>
<th>Did this person have less than $15,000 of income (yes/no)</th>
<th>Did the taxpayer(s) provide more than 50% of support for this person (yes/no)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person (yes/no)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEREDITH EMERSON</td>
<td>08/01/88</td>
<td>DAUGHTER</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>S</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>OLIVER EMERSON</td>
<td>04/06/10</td>
<td>SON</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>S</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>HOWARD BOLIVAR</td>
<td>10/27/72</td>
<td>BROTHER</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>S</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>YES</td>
</tr>
</tbody>
</table>
### Part III - Income - Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Tip Income?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (B) Scholarships? (Forms W-2, 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) Alimony income or separate maintenance payments?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Self-Employment income? (Form 1099-MISC, cash)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12. (B) Unemployment Compensation? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>14. (M) Income (or loss) from Rental Property?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify FORM 1099-C</td>
</tr>
</tbody>
</table>

### Part IV - Expenses - Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient’s SSN? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. Contributions to a retirement account? ☐ IRA (A) ☐ IRA (B) ☐ 401K (B) ☐ Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (A) Deductions: ☐ Medical &amp; Dental (including insurance premiums) ☐ Taxes (State, Real Estate, Personal Property, Sales) ☐ Mortgage Interest (Form 1098) ☐ Charitable Contributions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Child or dependent care expenses such as daycare? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher’s aide, counselor, etc.? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Expenses related to self-employment income or any other income you received? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (B) Student loan interest? (Form 1098-E) ☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

### Part V - Life Events - Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (A) Adopt a child?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2008? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (B) Make estimated tax payments or apply last year’s refund to this year’s tax? If so how much? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9. (A) File a federal return last year containing a “capital loss carryover” on Form 1040 Schedule D? ☐ Yes ☐ No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. Receive a letter from the IRS? ☐ Yes ☐ No</td>
</tr>
</tbody>
</table>
Check appropriate box for each question in each section

Yes ☑ No ☐ Unsure ☐ Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)
1. ☐ (B) Have health care coverage?
2. ☐ (B) Receive one or more of these forms? (Check the box) ☐ Form 1095-B ☐ Form 1095-C
3. ☐ (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
   3a. ☐ (A) If yes, were advance credit payments made to help you pay your health care premiums?
   3b. ☐ (A) If yes, is everyone listed on your Form 1095-A being claimed on this tax return?
4. ☐ (B) Have an exemption granted by the Marketplace?

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>MEC with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
</table>

Part VII - Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service) ________
2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)
   ☐ You ☐ Spouse
3. If you are due a refund, would you like:
   ☐ Direct deposit ☐ To purchase U.S. Savings Bonds ☐ To split your refund between different accounts
   ☐ Yes ☐ No
4. If you have a balance due, would you like to make a payment directly from your bank account? ☐ Yes ☐ No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants.

Your answers will be used only for statistical purposes.
5. Would you say you can carry on a conversation in English, both understanding & speaking? ☐ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Prefer not to answer
6. Would you say you can read a newspaper or book in English? ☐ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Prefer not to answer
7. Do you or any member of your household have a disability? ☐ Yes ☐ No ☐ Prefer not to answer
8. Are you or your spouse a Veteran from the U.S. Armed Forces? ☐ Yes ☐ No ☐ Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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 26 U.S.C. 361. 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 1545-1064. 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
**W-2 Wage and Tax Statement 2018**

**PAYER’S name, street address, city or town, state or province, country, and ZIP or foreign postal code**

PRAIRIE BANK
1727 OSAGE WAY
YOUR CITY, STATE ZIP

**RECIPIENT’S TIN**
30-600XXXX

**RECIPIENT’S name**
FRAN EMERSON

**Street address (including apt. no.)**
300 DAKOTA CIRCLE

**City or town, state of province, country, and ZIP or foreign postal code**
YOUR CITY, STATE ZIP

<table>
<thead>
<tr>
<th>Distribution From Retirement Plans, Insurance Contracts, etc.</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross distribution</td>
<td>3,200.00</td>
</tr>
<tr>
<td>Taxable amount</td>
<td>3,200.00</td>
</tr>
<tr>
<td>Capital gain (included in box 2a)</td>
<td>320.00</td>
</tr>
<tr>
<td>Employee contributions/Designated Roth contributions or insurance premiums</td>
<td></td>
</tr>
<tr>
<td>IRA/SEP SIMPLE</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

**Copy B** — Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.

This information is being furnished to the IRS.
### Cancellation of Debt

**Advanced Scenarios**

<table>
<thead>
<tr>
<th>CREDITOR'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.</th>
<th>1 Date of identifiable event</th>
<th>OMB No. 1545-1424</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRAIRIE BANK 1727 OSAGE WAY YOUR CITY, STATE ZIP</td>
<td>06/15/18</td>
<td>2018 Form 1099-C</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEBTOR'S name</th>
<th>2 Amount of debt discharged</th>
<th>Copy B For Debtor</th>
</tr>
</thead>
<tbody>
<tr>
<td>FRAN EMERSON</td>
<td>$ 600.00</td>
<td>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CREDITOR'S TIN</th>
<th>3 Interest if included in box 2</th>
<th>Department of the Treasury - Internal Revenue Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-600XXXX</td>
<td>$</td>
<td><a href="http://www.irs.gov/Form1099C">www.irs.gov/Form1099C</a></td>
</tr>
</tbody>
</table>

| DEBTOR'S TIN | 4 Debt description | 300 DAKOTA CIRCLE |
| --- | --- | City or town, state or province, country, and ZIP or foreign postal code |
| 601-00-XXXX | CREDIT CARD | YOUR CITY, STATE ZIP |

<table>
<thead>
<tr>
<th>Account number (see instructions)</th>
<th>5 If checked, the debtor uses personally liable for repayment of the debt</th>
<th><a href="http://www.irs.gov">www.irs.gov</a></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Form 1099-C (keep for your records)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6 Identifiable event code</th>
<th>7 Fair market value of property</th>
</tr>
</thead>
<tbody>
<tr>
<td>G</td>
<td>$</td>
</tr>
</tbody>
</table>

---

### Tuition Statement

**Advanced Scenarios**

| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number | 1 Payments received for qualified tuition and related expenses | OMB No. 1545-1574 |
| --- | --- | 2018 Form 1098-T |
| YUMA COLLEGE 10 COLLEGE AVE YOUR CITY, STATE ZIP | $ 6,800.00 | Copy B For Student |

<table>
<thead>
<tr>
<th>FILER'S TIN</th>
<th>2</th>
<th>Department of the Treasury - Internal Revenue Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>37-700XXXX</td>
<td></td>
<td><a href="http://www.irs.gov/Form1098T">www.irs.gov/Form1098T</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STUDENT'S TIN</th>
<th>3 If this box is checked, your educational institution changed its reporting method for 2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>602-00-XXXX</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STUDENT'S name</th>
<th>4 Adjustments made for a prior year</th>
<th>5 Scholarships or grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEREDITH EMERSON</td>
<td></td>
<td>$ 3,500.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Street address (including apt. no.)</th>
<th>6 Adjustments to scholarships or grants for a prior year</th>
<th>7 Checked if the amount in box 1 includes amounts for an academic period beginning February-March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>300 DAKOTA CIRCLE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YOUR CITY, STATE ZIP</th>
<th>8 Check if at least half-time student</th>
<th>10 Ins. contract rest, refund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Provider/Act. No. (see instr.)</th>
<th>9 Check if a graduate student</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10 Ins. contract rest, refund</th>
<th>11 Not included in box 1 if returned for refund of tuition or other charges</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Form 1098-T (keep for your records)
Yuma College

Statement of Account

December 31, 2018

Meredith Emerson

Student ID 602-00-XXXX

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
<th>Amount Billed</th>
<th>Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>08/30/2018</td>
<td>Tuition - Fall Semester 2017</td>
<td>+$6,800.00</td>
<td>-$3,500.00</td>
</tr>
<tr>
<td>08/30/2018</td>
<td>Scholarship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>09/03/2018</td>
<td>Meal plan</td>
<td>+$ 320.00</td>
<td></td>
</tr>
<tr>
<td>09/03/2018</td>
<td>Parking pass</td>
<td>+$ 75.00</td>
<td></td>
</tr>
<tr>
<td>09/04/2018</td>
<td>Campus Bookstore charge to student account</td>
<td>+$ 525.00</td>
<td></td>
</tr>
<tr>
<td>09/05/2018</td>
<td>Payment - check #1234</td>
<td></td>
<td>-$4,220.00</td>
</tr>
</tbody>
</table>

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

Busy Bee Day Care
303 Twiggs Trail
Your City, Your State Your Zip
Ph: (555) 555-1234

December 31, 2018

Received from Fran Emerson:

$4,000 for after-school care for Oliver Emerson
$4,000 Total amount received for child care in 2018

Ellen River
EIN: 35-900XXXX

Fran Emerson
300 Dakota Circle
Your City, State 00000

PAY TO THE ORDER OF $ 20

DOLLARS

Adelphi Bank and Trust
Anytown, State 00000
For

111000025 123456789 1234

Advanced Scenarios 67
Advanced Scenario 5: Test Questions

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.
Advanced Scenario 6: Matthew and Mary Donnelly

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

• 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.
### Intake/Interview & Quality Review Sheet

**You will need:**
- Tax Information such as Forms W-2, 1099, 1098, 1095.
- 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.

