

VITA/TCE Volunteer Tax Alert

VTA 2022-01, Form 6744, VITA/TCE Volunteer Assistor's Test/Retest Corrections

Purpose

This alert addresses errors identified in the certification tests.

Identified Issues

The electronic and printed versions of Form 6744, VITA/TCE Volunteer Assistor's Test/Retest require the following corrections. The Link and Learn Taxes online certifications will contain the corrections. **These updates will have an impact on test/retest answers.**

Basic Scenario 9, Mary Rodgers: Test Question 28

The receipt for Make A Way Daycare on page 62 in the printed version of Form 6744 is blank. Information for the receipt is available in the electronic version.

Advanced Scenario 8 – Cynthia Simon

Add the following statement above the Interview Notes:

"Note: For the purpose of answering the questions in this scenario, ignore the self-employed health insurance deduction and any scope issues it creates."

Military Scenario 4, Robert and Shirley Myers: Test Question 10

Change multiple choice answer selection c. from 285 to 288.

Military Scenario 4, Robert and Shirley Myers: Retest Question 10

Change the question to read as, "Robert and Shirley have 288 days to file their tax return after he returns from the combat zone."

Message for SPEC Employees, Partners and Volunteers

Please use caution when completing the tests/retests. Review the corrected pages for the issues identified above. As a reminder, the updates will be in Link and Learn Taxes online certifications and is the preferred method for completing the tests/retests.

If you have any questions or concerns, please contact your site coordinator, partner, or relationship manager.

Thank you for volunteering and for your dedication to top QUALITY service!"

Make A Way Daycare
 303 Twiggs Trail
 Your City, State Zip
 (XXX) 555-5555



Date: December 31, 2021

Received From:
 Mary Rodgers
 178 Packer Dr

EIN: 35-500XXXX
Provider: Lynn Smith

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

Thank you for your business!

Mary Rodgers 1234
 178 Packer Drive
 Your City, State Zip

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PAY TO THE ORDER OF _____ \$

DOLLARS

Adelphi Bank and Trust
 Anytown, State 00000
 For _____

: 111000025 : 113355779 1234

VOID

Advanced Scenario 8: Cynthia Simon

Directions

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

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

Note: For the purpose of answering the questions in this scenario, ignore the self-employed health insurance deduction and any scope issues it creates.

Interview Notes

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

Military Scenario 4: Robert and Shirley Myers

Interview Notes

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

Military Scenario 4: Test Questions

9. Robert and Shirley **cannot** choose to exclude their combat pay for the purposes of calculating the earned income credit.
 - a. True
 - b. False
10. Robert and Shirley have _____ days to file their 2021 tax return after he returns from the combat zone.
 - a. 105
 - b. 180
 - c. 288
 - d. 365

Military Scenario 4: Robert and Shirley Myers

Interview Notes

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

Military Scenario 4: Retest Questions

9. Robert and Shirley may count his combat pay to increase their Child Tax Credit.
 - a. True
 - b. False
10. Robert and Shirley have 288 days to file their tax return after he returns from the combat zone.
 - a. True
 - b. False