



# 6744

## VITA/TCE Volunteer Assistor's Test/Retest **2021 RETURNS**

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



Take your VITA/TCE training online at <https://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 4491-X, 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.

Annually, all VITA/TCE volunteers (whether paid or unpaid) must pass the Volunteer Standards of Conduct (VSC) certification test and agree that they will adhere to the VSC by signing and dating Form 13615, Volunteer Standards of Conduct Agreement, prior to volunteering at a VITA/TCE site. In addition, return preparers, quality reviewers, coordinators, and tax law instructors must certify in Intake/Interview and Quality Review. Volunteers who answer tax law questions, instruct tax law classes, prepare or correct tax returns, or conduct quality reviews of completed returns must also certify in tax law prior to signing the form. Form 13615 is not valid until the sponsoring partner's approving official (coordinator, instructor, administrator, etc.) or IRS contact confirms the volunteer's identity with a government-issued photo identification (ID) and signs and dates the form.

As a volunteer in the VITA/TCE Programs, you must adhere to the following Volunteer Standards of Conduct:

- VSC #1 - Follow the Quality Site Requirements (QSR)
- VSC #2 - Not accept payment, solicit donations, or accept refund payments for federal or state tax return preparation from customer
- VSC #3 - Not solicit business from taxpayers you assist or use the information you gained about them for any direct or indirect personal benefit for you or any other specific individual.
- VSC #4 - Not knowingly prepare false returns.
- VSC #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.
- VSC #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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### Preface

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#### Quality Return Process

An accurate return is the most important aspect of providing quality service to the taxpayer. It establishes credibility and integrity in the program. Throughout the training material you were introduced to the major components of the VITA/TCE return preparation process, including:

- Understanding and applying tax law
- Screening and interviewing taxpayers
- Using references, resources, and tools
- Conducting quality reviews

During training, you were given an opportunity to apply the tax law knowledge you gained. You learned how to verify and use the information provided by the taxpayer on the intake and interview sheet in order to prepare a complete and correct tax return.

You also learned how to use your reference materials and conduct a quality review.

Now it is time to test the knowledge and skills you have acquired and apply them to specific scenarios. This is the final step to help you prepare accurate tax returns within your scope of training.

We welcome your comments for improving these materials and the VITA/TCE programs. You may follow the evaluation procedures located on Link & Learn Taxes at <https://www.irs.gov/> or e-mail your comments to [partner@irs.gov](mailto:partner@irs.gov).

Thank you for being a part of this valuable public service for your neighbors and community.

## Test Instructions

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### Special Accommodations

If you require special accommodations to complete the test, please advise your instructor, Site Coordinator, or other VITA/TCE volunteer contact immediately.

### Reference Materials

This test is based on the tax law that was in effect when the publication was printed. Use tax year **2021** values for deductions, exemptions, tax, or credits for all answers on the test. Remember to round to the nearest dollar. Test answers have been rounded up or down as directed in the specific instructions on the form.

- This is an open book test. You may use your course book and any other reference material you will use as a volunteer. A draft Form 13614-C, Intake/Interview & Quality Review Sheet, is included in the return preparation scenarios. Use this form when completing the tax returns and answering the test questions.

Please complete this test on your own. Taking the test in groups or with outside assistance is a disservice to the customers you volunteered to help.

### Using Tax Preparation Software

The Practice Lab is a tax year 2021 tax preparation tool developed to help in the certification process for VITA/TCE volunteers. Go to <https://www.irs.gov/> and type “Link & Learn Taxes” in the keyword search field. Click on the link to open the website. The link to the Practice Lab is listed under “Additional Resources.” A universal password will be needed to access the Practice Lab. Your instructor, Site Coordinator, or other VITA/TCE volunteer contact will be able to provide you with the universal password. Once you access the Practice Lab, you will need to create an account if you do not already have one.

Using prior year software will not generate the correct answers for the 2021 test.

When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice. Use your city, state, and ZIP code when completing any of the forms, unless otherwise indicated. Any question posed by the software not addressed in the interview notes can be answered as you choose.

All taxpayer names, SSNs, EINs, and account numbers provided in the scenarios are fictitious.

### Taking the Test

When taking the tests, you may encounter both mini-scenarios and tax preparation scenarios. The mini-scenarios do not require you to prepare a tax return. For each of these, **read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.** This test is based on the tax law that was in effect when the publication was finalized. The answers for the test and retest are based on 2021 values for deductions, exemptions, tax, and credits. The most current draft copies of forms were used at the time this document was published. The tax preparation scenarios require you to complete a sample tax return. You can use the Practice Lab to prepare the sample returns. Answer the questions following the scenario.



You can complete the certification tests online using the Link & Learn Taxes website for immediate scoring. Go to the Link & Learn Taxes e-learning application at <https://www.linklearncertification.com> or at <https://www.irs.gov>, using keyword search: Link & Learn. If your instructor prefers, you can complete the test answer sheet to be graded by hand.

## Test Answer Sheet

**The test scenarios on Link & Learn Taxes are the same as in this booklet. Read each question carefully before entering your answers online.**

Mark your answers in the test booklet. Use the answer sheet if you are submitting the paper test to your instructor for grading. In that case, make sure your name is at the top of the page and give your Test Answer Sheet and the completed Form 13615, Volunteer Standards of Conduct Agreement to your instructor, Site Coordinator, or other VITA/TCE volunteer contact as directed. Do not submit your entire test booklet unless otherwise directed.

The retest questions are all based on the test scenarios. There are mini-scenarios and questions in Basic, Advanced, Military, and International. The Interview Notes for the mini-scenarios are included on the retest pages.

To answer the retest questions for return preparation scenarios, refer to the Interview Notes, Intake/Interview & Quality Review Sheet, and the tax return you prepared for the scenario.

## Test Score

Once you submit your responses, Link & Learn Taxes will grade your test, provide you with an immediate score, and allow you to print or save your Form 13615, Volunteer Standards of Conduct Agreement. The system will also provide feedback for any missed questions.

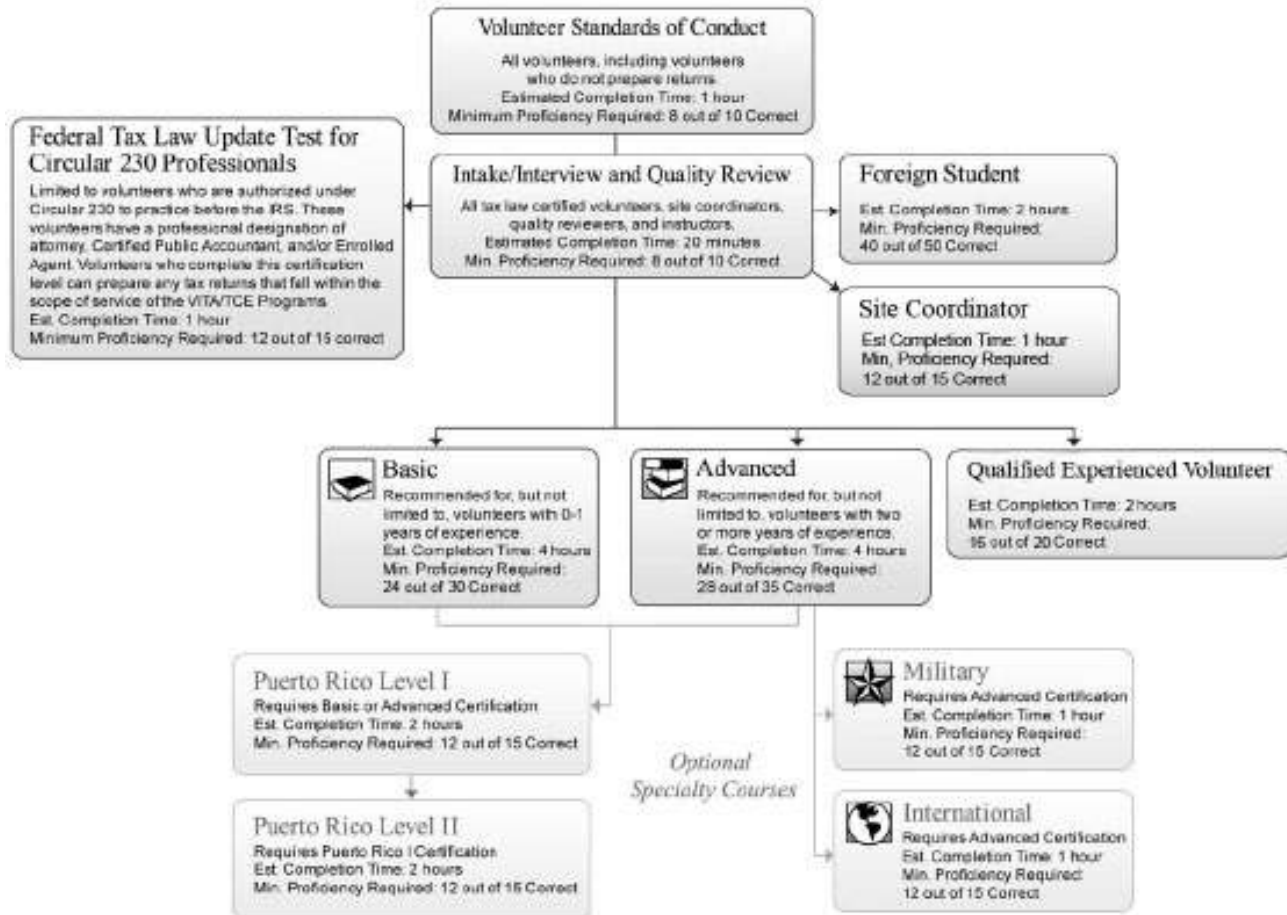
If you submit your paper test answer sheet to your instructor, he or she will advise you of your test results. Your signed Volunteer Standards of Conduct Agreement will be maintained by your Site Coordinator or other VITA/TCE volunteer contact.

## Certification

A score of **80%** or higher is required for certification. If you do not achieve a score of at least **80%**, you should review the subjects you missed or discuss it with your instructor, Site Coordinator, or other VITA/TCE volunteer contact. For most tests, a retest is available. Retest questions are included in this test booklet.



## Certification Tests



**Step 1: Volunteer Standards of Conduct.** This test is for all volunteers, including volunteers who do not prepare returns. Estimated completion time: 1 hour. Minimum proficiency required: 8 out of 10 correct.

**Step 2: Intake/Interview and Quality Review.** This test is for all tax law certified volunteers, site coordinators, quality reviewers, and instructors. Estimated completion time: 20 minutes. Minimum proficiency required: 8 out of 10 correct.

**Step 3: Tax Law and Coordinator Certifications.** Volunteers may take one or more of the following certifications:

- **Federal Tax Law Update Test for Circular 230 Professionals.** Limited to volunteers who are authorized under Circular 230 to practice before the IRS. These volunteers have a professional designation of attorney, Certified Public Accountant, and/or Enrolled Agent. Volunteers who complete this certification level can prepare any tax returns that fall within the scope of service of the VITA/TCE programs. Estimated completion time: 1 hour. Minimum proficiency required: 12 out of 15 correct.
- **Foreign Student.** Estimated completion time: 2 hours. Minimum proficiency required: 40 out of 50 correct.
- **Site Coordinator.** Estimated completion time: 1 hour. Minimum proficiency required: 12 out of 15 correct.
- **Basic.** Recommended for, but not limited to, volunteers with 0-1 years of experience. Estimated completion time: 4 hours. Minimum proficiency required: 24 out of 30 correct.
- **Advanced.** Recommended for, but not limited to, volunteers with two or more years of experience. Estimated completion time: 4 hours. Minimum proficiency required: 28 out of 35 correct.
- **Qualified Experienced Volunteer.** Estimated completion time: 2 hours. Minimum proficiency required: 16 out of 20 correct.

**Step 4: Optional Specialty Courses.** Volunteers may take one or more of the following certifications:

- **Puerto Rico Level I.** Requires Basic or Advanced certification. Estimated completion time: 2 hours. Minimum proficiency required: 12 out of 15 correct.
- **Puerto Rico Level II.** Requires Puerto Rico Level I certification. Estimated completion time: 2 hours. Minimum proficiency required: 12 out of 15 correct.
- **Military.** Requires Advanced certification. Estimated completion time: 1 hour. Minimum proficiency required: 12 out of 15 correct.
- **International.** Requires Advanced certification. Estimated completion time: 1 hour. Minimum proficiency required: 12 out of 15 correct.





# Test Answer Sheet

Name \_\_\_\_\_

If you are entering your test answers in Link & Learn Taxes, **do not use** this answer sheet.

Find the section heading that matches the test you are taking. Record your answers in the spaces, next to the question number in the left-hand column. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Test Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

| Standards of Conduct         |                |
|------------------------------|----------------|
| 1.                           |                |
| 2.                           |                |
| 3.                           |                |
| 4.                           |                |
| 5.                           |                |
| 6.                           |                |
| 7.                           |                |
| 8.                           |                |
| 9.                           |                |
| 10.                          |                |
| Total Answers Correct: _____ |                |
| Total Questions:             | 10             |
| <b>Passing Score:</b>        | <b>8 of 10</b> |

| Intake/ Interview & Quality Review Test |                |
|---|----------------|
| 1.                                      |                |
| 2.                                      |                |
| 3.                                      |                |
| 4.                                      |                |
| 5.                                      |                |
| 6.                                      |                |
| 7.                                      |                |
| 8.                                      |                |
| 9.                                      |                |
| 10.                                     |                |
| Total Answers Correct: _____            |                |
| Total Questions:                        | 10             |
| <b>Passing Score:</b>                   | <b>8 of 10</b> |

| Site Coordinator Test        |                 |
|------------------------------|-----------------|
| 1.                           |                 |
| 2.                           |                 |
| 3.                           |                 |
| 4.                           |                 |
| 5.                           |                 |
| 6.                           |                 |
| 7.                           |                 |
| 8.                           |                 |
| 9.                           |                 |
| 10.                          |                 |
| 11.                          |                 |
| 12.                          |                 |
| 13.                          |                 |
| 14.                          |                 |
| 15.                          |                 |
| Total Answers Correct: _____ |                 |
| Total Questions:             | 15              |
| <b>Passing Score:</b>        | <b>12 of 15</b> |

| Basic Course Test       |  |
|-------------------------|--|
| <b>Basic Scenario 1</b> |  |
| 1.                      |  |
| 2.                      |  |
| <b>Basic Scenario 2</b> |  |
| 3.                      |  |
| 4.                      |  |
| <b>Basic Scenario 3</b> |  |
| 5.                      |  |
| 6.                      |  |
| <b>Basic Scenario 4</b> |  |
| 7.                      |  |
| 8.                      |  |
| <b>Basic Scenario 5</b> |  |
| 9.                      |  |
| 10.                     |  |
| <b>Basic Scenario 6</b> |  |
| 11.                     |  |
| 12.                     |  |
| 13.                     |  |
| <b>Basic Scenario 7</b> |  |
| 14.                     |  |
| 15.                     |  |
| 16.                     |  |
| 17.                     |  |
| 18.                     |  |
| 19.                     |  |

| Basic Course Test            |                 |
|------------------------------|-----------------|
| <b>Basic Scenario 8</b>      |                 |
| 20.                          |                 |
| 21.                          |                 |
| 22.                          |                 |
| 23.                          |                 |
| 24.                          |                 |
| <b>Basic Scenario 9</b>      |                 |
| 25.                          |                 |
| 26.                          |                 |
| 27.                          |                 |
| 28.                          |                 |
| 29.                          |                 |
| 30.                          |                 |
| Total Answers Correct: _____ |                 |
| Total Questions:             | 30              |
| <b>Passing Score:</b>        | <b>24 of 30</b> |

| Advanced Course Test       |  |
|----------------------------|--|
| <b>Advanced Scenario 1</b> |  |
| 1.                         |  |
| 2.                         |  |
| 3.                         |  |
| <b>Advanced Scenario 2</b> |  |
| 4.                         |  |
| 5.                         |  |
| <b>Advanced Scenario 3</b> |  |
| 6.                         |  |
| 7.                         |  |
| 8.                         |  |
| <b>Advanced Scenario 4</b> |  |
| 9.                         |  |
| 10.                        |  |
| <b>Advanced Scenario 5</b> |  |
| 11.                        |  |
| 12.                        |  |
| <b>Advanced Scenario 6</b> |  |
| 13.                        |  |
| 14.                        |  |

| Advanced Course Test         |                 |
|------------------------------|-----------------|
| <b>Advanced Scenario 7</b>   |                 |
| 15.                          |                 |
| 16.                          |                 |
| 17.                          |                 |
| 18.                          |                 |
| 19.                          |                 |
| 20.                          |                 |
| 21.                          |                 |
| 22.                          |                 |
| <b>Advanced Scenario 8</b>   |                 |
| 23.                          |                 |
| 24.                          |                 |
| 25.                          |                 |
| 26.                          |                 |
| 27.                          |                 |
| 28.                          |                 |
| 29.                          |                 |
| <b>Advanced Scenario 9</b>   |                 |
| 30.                          |                 |
| 31.                          |                 |
| 32.                          |                 |
| 33.                          |                 |
| 34.                          |                 |
| 35.                          |                 |
| Total Answers Correct: _____ |                 |
| Total Questions:             | 35              |
| <b>Passing Score:</b>        | <b>28 of 35</b> |

## Privacy Act Notice

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301.

We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers.

Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs.

# Test Answer Sheet

Name \_\_\_\_\_

If you are entering your test answers in Link & Learn Taxes, **do not use** this answer sheet.

Find the section heading that matches the test you are taking. Record your answers in the spaces, next to the question number in the left-hand column. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Test Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

| <b>Qualified Experienced Volunteer Test</b> |  |
|---|--|
| <b>QEV Scenario 1</b>                       |  |
| 1.  |  |
| 2.  |  |
| 3.  |  |
| 4.  |  |
| <b>QEV Scenario 2</b>                       |  |
| 5.  |  |
| 6.  |  |
| <b>QEV Scenario 3</b>                       |  |
| 7.  |  |
| 8.  |  |
| 9.  |  |
| 10.   |  |
| <b>QEV Scenario 4</b>                       |  |
| 11.   |  |
| 12.   |  |
| 13.   |  |
| 14.   |  |
| <b>QEV Scenario 5</b>                       |  |
| 15.   |  |
| 16.   |  |
| 17.   |  |
| 18.   |  |
| 19.   |  |
| 20.   |  |
| Total Answers Correct: _____                |  |
| Total Questions: 20                         |  |
| <b>Passing Score: 16 of 20</b>              |  |

| <b>Military Course Test</b>    |  |
|--------------------------------|--|
| <b>Military Scenario 1</b>     |  |
| 1.                             |  |
| 2.                             |  |
| <b>Military Scenario 2</b>     |  |
| 3.                             |  |
| 4.                             |  |
| 5.                             |  |
| 6.                             |  |
| <b>Military Scenario 3</b>     |  |
| 7.                             |  |
| 8.                             |  |
| <b>Military Scenario 4</b>     |  |
| 9.                             |  |
| 10.                            |  |
| <b>Military Scenario 5</b>     |  |
| 11.                            |  |
| 12.                            |  |
| 13.                            |  |
| 14.                            |  |
| 15.                            |  |
| Total Answers Correct: _____   |  |
| Total Questions: 15            |  |
| <b>Passing Score: 12 of 15</b> |  |

| <b>International Course Test</b> |  |
|----------------------------------|--|
| <b>International Scenario 1</b>  |  |
| 1.                               |  |
| 2.                               |  |
| <b>International Scenario 2</b>  |  |
| 3.                               |  |
| 4.                               |  |
| 5.                               |  |
| 6.                               |  |
| <b>International Scenario 3</b>  |  |
| 7.                               |  |
| 8.                               |  |
| 9.                               |  |
| 10.                              |  |
| 11.                              |  |
| 12.                              |  |
| 13.                              |  |
| 14.                              |  |
| 15.                              |  |
| Total Answers Correct: _____     |  |
| Total Questions: 15              |  |
| <b>Passing Score: 12 of 15</b>   |  |

## Privacy Act Notice

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301.

We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers.

Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs.

# Circular 230/Foreign Student Test Answer Sheet

Name \_\_\_\_\_

If you are entering your test answers in Link & Learn Taxes, **do not use** this answer sheet.

Find the section heading that matches the test you are taking. Record your answers in the spaces, next to the question number in the left-hand column. Use this only if you are submitting the paper test to your instructor for grading. In that case, record all your answers on this tear-out page. Your instructor will tell you where to send your Test Answer Sheet for grading. Be sure to complete and sign Form 13615, Volunteer Standards of Conduct Agreement.

| <b>Circular 230 Test</b>       |  |
|--------------------------------|--|
| <b>Circular 230 Scenario 1</b> |  |
| 1.                             |  |
| 2.                             |  |
| 3.                             |  |
| <b>Circular 230 Scenario 2</b> |  |
| 4.                             |  |
| 5.                             |  |
| 6.                             |  |
| <b>Circular 230 Scenario 3</b> |  |
| 7.                             |  |
| 8.                             |  |
| 9.                             |  |
| 10.                            |  |
| <b>Circular 230 Scenario 4</b> |  |
| 11.                            |  |
| 12.                            |  |
| 13.                            |  |
| 14.                            |  |
| 15.                            |  |
| Total Answers Correct: _____   |  |
| Total Questions: 15            |  |
| <b>Passing Score: 12 of 15</b> |  |

| <b>Foreign Student Residency Status, Form 8843, and Filing Status Test</b> |  |
|--|--|
| 1.   |  |
| 2.   |  |
| 3.   |  |
| 4.   |  |
| 5.   |  |
| 6.   |  |
| 7.   |  |
| 8.   |  |
| 9.   |  |
| 10.  |  |
| 11.  |  |
| 12.  |  |
| 13.  |  |
| <b>Foreign Student Scenario 1</b>  |  |
| 14.  |  |
| 15.  |  |
| 16.  |  |
| 17.  |  |
| <b>Foreign Student Taxability of Income, ITINs, and Credits</b>            |  |
| 18.  |  |
| 19.  |  |
| 20.  |  |
| 21.  |  |
| 22.  |  |
| 23.  |  |
| 24.  |  |

| <b>Foreign Student Residency Status, Form 8843, and Filing Status Test</b> |  |
|--|--|
| <b>Foreign Student Scenario 2</b>  |  |
| 25.  |  |
| 26.  |  |
| 27.  |  |
| 28.  |  |
| 29.  |  |
| <b>Foreign Student Scenario 3</b>  |  |
| 30.  |  |
| 31.  |  |
| 32.  |  |
| 33.  |  |
| <b>Foreign Student Scenario 4</b>  |  |
| 34.  |  |
| 35.  |  |
| 36.  |  |
| 37.  |  |

| <b>Foreign Student Residency Status, Form 8843, and Filing Status Test</b> |  |
|--|--|
| <b>Foreign Student Refunds, Deductions, and the Best Form to Use</b>       |  |
| 38.  |  |
| 39.  |  |
| 40.  |  |
| 41.  |  |
| 42.  |  |
| 43.  |  |
| 44.  |  |
| 45.  |  |
| 46.  |  |
| 47.  |  |
| 48.  |  |
| 49.  |  |
| 50.  |  |
| Total Answers Correct: _____   |  |
| Total Questions: 50  |  |
| <b>Passing Score: 40 of 50</b>   |  |

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# Retest Answer Sheet

Name \_\_\_\_\_

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| Standards of Conduct                               |  | Site Coordinator Test          |  | Basic Course Test       |  | Basic Course Test   |  | Advanced Course Test  |  | Advanced Course Test       |  |
|--|--|--------------------------------|--|-------------------------|--|---|--|---|--|----------------------------|--|
| 1.   |  | 1.                             |  | <b>Basic Scenario 1</b> |  | <b>Basic Scenario 8</b>   |  | <b>Advanced Scenario 1</b>  |  | <b>Advanced Scenario 7</b> |  |
| 2.   |  | 2.                             |  | 1.                      |  | 20.   |  | 1.  |  | 15.                        |  |
| 3.   |  | 3.                             |  | 2.                      |  | 21.   |  | 2.  |  | 16.                        |  |
| 4.   |  | 4.                             |  | <b>Basic Scenario 2</b> |  | 22.   |  | 3.  |  | 17.                        |  |
| 5.   |  | 5.                             |  | 3.                      |  | 23.   |  | <b>Advanced Scenario 2</b>  |  | 18.                        |  |
| 6.   |  | 6.                             |  | 4.                      |  | 24.   |  | 4.  |  | 19.                        |  |
| 7.   |  | 7.                             |  | <b>Basic Scenario 3</b> |  | <b>Basic Scenario 9</b>   |  | 5.  |  | 20.                        |  |
| 8.   |  | 8.                             |  | 5.                      |  | 25.   |  | <b>Advanced Scenario 3</b>  |  | 21.                        |  |
| 9.   |  | 9.                             |  | 6.                      |  | 26.   |  | 6.  |  | 22.                        |  |
| 10.  |  | 10.                            |  | <b>Basic Scenario 4</b> |  | 27.   |  | 7.  |  | <b>Advanced Scenario 8</b> |  |
| Total Answers Correct: _____                       |  | 11.                            |  | 7.                      |  | 28.   |  | 8.  |  | 23.                        |  |
| Total Questions: 10                                |  | 12.                            |  | 8.                      |  | 29.   |  | <b>Advanced Scenario 4</b>  |  | 24.                        |  |
| <b>Passing Score: 8 of 10</b>                      |  | 13.                            |  | <b>Basic Scenario 5</b> |  | 30.   |  | 9.  |  | 25.                        |  |
|  |  | 14.                            |  | 9.                      |  | Total Answers Correct: _____<br>Total Questions: 30<br><b>Passing Score: 24 of 30</b> |  | 10.   |  | 26.                        |  |
|  |  | 15.                            |  | 10.                     |  |   |  | <b>Advanced Scenario 5</b>  |  | 11.                        |  |
| <b>Intake/ Interview &amp; Quality Review Test</b> |  | Total Answers Correct: _____   |  | <b>Basic Scenario 6</b> |  |   |  | <b>Advanced Scenario 6</b>  |  | <b>Advanced Scenario 9</b> |  |
| 1.   |  | Total Questions: 15            |  | 11.                     |  |   |  | 12.   |  | 28.                        |  |
| 2.   |  | <b>Passing Score: 12 of 15</b> |  | 12.                     |  |   |  | 13.   |  | 29.                        |  |
| 3.   |  |                                |  | 13.                     |  |   |  | <b>Advanced Scenario 7</b>  |  | 30.                        |  |
| 4.   |  |                                |  | <b>Basic Scenario 7</b> |  |   |  | 14.   |  | 31.                        |  |
| 5.   |  |                                |  | 14.                     |  |   |  | 15.   |  | 32.                        |  |
| 6.   |  |                                |  | 15.                     |  |   |  | 16.   |  | 33.                        |  |
| 7.   |  |                                |  | 16.                     |  |   |  | 17.   |  | 34.                        |  |
| 8.   |  |                                |  | 17.                     |  |   |  | 18.   |  | 35.                        |  |
| 9.   |  |                                |  | 18.                     |  |   |  | Total Answers Correct: _____<br>Total Questions: 35<br><b>Passing Score: 28 of 35</b> |  |                            |  |
| 10.  |  |                                |  | 19.                     |  |   |  |   |  |                            |  |
| Total Answers Correct: _____                       |  |                                |  |                         |  |   |  |   |  |                            |  |
| Total Questions: 10                                |  |                                |  |                         |  |   |  |   |  |                            |  |
| <b>Passing Score: 8 of 10</b>                      |  |                                |  |                         |  |   |  |   |  |                            |  |

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# Retest Answer Sheet

Name \_\_\_\_\_

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| <b>Qualified Experienced Volunteer Test</b> |  |
|---|--|
| <b>QEV Scenario 1</b>                       |  |
| 1.  |  |
| 2.  |  |
| 3.  |  |
| 4.  |  |
| <b>QEV Scenario 2</b>                       |  |
| 5.  |  |
| 6.  |  |
| <b>QEV Scenario 3</b>                       |  |
| 7.  |  |
| 8.  |  |
| 9.  |  |
| 10.   |  |
| <b>QEV Scenario 4</b>                       |  |
| 11.   |  |
| 12.   |  |
| 13.   |  |
| 14.   |  |
| <b>QEV Scenario 5</b>                       |  |
| 15.   |  |
| 16.   |  |
| 17.   |  |
| 18.   |  |
| 19.   |  |
| 20.   |  |
| Total Answers Correct: _____                |  |
| Total Questions: 20                         |  |
| <b>Passing Score: 16 of 20</b>              |  |

| <b>Military Course Test</b>    |  |
|--------------------------------|--|
| <b>Military Scenario 1</b>     |  |
| 1.                             |  |
| 2.                             |  |
| <b>Military Scenario 2</b>     |  |
| 3.                             |  |
| 4.                             |  |
| 5.                             |  |
| 6.                             |  |
| <b>Military Scenario 3</b>     |  |
| 7.                             |  |
| 8.                             |  |
| <b>Military Scenario 4</b>     |  |
| 9.                             |  |
| 10.                            |  |
| <b>Military Scenario 5</b>     |  |
| 11.                            |  |
| 12.                            |  |
| 13.                            |  |
| 14.                            |  |
| 15.                            |  |
| Total Answers Correct: _____   |  |
| Total Questions: 15            |  |
| <b>Passing Score: 12 of 15</b> |  |

| <b>International Course Test</b> |  |
|----------------------------------|--|
| <b>International Scenario 1</b>  |  |
| 1.                               |  |
| 2.                               |  |
| <b>International Scenario 2</b>  |  |
| 3.                               |  |
| 4.                               |  |
| 5.                               |  |
| 6.                               |  |
| <b>International Scenario 3</b>  |  |
| 7.                               |  |
| 8.                               |  |
| 9.                               |  |
| 10.                              |  |
| 11.                              |  |
| 12.                              |  |
| 13.                              |  |
| 14.                              |  |
| 15.                              |  |
| Total Answers Correct: _____     |  |
| Total Questions: 15              |  |
| <b>Passing Score: 12 of 15</b>   |  |

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# Circular 230/Foreign Student Retest Answer Sheet

Name \_\_\_\_\_

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| <b>Circular 230 Test</b>       |  |
|--------------------------------|--|
| <b>Circular 230 Scenario 1</b> |  |
| 1.                             |  |
| 2.                             |  |
| 3.                             |  |
| <b>Circular 230 Scenario 2</b> |  |
| 4.                             |  |
| 5.                             |  |
| 6.                             |  |
| <b>Circular 230 Scenario 3</b> |  |
| 7.                             |  |
| 8.                             |  |
| 9.                             |  |
| 10.                            |  |
| <b>Circular 230 Scenario 4</b> |  |
| 11.                            |  |
| 12.                            |  |
| 13.                            |  |
| 14.                            |  |
| 15.                            |  |
| Total Answers Correct: _____   |  |
| Total Questions: 15            |  |
| <b>Passing Score: 12 of 15</b> |  |

| <b>Foreign Student Residency Status, Form 8843, and Filing Status Test</b> |  |
|--|--|
| 1.   |  |
| 2.   |  |
| 3.   |  |
| 4.   |  |
| 5.   |  |
| 6.   |  |
| 7.   |  |
| 8.   |  |
| 9.   |  |
| 10.  |  |
| 11.  |  |
| 12.  |  |
| 13.  |  |
| <b>Foreign Student Scenario 1</b>  |  |
| 14.  |  |
| 15.  |  |
| 16.  |  |
| 17.  |  |
| <b>Foreign Student Taxability of Income, ITINs, and Credits</b>            |  |
| 18.  |  |
| 19.  |  |
| 20.  |  |
| 21.  |  |
| 22.  |  |
| 23.  |  |
| 24.  |  |

| <b>Foreign Student Residency Status, Form 8843, and Filing Status Test</b> |  |
|--|--|
| <b>Foreign Student Scenario 2</b>  |  |
| 25.  |  |
| 26.  |  |
| 27.  |  |
| 28.  |  |
| 29.  |  |
| <b>Foreign Student Scenario 3</b>  |  |
| 30.  |  |
| 31.  |  |
| 32.  |  |
| 33.  |  |
| <b>Foreign Student Scenario 4</b>  |  |
| 34.  |  |
| 35.  |  |
| 36.  |  |
| 37.  |  |

| <b>Foreign Student Residency Status, Form 8843, and Filing Status Test</b> |  |
|--|--|
| <b>Foreign Student Refunds, Deductions, and the Best Form to Use</b>       |  |
| 38.  |  |
| 39.  |  |
| 40.  |  |
| 41.  |  |
| 42.  |  |
| 43.  |  |
| 44.  |  |
| 45.  |  |
| 46.  |  |
| 47.  |  |
| 48.  |  |
| 49.  |  |
| 50.  |  |
| Total Answers Correct: _____   |  |
| Total Questions: 50  |  |
| <b>Passing Score: 40 of 50</b>   |  |

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## Volunteer Standards of Conduct Test

---

It is important that all individuals who volunteer their time and services in the VITA/TCE program understand their roles and responsibilities under the program. All volunteers must:

- Take the Volunteer Standards of Conduct (VSC) Training, at a minimum, the first year of volunteering with VITA/TCE program
- Annually, pass the VSC/Ethics certification test with a score of 80% or higher; and
- Sign and date Form 13615, Volunteer Standards of Conduct Agreement, indicating they have successfully completed the certification test(s) and agree to adhere to the VSC

These Volunteer Standards of Conduct requirements are in addition to the tax law certification process (e.g., Basic, Advanced, Military, or International) for becoming a qualified volunteer to teach tax law, correct tax returns, conduct quality reviews, prepare tax returns, or address tax law related questions as a volunteer in the VITA/TCE program.

Use your training and reference tools to answer the questions. You must answer eight of the following ten questions correctly to pass the Volunteer Standards of Conduct Test.

## Test Questions

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### Directions

Using your resource materials, answer the following questions:

1. Prior to working at a VITA/TCE site, **ALL** VITA/TCE volunteers (greeters, client facilitators, tax preparers, quality reviewers, etc.) must:
  - a. Annually pass the Volunteer Standards of Conduct (VSC) certification test with a score of 80% or higher.
  - b. Sign and date the Form 13615, Volunteer Standards of Conduct Agreement, agreeing to comply with the VSC by upholding the highest ethical standards.
  - c. Pass the Advanced tax law certification.
  - d. All of the above.
  - e. Both a and b
2. Can a volunteer be removed and barred from the VITA/TCE program for violating the Volunteer Standards of Conduct?
  - a. Yes
  - b. No

3. If a taxpayer offers you a \$20 bill because they were so happy about the quality service they received, what is the appropriate action to take?
  - a. Take the \$20 and thank the taxpayer for the tip.
  - b. Tell the taxpayer it would be better to have the \$20 deposited directly into your bank account from his refund.
  - c. Thank the taxpayer, and explain that you **cannot** accept any payment for your services.
  - d. Refer the taxpayer to the tip jar located on the quality review and print station.
  
4. Jake is an IRS tax law-certified volunteer preparer at a VITA/TCE site. When preparing a return for Jill, Jake learns that Jill does **not** have a bank account to receive a direct deposit of her refund. Jill is distraught when Jake tells her the paper refund check will take three or four weeks longer than the refund being direct deposited. Jill asks Jake if he can deposit her refund in his bank account and then turn the money over to her when he gets it. What should Jake do?
  - a. Jake can offer to use his account to receive the direct deposit, and turn the money over to Jill once the refund is deposited.
  - b. Jake should explain that a taxpayer's federal or state refund **cannot** be deposited into a VITA/TCE volunteer's bank account and she will have to open an account in her own name to have the refund direct deposited.
  - c. Jake can suggest she borrow a bank account number from a friend because the taxpayer's name does **not** need to be on the bank account.
  
5. Max prepares a tax return for Ali at a VITA/TCE site. He finds out during the interview that Ali has no health insurance. After Ali leaves the site, Max writes her name and contact information down to take home to his wife who sells health insurance for profit. Which of the following statements is **true**?
  - a. There is no violation to the Volunteer Standards of Conduct (VSC) unless Max's wife makes a big commission on the sale of health insurance to Ali.
  - b. Max has violated the VSC because he is using confidential information to engage in a financial transaction to further his own or another's personal interest.
  - c. Max is doing Ali a favor by using her personal information to secure business for his wife.
  - d. Information a taxpayer provides at a VITA/TCE site can be used for the volunteer's personal gain.

6. Bob, an IRS tax law-certified volunteer preparer, told the taxpayer that cash income does **not** need to be reported because the IRS does **not** know about it. Bob indicated NO cash income on Form 13614-C. Bob prepared a tax return excluding the cash income. Jim, the designated quality reviewer, was unaware of the conversation and therefore unaware of the cash income and the return was printed, signed, and e-filed. Who violated the Volunteer Standards of Conduct?
- Bob, the tax law-certified volunteer who prepared the return.
  - Jim, the designated quality reviewer who was unaware of the cash income when he reviewed the return.
  - Betty, the coordinator.
  - No one has violated the Volunteer Standards of Conduct.
7. Sue, a VITA/TCE coordinator, was watching the local news when she saw Aaron, a new tax law-certified volunteer, in a story about several bank employees being arrested for suspicion of embezzlement. She saw Aaron being led out of the bank in handcuffs. Three days later, Sue is shocked when she sees Aaron show up at the site ready to volunteer, apparently out on bond. She pulls Aaron aside and explains that his arrest on suspicion of embezzlement could have a negative effect on the site and therefore she must ask him to leave the site. Sue removed his access to the software, she then uses the external referral process to report the details to IRS-SPEC by sending an email to [WI.Voltax@irs.gov](mailto:WI.Voltax@irs.gov). Did Sue take appropriate actions as the coordinator?
- Yes
  - No
8. Heidi, a VSC-certified volunteer, is working at the intake station. As part of her duties, she is required to explain to the taxpayer what they are expected to do today as part of the return preparation process. What should Heidi tell them?
- Form 13614-C, Intake/Interview & Quality Review Sheet, must be completed prior to having the return prepared.
  - You will be interviewed by the return preparer and asked additional questions as needed.
  - You need to participate in a quality review of your tax return by someone other than the return preparer.
  - All of the above.
9. During the intake process, the volunteer should verify the taxpayer (and secondary taxpayer if married filing jointly) has government-issued photo identification. Additionally, taxpayers must provide verification of taxpayer identification numbers (SSN or ITIN) for everyone listed on the tax return.
- True
  - False

10. Mary, a VSC-certified greeter, reviews the taxpayer's completed Form 13614-C, page 2, to identify what potential volunteer certification level is needed for this tax return. Mary sees the taxpayer has checked the "yes" box indicating he has self-employment income and the certification level next to the question is (A). All other questions answered "yes" have a (B) certification. When Mary assigns the return to a tax preparer, what tax law certification level does the tax preparer need?
- a. Advanced
  - b. Basic
  - c. It doesn't matter, any level is fine
  - d. No tax law certification is necessary



## Volunteer Standards of Conduct Retest Questions

### Directions

Using your resource materials, answer the following questions:

1. Which volunteers must pass the Volunteer Standards of Conduct (VSC) certification test?
  - a. Coordinators
  - b. Quality reviewers and tax return preparers
  - c. Greeters or client facilitators
  - d. All VITA/TCE site volunteers must pass the VSC certification test
2. Failure of a VITA/TCE volunteer to comply with the Volunteer Standards of Conduct could result in which of the following?
  - a. The volunteer's removal from the VITA/TCE program.
  - b. The volunteer's inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely.
  - c. Termination of the sponsoring organization's partnership with the IRS.
  - d. All of the above may be considered an appropriate action depending on the type of violation and the sponsoring organization's corrective actions.
3. Is having a donation/tip jar at the quality review station within the VITA/TCE site a violation of the Volunteer Standards of Conduct?
  - a. Yes
  - b. No
4. Maggie wants her tax refund quickly; however, she doesn't have a bank account for direct deposit. She asks Josh, the tax law-certified preparer, to deposit her refund into his checking account and turn the funds over to her when received. If Josh agrees to do this, has he violated any of the Volunteer Standards of Conduct?
  - a. Yes
  - b. No



5. Pat is a paid tax preparer in the community; he also gives back to the community by serving as an IRS tax law-certified volunteer tax preparer at a VITA/TCE site. While conducting the interview with the taxpayer, Pat discovers the taxpayer's small business will generate a loss, making the return out of scope for the VITA/TCE program. Pat explains to the taxpayer that the tax return **cannot** be prepared at the VITA/TCE site, but he will offer the taxpayer a discount at his paid tax preparation business down the road. Did Pat violate the Volunteer Standards of Conduct (VSC)?
- Yes, it is a violation of the VSC for Pat to solicit business from any taxpayer at the VITA/TCE site.
  - No, it is **not** a violation since the return **cannot** be prepared at the site.
  - No, none of the VSC addresses soliciting business while volunteering at the VITA/TCE site.
6. Ann, an IRS tax law-certified tax preparer, told the taxpayer that cash income does **not** need to be reported because the IRS will never know about it. Ann indicated NO cash income on Form 13614-C. Ann prepared the return without the cash income. The designated quality reviewer was unaware of the conversation and therefore unaware of the cash income and the return was printed, signed, and e-filed. Did the designated **quality reviewer** violate the Volunteer Standards of Conduct?
- Yes
  - No
7. Jan, a greeter, overheard an IRS tax law-certified volunteer, Jim, trying to sell insurance to a taxpayer he was helping. Jim is an insurance agent in the community. Jan feels like Jim was pushy, made the taxpayer uncomfortable, and violated Volunteer Standard of Conduct #3. What should Jan do?
- Make an announcement to the taxpayers in the waiting room to ignore Jim if he tries to sell them insurance.
  - Tell the coordinator what she heard, so he can immediately remove Jim from the site and report the incident using the external referral process by sending an email to [WI.Voltax@irs.gov](mailto:WI.Voltax@irs.gov).
  - Mind her own business and do nothing.
8. Explaining the intake/interview and quality review process is important so the taxpayer understands they are expected to:
- Have a completed Form 13614-C, Intake/Interview & Quality Review Sheet, prior to having the return prepared.
  - Answer the tax preparer's additional questions during the interview.
  - Participate in the quality review of their tax return.
  - All of the above.

9. During the intake process, which of the following should the volunteer verify that the taxpayer (and secondary taxpayer if married filing jointly) has with them to ensure the taxpayers can be served that day?
- a. Government-issued photo identification for both
  - b. Taxpayer identification numbers (SSN or ITIN) for everyone listed on the tax return
  - c. All tax statement documents, including Forms W-2, 1099-R, etc.
  - d. All of the above
10. To ensure quality service and accurate return preparation, every site is required to have a process for assigning taxpayers to IRS tax law-certified preparers who are certified at or above the level required to prepare their tax return.
- a. True
  - b. False

## Volunteer Standards of Conduct Agreement – VITA/TCE Programs

The mission of the VITA/TCE return preparation programs is to assist eligible taxpayers in satisfying their tax responsibilities by providing **free** tax return preparation. To establish the greatest degree of public trust, volunteers are required to maintain the highest standards of ethical conduct and provide quality service.

**Use of Form 13615:** This form provides information on a volunteer's certification. All VITA/TCE volunteers (whether paid or unpaid workers) must pass the Volunteer Standards of Conduct certification, and sign and date Form 13615, Volunteer Standards of Conduct Agreement, prior to working at a VITA/TCE site. In addition, return preparers, quality reviewers, site coordinators, and VITA/TCE tax law instructors must certify in the Intake/Interview & Quality Review and tax law prior to signing this form. This form is not valid until the site coordinator, sponsoring partner, instructor, or IRS contact confirms the volunteer's identity, with a government-issued photo ID, and signs and dates the form.

**Standards of Conduct:** As a volunteer in the VITA/TCE Programs, you must:

**VSC #1** - Follow the Quality Site Requirements (QSR).

**VSC #2** - Not accept payment, solicit donations, or accept refund payments for federal or state tax return preparation from customers.

**VSC #3** - Not solicit business from taxpayers you assist or use the information you gained about them for any direct or indirect personal benefit for you or any other specific individual.

**VSC #4** - Not knowingly prepare false returns.

**VSC #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.

**VSC #6** - Treat all taxpayers in a professional, courteous, and respectful manner.

Failure to comply with these standards could result in, but is not limited to, the following:

- Your removal from all VITA/TCE Programs;
- Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely;
- Deactivation of your sponsoring partner's site VITA/TCE EFIN (electronic filing ID number);
- Removal of all IRS products, supplies, loaned equipment, and taxpayer information from your site;
- Termination of your sponsoring organization's partnership with the IRS;
- Termination of grant funds from the IRS to your sponsoring partner; and
- Referral of your conduct for potential TIGTA and criminal investigations.

**Taxpayer Impact:** Taxpayer trust in the IRS and the local sponsoring partner organization is jeopardized when ethical standards are not followed. Fraudulent returns that report incorrect income, credits, or deductions can result in many years of interaction with the IRS as the taxpayer tries to pay the additional tax plus interest and penalties. This can result in an extreme burden for the taxpayer as the taxpayer tries to resolve the errors made on his or her return.

**Volunteer Protection:** The Volunteer Protection Act generally protects unpaid volunteers from liability for acts or omissions that occur while acting within the scope of their responsibilities at the time of the act or omission. It provides no protection for harm caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer.

For additional information on the volunteer standards of conduct, please refer to Publication 4961, Volunteer Standards of Conduct - Ethics Training.

**Privacy Act Notice** – The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory.

Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers. Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs. Please note: Sponsoring organizations may perform background checks on their volunteers.

**IRC 7216(a)** - Imposes criminal penalties on tax return preparers who knowingly or recklessly make unauthorized disclosures or uses of information furnished in connection with the preparation of an income tax return. A violation of IRC 7216 is a misdemeanor, with a maximum penalty of up to one year imprisonment or a fine of not more than \$1,000, or both, together with the cost of prosecution.

**Volunteer:**

By signing this form, I declare that I have completed Volunteer Standards of Conduct certification and have read, understand, and will comply with the standards of conduct. I also certify that I am a U.S. citizen, a legal resident, or otherwise reside in the U.S. legally.

Full name (please print) Volunteer position(s)  IRS Employee

Home address (street, city, state and ZIP code)

Email address Daytime telephone Sponsoring partner name/site name
Number of years volunteered (including this year) Signature (electronic) OR Signature (type/print) Date

Site Coordinator Training completed in Link & Learn Taxes. (Note: There are other options acceptable for Site Coordinator Training)

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

Table with columns: Standards of Conduct (Required for ALL), Intake/Interview & Quality Review, Site Coordinator Test, Basic, Advanced, Military, International, Puerto Rico (1, 2), Foreign Students

**Optional Tests**

Federal Tax Law Update Test Only for Circular 230 Professionals (C230) Qualified Experienced Volunteer (QEV) Test

Federal Tax Law Update Test for Circular 230 Professionals: Only volunteers in good standing as an attorney, CPA, or Enrolled Agent can take this certification. The license information below must be completed by the volunteer and verified by the partner or site coordinator. Refer to Publication 1084, Site Coordinator Handbook, for additional requirements and instructions.

Qualified Experienced Volunteer Test: Only for returning volunteers approved by their sponsoring organization. Refer to Publication 1084, Site Coordinator Handbook.

Note: Advanced certification is necessary to qualify for Continuing Education (CE) Credits. Neither the C230 test nor the QEV test qualify the volunteer to receive CE Credits. Refer to Publication 5362, Fact Sheet - Continuing Education Credits, for additional requirements for CE Credits.

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

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

Approving Official's name and title (printed) (site coordinator, sponsoring partner, instructor or IRS contact) Signature (electronic) OR Signature (type/print) Date

Parent/Guardian: By signing this form, I declare that I give permission for my child to volunteer in the VITA/TCE Program.