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**

#### 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**
   - MATTHEW
2. **Your spouse’s first name**
   - MARY
3. **Mailing address**
   - 388 NOBLE CIRCLE
4. **Your Date of Birth**
   - 01/11/1945
5. **Your job title**
   - RETIRED
6. **Last year, were you:**
   - a. Full-time student
   - b. Totally and permanently disabled
   - c. Legally blind
7. **Your spouse’s Date of Birth**
   - 06/26/1961
8. **Your spouse’s job title**
   - ADMIN ASST
9. **Last year, was your spouse:**
   - a. Full-time student
   - b. Totally and permanently disabled
   - c. Legally blind
10. **Can anyone claim you or your spouse as a dependent?**
    - 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 □

#### Part II – Marital Status and Household Information

1. **As of December 31, 2018, what was your marital status?**
   - □ Never Married
   - √ Married
   - (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
   - 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 □
   - □ Divorced
   - □ Legally Separated
   - □ Widowed

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

<table>
<thead>
<tr>
<th>Name (first, last)</th>
<th>Date of Birth</th>
<th>Relationship to you (for example: son, daughter, parent, none, etc)</th>
<th>Number of months lived in your home last year</th>
<th>US Citizen (yes/no)</th>
<th>Resident of US, Canada, or Mexico last year (yes/no)</th>
<th>Single or Married as of 12/31/18 (yes/no)</th>
<th>Full-Time Student last year (yes/no)</th>
<th>Totally and Permanently Disabled (yes/no)</th>
<th>Is this person a qualifying child/relative of any other person (yes/no)</th>
<th>Did this person provide more than 50% of the support for this person? (yes/no)</th>
<th>Did this person provide more than 50% of the support for this person? (yes/no)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RYAN DONELLY</td>
<td>02/02/00</td>
<td>SON 12</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Part III - Income - Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <em>1</em></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Tip Income?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (B) Scholarships? (Forms W-2, 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) Alimony income or separate maintenance payments?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Self-Employment income? (Form 1099-MISC, cash)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. (B) Disability Income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12. (B) Unemployment Compensation? (Form 1099G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>14. (M) Income (or loss) from Rental Property?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify</td>
</tr>
</tbody>
</table>

### Part IV - Expenses - Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. Contributions to a retirement account? IRA (A) 401K (B) Roth IRA (B) Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (A) Deductions: Medical &amp; Dental (including insurance premiums) Taxes (State, Real Estate, Personal Property, Sales) Mortgage Interest (Form 1098) Charitable Contributions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Child or dependent care expenses such as daycare?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
</tr>
</tbody>
</table>

### Part V - Life Events - Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (A) Adopt a child?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2008?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (B) Make estimated tax payments or apply last year’s refund to this year’s tax? If so how much?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9. (A) File a federal return last year containing a “capital loss carryover” on Form 1040 Schedule D?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. Receive a letter from the IRS?</td>
</tr>
</tbody>
</table>
Check appropriate box for each question in each section

Yes | No | Unsure | Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)

1. (B) Have health care coverage? [X]

2. (B) Receive one or more of these forms? (Check the box) [ ] Form 1095-B [ X] Form 1095-C

3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
   3a. (A) if yes, were advance credit payments made to help you pay your health care premiums?
   3b. (A) if yes, is everyone listed on your Form 1095-A being claimed on this tax return?

4. (B) Have an exemption granted by the Marketplace?

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
</table>

Part VII - Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)

   Check here if you, or your spouse if filing jointly, want $3 to go to this fund [ ] You [X] Spouse

3. If you are due a refund, would you like:
   a. Direct deposit [X] Yes [ ] No
   b. To purchase U.S. Savings Bonds [ ] Yes [ ] No
   c. To split your refund between different accounts [X] Yes [ ] No

4. If you have a balance due, would you like to make a payment directly from your bank account? [ ] Yes [X] No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants.

Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking? [X] Very well [ ] Well [ ] Not well [ ] Not at all [ ] Prefer not to answer

6. Would you say you can read a newspaper or book in English? [X] Very well [ ] Well [ ] Not well [ ] Not at all [ ] Prefer not to answer

7. Do you or any member of your household have a disability? [ ] Yes [X] No [ ] Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces? [ ] Yes [X] No [ ] Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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. 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:T:T:SP, 1111 Constitution Ave., NW, Washington, DC 20224

Catalog Number 92121E  www.irs.gov

Form 13614-C (Rev. 10-2018)
### Form W-2 Wage and Tax Statement 2018

**Employer's social security number:** 310-00-XXXX

**Employer's identification number (EIN):** 40-000XXXX

**Employee's name, address, and ZIP code:**

**CONWAY COMPANY**
25 IMPERIAL LANE
YOUR CITY, STATE ZIP

**Employee's first name and initial:** MARY
**Last name:** DONNELLY
**Suffix:**

**Employer's address and ZIP code:**

**State:** CA
**Employer's state ID number:** 34-500XXXX

**Year:** 2018

**Social security wages:** $14,050.00
**Social security tax withheld:** $620.00

**Medicare wages and tips:** $14,700.00
**Medicare tax withheld:** $911.40

**Qualified plans:**

**Local income tax:**

**Locality name:**

---

### Form 1099-R

**Payer's name:** PINE CORPORATION
1809 GULF DRIVE
YOUR CITY, STATE ZIP

**Payer's TIN:** 40-100XXXX

**Recipient's TIN:** 317-00-XXXX

**Recipient's name:** MATTHEW DONNELLY

**Street address (including apt. no.):** 388 NOBLE CIRCLE
YOUR CITY, STATE ZIP

**Distributions from Retirement Plans, Insurance Contracts, etc.:**

- **Gross distribution:** $19,350.00
- **Capital gain (included in box 2a):**
- **Taxable amount:**
- **Taxable amount not determined:** X
- **Employer contributions/Designated Roth contributions or insurance premiums:**
- **Employee percentage of total distribution:**
- **Total employee contributions:** $13,500.00

**Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.**

**This information is being furnished to the IRS.**

---

Advanced Scenarios
**FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT**

2018: PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. SEE THE REVERSE FOR MORE INFORMATION.

<table>
<thead>
<tr>
<th>Box 1. Name</th>
<th>Box 2. Beneficiary’s Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>MATTHEW DONNELLY</td>
<td>317-00-XXXXX</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,912.00</td>
<td></td>
<td>$15,912.00</td>
</tr>
</tbody>
</table>

**DESCRIPTION OF AMOUNT IN BOX 3**

- Paid by check or direct deposit: $14,424.00
- Medicare Part B premiums deducted from your benefits: $1,488.00
- Medicare Prescription Drug premiums (Part D) deducted from your benefits: $0

**DESCRIPTION OF AMOUNT IN BOX 4**

- Box 6. Voluntary Federal Income Tax Withholding: $1,591.00
- Box 7. Address: 388 Noble Circle, Your City, State, ZIP

**Draft as of June 21, 2018 - Subject to Change**

Form SSA-1099-SSM (6-2016) DO NOT RETURN THIS FORM TO SSA OR IRS
## Form 1099-DIV* 2018 Dividends and Distributions
Copy B for Recipient (OMB NO: 1545-0110)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a Total Ordinary Dividends</td>
<td>489.00</td>
</tr>
<tr>
<td>1b Qualified Dividends</td>
<td>410.00</td>
</tr>
<tr>
<td>2a Total Capital Gain Distributions (Includes 2b-2d)</td>
<td>105.00</td>
</tr>
<tr>
<td>2b Capital Gains that represent Unrecaptured 1250 Gain</td>
<td>0.00</td>
</tr>
<tr>
<td>2c Capital Gains that represent Section 1202 Gain</td>
<td>0.00</td>
</tr>
<tr>
<td>2d Capital Gains that represent Collectibles (28%) Gain</td>
<td>0.00</td>
</tr>
<tr>
<td>3 Nondividend Distributions</td>
<td>90.00</td>
</tr>
<tr>
<td>4 Federal Income Tax Withheld</td>
<td>0.00</td>
</tr>
<tr>
<td>5 Investment Expenses</td>
<td>0.00</td>
</tr>
<tr>
<td>6 Foreign Tax Paid</td>
<td>22.00</td>
</tr>
<tr>
<td>7 Foreign Country or U.S. Possession</td>
<td>0.00</td>
</tr>
<tr>
<td>8 Cash Liquidation Distributions</td>
<td>0.00</td>
</tr>
<tr>
<td>9 Non-Cash Liquidation Distributions</td>
<td>0.00</td>
</tr>
<tr>
<td>10 Exempt Interest Dividends</td>
<td>0.00</td>
</tr>
<tr>
<td>11 Specified Private Activity Bond Interest Dividends</td>
<td>0.00</td>
</tr>
<tr>
<td>12 State</td>
<td></td>
</tr>
<tr>
<td>13 State Identification No.</td>
<td></td>
</tr>
<tr>
<td>14 State Tax Withheld</td>
<td>0.00</td>
</tr>
</tbody>
</table>

## Form 1099-MISC* 2018 Miscellaneous Income
Copy B for Recipient (OMB NO: 1545-0115)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Royalties</td>
<td>0.00</td>
</tr>
<tr>
<td>4 Federal Income Tax Withheld</td>
<td>0.00</td>
</tr>
<tr>
<td>8 Substitute Payments in Lieu of Dividends or Interest</td>
<td>0.00</td>
</tr>
<tr>
<td>16 State Tax Withheld</td>
<td>0.00</td>
</tr>
<tr>
<td>17 State/ Payer’s State No.</td>
<td></td>
</tr>
<tr>
<td>18 State Income</td>
<td>0.00</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Interest Income</td>
<td>150.00</td>
</tr>
<tr>
<td>2 Early Withdrawal Penalty</td>
<td>40.00</td>
</tr>
<tr>
<td>3 Interest on U.S. Savings Bonds and Treas. Obligations</td>
<td>0.00</td>
</tr>
<tr>
<td>4 Federal Income Tax Withheld</td>
<td>0.00</td>
</tr>
<tr>
<td>5 Investment Expenses</td>
<td>0.00</td>
</tr>
<tr>
<td>6 Foreign Tax Paid</td>
<td>0.00</td>
</tr>
<tr>
<td>7 Foreign Country or U.S. Possession</td>
<td>0.00</td>
</tr>
<tr>
<td>8 Tax-Exempt Interest</td>
<td>0.00</td>
</tr>
<tr>
<td>9 Specified Private Activity Bond Interest</td>
<td>0.00</td>
</tr>
<tr>
<td>10 Tax-Exempt Bond CUSIP No.</td>
<td></td>
</tr>
</tbody>
</table>

