

ATS Test Scenario 7
Taxpayer: Edward White
SSN: 400-00-1047

Test Scenario 7 includes the following forms:

- **Form 1040**
- **Form W-2**
- **Form 8854**

Additional information:

Taxpayer's Date of Birth is August 17, 1980
Taxpayer became a citizen by birth
No previous Form 8854 filed

Filing Status [X] Single [] Married filing jointly [] Married filing separately (MFS) [] Head of household (HOH) [] Qualifying widow(er) (QW)
Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent

Your first name and middle initial: Edward
Last name: White
Your social security number: 400001047
If joint return, spouse's first name and middle initial:
Last name:
Spouse's social security number:

Home address (number and street). If you have a P.O. box, see instructions. 28 Greek Street
Apt. no.:
City, town, or post office. If you have a foreign address, also complete spaces below. London
State:
ZIP code:
Foreign country name: UK
Foreign province/state/county: W1D5DQ
Foreign postal code:
Presidential Election Campaign: [] You [] Spouse

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? [] Yes [X] No

Standard Deduction Someone can claim: [] You as a dependent [] Your spouse as a dependent
[] Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: [] Were born before January 2, 1956 [] Are blind Spouse: [] Was born before January 2, 1956 [] Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Child tax credit, Credit for other dependents. Includes instructions for dependents.

Main income table with columns for various income types (1-15) and taxable amounts. Line 1: 112,000; Line 12: 12,400; Line 15: Taxable income.

16	Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/> _____	16	18,133
17	Amount from Schedule 2, line 3	17	
18	Add lines 16 and 17	18	
19	Child tax credit or credit for other dependents	19	
20	Amount from Schedule 3, line 7	20	
21	Add lines 19 and 20	21	
22	Subtract line 21 from line 18. If zero or less, enter -0-	22	
23	Other taxes, including self-employment tax, from Schedule 2, line 10	23	
24	Add lines 22 and 23. This is your total tax	24	
25	Federal income tax withheld from:		
a	Form(s) W-2	25a	26,200
b	Form(s) 1099	25b	
c	Other forms (see instructions)	25c	
d	Add lines 25a through 25c	25d	
26	2020 estimated tax payments and amount applied from 2019 return	26	
27	Earned income credit (EIC)	27	
28	Additional child tax credit. Attach Schedule 8812	28	
29	American opportunity credit from Form 8863, line 8	29	
30	Recovery rebate credit. See instructions	30	
31	Amount from Schedule 3, line 13	31	
32	Add lines 27 through 31. These are your total other payments and refundable credits	32	
33	Add lines 25d, 26, and 32. These are your total payments	33	

• If you have a qualifying child, attach Sch. EIC.
 • If you have nontaxable combat pay, see instructions.

Refund

34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
35a	Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a	
b	Routing number	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number		
36	Amount of line 34 you want applied to your 2021 estimated tax	36	

Amount You Owe

For details on how to pay, see instructions.

37	Subtract line 33 from line 24. This is the amount you owe now	37	
38	Estimated tax penalty (see instructions)	38	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions **Yes**. Complete below. **No**

Designee's name Phone no. Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
Firm's name	Firm's address			Phone no.
Firm's address				Firm's EIN

a Employee's social security number 400-00-1047		Safe, accurate, FAST! Use		 Visit the IRS website at www.irs.gov/efile	
b Employer identification number (EIN) 00-0000057		1 Wages, tips, other compensation 112,000		2 Federal income tax withheld 26,200	
c Employer's name, address, and ZIP code T Rowe Price 223 E Concord Street Orlando, FL 32801		3 Social security wages 112,000		4 Social security tax withheld 6,944	
		5 Medicare wages and tips 112,000		6 Medicare tax withheld 1,624	
		7 Social security tips		8 Allocated tips	
d Control number		9		10 Dependent care benefits	
e Employee's first name and initial Edward White		Last name 28 Greek Street		Suff. London, UK W1D5DQ	
f Employee's address and ZIP code		11 Nonqualified plans		12a See instructions for box 12	
		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	
		14 Other		12c	
				12d	
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
				20 Locality name	

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

2020

Department of the Treasury—Internal Revenue Service

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

Initial and Annual Expatriation Statement

Department of the Treasury
Internal Revenue Service

For calendar year 2020 or other tax year beginning _____, 2020, and ending _____, 20

▶ Go to www.irs.gov/Form8854 for instructions and the latest information.
▶ Please print or type.

