



4696(PR)

VITA/TCE Puerto Rico Resource Guide

Volunteer Income Tax Assistance (VITA) / Tax Counseling for the Elderly (TCE)

2016 RETURNS



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* 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.
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.

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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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How to Use this Guide

This publication is designed to assist you in preparing an accurate paper or software-prepared return using TaxSlayer. It is divided into three major sections—Level I, Level II, and Software Hints.

The **Tabs A, B, C and D** contain **Level I** tax law in the form of decision trees, charts, and interview tips. The **Tabs E, F, G, H, I and J** contain **Level II** - tax law information. The **Tabs 1, 2, 3, 4 and 5** contain step-by-step procedures for electronic return preparation using computer software.

The Link & Learn Taxes Puerto Rico course is divided into **Level I** and **Level II**. For volunteers assisting taxpayers in Puerto Rico, volunteers must first pass the **regular Basic or Advanced VITA/TCE test**. Next they should proceed to the **Level I** of the Puerto Rico test. Students can stop there or proceed to the **Level II** of the Puerto Rico exam. Each course must be passed with a minimum score of 80% for certification.

* TaxSlayer is a copyrighted software program developed by a family owned company with over 50 years in the tax preparation business. The screen shots in this publication should not be extracted, copied, or distributed without written approval of the IRS.

Caution: Some of the software screen shots in this guide may not be updated for current tax law. Generally, the screens depicted mirror the current year's version. However, there are some instances where there are embedded references to earlier tax years.

Are You Ready to Get Started?

Complete this assessment by entering a check mark in the box for "Yes." Resolve all "No" (unchecked boxes) responses with your site coordinator before assisting taxpayers.

1. **Have you signed:**
 - ☐ a. The Volunteer Agreement/Standards of Conduct?
 - ☐ b. The Property Loan Agreement (if applicable)?
2. **Do you know the following:**
 - ☐ a. Your duties at the site?
 - ☐ b. Site contacts (emergency, reporting delays, technical issues, etc.)?
 - ☐ c. When you are expected at the site?
 - ☐ d. Your site identification number (SIDN)?
3. **Do you have your:**
 - ☐ a. Volunteer Resource Guide (Publication 4012)?
 - ☐ b. Guide to Federal Income Tax (Publication 17)?
 - ☐ c. Wallet card (Form 13645) depicting your certification level (if applicable)?
 - ☐ d. Puerto Rico Resource Guide (Publication 4696 (PR))?
4. **Are the following items at the site:**
 - ☐ a. Intake/Interview & Quality Review Sheet (Form 13614-C or equivalent)?
 - ☐ b. Overprinted return forms, schedules, worksheets, etc.?

Quality and Tax Alerts for IRS Volunteer Programs

For the latest volunteer tax law updates and other helpful tips throughout the filing season you can go to **www.IRS.gov**—keyword: Volunteer Tax Alerts. Your site coordinator should share these messages with you. Also, for more information you can visit the Partner and Volunteer Resource Center.



The Five-Step Interview Process

Interview Steps	Goal	Suggested Actions
Step 1	Cultivate a comfortable environment and put the taxpayer at ease.	<ul style="list-style-type: none">• Introduce yourself; engage in small talk (discuss the weather, difficulty in locating the site, apologize if long wait, etc.).• Explain the tax return preparation process—the interview, how the information they provide will assist you in determining whether they must file a return, their eligibility for tax credits, etc.• Allow the taxpayers to share any expectations, needs, and/or concerns by asking whether they have questions before beginning and encouraging them to ask questions throughout the process.
Step 2	Use active listening skills	<ul style="list-style-type: none">• Watch for nonverbal listening cues (tone of voice, body language, eye contact, etc.).• Listen, then respond by restating, paraphrasing, and/or encouraging further dialogue.
Step 3	Review responses to the intake questions (Form 13614-C or equivalent).	<ul style="list-style-type: none">• Confirm all the information completed by the taxpayer on the intake form (Form 13614-C or approved alternative)• Review all the information documents presented by the taxpayer including W-2s, 1099s, 1098s, etc.• Scan the information for completeness.
Step 4	Working with the taxpayer, complete the critical intake questions – page 2-3 of Form 13614-C	<ul style="list-style-type: none">• Don't assume—use the interview tips and decision trees in Publication 4012 and publication 4696(PR) to confirm:<ul style="list-style-type: none">• Marital status (filing status)• Number of exemptions• Eligibility for Child Tax Credit
Step 5	Advise taxpayer of the next steps	<ul style="list-style-type: none">• Restate the return preparation process, quality review procedures, signature and record keeping requirements, etc.

Form 13614-C, Intake/Interview and Quality Review Sheet

Form 13614-C (October 2016)	Department of the Treasury - Internal Revenue Service Intake/Interview & Quality Review Sheet	OMB Number 1545-1964																																																																																														
<p>You will need:</p> <ul style="list-style-type: none"> • 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. <p>• 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.</p>																																																																																																
<p style="text-align: center;">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</p>																																																																																																
Part I – Your Personal Information <i>(If you are filing a joint return, enter your names in the same order as last year's return)</i>																																																																																																
1. Your first name	M.I.	Last name																																																																																														
2. Your spouse's first name	M.I.	Last name																																																																																														
3. Mailing address	Telephone number Telephone number State ZIP code																																																																																															
4. Your Date of Birth	5. Your job title	6. Last year, were you: a. Full-time student <input type="checkbox"/> Yes <input type="checkbox"/> No b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No c. Legally blind <input type="checkbox"/> Yes <input type="checkbox"/> No																																																																																														
7. Your spouse's Date of Birth	8. Your spouse's job title	9. Last year, was your spouse: a. Full-time student <input type="checkbox"/> Yes <input type="checkbox"/> No b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No c. Legally blind <input type="checkbox"/> Yes <input type="checkbox"/> No																																																																																														
10. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure																																																																																																
11. Have you or your spouse: a. Been a victim of identity theft? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Adopted a child? <input type="checkbox"/> Yes <input type="checkbox"/> No																																																																																																
Part II – Marital Status and Household Information																																																																																																
1. As of December 31, 2016, were you: <input type="checkbox"/> Unmarried (This includes registered domestic partnerships, civil unions, or other formal relationships under state law) <input type="checkbox"/> Married a. If Yes, Did you get married in 2016? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Divorced b. Did you live with your spouse during any part of the last six months of 2016? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Legally Separated Date of final decree _____ <input type="checkbox"/> Widowed 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 If additional space is needed check here <input type="checkbox"/> and list on page 3																																																																																																
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="10">To be completed by a Certified Volunteer Preparer</th> </tr> <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 US, Canada, or Mexico last year (yes/no)</th> <th>Single or Married as of 12/31/16 (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 \$4,050 of 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> </tr> </thead> <tbody> <tr> <td>(a)</td> <td>(b)</td> <td>(c)</td> <td>(d)</td> <td>(e)</td> <td>(f)</td> <td>(g)</td> <td>(h)</td> <td>(i)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>			To be completed by a Certified Volunteer Preparer										Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, 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 12/31/16 (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 his/her own support? (yes/no)	Did this person have less than \$4,050 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)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)																																																													
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Form 13614-C, Intake/Interview and Quality Review Sheet

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Check appropriate box for each question in each section

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

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Form **13614-C** (Rev. 10-2016)

Form 13614-C, Intake/Interview and Quality Review Sheet

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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)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Have health care coverage?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2. (B) Receive one or more of these forms? (Check the box) <input type="checkbox"/> Form 1095-B <input type="checkbox"/> Form 1095-C
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. (A) Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3a. (A) If yes, were advance credit payments made to help you pay your health care premiums?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3b. (A) If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4. (B) Have an exemption granted by the Marketplace?

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

If advance payments of the premium tax credit were paid on your behalf to help pay your health insurance premiums, you should report life changes, such as, income, marital status or family size changes, to your Marketplace. Reporting changes will help to make sure you are getting the proper amount of advance payments.

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

Name (List dependents in the same order as in Part II)	MEC Entire Year	No MEC	Part Year MEC (mark months with coverage)	Exemption (mark months exemptions applies)	Exemption All Year	Notes
Taxpayer			J F M A M J J A S O N D	J F M A M J J A S O N D		
Spouse			J F M A M J J A S O N D	J F M A M J J A S O N D		
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D		
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D		
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D		
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D		

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

1. 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

2. 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

3. 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.

4. Other than English, what language is spoken in your home? ☐ Prefer not to answer

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

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

7. Provide your Email address (this email address will not be used for contacts from the Internal Revenue Service)

Additional comments

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Form 13614-C (Rev. 10-2016)

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Part VIII – IRS-Certified Volunteer Quality Reviewer Section

Review the tax return with the taxpayer to ensure:

- Taxpayer (and Spouse's) identity was verified with a photo ID.
- The volunteer return preparer/quality reviewer are certified to prepare/review this return and return is within scope of the program.
- All questions in Parts I through VI have been answered.
- All unsure boxes were discussed with the taxpayer and correctly marked yes or no.
- The information on pages one through three was correctly addressed and entered on the return.
- Names, SSNs, ITINs, and EINs, were verified and correctly transferred to the return.
- Filing status was verified and correct.
- Personal and Dependency Exemptions are entered correctly on the return.
- All Income (including income with or without source documents) checked "yes" in Part III was correctly transferred to the tax return.
- Adjustments to income, such as student loan interest, IRA contributions, self employment tax, were verified and are correct.
- Standard, Additional or Itemized Deductions are correct.
- All credits are correctly reported.
- All applicable provisions of ACA were considered for each person named on the tax return and were entered correctly.
- Any Shared Responsibility Payments are correct.
- Withholding shown on Forms W-2, 1099 and Estimated Tax Payments are correctly reported.
- Direct Deposit/Debit and checking/saving account numbers are correct.
- SIDN is correct on the return.
- The taxpayer(s) was advised that they are responsible for the information on their return.

Certified Volunteer Preparer's name/initials (optional)

Certified Volunteer Quality Reviewer's name/initials (optional)

Additional Tax Preparer notes

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.

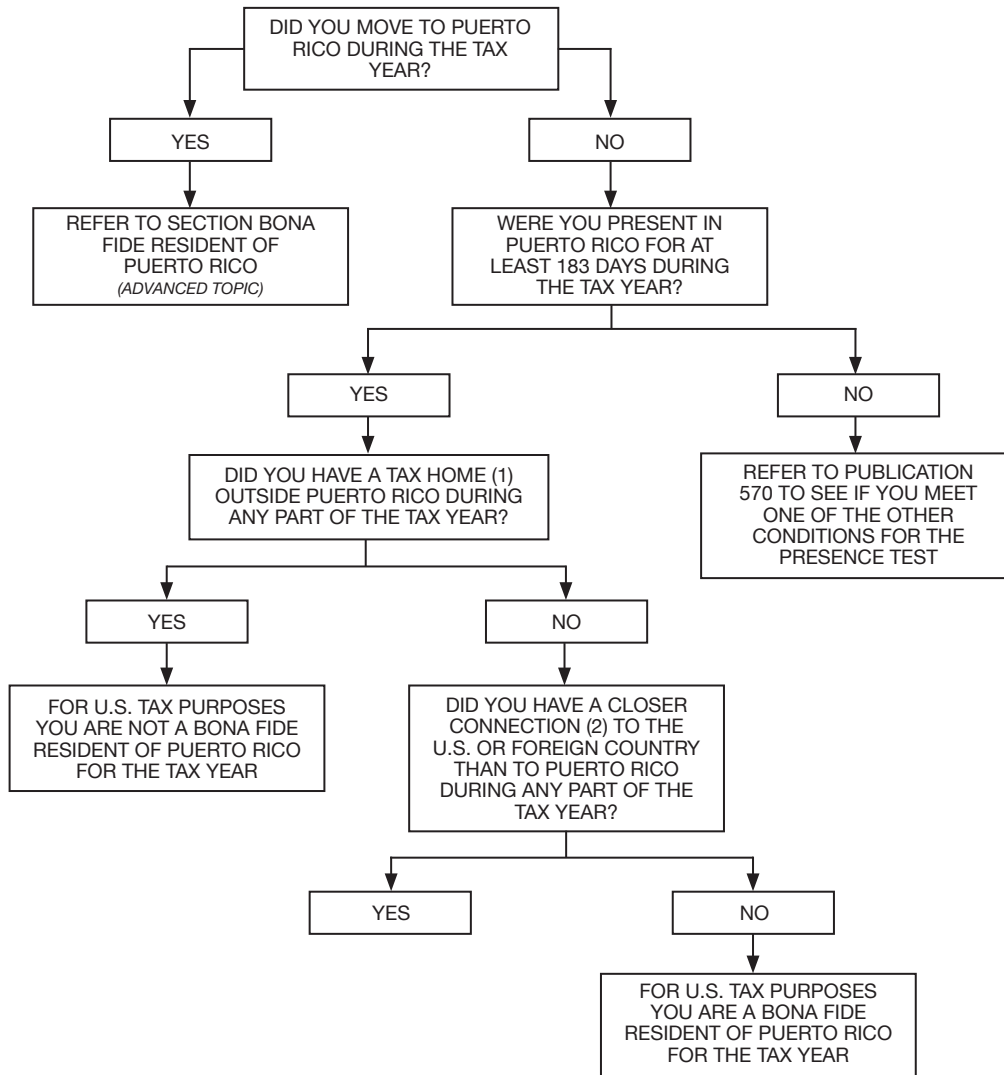
The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1964. Also, if you have any comments regarding the time estimates associated with this study or suggestion on making this process simpler, 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 52121E

www.irs.gov

Form **13614-C** (Rev. 10-2016)

Determining Puerto Rico Residency Status For U.S. Tax Purpose



(1) Your tax home is your regular or main place of business, employment, or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit either of these categories, you are considered an itinerant and your tax home is wherever you work.