## 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.
**FORM 1099-B** 2018 Proceeds from Broker and Barter Exchange Transactions

Copy B for Recipient OMB NO. 1545-0715

Short-term transactions for which basis is reported to the IRS

Report on Form 8949 with Box A checked and/or Schedule D, Part I

(This Label is a Substitute for Boxes 1c & 6)

<table>
<thead>
<tr>
<th>Description, 1d Stock or Other Symbol, CUSIP</th>
<th>Action</th>
<th>1a Date of Sale or Exchange</th>
<th>1b Date of Acquisition</th>
<th>1e Quantity Sold</th>
<th>2a Sales Price of Stocks, Bonds, etc. (a)</th>
<th>3 Cost or Other Basis (b)</th>
<th>5 Wash Sale Loss Disallowed</th>
<th>4 Federal Income Tax Withheld</th>
<th>13 State</th>
<th>15 State Tax Withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dakota Co. Common Stock</td>
<td>Sale</td>
<td>09/01/2018</td>
<td>03/01/2018</td>
<td>250.000</td>
<td>3,150.00</td>
<td>3,600.00</td>
<td>(450.00)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTALS</td>
<td></td>
<td></td>
<td></td>
<td>3,150.00</td>
<td>3,600.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FORM 1099-B** 2018 Proceeds from Broker and Barter Exchange Transactions

Copy B for Recipient OMB NO. 1545-0715

Long-term transactions for which basis is not reported to the IRS

Report on Form 8949 with Box E checked and/or Schedule D, Part II

(This Label is a Substitute for Boxes 1c & 6)

<table>
<thead>
<tr>
<th>Description, 1d Stock or Other Symbol, CUSIP</th>
<th>Action</th>
<th>1a Date of Sale or Exchange</th>
<th>1b Date of Acquisition</th>
<th>1e Quantity Sold</th>
<th>2a Sales Price of Stocks, Bonds, etc. (a)</th>
<th>3 Cost or Other Basis (b)</th>
<th>5 Wash Sale Loss Disallowed</th>
<th>4 Federal Income Tax Withheld</th>
<th>13 State</th>
<th>15 State Tax Withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa Co. Common Stock</td>
<td>Sale</td>
<td>02/01/2018</td>
<td>06/23/2005</td>
<td>200.000</td>
<td>3,300.00</td>
<td>2,212.00</td>
<td>1,088.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTALS</td>
<td></td>
<td></td>
<td></td>
<td>3,300.00</td>
<td>2,212.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Advanced Scenario 6: Test Questions

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? $_________
Advanced Scenario 7: Austin Drake

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

• 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).
Form 13614-C
Department of the Treasury - Internal Revenue Service
Intake/Interview & Quality Review Sheet

You will need:
- Tax Information such as Forms W-2, 1099, 1098, 1095.
- 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.

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

Part I – Your Personal Information (If you are filing a joint return, enter your names in the same order as last year’s return)

<table>
<thead>
<tr>
<th>Name</th>
<th>M.I.</th>
<th>Last name</th>
<th>Daytime telephone number</th>
<th>Are you a U.S. citizen?</th>
<th>Is your spouse a U.S. citizen?</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUSTIN</td>
<td>M.I.</td>
<td>DRAKE</td>
<td>PHONE #</td>
<td>YES</td>
<td>No</td>
</tr>
</tbody>
</table>

3. Mailing address
1551 CONCORD CIRCLE

4. Your Date of Birth
11/22/1981

5. Your job title
SELF-EMPLOYED DRIVER

6. Last year, were you:
   - a. Full-time student
   - b. Totally and permanently disabled
   - 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
   - b. Totally and permanently disabled
   - 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

1. As of December 31, 2018, what was your marital status?
   - Never Married
   - Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
     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
   - Divorced
     Date of final decree 10/28/2008
   - 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

<table>
<thead>
<tr>
<th>Name (first, last) Do not enter your name or spouse’s name below</th>
<th>Date of birth (mm/dd/yy)</th>
<th>Relationship to you (for example: son, daughter, parent, none, etc)</th>
<th>Number of months lived in your home last year</th>
<th>US Citizen (yes/no)</th>
<th>Resident of U.S., Canada, or Mexico last year (yes/no)</th>
<th>Single or Married as of 12/31/18 (S/M)</th>
<th>Full-time Student last year (yes/no)</th>
<th>Totally and permanently disabled (yes/no)</th>
<th>Is this person a qualifying child/relative of any other person? (yes/no)</th>
<th>Did this person provide more than 50% of his/her own support? (yes/no)</th>
<th>Did this person have less than $4,100 in income? (yes/no)</th>
<th>Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th>
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</thead>
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</tr>
</tbody>
</table>

To be completed by a Certified Volunteer Preparer

Catalog Number S2121E

www.irs.gov

Form 13614-C (Rev. 10-2018)
## Advanced Scenarios

### Part III – Income – Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>√</td>
<td></td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Tip income?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (B) Scholarships? (Forms W-2, 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) Alimony income or separate maintenance payments?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Self-Employment income? (Form 1099-MISC, cash)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12. (B) Unemployment Compensation? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>14. (M) Income (or loss) from Rental Property?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify</td>
</tr>
</tbody>
</table>

### Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>√</td>
<td></td>
<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient’s SSN?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. Contributions to a retirement account? IRA (A) 401K (B) Roth IRA (B) Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (A) Deductions: Medical &amp; Dental (including insurance premiums) Mortgage Interest (Form 1098)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Taxes (State, Real Estate, Personal Property, Sales) Charitable Contributions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Child or dependent care expenses such as daycare?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
</tr>
</tbody>
</table>

### Part V – Life Events – Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>√</td>
<td></td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Have credit card or mortgage debt cancelled/ forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (A) Adopt a child?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2008?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>8. (B) Make estimated tax payments or apply last year’s refund to this year’s tax? If so how much?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>9. (A) File a federal return last year containing a “capital loss carryover” on Form 1040 Schedule D?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>10. Receive a letter from the IRS?</td>
</tr>
</tbody>
</table>
Advanced Scenarios

Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)

1. (B) Have health care coverage?
   - Yes [X]
   - No
   - Unsure

2. (B) Receive one or more of these forms? (Check the box)
   - Form 1095-B [X]
   - Form 1095-C

3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
   - Yes
   - No
   - Unsure

3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?
   - Yes
   - No
   - Unsure

3b. (A) If yes, is everyone listed on your Form 1095-A being claimed on this tax return?
   - Yes
   - No
   - Unsure

4. (B) Have an exemption granted by the Marketplace?
   - Yes
   - No
   - Unsure

Part VII - Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)
   - You [X]
   - Spouse

3. If you are due a refund, would you like:
   a. Direct deposit
   b. To purchase U.S. Savings Bonds
   c. To split your refund between different accounts
   - Yes
   - No

4. If you have a balance due, would you like to make a payment directly from your bank account?
   - Yes [X]
   - No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants.

Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking?
   - Very well [X]
   - Well
   - Not well
   - Not at all
   - Prefer not to answer

6. Would you say you can read a newspaper or book in English?
   - Very well [X]
   - Well
   - Not well
   - Not at all
   - Prefer not to answer

7. Do you or any member of your household have a disability?
   - Yes
   - No
   - Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces?
   - Yes [X]
   - No
   - Prefer not to answer

Additional comments

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Catalog Number 52121E

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Form 13614-C (Rev. 10-2016)
Advanced Scenario 7: Test Questions

25. What income must Austin report for his business on Schedule C, Profit or Loss From Business?
   a. 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.
   b. 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.
Advanced Scenario 8: Roberta Wilson

Interview Notes

- 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: 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.
Advanced Course Retest 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: 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
Advanced Scenario 2: Sean Yale

Interview Notes

- 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
Advanced Scenario 3: Tom and Carol Baker

Interview Notes

- 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
**Advanced Scenario 4: Bill Johnson**

**Interview Notes**

- 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 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
Advanced Scenario 5: Retest Questions

Directions

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
Advanced Scenario 6: Retest Questions

Directions

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

20. 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
Advanced Scenario 7: Retest Questions

Directions

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
Advanced Scenario 8: Roberta Wilson

Interview Notes

- 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
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
Military Scenario 2: Sandy Samford

Interview Notes

- 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
Military Scenario 3: Marshall and Hope Smith

Interview Notes

- 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: Test Questions

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

7. 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
Military Scenario 4: Alvin and Kelly Blackburn

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

• 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.
    – 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.
Military Scenarios

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

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
   ALVIN
2. Your spouse’s first name
   KELLY
3. Mailing address
   902 ALLEN STREET
4. Your Date of Birth
   05/09/1972
5. Your job title
   SOLDIER

Part II – Marital Status and Household Information

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)
   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
   c. Did you live with anyone who lived with you last year (other than your spouse)? Yes ☒ No
   d. Did you support anyone you supported but did not live with last year? Yes ☒ No

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 (mm/dd/yyyy) Relationship to you (for example, son, daughter, parent, 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 Permanently Disabled (yes/no)
   To be completed by a Certified Volunteer Preparer

   Is this person a qualifying child/relative of any other person? (yes/no)
   Did this person provide more than 50% of their own support for this person? (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)
### Part III – Income – Last Year, Did You (or Your Spouse) Receive

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<th>No</th>
<th>Unsure</th>
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1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? __1__
2. (A) Tip Income?  __No__
3. (B) Scholarships? (Forms W-2, 1098-T)  __No__
4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)  __No__
5. (B) Refund of state/local income taxes? (Form 1099-G)  __No__
6. (B) Alimony income or separate maintenance payments?  __No__
7. (A) Self-Employment income? (Form 1099-MISC, cash)  __No__
8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?  __No__
9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)  __No__
10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)  __No__
11. (A) Retirement income or payments from Pensions, Annuities, and/or IRA? (Form 1099-R)  __No__
12. (B) Unemployment Compensation? (Form 1099-G)  __No__
13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)  __No__
14. (M) Income (or loss) from Rental Property?  __No__
15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify  __No__

### Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay

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1. (B) Alimony or separate maintenance payments?  __No__
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)  __No__
4. (A) Deductions:  Medical & Dental (including insurance premiums) ☐  Taxes (State, Real Estate, Personal Property, Sales) ☐  Mortgage Interest (Form 1098) ☐  Charitable Contributions ☐  Other ☐
5. (B) Child or dependent care expenses such as daycare?  __No__
6. (B) For supplies used as an eligible educator such as a teacher, teacher’s aide, counselor, etc.?  __No__
7. (A) Expenses related to self-employment income or any other income you received?  __No__
8. (B) Student loan interest? (Form 1098-E)  __No__

### Part V – Life Events – Last Year, Did You (or Your Spouse)

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1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)  __No__
2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  __No__
3. (A) Adopt a child?  __No__
4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?  __No__
5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)  __No__
6. (B) Live in an area that was declared a Federal disaster area? If yes, where?  __No__
7. (A) Receive the First Time Homebuyers Credit in 2008?  __No__
8. (B) Make estimated tax payments or apply last year’s refund to this year’s tax? If so how much?  __No__
9. (A) File a federal return last year containing a “capital loss carryover” on Form 1040 Schedule D?  __No__
10. Receive a letter from the IRS?  __No__
Check appropriate box for each question in each section

Yes ☐ No ☐ Unsure ☐

Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)

☐ 1. (B) Have health care coverage?