Parent/Guardian name (printed) Signature (electronic) OR Signature (type/print) Date

**For Continuing Education (CE) Credits ONLY**

(to be completed by the site coordinator or partner)

Instructions: Complete this section when an unpaid certified volunteer is requesting Continuing Education (CE) credits. CE credits will not be issued without a PTIN for Enrolled Agents or Non-credentialed preparers. CPAs, attorneys, or CFPs do not require a PTIN; however, they must check with their governing board requirements for obtaining CE Credits. The site coordinator, sponsoring partner, or instructor must sign and date this form and send the completed form to the SPEC Territory Office/Relationship Manager for further processing. Refer to Publication 5362, Fact Sheet - Continuing Education Credits or Publication 4396-A, Partner Resource Guide, for additional requirements and instructions.

First and last name on PTIN account Volunteer Preparer's Tax Identification Number (PTIN) CTEC ID number (if applicable) P - A -

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

**Professional Status (check only one box)**

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

Certification Level (Check only one box below) Volunteer Hours (Minimum of 10 volunteer hours required to issue CE Credits)
Advanced OR Total hours volunteered (qualifies for 14 CE credits)
Advanced and One or More Specialty Courses OR Total hours volunteered (qualifies for 18 CE credits)

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

Approving Official's (printed) name and title (site coordinator, sponsoring partner, instructor) Signature (electronic) OR Signature (type/print) Date





## Intake / Interview and Quality Review Test Questions

### Directions

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

1. All IRS-certified volunteer preparers participating in the VITA/TCE programs must use Form 13614-C along with an effective interview for every return prepared at the site.
  - a. True
  - b. False
2. What should the certified volunteer preparer do before starting the tax return?
  - a. Make sure all questions on Form 13614-C are answered.
  - b. Change “Unsure” answers to “Yes” or “No” based on a conversation with the taxpayer.
  - c. Complete all applicable Certified Volunteer Preparer shaded-area questions on Form 13614-C.
  - d. All of the above.
3. When reviewing Form 13614-C, you see the “Interest” question is marked “Yes” and the taxpayer gives you a Form 1099-INT. You should ask the taxpayer if they had any other interest income.
  - a. True
  - b. False
4. VITA/TCE sites are required to conduct Quality Reviews:
  - a. Of all the returns prepared by volunteers who have less than two years of experience preparing returns.
  - b. Of every return prepared at the site.
  - c. Only when there is a Quality Reviewer available.
  - d. Of all returns prepared by volunteers with certification levels below Advanced, Military, or International.
5. You do **not** need to see proof of cash donations made by a taxpayer if you feel that the information is **not** unusual or questionable.
  - a. True
  - b. False
6. In most cases a volunteer must review photo identification for every taxpayer(s) to deter the possibility of identity theft.
  - a. True
  - b. False



7. When does the taxpayer sign the tax return?
- a. Before quality review and before being advised of their responsibility for the accuracy of the information on the return.
  - b. Before quality review and after being advised of their responsibility for the accuracy of the information on the return.
  - c. After quality review and before being advised of their responsibility for the accuracy of the information on the return.
  - d. After quality review and after being advised of their responsibility for the accuracy of the information on the return.
8. The site is busy with many taxpayers waiting for assistance. All volunteers are busy preparing tax returns. Can you quality review the return you just prepared instead of waiting for someone else to quality review the return?
- a. Yes, if it is a returning taxpayer.
  - b. Yes, with approval of the Site Coordinator.
  - c. No, self review is never an acceptable quality review method.
  - d. No, unless you are certified at the Advanced level.
9. Which of the following is **true**?
- a. Quality review can be conducted by a volunteer preparer certified at Basic when the tax return required an Advanced certification to prepare.
  - b. Quality review is conducted after the taxpayer signs the tax return.
  - c. Quality review is an effective tool for preparing an accurate tax return.
  - d. Taxpayers do **not** need to be involved in the quality review process.
10. As part of the intake process, each site must:
- a. Have a process to ensure a return is within the scope of the VITA/TCE Programs.
  - b. Identify the certification level needed to prepare a return.
  - c. Have a process to ensure volunteers have the certification needed for the returns they prepare.
  - d. All of the above.



## Intake / Interview and Quality Review Retest Questions

### Directions

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

1. When should an IRS-certified volunteer preparer participating in the VITA/TCE Programs perform a complete interview of a taxpayer?
  - a. Only when the taxpayer has questions.
  - b. Only if the taxpayer has never visited your site.
  - c. Only when the site is **not** busy.
  - d. For every return prepared at the site.
2. The certified volunteer preparer should verify the return is within their certification level as part of the Intake/Interview process.
  - a. True
  - b. False
3. When reviewing Form 13614-C, you see the “Interest” question is marked “Yes” and the taxpayer gives you a Form 1099-INT. What should you do next?
  - a. Input Form 1099-INT into tax software.
  - b. Go to the next question on Form 13614-C.
  - c. Ask the taxpayer if they had any other interest income.
4. VITA/TCE sites are required to conduct quality reviews of every return prepared at the site.
  - a. True
  - b. False
5. A taxpayer tells you that they donated \$50 to their church but they did **not** bring proof of the donation. This information along with all other information gathered during your interview does **not** seem unusual or questionable.

As a tax preparer, you should:

- a. Send the taxpayer home to get proof of their donation.
- b. Prepare the return giving credit for the donation without seeing proof.
- c. Prepare their return without giving them credit for the donation.

6. What information must a volunteer review to deter the possibility of identity theft?
  - a. Form W-2
  - b. Photo identification
  - c. Last year's tax return
  - d. Medicaid card
7. The taxpayer signs the tax return after quality review and after being advised of their responsibility for the accuracy of the information on the return.
  - a. True
  - b. False
8. You can quality review a tax return you just prepared instead of waiting for someone else to quality review the return.
  - a. True
  - b. False
9. Which of the following four critical processes for quality review is **not** correct:
  - a. Engaging the taxpayer in the review process.
  - b. Using Google as a main reference for tax law determinations.
  - c. Using the Quality Review Checklist located in Publication 4012 as a guide while conducting the quality review.
  - d. Comparing source documents provided by the taxpayer.
10. Completing a thorough interview before entering taxpayer information into the software helps avoid which of the following potential problems?
  - a. The volunteer may **not** have the required certifications to prepare the return.
  - b. The return may be Out of Scope.
  - c. The taxpayer may **not** have all the information needed to prepare the return.
  - d. All of the above.



## Site Coordinator Test Questions

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### Test Questions

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1. The Site Coordinator Test is optional for the designated coordinator and alternate coordinators.
  - a. True
  - b. False
2. Which IRS publication includes the roles and responsibilities of the site coordinator?
  - a. Publication 5166, IRS Volunteer Quality Site Requirements
  - b. Publication 1084, VITA/TCE Volunteer Site Coordinator Handbook
  - c. Publication 4299, Privacy, Confidentiality and Civil Rights - A Public Trust
  - d. Publication 4012, VITA/TCE Volunteer Resource Guide
3. Prior to signing and dating the Form 13615, Volunteer Standards of Conduct Agreement – VITA/TCE Programs, the sponsoring partner’s approving official must confirm government-issued photo identification and the required certification level of the volunteer for the Form 13615 to be valid.
  - a. True
  - b. False
4. If partner owned computers or IRS loaned computers or printers are lost or stolen, the partner is required to notify the local SPEC territory office \_\_\_\_\_.
  - a. Before May 15th
  - b. Within 30 days or as soon as possible
  - c. Immediately or by the next business day
  - d. Before the end of the calendar year
5. According to QSR #4 Reference Materials, all sites are required to have the following available for use at VITA/TCE sites in paper or electronic format: Publication 17, Your Federal Income Tax (For Individuals); Publication 4012, VITA/TCE Volunteer Resource Guide; Publication 4299, Privacy, Confidentiality and Civil Rights - A Public Trust; Volunteer Tax Alerts (VTA); and Quality Site Requirement Alerts (QSRA). AARP Foundation Tax Aide uses CyberTax Alerts in lieu of VTAs and QSRAs.
  - a. True
  - b. False

6. Coordinators are required to have a correct Quality Review process for 100% of the returns prepared at VITA/TCE sites. The two acceptable methods of quality review are
  - a. Self-Review and Peer to Peer Review
  - b. Peer to Peer Review and Designated Review
  - c. Designated Review and Self-Review
  - d. Taxpayer Review and Designated Review
7. For a correct Intake, Interview, and Quality Review process, all questions in Parts I-V of the Form 13614-C, Intake/Interview & Quality Review Sheet must be verified and all "Unsure" answers must be changed to "Yes" or "No".
  - a. True
  - b. False
8. It is acceptable to use IRS loaned equipment (including laptops and printers) outside of the scope of the VITA/TCE program, such as for personal use after site hours.
  - a. True
  - b. False
9. Which of the following is **not** a qualifying certification to earn Continuing Education Credits?
  - a. Military
  - b. Advanced
  - c. Qualified Experienced Volunteer
  - d. International
10. Prior to opening, each site must have Form 15272, VITA/TCE Security Plan, approved \_\_\_\_ and a copy available at the site.
  - a. Annually
  - b. Monthly
  - c. Every other year
  - d. Before the end of the filing season
11. Which consent form must every taxpayer sign prior to beginning a virtual tax preparation process?
  - a. No consent needed
  - b. Form 8879, IRS e-file Signature Authorization
  - c. Form 15272, VITA/TCE Security Plan
  - d. Form 14446, Virtual VITA/TCE Site Model Taxpayer Consent

- 12.** At a minimum, all Wi-Fi or wireless connections at a VITA/TCE tax preparation site must be password protected.
- a. True
  - b. False
- 13.** When conducting taxpayer interviews in close proximity, it is important to limit unauthorized access to taxpayer information and ensure privacy (for example, positioning computer screens, protecting taxpayer documents and preventing others from hearing sensitive information).
- a. True
  - b. False
- 14.** If a volunteer is identified as violating one or more of the Volunteer Standards of Conduct, partners and coordinators must elevate the specifics to the local SPEC territory office for consideration to be added to the Volunteer Registry. Once a volunteer is added to the Volunteer Registry, how long are they removed from volunteering in VITA/TCE program?
- a. For a month
  - b. Indefinitely
  - c. For a filing season
  - d. For a year
- 15.** A VITA/TCE data breach occurs when a taxpayer's personally identifiable information (PII) is shared, used or disclosed, whether physical or electronic, without taxpayer permission.
- a. True
  - b. False





## Site Coordinator Certification Retest Questions

1. Coordinators and alternate coordinators are required to pass with a score of 80% or higher, which of the following:
  - a. Volunteer Standards of Conduct Test
  - b. Site Coordinator Test
  - c. Both a and b
  - d. None of the above
2. Publication 5166, IRS Volunteer Quality Site Requirements, is the primary IRS resource for coordinator roles and responsibilities.
  - a. True
  - b. False
3. Form 13615, Volunteer Standards of Conduct Agreement – VITA/TCE Programs is **not** valid until the sponsoring partner's approving official signs and dates the form after confirming the volunteer's \_\_\_\_\_.
  - a. Government-issued photo identification
  - b. Certification levels on Form 13615, Volunteer Standards of Conduct Agreement- VITA/TCE Programs
  - c. Government-issued photo identification and certification levels on Form 13615, Volunteer Standards of Conduct Agreement - VITA/TCE Programs
  - d. None of the above
4. All partner-owned computers or loaned IRS computers and printers that are lost or stolen, must be reported to the local SPEC territory office before May 15th.
  - a. True
  - b. False
5. According to QSR #4 Reference Materials, in addition to Volunteer Tax Alerts and Quality Site Requirement Alerts (AARP Foundation Tax Aide uses CyberTax Alerts), which reference materials are required to be available for use at each site?
  - a. Pub 4012, VITA/TCE Volunteer Resource Guide and Pub 17, Your Federal Income Tax (For Individuals)
  - b. Pub 1084, VITA/TCE Volunteer Site Coordinator Handbook and Pub 5166, IRS Volunteer Quality Site Requirements
  - c. Pub 4299, Privacy, Confidentiality and Civil Rights - A Public Trust
  - d. Both a and c

6. The three acceptable types of quality review at VITA/TCE sites are: Designated Review, Peer to Peer Review, and Self Review.
  - a. True
  - b. False
7. During the Intake, Interview, and Quality Review process, all questions in Parts I-V of the Form 13614-C, Intake/Interview & Quality Review Sheet must be marked as:
  - a. Yes
  - b. No
  - c. Unsure
  - d. Either yes or no
8. The use of IRS loaned equipment (including laptops and printers) is restricted to the preparation and filing of electronic tax returns and related program activities that support the VITA/TCE free tax preparation program. IRS loaned equipment may **not** be used for commercial purposes, games, or other personal use.
  - a. True
  - b. False
9. The Qualified Experienced Volunteer Test is **not** a qualifying certification for receiving Continuing Education Credits.
  - a. True
  - b. False
10. Form 15272, VITA/TCE Security Plan, must be approved annually by the local SPEC territory office.
  - a. True
  - b. False
11. Prior to beginning a virtual tax preparation process, the taxpayer(s) must agree to the virtual process by signing Form 14446, Virtual VITA/TCE Site Model Taxpayer Consent.
  - a. True
  - b. False

12. IRS sponsored free tax preparation sites must use the following Wi-Fi or wireless connection:
- Public access Wi-Fi or wireless connection
  - Password protected Wi-Fi or wireless connection
  - Unsecured wired internet connection
  - Unsecured volunteer Hotspot wireless connection
13. Volunteers must ensure that taxpayer privacy is protected when sharing Personally Identifiable Information (PII). During conversations with taxpayers in close proximity, \_\_\_\_\_ should **not** be discussed out loud.
- SSNs
  - Addresses
  - Bank account numbers
  - All of the above
14. Volunteers who violate the Volunteer Standards of Conduct or commit certain unethical actions, must be reported to the local SPEC territory office for consideration to be added to the Volunteer Registry and removed from the VITA/TCE program for a period of one year.
- True
  - False
15. What are examples of potential security breaches that would need to be referred to the local SPEC territory office?
- Loss of computer containing Personally Identifiable Information (PII)
  - Loss of computer bag containing tax returns
  - Loss of taxpayer information
  - All of the above



## Basic Course Scenarios and Test Questions

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### Directions

The first six scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### Basic Scenario 1: Joe Wilson

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#### Interview Notes

- Joe is 35 years old and has never been married.
- Suzanna, age 12, is Joe's niece who lived with him all year. Joe provided all of her support and provided over half the cost of keeping up the home.
- Joe elected not to receive advance child tax credit payments.
- Joe earned \$42,000 in wages.
- Joe is blind and cannot be claimed as a dependent by another taxpayer.
- Joe and Suzanna are U.S. citizens, have valid Social Security numbers and lived in the U.S. the entire year.

### Basic Scenario 1: Test Questions

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1. What is the most advantageous filing status allowable that Joe can claim on his tax return for 2021?
  - a. Single
  - b. Head of Household
  - c. Qualifying Widow(er)
  - d. Married Filing Separate
2. Joe can claim a higher standard deduction because he is blind.
  - a. True
  - b. False

## Basic Scenario 2: Chris and Marcie Davis

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### Interview Notes

- Chris, age 22, and Marcie, age 24, are married and will file a joint return.
- They cannot be claimed as dependents by another taxpayer.
- Chris and Marcie have no children or other dependents.
- Both work and neither are full-time students. Chris earned wages of \$18,600 and Marcie earned wages of \$6,500.
- Chris and Marcie are U.S. citizens and have valid Social Security numbers.
- Chris and Marcie received an Economic Impact Payment (EIP3) of \$2,800 in March 2021.

### Basic Scenario 2: Test Questions

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3. Chris and Marcie **cannot** claim the Earned Income Tax Credit (EITC) because they are too young and have no qualifying children.
  - a. True
  - b. False
4. Chris and Marcie must claim the EIP3 of \$2,800 as taxable income on their 2021 tax return.
  - a. True
  - b. False

## Basic Scenario 3: Archie and Tina Reynolds

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### Interview Notes

- Archie and Tina Reynolds are married and always file Married Filing Jointly.
- Archie earned \$32,000 in wages and Tina earned \$24,000 in wages.
- The Reynolds paid all the cost of keeping up a home and provided all the support for their two children, Laura and Timothy, who lived with them all year.
- Laura is 13 years old and Timothy turned 17 in November 2021.
- Archie and Tina elected not to receive the advance child tax credit payments.
- Archie and Tina did not have enough deductions to itemize, but contributed \$1,700 in 2021, to their church, a qualified charitable organization.
- Archie, Tina, Laura, and Timothy are all U.S. citizens with valid Social Security numbers and lived in the U.S. the entire year.

## Basic Scenario 3: Test Questions

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5. Which of the Reynolds children qualifies for the child tax credit (CTC)?
  - a. Laura
  - b. Timothy
  - c. Laura and Timothy
  - d. Not eligible for CTC
6. Archie and Tina will **not** itemize deductions but can deduct the full amount of their charitable contribution.
  - a. True
  - b. False

## Basic Scenario 4: Charles and Heather Brooks

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### Interview Notes

- Charles and Heather are married and will file a joint return.
- Heather is a U.S. citizen with a valid Social Security number. Charles is a resident alien with an Individual Taxpayer Identification Number (ITIN).
- Heather worked in 2021 and earned wages of \$31,000. Charles worked part-time and earned wages of \$12,000.
- The Brooks have three children: Emma, age 11, Liam, age 13, and Grace, age 18.
- Charles and Heather elected not to receive the advance child tax credit payments.
- The Brooks provided the total support for their three children, who lived with them in the U.S. all year. Emma, Liam, and Grace are U.S. citizens and have valid Social Security numbers.

## Basic Scenario 4: Test Questions

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7. The Brooks qualify for the Credit for Other Dependents.
  - a. True
  - b. False
8. The Brooks qualify for the Earned Income Tax Credit.
  - a. True
  - b. False

## Basic Scenario 5: Alan Carmichael

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### Interview Notes

- Alan is single and 71 years old.
- Alan worked as a greeter at the local department store and earned wages of \$6,000. Alan also received Social Security benefits of \$14,500. He received a taxable pension of \$11,700.
- He retired from his previous job on October 30, 2019. During his career he contributed pretax dollars to a qualified 401(k) retirement plan through his employer.
- Alan cannot be claimed as a dependent by another taxpayer.
- Alan is a U.S. citizen with a valid Social Security number.

## Basic Scenario 5: Test Questions

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9. Alan **cannot** claim the Earned Income Tax Credit because his age is more than the age limit.
  - a. True
  - b. False
10. Alan must take a required minimum distribution in 2021.
  - a. True
  - b. False



## Basic Scenario 6: Bobbie Daniels

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### Interview Notes

- Bobbie Daniels was separated from his spouse for 10 months in 2021. Bobbie and his spouse have decided to file their tax returns as Married Filing Separately.
- Bobbie earned wages of \$11,000 during the first half of the year. Bobbie lost his job in July and received a total of \$7,500 in unemployment compensation.
- Bobbie is a chef and took a gourmet cooking class at the community college to improve his cooking skills. He paid the cost of tuition and a course-related book. His total education expenses were \$1,500.
- Bobbie also paid student loan interest for the courses he previously took to earn his Bachelor's degree. For 2021, he paid student loan interest of \$350.
- Bobbie does not have any dependents.
- Bobbie is a U.S. citizen with a valid Social Security number.

## Basic Scenario 6: Test Questions

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11. Bobbie can exclude his unemployment compensation on his 2021 tax return.
  - a. True
  - b. False
12. Bobbie is eligible for the following credit:
  - a. Earned Income Credit
  - b. Lifetime Learning Credit
  - c. American Opportunity Credit
  - d. None of the above
13. Bobbie can claim the student loan interest deduction on his tax return.
  - a. True
  - b. False

## Basic Scenario 7: Fred and Wilma Jones

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Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

**Note:** *When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

### Interview Notes

- Fred, age 67 and Wilma, age 58, are married. They elect to file Married Filing Jointly.
- Fred is retired. He received Social Security benefits and a pension.
- Fred and Wilma have one son, Stephen, age 18. Stephen is a full-time college student in his second year of study. He is pursuing a degree in Music and does not have a felony drug conviction. He received a Form 1098-T for 2021. Box 2 was not filled in and Box 7 was not checked on his Form 1098-T for the previous tax year.
- Stephen spent the summer at home with his parents but lived in an apartment near campus during the school year.
- Stephen received a scholarship and the terms require that it be used to pay tuition. Fred and Wilma paid the cost of Stephen's tuition and course-related books in 2021 not covered by scholarship. They paid \$90 for a parking sticker, \$4,500 for a meal plan, \$500 for textbooks purchased at the college bookstore, and \$100 for access to an online textbook.
- Fred and Wilma paid more than half the cost of maintaining a home and support for Stephen.
- Fred and Wilma do not have enough deductions to itemize on their federal tax return.
- The Joneses made timely estimated tax payments of \$150 each quarter for tax year 2021.
- The Joneses received a \$4,200 Economic Impact Payment (EIP3) in 2021.
- Fred, Wilma, and Stephen are U.S. citizens and have valid Social Security numbers. They all lived in the United States for the entire year.
- If Fred and Wilma receive a refund, they would like to deposit it into their checking account. Documents from County Bank show that the routing number is 111000025. Their checking account number is 11337890.



Form **13614-C**  
(October 2021)

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

OMB Number  
1545-1964

**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

**Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)**

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

|   |  |   |  |   |
|---|--|---|--|---|
| 1. Your first name<br><b>FRED</b>   | M.I.                                       | Last name<br><b>JONES</b>   | Best contact number<br><b>YOUR PHONE #</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        |
| 2. Your spouse's first name<br><b>WILMA</b>   | M.I.                                       | Last name<br><b>JONES</b>   | Best contact number<br><b>YOUR PHONE #</b> | Is your spouse a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Mailing address<br><b>100 STONE STREET</b>   |  | Apt #   | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b> ZIP code<br><b>YOUR ZIP</b>  |
| 4. Your Date of Birth<br><b>7/15/1954</b>   | 5. Your job title<br><b>RETIRED</b>        | 6. Last year, were you:   |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No              |
|   |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  |
| 7. Your spouse's Date of Birth<br><b>1/30/1963</b>  | 8. Your spouse's job title<br><b>CLERK</b> | 9. Last year, was your spouse:  |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No              |
|   |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  |
| 10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |  |   |  |   |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |   |  |   |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |  |   |  |   |

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

1. As of December 31, 2021, what was your marital status?  Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)  Married

a. If Yes, Did you get married in 2021?  Yes  No

b. Did you live with your spouse during any part of the last six months of 2021?  Yes  No

Divorced Date of final decree \_\_\_\_\_

Legally Separated Date of separate maintenance decree \_\_\_\_\_

Widowed Year of spouse's death \_\_\_\_\_

2. List the names below of:

- everyone who lived with you last year (other than your spouse)
- anyone you supported but did not live with you last year


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

|  |                          |   |   |                     |  |  |                                      |   | 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |
| <b>STEPHEN JONES</b>   | <b>9/3/2003</b>          | <b>SON</b>  | <b>12</b>                                     | <b>YES</b>          | <b>YES</b>   | <b>S</b>                               | <b>YES</b>                           | <b>NO</b>                                 |  |  |  |  |   |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |

## Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" 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? <u>1</u>   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? <b>\$600</b>   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |



|  |  |  |  |   |  |  |  |   |  |  |  |                         |
|--|--|--|--|---|--|--|--|---|--|--|--|-------------------------|
|  |  | <b>a</b> Employee's social security number<br><b>128-00-XXXX</b> |  | OMB No. 1545-0008   |  | Safe, accurate,<br>FAST! Use                               |  |  |  | Visit the IRS website at<br><a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |  |                         |
| <b>b</b> Employer identification number (EIN)<br><b>35-600XXXX</b>   |  |  |  | <b>1</b> Wages, tips, other compensation<br>Statutory<br><b>\$42,000.00</b>   |  | <b>2</b> Federal income tax withheld<br><b>\$2,700.00</b>  |  |   |  |  |  |                         |
| <b>c</b> Employer's name, address, and ZIP code<br><br><b>STONE STREET MARKET<br/>500 PEBBLES<br/>YOUR CITY, YOUR STATE, ZIP</b> |  |  |  | <b>3</b> Social security wages<br><b>\$42,000.00</b>  |  | <b>4</b> Social security tax withheld<br><b>\$2,604.00</b> |  |   |  |  |  |                         |
|  |  |  |  | <b>5</b> Medicare wages and tips<br><b>\$42,000.00</b>  |  | <b>6</b> Medicare tax withheld<br><b>\$609.00</b>          |  |   |  |  |  |                         |
|  |  |  |  | <b>7</b> Social security tips   |  | <b>8</b> Allocated tips                                    |  |   |  |  |  |                         |
| <b>d</b> Control number  |  |  |  | <b>9</b>  |  | <b>10</b> Dependent care benefits                          |  |   |  |  |  |                         |
| <b>e</b> Employee's first name and initial   |  | Last name  |  | Suff.   |  | <b>11</b> Nonqualified plans                               |  | <b>12a</b> See instructions for box 12<br><b>DD</b> <b>\$2,300.00</b>               |  |  |  |                         |
| <b>WILMA JONES<br/>100 STONE STREET<br/>YOUR CITY, YOUR STATE, ZIP</b>   |  |  |  | <b>13</b> Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/> |  | <b>12b</b>   |  |   |  |  |  |                         |
|  |  |  |  | <b>14</b> Other   |  | <b>12c</b>   |  |   |  |  |  |                         |
|  |  |  |  |   |  | <b>12d</b>   |  |   |  |  |  |                         |
| <b>f</b> Employee's address and ZIP code   |  |  |  |   |  |  |  |   |  |  |  |                         |
| <b>15</b> State  |  | Employer's state ID number                                       |  | <b>16</b> State wages, tips, etc.   |  | <b>17</b> State income tax                                 |  | <b>18</b> Local wages, tips, etc.   |  | <b>19</b> Local income tax   |  | <b>20</b> Locality name |
| <b>YS</b>  |  | <b>35-600XXXX</b>  |  | <b>\$42,000.00</b>  |  |  |  |   |  |  |  |                         |
|  |  |  |  |   |  |  |  |   |  |  |  |                         |

Form **W-2** Wage and Tax Statement **2021** 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.

CORRECTED (if checked)

|  |  |  |   |   |  |                                    |
|--|--|--|---|---|--|------------------------------------|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>BRADFORD INC.</b><br><b>2605 STATE STREET</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>                       |  | <b>1</b> Gross distribution<br>\$ <b>10,000.00</b>   | OMB No. 1545-0119<br><br><span style="font-size: 2em; font-weight: bold;">2021</span><br><br>Form <b>1099-R</b> |   | <b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b> |                                    |
|  |  | <b>2a</b> Taxable amount<br>\$ <b>10,000.00</b>  |   |   |  |                                    |
| PAYER'S TIN<br><br><b>40-100XXXX</b>   |  | RECIPIENT'S TIN<br><br><b>127-00-XXXX</b>  |   | <b>Copy B</b><br><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b><br><br>This information is being furnished to the IRS. |  |                                    |
| RECIPIENT'S name<br><br><b>FRED JONES</b><br><br>Street address (including apt. no.)<br><br><b>100 STONE STREET</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>3</b> Capital gain (included in box 2a)<br>\$   | <b>4</b> Federal income tax withheld<br>\$ <b>2,500.00</b>  |   |  |                                    |
| RECIPIENT'S name<br><br><b>FRED JONES</b><br><br>Street address (including apt. no.)<br><br><b>100 STONE STREET</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>5</b> Employee contributions/ Designated Roth contributions or insurance premiums<br>\$ | <b>6</b> Net unrealized appreciation in employer's securities<br>\$   |   |  |                                    |
|  |  | <b>7</b> Distribution code(s)<br><b>7</b>  | IRA/ SEP/ SIMPLE<br><input type="checkbox"/>  | <b>8</b> Other<br>\$ _____ %  |  |                                    |
| <b>10</b> Amount allocable to IRR within 5 years<br>\$   |  | <b>11</b> 1st year of desig. Roth contrib.   | <b>12</b> FATCA filing requirement<br><input type="checkbox"/>  | <b>14</b> State tax withheld<br>\$  | <b>15</b> State/Payer's state no.  | <b>16</b> State distribution<br>\$ |
| Account number (see instructions)  |  | <b>13</b> Date of payment  | <b>17</b> Local tax withheld<br>\$  | <b>18</b> Name of locality  | <b>19</b> Local distribution<br>\$   | \$                                 |

Form **1099-R** www.irs.gov/Form1099R Department of the Treasury - Internal Revenue Service

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

2021

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

|   |                                       |  |  |
|---|---------------------------------------|--|--|
| Box 1. Name<br><br><b>FRED JONES</b>  |                                       | Box 2. Beneficiary's Social Security Number<br><br><b>127-00-XXXX</b>              |  |
| Box 3. Benefits Paid in 2021<br><br><b>\$9,000.00</b>                                 | Box 4. Benefits Repaid to SSA in 2021 | Box 5. Net Benefits for 2021 (Box 3 minus Box 4)<br><br><b>\$9,000.00</b>          |  |
| DESCRIPTION OF AMOUNT IN BOX 3<br><br><b>Paid by check or direct deposit: \$9,000</b> |                                       | DESCRIPTION OF AMOUNT IN BOX 4   |  |
|   |                                       | Box 5. Voluntary Federal Income Tax Withholding<br><br><b>\$900.00</b>             |  |
|   |                                       | Box 7. Address<br><br><b>100 STONE STREET</b><br><b>YOUR CITY, YOUR STATE, ZIP</b> |  |
|   |                                       | Box 8. Claim Number (Use this number if you need to contact SSA.)                  |  |

Draft as of June 21, 2021 - Subject to Change

Form SSA-1099-SM (6/2020) DO NOT RETURN THIS FORM TO SSA OR IRS



CORRECTED (if checked)

|   |  |  |  |  |
|---|--|--|--|--|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>BANK OF BEDROCK</b><br><b>788 BAMBAM BLVD.</b><br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>1a</b> Total ordinary dividends<br>\$ <b>2,200.00</b> | <b>2021</b><br><br>Form <b>1099-DIV</b>                            | <b>Dividends and Distributions</b>   |
|   |  | <b>1b</b> Qualified dividends<br>\$ <b>2,200.00</b>      |  |  |
| PAYER'S TIN<br><br><b>39-400XXXX</b>  |  | RECIPIENT'S TIN<br><br><b>127-00-XXXX</b>                |  | <b>Copy B For Recipient</b><br><br>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |
| RECIPIENT'S name<br><br><b>FRED JONES</b>   |  | <b>2a</b> Total capital gain distr.<br>\$                | <b>2b</b> Unrecap. Sec. 1250 gain<br>\$                            |  |
| Street address (including apt. no.)<br><br><b>100 STONE STREET</b>  |  | <b>2c</b> Section 1202 gain<br>\$                        | <b>2d</b> Collectibles (28%) gain<br>\$                            |  |
| City or town, state or province, country, and ZIP or foreign postal code<br><br><b>YOUR CITY, YOUR STATE, ZIP</b>   |  | <b>2e</b> Section 897 ordinary dividends<br>\$           | <b>2f</b> Section 897 capital gain<br>\$                           |  |
| Account number (see instructions)   |  | <b>3</b> Nondividend distributions<br>\$                 | <b>4</b> Federal income tax withheld<br>\$ <b>522.00</b>           |  |
| FATCA filing requirement<br><input type="checkbox"/>  |  | <b>5</b> Section 199A dividends<br>\$                    | <b>6</b> Investment expenses<br>\$                                 |  |
| Account number (see instructions)   |  | <b>7</b> Foreign tax paid<br>\$                          | <b>8</b> Foreign country or U.S. possession                        |  |
| Account number (see instructions)   |  | <b>9</b> Cash liquidation distributions<br>\$            | <b>10</b> Noncash liquidation distributions<br>\$                  |  |
| Account number (see instructions)   |  | <b>11</b> Exempt-interest dividends<br>\$                | <b>12</b> Specified private activity bond interest dividends<br>\$ |  |
| Account number (see instructions)   |  | <b>13</b> State<br>\$                                    | <b>14</b> State identification no.<br>\$                           |  |
| Account number (see instructions)   |  | <b>15</b> State tax withheld<br>\$                       |  |  |

Form **1099-DIV** (keep for your records) [www.irs.gov/Form1099DIV](http://www.irs.gov/Form1099DIV) Department of the Treasury - Internal Revenue Service

CORRECTED

|  |  |  |   |   |
|--|--|--|---|---|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number<br><br><b>RUBBLE UNIVERSITY</b><br><b>900 COLLEGE BLVD</b><br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>1</b> Payments received for qualified tuition and related expenses<br>\$ <b>8,700.00</b>  | <b>2021</b><br><br>Form <b>1098-T</b>                                 | <b>Tuition Statement</b>  |
|  |  | <b>2</b>   |   |   |
| FILER'S employer identification no.<br><br><b>89-700XXXX</b>   |  | STUDENT'S TIN<br><br><b>129-00-XXXX</b>  |   | <b>Copy B For Student</b><br><br>This is important tax information and is being furnished to the IRS. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return. |
| STUDENT'S name<br><br><b>STEPHEN JONES</b>   |  | <b>3</b>   | <b>5</b> Scholarships or grants<br>\$ <b>6,800.00</b>                 |   |
| Street address (including apt. no.)<br><br><b>100 STONE STREET</b>   |  | <b>4</b> Adjustments made for a prior year<br>\$   | <b>6</b> Adjustments to scholarships or grants for a prior year<br>\$ |   |
| City or town, state or province, country, and ZIP or foreign postal code<br><br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | <b>7</b> Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2022<br><input type="checkbox"/> | <b>10</b> Ins. contract reimb./refund<br>\$                           |   |
| Service Provider/Acct. No. (see instr.)  |  | <b>8</b> Checked if at least half-time student<br><input checked="" type="checkbox"/>  | <b>9</b> Checked if a graduate student<br><input type="checkbox"/>    |   |

Form **1098-T** (keep for your records) [www.irs.gov/Form1098T](http://www.irs.gov/Form1098T) Department of the Treasury - Internal Revenue Service



### Buckeye College Meal Plan

Buckeye College Student Housing  
575 College Blvd.  
Your City, State ZIP

Received from:  
Stephen Jones  
\$4,500



College Books  
580 College Blvd  
Your City, State ZIP

Receipt:  
3 Textbooks: \$500  
Parking Sticker: \$90

*Payment for books is  
also on the college  
website.*

Invoice #05684

Rubble University  
900 College Blvd



|                 |  |                   |
|-----------------|--|-------------------|
| Date            | To                                       | Ship To           |
| August 18, 2021 | <b>Stephen Jones</b><br>100 Stone Street | Same as recipient |

| Quantity | Description         | Unit Price          | Total        |
|----------|---------------------|---------------------|--------------|
|          | Online Textbook Fee | \$100               | \$100        |
|          |                     |                     |              |
|          |                     |                     |              |
|          |                     | Subtotal            | \$100        |
|          |                     | Sales Tax           |              |
|          |                     | Shipping & Handling |              |
|          |                     | <b>Total</b>        | <b>\$100</b> |

Thank you for your business!

## Basic Scenario 7: Test Questions

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14. What is the amount of Fred and Wilma's standard deduction? \$\_\_\_\_\_.
15. What is Fred and Wilma's total qualified education expenses used to calculate the American Opportunity Credit? \_\_\_\_\_.
16. Fred and Wilma Jones can claim the Credit for Other Dependents.
  - a. True
  - b. False
17. What is the total amount of federal income tax withholding shown on the Fred Jones' Form(s) W-2 and 1099?
  - a. \$2,700
  - b. \$5,200
  - c. \$6,100
  - d. \$6,622
18. The taxable amount of Fred's Social Security is \$7,650.00
  - a. True
  - b. False
19. Which of the following statements are true?
  - a. Qualified dividends are part of the total ordinary dividends.
  - b. Qualified dividends qualify for lower, long-term capital gains tax rates.
  - c. Qualified dividends are reported on Form 1099-DIV.
  - d. All of the above.

## Basic Scenario 8: Sheila Parsons

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### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

### Interview Notes

- Sheila is single and 45 years old.
- Sheila has two children. Rebecca, age 18, has a job and earned wages of \$4,900. John, age 25, also worked and earned wages of \$4,500. Both children lived with her all year.
- Sheila paid all the cost of keeping up the home and more than half the support for her children.
- Sheila received disability pension benefits, but she has not reached the minimum retirement age of her employer's plan.
- She does not have enough expenses to itemize for the 2021 tax year.
- Sheila received a \$2,800 Economic Impact Payment (EIP3) in 2021.
- Sheila, Rebecca, and John are U.S. citizens and have valid Social Security numbers. They all lived in the United States for the entire year.
- If she has any balance due or refund, she would like to use Branch Bank: Bank Routing number is 128760000, Checking Account number is 123456



## Intake/Interview & Quality Review Sheet

**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

**Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)**

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

|   |                                     |   |  |  |
|---|-------------------------------------|---|--|--|
| 1. Your first name<br><b>SHEILA</b>   | M.I.                                | Last name<br><b>PARSONS</b>   | Best contact number<br><b>YOUR PHONE #</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Your spouse's first name   | M.I.                                | Last name   | Best contact number                        | Is your spouse a U.S. citizen?<br><input type="checkbox"/> Yes <input type="checkbox"/> No     |
| 3. Mailing address<br><b>320 MAIN STREET</b>  |                                     | Apt #   | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b>   |
|   |                                     |   |  | ZIP code<br><b>YOUR ZIP</b>  |
| 4. Your Date of Birth<br><b>08/23/1976</b>  | 5. Your job title<br><b>RETIRED</b> |   | 6. Last year, were you:                    |  |
|   |                                     | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       |
|   |                                     |   |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No           |
| 7. Your spouse's Date of Birth  | 8. Your spouse's job title          |   | 9. Last year, was your spouse:             |  |
|   |                                     | b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No            |  | a. Full-time student <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 as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |                                     |   |  |  |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |                                     |   |  |  |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |                                     |   |  |  |

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

1. As of December 31, 2021, what was your marital status?  Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)

Married      a. If Yes, Did you get married in 2021?  Yes  No

Divorced      b. Did you live with your spouse during any part of the last six months of 2021?  Yes  No

Legally Separated      Date of final decree \_\_\_\_\_

Widowed      Date of separate maintenance decree \_\_\_\_\_

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  and list on page 3

|  |                          |   |   |                     |  |  |                                      |   | <b>To be completed by a Certified Volunteer Preparer</b>                 |  |  |  |   |
|--|--------------------------|---|---|---------------------|--|--|--------------------------------------|---|--|--|--|--|---|
| 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |
| <b>REBECCA PARSONS</b>   | <b>05/09/2003</b>        | <b>DAUGHTER</b>   | <b>12</b>                                     | <b>YES</b>          | <b>YES</b>   | <b>S</b>                               | <b>YES</b>                           | <b>NO</b>                                 |  |  |  |  |   |
| <b>JOHN PARSONS</b>  | <b>07/31/1996</b>        | <b>SON</b>  | <b>12</b>                                     | <b>YES</b>          | <b>YES</b>   | <b>S</b>                               | <b>YES</b>                           | <b>NO</b>                                 |  |  |  |  |   |

## 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 checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |

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

- 1. Would you like to receive written communications from the IRS in a language other than English?  Yes  No If yes, which language? \_\_\_\_\_
- 2. Presidential Election Campaign Fund *(If you check a box, your tax or refund will not change)*  
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund  You  Spouse
- 3. If you are due a refund, would you like: a. Direct deposit  Yes  No b. To purchase U.S. Savings Bonds  Yes  No c. To split your refund between different accounts  Yes  No
- 4. If you have a balance due, would you like to make a payment directly from your bank account?  Yes  No
- 5. Did you live in an area that was declared a Federal disaster area?  Yes  No If yes, where? \_\_\_\_\_
- 6. Did you, or your spouse if filing jointly, receive a letter from the IRS?  Yes  No

**Many free tax preparation sites operate by receiving grant money or other federal financial assistance. The data from the following questions may be used by this site to apply for these grants or to support continued receipt of financial funding . Your answer will be used only for statistical purposes. These questions are optional.**

- 7. Would you say you can carry on a conversation in English, both understanding & speaking?  Very well  Well  Not well  Not at all  Prefer not to answer
- 8. Would you say you can read a newspaper or book in English?  Very well  Well  Not well  Not at all  Prefer not to answer
- 9. Do you or any member of your household have a disability?  Yes  No  Prefer not to answer
- 10. Are you or your spouse a Veteran from the U.S. Armed Forces?  Yes  No  Prefer not to answer
- 11. Your race?  
 American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer
- 12. Your spouse's race?  
 American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer  
 No spouse
- 13. Your ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer
- 14. Your spouse's ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer  No spouse

Additional comments

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**Privacy Act and Paperwork Reduction Act Notice**

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be 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

CORRECTED (if checked)

|   |  |  |  |   |   |
|---|--|--|--|---|---|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>DELK CORPORATION</b><br><b>983 GREEN STREET</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>                    |  | <b>1</b> Gross distribution<br>\$ <b>39,500.00</b>   | OMB No. 1545-0119<br><br><b>2021</b><br><br>Form <b>1099-R</b>   |   | <b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>  |
|   |  | <b>2a</b> Taxable amount<br>\$ <b>39,500.00</b>  | <b>2b</b> Taxable amount not determined <input type="checkbox"/> Total distribution <input type="checkbox"/> |   |   |
| PAYER'S TIN<br><br><b>56-700XXXX</b>  | RECIPIENT'S TIN<br><br><b>127-00-XXXX</b>  | <b>3</b> Capital gain (included in box 2a)<br>\$   | <b>4</b> Federal income tax withheld<br>\$ <b>\$100.00</b>   |   | <b>Copy B</b><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b><br><br>This information is being furnished to the IRS. |
| RECIPIENT'S name<br><br><b>SHEILA PARSONS</b><br><br>Street address (including apt. no.)<br><b>320 MAIN STREET</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>5</b> Employee contributions/ Designated Roth contributions or insurance premiums<br>\$ | <b>6</b> Net unrealized appreciation in employer's securities<br>\$  |   |   |
|   |  | <b>7</b> Distribution code(s)<br><b>3</b>  | IRA/ SEP/ SIMPLE <input type="checkbox"/><br><b>8</b> Other<br>\$ %  | <b>9a</b> Your percentage of total distribution %<br>\$ |   |
|   |  | <b>9b</b> Total employee contributions<br>\$   |  |   |   |
| <b>10</b> Amount allocable to IRR within 5 years<br>\$  | <b>11</b> 1st year of desig. Roth contrib. | <b>12</b> FATCA filing requirement <input type="checkbox"/>                                | <b>14</b> State tax withheld<br>\$   | <b>15</b> State/Payer's state no.                       | <b>16</b> State distribution<br>\$  |
| Account number (see instructions)   |  | <b>13</b> Date of payment  | <b>17</b> Local tax withheld<br>\$   | <b>18</b> Name of locality                              | <b>19</b> Local distribution<br>\$  |

Form **1099-R**

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

Sheila Parsons 1234  
 320 Main Street  
 Your City, State Zip

PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_  
 DOLLARS

Branch Bank  
 Anytown, State 00000  
 For \_\_\_\_\_

1 123456789 1 123456 1234

VOID



## Basic Scenario 8: Test Questions

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20. What amount is required to be reported as wages on Sheila's tax return?  
\_\_\_\_\_.
21. Sheila's most advantageous filing status allowable is
- Single
  - Married Filing Separately
  - Head of Household
  - Qualifying Widow(er)
22. Which child qualifies Shelia for EITC?
- Rebecca
  - John
  - Both Rebecca and John
  - Neither Rebecca nor John.
23. Rebecca and John are dependents on Shelia's tax return.
- True
  - False
24. Sheila can prevent having a balance due next year by using the Tax Withholding Estimator at IRS.gov and then adjust her withholding.
- True
  - False

## Basic Scenario 9: Mary Rodgers

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### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

### Interview Notes

- Mary is 30 years old and married to Mark, age 36. Mark passed away on January 30, 2021.
- Mark was unemployed and had no income in 2021 due to his illness.
- Mary's seven-year-old daughter, Jenny, lived with her the entire year.
- Mary paid more than half the cost of keeping up a home and support for Mark and Jenny.
- Mary received a distribution from her traditional IRA in January to pay for living expenses.
- Mary was a full-time high school teacher and earned \$35,000 in wages. Mary purchased supplies for her class out of her own pocket totaling \$320.
- Mary received a W-2G in the amount of \$8,200 from the local casino.
- Mary paid child and dependent care expenses for Jenny while she worked.
- Mary elected not to receive advance child tax credit payments.
- Mary and Mark received a \$4,200 Economic Impact Payment (EIP3) in 2021.
- Mary, Mark, and Jenny were not medically or financially affected by the COVID-19 pandemic.
- Mary, Mark, and Jenny are U.S. citizens and have valid Social Security numbers. They all lived in the United States for the entire year.
- If Mary is entitled to a refund, she would like to deposit half into her checking account and half into her savings account. Documents from Adelphi Bank and Trust show that the routing number for both accounts is 111000025. Her checking account number is 113355779 and her savings account number is 224466880.



**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)

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

|   |      |  |  |  |
|---|------|--|--|--|
| 1. Your first name<br><b>MARY</b>   | M.I. | Last name<br><b>RODGERS</b>                          | Best contact number<br><b>YOUR PHONE #</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |
| 2. Your spouse's first name<br><b>MARK</b>  | M.I. | Last name<br><b>RODGERS</b>                          | Best contact number<br><b>YOUR PHONE #</b> | Is your spouse a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |
| 3. Mailing address<br><b>178 PACKER DRIVE</b>   |      | Apt #  | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b>   |
| 4. Your Date of Birth<br><b>02/14/1991</b>  |      | 5. Your job title<br><b>ADMINISTRATIVE ASSISTANT</b> |  | 6. Last year, were you:<br>a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 7. Your spouse's Date of Birth<br><b>01/15/1985</b>   |      | 8. Your spouse's job title<br><b>UNEMPLOYED</b>      |  | 9. Last year, was your spouse:<br>a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>c. Legally blind <input type="checkbox"/> Yes <input type="checkbox"/> No     |
| 10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |      |  |  |  |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |      |  |  |  |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service) <b>Sparsons12@vita.you</b>   |      |  |  |  |

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

1. As of December 31, 2021, what was your marital status?

Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)

Married a. If Yes, Did you get married in 2021?  Yes  No

Divorced Date of final decree \_\_\_\_\_

Legally Separated Date of separate maintenance decree \_\_\_\_\_

Widowed Year of spouse's death **1/30/2021**

2. List the names below of:

- everyone who lived with you last year (other than your spouse)
- anyone you supported but did not live with you last year

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

|  |                          |   |   |                     |  |  |                                      |   |  | 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |  |
| <b>JENNY RODGERS</b>   | <b>01/21/2014</b>        | <b>DAUGHTER</b>   | <b>12</b>                                     | <b>YES</b>          | <b>YES</b>   | <b>S</b>                               | <b>YES</b>                           | <b>NO</b>                                 |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |

**Check appropriate box for each question in each section**

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 1. (B) Wages or Salary? (Form W-2) <b>If yes, how many jobs did you have last year? <u>1</u></b>  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)                                  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?              |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B) |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)                  |

| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (B) Alimony or separate maintenance payments? <b>If yes, do you have the recipient's SSN?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 6. (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"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)               |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? <b>If yes, for which tax year?</b> _____ |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? <b>If so how much?</b> _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?  |

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

1. Would you like to receive written communications from the IRS in a language other than English?  Yes  No If yes, which language? \_\_\_\_\_

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

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

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

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

5. Did you live in an area that was declared a Federal disaster area?  Yes  No If yes, where? \_\_\_\_\_

6. Did you, or your spouse if filing jointly, receive a letter from the IRS?  Yes  No

**Many free tax preparation sites operate by receiving grant money or other federal financial assistance. The data from the following questions may be used by this site to apply for these grants or to support continued receipt of financial funding . Your answer will be used only for statistical purposes. These questions are optional.**

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

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

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

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

11. Your race?

American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer

12. Your spouse's race?

American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer

No spouse

13. Your ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer

14. Your spouse's ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer  No spouse

Additional comments

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Privacy Act and Paperwork Reduction Act Notice**

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers. Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs. The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1964. Also, if you have any comments regarding the time estimates associated with this study or suggestion on making this process simpler, please write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224

|  |  |  |   |   |                  |     |
|--|--|--|---|---|------------------|-----|
| a Employee's social security number<br><b>620-00-XXXX</b>  |  | Safe, accurate,<br>FAST! Use   |   | Visit the IRS website at<br>www.irs.gov/efile |                  |     |
| b Employer identification number (EIN)<br><b>38-500XXXX</b>  |  | 1 Wages, tips, other compensation<br><b>\$35,000.00</b>  | 2 Federal income tax withheld<br><b>\$2,150.00</b>  |   |                  |     |
| c Employer's name, address, and ZIP code<br><b>GREEN BAY SCHOOL DISTRICT<br/>1200 LOMBARDI BLVD<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 3 Social security wages<br><b>\$35,000.00</b>  | 4 Social security tax withheld<br><b>\$2,170.00</b> |   |                  |     |
|  |  | 5 Medicare wages and tips<br><b>\$35,000.00</b>  | 6 Medicare tax withheld<br><b>\$507.50</b>          |   |                  |     |
|  |  | 7 Social security tips   | 8 Allocated tips                                    |   |                  |     |
| d Control number   |  | 9  | 10 Dependent care benefits                          |   |                  |     |
| e Employee's first name and initial Last name Suff.<br><b>MARY RODGERS<br/>178 PACKER DRIVE<br/>YOUR CITY, YOUR STATE, ZIP</b>     |  | 11 Nonqualified plans  |   | 12a See instructions for box 12               |                  |     |
|  |  | 13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/> | 12b   |   |                  |     |
|  |  | 14 Other   |   | 12c   |                  | 12d |
| f Employee's address and ZIP code  |  |  |   |   |                  |     |
| 15 State Employer's state ID number<br><b>YS 38-500XXXX</b>  | 16 State wages, tips, etc.<br><b>\$35,000.00</b> | 17 State income tax<br><b>\$750.00</b>   | 18 Local wages, tips, etc.                          | 19 Local income tax                           | 20 Locality name |     |

Form **W-2** Wage and Tax Statement **2021** 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.