(2) You will be considered to have a closer connection to Puerto Rico than to the United States or to a foreign country if you maintained more significant contacts with Puerto Rico than with the United States or foreign country. In determining if you have maintained more significant contacts with Puerto Rico review the facts and circumstances to be considered in Publication 570.

Residents of Puerto Rico

If you are a resident of Puerto Rico for the entire year, gross income does not include income from sources within Puerto Rico, except for amounts received as an employee of the United States or a U.S. agency. If you receive income from Puerto Rican sources that is not subject to U.S. tax, you must reduce your standard deduction. As a result, the amount of income you must have before you are required to file a U.S. income tax return is lower than the applicable amount.

This computation (allowable portion of standard deduction), must be made before you can determine if you must file a U.S. tax return, because the minimum income level at which you must file a return is based, in part, on the standard deduction for your particular filing status.

Use the following charts to determine if you have to file a U.S. income tax return:

Chart A: Who Must File

Who Must File a U.S. federal income tax return?

In general, under Section 933 of the U.S. Internal Revenue Code (IRC) you must file a return if:

- You are a U.S. citizen or resident alien, and
- You are a bona fide resident of Puerto Rico during the entire taxable year, and
- Receive income from sources outside Puerto Rico, and/or
- Receive income as a civilian employee of the U.S. government, and/or
- Receive income as military employee of the U.S. government in Puerto Rico
- You had net earnings from self-employment of at least \$400.
- You qualify for the additional child tax credit.
- You had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer Social Security and Medicare taxes.

Complete the worksheet on the next page to determine if a U.S. return must be filed. After completing the worksheet (Chart B), a return must be filed if the taxpayer's gross income subject to U.S. tax, line 2a, is equal to or more than line 4 of the worksheet. If the taxpayer is married filing a separate return, a return must be filed if the taxpayer's gross income subject to U.S. tax is equal to or more than \$4,050.

Residents of Puerto Rico (continued)

Chart B: Who must file – Worksheet for Bona Fide Residents of Puerto Rico with exempt income (under section 933)

1. Enter STANDARD DEDUCTION

If your filing status is:

Single	under 65 enter \$6,300 65 or older enter \$7,850
Married filing jointly	both under 65 enter \$12,600 one 65 or older enter \$13,850 both 65 or older enter \$15,100
Head of household	under 65 enter \$9,300 65 or older enter \$10,850
Qualifying widow(er) with dependent child	under 65 enter \$12,600 65 or older enter \$13,850
Married filing separately	See note after line 4 below.

CAUTION: If someone can claim you as a dependent, enter amount from the Standard Deduction Worksheet for Dependents in Instructions for Form 1040.

2. Allowable portion of STANDARD DEDUCTION

- a. Gross Income subject to U.S. tax (include taxable social security benefits)
- b. Total gross income from all sources (including exempt P.R. Income)
- c. Divide line 2a by line 2b
- d. Multiply STANDARD DEDUCTION (line 1) by line 2c.

3. Enter personal exemptions (personal exemptions are allowed in full):

Married filing jointly \$8,100

If someone can claim you as a dependent enter "0"

All other enter \$4,050

4. Add lines 2d and 3

* You must file a return if your gross income subject to U.S. tax (line 2a) is equal to or more than line 4. If you are married filing a separate return, you must file a return if your gross income subject to U.S. tax is equal to or more than \$4,050.

Source Rules for Income

- The origin of the income determines the source either the U.S., Puerto Rico, or foreign.
- U.S. citizens and residents are taxed by the United States on their worldwide income, no matter where it originates.
- The source of income is very important to nonresident aliens because they are taxed by the U.S. only on U.S. source income.
- Source rules are also used to determine the foreign tax credit.

The following table will help you to decide the source of income.

Table 1: Determining Source of Income

Sources Rule	
Item of Income	Factor Determining Source
Salaries and other compensation	Where the service is performed
U.S. Social Security Benefits	U.S. Source income by definition (IRC Sec. 861)
Pensions	Contributions: Where services were performed that earned the pensions. Investment earnings: Where pension trust is located.
Interest	Residence of the payer
Dividends	Location of the payer
Rents	Location of the property
Royalties: Natural resources	Location of property
Patents, copyrights, etc.	Where the property is used
Sale of stock or other nondepreciable personal property	Seller's tax home (but see <i>Special Rules for Gains From Dispositions of Certain Property</i> in Publication 570 for exceptions)
Sale of real property	Location of the property

*** Special Rules**

Caution: There are special rules for gains from dispositions of certain investment property (for example, stocks, bonds, debt instruments, diamonds, and gold) owned by a U.S. citizen or resident alien prior to becoming a bona fide resident of a possession. You are subject to these special rules if you meet both of the following conditions: • For the tax year for which the source of gain must be determined, you are a bona fide resident of Puerto Rico. • For any of the 10 years preceding that year, you were a citizen or resident alien of the United States (other than a bona fide resident of Puerto Rico). If you meet these conditions, gains from the disposition of this property will not be treated as income from sources within the relevant possession for purposes of the Internal Revenue Code. Accordingly, bona fide residents of American Samoa and Puerto Rico, for example, may not exclude the gain on their U.S. tax return. However, there is a special election that you can make to allocate gain/losses between the U.S. and Puerto Rico from disposition of certain property. For additional details see Publication 570.

Standard Deduction

Allocation of the Standard Deduction When the Taxpayer Has Exempt Puerto Rican Source Income

The standard deduction is a dollar amount that reduces the amount of income on which the taxpayer is taxed.

The standard deduction depends on:

- the taxpayer's filing status,
- whether the taxpayer (or the taxpayer's spouse) is 65 or older and/or blind, and
- whether the taxpayer can be claimed as a dependent on another taxpayer's return.

For those taxpayers who do not itemize, the standard deduction must be apportioned on the ratio of gross income subject to federal tax to gross income from all sources. This adjustment must be made prior to entering the standard deduction on Form 1040, Line 40.

Filing status	Standard deduction
Single	\$ 6,300
Married filing jointly, or Qualifying widow(er)	\$12,600
Married filing separately	\$ 6,300
Head of household	\$9,300

If the taxpayer is 65 or older at the end of the year and/or blind, he or she is allowed a higher standard deduction.

Chart C: 2016 Standard Deduction Worksheet

1. Enter STANDARD DEDUCTION: If you checked Form 1040, Filing Status box

1, enter \$6,300

2 or 5, enter \$12,600

3, enter \$6,300

4, enter \$9,300

} _____

CAUTION: If you are 65 or over and/or blind, enter amount from the Standard Deduction Worksheet in the instructions for Form 1040 or Form 1040A, as applicable;

or

If someone can claim you as a dependent, enter amount from the Standard Deduction Worksheet in the instructions for Form 1040 or Form 1040A, as applicable.

2. Allowable portion of STANDARD DEDUCTION:

a. Gross income subject to U.S. tax

b. Total gross income from all sources (including exempt P.R. income)

c. Divide line 2a by line 2b

d. Multiply Standard Deduction (line 1) by line 2c and enter this amount on Form 1040, line 40 or Form 1040A, line 24 (allowable portion of STANDARD DEDUCTION)

Write the following above line 40, Form 1040 or line 24 of Form 1040A: "Standard Deduction modified due to exempt income under section 933."

Additional Child Tax Credit

Highlights

Refundable credit available to taxpayers who have social security and medicare taxes withheld from their wages or who pay self-employment tax.

This credit is available even though the taxpayer does not have income subject to federal income tax laws.

This is a refundable credit and is claimed by filing a tax return with the Internal Revenue Service.

Beginning in 2009, the definition of qualifying child changed. The taxpayer must claim the child as a dependent to be a qualifying child for the child tax credit.

Requirements - Who Qualifies?

To qualify, the taxpayer must meet the following conditions:

- Be a bona fide resident of Puerto Rico, and
- Have paid social security and medicare taxes, and
- Have three or more qualified children 16 years old or under at end of the tax year. However, federal employees qualify with one or two children.

Any limits on this credit?

There is also an income limitation on this credit. The credit begins to phase out at the following income levels:

- \$110,000 for married filing a joint return
- \$55,000 for married filing separately
- \$75,000 for all other filers

For the purpose of this limitation you must consider all income received in Puerto Rico. If you exceed these income levels you must obtain a worksheet for the additional child tax credit and complete instructions from Publication 972 to figure your credit.

How to claim the credit

- If the taxpayer has Social Security and Medicare taxes withheld from wages or pays self employment tax use Form 1040-PR.
- If the taxpayer has income subject to federal income tax laws complete Form 1040 and Schedule 8812.

American Opportunity Tax Credit

Caution: Bona fide residents of Puerto Rico will receive the refundable part of this credit from the Puerto Rico Treasury Department.

Interview Tips for the Additional Child Tax Credit

Qualified Child

- | | |
|--|--|
| 1. Is this child your son, daughter, adopted child, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, your grandchild, niece, or nephew)? | If YES, go to step 2.
If NO, you cannot claim the additional child tax credit for this child. STOP if the taxpayer has no other children. |
| 2. Is this child under age 17 at end of the tax year? | If YES, go to step 3.
If NO, you cannot claim the additional child tax credit for this child. STOP if the taxpayer has no other children. |
| 3. Did the child provide over half of his or her own support for the tax year? | If NO, go to step 4.
If YES, you cannot claim the additional child tax credit for this child. STOP if the taxpayer has no other children. |
| 4. Did the child live with you for more than half of tax year?
If did not live with you for the required time, exceptions apply such as;
• Exception to Time-Lived-with-You
• Kidnapped Child
• Children of Divorced or Separated or Never Married Parents. | If YES, go to step 5.
If NO, you cannot claim the additional child tax credit for this child. STOP if the taxpayer has no other children. |
| 5. Is this child a U.S. citizen, U.S. national, or resident of the United States?
Note: A national is an individual who, although not a U.S. citizen, owes his or her allegiance to the United States. U.S. nationals include American Samoans and Northern Mariana Islanders who become U.S. nationals instead of U.S. citizens. | If YES, go to step 6.
If NO, you cannot claim the additional child tax credit for this child. STOP if the taxpayer has no other children.
Questions:
Refer to Publication 972 |
| 6. Are you excluding income from Puerto Rico? | If NO, go to step 7.
If YES, you must use Publication 972 to figure the credit. |
| 7. Is the amount of AGI more than:
• \$110,000 if you are married filing jointly,
• \$75,000 if you are filing as single, head of household, or as a qualifying widow(er), or
• \$55,000 if you are married filing separately? | If NO, go to step 8.
If YES, you must use Publication 972 to figure the credit. |
| 8. Are you a bona fide resident of Puerto Rico and all or part of your income is from Puerto Rico sources? | If YES, go to step 9.
If NO, you must use Publication 972 to figure the credit. |
| 9. Are you a bona fide resident of Puerto Rico and/or self-employed with all your income considered from Puerto Rico sources? | If YES, you are encouraged to file Form 1040PR and follow the applicable instructions to calculate the credit
If NO, you must use Publication 972 to figure the credit. |
-

Bona Fide Residents of Puerto Rico

In order to be able to exclude the income sourced in Puerto Rico, the taxpayer must be a bona fide resident of Puerto Rico for the entire tax year.

Generally, taxpayers are considered bona fide resident of Puerto Rico if during the tax year, the taxpayer:

- Meet the presence test,
- Do not have a tax home outside Puerto Rico during any part of the tax year, and
- Do not have a closer connection, during any part of the tax year, to the U.S. or to a foreign country than to Puerto Rico.

Rules to determine if a taxpayer qualifies as a bona fide resident of Puerto Rico for the entire tax year were changed by the American Jobs Creation Act of 2004.

The American Jobs Creation Act of 2004 added section 937(b) to the U.S. Internal Revenue Code. Code section 937(b) clarifies and provides source rules for U.S. possessions, including Puerto Rico.

