



Amended Returns

Comprehensive Lesson

Pub 4012 – Tab M

Pub 4491 – Lesson 33

Videos: [Part 1](#) and [Part 2](#)

https://www.youtube.com/watch?v=AMozsKu96_g

<https://www.youtube.com/watch?v=-ggd1cFuLM0>

Amended Returns

- Amended Returns are on Form 1040-X
- Amend returns for current and previous three years only
- State return may also need amendment
- Amended returns
 - Beginning 2019 most returns originally e-filed can now be e-filed
 - Years prior to 2019 must be mailed
 - AZ amended return must be mailed
- Counselors must be certified for year amending
 - Additional certified Counselor needed for Quality Review



Caution When Amending 2020 Returns



- Review the printed original return for either:
- Unemployment Compensation Exclusion (UCE)
- Advanced premium tax credit repayment forgiveness (APTC)
- Ask taxpayer for any letters from the IRS showing adjustments made
 - Ensure these adjustments are included in TaxSlayer

“Amending” a Simplified Return

- Taxpayers who filed Simplified Return* in 2019 or 2020 will need to **mail a paper return** to report changes such as
 - Was required to file full return in that year
 - Want to report income to receive refundable credits
 - Want to claim refund of tax withheld
- Write “Amended EIP Return” at top of page 1
 - Do **not** create an amended return in TaxSlayer

* Used Non-Filer tool or filed \$1 AGI return to qualify for EIP or AdvCTC

Reasons to Amend

- Something reported incorrectly or omitted from original return
 - New or corrected information received by taxpayer
 - Should or could have used a different filing status
 - Mistakes
 - Omissions

Reasons to Amend

- Married individuals may amend to file MFJ if originally used different status
 - Up to three prior year returns
 - Must be legally married as of December 31 of year amending
- Married individuals may **not** amend MFJ to MFS **after** original filing deadline

Do Not Amend

- Do not amend the return if
 - Math errors
 - IRS will correct them and send a notice
 - IRS is using their math error authority to correct Unemployment Compensation exclusion and APTC forgiveness on TY20 returns
 - IRS has requested taxpayer provide missing schedules/forms
 - Taxpayer should respond per notice

Amending State Returns

- State amended returns may depend on Federal information
 - Follow state training information when amending a Federal or AZ return in TaxSlayer
 - Local training coordinator
 - Instructors
 - State amendment form instructions

Column A:
Original
amounts

Column B:
Net changes

Column C:
Corrected
amount

Form **1040-X** Department of the Treasury—Internal Revenue Service
Amended U.S. Individual Income Tax Return OMB No. 1545-0074
 (Rev. January 2020) ▶ Go to www.irs.gov/Form1040X for instructions and the latest information.

This return is for calendar year 2019 2018 2017 2016
 Other year. Enter one: calendar year or fiscal year (month and year ended):

Your first name and middle initial: TOM Last name: ANDREWS II Your social security number: 011-00-0002
 If joint return, spouse's first name and middle initial: Last name: Spouse's social security number:

Current home address (number and street). If you have a P.O. box, see instructions. Apt. no. Your phone number
 134 MARSH VIEW PLACE Apt. no. 904-555-3456
 City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below. See instructions.
 AUSTIN, TX 78737
 Foreign country name Foreign province/state/county Foreign postal code

Amended return filing status. You must check one box even if you are not changing your filing status. **Caution:** In general, you can't change your filing status from a joint return to separate returns after the due date.
 Full-year health care coverage (or, for amended 2018 returns only, exempt). If amending a 2019 return, leave blank. See instructions.