2020
Attachment
Sequence No. **112**

Name **Edward White** Identifying number (see instructions) **400-00-1047**

Part I General Information. For all filers.

- 1 Mailing address and telephone number where you can be reached after expatriation
28 Greek Street London, UK W1D5DQ 12 345 222 0000
- 2 Address of principal foreign residence (if different from line 1) _____
- 3 Country of tax residence (if different from line 2) _____
- 4 Check the box that applies. See instructions.
 - Initial expatriation statement for persons who expatriated in 2020. Complete Part II.
 - Annual expatriation statement for persons who expatriated before 2020. Complete Part III.
- 5 Date of expatriation under section 877A(g)(3) for expatriating citizens and long-term residents. See instructions.
 - Citizen **December 7, 2020**
 - Long-term resident
 - Long-term resident with dual residency in a treaty country. Date commencing to be treated, for tax purposes, as a resident of the treaty country _____
- 6 List all countries (other than the United States) of which you are a citizen.
 - a Name of country **UK**
 - b Date you became a citizen of each country listed in line 6a **December 8, 2009**
- 7 How you became a U.S. citizen By birth By naturalization
- 8 Date you became a U.S. lawful permanent resident _____

Part II Initial Expatriation Statement for Persons Who Expatriated in 2020

Section A Expatriation Information

- 1 Enter your U.S. income tax liability (after foreign tax credits) for the 5 tax years ending before the date of expatriation.

1st Year Before Expatriation	2nd Year Before Expatriation	3rd Year Before Expatriation	4th Year Before Expatriation	5th Year Before Expatriation
\$ 27,000	\$ 26,000	\$ 25,000	\$ 24,000	\$ 23,000
- 2 Enter your net worth on the date of your expatriation for tax purposes \$ **40,000**
- 3 Did you become at birth a U.S. citizen and a citizen of another country, and do you continue to be a citizen of, and taxed as a resident of, that other country? Yes No
- 4 If you answered "Yes" to question 3, have you been a resident of the United States for not more than 10 of the last 15 tax years? Yes No
- 5 Were you under age 18½ on the date you expatriated and have you been a U.S. resident for not more than 10 years? Yes No
- 6 Do you certify under penalties of perjury that you have complied with all of your tax obligations for the 5 preceding tax years? See instructions Yes No

Section B **Balance Sheet**

List in U.S. dollars the fair market value and the U.S. adjusted basis of your assets and liabilities as of your expatriation date. For more details, see the separate instructions.

Assets		(a) Fair market value (FMV)	(b) U.S. adjusted basis
1	Cash, including bank deposits	9,000	0
2	Marketable stock and securities issued by U.S. companies		
3	Marketable stock and securities issued by foreign companies		
4	Nonmarketable stock and securities issued by U.S. companies		
5	Nonmarketable stock and securities issued by foreign companies		
a	Separately state stock issued by foreign companies that would be controlled foreign corporations if you were still a U.S. citizen or permanent resident. See instructions		
b	Provide the name, address, and EIN, if any, of any such company		
6	Pensions from services performed in the United States		
7	Pensions from services performed outside the United States		
8	Partnership interests. See instructions		
9	Assets held in trust. See instructions		
10	Beneficial interests in trusts not included in line 9. See instructions		
11	Intangibles used in the United States		
12	Intangibles used outside the United States		
13	Loans to U.S. persons		
14	Loans to foreign persons		
15	Real property located in the United States	35,000	0
16	Real property located outside the United States		
17	Business property located in the United States.		
18	Business property located outside the United States.		
19	Other assets. See instructions		
20	Total assets. Add lines 1 through 5 and lines 6 through 19. Don't include amounts on line 5a in this total		
Liabilities		Amount	
21	Installment obligations.		
22	Mortgages, etc.		
23	Other liabilities. See instructions		
24	Total liabilities. Add lines 21 through 23		
25	Net worth. Subtract line 24 from line 20, column (a)		

Section C | **Property Owned on Date of Expatriation**

Don't complete Section C if:

- Your average net income tax liability for the 5 tax years immediately before expatriation (see line 1 in Section A) wasn't more than \$171,000, your net worth (see line 2 in Section A) was under \$2 million, and you checked "**Yes**" on line 6 in Section A;
- In Section A, you checked "**Yes**" on lines 3, 4, and 6; or
- In Section A, you checked "**Yes**" on lines 5 and 6.