Presence Test

If you are a U.S. citizen or resident alien, you will satisfy the presence test for the entire tax year if you meet one of the following conditions.

1. You were present in the relevant possession for at least 183 days during the tax year.
2. You were present in the relevant possession for at least 549 days during the 3-year period that includes the current tax year and the 2 immediately preceding tax years. During each year of the 3-year period, you must be present in the relevant possession or at least 60 days.
3. You were present in the United States for no more than 90 days during the tax year.
4. You had earned income in the United States of no more than a total of \$3,000 and were present for more days in the relevant possession than in the United States during the tax year. Earned income is pay for personal services performed, such as wages, salaries, or professional fees.
5. You had no significant connection to the United States during the tax year.

Tax Home

You will have met the tax home test if you did not have a tax home outside the relevant possession during any part of the tax year. Your tax home is your regular or main place of business, employment, or post of duty regardless of where you maintain your family home. If you do not have a regular or main place of business because of the nature of your work, then your tax home is the place where you regularly live. If you do not fit either of these categories, you are considered an itinerant and your tax home is wherever you work.

Closer Connection

You will have met the closer connection test if, during any part of the tax year, you do not have a closer connection to the United States or a foreign country than to the relevant U.S. possession.

You will be considered to have a closer connection to a possession than to the United States or to a foreign country if you have maintained more significant contacts with the possession(s) than with the United States or foreign country. In determining if you have maintained more significant contacts with the relevant possession, the facts and circumstances to be considered include, but are not limited to, the following:

- The location of your permanent home.
- The location of your family.

Bona Fide Residents of Puerto Rico (continued)

Closer Connection (continued)

- The location of personal belongings, such as automobiles, furniture, clothing, and jewelry owned by you and your family.
- The location of social, political, cultural, professional, or religious organizations with which you have a current relationship.
- The location where you conduct your routine personal banking activities.
- The location where you conduct business activities (other than those that go into determining your tax home).
- The location of the jurisdiction in which you hold a driver's license.
- The location of the jurisdiction in which you vote.
- The location of charitable organizations to which you contribute.
- The country of residence you designate on forms and documents.
- The types of official forms and documents you file, such as Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, or Form W-9, Request for Taxpayer Identification Number and Certification.

Your connections to the relevant possession will be compared to the total of your connections with the United States and foreign countries. Your answers to the questions on Form 8898, Part III, will help establish the jurisdiction to which you have a closer connection.

Refer taxpayer to Publication 570 for more details.

Special Rules in the Year of Move

Taxpayers moving to Puerto Rico during the year may still be able to meet the tax home and closer connection test for that year.

Year of Move to Puerto Rico

Taxpayers will satisfy the tax home and closer connection test in the tax year of move to Puerto Rico if he/she meets all of the following:

- Taxpayer has not been a bona fide resident of Puerto Rico in any of the 3 tax year immediately preceding the move.
- In the year of move, taxpayer does not have a tax home outside Puerto Rico or a closer connection to the U.S. or foreign country than to Puerto Rico during any of the **last 183 days of the tax year**.
- Taxpayer is a bona fide resident of Puerto Rico for each of the 3 tax years immediately following the move

Year of Move from Puerto Rico

Taxpayer will be considered a bona fide resident of Puerto Rico for the part of the tax year preceding their move from Puerto Rico if:

- Taxpayer is a U.S. citizen,
- Taxpayer is a bona fide resident of Puerto Rico for at least 2 tax years immediately preceding the tax year of move,
- Cease to be a bona fide resident of Puerto Rico during the tax year,
- Cease to have a tax home in Puerto Rico during the tax year, and
- Have a closer connection to Puerto Rico than to the U.S. or a foreign country throughout the part of the tax year preceding the date on which the taxpayer ceases to have a tax home in Puerto Rico.

Taxpayers who meet the above conditions can exclude the income sourced in Puerto Rico prior to their move from Puerto Rico.

Reporting a Change in Bona Fide Residence

Beginning with tax year 2001, taxpayers who become or ceased to be a bona fide resident of a U.S. possession may need to file Form 8898. "Statement for Individuals who begin or end bona fide residence in a U.S. Possession".

See Publication 570 for the requirements to file this form.

One of the conditions of filing this form is having worldwide gross income in that tax year of more than \$75,000. These taxpayers are out of the scope of the VITA program.

Adjustments to Income

Adjustments to income are amounts that a taxpayer can subtract from total income. The result is an "adjusted gross income", that the taxpayer uses to compute some deductions limitations.

There are four adjustments to income that mostly affect Puerto Rican residents:

- Self-employment tax deduction
- Student loan interest deduction
- Alimony Paid
- IRA's

What do I need?

- Taxpayer's Intake and Interview Sheet
- Publication 970
- Form 1098 - E (Student Loan Interest Statement)



Puerto Rico Exempt Income

Adjustments that apply to exempt Puerto Rico income are not deductible on a federal tax return.

Self-Employment Tax Deduction

Individuals who have no filing requirement with the United States, but have income connected with a trade or business in Puerto Rico:

- Must file Form 1040PR U.S. Self Employment Tax Return or Form 1040SS U.S. Self Employment Tax Return to report their self-employment income
- May have to pay self-employment tax
- Cannot take the deduction on Form 1040, line 27 because this deduction is related to excluded income

Student Loan Interest Deduction

Taxpayers, who paid interest on a student loan during the tax year, may be able to deduct up to \$2,500 of the interest paid. If the taxpayer paid \$600 or more in interest to a single lender, the taxpayer should receive a statement from the lender showing the amount of interest paid.

Alimony Paid

Taxpayers who paid alimony to a resident of Puerto Rico during the tax year may deduct their payments regardless of whether the recipient reports their income.

IRAs

Puerto Rican residents may be able to contribute money to an IRA and take the IRA adjustment on their U.S. income tax return. To take the adjustment:

- The taxpayer must have earned income from U.S. sources. Income excluded under IRC 933 is not eligible for an IRA deduction.
- All other rules for IRA contributions are met.
- The IRA trust account must be in the U.S.

Itemized Deductions

Definition: Expenses that can be deducted to reduce the adjusted gross income. Itemized deductions include medical expenses, taxes, deductible interest, charitable contributions, casualty and theft losses, unreimbursed employee expenses and miscellaneous deductions.

The itemized deductions are recorded on Schedule A and then transferred to Form 1040. Schedule A should include only the allowable portion of each deduction.

Formula to calculate the allowable portion of a deduction for each itemized deduction. Enter these deductions on the taxpayer's Schedule A.

Formula:
$$\frac{\text{Gross Income Subject to U.S. Tax}}{\text{Gross Income from all sources (Including P.R. exempt Income)}} \times \text{Deduction} = \text{Allowable portion}$$

NOTE: Round all fractions to four places:

The numerator of the fraction is the gross income reported to the U.S. and the denominator is the total gross income from all sources. See example for Robert and Elena below.

Example: Robert Noble and Elena Santa are filing a joint return both are under 65. This year, Robert earned \$40,000 as a federal employee in Puerto Rico and Elena earned \$15,000 from her job in a bank in Puerto Rico.

Formula (Allowable standard deduction)

$$\begin{aligned} &= \frac{\$40,000}{\$55,000} \times \$12,600 \\ &= 0.7273 \times \$12,600 \\ &= \$9,164 \end{aligned}$$



Puerto Rico Exempt Income

Deductions that apply to exempt Puerto Rico income are not deductible on a federal tax return.

Determining the Allowable Portion

Allowable Portion



For Puerto Rican filers who itemize, the itemized deductions must be allocated based on total gross income from all sources (including Puerto Rico source income). This allocation decreases each itemized deduction. You should refer to Publication 1321 for special instructions and examples for bona fide residents of Puerto Rico.

Itemized Deductions (continued)

Deductions that do not specifically apply to a particular type of income must be apportioned between gross income subject to U.S. tax and total gross income from all sources. Examples of deductions that do not apply to a particular type of income are alimony payments and certain itemized deductions, such as:

- Medical expenses
- Charitable contributions
- Real estate taxes on the taxpayer's home
- Mortgage interest on the taxpayer's home

Example (continue):

Robert and Elena are filing a joint return. They are bona fide residents of Puerto Rico and both are under 65 years of age. Robert works for the federal government and Elena for a bank in Puerto Rico. During 2016, Robert earned \$ 40,000 as a federal employee and Elena earned \$15,000 from her job. They have itemized deductions of \$12,500 that do not apply to any specific type of income (medical and dental \$ 4,000, real estate taxes \$500, mortgage interest on their home of \$7,000 and charitable contributions \$1,000 (cash contributions). Each deduction is apportioned as follow:

Effect of Puerto Rico exempt income on itemized deductions:

Itemized Deduction	Expense Amount	Formula : Allowable Portion	Deduction
Medical and Dental	\$4,000	$(40,000 \div 55,000) \times 4,000$	* \$0
Real Estate Taxes	\$500	$(40,000 \div 55,000) \times 500$	\$364
Mortgage Interest	\$7,000	$(40,000 \div 55,000) \times 7,000$	\$5,091
Charitable Contributions	\$ 1,000	$(40,000 \div 55,000) \times 1,000$	\$ 727
Total	\$12,500		\$6,182

*Note: Medical expenses do not exceed 10% of the taxpayer Adjusted Gross Income. To figure the standard deduction amount for Robert and Elena use Publication 1321, and its "Worksheet for Puerto Rico Filers With Exempt Income Under Section 933". The allowable portion of standard deduction for Robert & Elena is \$9,164. The allowable amount of Itemized deductions from Schedule A is \$6,182. In most cases, your federal income tax will be less if you take the larger of your itemized deductions or standard deduction.

Social Security Benefits

Social security benefits are payments made under Title II of the Social Security Act. They include OASDI (old age, survivors, disability insurance), and some workers' compensation benefits. Generally, if social security benefits are the taxpayer's only source of income, then the benefits are not taxable and the taxpayer probably does not need to file a federal income tax return.

If the taxpayer received social security benefits plus other income (including exempt Puerto Rico income), some portion of the social security benefit may be taxable.

Social security benefits are reported to the taxpayer on Form SSA-1099, Social Security Benefit Statement. To correctly calculate the taxable portion, you need to know the amount in box 5 (Net Benefits).

Calculating the Taxable Portion

When Benefits Are Taxable

Tax rules for determining the taxable part of social security benefits apply to residents of Puerto Rico.

To determine whether social security benefits are taxable, use the Worksheet 1 in Publication 915: Figuring your taxable benefits to compare taxpayers':

- Base amount (assigned by their filing status), and
- Total of their income (including exempt income and interest) and half their social security benefits

If that total of your income is more than the base amount for your filing status, part of their social security benefits may be taxable. In general, the higher that total, the greater the taxable part of the benefits.

Base Amounts

Taxpayers' base amounts are determined by filing status.

Filing Status	Base Amount
Married Filing Separately (and taxpayer lived with spouse for any part of tax year)	\$0
Single Head of Household Qualifying Widow(er) Married Filing Separately (and taxpayer lived separately from spouse for entire tax year)	\$25,000
Married Filing Jointly	\$32,000

Calculating the Taxable Portion (continued)

Filing Status



For taxpayers who plan to file as Married Filing Separately, be sure to ask whether they lived with their spouse for any part of the tax year, as that changes the base amount.

Filing Status Check only one box.	1 <input type="checkbox"/> Single	4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
	2 <input type="checkbox"/> Married filing jointly (even if only one had income)	
	3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here. ▶	5 <input type="checkbox"/> Qualifying widow(er) with dependent child

When Benefits Are Taxable (continued)

Income Calculation

When calculating the taxable portion of taxpayers' social security benefits, compare the base amount to the total of:

- Exempt income earned by Puerto Rico residents
- All other income, including tax-exempt interest
- Half their
 - Social security net benefit for the year (from SSA-1099, box 5)
 - Social security equivalent of the Railroad Retirement Benefits (from RRB-1099, box 5)

20a Social security benefits	20a		b Taxable amount	20b	
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Figuring Your Taxable Benefits Worksheet

- Residents of Puerto Rico with exempt Puerto Rico source income must use the worksheet in Publication 915 to calculate the taxable portion of social security benefits, not the worksheet included with Form 1040's instructions.
- Social security benefits are reported to taxpayers on Form SSA-1099, Social Security Benefits Statement.
- Enter the amount from box 5 of each of the Form(s) SSA-1099s on line 1 of the Figuring Your Taxable Benefits worksheet in publication 915, Social Security and Equivalent Railroad Retirement Benefits.
- Include benefits received by both spouses if filing married Filing Jointly
- Exclude any dependents' SSA-1099s
- Give the completed worksheet to the taxpayer for their records

Foreign Tax Credit

Probe/action: To determine what is the foreign tax credit and who may take the credit review the following information.

What is the Foreign Tax Credit?

The foreign tax credit was created to avoid double taxation when foreign source income is taxed by both the U.S. and the country or Possession from which it is derived.