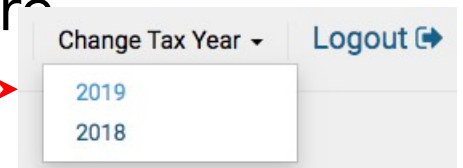
Single Married filing jointly Married filing separately (MFS) Qualifying widow(er) (QW) Head of household (HOH)
 If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Use Part III on the back to explain any changes		A. Original amount reported or as previously adjusted (see instructions)	B. Net change—amount of increase or (decrease)—explain in Part III	C. Correct amount
Income and Deductions				
1	Adjusted gross income. If a net operating loss (NOL) carryback is included, check here ▶ <input type="checkbox"/>	26840	(650)	26190
2	Itemized deductions or standard deduction	18350		18350
3	Subtract line 2 from line 1	8490	(650)	7840
4a	Exemptions (amended 2017 or earlier returns only). If changing, complete Part I on page 2 and enter the amount from line 29			
4b	Qualified business income deduction (amended 2018 or later returns only)			
5	Taxable income. Subtract line 4a or 4b from line 3. If the result is zero or less, enter -0-	8490	(650)	7840
Tax Liability				
6	Tax. Enter method(s) used to figure tax (see instructions): TABLE	848	(65)	783
7	Credits. If a general business credit carryback is included, check here ▶ <input type="checkbox"/>	848	(65)	783
8	Subtract line 7 from line 6. If the result is zero or less, enter -0-			
9	Health care: individual responsibility (amended 2018 or earlier returns only). See instructions			
10	Other taxes			
11	Total tax. Add lines 8, 9, and 10			

- Verify an amended return is necessary
- Verify if the IRS will change or only notification
- Confirm and note all changes needed on Intake Booklet

Amending in TaxSlayer

- Must use correct TaxSlayer software for the year amending
 - Example: Amending 2018, use 2018 TaxSlayer software
 - Choose correct year from **Change Tax Year** dropdown list
 - Original return may have been previously amended or adjusted by IRS – verify return in TaxSlayer is version to amend
- If original return recently filed
 - Wait until IRS processes original return before submitting amended return
 - Except file by April 15 if balance due





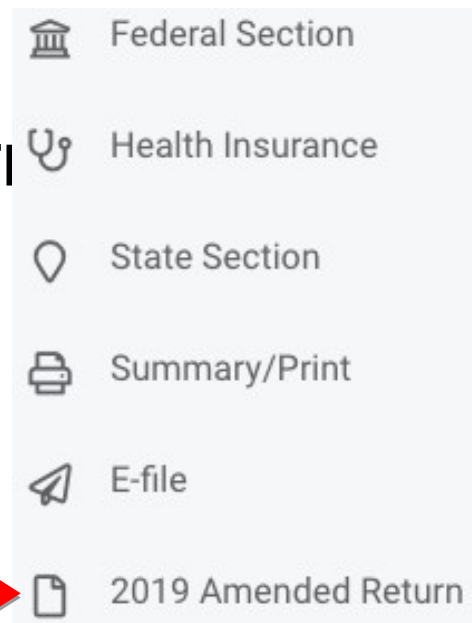
Amending in TaxSlayer

When the return is in TaxSlayer

Amending in TaxSlayer: When original return is available in TaxSlayer

■ Step 1

- Click on 20XX Amended Return in left menu in TaxSlayer



Amending in TaxSlayer: When original return is available in TaxSlayer

■ Step 2

- Verify all Federal information matches the return you're amending
- Enter amount already paid or overpayments/refund

Amount paid with request for extension of time to file

[Where is this located?](#)

→

Overpayment, if any, as shown on original return or as previously adjusted by the IRS

[Where is this located?](#)

→

Amended Tax Return

How To Amend Your Return

→ Original Federal Return Information

Make Corrections for Amended Return

Amend State Return(s)

Explain Changes

Print Amended Return

Amending in TaxSlayer: When original return is available in TaxSlayer

■ Step 2 (cont.)