☐ 2. (B) Receive one or more of these forms? (Check the box) ☐ Form 1095-B ☐ Form 1095-C

☐ 3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]

☐ 3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?

☐ 3b. (A) If yes, is everyone listed on your Form 1095-A being claimed on this tax return?

☐ 4. (B) Have an exemption granted by the Marketplace?

To be Completed by a Certified Volunteer Preparer (Use Publication 1092 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
</table>

Part VII - Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)

   Check here if you, or your spouse if filing jointly, want $3 to go to this fund ☐ You ☐ Spouse

3. If you are due a refund, would you like:
   a. Direct deposit ☐ Yes ☐ No
   b. To purchase U.S. Savings Bonds ☐ Yes ☐ No
   c. To split your refund between different accounts ☐ Yes ☐ No

4. If you have a balance due, would you like to make a payment directly from your bank account? ☐ Yes ☐ No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants. Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking? ☐ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Prefer not to answer

6. Would you say you can read a newspaper or book in English? ☐ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Prefer not to answer

7. Do you or any member of your household have a disability? ☐ Yes ☐ No ☐ Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces? ☐ Yes ☐ No ☐ Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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. 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.T.T-5P, 1111 Constitution Ave. NW, Washington, DC 20224

Catalog Number 52121E

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Form 13614-C (Rev. 10-2018)
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
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: 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
Military Scenario 2: Sandy Samford

Interview Notes

- 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
Interview Notes

- 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
Military Scenario 4: Retest Questions

Directions

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
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.
International Scenario 1: Test Questions

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


Interview Notes

- 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
International Scenario 3: Yolanda Lawson

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

- 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.
  - 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 on her purchases. Her part-time job with the department store was located at 27-29 Konigstrasse, 70173 Stuttgart, Germany.
  - Yolanda earned an equivalent of $3,000 in wages and paid taxes totaling $600 when converted to U.S. dollars. Her taxes were paid to Germany as she earned her income.
  - 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 Treasury - Internal Revenue Service
Intake/Interview & Quality Review Sheet

You will need:
- Tax information such as Forms W-2, 1099, 1098, 1096.
- 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.

Volunteers are trained to provide high quality service and uphold the highest ethical standards.

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
   YOLANDA

2. Your spouse’s first name
   LAWSON

3. Mailing address
   491 WOLFRAMSTRASSE, 35510 BAD CANNSTATT

4. Your Date of Birth
   11/13/1982

5. Your job title
   GOVERNMENT EMPLOYEE

6. Last year, were you:
   a. Full-time student
   b. Totally and permanently disabled
   c. Legally blind

7. Your spouse’s Date of Birth
   11/13/1982

8. Your spouse’s job title
   GOVERNMENT EMPLOYEE

9. Last year, was your spouse:
   a. Full-time student
   b. Totally and permanently disabled
   c. Legally blind

10. Can anyone claim you or your spouse as a dependent?  Yes  No  Uns
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. As of December 31, 2018, what was your marital status?
   - Never Married
   - Married
   - Divorced
   - Legally Separated
   - Widowed

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) | Relationship to you (for example: son, daughter, parent, none, etc.) | Date of Birth (mm/dd/yyyy) | Relationship (married, divorced, separated, none) | 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 (SM) | Full-time Student last year (yes/no) | Totally and Permanently Disabled (yes/no) | Is this person a qualified child of any other person (yes/no) | Did this person provide more than 50% of his/her own support (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) | Did the taxpayer(s) pay more than half the cost of maintaining a home for this person (yes/no) |
|-------------------|-------------------------------------------------|---------------------------|-----------------------------------------------|---------------------------------|-------------------|------------------------------------------------|---------------------------------|-------------------|---------------------------------|------------------------------------------------|---------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|

To be completed by a Certified Volunteer Preparer

Catalog Number 52121E

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Form 13614-C (Rev. 10-2018)
Check appropriate box for each question in each section

### Part III – Income – Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>1. (B) Wages or Salary? (Form W-2)</th>
<th>If yes, how many jobs did you have last year? 2 (One W-2, and her foreign income)</th>
</tr>
</thead>
<tbody>
<tr>
<td>✘</td>
<td>□</td>
<td>□</td>
<td>2. (A) Tip Income?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>✘</td>
<td>□</td>
<td>3. (B) Scholarships? (Forms W-2, 1098-T)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>✘</td>
<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>6. (B) Alimony income or separate maintenance payments?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>7. (A) Self-Employment Income? (Form 1099-MISC, cash)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S,1099-B)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>11. (A) Retirement income or payments from Pensions. Annuities, and or IRA? (Form 1099-R)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>12. (B) Unemployment Compensation? (Form 1099G)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>14. (M) Income (or loss) from Rental Property?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify Foreign Income</td>
<td></td>
</tr>
</tbody>
</table>

### Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>1. (B) Alimony or separate maintenance payments?</th>
<th>If yes, do you have the recipient's SSN? 2 Yes 3 No</th>
</tr>
</thead>
<tbody>
<tr>
<td>□</td>
<td>✘</td>
<td>□</td>
<td>2. Contributions to a retirement account?</td>
<td>IRA (A) 401K (B) Roth IRA (B) Other</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>4. (A) Deductions:</td>
<td>Medical &amp; Dental (including insurance premiums)</td>
</tr>
<tr>
<td></td>
<td>□</td>
<td>□</td>
<td></td>
<td>Taxes (State, Real Estate, Personal Property, Sales)</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>5. (B) Child or dependent care expenses such as daycare?</td>
<td></td>
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<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
<td></td>
</tr>
</tbody>
</table>

### Part V – Life Events – Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>3. (A) Adopt a child?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year?</td>
<td>If yes, for which tax year?</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
<td></td>
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<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>6. (B) Live in an area that was declared a Federal disaster area?</td>
<td>If yes, where?</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2008?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>8. (B) Make estimated tax payments or apply last year's refund to this year's tax?</td>
<td>If so how much?</td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>9. (A) File a federal return last year containing a &quot;capital loss carryover&quot; on Form 1040 Schedule D?</td>
<td></td>
</tr>
<tr>
<td>□</td>
<td>□</td>
<td>□</td>
<td>10. Receive a letter from the IRS?</td>
<td></td>
</tr>
</tbody>
</table>
Check appropriate box for each question in each section

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Part VI - Health Care Coverage - Last year, did you, your spouse, or dependents(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Have health care coverage?</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>2. (B) Receive one or more of these forms?  ☐ Form 1095-B  ☐ Form 1095-C</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>3b. (A) If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?</td>
</tr>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>4. (B) Have an exemption granted by the Marketplace?</td>
</tr>
</tbody>
</table>

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
</table>

Part VII – Additional Information and Questions Related to the Preparation of Your Return

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (if you check a box, your tax or refund will not change)

3. If you are due a refund, would you like:
   a. Direct deposit ☐ Yes ☒ No
   b. To purchase U.S. Savings Bonds ☐ Yes ☒ No
   c. To split your refund between different accounts ☒ Yes ☒ No

4. If you have a balance due, would you like to make a payment directly from your bank account? ☒ Yes ☐ No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants. Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking? ☒ Very well ☐ Well ☐ Not well ☐ Not at all ☐ Prefer not to answer

6. Would you say you can read a newspaper or book in English? ☒ Very well ☒ Well ☒ Not well ☐ Not at all ☐ Prefer not to answer

7. Do you or any member of your household have a disability? ☒ Yes ☐ No ☐ Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces? ☒ Yes ☒ No ☐ Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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. 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 1545-1994. 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:CARMP-1-1.1.1F, 1111 Constitution Ave., NW, Washington, DC 20224

Catalog Number 52121E

www.irs.gov

Form 13614-C (Rev. 10-2018)
<table>
<thead>
<tr>
<th>Employee's social security number</th>
<th>510-00-XXXX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer identification number (EIN)</td>
<td>42-500XXX</td>
</tr>
<tr>
<td>Employer's name, address, and ZIP code</td>
<td>US CONSULATE 3000 BAHNHOFSTRASSE 87600 KAUFBEUREN, GERMANY</td>
</tr>
<tr>
<td>Control number</td>
<td></td>
</tr>
<tr>
<td>Employee's first name and initial</td>
<td>YOLANDA</td>
</tr>
<tr>
<td>Last name</td>
<td>LAWSON</td>
</tr>
<tr>
<td>Address and ZIP code</td>
<td>491 WOLFRAMSTRASSE 35510 BAD CANNSTATT STUTTGART, GERMANY</td>
</tr>
<tr>
<td>State</td>
<td></td>
</tr>
<tr>
<td>Employer's state ID number</td>
<td></td>
</tr>
<tr>
<td>State wages, tips, etc.</td>
<td></td>
</tr>
<tr>
<td>State income tax</td>
<td></td>
</tr>
<tr>
<td>Local wages, tips, etc.</td>
<td></td>
</tr>
<tr>
<td>Local income tax</td>
<td></td>
</tr>
<tr>
<td>Locality name</td>
<td></td>
</tr>
<tr>
<td>Wages, tips, other compensation</td>
<td>60,000.00</td>
</tr>
<tr>
<td>Social security wages</td>
<td>60,000.00</td>
</tr>
<tr>
<td>Medicare wages and tips</td>
<td>60,000.00</td>
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<td>Social security tax withheld</td>
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<tr>
<td>Medicare tax withheld</td>
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<tr>
<td>Allocated tips</td>
<td></td>
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<td>Nonqualified plans</td>
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<tr>
<td>DD</td>
<td>5,400.00</td>
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<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
</tr>
</tbody>
</table>
International Scenario 3: Test Questions

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.