For Puerto Rico residents, the foreign tax credit reduces a taxpayer's tax liability by some or all of the Puerto Rico taxes paid or accrued during the tax year.

What Form is used to claim the Foreign Tax Credit?

Form 1116 is used to claim the Foreign Tax Credit

Who May Take the Credit?

Taxpayers who have foreign or Puerto Rican source income taxable to the United States may take the foreign tax credit.

QUALIFYING TAXES

The Foreign Tax Credit, generally include taxes paid to a foreign country or possession on:

- Wages
- Dividends
- Interest
- Royalties
- Annuities

Foreign Tax Credit (continued)



Ask the taxpayer:

Step
1

Did you receive income from Puerto Rico or foreign sources
Note: Consider chart "Source of Income" to determine where the income was sourced

If Yes, go to Step 2
If No, Stop. You can not claim FTC

Step
2

Was this income taxable to the United State?
Note: Consider chart "Source of Income" to determine where the income was sourced

If Yes, go to Step 3
If No, Stop. You can not claim FTC. Explain to the taxpayer you can not take the credit on exempt Puerto Rico income

Step
3

Did you pay taxes to Puerto Rico or foreign country?

If Yes, explain to the taxpayer the categories of income.
If No, explain to the taxpayer they can not take the credit because the credit is limited to the allocated amount of U.S. taxes imposed on the foreign income, or the actual amount of foreign tax paid (after reductions on line 12, whichever is less*

* Carry back and forward rules may allow a taxpayer to use excess foreign taxes paid in prior years to be used in current year Form 1116 when there is foreign income taxable to the U.S. and not enough foreign taxes. This is a very advanced topic not discussed in the volunteer program. Publication 514 "Foreign Tax Credit for Individuals" explains in detail the computation to claim the unused foreign taxes paid or accrued.

Foreign Tax Credit (continued)



CATEGORIES OF INCOME

Probe/action: A separate Form 1116 must be completed for each category of income listed in the heading section and only one income category can be checked per form.

Examples of Categories of Income

Passive Income: Includes dividends, interest, royalties, rents and annuities

General category Income: Includes wages and salaries.

Taxable Income from Sources Outside the United States



FOREIGN TAX CREDIT - Part 1

Probe/action: Determine the taxable gross income sourced in the foreign country or Possession taxable to the United States.

Gross Income from sources outside the United States :

Amount entered on Part I, Line 1 of form 1116 are gross income figures.

Gross income does not include:

- exempt income from foreign or possession sources exempt under section 933 or the COLA earned by federal employees which is exempt under section 912 of the Internal Revenue Code.

Foreign Tax Credit – Allocation of Income



COMPENSATION FOR SERVICES OR RETIREMENT INCOME PERFORMED WITHIN AND OUTSIDE THE UNITED STATES

Probe/action: If you can not segregate compensation for services or retirement income performed partly within and partly outside the United States, use the following formulas to compute the foreign income.

Allocation of Income

In order to determine how much income should be considered foreign for purposes of Form 1116, an apportionment should be made on a time basis. That is, you must include foreign gross income, or the amount that results from multiplying the total amount received by a fraction, the numerator of which is the number of days services performed in foreign countries, and the denominator of which is the total number of days of service for which payment was received.

Formula for compensation for services :

$$\frac{\text{Days in Puerto Rico and/or foreign country}}{\text{Total number of days for total payment}} \times \text{Total Compensation} = \text{Amount of foreign income}$$

*Part 1 line 1a
Form 1116*

Formula for retirement Income (Distributions attributable to contributions)

$$\frac{\text{Years in Puerto Rico and/or foreign country}}{\text{Total years of service}} \times \text{Annual pension} = \text{Amount of foreign income}$$

Part 1 line 1a Form 1116

Deductions and Losses



FOREIGN TAX CREDIT- Part I

Probe/action: In order to arrive at the taxable income from foreign sources you must determine the deduction and losses from the foreign or possession income reported in Part I of Form 1116.

Expenses definitely related to the foreign income; *(line 2 of Part I Form 1116)*

Examples of some of the deductions that are definitely related to specific income:

- Business expenses
- Moving expenses
- Individual retirement accounts and Keogh contributions
- Professional and union dues

Pro rata share of other deductions not definitely related; *(lines 3a-3g of Part I form 1116)*

Foreign gross income must be reduced by an allowable portion of other expenses and deductions (such as the adjustments for alimony paid, certain itemized deductions, or the standard deduction) which are not definitely related to specific items of income. No allocation is necessary for personal exemptions.

Standard Deduction

If not itemizing, enter the standard deduction. If the standard deduction was modified due to exempt income under IRC 933 (Puerto Rican source income), enter on line 3a of Form 1116 the allowable portion of the standard deduction as figured on line 2d of the Publication 1321 worksheet.

Certain Itemized Deductions - *(line 3a part I form 1116)*

If itemizing deductions, enter on line 3a *(part I form 1116)* certain itemized deductions such as medical expenses ,general sale tax and real estate taxes. These amounts are taken from lines 4, 5 and 6 of Schedule A. Note that Schedule A will already show deductions modified due to exempt income under IRC Section 933 (Puerto Rican source income).

Other deductions *(line 3b)*

Enter any other deductions that do not definitely relate to any specific type of income (for example, the deduction for alimony paid or any other deductions shown on Form 1040, lines 31a).

Gross Foreign Source Income - *(line 3d part I form 1116)*

Enter on line 3d gross **foreign** source income (Puerto Rico source income) from the category checked above Part I of Form 1116. Do not include the COLA on line 3d.

Gross Income from all sources - *(line 3e part I form 1116)*

Enter on line 3e gross income from all sources and all categories, both U.S. and foreign. Do not include the COLA on line 3e. If the taxpayer does not have income source in the U.S. and is only completing Form 1116 for one category of income, line 3d and 3e will be the same. **Line 3F** - Round off the result to at least four decimal places. Enter the result, but do not enter more than 1.

Deductions and Losses (continued)




FOREIGN TAX CREDIT- Part I INTEREST EXPENSE

Probe/action: Complete worksheet for Home Mortgage Interest

Pro rata share of Interest Expense - (line 4 of Part I, form 1116)

The interest expense is subject to a separate allocation on Form 1116, line 4. If your gross income (including Puerto Rico exempt income) does not exceed \$5,000, all of the mortgage interest expense can be allocated to U.S. source income and does not need to be included in this part. Otherwise, deductible home mortgage interest (including points) is apportioned using a gross income method. Use the worksheet on Form 1116 to apportion this interest.

Worksheet for Home Mortgage Interest	
—Line 4a	Keep for Your Records 
Note: Before you complete this worksheet, read the instructions for line 4a , earlier.	
1. Enter gross foreign source income* of the type shown on Form 1116. Do not enter income excluded on Form 2555 or Form 2555-EZ	1. _____
2. Enter gross income from all sources. Do not enter income excluded on Form 2555 or Form 2555-EZ	2. _____
3. Divide line 1 by line 2 and enter the result as a decimal (rounded to at least four places)	3. _____
4. Enter deductible home mortgage interest (from lines 10 through 13 of Schedule A (Form 1040))	4. _____
5. Multiply line 4 by line 3. Enter the result here and on the appropriate Form 1116, line 4a	5. _____
*If you have to report income from more than one country on Form 1116, complete a separate worksheet for each country. Use only the income from that country on line 1 of the worksheet.	

Other interest expense - (line 4b) Other interest expense includes investment interest, interest incurred in a trade or business, and passive activity interest. See Publication 514 for more information.

Losses from foreign sources - (line 5) If you have capital losses from foreign sources, see Publication 514 for more information.

When the Credit May Be Taken



Part II, Form 1116

Probe/action: To determine when the taxpayer can take the credit review the following information. This information is used to complete Part II of Form 1116.

Cash Basis Taxpayers

Cash basis taxpayers may choose to take the Foreign Tax Credit for their Puerto Rico taxes in the year those taxes were paid or accrued.

- If they take the Foreign Tax Credit the year the taxes are paid, then they can claim payments and withholdings of taxes to the Puerto Rico government for their Foreign Tax Credit. Additional taxes owed to the Puerto Rico government for that tax year are not included.
- If they take the Foreign Tax Credit the year the taxes are accrued, then they can claim their entire Puerto Rico tax liability as of December 31 for their Foreign Tax Credit, regardless of whether they have paid the taxes.
- Most U.S. government employees who live in Puerto Rico use the accrual method to determine their Foreign Tax Credit because Puerto Rico taxes are paid after the end of the year.

All Puerto Rican taxes paid or accrued on both exempt and non-exempt income may be shown in Part II of Form 1116 when computing the credit.

Figuring the Credit



Part III, Form 1116

Probe/action: Review the following information to determine how to complete Part III of Form 1116

Reduction in Foreign Taxes

Taxpayers cannot claim a foreign tax credit for taxes paid on excluded **Puerto Rico income**.

The taxes allocated to the exempt Puerto Rican income **should be included in Part III, line 12 of Form 1116, as a reduction in foreign taxes**.

Formula to complete reduction in foreign taxes, line 12 of Form 1116

Taxes paid on exempt income **are not allowed** as part of the foreign tax credit. To find the amount allocable to the exempt income, multiply the taxes paid or accrued to Puerto Rico by a fraction. The numerator of the fraction is the exempt income from Puerto Rican sources under IRC Section 933, less deductible expenses allocable to that income. The denominator is the total amount of income subject to Puerto Rico tax less deductible expenses allocable to that income. This fraction is multiplied by the tax paid or accrued to Puerto Rico.

Formula

$$\frac{\text{Income from Puerto Rican sources not subject to federal tax under IRC Section 933 less deductible expenses allocable to that income}}{\text{Total Income subject to Puerto Rico tax, less deductible expenses allocable to that income}} \times \text{Tax Paid or accrued to Puerto Rico} = \text{Reduction in foreign taxes}$$

Foreign Tax Credit Redeterminations

If you claim a credit for foreign taxes paid, and you receive a refund of all or part of those taxes in a later year, you must file an amended return reducing the taxes credited by the amount refunded.

If you claim the foreign tax credit based on foreign taxes accrued instead of foreign taxes paid, your credit must be redetermined in any of the following situations.

1. Your accrued taxes when paid differ from the amount you claimed as a credit.
2. You do not pay the accrued taxes within 2 years after the close of the tax year to which they relate.
3. After you pay the accrued taxes, you receive a full or partial refund of them.

Other Taxes

Earnings Subject to Self Employment Tax

Includes

- Net earnings from self-employment from other than a church employee of \$400 or more.
- Partnership income and guaranteed payments.
- Wages of employees of churches and other religious organizations (not ministers), if you earned at least \$108.28.
- Services performed as a minister, member of religious order who has not taken a vow of poverty, or a Christian Science practitioner (unless IRS approval for exemption has been obtained).
- Income from farm rental if you materially participated in the production or management of farm products on such land.
- Cash or a payment in kind from the Dept of Agriculture for participating in a land diversion program.
- Fees and other payments received for services as a director of a corporation.
- Income from the retail sale of newspapers if you were age 18 or older and kept the profits.
- Income received as a direct seller.
- Income of certain crew members of fishing vessels with crews of normally fewer than 10 people.
- Fees as a state or local government employee if you were paid only on a fee basis and the job was not covered under a federal-state social security coverage agreement.
- Fees received as a professional fiduciary, or as a non-professional fiduciary if the fees relate to active participation in the operation of the estate's business, or the management of an estate that required extensive management activities over a long period of time.

Does Not Include

- Salaries, fees, etc subject to Social Security and Medicare withholding received for performing services as an employee.
- Fees received for services performed as a notary public.
- Income from real estate rental not in the course of a trade or business as a real estate broker.
- Income from farm rental if you did not materially participate in the production or management of farm products on such land.
- Dividend and interest income earned not in the course of a trade or business as a dealer in stocks and securities.
- Net operating losses from previous years.
- Gain or loss from the sale or exchange of capital assets, or other property not held as stock or inventory in a trade or business, or held primarily for sale in the course of an ordinary trade or business.
- **Caution:** Neither the owner's contribution for a Keogh plan nor the Self-Employed Health Insurance deduction are allowed for S/E tax on Schedule SE or Form 1040PR.

Self Employment Tax (continued)

Overview of the Methods for Calculating Self-Employment Tax

Methods for Figuring Net Earnings

There are three ways to figure your net earnings from self-employment:

1. The regular method
2. The nonfarm optional method
3. The farm optional method

You must use the regular method unless you are eligible to use one or both of the optional methods.

Why use an optional method? You may want to use the optional methods when you have a loss or a small net profit and any of the following applies:

- You want to receive credit for social security benefit coverage.
- You are entitled to the additional child tax credit (An optional method may increase your earned income, which could increase your credit.)
- You incurred child or dependent care expenses for which you could claim a credit (An optional method may increase your earned income, which could increase your credit.)
- You are entitled to the earned income credit (An optional method may increase your earned income, which could increase your credit.)

