VITA/TCE TAX RETURN QUALITY REVIEW JOB AID

Stakeholder Partnerships, Education and Communication (SPEC)

COMING TOGETHER TO STRENGTHEN COMMUNITIES
TABLE OF CONTENTS

Quality Review Checklist ........................................................................................................... 3
Illustration of a Quality Review on a VITA/TCE Tax Return ....................................................... 4
TaxSlayer Quality Review Print Set ............................................................................................. 5

How to Access the TaxSlayer Quality Review Print Set .......................................................... 5

Performing a Quality Review Using the TaxSlayer Quality Review Print Set ....................... 6
  A Complete Form 13614-C, Intake/Interview & Quality Review Sheet .................................. 8
  Form 13614-C, the Source Documents, and the Tax Return Comparison .............................. 11
  Concluding the Quality Review ............................................................................................... 26
QUALITY REVIEW CHECKLIST

To promote accuracy, per Quality Site Requirement #2: Intake/Interview & Quality Review Process, all tax returns must be quality reviewed. Every question on the Quality Review Checklist must be addressed while reviewing the Form 13614-C, Intake/Interview & Quality Review Sheet, including all supporting documents, and the completed tax return. The taxpayer must be available to explain any discrepancies the quality reviewer may discover.

The two acceptable quality review methods are:

- **Designated Review** - This preferred quality review method uses 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.

All items included in the Quality Review Checklist must be addressed:

- Taxpayer (and Spouse's) identity is verified with a photo ID
- The volunteer return preparer and quality reviewer are certified to prepare/review the return and the return is within scope of the VITA/TCE program
- All questions in Parts I through V are answered and any questions marked as “unsure” are discussed with the taxpayer and correctly marked as a “yes” or “no”
- All applicable information in the “To be completed by Certified Volunteer” shaded section on page one for each potential dependent is 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 items (with or without source documents) checked as "yes" in Part III are verified and correct
- All applicable adjustments to income are verified and correct
- Standard deduction or Itemized Deductions are correct
- All eligible credits are correct
- All applicable provisions of the Premium Tax Credit (PTC) are considered for each person named on the tax return and are correct
- Amount of the Economic Income Payment (EIP) received in 2021 is included in computing the Recovery Rebate credit
- Federal Income Tax Withholding and Estimated Tax Payments are correct
- Direct Deposit/Debit and checking/saving routing and account numbers are correct
- SIDN is included and correct on the return
- The taxpayer(s) is advised that they are responsible for the accuracy of the information shown on their return
- Any errors identified or incomplete questions on Form 13614-C are discussed with the preparer
Quality reviewers conduct reviews using one of the following methods and/or tools:

- TaxSlayer Master Print Set
- TaxSlayer Quality Review Print Set
- The step-by-step data entry process used by the preparer
- The Tax Return Summary Page and navigating to specific pages in tax preparation screens when necessary
- A printed copy of the tax return

Whichever method is chosen must comply with the quality review process shown in Publication 5166, IRS Volunteer Quality Site Requirements, and must include a review of all the items listed on the Quality Review Checklist.

This publication provides an illustration of a quality review method that is considered a best practice. The method demonstrated in this publication uses the TaxSlayer Quality Review Print Set.
TAXSLAYER QUALITY REVIEW PRINT SET

The TaxSlayer Quality Review Print Set is designed for reviewing a tax return. It includes the necessary forms, schedules and worksheets required to verify entries in TaxSlayer and the applicable tax law determinations. The quality reviewer can either review the PDF onscreen (recommended) or print a hardcopy. A review using the onscreen PDF is recommended and saves paper, especially if an error is found.

How to Access the TaxSlayer Quality Review Print Set

On the Office Client Sheet, click the arrows next to the printer icon and select QUALITY REVIEW.

This screen will appear.

Printing return
We are preparing your return for printing
The Quality Review Print Set tax return will open.

Performing a Quality Review Using the TaxSlayer Quality Review Print Set

In addition to the tax return, the Quality Review Print Set includes the worksheets used to complete the tax return.

A quick summary is also included in the Quality Review Print Set and highlights totals from key lines of the tax return. The Quality Review Print Set also contains other pages which can help with your review, including the Client Sheet. The Client Sheet allows you to determine if the taxpayer, spouse, and dependent information is entered correctly.
For purposes of illustrating the quality review process, a sample tax return is used. The return has a few errors which will be used to highlight how to review the intake sheet, source documents, and tax return.
A Complete Form 13614-C, Intake/Interview & Quality Review Sheet

A complete Form 13614-C provides a summary of all information provided by the taxpayer, including documentation of oral testimony. Any missing or unclarified information must be discussed with the taxpayer and added to Form 13614-C. Preparer notes, when included, are extremely helpful during a quality review.