10. 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.
13. 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
International Course Retest 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.
International Scenario 1: Retest Questions

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
Interview Notes

- 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
International Scenario 3: Retest Questions

Directions

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
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
HSA Scenario 2: Ed and Christine Martinez

Interview Notes

- 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
HSA Scenario 3: Judy Young

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: 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
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 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
HSA Scenario 5: Peggy Walker

Directions
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.
### Part I – Your Personal Information (If you are filing a joint return, enter your names in the same order as last year’s return)

<table>
<thead>
<tr>
<th>1. Your first name</th>
<th>M.I.</th>
<th>Last name</th>
<th>Daytime telephone number</th>
<th>Are you a U.S. citizen?</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEGGY</td>
<td></td>
<td>WALKER</td>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Your spouse’s first name</th>
<th>M.I.</th>
<th>Last name</th>
<th>Daytime telephone number</th>
<th>Is your spouse a U.S. citizen?</th>
</tr>
</thead>
<tbody>
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<td></td>
<td></td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>3. Mailing address</th>
<th>Apt #</th>
<th>City</th>
<th>State</th>
<th>ZIP code</th>
</tr>
</thead>
<tbody>
<tr>
<td>65421 SW 17TH ST</td>
<td></td>
<td>YOUR CITY</td>
<td>YES</td>
<td>YOUR ZIP</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Your Date of Birth</th>
<th>5. Your job title</th>
<th>6. Last year, were you:</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/20/1969</td>
<td>MANAGER</td>
<td>a. Full-time student</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7. Your spouse’s Date of Birth</th>
<th>8. Your spouse’s job title</th>
<th>9. Last year, was your spouse:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>a. Full-time student</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>1. As of December 31, 2018, what was your marital status?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)</td>
</tr>
<tr>
<td>[ ] Married</td>
</tr>
<tr>
<td>[ ] Divorced</td>
</tr>
<tr>
<td>[ ] Legally Separated</td>
</tr>
<tr>
<td>[ ] Widowed</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>2. List the names below of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] everyone who lived with you last year (other than your spouse)</td>
</tr>
<tr>
<td>[ ] anyone you supported but did not live with you last year</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name (first, last)</th>
<th>Relationship to you (for example: son, daughter, parent, none, etc.)</th>
<th>Date of Birth (mm/dd/yyyy)</th>
<th>Number of months lived in your home last year</th>
<th>US Citizen (yes/no)</th>
<th>Resident of US, Canada, or Mexico last year (yes/no)</th>
<th>Single or Married as of 12/31/18 (S/M)</th>
<th>Full-time Student last year (yes/no)</th>
<th>Totally and Permanently Disabled (yes/no)</th>
<th>Is this person a qualifying child/relative of any other person? (yes/no)</th>
<th>Did this person provide more than 50% of his/her own support? (yes/no)</th>
<th>Did this person provide more than 50% of support for this person? (yes/no/N/A)</th>
<th>Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th>
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</thead>
<tbody>
<tr>
<td>MARCUS WALKER</td>
<td>SON</td>
<td>01/18/2007</td>
<td>12</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
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<td></td>
<td>YES</td>
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</table>
### Part III – Income – Last Year, Did You (or Your Spouse) Receive

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Tip income?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>3. (B) Scholarships? (Forms W-2, 1098-T)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
</tr>
<tr>
<td></td>
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<td>6. (B) Alimony income or separate maintenance payments?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>7. (A) Self-Employment income? (Form 1099-MISC, cash)</td>
</tr>
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<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (Including your home) (Forms 1099-S, 1099-B)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
<td></td>
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<td>11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
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<td>12. (B) Unemployment Compensation? (Form 1099-G)</td>
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<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RR-1099)</td>
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<td>14. (M) Income (or loss) from Rental Property?</td>
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<td>☒</td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify</td>
</tr>
</tbody>
</table>

### Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient's SSN? Yes No</td>
</tr>
<tr>
<td></td>
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<td>2. Contributions to a retirement account? IRA (A) 401K (B) Roth IRA (B) Other</td>
</tr>
<tr>
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<td>Contributions to a retirement account?</td>
</tr>
<tr>
<td></td>
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<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>4. (A) Deductions: Medical &amp; Dental (including insurance premiums)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Taxes (State, Real Estate, Personal Property, Sales)</td>
</tr>
<tr>
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<td></td>
<td>Mortgage Interest (Form 1098)</td>
</tr>
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<td></td>
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<td></td>
<td>Charitable Contributions</td>
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<td>5. (B) Child or dependent care expenses such as daycare?</td>
</tr>
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<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?</td>
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<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
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<td></td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
</tr>
</tbody>
</table>

### Part V – Life Events – Last Year, Did You (or Your Spouse)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (A) Adopt a child?</td>
</tr>
<tr>
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<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
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<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where?</td>
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<tr>
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<td>7. (A) Receive the First Time Homebuyers Credit in 2008?</td>
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<td></td>
<td>8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>9. (A) File a federal return last year containing a “capital loss carryover” on Form 1040 Schedule D?</td>
</tr>
<tr>
<td></td>
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<td>10. Receive a letter from the IRS?</td>
</tr>
</tbody>
</table>

---

Health Savings Accounts (HSA)
**Check appropriate box for each question in each section**

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Part VI - Health Care Coverage - Last year, did you, your spouse, or dependents(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒</td>
<td></td>
<td></td>
<td>1. (B) Have health care coverage?</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>□ (B) Receive one or more of these forms? (Check the box) □ Form 1095-B □ Form 1095-C</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>3a. (A) If yes, were advance credit payments made to help you pay health care premiums?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3b. (A) If yes, is everyone listed on your Form 1095-A being claimed on this tax return?</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. (B) Have an exemption granted by the Marketplace?</td>
</tr>
</tbody>
</table>

**To be completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)**

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
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</tr>
<tr>
<td>Spouse</td>
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<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
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<tr>
<td>Dependent</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
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</tr>
<tr>
<td>Dependent</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
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</tr>
<tr>
<td>Dependent</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
<td>JFMA MJ JASON</td>
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</tbody>
</table>

**Part VII – Additional Information and Questions Related to the Preparation of Your Return**

1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service) [ ]

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)
   - Yes [ ]
   - No ☒
   - Spouse [ ]

3. If you are due a refund, would you like:
   a. Direct deposit [ ] Yes ☒ No ☒
   b. To purchase U.S. Savings Bonds [ ] Yes ☒ No [ ]
   c. To split your refund between different accounts [ ] Yes ☒ No [ ]

4. If you have a balance due, would you like to make a payment directly from your bank account? [ ] Yes ☒ No [ ]

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants.

Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking? [ ] Very well ☒ Well ☒ Not well ☒ Not at all ☒ Prefer not to answer

6. Would you say you can read a newspaper or book in English? [ ] Very well ☒ Well ☒ Not well ☒ Not at all ☒ Prefer not to answer

7. Do you or any member of your household have a disability? [ ] Yes ☒ No ☒ Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces? [ ] Yes ☒ No ☒ Prefer not to answer

**Additional comments**

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**Privacy Act and Paperwork Reduction 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 used for these programs. By providing your name, you are giving consent to this use. 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 1545-0066. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W CAR:MP:T:TSP. 1111 Constitution Ave. NW, Washington, DC 20224

Catalog Number 52121E

www.irs.gov

Form 13614-C (Rev. 10-2018)
### W-2 Wage and Tax Statement

**Employee's Social Security Number:** 441-00-XXXX

**Employer Identification Number (EIN):** 44-100XXX

**Employer's Name:** WILLIAMS MANUFACTURING  
2520 AUSTIN BLVD  
YOUR CITY, STATE ZIP

**Employee's Name:** PEGGY WALKER  
65421 SW 17TH ST  
YOUR CITY, STATE ZIP

**Total Social Security Number:** 44-100XXX

**State Wages, Tips, etc.:** 34,620.00

**State Income Tax:** 456.00

**Local Wages, Tips, etc.:**

**Local Income Tax:**

**Wages, Tips, Other Compensation:** 34,620.00  
**Federal Income Tax Withheld:** 2,369.00  
**Social Security Tax Withheld:** 2,146.44  
**Medicare Wages and Tips:** 34,620.00

**Medicare Tax Withheld:** 501.99  
**Social Security Tips:**

**Allocated Tips:**

**12a See instructions for box 12b**

**Box 12b Tax**

**Verification Code:**

**Verification Code:**

**W-2 Wage and Tax Statement 2018**

Department of the Treasury - Internal Revenue Service

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### 1099-SA Distributions

**TR Reserve's Name:** HEALTHCARE TRUSTEE OF AMERICA

**Address:** 123 MAIN STREET  
YOUR CITY, STATE ZIP

**Payer's TIN:** 44-400XXX

**Recipient's TIN:** 441-00-XXXX

**Recipient's Name:** PEGGY WALKER  
65421 SW 17TH STREET  
YOUR CITY, STATE ZIP

**Account Number:**

**Gross Distribution:** $1,480.00

**Distribution Code:**

**FMV on Date of Death:**

**HSA**

**Archer MSA**

**MA MSA**

**Copy B** For Recipient

This information is being furnished to the IRS.