Effects of using an optional method. Using an optional method could increase your SE tax. Paying more SE tax could result in your getting higher benefits when you retire.

If you use either or both optional methods, you must figure and pay the SE tax due under these methods even if you would have had a smaller tax or no tax using the regular method.

The optional methods may be used only to figure your SE tax. To figure income tax, include your actual earnings in gross income, regardless of which method you use to determine SE tax.

For VITA scope purposes, you will not be using the farm optional method.

Self-employment tax consists of Social Security tax (12.4%) and Medicare tax (2.9%) on earnings of workers who work for themselves and have no employer withholding.

For 2016, the maximum amount of self-employment income subject to social security is \$118,500.

Medicare taxes are imposed at a flat tax rate of 2.9% on wages, salaries, and business or farming income earned by self-employed individuals.

If you expect to owe self-employment (SE) tax of \$1,000 or more for 2016, you may need to make estimated tax payments. Use Form 1040-ES, Estimated Tax for Individuals, to figure your required payments.

Other Taxes (continued)

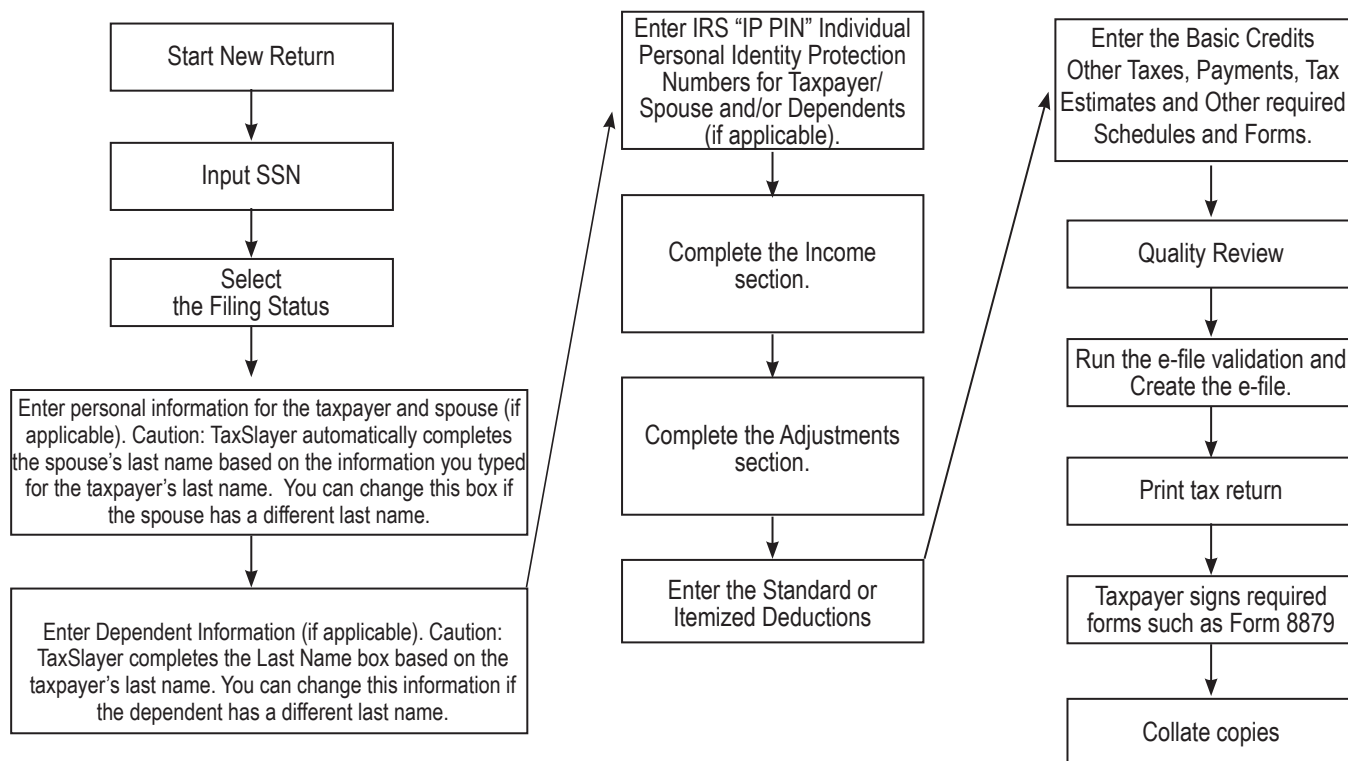
Shared Responsibility Payment - U.S. Territories

All bona fide residents of the United States territories, including Puerto Rico, are treated by law as having minimum essential coverage (MEC). For those required to file a federal income tax return, use this information to determine whether to report "MEC" or claim the exemption from the shared responsibility payment:

Taxpayers with Full-Year Coverage (all 12 month) : should check the "Full Year Coverage" box on Form 1040 line 61.

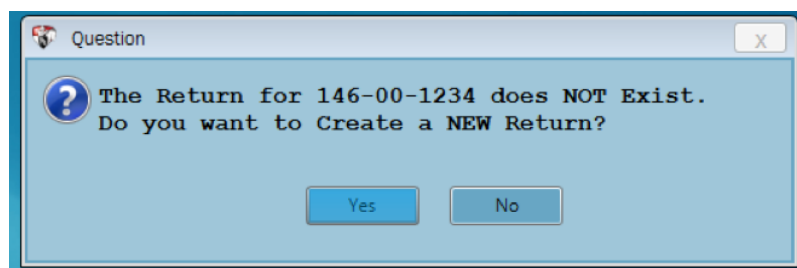
Taxpayers without coverage or with only partial coverage (11 months or less): should file Form 8965, Health Coverage Exemptions, with their federal income tax return claiming an exemption using code "C".

Starting - New Return Flow Chart

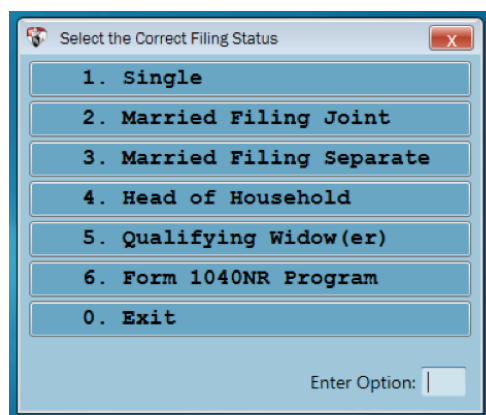


Starting a New Return

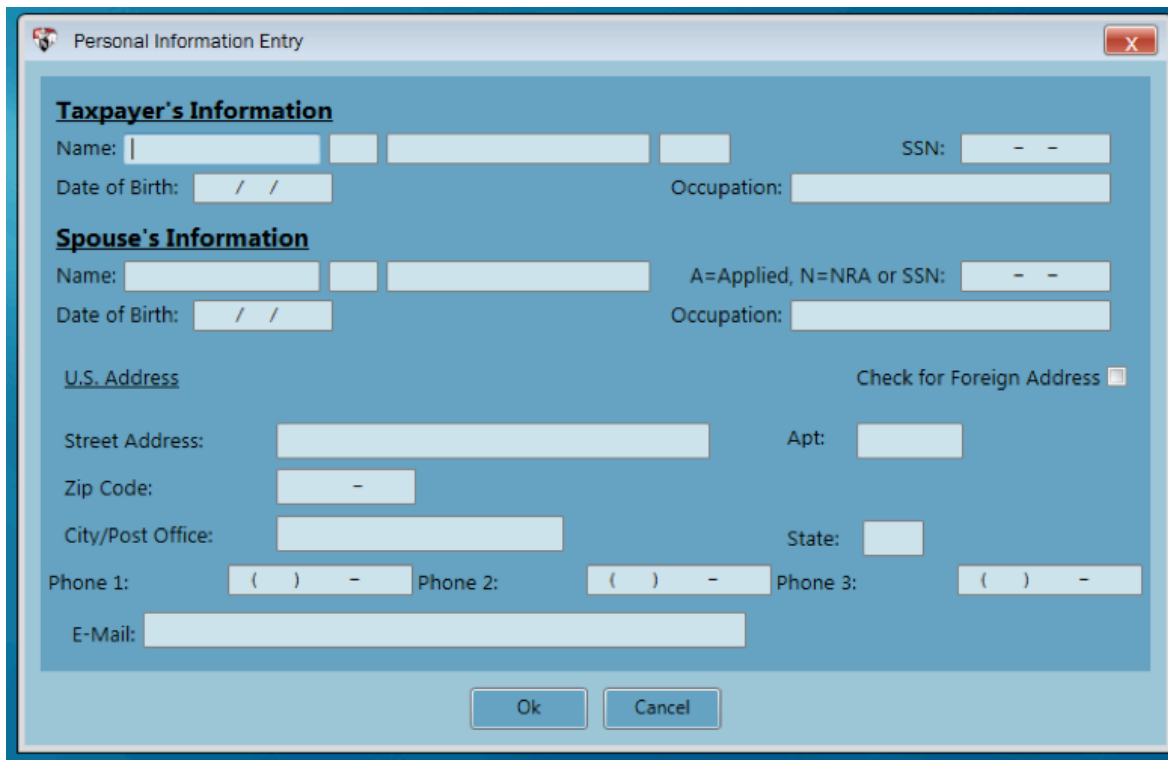
Create a NEW Return – Select Start New Tax Return



Select the Correct Filing Status



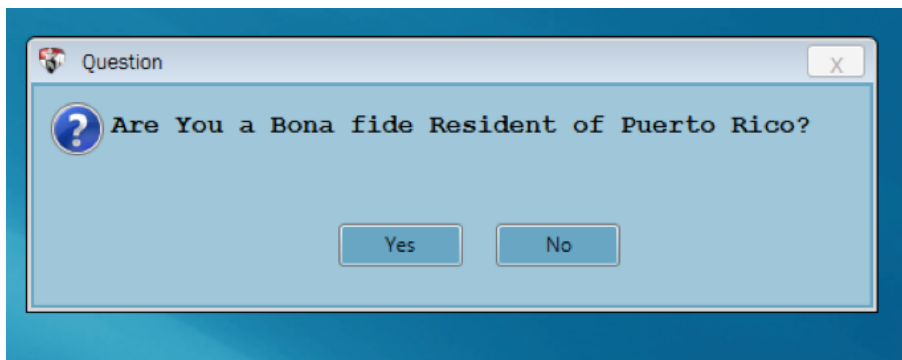
Enter the Taxpayer's and Spouse's Information



The "Personal Information Entry" dialog box contains the following fields:

- Taxpayer's Information**
 - Name: [Text Box] [Text Box] [Text Box] SSN: [Text Box] - [Text Box]
 - Date of Birth: [Text Box] / [Text Box] / [Text Box] Occupation: [Text Box]
- Spouse's Information**
 - Name: [Text Box] [Text Box] [Text Box] A=Applied, N=NRA or SSN: [Text Box] - [Text Box]
 - Date of Birth: [Text Box] / [Text Box] / [Text Box] Occupation: [Text Box]
- U.S. Address**
 - Street Address: [Text Box] Apt: [Text Box]
 - Zip Code: [Text Box] - [Text Box]
 - City/Post Office: [Text Box] State: [Text Box]
 - Phone 1: [Text Box] () - [Text Box] Phone 2: [Text Box] () - [Text Box] Phone 3: [Text Box] () - [Text Box]
 - E-Mail: [Text Box]
- Check for Foreign Address** ☐
- Buttons:** Ok, Cancel

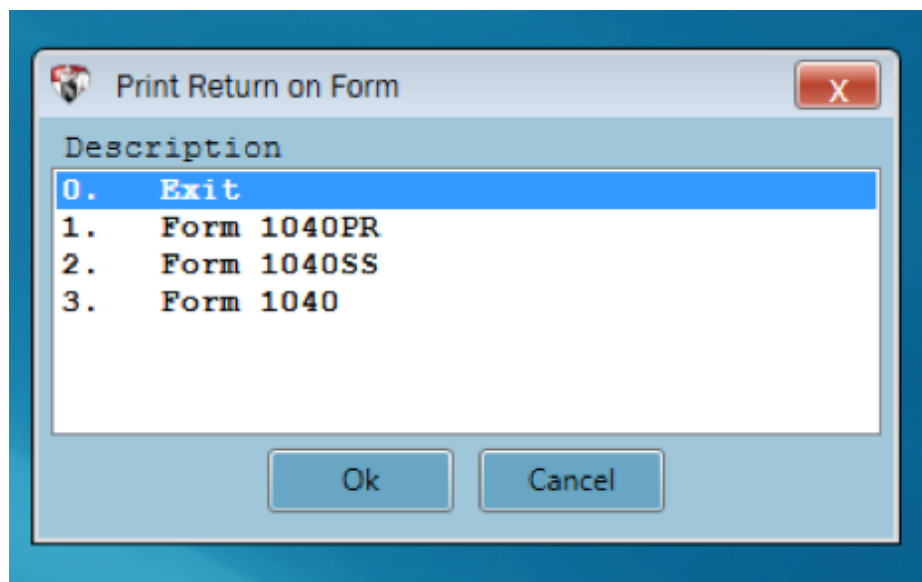
Use Publication 4696(PR) VITA Puerto Rico Resource Guide (Tab A) to determine Residency Status for U.S. Tax Purpose.