CORRECTED (if checked)

|  |  |   |   |
|--|--|---|---|
| PAYER'S name, street address, city or town, province or state, country, and ZIP or foreign postal code<br><b>RIDGETOP CASINO<br/>777 CREST ROAD<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 1 Reportable winnings<br><b>\$ 8,200.00</b>                 | 2 Date won<br><b>3/16/2021</b>                      |
| PAYER'S federal identification number PAYER'S telephone number<br><b>38-600XXXX</b>  |  | 3 Type of wager<br><b>Poker</b>                             | 4 Federal income tax withheld<br><b>\$ 1,968.00</b> |
|  |  | 5 Transaction   | 6 Race  |
| WINNER'S name<br><b>MARY RODGERS</b>   |  | 7 Winnings from identical wagers<br><b>\$</b>               | 8 Cashier<br><b>AR</b>                              |
| Street address (including apt. no.)<br><b>178 PACKER DRIVE</b>   |  | 9 Winner's taxpayer identification no.<br><b>620-00-XXX</b> | 10 Window   |
| City or town, province or state, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | 11 First identification<br><b>YS987654</b>                  | 12 Second identification<br><b>YS 31600XXX</b>      |
|  |  | 13 State/Payer's state identification no.                   | 14 State winnings<br><b>\$</b>                      |
|  |  | 15 State income tax withheld<br><b>\$</b>                   | 16 Local winnings<br><b>\$</b>                      |
|  |  | 17 Local income tax withheld<br><b>\$</b>                   | 18 Name of locality                                 |

OMB No. 1545-0238  
**Form W-2G**  
**Certain Gambling Winnings**  
(Rev. January 2021)  
For calendar year 20 21

This information is being furnished to the Internal Revenue Service.

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

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments.

Signature ► Date ►

Form **W-2G** (Rev. 1-2021) www.irs.gov/FormW2G Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

|  |   |  |   |   |
|--|---|--|---|---|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>RILEY STATE BANK</b><br><b>123 SKIP WAY</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>                       |   | <b>1</b> Gross distribution<br>\$ <b>4,000.00</b><br><b>2a</b> Taxable amount<br>\$ <b>4,000.00</b><br><b>2b</b> Taxable amount not determined <input type="checkbox"/>                    | OMB No. 1545-0119<br><br><div style="font-size: 2em; font-weight: bold; text-align: center;">2021</div><br>Form <b>1099-R</b> | <b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>  |
| PAYER'S TIN<br><br><b>38-200XXXX</b>   | RECIPIENT'S TIN<br><br><b>620-00-XXXX</b>                   | <b>3</b> Capital gain (included in box 2a)<br>\$   | <b>4</b> Federal income tax withheld<br>\$ <b>800.00</b>  | <b>Copy B</b><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b><br><br>This information is being furnished to the IRS. |
| RECIPIENT'S name<br><br><b>MARY RODGERS</b><br><br>Street address (including apt. no.)<br><b>178 PACKER DRIVE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |   | <b>5</b> Employee contributions/ Designated Roth contributions or insurance premiums<br>\$   | <b>6</b> Net unrealized appreciation in employer's securities<br>\$   |   |
| <b>10</b> Amount allocable to IRR within 5 years<br>\$   |   | <b>7</b> Distribution code(s)<br><div style="display: flex; justify-content: space-between;"> <span><b>1</b></span> <span>IRA/SEP/SIMPLE <input checked="" type="checkbox"/></span> </div> | <b>8</b> Other<br>\$ %  |   |
| <b>11</b> 1st year of desig. Roth contrib.   | <b>12</b> FATCA filing requirement <input type="checkbox"/> | <b>9a</b> Your percentage of total distribution %  | <b>9b</b> Total employee contributions \$   |   |
| <b>13</b> Date of payment  | <b>14</b> State tax withheld<br>\$                          | <b>15</b> State/Payer's state no.  | <b>16</b> State distribution<br>\$  |   |
| Account number (see instructions)  | <b>17</b> Local tax withheld<br>\$                          | <b>18</b> Name of locality   | <b>19</b> Local distribution<br>\$  |   |

Form **1099-R** www.irs.gov/Form1099R Department of the Treasury - Internal Revenue Service

VOID  CORRECTED

|   |  |  |  |
|---|--|--|--|
| RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number<br><br><b>MAGGIE MAE</b><br><b>854 LINCOLN RD</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>          |  | OMB No. 1545-1576<br><br><div style="font-size: 2em; font-weight: bold; text-align: center;">2021</div><br>Form <b>1098-E</b>  | <b>Student Loan Interest Statement</b>   |
| RECIPIENT'S TIN<br><br><b>620-00-XXXX</b>   | BORROWER'S TIN<br><br><b>127-00-XXXX</b> | <b>1</b> Student loan interest received by lender<br>\$ <b>750.00</b>  | <b>Copy C</b><br><b>For Recipient</b><br><br>For Privacy Act and Paperwork Reduction Act Notice, see the <b>2021 General Instructions for Certain Information Returns.</b> |
| BORROWER'S name<br><br><b>MARY RODGERS</b><br><br>Street address (including apt. no.)<br><b>178 PACKER DRIVE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>2</b> Check if box 1 does <b>not</b> include loan origination fees and/or capitalized interest, and the loan was made before September 1, 2004 <input type="checkbox"/> |  |
| Account number (see instructions)   |  |  |  |

Form **1098-E** www.irs.gov/Form1098E Department of the Treasury - Internal Revenue Service

**Make A Way Daycare**

303 Twiggs Trail  
Your City, State Zip  
(XXX) 555-5555



**Date:** December 31, 2021

**Received From:**  
Mary Rodgers  
178 Packer Dr

**EIN:** 35-500XXXX  
**Provider:** Lynn Smith

| Description                                     | Price   | Total          |
|---|---------|----------------|
| After-School Care for Jenny Rodgers             | \$2,800 | \$2,800        |
| <b>Total Amount Received for 2021 Childcare</b> |         | <b>\$2,800</b> |

Thank you for your business!

Mary Rodgers 1234  
178 Packer Drive  
Your City, State Zip

\_\_\_\_\_ 20 \_\_\_\_\_

PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ DOLLARS

Adelphi Bank and Trust  
Anytown, State 00000  
For \_\_\_\_\_

: 111000025 : 113355779 1234

**VOID**



## Basic Scenario 9: Test Questions

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25. Mary's gambling winnings do **not** have to be reported on her return.
- a. True
  - b. False
26. Mary's most advantageous filing status is:
- a. Head of Household
  - b. Married Filing Jointly
  - c. Married Filing Separately
  - d. Qualifying Widow(er)
27. Mary is subject to the additional 10% tax on early distributions.
- a. True
  - b. False
28. Mary qualifies for which of the following credits?
- a. Child Tax Credit and Earned Income Tax Credit
  - b. Child and Dependent Care Credit
  - c. Retirement Savings Contribution Credit
  - d. Both a and b
29. Mary wants to split the refund between her savings and checking accounts. How is this accomplished, if possible?
- a. Splitting a refund is **not** possible.
  - b. Mary does **not** have an overpayment on her return.
  - c. This can only be accomplished if filing a paper return.
  - d. Complete Form 8888, Allocation of Refund (Including Savings Bond Purchases).
30. What amount can Mary claim as an adjustment for the supplies she purchased out of pocket?
- a. \$0
  - b. \$250
  - c. \$300
  - d. \$320



## Basic Course Retest Questions

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### Directions

The first five scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### Basic Scenario 1: Joe Wilson

---

#### Interview Notes

- Joe is 35 years old and has never been married.
- Suzanna, age 12, is Joe's niece who lived with him all year. Joe provided all of her support and provided over half the cost of keeping up the home.
- Joe elected not to receive advance child tax credit payments.
- Joe earned \$42,000 in wages.
- Joe is blind and cannot be claimed as a dependent by another taxpayer.
- Joe and Suzanna are U.S. citizens, have valid Social Security numbers and lived in the U.S. the entire year.

### Basic Scenario 1: Retest Questions

---

1. Joe's most advantageous filing status for 2021 is Head of Household.
  - a. True
  - b. False
2. Joe is blind and can claim a standard deduction amount of:
  - a. \$18,800
  - b. \$20,150
  - c. \$20,500
  - d. \$22,200

## Basic Scenario 2: Chris and Marcie Davis

---

### Interview Notes

- Chris, age 22, and Marcie, age 24, are married and will file a joint return.
- They cannot be claimed as dependents by another taxpayer.
- Chris and Marcie have no children or other dependents.
- Both work and neither are full-time students. Chris earned wages of \$18,600 and Marcie earned wages of \$6,500.
- Chris and Marcie are U.S. citizens and have valid Social Security numbers.
- Chris and Marcie received an Economic Impact Payment (EIP3) of \$2,800 in March 2021.

### Basic Scenario 2: Retest Questions

---

3. Chris and Marcie are eligible to claim the EITC without a qualifying child.
  - a. True
  - b. False
4. What is the amount of the EIP3 that Chris and Marcie must include in their taxable income for 2021? \$ \_\_\_\_\_

## Basic Scenario 3: Archie and Tina Reynolds

---

### Interview Notes

- Archie and Tina Reynolds are married and always file Married Filing Jointly.
- Archie earned \$32,000 in wages and Tina earned \$24,000 in wages.
- The Reynolds paid all the cost of keeping up a home and provided all the support for their two children, Laura and Timothy, who lived with them all year.
- Laura is 13 years old and Timothy turned 17 in November 2021.
- Archie and Tina elected not to receive the advance child tax credit payments.
- Archie and Tina did not have enough deductions to itemize, but contributed \$1,700 in 2021, to their church, a qualified charitable organization.
- Archie, Tina, Laura, and Timothy are all U.S. citizens with valid Social Security numbers and lived in the U.S. the entire year.

## Basic Scenario 3: Retest Questions

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5. Timothy is **not** a qualifying child for the CTC.
  - a. True
  - b. False
6. What amount can Archie and Tina deduct as a charitable contribution?
  - a. \$0
  - b. \$600
  - c. \$1200
  - d. \$1700

## Basic Scenario 4: Charles and Heather Brooks

---

### Interview Notes

- Charles and Heather are married and will file a joint return.
- Heather is a U.S. citizen with a valid Social Security number. Charles is a resident alien with an Individual Taxpayer Identification Number (ITIN).
- Heather worked in 2021 and earned wages of \$31,000. Charles worked part-time and earned wages of \$12,000.
- The Brooks have three children: Emma, age 11; Liam, age 13; and Grace, age 18.
- Charles and Heather elected not to receive the advance child tax credit payments.
- The Brooks provided the total support for their three children, who lived with them in the U.S. all year. Emma, Liam and Grace are U.S. citizens and have valid Social Security numbers.

## Basic Scenario 4: Retest Questions

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7. Which child qualifies the Brooks for the Credit for Other Dependents?
  - a. Emma
  - b. Liam
  - c. Grace
  - d. None of the above
8. The Brooks do **not** qualify for the Earned Income Credit.
  - a. True
  - b. False

## Basic Scenario 5: Alan Carmichael

---

### Interview Notes

- Alan is single and 71 years old.
- Alan worked as a greeter at the local department store and earned wages of \$6,000. Alan also received Social Security benefits of \$14,500. He received a taxable pension of \$11,700.
- He retired from his previous job on October 30, 2019. During his career he contributed pretax dollars to a qualified 401(k) retirement plan through his employer.
- Alan cannot be claimed as a dependent by another taxpayer.
- Alan is a U.S. citizen with a valid Social Security number.

## Basic Scenario 5: Retest Questions

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9. What credit(s) is Alan eligible to claim?
- a. Credit for the Elderly or the Disabled
  - b. Earned Income Credit
  - c. Both the Credit for the Elderly or the Disabled and the Earned Income Tax Credit
  - d. Neither the Credit for the Elderly or the Disabled or the Earned Income Tax Credit
10. When must Alan begin taking his required minimum distribution?.
- a. April 1 of the calendar year following the year he reaches age 70 1/2.
  - b. April 1 of the calendar year following the year he reaches age 72.
  - c. April 1 of the calendar year following the year he retired.
  - d. Never. Required minimum distributions only apply to Roth IRAs.

## Basic Scenario 6: Bobbie Daniels

---

### Interview Notes

- Bobbie Daniels was separated from his spouse for 10 months in 2021. Bobbie and his spouse have decided to file their tax returns as Married Filing Separately.
- Bobbie earned wages of \$11,000 during the first half of the year. Bobbie lost his job in July and received a total of \$7,500 in unemployment compensation.
- Bobbie is a chef and took a gourmet cooking class at the community college to improve his cooking skills. He paid the cost of tuition and a course-related book. His total education expenses were \$1,500.
- Bobbie also paid student loan interest for the courses he previously took to earn his Bachelor's degree. For 2021 he paid student loan interest of \$350.
- Bobbie does not have any dependents.
- Bobbie is a U.S. citizen with a valid Social Security number.

## Basic Scenario 6: Retest Questions

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11. How much of Bobbie's unemployment compensation must he report on his tax return?
  - a. \$0
  - b. \$2,500
  - c. \$5,000
  - d. \$7,500
12. Bobbie is eligible to claim the American Opportunity Credit.
  - a. True
  - b. False
13. Bobbie can deduct \$\_\_\_\_\_ of student loan interest as an adjustment to his income.

## Basic Scenario 7: Retest Questions

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### Directions

Read the scenario information for Fred and Wilma Jones beginning on page 40.

14. Fred and Wilma's standard deduction is:
- a. \$24,800
  - b. \$25,100
  - c. \$26,450
  - d. \$27,800
15. What is Fred and Wilma's total qualified education expenses used to calculate the American Opportunity Credit?
- a. \$0
  - b. \$2,500
  - c. \$7,000
  - d. \$8,700
16. Stephen qualifies Fred and Wilma to claim the Credit for Other Dependents.
- a. True
  - b. False
17. The Jones' total amount of federal income tax withholding for 2021 is \$\_\_\_\_\_.
18. How much of Fred's Social Security is taxable income?
- a. \$0
  - b. \$4,500
  - c. \$7,650
  - d. \$9,000
19. Qualified dividends are reported on Form 1099-DIV.
- a. True
  - b. False



## Basic Scenario 8: Retest Questions

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### Directions

Read the scenario information for Sheila Parsons beginning on page 50

20. Sheila's disability pension is reported as wages.
- True
  - False
21. Head of household is the most advantageous filing status Sheila is eligible to claim on her tax return.
- True
  - False
22. The amount of Sheila's EITC is \$\_\_\_\_\_.
23. Who qualifies as Sheila's dependent ?
- Rebecca
  - John
  - Both John and Rebecca
  - Neither John nor Rebecca
24. What actions should Sheila take to prevent having a balance due next year?  
(Choose the best answer.)
- Sheila should use the IRS Tax Withholding Estimator and adjust her withholding.
  - Sheila should decrease the amount of withholding on her form W-4P for next year.
  - Sheila should ask her brother who is taking an accounting class how to avoid having a balance due.
  - Sheila should **not** do anything to prevent having a balance next year.

## Basic Scenario 9: Retest Questions

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### Directions

Read the scenario information for Mary Rodgers beginning on page 56

25. Mary must report \_\_\_\_\_ of her gambling winnings on her 2021 return.
- \$1,200
  - \$3,200
  - \$7,000
  - \$8,200
26. Which of the following statements are true?
- Mary should file Single
  - Mary should file Married Filing Separately
  - Mary should file Head of Household
  - Mary should file Married Filing Jointly
27. Mary must pay an additional \_\_\_\_\_ tax on the early distribution from her IRA.
- 0%
  - 5%
  - 10%
  - 15%
28. Mary is **not** eligible for the Earned Income Tax Credit because her filing status is Married Filing Separately.
- True
  - False
29. Mary can split her refund using Form 8888, Allocation of Refund (Including Savings Bonds Purchases).
- True
  - False
30. Mary can deduct \$250 of qualified educator expenses for the supplies she purchased for her classroom.
- True
  - False





## Advanced Course Scenarios and Test Questions

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### Directions

The first six scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### Advanced Scenario 1: Karen White

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#### Interview Notes

- Karen's husband, Fred, moved out of their family home in April of 2021. She has not heard from him since. Karen and Fred are not legally separated.
- Karen has two children, Avery, age 12, and George, age 15. She will claim them as her dependents on her 2021 tax return. Karen is 38 years old.
- Karen earned \$28,000 in wages. She also received \$175 of interest and \$12,500 of unemployment income.
- Karen made a cash contribution of \$650 to the Red Cross. She does not have enough deductions to itemize this year.
- Karen paid all the cost to keep up her home and to support Avery and George.
- Karen received her third economic impact payment (EIP3) of \$5,600 based on her 2020 tax return filed jointly with her husband.
- They all are U.S. citizens and have valid social security numbers. Karen, George, and Avery lived in the U.S. all year.

### Advanced Scenario 1: Test Questions

---

1. What is the most beneficial filing status that Karen is eligible to claim on her 2021 tax return?
  - a. Single
  - b. Married Filing Separately
  - c. Married Filing Jointly
  - d. Head of Household
2. Karen's Economic Impact Payment (EIP3) must be included in her total income.
  - a. True
  - b. False

3. What amount may Karen deduct as a charitable contribution when filing her 2021 tax return?
- a. \$650
  - b. \$600
  - c. \$300
  - d. \$0

## Advanced Scenario 2: Paul and Maggie Thomas

---

### Interview Notes

- Paul and Maggie are married and want to file a joint return.
- Maggie is a U.S. citizen and has a valid Social Security number. Paul is a resident alien and has an ITIN. They resided in the United States all year with their children.
- Paul and Maggie have two children, Cheryl, age 4, and Mike, age 15. Cheryl and Mike are U.S. citizens and have valid Social Security numbers.
- Paul earned \$18,000 in wages.
- Maggie earned \$20,000 in wages.
- In order to work, the Thomases paid child and dependent care expenses of \$3,500 for their daughter Cheryl to attend Busy Bee Child Care.
- Paul and Maggie provided all of the support for their two children.
- Paul and Maggie declined to receive advance payments for the Child Tax Credit.

### Advanced Scenario 2: Test Questions

---

4. What is the maximum amount Paul and Maggie are eligible to claim for the child tax credit?
  - a. \$3,000
  - b. \$3,600
  - c. \$6,000
  - d. \$6,600
5. How much of the child care expenses can be used to claim the child and dependent care credit?
  - a. \$3,500
  - b. \$3,000
  - c. \$1,500
  - d. \$0

## Advanced Scenario 3: Carol Wheeler

---

### Interview Notes

- Carol Wheeler, age 56, is single.
- Carol earned wages of \$48,000 and was enrolled the entire year in a high deductible health plan (HDHP) with self-only coverage.
- During the year, Carol contributed \$3,000 to her Health Savings Account (HSA) and her cousin also contributed \$1,000 to Carol's HSA account.
- Carol's Form W-2 shows \$600 in Box 12 with code W. She has Form 5498-SA showing \$4,600 in Box 2.
- Carol took a distribution from her HSA to pay her unreimbursed expenses:
  - 2 visits to a physical therapist due to a car accident \$300
  - unreimbursed doctor bills for \$700
  - prescription medicine \$400
  - replacement of a crown \$1,500
  - over the counter sinus medication \$80
  - 10 Zumba classes for \$125
- Carol is a U.S. citizen with a valid Social Security number.

## Advanced Scenario 3: Test Questions

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6. Form 8889, Part 1 is used to report HSA contributions made by \_\_\_\_\_.
  - a. Carol
  - b. Carol's employer
  - c. Carol's cousin
  - d. All the above
7. Carol is eligible to contribute an additional \$\_\_\_\_\_ to her HSA because she is age 55 or older.
8. What is the total unreimbursed qualified medical expenses reported on Form 8889, Part II?
  - a. \$2,600
  - b. \$2,900
  - c. \$2,980
  - d. \$3,105

## Advanced Scenario 4: Barbara Jacobs

---

### Interview Notes

- Barbara is age 57 and was widowed in 2021. She owns her own home and provided all the cost of keeping up her home for the entire year. Her only income for 2021 was \$36,000 in W-2 wages.
- Jenny, age 24, and her daughter Marie, age 3, moved in with her mother, Barbara, after she separated from her spouse in April of 2021. Jenny's only income for 2021 was \$15,000 in wages. Jenny provided over half of her own support. Marie did not provide more than half of her own support.
- Jenny will not file a joint return with her spouse. She did not receive advance child tax credit payments for 2021.
- All individuals in the household are U.S. citizens with valid Social Security numbers. No one has a disability. They lived in the United States all year but not in a community property state.

## Advanced Scenario 4: Test Questions

---

9. For the purpose of determining dependency, Marie meets the conditions to be the qualifying child of \_\_\_\_\_.
  - a. Barbara
  - b. Jenny
  - c. Both Barbara and Jenny
  - d. Neither Barbara nor Jenny
10. Jenny is **not** eligible to claim Marie for the earned income credit because her filing status is Married Filing Separate.
  - a. True
  - b. False



## Advanced Scenario 5: Michael Block

---

### Interview Notes

- Michael is 49 years old and files as single.
- His 2021 adjusted gross income (AGI) is \$49,500, which includes gambling winnings of \$1,000.
- Michael would like to itemize his deductions this year.
- Michael brings documentation for the following expenses:
  - \$8,200 Hospital and doctor bills
  - \$700 Contributions to Health Savings Account (HSA)
  - \$2,500 Long Term Care Insurance premiums before age limitation applied
  - \$3,400 State withholding (higher than Michael's calculated state sales tax deduction)
  - \$300 Personal property taxes based on value of vehicle
  - \$400 Friend's personal GoFundMe campaign
  - \$275 Cash contributions to the Red Cross
  - \$100 Fair market value of clothing in good condition donated to the Salvation Army (Michael purchased clothing for \$800)
  - \$7,500 Mortgage interest
  - \$820 Real estate tax
  - \$230 Mortgage Insurance Premiums (PMI) on a home he purchased in 2017.
  - \$150 Homeowners association fees
  - \$2,000 Gambling losses

## Advanced Scenario 5: Test Questions

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11. Michael's mortgage insurance premium of \$230 can be claimed as an itemized deduction on his Schedule A.
  - a. True
  - b. False
12. What amount of gambling losses is Michael eligible to claim as a deduction on his Schedule A?
  - a. \$0
  - b. \$500
  - c. \$1,000
  - d. \$2,000

## Advanced Scenario 6: Sean Dennison

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### Interview Notes

- Sean Dennison is 19 years old.
- He is not a full time student. Sean works at a grocery store and earned \$20,000 in wages. He had \$2,400 of withholding.
- He lives with a friend in a rented apartment. They each pay their own expenses. Sean provides all of his own support.
- Sean is a U.S. citizen and lived in the U.S. for the entire year. He has a valid Social Security number.

## Advanced Scenario 6: Test Questions

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13. Sean is **not** required to file a tax return because he has enough tax withholding to cover his tax liability.
- a. True
  - b. False
14. Which of the following is **not** a requirement for Sean to claim the earned income credit as a single person with no qualifying children in 2021?
- a. Sean must have a Social Security number valid for employment.
  - b. Sean must be at least age 25 but under age 65 on December 31.
  - c. Sean's adjusted gross income must be below \$21,430.
  - d. Sean **cannot** be the qualifying child of another taxpayer.

## Advanced Scenario 7: Gilbert and Tara Washington

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### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

**Note:** *When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

### Interview Notes

- Gilbert is an elementary school teacher at a public school. Gilbert and Tara are married and choose to file Married Filing Jointly on their 2021 tax return.
- Gilbert worked a total of 1,280 hours in 2021. During the school year, he spent \$500 on unreimbursed classroom expenses.
- Tara retired in 2018 and began receiving her pension on October 1st of that year. She explains that this is a joint and survivor annuity. She has already recovered \$1,013 of the cost of the plan.
- Gilbert settled with his credit card company on an outstanding bill and brought the Form 1099-C to the site. They aren't sure how it will impact their tax return for tax year 2021. The Washingtons determined that they were solvent as of the date of the canceled debt.
- Tara won \$3,000 gambling at a casino and had additional lottery winnings of \$150. Tara has documented casino losses of \$1,500.
- Their son, Chandler, is in his second year of college pursuing a bachelor's degree in Logistics at a qualified educational institution. He received a scholarship and the terms require that it be used to pay tuition. Box 2 was not filled in and Box 7 was not checked on his Form 1098-T for the previous tax year. The Washingtons provided Form 1098-T and an account statement from the college that included additional expenses. The Washingtons paid \$450 for books required for Chandler's courses. This information is also included on the College statement of account.
- Chandler does not have a felony drug conviction.
- The Washingtons received the third Economic Impact Payment (EIP3) in the amount of \$4,200 in 2021.
- They are all U.S. citizens with valid Social Security numbers.



**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

**Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)**

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

|   |  |   |  |   |
|---|--|---|--|---|
| 1. Your first name<br><b>GILBERT</b>  | M.I.   | Last name<br><b>WASHINGTON</b>  | Best contact number<br><b>YOUR PHONE #</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        |
| 2. Your spouse's first name<br><b>TARA</b>  | M.I.   | Last name<br><b>WASHINGTON</b>  | Best contact number                        | Is your spouse a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Mailing address<br><b>123 TAYLOR AVENUE</b>  |  | Apt #   | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b>  |
|   |  | ZIP code<br><b>YOUR ZIP</b>   |  |   |
| 4. Your Date of Birth<br><b>5/05/1964</b>   | 5. Your job title<br><b>TEACHER</b>          |   | 6. Last year, were you:                    |   |
|   |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                |  |   |
|   |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |   |
|   |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                    |  |   |
| 7. Your spouse's Date of Birth<br><b>03/11/1956</b>   | 8. Your spouse's job title<br><b>RETIRED</b> |   | 9. Last year, was your spouse:             |   |
|   |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                |  |   |
|   |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |   |
|   |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                    |  |   |
| 10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |  |   |  |   |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |   |  |   |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |  |   |  |   |

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

1. As of December 31, 2021, what was your marital status?  Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)  Married  Divorced  Legally Separated  Widowed

a. If Yes, Did you get married in 2021?  Yes  No

b. Did you live with your spouse during any part of the last six months of 2021?  Yes  No

Date of final decree \_\_\_\_\_

Date of separate maintenance decree \_\_\_\_\_

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  and list on page 3

| 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 12/31/21 (S/M) | Full-time Student last year (yes/no) | Totally and Permanently Disabled (yes/no) | To be completed by a Certified Volunteer Preparer                        |  |  |  |   |
|--|--------------------------|---|---|---------------------|--|--|--------------------------------------|---|--|--|--|--|---|
|  |                          |   |   |                     |  |  |                                      |   | Is this person a qualifying child/relative of any other person? (yes/no) | Did this person provide more than 50% of his/her own support? (yes,no,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |
| <b>CHANDLER WASHINGTON</b>                                       | <b>8/06/2002</b>         | <b>SON</b>  | <b>12</b>                                     | <b>YES</b>          | <b>YES</b>   | <b>S</b>                               | <b>YES</b>                           | <b>NO</b>                                 |  |  |  |  |   |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |

Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" 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? <u>1</u>   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input checked="" type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other  |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |



|   |  |   |  |  |  |  |  |
|---|--|---|--|--|--|--|--|
| a Employee's social security number<br><b>416-00-XXXX</b>   |  | OMB No. 1545-0008   |  | Safe, accurate,<br>FAST! Use  |  | Visit the IRS website at<br><a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |  |
| b Employer identification number (EIN)<br><b>35-700XXX</b>  |  | 1 Wages, tips, other compensation<br><b>\$35,502.00</b>   |  | 2 Federal income tax withheld<br><b>\$2,800</b>  |  |  |  |
| c Employer's name, address, and ZIP code<br><br><b>COOLIDGE ELEMENTARY SCHOOL<br/>2565 DEATON STREET<br/>YOUR CITY, STATE ZIP</b>         |  | 3 Social security wages<br><b>\$36,502.00</b>   |  | 4 Social security tax withheld<br><b>\$2,263.12</b>  |  |  |  |
|   |  | 5 Medicare wages and tips<br><b>\$36,502.00</b>   |  | 6 Medicare tax withheld<br><b>\$529.28</b>   |  |  |  |
|   |  | 7 Social security tips  |  | 8 Allocated tips   |  |  |  |
| d Control number  |  | 9   |  | 10 Dependent care benefits   |  |  |  |
| e Employee's first name and initial Last name Suff.<br><br><b>GILBERT WASHINGTON<br/>123 TAYLOR AVENUE<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 11 Nonqualified plans   |  | 12a See instructions for box 12<br><b>D</b> <b>\$1,000.00</b>  |  |  |  |
|   |  | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> |  | 12b  |  |  |  |
|   |  | 14 Other  |  | 12c  |  |  |  |
|   |  |   |  | 12d  |  |  |  |
| f Employee's address and ZIP code   |  | 15 State Employer's state ID number<br><b>YS</b> <b>35-700XXX</b>   |  | 16 State wages, tips, etc.<br><b>\$35,502.00</b>   |  | 17 State income tax<br><b>\$350.00</b>   |  |
|   |  |   |  | 18 Local wages, tips, etc.   |  | 19 Local income tax  |  |
|   |  |   |  |  |  | 20 Locality name   |  |

Form **W-2** Wage and Tax Statement **2021** 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.

|  |  |  |  |  |  |   |  |
|--|--|--|--|--|--|---|--|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>OAK ENTERPRISES<br/>2250 DELTA AVENUE<br/>YOUR CITY, YOUR STATE, ZIP</b>                       |  | <input type="checkbox"/> CORRECTED (if checked)        |  | OMB No. 1545-0119<br><br><b>2021</b><br>Form <b>1099-R</b> |  | <b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>  |  |
| PAYER'S TIN<br><b>41-200XXXX</b>   |  | RECIPIENT'S TIN<br><b>417-00-XXXX</b>                  |  | 1 Gross distribution<br><b>\$ 18,485.00</b>                |  | 2a Taxable amount<br><b>\$</b>  |  |
| RECIPIENT'S name<br><b>TARA WASHINGTON</b><br>Street address (including apt. no.)<br><b>123 TAYLOR AVENUE</b><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | 3 Capital gain (included in box 2a)<br><b>\$</b>       |  | 4 Federal income tax withheld<br><b>\$ 1,849.00</b>        |  | <b>Copy B</b><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b><br><br>This information is being furnished to the IRS. |  |
| 10 Amount allocable to IRR within 5 years<br><b>\$</b>   |  | 11 1st year of desig. Roth contrib.                    |  | 12 FATCA filing requirement<br><input type="checkbox"/>    |  |   |  |
| 13 Date of payment   |  | 14 State tax withheld<br><b>\$</b>                     |  | 15 State/Payer's state no.<br><b>\$</b>                    |  |   |  |
| Account number (see instructions)  |  | 17 Local tax withheld<br><b>\$</b>                     |  | 18 Name of locality<br><b>\$</b>                           |  |   |  |
| 9a Your percentage of total distribution<br><b>%</b>   |  | 9b Total employee contributions<br><b>\$ 13,500.00</b> |  | 16 State distribution<br><b>\$</b>                         |  | 19 Local distribution<br><b>\$</b>  |  |

Form **1099-R** [www.irs.gov/Form1099R](http://www.irs.gov/Form1099R) Department of the Treasury - Internal Revenue Service



| FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT  |   |   |
|--|---|---|
| <b>2021</b> • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME.<br>• SEE THE REVERSE FOR MORE INFORMATION.   |   |   |
| Box 1. Name<br><b>TARA WASHINGTON</b>  | Box 2. Beneficiary's Social Security Number<br><b>417-00-XXXX</b> |   |
| Box 3. Benefits Paid in 2021<br><b>\$21,102</b>  | Box 4. Benefits Repaid to SSA in 2021                             | Box 5. Net Benefits for 2021 (Box 3 minus Box 4)<br><b>\$21,102</b>   |
| DESCRIPTION OF AMOUNT IN BOX 3<br><br><b>Paid by check or direct deposit: \$17,280</b><br><br><b>Medicare Part B premiums deducted from your benefits \$1,802</b><br><br><b>Total additions:</b><br><br><b>Benefits for 2021: \$21,102</b> |   | DESCRIPTION OF AMOUNT IN BOX 4<br><br>Box 6. Voluntary Federal income Tax Withholding<br><br><div style="text-align: right;"><b>\$2,020</b></div> |
| Box 7. Address<br><br><b>123 TAYLOR AVENUE<br/>YOUR CITY, STATE ZIP</b>  |   | Box 8. Claim Number (Use this number if you need to contact SSA.)   |
| Draft as of June 21, 2021 - Subject to Change  |   |   |
| Form SSA-1099-SM (6/2020) <span style="float: right;">DO NOT RETURN THIS FORM TO SSA OR IRS</span>   |   |   |

| <input type="checkbox"/> CORRECTED (if checked)   |  |  |   |
|---|--|--|---|
| CREDITOR'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><b>ADELPHI BANK<br/>1454 SYCAMORE AVENUE<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 1 Date of identifiable event<br><b>09/03/2021</b>  | OMB No. 1545-1424<br><br><div style="font-size: 2em; font-weight: bold;">2021</div><br><br>Form <b>1099-C</b> |
| CREDITOR'S TIN<br><b>31-700XXXX</b>   |  | 2 Amount of debt discharged<br><b>\$ 750.00</b>  |   |
| DEBTOR'S TIN<br><b>416-00-XXXX</b>  |  | 3 Interest, if included in box 2<br><b>\$</b>  |   |
| DEBTOR'S name<br><b>GILBERT WASHINGTON</b>  |  | 4 Debt description<br><b>CREDIT CARD</b>   |   |
| Street address (including apt. no.)<br><b>123 TAYLOR AVENUE</b>   |  | 5 If checked, the debtor was personally liable for repayment of the debt . . . . . <input checked="" type="checkbox"/> |   |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>   |  | 6 Identifiable event code  |   |
| Account number (see instructions)   |  | 7 Fair market value of property<br><b>\$</b>   |   |
| Form <b>1099-C</b> (keep for your records)  |  | www.irs.gov/Form1099C Department of the Treasury - Internal Revenue Service  |   |

**Cancellation of Debt**  
  
**Copy B For Debtor**  
  
This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.

CORRECTED (if checked)

|  |                          |   |                               |
|--|--------------------------|---|-------------------------------|
| PAYER'S name, street address, city or town, province or state, country, and ZIP or foreign postal code |                          | 1 Reportable winnings                     | 2 Date won                    |
| <b>CHEVY CASINO</b><br>1 WINNER CIRCLE<br>YOUR CITY, STATE ZIP   |                          | \$ 3,000.00                               | 7/04/2021                     |
|  |                          | 3 Type of wager                           | 4 Federal income tax withheld |
|  |                          | <b>SLOT MACHINE</b>                       | \$                            |
|  |                          | 5 Transaction                             | 6 Race                        |
|  |                          | 7 Winnings from identical wagers          | 8 Cashier                     |
|  |                          | \$  | <b>AR</b>                     |
| PAYER'S federal identification number  | PAYER'S telephone number | 9 Winner's taxpayer identification no.    | 10 Window                     |
| 36-800XXXX   |                          | 417-00-XXXX                               |                               |
| WINNER'S name  |                          | 11 First identification                   | 12 Second identification      |
| <b>TARA WASHINGTON</b>   |                          |   |                               |
| Street address (including apt. no.)  |                          | 13 State/Payer's state identification no. | 14 State winnings             |
| <b>123 TAYLOR AVENUE</b>   |                          |   | \$                            |
| City or town, province or state, country, and ZIP or foreign postal code                               |                          | 15 State income tax withheld              | 16 Local winnings             |
| <b>YOUR CITY, STATE ZIP</b>  |                          | \$  | \$                            |
|  |                          | 17 Local income tax withheld              | 18 Name of locality           |
|  |                          | \$  |                               |

OMB No. 1545-0238

**Form W-2G  
Certain  
Gambling  
Winnings**

(Rev. January 2021)  
For calendar year  
20 21

This information  
is being furnished  
to the Internal  
Revenue Service.

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

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments.

Signature ►

Date ►

Form **W-2G** (Rev. 1-2021)

www.irs.gov/FormW2G

Department of the Treasury - Internal Revenue Service

CORRECTED

|  |               |   |  |
|--|---------------|---|--|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number |               | 1 Payments received for qualified tuition and related expenses              | OMB No. 1545-1574  |
| <b>GORDON COLLEGE</b><br>10 COLLEGE AVENUE<br>YOUR CITY, YOUR STATE, ZIP   |               | \$ 5,218.00   | <b>2021</b>  |
|  |               | 2   | Form <b>1098-T</b>   |
| FILER'S employer identification no.  | STUDENT'S TIN | 3   |  |
| 38-800XXXX   | 608-00-XXXX   |   |  |
| STUDENT'S name   |               | 4 Adjustments made for a prior year   | 5 Scholarships or grants   |
| <b>CHANDLER WASHINGTON</b>   |               | \$  | \$ 2,013.00  |
| Street address (including apt. no.)  |               | 6 Adjustments to scholarships or grants for a prior year                    | 7 Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2022 <input type="checkbox"/> |
| <b>123 TAYLOR AVENUE</b>   |               | \$  |  |
| City or town, state or province, country, and ZIP or foreign postal code   |               | 8 Checked if at least half-time student <input checked="" type="checkbox"/> | 9 Checked if a graduate student <input type="checkbox"/>   |
| <b>YOUR CITY, YOUR STATE, ZIP</b>  |               |   | 10 Ins. contract reimb./refund   |
| Service Provider/Acct. No. (see instr.)  |               |   | \$   |

**Tuition  
Statement**

**Copy B  
For Student**

This is important  
tax information  
and is being  
furnished to the  
IRS. This form  
must be used to  
complete Form 8863  
to claim education  
credits. Give it to the  
tax preparer or use it to  
prepare the tax return.

Form **1098-T**

(keep for your records)

www.irs.gov/Form1098T

Department of the Treasury - Internal Revenue Service



# Gordon College

## Statement of Account

December 31, 2021

**CHANDLER WASHINGTON**  
STUDENT ID: 608-00-XXXX

| Date       | Transaction   | Amount Billed      | Amount Paid        |
|------------|---|--------------------|--------------------|
| 08/30/2021 | Tuition – Fall Semester 2021  | <b>+\$5,218.00</b> |                    |
| 08/30/2021 | Scholarship   |                    | <b>\$2,013.00</b>  |
| 09/03/2021 | Parking pass  | <b>+\$125.00</b>   |                    |
| 09/04/2021 | Campus Bookstore charge to student account for course-related books | <b>+\$450.00</b>   |                    |
| 09/05/2021 | Payment – check #4321   |                    | <b>-\$3,780.00</b> |

12/31/2021 Account Balance.....\$0.00

**Gilbert and Tara Washington**  
123 TAYLOR AVENUE  
YOUR CITY, STATE, ZIP

1234

PAY TO THE  
ORDER OF

\$

DOLLARS

**Adelphi Bank and Trust**  
Anytown, State 00000

For

:111000025 : 123456789 1234

VOID

## Advanced Scenario 7: Test Questions

---

15. What is the taxable portion of Tara's pension from Oak Enterprises using the simplified method?
- a. \$0
  - b. \$17,862
  - c. \$18,035
  - d. \$18,485
16. None of Tara's social security income is taxable.
- a. True
  - b. False
17. What is the total amount of other income reported on the Washington's Form 1040, Schedule 1 ?
- a. \$3,900
  - b. \$3,150
  - c. \$2,400
  - d. \$750
18. Gilbert is eligible to deduct \$500 as an adjustment to income on Form 1040, Schedule 1 for qualified educator expenses.
- a. True
  - b. False
19. The Washington's standard deduction on their 2021 tax return is \$\_\_\_\_\_.
20. The total qualified expenses for the American Opportunity Credit are \$\_\_\_\_\_.
21. Which of the following credits are the Washingtons' eligible to claim on their tax return?
- a. Child tax credit
  - b. Credit for other dependents
  - c. Child and dependent care credit
  - d. None of the above
22. What is the Washington's total federal income tax withholding? \$\_\_\_\_\_

## Advanced Scenario 8: Cynthia Simon

---

### Directions

*Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.*

**Note:** *When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

### Interview Notes

- Cynthia is an electrician, age 29, and single.
- Cynthia has investment income and has a consolidated broker's statement.
- Cynthia began a cleaning service business in 2020. She was paid on Form 1099-NEC for 2021. She also received additional cash receipts of \$400 not reported on the Form 1099-NEC.
- Cynthia uses the cash method of accounting. She uses business code 561720.
- Cynthia has receipts for the following expenses:
  - \$350 for cleaning supplies
  - \$225 for business cards
  - \$450 for a mop, broom, and vacuum cleaner
  - \$150 for work gloves
  - \$125 for lunches
  - \$175 for work clothes suitable for everyday use
- Cynthia has a detailed mileage log reporting for 2021:
  - Mileage from her home to her first client's home and mileage from her last client's home to her home – 750 miles
  - In addition, on the days Cynthia worked for multiple clients, she kept track of the mileage from the first client's home to the second client's home in case that mileage was also deductible. She logged 450 miles (not included in the 750 miles).
  - The total mileage on her car for tax year 2021 was 11,200 miles. Of that, 10,000 were personal miles. She placed her only vehicle, a pick-up truck, in service on 3/15/2020. Cynthia will take the standard mileage rate.
- Cynthia took an early distribution from her IRA in April to pay off her educational expenses.
- Cynthia is paying off her student loan from 2018.
- Cynthia is working towards her Master of Business Administration (MBA) degree. She took a few college courses this year at an accredited college.

- Cynthia purchased insurance for herself through the marketplace and has a Form 1095-A.
- If Cynthia has a refund, she would like it deposited into her checking account.
- Cynthia received the third Economic Impact Payment (EIP3) in the amount of \$1,400 in 2021.



