

National Tax Training Committee

Self-Study Program for New Students

Tax Year 2021

Self-Study Program for New Students

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WELCOME TO TAX YEAR 2021

NATIONAL TAX TRAINING COMMITTEE

SELF-STUDY FOR NEW STUDENTS

Thank you for starting this training program. Tax-Aide certification can lead to a rewarding experience as a volunteer tax preparer. AARP Foundation Tax-Aide receives IRS grants under the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs, and the IRS provides guidance in administrative and tax preparation situations. This is clarified throughout the lessons.

IRS, Tax-Aide, and Self-Study resources are **“Open Book”** for AARP Foundation Tax-Aide counselors. You are encouraged to use the tax law and resource documents in every step you take with tax preparation practice, production, and taking the IRS Certification tests.

By following this program, you can:

- **Gain a basic understanding of the tax law required to effectively prepare a tax return.**
- **Practice with the *TaxSlayer* software used to prepare and e-file tax returns.**
- **Utilize resources and tools to accurately prepare tax returns.**

For use by AARP Foundation Tax-Aide Volunteers Only

This a training document is for Tax-Aide volunteers and was developed by the AARP Foundation Tax-Aide, National Tax Training Committee. All other use is prohibited unless permission is granted.

How to Use the Self-Study Program

Lessons follow this method:

- **Read the Key Learning Objectives.**
- **Complete the Link & Learn Assignment.**
- **Complete the Additional Learning section.**
- **Use the [Pub 4012 – NTTC Modified](#) version as a guide and complete the Practice Lab tax returns using the TaxSlayer software.**
- **Record your answers on your [Self-Study Counselor Progress Sheet](#). The answers can be found in Counselor Resources.**

- **Review Key Learning Objectives to determine if there is an area that requires additional studying.**

Note: Ignore the icons on the IRS's *Link & Learn* lesson page unless the self-study program encourages you to specifically click and complete the material.

Learning and Tax Preparation Resources

- **AARP Volunteer Portal** contains volunteer policies, procedures, training materials, and other resources.
- **IRS Link & Learn Taxes e-learning** contains online tax lessons that are used throughout this self-study program. Lessons include a learning tool called Skills Warm-up that has questions for a self-evaluation of the trainee's comprehension of the tax law and its application.
- **TaxSlayer Practice Lab** is an online tax software training application. It mirrors TaxSlayer Pro Online which is used by volunteers for production during the tax season.
- **IRS Publication 4491 NTTC Modified VITA/TCE Training Guide** ([Pub 4491-NTTC Modified](#)) is the textbook for Tax-Aide Volunteers. It contains tax law lessons that provide examples and exercises published by the IRS and is "modified" by the National Tax Training Committee that addresses tax situations that apply specifically to Tax-Aide Counselors.
- **IRS Publication 4012 NTTC Modified VITA/TCE Volunteer Resource Guide** ([Pub 4012 NTTC Modified](#)) is the primary tax preparation reference resource for Tax-Aide Counselors when preparing tax returns in TaxSlayer and Practice Lab. It includes instructions and screenshots.
- **[Tax-Aide Scope Manual](#)** lists the IRS forms and schedules that Tax-Aide volunteers are certified and trained to prepare. The guidelines are defined by the IRS. The Tax-Aide scope has some differences from the VITA/TCE scope.
- **IRS Link & Learn Central** is the IRS landing page that shows links to key training resources and more:
 - [Link & Learn Taxes e-Learning](#)
 - [Form 5378](#) Certification Tests: Getting Started
 - [Form 4961 VITA/TCE Volunteer Standards of Conduct](#) – Ethics Training
 - [Publication 5101: Intake/Interview and Quality Review Training](#)
 - [Form 6744 VITA/TCE Volunteer Assistor's Test/Retest \(test booklet\)](#)
- **Col Tax-Aide (Bogart) tools** are useful tax preparation tools that are referred to in this document.

I. Getting Started

Course Introduction

Purpose

This unit introduces the major components of the VITA/TCE certification and tax return preparation process.

Key Learning Objectives

By the end of this lesson, you should be able to describe:

- The various course levels and the certification process.
- The responsibilities of a VITA/TCE volunteer, including due diligence.
- The critical components involved in the return preparation process.
- The resources that are available to assist you.
- The procedures for helping a taxpayer with identity theft.

Link & Learn Assignment

- Click Link & Learn > Course Introduction
- Click Course Introduction Workout and complete the unit. On the bottom right-hand side of the page, notice a “Materials” tab that links to [Pub 4491-NTTC Modified](#) and other important documents to review.

Note: Your answers to questions in Link & Learn lessons are not being recorded.

Hint:

The Volunteer Resource Guide, [Pub 4012 – NTTC Modified](#) is an “open book” resource and is your primary reference for tax preparation, in training, and in actual production. Counselors need to know how to have ready access to the document during tax preparation. *Learn how to use it!*

IRS.GOV:

- IRS tax law resource tools: <https://www.irs.gov/taxtopics>
- Interactive Tax Assistant: <https://www.irs.gov/ita>

Intake/Interview (Form 13614-C) and Quality Review Training

- Watch: 2017 Intake & Interview Demonstration
- Watch: [Introduction to Federal Income Tax Law](#)
- Watch: [Initial Screening](#)
- Review Publication 5101: Intake/Interview and Quality Review Training

IRS: Volunteer Standards of Conduct Agreement - VITA/TCE Programs

- Review: [Form 13615 Volunteer Standards of Conduct Agreement](#)
- Volunteers pass the Volunteer Standards of Conduct certification, and sign and date Form 13615, Volunteer Standards of Conduct Agreement, prior to volunteering at a VITA/TCE site.
- 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.
- Read through [Form 4961 VITA/TCE Volunteer Standards of Conduct](#)
- Watch: [Certification Requirements](#) (

Publication NTTC 4012 VITA/TCE Volunteer Resource Guide - NTTC Modified and the Tax-Aide Scope Manual

- Download: [Pub 4012 – NTTC Modified](#) for your local computer
- Watch *Using the NTTC Modified Publication 4012*
- Watch *Scope Manual*
- Review [Tax-Aide Scope Manual](#)

Note: The **Pub 4012 NTTC Modified**, and the Tax-Aide Scope documents are important resources to Tax-Aide Counselors. These resources are used by Counselors in tax preparation as an “open book” resource for training and the certification tests. Tax-Aide Counselors and Prospective Volunteers are encouraged to download both documents from the AARP Volunteer Portal to their personal computers and use the links on the AARP Foundation Chromebook computers.

Self-Study Counselor Progress Sheet

Download and print the [Self-Study Counselor Progress Sheet](#). Use this sheet to record your answers for each exercise. Answers can be found at the [Counselor Resources](#) link provided at the end of each exercise.

Exercise 1: Create an IRS Account to access tests

- Open this link: [Taking the Tests Online for Self-Study Students 2021](#) to set up a new IRS account.
- Follow pages 1 through 4.

Hint: Tax-Aide nomenclature for “tax year 2021” is sometimes referred to as TY21 or TY2021.

- The tax year 2021 for individuals started January 1, 2021, and ends December 31, 2021, and taxes owed on earnings during that period are included.
- Taxes withheld or owed for earnings during the calendar year 2021 are included on the tax year 2021 tax return.
- April 18, 2022, is the IRS TY21 “Tax Day”. This is the due date for filing the federal individual income tax return is. In previous years the IRS has extended the due date. See [Topic No. 301 When, How, and Where to File](#).
- Sometimes the IRS refers to the 2022 tax filing season when tax preparers file the associated TY21 return.

Exercise 2: Create a Practice Lab account for training

[TaxSlayer Practice Lab](#) is a tax software training application. It mirrors TaxSlayer Pro Online which is used by volunteers during the tax season.

- Click Practice Lab or enter <https://vita.taxslayerpro.com/IRSTraining/> into your browser.
- Enter the password: TRAINPROWEB and click Login

– REMEMBER THIS PASSWORD

Access Link & Learn Taxes


Hello,

Welcome to the Electronic Tax Software Practice Lab for VITA/TCE volunteers. When you enter this site, you will be able to prepare tax returns to practice what you just learned in Link & Learn Taxes. We recommend that you use the problems and exercises contained in Publication 4491 W, VITA/TCE Workbook, Comprehensive Problems and Practice Exercises. These problems and exercises were specifically designed to cover the types of tax returns that VITA/TCE volunteers encounter at their volunteer sites.

To access the practice lab enter below the password you received from the IRS or your site coordinator. If you do not know the password please contact your site coordinator or local IRS Relationship Manager.

If you are not currently a VITA/TCE volunteer and would like to become a volunteer, please click here to get started: <https://www.irs.gov/Individuals/IRS-Tax-Volunteers>. Your information will be forwarded to sponsoring partners in your area for further contact. You will be contacted within 2 weeks after you have submitted your information.

Enter Password



- **Click Create New Account**
- **Complete the Account Information Section**
 - **Use a valid email address (The IRS or TaxSlayer may use this email address if they need to contact you or reset your password)**
 - **Passwords must contain a minimum of 15 characters, including both upper and lower case letters, at least one number, and one special character (@\$!%*%)**
 - **Passwords are case-sensitive.**
 - **Program Type: Select AARP Tax-Aide**
 - **Site Identification Number: do not make an entry**
- **Complete the Password Recovery Section**
 - **Click Create Account.**
 - **Log into Practice Lab**
 - **Click on Go to Practice Area.**

Note: No one at AARP Tax-Aide has a record of your Practice Lab account information.

Practice Lab - Home

Welcome to the practice lab. The links below will help you get a better understanding of the software and best practices regarding tax processes. If you would like to begin using the software in the practice area, please press the link below.

[Go to Practice Area »](#)

- Find the following on the Welcome to The Practice Lab screen:
 - Tax Program Year
 - Change Tax Year dropdown
 - Logout
 - Client Search (view and edit previously started return)
 - Start New 202X Tax Return (create a new return)

- Click Start New 2021 Tax Return



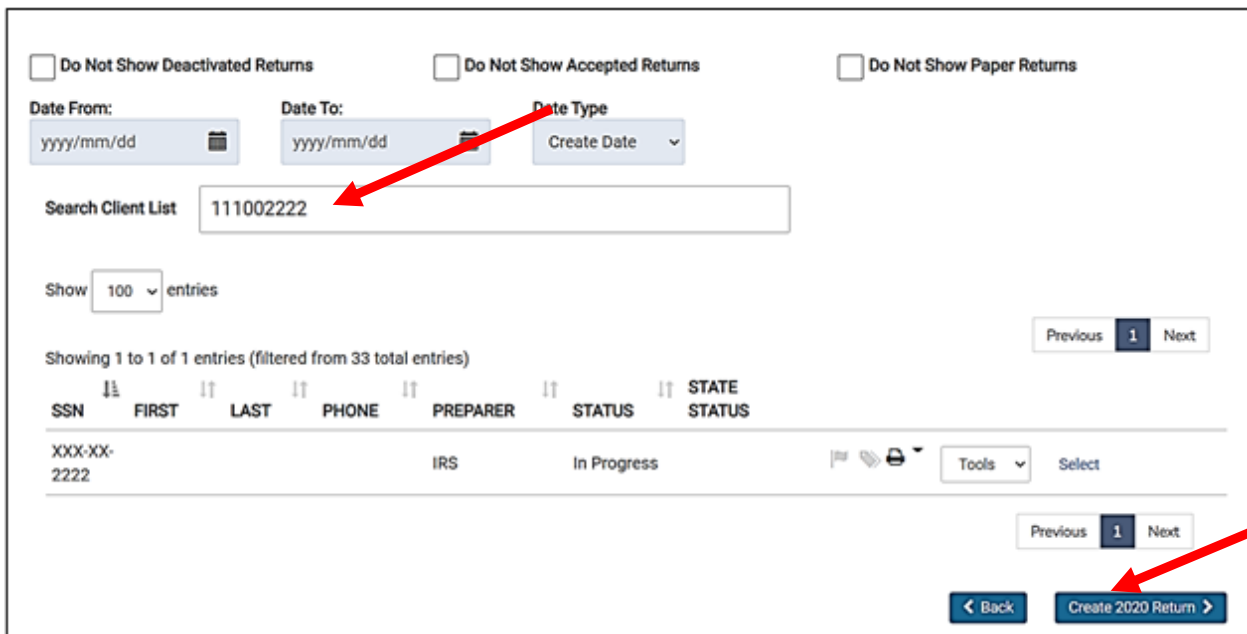
- Enter this Social Security number 111-00-2222 (twice)
- Do NOT select any of the Available Taxpayer Profiles (Basic is the default)
- Click *Start Return* at the bottom of the page

The screenshot displays a web form with two main sections. The first section, titled "Enter Social Security Number", contains two rows of input fields. The first row is labeled "Social Security Number" and the second row is labeled "Confirm Social Security Number". Each row has three input boxes separated by hyphens, with "00" in the middle. A red box highlights the first input box in the first row. Below these fields is a red error message: "Social Security Number must match." The second section, titled "Available Taxpayer Profiles", is a scrollable list of options: "Basic (No Profile) Create a return without a Taxpayer Profile.", "RETIREMENT", "ITEMIZED DEDUCTIONS", "RENTAL PROPERTY", and "Master Profile" (with a checkmark icon). Below the list is a blue button labeled "Start Return". Three red arrows point to the first input box in the first row, the first input box in the second row, and the "Start Return" button.

- Click *Save and Exit Return* on the top right of the screen
- Click *Save and Exit Return* on the Ready to go?
- Click Client Search



- Enter the Social Security Number 111-00-2222 into the Search Client list box. A client's first or last name can also be used in the search box.
- Select the tax return from the list.



- Click *Save and Exit* on the top right-hand side of the screen.

Review [Course Introduction >Key Learning Objectives](#)

Filing Basics

Purpose

Determine which taxpayers must or should file a tax return. Learn how to verify a taxpayer's identity, and how to complete the Basic Information section in TaxSlayer.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine who is required to file a tax return.
- Determine who should file a tax return (but not required).
- Verify the taxpayer's identity.

Link & Learn Assignment

- Click Link & Learn >Filing Basics and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab A

Additional Learning (Link & Learn Job Aids)

- Review: Who Must File
- Review: For Children and Other Dependents
- Review: Other Situations When You Must File
- Review: Who Should File

Tax-Aide recommends that taxpayers file a tax return even when their taxable income is below the filing requirement threshold to prevent identity theft.



Exercise 1: Enter Taxpayer's Basic Information - Practice Lab

Watch [Basic Information](#)

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Fred and Ellen Wilson Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

➤ **Filing Status is Married Filing Joint**

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210906104323		License No. 20210906104239	
Name and Address FRED WILSON 1234 GREEN STREET YOUR CITY, YOUR STATE, YZIP		Name and Address ELLEN WILSON 1234 GREEN STREET YOUR CITY, YOUR STATE, YZIP	
Birth Date 07/08/1948		Birth Date 07/24/1943	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 07/04/2021	Expiration Date 07/04/2026

Social Security

015-00-6001

THIS NUMBER HAS BEEN ESTABLISHED FOR

FRED WILSON

For Tax Training Purposes Only

Social Security

115-00-0020

THIS NUMBER HAS BEEN ESTABLISHED FOR

ELLEN WILSON

For Tax Training Purposes Only

- **Enter the Economic Impact Payment: Fred and Ellen Wilson Economic Impact Payments Worksheet.** Use [Pub 4012 – NTTC Modified](#), Tab H for guidance.
- **Save and exit the return**

Review the [Filing Basics > Key Learning Objectives](#).

II. Determining Dependents, Filing Status, and Non U.S. Situations

Dependents

Purpose

The deduction for personal and dependent exemptions is suspended for tax years 2018 through 2025 by the Tax Cuts and Jobs Act. Although the exemption amount is zero, the ability to claim a dependent may make taxpayers eligible for other tax benefits. For example, the following tax benefits may all be associated with a dependent: child tax credit, additional child tax credit, credit for other dependents, earned income credit, child and dependent care credit, head of household filing status, and other tax benefits.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Distinguish between personal and dependent exemptions.
- Determine if a taxpayer can be claimed as a dependent on another taxpayer's return.
- Determine if a taxpayer may claim a dependent.
- Enter information correctly into TaxSlayer.

Link & Learn Assignment

- Click Link & Learn > Dependents and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab C.

Additional Learning

- Review and download if needed [Qualifying Child or Relative Resource Tool](#)
- Watch Col Tax-Aide (Bogart) 's Tool Box: Dependency Calculator discussion (minutes 5:00 - 6:37)
- IRS Interactive Tax Assistant: [Whom May I Claim as a Dependent?](#)

Note: AARP Foundation Tax-Aide recommends using the [Qualifying Child or Relative Resource Tool](#) which is protected by copyright and should not be shared outside of the organization.

Exercise 1: Determining Dependents Part 1

First, use the [Qualifying Child or Relative Resource Tool](#) and work through this [linked example](#).

Then, determine the qualified child or relative dependents, and answer the following questions.

Then, fill the answers on your Self-Study Program Progress Sheet.

- Todd has lived with his girlfriend, Eva, and her two young children all year in his home. Neither Eva nor Todd have ever been married. Todd's gross income is \$26,000. Eva's gross income is \$25,000. Eva and Todd's relationship does not violate local laws.
 - a. Is Eva required to file a tax return? [yes or no]
 - b. Does Eva have a Qualifying Child (Use Chart 1)? [yes or no]
 - c. Can Todd claim the children as Qualifying Relatives (Use Chart 2)? [yes or no]

[Click for Answer](#)

- Ted is divorced and has a daughter, age 14, who lived with him and his ex-spouse for an equal number of nights. Ted's adjusted gross income is \$45,000 and his ex-spouse's adjusted gross income is \$30,000. Who is considered the custodial parent? (Use the Tie-Breaker rules)

[Ted or ex-spouse]

[Click for Answers](#)

- Sally is single and has been supporting her friend, Ann, and Ann's young son, Bobby. Ann and Bobby lived with Sally the entire year and are United States citizens. Ann worked part-time and made \$3,100 in wages. Ann is not a taxpayer because she is only filing a return to have her withholdings refunded, and she is not claiming any refundable credits.
 - a. Sally claim Ann and Bobby as qualifying relatives and dependents for which credits? dependents? [list]
 - b. What filing status can Sally claim? [Single or Head of Household]

[Click for Answers](#)

Exercise 2: Determining Dependents Part 2

Use the Col Tax-Aide (Bogart) [Dependent Qualification Calculator](#) to determine the qualified child or relative dependents and answer the following questions.

Then fill in your Self-Study Program Progress Sheet.

- Tom and Shelley are married and live together with their two kids, Rachael and Rebecca. They both work and are glad to have Tom's mother Sandra living with them. Tom and Shelley provide over half the cost of Sandra's support. Sandra's only income is Social Security, which she uses for gifts, her clothes, and her car. Can Tom and Shelley claim the credit for other dependents for Sandra?

[Click for the Answer](#)

- Sue, 40 years old, is single and earned \$25,000 this year. Sue has a son, Nick, who lived with her all year. Nick is 19 years old, a full-time student, and earned \$13,000 this year. Nick provided over half of his own support.
 - a. Can Sue claim Nick as a dependent? [yes or no]
 - b. Can Sue claim EIC for Nick? [yes or no]

[Click for the Answer](#)



- Maria signs a Form 8332 to let her ex-husband Max claim their daughter Missy, age 10, on his tax return even though Missy lived with Maria the entire tax year.
 - Can Max claim Head of Household? [yes or no]
 - Can Max claim the Child Tax Credit? [yes or no]

[Click for the Answer](#)

Exercise 3: Dependents - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return using [Lisa and Doug Jones Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

<p align="center">Driver’s License (Tax Training Only)</p> <p>License No. 20210906191829 Name and Address LISA JONES 6744 NORTH ELM YOUR CITY, YOUR STATE, YZIP</p>  <p>Birth Date 03/15/1967 Issue Date 02/23/2021 Expiration Date 02/23/2026</p>	<p align="center">Driver’s License (Tax Training Only)</p> <p>License No. 20210906191821 Name and Address DOUG JONES 6744 NORTH ELM YOUR CITY, YOUR STATE, YZIP</p>  <p>Birth Date 06/24/1969 Issue Date 06/04/2021 Expiration Date 06/04/2026</p>
--	--

Social Security

015-00-6002

THIS NUMBER HAS BEEN ESTABLISHED FOR

LISA JONES

For Tax Training Purposes Only

Social Security

200-00-0022

THIS NUMBER HAS BEEN ESTABLISHED FOR

DOUG JONES

For Tax Training Purposes Only

Social Security

200-00-0003

THIS NUMBER HAS BEEN ESTABLISHED FOR

MATT JONES

For Tax Training Purposes Only

Social Security

200-00-0004

THIS NUMBER HAS BEEN ESTABLISHED FOR

STEPHEN JONES

For Tax Training Purposes Only

Social Security

200-00-0005

THIS NUMBER HAS BEEN ESTABLISHED FOR

HANNA SMITH

For Tax Training Purposes Only

Social Security

200-00-0006

THIS NUMBER HAS BEEN ESTABLISHED FOR

KATHRYN ABLE

For Tax Training Purposes Only

Use the Pub 4012 – NTTC Modified Version

- Review [Pub 4012 – NTTC Modified](#), Tab C.

Enter the dependents basic information

Determine which individuals listed below are qualified dependents and enter them into TaxSlayer. Use the information from [Lisa and Doug Jones Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

Hanna lives in Assisted Living because she is no longer capable of self-care. She receives Social Security and uses the money for entertainment and gifts.

Who qualifies as qualified child or relative dependents for Lisa and Doug? [Click for Answers](#)

Save and exit the return

Review [Dependents > Key Learning Objectives](#)

Filing Status

Purpose

This lesson helps you determine the most advantageous (and allowable) filing status for the taxpayer.

Key Learning Objective

By the end of this lesson, you should be able to determine the most beneficial filing status allowed for a taxpayer.

Link & Learn Assignment

- Click [Link & Learn > Filing Status](#) and review the lesson page.
- Click [Skills Workout](#) and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab B.

Review [Qualifying Child or Relative Resource Tool](#)

See Determination of Filing Status – Decision Tree on page 8.

Additional Learning (Link & Learn Job Aids)

- Watch [IRS Filing Status Video](#)
- Review: Who is a Qualifying Person Qualifying You To File as Head of Household
- IRS Interactive Tax Assistant: [What is my Filing Status?](#)

Note: AARP Foundation Tax-Aide recommends using the [Qualifying Qualifying Child or Relative Resource Tool](#) which is protected by copyright and should not be shared outside of the organization.

Exercise 1: Filing Status

Answer the following questions. Then fill in your Self-Study Program Progress Sheet.