---

Health Savings Accounts (HSA)
HSA Scenario 5: Test Questions

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
HSA Scenario 2: Ed and Christine Martinez

Interview Notes

- 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

5. Because Christine is age 55 or older, she is eligible to increase her HSA contribution by $______.
HSA Scenario 3: Judy Young

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
HSA Scenario 4: Carl and Monica Smith

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
HSA Scenario 5: Peggy Walker

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
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

4. 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.
Return Preparation: Fran Rollins

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

- 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)  
Department of the Treasury - Internal Revenue Service  
Intake/Interview & Quality Review Sheet  

You will need:  
- Tax Information such as Forms W-2, 1099, 1098, 1095.  
- 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.  

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

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  
   M.I.  
   Last name  
   Daytime telephone number  
   Are you a U.S. citizen?  
   □ Yes  
   □ No

2. Your spouse's first name  
   M.I.  
   Last name  
   Daytime telephone number  
   Is your spouse a U.S. citizen?  
   □ Yes  
   □ No

3. Mailing address  
   300 DAKOTA CIRCLE  
   Apt #  
   City  
   Your CITY  
   State  
   ZIP code  
   YOUR ZIP

4. Your Date of Birth  
   04/15/1975  
   □ Never Married  
   □ Married  
   (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)  
   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

5. Your job title  
   MANAGEMENT ASSISTANT  
   □ Divorced  
   □ Legally Separated  
   Date of final decree  
   Date of separate maintenance agreement  
   Year of spouse's death  
   Widowed  
   2015

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

1. As of December 31, 2018, what was your marital status?  
   □ Never Married  
   □ Widowed  
   □ Married  
   (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)  
   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
   c. Did you pay more than half the cost of maintaining a home for this person?  
      □ Yes  
      □ No

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) | Date of Birth | Relationship | 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 Permanently Disabled (yes/no) | Is this person a qualifying child/relative of any other person? (yes/no) | Did this person provide more than 50% of her/his own support? (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) |
   |-------------------|--------------|--------------|-----------------------------------------------|---------------------|------------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|
   | MARY ROLLINS      | 08/01/88     | DAUGHTER     | 12                                             | YES                 | YES                                                   | S                                      | YES                                     | NO                                     | NO                                                      | YES                                                                       | NO                                                                       | NO                                                                       | YES                                                                       |
   | OLIVER ROLLINS    | 04/06/10     | SON          | 12                                             | YES                 | YES                                                   | S                                      | YES                                     | NO                                     | NO                                                      | YES                                                                       | NO                                                                       | NO                                                                       | YES                                                                       |
   | HENRY BOLIVAR     | 10/27/72     | BROTHER      | 12                                             | YES                 | YES                                                   | S                                      | NO                                      | YES                                     | NO                                                      | YES                                                                       | NO                                                                       | NO                                                                       | YES                                                                       |

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

To be completed by a Certified Volunteer Preparer

Catalog Number 52121E  
www.irs.gov  
Form 13614-C (Rev. 10-2018)
<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Part III – Income – Last Year, Did You (or Your Spouse) Receive</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X</td>
<td>☐</td>
<td>1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 1</td>
</tr>
<tr>
<td></td>
<td>X</td>
<td>☐</td>
<td>2. (A) Tip Income?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>3. (B) Scholarships? (Forms W-2, 1098-T)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>5. (B) Refund of state/local income taxes? (Form 1099-G)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>6. (B) Alimony income or separate maintenance payments?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>7. (A) Self-Employment income? (Form 1099-MISC, cash)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>8. (A) Cash/check payments for any work performed not reported on Forms W-2 or 1099?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>9. (A) Income (or loss) from the sale of Stocks, Bonds or Real Estate? (including your home) (Forms 1099-S, 1099-B)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>12. (B) Unemployment Compensation? (Form 1099-G)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>14. (M) Income (or loss) from Rental Property?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, Sch K-1, royalties, foreign income, etc.) Specify FORM 1099-C</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>1. (B) Alimony or separate maintenance payments? If yes, do you have the recipient’s SSN? Yes No</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>2. Contributions to a retirement account? IRA (A) 401K (B) Roth IRA (B) Other</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>3. (B) College or post secondary educational expenses for yourself, spouse or dependents? (Form 1098-T)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>4. (A) Deductions: Medical &amp; Dental (including insurance premiums) Taxes (State, Real Estate, Personal Property, Sales) Mortgage Interest (Form 1098) Charitable Contributions</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>5. (B) Child or dependent care expenses such as daycare?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>6. (B) For supplies used as an eligible educator such as a teacher, teacher’s aide, counselor, etc.?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>7. (A) Expenses related to self-employment income or any other income you received?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>8. (B) Student loan interest? (Form 1098-E)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
<th>Part V – Life Events – Last Year, Did You (or Your Spouse)</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>1. (HSA) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>2. (A) Have credit card or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>3. (A) Adopt a child?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>6. (B) Live in an area that was declared a Federal disaster area? If yes, where?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>7. (A) Receive the First Time Homebuyers Credit in 2008?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>8. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>9. (A) File a federal return last year containing a “capital loss carryover”? On Form 1040 Schedule D?</td>
</tr>
<tr>
<td>☐</td>
<td>X</td>
<td>☐</td>
<td>10. Receive a letter from the IRS?</td>
</tr>
</tbody>
</table>
Check appropriate box for each question in each section

1. (B) Have health care coverage?
   - Yes [X]
   - No
   - Unsure

2. (B) Receive one or more of these forms? (Check the box)
   - Form 1095-B
   - Form 1095-C

3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
   - Yes
   - No
   - Unsure

3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?
   - Yes
   - No
   - Unsure

3b. (A) If yes, is everyone listed on your Form 1095-A being claimed on this tax return?
   - Yes
   - No
   - Unsure

4. (B) Have an exemption granted by the Marketplace?
   - Yes
   - No
   - Unsure

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating Minimum Essential Coverage (MEC) for everyone listed on the return.)

<table>
<thead>
<tr>
<th>Name</th>
<th>MEC All Year</th>
<th>No MEC</th>
<th>Months with MEC</th>
<th>Months with Exemption</th>
<th>Exempt All Year</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxpayer</td>
<td>J F M A M J J A S O N D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spouse</td>
<td>J F M A M J J A S O N D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dependent</td>
<td>J F M A M J J A S O N D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dependent</td>
<td>J F M A M J J A S O N D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dependent</td>
<td>J F M A M J J A S O N D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Part VII – Additional Information and Questions Related to the Preparation of Your Return
1. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)

2. Presidential Election Campaign Fund (If you check a box, your tax or refund will not change)
   - Check here if you, or your spouse if filing jointly, want $3 to go to this fund
   - You [X]
   - Spouse

3. If you are due a refund, would you like:
   - a. Direct deposit [X]
   - b. To purchase U.S. Savings Bonds
   - c. To split your refund between different accounts

4. If you have a balance due, would you like to make a payment directly from your bank account?
   - Yes [X]
   - No

Many free tax preparation sites operate by receiving grant money. The data from the following questions may be used by this site to apply for these grants.

Your answers will be used only for statistical purposes.

5. Would you say you can carry on a conversation in English, both understanding & speaking?
   - Very well
   - Well
   - Not well
   - Not at all
   - Prefer not to answer

6. Would you say you can read a newspaper or book in English?
   - Very well
   - Well
   - Not well
   - Not at all
   - Prefer not to answer

7. Do you or any member of your household have a disability?
   - Yes
   - No
   - Prefer not to answer

8. Are you or your spouse a Veteran from the U.S. Armed Forces?
   - Yes
   - No
   - Prefer not to answer

Additional comments

Privacy Act and Paperwork Reduction 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 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 1545-1064. 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-CAS-MP-IT&SP, 1111 Constitution Ave, NW, Washington, DC 20224.
### Federal Tax Law Update Test for Circular 230 Professionals

**Form W-2**

**Wage and Tax Statement**

**2018**

**Department of the Treasury—Internal Revenue Service**

**Copy B**—To BeFiled With Employee’s FEDERAL Tax Return.

This information is being furnished to the Internal Revenue Service.

<table>
<thead>
<tr>
<th>Employee’s social security number</th>
<th>601-00-XXXX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer identification number (EIN)</td>
<td>34-600XXXX</td>
</tr>
<tr>
<td>Employer’s name, address, and ZIP code</td>
<td>GILMER CORP 2250 DELTA AVENUE YOUR CITY, STATE ZIP</td>
</tr>
<tr>
<td>Control number</td>
<td></td>
</tr>
<tr>
<td>Employee’s first name and initial</td>
<td>FRAN ROLLINS</td>
</tr>
<tr>
<td>Last name</td>
<td>300 DAKOTA CIRCLE YOUR CITY, STATE ZIP</td>
</tr>
<tr>
<td>Date</td>
<td>34-600XXXX</td>
</tr>
<tr>
<td>Employee’s state ID number</td>
<td></td>
</tr>
<tr>
<td>State wages, tips, etc.</td>
<td>36,300.00</td>
</tr>
<tr>
<td>State income tax</td>
<td>1,472.00</td>
</tr>
</tbody>
</table>

---

**Form 1099-R**

**Distributions From Retirement Plans, Insurance Contracts, etc.**

**Copy B**—Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.

This information is being furnished to the IRS.

