



Module 10: WHAT'S NEW FOR RETURNING VOLUNTEERS?

Special thanks to: Barbara DelBene for her contribution to content provided in this module.

By the end of this module you will...

At the end of this module, you will be prepared for the new issues that are included in the IRS Basic and Advanced tests for VITA Volunteer Tax Preparers, including:

- Revisions to IRS forms.
- Modifications to the types of returns prepared at VITA tax sites.
- Revised numerical rates and limits.
- Tax law changes that apply to Basic level tax returns.
- Tax law changes that apply to Advanced level tax returns.
- Know where to find more information about what's new for filing season 2021.

Advanced preparers must read all of the information – Basic and Advanced – to learn all the changes for filing season 2022.

In this module...

- [Changes to IRS Forms](#)
- [Returns Prepared by VITA](#)
- [New Numbers](#)
- [Basic Tax Law Changes](#)
- [Advanced Tax Law Changes](#)
- [Resources and Summary](#)



Changes to IRS Tax Forms

CHANGES TO IRS FORMS – TAX FORMS

Form 8615, Tax for Certain Children Who Have Unearned Income (Kiddie Tax) – **Out of Scope!**

Form 7202, Credits for Sick & Family Leave

Form 8915-E, Coronavirus Related-Relief for Retirement Plans and IRAs

All draft forms can be accessed [online](#).

CHANGES TO IRS FORMS – TAX FORMS

Form 1040 has gone through another redesign for tax year 2021.

Here's what's changed:

- The income personal information, taxable income and adjustment sections are on page 1.
- Tax, credit, and signature sections are on page 2.
- The forms Schedules 1, 2, and 3 some line changes.

All draft forms can be accessed [online](#).

CHANGES TO IRS FORMS – TAX FORMS

This provides a general idea of what the 1040 looks like for 2021.

2020

1040 U.S. Individual Income Tax Return 2020

Filing Status Single Married filing jointly Married filing separately Head of household Qualifying widow(er) Check only if you checked the appropriate box. If you checked the HCR or QR box, enter the child's name if the qualifying person is a child but not your dependent.

Standard Deduction Someone can claim you as a dependent Your spouse as a dependent Spouse remarries on a separate return or you were a dual-status alien

Dependents (see instructions) First name Last name Social security number Relationship How born before January 31, 2019 If listed If not listed, see instructions

1	Wages, salaries, tips, etc. (Attach Form(s) W-2)	1		
2a	Tax-exempt interest	2b		
3a	Capital dividends	3b	Ordinary dividends	3c
4a	IRA distributions	4b	Taxable amount	4c
5a	Pensions and annuities	5b	Taxable amount	5c
6	Social security benefits	6a	Taxable amount	6b
7	Capital gain or loss. Attach Schedule D if required. If not required, check here	7		
8	Other income from Schedule 1, line 9	8		
9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9		
10	Adjustments to income	10a		
11	Charitable contributions if you take the standard deduction. See instructions	11a		
12	Other adjustments to income	12a		
13	Subtract line 10 from line 9. This is your total adjustments to income	13		
14	Standard deduction or itemized deductions from Schedule A	14		
15	Qualified business income deduction. Attach Form 8885 or Form 8885-A	15		
16	Add lines 13 and 14	16		
17	Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-	17		