- **Alexandra's younger brother, Sebastian, is seventeen years old and lived with Alexandra from January through April. Sebastian lived with his grandparents for the remainder of the year. Since Sebastian did not have a job, Alexandra gave him money every month for expenses. Assuming Alexandra has no other dependents, can she file as Head of Household? [Yes or No]**

- **Jane's husband moved out of their home in February of the tax year and has not returned. Jane provides all the cost of keeping up the home for herself and her two dependent children. Jane refuses to file a joint return with her husband. What filing status should she use?**
 - A. Single
 - B. Married Filing Separately
 - C. Head of Household
 - D. Qualifying Widow

- **Seth lives alone and has never married. He does not support either of his parents. What filing status(es) can he use?**
 - A. Single
 - B. Married Filing Jointly
 - C. Married Separately
 - D. Head of Household
 - E. Qualifying Widow

- **Tanya and her husband separated in May and lived apart the remainder of the year. Their divorce became final in early September of the tax year. She has sole custody of her three children, who lived with her the entire year. The children are all under the age of 19. She provided more than half of the cost of keeping up the home. What filing status should she use?**
 - A. Single
 - B. Married Filing Jointly
 - C. Married Separately
 - D. Head of Household
 - E. Qualifying Widow

- **Sydney's spouse died two years ago in January. He filed a joint return for that year as the surviving spouse. Since then, Sydney has not remarried and maintains a home for his young children who lived with him all year and provides their sole support. What filing status should Sydney use?**
 - A. Single
 - B. Married Filing Jointly
 - C. Married Separately
 - D. Head of Household
 - E. Qualifying Widow

[Click to check your Answers](#)

Review Filing Status > [Key Learning Objectives](#).

Unique Filing Situations

Purpose

This lesson assists you in addressing some filing status issues you may encounter when helping taxpayers who are not U.S. citizens. This lesson also covers dependent issues related to taxpayers who may have nonresident alien stepchildren (children of a nonresident spouse who is married to a U.S. citizen or resident alien).

This lesson does not cover the preparation of returns for taxpayers who are in the U.S. on an F, J, M, or Q visa. Refer taxpayers with one of these visas to a volunteer who is certified to prepare tax returns for foreign students or to a professional tax preparer. The Foreign Student and Scholar course and certification test are part of [Link & Learn Central](#).

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Determine whether an individual is a resident or nonresident alien.**
- **Apply the support test and citizen or resident test to determine whether an individual can be claimed as a dependent.**
- **Apply special rules for Head of Household status when the spouse is a nonresident alien.**

Link & Learn Assignment

- Click [Link & Learn](#) and review the lesson page.
- Click [Skills Workout](#) and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Pub 4012 – NTTC Modified Version

- Review [Pub 4012 – NTTC Modified](#), Tab L.

Additional Learning (Link & Learn Job Aids)

- Review [Resident or Nonresident Alien Decision Tree](#)
- Review [Determination of Filing Status - Decision Tree](#)

Review the Unique Filing Considerations > [Key Learning Objectives](#).

III. Determining Taxable Income

Income — Wages, Interest, Dividends, etc.

Purpose

In this lesson, you learn how to determine what types of income are taxable and nontaxable, the tax laws that apply to these income sources, and how to input the income into the TaxSlayer software.

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Compute taxable and nontaxable income.**
- **Distinguish between earned and unearned income.**
- **Enter income correctly in the TaxSlayer program.**
- **Correctly report dividend and interest income adjustments for state taxes**

Link & Learn Assignment

- **Click Link & Learn > Income-Wages, Interest, etc., and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**

Study [Pub 4012 – NTTC Modified](#), Tab D.

Additional Learning (Link & Learn Job Aids)

These are also in [Pub 4012 – NTTC Modified](#), Tab D1 & D3

- **Review Table of Taxable and Nontaxable Income**
- **Review How and Where to Enter Income**
- **Medicaid Waiver Payments is a comprehensive lesson in *Self-Study Lessons for Returning Counselors*.**



Exercise 1: Wages - Practice Lab

Watch [Wages](#).

This video explains how to enter wage income into TaxSlayer. The names and numbers in the video are not the same as in the Self-Study exercise.

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Mary and Walter Smith Intake/Interview & Quality Review Sheet](#) and the documents below.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20211127100202		License No. 20210413111541	
Name and Address MARY SMITH 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YOUR ZIP		Name and Address WALTER SMITH 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YOUR ZIP	
Birth Date 07/08/1965		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-6514

THIS NUMBER HAS BEEN ESTABLISHED FOR

MARY SMITH

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

WALTER SMITH


For Tax Training Purposes Only


For [Practice Lab/TaxSlayer](#), each "taxpayer's" social security number is unique. However, the spouse and dependent social security numbers may be duplicated throughout the Self-Study Program.

Enter the Economic Impact Payment using [2021 EIP Worksheet for Mary and Walter Smith's Economic Impact Payments Worksheet](#). Use [Pub 4012 – NTTC Modified](#), **Tab H** for guidance.

Enter W-2 Wage Income

Use [Pub 4012 – NTTC Modified](#), Tab D for guidance.

a. Employee's social security number 015-00-6514		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 25-6234567		1. Wages, tips, other compensation \$12,283.00		2. Federal income tax withheld \$1,228.00			
c. Employer's name, address, and ZIP code PETROLEUM OIL AND GAS 625 KASPAR DRIVE INDIANAPOLIS, IN 46204		3. Social security wages \$12,283.00		4. Social security tax withheld \$761.55			
		5. Medicare wages and tips \$12,283.00		6. Medicare tax withheld \$178.10			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code MARY SMITH 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
		-----		12d.			
15. State YS	Employer's state ID number 25-XXXXXXX	16. State wages, tips, etc. \$12,283.00	17. State income tax 614.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

a. Employee's social security number 115-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 25-5234567		1. Wages, tips, other compensation \$21,010.27		2. Federal income tax withheld \$2,200.00			
c. Employer's name, address, and ZIP code JEFFERSON SCHOOL 12210 ROBIN STREET INDIANAPOLIS, IN 46204		3. Social security wages \$21,010.27		4. Social security tax withheld \$1,302.64			
		5. Medicare wages and tips \$21,010.27		6. Medicare tax withheld \$304.65			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code WALTER SMITH 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YOUR ZIP		11. Nonqualified plans		12a. See instructions for box 12 DD 4734.53			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State	Employer's state ID number	16. State wages, tips, etc.	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

View Taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**

Fill in your answers and complete your [Self-Study Counselor Progress Sheet](#).

SSN	115-00-6514	2021
Wages, salaries, tips, etc.	1040 Line 1	
Adjusted gross income	1040 Line 11	
Federal income tax withheld: a Form(s) W-2	1040 Line 25a	



Click to find the answers in [Counselor Resources](#).

Exercise 2: Interest Income - Practice Lab

Watch [Interest and Dividend Income](#) which explains how to enter interest/dividend income into TaxSlayer.

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [James and Patricia Johnson Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20211127095713		License No. 20210721155750	
Name and Address JAMES JOHNSON 2020 COLORADO BLVD YOUR CITY, YS YZIP		Name and Address PATRICIA JOHNSON 2020 COLORADO BLVD YOUR CITY, YS YZIP	
Birth Date 07/08/1950		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-6515

THIS NUMBER HAS BEEN ESTABLISHED FOR

JAMES JOHNSON

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

PATRICIA JOHNSON

For Tax Training Purposes Only

Enter the Economic Impact Payment: [2021 EIP Worksheet for James and Patricia](#)

Use [Pub 4012 – NTTC Modified](#), Tab H for guidance.

Enter the Interest Income from the Form 1099-INT

Use [Pub 4012 – NTTC Modified](#), Tab D for guidance

<input type="checkbox"/> CORRECTED (if checked)							
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. DERBY FEDERAL CREDIT UNION 431 INVESTMENT ROW LOUISVILLE, KY 40202		Payer's RTN (optional)		OMB No. 1545-0112 20XX Form 1099-INT		Interest Income	
		1 Interest income \$238.80					
		2 Early withdrawal penalty \$23.00					
PAYER'S TIN 75-7788997	RECIPIENT'S TIN 015-00-6515		3 Interest on US Savings Bonds and Treas. obligations \$150.00		Copy B For Recipient 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 Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code JAMES JOHNSON 2020 COLORADO STREET YOUR CITY, YOUR STATE, YOUR ZIP		4 Federal income tax withheld		5 Investment expenses			
		6 Foreign Tax Paid		7 Foreign Country or US possession			
		8 Tax exempt interest \$45.00		9 Specified private activity bond interest			
		10 Market Discount		11 Bond Premium 126.23			
		FATCA filing requirement <input type="checkbox"/>		12 Bond premium on Treasury obligations		13 Bond Premium on tax-exempt bond	
Account number (see instructions)		14 Tax-exempt and tax credit bond CUSIP no.		15 State	16 State Identification no.	17 State tax withheld	
Form 1099-INT							

Patricia had both a saving and checking account at City Bank and received \$5 and \$4 in interest respectfully. Review the [Pub 4491-NTTC Modified](#) and the [Pub 4012 – NTTC Modified](#) if necessary, to determine what to do about these amounts.

Hint: Interest on US Savings bonds are not taxable for state income tax.
Pub 4012 – NTTC Modified for guidance with Form 1099-INT, line 3 - Interest on US Savings bonds.

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**



Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	909-00-6515	2021
Interest	1040 Line 2b	
Exempt Interest	1040 Line 2a	
Penalty on early withdrawal of savings	1040 Sch 1 Line 17	
Bond Premium	Sch B, Line 1 ABP ADJUSTMENT	
Adjusted gross income	1040 Line 11	

Click to find the answers in [Counselor Resources](#).

Exercise 3: Dividend Income - Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information using the [Neva and Miguel Sanchez Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210830152916		License No. 20210830152852	
Name and Address NEVA SANCHEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		Name and Address MIGUEL SANCHEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP	
Birth Date 07/08/1959		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-6516

THIS NUMBER HAS BEEN ESTABLISHED FOR

NEVA SANCHEZ

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

MIGUEL SANCHEZ

For Tax Training Purposes Only

Enter the Economic Impact Payment: Click [2021 EIP Worksheet for Neva and Miguel](#)

Use [Pub 4012 – NTTC Modified](#), Tab H for guidance.

Enter the Dividend Income

Use [Pub 4012 – NTTC Modified](#), Tab D for guidance

<input type="checkbox"/> CORRECTED (if checked)				Dividends and Distributions		
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. BAKER FINANCIAL SERVICES PO BOX 237 JACKSONVILLE, FL 32209		1 Total Ordinary Dividends \$345.89	OMB No. 1545-0110 20XX Form 1099-DIV		Copy B For Recipient 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.	
		1b Qualified Dividends \$256.50				
		2a Total capital gain distr. \$49.78	2b Unrecap. Sec. 1250 gain			
PAYER'S TIN 25-7456789	RECIPIENT'S TIN 015-00-6516	2c Section 1202 gain	2d Collectables (28%) gain			
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code NEVA SANCHEZ 2020 COLORADO STREET YOUR CITY, YOUR STATE, YOUR ZIP		2e Section 897 ordinary dividends	2f Section 897 capital gain			
		3 Nondividend distributions \$16.23	4 Federal income tax withheld			
		5 Section 199A dividends 126.78	6 Investment expenses			
FATCA filing requirement <input type="checkbox"/>		7 Foreign Tax Paid \$5.13	8 Foreign Country or US possession			
		9 Cash liquidation distributions	10 Noncash liquidation distribution			
Account number (see instructions)		11 Exempt-Interest dividends	12 Specified private activity bond interest dividends			
		13 State	14 State Identification no.	15 State tax withheld		
		-----	-----	-----		
Form 1099-DIV						

Note: Dividends are often reported on a Brokerage Statement. The line numbers on the dividend section of a brokerage statement match a typical 1099-DIV form.

Enter Brokerage Statement Dividend Income

Neva and Miguel received a brokerage statement from Advantage Marketing Corporation that contained the following information. Use [Pub 4012 – NTTC Modified, Tab D](#) to input Form 1099-DIV into the income section of TaxSlayer.

Neva and Miguel Sanchez’s Joint Account:

Form 1099-DIV	2020 Dividends and Distributions	OMB No. 1545-0110
Box		Amount
1a Total ordinary dividends.....		2,298.01
1b Qualified dividends.....		1,397.50
2a Total capital gain distr.....		3,975.61
2b Unrecap. Sec. 1250 gain.....		0.00
2c Section 1202 gain.....		0.00
2d Collectibles (28%) gain.....		0.00
3 Nondividend distributions.....		0.00
4 Federal income tax withheld.....		0.00
5 Section 199A dividends.....		0.00
6 Investment expenses.....		0.00
7 Foreign tax paid.....		45.43
8 Foreign country or U.S. possession.....		N/A
9 Cash liquidation distributions.....		0.00
10 Noncash liquidation distributions.....		0.00
11 Exempt-interest dividends.....		484.84
12 Specified private activity bond interest dividends.....		75.95
13 State.....		N/A
14 State identification no.....		N/A
15 State tax withheld.....		0.00

Note: Form 1099-DIV box 12 (Specified Private Activity Bond) - An entry in box 12 may generate Alternative Minimum Tax (AMT) on Form 6251. An AMT amount greater than \$0 on line 11 of form 6251 is out of scope for AARP tax preparers.

View Taxpayer’s return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**



Fill in your answers and complete your Self-Study Counselor Progress Sheet.

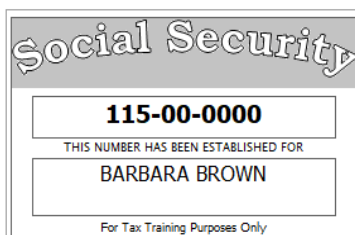
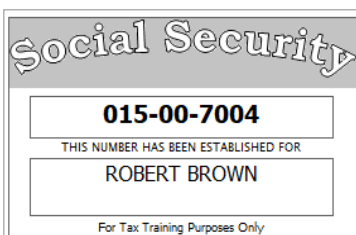
SSN	015-00-6516	2021
Exempt Interest	1040 Line 2a	
Qualified dividends	1040 Line 3a	
Ordinary dividends	1040 Line 3b	
Capital Gains Distribution	1040 Line 7	
Specified private activity bonds	Form 6251 Line 2g	
Alternative Minimum Tax	Form 6251 Line 11	
Adjusted gross income	1040 Line 11	

Click to find the answers in [Counselor Resources](#).

Exercise 4: State and Local Tax Refund - Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and start a new return. Enter the taxpayer's basic information from the [Robert and Barbara Brown Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210830161427		License No. 20210830161422	
Name and Address ROBERT BROWN 2020 COLORADO BLVD YOUR STATE, YOUR CITY, YZIP		Name and Address BARBARA BROWN 2020 COLORADO BLVD YOUR STATE, YOUR CITY, YZIP	
Birth Date 07/08/1959		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025



If the taxpayer's **prior-year tax return** had any of the following, the State and Local Refund does not apply and should not be reported:

- **Claimed the standard deduction on the tax return for the year they received a refund of state or local income taxes.**
- **Claimed itemized deductions and used state sales tax instead of the state income tax withheld or paid.**
- **Can not deduct all their state income taxes because of the annual Federal cap on state and local taxes deduction.**

Enter the Economic Impact Payment: Click [2021 EIP Worksheet for Robert and Barbara](#)

Enter the State Refund Income

Use the information from the Brown's prior year return and the Form 1099-G to determine if their State Refund is taxable and how it should be entered in TaxSlayer.

Use the [Pub 4012 – NTTC Modified](#), Tab D State and Local Refund Worksheet

<input type="checkbox"/> CORRECTED (if checked)			
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. US TREASURY 33 B AVENUE YOUR CITY, YS YZIP		1 Unemployment compensation	OMB No. 1545-0120
		2 State or local income tax refunds, credits or offsets \$680.00	20XX
		Form 1099-G	
PAYER'S TIN 25-9321654		RECIPIENT'S TIN 015-00-7004	4 Federal income tax withheld
RECIPIENT'S name Street address City or town, state or province, country, ZIP or foreign postal code ROBERT BROWN 2020 COLORADO BLVD YOUR CITY, YS YZIP		5 RTAA payments	6 Taxable grants
		7 Agriculture payments	8 If checked, box 2 is trade or business income > <input type="checkbox"/>
		9 Market gain	
Account number (see instructions)		10. State	10b State identification no.
		11 State income tax withheld	
Form 1099-G			

Certain Government Payments

Copy B For Recipient
 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.

Prior Year Tax Return Information:

Robert and Barbara have a copy of last year's return that showed their itemized deductions and the following:

- **The adjusted gross income for last year was \$86,033.**
- **Total itemized deductions were \$27,660 (Sch A, Line 17 or Form 1040 line 9).**
- **State and local taxes from the 2020 Sch A:**

Taxes You Paid	5 State and local taxes. a State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>		
	b State and local real estate taxes (see instructions)	5a	2,818
	c State and local personal property taxes	5b	3,000
	d Add lines 5a through 5c	5c	150
	e Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	5d	5,968
		5e	5,968

- **The sales tax deduction would have been \$2,641.73. This includes \$1,565 of sales tax on the car they purchased. Click and verify using the IRS.GOV general sales tax calculator (Tax Year 2020, zip code 68101).**
- **The Browns had no Qualified Income Adjustments or non-refundable credits.**

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**



Fill in your answers and complete your Self-Study Counselor Progress Sheet

SSN	015-00-7004	2021
Refund, State and Local Taxes	1040 Sch 1 Line 1	
Adjusted gross income	1040 Line 11	

Click to find the answers in [Counselor Resources](#).

Exercise 5: Alimony Received (Income) -Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and start a new return. Enter the taxpayer's basic information from the [Elizabeth and Michael Jones Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210830175044		License No. 20210830175037	
Name and Address ELIZABETH JONES 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		Name and Address MICHAEL JONES 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP	
Birth Date 07/08/1975		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-8001

THIS NUMBER HAS BEEN ESTABLISHED FOR

ELIZABETH JONES

For Tax Training Purposes Only

Social Security

805-00-0002

THIS NUMBER HAS BEEN ESTABLISHED FOR

MICHAEL JONES

For Tax Training Purposes Only

Enter the Economic Impact Payment: [2021 EIP Worksheet for Elizabeth and Michael](#).

Enter Alimony Income: Use [Pub 4012 – NTTC Modified](#) , Tabs D & E for guidance

Elizabeth received \$350 a month in Alimony income (\$4,200 in 2021). The date of her divorce agreement was December 23, 2014.

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	115-00-8001	2021
Alimony Received	1040 Sch 1 Line 2a	
Date of original divorce or separation agreement	1040 Sch 1 Line 2b	
Adjusted gross income	1040 Line 11	

Click to find the answers in [Counselor Resources](#).

Review the [Income Wages, Interest, Dividends, etc.> Key Learning Objectives](#).

Income—Business

Purpose

In this lesson, you learn about income and expenses generated by self-employed taxpayers or independent contractors, taxpayer record keeping requirements, and how to accurately input the income and expenses into TaxSlayer.

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Determine the source of business income and how to input it correctly in TaxSlayer.**
- **Determine what business expenses are within the scope of the VITA/TCE program.**
- **Identify “red flags” when preparing a Schedule C return with an earned income credit (EIC).**
- **Determine what records should be maintained by the taxpayer.**
- **Explain the following adjustments generated on Form 1040 when filing a Schedule C. For example:**
 - **Self-employed health insurance Deduction**
 - **Self-Employment Tax Deduction**
 - **Qualified Business Income Deduction**

Link & Learn Assignment

- **Click Link & Learn > Business Income and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**
- **Pay close attention to the following topics:**
 - **Business vehicle expenses**
 - **Training and education expenses**
 - **Health Insurance expenses (including Medicare premiums)**
 - **Loan Interest expense**

Use [Pub 4012 – NTTC Modified, Tab D](#) for guidance.

Additional Learning

- **Review: *NTTC Schedule C Guidelines*.** This document was specifically written for Tax-Aide.
- **Review: Self-Employed Worksheet** that is given to taxpayers with self-employment income. The taxpayer fills out this form and gives it to the tax preparer.

Exercise 1: Business Income – Scope Limitations

Check the items that are Out of Scope for Tax-Aide volunteers. Find the Tax-Aide Scope Manual and search for “S C”. Also, the NTTC Schedule C Guidelines and [Pub 4491-NTTC Modified](#), Lesson 9 have discussions concerning Scope limitations.

Post your answers on your **Self-Study Counselor Progress Sheet**.

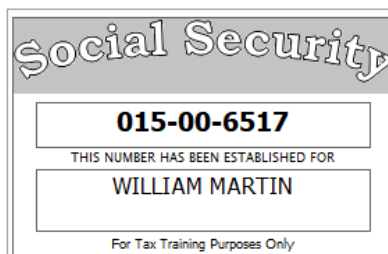
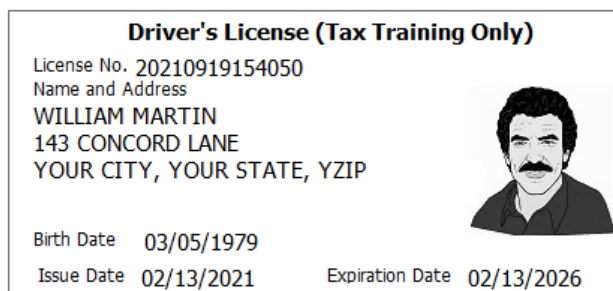
- _____ Joe owns a lawn care business and pays two people to help him mow lawns.
 _____ Jim mows lawns for 15 clients and gets paid in cash.
 _____ Sally works from an office in her home, and she would like to deduct her office expenses.
 _____ Jesus is an Uber driver, and he has 75,000 business miles and no other expenses.
 _____ Cynthia is an Uber driver, and she only has 2,000 business miles.
 _____ Susan sells collectible baskets, and she keeps a supply of the baskets at home.
 _____ Stephen paid \$2000 for equipment that lasts more than one year. He would like to depreciate the expense.

Click to find the answers in [Counselor Resources](#).

Exercise 2: Self-Employment Business Income - Practice Lab**Enter Taxpayer’s Basic Information**

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [William Martin’s Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below.

Use [Pub 4012 – NTTC Modified](#) Tab D for help making the entries into TaxSlayer.



Enter the Economic Impact Payment: [2021 EIP Worksheet for William Martin](#).

Use [Pub 4012 – NTTC Modified](#), Tab D for guidance

Enter Taxpayer's Business Income

William is a self-employed painter. His clients are businesses and private homes, and his business' name is Baldwin Painting. William uses his home address for his business. Use Schedule C business code 238320.

William received two Form 1099-NECs from restaurants he painted. He also received cash payments from painting several private residences. His cash receipts total is \$32,867.

Click [William Martin's Self-Employed Worksheet](#) for Self-Employment expenses.