- If not adding or removing dependents, uncheck this box
- Check the box when **adding or removing** dependents

→ Verify or enter your originally filed exemption amounts for yourself, spouse, and dependent(s). If not adding or removing an exemption, uncheck this box.

or

Your dependent children who lived with you

Amending in TaxSlayer: When original return is available in TaxSlayer

- Step 3
 - Make corrections to return – for example
 - Access Federal Income section and add new W-2
 - Remove dependent from Basic Information section
 - Access Deduction section and enter student loan interest paid

Amended Tax Return

How To Amend Your Return

Original Federal Return Information

 Make Corrections for Amended Return

Amend State Return(s)

Explain Changes

Print Amended Return

Amending in TaxSlayer: When original return is available in TaxSlayer

- Step 4
 - Follow state training information to correctly amend AZ returns

Amended Tax Return

How To Amend Your Return

Original Federal Return Information

Make Corrections for Amended Return

→ Amend State Return(s)

Explain Changes

Print Amended Return

Amending in TaxSlayer

When return is **not** in TaxSlayer



Amending in TaxSlayer: When original return is not available in TaxSlayer

- Step 1
 - **Must have** a copy of Federal and State returns amending
 - Review state training material before beginning Federal amendment

Amending in TaxSlayer: When original return is not available in TaxSlayer

■ Step 2

- Correctly enter new return in TaxSlayer including all changes needed to amend – for example
 - If amending the return to add additional W-2, enter all dependents, income, deductions and credits and also include the additional W-2
 - The return should now be correct – TaxSlayer will enter these amounts in Column C Form 1040-X
- If amending a state return, follow state training instructions

Amending in TaxSlayer: When original return is not available in TaxSlayer

- Step 3
 - Click on 20XX Amended Return from left menu in TaxSlayer
 - Click on “Original Federal Return information”

Amended Tax Return

How To Amend Your Return

 Original Federal Return Information

Make Corrections for Amended Return

Amend State Return(s)

Explain Changes

Print Amended Return

Amending in TaxSlayer: When original return is not available in TaxSlayer

- Step 3 (cont.)
 - Using the printed copy of original (or previously adjusted) return
 - Enter all amounts requested – this creates Column A Form 1040-X
 - Click on blue link for location of amount requested

Your Adjusted Gross Income is located on the following lines:

If you filed a Form 1040: **Line 8b**

If you filed a Form 1040X: **Line 1**

Original Amount

Adjusted gross income

[Where is this located?](#) 

\$|

Itemized or standard deduction

[Where is this located?](#)

\$

Tax

[Where is this located?](#)

\$

Credits

[Where is this located?](#)

\$



Amending in TaxSlayer: When original return is not available in TaxSlayer

- Step 3 (cont.)
 - Enter amount previously paid or overpayment/refund

Amount paid with request for extension of time to file

[Where is this located?](#)



Amount of tax paid with original return plus additional tax paid after it was filed

[Where is this located?](#)



Overpayment, if any, as shown on original return or as previously adjusted by the IRS

[Where is this located?](#)



Amending in TaxSlayer: When original return is not available in TaxSlayer

■ Step 3 (cont.)

- If not adding or removing dependents, uncheck this box
- Check the box when **adding or removing** dependents

→ Verify or enter your originally filed exemption amounts for yourself, spouse, and dependent(s). If not adding or removing an exemption, uncheck this box.

Your dependent children who lived with you

Amending in TaxSlayer: When original return is not available in TaxSlayer

- Step 4
 - Follow state training information to correctly amend AZ returns

Amended Tax Return

How To Amend Your Return

Original Federal Return Information

Make Corrections for Amended Return

 Amend State Return(s)

Explain Changes

Print Amended Return



Amending in TaxSlayer

Remaining steps for all amended
returns

Amending in TaxSlayer

- Step 5
 - View 1040-X for accuracy
 - Explain all changes

Amended Tax Return

How To Amend Your Return

Original Federal Return Information

Make Corrections for Amended Return

Amend State Return(s)