18 Tax law instructions. Check if any from Form(s) 1 8814 2 4872 3

19 Amount from Schedule 1, line 9

20 Add lines 18 and 17

21 Check box to credit or credit for other dependents

22 Amount from Schedule 3, line 7

23 Add lines 18 and 20

24 Subtract line 21 from line 22. If zero or less, enter -0-

25 Other taxes, including self-employment tax, from Schedule 3, line 10

26 Add lines 23 and 25. This is your total tax

27 Federal income tax withheld from:
a Form(s) W-2
b Form(s) 1099
c Other forms (see instructions)

28 Add lines 26 through 27c

29 2020 estimated tax payments and amount applied from 2019 return

30 Earned income credit (EIC)

31 Additional child tax credit. Attach Schedule 8812

32 Reforesting opportunity credit from Form 8883, line 9

33 Recovery rebate credit. See instructions

34 Amount from Schedule 3, line 10

35 Add lines 27 through 31. These are your total other payments and refundable credits

36 Add lines 26, 28, and 35. These are your total payments

37 If line 35 is more than line 24, subtract line 24 from line 35. This is the amount you overpaid

38 Amount of line 36 you want refunded to you. If Form 8888 is attached, check here

39 Refunding number a Type b Checking Savings

40 Amount of line 38 you want applied to your 2021 estimated tax

41 Subtract line 39 from line 24. This is the amount you owe now

42 Note: Schedule 4 and Schedule 88 from line 27 may not represent all of the taxes you owe for 2020. See Schedule 3, line 10c, and its instructions for details.

43 Estimated tax penalty (see instructions)

44 Do you want to allow another person to discuss this return with the IRS? See instructions

45 Yes Complete below: No

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

Paid Preparer Use Only
Preparer's name Preparer's signature Date Preparer's occupation Preparer's phone number Preparer's address Preparer's EIN

2021

1040 U.S. Individual Income Tax Return 2021

Filing Status Single Married filing jointly Married filing separately Head of household Qualifying widow(er) Check only if you checked the appropriate box. If you checked the HCR or QR box, enter the child's name if the qualifying person is a child but not your dependent.

Standard Deduction Someone can claim you as a dependent Your spouse as a dependent Spouse remarries on a separate return or you were a dual-status alien

Dependents (see instructions) First name Last name Social security number Relationship How born before January 31, 2019 If listed If not listed, see instructions

1	Wages, salaries, tips, etc. (Attach Form(s) W-2)	1		
2a	Tax-exempt interest	2b		
3a	Capital dividends	3b	Ordinary dividends	3c
4a	IRA distributions	4b	Taxable amount	4c
5a	Pensions and annuities	5b	Taxable amount	5c
6	Social security benefits	6a	Taxable amount	6b
7	Capital gain or loss. Attach Schedule D if required. If not required, check here	7		
8	Other income from Schedule 1, line 9	8		
9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9		
10	Adjustments to income	10a		
11	Charitable contributions if you take the standard deduction. See instructions	11a		
12	Other adjustments to income	12a		
13	Subtract line 10 from line 9. This is your total adjustments to income	13		
14	Standard deduction or itemized deductions from Schedule A	14		
15	Qualified business income deduction from Form 8885 or Form 8885-A	15		
16	Add lines 13 and 14	16		
17	Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-	17		

18 Tax law instructions. Check if any from Form(s) 1 8814 2 4872 3

19 Amount from Schedule 1, line 9

20 Add lines 18 and 17

21 Check box to credit or credit for other dependents from Schedule 8812

22 Amount from Schedule 3, line 8

23 Add lines 18 and 20

24 Subtract line 21 from line 22. If zero or less, enter -0-

25 Other taxes, including self-employment tax, from Schedule 2, line 21

26 Add lines 23 and 25. This is your total tax

27 Federal income tax withheld from:
a Form(s) W-2
b Form(s) 1099
c Other forms (see instructions)

28 Add lines 26 through 27c

29 2021 estimated tax payments and amount applied from 2020 return

30 Earned income credit (EIC)

31 Additional child tax credit. Attach Schedule 8812

32 Reforesting opportunity credit from Form 8883, line 9

33 Recovery rebate credit. See instructions

34 Amount from Schedule 3, line 10

35 Add lines 27 through 31. These are your total other payments and refundable credits

36 Add lines 26, 28, and 35. These are your total payments

37 If line 35 is more than line 24, subtract line 24 from line 35. This is the amount you overpaid

38 Amount of line 36 you want refunded to you. If Form 8888 is attached, check here

39 Refunding number a Type b Checking Savings

40 Amount of line 38 you want applied to your 2022 estimated tax

41 Subtract line 39 from line 24. For details on how to pay, see instructions

42 Estimated tax penalty (see instructions)

43 Do you want to allow another person to discuss this return with the IRS? See instructions

44 Yes Complete below: No

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

Paid Preparer Use Only
Preparer's name Preparer's signature Date Preparer's occupation Preparer's phone number Preparer's address Preparer's EIN



All draft forms can be accessed [online](https://www.prosperitynow.org).