Review [Schedule C - Car and Truck Expenses Chart](#)

<input type="checkbox"/> CORRECTED (if checked)						
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. JANE'S CAFE 35 WEST ELM STREET YOUR CITY, YOUR STATE, YZIP			OMB No. 1545-0116 20XX Form 1099-NEC		Nonemployee Compensation Copy B For Recipient 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.	
			1 Nonemployee compensation \$3,200.00			
PAYER'S TIN 12-1234567		RECIPIENT'S TIN 015-00-6517		2		
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code WILLIAM MARTIN 143 CONCORD LANE YOUR CITY, YOUR STATE, YZIP			3			
			4 Federal income tax withheld			
			FATCA filing requirement <input type="checkbox"/>			
Account number (see instructions)			5 State tax withheld		6 State/Payer's state no.	7 State income
Form 1099-NEC						

<input type="checkbox"/> CORRECTED (if checked)						
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. ALICE'S BISTRO 234 FALCON DRIVE YOUR CITY, YOUR STATE, YZIP			OMB No. 1545-0116 <div style="font-size: 2em; font-weight: bold; text-align: center;">20XX</div> Form 1099-NEC		Nonemployee Compensation	
PAYER'S TIN 54-3456789			RECIPIENT'S TIN 015-00-6517		Copy B For Recipient 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 Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code WILLIAM MARTIN 143 CONCORD LANE YOUR CITY, YOUR STATE, YZIP			1 Nonemployee compensation <div style="text-align: center; font-size: 1.2em;">\$6,500.00</div>			
FATCA filing requirement <input type="checkbox"/>			2 3 4 Federal income tax withheld			
Account number (see instructions)			5 State tax withheld -----			
					7 State income -----	
Form 1099-NEC						

View taxpayer's return in TaxSlayer

- **Click *Summary Print* on the left side of the main screen**
- **Click *View/Print Return* on the top right-hand side of the screen**
- **Click *Print your 2021 Tax Return***

Fill in your answers and complete your **Self-Study Counselor Progress Sheet**.

SSN	015-00-6517	2021
Business Income	1040 Sch 1 Line 3	
Deductible SE Tax	1040 Sch 1 Line 15	
SE Health Insurance	1040 Sch 1 Line 16	
Adjusted gross income	1040 Line 11	
Qualified business income deduction	1040 Line 13	
SE Tax	1040 Sch 2 Line 4	

Click to find the answers in [Counselor Resources](#).

Review the [Business Income >Key Learning Objectives](#).

Income – Capital Gain or Loss

Purpose

In this lesson, you learn how to report gains and losses on the sale of capital assets. Capital assets are taxed at different rates than ordinary income.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine the adjusted basis of capital assets.
- Determine whether an asset's holding period is long-term or short-term.
- Calculate the taxable gain or deductible loss from the sale of a capital asset.
- Accurately enter brokerage statement information into TaxSlayer.
- Enter a prior year capital carryforward amount correctly into TaxSlayer.

Link & Learn Assignment

- Click Link & Learn > Income - Capital Gain or Loss and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab D .

Additional Learning

- Watch: Schedule D Brokerage Statements
- Watch: Schedule D Carryforward and Inherited


Capital Loss Carryover

Prior year carryforward losses are combined with current year capital gains and losses. Capital losses are limited to \$3,000 per year. Unused capital losses can be carried forward indefinitely.

Exercise 1: 1099-B and Brokerage Statement - Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Ronald Davis Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)	
License No.	20210831132741
Name and Address	RONALD DAVIS 143 CONCORD LANE YOUR CITY, YOUR STATE, YZIP
Birth Date	07/01/1962
Issue Date	06/11/2021
Expiration Date	06/11/2026



Social Security
015-00-7614
THIS NUMBER HAS BEEN ESTABLISHED FOR
RONALD DAVIS
For Tax Training Purposes Only

Enter the Economic Impact Payment: Click [2021 EIP Worksheet for Ronald Davis](#).

Enter 1099-B information: Pub 4012 - NTTC Modified: Schedule D Capital Gain/Loss transactions

Ronald sold 25 shares of IBM stock that he inherited from his uncle Jim. Jim died in 2015 and he purchased the stock for \$50 per share. The share price on Jim's date of death was \$105 per share.

<input type="checkbox"/> CORRECTED			
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. LINCOLN INVESTMENT SERVICES 197 ESSEX AVENUE JACKSONVILLE, FL 32209		Applicable Check Box on Form 8949 <div style="text-align: center; font-size: 2em; font-weight: bold;">20XX</div> Form 1099-B	OMB No. 1545-0715 Proceeds From Broker and Barter Exchange Transactions
1a Description of Property (Example 100 sh. XYZ Co.) 25 SHARES IBM CORPORATION			
PAYER'S TIN 89-6123456		RECIPIENT'S TIN 015-00-7614	Copy B For Recipient 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 Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code RONALD DAVIS 143 CONCORD LANE YOUR STATE, YOUR CITY, YZIP		1b Date acquired 08/19/20XX	
1d Proceeds \$3,569.50		1c Date sold or disposed 08/19/20XX	
1e Cost or other basis		1f Accrued Market Discount	
1g Wash sale loss disallowed		2 Short term gain or loss <input type="checkbox"/> Long term gain or loss <input type="checkbox"/> Ordinary <input type="checkbox"/>	
3 If checked, proceeds from: Collectables <input type="checkbox"/> QOF <input type="checkbox"/>		4 Federal income tax withheld	
5 If checked, noncovered security <input checked="" type="checkbox"/>		6 Reported to IRS Gross proceeds <input type="checkbox"/> Net proceeds <input checked="" type="checkbox"/>	
7 If checked, loss is not allowed due to amount in 1d <input type="checkbox"/>		8 Profit or (loss) realized in 20XX on closed contracts	
9 Unrealized profit or (loss) on open contracts - 12/31/20XX		10 Unrealized profit or (loss) on open contracts - 12/31/20XX	
11 Aggregate profit or (loss) on contracts		12 If checked, basis reported to IRS <input type="checkbox"/>	
13 Bartering		Form 1099-B	

Enter the brokerage statement: Use the brokerage statement and the information below to make entries into TaxSlayer.

The taxpayer has a long-term capital loss carryover from 2020 of \$5,000.

Tip: Most brokers use a substitute Form 1099-B, not the IRS form. Carefully review the brokerage statement during the interview to confirm the transaction data is correct and that the return is in scope.

Alpine Brokerage LLC 2715 Alpine Lane Boston MA 02110 Account No. 111-227 Payer's TIN: 95-7456789		2021 TAX INFORMATION SUMMARY		TAX REPORTING STATEMENT Ronald Davis 143 Concord Ln, Your City, YS, ZIP Recipient ID No. 015-00-7614	
Form 1099-DIV Dividends and Distributions Copy B for Recipient (OMB NO. 1545-0110)			Form 1099-INT Interest Income Copy B for Recipient (OMB NO. 1545-0112)		
Box		Amount	Box		Amount
1a	Total Ordinary Dividends	4,560.78	1	Interest Income	345.60
1b	Qualified Dividends	3,089.56	2	Early Withdrawal Penalty	0.00
2a	Total Capital Gain Distributions (Include 2b – 2d)	7,006.50	3	Interest - US Savings Bonds and Treas. Obligations ..	0.00
2b	Unrecaptured 1250 Gain	0.00	4	Federal Income Tax Withheld	0.00
2c	Section 1202 Gain	0.00	5	Investment Expenses	0.00
2d	Collectibles (28%) Gain	0.00	6	Foreign Tax Paid	0.00
3	Nondividend Distributions	56.90	7	Foreign Country or U.S. Possession	
4	Federal Income Tax Withheld	1,000.00	8	Tax-Exempt Interest	0.00
5	Section 199A Dividends	256.96	9	Specified Private Activity Bond Interest	0.00
6	Investment Expenses	850.00	10	Market Discount	0.00
7	Foreign Tax Paid	34.89		Market Discount on Noncovered Securities	0.00
8	Foreign Country/U.S. Possession:	Various	11	Bond Premium	0.00
9	Cash Liquidation Distributions	0.00	12	Bond Premium on Tax-Exempt Bond	0.00
10	Non-Cash Liquidation Distributions	0.00	13	Bond Premium on tax Exempt Bonds	
11	Exempt-Interest Dividends	507.78	15	State	YS
12	Specified Private Activity Bond Interest Dividends	0.00	16	State Identification No.	XXXX
13	State	YS	17	State Tax Withheld	0.00
14	State Identification No	XXXX		FATCA filing requirement	
15	State Tax Withheld	0.00			
	FATCA filing requirement				
Summary of Proceeds, Gains & Losses, Adjustments and Withholding					
Term	Form 8949 type	Proceeds	Cost basis	Wash Sale loss disallowed	Net Gain or Loss(-)
Short	A (basis reporter to IRS)	17,749.50	13,932.50		3,817.00
Short	B (basis not reported to IRS)				
Short	C (Form 1099-B not received)				
	Total Short-Term	17,749.50	13,932.50		3,817.00
Long	D (basis reporter to IRS)	8,089.35	5,194.75		2,894.60
Long	E (basis not reported to IRS)				
Long	F (Form 1099-B not received)				
	Total Long-Term	8,089.35	5,194.75		2,894.60
	Grand Total	25,838.85	19,127.25		6,711.60

1099-INT line 11: Tax Exempt Interest Dividends - See your state-specific training

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7614	2021
Short term Capital Gains/Losses, reported to the IRS	Sch D Line 1b	
Long-term Capital Gains/Losses reported to the IRS	Sch D Line 8b	
Long term Capital Gains/Losses, not reported to the IRS	Sch D Line 9	
Capital Gain Tax Worksheet (Carryforward)	Sch D Line 14	
Adjusted gross income	1040 Line 11	

Click to find the answers in [Counselor Resources](#).

Review the [Capital Gain or Loss> Key Learning Objectives](#).

Income – Social Security Benefits

Purpose

Learn to determine the correct taxable portion of Social Security and equivalent Railroad Retirement Tier 1 benefits. These benefits may or may not be taxable.

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Determine the taxable portion of Social Security and equivalent Railroad Retirement benefits.**
- **Input Social Security and equivalent Railroad Retirement benefit correctly in TaxSlayer.**

Link & Learn Assignment

- **Click Link & Learn > Income - Social Security Benefits and review the lesson page.**
- **Click Skills Workout to complete the unit. Take time to review the linked materials. Remember [Pub 4491 - NTTC Modified](#) is the textbook.**

Additional Learning

- **Watch Pensions and Social Security**
- **Watch (*optional*) Railroad Retirement Pension, green and blue forms. See *Self-Study Lessons for Returning Counselors* for a Practice Lab exercise.**
- **Review [Social Security Fact Sheet](#)**



Note: TaxSlayer automatically determines the taxable amount of Social Security Benefits.

Tax-Slayer Tip: Medicare Premiums can be entered on the Social Security Income screen and are automatically be deducted on Schedule A; or the premiums for Self-Employed taxpayers can be entered on Schedule C resulting in an adjustment to income

Exercise 1: Social Security - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Maria and David Miller Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified, Tab D](#) for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		Driver’s License (Tax Training Only)	
License No. 20211127131418		License No. 20211127131142	
Name and Address MARIA MILLER 2020 COLORADO BLVD YOUR CITY, YS YZIP		Name and Address DAVID MILLER 2020 COLORADO BLVD YOUR CITY, YS YZIP	
Birth Date 07/08/1946		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-6513

THIS NUMBER HAS BEEN ESTABLISHED FOR

MARIA MILLER

For Tax Training Purposes Only

Social Security

115-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR

DAVID MILLER

For Tax Training Purposes Only

Enter Economic Impact Payment: [2021 EIP Worksheet for Maria and David Miller.](#)

Enter W-2 Wage Income

a. Employee's social security number 115-00-0000		Save. accurate, FAST! Use		 Visit the IRS website at www.irs.gov/efile		
b. Employer identification number (EIN) 71-6262621		1. Wages, tips, other compensation \$32,851.00		2. Federal income tax withheld \$3,200.00		
c. Employer's name, address, and ZIP code JACKSON FOOD COMPANY 12 CANDY CANE LANE DALLAS, TX 75001		3. Social security wages \$33,851.00		4. Social security tax withheld \$2,098.76		
		5. Medicare wages and tips \$33,851.00		6. Medicare tax withheld \$490.84		
		7. Social security tips		8. Allocated tips		
d. Control number		9.		10. Dependant care benefits		
e. Employee's first name and initial Employee's address and ZIP code DAVID MILLER 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YOUR ZIP		11. Nonqualified plans		12a. See instructions for box 12 D \$1,000.00		
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b. DD \$4,734.53		
		14. Other		12c.		
		-----		12d.		
15. State YS	Employer's state ID number 72-6XXXXXXXXX	16. State wages, tips, etc. \$32,851.00	17. State income tax 1,500.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name
Form W-2 Wage and Tax Statement 20XX Copy B - To Be Filed With Employee's FEDERAL Tax Return. This information is being furnished to the Internal Revenue Service.						

Enter 1099-SSA information

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT		
2020 ○ PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. ○ SEE THE REVERSE FOR MORE INFORMATION.		
Box 1. Name MARIA MILLER		Box 2. Beneficiary's Social Security 015-00-6513
Box 3. Benefits Paid in 2020 \$13,682.00	Box 4. Benefits Repaid to SSA in 2020	Box 5. Net Benefits Paid for 2020 (Box 3 minus Box 4) \$13,682.00
DESCRIPTION OF AMOUNT IN BOX 3 Paid by check or direct deposit \$10,832.00 Medicare Part B premiums deducted from your benefits \$1,782.00 Medicare Prescription Drug premiums (Part D) deducted from your benefits Total Additions \$2,850.00 Benefits for 2020 \$13,682.00 Benefits for 2019 Benefits for 2018 Benefits for 2017		DESCRIPTION OF AMOUNT IN BOX 4 Box 6. Voluntary Federal Income Tax Withheld \$1,068.00 Box 7. Address MARIA MILLER 2020 COLORADO BLVD YOUR CITY, YS, YZIP Box 8. Claim Number (use this number if you need to contact SSA) 015-00-6513A

Form SSA-1099-SM

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-6513	2021
Wages, salaries, tips, etc	1040 Line 1	
Social security benefits	1040 Line 6a	
Taxable amount	1040 Line 6b	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from:		
a Form(s) W-2	1040 Line 25a	
b Form(s) 1099	1040 Line 25b	

Click to find the answers in [Counselor Resources](#).

Review the [Social Security Benefits> Key Learning Objectives](#).

Income — Retirement Income

Purpose

In this lesson, you learn how to determine the taxable portion of retirement income and how to accurately enter the income into TaxSlayer.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Identify how retirement income is reported to the taxpayer using Form 1099-R series.
- Calculate the taxable portion of retirement income using the Col Tax-Aide (Bogart) Calculator.
- Accurately enter retirement income into the Simplified Method calculator in TaxSlayer.
- Determine if a tax penalty can be reduced or eliminated, and enter the information into TaxSlayer (Form 5329).

Link & Learn Assignment

- Click Link & Learn > Income - Retirement and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.


Additional Learning

- Watch IRAs
- Review Pensions and Social Security

Exercise 1: Individual Retirement Accounts (IRAs) - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Al Getz Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		
License No. 20210827134241		
Name and Address		
AL GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, ZIP		
		
Birth Date	07/08/1945	Expiration Date
Issue Date	06/18/2021	06/18/2026

Social Security	
015-00-1809	
THIS NUMBER HAS BEEN ESTABLISHED FOR	
AL GETZ	
For Tax Training Purposes Only	

Enter the Economic Impact Payment: [2021 EIP Worksheet for Al Getz](#).

Enter 1099-R (See [Pub 4012 – NTTC Modified](#), *Tab D* for help with TaxSlayer entries)

<input type="checkbox"/> CORRECTED (if checked)						Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
PAYER’S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. UNITED FINANCIAL SERVICES PO BOX 3478 INDIANAPOLIS IN 46204			1 Gross distribution \$13,567.00	20XX Form 1099-R		
			2a Taxable amount \$13,567.00			2b Taxable amount not determined. <input checked="" type="checkbox"/>
PAYER’S TIN 97-6123456			RECIPIENT’S TIN 015-00-1809		3 Capital gain (included in box 2a).	4 Federal income tax withheld
RECIPIENT’S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal AL GETZ 3132 SO LINCOLN BLVD YOUR CITY YS YZIP			5 Employee contributions/ Designated Roth contributions or	6 Net unrealized appreciation in employer’s securities		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. This information is being furnished to the IRS
			7 Distribution Code(s) 7	IRA/ SEP/ SIMPLE <input checked="" type="checkbox"/>	8 Other %	
			9a Your percentage of total distribution %	9b Total Employee Contributions		
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement <input type="checkbox"/>	12 State tax withheld	13 State/Payer’s state no.	14 State distribution	
Account number (see instructions)		Date of payment	15 Local tax withheld	16 Name of locality	17 Local distribution	
Form 1099-R						

Additional Intake/Interview probing question:

Al Getz is 76 and it seems like he could have a Form 1099-SSA. If he has questions concerning social security, Counselors can suggest he goes to <https://www.ssa.gov/onlineservices/> or visits a local Social Security office.

Questions: (Use the [Pub 4012 – NTTC Modified](#) for reference)

1. What is the Distribution Code in Box 7?
2. What does the Distribution Code in Box 7 indicate?
3. Is this 1099-R for an IRA/SEP/Simple?

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen.
- Click *View/Print Return* on the top right-hand side of the screen.
- Click *Print your 2021 Tax Return*.

Fill in your answers and complete your **Self-Study Counselor Progress Sheet.:**


SSN	015-00-7011	2021
IRA Distributions	1040 Line 4a	
Taxable Amount	1040 Line 4b	
Adjusted gross income	1040 Line 11	

Click to find the answers in [Counselor Resources](#).

Exercise 2: Early Retirement Distribution on a 1099-R - Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Marcy Getz Form 13614-C Intake/Interview & Quality Review Sheet](#) and the Social Security Card below. Use [Pub 4012 – NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.


Driver's License (Tax Training Only)	
License No.	20210901165815
Name and Address	MARCY GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YOUR ZIP
Birth Date	01/15/1965
Issue Date	12/26/2020
Expiration Date	12/26/2025



Social Security	
015-00-6519	
THIS NUMBER HAS BEEN ESTABLISHED FOR	
MARCY GETZ	
For Tax Training Purposes Only	

Enter the Economic Impact Payment: [2021 EIP Worksheet for Marcy Getz.](#)

Enter W-2 Wage Income

a. Employee's social security number 015-00-6519		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 25-1234568			1. Wages, tips, other compensation \$32,851.00		2. Federal income tax withheld \$3,200.00		
c. Employer's name, address, and ZIP code COLORADO PAPER COMPANY 1244 MAIN STREET INDIANAPOLIS, IN 46204			3. Social security wages \$32,851.00		4. Social security tax withheld \$2,036.76		
			5. Medicare wages and tips \$32,851.00		6. Medicare tax withheld \$476.34		
			7. Social security tips		8. Allocated tips		
d. Control number			9.		10. Dependant care benefits		
e. Employee's first name and initial Last name Suff. Employee's address and ZIP code MARCY GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YOUR ZIP			11. Nonqualified plans		12a. See instructions for box 12		
			13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.		
			14. Other		12c.		
			-----		12d.		
15. State	Employer's state ID number	16. State wages, tips, etc.	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
YS	25-XXXXXXX	\$32,851.00	1,100.00			-----	
Form W-2 Wage and Tax Statement				20XX			
Copy B - To Be Filed With Employee's FEDERAL Tax Return.							
This information is being furnished to the Internal Revenue Service.							

Enter Teachers Federal Credit Union Form 1099-R (See [Pub 4012 – NTTC Modified, Tab D](#))

<input type="checkbox"/> CORRECTED (if checked)		20XX Form 1099-R		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. TEACHERS FEDEAL CREDIT UNION 174 WEST PIKE RD YOUR CITY YS YZIP		1 Gross distribution \$4,256.36	2a Taxable amount \$4,256.36		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. This information is being furnished to the IRS
		2b Taxable amount not determined. <input checked="" type="checkbox"/>	Total Distribution <input type="checkbox"/>		
		3 Capital gain (included in box 2a).	4 Federal income tax withheld \$425.00		
		5 Employee contributions/ Designated Roth contributions or	6 Net unrealized appreciation in employer's securities		
PAYER'S TIN 35-2234567	RECIPIENT'S TIN 015-00-6519	7 Distribution Code(s) 1		IRA/ SEP/ SIMPLE <input checked="" type="checkbox"/>	8 Other %
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal MARCY GETZ 3132 SO LLINCOLN BLVD YOUR CITY,YS YZIP		9a Your percentage of total distribution %	9b Total Employee Contributions		
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement <input type="checkbox"/>	12 State tax withheld	13 State/Payer's state no.	14 State distribution
Account number (see instructions)	Date of payment	15 Local tax withheld	16 Name of locality	17 Local distribution	
Form 1099-R					

Questions:

1. Is Marcy required to file a tax return? Where did you find your answer?
2. What is the 1099-R Box 7 distribution code?
3. What does the Distribution Code in Box 7 indicate?
4. Is this 1099-R for an IRA/SEP/Simple?

[Click for Answers](#)

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.


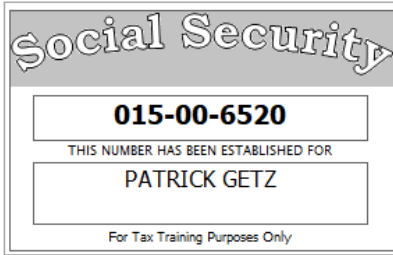
SSN	015-00-6519	2021
Wages, salaries, tips, etc	1040 Line 1	
IRA Distributions	1040 Line 4a	
IRA Taxable Amount	1040 Line 4b	
Adjusted gross income	1040 Line 11	
Additional taxes	1040 Sch 2 Line 6	
Federal income tax withheld from:		
a Form(s) W-2	1040 Line 25a	
b Form(s) 1099	1040 Line 25b	

Click to find the answers in [Counselor Resources](#).

Exercise 3: Pension Distribution Rollovers into an IRA - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Patrick Getz Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)			
License No. 20210831155814			
Name and Address PATRICK GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YZIP			
Birth Date 07/08/1945	Expiration Date 06/18/2026		
Issue Date 06/18/2021			

Enter the Economic Impact Payment: [EIP Worksheet for Patrick Getz](#).

Enter Form SSA-1099

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT			
2020		<input type="radio"/> PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. <input type="radio"/> SEE THE REVERSE FOR MORE INFORMATION.	
Box 1. Name PATRICK GETZ		Box 2. Beneficiary's Social Security 015-00-6520	
Box 3. Benefits Paid in 2020 \$13,682.00	Box 4. Benefits Repaid to SSA in 2020	Box 5. Net Benefits Paid for 2020 (Box 3 minus Box 4) \$13,682.00	
DESCRIPTION OF AMOUNT IN BOX 3		DESCRIPTION OF AMOUNT IN BOX 4	
Paid by check or direct deposit \$6,832.00		Box 6. Voluntary Federal Income Tax Withheld \$4,000.00	
Medicare Part B premiums deducted from your benefits \$1,782.00			
Medicare Prescription Drug premiums (Part D) deducted from your benefits \$1,068.00			
Total Additions \$6,850.00			
Benefits for 2020 \$13,682.00		Box 7. Address PATRICK GETZ 3132 SO LINCOLN BLVD YOUR CITY, YS, YZIP	
Benefits for 2019		Box 8. Claim Number (use this number if you need to contact SSA) 015-00-6520A	
Benefits for 2018			
Benefits for 2017			

Form **SSA-1099-SM**

Enter 1099-R from Yale Bank (See [Pub 4012 – NTTC Modified](#), Tab D for help with TaxSlayer entries)

<input type="checkbox"/> CORRECTED (if checked)						Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. YALE BANK AND TRUST CO TRUSTEE JEFFERSON CO PENSION FUND PO BOX 1674 CHICAGO, IL 60601			1 Gross distribution \$234,975.00	20XX Form 1099-R		
PAYER'S TIN 52-7464547			RECIPIENT'S TIN 015-00-6520		2b Taxable amount not determined. <input type="checkbox"/> Total Distribution <input checked="" type="checkbox"/>	
			3 Capital gain (included in box 2a).		4 Federal income tax withheld	
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal PATRICK GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YZIP			5 Employee contributions/ Designated Roth contributions or	6 Net unrealized appreciation in employer's securities		
			7 Distribution Code(s) G	IRA/SEP/SIMPLE <input type="checkbox"/>	8 Other %	
			9a Your percentage of total distribution %		9b Total Employee Contributions	
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld	15 State/Payer's state no.	16 State distribution	
Account number (see instructions)			13 Date of payment	17 Local tax withheld	18 Name of locality	19 Local distribution
Form 1099-R						

Questions:

1. What is the Distribution Code in Box 7?
2. What does the Distribution Code in Box 7 indicate?
3. Is this 1099-R for an IRA/SEP/Simple?