**Intake/Interview & Quality Review Sheet**

**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)

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

|   |   |   |  |  |
|---|---|---|--|--|
| 1. Your first name<br><b>CYNTHIA</b>  | M.I.                                    | Last name<br><b>SIMON</b>   | Best contact number<br><b>YOUR PHONE #</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Your spouse's first name   | M.I.                                    | Last name   | Best contact number                        | Is your spouse a U.S. citizen?<br><input type="checkbox"/> Yes <input type="checkbox"/> No     |
| 3. Mailing address<br><b>159 ARCHER AVENUE</b>  |   | Apt #   | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b> ZIP code<br><b>YOUR ZIP</b>   |
| 4. Your Date of Birth<br><b>02/24/1992</b>  | 5. Your job title<br><b>ELECTRICIAN</b> |   | 6. Last year, were you:                    |  |
|   |   | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       |
|   |   |   |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No           |
| 7. Your spouse's Date of Birth  | 8. Your spouse's job title              |   | 9. Last year, was your spouse:             |  |
|   |   | b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No            |  | a. Full-time student <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 as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |   |   |  |  |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |   |   |  |  |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |   |   |  |  |

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

1. As of December 31, 2021, what was your marital status?  Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)  
 Married a. If Yes, Did you get married in 2021?  Yes  No  
 Divorced Date of final decree \_\_\_\_\_  
 Legally Separated Date of separate maintenance decree \_\_\_\_\_  
 Widowed Year of spouse's death \_\_\_\_\_

2. List the names below of:

- everyone who lived with you last year (other than your spouse)
- anyone you supported but did not live with you last year

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

|  |                          |   |   |                     |  |  |                                      |   |  | 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |

## Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" 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? 1 _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 10. (B) Disability income? (such as payments from insurance, or workers compensation) (Forms 1099-R, W-2)   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |



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

1. Would you like to receive written communications from the IRS in a language other than English?  Yes  No If yes, which language? \_\_\_\_\_

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

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

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

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

5. Did you live in an area that was declared a Federal disaster area?  Yes  No If yes, where? \_\_\_\_\_

6. Did you, or your spouse if filing jointly, receive a letter from the IRS?  Yes  No

**Many free tax preparation sites operate by receiving grant money or other federal financial assistance. The data from the following questions may be used by this site to apply for these grants or to support continued receipt of financial funding . Your answer will be used only for statistical purposes. These questions are optional.**

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

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

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

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

11. Your race?

American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer

12. Your spouse's race?

American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer

No spouse

13. Your ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer

14. Your spouse's ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer  No spouse

Additional comments

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Privacy Act and Paperwork Reduction Act Notice**

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be furnished to others who coordinate activities and staffing at volunteer return preparation sites or outreach activities. The information may also be used to establish effective controls, send correspondence and recognize volunteers. Your response is voluntary. However, if you do not provide the requested information, the IRS may not be able to use your assistance in these programs. The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1964. Also, if you have any comments regarding the time estimates associated with this study or suggestion on making this process simpler, please write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224


CORRECTED (if checked)

|  |  |  |   |  |                                    |
|--|--|--|---|--|------------------------------------|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>ESSEX BANK, CUSTODIAN<br/>FOR TRADITIONAL IRA OF CYNTHIA SIMON<br/>300 MARIN STREET<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | <b>1</b> Gross distribution<br>\$ <b>2,000.00</b>  | OMB No. 1545-0119<br><br><b>2021</b>                                | <b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>   |                                    |
|  |  | <b>2a</b> Taxable amount<br>\$ <b>2,000.00</b>   | Form <b>1099-R</b>  |  |                                    |
|  |  | <b>2b</b> Taxable amount not determined <input type="checkbox"/>                           | Total distribution <input type="checkbox"/>                         | <b>Copy B</b><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b> |                                    |
| PAYER'S TIN<br><br><b>48-200XXXX</b>   | RECIPIENT'S TIN<br><br><b>419-00-XXXX</b>  | <b>3</b> Capital gain (included in box 2a)<br>\$   | <b>4</b> Federal income tax withheld<br>\$ <b>200.00</b>            |  |                                    |
| RECIPIENT'S name<br><br><b>CYNTHIA SIMON</b>   |  | <b>5</b> Employee contributions/ Designated Roth contributions or insurance premiums<br>\$ | <b>6</b> Net unrealized appreciation in employer's securities<br>\$ |  |                                    |
| Street address (including apt. no.)<br><br><b>159 ARCHER AVENUE</b>  |  | <b>7</b> Distribution code(s)<br><b>1</b>  | IRA/ SEP/ SIMPLE <input checked="" type="checkbox"/>                | <b>8</b> Other<br>\$ %   |                                    |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | <b>9a</b> Your percentage of total distribution %  | <b>9b</b> Total employee contributions \$                           | This information is being furnished to the IRS.  |                                    |
| <b>10</b> Amount allocable to IRR within 5 years<br>\$   | <b>11</b> 1st year of desig. Roth contrib. | <b>12</b> FATCA filing requirement <input type="checkbox"/>                                | <b>14</b> State tax withheld<br>\$                                  | <b>15</b> State/Payer's state no.  | <b>16</b> State distribution<br>\$ |
| Account number (see instructions)  | <b>13</b> Date of payment                  | <b>17</b> Local tax withheld<br>\$   | <b>18</b> Name of locality  | <b>19</b> Local distribution<br>\$   |                                    |

Form **1099-R**

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

|   |  |   |   |   |   |
|---|--|---|---|---|---|
| a Employee's social security number<br><b>419-00-XXXX</b>   |  | OMB No. 1545-0008   | Safe, accurate, FAST! Use                                   |  | Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |
| b Employer identification number (EIN)<br><b>57-200XXX</b>  |  | <b>1</b> Wages, tips, other compensation<br>\$ <b>35,000.00</b> | <b>2</b> Federal income tax withheld<br>\$ <b>2,000.00</b>  |   |   |
| c Employer's name, address, and ZIP code<br><br><b>ELECTRIC COMPANY<br/>389 DAILY DRIVE<br/>YOUR CITY, STATE, ZIP</b> |  | <b>3</b> Social security wages<br>\$ <b>35,000.00</b>           | <b>4</b> Social security tax withheld<br>\$ <b>2,170.00</b> |   |   |
|   |  | <b>5</b> Medicare wages and tips<br>\$ <b>35,000.00</b>         | <b>6</b> Medicare tax withheld<br>\$ <b>507.50</b>          |   |   |
|   |  | <b>7</b> Social security tips                                   | <b>8</b> Allocated tips                                     |   |   |
|   |  | <b>9</b>  | <b>10</b> Dependent care benefits                           |   |   |
| d Control number  |  | e Employee's first name and initial<br><b>CYNTHIA SIMON</b>     |   | Last name<br><b>159 ARCHER AVENUE<br/>YOUR CITY, YOUR STATE, ZIP</b>                  |   |
| f Employee's address and ZIP code   |  | <b>11</b> Nonqualified plans                                    |   | <b>12a</b> See instructions for box 12  |   |
|   |  | <b>13</b> Statutory employee <input type="checkbox"/>           | Retirement plan <input checked="" type="checkbox"/>         | Third-party sick pay <input type="checkbox"/>   | <b>12b</b>  |
|   |  | <b>14</b> Other   |   | <b>12c</b>  |   |
|   |  |   |   | <b>12d</b>  |   |
| <b>15</b> State Employer's state ID number<br><b>YS 57-200XXX</b>   | <b>16</b> State wages, tips, etc.<br>\$ <b>35,000.00</b> | <b>17</b> State income tax<br>\$ <b>750.00</b>                  | <b>18</b> Local wages, tips, etc.                           | <b>19</b> Local income tax  | <b>20</b> Locality name   |

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

**2021**

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.

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

**HOUSEKEEPERS HELPERS**  
**123 TIDY WAY**  
**YOUR CITY, YOUR STATE, ZIP**

OMB No. 1545-0116

**2021**

Form **1099-NEC**

**Nonemployee  
Compensation**

|   |                                       |  |                           |  |
|---|---------------------------------------|--|---------------------------|--|
| PAYER'S TIN<br><b>63-400XXX</b>   | RECIPIENT'S TIN<br><b>419-00-XXXX</b> | 1 Nonemployee compensation<br>\$ <b>4,000</b>  |                           | <b>Copy B<br/>For Recipient</b><br>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |
| RECIPIENT'S name<br><b>CYNTHIA SIMON</b>  |                                       | 2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/> |                           |  |
| Street address (including apt. no.)<br><b>159 ARCHER AVENUE</b>   |                                       | 3  |                           |  |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |                                       | 4 Federal income tax withheld<br>\$  |                           |  |
| Account number (see instructions)   |                                       | 5 State tax withheld<br>\$   | 6 State/Payer's state no. |  |

Form **1099-NEC**

(keep for your records)

[www.irs.gov/Form1099NEC](http://www.irs.gov/Form1099NEC)

Department of the Treasury - Internal Revenue Service

**ABC INVESTMENTS**456 Pima Plaza  
Your City, YS ZIP**2021 TAX REPORTING STATEMENT**Cynthia Simon  
159 Archer Avenue  
Your City, YS ZIP  
Account No. 111-222  
Recipient ID No. 419-00-XXXX  
Payer's Fed ID Number: 40-200XXXX**Form 1099-DIV\* 2021 Dividends and Distributions**

Copy B for Recipient (OMB NO. 1545-0110)

|    |  |        |
|----|--|--------|
| 1a | Total Ordinary Dividends                             | 150.00 |
| 1b | Qualified Dividends                                  | 75.00  |
| 2a | Total Capital Gain Distributions (Includes 2b- 2d)   | 300.00 |
| 2b | Capital Gains that represent Unrecaptured 1250 Gain  | 0.00   |
| 2c | Capital Gains that represent Section 1202 Gain       | 0.00   |
| 2d | Capital Gains that represent Collectibles (28%) Gain | 0.00   |
| 2  | Nondividend Distributions                            | 0.00   |
| 4  | Federal Income Tax Withheld                          | 0.00   |
| 5  | Investment Expenses                                  | 0.00   |
| 6  | Foreign Country or U.S. Possession                   | 0.00   |
| 7  | Cash Liquidation Distributions                       | 0.00   |
| 8  | Non-Cash Liquidation Distributions                   | 0.00   |
| 9  | Exempt Interest Dividends                            | 0.00   |
| 10 | Specified Private Activity Bond Interest Dividends   | 0.00   |
| 11 | State  |        |
| 12 | State Identification No.                             |        |
| 13 | State Tax Withheld                                   | 0.00   |

**Form 1099-MISC\* 2021 Miscellaneous Income**

Copy B for Recipient (OMB NO. 1545-0115)

|    |  |      |
|----|--|------|
| 2  | Royalties  | 0.00 |
| 4  | Federal Income Tax Withheld                          | 0.00 |
| 8  | Substitute Payments in Lieu of Dividends or Interest | 0.00 |
| 16 | State Tax Withheld                                   | 0.00 |
| 17 | State/ Payer's State No.                             |      |
| 18 | State Income   | 0.00 |

**Form 1099-INT\* 2021 Interest Income**

Copy B for Recipient (OMB NO. 1545-0112)

|    |   |        |
|----|---|--------|
| 1  | Interest Income                                       | 250.00 |
| 2  | Early Withdrawal Penalty                              | 0.00   |
| 3  | Interest on U.S. Savings Bonds and Treas. Obligations | 0.00   |
| 4  | Federal Income Tax Withheld                           | 0.00   |
| 5  | Investment Expenses                                   | 0.00   |
| 6  | Foreign Tax Paid                                      | 0.00   |
| 7  | Foreign Country or U.S. Possession                    | 0.00   |
| 8  | Tax-Exempt Interest                                   | 0.00   |
| 9  | Specified Private Activity Bond Interest              | 0.00   |
| 14 | Tax-Exempt Bond CUSIP No.                             |        |

**Summary of 2021 Proceeds From Broker and Barter Exchange Transactions**

|                                    |          |
|------------------------------------|----------|
| Sales Price of Stocks, Bonds, etc. | 6,150.00 |
| Federal Income Tax Withheld        | 0.00     |

Gross Proceeds from each of your security transactions are reported individually to the IRS. Refer to the Form 1099-B section of this statement. Report gross proceeds individually for each security on the appropriate IRS tax return. Do not report gross proceeds in aggregate.

**ABC INVESTMENTS**456 Pima Plaza  
Your City, YS ZIP**2021 TAX REPORTING STATEMENT**Cynthia Simon  
159 Archer Avenue  
Your City, YS ZIP  
Account No. 111-222  
Recipient ID No. 419-00-XXXX  
Payer's Fed ID Number: 40-200XXXX**FORM 1099-B\* 2021 Proceeds from Broker and Barter Exchange Transactions**

Copy B for Recipient OMB NO. 1545-0715

**Short-term transactions for which basis is reported to the IRS**Report on Form 8949 with Box A checked and/or Schedule D, Part I  
(This Label is a Substitute for Boxes 1c & 6)**8** Description, **1d** Stock or Other Symbol, CUSIP

(IRS Form 1099-B box numbers are shown below in bold type)

| Action                       | <b>1b</b> Date<br>Acquired | <b>1c</b> Date sold<br>disposed | <b>1a</b> Quantity<br>Sold | <b>1d</b> Proceeds | <b>1e</b> Cost or<br>Other Basis | Gain / Loss (-) | <b>1g</b> Wash Sale<br>Loss Disallowed | <b>4</b> Federal Income<br>Tax Withheld | <b>14</b> State<br>Tax Withheld | <b>15</b> State Tax<br>Withheld |
|------------------------------|----------------------------|---------------------------------|----------------------------|--------------------|----------------------------------|-----------------|--|---|---------------------------------|---------------------------------|
| <b>Iowa Co. Common Stock</b> |                            |                                 |                            |                    |                                  |                 |  |   |                                 |                                 |
| Sale                         | 01/08/2021                 | 10/30/2021                      | 200.000                    | 2,650.00           | 2,000.00                         | 650.00          |  |   |                                 |                                 |
| <b>TOTALS</b>                |                            |                                 |                            | <b>2,650.00</b>    | <b>2,000.00</b>                  |                 |  |   |                                 |                                 |

**FORM 1099-B\* 2021 Proceeds from Broker and Barter Exchange Transactions**

Copy B for Recipient OMB NO. 1545-0715

**Long-term transactions for which basis is not reported to the IRS**Report on Form 8949 with Box E checked and/or Schedule D, Part II  
(This Label is a Substitute for Boxes 1c & 6)**8** Description, **1d** Stock or Other Symbol, CUSIP

(IRS Form 1099-B box numbers are shown below in bold type)

| Action                       | <b>1b</b> Date<br>Acquired | <b>1c</b> Date sold<br>disposed | <b>1a</b> Quantity<br>Sold | <b>1d</b> Proceeds | <b>1e</b> Cost or<br>Other Basis | Gain / Loss (-) | <b>1g</b> Wash Sale<br>Loss Disallowed | <b>4</b> Federal Income<br>Tax Withheld | <b>14</b> State<br>Tax Withheld | <b>15</b> State Tax<br>Withheld |
|------------------------------|----------------------------|---------------------------------|----------------------------|--------------------|----------------------------------|-----------------|--|---|---------------------------------|---------------------------------|
| <b>Iowa Co. Common Stock</b> |                            |                                 |                            |                    |                                  |                 |  |   |                                 |                                 |
| Sale                         | 10/12/2008                 | 11/01/2021                      | 200.000                    | 3,500.00           | 2,100.00                         | 1,400.00        |  |   |                                 |                                 |
| <b>TOTALS</b>                |                            |                                 |                            | <b>3,500.00</b>    | <b>2,100.00</b>                  |                 |  |   |                                 |                                 |

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

VOID  CORRECTED

|   |                                      |   |  |
|---|--------------------------------------|---|--|
| RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number<br><br><b>FINANCIAL AID PARTNERS</b><br><b>305 WASHINGTON DR</b><br><b>YOUR CITY, YOUR STATE, ZIP</b> |                                      | OMB No. 1545-1576<br><br><b>2021</b><br><br>Form <b>1098-E</b>  | <b>Student Loan Interest Statement</b><br><br><b>Copy C</b><br><b>For Recipient</b><br><br>For Privacy Act and Paperwork Reduction Act Notice, see the <b>2021 General Instructions for Certain Information Returns.</b> |
| RECIPIENT'S TIN<br><b>38-0800XXXX</b>   | BORROWER'S TIN<br><b>419-00-XXXX</b> | 1 Student loan interest received by lender<br>\$ <b>3,570.00</b>  |  |
| BORROWER'S name<br><br><b>CYNTHIA SIMON</b><br><br>Street address (including apt. no.)<br><b>159 ARCHER AVENUE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>     |                                      | 2 Check if box 1 does <b>not</b> include loan origination fees and/or capitalized interest, and the loan was made before September 1, 2004 <input type="checkbox"/> |  |
| Account number (see instructions)   |                                      |   |  |

Form **1098-E**

www.irs.gov/Form1098E

Department of the Treasury - Internal Revenue Service

CORRECTED

|  |   |   |  |   |
|--|---|---|--|---|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number<br><br><b>SUFFOLK COLLEGE</b><br><b>10 COLLEGE AVENUE</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>                |   | 1 Payments received for qualified tuition and related expenses<br>\$ <b>2,000.00</b><br>2 | OMB No. 1545-1574<br><br><b>2021</b><br><br>Form <b>1098-T</b>   | <b>Tuition Statement</b><br><br><b>Copy B</b><br><b>For Student</b><br><br>This is important tax information and is being furnished to the IRS. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return. |
| FILER'S employer identification no.<br><b>37-700XXXX</b>   | STUDENT'S TIN<br><b>419-00-XXXX</b>                                 | 3   | 5 Scholarships or grants<br>\$   |   |
| STUDENT'S name<br><br><b>CYNTHIA SIMON</b><br><br>Street address (including apt. no.)<br><b>159 ARCHER AVENUE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |   | 4 Adjustments made for a prior year<br>\$   |  |   |
| Service Provider/Acct. No. (see instr.)  |   | 6 Adjustments to scholarships or grants for a prior year<br>\$                            | 7 Checked if the amount in box 1 includes amounts for an academic period beginning January-March 2022 <input type="checkbox"/> |   |
| 8 Checked if at least half-time student <input type="checkbox"/>   | 9 Checked if a graduate student <input checked="" type="checkbox"/> | 10 Ins. contract reimb./refund<br>\$  |  |   |

Form **1098-T**

(keep for your records)

www.irs.gov/Form1098T

Department of the Treasury - Internal Revenue Service

Form **1095-A****Health Insurance Marketplace Statement** VOID

OMB No. 1545-2232

Department of the Treasury  
Internal Revenue Service▶ **Do not attach to your tax return. Keep for your records.**  
▶ Go to [www.irs.gov/Form1095A](http://www.irs.gov/Form1095A) for instructions and the latest information. CORRECTED**2021****Part I Recipient Information**

|   |   |   |   |  |
|---|---|---|---|--|
| 1 Marketplace identifier<br><b>12-3456789</b> | 2 Marketplace-assigned policy number<br><b>987654</b> | 3 Policy issuer's name  |   |  |
| 4 Recipient's name<br><b>CYNTHIA SIMON</b>    |   | 5 Recipient's SSN<br><b>419-00-XXXX</b>                                 | 6 Recipient's date of birth<br><b>2/24/1992</b> |  |
| 7 Recipient's spouse's name                   |   | 8 Recipient's spouse's SSN  | 9 Recipient's spouse's date of birth            |  |
| 10 Policy start date<br><b>01/01/2021</b>     | 11 Policy termination date<br><b>12/31/2021</b>       | 12 Street address (including apartment no.)<br><b>159 ARCHER AVENUE</b> |   |  |
| 13 City or town<br><b>YOUR CITY</b>           | 14 State or province<br><b>YOUR STATE</b>             | 15 Country and ZIP or foreign postal code<br><b>ZIP</b>                 |   |  |

**Part II Covered Individuals**

|    | A. Covered individual name | B. Covered individual SSN | C. Covered individual date of birth | D. Coverage start date | E. Coverage termination date |
|----|----------------------------|---------------------------|-------------------------------------|------------------------|------------------------------|
| 16 | <b>CYNTHIA SIMON</b>       | <b>419-00-XXXX</b>        | <b>2/24/1992</b>                    | <b>01/01/2021</b>      | <b>12/31/2021</b>            |
| 17 |                            |                           |                                     |                        |                              |
| 18 |                            |                           |                                     |                        |                              |
| 19 |                            |                           |                                     |                        |                              |
| 20 |                            |                           |                                     |                        |                              |

**Part III Coverage Information**

| Month            | A. Monthly enrollment premiums | B. Monthly second lowest cost silver plan (SLCSP) premium | C. Monthly advance payment of premium tax credit |
|------------------|--------------------------------|---|--|
| 21 January       | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 22 February      | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 23 March         | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 24 April         | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 25 May           | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 26 June          | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 27 July          | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 28 August        | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 29 September     | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 30 October       | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 31 November      | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 32 December      | <b>\$200</b>                   | <b>\$330</b>  | <b>\$150</b>                                     |
| 33 Annual Totals | <b>\$2,400</b>                 | <b>\$3,960</b>  | <b>\$1,800</b>                                   |

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60703Q

Form **1095-A** (2021)

Cynthia Simon  
155 Archer Avenue  
YOUR CITY, STATE ZIP

1234

20

PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ DOLLARS

Adelphi Bank and Trust  
Anytown, State 00000

For \_\_\_\_\_

: 111000025 : 123456789 1234

**VOID**



## Advanced Scenario 8: Test Questions

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### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

**Note:** When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

23. What is the net short term capital gain reported on Cynthia's Schedule D?
- \$2,350
  - \$1,400
  - \$650
  - \$300
24. Which of the following **cannot** be claimed as a business expense on Cynthia's Schedule C?
- Cleaning supplies
  - Business cards
  - Lunches
  - Work gloves
25. What is the amount Cynthia can take as a student loan interest deduction on her Form 1040, Schedule 1? \$\_\_\_\_\_
26. What is the total amount of advanced premium tax credit that Cynthia received in 2021?
- \$3,960
  - \$2,400
  - \$1,800
  - \$150
27. What is the amount of Cynthia's lifetime learning credit? \$\_\_\_\_\_.
28. Cynthia will have to pay \$200 additional tax because she received the early distribution from her IRA.
- True
  - False
29. How can Cynthia prevent having a balance due next year?
- She can increase the withholding on her Form W-4
  - She can make estimated tax payments
  - She can use the IRS withholding calculator to estimate her withholding for next year.
  - All of the above

## Advanced Scenario 9: Richard Cook

---

### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

**Note:** When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.

### Interview Notes

- Richard is age 39 and was widowed in 2017. He has a daughter, Isabella, age 5.
- Richard provided the entire cost of maintaining the household and over half of the support for Isabella. In order to work, he pays childcare expenses to Busy Bee Daycare.
- Richard declined to receive advance child tax credit payments in 2021.
- Richard's earned income in 2019 was \$19,000.
- Richard and Isabella are U.S. citizens and lived in the United States all year in 2021.
- Richard received the third Economic Impact Payment (EIP3) in the amount of \$2,800 in 2021.



## Intake/Interview & Quality Review Sheet

**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

**Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)**

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

|   |   |   |  |  |
|---|---|---|--|--|
| 1. Your first name<br><b>RICHARD</b>  | M.I.                                      | Last name<br><b>COOK</b>  | Best contact number<br><b>YOUR PHONE #</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Your spouse's first name   | M.I.                                      | Last name   | Best contact number                        | Is your spouse a U.S. citizen?<br><input type="checkbox"/> Yes <input type="checkbox"/> No     |
| 3. Mailing address<br><b>195 BROOKS DRIVE</b>   |   | Apt #   | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b> ZIP code<br><b>YOUR ZIP</b>   |
| 4. Your Date of Birth<br><b>4/01/1982</b>   | 5. Your job title<br><b>STORE MANAGER</b> |   | 6. Last year, were you:                    |  |
|   |   | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       |
|   |   |   |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No           |
| 7. Your spouse's Date of Birth  | 8. Your spouse's job title                |   | 9. Last year, was your spouse:             |  |
|   |   | b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No            |  | a. Full-time student <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 as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |   |   |  |  |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |   |   |  |  |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |   |   |  |  |

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

1. As of December 31, 2021, what was your marital status?     Never Married    (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)

Married    a. If Yes, Did you get married in 2021?     Yes     No

Divorced    b. Did you live with your spouse during any part of the last six months of 2021?     Yes     No

Legally Separated    Date of final decree    \_\_\_\_\_

Legally Separated    Date of separate maintenance decree    \_\_\_\_\_

Widowed    Year of spouse's death    2017

2. List the names below of:

- **everyone** who lived with you last year (other than your spouse)
- **anyone** you supported but did not live with you last year

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

|  |                          |   |   |                     |  |  |                                      |   | 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |
| <b>ISABELLA COOK</b>   | <b>9/25/2016</b>         | <b>Daughter</b>   | <b>12</b>                                     | <b>YES</b>          | <b>YES</b>   | <b>S</b>                               | <b>NO</b>                            | <b>NO</b>                                 |  |  |  |  |   |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |

Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 1. (B) Wages or Salary? (Form W-2) <b>If yes, how many jobs did you have last year?</b> <u>1</u>  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (B) Alimony or separate maintenance payments? <b>If yes, do you have the recipient's SSN?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input checked="" type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? <b>If yes, for which tax year?</b> _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? <b>If so how much?</b> _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |



|  |  |   |  |  |  |   |  |
|--|--|---|--|--|--|---|--|
| a Employee's social security number<br><b>328-00-XXXX</b>  |  | Safe, accurate,<br>FAST! Use  |  | e-file   |  | Visit the IRS website at<br>www.irs.gov/efile |  |
| b Employer identification number (EIN)<br><b>34-800XXXX</b>  |  | 1 Wages, tips, other compensation<br><b>\$41,500.00</b>   |  | 2 Federal income tax withheld<br><b>\$1,850.00</b>     |  |   |  |
| c Employer's name, address, and ZIP code<br><b>BAKER PARTS INC.<br/>8009 PIKE CIRCLE<br/>YOUR CITY, YOUR STATE, ZIP</b>        |  | 3 Social security wages<br><b>\$42,500.00</b>   |  | 4 Social security tax withheld<br><b>\$2,635.00</b>    |  |   |  |
|  |  | 5 Medicare wages and tips<br><b>\$42,500.00</b>   |  | 6 Medicare tax withheld<br><b>\$616.25</b>             |  |   |  |
|  |  | 7 Social security tips  |  | 8 Allocated tips                                       |  |   |  |
| d Control number   |  | 9   |  | 10 Dependent care benefits                             |  |   |  |
| e Employee's first name and initial Last name Suff.<br><b>RICHARD COOK<br/>195 BROOKS DRIVE<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 11 Nonqualified plans   |  | 12a See instructions for box 12<br><b>D \$1,000.00</b> |  |   |  |
|  |  | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> |  | 12b  |  |   |  |
|  |  | 14 Other  |  | 12c  |  |   |  |
|  |  |   |  | 12d  |  |   |  |
| f Employee's address and ZIP code  |  | 15 State Employer's state ID number<br><b>YS 34-800XXXX</b>   |  | 16 State wages, tips, etc.<br><b>\$41,500.00</b>       |  | 17 State income tax<br><b>\$800.00</b>        |  |
|  |  | 18 Local wages, tips, etc.  |  | 19 Local income tax                                    |  | 20 Locality name                              |  |

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

**2021**

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.

|  |  |   |  |   |  |  |  |   |  |
|--|--|---|--|---|--|--|--|---|--|
| <input type="checkbox"/> CORRECTED (if checked)  |  | PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><b>PAYER ADELPHI BANK AND TRUST<br/>8020 YONKERS BLVD<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | Payer's RTN (optional)                            |  | OMB No. 1545-0112<br><b>2021</b><br>Form <b>1099-INT</b> |  | <b>Interest Income</b>  |  |
| PAYER'S TIN<br><b>22-7XXXXXX</b>   |  | RECIPIENT'S TIN<br><b>328-00-XXXX</b>   |  | 1 Interest income<br><b>\$ 100.00</b>             |  | 2 Early withdrawal penalty<br><b>\$ 20.00</b>            |  | <b>Copy 2</b>   |  |
| RECIPIENT'S name<br><b>RICHARD COOK</b><br>Street address (including apt. no.)<br><b>195 BROOKS DRIVE</b><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | 3 Interest on U.S. Savings Bonds and Treas. obligations<br><b>\$</b>  |  | 4 Federal income tax withheld<br><b>\$</b>        |  | 5 Investment expenses<br><b>\$</b>                       |  | <b>To be filed with recipient's state income tax return, when required.</b> |  |
| FATCA filing requirement<br><input type="checkbox"/>   |  | 6 Foreign tax paid<br><b>\$</b>   |  | 7 Foreign country or U.S. possession<br><b>\$</b> |  | 8 Tax-exempt interest<br><b>\$</b>                       |  |   |  |
| Account number (see instructions)  |  | 9 Specified private activity bond interest<br><b>\$</b>   |  | 10 Market discount<br><b>\$</b>                   |  | 11 Bond premium<br><b>\$</b>                             |  |   |  |
| 12 Bond premium on Treasury obligations<br><b>\$</b>   |  | 13 Bond premium on tax-exempt bond<br><b>\$</b>   |  | 14 Tax-exempt and tax credit bond CUSIP no.       |  | 15 State 16 State identification no.                     |  |   |  |
|  |  | 17 State tax withheld<br><b>\$</b>  |  |   |  |  |  |   |  |

Form **1099-INT**

www.irs.gov/Form1099INT

Department of the Treasury - Internal Revenue Service

**Busy Bee Day Care**

303 Twiggs Trail  
Your City, Your State Your Zip  
Ph: (555) 555-1234

December 31, 2021

Received from Richard Cook

\$1,500 for daycare services for Isabella

Total amount received for child care in 2021 - \$1,500

Ellen River

EIN: 35-900XXXX

## Advanced Scenario 9: Test Questions

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### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

**Note:** *When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

30. What is Richard's most advantageous filing status?
- a. Single
  - b. Married Filing Separately
  - c. Head of Household
  - d. Qualifying Widower
31. Richard's adjusted gross income on his Form 1040 is \$\_\_\_\_\_?
32. Richard can claim the following credits on his tax return.
- a. Child Tax Credit
  - b. Child and Dependent Care Credit
  - c. Both a and b
  - d. Neither a nor b
33. Richard's Retirement Savings Contributions Credit on Form 8800 is \$\_\_\_\_\_.
34. Richard will use his 2019 earned income rather than his 2021 earned income to calculate the earned income tax credit on his 2021 tax return because his 2019 earned income is higher than his 2021 earned income.
- a. True
  - b. False
35. Richard's child and dependent care credit from Form 2441 is reported as a non-refundable credit on Form 1040, Schedule 3.
- a. True
  - b. False





## Advanced Course Retest Questions

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### Directions

The first five scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### Advanced Scenario 1: Karen White

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#### Interview Notes

- Karen's husband Fred moved out of their family home in April of 2021. She has not seen or heard from him since.
- Karen has two children, Avery, age 12 and George, age 15. She will claim them as her dependents on her 2021 tax return. Karen is 38 years old.
- Karen earned \$28,000 in wages. She also received \$175 of interest and \$12,500 of unemployment income.
- Karen made a cash contribution of \$650 to the Red Cross. She does not have enough deductions to itemize this year.
- Karen paid all the cost to keep up her home to support Avery and George.
- Karen received her third economic impact payment (EIP 3) of \$5,600 based on her 2020 tax return filed jointly with her husband.
- Karen, George, and Avery lived in the U.S. all year. They all are U.S. citizens and have valid Social Security numbers.

### Advanced Scenario 1: Retest Questions

---

1. Karen's most beneficial allowable filing status is Married Filing Separate.
  - a. True
  - b. False
2. Which of the following are **not** reported as income on Karen's 2021 tax return?
  - a. Unemployment
  - b. Wages
  - c. Interest
  - d. Economic Impact Payment (EIP 3)
3. Karen's deductible charitable contribution for 2021 does **not** reduce her adjusted gross income.
  - a. True
  - b. False

## Advanced Scenario 2: Paul and Maggie Thomas

---

### Interview Notes

- Paul and Maggie are married and want to file a joint return.
- Maggie is a U.S. citizen and has a valid Social Security number. Paul is a resident alien and has an ITIN. They resided in the United States all year with their children.
- Paul and Maggie have two children, Cheryl, age 4, and Mike, age 15. Cheryl and Mike are U.S. citizens and have valid Social Security numbers.
- Paul earned \$18,000 in wages.
- Maggie earned \$20,000 in wages.
- In order to work, the Thomases paid child and dependent care expenses of \$3,500 for their daughter Cheryl to attend Busy Bee Child Care.
- Paul and Maggie provided all of the support for their two children.
- Paul and Maggie declined to receive advance payments for the Child Tax Credit.

### Advanced Scenario 2: Retest Questions

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4. The maximum amount Paul and Maggie are eligible to claim for the Child Tax Credit is \$6,000.
  - a. True
  - b. False
5. How much of the child care expenses paid to Busy Bee Day Care are used to calculate the refundable child and dependent care credit? \$ \_\_\_\_\_

## Advanced Scenario 3: Carol Wheeler

---

### Interview Notes

- Carol Wheeler, age 56, is single.
- Carol earned wages of \$48,000 and was enrolled the entire year in a high deductible health plan (HDHP) with self-only coverage.
- During the year Carol contributed \$3,000 to her Health Savings Account (HSA) and her cousin also contributed \$1,000 to Carol's HSA account.
- Carol's Form W-2 shows \$600 in Box 12 with code W. She has Form 5498-SA showing \$4,600 in Box 2.
- Carol took a distribution from her HSA to pay her unreimbursed expenses:
  - 2 visits to a physical therapist due to a car accident \$300
  - unreimbursed doctor bills for \$700
  - prescription medicine: \$400
  - replacement of a crown \$1,500
  - over the counter sinus medication \$80
  - 10 Zumba classes for \$125
- Carol is a U.S. citizen with a valid Social Security number.

### Advanced Scenario 3: Retest Questions

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6. Carol can claim \$\_\_\_\_\_ as her HSA contribution on Form 8889, Part 1.
7. Carol is eligible to contribute an additional \$1,000 to her HSA because she is age 55 or older.
  - a. True
  - b. False
8. The over the counter sinus medication is a qualified medical expense for HSA purposes.
  - a. True
  - b. False

## Advanced Scenario 4: Barbara Jacobs

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### Interview Notes

- Barbara is age 57 and was widowed in 2021. She owns her own home and provided all the cost of keeping up her home for the entire year. Her only income for 2021 was \$36,000 in W-2 wages.
- Jenny, age 24, and her daughter Marie, age 3, moved in with her mother, Barbara, after Jenny separated from her spouse in April of 2021. Jenny's only income for 2021 was \$15,000 in wages. Jenny provided over half of her own support. Marie did not provide more than half of her own support.
- Jenny will not file a joint return with her spouse. She did not receive advance child tax credit payments for 2021.
- All individuals in the household are U.S. citizens with valid Social Security numbers. No one has a disability. They lived in the United States all year but not in a community property state.

## Advanced Scenario 4: Retest Questions

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9. Barbara is the only person that qualifies to claim Marie as a dependent.
  - a. True
  - b. False
10. Which of the following statements is true?
  - a. Jenny is eligible to claim Marie for the EIC even though her filing status is married filing separate
  - b. Jenny is **not** eligible to claim the EIC for Marie because she is under age 25
  - c. Jenny is **not** eligible to claim Marie for the EIC because her income is too high.
  - d. None of the above statements are true.

## Advanced Scenario 5: Michael Block

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### Interview Notes

- Michael is 49 years old and files as single.
- His 2021 adjusted gross income (AGI) is \$49,500, which includes gambling winnings of \$1,000.
- Michael would like to itemize his deductions this year.
- Michael brings documentation for the following expenses:
  - \$8,200 Hospital and doctor bills
  - \$700 Contributions to Health Savings Account (HSA)
  - \$2,500 Long Term Care Insurance premiums before age limitation applied
  - \$3,400 State withholding (higher than Michael's calculated state sales tax deduction)
  - \$300 Personal property taxes based on value of vehicle
  - \$400 Friend's personal GoFundMe campaign
  - \$275 Cash contributions to the Red Cross
  - \$100 Fair market value of clothing in good condition donated to the Salvation Army
  - \$7,500 Mortgage interest
  - \$820 Real estate tax
  - \$230 Mortgage Insurance Premiums (PMI) on a home he purchased in 2017.
  - \$150 Homeowners association fees
  - \$2,000 Gambling losses

## Advanced Scenario 5: Retest Questions

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11. If Michael chooses to itemize, which of the following is he eligible to claim as a deduction on Schedule A?
  - a. \$400 Go Fund Me donation
  - b. \$700 Contributions to Health Savings Account (HSA)
  - c. \$150 Homeowner's Association fees
  - d. \$230 Mortgage Insurance Premiums (PMI)
12. Michael is eligible to claim \$1,000 in gambling losses as a deduction on his Schedule A.
  - a. True
  - b. False

## Advanced Scenario 6: Sean Dennison

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### Interview Notes

- Sean Dennison is 19 years old. He is not a full time student.
- Sean works at a grocery store and earned \$20,000 in wages. He had \$2,400 of withholding.
- He lives with a friend in a rented apartment. They each pay their own expenses. Sean provides all of his own support.
- Sean is a U.S. citizen and lived in the U.S. for the entire year. He has a valid Social Security number.

## Advanced Scenario 6: Retest Questions

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13. Which of the following statements is true?
- a. Sean is required to file a tax return because he is under 65 and his gross income was greater than \$12,550.
  - b. Sean is **not** required to file but should file a return to get back all of his withholding.
  - c. Sean is **not** required to file a tax return because he is under the age of 21.
  - d. Sean is **not** required to file a tax return because he has enough tax withholding to cover his tax liability.
14. Sean is **not** eligible to claim the earned income credit on his 2021 tax return.
- a. True
  - b. False

## Advanced Scenario 7: Gilbert and Tara Washington

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### Directions

Refer to the scenario information for Gilbert and Tara Washington, beginning on page 80.

### Advanced Scenario 7: Retest Questions

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15. The taxable portion of Tara's pension from Oak Enterprises is \$\_\_\_\_\_.
16. Tara's taxable social security income is \$\_\_\_\_\_.
17. Gambling winnings and canceled debt are reported as other income on the Washington's Form 1040, Schedule 1.
  - a. True
  - b. False
18. Gilbert is eligible to claim \$\_\_\_\_\_ as qualified educator expenses on Form 1040, Schedule 1.
19. What is the Washington's standard deduction on their 2021 tax return?
  - a. \$25,100
  - b. \$26,450
  - c. \$26,800
  - d. \$27,800
20. Which of the following expenses qualify for the American opportunity credit?
  - a. Books
  - b. Tuition
  - c. Parking pass
  - d. Both a and b
21. The Washingtons can claim the child tax credit for their son Chandler.
  - a. True
  - b. False
22. How much federal income tax withholding is reported on the Washingtons's Form 1040?
  - a. \$6,669
  - b. \$4,820
  - c. \$2,800
  - d. \$1,849

## Advanced Scenario 8: Cynthia Simon

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### Directions

Refer to the scenario information for Cynthia Simon, beginning on page 90.

### Advanced Scenario 8: Retest Questions

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23. Cynthia's net short-term capital gain reported on Schedule D is \$\_\_\_\_\_
24. Cynthia **cannot** claim the work gloves as a business expense on Schedule C.
- a. True
  - b. False
25. What is the amount Cynthia can take as a student loan interest deduction on her Form 1040, Schedule 1?
- a. \$3,750
  - b. \$2,500
  - c. \$1,400
  - d. \$0
26. What is the total amount of advanced premium tax credit that Cynthia received in 2021? \$\_\_\_\_\_
27. Cynthia meets the qualifications to claim the Lifetime Learning Credit.
- a. True
  - b. False
28. Cynthia will **not** have to pay an additional 10% tax on the early withdrawal from her IRA.
- a. True
  - b. False
29. Cynthia can make estimated tax payments to avoiding owing tax next year.
- a. True
  - b. False



## Advanced Scenario 9: Richard Cook

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### Directions

Refer to the scenario information for Richard Cook, beginning on page 103

### Advanced Scenario 9: Retest Questions

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30. Richard is **not** eligible to claim the Qualifying Widower filing status.
- True
  - False
31. What is Richard's adjusted gross income on his Form 1040?
- \$41,500
  - \$41,580
  - \$41,600
  - \$41,620
32. Richard is eligible to claim the child tax credit and the child and dependent care credit in 2021.
- True
  - False
33. Richard does **not** qualify to claim a retirement savings contribution credit..
- True
  - False
34. Richard **will not** use his 2019 earnings of \$19,000 to calculate his earned income credit on his 2021 tax return because his 2019 earned income is lower than his 2021 earned income.
- True
  - False
35. Richard's child and dependent care credit is refundable in 2021.
- True
  - False



## Qualified Experienced Volunteer Scenarios and Test Questions

### Directions

The first four scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### Scenario 1: Donna and Becky Howard

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#### Interview Notes

- Becky is 25 years old and unmarried. She has two children: Seth is 7 years old and Kathleen was born in 2021. They all lived with Donna, Becky's mother, in 2021.
- Seth and Kathleen's father do not live with them, and Becky has not signed a Form 8332.
- Becky works full-time and made \$30,000 in 2021. The children attended daycare while she worked. She received a statement from her childcare provider showing that she paid \$8,000 for the care of both children for the year.
- Donna is unmarried and earned \$25,000 in 2021. Donna paid over half the costs of keeping up the home for herself, Becky and Becky's children.
- In 2020, Donna's adjusted gross income (AGI) was higher than Becky's and Becky allowed Donna to claim Seth as a dependent. Donna received a \$2,800 third Economic Impact Payment (EIP 3) in 2021. Becky received an EIP 3 of \$1,400.
- Donna opted out of the advance payments of the Child Tax Credit. Becky did not receive any advance payments of the Child Tax Credit.
- Becky, Donna, Seth, and Kathleen are all U.S. citizens with valid Social Security numbers and lived in the United States all year.

### Scenario 1: Test Questions

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1. Which of the following statements is **true** for 2021?
  - a. Seth and Kathleen are Donna's qualifying children and Donna can claim them as dependents.
  - b. Seth and Kathleen are Becky's qualifying children and Becky can claim them as dependents.
  - c. Donna can claim the children as dependents if Becky agrees.
  - d. Donna and Becky can each claim one child as a dependent.

2. Which of the following statements is true?
  - a. Donna may file as Head of Household and Becky must file as Single.
  - b. Donna and Becky can both file as Head of Household.
  - c. Donna and Becky must both file as Single.
  - d. Donna must file as Single and Becky may file as Head of Household.
  
3. The person who can claim the children as dependents for 2021 is eligible to claim:
  - a. Zero in child tax credit and zero in child and dependent care eligible expenses
  - b. A child tax credit of \$4,000 and can use \$6,000 in child and dependent care eligible **expenses**
  - c. A child tax credit of \$6,600 and can use \$6,000 in child and dependent care eligible **expenses**
  - d. A child tax credit of \$6,600 and can use \$8,000 in child and dependent care eligible **expenses**
  - e. A child tax credit of \$7,200 and can use \$8,000 in child and dependent care eligible **expenses**
  
4. Which of the following statements regarding the EIP 3/Recovery Rebate Credit is true?
  - a. Becky is eligible to claim a \$2,800 Recovery Rebate Credit for Kathleen and Seth.
  - b. Donna must repay the \$1,400 EIP 3 she received for Seth.
  - c. Donna is eligible to claim a \$1,400 Recovery Rebate Credit for Kathleen.
  - d. Becky is **not** eligible to claim a Recovery Rebate Credit.

## Scenario 2: David Newberry and His Parents

---

### Directions

This scenario does not require you to prepare a tax return. Refer to the interview notes here and the accompanying Form 1098-T on the next page for the information needed to answer the questions that follow.

### Interview Notes

- David is 19 years old and a full-time college sophomore majoring in physics. The college is an eligible educational institution. He resides on campus during the school year and lives with his parents during the summer.
- David spent \$1,500 on books in 2021.
- David's parents provided more than half of his support.
- David has never been convicted of a felony.
- David received Form 1098-T as shown on the following page. The Box 5 amount is an **unrestricted** scholarship. David received no other income in 2021.
- David and his parents are U.S. citizens with valid Social Security numbers.
- David and his parents came to the site to have their returns prepared. They want to maximize the tax benefits for the family.

CORRECTED

|  |   |   |  |   |
|--|---|---|--|---|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number<br><b>YUMA COLLEGE</b><br><b>1000 COLLEGE AVENUE</b><br><b>YOUR CITY, YOUR STATE, ZIP</b> |   | 1 Payments received for qualified tuition and related expenses<br><b>\$ 20,000.00</b> | OMB No. 1545-1574<br><b>2021</b><br>Form <b>1098-T</b>   | <b>Tuition Statement</b><br><br><b>Copy B</b><br><b>For Student</b><br><br>This is important tax information and is being furnished to the IRS. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return. |
| FILER'S employer identification no.<br><b>37-700XXXX</b>   | STUDENT'S TIN<br><b>654-00-XXXX</b>   | 3   | 5 Scholarships or grants<br><b>\$ 25,000.00</b>  |   |
| STUDENT'S name<br><b>DAVID NEWBERRY</b>  | 4 Adjustments made for a prior year<br><b>\$</b>                            | 6 Adjustments to scholarships or grants for a prior year<br><b>\$</b>                 | 7 Checked if the amount in box 1 includes amounts for an academic period beginning January-March 2022 <input type="checkbox"/> |   |
| Street address (including apt. no.)<br><b>1234 ROCKMOUNT STREET</b>  | 8 Checked if at least half-time student <input checked="" type="checkbox"/> | 9 Checked if a graduate student <input type="checkbox"/>                              | 10 Ins. contract reimb./refund<br><b>\$</b>  |   |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |   |   |  |   |
| Service Provider/Acct. No. (see instr.)  |   |   |  |   |

Form **1098-T**

(keep for your records)

[www.irs.gov/Form1098T](http://www.irs.gov/Form1098T)

Department of the Treasury - Internal Revenue Service

## Scenario 2: Test Questions

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5. David's parents would like to claim the American opportunity credit on their tax return. What treatment would provide David and his parents the **most favorable** outcome?
  - a. David's parents can claim only \$1,500 as qualified education expenses.
  - b. Neither David nor his parents can claim the credit because the scholarship income was more than education expenses.
  - c. David includes \$3,500 as taxable scholarship income and his parents claim \$4,000 in qualified education expenses.
  - d. David includes \$7,500 as taxable scholarship income and his parents claim \$4,000 in qualified education expenses.
  
6. For the purpose of determining if David has a **filing requirement**, taxable scholarship and fellowship grants are considered:
  - a. Earned income
  - b. Unearned income
  - c. His parents' income
  - d. Scholarship and fellowship grant income is never considered taxable

## Scenario 3: Sophia Woodruff

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### Directions

This scenario does not require you to prepare a tax return. Refer to the interview notes here and the brokerage statement on the next page for the information needed to answer the questions that follow.

### Interview Notes

- Sophia is 20 years old, unmarried, and graduated from junior college in December 2020.
- In 2021, she worked as a care provider for her disabled sister, Savannah, and received \$15,200 in Medicaid waiver payments reported on Form W-2 Box 1.
- In June, Sophia sold some stock she inherited. She provided the brokerage statement showing all her stock sales for 2021.
- Sophia is a U.S. citizen, has a Social Security number, and lived with Savannah in the U.S. all year.
- Sophia provides all of her own support.

**ABC INVESTMENTS**456 Pima Plaza  
Your City, YS ZIP**2021 Tax Reporting Statement**Sophia Woodruff  
890 Alma Avenue  
Your City, YS ZIP  
Account No. 1111-2222  
Recipient ID 655-00-XXXX  
Payer's Fed ID: 25-800XXXX**Long-Term Transactions for Which Basis is Reported to the IRS; Report on Form 8949, Part II, with Box D checked.**

## Description of Property (Box 1a) / CUSIP / SYMBOL

| Activity Type                                      | Quantity Sold (Box 1a) | Date Acquired (Box 1b) | Date Sold or Disposed (Box 1c) | Proceeds (Box 1d) Gross Proceeds Reported to the IRS (Box 6) (X) | Cost or Other Basis (Box 1e) | Unadjusted Gain/Loss | Accrued Market Discount (Box 1f) | Wash Sale Loss Disallowed (Box 1g) | Federal Income Tax Withheld (Box 4) | Loss Not Allowed Based on Amount in Box 1d (Box 7) |
|--|------------------------|------------------------|--------------------------------|--|------------------------------|----------------------|----------------------------------|------------------------------------|-------------------------------------|--|
| Wash Sale Example Company / 656435200 / WASHX      |                        |                        |                                |  |                              |                      |                                  |                                    |                                     |  |
| Sale   | 10.000000              | 3/17/2020              | 12/28/2021                     | 200.00   | 500.00                       | -300.00              |                                  | 300.00                             | 0.00                                |  |
| Long Term Gain Example Company / 756435200 / LONGX |                        |                        |                                |  |                              |                      |                                  |                                    |                                     |  |
| Sale   | 25.000000              | 1/3/2012               | 1/31/2021                      | 1,000.00   | 700.00                       | 300.00               |                                  |                                    | 0.00                                |  |
| Sale   | 40.000000              | 2/11/2012              | 12/31/2021                     | 2,000.00   | 1,600.00                     | 400.00               |                                  |                                    | 0.00                                |  |
| <b>Subtotal</b>                                    | <b>65.000000</b>       |                        |                                | <b>3,200.00</b>  | <b>2,800.00</b>              | <b>400.00</b>        | <b>0.00</b>                      | <b>300.00</b>                      | <b>0.00</b>                         |  |

**Long-Term Transactions for Which Basis was not Reported to the IRS; Report on Form 8949, Part II, with Box E checked.**

## Description of Property (Box 1a) / CUSIP / SYMBOL

| Activity Type                                | Quantity Sold (Box 1a) | Date Acquired (Box 1b) | Date Sold or Disposed (Box 1c) | Proceeds (Box 1d) Gross Proceeds Reported to the IRS (Box 6) (X) | Cost or Other Basis (Box 1e) | Unadjusted Gain/Loss | Accrued Market Discount (Box 1f) | Wash Sale Loss Disallowed (Box 1g) | Federal Income Tax Withheld (Box 4) | Loss Not Allowed Based on Amount in Box 1d (Box 7) |
|--|------------------------|------------------------|--------------------------------|--|------------------------------|----------------------|----------------------------------|------------------------------------|-------------------------------------|--|
| Inherited Example Company/ 556435200 / INHER |                        |                        |                                |  |                              |                      |                                  |                                    |                                     |  |
| Sale   | 20.000000              | 6/26/2021              | 8/1/2021                       | 8,400.00   | 5,000.00                     | 3,400.00             |                                  |                                    | 0.00                                |  |
| <b>Subtotal</b>                              | <b>20.000000</b>       |                        |                                | <b>8,400.00</b>  | <b>5,000.00</b>              | <b>3,400.00</b>      | <b>0.00</b>                      | <b>0.00</b>                        | <b>0.00</b>                         |  |
| <b>Totals</b>                                |                        |                        |                                | <b>11,600.00</b>   | <b>7,800.00</b>              | <b>3,800.00</b>      | <b>0.00</b>                      | <b>300.00</b>                      | <b>0.00</b>                         |  |



### Scenario 3: Test Questions

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7. Sophia's inherited stock sale is treated as a long-term transaction
  - a. True
  - b. False
8. What is Sophia's total capital gain or loss? \_\_\_\_\_
9. Which of the following are true?
  - a. Sophia is **not** eligible for the Earned Income Credit because her investment income is too high.
  - b. Sophia is **not** eligible for the Earned Income Credit because her earned income is too high.
  - c. Sophia is **not** eligible for the Earned Income Credit because she is too young to claim the credit without a qualifying child.
  - d. Sophia is eligible for the Earned Income Credit.
10. Sophia may **exclude** the qualified Medicaid waiver payments from gross income and **include** those payments in earned income.
  - a. True
  - b. False

## Scenario 4: Keisha and Jay Johnson

---

### Directions

This scenario does not require you to prepare a tax return. Refer to the interview notes and accompanying Forms 1099-NEC and 1099-K for the information needed to answer the questions that follow.