@ProsperityNow
[prosperitynow.org](https://www.prosperitynow.org)

CHANGES TO IRS FORMS – TAX FORMS

The Schedules 1 – 3 may have line changes. Be sure to check each form.

Schedule 1 – Additional Income and Adjustments to Income

- Part I – Additional Income and Adjustments to Income is pretty much the same. Some of the lines have been renumbered
- Part II – Adjustments to Income

Schedule 2 – Additional Taxes

- Part I – Tax
- Part II – Other Taxes

Schedule 3 – Additional Credits and Payments

- Part I – Nonrefundable Credits
- Part II – Other Payments and Refundable Credits

All draft forms can be accessed [online](#).

CHANGES TO IRS FORMS – TAX FORMS

Based on the draft forms:

Form 1040-SR, U.S. Income Tax Return for Seniors

- The taxpayer must be age 65 or older to use this form. On a joint return, at least one taxpayer must meet the age requirement.
- Form 1040-SR fills the entire pages 1 and 2 of the usual 8.5” by 11” form.
- Form 1040-SR uses a larger font.
- There is a standard deduction chart at the bottom of page 1 of the Form 1040-SR to help determine the standard deduction for taxpayer(s) who were born before January 2, 1956.

Note: Taxpayers age 65 or older are not required to use the new form. It is just an optional alternative for taxpayers age 65 or older.

All draft forms can be accessed [online](#).



CHANGES TO IRS FORMS – TAX FORMS

This gives you an idea of what the draft [Form 1040-SR](#) looks like:

Form **1040-SR** Department of the Treasury—Internal Revenue Service (99) **2021** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

U.S. Tax Return for Seniors

Filing Status Single Married filing jointly Married filing separately (MFS)
 Head of household (HOH) Qualifying widow(er) (QW)

Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

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

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. Presidential Election Campaign
 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. You Spouse

City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code
 Foreign country name Foreign province/state/county Foreign postal code

At any time during 2021, did you receive, sell, exchange, or otherwise dispose of any financial interest in any virtual currency? Yes No

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

Age/Blindness **You:** Were born before January 2, 1957 Are blind **Spouse:** Was born before January 2, 1957 Is blind

Dependents (see instructions):	(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) <input type="checkbox"/> If qualifies for (see instructions): Child tax credit	Credit for other dependents
If more than four dependents, see instructions and check here ▶ <input type="checkbox"/>						

1 Wages, salaries, tips, etc. Attach Form(s) W-2	1
2a Tax-exempt interest	2a
3a Qualified dividends	3a
4a IRA distributions	4a
5a Pensions and annuities	5a
6a Social security benefits	6a
7 Capital gain or (loss). Attach Schedule D if required. If not required, check here	7
8 Other income from Schedule 1, line 10	8
9 Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9
10 Adjustments to income from Schedule 1, line 26	10
11 Subtract line 10 from line 9. This is your adjusted gross income	11

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 71930F Form **1040-SR** (2021)