[Click for Answers](#)

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet

SSN	015-00-6520	2021
Pensions and annuities	1040 Line 5a	
Taxable amount	1040 Line 5b	
Social security benefits	1040 Line 6a	
Taxable amount	1040 Line 6b	
Adjusted gross income	1040 Line 11	

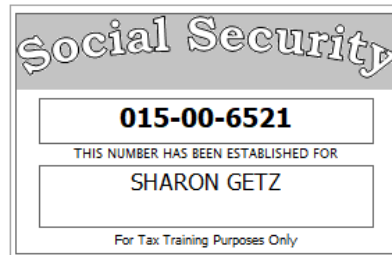
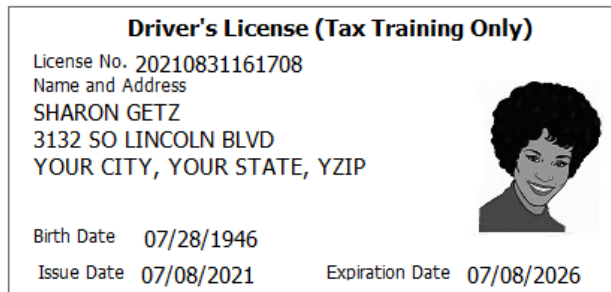
Click to find the answers in [Counselor Resources](#).

Exercise 4: Partially Taxable Pensions and Annuities - Practice Lab

Review [Pension and Social Security](#) for help with TaxSlayer entries.

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Sharon Getz Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.



Enter the Economic Impact Payment: [2021 EIP Worksheet for Sharon Getz](#).

Enter Social Security Income from Form SSA-1099.

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT			
2020		<input type="checkbox"/> PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. <input type="checkbox"/> SEE THE REVERSE FOR MORE INFORMATION.	
Box 1. Name SHARON GETZ		Box 2. Beneficiary's Social Security 015-00-6521	
Box 3. Benefits Paid in 2020 \$13,682.00	Box 4. Benefits Repaid to SSA in 2020	Box 5. Net Benefits Paid for 2020 (Box 3 minus Box 4) \$13,682.00	
DESCRIPTION OF AMOUNT IN BOX 3 Paid by check or direct deposit \$11,900.00 Medicare Part B premiums deducted from your benefits \$1,782.00 Medicare Prescription Drug premiums (Part D) deducted from your benefits Total Additions \$1,782.00 Benefits for 2020 \$13,682.00 Benefits for 2019 Benefits for 2018 Benefits for 2017		DESCRIPTION OF AMOUNT IN BOX 4 Box 6. Voluntary Federal Income Tax Withheld Box 7. Address SHARON GETZ 3132 SO LINCOLN BLVD YOUR CITY, YS YZIP Box 8. Claim Number (use this number if you need to contact SSA) 015-00-6521A	

Form SSA-1099-SM

Enter pension information into the [Col Tax-Aide \(Bogart\) Calculator](#)

If necessary, review [Col Tax-Aide \(Bogart\) 's Toolbox](#) video (minutes 0:43-4:36) for help with entries into the calculator.

Sharon started receiving her pension on January 1, 2014, and did not select the joint or survivor option.

Note: Click [Counselor Resources](#) to check your **Col Tax-Aide (Bogart) Calculator** results.

Enter the 1099-R into TaxSlayer: Include the Gross Distribution Amount (Box 1) but do not enter Taxable Amount (Box 2a).

<input type="checkbox"/> CORRECTED (if checked)						20XX Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. ALPINE PENSION FUND 7588 PEACH TREE STREET ATLANTA, GA 30301			1 Gross distribution \$12,743.00	2a Taxable amount		2b Taxable amount not determined. <input checked="" type="checkbox"/> Total Distribution <input type="checkbox"/>		
PAYER'S TIN 12-1234567			RECIPIENT'S TIN 015-00-6521		3 Capital gain (included in box 2a).	4 Federal income tax withheld \$1,274.00		
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal SHARON GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YZIP			5 Employee contributions/ Designated Roth contributions or	6 Net unrealized appreciation in employer's securities		<p style="text-align: center;">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.</p> <p style="text-align: center;">This information is being furnished to the IRS</p>		
			7 Distribution Code(s) 7	IRA/ SEP/ SIMPLE <input type="checkbox"/>	8 Other %			
			9a Your percentage of total distribution %	9b Total Employee Contributions \$7,985.00				
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld	15 State/Payer's state no.		16 State distribution		
Account number (see instructions)			13 Date of payment	17 Local tax withheld	18 Name of locality		19 Local distribution	
Form 1099-R								

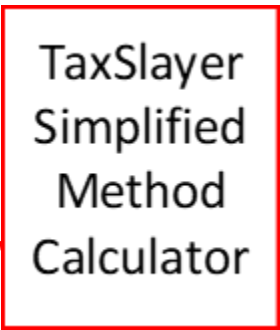
Click on the "Do you need to calculate the taxable amount" box in TaxSlayer

1099-R Information

1 Gross Distribution *

2a Taxable Amount

Do you need to calculate your taxable amount?
[Click here for options.](#)




Enter Col Tax-Aide (Bogart) "Grey Box" information (red arrow) into the TaxSlayer Simplified Method calculator:

Federal Section > Income > IRA/Pension Distributions/1099-R or RRB-1099-R:

Enter Taxable Amount directly or use the worksheet:

Form 1099-R	Simplified General Rule Worksheet	
1 Gross Distribution	Gross distribution amount (from 1099-R)	12743
12743	Plan cost at annuity start date	7985
2a Taxable Amount	Starting date of annuity	01/01/2014
12287	<input type="checkbox"/> Check here if this is a Joint or Survivor Annuity	
9b Total employee contributions	Death benefit exclusion	0
7985	Age of recipient at start date	67
	Number of months paid in 2021	12
	Amounts previously recovered	3192



Verify that the Taxable Amount (box 2a) in TaxSlayer matches the Bogart calculation.

View taxpayer’s return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in and complete your **Self-Study Counselor Progress Sheet:**

SSN	015-00-6521	2021
Pensions and annuities	1040 Line 5a	
Taxable amount	1040 Line 5b	
Social security benefits	1040 Line 6a	
Taxable amount	1040 Line 6b	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from:		
b Form(s) 1099	1040 Line 25b	

Click to find the answers in [Counselor Resources](#).


Exercise 5: Form CSA 1099-R (Office of Personnel Management) - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Peter Getz Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 - NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)

License No. 20210904105932
 Name and Address
 PETER GETZ
 3132 SO LINCOLN BLVD
 YOUR CITY, YS YZIP



Birth Date 07/08/1945
 Issue Date 06/18/2021 Expiration Date 07/08/2026

Social Security

015-00-7016

THIS NUMBER HAS BEEN ESTABLISHED FOR

PETER GETZ

For Tax Training Purposes Only

Enter the Economic Impact Payment: [2021 EIP Worksheet for Peter Getz.](#)

Enter income from the CSA 1099R

Peter retired in 2016 after 33 years as an FBI agent. He started receiving his pension on December 1, 2016, and did not select the joint and survivor option.

PAID BY	OFFICE OF PERSONNEL MANAGEMENT RETIREMENT SERVICES PROGRAM P. O. BOX 45 BOYERS, PA 16017-0045	Copy B - File with Federal tax return	20XX	OMB No. 1545-0119 Form: 1099R Distribution From Pensions, Annuities Retirement or Profit-Sharing Plans, IRA's, Insurance Contracts, etc.
Form CSA 1099R (Rev 1/2009) This information is being furnished to the Department of Treasury - Internal Revenue Service	PAYER's Federal Identification	Recipient's ID No. (Annuitant)	Account number (Retirement Claim)	1. Gross distribution
	16-5123456	015-00-7016	CSA 4571256	\$25,864.00
	5. Employee Contributions/ Designed Roth Contributions or Insurance Premiums	PAID TO → PETER GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YOUR ZIP		2a. Taxable amount
	\$3,275.00			\$24,208.00
7. Distribution Code(s)			4. Federal Income Tax Withheld	\$1,295.00
7-NONDISABILITY			State 1 10. State Income Tax Withheld	
9b. Total Employee Contributions			State 2 11. State Income Tax Withheld	
\$49,872.00				

TaxSlayer TIP: Health Insurance Retired Public Safety Officers (PSO) - Eligible public safety officers can exclude from income distributions of up to \$3,000 made directly from a government retirement plan to the provider of an accident, health, or long-term disability insurance.

- If the Taxable Amount is given in box 2a then subtract up to \$3000 in qualified insurance premiums from the Taxable Amount in box 2a and enter the new amount in box 2a (override).
- If the Taxable Amount in box 2a is “unknown” or blank, use the Col Tax-Aide (Bogart) calculator to correctly calculate the Taxable Amount excluding PSO health insurance premiums.

For instructions view: [Pensions and Social Security](#) or [Jeff Bogart’s Toolbox](#)

Answer the following questions about the CSA 1099R

1. What does the amount in Box 5 indicate? How do you know what this amount is?
2. What could be done with health insurance premiums in excess of \$3000?
3. What is the distribution code in box 7?
4. What does the distribution code in box 7 indicate?

[Click for Answers](#)

View taxpayer’s return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in and complete your Self-Study Counselor Progress Sheet


SSN	015-00-7016	2021
Pensions and annuities	1040 Line 5a	
Taxable Amount	1040 Line 5b	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from:		
b Form(s) 1099	1040 Line 25b	

Click to find the answers in [Counselor Resources](#).

Exercise 6: Form CSF 1099-R (Office of Personnel Management) - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from and the [Kathleen Getz Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 - NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)			social Security 115-00-7017 <small>THIS NUMBER HAS BEEN ESTABLISHED FOR</small> KATHLEEN GETZ <small>For Tax Training Purposes Only</small>
License No.	20210831203735		
Name and Address	KATHLEEN GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE, YZIP		
Birth Date	01/15/1965		
Issue Date	12/26/2020		

Enter the Economic Impact Payment: 2021 [EIP Worksheet for Kathleen Getz](#).

Kathleen’s husband Johnathan Getz, died in 2016. He was a federal employee at the time of his death, having worked for 30 years with the federal government. Kathleen was able to start drawing his joint/survivor annuity on January 1, 2017.

Note: Since Kathleen’s husband never started drawing his pension, the simplified method is based on her birthday alone.

Form CSF-1099-R (annuity benefits paid to a survivor annuitant) This information is being furnished to the Department of Treasury - Internal Revenue Service	PAID BY OFFICE OF PERSONNEL MANAGEMENT RETIREMENT SERVICES PROGRAM P. O. BOX 45 BOYERS, PA 16017-0045		Copy B - File with Federal tax return	20XX	OMB No. 1545-0119 Form: 1099R Distribution From Pensions, Annuities Retirement or Profit-Sharing Plans, IRA's, Insurance Contracts, etc.	
	PAYER's Federal Identification 16-5123456	Recipient's ID No. (Survivor) 115-00-7017	Account number (Retirement Claim No.) CSF-296189	1. Gross distribution \$18,985.00		
	5. Employee Contributions/ Designed Roth Contributions or Insurance Premiums*	PAID TO → KATHLEEN GETZ 3132 SO LINCOLN BLVD YOUR CITY, YOUR STATE YZIP		2a. Taxable amount UNKNOWN		
	7. Distribution Code(s) 4-DEATH BENEFIT			4. Federal Income Tax Withheld \$1,300.00		
	9b. Total Employee Contributions \$37,360.00			State 1 YS	10. State Income Tax Withheld \$550.00	
				State 2	11. State Income Tax Withheld	

Enter pension information into the [Col Tax-Aide \(Bogart\) Calculator](#): If necessary review [Col Tax-Aide \(Bogart\) 's Toolbox](#) video (minutes 0:43-4:36) for help with entries into Col Tax-Aide (Bogart) calculator.

Click to check [Col Tax-Aide \(Bogart\) Entries](#)

Enter the 1099-R into TaxSlayer: Include the Gross Distribution Amount (Box 1) but do not enter Taxable Amount (Box 2a).

Click on the “Do you need to calculate the taxable amount” box in TaxSlayer

1099-R Information

1 Gross Distribution *

\$ 12743

2a Taxable Amount

\$

Do you need to calculate your taxable amount?

[Click here for options.](#)

TaxSlayer
Simplified
Method
Calculator

Enter Bogart “Grey Box” (red arrow) information into the TaxSlayer Simplified Method calculator

Federal Section > Income > IRA/Pension Distributions/1099-R or RRB-1099-R:

Enter Taxable Amount directly or use the worksheet:		Simplified General Rule Worksheet	
Form 1099-R		Gross distribution amount (from 1099-R)	18985
1 Gross Distribution	18985	Plan cost at annuity start date	37360
2a Taxable Amount	17740	Starting date of annuity	01/01/2017
9b Total employee contributions	37360	<input type="checkbox"/> Check here if this is a Joint or Survivor Annuity	
		Death benefit exclusion	0
		Age of recipient at start date	51
		Number of months paid in 2021	12
		Amounts previously recovered	4980

Verify that the Taxable Amount (box 2a) in TaxSlayer matches the Col Tax-Aide (Bogart) calculation

View taxpayer's return in TaxSlayer

- **Click Summary Print on the left side of the main screen**
- **Click View/Print Return on the top right-hand side of the screen**
- **Click Print your 2021 Tax Return**

Complete your Self-Study Counselor Progress Sheet

SSN	115-00-7017	2021
Pensions and annuities	1040 Line 5a	
Taxable amount	1040 Line 5b	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from:		
b Form(s) 1099	1040 Line 25b	

Click to find the answers in [Counselor Resources](#).

Review the [Retirement >Key Learning Objectives](#).

Income - Rental Income

Purpose

This lesson covers income items identified in this lesson on Form 1099-MISC, Box 2, Royalties, that have no associated expenses.

Caution: Rental income with expenses is in scope only for the Military certified volunteers that certify to prepare Schedule E for rental income.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Identify rental income items that are within the scope of the VITA/TCE programs.
- Enter rental income correctly into TaxSlayer.

Search and study [Pub 4491-NTTC Modified](#) and the [Pub 4012 - NTTC Modified](#), Tab D-51

The Link & Learn Lesson is not suggested for it is short and weak. Rely on the [Pub 4491-NTTC Modified](#) and [Pub 4012 - NTTC Modified](#)


Watch [Schedule E](#)

Exercise 1: Land Rental Income - Practice Lab

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from and the [Joe Market Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 - NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.


Driver's License (Tax Training Only)	
License No.	20210831212054
Name and Address	JOE MARKET 200 STATE STREET YOUR CITY, YOUR STATE, YZIP
Birth Date	04/12/1970
Issue Date	03/23/2021
Expiration Date	03/23/2026



social Security
015-00-8002
THIS NUMBER HAS BEEN ESTABLISHED FOR
JOE MARKET
For Tax Training Purposes Only

Enter the Economic Impact Payment: [2021 EIP Worksheet for Joe Market](#)

Enter W-2 Wage Income

a. Employee's social security number 015-00-8002		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 12-1234567		1. Wages, tips, other compensation \$25,646.00		2. Federal income tax withheld \$2,500.00			
c. Employer's name, address, and ZIP code STAPLE CORPORATION 12 STEP PLACE AUSTIN, TEXAS 78739		3. Social security wages \$25,646.00		4. Social security tax withheld \$1,590.05			
		5. Medicare wages and tips \$25,646.00		6. Medicare tax withheld \$371.87			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code JOE MARKET 200 STATE STREET YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 12-XXXXXXX	16. State wages, tips, etc. \$25,646.00	17. State income tax 1,250.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Enter 1099-Misc Land Rental Income

<input type="checkbox"/> CORRECTED (if checked)					
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. BOYD CONSTRUCTION 36 TRAIL RUN ROAD AUSTIN, TX 78749		1 Rents \$7,000.00	OMB No. 1545-0115 <div style="font-size: 2em; font-weight: bold; text-align: center;">20XX</div> Form 1099-MISC		Miscellaneous Income Copy B For Recipient
		2 Royalties			
		3 Other Income	4 Federal income tax withheld		
PAYER'S TIN 74-4561237	RECIPIENT'S TIN 015-00-8002	5 Fishing boat proceeds	6 Medical and health care payments		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.
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code JOE MARKET 200 STATE STREET YOUR CITY, YOUR STATE, YZIP		7 Nonemployee Compensation	8 Substitute payments in lieu of dividends or interest		
		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale > <input type="checkbox"/>	10 Crop Insurance proceeds		
		11	12		
Account number (see instructions)	FATCA filing requirement <input type="checkbox"/>	13 Excess golden parachute payments	14 Gross proceeds paid to an attorney		
15a Section 409A deferrals	15b Section 409A income	16 State tax withheld	17 State/Payer's state no.	18 State income	
Form 1099-MISC					

Last year, Joe rented the land next to his home (196 State Street, Your City, Your State, YZIP) for 12 months to Boyd Construction Company to stage building materials for a nearby building project. Joe was the sole owner of the property and actively manages the rental land himself. The parcel of land has no buildings or improvements. Joe had property taxes of \$600 and no expenses associated with the rental of this land.

Question:

On which schedule are Tax-Aide preparers allowed to claim Joe's property tax?

View taxpayer's return in TaxSlayer

- **Click Summary Print on the left side of the main screen**
- **Click View/Print Return on the top right-hand side of the screen**
- **Click Print your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-8002	2021
Rent	1040 Sch 1 Line 5	
Adjusted Gross Income	1040 Line 10	

The answers can be found at this link. [Counselor Resources](#)

Review the [Rental Income > Key Learning Objectives](#)

Income – Unemployment Compensation

Purpose

In this lesson, you learn how to determine the taxable portion of unemployment income and how to accurately enter the income into TaxSlayer.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Identify unemployment compensation income.
- Accurately enter unemployment compensation income into TaxSlayer.

Link & Learn Assignment

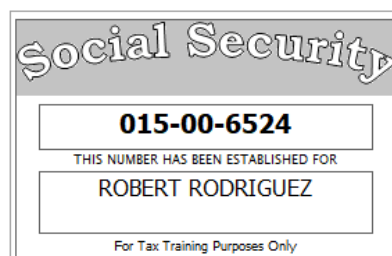
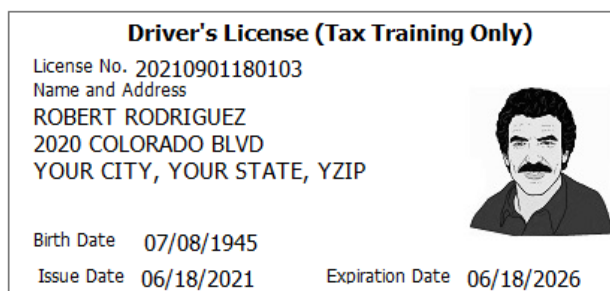
- Click Link & Learn > Unemployment Compensation and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Watch [Unemployment and Other Income](#)

Exercise 1: Unemployment Compensation Income - Practice Lab


Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Robert Rodriguez Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 - NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.



Enter the Economic Impact Payment: [2021 EIP Worksheet for Robert Rodriguez](#).

Enter W-2 Wage income

a. Employee's social security number 015-00-6524		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 74-1234578		1. Wages, tips, other compensation \$18,000.00		2. Federal income tax withheld \$1,800.00			
c. Employer's name, address, and ZIP code WALL- CHEM 16 WALCHEM STREET BUDA, TX 78766		3. Social security wages \$18,000.00		4. Social security tax withheld \$1,116.00			
		5. Medicare wages and tips \$18,000.00		6. Medicare tax withheld \$261.00			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Suff. Employee's address and ZIP code ROBERT RODRIGUEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 74-XXXXXXX	16. State wages, tips, etc. \$18,000.00	17. State income tax 600.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Additional Intake/Interview probing question:

Robert Rodriguez is 76 and it seems like he could have a Form 1099-SSA. If he has questions concerning social security, Counselors can suggest he goes to <https://www.ssa.gov/onlineservices/> or visits a local Social Security office.

Enter 1099-G Unemployment Income (For help with entries view [Pub 4012 – NTTC Modified](#), Tab D-32 through D-42.)

Robert lost his job in March and started collecting unemployment in April.

<input type="checkbox"/> CORRECTED (if checked)			Certain Government Payments		
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. STATE UNEMPLOYMENT COMMISSION 36 COUNTRY PLAZA YOUR CITY, YOUR STATE, YZIP		1 Unemployment compensation \$12,000.00	OMB No. 1545-0120 20XX Form 1099-G		
		2 State or local income tax refunds, credits or offsets			
PAYER'S TIN 21-6644778		RECIPIENT'S TIN 015-00-6524		Copy B For Recipient 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 Street address City or town, state or province, country, ZIP or foreign postal code ROBERT RODRIGUEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		5 RTAA payments	6 Taxable grants		
		7 Agriculture payments	8 If checked, box 2 is trade or business income > <input type="checkbox"/>		
Account number (see instructions)		9 Market gain	10. State		
		10a State identification no.	11 State income tax withheld		
		YS	21-XXXXXXX		
Form 1099-G					

View taxpayer's return in TaxSlayer

- **Click *Summary Print* on the left side of the main screen**
- **Click *View/Print Return* on the top right-hand side of the screen**
- **Click *Print your 2021 Tax Return***

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-6524	2021
Unemployment compensation	1040 Sch 1 Line 7	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from		
Form(s) W-2	1040 Line 25a	
Form(s) 1099	1040 Line 25b	

The answers can be found at this link. [Counselor Resources](#)

Review the [Unemployment Compensation >Key Learning Objectives](#).

Other Income

Purpose

This lesson covers less common forms of income including income from worldwide sources.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine if a less common form of income is taxable or non-taxable.
- Identify and accurately enter less common forms of income into TaxSlayer.