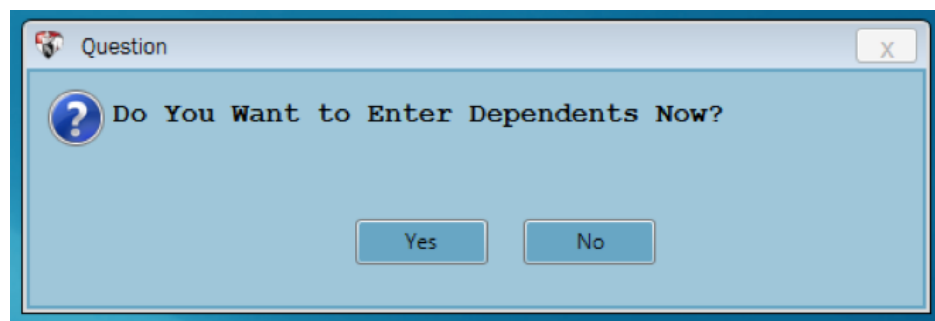
The "Question" dialog box displays the following:

- Question:** Are You a Bona fide Resident of Puerto Rico?
- Buttons:** Yes, No

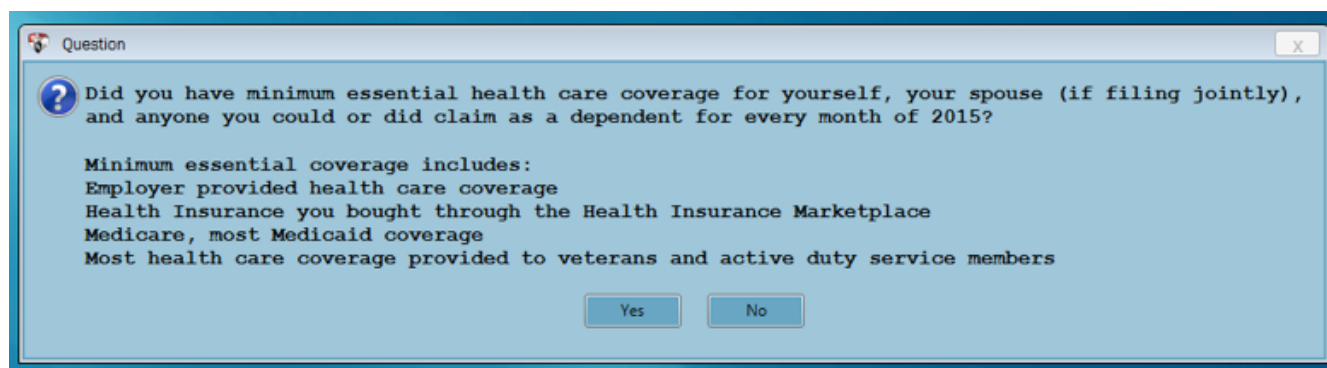
Always use Form 1040, except for bona fide residents of Puerto Rico filing a U.S. return just to claim the additional child tax credit.



Enter Taxpayer's dependents (Name, Age, SSN, Relation, Months in Home, etc.)



Complete the Health Care Coverage information (All bona fide residents of United States territories, including Puerto Rico, are treated by law as having minimum essential coverage (MEC)).



Question

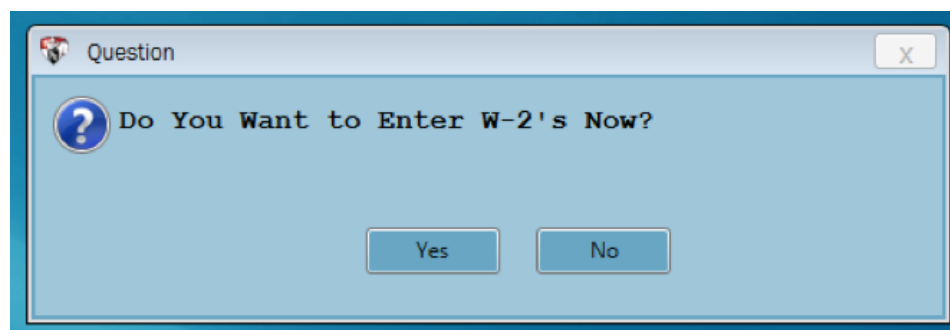
Did you have minimum essential health care coverage for yourself, your spouse (if filing jointly), and anyone you could or did claim as a dependent for every month of 2015?

Minimum essential coverage includes:

- Employer provided health care coverage
- Health Insurance you bought through the Health Insurance Marketplace
- Medicare, most Medicaid coverage
- Most health care coverage provided to veterans and active duty service members

Yes No

Complete Form W-2 to report the salaries of federal employees working in Puerto Rico. Also, Form W-2 is used to report salaries and other compensation for services performed in the United States.



Question

Do You Want to Enter W-2's Now?

Yes No

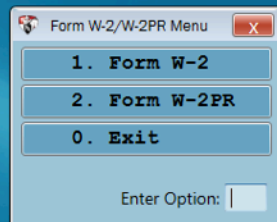
Additional Child Tax Credit (ACTC)

A. Residents of Puerto Rico who files a Federal Tax Return just to claim the ACTC.

Example: Edward Rico and Angelina Alta are married, both work for a private company in Puerto Rico and file a joint return only to claim the ACTC. Their wages for this year were \$25,000.

Select Form W-2 PR if the taxpayer works for the local government or for the private sector in Puerto Rico.

The Entire TaxSlayer Pro Program Requires Whole Dollar Entries Only.
You Must Round Everything to the Nearest Whole Dollar.
(Whole Dollar Amount Example: 1200 NOT 1200.49)



Form W-2/W-2PR Menu

- 1. Form W-2
- 2. Form W-2PR
- 0. Exit

Enter Option:

Additional Child Tax Credit – Form 1040 – SS (English version)

Example: Edward Rico and Angelina Alta have three qualifying children that entitled them to claim the additional child tax credit.

Form 1040-SS **U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)** OMB No. 1545-0090

Department of the Treasury Internal Revenue Service For the year Jan. 1-Dec. 31, 2016, or other tax year beginning , 2016, and ending , 20 .

2016

Information about Form 1040-SS and its separate instructions is at www.irs.gov/form1040ss.

PLEASE PRINT

Your first name and initial **EDWARD** Last name **RICO** Your social security number **123-00-XXXX**

If a joint return, spouse's first name and initial **ANGELINA** Last name **ALTA** Spouse's social security number **124-00-XXXX**

Present home address (number, street, and apt. no., or rural route) **123 TABONUCO ST**

City, town or post office, commonwealth or territory, and ZIP code **GUAYNABO PR 00968**

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

Part I Total Tax and Credits

1 Filing status. Check the box for your filing status (see instructions).
☐ Single
☒ Married filing jointly
☐ Married filing separately. Enter spouse's social security no. above and full name here. ▶

2 Qualifying children. Complete **only** if you are a bona fide resident of Puerto Rico and you are claiming the additional child tax credit (see instructions).

(a) First name	Last name	(b) Child's identifying number	(c) Child's relationship to you
JUAN RICO		125-00-XXXX	SON
LINDA RICO		126-00-XXXX	DAUGHTER
PEDRO RICO		127-00-XXXX	SON

3 Self-employment tax from Part V, line 12. **3**

4 Household employment taxes (see instructions). Attach Schedule H (Form 1040) **4**

5 Additional Medicare Tax. Attach Form 8959. **5**

6 Total tax. Add lines 3 through 5 (see instructions). **6**

7 2016 estimated tax payments (see instructions) **7**

8 Excess social security tax withheld (see instructions). **8**

9 Additional child tax credit from Part II, line 3 **9** 1,913 00

10 Health coverage tax credit. Attach Form 8885 **10**

11 Total payments and credits (see instructions) **11** 1,913 00

12 If line 11 is more than line 6, subtract line 6 from line 11. This is the amount you **overpaid** **12** 1,913 00

13a Amount of line 12 you want **refunded to you**. If Form 8888 is attached, check here ☐ **13a** 1,913 00

b Routing Number ▶ **c** Type: ☐ Checking ☐ Savings

d Account Number

14 Amount of line 12 you want **applied to 2017 estimated tax** **14**

15 **Amount you owe.** If line 6 is more than line 11, subtract line 11 from line 6. For details on how to pay, see instructions **15**

Verify names and social security numbers with social security cards.

All of the following tests must be met to claim someone as a qualifying child:
 Relationship test
 Residency test
 Age test
 Support test
 Citizen, resident or national test

Type account numbers exactly as shown on check. Use a voided check as proof of account.

For savings account obtain a statement from the financial institution to verify the routing number and account number.

Part II Bona Fide Residents of Puerto Rico Claiming Additional Child Tax Credit—See instructions.

Caution: You must have three or more qualifying children to claim the additional child tax credit.

1 Income derived from sources within Puerto Rico	1	25,000	00
2 Withheld social security, Medicare, and Additional Medicare taxes from Puerto Rico Form(s) 499R-2/W-2PR (attach copy of form(s)). If married filing jointly, include your spouse's amounts with yours	2	1,913	00
3 Additional child tax credit. Use the worksheet in the instructions to figure the amount to enter here and in Part I, line 9	3	1,913	00

Include all income under IRC Section 933.

Additional Child Tax Credit (ACTC) (continued)

B. Taxpayers with U.S. Taxable Earned Income

Example (continue): Robert and Elena have two children under 16 years old. The children qualify for claiming the ACTC. Robert receives 40,000 from wages (U.S. taxable earned income). The Puerto Rico tax liability for this year is \$ 1,100.

Part II Additional Child Tax Credit Filers			
1 If you file Form 2555 or 2555-EZ stop here; you cannot claim the additional child tax credit.			
If you are required to use the worksheet in Pub. 972 , enter the amount from line 8 of the Child Tax Credit Worksheet in the publication. Otherwise:			
1040 filers: Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040, line 52).			1
1040A filers: Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040A, line 35).		2,000	
1040NR filers: Enter the amount from line 6 of your Child Tax Credit Worksheet (see the Instructions for Form 1040NR, line 49).			
2 Enter the amount from Form 1040, line 52; Form 1040A, line 35; or Form 1040NR, line 49			
		363	2
3 Subtract line 2 from line 1. If zero, stop here; you cannot claim this credit			
		1,637	3
4a Earned income (see separate instructions)	4a	40,000	
b Nontaxable combat pay (see separate instructions)	4b		
5 Is the amount on line 4a more than \$3,000?			
<input type="checkbox"/> No. Leave line 5 blank and enter -0- on line 6.			
<input checked="" type="checkbox"/> Yes. Subtract \$3,000 from the amount on line 4a. Enter the result			
	5	37,000	
6 Multiply the amount on line 5 by 15% (0.15) and enter the result			
		5,550	6
Next. Do you have three or more qualifying children?			
<input checked="" type="checkbox"/> No. If line 6 is zero, stop here; you cannot claim this credit. Otherwise, skip Part III and enter the smaller of line 3 or line 6 on line 13.			
<input type="checkbox"/> Yes. If line 6 is equal to or more than line 3, skip Part III and enter the amount from line 3 on line 13. Otherwise, go to line 7.			
For Paperwork Reduction Act Notice, see your tax return instructions.			
Cat. No. 59761M		Schedule 8812 (Form 1040A or 1040) 2016	

If the taxpayer has income subject to federal income tax, the credit must be claimed using Form 1040 along with Form 8812.

Part IV Additional Child Tax Credit	
13 This is your additional child tax credit	13
	1,637
Enter this amount on Form 1040, line 67, Form 1040A, line 43, or Form 1040NR, line 64.	
Schedule 8812 (Form 1040A or 1040) 2016	

Adjustments to Income

Adjustments to Income		
23	Educator expenses	0.
24	Certain business expenses of reservists, qualified performing artists, and fee-based government officials. Form 2106 or 2106-EZ	0.
25	Health savings account deduction. Form 8889	0.
26	Moving expense. Form 3903	0.
27	One-half of self-employment tax	0.
28	Self-employed SEP, SIMPLE, and qualified plans	0.
29	Self-employed health insurance deduction	0.
30	Penalty on early withdrawal of savings	0.
31	Alimony paid.	
	Recipient's SSN: [REDACTED] and amount [REDACTED] 0.	0.
32	IRA deduction	0.
33	Student loan interest deduction	0.
34	Tuition and fees deduction	0.
35	Domestic production activities deduction. Form 8903	0.
	Other: Reforestation	0.
	Sub-pay (Trade Act)	0.
	Jury duty pay you gave to your employer	0.
	501(c)18 pension plan	0.
	PPR	0.
	Form 2555, line 50	0.
	Archer MSA deduction. Form 8853	0.
	Deduction for whistleblower fees	0.
	[REDACTED]	0.
36	Total adjustments	0.
37	Adjusted gross income	25,000.