Form 1040-SR (2021) Page 2

12a Standard deduction or itemized deductions (from Schedule A)	12a
b Charitable contributions if you take the standard deduction (see instructions)	12b
c Add lines 12a and 12b	12c
13 Qualified business income deduction from Form 8995 or Form 8995-A	13
14 Add lines 12c and 13	14
15 Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-	15
16 Tax (see instructions). Check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4972 3 <input type="checkbox"/>	16
17 Amount from Schedule 2, line 3	17
18 Add lines 16 and 17	18
19 Nonrefundable child tax credit or credit for other dependents from Schedule 8812	19
20 Amount from Schedule 3, line 8	20
21 Add lines 19 and 20	21
22 Subtract line 21 from line 18. If zero or less, enter -0-	22
23 Other taxes, including self-employment tax, from Schedule 2, line 21	23
24 Add lines 22 and 23. This is your total tax	24
25 Federal income tax withheld from: a Form(s) W-2 25a b Form(s) 1099 25b c Other forms (see instructions) 25c d Add lines 25a through 25c 25d	
26 2021 estimated tax payments and amount applied from 2020 return	26
27a Earned income credit (EIC) 27a Check here if you had not reached the age of 19 by December 31, 2021, and satisfy all other requirements for claiming the EIC. See instructions ▶ <input type="checkbox"/>	
b Nontaxable combat pay election 27b	
c Prior year (2019) earned income 27c	
28 Refundable child tax credit or additional child tax credit from Schedule 8812	28
29 American opportunity credit from Form 8863, line 8	29
30 Recovery rebate credit. See instructions	30
31 Amount from Schedule 3, line 15	31
32 Add lines 27a and 28 through 31. These are your total other payments and refundable credits	32
33 Add lines 25d, 26, and 32. These are your total payments	33

Go to www.irs.gov/Form1040SR for instructions and the latest information. Form **1040-SR** (2021)

Site coordinators can toggle use of this form on or off in their tax software!

All draft forms can be accessed [online](#).



CHANGES TO IRS FORMS – TAX FORMS

Form 1099-MISC, Miscellaneous Income

Beginning with tax year 2020, nonemployee compensation (now box 7) will no longer be reported on Form 1099- MISC. Direct sales of \$5,000 or less reported in box 7.

Form 1099-NEC, Nonemployee Compensation

Nonemployee compensation will be reported in box 1.

Form 7202, Credits for Sick Leave and Family Leave

This form is for certain Self-Employed individuals to figure out these credits. Part I of the form figures a sick leave credit and Part II figures a family leave credit. These two credits will be included on Schedule 3 (Form 1040), line 12b as nonrefundable credits.

All draft forms can be accessed [online](#).



Changes to Intake, Interview & Quality Review

CHANGES TO IRS FORMS – FORM 13614-C

- New form is in Green for English, Yellow for Spanish

- Part I – Personal Information
 - Question 12 deals with email addresses which can be useful to contacting taxpayers about potential rejects – some clients may be reluctant to share so check with your site coordinator on necessary steps.

- Part II – Marital Status and Information
 - Taxpayers must identify everyone who lived with them and anyone they supported. In addition, they must check if their dependents are citizens.

- Part III – Income
 - Question 7 regarding self-employment income, nonemployee compensation, virtual currency has been added
 - Question 9 – added a section on the capital gains and loss for the home

- Part IV – Expenses
 - Question 4 has been added and attuned to the proper certification level
 - Advanced (Medical and Dental, Taxes, Mortgage Interest)
 - Basic (Charitable Contributions)

- A new set of questions has been added to Part V, Life Events:
 - Question 1 deals with Health Savings Accounts (HSAs) which is an Advanced level topic
 - Question 10 is brand new and deals with the Economic Impact Payment (EIP) which is a Basic level topic
 - Question 11 deals with taxpayers who received the Advanced Child Tax Credit (ACTC).

CHANGES TO IRS FORMS – FORM 13614-C

New responses for Questions 12 and 14 on the Additional Questions section have been added

11. Your race?

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

12. Your spouse's race?

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

No spouse

13. Your ethnicity?

Hispanic or Latino Not Hispanic or Latino Prefer not to answer

14. Your spouse's ethnicity?

Hispanic or Latino Not Hispanic or Latino Prefer not to answer

No spouse

CHANGES TO IRS FORMS – FORM 13614-C

Here's what *hasn't* changed about Form 13614-C:

- It must be completed for every return prepared.
- Every question must be answered “yes” or “no”.
- The shaded areas must be completed by the preparer.
- The preparer must review the form with the taxpayer.
- Any question that is answered, “unsure,” or where the information is unclear, must be discussed with the taxpayer.
- The completed Form 13614-C must be made available to the quality reviewer.
- The taxpayer must sign and date Form 13614-C page 4, Form 15080 for Global carryforward.