<table>
<thead>
<tr>
<th>PAYER’S name, street address, city or town, state or province, country, and ZIP or foreign postal code</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PRAIRIE BANK CUSTODIAN FOR THE IRA OF FRAN ROLLINS</td>
<td>1727 OSAGE WAY YOUR CITY, STATE ZIP</td>
</tr>
<tr>
<td>PAYER’S TIN</td>
<td>601-00-XXXX</td>
</tr>
<tr>
<td>RECIPIENT’S name</td>
<td>FRAN ROLLINS</td>
</tr>
<tr>
<td>RECIPIENT’S TIN</td>
<td>30-600XXXX</td>
</tr>
<tr>
<td>Street address (including apt. no.)</td>
<td>300 DAKOTA CIRCLE</td>
</tr>
<tr>
<td>City or town, state or province, country, and ZIP or foreign postal code</td>
<td></td>
</tr>
<tr>
<td>YOUR CITY, STATE ZIP</td>
<td></td>
</tr>
<tr>
<td>Gross distribution</td>
<td>$3,200.00</td>
</tr>
<tr>
<td>Taxable amount</td>
<td>$3,200.00</td>
</tr>
<tr>
<td>Capital gain included in box 2(a)</td>
<td></td>
</tr>
<tr>
<td>Employee contributions</td>
<td></td>
</tr>
<tr>
<td>Designated Roth contributions</td>
<td></td>
</tr>
<tr>
<td>IRA, SEP, SIMPLE</td>
<td></td>
</tr>
<tr>
<td>Your percentage of total distribution</td>
<td></td>
</tr>
<tr>
<td>Total employee contributions</td>
<td></td>
</tr>
<tr>
<td>Federal income tax withheld</td>
<td>$320.00</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Total employee contributions</td>
<td></td>
</tr>
<tr>
<td>激</td>
<td></td>
</tr>
<tr>
<td>Social security wages</td>
<td>36,300.00</td>
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<tr>
<td>Social security wages withheld</td>
<td>2,280.60</td>
</tr>
<tr>
<td>Medicare wages and tips</td>
<td>36,300.00</td>
</tr>
<tr>
<td>Medicare tax withheld</td>
<td>526.35</td>
</tr>
<tr>
<td>Social security tips</td>
<td></td>
</tr>
<tr>
<td>Allocated tips</td>
<td></td>
</tr>
</tbody>
</table>

---

**Federal Tax Law Update Test for Circular 230 Professionals**

Page 154
Mary Rollins
Student ID 602-00-XXXX

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

12/31/2018 Account Balance............................................................................$0.00
December 31, 2018

Received from Fran Rollins:

$4,000 for after-school care for Oliver Rollins

$4,000 Total amount received for child care in 2018

Ellen River

EIN: 35-900XXXX

[Check image]
Return Preparation Scenario: Test Questions

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
Directions

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.
Return Preparation Scenario: Retest Questions

Directions

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
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.
Residency Status, Form 8843, and Filing Status

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.

1. 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

2. 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

3. 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
   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

8. 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

9. 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.
**Form 8843**

**Statement for Exempt Individuals and Individuals With a Medical Condition**

**For use by alien individuals only.**

Go to [www.irs.gov/Form8843](http://www.irs.gov/Form8843) for the latest information.

For the year January 1 – December 31, 2018, or other tax year 2018, and ending _______, 2019.

Your first name and initial __________  Last name __________  Address in the United States ________  Your U.S. taxpayer identification number, if any ________

**Part I**

**General Information**

1a. Type of U.S. visa (for example, F, J, M, Q, etc.) and date you entered the United States.

b. Current nonimmigrant status. If your status has changed, also enter date of change and previous status. See instructions.

2. Of what country or countries were you a citizen during the tax year?

3a. What country or countries issued you a passport?

b. Enter your passport number(s).

4a. Enter the actual number of days you were present in the United States during 2018.

b. Enter the number of days in 2018 you claim you can exclude for purposes of the substantial presence test.

**Part II**

**Teachers and Trainees**

5. For teachers, enter the name, address, and telephone number of the academic institution where you taught in 2018.

6. For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2018.

7. Enter the type of U.S. visa (J or Q) you held during 2014 through 2017. If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

8. Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 5 prior calendar years (2012 through 2017)? Yes ☐  No ☐

If you checked the “Yes” box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the Exception explained in the instructions.

**Part III**

**Students**

9. Enter the name, address, and telephone number of the academic institution you attended during 2018.

10. Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2018.

11. Enter the type of U.S. visa (F, J, M, or Q) you held during 2014 through 2017. If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.

12. Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? Yes ☐  No ☐

If you checked the “Yes” box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.

13. During 2018, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? Yes ☐  No ☐

14. If you checked the “Yes” box on line 13, explain.

For Paperwork Reduction Act Notice, see instructions.

[Cat. No. 17227H]

VITA/TCE Foreign Student Test 167
Part IV  Professional Athletes

15  Enter the name of the charitable sports event(s) in the United States in which you competed during 2018 and the dates of competition:

16  Enter the name(s) and employer identification number(s) of the charitable organization(s) that benefited from the sports event(s):

Note: You must attach a statement to verify that all of the net proceeds of the sports event(s) were contributed to the charitable organization(s) listed on line 16.

Part V  Individuals With a Medical Condition or Medical Problem

17a  Describe the medical condition or medical problem that prevented you from leaving the United States:

17b  Enter the date you intended to leave the United States prior to the onset of the medical condition or medical problem described on line 17a:

17c  Enter the date you actually left the United States:

18  Physician’s Statement:

I certify that

Nome of taxpayer

was unable to leave the United States on the date shown on line 17b because of the medical condition or medical problem described on line 17a and there was no indication that his or her condition or problem was preexisting.

Nome of physician or other medical official

Physician’s or other medical official’s address and telephone number

Physician’s or other medical official’s signature

Date

Sign here only if you are filing this form by itself and not with your tax return

Under penalties of perjury, I declare that I have examined this form and the accompanying attachments, and, to the best of my knowledge and belief, they are true, correct, and complete.

Your signature

Date

Form 8843 (2018)
Scenario 1: De Lores Alvarez Test Questions

Directions

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
Taxability of Income, ITINs, and Credits

Introduction

This segment of the VITA/TCE certification test includes 7 true/false and 14 scenario-based 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.
### W-2 Wage and Tax Statement

**Name:** MAY MONTRI  
**Address:** 125 COLLEGE DRIVE, INTERNATIONAL HALL, TOWN, NY 14200

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
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<tr>
<td>XX-XXXXXXX</td>
<td>XXX-XX-XXXX</td>
<td>1750.00</td>
<td>750.00</td>
<td>750.00</td>
<td>750.00</td>
<td>750.00</td>
<td>750.00</td>
<td>750.00</td>
<td>750.00</td>
</tr>
</tbody>
</table>

**Department of the Treasury—Internal Revenue Service**

**Copy A—To BeFiled With Employee's FEDERAL Tax Return.**

This information is being furnished to the Internal Revenue Service.

### Form 1042-S Foreign Person's U.S. Source Income Subject to Withholding

**Name:** MAY MONTRI  
**Address:** 125 COLLEGE DRIVE, INTERNATIONAL HALL, TOWN, NY 14200

<table>
<thead>
<tr>
<th>Income code</th>
<th>Gross income</th>
<th>Withholding allowance</th>
<th>Withheld tax withheld</th>
<th>Federal income tax withheld</th>
<th>Social security tax withheld</th>
<th>Medicare wages and tips</th>
<th>Avoided tax paid to recipient pursuant to adjustment procedures</th>
<th>Tax paid by withholding agent (amount not withheld)</th>
<th><strong>Recipient's foreign taxpayer identification number, if any</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20</td>
<td>3000.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Department of the Treasury—Internal Revenue Service**

**Copy B—To BeFiled With Employee's FEDERAL Tax Return.**

This information is being furnished to the Internal Revenue Service.
## U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

**Form 1040NR-EZ**

<table>
<thead>
<tr>
<th>Filing Status</th>
<th>Check only one box.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Single nonresident alien</td>
</tr>
<tr>
<td>2</td>
<td>Married nonresident alien</td>
</tr>
</tbody>
</table>

### Attachments

<table>
<thead>
<tr>
<th>Description</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>W-2 or 1042-S</td>
<td>Form(s)</td>
</tr>
</tbody>
</table>

### Refund

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid.</td>
</tr>
<tr>
<td>21a</td>
<td>Amount of line 20 you want refunded to you. If Form 8889 is attached, check here.</td>
</tr>
<tr>
<td>b</td>
<td>Routing number</td>
</tr>
<tr>
<td>c</td>
<td>Type: Checking or Savings</td>
</tr>
<tr>
<td>d</td>
<td>Account number</td>
</tr>
<tr>
<td>e</td>
<td>If you want your refund check mailed to an address outside the United States not shown above, enter that address here.</td>
</tr>
<tr>
<td>22</td>
<td>Amount of line 20 you want applied to your 2019 estimated tax.</td>
</tr>
</tbody>
</table>

### Amount You Owe

<table>
<thead>
<tr>
<th>Calculation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>Amount you owe. Subtract line 19 from line 15. For details on how to pay, see instructions.</td>
</tr>
<tr>
<td>24</td>
<td>Estimated tax penalty (see instructions).</td>
</tr>
</tbody>
</table>

### Third Party Designee

<table>
<thead>
<tr>
<th>Information</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designee's name</td>
<td>Phone number</td>
</tr>
<tr>
<td>Personal identification number (PIN)</td>
<td></td>
</tr>
</tbody>
</table>

### Sign Here

<table>
<thead>
<tr>
<th>Information</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your signature</td>
<td>Date</td>
</tr>
<tr>
<td>Your occupation in the United States</td>
<td></td>
</tr>
<tr>
<td>If the IRS sent you an Identity Protection PIN, enter it here.</td>
<td></td>
</tr>
</tbody>
</table>

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**VITA/TCE Foreign Student Test**

**173**
Schedule O1—Other Information (see instructions)
Answer all questions

A Of what country or countries were you a citizen or national during the tax year?

B In what country did you claim residence for tax purposes during the tax year?

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States? □ Yes □ No

D Were you ever:
1. A U.S. citizen? □ Yes □ No
2. A green card holder (lawful permanent resident) of the United States? □ Yes □ No
If you answer “Yes” to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that may apply to you.

E If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year.

F Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? □ Yes □ No
If “Yes,” indicate the date and nature of the change.