- 1a** Do you have any **eligible deferred compensation items**? Checking the "Yes" box is an irrevocable waiver of any right to claim any reduction in withholding for such eligible deferred compensation item under any treaty with the United States **Yes** **No**
- b** Do you have any **ineligible deferred compensation items**? If "Yes," you must include in income the present value of your account on the day before your expatriation date **Yes** **No**
- c** Do you have any **specified tax deferred accounts**? If "Yes," you must include in income the entire account balance on the day before your expatriation date **Yes** **No**
- d** Do you have an interest in a **nongrantor trust**? Checking the "Yes" box is a waiver of any right to claim any reduction in withholding on any distribution from such trust under any treaty with the United States unless you make the election below **Yes** **No**
- Check this box to elect under section 877A(f)(4)(B) to be treated as having received the value of your entire interest in the trust (as determined for purposes of section 877A) as of the day before your expatriation date. Attach a copy of your valuation letter ruling issued by the IRS. See instructions.

2 Recognition of gain or loss on the deemed sale of mark-to-market property. **Caution: Don't include in column (a) any property described on line 1a, 1b, 1c, or 1d.**

Complete column (g) only if you are deferring tax on gain from any property listed in column (a).

(a) Description of property	(b) Fair market value on day before date of expatriation	(c) Cost or other basis*	(d) Gain or (loss). Subtract (c) from (b)	(e) Gain after allocation of the exclusion amount (see instructions)	(f) Form or Schedule on which gain or loss is reported	(g) Amount of tax deferred (attach computations)
3 Total. Add the amounts in column (d) and column (e)						
4 Total tax deferred. Add the amounts in column (g). Enter here and on Part II, Section D, line 5						

* You must identify as "(h)(2)" any property for which you are making the special basis election under section 877A(h)(2). This election is irrevocable. See the instructions for Part II, Section C, line 2, column (c).

Section D | **Deferral of Tax**

Election to defer tax. You can defer tax only if you have provided adequate security. Adequate security is described in the instructions.

- 1** Are you electing to defer tax under section 877A(b)?
 Checking the "Yes" box is an irrevocable waiver of any right under any treaty of the United States that would prevent assessment or collection of any tax imposed because of section 877A **Yes** **No**

If you checked the "Yes" box, continue to line 2. Otherwise, don't complete lines 2 through 5.

2 Enter the total tax you would have reported, absent the deferral election, on Form 1040 or 1040-SR, line 24, for the part of the year including the day before the expatriation date absent the deferral election	2	
3 Enter the total tax for the same part of the tax year determined without regard to the amounts attributable to section 877A(a). Attach computation	3	
4 Subtract line 3 from line 2. This is the amount of tax eligible for deferral	4	
5 Enter the total tax deferred from Part II, Section C, line 4, column (g)	5	
<ul style="list-style-type: none"> • If you are filing Form 1040 or 1040-SR, enter this amount in brackets to the left of the entry space for line 24. Identify as "EXP." • If you are filing Form 1040-NR, enter this amount in brackets to the left of the entry space for line 24. Identify as "EXP." 		

Part III | **Annual Expatriation Statement for Persons Who Expatriated Before 2020**

- If you made an election to defer the payment of tax, complete line 1.
 - If you have an item of eligible deferred compensation, complete line 2.
 - If you have an interest in a nongrantor trust, complete line 3.
- 1** Complete columns (a), (b), and (c) for all property on which you deferred tax on a prior year Form 8854. Complete column (d) for any property you disposed of in 2020 and see the instructions for Part III.

(a) Description of property	(b) Amount of mark-to-market gain or (loss) reported on prior year Form 8854	(c) Amount of tax deferred on prior year Form 8854	(d) Date of disposition (if any)

Part III Annual Expatriation Statement for Persons Who Expatriated Before 2020 *(continued)*

2 Did you receive any distributions of eligible deferred compensation items for 2020? **Yes** **No**
 If "Yes," enter the amount of distribution(s) and amount withheld at source, if any, below.

	Amount of distribution	Amount withheld at source, if any
1		
2		
3		

3 Did you receive any distributions from a nongrantor trust for 2020? **Yes** **No**
 If "Yes," enter the amount of distribution(s) and amount withheld at source, if any, below.

	Amount of distribution	Amount withheld at source, if any
1		
2		
3		

Sign Here Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than filer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.