Remember, Form 13614-C is the preparer's friend and is a key element in preparing a correct and complete return!



Returns Prepared by VITA

Returns Prepared by VITA

- IRS provides strict guidelines as to the types of tax returns that VITA tax sites can prepare.
- The tax issues that can be handled by VITA preparers are said to be “in scope.”
- The return issues that are in scope are designated as Basic or Advanced. For some issues, Military, or International certification is required.
- A detailed Scope of Service chart is included in Publication 4012, [Volunteer Resource Guide](#).



4012

VITA/TCE Volunteer Resource Guide **2020 RETURNS**
Volunteer Income Tax Assistance (VITA) / Tax Counseling for the Elderly (TCE)



Take your VITA/TCE training online at <https://www.irs.gov> (keyword: Link & Learn Taxes). Link to the Practice Lab to gain experience using tax software and take the certification test online, with immediate scoring and feedback.



Publication 4012 (Rev. 10-2020) Catalog Number 34183E Department of the Treasury Internal Revenue Service <https://www.irs.gov>

Returns Prepared by VITA - Advanced

The following item was also added to **Advanced** scope for filing season 2022.

- Form 8915-F, Qualified Disaster Retirement Plan Distributions and Repayments
 - This form will be replacing the retiring Form 8915-E Coronavirus-Related Relief but it is still only in scope for 2020 Coronavirus Distributions and repayments.

- Form 7202, Credits for Sick Leave and Family Leave
 - This form is for Certain Self-Employed Individuals to figure these credits. Part I of the form figures a sick leave credit and Part II figures a family leave credit. These two credits will be included on Schedule 3 (Form 1040), line 13b and 13h as nonrefundable credits.

- Form 8615 (AKA Kiddie Tax) is now **out of scope** for VITA again.

Returns Prepared by VITA



- Do not prepare a tax return with any tax issue that is out of scope.
- If you encounter an issue that is in scope but you don't understand it or it wasn't covered in your training, ask an experienced preparer or site coordinator. If they don't know, don't do the return. .

When you can't prepare a return because of an out of scope or difficult issue, apologize and advise the taxpayer to find another tax preparer.



New Numbers

NEW NUMBERS - EITC

As usual, income and credit amounts for the earned income tax credit have been adjusted for tax year 2021.

2020

Qualifying Children Claimed

If filing	Zero	One	Two	Three
Single, Head of Household, or Widowed	\$15,820	\$41,756	\$47,440	\$50,954
Married Filing Jointly	\$21,710	\$47,646	\$53,330	\$56,844

Investment Income Limit

Investment income must be \$3,650 or less for the year.

Maximum Credit Amounts

The maximum amount of credit for Tax Year 2020 is:

- \$6,660 with three or more qualifying children
- \$5,920 with two qualifying children
- \$3,584 with one qualifying child
- \$538 with no qualifying children.