During the quality review process, the reviewer must confirm that the information on Form 13614-C is accurate, correlates with the supporting documentation, and contains enough information to support the items shown on the tax return. A quality review cannot be conducted if Form 13614-C is incomplete. The quality reviewer must address any missing or unsure answers prior to conducting the return review.

If the reviewer identifies that an out-of-scope return has been prepared they must explain to the taxpayer that their return cannot be filed by the site. The preparer must identify out-of-scope issues before preparing the return to save the time of the taxpayer, preparer, and reviewer. You can move on to help another taxpayer when you identify out-of-scope issues before starting a return.

To determine the topics in scope for the VITA/TCE program, use the Scope of Service Chart in Publication 4012, Volunteer Resource Guide.

Form 13614-C includes codes that identify the training certification level required for the income, expense and life event items shown on the form. The codes are (B) Basic, (A) Advanced and (M) Military. The preparer must be certified at or above the highest certification level required to prepare the tax return.

Review Form 13614-C and the tax return to ensure that all items included are within scope of the VITA/TCE program and within the training certification level of the preparer and quality reviewer. The preparer and quality reviewer must be certified at or above the highest certification level required to prepare the tax return. In some cases, this may include more than one certification level. (See Publication 5166, VITA/TCE Volunteer Quality Site Requirements, for more information.)

During the quality review, the reviewer must ensure that Form 13614-C is complete. If Form 13614-C is not complete, the quality review will take longer because the incomplete questions must be answered. A complete Form 13614-C includes:

<table>
<thead>
<tr>
<th>Line #</th>
<th>Description</th>
<th>Information Reporting Document</th>
<th>Basic</th>
<th>Advanced</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Single</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Married filing jointly</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Married filing separately</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Head of household</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Qualifying widow(er)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Form 13614-C includes codes that identify the training certification level required for the income, expense and life event items shown on the form. The codes are (B) Basic, (A) Advanced and (M) Military. The preparer must be certified at or above the highest certification level required to prepare the tax return.
• The gray shaded “To be completed by a Certified Volunteer Preparer” area is completed by the preparer, when applicable.
• All questions in Parts I through V are answered.
• Any items marked “Unsure” or left blank are discussed with the taxpayer and correctly marked either “Yes” or “No”.

In this example, Form 13614-C is not complete. The unanswered questions are circled. The quality reviewer must have a completed Form 13614-C prior to beginning the quality review. Unanswered questions increase the time needed to complete the quality review because the taxpayer must be asked these questions again.

The quality reviewer should carefully review the Personal, Marital Status and Household Information sections on page 1 of Form 13614-C, including the following items:

- U.S. citizen
- Full-time student, disabled, or blind
- Can the taxpayer, or spouse, be claimed as a dependent?
- Has the taxpayer, or spouse, or dependent(s) been a victim of tax-related identity theft or been issued an Identity Protection PIN?
- Clarifying information requested for:
  - Married* (boxes a and b)
- Divorced* or Legally Separated* (the date fields)
- Widowed (year of spouse’s death) if applicable
- People who lived in the taxpayer’s household

On page 2 of Form 13614-C, any items marked "Unsure" or left blank in Parts III, IV, and V must be discussed with the taxpayer and correctly marked as either "Yes" or "No". Preparer notes for oral statements may also be included on the form. Review all the information provided to ensure consistency. For example, if the taxpayer states that he had three jobs, there should be three Form W-2s included with the taxpayer’s documents.

In our example, Form 13614-C, Page 2 has several unanswered questions.

Review this page carefully. It is easy to overlook an unanswered line or a blank field.

The quality reviewer must carefully review page 2 of Form 13614-C to ensure that:

- "Unsure" responses are clarified and/or updated to “Yes” or “No”.
- Unanswered questions are discussed with the taxpayer and answered.
Form 13614-C, the Source Documents, and the Tax Return Comparison

Once the Form 13614-C is complete, compare it to the tax return. Every "Yes" entry on Form 13614-C must have a corresponding entry on the tax return, or there should be a preparer comment to explain why it is not included on the return.

Review all entries on Form 1040, and/or the attached forms, schedules, and worksheets included in the Quality Review Print Set, using the source documents and Form 13614-C. If the taxpayer provided oral information during the interview, the preparer may have included that information in the "additional comments" section of Form 13614-C. Oral information must be included on Form 13614-C if it is relevant to the preparation of the return.

Compare the Form 13614-C and the source documents to the information shown on the tax return by using the Client Sheet included with the Quality Review Print Set or Form 1040.