### Interview Notes

- Keisha and Jay are married and file a joint return.
- Jay is an employee and received a Form W-2 showing \$30,000 in wages for the year. Keisha is a self-employed driver for Delicious Deliveries.
- Keisha and Jay had health insurance subsidized by Jay's employer. They paid \$3,600 pre-tax in premiums for the year.
- Keisha provided a statement from the food delivery service that indicated the amount of mileage driven and fees paid for the year. These fees are considered ordinary and necessary for the food delivery business:
  - 7,200 miles driven while delivering food
  - Insulated box rental: \$300
  - Vehicle safety inspection (required by Delicious Deliveries): \$50
  - GPS device fee: \$120
- Keisha also kept receipts for the following out-of-pocket expenses:
  - \$100 for tolls
  - \$120 for car washes
  - \$48 for parking tickets
  - \$75 for Personal Protective Equipment (PPE) used during deliveries
  - \$150 for snacks and lunches Keisha consumed while working
- Keisha's record keeping application shows she also drove 4,125 miles between deliveries and 4,200 miles driven between her home and her first and last delivery point of the day. Keisha has a separate car for personal use. She bought and started using her second car for business on September 1, 2020.
- Keisha provided the Form 1099-NEC and Form 1099-K that she received from Delicious Deliveries. See the next page.
- Keisha also received \$300 in cash tips that were not reported elsewhere.
- Keisha and Jay also paid the following this year:
  - Mortgage interest = \$5,000
  - Property tax = \$3,000
  - Donations of clothing in good used condition = \$350 (fair market value)
  - Cash donations to qualified charities = \$550
  - Tools for Jay's job = \$300
  - State income taxes withheld = \$4,000
- Keisha won \$10,000 on a scratch off lottery ticket. She has \$3,000 of losing tickets.

CORRECTED (if checked)

|  |                                       |  |                                 |  |
|--|---------------------------------------|--|---------------------------------|--|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>Delicious Deliveries</b><br><b>567 ALVIN AVENUE</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>               |                                       | OMB No. 1545-0116<br><br><b>2021</b><br><br>Form <b>1099-NEC</b>   |                                 | <b>Nonemployee Compensation</b>  |
| PAYER'S TIN<br><b>20-400XXXX</b>   | RECIPIENT'S TIN<br><b>345-00-XXXX</b> | 1 Nonemployee compensation<br>\$ <b>1,800.00</b>   |                                 |  |
| RECIPIENT'S name<br><br><b>Keisha Johnson</b><br><br>Street address (including apt. no.)<br><b>789 DANA DRIVE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |                                       | 2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/><br><br>3<br><br>4 Federal income tax withheld<br>\$ |                                 | <b>Copy B For Recipient</b><br>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |
| Account number (see instructions)<br>\$  |                                       | 5 State tax withheld<br>\$   | 6 State/Payer's state no.<br>\$ |  |
| \$   |                                       | 7 State income<br>\$   |                                 |  |

Form **1099-NEC** (keep for your records) www.irs.gov/Form1099NEC Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

|  |  |  |                                   |  |  |
|--|--|--|-----------------------------------|--|--|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>Delicious Deliveries</b><br><b>567 ALVIN AVENUE</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>           |  | FILER'S TIN<br><b>20-400XXXX</b>   | PAYEE'S TIN<br><b>345-00-XXXX</b> | OMB No. 1545-2205<br><br><b>2021</b><br><br>Form <b>1099-K</b>   | <b>Payment Card and Third Party Network Transactions</b> |
| Check to indicate if FILER is a (an):<br>Payment settlement entity (PSE) <input type="checkbox"/><br>Electronic Payment Facilitator (EPF)/Other third party <input checked="" type="checkbox"/>                                    |  | Check to indicate transactions reported are:<br>Payment card <input type="checkbox"/><br>Third party network <input checked="" type="checkbox"/> |                                   | 1a Gross amount of payment card/third party network transactions<br>\$ <b>15,245.00</b>  |  |
| PAYEE'S name<br><br><b>Keisha Johnson</b><br><br>Street address (including apt. no.)<br><b>789 DANA DRIVE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  | 3 Number of payment transactions<br><b>3,300</b>   |                                   | <b>Copy B For Payee</b><br><br>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported. |  |
| PSE'S name and telephone number  |  | 5a January<br>\$ <b>1,270.00</b>   | 5b February<br>\$ <b>1,200.00</b> | 5c March<br>\$ <b>1,340.00</b>   | 5d April<br>\$ <b>1,250.00</b>                           |
| Account number (see instructions)  |  | 5e May<br>\$ <b>1,290.00</b>   | 5f June<br>\$ <b>1,300.00</b>     | 5g July<br>\$ <b>1,240.00</b>  | 5h August<br>\$ <b>1,140.00</b>                          |
|  |  | 5i September<br>\$ <b>1,270.00</b>   | 5j October<br>\$ <b>1,235.00</b>  | 5k November<br>\$ <b>1,310.00</b>  | 5l December<br>\$ <b>1,400.00</b>                        |
|  |  | 6 State  | 7 State identification no.        | 8 State income tax withheld<br>\$  |  |

Form **1099-K** (Keep for your records) www.irs.gov/Form1099K Department of the Treasury - Internal Revenue Service

## Scenario 4: Test Questions

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11. What is Keisha's Schedule C **net profit**?
- a. \$8,006
  - b. \$10,040
  - c. \$10,358
  - d. \$17,345
12. How much of Keisha's gambling winnings must be included in adjusted gross income (AGI)? \$\_\_\_\_\_
13. How much can Keisha and Jay claim as charitable contributions if they take the standard deduction?
- a. \$300
  - b. \$550
  - c. \$600
  - d. \$900
14. Which of the following statements is true:
- a. Keisha can add the \$3,600 they paid for health insurance premiums to her self-employment expenses on Schedule C.
  - b. Keisha can claim the \$3,600 they paid for health insurance premiums as a self-employed health insurance deduction on Schedule 1.
  - c. Keisha can claim her portion of the health insurance premiums, \$1,800, as a self-employed health insurance deduction on Schedule 1.
  - d. Keisha can add her portion of the health insurance premiums, \$1,800, to her self-employment expenses on Schedule C.
  - e. Keisha is **not** eligible for a self-employed health insurance deduction.

## Scenario 5: Kenneth and Martha Kemper

---

### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario. To ensure the accuracy of the taxpayer's return the volunteer should review and complete the applicable sections of the Form 13614-C.

*Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

### Interview Notes

- Kenneth and Martha are married and would like to file a joint return.
- Kenneth applied for Social Security Disability benefits in July 2019, and he began receiving benefits in December 2021. The payment included a lump sum distribution for the time Kenneth's application was pending in 2019 and 2020. Kenneth and Martha filed a joint return each year. In 2019, their modified adjusted gross income was \$36,700, and in 2020 their modified adjusted gross income was \$27,835. Martha has never received Social Security benefits.
- Kenneth and Martha have never itemized their deductions.
- Kenneth and Martha received a state income tax refund of \$230.
- Martha began receiving pension benefits on May 1, 2020. She chose a joint and survivor annuity. She also works part time.
- Kenneth and Martha purchased health care coverage through the Marketplace, which they had all year. At no time during the year were either Kenneth or Martha eligible for unemployment.
- The Kempers received an Economic Impact Payment (EIP 3) of \$2,800 in 2021.
- Kenneth and Martha are U.S. citizens, have valid Social Security numbers and lived in the lower 48 states for the entire year.
- If the Kempers are due a refund, they want it direct deposited to their checking account. Bank Routing is 111000022; Checking Account number is 1234567890. If they have a balance due, they will mail in the payment.



**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)

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

|   |  |   |  |   |
|---|--|---|--|---|
| 1. Your first name<br><b>KENNETH</b>  | M.I.<br><b>R</b>   | Last name<br><b>KEMPER</b>  | Best contact number<br><b>212-555-1212</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        |
| 2. Your spouse's first name<br><b>MARTHA</b>  | M.I.<br><b>B</b>   | Last name<br><b>KEMPER</b>  | Best contact number<br><b>212-555-1212</b> | Is your spouse a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Mailing address<br><b>8705 SKIDMORE WAY</b>  |  | Apt #   | City<br><b>YOUR CITY</b>                   | State<br><b>YS</b>  |
| 3. Mailing address<br><b>8705 SKIDMORE WAY</b>  |  | Apt #   | City<br><b>YOUR CITY</b>                   | ZIP code<br><b>YOUR ZIP</b>   |
| 4. Your Date of Birth<br><b>07/11/1963</b>  | 5. Your job title<br><b>DISABLED</b>                           | 6. Last year, were you:   |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No              |
|   |  | b. Totally and permanently disabled <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  |
| 7. Your spouse's Date of Birth<br><b>05/24/1960</b>   | 8. Your spouse's job title<br><b>CLIENT SERVICE SPECIALIST</b> | 9. Last year, was your spouse:  |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No              |
|   |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  |
| 10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |  |   |  |   |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |   |  |   |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |  |   |  |   |

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

1. As of December 31, 2021, what was your marital status?

Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)

Married

Divorced

Legally Separated

Widowed

a. If Yes, Did you get married in 2021?  Yes  No

b. Did you live with your spouse during any part of the last six months of 2021?  Yes  No

Date of final decree \_\_\_\_\_

Date of separate maintenance decree \_\_\_\_\_

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  and list on page 3

|  |                          |   |   |                     |  |  |                                      |   |  | 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |

Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 1. (B) Wages or Salary? (Form W-2) <b>If yes, how many jobs did you have last year? <u>1</u></b>  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (B) Alimony or separate maintenance payments? <b>If yes, do you have the recipient's SSN?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? <b>If yes, for which tax year?</b> _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? <b>If so how much?</b> _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |

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

- 1. Would you like to receive written communications from the IRS in a language other than English?  Yes  No If yes, which language? \_\_\_\_\_
- 2. Presidential Election Campaign Fund *(If you check a box, your tax or refund will not change)*  
 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund  You  Spouse
- 3. If you are due a refund, would you like: a. Direct deposit  Yes  No b. To purchase U.S. Savings Bonds  Yes  No c. To split your refund between different accounts  Yes  No
- 4. If you have a balance due, would you like to make a payment directly from your bank account?  Yes  No
- 5. Did you live in an area that was declared a Federal disaster area?  Yes  No If yes, where? \_\_\_\_\_
- 6. Did you, or your spouse if filing jointly, receive a letter from the IRS?  Yes  No

**Many free tax preparation sites operate by receiving grant money or other federal financial assistance. The data from the following questions may be used by this site to apply for these grants or to support continued receipt of financial funding. Your answer will be used only for statistical purposes. These questions are optional.**

- 7. Would you say you can carry on a conversation in English, both understanding & speaking?  Very well  Well  Not well  Not at all  Prefer not to answer
- 8. Would you say you can read a newspaper or book in English?  Very well  Well  Not well  Not at all  Prefer not to answer
- 9. Do you or any member of your household have a disability?  Yes  No  Prefer not to answer
- 10. Are you or your spouse a Veteran from the U.S. Armed Forces?  Yes  No  Prefer not to answer
- 11. Your race?  
 American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer
- 12. Your spouse's race?  
 American Indian or Alaska Native  Asian  Black or African American  Native Hawaiian or other Pacific Islander  White  Prefer not to answer  
 No spouse
- 13. Your ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer
- 14. Your spouse's ethnicity?  Hispanic or Latino  Not Hispanic or Latino  Prefer not to answer  No spouse

Additional comments

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**Privacy Act and Paperwork Reduction Act Notice**

The Privacy Act of 1974 requires that when we ask for information we tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it, and whether your response is voluntary, required to obtain a benefit, or mandatory. Our legal right to ask for information is 5 U.S.C. 301. We are asking for this information to assist us in contacting you relative to your interest and/or participation in the IRS volunteer income tax preparation and outreach programs. The information you provide may be 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



|  |  |  |                            |   |                  |
|--|--|--|----------------------------|---|------------------|
| a Employee's social security number<br><b>456-00-XXXX</b>  |  | Safe, accurate,<br>FAST! Use   |                            | Visit the IRS website at<br>www.irs.gov/efile       |                  |
| b Employer identification number (EIN)<br><b>34-600XXXX</b>  |  | 1 Wages, tips, other compensation<br><b>\$20,000.00</b>  |                            | 2 Federal income tax withheld<br><b>\$2,000.00</b>  |                  |
| c Employer's name, address, and ZIP code<br><br><b>SWIFT &amp; ASSOCIATES<br/>12210 ROBINSON ROAD<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 3 Social security wages<br><b>\$20,000.00</b>  |                            | 4 Social security tax withheld<br><b>\$1,240.00</b> |                  |
|  |  | 5 Medicare wages and tips<br><b>\$20,000.00</b>  |                            | 6 Medicare tax withheld<br><b>\$290.00</b>          |                  |
|  |  | 7 Social security tips   |                            | 8 Allocated tips                                    |                  |
| d Control number   |  | 9  |                            | 10 Dependent care benefits                          |                  |
| e Employee's first name and initial Last name Suff.<br><br><b>MARTHA KEMPER<br/>8705 SKIDMORE WAY<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 11 Nonqualified plans  |                            | 12a See instructions for box 12                     |                  |
|  |  | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |                            | 12b   |                  |
|  |  | 14 Other   |                            | 12c   |                  |
| f Employee's address and ZIP code  |  |  |                            | 12d   |                  |
| 15 State Employer's state ID number<br><b>YS 123456-7</b>  | 16 State wages, tips, etc.<br><b>\$20,000.00</b> | 17 State income tax<br><b>\$600.00</b>   | 18 Local wages, tips, etc. | 19 Local income tax                                 | 20 Locality name |

Form **W-2** Wage and Tax Statement **2021** 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.

|  |  |  |  |   |  |  |  |
|--|--|--|--|---|--|--|--|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>SNEAD COMPANY PENSION PLAN<br/>456 MARTIN MILLS ROAD<br/>YOUR CITY, YS, YOUR ZIP</b> |  | 1 Gross distribution<br><b>\$ 6,000.00</b>   |  | OMB No. 1545-0119<br><br><b>2021</b>                                |  | Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.  |  |
| PAYER'S TIN<br><b>20-700XXXX</b>   |  | RECIPIENT'S TIN<br><b>457-00-XXXX</b>  |  | 2a Taxable amount<br><b>\$ 6,000.00</b>                             |  | Form <b>1099-R</b>   |  |
| RECIPIENT'S name<br><b>KENNETH KEMPER</b>  |  | 3 Capital gain (included in box 2a)<br><b>\$</b>   |  | 4 Federal income tax withheld<br><b>\$ 600.00</b>                   |  | Copy B Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.<br><br>This information is being furnished to the IRS. |  |
| Street address (including apt. no.)<br><b>8705 SKIDMORE WAY</b>  |  | 5 Employee contributions/ Designated Roth contributions or insurance premiums<br><b>\$</b> |  | 6 Net unrealized appreciation in employer's securities<br><b>\$</b> |  |  |  |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | 7 Distribution code(s)<br><b>2</b>   |  | 8 Other<br><b>\$ %</b>  |  |  |  |
| 10 Amount allocable to IRR within 5 years<br><b>\$</b>   |  | 11 1st year of desig. Roth contrib.  |  | 12 FATCA filing requirement<br><input type="checkbox"/>             |  | 9a Your percentage of total distribution<br><b>%</b>   |  |
| Account number (see instructions)  |  | 13 Date of payment   |  | 14 State tax withheld<br><b>\$</b>                                  |  | 9b Total employee contributions<br><b>\$</b>   |  |
|  |  | 15 State/Payer's state no.   |  | 16 State distribution<br><b>\$</b>                                  |  | 17 Local tax withheld<br><b>\$</b>   |  |
|  |  | 18 Name of locality  |  | 19 Local distribution<br><b>\$</b>                                  |  |  |  |

Form **1099-R** www.irs.gov/Form1099R Department of the Treasury - Internal Revenue Service

|  |  |  |  |   |   |
|--|--|--|--|---|---|
| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>Clark Company Pension Plan</b><br><b>1721 Donnelly Drive</b><br><b>Your City, State ZIP</b>                  |  |  | <b>1</b> Gross distribution<br>\$ <b>14,400</b><br><b>2a</b> Taxable amount<br>\$          | OMB No. 1545-0119<br><br><b>2021</b><br><br>Form <b>1099-R</b>      | <b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>  |
| PAYER'S TIN<br><br><b>40-000XXXX</b>   |  | RECIPIENT'S TIN<br><br><b>456-00-XXXX</b>                      | <b>3</b> Capital gain (included in box 2a)<br>\$   | <b>4</b> Federal income tax withheld<br>\$ <b>1,400</b>             | <b>Copy B</b><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b><br><br>This information is being furnished to the IRS. |
| RECIPIENT'S name<br><br><b>Martha Kemper</b><br><br>Street address (including apt. no.)<br><br><b>8705 SKIDMORE WAY</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b> |  |  | <b>5</b> Employee contributions/ Designated Roth contributions or insurance premiums<br>\$ | <b>6</b> Net unrealized appreciation in employer's securities<br>\$ |   |
|  |  |  | <b>7</b> Distribution code(s)<br><b>7</b>  | <b>8</b> Other<br>\$ %  |   |
|  |  |  | <b>9a</b> Your percentage of total distribution<br>%                                       | <b>9b</b> Total employee contributions<br>\$ <b>9,000</b>           |   |
| <b>10</b> Amount allocable to IRR within 5 years<br>\$   | <b>11</b> 1st year of desig. Roth contrib. | <b>12</b> FATCA filing requirement<br><input type="checkbox"/> | <b>14</b> State tax withheld<br>\$   | <b>15</b> State/Payer's state no.                                   | <b>16</b> State distribution<br>\$  |
| Account number (see instructions)  |  | <b>13</b> Date of payment                                      | <b>17</b> Local tax withheld<br>\$   | <b>18</b> Name of locality  | <b>19</b> Local distribution<br>\$  |

Form **1099-R**

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

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

**2021**

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

|   |                                       |  |
|---|---------------------------------------|--|
| Box 1. Name<br><b>KENNETH KEMPER</b>  |                                       | Box 2. Beneficiary's Social Security Number<br><b>457-00-XXXX</b>  |
| Box 3. Benefits Paid in 2020<br><b>\$34,968</b>   | Box 4. Benefits Repaid to SSA in 2020 | Box 5. Net Benefits for 2020 (Box 3 minus Box 4)<br><b>\$34,968</b>  |
| DESCRIPTION OF AMOUNT IN BOX 3<br><br>2019: \$5,880<br>2020: \$14,400<br>2021: \$14,688 |                                       | DESCRIPTION OF AMOUNT IN BOX 4<br><br><br><br><br>Box 6. Voluntary Federal Income Tax Withholding<br><br><br><br><br>Box 7. Address<br><br><b>8705 SKIDMORE WAY<br/>                 YOUR CITY, STATE ZIP</b><br><br><br><br><br>Box 8. Claim Number (Use this number if you need to contact SSA.) |

*Draft as of June 21, 2020 - Subject to Change*

Form SSA-1099-SM (6/2020)

**DO NOT RETURN THIS FORM TO SSA OR IRS**

**Part I Recipient Information**

|   |  |   |   |  |
|---|--|---|---|--|
| 1 Marketplace identifier<br><b>12-3456789</b>       | 2 Marketplace-assigned policy number<br><b>00123456789</b> | 3 Policy issuer's name<br><b>OAKWOOD HEALTHCARE</b>                     |   |  |
| 4 Recipient's name<br><b>KENNETH KEMPER</b>         |  | 5 Recipient's SSN<br><b>457-00-XXXX</b>                                 | 6 Recipient's date of birth<br><b>07/11/1963</b>          |  |
| 7 Recipient's spouse's name<br><b>MARTHA KEMPER</b> |  | 8 Recipient's spouse's SSN<br><b>456-00-XXXX</b>                        | 9 Recipient's spouse's date of birth<br><b>05/24/1960</b> |  |
| 10 Policy start date<br><b>01/01/2021</b>           | 11 Policy termination date<br><b>12/31/2021</b>            | 12 Street address (including apartment no.)<br><b>8705 SKIDMORE WAY</b> |   |  |
| 13 City or town<br><b>YOUR CITY</b>                 | 14 State or province<br><b>YOUR STATE</b>                  | 15 Country and ZIP or foreign postal code<br><b>ZIP</b>                 |   |  |

**Part II Covered Individuals**

|    | A. Covered individual name | B. Covered individual SSN | C. Covered individual date of birth | D. Coverage start date | E. Coverage termination date |
|----|----------------------------|---------------------------|-------------------------------------|------------------------|------------------------------|
| 16 | <b>KENNETH KEMPER</b>      | <b>457-00-XXXX</b>        | <b>07/11/1963</b>                   | <b>01/01/2021</b>      | <b>12/31/2021</b>            |
| 17 | <b>MARTHA KEMPER</b>       | <b>456-00-XXXX</b>        | <b>05/24/1960</b>                   | <b>01/01/2021</b>      | <b>12/31/2021</b>            |
| 18 |                            |                           |                                     |                        |                              |
| 19 |                            |                           |                                     |                        |                              |
| 20 |                            |                           |                                     |                        |                              |

**Part III Coverage Information**

| Month            | A. Monthly enrollment premiums | B. Monthly second lowest cost silver plan (SLCSP) premium | C. Monthly advance payment of premium tax credit |
|------------------|--------------------------------|---|--|
| 21 January       | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 22 February      | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 23 March         | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 24 April         | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 25 May           | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 26 June          | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 27 July          | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 28 August        | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 29 September     | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 30 October       | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 31 November      | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 32 December      | <b>\$1,839.06</b>              | <b>\$1,889.06</b>   | <b>\$1,801.07</b>                                |
| 33 Annual Totals | <b>\$22,068.72</b>             | <b>\$22,668.72</b>  | <b>\$21,612.84</b>                               |

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60703Q

Form **1095-A** (2021)

## Scenario 5: Test Questions

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15. How much of Kenneth and Martha's state income tax refund is taxable?
- a. \$0
  - b. \$23
  - c. \$115
  - d. \$230
16. What are the advantages of completing the lump-sum Social Security worksheet for Kenneth?
- a. It reduces the taxable portion of Social Security benefits.
  - b. It reduces the amount of premium tax credit that must be repaid.
  - c. There is no benefit to completing the worksheet.
  - d. Both a and b
17. If Kenneth uses the lump-sum Social Security worksheet, what is the taxable portion of his Social Security benefits?
- a. \$8,927
  - b. \$13,385
  - c. \$17,546
  - d. \$29,723
18. What age is used to compute the taxable amount of the pension using the Simplified Method?
- a. 60
  - b. 115
  - c. 116
  - d. 117
19. How much of Kenneth and Martha's Advance Premium Tax Credit must be repaid?
- a. 0
  - b. \$2,700
  - c. \$5,325
  - d. \$21,613
20. How much should be entered as the amount previously recovered in the simplified method worksheet?
- a. \$0
  - b. \$25
  - c. \$200
  - d. \$300



## Qualified Experienced Volunteer Retest

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### Directions

Read each question carefully and use your training and resource materials to answer the questions. All questions are based on calendar-year taxpayers.

### Scenario 1: Donna and Becky Howard

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#### Interview Notes

- Becky is 25 years old and unmarried. She has two children: Seth is 7 years old and Kathleen was born in 2021. They all lived with Donna, Becky's mother, in 2021.
- Seth and Kathleen's father do not live with them, and Becky has not signed a Form 8332.
- Becky works full-time and made \$30,000 in 2021. The children attended daycare while she worked. She received a statement from her childcare provider showing that she paid \$8,000 for the care of both children for the year.
- Donna is unmarried and earned \$25,000 in 2021. Donna paid over half the costs of keeping up the home for herself, Becky and Becky's children.
- In 2020, Donna's adjusted gross income (AGI) was higher than Becky's and Becky allowed Donna to claim Seth as a dependent. Donna received a \$2,800 third Economic Impact Payment (EIP 3) in 2021. Becky received an EIP 3 of \$1,400.
- Donna opted out of the advance payments of the Child Tax Credit. Becky did not receive any advance payments of the Child Tax Credit.
- Becky, Donna, Seth, and Kathleen are all U.S. citizens with valid Social Security numbers and lived in the United States all year.

### Scenario 1: Retest Questions

---

1. Seth and Kathleen are the qualifying children of more than one person and are subject to the tiebreaker rules. Donna **cannot** claim them as dependents for 2021.
  - a. True
  - b. False
2. Donna must file as Single and Becky may file as Head of Household.
  - a. True, because Donna does **not** have a qualifying person for Head of Household
  - b. True, because Becky has a qualifying person for Head of Household
  - c. False, because Donna has a qualifying person for Head of Household
  - d. False, Becky **cannot** claim Head of Household because she doesn't pay more than half the cost of keeping up the home and Donna doesn't have a qualifying person

3. For 2021, what is the maximum refundable Child Tax Credit for a qualifying child under the age of six? \_\_\_\_\_
4. No one is eligible to claim a Recovery Rebate Credit for Seth because Donna received the EIP 3 for Seth in 2021.
  - a. True
  - b. False

## Scenario 2: David Newberry and His Parents

---

### Directions

This scenario does not require you to prepare a tax return. Refer to the interview notes here and the accompanying Form 1098-T on page 122 for the information needed to answer the questions that follow.

### Interview Notes

- David is 19 years old and a full-time college sophomore majoring in physics. The college is an eligible educational institution. He resides on campus during the school year and lives with his parents during the summer.
- David spent \$1,500 on books in 2021.
- David's parents provided more than half of his support.
- David has never been convicted of a felony.
- David received Form 1098-T as shown on the following page. The Box 5 amount is an **unrestricted** scholarship. David received no other income in 2021.
- David and his parents are U.S. citizens with valid Social Security numbers.
- David and his parents came to the site to have their returns prepared. They want to maximize the tax benefits for the family.

## Scenario 2: Retest Questions

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5. If his parents optimize use of the American opportunity credit, David will include \$7,500 of his scholarship as taxable income.
  - a. True
  - b. False
6. For the purpose of determining if David has a **filing requirement**, taxable scholarship and fellowship grants are considered earned income.
  - a. True
  - b. False



## Scenario 3: Sophia Woodruff

---

### Directions

This scenario does not require you to prepare a tax return. Refer to the interview notes here and the accompanying brokerage statement on page 125 for the information needed to answer the questions that follow.

### Interview Notes

- Sophia is 20 years old, unmarried, and graduated from junior college in December 2020.
- In 2021, she worked as a care provider for her disabled sister, Savannah, and received \$15,200 in Medicaid waiver payments reported on Form W-2 Box 1.
- In June, Sophia sold some stock she inherited. She provided the brokerage statement showing all her stock sales for 2021.
- Sophia is a U.S. citizen, has a Social Security number, and lived with Savannah in the U.S. all year.
- Sophia provides all of her own support.

## Scenario 3: Retest Questions

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7. Sophia's inherited stock sale is treated as a short-term transaction
  - a. True
  - b. False
8. What is Sophia's total capital gain or loss?
  - a. \$400
  - b. \$3,800
  - c. \$4,100
  - d. \$4,400
9. Sophia is eligible for the earned income credit.
  - a. True
  - b. False
10. Sophia must include the qualified Medicaid waiver payments in **both** gross income and earned income if she wishes to claim the Earned Income Credit.
  - a. True
  - b. False

## Scenario 4: Keisha and Jay Johnson

---

### Directions

This scenario does not require you to prepare a tax return. Refer to the interview notes here and accompanying Forms 1099-NEC and 1099-K on page 128 for the information needed to answer the questions that follow.

### Interview Notes

- Keisha and Jay are married and file a joint return.
- Jay is an employee and received a Form W-2 showing \$30,000 in wages for the year. Keisha is a self-employed driver for Delicious Deliveries.
- Keisha and Jay had health insurance subsidized by Jay's employer. They paid \$3,600 in premiums for the year.
- Keisha provided a statement from the food delivery service that indicated the amount of mileage driven and fees paid for the year. These fees are considered ordinary and necessary for the food delivery business:
  - 7,200 miles driven while delivering food
  - Insulated box rental: \$300
  - Vehicle safety inspection (required by Delicious Deliveries): \$50
  - GPS device fee: \$120
- Keisha also kept receipts for the following out-of-pocket expenses:
  - \$100 for tolls
  - \$120 for car washes
  - \$48 for parking tickets
  - \$75 for Personal Protective Equipment (PPE) used during deliveries
  - \$150 for snacks and lunches Keisha consumed while working
- Keisha's record keeping application shows she also drove 4,125 miles between deliveries and 4,200 miles driven between her home and her first and last delivery point of the day. Keisha has a separate car for personal use. She bought and started using her second car for business on September 1, 2020.
- Keisha provided the Form 1099-NEC and Form 1099-K that she received from Delicious Deliveries. See the next page.
- Keisha also received \$300 in cash tips that were not reported elsewhere.
- Keisha and Jay also paid the following this year:
  - Mortgage interest = \$5,000
  - Property tax = \$3,000
  - Donations of clothing in good used condition = \$350 (fair market value)
  - Cash donations to qualified charities = \$550
  - Tools for Jay's job = \$300
  - State income taxes withheld = \$4,000
- Keisha won \$10,000 on a scratch off lottery ticket. She has \$3,000 of losing tickets.

## Scenario 4: Retest Questions

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11. Keisha's net Schedule C income is \$10,040.
  - a. True
  - b. False
  
12. Because Keisha and Jay aren't itemizing, Keisha can subtract her losses from her gambling winnings and report \$7,000 in gross income.
  - a. True
  - b. False
  
13. The maximum amount Keisha and Jay can claim as a charitable contribution if they take the standard deduction is \$300.
  - a. True
  - b. False
  
14. Keisha is **not** eligible for a self-employed health insurance deduction.
  - a. True
  - b. False

## Scenario 5: Retest Questions

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### Directions

Refer to the scenario information for Kenneth and Martha Kemper, beginning on page 130.

15. The taxable amount of Kenneth and Martha's state income tax refund is \$230.
  - a. True
  - b. False
16. If Kenneth uses the lump-sum benefits worksheet to calculate the tax on his prior years' Social Security benefits, they are still taxed in the current year and no amended returns need to be filed.
  - a. True
  - b. False
17. If Kenneth uses the lump-sum benefits worksheet, the taxable portion of his Social Security is \$17,546.
  - a. True
  - b. False
18. What age is used to compute the taxable amount of the pension using the Simplified Method? \_\_\_\_\_.
19. Kenneth and Martha must repay \$21,613 of the Advance Premium Tax Credit.
  - a. True
  - b. False
20. How much should be entered as the amount previously recovered in the simplified method worksheet? \$\_\_\_\_\_.





## Military Course Scenarios and Test Questions

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### Directions

The first four scenarios do not require you to prepare a tax return. **Read the interview notes for the scenario carefully and use your training and resource materials to answer the questions.**

### Military Scenario 1: Todd Long

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#### Interview Notes

- Todd Long is single.
- Todd is a tank driver in the Army Reserve. He attended training drills one weekend a month for 12 months in 2021.
- Todd only owns one vehicle. He placed his vehicle in service on February 28, 2020.
- Todd's total mileage in 2021 was 35,700 miles.
- Todd's duty station is 150 miles away from his residence. He drove 3,600 miles to and from his duty station based on his travel log.
- Todd paid \$696 for meals while attending training drills. Lodging was provided for free on the base since he is enlisted.
- Meals were within federal per diem rates for the area.
- Todd paid \$150 for the cost and upkeep of his uniforms. He is permitted to wear his uniform for off duty purposes.
- Todd did not receive reimbursement for any of his out-of-pocket expenses.

### Military Scenario 1: Test Questions

---

1. Todd is **not** able to take an adjustment to income for:
  - a. Travel to and from duty station
  - b. Meals
  - c. Both a and b
  - d. Uniforms
2. What is the amount of the deductible mileage expense? \$\_\_\_\_\_.

## Military Scenario 2: Dave and Sandra Blackburn

---

### Interview Notes

- Dave and Sandra lived in Phoenix, AZ where Dave was stationed in the Navy for four years. He received new orders to move to Charleston, SC air station. This is a permanent change of station (PCS).
- They decided to make a Personally Procured Move (PPM).
- Sandra traveled to Charleston in May to find a house to rent. She wanted a home close to the beach. She spent \$950 on round-trip airfare, hotel, food, and rental car.
- Dave and Sandra spent \$200 on boxes, tape, bubble wrap, and mattress bags. They paid \$625 for the rental truck.
- On July 18, 2021, Dave and Sandra packed up their belongings and began driving from Phoenix to Charleston. Along the way, they stopped in Oklahoma City, OK to visit their cousins. Their trip took a total of nine days and eight nights instead of the authorized 4 nights for travel.
- The Blackburns drove their rental truck a total of 2,378 miles. The shortest, most direct route calculated by the Navy was 2,163 miles.
- They spent a total of \$215 on basketball tickets while on Oklahoma City. The allowable lodging per diem was \$79 per night.
- Dave and Sandra spent \$450 for food and \$75 on sport shirts.
- They paid \$25 in highway tolls and \$15 for parking as part of the expected move.
- Their move was estimated to cost \$3,200 and the Navy provided \$2,880 in advance.
- Dave and Sandra are U.S. citizens and have valid Social Security numbers.

## Military Scenario 2: Test Questions

---

3. Their net financial profit from the move will be reported on:
  - a. Form 1099-INT, Interest Income
  - b. Form W-2, Wage and Tax Statement
  - c. Form 1040 Schedule A, Itemized Deductions
  - d. None of the above. It doesn't need to be reported.
  
4. The Blackburns can deduct the cost of their side trip and house hunting trip as qualified moving expenses.
  - a. True
  - b. False
  
5. How much can Dave and Sandra claim for the mileage \$ \_\_\_\_\_. (Round to nearest dollar).
  - a. \$346
  - b. \$380
  - c. \$1,211
  - d. \$1,332
  
6. How much can Dave and Sandra claim as their total qualified lodging expenses?
  - a. \$0
  - b. \$79
  - c. \$316
  - d. \$362



## Military Scenario 3: Lisa Wagner

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### Interview Notes

- Lisa Wagner is a retired member of the U.S. Army.
- She received Form 1099-R for retirement payment pay from the Defense Finance and Accounting Service.
- Form 1099-R indicates \$28,500 in Box 1 and Box 2a.
- Lisa is considered 20% disabled and received a letter of determination from the Department of Veterans Affairs (VA).
- She received a payment in the amount of \$2,950 from the VA for disability.

## Military Scenario 3: Test Questions

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7. Which of the following documents are issued by the VA for disability payments?
  - a. Form W-2, Wage and Tax Statement
  - b. Forms W-2 or 1099-R, depending on type of disability.
  - c. No tax form is required to be issued; however, Lisa may receive a statement.
  - d. Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit Sharing Plans, Insurance Contracts, etc.
8. The disability payment of \$2,950 that Lisa received from the VA is non-taxable.
  - a. True
  - b. False

## Military Scenario 4: Robert and Shirley Myers

---

### Interview Notes

- Robert and Shirley Myers are married and have a 13 year old daughter who lived with Shirley all year.
- Robert was deployed to Afghanistan on June 1, 2021. His last day in the combat zone is scheduled for May 3, 2022.
- Robert's Form W-2 shows:
  - Box 1 = \$15,000
  - Box 12a = \$20,000, Code Q
- Shirley's Form W-2 shows \$34,000 in Box 1. This is her only income.
- Robert, Shirley, and their daughter are all U.S. citizens and have valid Social Security numbers. The entire family lives in the U.S.

## Military Scenario 4: Test Questions

---

9. Robert and Shirley **cannot** choose to exclude their combat pay for the purposes of calculating the earned income credit.
  - a. True
  - b. False
10. Robert and Shirley have \_\_\_\_\_ days to file their 2021 tax return after he returns from the combat zone.
  - a. 105
  - b. 180
  - c. 285
  - d. 365

## Military Scenario 5: Daniel and Betty Simmons

---

### Interview Notes

- Daniel and Betty are married and want to file a joint return.
- Daniel and Betty have an 18 year old son, Brian, who lived with them the entire year.
- Daniel was deployed to Iraq and entered a combat zone on April 1, 2021. He returned to the U.S. on February 15, 2022.
- Betty has rental property, which she placed into service in 2017.
- Rental property:
  - Betty is an active participant.
  - Single family residence at 1285 West Indian Ave, Your City, Your State, Your Zip.
  - Purchased property: 07/21/2011.
  - Rented: 1/1/2021 to 12/31/2021
  - Annual rental income: \$18,600
  - Insurance: \$1,900
  - Management fees: \$1,045
  - Betty paid \$1,373 to fix a broken window, fill a pothole in the driveway, and repair a broken pipe. She did the pothole repair herself and feels her time completing the repair was worth \$675 compared to the estimate from the asphalt contractor.
  - Real estate property tax: \$2,114.
  - Mortgage Interest: \$4,750.
  - Depreciation: \$3,300 (annual amount previously calculated by Betty's accountant).
  - Betty did not make any payments that require her to file Form 1099.
- Daniel and Betty received \$4,200 as an Economic Impact Payment (EIP 3) in March 2021.
- The Simmons did not itemize last year and do not have enough deductions to itemize this year.



| Form <b>13614-C</b><br>(October 2021)  | Department of the Treasury - Internal Revenue Service<br><h2 style="margin: 0;">Intake/Interview &amp; Quality Review Sheet</h2> | OMB Number<br>1545-1964   |   |   |  |  |                                      |   |  |  |  |  |   |
|--|--|---|---|---|--|--|--------------------------------------|---|--|--|--|--|---|
| <p><b>You will need:</b></p> <ul style="list-style-type: none"> <li>Tax Information such as Forms W-2, 1099, 1098, 1095.</li> <li>Social security cards or ITIN letters for all persons on your tax return.</li> <li>Picture ID (such as valid driver's license) for you and your spouse.</li> </ul> |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <ul style="list-style-type: none"> <li>Please complete pages 1-4 of this form.</li> <li>You are responsible for the information on your return. Please provide complete and accurate information.</li> <li>If you have questions, please ask the IRS-certified volunteer preparer.</li> </ul>        |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <p><b>Volunteers are trained to provide high quality service and uphold the highest ethical standards.</b><br/> <b>To report unethical behavior to the IRS, email us at <a href="mailto:wi.voltax@irs.gov">wi.voltax@irs.gov</a></b></p>   |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <p><b>Part I – Your Personal Information</b> (If you are filing a joint return, enter your names in the same order as last year's return)</p>  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| 1. Your first name<br><b>DANIEL</b>  | M.I.   | Last name<br><b>SIMMONS</b>   | Best contact number<br><b>212-555-1212</b>    | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        |  |  |                                      |   |  |  |  |  |   |
| 2. Your spouse's first name<br><b>BETTY</b>  | M.I.   | Last name<br><b>SIMMONS</b>   | Best contact number<br><b>212-555-1212</b>    | Is your spouse a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  |  |                                      |   |  |  |  |  |   |
| 3. Mailing address<br><b>4525 BOARDWALK WAY</b>  |  |   | Apt #   | City<br><b>YOUR CITY</b>  |  |  |                                      |   |  |  |  |  |   |
|  |  |   | State<br><b>YS</b>                            | ZIP code<br><b>YOUR ZIP</b>   |  |  |                                      |   |  |  |  |  |   |
| 4. Your Date of Birth<br><b>03/20/1978</b>   | 5. Your job title<br><b>SOLDIER</b>  |   | 6. Last year, were you:                       |   |  |  |                                      |   |  |  |  |  |   |
|  |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       |   | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No              |  |  |                                      |   |  |  |  |  |   |
|  |  |   |   | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  |  |  |                                      |   |  |  |  |  |   |
| 7. Your spouse's Date of Birth<br><b>10/25/1976</b>  | 8. Your spouse's job title<br><b>CUSTOMER SERVICE REP.</b>   |   | 9. Last year, was your spouse:                |   |  |  |                                      |   |  |  |  |  |   |
|  |  | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       |   | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No              |  |  |                                      |   |  |  |  |  |   |
|  |  |   |   | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  |  |  |                                      |   |  |  |  |  |   |
| 10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)   |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <b>Part II – Marital Status and Household Information</b>  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| 1. As of December 31, 2021, what was your marital status?  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <input type="checkbox"/> Never Married   |  | (This includes registered domestic partnerships, civil unions, or other formal relationships under state law) |   |   |  |  |                                      |   |  |  |  |  |   |
| <input checked="" type="checkbox"/> Married  |  | a. If Yes, Did you get married in 2021?   |   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                   |  |  |                                      |   |  |  |  |  |   |
| <input type="checkbox"/> Divorced  |  | b. Did you live with your spouse during any part of the last six months of 2021?                              |   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                   |  |  |                                      |   |  |  |  |  |   |
| <input type="checkbox"/> Legally Separated   |  | Date of final decree  |   | _____   |  |  |                                      |   |  |  |  |  |   |
| <input type="checkbox"/> Widowed   |  | Date of separate maintenance decree   |   | _____   |  |  |                                      |   |  |  |  |  |   |
|  |  | Year of spouse's death  |   | _____   |  |  |                                      |   |  |  |  |  |   |
| 2. List the names below of:  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <ul style="list-style-type: none"> <li>everyone who lived with you last year (other than your spouse)</li> <li>anyone you supported but did not live with you last year</li> </ul>   |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| If additional space is needed check here <input type="checkbox"/> and list on page 3   |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| <b>To be completed by a Certified Volunteer Preparer</b>   |  |   |   |   |  |  |                                      |   |  |  |  |  |   |
| 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)<br><b>BRIAN SIMMONS</b>  | (b)<br><b>10/3/2003</b>  | (c)<br><b>SON</b>   | (d)<br><b>12</b>                              | (e)<br><b>YES</b>   | (f)<br><b>YES</b>                                    | (g)<br><b>S</b>                        | (h)<br><b>YES</b>                    | (i)<br><b>NO</b>                          |  |  |  |  |   |
|  |  |   |   |   |  |  |                                      |   |  |  |  |  |   |

Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 1. (B) Wages or Salary? (Form W-2) <b>If yes, how many jobs did you have last year? <u>2</u></b>  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (B) Alimony or separate maintenance payments? <b>If yes, do you have the recipient's SSN?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? <b>If yes, for which tax year?</b> _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? <b>If so how much?</b> _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |



|  |  |   |   |   |                            |
|--|--|---|---|---|----------------------------|
| a Employee's social security number<br><b>550-00-XXXX</b>  |  | Safe, accurate,<br>FAST! Use  |   | Visit the IRS website at<br>www.irs.gov/efile           |                            |
| b Employer identification number (EIN)<br><b>40-600XXXX</b>  |  | 1 Wages, tips, other compensation<br><b>\$8,100.00</b>  | 2 Federal income tax withheld<br><b>\$810.00</b>    |   |                            |
| c Employer's name, address, and ZIP code<br><b>DFAS<br/>P.O. BOX 9999<br/>IOWA CITY, IOWA 52240</b>                                |  | 3 Social security wages<br><b>\$36,750.00</b>   | 4 Social security tax withheld<br><b>\$2,278.50</b> |   |                            |
|  |  | 5 Medicare wages and tips<br><b>\$36,750.00</b>   | 6 Medicare tax withheld<br><b>\$532.88</b>          |   |                            |
|  |  | 7 Social security tips  | 8 Allocated tips                                    |   |                            |
|  |  | 9   | 10 Dependent care benefits                          |   |                            |
| d Control number   |  | 11 Nonqualified plans   |   | 12a See instructions for box 12<br><b>Q \$28,650.00</b> |                            |
| e Employee's first name and initial Last name Suff.<br><b>DANIEL SIMMONS<br/>4525 BOARDWALK WAY<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> | 12b   |   |                            |
|  |  | 14 Other  | 12c   |   |                            |
|  |  |   | 12d   |   |                            |
| f Employee's address and ZIP code  |  | 15 State Employer's state ID number   | 16 State wages, tips, etc.                          | 17 State income tax                                     | 18 Local wages, tips, etc. |
|  |  | <b>YS 40-600XXXX</b>  | <b>\$8,100.00</b>                                   | <b>\$537.00</b>   |                            |
|  |  |   |   |   |                            |

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

**2021**

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.

|   |  |  |  |   |                            |
|---|--|--|--|---|----------------------------|
| a Employee's social security number<br><b>887-00-XXXX</b>   |  | Safe, accurate,<br>FAST! Use   |  | Visit the IRS website at<br>www.irs.gov/efile |                            |
| b Employer identification number (EIN)<br><b>34-600XXXX</b>   |  | 1 Wages, tips, other compensation<br><b>\$14,650.00</b>  | 2 Federal income tax withheld<br><b>\$2,100.00</b> |   |                            |
| c Employer's name, address, and ZIP code<br><b>SIGNEX CORP<br/>2250 DELTA AVE<br/>YOUR CITY, YOUR STATE, ZIP</b>                  |  | 3 Social security wages<br><b>\$14,650.00</b>  | 4 Social security tax withheld<br><b>\$908.30</b>  |   |                            |
|   |  | 5 Medicare wages and tips<br><b>\$14,650.00</b>  | 6 Medicare tax withheld<br><b>\$212.43</b>         |   |                            |
|   |  | 7 Social security tips   | 8 Allocated tips                                   |   |                            |
|   |  | 9  | 10 Dependent care benefits                         |   |                            |
| d Control number  |  | 11 Nonqualified plans  |  | 12a See instructions for box 12               |                            |
| e Employee's first name and initial Last name Suff.<br><b>BETTY SIMMONS<br/>4525 BOARDWALK WAY<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | 12b  |   |                            |
|   |  | 14 Other   | 12c  |   |                            |
|   |  |  | 12d  |   |                            |
| f Employee's address and ZIP code   |  | 15 State Employer's state ID number  | 16 State wages, tips, etc.                         | 17 State income tax                           | 18 Local wages, tips, etc. |
|   |  | <b>YS 34-600XXXX</b>   | <b>\$14,650.00</b>                                 | <b>\$825.00</b>                               |                            |
|   |  |  |  |   |                            |

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

**2021**

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.