2021

2021 Earned Income Tax Credit

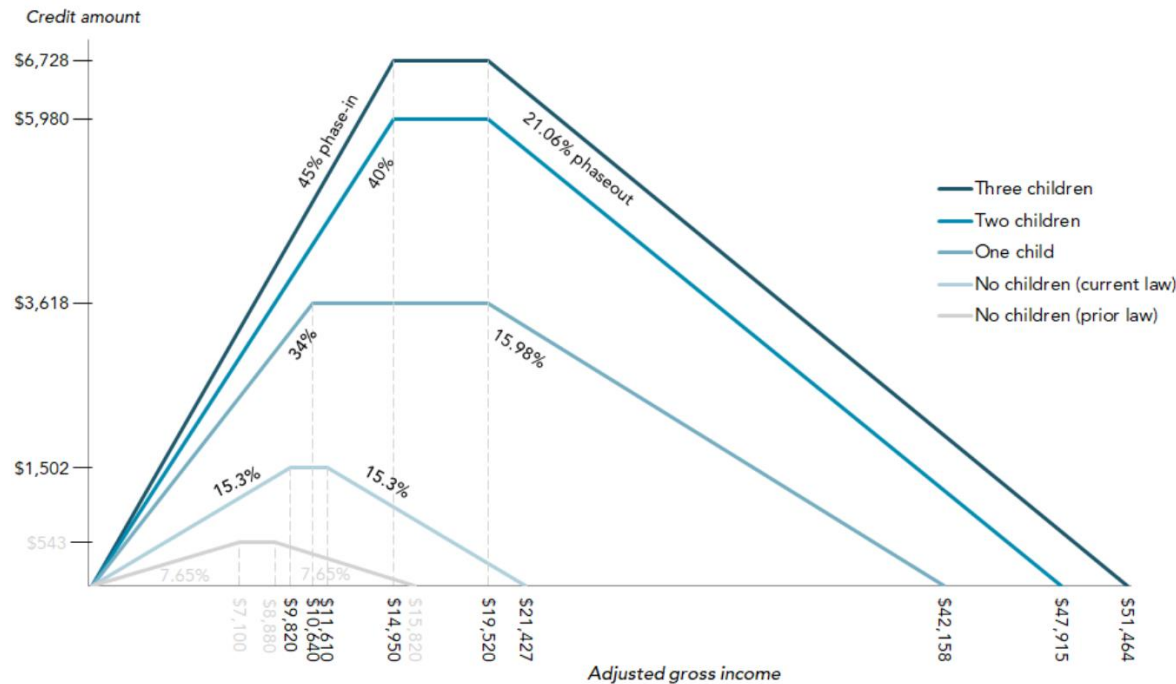
(for taxes due in April 2022)

Number of children	Maximum earned income tax credit	Max AGI, single or head of household filers	Max AGI, married joint filers
0	\$1,502	\$21,430	\$27,830
1	\$3,618	\$42,158	\$48,108
2	\$5,980	\$47,915	\$53,865
3 or more	\$6,728	\$51,464	\$57,414

NEW NUMBERS – EITC

Here's a graphic representation of the 2021 parameters. Graph taken from [Tax Policy Center](https://www.taxpolicycenter.org).

FIGURE 1
Earned Income Tax Credit
2021



Source: Urban-Brookings Tax Policy Center (2021); Internal Revenue Procedure 2020-45, Internal Revenue Service; and H.R. 1319, "American Rescue Plan Act of 2021," 117th Cong. (2021.)

Notes: Assumes all income comes from earnings. Amounts are for taxpayers filing a single or head-of-household tax return. For married couples filing a joint tax return, the credit begins to phase out at income \$5,940 higher than shown, or \$5,950 if the couple has children.

NEW NUMBERS – STANDARD DEDUCTION

The standard deduction amounts have increased. The exemption amount remains zero.

Standard Deduction	2020	2021
Single/MFS	\$12,400	\$12,550
MFJ/QW	\$24,800	\$25,100
Head of Household	\$18,650	\$18,800
Additional Standard Deduction for over 65 – Single/HoH	\$1,650	\$1,700
Additional Standard Deduction for over 65 – Married/QW	\$1,300	\$1,350
Exemption	\$0	\$0

NEW NUMBERS – MILEAGE RATES

Beginning on January 1, 2021, the standard mileage rates for the use of an automobile (car, Van, pickup or panel trucks) are as listed below.



Mileage Rate	2020	2021
Business	57.5 cents	56 cents
Medical/moving	17 cents	16 cents
Charitable	14 cents	14 cents

NEW NUMBERS – CHILD TAX CREDIT & COD

The amounts for the child tax credit and credit for other dependents **have changed**.

Child Tax Credit	2021	2020
Maximum Credit Per Child (0-5 years old)	\$3,600	\$2,000
Maximum Credit Per Child (6-17 years old)	\$3,000	\$2,000 (up to 16 years old)
Maximum Refundable Child Tax Credit	Fully Refundable	\$1,400
Nonrefundable Credit for Other Dependents	\$500	\$500





Basic Tax Law Changes

BASIC TAX LAW CHANGES

Charitable Contribution, taxpayers who do not itemize deductions are able to deduct up to \$300 of cash contributions to charitable organizations per return. This provision applies to tax year 2021 and 2020 only.