Can not take a deduction on Line 27, if the deduction is related to excluded income for U.S. income tax purpose.

IRA trust account must be in the U.S.

Deductions

Example of Robert and Elena (continue)

Form 1040 (2016)		Page 2
38	Amount from line 37 (adjusted gross income)	40,000
39a	Check <input type="checkbox"/> You were born before January 2, 1952, <input type="checkbox"/> Blind. Total boxes checked 39a	
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here 39b	
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	9,164
41	Subtract line 40 from line 38	30,836
42	Exemptions. If line 38 is \$155,650 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions	16,200
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	14,636

Only the allowable portion of standard or itemized deductions.

"Standard deduction modified due to exempt income under section 933".

Effect of Puerto Rico exempt income on itemized deductions:

Itemized Deduction	Expense Amount	Formula: Allowable Portion	Deduction
Medical and Dental	\$4,000	$(40,000 \div 55,000) \times 4,000$	\$0
Real Estate Taxes	\$500	$(40,000 \div 55,000) \times 500$	\$364
Mortgage Interest	\$7,000	$(40,000 \div 55,000) \times 7,000$	\$5,091
Charitable Contributions	\$1,000	$(40,000 \div 55,000) \times 1,000$	\$727
Total	\$12,500		\$6,182

Exhibit Allocation of Itemized Deduction for Robert and Elena – Medical Expenses

SCHEDULE A (Form 1040)		Itemized Deductions		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (99)		Information about Schedule A and its separate instructions is at www.irs.gov/schedulea .		2016	
Name(s) shown on Form 1040		Attach to Form 1040.		Attachment Sequence No. 07	
ROBERT NOBLE & ELENA SANTA		Your social security number		118-00-XXXX	
Caution: Do not include expenses reimbursed or paid by others.					
Medical and Dental Expenses	1 Medical and dental expenses (see instructions)	1	2,909		
	2 Enter amount from Form 1040, line 38	2	40,000		
	3 Multiply line 2 by 10% (0.10). But if either you or your spouse was born before January 2, 1952, multiply line 2 by 7.5% (0.075) instead	3	4,000		
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4			

Deductions (continued)

Exhibit Allocation of itemized deduction for Robert and Elena – Real Estate Taxes

Taxes You Paid	5	State and local (check only one box):			
		a <input type="checkbox"/> Income taxes, or	5		
		b <input type="checkbox"/> General sales taxes			
	6	Real estate taxes (see instructions)	6	364.	
	7	Personal property taxes	7		
	8	Other taxes. List type and amount	8		
	9	Add lines 5 through 8	9		364.

Exhibit Allocation of itemized deduction for Robert and Elena – Home Mortgage

Interest You Paid	10	Home mortgage interest and points reported to you on Form 1098			
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see inst. and show that person's name, identifying no., and address			
			10	5,091.	
			11		
			12		
			13		
Note. Your mortgage interest deduction may be limited (see instructions).	12	Points not reported to you on Form 1098. See instructions for special rules	12		
	13	Mortgage insurance premiums (see instructions)	13		
	14	Investment interest. Attach Form 4952 if required. (See instructions.)	14		
	15	Add lines 10 through 14	15		5,091.

Exhibit Allocation of itemized deduction for Robert and Elena – Charitable

Gifts to Charity	16	Gifts by cash or check. If you made any gift of \$250 or more, see instructions			
			16	727.	
	17	Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17		
	18	Carryover from prior year	18		
If you made a gift and got a benefit for it, see instructions.	19	Add lines 16 through 18	19		727.

Exhibit Allocation of itemized deduction for Robert and Elena – Total Allowable Itemized Deductions

Total Itemized Deductions	29	Is Form 1040, line 38, over \$152,525?			
		<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			
		<input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.			
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here			
			29		6,182.

Foreign Tax Credit – Form 1116

US 1116 Foreign Tax Credit

Name: SSN: 549-98-0000

Simplified Limitation Election
 The simplified method cannot be used if you file Form 4563 or exclude income from Puerto Rico. If ALL of your foreign source income is from dividends and interest and all of that income is reported to you on Forms 1099-DIV or 1099-INT and your qualified foreign taxes are not more than \$300 (\$600 if married filing jointly), you do not need to fill out this form. You can enter the foreign tax amount here: or directly on Forms 1040 or 1040NR. By making this election, you forego any carryover of excess foreign taxes to or from a taxable year to which this election applies and this election applies to all later tax years and can only be revoked with IRS consent. Enter the amount of foreign income on Schedules B, as applicable and also on line 16 of Form 1116AMT.

Check only one box. Use a separate Form 1116 for each category of income.

a ☐ Passive category income c ☐ Section 901(j) income e ☐ Lump sum distributions
 b ☐ General category income d ☐ Income re-sourced by treaty

f Resident of (name of country):

Part I: Taxable Income or Loss from Sources Outside United States for Category Above

g Name of country or possession. Limit to 10 characters for printing.
 A B C

1a Gross income from sources within country shown above. Type: <input type="text"/>	A	B	C	Total
Income other than capital gains	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Only one category of income can be selected in each Form 1116. General category includes wages and salaries. Gross income does not include exempt Puerto Rico income nor COLA.

Taxable Income or Loss from Sources Outside United States

Part I: Taxable Income or Loss from Sources Outside United States for Category Above

g Name of country or possession. Limit to 10 characters for printing.
 A B C

1a Gross income from sources within country shown above. Type: <input type="text"/>	A	B	C	Total
Income other than capital gains	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

If you can not segregate compensation for services or retirement income performed partly within and partly outside the United States, use the formula to compute the foreign gross income.

Foreign Tax Credit – Form 1116 (continued)

FORM 1116 – “Standard Deduction - Example Continue - Robert and Elena”

WAGES	40000			1a	40000
b Check if line 1a is compensation for personal services as an employee, your total compensation from all sources is \$250,000 or more, and you used an alternative basis to determine its source (see instructions) . . . ▶ <input type="checkbox"/>					
Deductions and losses (Caution: See instructions):					
2 Expenses definitely related to the income on line 1a (attach statement)					
3 Pro rata share of other deductions not definitely related :					
a Certain itemized deductions or standard deduction (see instructions)	9164				
b Other deductions (attach statement)					
c Add lines 3a and 3b	9164				
d Gross foreign source income (see instructions)	55000				
e Gross income from all sources (see instructions)	55000				
f Divide line 3d by line 3e (see instructions)	1.00000				
g Multiply line 3c by line 3f	9164				
4 Pro rata share of interest expense (see instructions):					
a Home mortgage interest (use the Worksheet for Home Mortgage Interest in the instructions)					
b Other interest expense					

If not itemizing, TaxSlayer enters the standard deduction in line 3a (margin).

To complete this line you must transfer the allowable portion from the margin to column A line 3a (green entry). TaxSlayer computes the modified standard deduction. It is important that in the the Income Menu section Line 9 you enter the total amount of “Section 933 Excluded Income from Puerto Rico”.

Itemized deductions should be modified on Schedule A, only the allowable portion is included.

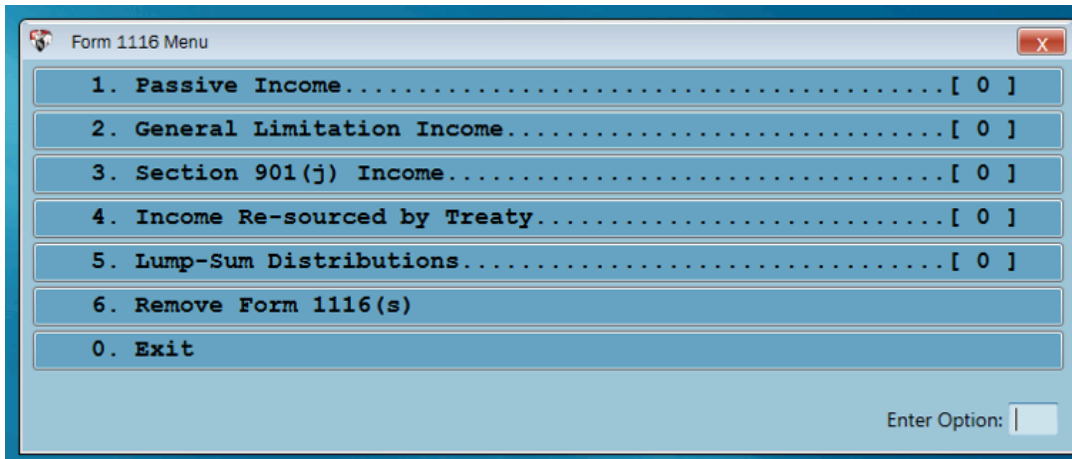
TaxSlayer computes the mortgage interest expenses on line 4a, automatically.

TaxSlayer enters certain itemized deductions such as real estate taxes, charitable contributions and medical expenses on line 3a.

c Add lines 3a and 3b	9164				
d Gross foreign source income (see instructions)	55000				
e Gross income from all sources (see instructions)	55000				
f Divide line 3d by line 3e (see instructions)	1.00000				
g Multiply line 3c by line 3f	9164				
4 Pro rata share of interest expense (see instructions):					
a Home mortgage interest (use the Worksheet for Home Mortgage Interest in the instructions)					
b Other interest expense					
5 Losses from foreign sources					
6 Add lines 2, 3g, 4a, 4b, and 5	9164			6	9164
7 Subtract line 6 from line 1a. Enter the result here and on line 15, page 2 ▶				7	30836

General category income: includes wages and salaries. **Passive income:** Includes dividends, interest, royalties, rents and annuities.

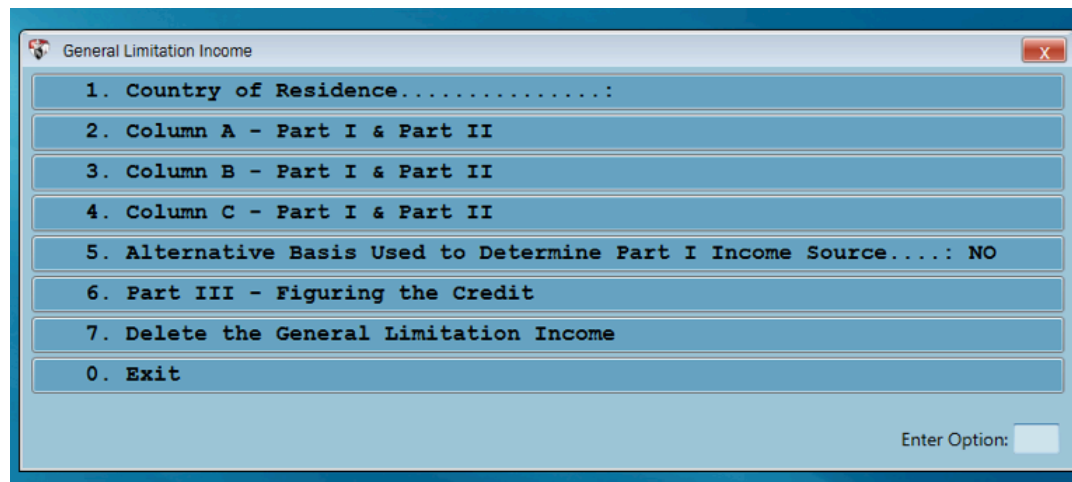
General category income: includes wages and salaries. Passive income: Includes dividends, interest, royalties, rents and annuities.