→ Explain Changes

Print Amended Return

Use Part III on the back to explain any changes

	A. Original amount or as previously adjusted (see instructions)	B. Net change— amount of increase or (decrease)— explain in Part III	C. Correct amount
Income and Deductions			
1 Adjusted gross income. If a net operating loss (NOL) carryback is included, check here <input type="checkbox"/>	1 35075	100	35175
2 Itemized deductions or standard deduction	2 7900		7900
3 Subtract line 2 from line 1	3 27175	100	27275
4 Exemptions. If changing, complete Part I on page 2 and enter the amount from line 29	4 4050		4050
5 Taxable income. Subtract line 4 from line 3	5 23125	100	23225
Tax Liability			
6 Tax. Enter method(s) used to figure tax (see instructions): <u>Table</u>	6 3003	15	3018
7 Credits. If a general business credit carryback is included, check here <input type="checkbox"/>	7		
8 Subtract line 7 from line 6. If the result is zero or less, enter -0-	8 3003	15	3018
9 Health care: individual responsibility (see instructions)	9		
10 Other taxes	10		
11 Total tax. Add lines 8, 9, and 10	11 3003	15	3018
Payments			
12 Federal income tax withheld and excess social security and tier 1 RRTA tax withheld. (If changing, see instructions.)	12 4000		4000
13 Estimated tax payments, including amount applied from prior year's return	13		
14 Earned income credit (EIC)	14		
15 Refundable credits from: <input type="checkbox"/> Schedule 8812 Form(s) <input type="checkbox"/> 2439 <input type="checkbox"/> 4136 <input type="checkbox"/> 8863 <input type="checkbox"/> 8885 <input type="checkbox"/> 8962 or <input type="checkbox"/> other (specify):	15		
16 Total amount paid with request for extension of time to file, tax paid with original return, and additional tax paid after return was filed	16		
17 Total payments. Add lines 12 through 15, column C, and line 16	17		4000
Refund or Amount You Owe			
18 Overpayment, if any, as shown on original return or as previously adjusted by the IRS	18		997
19 Subtract line 18 from line 17 (if less than zero, see instructions.)	19		3003
20 Amount you owe. If line 11, column C, is more than line 19, enter the difference	20		15
21 If line 11, column C, is less than line 19, enter the difference. This is the amount overpaid on this return	21		

Hint:
Print Form
1040-X
page 1 to
view
changes in
column B
before
explaining
changes
in
TaxSlayer

Amending in TaxSlayer— Explanations

Enter the line number for each item you are changing and give the reason for the change.

Line 1: \$100 additional interest received on 1099-INT after original return filed.

Step 6: Printing Amended Return

Pub 4012 Tab M

- Print Form 1040-X and all **new** and any **changed forms** or schedules
 - If mailing, print two copies
 - Print from Amended Tax Return screen

Explain Changes

 Print Amended Return

Tax Forms	Total	IRS	State	Taxpayer
1040-X	3	1	1	1
1040 (with "As Amended" written across the top)	1			1
Any federal forms changed or added	3	1	1	1
State voucher (if any)	1		1	
Any required State forms	2		1	1

Assembling Amended Return

- Include supporting documents, worksheets, etc. in **taxpayer's copy** only
- If mailing amendment - attach new and corrected tax documents to IRS and state copies
 - W-2, W-2G, or, if withholding, Form 1099



Instructions to Mail Amended Return

- Provide taxpayer with mailing address for Form 1040-X and AZ 140X
- Taxpayer/spouse sign and date federal and state amended returns
- Provide taxpayer copies for their records

Deleting an Amended Return

- To delete amended return
 - If amended return started in error, click on Delete Amended Return
 - Delete any changes made in TaxSlayer
 - Select Summary/Print to verify no 1040-X present and return is as originally filed

Amended Tax Return

How To Amend Your Return

Explain Changes

Print Amended Return

 Delete Amended Return

Statute of Limitations - Refund

- Taxpayer time to file for refund later of:
 - 3 years from original due date or actual date filed if later
 - 2 years from date tax was paid
- AZ statute matches
- Exceptions to this statute are **out of scope**

