



Wage & Investment

**STAKEHOLDER PARTNERSHIPS,
EDUCATION & COMMUNICATION**

VITA/TCE Quality Review Refresher



Concepts of the Quality Review

The Quality Reviewer compares the information provided on all source documents and the completed Form 13614-C Intake/Interview & Quality Review Sheet, to the tax return.

A comprehensive Quality Review involves more than simply checking data entries (typos, spelling, and omissions). The volunteer must interact with the taxpayer to confirm and clarify the taxpayer's information and ensure correct application of tax law.

The taxpayer must be present and involved in the Quality Review. With alternative filing methods, such as Virtual VITA, the taxpayer may be present by phone or internet.



Quality Review Process Introduction

The purpose of a Quality Review is to ensure that the taxpayer's return is accurate based on the Form 13614-C, the supporting documents provided by the taxpayer, and the interview with the taxpayer.

There are two acceptable methods:

- **Designated Review** - This preferred Quality Review method employs a designated Quality Reviewer, a volunteer who is solely dedicated to reviewing returns prepared by the other volunteers at the site.
- **Peer Review** - When a designated Quality Reviewer is not available, volunteers can review each other's returns.

At a minimum, volunteers serving as Quality Reviewers must be certified at the certification level required to prepare the return.



Quality Review Checklist

- Taxpayer (and Spouse's) identity was verified with a photo ID during the visit
- The volunteer return preparer and quality reviewer are certified to prepare/review this return and return is within scope of the program
- All questions in Parts I through VI are answered and unsure boxes were discussed with the taxpayer and correctly marked yes or no
- All applicable information in the shaded areas were completed by the certified volunteer preparer
- Names, Addresses, SSNs, ITINs, and EINs, are verified and correct
- Filing status is correct
- Dependency determinations are correct
- All Income (with or without source documents) checked "yes" in Part III is verified and correct
- All applicable adjustments to income are verified and correct
- Standard or Itemized Deductions are correct
- All eligible credits are correct
- All applicable provisions of ACA were considered for each person named on the tax return and are correct
- Any Shared Responsibility Payments, Health Care Exemptions and/or Premium Tax Credit reconciliations are correct
- Federal Income Tax Withholding and Estimated Tax Payments are correct
- Direct Deposit/Debit and checking/saving account numbers are correct
- SIDN is correct on the return
- During the visit, the taxpayer(s) was advised that they are responsible for the information on their return
- Any errors identified or incomplete Form 13614-C are discussed with the preparer

This checklist is included in Publication 4012



Form 13614-C Intake/Interview & Quality Review Sheet

Two of the steps in the Quality Review Checklist require verification that:

- All questions have been answered. Any items marked “Unsure” should be discussed with the taxpayer and then marked “Yes” or “No”.
- All items in the shaded areas have been completed by the Certified Volunteer Preparer.

A complete Quality Review cannot occur until these two crucial steps have been completed. Any missing information must be obtained from the taxpayer before you proceed. Additional comments are not required, but they can be very helpful during a quality review.



The Importance of a Completed Form 13614-C

- Form 13614-C tells the taxpayer's story. If you think that some part isn't needed for your taxpayer, you're probably right. However, we need to get the complete story, every time.
- There is really no safe way to predict all aspects of a taxpayer's situation.
- Every question on Form 13614-C is there for a reason. The answer to any question could affect the tax return.



Complete the Sheet

Quality Statistical Sample (QSS) Review Results, July 3, 2018.

- It's a proven fact; use of a complete Intake/Interview & Quality Review Process results in more accurate returns!
- Reviews conducted by SPEC during Filing Season 2018 indicated that **100%** of returns prepared with a complete Intake/ Interview and Quality Review Process were accurate.
- By comparison, **only 77%** of returns prepared using an incorrect or incomplete Intake/Interview and Quality Review Process were accurate.



QSS Reviews Statistically Valid

QSS Reviews of VITA/TCE sites:

- Measure adherence to the Quality Site Requirements (QSR)
- Determine the accuracy rate of tax returns

The QSS reviews conducted by SPEC provide the only statistically-valid measure applied to the entire VITA/TCE return population in determining return accuracy.