Link & Learn Assignment

- Click Link & Learn > Income - Other Income and review the lesson page.
- Click Lesson and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

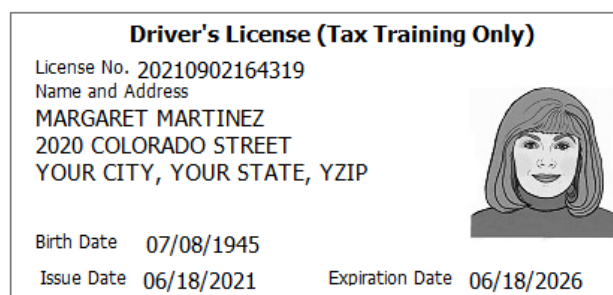
Additional Learning

- Review Unemployment and Other Income
- Review IRS Tax Topics: Gambling Winnings and Losses

Exercise 1: Other Income Exercise - -Practice Lab

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from and the [Margaret Martinez Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab D* for help making the entries into TaxSlayer.



Enter the Economic Impact Payment: [2021 EIP Worksheet for Margaret Martinez.](#)

Enter Social Security Income from Form SSA-1099

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT			
2020		<input type="checkbox"/> PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. <input type="checkbox"/> SEE THE REVERSE FOR MORE INFORMATION.	
Box 1. Name MARGARET MARTINEZ		Box 2. Beneficiary's Social Security 015-00-6525	
Box 3. Benefits Paid in 2020 \$12,350.00	Box 4. Benefits Repaid to SSA in 2020	Box 5. Net Benefits Paid for 2020 (Box 3 minus Box 4) \$12,350.00	
DESCRIPTION OF AMOUNT IN BOX 3 Paid by check or direct deposit \$10,568.00 Medicare Part B premiums deducted from your benefits \$1,782.00 Medicare Prescription Drug premiums (Part D) deducted from your benefits Total Additions \$1,782.00 Benefits for 2020 \$12,350.00 Benefits for 2019 Benefits for 2018 Benefits for 2017		DESCRIPTION OF AMOUNT IN BOX 4 Box 6. Voluntary Federal Income Tax Withheld Box 7. Address MARGARET MARTINEZ 2020 COLORADO STREET YOUR CITY, YS YZIP Box 8. Claim Number (use this number if you need to contact SSA) 015-00-6525A	

Form SSA-1099-SM

Enter Gambling Winning Income

Margaret said her annual gambling losses were \$500.

<input type="checkbox"/> CORRECTED (if checked)		OMB No 1545-0238	
PAYER'S name, street address, city or town, state or province, country, ZIP or Foreign Postal Code STATE LOTTERY COMMISSION 578 DOLLAR TREE AVENUE YOUR CITY YS YZIP		1. Reportable winnings \$2,000.00	2. Date won 06/28/20XX
		3. Type of wager LOTTERY	4. Federal income tax withheld \$200.00
		5. Transaction	6. Race
		7. Winnings from identical wagers	8. Cashier
PAYER'S Federal identification number 86-0123456	Payer's Telephone number 8005551212	9. Winner's taxpayer identification no. 015-00-6525	10. Window
WINNER'S name, street address, city or town, state or province, country, ZIP or Foreign Postal Code MARGARET MARTINEZ 2020 COLORADO STREET YOUR CITY, YS YZIP		11. First I.D. 201909051718	12. Second I.D.
		13. State/Payer's state identification no. YS0123456	14. State Winnings \$2,000.00
		15. State income tax withheld \$150.00	16. Local Winnings
		17. Local income tax withheld	18. Name of locality
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 penalty of perjury, I declare that, to the best of my knowledge and belief, the name, address, taxpayer identification number that I furnished correctly identify me as the recipient of this payment and any payment from identical wagers, and no other person is entitled to any part of these payments.			
Signature >		Date >	
Form W-2G			

Enter Cancellation of Debt Income

Margaret was not insolvent at the time the debt was canceled.

<input type="checkbox"/> CORRECTED (if checked)		OMB No. 1545-1424	
CREDITOR'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. CHASE CARD SERVICES PO BOX 17799 WILMINGTON, DE 19850-7799		1 Date of Identifiable Event 12/01/20XX	20XX Form 1099-C
		2 Amount of debt discharged \$1,623.47	
		3 Interest if included in Box 2 \$237.16	
4 Debt description CREDIT CARD		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.	
CREDITOR'S TIN 76-5123456	DEBTOR'S TIN 015-00-6525		
DEBTOR'S name Street address (including apt.no) City or town, state or province, country, ZIP or foreign postal code MARGARET MARTINEZ 2020 COLORADO STREET YOUR CITY, YOUR STATE, YZIP		5 If checked, the debtor was personally liable for repayment of this debt > <input checked="" type="checkbox"/>	
Account number (see instructions)		6 Identifiable Event Code	7 Fair market value of property
Form 1099-C			

View taxpayer's return in TaxSlayer

- **Click *Summary Print* on the left side of the main screen**
- **Click *View/Print Return* on the top right-hand side of the screen**
- **Click *Print your 2021 Tax Return***

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-6525	2021
Gambling Income	1040 Sch 1 Line 8b	
Cancellation of debt	1040 Sch 1 Line 8c	
Other income	1040 Sch 1 Line 8	
Adjusted gross income	1040 Line 11	
Gambling Losses	1040 Sch A Line 16	
Federal income tax withheld from:		
a Form(s) W-2	1040 Line 25a	

Click to find the answers in [Counselor Resources](#).

Review [Other Income > Key Learning Objectives](#).

IV. Determining Adjusted Gross Income (AGI)

Adjustments to Income

PURPOSE

To identify allowable reductions to total income, including educator expenses, self-employed health insurance, alimony paid, traditional IRA contributions, and student loan interest. These adjustments lower gross income to determine adjusted gross income.

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Determine if the taxpayer qualifies for the following adjustments:**
 - Educator expenses
 - Self-employed health insurance adjustment (SEHI)
 - Alimony paid
 - Deductible contributions to an IRA
 - Student loan interest
- Determine if a potential adjustment is in Scope.
- Calculate and accurately report the adjustment to income in TaxSlayer.

Link & Learn Assignment

- Click Link & Learn >Adjustments to Income and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Additional Learning

- Watch Adjustments


Exercise 1: Educator expenses - Practice Lab

Review [Pub 4012 - NTTC Modified](#), Tab E, Educator expenses

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Dorothy Hernandez Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab E* for help making the entries into TaxSlayer.


Driver's License (Tax Training Only)	
License No.	20210902171432
Name and Address	DOROTHY HERNANDEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP
Birth Date	07/08/1964
Issue Date	06/18/2021
Expiration Date	06/18/2026



Social Security
015-00-6526
THIS NUMBER HAS BEEN ESTABLISHED FOR
DOROTHY HERNANDEZ
For Tax Training Purposes Only

Enter the Economic Impact Payment: [2021 EIP Worksheet for Dorothy Hernandez](#).

Enter W2 - Wage Income

a. Employee's social security number		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 41-7458967		1. Wages, tips, other compensation \$65,000.00		2. Federal income tax withheld \$3,600.00			
c. Employer's name, address, and ZIP code EASTSIDE SCHOOL DISTRICT 123 MAIN STREET YOUR CITY, YOUR STATE, YZIP		3. Social security wages \$65,000.00		4. Social security tax withheld \$4,030.00			
		5. Medicare wages and tips \$65,000.00		6. Medicare tax withheld \$942.50			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Suff. Employee's address and ZIP code DOROTHY HERNANDEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b. DD \$4,500.00			
		14. Other		12c.			
				12d.			
15. State	Employer's state ID number	16. State wages, tips, etc.	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
YS	41-XXXXXXX	\$65,000.00	2,000.00				
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Enter Educator expenses Adjustment

Dorothy is a full-time 6th-grade teacher and worked the entire year. She has receipts totaling \$368 for classroom supplies purchased during the year.

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-6526	2021
Wages	1040 Line 1	
Educator expenses	1040 Sch 1 Line 11	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from: a Form(s) W-2	1040 Line 25a	

Click to find the answers in [Counselor Resources](#).

Exercise 2: Self-employed health insurance - Practice Lab

Review [Pub 4012 – NTTC Modified](#) Self-Employment Health Insurance Deduction

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and enter the taxpayer’s basic information from [Lisa Thomas Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab E* for help making the entries into TaxSlayer.



Enter Economic Impact Payment: [2021 EIP Worksheet for Lisa Thomas](#).

Enter Social Security Income

Lisa receives a Social Security Benefits Statement that includes an amount for her Medicare insurance premiums. Use [Pub 4012 – NTTC Modified](#), D-17, and [Pub 4491-NTTC Modified](#), 17- 4.

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT																													
<div style="display: flex; align-items: center;"> <div style="font-size: 24pt; font-weight: bold; margin-right: 10px;">20XX</div> <div> <input type="checkbox"/> PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. <input type="checkbox"/> SEE THE REVERSE FOR MORE INFORMATION. </div> </div>																													
Box 1. Name LISA THOMAS	Box 2. Beneficiary's Social Security 015-00-1802																												
Box 3. Benefits Paid in 20XX \$19,000.00	Box 4. Benefits Repaid to SSA in 20XX	Box 5. Net Benefits Paid for 20XX (Box 3 minus Box 4) \$19,000.00																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left; padding: 2px;">DESCRIPTION OF AMOUNT IN BOX 3</th> <th style="width: 50%; text-align: right; padding: 2px;"></th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Paid by check or direct deposit</td> <td style="text-align: right; padding: 2px;">\$16,218.00</td> </tr> <tr> <td style="padding: 2px;">Medicare Part B premiums deducted from your benefits</td> <td style="text-align: right; padding: 2px;">\$1,782.00</td> </tr> <tr> <td style="padding: 2px;">Medicare Prescription Drug premiums (Part D) deducted from your benefits</td> <td></td> </tr> <tr> <td style="padding: 2px;">Total Additions</td> <td style="text-align: right; padding: 2px;">\$2,782.00</td> </tr> <tr> <td style="padding: 2px;">Benefits for 20XX</td> <td style="text-align: right; padding: 2px;">\$19,000.00</td> </tr> <tr> <td style="padding: 2px;">Benefits for 20XX-1</td> <td></td> </tr> <tr> <td style="padding: 2px;">Benefits for 20XX-2</td> <td></td> </tr> <tr> <td style="padding: 2px;">Benefits for 20XX-3</td> <td></td> </tr> </tbody> </table>		DESCRIPTION OF AMOUNT IN BOX 3		Paid by check or direct deposit	\$16,218.00	Medicare Part B premiums deducted from your benefits	\$1,782.00	Medicare Prescription Drug premiums (Part D) deducted from your benefits		Total Additions	\$2,782.00	Benefits for 20XX	\$19,000.00	Benefits for 20XX-1		Benefits for 20XX-2		Benefits for 20XX-3		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">DESCRIPTION OF AMOUNT IN BOX 4</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Box 6. Voluntary Federal Income Tax Withheld</td> </tr> <tr> <td style="text-align: center; padding: 2px;">\$1,000.00</td> </tr> <tr> <td style="padding: 2px;">Box 7. Address</td> </tr> <tr> <td style="padding: 2px;">LISA THOMAS</td> </tr> <tr> <td style="padding: 2px;">2020 COLORADO BLVD</td> </tr> <tr> <td style="padding: 2px;">YOUR CITY, YOUR STATE, YOUR ZIP</td> </tr> <tr> <td style="padding: 2px;">Box 8. Claim Number (use this number if you need to contact SSA)</td> </tr> <tr> <td style="text-align: center; padding: 2px;">015-00-1802A</td> </tr> </tbody> </table>	DESCRIPTION OF AMOUNT IN BOX 4	Box 6. Voluntary Federal Income Tax Withheld	\$1,000.00	Box 7. Address	LISA THOMAS	2020 COLORADO BLVD	YOUR CITY, YOUR STATE, YOUR ZIP	Box 8. Claim Number (use this number if you need to contact SSA)	015-00-1802A
DESCRIPTION OF AMOUNT IN BOX 3																													
Paid by check or direct deposit	\$16,218.00																												
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YOUR CITY, YOUR STATE, YOUR ZIP																													
Box 8. Claim Number (use this number if you need to contact SSA)																													
015-00-1802A																													

Form **SSA-1099-SM**

Hint: Do not enter the Medicare Part B premiums on the TaxSlayer Social Security screen. Instead, enter the premiums as a general expense under Health Insurance on the Schedule C.

Lisa works from home transcribing records for Metro Office and has no business expenses. Her business code is 541990.

<input type="checkbox"/> CORRECTED (if checked)				
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. METRO OFFICE 123 MAIN STREET YOUR CITY, YOUR STATE, YZIP		OMB No. 1545-0116 <div style="font-size: 2em; font-weight: bold; text-align: center;">20XX</div> Form 1099-NEC	Nonemployee Compensation	
PAYER'S TIN 15-9876543		RECIPIENT'S TIN 015-00-6527	Copy B For Recipient 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 Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code LISA THOMAS 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		1 Nonemployee compensation <div style="text-align: center; font-size: 1.2em;">\$15,000.00</div>		
		2		
		3		
		4 Federal income tax withheld		
		FATCA filing requirement <input type="checkbox"/>		
Account number (see instructions)		5 State tax withheld	6 State/Payer's state no.	7 State income
		-----	-----	-----
Form 1099-NEC				

Note: When the total health insurance premium costs exceed the Self-employed health insurance deduction limit, a taxpayer can generally include any remaining premiums as an itemized medical expense deduction on Schedule A.

TaxSlayer calculates the deductible portion of the self-employment tax adjustment automatically and the deductible portion is carried to the adjustments section on Form 1040, Schedule 1.

View taxpayer's return in TaxSlayer

- **Click *Summary Print* on the left side of the main screen**
- **Click *View/Print Return* on the top right-hand side of the screen**
- **Click *Print your 2021 Tax Return***

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-6527	2021
Social security benefits	1040 Line 6a	
Taxable amount	1040 Line 6b	
Business income	1040 Sch 1 Line 3	
Self-employed health insurance deduction	1040 Sch 1 Line 17	



Click to find the answers in [Counselor Resources](#).

Exercise 3: Alimony Paid - Practice Lab

Review [Pub 4012 – NTTC Modified](#) Alimony Requirements

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and enter the taxpayer’s basic information from [Christopher and Nancy Gonzalez Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab E* for help making the entries into TaxSlayer.

<p align="center">Driver’s License (Tax Training Only)</p> <p>License No. 20211128144956 Name and Address CHRISTOPHER GONZALEZ 2020 COLORADO BLVD YOUR CITY, YS YZIP</p>  <p>Birth Date 07/08/1966 Issue Date 06/18/2021 Expiration Date 06/18/2026</p>	<p align="center">Driver’s License (Tax Training Only)</p> <p>License No. 20211128145008 Name and Address NANCY GONZALEZ 2020 COLORADO BLVD YOUR CITY, YS YZIP</p>  <p>Birth Date 01/15/1965 Issue Date 12/26/2020 Expiration Date 12/26/2025</p>
---	---

Social Security

015-00-1803

THIS NUMBER HAS BEEN ESTABLISHED FOR

CHRISTOPHER GONZALEZ

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

NANCY GONZALEZ

For Tax Training Purposes Only

Enter the Economic Impact Payment: [2021 EIP Worksheet for Christopher and Nancy Gonzalez](#).

Enter W-2 Wage Income

a. Employee's social security number 015-00-1803		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 21-6543210				1. Wages, tips, other compensation \$60,000.00		2. Federal income tax withheld \$7,000.00	
c. Employer's name, address, and ZIP code JUMPING MART 200SIXTH STREET WILMINGTON DE 19805				3. Social security wages \$60,000.00		4. Social security tax withheld \$3,720.00	
				5. Medicare wages and tips \$60,000.00		6. Medicare tax withheld \$870.00	
				7. Social security tips \$60,000.00		8. Allocated tips	
d. Control number				9.		10. Dependant care benefits	
e. Employee's first name and initial Employee's address and ZIP code		Last name Suff.		11. Nonqualified plans		12a. See instructions for box 12 DD \$5,600.00	
CHRISTOPHER GONZALEZ 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YOUR ZIP				13. Statutory Employee <input type="checkbox"/> Retirement Plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b.	
				14. Other		12c.	
				-----		12d.	

15. State YS	Employer's state ID number 2166432101	16. State wages, tips, etc. \$60,000.00	17. State income tax 3,000.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement 20XX Copy B - To Be Filed With Employee's FEDERAL Tax Return. This information is being furnished to the Internal Revenue Service.							

Enter Alimony Income/Adjustment

Christopher pays his ex-wife, Beth Gonzales (SSN 015-00-9012) \$500 a month in alimony. Their divorce was effective on 9/23/1997 and has not been modified.

Nancy receives \$1,000 a month in alimony from her ex-husband. Her divorce was effective on 12/21/2001 and has not been modified.

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-1803	2021
Alimony received	1040 Sch 1 Line 2a	
Date of original divorce or separation agreement	1040 Sch 1 Line 2b	
Alimony paid	1040 Sch 1 Line 19a	
Recipient's SSN	1040 Sch 1 Line 19b	
Date of original divorce or separation agreement	1040 Sch 1 Line 18c	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from:		
a Form(s) W-2	1040 Line 25a	



Click to find the answers in [Counselor Resources](#).

Exercise 4: Traditional IRA Contribution - Practice Lab

Review [Pub 4012 - NTTC Modified](#) IRA Deductions

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and enter the taxpayer’s basic information from [Karen and Daniel Wilson Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab E* for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		Driver’s License (Tax Training Only)	
License No. 20210903140844		License No. 20210903140841	
Name and Address KAREN WILSON 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		Name and Address DANIEL WILSON 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP	
Birth Date 07/08/1965		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-1804

THIS NUMBER HAS BEEN ESTABLISHED FOR

KAREN WILSON

For Tax Training Purposes Only

Social Security

115-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR

DANIEL WILSON

For Tax Training Purposes Only

Enter Economic Impact Payment Click [2021 EIP Worksheet for Karen and Daniel Wilson](#).

Enter W-2 Wage Income

a. Employee's social security number 115-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 25-5234567		1. Wages, tips, other compensation \$32,851.00		2. Federal income tax withheld \$3,200.00			
c. Employer's name, address, and ZIP code JEFFERSON SCHOOL 12210 ROBIN STREET INDIANAPOLIS, IN 46204		3. Social security wages \$32,851.00		4. Social security tax withheld \$2,036.76			
		5. Medicare wages and tips \$32,851.00		6. Medicare tax withheld \$476.34			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code DANIEL WILSON 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12 DD \$4,734.56			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 25-XXXXXXX	16. State wages, tips, etc. \$32,851.00	17. State income tax 1,100.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Karen and Daniel both contributed \$2,000 each to a Traditional IRA during 2021.
Daniel also contributed \$1,000 to a Roth IRA in 2021.

Enter Deductible Traditional IRA Contributions:

Go to Federal Section > Deductions > Adjustment > IRA Deduction ([Pub 4012 – NTTC Modified, 0-8](#))

Enter Non-deductible Roth IRA Contributions:

Go to Federal Section > Deductions > Credits > Retirement Savings Credit
[Pub 4012 – NTTC Modified, 0-8](#))

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**



Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-1804	2021
Wages, salaries, tips, etc	1040 Line 1	
IRA deduction	1040 Line 20	
Adjusted gross income	1040 Line 11	
Retirement Savings Credit	1040 Sch 3 Line 4	
Federal income tax withheld from: a Form(s) W-2	1040 Line 25a	

Click to find the answers in [Counselor Resources](#).

Exercise 5: Health Saving Accounts - Practice LabWatch [HSA Savings Account Contributions: Full Year](#)Watch [HSA Savings Account Distributions](#)Review (NEW) [VITA/TCE Specialty Course - Health Savings Accounts \(HSA\)](#)Review [IRS Publication 969 Health Savings Accounts and Other Tax-Favored Plans](#)Read: Health Savings Account: [Understanding the W-2 Box 12 Code W](#)**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and enter the taxpayer's basic information from [James and Diana Calhoun Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified, Tab E](#) for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210903143020		License No. 20210903143016	
Name and Address JAMES P CALHOUN 1679 ROBERTS STREET YOUR CITY, YOUR STATE, YZIP		Name and Address DIANA G CALHOUN 1679 ROBERTS STREET YOUR CITY, YOUR STATE, YZIP	
Birth Date 06/04/1964		Birth Date 12/04/1963	
Issue Date 05/15/2021	Expiration Date 05/15/2026	Issue Date 11/14/2021	Expiration Date 11/14/2026

Social Security

015-00-7028

THIS NUMBER HAS BEEN ESTABLISHED FOR

JAMES P CALHOUN

For Tax Training Purposes Only

Social Security

115-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR


DIANA G CALHOUN

For Tax Training Purposes Only

Enter the Economic Impact Payment: Click [2021 EIP Worksheet for James and Diana Calhoun.](#)

Enter W-2 Wage Income

a. Employee's social security number 015-00-7028		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 53-0123456		1. Wages, tips, other compensation \$27,418.00		2. Federal income tax withheld \$2,175.00			
c. Employer's name, address, and ZIP code PATTERSON FOODS INC 1106 WILSON WAY INDIANAPOLIS IN 46205		3. Social security wages \$27,418.00		4. Social security tax withheld \$1,699.92			
		5. Medicare wages and tips \$27,418.00		6. Medicare tax withheld \$397.56			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code JAMES P CALHOUN 1679 ROBERTS ST YOUR CITY YS YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
		----- ----- -----		12d.			
15. State YS	Employer's state ID number 530123456	16. State wages, tips, etc. \$27,418.00	17. State income tax 1,025.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

a. Employee's social security number 115-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 53-1123456		1. Wages, tips, other compensation \$14,327.54		2. Federal income tax withheld \$1,033.57			
c. Employer's name, address, and ZIP code HARRIMAN EMERGENCY CLINIC 1250 OHIO BLVD INDIANAPOLIS IN 46205		3. Social security wages \$14,327.54		4. Social security tax withheld \$888.31			
		5. Medicare wages and tips \$14,327.54		6. Medicare tax withheld \$207.75			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Suff. Employee's address and ZIP code DIANA G CALHOUN 1679 ROBERTS ST YOUR CITY, YOUR STATE, YOUR ZIP		11. Nonqualified plans		12a. See instructions for box 12 W \$1,000.00			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 531123456	16. State wages, tips, etc. \$14,327.54	17. State income tax 89.06	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement 20XX Copy B - To Be Filed With Employee's FEDERAL Tax Return. This information is being furnished to the Internal Revenue Service.							

Diana was enrolled for the full year in an HDHP with family coverage and has an HSA through her employer. Diana's employer contributed \$1,000 to her HSA as part of her benefit program, during the year. Diana also contributed \$2,000 to her HSA.

James and Diana have no other health insurance.

Diana received a distribution from her HSA of \$1,900.