Married Filing Joint taxpayers can deduct up to \$600.

This extender has expired, but Congress delayed expiration once again on this extenders.

- Credit for nonbusiness energy property (residential energy credit)

Note: Volunteers will be notified if Congress passes some last-minute legislation to change this.

BASIC TAX LAW CHANGES

- **Recovery Rebate Credit:** The third Economic Impact Payment (EIP) was authorized as an advance payment of the 2021 Recovery Rebate Credit. Taxpayers who filed jointly can receive **up to \$2,800**. All others can receive **up to \$1,400**.
- **Advanced Child Tax Credit Payments:** your taxpayers will need to bring in their Letter 6419 to show their eligibility and history of the advance CTC payments, if they chose to receive them from July through December.
- **Student Loan Payment Relief** – this program expired on January 1, 2021.
- **Penalty for early retirement withdrawal** – this penalty is no longer waived and reported on Form 1099-OID and Form 1099-INT
- **EITC Lookback** – taxpayers can elect to use 2019 earned income to figure their Earned Income Tax Credit if their 2019 earned income was more than their 2021 earned income.



Advanced Tax Law Changes

ADVANCED TAX LAW CHANGES

Here's a couple of more changes:

Extenders: The Bipartisan Budget Act of 2019 extended the following provisions only through December 31, 2017. They are expired for tax year 2020.

- Exclusion from gross income of qualified **principal residence indebtedness**. The maximum allowed is \$750,000 effective TY2021 – TY2025, applies to discharges after December 31, 2020.

ADVANCED TAX LAW CHANGES

Not much has changed from last year. But the new QBID (**qualified business income deduction**) was a doozy. It works the same for tax year 2021, but it would be wise for advanced volunteers to go back and review the training material.



Like last year, most of the complications regarding QBID – like type of business and wages paid – only apply to high income taxpayers.



Resources and Summary

RESOURCES

- [Draft IRS Forms](#)
- [Form 1040 Crosswalk](#)
- [Form 13614-C, Intake, Interview & Quality Review Sheet](#)
- [Publication 4012, Volunteer Resource Guide](#)
- [Tax Prep Dispatch, Maximizing Education Benefits](#)
- [Site Coordinator Corner](#)
- [Publication 17](#)
- [Publication 4491, VITA/TCE Training Guide](#)

SUMMARY

- There are two notable form changes.
 - Form 1040 has been reorganized again with numerous line changes in all sections (personal information, income, adjustment, taxes, credits and payment).
 - Schedules 1 – 3 has line changes (pending finalization).
 - Form 13614-C has slight changes.
- There have been minor changes to IRS scope.
 - Form 8615 out of scope
 - Form 7202 allowed an income tax nonrefundable credit to offset their federal self-employment tax. Require a Level A certification.
 - Form 8915-E to report any repayment of a coronavirus-related distribution and to determine the amount of any coronavirus-related distribution includible in income for a year.
- There are the usual minor changes to numerical limits.

Summary

- There are few tax law changes for tax year 2021.
 - New numbers and treatment of EITC and CTC!
 - The new treatment of charitable contribution. If taxpayers are not qualified for itemize deductions on Schedule A, they are allowed to deduct \$300 or less of qualified charitable contribution directly on the Form 1040, line 10b.
 - Married Filing Joint taxpayers can deduct up to \$600, all other filing statuses deduct up to \$300.
 - Advanced Child Tax Credit – taxpayers will need to bring their letters into the site to show their ACTC disbursements.
 - Economic Impact Statement #3 – up to \$2,800 for MFJ, up to \$1,400 for everyone else.
 - Student Loan Payment Relief – that expired on January 1, 2021.
 - Penalty of early retirement withdrawal will no longer be waived.
 - EITC Lookback – taxpayers can elect to use 2019 earned income to figure their Earned Income Tax Credit if their 2019 earned income was more than their 2021 earned income.
- There are lots of [resources](#) available for further information.

Thank you for taking this training!

**Thank
YOU!**

Thanks for being a VITA volunteer!