QSS Results Return Accuracy FY 2018

Overall, the return accuracy rate for VITA/TCE sites during Filing Season 2018 was 93.30%.

Examples of most common errors found:

Pension income

- Amount from Form 1099R entered as IRA distribution
- Simplified Method Worksheet not completed as required

Federal Income Tax Withholding

- Withholding from Form 1099R omitted
- W-2 Social Security Tax entered as Withholding

Filing Status

- Taxpayers not properly interviewed to determine marital status



Adherence to Intake/Interview & Quality Review Process

In Filing Season 2018, QSS Reviewers found that a complete Intake/Interview & Quality Review Process (QSR #2) was used **only 58%** of the time.

Examples of the most common errors found on the Form 13614-C Intake/Interview & Quality Review Sheet include:

- Personal Information: missing information in Part I
- Marital Status and Household Information: missing information in Part II
- Income: missing income information in Part III
- Expenses: missing expense information in Part IV
- Health Care Coverage: missing health care information in Part VI



There is No One “Right Way” to Perform a Quality Review

- Not all sites look alike. A site may use designated reviewers, peer-to-peer review, or a combination of the two.
- Some Quality Reviewers use the TaxSlayer Quality Review Print Set, either printing it out or reviewing the pdf. Others prefer to follow in the preparer’s footsteps, reviewing all data entered and the return in the TaxSlayer software.
- Whatever method is chosen must comply with the Quality Review Process in the Publication 4012, Volunteer Resource Guide.



Performing a Quality Review Using TaxSlayer Print Set

The TaxSlayer Quality Review Print Set allows you to verify entries and identify tax law determinations. When you use the pdf, there is no need to print anything out!

Benefits of Using the TaxSlayer Quality Review Print Set:

- Verify entries including birthdates, addresses, filing status, direct deposit account numbers
- Check accuracy of income document input (W-2, 1099R, W-2G, 1099MISC, etc.)
- Confirm all income and expenses are on the correct line
- Review all schedules and worksheets for inclusion and accuracy
- Look for questionable entries
- Verify SIDN & EFIN

See Publication 4012 for more information

The Importance of Conducting Quality Review



- Ensuring the return is prepared correctly and catching potential errors before they become a problem for either the VITA/TCE site or the taxpayer
- Ensuring the VITA/TCE site complies with all Quality Site Requirements (QSR)
- Verifying the return is within the scope of VITA/TCE Programs and within the appropriate volunteer certification
- Ensuring the taxpayer is involved in the process
- Mentoring and helping the volunteer preparer while conducting the Quality Review



Who Benefits from a Complete Quality Review?

- Taxpayer
- Volunteer
- Site
- VITA/TCE Program



Benefits to the Taxpayer

- Receive timely refunds
- Prevent IRS notices/contacts
- Calculation of correct tax, avoiding paying money back with interest and possible penalty
- Receipt of all eligible credits or deductions
- Increases taxpayer confidence in the return preparation process
- Enhances taxpayer understanding of the return



Benefits to the Volunteer

- Reduces tax preparer anxiety knowing someone else is going to review the return
- Receiving feedback increases volunteer confidence
- On-the-job training builds valuable volunteer skills
- Raises volunteer morale
- Fosters teamwork



Benefits to the Site

- Reduces e-file reject rates
- Ensures compliance with Quality Site Requirements
- Promotes good reputation with the public
- Increases productivity, reduces the need for amended returns
- Ability to qualify for grants
- Improves volunteer confidence and retention
- Increases taxpayer confidence in the site's ability to prepare a complete and accurate tax return



Benefits to the VITA/TCE Program

- Promotes positive publicity
- Continued Congressional appropriation of grant funds
- Creates positive reputation and public confidence
- Maintains public perception of the quality and value of VITA/TCE return preparation
- Positive feedback from random audits by Treasury Inspector General for Tax Administration (TIGTA) and Government Accountability Office (GAO) ensures future support
- Identify potential enhancements to the software



Possible Consequences of a Poor Quality Review

- No one enjoys being pen pals with the IRS. Notices from the IRS are extremely stressful for everyone.
- The taxpayer could face an undue hardship by having to repay amounts received in error.
- The taxpayer will be responsible for paying the money back with interest and possible penalties.
- Back taxes can be very damaging to a person's credit score.
- Taxpayers could miss out on valuable deductions and credits.