Go to: Federal >Deductions >Adjustments> Health Savings Account (Form 8889)

Enter Contributions

TRUSTEE'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number JACKSON BANK & TRUST 14907 S.W. GRAND ST. INDIANAPOLIS IN 46205		1 Employee or self-employed person's Archer MSA contributions made in 2020 and 2021 for 2020 \$	OMB No. 1545-1518 20XX Form 5498-SA	HSA, Archer MSA, or Medicare Advantage MSA Information
		2 Total contributions made in 2020 \$ 3,000.00		
TRUSTEE'S TIN 54-2001234	PARTICIPANT'S TIN 115-00-0000	3 Total HSA or Archer MSA contributions made in 2021 for 2020 \$ 0.0		Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2020 General Instructions for Certain Information Returns.
PARTICIPANT'S name DIANA G CALHOUN		4 Rollover contributions \$	5 Fair market value of HSA, Archer MSA, or MA MSA \$ 9,509	
Street address (including apt. no.) 1679 ROBERTS ST		6 HSA <input checked="" type="checkbox"/> Archer MSA <input type="checkbox"/> MA <input type="checkbox"/> MSA <input type="checkbox"/>		
City or town, state or province, country, and ZIP or foreign postal code YOUR CITY, STATE, ZIP				
Account number (see instructions)				
Form 5498-SA Cat. No. 38467V www.irs.gov/Form5498SA Department of the Treasury - Internal Revenue Service				

Enter Distributions

<input type="checkbox"/> CORRECTED (if checked)				
TRUSTEE'S/PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. JACKSON BANK & TRUST 14907 S.W. GRAND ST INDIANAPOLIS IN 46205		OMB No. 1545-1517 20XX Form 1099-SA		Distributions From an HSA, Archer MSA, or Medicare Advantage MSA
PAYER'S TIN 54-2001234	RECIPIENT'S TIN 115-00-0000	1 Gross Distribution \$1,900.00	2 Earnings on excess cont.	
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal DIANA G CALHOUN 1679 ROBERTS ST YOUR CITY YS YZIP		3 Distribution Code	4 FMV on date of death	This information is being furnished to the IRS.
		5 HSA <input checked="" type="checkbox"/> Archer MSA <input type="checkbox"/> MA <input type="checkbox"/> MSA <input type="checkbox"/>		
Account number (see instructions)				
Form 1099-SA				

Enter Qualified Medical Expenses**Medical expenses for James:**

Over-the-counter medication (no prescription)	\$400	
Unreimbursed doctor bills	\$300	
Unreimbursed expense for eyeglasses (needed for medical reasons)	\$425	
Unreimbursed prescription drugs	\$657	
Total	\$1,782	

Medical expenses for Diana:

HDHP insurance premium	\$1,500	
Unreimbursed doctor bills	\$195	
Unreimbursed prescription drugs	\$128	
Unreimbursed lab work (routine blood tests)	\$250	
Total	\$2,073	

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7028	2021
Wages, salaries, tips, etc.	1040 Line 1	
HSA deduction	1040 Sch 1 Line 13	
Adjusted gross income	1040 Line 11	
Qualified medical expenses paid	8889 Line 15	
Taxable HSA distributions	8889 Line 16	
Federal income tax withheld:		
a Form(s) W-2	1040 Line 25a	

Click to find the answers in [Counselor Resources](#).

Key input lines on Form 8889:

2. HSA contributions you made for 2021	
7. If you were age 55 or older at the end of 2021, married, and you or your spouse had family coverage under an HDHP at any time during 2021, enter your additional contribution amount.	
9. Employer contributions made to your HSAs for 2021	
14. a. Total distributions you received in 2021 from all HSAs	
15. Qualified medical expenses paid using HSA distributions	

Click to find the answers in [Counselor Resources](#).

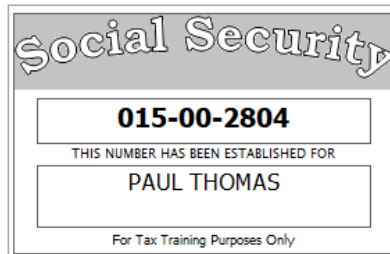
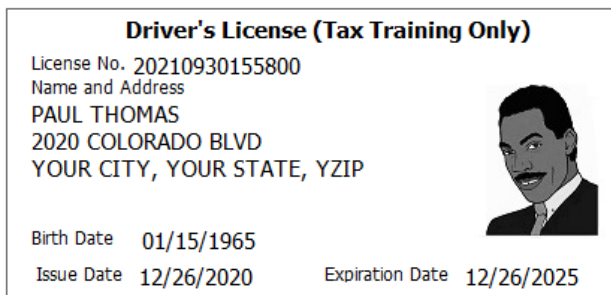
Compare Form 8889 in the TaxSlayer Summary/Print with the [Diana Calhoun Form 8889](#).

Exercise 6: Student Loan Interest Adjustment - Practice Lab

Review [Pub 4012 – NTTC Modified](#) Student Loan Interest Deduction


Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and enter the taxpayer’s basic information from [Paul Thomas, Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified, Tab E](#) for help making the entries into TaxSlayer.



Enter Economic Impact Payment: [2021 EIP Worksheet for Paul Thomas.](#)

Enter W-2 Wage Income

a. Employee's social security number 015-00-2804		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 21-6543211		1. Wages, tips, other compensation \$29,000.00		2. Federal income tax withheld \$2,900.00			
c. Employer's name, address, and ZIP code VEGAN MART 200 51 STREET WILMINGTON, DE 19805		3. Social security wages \$29,000.00		4. Social security tax withheld \$1,798.00			
		5. Medicare wages and tips \$29,000.00		6. Medicare tax withheld \$420.50			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code PAUL THOMAS 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 21-XXXXXXX	16. State wages, tips, etc. \$29,000.00	17. State income tax 1,450.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Enter Student Loan Interest Adjustment

<input type="checkbox"/> CORRECTED (if checked)			OMB. 1545-1576 20XX Form 1098-E	Student Loan Interest Statement
RECIPIENT'S/LENDER'S name Street address City or town, state or province, country, ZIP or Foreign Postal Code Telephone number				
RECIPIENT'S federal identification no. 22-74859XX	BORROWER'S social security number 015-00-2804	1 Student loan interest received by lender \$3,000.00		Copy B For Borrower <small>This 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 the IRS determines that an underpayment of tax results because you overstated a deduction for student loan interest.</small>
BORROWER'S name Street address (including apt. no.) City or town, state or province, country, ZIP or Foreign Postal Code PAUL THOMAS 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP				
Account number (see instructions)		2 If checked box 1 does not include loan origination fees and/or capitalized interest for loans made before September, 1 2004 <input type="checkbox"/>		
Form 1098-E				

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	115-00-1804	2021
Wages, salaries, tips, etc.	1040 Line 1	
Student Loan Interest Deduction	1040 Sch 1 Line 21	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from:		
a Form(s) W-2	1040 Line 25a	

Click to find the answers in [Counselor Resources](#).

Review [Adjustments > Key Learning Objectives](#).

V. Computing the Tax and Credits

Standard or Itemized Deductions and Tax Computation

Purpose

This lesson assists you in determining if a taxpayer should use the standard deduction or itemize deductions. Taxpayers can choose either method, however if their itemized allowable deductions are higher than the standard deduction amount, they will generally pay less tax by choosing to itemize deductions.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine the standard deduction amount for most taxpayers.
- Determine the standard deduction amount for taxpayers claimed as dependents.
- Determine if a taxpayer should itemize deductions.
- Determine the type of expenses that qualify as itemized deductions.
- Identify how taxable income and income tax are computed and reported.

Link & Learn Assignment

- Click and review [Link & Learn >Standard Deduction and Tax Computation](#).
- Click the [Skills Workout](#) icon and complete the unit.

Itemized Deductions



- Click [Link & Learn >Itemized Deductions](#) and review the lesson page.
- Click [Skills Workout](#) and complete the unit.

Review the linked materials and [Pub 4012 – NTTC Modified](#) (Tab F)

- Watch [Schedule A video](#)
- Review ([IRS.GOV](#) links:)
 - [Topic Topics - Medical and Dental Expenses](#)
 - [At a Glance - Home Mortgage Deduction](#)

Exercise 1: Standard and Itemized Deductions, and Tax Calculation – Practice Lab**Enter Taxpayer’s Basic Information**

Open [Practice Lab](#) and create a new return. Use the taxpayer’s information from the [Susan and Mark Taylor, Form 13614-C Intake/Interview & Quality Review Sheet](#), their [Itemized Deduction Worksheet](#), and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab F* for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		Driver’s License (Tax Training Only)	
License No. 20210905103728		License No. 20210905103724	
Name and Address SUSAN TAYLOR 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP		Name and Address MARK TAYLOR 2020 COLORADO BLVD YOUR CITY, YOUR STATE, YZIP	
Birth Date 07/08/1965		Birth Date 01/15/1965	
Issue Date 06/18/2021	Expiration Date 06/18/2026	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-7660

THIS NUMBER HAS BEEN ESTABLISHED FOR

SUSAN TAYLOR

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

MARK TAYLOR

For Tax Training Purposes Only

Social Security

015-00-4567

THIS NUMBER HAS BEEN ESTABLISHED FOR


PENNY TAYLOR


For Tax Training Purposes Only

Enter the Economic Impact Payment [2021 EIP Worksheet for Susan and Mark Taylor](#).

Penny Taylor is Mark’s mother. She only receives a small amount of Social Security income. Susan and Mark paid all of Penny’s medical bills that were not reimbursed by Medicare. Penny lives in an Assisted Living facility. Helen and Mark pay more than 50% of Penny’s support. Penny is not disabled.

Enter the W-2s

a. Employee's social security number 015-00-7660		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 25-6234567		1. Wages, tips, other compensation \$12,283.00		2. Federal income tax withheld \$1,228.00			
c. Employer's name, address, and ZIP code PETROLEUM OIL & GAS 624 KASPAR DRIVE YOUR CITY, YOUR STATE YOUR ZIP		3. Social security wages \$12,283.00		4. Social security tax withheld \$761.55			
		5. Medicare wages and tips \$12,283.00		6. Medicare tax withheld \$178.10			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code		Last name		Suff.		11. Nonqualified plans	
SUSAN TAYLOR 2020 COLORADO BLVD YOUR CITY, YOUR STATE YOUR ZIP				12a. See instructions for box 12			
		13. Statutory Employee <input type="checkbox"/>		Retirement Plan <input type="checkbox"/>		Third-party sick pay <input type="checkbox"/>	
		12b.					
		14. Other				12c.	
						12d.	
15. State YS	Employer's state ID number 312234567	16. State wages, tips, etc. \$12,283.00	17. State income tax 614.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement 20XX 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 115-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 25-5234567		1. Wages, tips, other compensation \$21,010.27		2. Federal income tax withheld \$2,100.00			
c. Employer's name, address, and ZIP code JEFFERSON SCHOOL 12210 ROBIN STREET INDIANAPOLIS IN 46204		3. Social security wages \$22,010.27		4. Social security tax withheld \$1,364.64			
		5. Medicare wages and tips \$22,010.27		6. Medicare tax withheld \$319.15			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code		Last name		Suff.		11. Nonqualified plans	
MARK TAYLOR 2020 COLORADO BLVD YOUR CITY, YOUR STATE YZIP				12a. See instructions for box 12 D		\$1,000.00	
		13. Statutory Employee <input type="checkbox"/>		Retirement Plan <input checked="" type="checkbox"/>		Third-party sick pay <input type="checkbox"/>	
		12b.		DD		\$4,734.53	
		14. Other				12c.	
						12d.	
15. State YS	Employer's state ID number 216234567	16. State wages, tips, etc. \$21,010.27	17. State income tax 1,051.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement 20XX Copy B - To Be Filed With Employee's FEDERAL Tax Return. This information is being furnished to the Internal Revenue Service.							

Enter Itemized Deductions:

Susan and Mark provide a summary of expenses that may qualify as itemized deductions. Compare the list below with the [Itemized Deduction Worksheet](#). Use [Pub 4012 – NTTC Modified](#) and [Pub 4491-NTTC Modified](#) to determine what amounts qualify for an itemized deduction.

Unreimbursed medical expenses include those incurred by Penny but paid by Susan and Mark when she was hospitalized after a fall.

Medical and dental expenses

Doctor bills (Penny)	1,289.00	
Ambulance	950.30	
Hospital (Penny)	3,538.45	
Wheelchair (Penny)	1,789.56	
Dental insurance:	1,135.00	
Dental bills:	1,300.00	
Prescription co-pays	1,795.27	
Hearing aids (Susan)	2,900.30	
Long-Term Care insurance premiums (Mark)	2,450.00	
Counseling program to stop smoking	800.00	
Medical miles:	1,795 mi	

Taxes Paid

Property tax: (See Form 1098-Mortgage Interest Statement)

Personal Property tax (value-based): \$389.00


Calculate state and local sales tax

Taxes Paid

Additional State and Local Income Tax
(DO NOT INCLUDE AMOUNTS FROM W-2, 1099, W-2G or Estimates.)

\$

State and Local Sales Tax Paid



- Use the Zip Code 68101 for Omaha, NE

- Susan paid \$1390 in sales tax for the new car she purchased in 2021.

[Click to verify the deductible sales tax amount.](#)

Compare deductible sales tax to state withholdings and enter the higher value on Schedule A.

Mortgage Interest

<input type="checkbox"/> CORRECTED (if checked)				20XX Form 1098	Mortgage Interest Statement
RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code and telephone no. US BANK NATIONAL ORGANIZATION 4801 FREDERICA ST OWENSBORO KY 42301		* Caution: The amount shown may not be fully deductible by you. Limits based on the loan amount and the cost and value of the secured property may apply. Also, you may only deduct interest to the extent it was incurred by you, actually paid by you, and not reimbursed by another person.			
RECIPIENT'S/LENDER'S TIN 31-0841368		PAYER'S/BORROWER'S TIN 015-00-7660		Copy B For Payer/Borrower The information in boxes 1 through 9 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 the IRS determines that an underpayment of tax results because you overstated a deduction for this mortgage interest or for these points, reported in boxes 1 and 6; or because you didn't report the refund of interest (box 4); or because you claimed a non-deductible item.	
PAYER'S/BORROWER'S name, street address, city or town, state or province, country, ZIP or foreign postal code and telephone no. SUSAN TAYLOR 2020 COLORADO BLVD YOUR CITY, YOUR STATE YOUR ZIP		1. Mortgage interest received from payer(s)/borrower(s) * \$4,527.50			
2. Outstanding mortgage principal as of 1/1/20XX \$120,678.34		3. Mortgage origination date 05/23/2004			
4. Refund of overpaid interest		5. Mortgage insurance premiums			
6. Points paid on purchase of principal residence		7. <input checked="" type="checkbox"/> If address of property securing mortgage is the same as PAYER'S/BORROWER'S address, the box is checked, or or the address or description is entered in box 8.			
9. Number of properties securing the mortgage		10. Other REAL ESTATE TAX: \$4900.76		8. Address or description of property securing mortgage (see Instructions)	
Account number (see instructions)					
Form 1098					

Charity

	TP Identified	Deductible Amount
St Paul's Church:	2,500	
St. Paul's Church raffle:	100	
Millsap Elementary Public School:	100	
National Cancer Society:	200	
Salvation Army (clothing):	475	

Compare Deductions

Go to TaxSlayer > Federal Section>Deductions>Compare Deductions

- What is the Standard Deduction amount? _____
- What is the Itemized Deduction amount? _____

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print Your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7660	2021
Adjusted gross income	1040 Line 11	
Sch A: Medical and Dental Expenses	Sch A Line 4	
Sch A: Taxes You Paid	Sch A Line 7	
Sch A: Interest you Paid	Sch A Line 10	
Sch A: Gifts to Charity	Sch A Line 14	
Sch A Total Itemized Deductions	Sch A Line 17	
Standard deduction or itemized deductions	1040 Line 12a	

Click to find the answers in [Counselor Resources](#).

Supporting Statements for SCHEDULE A

(find in **Summary/Print – Print Results PDF**)

Medical and Dental Expenses

Description of Expense	Amount
Medical and Dental Insurance	
Amount Paid to Doctors, Dentists, Eye Doctors, etc.	
Prescription Medicine, Drugs, or Insulin	
Hospital Care including Meals and Lodging	
Medical Aids (Crutches, Hearing Aids, Wheelchairs, etc.)	
Qualified Long-Term Care Insurance	
Mileage (1795 miles x 0.160)	
OTHER MEDICAL EXPENSES	
TOTALS (compare to Schedule A Line 1):	

Click to find the answers in [Counselor Resources](#).

Review [Standard or Itemized Deductions >Key Learning Objectives](#).

Credit for Child and Dependent Care Expenses

Purpose

Determine a taxpayer's eligibility for the credit for child and dependent care expenses.

Key Learning Objective

By the end of this lesson, you should be able to:

- Determine if the taxpayer is eligible for the credit.
- Calculate and enter the credit accurately in TaxSlayer.

Link & Learn Assignment

- Click [Link & Learn > Credit for Child and Dependent Care Expenses](#) and review the lesson page.
- Click [Skills Workout](#) and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study: [Pub 4012 – NTTC Modified](#), Tab G.



Additional Learning

- Watch [Child and Dependent Care Credit](#)

Exercise 1: Credit for Child and Dependent Care - Practice Lab

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Greg and Alice Kohler Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), Tab G for help making the entries into TaxSlayer.

Driver's License (Tax Training Only) License No. 20210929125548 Name and Address GREG KOHLER 6744 NORTH ELM YOUR CITY, YOUR STATE, YZIP Birth Date 03/15/1987 Issue Date 02/23/2021 Expiration Date 02/23/2026		Driver's License (Tax Training Only) License No. 20210929125523 Name and Address ALICE KOHLER 6744 NORTH ELM YOUR CITY, YOUR STATE, YZIP Birth Date 06/24/1989 Issue Date 06/04/2021 Expiration Date 06/04/2026	
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Social Security

015-00-6518

THIS NUMBER HAS BEEN ESTABLISHED FOR

GREG KOHLER

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

ALICE KOHLER

For Tax Training Purposes Only

Social Security

115-00-0002

THIS NUMBER HAS BEEN ESTABLISHED FOR

JASON KOHLER

For Tax Training Purposes Only

Social Security

115-00-0003


THIS NUMBER HAS BEEN ESTABLISHED FOR


NAOMI KOHLER

For Tax Training Purposes Only

Enter Economic Impact Payment [2021 EIP Worksheet for Greg and Alice Kohler.](#)

Enter the W-2s

a. Employee's social security number 015-00-6518		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 45-9456789		1. Wages, tips, other compensation \$30,956.23		2. Federal income tax withheld \$3,650.00			
c. Employer's name, address, and ZIP code CARLSON COUNTY SCHOOL DISTRICT 34 WEST PINE CIRCLE YOUR CITY, YOUR STATE, YZIP		3. Social security wages \$30,956.23		4. Social security tax withheld \$1,919.29			
		5. Medicare wages and tips \$30,956.23		6. Medicare tax withheld \$448.87			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code GREG KOHLER 6744 NORTH ELM YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12 DD \$8,956.00			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 45-XXXXXXX	16. State wages, tips, etc. \$30,956.23	17. State income tax 1,325.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 2021</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

a. Employee's social security number 113-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 25-7456789		1. Wages, tips, other compensation \$11,500.00		2. Federal income tax withheld \$1,120.00			
c. Employer's name, address, and ZIP code HEARTFELT MEDICAL CENTER 674 WELLNESS ROAD YOUR CITY, YS YZIP		3. Social security wages \$13,500.00		4. Social security tax withheld \$837.00			
		5. Medicare wages and tips \$13,500.00		6. Medicare tax withheld \$195.75			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits \$2,000.00			
e. Employee's first name and initial Employee's address and ZIP code ALICE KOHLER 6744 NORTH ELM YOUR CITY, YS YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 257456789	16. State wages, tips, etc. \$13,500.00	17. State income tax 250.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Enter the Child and Dependent Care Credit

Naomi received daycare services from Marie Dawson. Marie lives at 1498 Charles St., Your City, Your State, YZip, and her phone number is 542-901-3636. Her Social Security number (055-00-0005).

Marie also provided a receipt for \$2,500 for Naomi's daycare services.

Tax-Slayer is continuing to develop the programming for the new tax law changes for the credit for child and dependent care. The self-study exercise exercise however does allow students to use the Tax-Slayer 2021 input form. The software is expected to change and the reporting on the Form 2441 and the Form 1040, Schedule 3 should then be correct. Look for training materials to be separately published by the NTTC for all volunteers when the software update is released.

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print Your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-6518	2021
Wages	1040 Line 1	
Adjusted gross income	1040 Line 11	
Nonrefundable - Credit for child and dependent care expenses	1040 Sch 3 Line 2	
Refundable - Credit for child and dependent care expenses	1040 Sch 3 Line 13g	

Click to find the answers in [Counselor Resources](#).

Review [Child and Dependent Care Credit >Key Learning Objectives](#).

Education Credits

Purpose

Determine the education tax credits that are available to help the taxpayer offset the costs of higher education by reducing the amount of income tax.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine the difference between a restricted and unrestricted scholarship.
- Determine who qualifies for an education credit.
- Determine which credit the taxpayer can claim.

Link & Learn Assignment

- Click Link & Learn > Education Credits and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab J

Additional Learning (Link & Learn Job Aids)

- Review Education Credits (Comparison of American Opportunities Credit and Lifetime Learning Credit)
- Review Highlights of Education Tax Benefits
- Review Determining Qualified Education Expenses



Hint: Scholarship/grant income always belongs to the student. If a taxpayer has a dependent with scholarship/grant income, enter any available education credit on the taxpayer's return and enter the scholarship/grant income on the dependent's return.

Exercise 1: Education Credits - Practice Lab

Watch [Education](#). The video shows how to enter the education credit correctly into TaxSlayer.

Enter Taxpayer's Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [John and Jane Floyd, Form 13614-C Intake/Interview & Quality Review Sheet](#), a [2021 Education Worksheet](#), and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab G* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210818204224		License No. 20210818204215	
Name and Address JOHN FLOYD 6744 NORTH ELM DRIVE YOUR CITY, YS YZIP		Name and Address JANE FLOYD 6744 NORTH ELM DRIVE YOUR CITY, YS YZIP	
Birth Date 03/15/1987		Birth Date 06/24/1989	
Issue Date 02/23/2021	Expiration Date 02/23/2026	Issue Date 06/04/2021	Expiration Date 06/04/2026

Social Security

015-00-7651

THIS NUMBER HAS BEEN ESTABLISHED FOR

JOHN FLOYD

For Tax Training Purposes Only

Social Security

113-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

JANE FLOYD

For Tax Training Purposes Only

Social Security

013-00-0010

THIS NUMBER HAS BEEN ESTABLISHED FOR

JASON FLOYD

For Tax Training Purposes Only

Social Security

016-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR

AMANDA FLOYD

For Tax Training Purposes Only

Enter Economic Impact Payment: Click [2021 EIP Worksheet for John and Jane Floyd](#).

Enter W-2

a. Employee's social security number 015-00-7651		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 45-9456789		1. Wages, tips, other compensation \$42,658.33		2. Federal income tax withheld \$4,266.00			
c. Employer's name, address, and ZIP code CARLSON COUNTY SCHOOL DISTRICT 34 WEST PINE CIRCLE YOUR CITY, YOUR STATE, YZIP		3. Social security wages \$42,658.33		4. Social security tax withheld \$2,644.82			
		5. Medicare wages and tips \$42,658.33		6. Medicare tax withheld \$618.55			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code JOHN FLOYD 6744 NORTH ELM DRIVE YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12 DD \$7,568.00			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 45-XXXXXXX	16. State wages, tips, etc. \$42,658.33	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 2021</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Enter Education Credit

- John and Jane included their 2021 Education Worksheet.
- Jason is a sophomore majoring in mechanical engineering at Oakland University.
- Jason received a scholarship that was restricted to only cover qualified education expenses. The scholarship could not be used for room and board.
- The Floyds have receipts of \$452 for the purchase of books that were required for Jason's classes.
- The Floyds started claiming the American Opportunities Credit for Jason's education expenses last year.
- Jason has not been convicted of drug felony charges.
- Jason did receive a 1098-T from Oakland University his freshman year and Box 7 was not checked.