Amendment - Balance Due

- Balance due with amendment:
 - Taxpayer should file Form 1040-X as soon as possible ideally **after** original return has been processed
 - Include payment to reduce penalty and interest
 - IRS will send letter with any penalty and interest assessed
- If mailed: do not include 1040-V (voucher)
- Pay amount due on Form 1040-X Page 1



Statute of Limitations - Balance Due

- Taxpayers owing additional tax
 - IRS barred by statute of limitation from assessing additional tax
 - Three years from original due date or date filed if later
 - No limitation if fraud involved
 - Three-year statute of limitation does not apply if return was never filed

Taxpayer Summary

- Review amended return with taxpayer
- Verify taxpayer understands how to file amendment
 - If mailed: sign, address envelope, additional postage may be required
 - If mailing and payment required, include with return
 - Verify taxpayer aware of filing due date

Amended Returns

Comments ...

Questions?





Amending AZ in TaxSlayer

Use 2020 in Practice Lab

■ Amending AZ in TaxSlayer

■ Step 1


- Complete Federal Amended return
- Have latest filed AZ return available
- Click “Amend State Return” to start

Amended Tax Return

How To Amend Your Return

Original Federal Return Information

Make Corrections for Amended Return

 Amend State Return(s)

Explain Changes

Print Amended Return

■ Amending AZ in TaxSlayer

State	Return Type	
Arizona	Resident	Amend State ←

■ Step 2

- Click the “Amend State” link on the Amend State Return screen
 - Items changed in the Federal section will flow to AZ 140X
- Use the next menu to amend AZ only items, if you are not amending an AZ Only items, then click on Amend Return (and skip slide 42)

■ Amending AZ in TaxSlayer

Arizona Return

Basic Information

Additions to Income

Subtractions from Income

Standard Deduction

Itemized Deductions

Credits

Voluntary Contributions

■ Step 3

- Use this menu to amend AZ items
 - Items changed in the Federal section will flow to AZ 140X
- Click on the “Begin” link for any item you need to amend
- Input the AZ only items
- When finished, Click “Amend Return” in the menu



■ Amending AZ in TaxSlayer

Arizona Return

Amended Return

BACK

This portion of the amended state return is used to create the amended forms and to report portion of the program. Complete and verify the original information that has been carried over

To create Form 140X, Arizona Amended Return, select YES and complete the additional section below

--Select-- ▾

--Select--

Yes ←

No

complete Amended Return

Step 4

- To create Form 140X, click “Yes” in the selection box

■ Amending AZ in TaxSlayer

Step 5

- Click “Begin” on the Review and Complete Amended Return line

Review and Complete Amended Return



BEGIN

■ Amending AZ in TaxSlayer

Review And Complete Amended Return

BACK

The corrected information will be pulled from your changes made in the Federal and sections below to finalize the amended return questions. Once the amended return is

General Questions

Refund from original return

\$



Enter the amount paid with your Original return

\$



Explanation of Changes

Step 6

- Enter the refund amount received or the amount paid with the original return
- Click “Explanation of Changes” and enter
 - Description of the change
 - Original Amount
 - Corrected Amount
 - Reason for Change

TY2021

■ Amending AZ in TaxSlayer


Items You Are Changing 1

Description of changes
 ←

Original Amount
 ←

Corrected Amount
 ←

Reason For Change
 ←

- Step 7
 - Screen will appear as shown
 - Enter all required information
 - Click continue to add another change, when done, click Back
 - Exit AZ Return
 - Select Print icon  and review the results for accuracy.

■ Amending AZ in TaxSlayer

Final Step

- Print 2 copies of AZ Form 140 and 140X and Schedules
- Provide taxpayer instructors to sign and mail
- Mark “AMENDED” on the front page of the taxpayer copy

■ Arizona Amended Returns

Comments ...

Questions?