Confirm that:

- Names are spelled correctly (the name matches the name on the Social Security Card or ITIN letter),
- Address is entered correctly (including apartment number, if appropriate),
- Taxpayer(s) and dependent birth dates are entered correctly,
- Social Security Numbers (SSN) or Individual Taxpayer Identification Numbers (ITIN) and Employer Identification Number (EIN) are entered correctly (no numbers are transposed),
- Filing status and dependency determinations are correct, and
- The taxpayer’s bank routing and account numbers for direct deposit/debit are entered correctly. .
You can use Form 1040 and/or the Client Sheet to confirm that the information shown on the tax return is accurate.

In our example, there is an error on the tax return. The apartment number entered on Form 13614-C (MS54) is not entered in the software. This must be corrected prior to the return being e-filed or provided to the taxpayer to mail.

Next, look at the filing status shown on the tax return. Ensure the information provided on Form 13614-C supports the filing status used on the tax return.
Then compare the dependents listed on the tax return to the individuals who lived with the taxpayer or whom the taxpayer supported as shown in Part II of Form 13614-C. The tax return must list all individuals entered in this section who qualify as dependents as shown on Form 13614-C. Most qualified dependents will be addressed in this manner. However, unusual circumstances require additional research. See Publication 4012, VITA/TCE Volunteer Resource Guide, for more information.

You can use Form 1040 and/or

![Table](table.png)

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![Table](table.png)

the Client Sheet to check the accuracy of the dependents listed. If the Form 1040 is used, the reviewer must the Client Sheet to ensure that the birth dates are entered correctly.

![Table](table.png)

The quality reviewer must carefully review the dependency determinations shown on the tax return. Is the taxpayer:

- Claiming someone who is not a dependent?
- Not claiming someone who can be claimed as a dependent?

After confirming taxpayers’ names, address, social security numbers, ITINs, filing status and qualifying dependents, you are ready to review the taxpayers’ income.
Next, look at Form 13614-C, Part III, Income.

The Client Sheet includes a listing of the forms, schedules, and worksheets used in the preparation of the tax return and a quick summary of the information reported on the tax return.

Confirm that all the Form 13614-C “Yes” responses to the income questions in Part III are reported on the tax return. Verify that the income shown on the source documents provided, including oral statements by the taxpayer, are included on the tax return.

For this example, Form 13614-C indicates that this taxpayer received wages, interest/dividends, and unemployment compensation income. However, the tax return and the Client Sheet only includes wage and unemployment income that was reported on the Form W-2 and Form 1099-G.

After reviewing the source documents, you determine that interest income is omitted from the tax return. **This needs to be corrected on the tax return.**
In addition to using the tax return summaries, there are several ways to confirm the income reported on the tax return, including Form 1040 and/or the income forms summary and/or the Forms W-2 that print with the tax return when using the Quality Review Print Set.
For wages, compare the Forms W-2 generated from the software to the paper Forms W-2 provided by the taxpayer to confirm all the entries on the paper Forms W-2 are entered into the software, including boxes 12 and 14.

This is John’s Form W-2 that is generated with the Quality Review Print Set. It includes all the entries the volunteer preparer entered in TaxSlayer for the Form W-2.

This is the paper Form W-2 that John provided as a source document.

In this example, John’s income is correctly reported on the tax return. By using the Forms W-2 included in the Quality Review Print Set the reviewer can review all the entries, including boxes 12 and 14, to ensure that the data from the paper Form W-2 is correctly entered into the software.
Now, let’s look at Jane’s W-2.

This is Jane’s W-2 that was generated from the Quality Review Print Set.

When you compare the wages shown on the two Forms W-2, you find that Jane’s wages are entered incorrectly in the software. The wages are overstated by $33 and the Federal Income Tax Withholding is understated by $9 when compared to the paper source document. This needs to be corrected.

Pay special attention to:

- Typos and transposed numbers
- EIN not entered correctly
- That entries from Form W-2, Boxes 12 and/or 14 are entered in the software
Once you confirm the wages you can move on to the other income indicated on the Form 13614-C.

In our example, John also received unemployment compensation income. A comparison of the unemployment compensation and the federal income tax withholding shown on the Form 1099-G to the amount shown on the tax return using the income summary shown below, shows that $120 in federal income tax withholding is not reported. **This needs to be corrected.**

If the taxpayer indicates that they had any other income, review the applicable documentation, and ensure the amounts reported on the tax return and/or the forms and worksheets are reported correctly. Examples of other income include pensions, annuities, social security benefits, self-employment income, rental income, or other miscellaneous income. There may not always be a document available for income sources.
Next, begin the review of adjustments to gross income and the use of either the standard deduction or itemized deductions by reviewing Part IV of Form 13614-C.

A review of the Form 1040 shows an adjustment to income for student loan interest. However, the Form 13614-C does not show this as a possible expense. It helps the quality reviewer when the preparer corrects errors on the Form 13614-C.

The taxpayer provided the Form 1098-E with $600 in student loan interest even though they did not disclose the interest on the Form 13614-C. The preparer must correct this item on the Form 13614-C because the taxpayer provided the Form 1098-E.
Use the Student Loan Interest Deduction Worksheet to determine if the correct amount is included on the tax return.

