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| **Basic Scenario 1: Tom Brown** | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 1 | Filing Status | B-10 through B-12 | Choose the best one |
| 2 | Deductions | F-1 through F-2 |  |
| **Basic Scenario 2: Lewis and Oneida Monroe** | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 3 | Earned Income Tax Credit | I-2 through I-3 | Rules went back to 2020 eligibility |
| 4 | Earned Income Tax Credit | I-2 | Part A Rules for Everyone |
| **Basic Scenario 3: Sebastian and Ashley Miller** | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 5 | Nonrefundable Credits  (Child Tax Credit) | G-1 through G-5 | Review information for Child Tax Credit, Additional Child Tax Credit, and Credit for Other Dependents |
| 6 | Deductions | F-10 | A person will either take the standard deduction given based on filing status/age or itemize deductions but not both. This year you don’t get a special deduction for charitable contributions but look for this if you are preparing a prior year (2021 or 2020) |
| **Basic Scenario 4: Clay and Marian Washington** | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 7 | Nonrefundable Credits | G-1 through G-5 |  |
| 8 | Earned Income Tax Credit | I-2 |  |
| **Basic Scenario 5: Isabela Rincon** | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 9 | Earned Income Tax Credit | I-2 | Eligibility rules returned back to 2020 |
| 10 | Income (Retirement Distribution) | See Note | Review Pub. 4491-page 11-12 |
| **Basic Scenario 6: Leon Martin** | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 11 | Income (Unemployment) | D-1 and D-3 | Also check Pub. 4491 8-2 |
| 12 | Credits | I-2 through I-3  J-5 through J-6 | Review eligibility for each credit |
| 13 | Adjustments  (Student Loan Interest) | E-11 |  |
| **Basic Scenario 7: Jeff and Claire Pickens**  In this scenario:   * Simple wages, retirement, dividend, and scholarship income along with education expenses. * Education expenses-See tab J to see if they qualify for an education credit, which credit they might be eligible for, and what expenses are allowable.   Use the TaxSlayer Practice Lab to prepare the tax return. The summary print view of the 1040 may not be correct. Take the action to print the return as a PDF to see the 1040. | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 14 | Deduction | F-1 through F-3 | Look at the tax return you generated at  Form 1040, Line 12 |
| 15 | Education Credit | J-8 | Look at the tax return you generated at Schedule 8863, Line 27 |
| 16 | Nonrefundable Credits | G-3 through G-5 | Look at the tax return you generated at Schedule 8812, Line 6 |
| 17 | Federal Tax Withholding | See Note | You can add the amounts on the forms provided by the Pickens, and you can view it on form 1040, Line 29d |
| 18 | Social Security (Taxable Amount) | See Note | If taxed, and how much, depends on filing status and total income.  Look on form 1040, Line 6b |
| 19 | Income (Dividends) | See Note | See Pub. 4491 8-12 for a description/definition of what qualified dividends are |
| **Basic Scenario 8: Morgan Calhoun**  In this scenario:   * Morgan has two older children, 18 & 25 that have earned wages, live at home with she supports. Look at the Dependency section, can she claim them? Go through the tables Pub 4012 C-1 through G-2. * It says Morgan received disability pension benefits, but she has not reached the minimum retirement of her employer’s plan. Look at form 1099 R then look at Pub. 4012 D-38 and D-41 for guidance. | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 20 | Income (Pension) | D-38 and D-41 | See Note Above  Look at your Form 1040, Line 1 (Wages) and 5 (Pensions)-where did the money end up? |
| 21 | Filing Status | B-10 through B-12 | Which one is the best? We want to give them the one with the highest standard deduction they qualify for. |
| 22 | Earned Income Tax Credit | I-2 through I-4 | Pull a print PDF of the return and look for a Schedule EIC to see which children are listed there. |
| 23 | Dependency | C-1 to C-3 | Review intake form and interview notes |
| 24 | Finishing the Return | K-17 |  |
| **Basic Scenario 9: Monica Montgomery**  In this scenario:   * The spouse, Mike, passed away during the year; What will be Monica’s filing status for this return? See Decision Tree Pub. 4012 B-10. * Monica took money from her IRA account in January to pay for living expenses.   -Has she reached retirement age?  -Will she get penalized? If so, is there an exemption for her this year to avoid a penalty? See Pub. 4012 D-40 (look up the code) then go to page H-4 through H-5  Use the TaxSlayer Practice Lab to prepare the tax return. The summary print view of the 1040 may not be correct. Take the action to print the return as a PDF to see the 1040. | | | |
| ***Tax Topic*** | | ***Page # in 4012*** | ***Notes*** |
| 25 | Income (Gambling Winnings) | D-1, D-56 #2 |  |
| 26 | Filing Status | B-10 through B-12 | We want to give them the one with the highest standard deduction they qualify for. |
| 27 | Income (Retirement) | D-4  H-4 through H-5 | See Note Above  Check Schedule 2, is there an amount on line 8? |
| 28 | Credits | G-1 through G-5 | Look at the return, Schedule 8812, Line 5, if there is an amount there then they qualified for the CTC. If there is an amount on Line 7 then they qualified for Credit for Other Dependent. |
| 29 | Finishing the Return | K-3 through K-4 |  |
| 30 | Adjustments | E-4 | Look at the PDF of the 1040 you created; how much is on Line 11? |

11/19/2022: This study guide was created by Mary Meador of United Way of Lee, Hendry, and Glades and shared with other VITA programs. Changes or updates to the study guides will be posted at vitaresources.net/studyguides.html. There are a lot of resources found on vitaresources.net