## Military Scenario 5: Test Questions

---

11. Daniel and Betty can claim \$14,482 as their total rental expenses on their joint return?
  - a. True
  - b. False
  
12. Code "Q" in box 12a of Daniel's W-2 represents combat pay.
  - a. True
  - b. False
  
13. Which schedule is used to report rental income and expenses?
  - a. Schedule F, Profit or Loss From Farming
  - b. Schedule E, Supplemental Income and Loss
  - c. Schedule D, Capital Gains and Losses
  - d. Schedule C, Profit or Loss From Business
  
14. Combat pay \_\_\_\_\_
  - a. May increase the Earned Income Credit
  - b. May increase the Child Tax Credit
  - c. Is reported on Form W-2 in Box 12 with Code Q
  - d. All of the above
  
15. Which of the following credits can be claimed for their son, Brian?
  - a. Credit for Other Dependents
  - b. Earned Income Credit
  - c. Child Tax Credit
  - d. Both a and b



## Military Course Retest Questions

---

### Directions

The first four scenarios do not require you to prepare a tax return. **Read the interview notes for the scenario carefully and use your training and resource materials to answer the questions.**

### Military Scenario 1: Todd Long

---

#### Interview Notes

- Todd Long is single.
- Todd is a tank driver in the Army Reserve. He attended training drills one weekend a month for 12 months in 2021.
- Todd only owns one vehicle. He placed his vehicle in service on February 28, 2020.
- Todd's total mileage in 2021 was 35,700 miles.
- Todd's duty station is 150 miles away from his residence. He drove 3,600 miles to and from his duty station based on his travel log.
- Todd paid \$696 for meals while attending training drills. Lodging was provided for free on the base since he is enlisted.
- Meals were within federal per diem rates for the area.
- Todd paid \$150 for the cost and upkeep of his uniforms. He is permitted to wear his uniform for off duty purposes.
- Todd did not receive reimbursement for any of his out-of-pocket expenses.

### Military Scenario 1: Retest Questions

---

1. The amount Todd paid for meals and mileage are **not** deductible as an adjustment to income.
  - a. True
  - b. False
2. What is the correct amount of the deductible mileage expense?
  - a. \$0
  - b. \$84
  - c. \$2,016
  - d. \$19,992

## Military Scenario 2: Dave and Sandra Blackburn

---

### Interview Notes

- Dave and Sandra lived in Phoenix, AZ where Dave was stationed in the Navy for four years. He received new orders to move to Charleston, SC air station. This is a permanent change of station (PCS).
- They decided to make a Personally Procured Move (PPM).
- Sandra traveled to Charleston in May to find a house to rent. She wanted a home close to the beach. She spent \$950 on round-trip airfare, hotel, food, and rental car.
- Dave and Sandra spent \$200 on boxes, tape, bubble wrap, and mattress bags. They paid \$625 for the rental truck.
- On July 18, 2021, Dave and Sandra packed up their belongings and began driving from Phoenix to Charleston. Along the way, they stopped in Oklahoma City, OK to visit their cousins. Their trip took a total of nine days and eight nights instead of the authorized 4 nights for travel.
- The Blackburns drove their rental truck a total of 2,378 miles. The shortest, most direct route calculated by the Navy was 2,163 miles.
- They spent a total of \$215 on basketball tickets while in Oklahoma City. The allowable lodging per diem was \$79 per night.
- Dave and Sandra spent for \$450 for food and \$75 on sport shirts.
- They paid \$25 in highway tolls and \$15 for parking as part of the expected move.
- Their move was estimated to cost \$3,200 and the Navy provided \$2,880 in advance.
- Dave and Sandra are U.S. citizens and have valid Social Security numbers.

## Military Scenario 2: Retest Questions

---

3. Dave and Sandra's net profit from their move will be reported on Form W-2, Wage and Tax Statement.
  - a. True
  - b. False
4. Which of the following are qualified moving expenses for Dave and Sandra?
  - a. Expenses that are reasonable for the circumstances of a move.
  - b. Expenses for stopovers, side trips, or pre-move house hunting.
  - c. Traveling expenses for the shortest, most direct route available from the former home to the new home including parking and tolls.
  - d. Both a and c

5. The mileage cost for Dave and Sandra's trip was \$346.
  - a. True
  - b. False
  
6. The Blackburns can claim \$316 as their lodging expense?
  - a. True
  - b. False

## Military Scenario 3: Lisa Wagner

---

### Interview Notes

- Lisa Wagner is a retired member of the U.S. Army.
- She received Form 1099-R for her retirement pay from the Defense Finance & Accounting Service.
- Form 1099-R indicates \$28,500 in Box 1 and Box 2a.
- Lisa is considered 20% disabled and received a letter of determination from the Department of Veterans Affairs (VA).
- She received a payment in the amount of \$2,950 from the VA for disability.

## Military Scenario 3: Retest Questions

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7. The \$28,500 from Defense Finance and Accounting Service is subject to which type of tax?
  - a. Medicare tax
  - b. Self-Employment tax
  - c. Social Security tax
  - d. Federal Income tax
8. The VA issues Form 1099-R for disability payments.
  - a. True
  - b. False

## Military Scenario 4: Robert and Shirley Myers

---

### Interview Notes

- Robert and Shirley Myers are married and have a 13 year old daughter who lived with Shirley all year.
- Robert was deployed to Afghanistan on June 1, 2021. His last day in the combat zone is scheduled for May 3, 2022.
- Robert's Form W-2 shows:
  - Box 1 = \$15,000
  - Box 12a = \$20,000, Code Q
- Shirley's Form W-2 shows \$34,000 in Box 1. This is her only income.
- Robert, Shirley, and their daughter are all U.S. citizens and have valid Social Security numbers. The entire family lives in the U.S.

## Military Scenario 4: Retest Questions

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9. Robert and Shirley may count his combat pay to increase their Child Tax Credit.
  - a. True
  - b. False
10. Robert and Shirley have 285 days to file their tax return after he returns from the combat zone.
  - a. True
  - b. False

## Military Scenario 5: Retest Questions

---

### Directions

Refer to the scenario information for Daniel and Betty Simmons beginning on page 152.

11. Which of the following is **not** an eligible rental expense deduction?
  - a. Interest
  - b. Insurance
  - c. Management fees
  - d. Value of Betty's labor
  
12. What is the amount of Daniel's combat pay from his W-2?
  - a. \$810
  - b. \$8,100
  - c. \$28,650
  - d. \$36,750
  
13. The Simmons's net rental income (rental income minus expenses) is figured using Schedule C and reported as self-employment income on Form 1040, Schedule 1, Additional Income and Adjustments to Income.
  - a. True
  - b. False
  
14. Combat pay is **not** taxable.
  - a. True
  - b. False
  
15. The Simmons can claim the Child Tax Credit for their son, Brian.
  - a. True
  - b. False







## International Course Scenarios and Test Questions

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### Directions

The first two scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### International Scenario 1: Andy and June Hillsdale

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#### Interview Notes

- Andy and June currently live in Hong Kong.
- They moved there on February 15, 2020 and rent a 2-bedroom apartment. Andy was transferred there for an indefinite period of time. Andy and June intend to eventually return to the United States.
- Andy is employed by a U.S.-based Fortune 500 company and June teaches English as a second language.
- Andy and June returned to the U.S. for 7 days for a family funeral in August of 2021. They also took a 13 day vacation to Macao, China to gamble and relax.
- Neither Andy nor June work for the U.S. government.
- Andy and June have a house in the U.S. It is vacant while they are overseas. Their brother and sister-in-law house sit while they are living abroad.
- Andy and June are U.S. citizens and have valid Social Security numbers.

### International Scenario 1: Test Questions

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1. When calculating the 330 full days in a foreign country for the physical presence test, how is the 13-day vacation treated ?
  - a. None of days are counted as days spent in a foreign country
  - b. Only the first and last days of the trip do **not** count as days spent in the foreign country
  - c. All of the days are counted as days spent in the foreign country
  - d. Only 5 of the 13 days count as spent in the foreign country
2. In order for Andy and June to exclude their foreign earned income, they must \_\_\_\_\_.
  - a. Have income that qualifies as foreign earned income
  - b. Demonstrate that their tax home is in a foreign country
  - c. Meet the physical presence test
  - d. All of the above

## International Scenario 2: Wilhelm and Mary Schmidt

---

### Interview Notes

- Wilhelm and Mary are married and live in Stuttgart, Germany.
- Mary is a U.S. citizen and has a valid Social Security number. Wilhelm is a citizen of Germany and has an ITIN for U.S. tax filing purposes.
- In 2017, Wilhelm and Mary chose to treat Wilhelm as a resident alien for tax purposes. This choice has never been suspended or revoked.
- Wilhelm and Mary have a daughter, Helga, who was born on July 23, 2020. Helga is a U.S. citizen and has a valid Social Security number issued by the due date of the return, including extensions.
- When both of Wilhelm's parents died last year, his uncle Hans moved in with them. Hans is a citizen of Germany and has no income.
- Mary is employed by a Fortune 500 company and earned \$27,500.
- Wilhelm works as a part-time brewer and earned the equivalent of \$18,000 in U.S. dollars.
- Wilhelm and Mary provide all the financial support for Helga and Hans.

### International Scenario 2: Test Questions

---

3. Neither spouse wishes to revoke their election to treat Wilhelm as a resident alien. What are Wilhelm and Mary's filing status options this year?
  - a. They must file Married Filing Separately
  - b. They must file Married Filing Jointly
  - c. Mary can chose to file Single and Wilhelm does **not** have to file at all
  - d. They can chose Married Filing Jointly or Married Filing Separately
4. How can the Schmidts decide to end their election to treat Wilhelm as a resident alien?
  - a. Divorce or Legal Separation
  - b. Revocation in writing
  - c. Death of either spouse
  - d. All of the above
5. On a Married Filing Jointly return, can Wilhelm and Mary claim the Credit for Other Dependents for Uncle Hans?
  - a. No, because Hans is **not** a U.S. citizen, U.S. national, U.S. resident alien, or a resident of Canada or Mexico
  - b. Yes, because Hans is a qualifying relative with no income
  - c. Yes, because Hans meets the relationship test
  - d. None of the above

6. On a Married Filing Jointly return, Wilhelm and Mary are able to claim which of the following credits for Helga?
- a. Child tax credit
  - b. Earned income credit
  - c. Other Dependents Credit
  - d. None of the above

## International Scenario 3: Justin Herzing

---

### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, or worksheets. Answer the questions following the scenario.

*Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

### Interview Notes

- Justin Herzing is a U.S. citizen, single, and has no children. He has lived and worked in England since March 20, 2013. He does not maintain an address in the U.S. and has no intentions of returning.
- He considers himself a resident of England. He rents an apartment at 700 Bond Street, London, UK W2SC5.
- Income:
  - Justin's visa type: Unlimited.
  - Justin works at the U.S. Embassy and has a Form W-2 for his salary.
  - In 2021, Justin got a job working part time in a pub as a waiter. The pub is called the Tilted Crown and located at 256 Oxford Street, London, UK, 2WSC4. Justin earned an equivalent of \$4,790 in wages and paid taxes totaling \$295. His taxes were paid to England as he earned his wages.
  - Justin earned \$215 (converted to U.S. dollars) of dividends from Rothchilds Corp. He paid foreign tax to England on these dividends in the amount of 33.0 Pounds. The exchange rate on the date he paid the tax was 1 U.S. Dollar (USD) = 0.746 Pounds. Justin's dividends are not qualified dividends for U.S. tax purposes.
- Justin was not required to file FinCen Form 114 and he did not receive a distribution, was not a grantor of, nor was he a transferor to a foreign trust.
- Justin did not itemize in 2020 and does not have enough deductions to itemize in 2021.
- Justin received a \$1,400 Economic Impact Payment (EIP 3) in March 2021.



**You will need:**

- Tax Information such as Forms W-2, 1099, 1098, 1095.
- Social security cards or ITIN letters for all persons on your tax return.
- Picture ID (such as valid driver's license) for you and your spouse.

- Please complete pages 1-4 of this form.
- You are responsible for the information on your return. Please provide complete and accurate information.
- If you have questions, please ask the IRS-certified volunteer preparer.

Volunteers are trained to provide high quality service and uphold the highest ethical standards.  
To report unethical behavior to the IRS, email us at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov)

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

|   |   |   |  |  |
|---|---|---|--|--|
| 1. Your first name<br><b>JUSTIN</b>   | M.I.  | Last name<br><b>HERZING</b>   | Best contact number<br><b>678-123-4567</b> | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Your spouse's first name   | M.I.  | Last name   | Best contact number                        | Is your spouse a U.S. citizen?<br><input type="checkbox"/> Yes <input type="checkbox"/> No     |
| 3. Mailing address<br><b>700 BOND STREET</b>  |   |   | Apt #                                      | City<br><b>LONDON</b>  |
|   |   |   | State<br><b>U.K.</b>                       | ZIP code<br><b>W2SC5</b>   |
| 4. Your Date of Birth<br><b>11/15/1972</b>  | 5. Your job title<br><b>GOVERNMENT EMPLOYEE</b> |   | 6. Last year, were you:                    |  |
|   |   | b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | a. Full-time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No       |
|   |   |   |  | c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No           |
| 7. Your spouse's Date of Birth  | 8. Your spouse's job title                      |   | 9. Last year, was your spouse:             |  |
|   |   | b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No            |  | a. Full-time student <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 as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |   |   |  |  |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |   |   |  |  |
| 12. Provide an email address (optional) (this email address will not be used for contacts from the Internal Revenue Service)  |   |   |  |  |

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

1. As of December 31, 2021, what was your marital status?  Never Married (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)

Married a. If Yes, Did you get married in 2021?  Yes  No

Divorced Date of final decree \_\_\_\_\_

Legally Separated Date of separate maintenance decree \_\_\_\_\_

Widowed Year of spouse's death \_\_\_\_\_

2. List the names below of:

- everyone who lived with you last year (other than your spouse)
- anyone you supported but did not live with you last year

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

|  |                          |   |   |                     |  |  |                                      |   |  | <b>To be completed by a Certified Volunteer Preparer</b>                   |  |  |   |  |
|--|--------------------------|---|---|---------------------|--|--|--------------------------------------|---|--|--|--|--|---|--|
| 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 12/31/21 (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,n/a) | Did this person have less than \$4,300 of income? (yes,no,n/a) | 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)                                       |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |
|  |                          |   |   |                     |  |  |                                      |   |  |  |  |  |   |  |

Check appropriate box for each question in each section

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" 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? <u>2</u>   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |



|   |                            |  |   |  |                  |
|---|----------------------------|--|---|--|------------------|
| a Employee's social security number<br><b>215-00-XXXX</b>   |                            | Safe, accurate,<br>FAST! Use                             |   | Visit the IRS website at<br><a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |                  |
| b Employer identification number (EIN)<br><b>25-1XXXXXX</b>   |                            | 1 Wages, tips, other compensation<br><b>\$ 46,530.00</b> | 2 Federal income tax withheld<br><b>\$4,553.00</b>  |  |                  |
| c Employer's name, address, and ZIP code<br><b>U.S. EMBASSY<br/>628 PRINCES WAY<br/>LONDON, UK, 3WAC4</b>             |                            | 3 Social security wages<br><b>\$46,530.00</b>            | 4 Social security tax withheld<br><b>\$2,884.86</b> |  |                  |
|   |                            | 5 Medicare wages and tips<br><b>\$46,530.00</b>          | 6 Medicare tax withheld<br><b>\$674.69</b>          |  |                  |
|   |                            | 7 Social security tips                                   | 8 Allocated tips                                    |  |                  |
| d Control number  |                            | 9  | 10 Dependent care benefits                          |  |                  |
| e Employee's first name and initial Last name Suff.<br><b>JUSTIN HERZING<br/>700 BOND STREET<br/>London, UK W2SC5</b> |                            | 11 Nonqualified plans                                    |   | 12a See instructions for box 12<br><b>DD \$3,722.00</b>                              |                  |
|   |                            | 13 Statutory employee <input type="checkbox"/>           | Retirement plan <input checked="" type="checkbox"/> | Third-party sick pay <input type="checkbox"/>  | 12b              |
|   |                            | 14 Other   |   | 12c  |                  |
|   |                            |  |   | 12d  |                  |
| f Employee's address and ZIP code   |                            |  |   |  |                  |
| 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 **2021** 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.



## International Scenario 3: Test Questions

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7. What is the maximum amount of foreign earned income excluded from Justin's tax return?
- \$0
  - \$4,790
  - \$46,530
  - \$51,320
8. Justin does not have to report his dividend income from Rothchilds Corp. because:
- Form 1099-DIV was not issued to him
  - He already paid foreign taxes to England on his dividends
  - Foreign passive income is not taxable
  - None of the above. He must report his worldwide income, which includes his dividend income.
9. General category income consists of income earned in a foreign country that an individual does not exclude, or excludes only part of, under the foreign earned income exclusion.
- True
  - False
10. Which source of Justin's income qualifies for the foreign earned income exclusion?
- Wages from the pub
  - Dividends from Rothchilds Corp
  - Wages from U.S. Embassy
  - None of the above
11. Justin does meet the requirements of the bona fide residence test and can exclude his foreign earned income.
- True
  - False
12. Which of the following statements is **false**?
- Justin has both passive and general categories of foreign income
  - Justin can take the foreign tax credit for the income taxes paid on his dividend income from Rothchilds Corp and has to file the Form 1116, Foreign Tax Credit
  - Justin can claim both the foreign tax credit for the \$295 income taxes paid to England and exclude the \$4,790 foreign earned income from his part time job at the pub
  - Justin can claim the foreign earned income exclusion of \$4,790 from his part time job at the pub. Therefore, he **cannot** take the foreign tax credit for the \$295 income taxes paid to England

13. Justin must include the amount of foreign tax paid to England as withheld Federal income taxes.
- a. True
  - b. False
14. Which of the following statements is **true**?
- a. Once the election is made to exclude foreign earned income, that choice remains in effect for that year and all later years until revoked
  - b. The foreign earned income exclusion is voluntary
  - c. The election for the foreign earned income exclusion is made by completing the Form 2555, Foreign Earned Income
  - d. All of the above.
15. What is the amount of foreign taxes paid on the dividend income, converted to U.S. dollars? (Round to the nearest dollar).
- a. \$25
  - b. \$44
  - c. \$187
  - d. \$335



## International Course Retest Questions

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### Directions

The first two scenarios do not require you to prepare a tax return. **Read the interview notes for each scenario carefully and use your training and resource materials to answer the questions after the scenarios.**

### International Scenario 1: Andy and June Hillsdale

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#### Interview Notes

- Andy and June currently live in Hong Kong.
- They moved there on February 15, 2020 and rent a 2-bedroom apartment. Andy was transferred there for an indefinite period of time. Andy and June intend to eventually return to the United States.
- Andy is employed by a U.S. based Fortune 500 company and June teaches English as a second language.
- Andy and June returned to the U.S. for 7 days for a family funeral in August of 2021. They also took a 13 day vacation to Macao, China to gamble and relax
- Neither Andy nor June work for the U.S. government.
- Andy and June have a house in the U.S. It is vacant while they are overseas. Their brother and sister-in-law house sit while they are living abroad.
- Andy and June are U.S. citizens and have valid Social Security numbers.

### International Scenario 1: Retest Questions

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1. The 13 day vacation to Macao, China **cannot** be included when counting the 330 days for the physical presence test.
  - a. True
  - b. False
2. Which test qualifies Andy and June for claiming the foreign earned income exclusion?
  - a. Physical presence test
  - b. Bona fide resident test
  - c. Neither a nor b
  - d. Both a and b

## International Scenario 2: Wilhelm and Mary Schmidt

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### Interview Notes

- Wilhelm and Mary are married and live in Stuttgart, Germany.
- Mary is a U.S. citizen and has a valid Social Security number. Wilhelm is a citizen of Germany and has an ITIN for U.S. tax filing purposes.
- In 2017, Wilhelm and Mary chose to treat Wilhelm as a resident alien for tax purposes. This choice has never been suspended or revoked.
- Wilhelm and Mary have a daughter, Helga, who was born on July 23, 2020. Helga is a U.S. citizen and has a valid Social Security number.
- When both of Wilhelm's parents died last year, his uncle Hans moved in with them. Hans is a citizen of Germany and has no income.
- Mary is employed by a Fortune 500 company and earned \$27,500.
- Wilhelm works as a part-time brewer and earned the equivalent of \$18,000 in U.S. dollars.
- Wilhelm and Mary provide all the financial support for Helga and Hans.

### International Scenario 2: Retest Questions

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3. How should Wilhelm's income be treated on a Married Filing Jointly return?
  - a. Wilhelm's income does **not** need to be included on the return because he only works part time
  - b. They do **not** have to file a return because their combined income is less than the foreign earned income exclusion limit
  - c. Wilhelm's income does **not** need to be included on the return because it is paid by a company in Germany
  - d. Wilhelm's worldwide income must be reported on the return
4. Wilhelm can revoke the election to be treated as a resident alien at anytime.
  - a. True
  - b. False
5. Wilhelm and Mary can claim the Other Dependents Credit for Uncle Hans.
  - a. True
  - b. False
6. Helga is a qualifying child for the child tax credit on the Schmidt's return.
  - a. True
  - b. False

## International Scenario 3: Retest Questions

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### Directions

Refer to the scenario information for Justin Herzing, beginning on page 169.

7. The amount of Justin's foreign earned income exclusion is \$\_\_\_\_\_.
8. Justin is required to report the \$215 dividends from Rothchilds Corp.
  - a. True
  - b. False
9. Which sources of Justin's income are classified as passive category income?
  - a. Wages from the pub
  - b. Dividends from Rothchilds Corp
  - c. Wages from the U.S. Embassy
  - d. All of the above
10. Justin is **not** able to exclude his wages from the U.S. Embassy because he is a civilian employee of the U.S. government.
  - a. True
  - b. False
11. What eligibility requirements must Justin meet in order to be eligible to exclude his foreign earned income?
  - a. He must meet the bona fide residence test or physical presence test
  - b. He must have income that qualifies as foreign earned income
  - c. His tax home must be in a foreign country
  - d. All of the above.
12. Justin is required to file Form 1116, Foreign Tax Credit, to claim the credit for the foreign taxes paid on his dividends.
  - a. True
  - b. False

13. What is the amount of federal income tax withheld on Justin's Form 1040?
- a. \$4,553
  - b. \$4,848
  - c. \$4,881
  - d. \$4,892
14. If Justin qualifies to exclude his foreign earned income, he must file a Form 2555, Foreign Earned Income, with his tax return.
- a. True
  - b. False
15. To convert a sum of money into U.S. dollars, divide the amount of foreign currency by the exchange rate for the foreign currency to one U.S. dollar.
- a. True
  - b. False





## Federal Tax Law Update Test for Circular 230 Professionals

### Directions

The first three scenarios do not require you to prepare a tax return. Read the interview notes for each scenario carefully and **use the Important Changes lesson in Publication 4491, VITA/TCE Training Guide, or in Link & Learn Taxes to answer the questions after the scenarios.** All questions are based on **calendar year 2021** taxpayers.

### Scenario 1: Herb and Alice Freeman

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#### Interview Notes

- Herb and Alice are married and file a joint return. Herb is 74 years old and Alice is 70. Neither are blind.
- Both Herb and Alice are retired. Herb works part time as a greeter.
- Herb earned \$15,000 in wages. They also received Social Security benefits of \$28,000. They received no other income in 2021.
- Both Herb and Alice are U.S. citizens, lived in the United States all year, and have valid Social Security numbers. They do not have any qualifying children, and no one else lives with them.

### Scenario 1: Test Questions

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1. What is Herb and Alice's standard deduction?
  - a. \$25,100
  - b. \$26,450
  - c. \$27,800
  - d. \$28,500
2. How much of Herb and Alice's Social Security is taxable?
  - a. \$0
  - b. \$14,000
  - c. \$23,800
  - d. \$28,000
3. Herb and Alice qualify for the Earned Income Credit (EIC).
  - a. True, because their daughter offered to let them claim their grandchild.
  - b. True, because they have earned income and adjusted gross income under the EIC threshold.
  - c. False, because their income is too high.
  - d. False, because they are over the age limit.



## Scenario 2: Chloe Carlow

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### Interview Notes

- Chloe, age 48, divorced her husband in 2017.
- Chloe's 4 year old grandson, Marcus, has been living with her since his parents were incarcerated in August 2019. Chloe provided all the support for Marcus and all the costs of keeping up their home in 2021.
- Chloe worked full time and earned \$53,000. She received no other income in 2021.
- Marcus attends daycare while Chloe works. Chloe received a statement from the daycare provider showing she paid \$5,980 for Marcus' care for the year. She did not pay any 2020 expenses in 2021.
- Chloe received the third Economic Impact Payment (EIP 3) of \$2,800 in 2021.
- Chloe received advance payments of the Child Tax Credit totaling \$1,800 in 2021.
- Chloe and Marcus are both U.S. citizens, lived in the United States all year, and have valid Social Security numbers. No one else lives in the household with them.

### Scenario 2: Test Questions

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4. After reconciling the advance payments, how much Child Tax Credit will Chloe be able to claim on her 2021 federal income tax return?
  - a. \$3,600
  - b. \$3,000
  - c. \$2,000
  - d. \$1,800
5. What amount can Chloe claim as qualified dependent care expenses?
  - a. \$3,000
  - b. \$5,980
  - c. \$6,000
  - d. \$8,000
6. Which of the following credits are refundable for a taxpayer who lived in the United States for all of 2021? **(Select all that apply)**
  - a. Child Tax Credit
  - b. Earned Income Credit
  - c. Child and Dependent Care credit
  - d. Retirement Savings Contribution Credit

## Scenario 3: Luther and Lexi Lincoln

---

### Interview Notes

- Luther and Lexi are married and file a joint return.
- Luther and Lexi were enrolled in their Marketplace second lowest cost silver (SLCSP) high deductible health plan (HDHP) with family coverage for all of 2021. Their annual enrollment premium was \$10,000 and they received the benefit of an Advance Premium Tax Credit (APTC) of \$5,237.
- Lexi received a large bonus from her employer at the end of 2021, which increased their household income to \$70,000, which is more than 400% of the Federal Poverty Line (FPL) for the other 48 states and DC. They did not contact the marketplace to inform them of the increase in household income. They were not eligible to claim unemployment at any time in 2021.
- In 2021, Luther contributed \$1,500 to his Health Savings Account (HSA). Of that amount, \$1,000 was made pretax through his employer's cafeteria plan and he made the remaining \$500 contribution by electronic deposit into the HSA from his checking account. His employer sent Form W-2 reporting \$1,000 in Box 12a, with code W. Lexi did not contribute to her HSA.
- Lexi received a Form 1099-SA showing a distribution from her HSA of \$700. Lexi has receipts showing they paid \$200 for new eyeglasses for Luther, \$300 for over the counter allergy medicine for Lexi, and \$250 for doctor visit copays and medical tests for Lexi.
- Luther and Lexi donated \$450 by check to their local food bank. The food bank is a qualified organization and provided Luther and Lexi with a written acknowledgment of their donation. They contributed \$50 in cash to a local family in need. They also donated clothing in good condition with fair market value of \$200 to Goodwill. They have a receipt for the donation.
- Luther and Lexi are U.S. citizens with valid Social Security numbers. They do not have enough expenses to itemize their deductions.

### Scenario 3: Test Questions

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7. What amount can Luther take as an HSA deduction?
- a. \$1,500
  - b. \$1,000
  - c. \$500
  - d. \$0

8. How much of Lexi's Form 1099-SA amount is taxable?
- a. \$0 because they had qualified medical expenses over \$700
  - b. \$150 because Lexi can't use money from her HSA to pay for Luther's medical expenses
  - c. \$250 because the over the counter medicine is **not** a qualified medical expense
  - d. \$700 because all of the contributions were pretax
9. How much of Luther and Lexi's APTC must be repaid for tax year 2021?
- a. \$0
  - b. \$1,187
  - c. \$2,700
  - d. \$5,237
10. How much can Luther and Lexi deduct for their charitable donations?
- a. \$0 because they do **not** have enough expenses to itemize
  - b. \$450 as a charitable contribution deduction
  - c. \$500 as a charitable contribution deduction
  - d. \$600 as a charitable contribution deduction
  - e. \$700 as a charitable contribution deduction

## Scenario 4: Kendall and Siena King

---

### Directions

Using the tax software, complete the tax return, including Form 1040 and all appropriate forms, schedules, and worksheets. Answer the questions following the scenario.

*Note: When entering Social Security numbers (SSNs) or Employer Identification Numbers (EINs), replace the Xs as directed, or with any four digits of your choice.*

### Interview Notes

- Kendall and Siena are married and file a joint return.
- Siena is an employee and received a Form W-2. Kendall is a self-employed driver for Delicious Deliveries.
- Kendall and Siena had health insurance subsidized by Siena's employer. They paid \$3,600 pre-tax in premiums for the year.
- Kendall provided a statement from the food delivery service that indicated the amount of mileage driven and fees paid for the year. These fees are considered ordinary and necessary for the food delivery business:
  - 7,200 miles driven while delivering food
  - Insulated box rental: \$300
  - Vehicle safety inspection (required by Delicious Deliveries): \$50
  - GPS device fee: \$120
- Kendall's record keeping application shows he also drove 4,125 miles between deliveries and 4,200 miles driven between his home and his first and last delivery point of the day. Kendall has a separate car for personal use. He bought and started using his second car for business on September 1, 2020.
- Kendall also kept receipts for the following out-of-pocket expenses:
  - \$100 on tolls
  - \$120 for car washes
  - \$48 for parking tickets
  - \$75 for Personal Protective Equipment (PPE) used during deliveries
  - \$150 for snacks and lunches Kendall consumed while working
- Kendall provided the Form 1099-NEC and Form 1099-K that he received from Delicious Deliveries.
- Kendall also received \$300 in cash tips that were not reported elsewhere.
- Kendall won \$10,000 on a scratch off lottery ticket. He has \$3,000 in losing tickets.
- Siena's brother Quincy moved in with them in December 2020. He's a full-time student working on his PhD. He works part-time and earned \$3,800 in 2021. Kendall and Siena pay more than half of Quincy's support. Quincy paid \$5,000 in eligible educational expenses with the proceeds from a student loan. Quincy received a Form 1098-T from Yuma College, EIN 37-700XXXX, showing \$5,000 in Box 1 and having boxes 8 and 9 checked.
- Kendall and Siena received the third Economic Impact Payment (EIP 3) in the amount of \$2,800 in 2021. Quincy received his own EIP 3 of \$1,400 in 2021.
- Kendall, Siena, and Quincy are U.S. citizens, have valid Social Security numbers, and lived in the United States all year.




|   |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
|---|--|--|---|---|---|---|---|--|---|---|---|---|--|--|----------------------|-------|----------------------------------|-------------------------------------|-------|--|------------------------|-------|
| Form <b>13614-C</b><br>(October 2021)   | Department of the Treasury - Internal Revenue Service<br><h2 style="margin: 0;">Intake/Interview &amp; Quality Review Sheet</h2> | OMB Number<br>1545-1964  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <b>You will need:</b> <ul style="list-style-type: none"> <li>Tax Information such as Forms W-2, 1099, 1098, 1095.</li> <li>Social security cards or ITIN letters for all persons on your tax return.</li> <li>Picture ID (such as valid driver's license) for you and your spouse.</li> </ul>   |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <ul style="list-style-type: none"> <li>Please complete pages 1-4 of this form.</li> <li>You are responsible for the information on your return. Please provide complete and accurate information.</li> <li>If you have questions, please ask the IRS-certified volunteer preparer.</li> </ul>   |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <b>Volunteers are trained to provide high quality service and uphold the highest ethical standards.<br/>                 To report unethical behavior to the IRS, email us at <a href="mailto:wi.voltax@irs.gov">wi.voltax@irs.gov</a></b>  |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <b>Part I – Your Personal Information</b> <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<br><b>KENDALL</b>  | M.I.   | Last name<br><b>KING</b>   | Best contact number<br><b>404-555-4567</b>  | Are you a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 2. Your spouse's first name<br><b>SIENA</b>   | M.I.   | Last name<br><b>KING</b>   | Best contact number   | Is your spouse a U.S. citizen?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 3. Mailing address<br><b>1551 CONCORD CIRCLE</b>  |  | Apt #  | City<br><b>YOUR CITY</b>  | State<br><b>YS</b>  | ZIP code<br><b>YOUR ZIP</b>                                 |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 4. Your Date of Birth<br><b>04/04/1982</b>  | 5. Your job title<br><b>DRIVER</b>   |  | 6. Last year, were you: <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">a. Full-time student</td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> <tr> <td>b. Totally and permanently disabled</td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> </table>        |   |   | a. Full-time student  | <input type="checkbox"/> Yes                | <input checked="" type="checkbox"/> No           | b. Totally and permanently disabled   | <input type="checkbox"/> Yes  | <input checked="" type="checkbox"/> No                                |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| a. Full-time student  | <input type="checkbox"/> Yes   | <input checked="" type="checkbox"/> No                                     |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| b. Totally and permanently disabled   | <input type="checkbox"/> Yes   | <input checked="" type="checkbox"/> No                                     |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 7. Your spouse's Date of Birth<br><b>06/07/1982</b>   | 8. Your spouse's job title<br><b>MANAGER</b>   |  | 9. Last year, was your spouse: <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">a. Full-time student</td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> <tr> <td>b. Totally and permanently disabled</td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> </table> |   |   | a. Full-time student  | <input type="checkbox"/> Yes                | <input checked="" type="checkbox"/> No           | b. Totally and permanently disabled   | <input type="checkbox"/> Yes  | <input checked="" type="checkbox"/> No                                |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| a. Full-time student  | <input type="checkbox"/> Yes   | <input checked="" type="checkbox"/> No                                     |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| b. Totally and permanently disabled   | <input type="checkbox"/> Yes   | <input checked="" type="checkbox"/> No                                     |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 10. Can anyone claim you or your spouse as a dependent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure   |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 11. Have you, your spouse, or dependents been a victim of tax related identity theft or been issued an Identity Protection PIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 12. Provide an email address <i>(optional)</i> <i>(this email address will not be used for contacts from the Internal Revenue Service)</i>  |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <b>Part II – Marital Status and Household Information</b>   |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 1. As of December 31, 2021, what was your marital status? <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;"><input type="checkbox"/> Never Married</td> <td colspan="2">(This includes registered domestic partnerships, civil unions, or other formal relationships under state law)</td> </tr> <tr> <td><input checked="" type="checkbox"/> Married</td> <td>a. If Yes, Did you get married in 2021?</td> <td><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td><input type="checkbox"/> Divorced</td> <td>b. Did you live with your spouse during any part of the last six months of 2021?</td> <td><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td><input type="checkbox"/> Legally Separated</td> <td>Date of final decree</td> <td>_____</td> </tr> <tr> <td><input type="checkbox"/> Widowed</td> <td>Date of separate maintenance decree</td> <td>_____</td> </tr> <tr> <td></td> <td>Year of spouse's death</td> <td>_____</td> </tr> </table> |  |  |   |   | <input type="checkbox"/> Never Married                      | (This includes registered domestic partnerships, civil unions, or other formal relationships under state law) |   | <input checked="" type="checkbox"/> Married      | a. If Yes, Did you get married in 2021?   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No               | <input type="checkbox"/> Divorced                                     | b. Did you live with your spouse during any part of the last six months of 2021?          | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                    | <input type="checkbox"/> Legally Separated | Date of final decree | _____ | <input type="checkbox"/> Widowed | Date of separate maintenance decree | _____ |  | Year of spouse's death | _____ |
| <input type="checkbox"/> Never Married  | (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)                    |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <input checked="" type="checkbox"/> Married   | a. If Yes, Did you get married in 2021?  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No        |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <input type="checkbox"/> Divorced   | b. Did you live with your spouse during any part of the last six months of 2021?   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <input type="checkbox"/> Legally Separated  | Date of final decree   | _____  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <input type="checkbox"/> Widowed  | Date of separate maintenance decree  | _____  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
|   | Year of spouse's death   | _____  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| 2. List the names below of: <ul style="list-style-type: none"> <li>everyone who lived with you last year <i>(other than your spouse)</i></li> <li>anyone you supported but did not live with you last year</li> </ul> If additional space is needed check here <input type="checkbox"/> and list on page 3  |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| <b>To be completed by a Certified Volunteer Preparer</b>  |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| Name <i>(first, last)</i> Do not enter your name or spouse's name below   | Date of Birth <i>(mm/dd/yy)</i>  | Relationship to you <i>(for example: son, daughter, parent, none, etc)</i> | Number of months lived in your home last year   | US Citizen <i>(yes/no)</i>  | Resident of US, Canada, or Mexico last year <i>(yes/no)</i> | Single or Married as of 12/31/21 <i>(S/M)</i>   | Full-time Student last year <i>(yes/no)</i> | Totally and Permanently Disabled <i>(yes/no)</i> | Is this person a qualifying child/relative of any other person? <i>(yes/no)</i> | Did this person provide more than 50% of his/her own support? <i>(yes,no,n/a)</i> | Did this person have less than \$4,300 of income? <i>(yes,no,n/a)</i> | Did the taxpayer(s) provide more than 50% of support for this person? <i>(yes/no/n/a)</i> | Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? <i>(yes/no)</i> |  |                      |       |                                  |                                     |       |  |                        |       |
| <b>QUINCY SPELMAN</b>   | <b>03/04/1984</b>  | <b>BROTHER</b>   | <b>12</b>   | <b>YES</b>  | <b>YES</b>  | <b>S</b>  | <b>YES</b>                                  | <b>NO</b>  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |
| Catalog Number 52121E <span style="float: right;">www.irs.gov</span> <span style="float: right;">Form <b>13614-C</b> (Rev. 10-2021)</span>  |  |  |   |   |   |   |   |  |   |   |   |   |  |  |                      |       |                                  |                                     |       |  |                        |       |

**Check appropriate box for each question in each section**

| Yes                                 | No                                  | Unsure                   | Part III – Income – Last Year, Did You (or Your Spouse) Receive   |
|-------------------------------------|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 1. (B) Wages or Salary? (Form W-2) <b>If yes, how many jobs did you have last year? 1</b> _____   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 2. (A) Tip Income?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (B) Scholarships? (Forms W-2, 1098-T)  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Refund of state/local income taxes? (Form 1099-G)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) Alimony income or separate maintenance payments?   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 7. (A) Self-Employment income? (Form 1099-MISC, 1099-NEC, cash, virtual currency, or other property or services)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) Cash/check/virtual currency payments, or other property or services for any work performed not reported on Forms W-2 or 1099?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Income (or loss) from the sale or exchange of Stocks, Bonds, Virtual Currency or Real Estate? (including your home) (Forms 1099-S, 1099-B)   |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (A) Retirement income or payments from Pensions, Annuities, and or IRA? (Form 1099-R)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. (B) Unemployment Compensation? (Form 1099G)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. (M) Income (or loss) from Rental Property?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 15. (B) Other income? (gambling, lottery, prizes, awards, jury duty, virtual currency, Sch K-1, royalties, foreign income, etc.)  |
| Yes                                 | No                                  | Unsure                   | Part IV – Expenses – Last Year, Did You (or Your Spouse) Pay  |
| <input type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Contributions or repayments to a retirement account? <input type="checkbox"/> IRA (A) <input type="checkbox"/> 401K (B) <input type="checkbox"/> Roth IRA (B) <input type="checkbox"/> Other   |
| <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Any of the following? <input type="checkbox"/> (A) Medical & Dental (including insurance premiums) <input type="checkbox"/> (A) Mortgage Interest (Form 1098)<br><input type="checkbox"/> (A) Taxes (State, Real Estate, Personal Property, Sales) <input type="checkbox"/> (B) Charitable Contributions |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (B) Child or dependent care expenses such as daycare?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (B) For supplies used as an eligible educator such as a teacher, teacher's aide, counselor, etc.?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 7. (A) Expenses related to self-employment income or any other income you received?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (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 checked="" type="checkbox"/> | <input type="checkbox"/> | 1. (A) Have a Health Savings Account? (Forms 5498-SA, 1099-SA, W-2 with code W in box 12)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. (A) Have credit card, student loan or mortgage debt cancelled/forgiven by a lender or have a home foreclosure? (Forms 1099-C, 1099-A)  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. (A) Adopt a child?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. (B) Have Earned Income Credit, Child Tax Credit or American Opportunity Credit disallowed in a prior year? If yes, for which tax year? _____   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. (A) Receive the First Time Homebuyers Credit in 2008?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. (B) Make estimated tax payments or apply last year's refund to this year's tax? If so how much? _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. (A) File a federal return last year containing a "capital loss carryover" on Form 1040 Schedule D?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. (A) Have health coverage through the Marketplace (Exchange)? [Provide Form 1095-A]   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | 10. (B) Receive an Economic Impact Payment (stimulus) in 2021?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. (B) Receive Advanced Child Tax Credit payments?   |





|   |  |  |                            |  |                  |
|---|--|--|----------------------------|--|------------------|
| a Employee's social security number<br><b>601-00-XXXX</b>   |  | Safe, accurate,<br>FAST! Use                          |                            | Visit the IRS website at<br><a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |                  |
| b Employer identification number (EIN)<br><b>20-900XXXX</b>   |  | 1 Wages, tips, other compensation<br><b>\$32,000.00</b>  |                            | 2 Federal income tax withheld<br><b>\$3,200.00</b>                                   |                  |
| c Employer's name, address, and ZIP code<br><br><b>DUKE, DILLARD AND DUQUESNE<br/>143 ROCK ROAD<br/>YOUR CITY, YOUR STATE, ZIP</b>  |  | 3 Social security wages<br><b>\$32,000.00</b>  |                            | 4 Social security tax withheld<br><b>\$1,984.00</b>                                  |                  |
|   |  | 5 Medicare wages and tips<br><b>\$32,000.00</b>  |                            | 6 Medicare tax withheld<br><b>\$464.00</b>   |                  |
|   |  | 7 Social security tips   |                            | 8 Allocated tips   |                  |
| d Control number  |  | 9  |                            | 10 Dependent care benefits   |                  |
| e Employee's first name and initial Last name Suff.<br><br><b>SIENA KING<br/>1551 CONCORD CIRCLE<br/>YOUR CITY, YOUR STATE, ZIP</b> |  | 11 Nonqualified plans  |                            | 12a See instructions for box 12  |                  |
|   |  | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |                            | 12b  |                  |
|   |  | 14 Other   |                            | 12c  |                  |
|   |  |  |                            | 12d  |                  |
| f Employee's address and ZIP code   |  |  |                            |  |                  |
| 15 State Employer's state ID number<br><b>YS 123456-7</b>   | 16 State wages, tips, etc.<br><b>\$32,000.00</b> | 17 State income tax<br><b>\$960.00</b>   | 18 Local wages, tips, etc. | 19 Local income tax  | 20 Locality name |

Form **W-2** Wage and Tax Statement **2021** 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.

|  |                                       |  |                           |  |  |                                 |  |
|--|---------------------------------------|--|---------------------------|--|--|---------------------------------|--|
| <input type="checkbox"/> CORRECTED (if checked)  |                                       | PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>Delicious Deliveries<br/>567 ALVIN AVENUE<br/>YOUR CITY, YOUR STATE, ZIP</b> |                           | OMB No. 1545-0116<br><br><b>2021</b><br>Form <b>1099-NEC</b>   |  | <b>Nonemployee Compensation</b> |  |
| PAYER'S TIN<br><b>20-400XXXX</b>   | RECIPIENT'S TIN<br><b>345-00-XXXX</b> | 1 Nonemployee compensation<br><b>\$ 1,800.00</b>   |                           | <b>Copy B<br/>For Recipient</b><br>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |  |                                 |  |
| RECIPIENT'S name<br><b>KENDALL KING</b><br>Street address (including apt. no.)<br><b>1551 CONCORD CIRCLE</b><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b><br>Account number (see instructions) |                                       | 2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/>   |                           |  |  |                                 |  |
|  |                                       | 3  |                           |  |  |                                 |  |
|  |                                       | 4 Federal income tax withheld<br><b>\$</b>   |                           |  |  |                                 |  |
|  |                                       | 5 State tax withheld<br><b>\$</b>  | 6 State/Payer's state no. | 7 State income<br><b>\$</b>  |  |                                 |  |

Form **1099-NEC** (keep for your records) [www.irs.gov/Form1099NEC](http://www.irs.gov/Form1099NEC) Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

|   |  |  |  |  |   |   |
|---|--|--|--|--|---|---|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.<br><br><b>Delicious Deliveries</b><br><b>567 ALVIN AVENUE</b><br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | FILER'S TIN<br><b>20-400XXXX</b>   | OMB No. 1545-2205<br><br><span style="font-size: 2em; font-weight: bold;">2021</span><br><br>Form 1099-K | <b>Payment Card and<br/>Third Party<br/>Network<br/>Transactions</b> |   |   |
|   |  | PAYEE'S TIN<br><b>345-00-XXXX</b>  |  |  |   |   |
|   |  | 1a Gross amount of payment card/third party network transactions<br><b>\$ 15,245.00</b>  |  |  |   |   |
| Check to indicate if FILER is a (an):<br>Payment settlement entity (PSE) <input type="checkbox"/><br>Electronic Payment Facilitator (EPF)/Other third party <input checked="" type="checkbox"/>   |  | Check to indicate transactions reported are:<br>Payment card <input type="checkbox"/><br>Third party network <input checked="" type="checkbox"/> |  | <b>Copy B<br/>For Payee</b>  |   |   |
| PAYEE'S name<br><b>KENDALL KING</b><br><br>Street address (including apt. no.)<br><b>1551 CONCORD CIRCLE</b><br><br>City or town, state or province, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b><br><br>PSE'S name and telephone number<br><br>Account number (see instructions) |  | 1b Card Not Present transactions<br><b>\$</b>  | 2 Merchant category code   |  |   |   |
|   |  | 3 Number of payment transactions<br><b>3,300</b>   | 4 Federal income tax withheld<br><b>\$</b>   |  |   |   |
|   |  | 5a January<br><b>\$ 1,270.00</b>   | 5b February<br><b>\$ 1,200.00</b>  |  |   |   |
|   |  | 5c March<br><b>\$ 1,340.00</b>   | 5d April<br><b>\$ 1,250.00</b>   |  |   |   |
|   |  | 5e May<br><b>\$ 1,290.00</b>   | 5f June<br><b>\$ 1,300.00</b>  |  |   |   |
|   |  | 5g July<br><b>\$ 1,240.00</b>  | 5h August<br><b>\$ 1,140.00</b>  |  |   |   |
|   |  | 5i September<br><b>\$ 1,270.00</b>   | 5j October<br><b>\$ 1,235.00</b>   |  |   |   |
|   |  | 5k November<br><b>\$ 1,310.00</b>  | 5l December<br><b>\$ 1,400.00</b>  |  |   |   |
|   |  | 6 State  | 7 State identification no.   |  | 8 State income tax withheld<br><b>\$</b><br><b>\$</b> |   |
|   |  | Form <b>1099-K</b> (Keep for your records)   |  | www.irs.gov/Form1099K  |   | Department of the Treasury - Internal Revenue Service |

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.