<input type="checkbox"/> CORRECTED (if checked)				
FILER'S name Street address City or town, state or province, country, ZIP or Foreign Postal Code Telephone number OAKLAND UNIVERSITY 677 OAKLAND DRIVE BLVD COLUMBUS OH 43216		1 Payments received for qualified tuition and related expenses <p style="text-align: right;">\$10,200.00</p> 2	OMB No. 1545-1574 <p style="font-size: 2em; font-weight: bold; text-align: center;">20XX</p> Form 1098-T	Tuition Statement
FILER'S employer identification no. <p style="text-align: center;">10-8456789</p>	STUDENT'S TIN <p style="text-align: center;">013-00-0010</p>	3 If this box is checked, your educational institution has changed its reporting method for 20XX. <input type="checkbox"/>		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.
STUDENT'S name Street address (including apt. no.) City or town, state or province, country, ZIP or Foreign Postal Code JASON FLOYD 6744 NORTH ELM DRIVE YOUR CITY, YS, YZIP		4 Adjustments made for a prior year	5 Scholarships or grants <p style="text-align: right;">\$6,700.00</p>	
		6 Adjustments to scholarships or grants for a prior year	7 Checked if the amount in box 1 or 2 includes amounts for an academic period beginning January-March 20XX+1. > <input type="checkbox"/>	
Service Provider/Acct No. (see instr.)	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	
Form 1098-T				

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print Your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7651	2021
Adjusted gross income	1040 Line 11	
Education credit from Form 8863	1040 Sch 3 Line 3	
Federal income tax withheld from:		
a Form(s) W-2	a	
American opportunity credit (Form 8863 line 8)	1040 Line 29	

Click to find the answers in [Counselor Resources](#).

Review [Education Credits >Key Learning Objectives](#).

Foreign Tax Credit

Purpose

This credit applies to those who have paid or accrued taxes to a foreign country on foreign-sourced income and who are subject to U.S. tax on the same income.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine which taxes and types of foreign income are eligible for the foreign tax credit.
- Accurately compute the credit.
- Calculate and report the foreign tax credit as a nonrefundable credit.
- Determine if the foreign tax credit is in scope for a Tax-Aide preparer.

Link & Learn Assignment

- Click [Link & Learn > Foreign Tax Credit](#) and review the lesson page.
- Click [Skills Workout](#) and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Additional Learning



- **Scope:** ONLY the Simplified Limitation Election for the foreign tax credit is in scope. Qualified foreign taxes must be \$300 (\$600 if MFJ) or less and all foreign source income must be passive (such as interest and dividends) for the return to be in scope for Tax-Aide volunteers.
- **Review:** Other Foreign Tax Credit requirements as explained on [Pub 4012 – NTTC Modified](#), Tab G.

Caution: If the FATCA box is checked on a Form 1099-INT/DIV then the tax return is out of scope.

Note: Foreign tax credits from Form 1099-DIV flow directly to Form 1040, Schedule 3, Line 1

Exercise 1: Foreign Tax Credit - Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Ray and Mallory Cooper Form 13614-C Intake/Interview & Quality Review Sheet](#), and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab G* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210819091643		License No. 20210819091614	
Name and Address RAY M COOPER 6744 NORTH ELM AVE YOUR CITY, YS, YZIP		Name and Address MALLORY S COOPER 6744 NORTH ELM AVE YOUR CITY, YS, YZIP	
Birth Date 03/15/1987		Birth Date 06/24/1989	
Issue Date 02/23/2021	Expiration Date 02/23/2026	Issue Date 06/04/2021	Expiration Date 06/04/2026

Social Security

015-00-7652

THIS NUMBER HAS BEEN ESTABLISHED FOR

RAY M COOPER

For Tax Training Purposes Only

Social Security

115-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR

MALLORY S COOPER

For Tax Training Purposes Only

Enter Economic Impact Payment: [2021 EIP Worksheet for Ray and Mallory Cooper.](#)

Enter the W-2 Wage Income

a. Employee's social security number 015-00-7652		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 45-9456789		1. Wages, tips, other compensation \$44,799.36		2. Federal income tax withheld \$4,479.00			
c. Employer's name, address, and ZIP code CARLSON COUNTY SCHOOL DISTRICT 34 WEST PINE CIR YC, YS, YZIP		3. Social security wages \$44,799.36		4. Social security tax withheld \$2,777.56			
		5. Medicare wages and tips \$44,799.36		6. Medicare tax withheld \$649.59			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code RAY M COOPER 6744 NORTH ELM AVE YOUR CITY, YS, YZIP		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. DD \$8,345.00			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 4537456789	16. State wages, tips, etc. \$44,799.36	17. State income tax 2,200.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

Enter 1099-DIV Income

<input type="checkbox"/> CORRECTED (if checked)				Dividends and Distributions	
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. ACE FINANCIAL CORP PO BOX 162 BOSTON MA 02110		1 Total Ordinary Dividends \$356.50	OMB No. 1545--0110 20XX Form 1099-DIV		Copy B For Recipient 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.
		1b Qualified Dividends \$197.49			
		2a Total capital gain distr. \$112.45	2b Unrecap. Sec. 1250 gain		
PAYER'S TIN 72-6456789	RECIPIENT'S TIN 015-00-7652	2c Section 1202 gain	2d Collectables (28%) gain		
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code RAY M COOPER 6744 NORTH ELM AVE YOUR CITY, YS, YZIP		3 Nondividend distributions \$52.00	4 Federal income tax withheld		
		5 Section 199A dividends	6 Investment expenses		
		7 Foreign Tax Paid \$16.89	8 Foreign Country or US possession		
FATCA filing requirement <input type="checkbox"/>		9 Cash liquidation distributions	10 Noncash liquidation distribution		
		11 Exempt-Interest dividends \$200.16	12 Specified private activity bond interest dividends		
Account number (see instructions) 87230976		13 State	14 State Identification no.	15 State tax withheld	
		-----		-----	
Form 1099-DIV					

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print Your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7652	2021
Adjusted gross income	1040 Line 11	
Foreign tax credit	1040 Sch 3 Line 1	

Click to find the answers in [Counselor Resources](#).

Review [Foreign Tax Credits > Key Learning Objectives](#).

Child Tax Credit and the Credit for Other Dependents

Purpose

Determine a taxpayer's eligibility for the child tax credit and credit for other dependents, and the additional child tax credit, and how to calculate the amount of each credit.

Tax-Slayer is continuing to develop the input sheet for the Advanced Child Tax Credit. The self-study exercises do not address the IRS advanced payments. Look for training materials to be separately published by the NTTC for all volunteers when the software update is released.

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Determine the taxpayer's eligibility for the child tax credit, the credit for other dependents, and the additional child tax credit.**
- **Determine which taxpayers can claim the credits.**
- **Report the credits correctly in TaxSlayer.**

Link & Learn Assignment

- **Click Link & Learn > Child Tax Credit and Other Dependent Credit and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**

Study [Pub 4012 – NTTC Modified](#), Tab G



Additional Learning (Link & Learn Job Aids)

- **Review: Child Tax Credit and Additional Child Tax Credit Eligibility**
- **Review: Does your Qualifying Child qualify you for the Child Tax Credit or Credit for Other Dependents**

Exercise 1: Child Tax Credit and Credit for Other Dependents -Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Michael and Debra Miller, Form 13614-C Intake/Interview & Quality Review Sheet](#), and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab G* for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		Driver’s License (Tax Training Only)	
License No. 20211126014706		License No. 20210819131435	
Name and Address MICHAEL MILLER 7655 N. OAK DRIVE YOUR CITY, YOUR STATE, YOUR ZIP		Name and Address DEBRA MILLER 7655 N. OAK DRIVE YOUR CITY, YOUR STATE, YOUR ZIP	
Birth Date 03/16/1982		Birth Date 06/24/1981	
Issue Date 02/24/2021 Expiration Date 02/24/2026		Issue Date 06/04/2021 Expiration Date 06/04/2026	

Social Security

015-00-7653

THIS NUMBER HAS BEEN ESTABLISHED FOR

MICHAEL MILLER

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

DEBRA MILLER

For Tax Training Purposes Only

Social Security

013-00-0010

THIS NUMBER HAS BEEN ESTABLISHED FOR

DAVID MILLER

For Tax Training Purposes Only

Social Security

013-00-0020


THIS NUMBER HAS BEEN ESTABLISHED FOR


CASSIDY MILLER

For Tax Training Purposes Only

Enter Economic Impact Payment: [2021 EIP Worksheet for Michael and Debra Miller.](#)

Enter W-2s, Wage Income

a. Employee's social security number 015-00-7653		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 45-9456789		1. Wages, tips, other compensation \$29,569.23		2. Federal income tax withheld \$2,957.00			
c. Employer's name, address, and ZIP code CARLSON COUNTY SCHOOL DISTRICT 34 WEST PINE CIRCLE YOUR CITY, YOUR STATE, YZIP		3. Social security wages \$29,569.23		4. Social security tax withheld \$1,833.29			
		5. Medicare wages and tips \$29,569.23		6. Medicare tax withheld \$428.75			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code MICHAEL MILLER 7655 NORTH OAK DRIVE YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12 DD \$7,392.00			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
		-----		12d.			
15. State YS	Employer's state ID number 45-XXXXXXX	16. State wages, tips, etc. \$29,569.23	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
-----		-----	-----	-----	-----	-----	
Form W-2 Wage and Tax Statement				2021			

a. Employee's social security number 115-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 45-9456789		1. Wages, tips, other compensation \$18,645.00		2. Federal income tax withheld \$1,850.00			
c. Employer's name, address, and ZIP code CARLSON COUNTY SCHOOL DISTRICT 34 W PINE CIRCLE YOUR CITY, YS, YZIP		3. Social security wages \$18,645.00		4. Social security tax withheld \$1,155.99			
		5. Medicare wages and tips \$18,645.00		6. Medicare tax withheld \$270.35			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code DEBRA MILLER 7655 NORTH OAK DRIVE YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
		-----		12d.			
15. State YS	Employer's state ID number 45-XXXXXXX	16. State wages, tips, etc. \$18,645.00	17. State income tax 900.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
-----		-----	-----	-----	-----	-----	
Form W-2 Wage and Tax Statement				20XX			

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print Your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7653	2021
Adjusted gross income	1040 Line 11	
Nonrefundable child tax credit or credit for other dependents from Sch 8812	1040 Line 19	
Federal income tax withheld from:		
a Form(s) W-2	1040 Line 25a	
Refundable child tax credit or additional child tax credit from Schedule 8812	1040 Line 28	

Click to find the answers in [Counselor Resources](#).

Review [Child Tax Credit/Credit for Other Dependents Key Learning Objectives](#).

Miscellaneous Tax Credits

Purpose

Learn how to prepare a tax return with a Retirement Savings Contribution Credit/Elderly or Disabled Credit.

Key Learning Objectives

By the end of the lesson, you should be able to:

- **Determine if a taxpayer qualifies for the Retirement Savings Contributions Credit and accurately enter the credit into TaxSlayer.**
- **Calculate the Credit for the Elderly or the Disabled and enter it accurately enter the credit into TaxSlayer.**

Link & Learn Assignment

- **Click Link & Learn > Miscellaneous Credits and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**

Study [Pub 4012 – NTTC Modified](#), Tab G

Additional Learning (Link & Learn Job Aids)

- **Review Credit for the Elderly or the Disabled - Screening Sheet**
- **Review Retirement Savings Contributions Credit - Screening Sheet**

Exercise 1: Credit for the elderly or the disabled

Using [Pub 4012 – NTTCC Modified](#), Tab G-18, follow *the Credit for the Elderly or the Disabled – Screening Sheet* and determine if John is eligible for the credit.

John is unmarried and filing a single return. He is 67 years old and received \$12,000 in nontaxable Social Security benefits in the tax year. His AGI is \$9,000. Is John a qualified individual and eligible to claim the credit?

Yes or No – Why?

Click to find the answers in [Counselor Resources](#).

Exercise 2: Retirement savings credit

- **Open the Karen and Daniel Wilson (ssn: 015-00-1804) Practice Lab tax return.**

This was created in the return in Adjustments Exercise 4: Traditional IRA Contributions and the Wilson’s qualified for the Retirement savings credit.

View taxpayer’s return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print Your 2021 Tax Return**
- Find [Karen and Daniel Wilson’s Form 8880](#) in the PDF printout

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-1804	2021
Wages, salaries, tips, etc	1040 Line 1	
Adjusted gross income	1040 Line 11	
Retirement savings credit	1040 Sch 3 Line 4	

Click to find the answers in [Counselor Resources](#).

Review the [Miscellaneous Credits >Key Learning Objectives](#).

Premium Tax Credit

Purpose

To learn how to determine if taxpayers are eligible to receive the premium tax credit.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Determine a taxpayer's eligibility for the premium tax credit (PTC).
- Calculate the premium tax credit.
- Accurately enter the taxpayer's health insurance and premium tax credit information into TaxSlayer.

Link & Learn Assignment

- Click Link & Learn Link & Learn > Tax Provisions for the Affordable Care Act and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.



Study [Pub 4012 – NTTC Modified](#), Tab H

Additional Learning (Link & Learn Job Aids)

- Review [Pub 4012 – NTTC Modified](#), Tab H:
- Health Insurance Marketplace Statement, Form 1095-A
- Premium Tax Credit, Form 8962

Exercise 1: Premium Tax Credit with APTC for Part-Year Coverage - Practice Lab**Enter Taxpayer's Basic Information**

Open [Practice Lab](#) and create a new return. Enter the taxpayer's basic information from [Charles and Shay Baldwin Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modifiedd](#), *Tab H* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)		Driver's License (Tax Training Only)	
License No. 20210905125521		License No. 20210905125514	
Name and Address CHARLES BALDWIN 775 BANKS STREET YOUR CITY, YOUR STATE, YOUR ZIP		Name and Address SHAY BALDWIN 775 BANKS STREET YOUR CITY, YOUR STATE, YOUR ZIP	
Birth Date 12/03/1981		Birth Date 06/10/1985	
Issue Date 11/13/2021 Expiration Date 11/13/2026		Issue Date 05/21/2021 Expiration Date 05/21/2026	

Social Security

015-00-1806

THIS NUMBER HAS BEEN ESTABLISHED FOR

CHARLES BALDWIN

For Tax Training Purposes Only

Social Security

610-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

SHAY BALDWIN

For Tax Training Purposes Only

Social Security

611-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

NATHANIEL BALDWIN

For Tax Training Purposes Only

Social Security

612-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR


KARLY BALDWIN

For Tax Training Purposes Only

Enter Economic Impact Payment: Click [2021 EIP Worksheet for Charles and Shay Baldwin](#).

Enter W-2

a. Employee's social security number 610-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 45-9123456		1. Wages, tips, other compensation \$17,750.00		2. Federal income tax withheld \$1,153.00			
c. Employer's name, address, and ZIP code CARSON COUNTY SD 34 WEST PINE CIRCLE LAKEWOOD WA 98498		3. Social security wages \$17,750.00		4. Social security tax withheld \$1,100.50			
		5. Medicare wages and tips \$17,750.00		6. Medicare tax withheld \$257.38			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Suff. Employee's address and ZIP code SHAY BALDWIN 775 BANKS STREET SAVANNAH GA 31405		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State	Employer's state ID number	16. State wages, tips, etc.	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement				20XX			
Copy B - To Be Filed With Employee's FEDERAL Tax Return.							

a. Employee's social security number 015-00-1806		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 45-9123456		1. Wages, tips, other compensation \$33,500.00		2. Federal income tax withheld \$1,820.00			
c. Employer's name, address, and ZIP code CARSON COUNTY SD 34 WEST PINE CIRCLE LAKEWOOD, WA 98498		3. Social security wages \$33,500.00		4. Social security tax withheld \$2,077.00			
		5. Medicare wages and tips \$33,500.00		6. Medicare tax withheld \$485.75			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code CHARLES BALDWIN 775 BANKS STREET YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 45-XXXXXXX	16. State wages, tips, etc. \$33,500.00	17. State income tax 600.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement		20XX					

Enter Health Insurance Marketplace Information (Refer to [Pub 4491-NTTC Modified](#), Appendix page A-9 for guidance)

Charles' and Shay's employers do not offer health insurance coverage. Charles enrolled in a plan through the Marketplace that covered him, Shay, and both children with an effective date of March 1. He selected the second lowest-cost silver plan. They received the benefit of advance payments of the premium tax credit for their coverage.

Form 1095-A Department of the Treasury Internal Revenue Service	Health Insurance Marketplace Statement	<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED	OMB No. 1545-2232 <div style="font-size: 2em; font-weight: bold;">2021</div>	
▶ Do not attach to your tax return. Keep for your records. ▶ Go to www.irs.gov/Form1095A for instructions and the latest information.				
Part I Recipient Information				
1 Marketplace identifier 60-900400X	2 Marketplace-assigned policy number 123456789	3 Policy issuer's name FGK		
4 Recipient's name CHARLES BALDWIN		5 Recipient's SSN 015-00-1806	6 Recipient's date of birth 12/03/1981	
7 Recipient's spouse's name SHAY BALDWIN		8 Recipient's spouse's SSN 610-00-0000	9 Recipient's spouse's date of birth 06/10/1985	
10 Policy start date 03/01/2021	11 Policy termination date 12/31/2021	12 Street address (including apartment no.) 775 BANK STREET		
13 City or town YOUR CITY	14 State or province YOUR STATE	15 Country and ZIP or foreign postal code YOUR ZIP		
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 CHARLES BALDWIN	015-00-1806	12/03/1981	03/01/2021	12/31/2021
17 SHAY BALDWIN	610-00-0000	06/10/1985	03/01/2021	12/31/2021
18 NATHANIEL BALDWIN	611-00-0000	04/04/2004	03/01/2021	12/31/2021
19 KARLY BALDWIN	612-00-0000	04/29/2006	03/01/2021	12/31/2021
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				
22 February				
23 March	\$789.00	\$789.00	\$607.00	
24 April	\$789.00	\$789.00	\$607.00	
25 May	\$789.00	\$789.00	\$607.00	
26 June	\$789.00	\$789.00	\$607.00	
27 July	\$789.00	\$789.00	\$607.00	
28 August	\$789.00	\$789.00	\$607.00	
29 September	\$789.00	\$789.00	\$607.00	
30 October	\$789.00	\$789.00	\$607.00	
31 November	\$789.00	\$789.00	\$607.00	
32 December	\$789.00	\$789.00	\$607.00	
33 Annual Totals	\$7,890.00	\$7,890.00	\$6,070.00	
For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.				Cat. No. 60703Q
				Form 1095-A (2020)

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print Your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-1806	2021
Wages	1040 Line 1	
Adjusted gross income	1040 Line 11	
Net premium tax credit. Attach Form 8962	1040 Sch 3 Line 9	
Excess advanced payment of PTC repayment	1040 Sch 2, line 2	
Federal income tax withheld from		
a Form(s) W-2	1040 Line 25a	

Click to find the answers in [Counselor Resources](#).

Review [Premium Tax Credit >Key Learning Objectives](#).

VI. Computing Other Taxes and Total Tax

Other Taxes

Purpose

This lesson covers the Other Taxes reported on the return. You will determine if taxpayers owe additional taxes, which can decrease a refund or increase a balance due. Taxes and payments included in the Other Taxes and Payments section of Form 1040 are:

- **Self-Employment taxes**
- **Taxes on unreported tip income**
- **Taxes and penalties on qualified retirement plans**
- **Repayment of the first-time homebuyer credit**

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Identify the different types of *other taxes* on a return.**
- **Determine if a taxpayer is liable for other taxes that are within the scope.**
- **Determine how to report these additional taxes on the tax return and complete the applicable forms or schedules.**

Link & Learn Assignment

- **Click Link & Learn Other Taxes and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**

Study [Pub 4012 – NTTC Modified](#), Tab H


Additional Learning

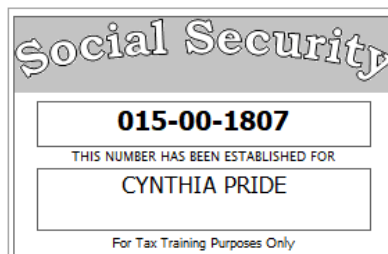
- **Review [Pub 4012 – NTTC Modified](#) Other Taxes and Payments**

Exercise 1: Early Withdrawal from an IRA - Practice Lab

Enter Taxpayer’s Basic Information


Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Cynthia Pride Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab H* for help making the entries into TaxSlayer.

Driver's License (Tax Training Only)	
License No. 20210905132507	
Name and Address CYNTHIA PRIDE 16 ELM STREET YOUR CITY, YOUR STATE, YZIP	
Birth Date 03/16/1986	
Issue Date 02/24/2021 Expiration Date 02/24/2026	



Enter Economic Impact Payment: [2021 EIP Worksheet for Cynthia Pride.](#)

Enter W-2 Income

a. Employee's social security number 015-00-1807		Save. accurate, FAST! Use  Visit the IRS website at www.irs.gov/efile				
b. Employer identification number (EIN) 73-4561237		OMB No. 1545-0008				
c. Employer's name, address, and ZIP code JEFFERSON MEMORIAL HOSPITAL 101 N MARKET STREET PHILADELPHIA, PA 19102		1. Wages, tips, other compensation \$32,256.04	2. Federal income tax withheld \$2,150.00			
		3. Social security wages \$34,256.04	4. Social security tax withheld \$2,123.87			
		5. Medicare wages and tips \$34,256.04	6. Medicare tax withheld \$496.71			
d. Control number		7. Social security tips	8. Allocated tips			
		9.	10. Dependant care benefits			
e. Employee's first name and initial Last name Suff. Employee's address and ZIP code CYNTHIA PRIDE 16 ELM STREET YOUR CITY, YOUR STATE, YOUR ZIP		11. Nonqualified plans	12a. See instructions for box 12 D \$2,000.00			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	12b. DD \$6,780.00			
		14. Other	12c. C \$450.00			
			12d.			
15. State YS	Employer's state ID number 73-XXXXXXX	16. State wages, tips, etc. \$32,256.04	17. State income tax 1,100.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name
Form W-2 Wage and Tax Statement 2021 Copy B - To Be Filed With Employee's FEDERAL Tax Return. This information is being furnished to the Internal Revenue Service.						

Enter 1099-R

Cynthia is getting married soon and took money out of her IRA to put a deposit down on the wedding venue. Cynthia does not qualify for any other early distribution exceptions.