Form 1116 Menu

1. Passive Income.....	[0]
2. General Limitation Income.....	[0]
3. Section 901(j) Income.....	[0]
4. Income Re-sourced by Treaty.....	[0]
5. Lump-Sum Distributions.....	[0]
6. Remove Form 1116(s)	
0. Exit	

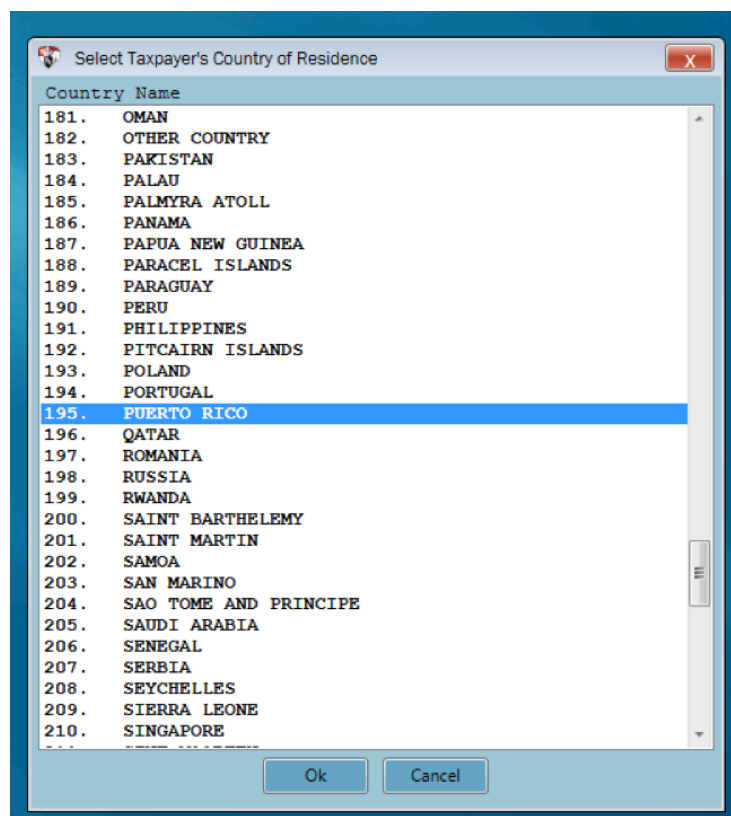
Enter Option:



General Limitation Income

1. Country of Residence.....:
2. Column A - Part I & Part II
3. Column B - Part I & Part II
4. Column C - Part I & Part II
5. Alternative Basis Used to Determine Part I Income Source....: NO
6. Part III - Figuring the Credit
7. Delete the General Limitation Income
0. Exit

Enter Option:



Select Taxpayer's Country of Residence

Country Name
181. OMAN
182. OTHER COUNTRY
183. PAKISTAN
184. PALAU
185. PALMYRA ATOLL
186. PANAMA
187. PAPUA NEW GUINEA
188. PARACEL ISLANDS
189. PARAGUAY
190. PERU
191. PHILIPPINES
192. PITCAIRN ISLANDS
193. POLAND
194. PORTUGAL
195. PUERTO RICO
196. QATAR
197. ROMANIA
198. RUSSIA
199. RWANDA
200. SAINT BARTHELEMY
201. SAINT MARTIN
202. SAMOA
203. SAN MARINO
204. SAO TOME AND PRINCIPE
205. SAUDI ARABIA
206. SENEGAL
207. SERBIA
208. SEYCHELLES
209. SIERRA LEONE
210. SINGAPORE

Ok Cancel

Enter on line 6 gross foreign source income (Puerto Rico source income) from the category checked on Part I of Form 1116. Enter on line 7 gross income from all sources and all categories, both U.S. and foreign.

Foreign Tax Credit Column A	
1. Enter the Country the Income was received from.....	[PUERTO RICO]
<<2. Gross Income from Country shown above.....	[45319]
3. Expenses Directly Allocable to Income above.....	[0]
4. Itemized or STD Deduction.....	[12600]
5. Other Deductions.....	[0]
6. Total Gross Foreign Source Income.....	[45319]
7. Gross Income from all Sources.....	[45319]
8. Home Mortgage Interest.....	[0]
9. Other Interest Expense.....	[0]
10. Losses From Foreign Sources.....	[0]
<<11. Part II - Foreign Taxes Paid/Accrued	
0. Exit	

Enter Option:

Cash basis taxpayers may choose to take the Foreign Tax Credit for their Puerto Rico taxes in the year those taxes were paid or accrued.

Foreign Taxes Paid Or Accrued - Part II Column A

X

1. Are Taxes Paid or Accrued ?.....	[ACCRUED]
2. Date paid or accrued.....	[/ /]
3. Taxes Withheld at Source on Dividends (for. currency) ..	[0]
4. Taxes Withheld at Source on Rent/Roy (foreign currency) [0]
5. Taxes Withheld at Source on Interest (foreign currency) [0]
6. Other Foreign Taxes Paid/Accrued (foreign currency)	[0]
7. Taxes Withheld at Source on Dividends (U.S. Dollars) ...	[0]
8. Taxes Withheld at Source on Rent/Royalty (U.S. Dollar) .	[0]
9. Taxes Withheld at Source on Interest (U.S. Dollars)	[0]
10. Other Foreign Taxes Paid/Accrued (U.S. Dollars)	[0]
0. Exit	

Enter Option:

Foreign Tax Credit – Form 1116 (continued)

Foreign Taxes Paid or Accrued

Cash Basis Taxpayers: Have the option to take the Foreign Tax Credit for their Puerto Rico taxes in the year those taxes were paid or accrued.

Part III: Foreign Taxes Paid or Accrued

Credit if claimed for taxes (check one): (h) ☐ Paid (i) ☐ Accrued

Foreign taxes paid or accrued in foreign currency

	(j) Date paid or accrued	Taxes withheld at source			(n) Other foreign taxes paid or accrued	F9 to explain
		(k) Dividends	(l) Rents / royalties	(m) Interest		
A						<input type="checkbox"/>
B						
C						

In U.S. dollars

	Taxes withheld at source			(p) Other foreign taxes paid or accrued	(s) Total foreign taxes paid or accrued
	(o) Dividends	(r) Rents / royalties	(q) Interest		
A	0.	0.	0.	0.	0.
B	0.	0.	0.	0.	0.
C	0.	0.	0.	0.	0.
D	Total of Part III				0.

This facsimile form is not approved for filing directly to the IRS.
Print IRS form using "Print Return" or "Print Current Form".

Check the appropriate box to indicate whether the foreign tax was actually paid during 2016 or if the tax was billed in one year but paid in another ("accrued").

If the taxpayer takes the taxes paid, he/she can claim payments and withholding of taxes to the Puerto Rico government during 2016.

If the taxpayer takes the taxes accrued, then he/she can claim the entire Puerto Rico tax liability as of December 31, regardless of whether the taxes are paid the following year.

The taxpayer must continue to use the accrual method for the Foreign Tax Credit on all future returns.

All Puerto Rican taxes paid or accrued on both exempt and non-exempt income may be shown in Part III of Form 1116.

Foreign Tax Credit – Form 1116 (continued)

Taxpayer without exempt income

This page shows how to figure out the foreign tax credit for a taxpayer without exempt income. Assume that the taxpayer is single, received \$31,000 in wages taxable to U.S. from sources outside the United States (Puerto Rico) and the taxes paid to Puerto Rico were \$3,900.

Figuring the Credit

Part III – Form 1116

Form 1116 (2016)		Page 2	
Part III Figuring the Credit			
9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9	3,900
10	Carryback or carryover (attach detailed computation)	10	
11	Add lines 9 and 10	11	3,900
12	Reduction in foreign taxes (see instructions)	12	()
13	Taxes reclassified under high tax kickout (see instructions)	13	
14	Combine lines 11, 12, and 13. This is the total amount of foreign taxes available for credit	14	3,900
15	Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I (see instructions)	15	24,700
16	Adjustments to line 15 (see instructions)	16	
17	Combine the amounts on lines 15 and 16. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 18 through 22. However, if you are filing more than one Form 1116, you must complete line 20.)	17	24,700
18	Individuals: Enter the amount from Form 1040, line 41; or Form 1040NR, line 39. Estates and trusts: Enter your taxable income without the deduction for your exemption	18	24,700
Caution: If you figured your tax using the lower rates on qualified dividends or capital gains, see instructions.			
19	Divide line 17 by line 18. If line 17 is more than line 18, enter "1"	19	1.0000
20	Individuals: Enter the amounts from Form 1040, lines 44 and 46. If you are a nonresident alien, enter the amounts from Form 1040NR, lines 42 and 44. Estates and trusts: Enter the amount from Form 1041, Schedule G, line 1a; or the total of Form 990-T, lines 36, 37, and 39	20	2,638
Caution: If you are completing line 20 for separate category e (lump-sum distributions), see instructions.			
21	Multiply line 20 by line 19 (maximum amount of credit)	21	2,638

Part IV Summary of Credits From Separate Parts III (see instructions)			
23	Credit for taxes on passive category income	23	
24	Credit for taxes on general category income	24	
25	Credit for taxes on certain income re-sourced by treaty	25	
26	Credit for taxes on lump-sum distributions	26	
27	Add lines 23 through 26	27	
28	Enter the smaller of line 20 or line 27	28	
29	Reduction of credit for international boycott operations. See instructions for line 12	29	2,638
30	Subtract line 29 from line 28. This is your foreign tax credit . Enter here and on Form 1040, line 48; Form 1040NR, line 46; Form 1041, Schedule G, line 2a; or Form 990-T, line 41a ▶	30	2,638
Form 1116 (2016)			

The foreign tax credit is limited to the allocated amount of U.S. taxes imposed on the foreign income, or the actual amount of foreign tax paid (after reductions on line 12), whichever is less. The Foreign Tax Credit is not a refundable credit.

Foreign Tax Credit – Form 1116 (continued)

Foreign Taxes Paid or Accrued

Taxpayer with exempt income. Assume that the taxpayer is single and a bona fide resident of Puerto Rico who receives \$20,000 in wages taxable to U.S. from Puerto Rico sources and \$5,000 exempt income under IRC Section 933. The Puerto Rico tax liability was \$3,135.

Form 1116 (2016)		Page 2
Part III Figuring the Credit		
9 Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9	3,135
10 Carryback or carryover (attach detailed computation)	10	
11 Add lines 9 and 10	11	3,135
12 Reduction in foreign taxes (see instructions)	12	
13 Taxes reclassified under high tax kickout (see instructions)	13	
14 Combine lines 11, 12, and 13. This is the total amount of foreign taxes available for credit	14	3,135
15 Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I (see instructions)	15	14,960
16 Adjustments to line 15 (see instructions)	16	
17 Combine the amounts on lines 15 and 16. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 18 through 22. However, if you are filing more than one Form 1116, you must complete line 20.)	17	14,960
18 Individuals: Enter the amount from Form 1040, line 41; or Form 1040NR, line 39. Estates and trusts: Enter your taxable income without the deduction for your exemption	18	14,960
Caution: If you figured your tax using the lower rates on qualified dividends or capital gains, see instructions.		
19 Divide line 17 by line 18. If line 17 is more than line 18, enter "1"	19	1.0000
20 Individuals: Enter the amounts from Form 1040, lines 44 and 46. If you are a nonresident alien, enter the amounts from Form 1040NR, lines 42 and 44. Estates and trusts: Enter the amount from Form 1041, Schedule G, line 1a; or the total of Form 990-T, lines 36, 37, and 39	20	1,175
Caution: If you are completing line 20 for separate category e (lump-sum distributions), see instructions.		
21 Multiply line 20 by line 19 (maximum amount of credit)	21	1,175
22 Enter the smaller of line 14 or line 21. If this is the only Form 1116 you are filing, skip lines 23 through 27 and enter this amount on line 28. Otherwise, complete the appropriate line in Part IV (see instructions)	22	1,175
Part IV Summary of Credits From Separate Parts III (see instructions)		
23 Credit for taxes on passive category income	23	
24 Credit for taxes on general category income	24	
25 Credit for taxes on certain income re-sourced by treaty	25	
26 Credit for taxes on lump-sum distributions	26	

Taxpayers cannot claim a foreign tax credit for taxes paid on excluded Puerto Rico income.

The taxes allocated to the exempt Puerto Rico income should be included in Part III, line 12, as a reduction in foreign taxes.

To complete reduction in foreign taxes, line 12 of Form 1116

Taxes paid on exempt income are not allowed as part of the foreign tax credit. To find the amount allocable to the exempt income, multiply the taxes paid or accrued to Puerto Rico by a fraction. The numerator of the fraction is the exempt income from Puerto Rican sources under IRC Section 933, less deductible expenses allocable to that income. The denominator is the total amount of income subject to Puerto Rico tax less deductible expenses allocable to that income.

*Income from PR sources not
subject to Federal tax under
IRC 933 less deductible Expenses
allocable to that income*

*Total income subject to Puerto Rico
tax, less Deductible expenses
allocable to that income*

$$X \text{ Tax paid or accrued to Puerto Rico} = \text{Reduction in foreign taxes}$$

Link & Learn Taxes

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 2016 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 workbook problems from Publication 4491W
 - Lets volunteers prepare test scenario returns for the test/retest



Go to 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

<https://www.irs.gov/Individuals/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

<https://www.irs.gov/Individuals/Tax-Trails---Main-Menu>

Online Services and Tax Information for Individuals

<https://www.irs.gov/Individuals>

File Your Return

- Direct Deposit your refund

Make a Payment

- Direct Pay
- Other ways you can pay
(Electronic funds withdrawal,
debit and credit card, and IRS2Go)
- [myRA](#)

Manage Your Tax Info

- Withholding Calculator
- Answers about the Health Care Law
- Protect your identity

After You File

- Where's My Refund?
- Get Transcript

eBooks

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