CORRECTED (if checked)

|  |  |  |   |  |  |
|--|--|--|---|--|--|
| PAYER'S name, street address, city or town, province or state, country, and ZIP or foreign postal code<br><br><b>STATE LOTTO BOARD</b><br><b>123 MAIN STREET</b><br><b>YOUR CITY, STATE ZIP</b>  |  | 1 Reportable winnings<br><b>\$ 10,000.00</b>                 | 2 Date won<br><b>6/1/2021</b>                       | OMB No. 1545-0238<br><b>Form W-2G</b><br><b>Certain<br/>Gambling<br/>Winings</b><br><br>(Rev. January 2021)<br>For calendar year 20 ____   |  |
|  |  | 3 Type of wager<br><b>Lottery</b>                            | 4 Federal income tax withheld<br><b>\$ 2,800.00</b> |  |  |
|  |  | 5 Transaction  | 6 Race  |  |  |
| PAYER'S federal identification number<br><b>65-000XXXX</b>   |  | PAYER'S telephone number<br><b>404-555-1212</b>              |   | This information is being furnished to the Internal Revenue Service.<br><br><b>Copy B</b><br><b>Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.</b> |  |
| WINNER'S name<br><b>KENDALL KING</b>   |  | 7 Winnings from identical wagers<br><b>\$</b>                | 8 Cashier   |  |  |
| Street address (including apt. no.)<br><b>1551 CONCORD CIRCLE</b>  |  | 9 Winner's taxpayer identification no.<br><b>345-00-XXXX</b> | 10 Window   |  |  |
| City or town, province or state, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | 11 First identification                                      | 12 Second identification                            |  |  |
| City or town, province or state, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | 13 State/Payer's state identification no.                    | 14 State winnings<br><b>\$</b>                      |  |  |
| City or town, province or state, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | 15 State income tax withheld<br><b>\$</b>                    | 16 Local winnings<br><b>\$</b>                      |  |  |
| City or town, province or state, country, and ZIP or foreign postal code<br><b>YOUR CITY, YOUR STATE, ZIP</b>  |  | 17 Local income tax withheld<br><b>\$</b>                    | 18 Name of locality                                 |  |  |
| Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments. |  |  |   |  |  |
| Signature ►  |  | Date ►   |   |  |  |
| Form <b>W-2G</b> (Rev. 1-2021)   |  | www.irs.gov/FormW2G  |   | Department of the Treasury - Internal Revenue Service  |  |

## Scenario 4: Test Questions

---

11. Which of the following tax benefits do Kendall and Siena qualify for because of Quincy? **(Select all that apply)**
- a. They qualify for a \$500 credit for other dependents (ODC)
  - b. They qualify for a lifetime learning credit
  - c. They get a \$4,300 dependency deduction
  - d. They do **not** qualify for any benefits because Quincy is **not** their dependent.
12. What is the amount of Kendall's Schedule C gross income?
- a. \$300
  - b. \$1,800
  - c. \$15,245
  - d. \$17,345
13. What are Kendall's Schedule C expenses?
- a. \$6,987
  - b. \$7,305
  - c. \$9,339
  - d. \$9,647
14. How much of Kendall's gambling winnings is included in adjusted gross income?  
\$ \_\_\_\_\_
15. Which of the following statements is true:
- a. Kendall can add the \$3,600 they paid for health insurance premiums to his self-employment expenses on Schedule C.
  - b. Kendall can claim the \$3,600 they paid for health insurance premiums as a self-employed health insurance deduction on Schedule 1.
  - c. Kendall can claim his portion of the health insurance premiums, \$1,800, as a self-employed health insurance deduction on Schedule 1.
  - d. Kendall can add his portion of the health insurance premiums, \$1,800, to his self-employment expenses on Schedule C.
  - e. Kendall is **not** eligible for a self-employed health insurance deduction.



## Federal Tax Law Update Retest for Circular 230 Professionals

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### Directions

The first three scenarios do not require you to prepare a tax return. Read the interview notes for each scenario carefully and **use the Important Changes lesson in Publication 4491, VITA/TCE Training Guide, or in Link & Learn Taxes to answer the questions after the scenarios.** All questions are based on **calendar-year 2021** taxpayers.

### Scenario 1: Herb and Alice Freeman

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#### Interview Notes

- Herb and Alice are married and file a joint return. Herb is 74 years old and Alice is 70. Neither are blind.
- Both Herb and Alice are retired. Herb works part time as a greeter.
- Herb earned \$15,000 in wages. They also received Social Security benefits of \$28,000. They received no other income in 2021.
- Both Herb and Alice are U.S. citizens, lived in the United States all year, and have valid Social Security numbers. They do not have any qualifying children, and no one else lives with them.

### Scenario 1: Retest Questions

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1. What is Herb and Alice's standard deduction? \$\_\_\_\_\_
2. The taxable amount of Herb and Alice's Social Security is \$23,800.
  - a. True
  - b. False
3. Herb and Alice are eligible to claim the Earned Income Credit (EIC) in 2021 because they have earned income and adjusted gross income under the EIC threshold.
  - a. True
  - b. False

## Scenario 2: Chloe Carlow

---

### Interview Notes

- Chloe, age 48, divorced her husband in 2017.
- Chloe's 4 year old grandson, Marcus, has been living with her since his parents were incarcerated in August 2019. Chloe provided all the support for Marcus and all the costs of keeping up their home in 2021.
- Chloe worked full time and earned \$53,000. She received no other income in 2021.
- Marcus attends daycare while Chloe works. Chloe received a statement from the daycare provider showing she paid \$5,980 for Marcus' care for the year. She did not pay any 2020 expenses in 2021.
- Chloe received the third Economic Impact Payment (EIP 3) of \$2,800 in 2021.
- Chloe received advance payments of the Child Tax Credit totaling \$1,800 in 2021.
- Chloe and Marcus are both U.S. citizens, lived in the United States all year, and have valid Social Security numbers. No one else lives in the household with them.

## Scenario 2: Retest Questions

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4. Chloe can claim a Child Tax Credit of \$2,000 on her 2021 federal income tax return.
  - a. True
  - b. False
5. What amount of qualified dependent care **expenses** can Chloe claim on her 2021 tax return? \$\_\_\_\_\_
6. Which of the following credits are **nonrefundable** for a taxpayer who lived in the U.S. for all of 2021? (**Select all that apply**)
  - a. Child Tax Credit
  - b. Earned Income Credit
  - c. Child and Dependent Care credit
  - d. Retirement Savings Contribution Credit

## Scenario 3: Luther and Lexi Lincoln

---

### Interview Notes

- Luther and Lexi are married and file a joint return.
- Luther and Lexi were enrolled in their Marketplace second lowest cost silver (SLCSP) high deductible health plan (HDHP) with family coverage for all of 2021. Their annual enrollment premium was \$10,000 and they received the benefit of an Advance Premium Tax Credit (APTC) of \$5,237.
- Lexi received a large bonus from her employer at the end of 2021, which increased their household income to \$70,000, which is more than 400% of the Federal Poverty Line (FPL) for the other 48 states and DC. They did not contact the marketplace to inform them of the increase in household income. They were not eligible to claim unemployment at any time in 2021.
- In 2021, Luther contributed \$1,500 to his Health Savings Account (HSA). Of that amount, \$1,000 was made pretax through his employer's cafeteria plan and he made the remaining \$500 contribution by electronic deposit into the HSA from his checking account. His employer sent Form W-2 reporting \$1,000 in Box 12a, with code W. Lexi did not contribute to her HSA.
- Lexi received a Form 1099-SA showing a distribution from her HSA of \$700. Lexi has receipts showing they paid \$200 for new eyeglasses for Luther, \$300 for over the counter allergy medicine for Lexi, and \$250 for doctor visit copays and medical tests for Lexi.
- Luther and Lexi donated \$450 by check to their local food bank. The food bank is a qualified organization and provided Luther and Lexi with a written acknowledgment of their donation. They contributed \$50 in cash to a local family in need. They also donated clothing in good condition with fair market value of \$200 to Goodwill. They have a receipt for the donation.
- Luther and Lexi are U.S. citizens with valid Social Security numbers. They do not have enough expenses to itemize their deductions.

### Scenario 3: Retest Questions

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7. The maximum amount Luther can take as an HSA deduction is \$\_\_\_\_\_.
8. Lexi's entire distribution from her HSA is nontaxable because their qualified medical expenses were over \$700.
  - a. True
  - b. False
9. Luther and Lexi must repay the entire amount of APTC they received because their household income is over 400% of the Federal Poverty Line.
  - a. True
  - b. False
10. How much can Luther and Lexi deduct for their charitable donations? \$\_\_\_\_\_.

## Scenario 4: Kendall King

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### Directions

Refer to the scenario information for Kendall and Siena King beginning on page 185.

## Scenario 4: Retest Questions

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11. Quincy is Kendall and Siena's qualifying relative dependent.
  - a. True
  - b. False
12. Kendall's gross income on Schedule C is \$\_\_\_\_\_.
13. Kendall's Schedule C expenses are \$6,987.
  - a. True
  - b. False
14. Kendall can subtract his \$3,000 in losses and report only \$7,000 in winnings as other income on Kendall and Siena's joint federal income tax return.
  - a. True
  - b. False
15. Kendall is **not** eligible for a self-employed health insurance deduction.
  - a. True
  - b. False







## 2021 VITA/TCE Foreign Student Test for Volunteers

Welcome to the Link & Learn Taxes Foreign Student Test. The test requires you to prepare four tax returns using Form 1040-NR and/or Form 8843 and then answer 50 online questions. You must successfully complete the test at an overall 80% proficiency to earn VITA/TCE certification.

Please complete this test on your own for an accurate assessment of your skills and knowledge. You may use any reference materials available to you as a volunteer to complete this test.

*Volunteers who use tax preparation software to complete the test need to make sure they are using the final 2021 version.*

## Residency Status, Form 8843, and Filing Status

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### Introduction

This section of the VITA/TCE certification Foreign Student test covers determining residency status, the use of Form 8843, and filing status. It consists of 13 true/false questions and 4 scenario-based multiple choice questions.

Allow approximately 20 minutes to complete this segment.

1. Ken entered the U.S. as a student on July 30, 2018 in F-1 immigration status. He had never been to the United States before and he did **not** change immigration status during 2021. For federal income tax purposes, Ken is a resident alien for 2021.
  - a. True
  - b. False
  
2. Helen is a visiting professor at the local university. Helen was a graduate student from June 2017 to May 2019 in F-1 immigration status. She re-entered the United States as a teacher on December 20, 2020 in J-1 immigration status. For federal income tax purposes, Helen is a nonresident alien for 2021.
  - a. True
  - b. False
  
3. Yusuf served as a visiting scholar in F-1 immigration status from March 2017 through June 2020. In August of 2021, Yusuf returned to the United States as a professor. For federal income tax purposes, Yusuf is a resident alien for 2021.
  - a. True
  - b. False
  
4. Juan came to the United States in F-2 immigration status with his wife on July 15, 2017. He has **not** changed his immigration status. For federal income tax purposes, Juan is a resident alien for 2021.
  - a. True
  - b. False
  
5. Emily lived with her parents in F-2 immigration status in the United States from August 2010 to June 2012. She returned to the U.S. to attend college in F-1 immigration status on December 5, 2019. Emily needs to file Form 8843 for 2021.
  - a. True
  - b. False

6. Polina entered the United States on July 30, 2016 in J-1 student immigration status. On January 10, 2020, her husband Dmitry joined her in J-2 immigration status. Because Polina is a resident alien this year, Dmitry does **not** need to file Form 8843 for 2021. He is electing to file married filing jointly with her.
- a. True
  - b. False
7. Polina and Dmitry from Question 6 had a son, Alexander, while here in the U.S. on December 5, 2020. A Form 8843 does **not** need to be filed for Alexander for 2021.
- a. True
  - b. False
8. Sophie and Yves have been in the U.S. as students in F-1 immigration status, since August 2018. Their 12-year-old son, Vincent, has been attending a boarding school in the U.S. since June 2015 in F-1 immigration status. Sophie, Yves, and Vincent all need to file Form 8843 for 2021.
- a. True
  - b. False
9. Celeste is from Pakistan and is a Ph.D. student in communications engineering who is going to defend her dissertation in June. She arrived in the U.S. as a student on July 20, 2018. Celeste is a resident alien for tax purposes in 2021.
- a. True
  - b. False
10. Marcus is a junior majoring in biology. He is in the U.S. in F-1 immigration status from Germany. He transferred from a German university and arrived in the U.S. on December 30, 2018. Marcus worked in a lab on campus in an approved summer internship program for a company in New York. He will graduate in May, 2022. The company issued him a Form 1099-NEC.
- Marcus is considered a resident alien for tax purposes since the company issued him a Form 1099-NEC.
- a. True
  - b. False

11. Nico is a nursing student from Greece who first arrived in F-1 immigration status on August 15, 2021. He does **not** have a tax identification number and he did **not** work or receive a scholarship in 2021, but had \$75 interest income from his U.S. savings account his parents set up for him to pay for school and his living expenses.
- Nico must file Form 8843, and also Form 1040-NR to report his interest income for 2021.
- True
  - False
12. Bo entered the U.S. in J-1 immigration status as a trainee in January 2019, and lives alone. His wife, Mei, could **not** accompany him because she had to care for her ailing parents. Bo can file as Single because he did **not** live with his spouse at all during 2021.
- True
  - False
13. Alex and Kim were married in March 2016, and the next year they both entered the U.S. in F-1 immigration status to complete their studies as Fulbright scholars. Currently, Alex lives in San Diego, where he is completing his graduate work. However, Kim left him in March 2020 and has **not** been heard from since. Her parents will **not** tell him where she lives and he has **not** heard from her since. Since Alex does **not** know Kim's whereabouts, he can file using the Single filing status.
- True
  - False

## Scenario 1: Enrique Satō

---

Use the following information to prepare Form 8843.

- Enrique Satō came to the U.S. to study on August 1, 2018, in F-1 immigration status. His passport number is 4682936 and it was issued by his home country, Peru. His home address is 31 Rue de Santos, Lima, 07001, Peru. His address at school is Firestone University, 222 Tread Blvd., Lauderdale, MN 55000. His U.S. taxpayer identification number is XXX-XX-XXXX.
- Enrique is attending Firestone University, 222 Tread Blvd., Lauderdale, MN 55000, telephone 612-555-XXXX. His specialized program is Alternative Fuel Systems and the director is Professor Marri M. Young, also at 222 Tread Blvd., Lauderdale, MN 55000, telephone 612-555-XXXX ext. 1267.
- Enrique has not taken steps to apply for permanent residency. Enrique had no income, so he is not required to file any other tax forms. Enrique has not left the U.S. since arriving.
- After completing the required tax form, review the scenario and resource materials, and answer each of the test questions

**Statement for Exempt Individuals and Individuals With a Medical Condition**  
For use by alien individuals only.

**2020**

Attachment Sequence No. **102**

Department of the Treasury  
Internal Revenue Service

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

For the year January 1—December 31, 2020, or other tax year

beginning \_\_\_\_\_, 2020, and ending \_\_\_\_\_, 20\_\_\_\_\_.

Your first name and initial \_\_\_\_\_ Last name \_\_\_\_\_ Your U.S. taxpayer identification number, if any \_\_\_\_\_

**Fill in your addresses only if you are filing this form by itself and not with your tax return**

Address in country of residence

Address in the United States

**Part I General Information**

- 1a Type of U.S. visa (for example, F, J, M, Q, etc.) and date you entered the United States ► \_\_\_\_\_
- b Current nonimmigrant status. If your status has changed, also enter date of change and previous status. See instructions.  
\_\_\_\_\_
- 2 Of what country or countries were you a citizen during the tax year? \_\_\_\_\_
- 3a What country or countries issued you a passport? \_\_\_\_\_
- b Enter your passport number(s) ► \_\_\_\_\_
- 4a Enter the actual number of days you were present in the United States during:  
2020 \_\_\_\_\_ 2019 \_\_\_\_\_ 2018 \_\_\_\_\_
- b Enter the number of days in 2020 you claim you can exclude for purposes of the substantial presence test ► \_\_\_\_\_

**Part II Teachers and Trainees**

- 5 For teachers, enter the name, address, and telephone number of the academic institution where you taught in 2020 ► \_\_\_\_\_  
\_\_\_\_\_
- 6 For trainees, enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2020 ► \_\_\_\_\_  
\_\_\_\_\_
- 7 Enter the type of U.S. visa (J or Q) you held during: ► 2014 \_\_\_\_\_ 2015 \_\_\_\_\_  
2016 \_\_\_\_\_ 2017 \_\_\_\_\_ 2018 \_\_\_\_\_ 2019 \_\_\_\_\_. If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.
- 8 Were you present in the United States as a teacher, trainee, or student for any part of 2 of the 6 prior calendar years (2014 through 2019)? . . . . .  Yes  No  
If you checked the "Yes" box on line 8, you cannot exclude days of presence as a teacher or trainee unless you meet the *Exception* explained in the instructions.

**Part III Students**

- 9 Enter the name, address, and telephone number of the academic institution you attended during 2020 ► \_\_\_\_\_  
\_\_\_\_\_
- 10 Enter the name, address, and telephone number of the director of the academic or other specialized program you participated in during 2020 ► \_\_\_\_\_  
\_\_\_\_\_
- 11 Enter the type of U.S. visa (F, J, M, or Q) you held during: ► 2014 \_\_\_\_\_ 2015 \_\_\_\_\_  
2016 \_\_\_\_\_ 2017 \_\_\_\_\_ 2018 \_\_\_\_\_ 2019 \_\_\_\_\_. If the type of visa you held during any of these years changed, attach a statement showing the new visa type and the date it was acquired.
- 12 Were you present in the United States as a teacher, trainee, or student for any part of more than 5 calendar years? . . . . .  Yes  No  
If you checked the "Yes" box on line 12, you must provide sufficient facts on an attached statement to establish that you do not intend to reside permanently in the United States.
- 13 During 2020, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to change your status to that of a lawful permanent resident of the United States? . . . . .  Yes  No
- 14 If you checked the "Yes" box on line 13, explain ► \_\_\_\_\_  
\_\_\_\_\_

**Part IV Professional Athletes**

- 15** Enter the name of the charitable sports event(s) in the United States in which you competed during 2020 and the dates of competition ▶ \_\_\_\_\_  
\_\_\_\_\_
- 16** Enter the name(s) and employer identification number(s) of the charitable organization(s) that benefited from the sports event(s) ▶ \_\_\_\_\_  
\_\_\_\_\_

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

**Part V Individuals With a Medical Condition or Medical Problem**

- 17a** Describe the medical condition or medical problem that prevented you from leaving the United States. See instructions. ▶ \_\_\_\_\_  
\_\_\_\_\_
- b** Enter the date you intended to leave the United States prior to the onset of the medical condition or medical problem described on line 17a ▶ \_\_\_\_\_
- c** Enter the date you actually left the United States ▶ \_\_\_\_\_

**18 Physician's Statement:**

I certify that \_\_\_\_\_  
Name of taxpayer

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

\_\_\_\_\_  
Name of physician or other medical official

\_\_\_\_\_  
Physician's or other medical official's address and telephone number

\_\_\_\_\_  
Physician's or other medical official's signature

\_\_\_\_\_  
Date

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

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

▶ \_\_\_\_\_  
Your signature

▶ \_\_\_\_\_  
Date

## Scenario 1: Enrique Sato Test Questions

---

### Directions

To answer the following multiple choice questions, refer to the Form 8843 you completed for Enrique Satō.

14. What should Enrique enter on Line 1b?
  - a. Leave blank
  - b. F1 January 1, 2020 H1b
  - c. F1
  
15. Enrique has to complete Lines 4a and 4b.
  - a. True
  - b. False
  
16. Enrique only has to complete Part 1 of Form 8843.
  - a. True
  - b. False
  
17. What is the due date of Enrique's Form 8843 for tax year 2021?
  - a. April 18, 2022
  - b. June 15, 2022
  - c. October 15, 2022
  - d. December 31, 2022

### Introduction

This segment of the VITA/TCE certification test includes 7 general and 14 scenario-based multiple choice questions on taxability of income, ITINs, and credits.

Allow approximately 45 minutes to complete this segment.

18. Margarita, who is a nonresident alien and is in the United States in J-1 immigration status, spent \$4,400 on qualifying tuition and educational expenses. She is entitled to claim an education credit on her tax return.
  - a. True
  - b. False
  
19. Ji-yoo received \$73 of dividend income on U.S. stocks she purchased online. She is an international student from Canada in F-1 immigration status. She arrived in the United States in 2020. Ji-yoo's dividend income will be taxed at 30% on Form 1040-NR, Schedule NEC.
  - a. True
  - b. False
  
20. Marie and Nathan are a married nonresident alien couple from France. Both are in the U.S. in F-1 immigration statuses and arrived in 2021. They paid \$3,700 in childcare expenses, while attending school, for their child who was born in the United States and is a U.S. citizen. They are eligible to claim the child and dependent care credit on their Form 1040-NR.
  - a. True
  - b. False
  
21. Antero is a student in J-1 immigration status from Latvia. He earned \$2,300 in wages in 2021. His wages are reported to him on Form 1042-S (Box 1, Income Code 20). Antero should report these wages on Form 1040-NR, Schedule OI.
  - a. Yes
  - b. No
  
22. Gus is a student here in J-1 immigration status as of October 15, 2021. Under the terms of his visa, he is permitted to work in the U.S. Gus does **not** qualify for a Social Security number and should apply for an ITIN.
  - a. True
  - b. False



23. Elena, in F-1 student immigration status from Romania, is on the basketball team. She arrived in the U.S. on June 18, 2021 on a full athletic scholarship that includes payments for her room and board. The amount of her scholarship for room and board is taxable.
- True
  - False
24. Gunther is a student in the U.S. in F-1 immigration status. He arrived from Germany on July 13, 2019. Gunther worked in the bookstore and earned \$2,500 in wages and had federal income tax withholding of \$215. Gunther needs to file Form 1040-NR and Form 8843 for 2021.
- True
  - False

## Scenario 2: Kim Lee

---

Use the following information to prepare Form 1040-NR.

- Kim Lee, a citizen of South Korea, came to the United States in F-1 immigration status (number 3344123344) on January 01, 2021.
- He has remained in the country since then and is a full-time student at the local university. Kim, born July 25, 2001, is single. He began working at the university on February 10, 2021.
- He filed the proper withholding and treaty forms with the university payroll office before beginning his job. Since filing these forms correctly, he received a Form 1042-S for the treaty benefit for his wages. Kim was not in the U.S. before and therefore, has not filed an U.S. tax return in any prior year.
- Kim also received a scholarship from the university he was attending. He filed the appropriate forms to claim his treaty benefit for the scholarship. Therefore, he received a Form 1042-S.
- Kim's address in South Korea is Bldg. 102 Unit 304, Sajik-ro-3-gil (Street) 23, Jongno, Seoul (South Korea) 30174. If he is entitled to a refund, he wants a direct deposit to his checking account. The routing number is 123456789 and the account number is 98765432100. He doesn't want to designate anyone to discuss his return with the IRS. He did not take any affirmative steps to apply for permanent residence in the U.S. Kim's U.S. income will not be taxed in his home country.
- Using the following information (two Forms 1042-S and a Form W-2), complete Kim's federal income tax return. (Kim would also need to file Form 8843, but assume that he has already completed that on his own.)
- After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.



Form **1042-S**

**Foreign Person's U.S. Source Income Subject to Withholding**

**2021**

OMB No. 1545-0096

Department of the Treasury  
Internal Revenue Service

Go to [www.irs.gov/Form1042S](http://www.irs.gov/Form1042S) for instructions and the latest information.

**Copy B**  
for Recipient

UNIQUE FORM IDENTIFIER  AMENDED  AMENDMENT NO.

|   |                       |  |                              |   |  |   |                              |
|---|-----------------------|--|------------------------------|---|--|---|------------------------------|
| <b>1</b> Income code  | <b>2</b> Gross income | <b>3</b> Chapter indicator. Enter "3" or "4"   |                              | <b>13e</b> Recipient's U.S. TIN, if any   |  | <b>13f</b> Ch. 3 status code  |                              |
| <b>16</b>   | <b>\$6,000.00</b>     | <b>3a</b> Exemption code   | <b>4a</b> Exemption code     | <b>13h</b> Recipient's GIIN   |  | <b>13g</b> Ch. 4 status code  |                              |
| <b>5</b> Withholding allowance  |                       | <b>3b</b> Tax rate   | <b>4b</b> Tax rate           | <b>13i</b> Recipient's foreign tax identification number, if any                |  | <b>13j</b> LOB code   |                              |
| <b>6</b> Net income   |                       | <b>7a</b> Federal tax withheld   |                              | <b>13k</b> Recipient's account number   |  |   |                              |
| <b>7b</b> Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions) <input type="checkbox"/> |                       | <b>7c</b> Check if withholding occurred in subsequent year with respect to a partnership interest <input type="checkbox"/> |                              | <b>13l</b> Recipient's date of birth (YYYYMMDD)                                 |  |   |                              |
| <b>8</b> Tax withheld by other agents   |                       | <b>9</b> Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)                         |                              | <b>14a</b> Primary Withholding Agent's Name (if applicable)                     |  |   |                              |
| <b>10</b> Total withholding credit (combine boxes 7a, 8, and 9)   |                       | <b>11</b> Tax paid by withholding agent (amounts not withheld) (see instructions)  |                              | <b>14b</b> Primary Withholding Agent's EIN                                      |  | <b>15</b> Check if pro-rata basis reporting <input type="checkbox"/>            |                              |
| <b>12a</b> Withholding agent's EIN  |                       | <b>12b</b> Ch. 3 status code   | <b>12c</b> Ch. 4 status code | <b>14c</b> Intermediary or flow-through entity's EIN, if any                    |  | <b>15b</b> Ch. 3 status code  | <b>15c</b> Ch. 4 status code |
| <b>12d</b> Withholding agent's name   |                       | <b>12e</b> Withholding agent's Global Intermediary Identification Number (GIIN)  |                              | <b>14d</b> Intermediary or flow-through entity's name                           |  |   |                              |
| <b>STATE UNIVERSITY</b>   |                       | <b>12f</b> Country code  |                              | <b>14e</b> Intermediary or flow-through entity's GIIN                           |  | <b>15d</b> Country code   |                              |
| <b>12g</b> Foreign tax identification number, if any  |                       | <b>12h</b> Address (number and street)   |                              | <b>14f</b> Country code   |  | <b>15g</b> Foreign tax identification number, if any                            |                              |
| <b>122 MAIN ST</b>  |                       | <b>12i</b> City or town, state or province, country, ZIP or foreign postal code  |                              | <b>14g</b> Address (number and street)  |  |   |                              |
| <b>LINCOLN, IL 62656</b>  |                       | <b>13a</b> Recipient's name  |                              | <b>14h</b> City or town, state or province, country, ZIP or foreign postal code |  | <b>15h</b> City or town, state or province, country, ZIP or foreign postal code |                              |
| <b>13b</b> Recipient's country code   |                       | <b>13c</b> Address (number and street)   |                              | <b>16a</b> Payer's name   |  | <b>16b</b> Payer's TIN  |                              |
| <b>KO</b>   |                       | <b>245 2ND STREET, INTERNATIONAL HALL</b>  |                              | <b>16c</b> Payer's GIIN   |  | <b>16d</b> Ch. 3 status code  |                              |
| <b>13d</b> City or town, state or province, country, ZIP or foreign postal code   |                       | <b>17a</b> State income tax withheld   |                              | <b>16e</b> Ch. 4 status code  |  | <b>16f</b> Ch. 3 status code  |                              |
| <b>LINCOLN, IL 62656</b>  |                       | <b>0.00</b>  |                              | <b>17b</b> Payer's state tax no.  |  | <b>17c</b> Name of state  |                              |
|   |                       |  |                              | <b>XX-XXXXXX</b>  |  | <b>IL</b>   |                              |

(keep for your records)

Form **1042-S** (2021)

Filing Status

Single Married filing separately (MFS) (formerly Married) Qualifying widow(er) (QW)

Check only one box.

If you checked the QW box, enter the child's name if the qualifying person is a child but not your dependent

Your first name and middle initial

Last name

Your identifying number (see instructions)

Home address (number and street or rural route). If you have a P.O. box, see instructions.

Apt. no.

Check if: Individual Estate or Trust

City, town, or post office. If you have a foreign address, also complete spaces below.

State

ZIP code

Foreign country name

Foreign province/state/county

Foreign postal code

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

Dependents

(see instructions):

(1) First name

Last name

(2) Dependent's identifying number

(3) Dependent's relationship to you

(4) if qualifies for (see instr.):

Child tax credit

Credit for other dependents

If more than four dependents, see instructions and check here

Income

Effectively

Connected

With U.S.

Trade or

Business

1a Wages, salaries, tips, etc. Attach Form(s) W-2

1a

b Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement. See instructions

1b

c Total income exempt by a treaty from Schedule OI (Form 1040-NR), Item L, line 1(e)

1c

2a Tax-exempt interest

2a

b Taxable interest

2b

3a Qualified dividends

3a

b Ordinary dividends

3b

4a IRA distributions

4a

b Taxable amount

4b

5a Pensions and annuities

5a

b Taxable amount

5b

6 Reserved for future use

6

7 Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here

7

8 Other income from Schedule 1 (Form 1040), line 9

8

9 Add lines 1a, 1b, 2b, 3b, 4b, 5b, 7, and 8. This is your total effectively connected income

9

10 Adjustments to income:

a From Schedule 1 (Form 1040), line 22

10a

b Charitable contributions for certain residents of India. See instructions

10b

c Scholarship and fellowship grants excluded

10c

d Add lines 10a through 10c. These are your total adjustments to income

10d

11 Subtract line 10d from line 9. This is your adjusted gross income

11

12 Itemized deductions (from Schedule A (Form 1040-NR)) or, for certain residents of India, standard deduction. See instructions

12

13a Qualified business income deduction. Attach Form 8995 or Form 8995-A

13a

b Exemptions for estates and trusts only. See instructions

13b

c Add lines 13a and 13b

13c

14 Add lines 12 and 13c

14

15 Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-

15



**SCHEDULE A  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

**Itemized Deductions**

► Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
► Attach to Form 1040-NR.

**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see instructions for line 7.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7A**

Name shown on Form 1040-NR

Your identifying number

|                                  |           |  |           |           |  |
|----------------------------------|-----------|--|-----------|-----------|--|
| <b>Taxes You Paid</b>            | <b>1a</b> | State and local income taxes . . . . .   | <b>1a</b> |           |  |
|                                  | <b>b</b>  | Enter the smaller of line 1a or \$10,000 (\$5,000 if you checked Married filing separately under <i>Filing Status</i> on page 1 of Form 1040-NR) . . . . .   |           | <b>1b</b> |  |
| <b>Gifts to U.S. Charities</b>   | <b>2</b>  | Gifts by cash or check. If you made any gift of \$250 or more, see instructions . . . . .  | <b>2</b>  |           |  |
|                                  | <b>3</b>  | Other than by cash or check. If you made any gift of \$250 or more, see instructions. Individuals <b>must</b> attach Form 8283 if line 3 is over \$500 . . . . .                                       | <b>3</b>  |           |  |
|                                  | <b>4</b>  | Carryover from prior year . . . . .  | <b>4</b>  |           |  |
|                                  | <b>5</b>  | Add lines 2 through 4 . . . . .  |           | <b>5</b>  |  |
| <b>Casualty and Theft Losses</b> | <b>6</b>  | Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions . . . . . |           | <b>6</b>  |  |
|                                  | <b>7</b>  | Other—from list in instructions. List type and amount ►<br>-----<br>-----<br>-----<br>-----<br>-----<br>-----<br>-----<br>-----<br>-----<br>-----  |           | <b>7</b>  |  |
| <b>Total Itemized Deductions</b> | <b>8</b>  | Add the amounts in the far right column for lines 1b through 7. Also, enter this amount on Form 1040-NR, line 12 . . . . .   |           | <b>8</b>  |  |

For Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR. Cat. No. 72749E Schedule A (Form 1040-NR) 2020

**SCHEDULE NEC  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

**Tax on Income Not Effectively Connected With a U.S. Trade or Business**

▶ Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
▶ Attach to Form 1040-NR.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7B**

Name shown on Form 1040-NR

Your identifying number

Enter **amount of income** under the appropriate rate of tax. See instructions.

| Nature of Income   |            | (a) 10% | (b) 15% | (c) 30% | (d) Other (specify) |   |
|--|------------|---------|---------|---------|---------------------|---|
|  |            |         |         |         | %                   | % |
| <b>1</b> Dividends and dividend equivalents:   |            |         |         |         |                     |   |
| <b>a</b> Dividends paid by U.S. corporations . . . . .   | <b>1a</b>  |         |         |         |                     |   |
| <b>b</b> Dividends paid by foreign corporations . . . . .  | <b>1b</b>  |         |         |         |                     |   |
| <b>c</b> Dividend equivalent payments received with respect to section 871(m) transactions   | <b>1c</b>  |         |         |         |                     |   |
| <b>2</b> Interest:   |            |         |         |         |                     |   |
| <b>a</b> Mortgage . . . . .  | <b>2a</b>  |         |         |         |                     |   |
| <b>b</b> Paid by foreign corporations . . . . .  | <b>2b</b>  |         |         |         |                     |   |
| <b>c</b> Other . . . . .   | <b>2c</b>  |         |         |         |                     |   |
| <b>3</b> Industrial royalties (patents, trademarks, etc.) . . . . .  | <b>3</b>   |         |         |         |                     |   |
| <b>4</b> Motion picture or TV copyright royalties . . . . .  | <b>4</b>   |         |         |         |                     |   |
| <b>5</b> Other royalties (copyrights, recording, publishing, etc.) . . . . .   | <b>5</b>   |         |         |         |                     |   |
| <b>6</b> Real property income and natural resources royalties . . . . .  | <b>6</b>   |         |         |         |                     |   |
| <b>7</b> Pensions and annuities . . . . .  | <b>7</b>   |         |         |         |                     |   |
| <b>8</b> Social security benefits . . . . .  | <b>8</b>   |         |         |         |                     |   |
| <b>9</b> Capital gain from line 18 below . . . . .   | <b>9</b>   |         |         |         |                     |   |
| <b>10</b> Gambling—Residents of Canada only. Enter net income in column (c).<br><b>If zero or less, enter -0-.</b>   |            |         |         |         |                     |   |
| <b>a</b> Winnings _____  |            |         |         |         |                     |   |
| <b>b</b> Losses _____  | <b>10c</b> |         |         |         |                     |   |
| <b>11</b> Gambling winnings—Residents of countries other than Canada.<br><b>Note:</b> Losses not allowed . . . . .   | <b>11</b>  |         |         |         |                     |   |
| <b>12</b> Other (specify) ▶ _____  | <b>12</b>  |         |         |         |                     |   |
| -----  |            |         |         |         |                     |   |
| <b>13</b> Add lines 1a through 12 in columns (a) through (d) . . . . .   | <b>13</b>  |         |         |         |                     |   |
| <b>14</b> <b>Multiply line 13 by rate of tax at top of each column</b> . . . . .   | <b>14</b>  |         |         |         |                     |   |
| <b>15</b> <b>Tax on income not effectively connected with a U.S. trade or business.</b> Add columns (a) through (d) of line 14. Enter the total here and on Form 1040-NR, line 23a ▶ | <b>15</b>  |         |         |         |                     |   |

**Capital Gains and Losses From Sales or Exchanges of Property**

| Enter only the capital gains and losses from property sales or exchanges that are from sources within the United States and not effectively connected with a U.S. business. Do not include a gain or loss on disposing of a U.S. real property interest; report these gains and losses on Schedule D (Form 1040).<br><br>Report property sales or exchanges that are effectively connected with a U.S. business on Schedule D (Form 1040), Form 4797, or both. | <b>16</b> (a) Kind of property and description (if necessary, attach statement of descriptive details not shown below)                       | (b) Date acquired mm/dd/yyyy | (c) Date sold mm/dd/yyyy | (d) Sales price | (e) Cost or other basis | (f) LOSS<br>If (e) is more than (d), subtract (d) from (e). | (g) GAIN<br>If (d) is more than (e), subtract (e) from (d). |
|--|--|------------------------------|--------------------------|-----------------|-------------------------|---|---|
|  |  |                              |                          |                 |                         |   |   |
|  |  |                              |                          |                 |                         |   |   |
|  |  |                              |                          |                 |                         |   |   |
|  |  |                              |                          |                 |                         |   |   |
|  |  |                              |                          |                 |                         |   |   |
|  | <b>17</b> Add columns (f) and (g) of line 16 . . . . .   |                              |                          |                 |                         | <b>17</b> ( )   |   |
|  | <b>18</b> <b>Capital gain.</b> Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above. If a loss, enter -0- . ▶ |                              |                          |                 |                         |   | <b>18</b>   |

**SCHEDULE OI  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

**Other Information**

► Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
► Attach to Form 1040-NR.  
► Answer all questions.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7C**

Name shown on Form 1040-NR

Your identifying number

- A** Of what country or countries were you a citizen or national during the tax year? \_\_\_\_\_
- B** In what country did you claim residence for tax purposes during the tax year? \_\_\_\_\_
- C** Have you ever applied to be a green card holder (lawful permanent resident) of the United States? . . . . .  Yes  No
- D** Were you ever:
  - 1.** A U.S. citizen? . . . . .  Yes  No
  - 2.** A green card holder (lawful permanent resident) of the United States? . . . . .  Yes  No
 If you answer "Yes" to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that apply to you.
- E** If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year. \_\_\_\_\_
- F** Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? . . . . .  Yes  No  
If you answered "Yes," indicate the date and nature of the change ► \_\_\_\_\_
- G** List all dates you entered and left the United States during 2020. See instructions.

**Note:** If you are a resident of Canada or Mexico **AND** commute to work in the United States at frequent intervals, check the box for **Canada** or **Mexico** and skip to item H . . . . .  Canada  Mexico

| Date entered United States<br>mm/dd/yy | Date departed United States<br>mm/dd/yy | Date entered United States<br>mm/dd/yy | Date departed United States<br>mm/dd/yy |
|--|---|--|---|
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |

- H** Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during: 2018 \_\_\_\_\_, 2019 \_\_\_\_\_, and 2020 \_\_\_\_\_.
- I** Did you file a U.S. income tax return for any prior year? . . . . .  Yes  No  
If "Yes," give the latest year and form number you filed ► \_\_\_\_\_
- J** Are you filing a return for a trust? . . . . .  Yes  No  
If "Yes," did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? . . . . .  Yes  No
- K** Did you receive total compensation of \$250,000 or more during the tax year? . . . . .  Yes  No  
If "Yes," did you use an alternative method to determine the source of this compensation? . . . . .  Yes  No
- L** Income Exempt From Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

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

| (a) Country | (b) Tax treaty article | (c) Number of months<br>claimed in prior tax years | (d) Amount of exempt<br>income in current tax year |
|-------------|------------------------|--|--|
|             |                        |  |  |
|             |                        |  |  |
|             |                        |  |  |

**(e) Total.** Enter this amount on Form 1040-NR, line 1c. Do not enter it on line 1a or line 1b . . . . . ► \_\_\_\_\_

- 2.** Were you subject to tax in a foreign country on any of the income shown in 1(d) above? . . . . .  Yes  No
- 3.** Are you claiming treaty benefits pursuant to a Competent Authority determination? . . . . .  Yes  No  
If "Yes," attach a copy of the Competent Authority determination letter to your return.
- M** Check the applicable box if:
  - 1.** This is the first year you are making an election to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions . . . . . ►
  - 2.** You have made an election in a previous year that has not been revoked, to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions . . . . . ►

**For Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR.**

Cat. No. 72756T

Schedule OI (Form 1040-NR) 2020



## Scenario 2: Kim Lee Test Questions

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### Directions


To answer the following multiple choice questions, refer to the Form 1040-NR you completed for Kim Lee.

- 25.** What amount is entered on the line for wages, salaries, tips, etc. on Form 1040-NR?
- a. \$2,000
  - b. \$6,000
  - c. \$8,500
- 26.** What is on the line for Adjusted Gross Income (AGI) on Form 1040-NR?
- a. \$0
  - b. \$2,000
  - c. \$6,000
  - d. \$8,500
- 27.** What is on the line for Itemized Deductions on Form 1040-NR?
- a. \$0
  - b. \$80
  - c. \$7,920
  - d. \$8,000
- 28.** What is the amount on the line for taxable income on Form 1040-NR?
- a. \$0
  - b. \$1,920
  - c. \$5,920
  - d. \$8,420
- 29.** Is \$8,000 the total amount entered into Income Exempt from Treaty in Schedule OI?
- a. Yes
  - b. No

### Scenario 3: Rudra Khatri

Use the following information to prepare Form 1040-NR.

- Rudra Khatri, a citizen of India, came to the United States as a student. He entered in F-1 immigration status (visa number 88779914) on September 1, 2017. He has remained in the country since then and is a full-time student at the local university.
- Rudra was born on July 30, 2000, and is single. He filed the proper treaty and withholding forms with the university payroll office. Rudra has filed a U.S. tax return Form 1040-NR in 2020. His address in India is B block, GK II, New Delhi – South, Delhi NCR, India.
- If he is entitled to a refund, he wants it mailed to him. He doesn't want to designate anyone else to discuss his return with the IRS. Rudra has not taken any steps to apply for permanent residence in the U.S.
- He will not be taxed in his home country on the income he has from the U.S. Using the following Form W-2, prepare Rudra's federal income tax return. (He has already completed his Form 8843.)
- Rudra received \$25 in bank interest from an account he opened with money from his parents, this money is not connected with a U.S. trade or business.
- He owed additional State Income tax when he filed his taxes last year. He mailed a payment of \$85 on April 1, 2020 to his state.
- He donated \$100 to the American Red Cross as a charitable contribution.
- After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.

|   |                            |                            |  |   |  |   |  |
|---|----------------------------|----------------------------|--|---|--|---|--|
| a Employee's social security number<br><b>XXX-XX-XXXX</b>   |                            | OMB No. 1545-0008          |  | Safe, accurate, FAST! Use  |  | Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |  |
| b Employer identification number (EIN)<br><b>XX-XXXXXX</b>  |                            |                            | 1 Wages, tips, other compensation<br><b>\$22,350.00</b>  |   | 2 Federal income tax withheld<br><b>\$2,700.00</b> |   |  |
| c Employer's name, address, and ZIP code<br><br><b>FIRST UNIVERSITY<br/>486 MAIN STREET<br/>TOWN, NY 14200</b>      |                            |                            | 3 Social security wages  |   | 4 Social security tax withheld                     |   |  |
|   |                            |                            | 5 Medicare wages and tips  |   | 6 Medicare tax withheld                            |   |  |
|   |                            |                            | 7 Social security tips   |   | 8 Allocated tips                                   |   |  |
| d Control number  |                            |                            | 9  |   | 10 Dependent care benefits                         |   |  |
| e Employee's first name and initial Last name Suff.<br><br><b>RUDRA KHATRI<br/>22 INDIA BLVD<br/>TOWN, NY 14200</b> |                            |                            | 11 Nonqualified plans  |   | 12a See instructions for box 12                    |   |  |
|   |                            |                            | 13 Statutory employee Retirement plan Third-party sick pay<br><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |   | 12b  |   |  |
|   |                            |                            | 14 Other   |   | 12c  |   |  |
|   |                            |                            |  |   | 12d  |   |  |
| f Employee's address and ZIP code   |                            |                            |  |   |  |   |  |
| 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  |  |
| <b>NY</b>   | <b>XX-XXXXXX</b>           | <b>\$22,350.00</b>         | <b>\$1,050.00</b>  |   |  |   |  |

Form **W-2** Wage and Tax Statement **2021** 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.

**Filing Status**

Single     Married filing separately (MFS) (formerly Married)     Qualifying widow(er) (QW)

Check only one box.

If you checked the QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

Your first name and middle initial

Last name

Your identifying number (see instructions)

Home address (number and street or rural route). If you have a P.O. box, see instructions.

Apt. no.

Check if:  Individual

Estate or Trust

City, town, or post office. If you have a foreign address, also complete spaces below.

State

ZIP code

Foreign country name

Foreign province/state/county

Foreign postal code

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

**Dependents**

(see instructions):

(1) First name      Last name

(2) Dependent's identifying number

(3) Dependent's relationship to you

(4)  if qualifies for (see instr.):

Child tax credit

Credit for other dependents

If more than four dependents, see instructions and check here

**Income**

**1a** Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .

**1a**

**Effectively**

**b** Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement. See instructions . . . . .

**1b**

**Connected**

**c** Total income exempt by a treaty from Schedule OI (Form 1040-NR), Item L, line 1(e) . . . . .

**1c**

**With U.S.**

**Trade or**

**2a** Tax-exempt interest . . . . .

**2a**

**b** Taxable interest . . . . .

**2b**

**Business**

**3a** Qualified dividends . . . . .

**3a**

**b** Ordinary dividends . . . . .

**3b**

**4a** IRA distributions . . . . .

**4a**

**b** Taxable amount . . . . .

**4b**

**5a** Pensions and annuities . . . . .

**5a**

**b** Taxable amount . . . . .

**5b**

**6** Reserved for future use . . . . .

**6**

**7** Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here . . . . .

**7**

**8** Other income from Schedule 1 (Form 1040), line 9 . . . . .

**8**

**9** Add lines 1a, 1b, 2b, 3b, 4b, 5b, 7, and 8. This is your **total effectively connected income** . . . . . ▶

**9**

**10** Adjustments to income:

**a** From Schedule 1 (Form 1040), line 22 . . . . .

**10a**

**b** Charitable contributions for certain residents of India. See instructions . . . . .

**10b**

**c** Scholarship and fellowship grants excluded . . . . .

**10c**

**d** Add lines 10a through 10c. These are your **total adjustments to income** . . . . . ▶

**10d**

**11** Subtract line 10d from line 9. This is your **adjusted gross income** . . . . . ▶

**11**

**12** **Itemized deductions** (from Schedule A (Form 1040-NR)) or, for certain residents of India, standard deduction. See instructions . . . . .

**12**

**13a** Qualified business income deduction. Attach Form 8995 or Form 8995-A . . . . .

**13a**

**b** Exemptions for estates and trusts only. See instructions . . . . .

**13b**

**c** Add lines 13a and 13b . . . . .

**13c**

**14** Add lines 12 and 13c . . . . .

**14**

**15** **Taxable income.** Subtract line 14 from line 11. If zero or less, enter -0- . . . . .

**15**

|  |  |   |   |  |
|--|--|---|---|--|
| <b>16</b>  | Tax (see instructions). Check if any from Form(s): <b>1</b> <input type="checkbox"/> 8814 <b>2</b> <input type="checkbox"/> 4972 <b>3</b> <input type="checkbox"/>   |   | <b>16</b>   |  |
| <b>17</b>  | Amount from Schedule 2 (Form 1040), line 3   |   | <b>17</b>   |  |
| <b>18</b>  | Add lines 16 and 17  |   | <b>18</b>   |  |
| <b>19</b>  | Child tax credit or credit for other dependents  |   | <b>19</b>   |  |
| <b>20</b>  | Amount from Schedule 3 (Form 1040), line 7   |   | <b>20</b>   |  |
| <b>21</b>  | Add lines 19 and 20  |   | <b>21</b>   |  |
| <b>22</b>  | Subtract line 21 from line 18. If zero or less, enter -0-  |   | <b>22</b>   |  |
| <b>23a</b>   | Tax on income not effectively connected with a U.S. trade or business from Schedule NEC (Form 1040-NR), line 15  | <b>23a</b>                                |   |  |
| <b>b</b>   | Other taxes, including self-employment tax, from Schedule 2 (Form 1040), line 10   | <b>23b</b>                                |   |  |
| <b>c</b>   | Transportation tax (see instructions)  | <b>23c</b>                                |   |  |
| <b>d</b>   | Add lines 23a through 23c  |   | <b>23d</b>  |  |
| <b>24</b>  | Add lines 22 and 23d. This is your <b>total tax</b>  |   | <b>24</b>   |  |
| <b>25</b>  | Federal income tax withheld from:  |   |   |  |
| <b>a</b>   | Form(s) W-2  | <b>25a</b>                                |   |  |
| <b>b</b>   | Form(s) 1099   | <b>25b</b>                                |   |  |
| <b>c</b>   | Other forms (see instructions)   | <b>25c</b>                                |   |  |
| <b>d</b>   | Add lines 25a through 25c  |   | <b>25d</b>  |  |
| <b>e</b>   | Form(s) 8805   |   | <b>25e</b>  |  |
| <b>f</b>   | Form(s) 8288-A   |   | <b>25f</b>  |  |
| <b>g</b>   | Form(s) 1042-S   |   | <b>25g</b>  |  |
| <b>26</b>  | 2020 estimated tax payments and amount applied from 2019 return  |   | <b>26</b>   |  |
| <b>27</b>  | Reserved for future use  | <b>27</b>                                 |   |  |
| <b>28</b>  | Additional child tax credit. Attach Schedule 8812 (Form 1040)  | <b>28</b>                                 |   |  |
| <b>29</b>  | Credit for amount paid with Form 1040-C  | <b>29</b>                                 |   |  |
| <b>30</b>  | Reserved for future use  | <b>30</b>                                 |   |  |
| <b>31</b>  | Amount from Schedule 3 (Form 1040), line 13  | <b>31</b>                                 |   |  |
| <b>32</b>  | Add lines 28 through 31. These are your <b>total other payments and refundable credits</b>   |   | <b>32</b>   |  |
| <b>33</b>  | Add lines 25d, 25e, 25f, 25g, 26, and 32. These are your <b>total payments</b>   |   | <b>33</b>   |  |
| <b>Refund</b>  | <b>34</b> If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>   |   | <b>34</b>   |  |
|  | <b>35a</b> Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>   |   | <b>35a</b>  |  |
| Direct deposit?<br>See instructions.                                     | <b>b</b> Routing number <input type="text"/> <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings   |   |   |  |
|  | <b>d</b> Account number <input type="text"/>   |   |   |  |
|  | <b>e</b> If you want your refund check mailed to an address outside the United States not shown on page 1, enter it here.  |   |   |  |
|  | <b>36</b> Amount of line 34 you want <b>applied to your 2021 estimated tax</b>   | <b>36</b>                                 |   |  |
| <b>Amount You Owe</b>  | <b>37</b> <b>Amount you owe</b> . Subtract line 33 from line 24. For details on how to pay, see instructions   |   | <b>37</b>   |  |
|  | <b>38</b> Estimated tax penalty (see instructions)   | <b>38</b>                                 |   |  |
| <b>Third Party Designee</b><br><small>(Other than paid preparer)</small> | Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>   |   |   |  |
|  | Designee's name <input type="text"/>   | Phone no. <input type="text"/>            | Personal identification number (PIN) <input type="text"/> |  |
| <b>Sign Here</b>   | 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 <input type="text"/>  | Date <input type="text"/>                 | Your occupation <input type="text"/>                      | If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/> |
|  | Phone no. <input type="text"/>   | Email address <input type="text"/>        |   |  |
| <b>Paid Preparer Use Only</b>  | Preparer's name <input type="text"/>   | Preparer's signature <input type="text"/> | Date <input type="text"/>                                 | PTIN <input type="text"/>  |
|  |  |   |   | Check if: <input type="checkbox"/> Self-employed   |
|  | Firm's name <input type="text"/>   |   | Phone no. <input type="text"/>                            |  |
|  | Firm's address <input type="text"/>  |   | Firm's EIN <input type="text"/>                           |  |

Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.