<input type="checkbox"/> CORRECTED (if checked)			20XX Form 1099-R		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. LIBERTY NATIONAL PO BOX 7741 AUSTIN TX 78739					
PAYER'S TIN 74-3344556			2a Taxable amount \$2,500.00	2b Taxable amount not determined. <input checked="" type="checkbox"/>	Total Distribution <input type="checkbox"/>
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal CYNTHIA PRIDE 16 ELM STREET YOUR CITY YS YZIP			3 Capital gain (included in box 2a).	4 Federal income tax withheld \$250.00	
RECIPIENT'S TIN 015-00-1807			5 Employee contributions/ Designated Roth contributions or	6 Net unrealized appreciation in employer's securities	
7 Distribution Code(s) 1			IRA/ SEP/ SIMPLE <input checked="" type="checkbox"/>	8 Other %	
			9a Your percentage of total distribution %	9b Total Employee Contributions	
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	FATCA filing requirement <input type="checkbox"/>	12 State tax withheld	13 State/Payer's state no.	14 State distribution
Account number (see instructions)		Date of payment	15 Local tax withheld	16 Name of locality	17 Local distribution
Form 1099-R					

View taxpayer's return in TaxSlayer

- **Click *Summary Print* on the left side of the main screen**
- **Click *View/Print Return* on the top right-hand side of the screen**
- **Click *Print Your 2021 Tax Return***

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-1807	2021
Wages	Form 1040 Line 1	
IRA Distribution	Form 1040 Line 4b	
Adjusted Gross Income	Form 1040 Line 11	
Additional tax	Schedule 2 Line 8	

Click to find the answers in [Counselor Resources](#).

Review [Other Taxes > Key Learning Objectives](#).

VII. Applying Refundable Credits and Computing Amount Owed/Refund

Payments and Miscellaneous Refundable Credits

Purpose

This lesson covers income tax withholding, estimated tax payments, certain refundable credits, and other payments made by the taxpayer. Some of the credits are be entered on the appropriate lines of the return while some payments and credits may be entered on Schedule 3, Additional Credits and Payments.

Key Learning Objectives

By the end of this lesson, you should be able to:

- **Identify the following types of payments and credits that apply to most lower-or moderate-income tax returns:**
 - **Form W-2 and Form 1099 withholdings**
 - **Estimated payments and amounts applied from the prior year's return**
 - **Amount paid with a requested extension to file**
 - **Excess Social Security and Railroad Retirement Benefits tax withholdings**
- **Determine a taxpayer's eligibility for the Recovery Rebate Credit and Sick and Family Leave Credits for Self-Employed.**
- **Accurately report payments and credits in TaxSlayer.**

Link & Learn Assignment

- **Click Link & Learn Payments and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**

Study [Pub 4012 – NTTC Modified](#), Tab H

Additional Learning (Link & Learn Job Aids)

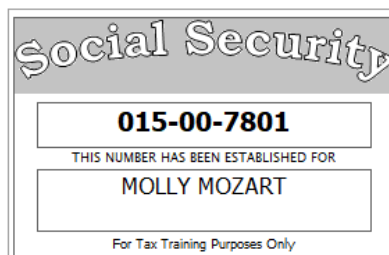
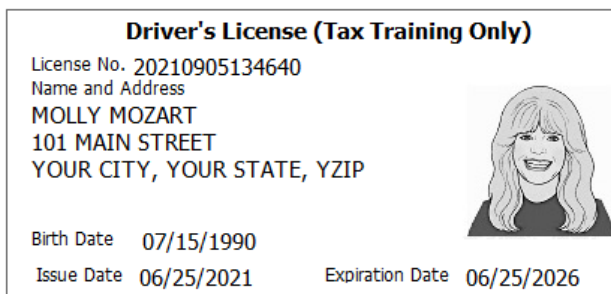
- **Watch IRS Video: Tax Tip: Withholding Estimator**
- **Review Other Taxes and Payments**
- **Review Filing an Extension using TaxSlayer**

Exercise 1: Estimated Payments - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return.

Enter the taxpayer’s basic information from [Molly Mozart Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab H* for help making the entries into TaxSlayer.



Enter Economic Impact Payment: [2021 EIP Worksheet for Molly Mozart.](#)

Molly Mozart works as a Self-Employed Contractor for the Bridger Bowl Community Theater. Her IRS Business code is 711100. She had no business expenses and no health insurance. Molly filled out a [Self-Employed Worksheet](#).

Enter Self-Employment Income using Form 1099-NEC provided by the theater.

<input type="checkbox"/> CORRECTED (if checked)			
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. BRIDGER BOWL COMMUNITY THEATER RURAL ROUTE 201W WILSALL MT 59086		OMB No. 1545-0116 <div style="font-size: 2em; font-weight: bold; text-align: center;">20XX</div> Form 1099-NEC	Nonemployee Compensation
PAYER'S TIN 16-8123456		RECIPIENT'S TIN 015-00-7801	Copy B For Recipient 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 Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code MOLLY MOZART 101 MAIN STREET WILSALL MT 59086		1 Nonemployee compensation <div style="text-align: center; font-size: 1.2em;">\$40,000.00</div>	
FATCA filing requirement <input type="checkbox"/>		2 4 Federal income tax withheld	
Account number (see instructions)		16 State tax withheld ----- 17 State/Payer's state no. ----- 18 State income -----	
Form 1099-NEC			

Enter Estimated Payments

Molly made these estimated federal income tax payments:

1st payment	April 15, 2021	\$2,000
2nd payment	June 17, 2021	\$2,000
3rd payment	Sept. 16, 2021	\$2,000
4th payment	Jan. 18, 2022	\$2,000

Molly did not receive a refund last year.

View taxpayer's return in TaxSlayer

- Click **Summary Print** on the left side of the main screen
- Click **View/Print Return** on the top right-hand side of the screen
- Click **Print Your 2021 Tax Return**

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-7801	2021
Business income or (loss)	1040 Sch 1 Line 3	
Deductible part of self-employment tax	1040 Sch 1 Line 15	
Self-employed health insurance deduction	1040 Sch 1 Line 17	
Adjusted gross income	1040 Line 11	
Qualified business income deduction	1040 Line 13	
Self-employment tax	1040 Sch 2 Line 4	
2021 estimated tax payments	1040 Line 26	

Click to find the answers in [Counselor Resources](#).


Exercise 2: Recovery Rebate Credit - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Timothy Bottoms Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#) Tab H for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)

License No. 20210915173136
 Name and Address
 TIMOTHY BOTTOMS
 103 MAIN STREET
 YOUR CITY, YS, YZIP



Birth Date 01/01/1964
 Issue Date 12/12/2020 Expiration Date 12/12/2025

Social Security

015-00-2266


THIS NUMBER HAS BEEN ESTABLISHED FOR

TIMOTHY BOTTOMS

For Tax Training Purposes Only

Enter Economic Impact Payment: [2021 EIP Worksheet for Timothy Bottoms.](#)

Enter W-2 Wage Income

		a. Employee’s social security number 015-00-2266	<small>Save. accurate, FAST! Use</small>		<small>Visit the IRS website at www.irs.gov/efile</small>		
		<small>OMB No. 1545-0008</small>					
b. Employer identification number (EIN) 10-7898782		1. Wages, tips, other compensation \$33,456.26	2. Federal income tax withheld \$3,546.00				
c. Employer’s name, address, and ZIP code ABC MARKETING INTERNATIONAL 67 MARKET AVENUE BRISBANE, CA 94005		3. Social security wages \$33,456.26	4. Social security tax withheld \$2,074.29				
		5. Medicare wages and tips \$33,456.26	6. Medicare tax withheld \$485.12				
		7. Social security tips	8. Allocated tips				
d. Control number		9.	10. Dependant care benefits				
e. Employee’s first name and initial Last name Suff. Employee’s address and ZIP code TIMOTHY BOTTOMS 103 MAIN STREET YOUR CITY, YS, YZIP		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.			
15. State YS	Employer’s state ID number 10-XXXXXXX	16. State wages, tips, etc. \$33,456.26	17. State income tax 1,640.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 20XX</p> <p>Copy B - To Be Filed With Employee’s FEDERAL Tax Return.</p> <p><small>This information is being furnished to the Internal Revenue Service.</small></p>							

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print Your 2021 Tax Return*

Fill in your answers and complete your Self-Study Counselor Progress Sheet.

SSN	015-00-2266	2021
Wages	1040 Line 1	
Adjusted gross income	1040 Line 11	
Federal income tax withheld		
.....Form(s) W-2	1040 Line 25a	
Recovery rebate credit	1040 Line 30	

Click to find the answers in [Counselor Resources](#).

Review [Payments and Miscellaneous Credits>Key Objectives](#)

Earned Income Credit (EIC)

Purpose

This lesson covers the earned income credit (EIC) and several of the common errors associated with claiming this credit on the return.

Key Learning Objectives

Using the resource materials, you should be able to:

- **Determine if a taxpayer is eligible for this credit.**
- **Accurately input taxpayer information so TaxSlayer properly calculates the earned income credit..**

Link & Learn Assignment

- **Click Link & Learn > Earned Income Credit and review the lesson page.**
- **Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.**

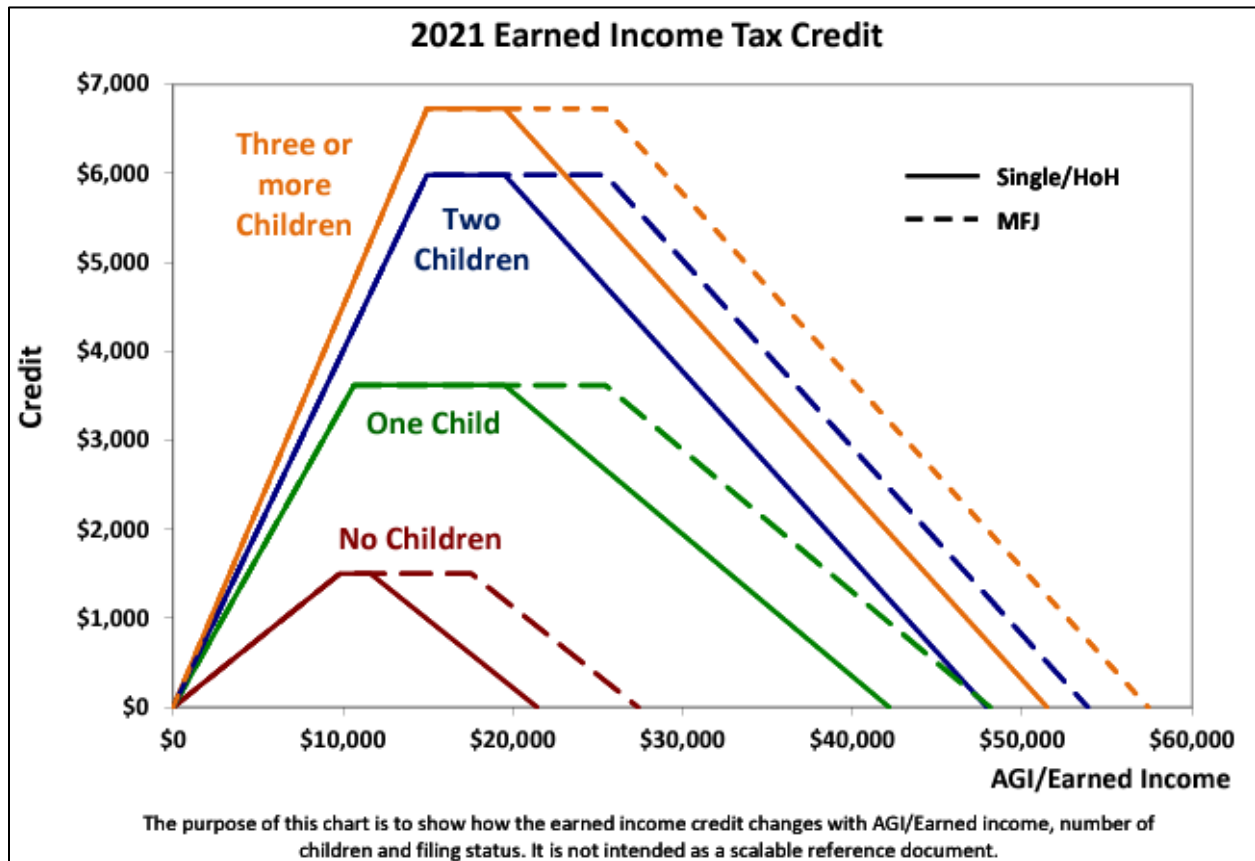
Study [Pub 4012 – NTTC Modified](#), Tab I

Review: [Qualifying Child or Relative Resource Tool](#)

Additional Learning (Link & Learn Job Aids)

- **Review: Earned Income Table. (Pub 4012, I-1)**
- **Review: Summary of EIC Eligibility Requirements. (Pub 4012, I-2)**
- **Review: EIC General Eligibility Rules. (Pub 4012, I-3)**
- **Review: EIC with a qualifying child. (Pub 4012, I-4)**
- **Review: EIC Without a Qualifying Child. (Pub 4012, I-5)**
- **Review: Qualifying Child of More than One Person. (Pub 4012, I-5)**
- **Review: Most Common EIC filing errors. (Pub 4012, I-1)**



Review:



Exercise 1: Earned Income Credit - Practice Lab

Enter Taxpayer’s Basic Information

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Jackson and Tamika Connor Form 13614-C Intake/Interview & Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified, Tab I](#) for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		Driver’s License (Tax Training Only)	
License No. 20210905135236		License No. 20210905135203	
Name and Address JACKSON CONNOR 2021 SUNRISE LANE, YOUR CITY, YOUR STATE, YZIP		Name and Address TAMIKA CONNOR 2021 SUNRISE LANE YOUR CITY, YOUR STATE, YZIP	
Birth Date 01/08/1967		Birth Date 01/15/1965	
Issue Date 12/19/2020	Expiration Date 12/19/2025	Issue Date 12/26/2020	Expiration Date 12/26/2025

Social Security

015-00-7052

THIS NUMBER HAS BEEN ESTABLISHED FOR

JACKSON CONNOR

For Tax Training Purposes Only

Social Security

115-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

TAMIKACONNOR

For Tax Training Purposes Only

Social Security

415-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

PENNY BRYANT

For Tax Training Purposes Only

Social Security

215-00-0000

THIS NUMBER HAS BEEN ESTABLISHED FOR

TERRY CONNOR


For Tax Training Purposes Only

Enter Economic Impact Payment: Click [2021 EIP Worksheet for Jackson and Tamika Connor](#)

Penny Bryant is Tamika’s mother. Penny is totally and permanently disabled. Penny only received a small amount of Social Security income this year. Jackson and Tamika paid all of Penny’s medical bills that were not reimbursed by Medicare.

Terry Connor is totally and permanently disabled.

Enter the W-2 Wage Income

a. Employee's social security number 115-00-0000		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 25-5234567		1. Wages, tips, other compensation \$21,010.27		2. Federal income tax withheld \$2,100.00			
c. Employer's name, address, and ZIP code JEFFERSON SCHOOL 12210 ROBIN SCHOOL INDIANAPOLIS, IN 46204		3. Social security wages \$21,010.27		4. Social security tax withheld \$1,302.64			
		5. Medicare wages and tips \$21,010.27		6. Medicare tax withheld \$304.65			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code TAMIKA CONNOR 2020 SUNRISE LANE YOUR CITY, YOUR STATE, YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number 25-XXXXXXX	16. State wages, tips, etc. \$21,010.27	17. State income tax 1,051.00	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 2021</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

View taxpayer's return in TaxSlayer

- Click *Summary Print* on the left side of the main screen
- Click *View/Print Return* on the top right-hand side of the screen
- Click *Print your 2021 Tax Return*

Fill in your answers and complete your **Self-Study Counselor Progress Sheet**.

SSN	015-00-7052	2021
Wages	1040 Line 1	
Adjusted gross income	1040 Line 11	
Federal income tax withheld from		
a Form(s) W-2	1040 Line 25a	
Earned income credit	1040 Line 27	

Click to find the answers in [Counselor Resources](#).

Review [Earned Income Credit >Key Learning Objectives](#).

Refund and Amount of Tax Owed

Purpose

This lesson covers the options for taxpayers to receive their refund or pay the tax they owe.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Identify the applicable section and lines of Form 1040 for the refund or amount owed.
- Identify the refund options available, including the purchase of savings bonds.
- Describe the different payment options for the amount owed.
- Explain how to adjust the amount of tax withheld or make estimated tax payments to avoid underpayment of taxes.

Link & Learn Assignment

- Click Link & Learn > Refund or Amount Owed and review the lesson page.
- Click Skills Workout and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab K

Additional Learning (Link & Learn Job Aids)

- Click IRS Withholdings Estimator
- Review Pointers for Direct Deposit of Refunds
- Review Split Refund Option
- Review Balance Due Returns
- Review 2 Where's My Refund - It's Quick, Easy, and Secure

Be prepared to identify the payment options available to taxpayers that are outlined in this lesson and in the [Pub 4012 – NTTC Modified](#), Tab K, Finishing the Return.

Review [Refund/Amount of Tax Owed >key Learning Objectives](#)

VIII. Completing and Filing a Return

Completing the Return

Purpose

This lesson covers insights and information for concluding your interview with the taxpayer. The taxpayer should have a complete record of the tax return and needs to understand what happens next, and know how to get answers to questions that may come up later.

Key Learning Objectives

By the end of this lesson, you should be able to:

- Assemble the taxpayer's copy of the tax return and explain which records a taxpayer should maintain.
- Identify the records the site maintains.

Link & Learn Assignment

- Click [Link & Learn > Completing the Return](#) and review the lesson page.
- Click [Skills Workout](#) and complete the unit. Take time to review the linked materials. Remember [Pub 4491-NTTC Modified](#) is the textbook.

Study [Pub 4012 – NTTC Modified](#), Tab K

Additional Learning



- Review *Publication 5310 - [Quality Review Process](#)*
- Review *IRS Tax Topic – Recordkeeping*

Note: AARP Foundation volunteers do not retain any of the taxpayer's information or documents. TaxSlayer is the only medium that adequately protects the taxpayer's personal information for Tax-Aide volunteers.

Exercise 1: Finishing the Return - Practice Lab

Enter Taxpayer’s Basic Information:

Open [Practice Lab](#) and create a new return. Enter the taxpayer’s basic information from [Bill and Cindy Colfax Intake/Interview and Quality Review Sheet](#) and the documents below. Use [Pub 4012 – NTTC Modified](#), *Tab K* for help making the entries into TaxSlayer.

Driver’s License (Tax Training Only)		Driver’s License (Tax Training Only)	
License No. 20210907153143		License No. 20210907153139	
Name and Address BILL COLFAX 6744 NORTH ELM YOUR CITY, YOUR STATE, YZIP		Name and Address CINDY COLFAX 6744 NORTH ELM YOUR CITY, YOUR STATE, YOUR ZIP	
Birth Date 03/15/1987 Issue Date 02/23/2021		Birth Date 06/24/1989 Issue Date 06/04/2021	
Expiration Date 02/23/2026		Expiration Date 06/04/2026	

Social Security

015-00-1808

THIS NUMBER HAS BEEN ESTABLISHED FOR

BILL COLFAX

For Tax Training Purposes Only

Social Security

276-00-0000


THIS NUMBER HAS BEEN ESTABLISHED FOR

CINDY COLFAX

For Tax Training Purposes Only

Enter Economic Impact Payment: Click [2021 EIP Worksheet for Bill and Cindy Colfax.](#)

Enter W-2 Wage Income

a. Employee's social security number 015-00-1808		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
b. Employer identification number (EIN) 74-3456789		1. Wages, tips, other compensation \$38,461.20		2. Federal income tax withheld \$3,800.00			
c. Employer's name, address, and ZIP code BEST BOOK AND CAT CAFE 25 KITTY LANE AUSTIN TX 78739		3. Social security wages \$38,461.20		4. Social security tax withheld \$2,384.59			
		5. Medicare wages and tips \$38,461.00		6. Medicare tax withheld \$557.68			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Employee's address and ZIP code BILL COLFAX 6744 NORTH ELM AVENUE YOUR CITY YS YZIP		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Employee <input type="checkbox"/> Retirement Plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b.			
		14. Other		12c.			
		-----		12d.			
15. State YS	Employer's state ID number 3456789	16. State wages, tips, etc. \$1,600.00	17. State income tax	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
Form W-2 Wage and Tax Statement		20XX					

Complete Health Insurance Section

Bill and Cindy do not have health insurance from the Marketplace

Complete the E-File Section

Bill and Cindy want their federal refund deposited in this checking account:

CINDY ABD BILL COLFAX 12 STREET SIDE PLAZA YOUR CITY, YS YZIP		1234
PAY TO THE ORDER OF _____		\$ _____
_____		DOLLARS
MONEY INSTRUCTOR.COM BANK 1221 MAIN STREET ANYWHERE US 10001		
For _____		_____
325070760	987123654	1234

- **Mark the return *Ready for Review***
- **Save and Exit the return**
- **Check your TaxSlayer Summary/Print PDF**

Note: Tax-Aide states and districts may have specific procedures for preparing a return for submission. Make sure you ask your local Coordinator for guidance.

Tax-Aide Policy:

- **Do not mail any taxpayer documents.**
- **Do not use Form 8453.**
- **Taxpayers should be informed what information the IRS may request.**
- **Protect taxpayer's information!**

[Review E-File and Submit a Return > Key Learning Objectives.](#)

IX. Counselor Resources

[2021 Self-Study Counselor Progress Sheet](#)

[Click to print](#) a blank version to create a personal copy to download or print.

Download a Google Sheets or Microsoft EXCEL version to your personal computer to keep track of your progress.

2021 Answers:

[Answers for 2021 Self-Study Program for New Students](#)

- [Form 8889 HSA Lesson](#)
- [Form 8962 PTC Lesson](#)
- [Form 8880 Retirement Savings Credit](#)
- [Sharon Getz Pension Exclusion Calculator](#)
- [Kathleen Getz Pension Exclusion Calculator](#)
- [Schedule A Taylor](#)

- Open: [Pub 4491-NTTC Modified](#)
- Open: [Pub 4012 – NTTC Modified](#)

Other Counselor topics:

Volunteer Portal >[Tax-Aide: Prospective Volunteer](#)

- [NTTC Resources Available by Direct Link](#)
(Shows on front page of Pub 4012 NTTC Modified)
- [Tax-Aide Scope Manual TY21](#)
- [Schedule C Guidelines TY21](#)
- [Qualifying Child or Relative Resource Tool](#)
- [EITC Graph TY21](#)
- [Helpful Weblinks 2021-10-28](#)
- [Deceased Taxpayer](#) (video)
- [Demographics and Consents](#) (video – Intake and Interview Booklet)
- AARP Tax-Aide: Volunteer [Certification Requirements](#) (video)
- Google Meet Instructions for Tax-Aide
- [IRS: Interactive Tax Assistant \(ITA\)](#)
- Download: [Adobe Acrobat Reader DC for free](#)
- [Video: How to use the Pub 4012 NTTC Modified 2021](#)

Please send us feedback.

Tell us what you like or suggest an improvement or report a problem

Submit a request in the Volunteer Portal ... use Form: Training