<table>
<thead>
<tr>
<th>JOHN &amp; JANE TAXPAYER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Worksheet 4-1. Student Loan Interest Deduction Worksheet</strong></td>
</tr>
<tr>
<td><strong>Keep for Your Records</strong></td>
</tr>
<tr>
<td><strong>Use this worksheet instead of the worksheet in the Form 1040 instructions if you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from sources within Puerto Rico. Before using this worksheet, you must complete Form 1040, lines 7 through 32, plus any amount to be entered on the dotted line next to line 36.</strong></td>
</tr>
</tbody>
</table>

1. Enter the total interest you paid in 2017 on qualified student loans. Don't enter more than $2,500. 1. 600
2. Enter the amount from Form 1040, line 22. 2. 4,873.2

Based on the interview and the corresponding preparer notes, the preparer correctly used the standard deduction instead of itemized deductions on the return.

If the taxpayer uses itemized deductions, look at the documentation provided for the amounts claimed. Schedule A includes the following items:

- Medical & Dental Expenses
- Taxes You Paid
- Interest You Paid
- Gifts to Charity (Contributions)
- Other Miscellaneous Deductions

If the taxpayer is claiming itemized deductions, the reviewer must review the Schedule A items listed above and compare them to the taxpayer’s source documents.

Next, look at the refundable and non-refundable credits indicated by the answers the taxpayer provided in Part IV.
Form 13614-C, Part IV, Question 5, shows the taxpayers had dependent care expenses. They provided the statement shown below, showing that they paid $12,000 in childcare expenses.

Yourtown Child Care Center
404 W Peachtree Street
Atlanta, GA 30308
55-112233X

John & Jane Taxpayer

Thank you for choosing Yourtown Child Care Center as your child daycare provider. During the year, you paid $12,000 in child care expenses.

  Ima    $6,000
  Judy   $6,000

We enjoy having Ima and Judy in our center.

Next, confirm that the Child and Dependent Care Credit is calculated correctly using Form 2441.

The allowable credit from Form 2441 is shown on Schedule 3 and page 2 of the Form 1040.
Confirm that the Child Tax Credit is calculated correctly using the schedules and worksheets provided in the Quality Review Print Set.

The taxpayers are also eligible for the Additional Child Tax Credit because their Child Tax Credit is limited to their tax liability.
The taxpayers are also eligible for the Earned Income Credit. Review the Schedule EIC and the worksheets to ensure the credit is calculated correctly.
If the taxpayer is entitled to other refundable or non-refundable credits, you must review the credit computations to ensure that the credits are allowable, and the amounts reported on the tax return are correct. Examples of other credits include the American Opportunity Credit, Lifetime Learning Credit, Recovery Rebate Credit and Retirement Savings Contribution Credit.
Continue through the Form 13614-C and the tax return. If the taxpayer indicated that any of the items listed in Part V, Life Events, are applicable to their tax return, you must review the necessary documentation and ensure the amounts reported on the tax return and/or the forms and worksheets are calculated correctly.

If the individuals shown on the tax return purchased health insurance through the Marketplace, review the Form(s) 1095-A, Health Insurance Marketplace Statement, and the entries in the software to determine if the Premium Tax Credit or the excess Advanced Premium Tax Credit are calculated accurately.

Next, determine if the federal income tax withholding, estimated tax payments, and all other payments are correct.
Concluding the Quality Review

Throughout the quality review process, ask questions about the information that does or does not appear on the tax return. For example:

- Is the correct and the most advantageous filing status used?
- Are the dependency determinations correct?
- Did the taxpayer have any other income, expense, or federal income tax withholding that is omitted from the intake sheet or tax documents?
- Is the taxpayer eligible for any credits such as the Earned Income Credit (EIC), Child Tax Credit (CTC), Additional Child Tax Credit (ACTC), education credits, Recovery Rebate Credit, or the Retirement Savings Contribution Credit?

Once the quality review is complete, all errors must be corrected. The corrected return must be reviewed by the quality reviewer to ensure that all errors are addressed. In addition, the quality reviewer should conduct a comparison to the prior year’s tax return, if available, to ensure that nothing is overlooked or omitted.

Finally, the quality reviewer must ask if the taxpayer(s) has any questions prior to printing the return and before the taxpayer(s) signs the return. The quality reviewer must inform the taxpayer that they are responsible for the accuracy of the information shown on their tax return. If the quality reviewer does not do this, another volunteer at the site must do so before the taxpayer(s) leaves the site with the completed tax return.

If any errors are identified or if the Form 13614-C is incomplete it should be discussed with the preparer and thoroughly explained. This can be a learning opportunity for the preparer, not a “Gotcha” moment.