**SCHEDULE A  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

**Itemized Deductions**

► Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
► Attach to Form 1040-NR.

**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see instructions for line 7.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7A**

Name shown on Form 1040-NR

Your identifying number

|                                  |   |           |           |
|----------------------------------|---|-----------|-----------|
| <b>Taxes You Paid</b>            | <b>1a</b> State and local income taxes . . . . .  | <b>1a</b> |           |
|                                  | <b>b</b> Enter the smaller of line 1a or \$10,000 (\$5,000 if you checked Married filing separately under <i>Filing Status</i> on page 1 of Form 1040-NR) . . . . .   |           | <b>1b</b> |
| <b>Gifts to U.S. Charities</b>   | <b>2</b> Gifts by cash or check. If you made any gift of \$250 or more, see instructions . . . . .  | <b>2</b>  |           |
|                                  | <b>3</b> Other than by cash or check. If you made any gift of \$250 or more, see instructions. Individuals <b>must</b> attach Form 8283 if line 3 is over \$500 . . . . .                                       | <b>3</b>  |           |
|                                  | <b>4</b> Carryover from prior year . . . . .  | <b>4</b>  |           |
|                                  | <b>5</b> Add lines 2 through 4 . . . . .  |           | <b>5</b>  |
|                                  | <b>6</b> Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions . . . . . |           | <b>6</b>  |
| <b>Other Itemized Deductions</b> | <b>7</b> Other—from list in instructions. List type and amount ►  |           |           |
|                                  | -----   |           |           |
|                                  | -----   |           |           |
|                                  | -----   |           |           |
|                                  | -----   |           |           |
|                                  | -----   |           |           |
|                                  | -----   |           | <b>7</b>  |
| <b>Total Itemized Deductions</b> | <b>8</b> Add the amounts in the far right column for lines 1b through 7. Also, enter this amount on Form 1040-NR, line 12 . . . . .   |           | <b>8</b>  |

For Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR. Cat. No. 72749E Schedule A (Form 1040-NR) 2020

**SCHEDULE NEC  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

Name shown on Form 1040-NR

**Tax on Income Not Effectively Connected With a U.S. Trade or Business**

▶ Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
▶ Attach to Form 1040-NR.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7B**

Your identifying number

Enter **amount of income** under the appropriate rate of tax. See instructions.

| Nature of Income  |            | (a) 10% | (b) 15% | (c) 30% | (d) Other (specify) |   |
|---|------------|---------|---------|---------|---------------------|---|
|   |            |         |         |         | %                   | % |
| <b>1</b> Dividends and dividend equivalents:  |            |         |         |         |                     |   |
| <b>a</b> Dividends paid by U.S. corporations . . . . .  | <b>1a</b>  |         |         |         |                     |   |
| <b>b</b> Dividends paid by foreign corporations . . . . .   | <b>1b</b>  |         |         |         |                     |   |
| <b>c</b> Dividend equivalent payments received with respect to section 871(m) transactions  | <b>1c</b>  |         |         |         |                     |   |
| <b>2</b> Interest:  |            |         |         |         |                     |   |
| <b>a</b> Mortgage . . . . .   | <b>2a</b>  |         |         |         |                     |   |
| <b>b</b> Paid by foreign corporations . . . . .   | <b>2b</b>  |         |         |         |                     |   |
| <b>c</b> Other . . . . .  | <b>2c</b>  |         |         |         |                     |   |
| <b>3</b> Industrial royalties (patents, trademarks, etc.) . . . . .   | <b>3</b>   |         |         |         |                     |   |
| <b>4</b> Motion picture or TV copyright royalties . . . . .   | <b>4</b>   |         |         |         |                     |   |
| <b>5</b> Other royalties (copyrights, recording, publishing, etc.) . . . . .  | <b>5</b>   |         |         |         |                     |   |
| <b>6</b> Real property income and natural resources royalties . . . . .   | <b>6</b>   |         |         |         |                     |   |
| <b>7</b> Pensions and annuities . . . . .   | <b>7</b>   |         |         |         |                     |   |
| <b>8</b> Social security benefits . . . . .   | <b>8</b>   |         |         |         |                     |   |
| <b>9</b> Capital gain from line 18 below . . . . .  | <b>9</b>   |         |         |         |                     |   |
| <b>10</b> Gambling—Residents of Canada only. Enter net income in column (c).<br>If zero or less, enter -0-.   |            |         |         |         |                     |   |
| <b>a</b> Winnings _____   |            |         |         |         |                     |   |
| <b>b</b> Losses _____   | <b>10c</b> |         |         |         |                     |   |
| <b>11</b> Gambling winnings—Residents of countries other than Canada.<br>Note: Losses not allowed . . . . .   | <b>11</b>  |         |         |         |                     |   |
| <b>12</b> Other (specify) ▶ _____   | <b>12</b>  |         |         |         |                     |   |
| <b>13</b> Add lines 1a through 12 in columns (a) through (d) . . . . .  | <b>13</b>  |         |         |         |                     |   |
| <b>14</b> Multiply line 13 by rate of tax at top of each column . . . . .   | <b>14</b>  |         |         |         |                     |   |
| <b>15</b> Tax on income not effectively connected with a U.S. trade or business. Add columns (a) through (d) of line 14. Enter the total here and on Form 1040-NR, line 23a ▶ | <b>15</b>  |         |         |         |                     |   |

**Capital Gains and Losses From Sales or Exchanges of Property**

| 16 (a) Kind of property and description<br>(if necessary, attach statement of<br>descriptive details not shown below)                 | (b) Date acquired<br>mm/dd/yyyy | (c) Date sold<br>mm/dd/yyyy | (d) Sales price | (e) Cost or<br>other basis | (f) LOSS   |  | (g) GAIN  |  |
|---|---------------------------------|-----------------------------|-----------------|----------------------------|--|--|-----------|--|
|   |                                 |                             |                 |                            | If (e) is more than (d),<br>subtract (d) from (e). | If (d) is more than (e),<br>subtract (e) from (d). |           |  |
|   |                                 |                             |                 |                            |  |  |           |  |
|   |                                 |                             |                 |                            |  |  |           |  |
|   |                                 |                             |                 |                            |  |  |           |  |
|   |                                 |                             |                 |                            |  |  |           |  |
| <b>17</b> Add columns (f) and (g) of line 16 . . . . .  |                                 |                             |                 |                            | <b>17</b>  | ( )  |           |  |
| <b>18</b> Capital gain. Combine columns (f) and (g) of line 17. Enter the net gain here and on line 9 above. If a loss, enter -0- . ▶ |                                 |                             |                 |                            |  |  | <b>18</b> |  |

For Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR.

Cat. No. 72752B

Schedule NEC (Form 1040-NR) 2020

**SCHEDULE OI  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

**Other Information**

► Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
► Attach to Form 1040-NR.  
► Answer all questions.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7C**

Name shown on Form 1040-NR

Your identifying number

- A** Of what country or countries were you a citizen or national during the tax year? .....
- B** In what country did you claim residence for tax purposes during the tax year? .....
- C** Have you ever applied to be a green card holder (lawful permanent resident) of the United States? . . . . .  **Yes**  **No**
- D** Were you ever:
  - 1.** A U.S. citizen? . . . . .  **Yes**  **No**
  - 2.** A green card holder (lawful permanent resident) of the United States? . . . . .  **Yes**  **No**
 If you answer "Yes" to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that apply to you.
- E** If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year. ....
- F** Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? . . . . .  **Yes**  **No**  
If you answered "Yes," indicate the date and nature of the change ► .....
- G** List all dates you entered and left the United States during 2020. See instructions.

**Note:** If you are a resident of Canada or Mexico **AND** commute to work in the United States at frequent intervals, check the box for **Canada** or **Mexico** and skip to item H . . . . .  **Canada**  **Mexico**

| Date entered United States<br>mm/dd/yy | Date departed United States<br>mm/dd/yy | Date entered United States<br>mm/dd/yy | Date departed United States<br>mm/dd/yy |
|--|---|--|---|
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |

- H** Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during: 2018 \_\_\_\_\_, 2019 \_\_\_\_\_, and 2020 \_\_\_\_\_.
- I** Did you file a U.S. income tax return for any prior year? . . . . .  **Yes**  **No**  
If "Yes," give the latest year and form number you filed ► .....
- J** Are you filing a return for a trust? . . . . .  **Yes**  **No**  
If "Yes," did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? . . . . .  **Yes**  **No**
- K** Did you receive total compensation of \$250,000 or more during the tax year? . . . . .  **Yes**  **No**  
If "Yes," did you use an alternative method to determine the source of this compensation? . . . . .  **Yes**  **No**
- L** Income Exempt From Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.
  - 1.** Enter the name of the country, the applicable tax treaty article, the number of months in prior years you claimed the treaty benefit, and the amount of exempt income in the columns below. Attach Form 8833 if required. See instructions.

| (a) Country | (b) Tax treaty article | (c) Number of months<br>claimed in prior tax years | (d) Amount of exempt<br>income in current tax year |
|-------------|------------------------|--|--|
|             |                        |  |  |
|             |                        |  |  |
|             |                        |  |  |

**(e) Total.** Enter this amount on Form 1040-NR, line 1c. Do not enter it on line 1a or line 1b . . . . . ►

- 2.** Were you subject to tax in a foreign country on any of the income shown in 1(d) above? . . . . .  **Yes**  **No**
- 3.** Are you claiming treaty benefits pursuant to a Competent Authority determination? . . . . .  **Yes**  **No**  
If "Yes," attach a copy of the Competent Authority determination letter to your return.
- M** Check the applicable box if:
  - 1.** This is the first year you are making an election to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions . . . . . ►
  - 2.** You have made an election in a previous year that has not been revoked, to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions . . . . . ►

**For Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR.**

Cat. No. 72756T

Schedule OI (Form 1040-NR) 2020

## Scenario 3: Rudra Khatri Test Questions

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### Directions

To answer the following questions, refer to the Form 1040-NR you completed for Rudra Khatri.


- 30.** What amount is entered for wages, salaries, tips, etc. on Form 1040-NR?
- a. \$25,200
  - b. \$22,375
  - c. \$22,350
  - d. \$17,350
- 31.** What amount is entered on the itemized deductions line on Form 1040-NR?
- a. \$13,785
  - b. \$13,600
  - c. \$12,550
  - d. \$1,235
- 32.** What is the amount of federal income tax withheld on Form 1040-NR?
- a. \$3,985
  - b. \$3,900
  - c. \$2,700
  - d. \$1,050
- 33.** What amount is on the taxable income line of the Form 1040-NR?
- a. \$21,300
  - b. \$21,140
  - c. \$9,825
  - d. \$9,700



## Scenario 4: Gergana Alferov

Use the following information to prepare 2021 Form 1040-NR.

- Gergana Alferov is a resident of Bulgaria (visa number 38755219). She arrived in the United States in F-1 immigration status on September 1, 2020 as a full-time student. Gergana is 25 years old and single. Her address in Bulgaria is Vna 74117 Varna, Grand Mol Varna, 9021 Bulgaria.
- Gergana has not taken any affirmative steps to apply for permanent residence in the United States. Gergana did not file a Form 1040-NR in 2020 as she did not work that year. She started a new job with the university bookstore on January 20, 2021.
- If she is entitled to a refund, she wants a direct deposit to her checking account. The routing number is 789654321 and the account number is 011233456789. She will not be taxed by the Bulgarian government on the income she has earned in the United States. Assume Gergana has already completed her Form 8843, and prepare her federal income tax return with the following Form W-2. College Town University reports all student income on Form W-2. Miss Alferov failed to respond to the university in time for them to properly issue Form 1042-S for her treaty-exempt income. However, she is still entitled to take her treaty benefit on her tax return instead.
- After completing the required tax form, review the scenario and resource materials, and answer each of the test questions.

|   |  |                                       |   |   |  |  |  |
|---|--|---------------------------------------|---|---|--|--|--|
| a Employee's social security number<br><b>XXX-XX-XXXX</b>   |  | OMB No. 1545-0008                     |   | Safe, accurate,<br>FAST! Use  |  | Visit the IRS website at<br><a href="http://www.irs.gov/efile">www.irs.gov/efile</a> |  |
| b Employer identification number (EIN)<br><b>XX-XXXXXX</b>  |  |                                       | 1 Wages, tips, other compensation<br><b>\$15,220.00</b> |   | 2 Federal income tax withheld<br><b>\$622.00</b> |  |  |
| c Employer's name, address, and ZIP code<br><br><b>COLLEGE TOWN UNIVERSITY<br/>23 SOUTHWEST STREET<br/>COLLEGE TOWN, VA 23000</b> |  |                                       | 3 Social security wages                                 |   | 4 Social security tax withheld                   |  |  |
|   |  |                                       | 5 Medicare wages and tips                               |   | 6 Medicare tax withheld                          |  |  |
|   |  |                                       | 7 Social security tips                                  |   | 8 Allocated tips                                 |  |  |
| d Control number  |  |                                       | 9   |   | 10 Dependent care benefits                       |  |  |
| e Employee's first name and initial<br><b>GERGANA ALFEROV</b>   |  | Last name<br><b>2375 LINWOOD BLVD</b> |   | Suff.<br><b>COLLEGE TOWN, VA 23000</b>  |  | 11 Nonqualified plans  |  |
| f Employee's address and ZIP code   |  | 12a See instructions for box 12       |   | 12b   |  | 12c  |  |
|   |  | 12d                                   |   | 13 Statutory employee <input type="checkbox"/>  |  | Retirement plan <input type="checkbox"/>   |  |
|   |  | 14 Other                              |   | Third-party sick pay <input type="checkbox"/>   |  | 14   |  |
|   |  | 15 State                              |   | 16 State wages, tips, etc.  |  | 17 State income tax  |  |
| VA   <b>XX-XXXXXX</b>   |  | <b>\$15,220.00</b>                    |   | <b>\$220.00</b>   |  | 19 Local income tax  |  |
|   |  |                                       |   |   |  | 20 Locality name   |  |

Form **W-2** Wage and Tax Statement **2021** 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.

**Filing Status**  
 Single     Married filing separately (MFS) (formerly Married)     Qualifying widow(er) (QW)  
 Check only one box. If you checked the QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

Your first name and middle initial \_\_\_\_\_ Last name \_\_\_\_\_ Your identifying number (see instructions) \_\_\_\_\_

Home address (number and street or rural route). If you have a P.O. box, see instructions. \_\_\_\_\_ Apt. no. \_\_\_\_\_ Check if:  Individual  Estate or Trust

City, town, or post office. If you have a foreign address, also complete spaces below. State \_\_\_\_\_ ZIP code \_\_\_\_\_

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

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

| Dependents (see instructions):   | (1) First name | Last name | (2) Dependent's identifying number | (3) Dependent's relationship to you | (4) <input checked="" type="checkbox"/> if qualifies for (see instr.): |                             |
|--|----------------|-----------|------------------------------------|-------------------------------------|--|-----------------------------|
|  |                |           |                                    |                                     | Child tax credit   | Credit for other dependents |
|  |                |           |                                    |                                     | <input type="checkbox"/>   | <input type="checkbox"/>    |
| If more than four dependents, see instructions and check here <input type="checkbox"/> |                |           |                                    |                                     | <input type="checkbox"/>   | <input type="checkbox"/>    |
|  |                |           |                                    |                                     | <input type="checkbox"/>   | <input type="checkbox"/>    |
|  |                |           |                                    |                                     | <input type="checkbox"/>   | <input type="checkbox"/>    |

|  |  |            |                                       |           |
|--|--|------------|---------------------------------------|-----------|
| <b>Income Effectively Connected With U.S. Trade or Business</b>  | <b>1a</b> Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .   | <b>1a</b>  |                                       |           |
|  | <b>b</b> Scholarship and fellowship grants. Attach Form(s) 1042-S or required statement. See instructions . . . . .                        | <b>1b</b>  |                                       |           |
|  | <b>c</b> Total income exempt by a treaty from Schedule OI (Form 1040-NR), Item L, line 1(e) . . . . .                                      | <b>1c</b>  |                                       |           |
|  | <b>2a</b> Tax-exempt interest . . . . .  | <b>2a</b>  | <b>2b</b> Taxable interest . . . . .  | <b>2b</b> |
|  | <b>3a</b> Qualified dividends . . . . .  | <b>3a</b>  | <b>b</b> Ordinary dividends . . . . . | <b>3b</b> |
|  | <b>4a</b> IRA distributions . . . . .  | <b>4a</b>  | <b>b</b> Taxable amount . . . . .     | <b>4b</b> |
|  | <b>5a</b> Pensions and annuities . . . . .   | <b>5a</b>  | <b>b</b> Taxable amount . . . . .     | <b>5b</b> |
|  | <b>6</b> Reserved for future use . . . . .   |            |                                       | <b>6</b>  |
|  | <b>7</b> Capital gain or (loss). Attach Schedule D (Form 1040) if required. If not required, check here . . . . . <input type="checkbox"/> |            |                                       | <b>7</b>  |
|  | <b>8</b> Other income from Schedule 1 (Form 1040), line 9 . . . . .  |            |                                       | <b>8</b>  |
|  | <b>9</b> Add lines 1a, 1b, 2b, 3b, 4b, 5b, 7, and 8. This is your <b>total effectively connected income</b> . . . . . ▶                    |            |                                       | <b>9</b>  |
|  | <b>10</b> Adjustments to income:   |            |                                       |           |
|  | <b>a</b> From Schedule 1 (Form 1040), line 22 . . . . .  | <b>10a</b> |                                       |           |
|  | <b>b</b> Charitable contributions for certain residents of India. See instructions . . . . .   | <b>10b</b> |                                       |           |
|  | <b>c</b> Scholarship and fellowship grants excluded . . . . .  | <b>10c</b> |                                       |           |
| <b>d</b> Add lines 10a through 10c. These are your <b>total adjustments to income</b> . . . . . ▶  |  |            | <b>10d</b>                            |           |
| <b>11</b> Subtract line 10d from line 9. This is your <b>adjusted gross income</b> . . . . . ▶   |  |            | <b>11</b>                             |           |
| <b>12</b> <b>Itemized deductions</b> (from Schedule A (Form 1040-NR)) or, for certain residents of India, standard deduction. See instructions . . . . . |  |            | <b>12</b>                             |           |
| <b>13a</b> Qualified business income deduction. Attach Form 8995 or Form 8995-A . . . . .  | <b>13a</b>   |            |                                       |           |
| <b>b</b> Exemptions for estates and trusts only. See instructions . . . . .  | <b>13b</b>   |            |                                       |           |
| <b>c</b> Add lines 13a and 13b . . . . .   |  |            | <b>13c</b>                            |           |
| <b>14</b> Add lines 12 and 13c . . . . .   |  |            | <b>14</b>                             |           |
| <b>15</b> <b>Taxable income.</b> Subtract line 14 from line 11. If zero or less, enter -0- . . . . .   |  |            | <b>15</b>                             |           |







**SCHEDULE OI  
(Form 1040-NR)**

Department of the Treasury  
Internal Revenue Service (99)

**Other Information**

▶ Go to [www.irs.gov/Form1040NR](http://www.irs.gov/Form1040NR) for instructions and the latest information.  
▶ Attach to Form 1040-NR.  
▶ Answer all questions.

OMB No. 1545-0074

**2020**  
Attachment  
Sequence No. **7C**

Name shown on Form 1040-NR

Your identifying number

- A** Of what country or countries were you a citizen or national during the tax year? \_\_\_\_\_
- B** In what country did you claim residence for tax purposes during the tax year? \_\_\_\_\_
- C** Have you ever applied to be a green card holder (lawful permanent resident) of the United States? . . . . .  Yes  No
- D** Were you ever:
  - 1.** A U.S. citizen? . . . . .  Yes  No
  - 2.** A green card holder (lawful permanent resident) of the United States? . . . . .  Yes  No
 If you answer "Yes" to (1) or (2), see Pub. 519, chapter 4, for expatriation rules that apply to you.
- E** If you had a visa on the last day of the tax year, enter your visa type. If you did not have a visa, enter your U.S. immigration status on the last day of the tax year. \_\_\_\_\_
- F** Have you ever changed your visa type (nonimmigrant status) or U.S. immigration status? . . . . .  Yes  No  
If you answered "Yes," indicate the date and nature of the change ▶ \_\_\_\_\_
- G** List all dates you entered and left the United States during 2020. See instructions.

**Note:** If you are a resident of Canada or Mexico **AND** commute to work in the United States at frequent intervals, check the box for **Canada** or **Mexico** and skip to item H . . . . .  Canada  Mexico

| Date entered United States<br>mm/dd/yy | Date departed United States<br>mm/dd/yy | Date entered United States<br>mm/dd/yy | Date departed United States<br>mm/dd/yy |
|--|---|--|---|
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |

- H** Give number of days (including vacation, nonworkdays, and partial days) you were present in the United States during: 2018 \_\_\_\_\_, 2019 \_\_\_\_\_, and 2020 \_\_\_\_\_.
- I** Did you file a U.S. income tax return for any prior year? . . . . .  Yes  No  
If "Yes," give the latest year and form number you filed ▶ \_\_\_\_\_
- J** Are you filing a return for a trust? . . . . .  Yes  No  
If "Yes," did the trust have a U.S. or foreign owner under the grantor trust rules, make a distribution or loan to a U.S. person, or receive a contribution from a U.S. person? . . . . .  Yes  No
- K** Did you receive total compensation of \$250,000 or more during the tax year? . . . . .  Yes  No  
If "Yes," did you use an alternative method to determine the source of this compensation? . . . . .  Yes  No
- L** Income Exempt From Tax—If you are claiming exemption from income tax under a U.S. income tax treaty with a foreign country, complete (1) through (3) below. See Pub. 901 for more information on tax treaties.

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

| (a) Country | (b) Tax treaty article | (c) Number of months<br>claimed in prior tax years | (d) Amount of exempt<br>income in current tax year |
|-------------|------------------------|--|--|
|             |                        |  |  |
|             |                        |  |  |
|             |                        |  |  |

**(e) Total.** Enter this amount on Form 1040-NR, line 1c. Do not enter it on line 1a or line 1b . . . . . ▶ \_\_\_\_\_

- 2.** Were you subject to tax in a foreign country on any of the income shown in 1(d) above? . . . . .  Yes  No
- 3.** Are you claiming treaty benefits pursuant to a Competent Authority determination? . . . . .  Yes  No  
If "Yes," attach a copy of the Competent Authority determination letter to your return.
- M** Check the applicable box if:
  - 1.** This is the first year you are making an election to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions . . . . . ▶
  - 2.** You have made an election in a previous year that has not been revoked, to treat income from real property located in the United States as effectively connected with a U.S. trade or business under section 871(d). See instructions . . . . . ▶

**For Paperwork Reduction Act Notice, see the Instructions for Form 1040-NR.**

Cat. No. 72756T

Schedule OI (Form 1040-NR) 2020

## Scenario 4: Gergana Alferov Test Questions

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### Directions

To answer the following multiple choice questions, refer to the Form 1040-NR you completed for Gergana Alferov.

34. What amount is Gergana allowed as a treaty benefit?
- a. \$15,220
  - b. \$9,000
  - c. \$0
35. What is the amount entered on Form 1040-NR on the line for wages, salaries, tips, etc.?
- a. \$0
  - b. \$6,220
  - c. \$9,000
  - d. \$15,220
36. Where on the tax return will Gergana enter her treaty benefits information?
- a. Schedule OI, Line L then carried to Form 1040-NR, Line 1c
  - b. Form 1040-NR, Schedule A, Line 7
  - c. Treaty benefits are **only** subtracted from wages, salaries, tips, etc. and listed on Form 1040-NR, Line 1c.
  - d. No treaty amounts are allowed without Form 1042-S.
37. What is the amount of itemized deductions that Gergana is entitled to take? And what is her taxable income?
- a. \$622 and \$10,244
  - b. \$622 and \$14,598
  - c. \$220 and \$6,000
  - d. \$220 and \$15,000

## Refunds, Deductions, and the Best Form to Use

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### Introduction

This part of the VITA/TCE certification test includes 13 true/false or multiple choice questions.

Allow approximately 20 minutes to complete this segment.

- 38.** Emily, an international student from Ireland, has a Form W-2 that shows amounts withheld for Social Security and Medicare taxes. Emily is an F-1 student who arrived in 2018. What form should Emily use to claim a refund of her Social Security and Medicare taxes withheld?
- a. Form 1040-NR
  - b. Form 8843
  - c. Form 843
- 39.** Jose and Maria are from Mexico. Jose is a scholar at a local university in J-1 immigration status and Maria is in J-2 immigration status. Maria worked at a local boutique in 2021. Her Form W-2 shows Social Security and Medicare withholding. Maria found out her spouse does **not** have to pay Social Security or Medicare taxes. Maria is **not** eligible for a refund of her Social Security and Medicare taxes withheld.
- a. True
  - b. False
- 40.** Li, an international student from People's Republic of China, received \$10,100 of interest income in 2021 from a personal bank account in the U.S. he opened when he first arrived on August 27, 2016. He also had a \$100 capital gain from some U.S. stock he sold. What form and schedules does Li need to complete?
- a. He does **not** need to file a return
  - b. Form 1040-NR, Schedule OI, and Schedule D
  - c. Form 1040-NR, Schedule D, and Schedule NEC
  - d. Form 1040-NR, Schedule OI, and Schedule NEC
- 41.** Arthur entered the United States for the first time in 2019. He is a resident of France, and in F-1 immigration status. Arthur won \$1,200 at the local casino.
- Does Arthur need to file Form 1040-NR to report the \$1,200?
- a. Yes
  - b. No



42. George is a visiting scholar from Ireland. He arrived in the U.S. on September 1, 2020 in a J-1 immigration status and was accompanied by his wife Freya and his son Noah. Since his arrival, his second child, Charlie, was born in the U.S. George earned \$85,000 in 2021 from State University. When he files his federal tax return, he **cannot** claim his wife and children as dependents.
- a. True
  - b. False
43. Quang, a graduate student of physics from Vietnam, is in F-1 immigration status. He first arrived in the U.S. on April 1, 2018. Quang needs help preparing his tax return. He made donations to a U.S. charity and wants to know where to claim them. Quang can claim his charitable contributions as an itemized deduction on Form 1040-NR.
- a. True
  - b. False
44. Adi is in F-1 immigration status from Chile. He entered the United States in August 2018 and enrolled as a full time undergraduate student. Adi is pursuing his first degree in mathematics.
- Does Adi qualify to claim any education credit on his Form 1040-NR?
- a. Yes
  - b. No
45. Margarita is a single, nonresident alien who began studying in the U.S. in 2019 in F-1 immigration status from Ecuador. She has wages of \$9,300, interest income from her savings account of \$175, \$50 of dividends, and sold \$4,500 of U.S. stocks for a \$250 capital gain. She donated \$50 of the proceeds to a local charity. Could Margarita have her return completed at a Foreign Student and Scholar VITA site that has properly certified volunteers?
- a. Yes
  - b. No
46. Some students and scholars may owe money with their tax return. Nonresidents have which of the following payment options?
- a. Ask for an extension of time to pay or an installment agreement.
  - b. Pay the entire balance by the due date for the return.
  - c. Put the balance on a credit card.
  - d. All of the above.

47. Viktor, who is from Russia, earned wages of \$12,335 in 2020. He had \$280 withheld for state income taxes. He listed the state taxes as a deduction on his federal tax return in 2020, and it lowered his taxable income for 2020. Viktor received a state refund of \$200 in 2021 from the 2020 tax return. Viktor does **not** need to include this state tax refund on his 2021 federal return.
- True
  - False
48. Letizia came to the U.S. in 2018 for postgraduate study. She took out a student loan through the school's financial aid office to help pay the tuition. Sofia graduated in December 2020, but remained in the U.S. for one year of practical training. She began repaying the loan on August 1, 2021 and paid \$65 in interest during 2021. Letizia can claim this interest as an adjustment to income.
- True
  - False
49. Luis, a student from Malta, had \$7,500 in wages reported to him on Form W-2. Because all of his wages are excluded from tax by treaty, he is **not** required to file a tax return.
- True
  - False
50. Shakir is a resident of Egypt attending college in the U.S. He arrived on J-1 immigration status in May of 2019. He had \$6,500 in wages and \$45 in dividend income. What form/schedule(s) must Shakir complete?
- Just Form 1040-NR
  - Form 1040-NR, Schedule OI
  - Form 1040-NR, Schedule NEC
  - Form 1040-NR, Schedules NEC and OI



## 2021 VITA/TCE Foreign Student Retest for Volunteers

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### Directions

Welcome to the Link & Learn Taxes Foreign Student Retest. The retest requires you to prepare four tax returns using Form 1040-NR and/or Form 8843 and then answer 50 online questions. You must successfully complete the retest at an overall 80% proficiency to earn VITA/TCE certification.

Please complete this retest on your own for an accurate assessment of your skills and knowledge. You may use any reference materials available to you as a volunteer to complete this retest.

Volunteers who use tax preparation software to complete the retest need to make sure they are using the final 2021 version.

## Residency Status, Form 8843, and Filing Status

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### Directions

This section of the VITA/TCE certification Foreign Student test covers determining residency status, the use of Form 8843, and filing status. It consists of 13 Resident/Nonresident questions and 4 scenario-based multiple-choice questions. Read the interview notes for each scenario from the original test.

Allow approximately 20 minutes to complete this segment.

1. Ken entered the U.S. on July 30, 2018 in F-1 immigration status. He had never been to the United States before and he did **not** change immigration status during 2021. For 2021 federal income tax purposes, Ken is a \_\_\_\_\_.
  - a. Resident alien
  - b. Nonresident alien
  
2. Helen is a visiting professor at the local university. Helen was a graduate student from June 2017 to May 2019 in F-1 immigration status. She re-entered the United States as a teacher on December 20, 2020 in J-1 immigration status. For 2021 federal income tax purposes, Helen is a \_\_\_\_\_.
  - a. Resident alien
  - b. Nonresident alien
  
3. Yusuf served as a visiting scholar in F-1 immigration status from December 2012 through June 2020. In August of 2021, Yusuf returned to the United States as a graduate student. For 2021 federal income tax purposes, Yusuf is a \_\_\_\_\_.
  - a. Resident alien
  - b. Nonresident alien

4. Juan came to the United States in F-2 immigration status with his wife on July 15, 2017. He has **not** changed his immigration status. For 2021 federal income tax purposes, Juan is a \_\_\_\_\_.
- Resident alien
  - Nonresident alien
5. Nell was in the U.S. as a child in J-2 status with her parents from 2009 through 2012. She re-entered the U.S. in 2020 as a student in J-1 status. The time she was present in the U.S. as a child is considered when determining her total number of years with exempt days.
- True
  - False
6. Polina entered the United States on July 30, 2017 in J-1 student immigration status. On July 10, 2020, her husband Dmitry joined her in J-2 immigration status. Polina and Dmitry had no income in 2021. Which form(s) should both Polina and Dmitry file for 2021?
- No forms
  - Forms 1040-NR and Forms 8843
  - Forms 8843
  - Form 1040 filing married filing jointly
7. Polina and Dmitry from Question 6 had a son, Alexander while here in the U.S. on December 5, 2020. For 2021, how many Form(s) 8843 does Polina's family need to file?
- 0
  - 1
  - 2
  - 3
8. Sophie and Yves have been in the U.S. in F-1 immigration status, since August 2016. Their 12-year old son, Vincent, has been attending boarding school since June 2015 on F-1 immigration status. For 2021, who must file Form 8843?
- Sophie and Yves
  - Vincent
  - All three of them
  - None of them

9. Celeste is from Pakistan and is a Ph.D. student in communications engineering who is going to defend her dissertation in June 2022. She arrived in the U.S. as a student in F-1 immigration status on July 20, 2018. For 2021 federal income tax purposes, Celeste is a \_\_\_\_\_.
- Resident alien
  - Nonresident alien
10. Marcus is a junior majoring in biology. He is in the U.S. in F-1 immigration status from Germany. He transferred from a German university and arrived in the U.S. on April 2, 2016. Marcus worked in a lab on campus and as a summer intern for a company in New York. He will graduate in May 2022. The company issued him a Form 1099-NEC. For tax purposes, Marcus is considered a nonresident alien even though the Form 1099-NEC was issued.
- True
  - False
11. Nico is a nursing student from Greece who first arrived in F-1 immigration status on August 15, 2021. He does **not** have a tax identification number and he did **not** work or receive a scholarship in 2021, but had \$75 interest income from his U.S. savings account his parents set up for him to pay for school and his living expenses. Nico must file both a Form 1040-NR and Form 8843 for 2021.
- True
  - False
12. Bo entered the U.S. in J-1 immigration status as a trainee in January 2019 and lives alone. His wife, Mei, could **not** accompany him because she had to care for her ailing parents. Bo must file as \_\_\_\_\_ because/even though he did **not** live with his spouse at all during 2021.
- Single
  - Qualifying Widower
  - Married
13. Alex and Kim were married in March 2016. The next year, they both entered the U.S. in F-1 immigration status to complete their studies as Fulbright scholars. Currently, Alex lives in San Diego where he is completing his graduate work. However, Kim left him in March 2020 and has **not** been heard from since. Her parents will **not** tell him where she lives. Because Alex does **not** know Kim's whereabouts, he can file using the Single filing status.
- True
  - False

## Scenario 1: Enrique Satō Retest Questions

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To answer the following questions, refer to the scenario information and Form 8843 you completed for Enrique Satō.

14. Enrique reports his most current nonimmigration status on line 1b.
  - a. True
  - b. False
  
15. Enrique should put 365 days on line 4b, for days of exempted presence for 2021.
  - a. True
  - b. False
  
16. What parts of Form 8843 does Enrique need to complete?
  - a. Part I
  - b. Part II
  - c. Parts I and II
  - d. Parts I and III
  
17. Enrique must submit his Form 8843 for tax year 2021 by April 18, 2022?
  - a. True
  - b. False

## Taxability of Income, ITINs, and Credits

---

### Introduction

This segment of the VITA/TCE certification test includes 7 general and 14 scenario-based multiple choice questions on taxability of income, ITINs, and credits.

Allow approximately 45 minutes to complete this segment.

18. Margarita, who is a nonresident alien and is in the United States in J-1 immigration status, spent \$4,400 on qualifying education expenses. She is **not** eligible to claim an education credit on her tax return.
  - a. True
  - b. False
  
19. Ji-yoo received \$73 of dividend income on U.S. stocks she purchased online. She is an international student from Canada in F-1 immigration status. She arrived in the United States in 2020. How much of Ji-yoo's dividend income will be taxed at 30%?
  - a. \$0, it's taxed at the ordinary rate
  - b. \$0, Per Publication 4011, the correct tax rate is 15%
  - c. \$73

- 20.** Marie and Nathan are a married nonresident alien couple from France. Both are in the U.S. in F-1 immigration statuses and arrived in 2021. They paid \$3,700 in childcare expenses, while attending school, for their child who was born in the United States and is a U.S. citizen. They will **not** be able to claim these expenses on a U.S. tax return.
- a. True
  - b. False
- 21.** Antero is a student in J-1 immigration status from Latvia. He earned \$2,300 in wages in 2021. His wages are reported to him on Form 1042-S (Box 1, Income Code 20). Should Antero include his wages anywhere on Form 1040-NR?
- a. Yes
  - b. No
- 22.** Gus is a student here in J-1 immigration status as of October 15, 2021. Under the terms of his visa, he is permitted to work in the U.S. What tax identification number should Gus apply for?
- a. SSN
  - b. ITIN
  - c. None
- 23.** Elena, in F-1 immigration status from Romania, is on the basketball team. She arrived in the U.S. on June 18, 2021 on a full athletic scholarship that includes \$10,000 for her room and board and \$35,000 for tuition and fees. What amount will be taxable on her Form 1040-NR?
- a. \$0
  - b. \$10,000
  - c. \$35,000
  - d. \$45,000
- 24.** Gunther is a student in the U.S. in F-1 immigration status. He arrived from Germany on July 13, 2019. Gunther worked in the bookstore and earned \$2,500 in wages and had federal income tax withholding of \$215. Gunther is only required to file Form 8843 for 2021.
- a. True
  - b. False

## Scenario 2: Kim Lee Retest Questions

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### Directions

To answer the following questions, refer to the scenario information and Form 1040-NR you completed for Kim Lee.

25. Is \$8,500 the amount entered on the line for wages, salaries, tips, etc. on Form 1040-NR?
  - a. Yes
  - b. No
  
26. Is \$8,500 the amount of Adjusted Gross Income on the Form 1040-NR?
  - a. Yes
  - b. No
  
27. Is \$860 the amount of Itemized Deductions on the Form 1040-NR?
  - a. Yes
  - b. No
  
28. Is \$8,420 the amount for taxable income on the Form 1040-NR?
  - a. Yes
  - b. No
  
29. What is the total amount entered into the Income Exempt from Treaty in Schedule OI?
  - a. \$0
  - b. \$2,000
  - c. \$6,000
  - d. \$8,000



## Scenario 3: Rudra Khatri Retest Questions

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### Directions

To answer the following questions, refer to the scenario information and Form 1040-NR you completed for Rudra Khatri.

- 30.** What is the Adjusted Gross Income (AGI) on Form 1040-NR?
  - a. \$22,375
  - b. \$22,350
  - c. \$17,375
  - d. \$17,350
  
- 31.** Rudra Khatri is a student who is considered a resident of India. According to the U.S.-India Tax Treaty, he can take the standard deduction instead of itemizing.
  - a. True
  - b. False
  
- 32.** Will Rudra have a refund on Form 1040-NR?
  - a. Yes
  - b. No
  
- 33.** The taxable income line on Rudra's Form 1040-NR shows \$9,700.
  - a. True
  - b. False

## Scenario 4: Gergana Alferov Retest Questions

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### Directions

To answer the following questions, refer to the scenario information for Gergana Alferov.

34. Is Gergana allowed to exclude her wages of \$9,000 as a treaty benefit on Schedule OI?
  - a. Yes
  - b. No
  
35. The total amount of the W-2, box 1, wages, salaries, tips, is reported on the line for wages, salaries, and tips, etc. of the Form 1040-NR.
  - a. True
  - b. False
  
36. Form 1040-NR, schedule OI, line G shows Gergana's treaty benefit information.
  - a. True
  - b. False
  
37. Is Gergana entitled to itemize her deductions?
  - a. Yes
  - b. No

### Introduction

This part of the VITA/TCE certification test includes 13 true/false or multiple choice questions. Allow approximately 20 minutes to complete this segment.

- 38.** Emily, an international student from Ireland, has a Form W-2 that shows amounts withheld for Social Security and Medicare taxes. Emily is an F-1 student who first arrived in the U.S. in 2018. Can she file Form 843 to receive a refund of these taxes?
- a. True
  - b. False
- 39.** Jose and Maria are from Mexico. Jose is a scholar at a local university in J-1 immigration status and Maria is in J-2 immigration status. Maria worked at a local boutique in 2021. Her Form W-2 shows Social Security and Medicare tax withholding, while Jose's does not. Was Maria's Social Security and Medicare tax withholding done in error?
- a. True
  - b. False
- 40.** Li, an international student from People's Republic of China, received \$10,100 of interest income in 2021 from a personal bank account in the U.S. he opened when he first arrived on August 27, 2016. He also had a \$100 capital gain from some U.S. stock he sold. Li reports the stock sale on Schedule D and includes it on the front of his Form 1040-NR.
- a. True
  - b. False
- 41.** Arthur entered the United States for the first time in 2018. He is a resident of France and is in F-1 immigration status. Arthur won \$1,200 at the local casino. Arthur doesn't need to report the \$1,200 as income on his Form 1040-NR because nonresidents aren't taxed on gambling winnings.
- a. True
  - b. False
- 42.** George is a visiting scholar from Ireland. He arrived in the U.S. on September 1, 2020 in J-1 immigration status and was accompanied by his wife and son. They had a second child in 2020, born in the U.S. George is required to file a federal income tax return. Which of the following is a true statement?
- a. He can claim exemptions for himself, his wife and his two children.
  - b. He only can claim the earned income credit for his U.S.-born child.
  - c. The personal and/or dependency exemption deduction for 2020 is \$0 through 2025.
  - d. None of the above

43. Quang, a graduate student from Vietnam, is in F-1 immigration status. He has been here since April 1, 2018. He has receipts for his donations to his church in Vietnam. Quang can claim these charitable contributions on Form 1040-NR.
- True
  - False
44. Adi is in F-1 immigration status from Chile. He entered the United States in August 2018 and enrolled as a full-time undergraduate student. Adi is pursuing his first degree in mathematics. What credit does Adi qualify for in 2021?
- American opportunity credit
  - Lifetime learning credit
  - None of the above
45. Margarita is a single, nonresident alien who began studying in the U.S. in 2019 in F-1 immigration status from Ecuador. She has wages of \$9,300, interest income from her savings account of \$175, \$50 of dividends, and sold \$4,500 of U.S. stocks for a \$250 capital gain. She donated \$50 of the proceeds to a local charity. Margarita **cannot** have her return prepared at any Foreign Student and Scholar VITA site, because she has capital gain income.
- True
  - False
46. Some students and scholars may owe money with their tax return. Generally, nonresidents have the option to set up an installment agreement.
- True
  - False
47. Viktor, who is from Russia, earned wages of \$12,335 in 2020. He had \$280 withheld for state income taxes. He listed the state taxes as a deduction on his federal tax return in 2020 which lowered his taxable income. Viktor received a state refund of \$200 in 2021 from the 2020 tax return. Will Viktor report his state tax refund as income on his Form 1040-NR in 2021 or amend his 2020 return?
- He needs to include the state income tax refund on his 2021 federal return.
  - He will remove the \$125 state taxes from his 2020 deductions with an amended return.
  - He does **not** need to do anything with his state income tax refund.
48. Letizia came to the U.S. in 2018 for postgraduate study. She took out a student loan to help pay the tuition through her school's financial aid office. Letizia graduated in December 2020 but remained in the U.S. for one year of practical training. She began repaying the loan on August 1, 2021 and paid \$65 in interest during 2021. Where can Letizia claim this interest?
- Itemized deduction
  - Adjustment to income
  - Credit
  - None of the above

- 49.** Luis, a student from Malta, had \$7,500 in wages reported to him on Form W-2. Although all of his wages are excluded from tax by treaty, he is required to file a tax return.
- a. True
  - b. False
- 50.** Shakir is a resident of Egypt attending college in the U.S. He arrived on J-1 immigration status in May of 2019. He had \$6,500 in wages and \$45 in dividend income. Shakir must complete both Schedules OI and NEC with his Form 1040-NR.
- a. True
  - b. False

# 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 Publication 4012, VITA/TCE Volunteer Resource Guide, work together to help volunteers learn and practice.

## Link & Learn Taxes for 2021 includes:

- Access to all VITA/TCE courses
- Easy identification of the VITA/TCE courses with the course icons
  - As you progress through a lesson, the content for Basic, Advanced, Military, or International will display, depending on the level of certification you selected
- PowerPoint presentations that can be customized to fit your classroom needs
- VITA/TCE Central to provide centralized access for training materials and reference links
- The Practice Lab
  - Gives volunteers practice with an early version of the IRS-provided tax preparation software
  - Lets volunteers complete test practice problems
  - Lets volunteers prepare test scenario returns for the test/retest



Go to [www.irs.gov](http://www.irs.gov), type “Link & Learn” in the Keyword field and click Search. You’ll find a detailed overview and links to the courses.

**FSA (Facilitated Self Assistance)** empowers taxpayers to prepare their own returns with the assistance of a certified volunteer. Taxpayers complete their own returns using interview-based software supplied by leaders in the tax preparation industry. Volunteers assist taxpayers with tax law questions.

**Virtual VITA/TCE** model includes any site where face-to-face activities are not used during the tax preparation process. That is, the intake specialist, IRS-tax law certified preparer (who prepares the return) and/or the quality reviewer are not face-to-face with the taxpayer. 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 Connection

<https://www.irs.gov/Individuals/Outreach-Corner>

### Interactive Tax Assistant (ITA)

<https://www.irs.gov/help/ita>

### Online Services and Tax Information for Individuals

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

#### Plan

- Tax Withholding (Paycheck Checkup)
- When to File
- Recordkeeping
- Choosing a Tax Professional
- Get Answers to Your Tax Questions Online
- Year-round Tax Planning is for Everyone, Publication 5349

#### Tools

- View Your Tax Account
- Get Your Transcript
- Where's My Refund?

#### Identity Theft Protections

#### Get Help Now

#### eBooks

Want to view our training products on your mobile or tablet devices? Click here to access our eBooks: <https://www.irs.gov/individuals/site-coordinator-corner>

#### Mobile App

Another device to use for additional information is IRS2Go. Click here to download IRS2Go mobile app: <https://www.irs.gov/newsroom/irs2goapp>.

#### and much more!

Your direct link to tax information 24/7: [www.irs.gov](http://www.irs.gov)

#### File

- IRS Free File
- How to File
- Filing Past Due Returns
- Correcting Your Tax Return
- Social Security Benefit Statement

#### Pay

- Tax Withholding
- Estimated Taxes
- Options for Paying Your Taxes
- How to Choose a Payment Option
- Understanding Your IRS Notice or Letter
- What to Do If You Can't Pay