G 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.

<table>
<thead>
<tr>
<th>Date entered United States mm/dd/yy</th>
<th>Date departed United States mm/dd/yy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<table>
<thead>
<tr>
<th>Date entered United States mm/dd/yy</th>
<th>Date departed United States mm/dd/yy</th>
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</tbody>
</table>

H Give number of days (including vacation, non-workdays, and partial days) you were present in the United States during:

I Did you file a U.S. income tax return for any prior years? □ Yes □ No
If “Yes,” give the latest year and form number you filed.

J Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required. See instructions.

<table>
<thead>
<tr>
<th>Country</th>
<th>Tax treaty article</th>
<th>Number of months claimed in prior tax years</th>
<th>Amount of exempt income in current tax year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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</tr>
</tbody>
</table>

(e) Total. Enter this amount on Form 1040NR-EZ, line 6. Do not enter it on line 3 or line 5.

2. Were you subject to tax in a foreign country on any of the income shown in 1(d) above? □ Yes □ No

3. Are you claiming treaty benefits pursuant to a Competent Authority determination? □ Yes □ No
If “Yes,” attach a copy of the Competent Authority determination letter to your return.
Scenario 2: May Montri Test Questions

Directions

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
Scenario 3: Sai Singh

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.

![Form W-2](image.jpg)
Form 1040NR-EZ
U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents

Department of the Treasury
Internal Revenue Service

Your first and name and initial
Identifying number (see instructions)

Present home address (number, street, and apt. no., or rural route). If you have a P.O. box, see instructions.

City, town, or post office, state, and ZIP code. If you have a foreign address, also complete spaces below. See instructions.

Foreign country name
Foreign province/state/city
Foreign postal code

Filing Status
Check only one box.

1 Single nonresident alien
2 Married nonresident alien

Attach Form(s)
W-2 or 1042-S here. Also attach Form(s) 1099-R if tax was withheld.

Wages, salaries, tips, etc. Attach Form(s) W-2
3
Taxable refunds, credits, or offsets of state and local income taxes
4
Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement
5
Total income exempt by a treaty from page 2, Item 1(e)
6
Add lines 3, 4, and 5
7
Scholarship and fellowship grants excluded
8
Student loan interest deduction
9
Subtract the sum of line 8 and line 9 from line 7. This is your adjusted gross income
10
Itemized deductions. See the instructions for limitations
11
Taxable income. Subtract line 11 from line 10. If line 11 is more than line 10, enter -0-
12
Tax. Find your tax in the tax table in the instructions.
13
Unreported social security and Medicare tax from Form:
a 4137
b 8919
14
Add lines 13 and 14. This is your total tax
15
Federal income tax withheld from Form(s) W-2 and 1099-R
16
a
Federal income tax withheld from Form(s) 1042-S
16b
17
2018 estimated tax payments and amount applied from 2017 return
18
Credit for amount paid with Form 1040-C
19
Add lines 16a through 19. These are your total payments
20
If line 19 is more than line 15, subtract line 15 from line 19. This is the amount you overpaid
21
Amount of line 20 you want refunded to you. If Form 8888 is attached, check here
21a
b Routing number

c Type:
Checking
Savings

d Account number

Amount of line 20 you want applied to your 2019 estimated tax
22
23
Amount you owe. Subtract line 19 from line 15. For details on how to pay, see instructions
24
Estimated tax penalty (see instructions)

Do you want to allow another person to discuss this return with the IRS? See instructions.

Yes. Complete the following.
No

Designee's name

Phone number

Personal Identification number (PIN)

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of U.S. source income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature
Date
Your occupation in the United States

Print/Type preparer's name
Preparer's signature
Date
Check  if self-employed
PTIN

Firm's name
Firm's address
Firm's EIN
Phone number

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see instructions.
Cat. No. 21554N
Form 1040NR-EZ (2018)

VITA/TCE Foreign Student Test 177
Schedule OI—Other Information (see instructions)
Answer all questions

A Of what country or countries were you a citizen or national during the tax year?

B In what country did you claim residence for tax purposes during the tax year?

C Have you ever applied to be a green card holder (lawful permanent resident) of the United States?  □ Yes □ No

D Were you ever:
1. A U.S. citizen?  □ Yes □ No
2. A green card holder (lawful permanent resident) of the United States?  □ Yes □ No
   If you answer “Yes” to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that may apply to you.

E If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year.

F Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status?  □ Yes □ No
   If “Yes,” indicate the date and nature of the change. ▲

G 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.)

<table>
<thead>
<tr>
<th>Date entered United States mm/dd/yy</th>
<th>Date departed United States mm/dd/yy</th>
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H Give number of days (including vacation, non-workdays, and partial days) you were present in the United States during:

I Did you file a U.S. income tax return for any prior year?  □ Yes □ No
   If “Yes,” give the latest year and form number you filed ▲

J Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8853 if required. See instructions.

<table>
<thead>
<tr>
<th>(a) Country</th>
<th>(b) Tax treaty article</th>
<th>(c) Number of months claimed in prior tax years</th>
<th>(d) Amount of exempt income in current tax year</th>
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</tr>
</tbody>
</table>

(e) Total. Enter this amount on Form 1040NR-EZ, line 6. Do not enter it on line 3 or line 5 . .

2. Were you subject to tax in a foreign country on any of the income shown in (d) above?  □ Yes □ No

3. Are you claiming treaty benefits pursuant to a Competent Authority determination?  □ Yes □ No
   If “Yes,” attach a copy of the Competent Authority determination letter to your return.
Scenario 3: Sai Singh Test Questions

Directions

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.

<table>
<thead>
<tr>
<th>Employee’s social security number</th>
<th>Social security wages</th>
<th>1</th>
<th>Wage, tips, other compensation</th>
<th>11,560.00</th>
<th>2 Federal income tax withheld</th>
<th>780.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLLEGE TOWN UNIVERSITY</td>
<td>Medicare wages and tips</td>
<td>5</td>
<td></td>
<td></td>
<td>6 Medicare tax withheld</td>
<td></td>
</tr>
<tr>
<td>23 SOUTHWEST STREET</td>
<td>Social security tips</td>
<td>7</td>
<td></td>
<td></td>
<td>8 Allocated tips</td>
<td></td>
</tr>
<tr>
<td>COLLEGE TOWN, VA 23000</td>
<td>Verification code</td>
<td>9</td>
<td></td>
<td></td>
<td>10 Dependent care benefits</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Control number</td>
<td>d</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUMON AZIM</td>
<td>Employee’s first name and initial</td>
<td>e</td>
<td>Last name</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 MAIN STREET</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTERNATIONAL STUDENT HALL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLLEGE TOWN, VA 23000</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Employer’s address and ZIP code</td>
<td>f</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VA X-XXXXXXXX</td>
<td>State wages, tips, etc.</td>
<td>16</td>
<td>11,560.00</td>
<td></td>
<td>17 State income tax</td>
<td>110.00</td>
</tr>
<tr>
<td></td>
<td>Local wages, tips, etc.</td>
<td>18</td>
<td></td>
<td></td>
<td>19 Local income tax</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Locality name</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Form 1040NR-EZ

**U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents**

**2018**

**OMB No. 1545-0074**

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### Filing Status

**Check only one box.**

- [ ] Single nonresident alien
- [ ] Married nonresident alien

### Attach Form(s)

- [ ] W-2 or 1042-S here. Also attach Form(s) 1099-R if tax was withheld.
- [ ] 16a Federal income tax withheld from Form(s) W-2 and 1099-R
- [ ] 16b Federal income tax withheld from Form(s) 1042-S

### Refund

- [ ] Amount of line 20 you want refunded to you. If Form 8888 is attached, check here
- [ ] Direct deposit? See instructions

### Third Party Designee

- [ ] Name:
- [ ] Phone:
- [ ] Personal identification number (PIN):

### Sign Here

- [ ] Your signature
- [ ] Date
- [ ] Your occupation in the United States

### Paid Preparer Use Only

- [ ] Print/Type preparer's name
- [ ] Preparer's signature
- [ ] Date
- [ ] Firm's name
- [ ] Firm's EIN
- [ ] Firm's address
- [ ] Phone no.

---

**VITA/TCE Foreign Student Test** 181
Schedule OI—Other Information (see instructions)
Answer all questions

A. Of what country or countries were you a citizen or national during the tax year? _____________________________________________

B. In what country did you claim residence for tax purposes during the tax year? _____________________________________________

C. Have you ever applied to be a green card holder (lawful permanent resident) of the United States? □ Yes □ No

D. Were you ever:
   1. A U.S. citizen? □ Yes □ No
   2. A green card holder (lawful permanent resident) of the United States? □ Yes □ No
   If you answer "Yes" to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that may apply to you.

E. If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year.

F. Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? □ Yes □ No
   If "Yes," indicate the date and nature of the change.

G. 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.

<table>
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<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

H. Give number of days (including vacation, non-workdays, and partial days) you were present in the United States during:
   2016 _________________________________________, 2017 _________________________________________, and 2018 _________________________________________.

I. Did you file a U.S. income tax return for any prior year? □ Yes □ No
   If "Yes," give the latest year and form number you filed.

J. Income Exempt from Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

1. Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required. See instructions.

<table>
<thead>
<tr>
<th>(a) Country</th>
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   (e) Total. Enter this amount on Form 1040NR-EZ, line 6. Do not enter it on line 3 or line 5.

2. Were you subject to tax in a foreign country on any of the income shown in (d) above? □ Yes □ No

3. Are you claiming treaty benefits pursuant to a Competent Authority determination? □ Yes □ No
   If "Yes," attach a copy of the Competent Authority determination letter to your return.
Scenario 4: Sumon Azim Test Questions

Directions

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
Refunds, Deductions, and the Best Form to Use

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** 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 [www.irs.gov](http://www.irs.gov), 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
  • 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

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: https://www.irs.gov/Individuals/Site-Coordinator-Corner.

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

and much more!
Your direct link to tax information 24/7: www.irs.gov