Your Role as a Quality Reviewer

- Teacher
- Role model
- Expert
- Facilitator
- Team Member
- Cheerleader



What are the Challenges of Being a Quality Reviewer?

- Telling someone that he or she made a mistake can be difficult and embarrassing, but doing it in a kind, matter-of-fact, and we're-all-in-this-together manner, makes it more acceptable.
- Sometimes Quality Reviewers deal with the difficult tax issues. It develops your research skills. You don't have to know everything. You just need to know how to look it up and, sometimes, how to say "no" to an out-of-scope return.
- Sometimes Quality Reviewers don't have as many opportunities to prepare returns. Make a deal with your Site Coordinator to prepare returns occasionally.



What are the Challenges of Being a Quality Reviewer?

- Sometimes experienced preparers don't like to be reviewed. That may be. Everybody makes mistakes. Tax law can be complex. The software can be finicky. Taxpayers can present confusing situations. And preparers can become stressed and tired. Conscientious preparers generally appreciate that someone has their back.
- Doing Quality Review is a big responsibility. This is a big one. The Quality Reviewer is generally the last person to look things over before the return is filed. Your Site Coordinator wouldn't ask you unless they know you can do the job.

Good Quality Review Takes Time



- Never rush through a Quality Review. Take the time to understand/verify the determinations the preparer made along with data entry verification.
- The taxpayer's time is important. The volunteer's time is important. An accurate return is really important.
- Don't hesitate to ask the taxpayer follow-up questions.
- Engaging the taxpayer takes time, but helps to ensure that all taxpayer information is complete.
- A complete Quality Review Process ultimately saves time for the taxpayer and the site.



Quality Review is Not Just a Proofreading Exercise

In addition to checking data entry for accuracy, the Quality Reviewer must ask questions:

- Is the Filing Status correct and the most advantageous to the taxpayer?
- Do the credits make sense (EITC, CTC, ACTC, etc.)?
- Does the taxpayer have any other income or expenses not reflected on the intake sheet or tax documents?



Quality Review Takes Teamwork

The volunteer tax preparer can help the Quality Reviewer by:

- Providing a complete Form 13614-C, which means all taxpayer information is filled-in; all questions are answered; all “unsure” answers are clarified and changed to “yes” or “no”; and preparer fields are completed.
- Making notes on the Form 13614-C when the taxpayer provides oral testimony that affects the return or when a determination is made, for example “not enough deductions to itemize.”

A complete Form 13614-C saves the Quality Reviewer from having to repeat questions and determinations.

A Quality Reviewer can help the tax preparer improve his/her skills by:

- Sharing positive feedback when a job is well done
- Providing constructive and educational feedback



Give Quality Feedback to the Preparer

- Keep a positive tone. It's an educational moment not a “got you”.
- Clearly explain the issue using specific examples – “It’s helpful to me when you change the “unsure” box to “yes” or “no” after you discuss it with the taxpayer”.
- Use reference materials to teach the preparer tax law issues. Show the page in the Pub 4012 to which the volunteer can refer the next time the tax law issue comes up.
- Don’t embarrass the preparer; if needed, talk to the preparer privately.
- Even if a return has significant errors, find something good and make a positive comment.



Summary

- Although the role of a Quality Reviewer can be challenging, the benefits to the site and taxpayers are well worth the effort.
- A complete and accurate Quality Review is a crucial part of the Intake/interview & Quality Review Process. The Quality Reviewer is the last volunteer at the site to make sure the taxpayer leaves with an accurate tax return.
- IRS statistics prove that accuracy rates increase dramatically when a Quality Review is conducted using a complete Form 13614-C.