

Publication 4012

VITA/TCE Volunteer Resource Guide

Volunteer Income Tax Assistance (VITA)/Tax Counseling for the Elderly (TCE)

2022 RETURNS

Volume 3 of 14



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Entering Dependent/Qualifying Person



Basic

Information > Dependents/Qualifying Person



To determine if a person qualifies as the taxpayer's dependent, see Tab C, Dependents.

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Dependents or Qualifying Person(s)

Individuals who rely on you for support and reside in your house generally qualify for dependent tax exemptions. However, there are situations when a child's exemption status is more complicated. The IRS has special rules for these situations.

Do you have any dependents or qualifying person(s) to claim on your return?

YES

NO



In order for the IRS to accept the tax return electronically, ensure that:

- *The correct date of birth is entered*
- *The dependent's name is spelled correctly*
- *The correct social security number is entered*

If any of these three items are entered incorrectly, the IRS will reject the tax return for electronic filing purposes.

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- 1

The taxpayer’s name carries forward to the dependent. Make changes as needed based on the dependent’s social security card.
- 2

Select **Check box if the dependent does not have an SSN/ITIN/ATIN**, if applicable. If checked, the software will ask if the dependent will be completing a Form W-7, Application for ITIN. The Form W-7 is located in the Federal Section, Miscellaneous Forms. If not applying for an ITIN, answer no and enter the reason (such as the death of the child) that the child does not have a TIN.
- 3

When a dependent’s information is carried forward, be sure to check the citizenship box.
- 4

If the taxpayer has a dependent whose relationship is not listed, pick the relationship that has the same tax treatment. For example, if the taxpayer’s dependent is their great-grand-child, select **grandchild** for the relationship.
- 5

Use the drop down list to enter the number of months or select Lived in Mexico or Lived in Canada. Enter 12 months if the dependent was born or died during the year or was temporarily absent (school, vacation, etc.). If you are the noncustodial parent claiming your child as a dependent, select **Divorce/Separation** for the number of months.
- 6

Carefully read the selections under the “Please answer the following” list. Check all that apply.
- 7

Select the not your dependent box if the custodial parent is not claiming the child because either:
 - the child provides more than half of his or her own support, or
 - the noncustodial parent is claiming the dependent.

Dependent/Qualifying Child Information

First Name *

Middle

Last Name *

1

Date of Birth *

MM

DD

YYYY

Social Security Number *

2☐

Check box if the dependent does not have an SSN/ITIN/ATIN

Was this person a U.S. citizen, U.S. national, or U.S. resident alien? (See Pub. 519 for the definition of a U.S. national or U.S. resident alien) If they were not, you can't claim the child tax credit or the credit for other dependents for this person. *

3

☐ Yes

☐ No

Relationship *

4

- Please Select -

Number of months this person lived in your home during 20XX

5

12

Note: If this dependent was born in 20XX, you must select 12 months

Check All That Apply: 6

☐ This person was over age 18 and a full-time student at an eligible educational institution.

☐ Check if this person was DISABLED.

7

☐ Check if this qualifying child is NOT YOUR DEPENDENT.

8

☐ Check if you wish NOT to claim this dependent for Earned Income Credit purposes.

☐ Check if this dependent is married.

☐ This dependent made over \$4,150 of income

9

☐ This dependent qualifies for a Multiple Support Declaration.

8

If the dependent is not your qualifying child for EIC, select **Check if you wish to NOT claim this dependent for Earned Income Credit purposes.**

9

If no one person contributed over half of the support of the taxpayer’s relative (or a person who lived with the taxpayer all year as a member of their household) but the taxpayer and another person(s) provided more than half of that person’s support, special rules may apply that would treat the taxpayer as having provided over half of the support. For details, see Pub. 501, Dependents, Standard Deduction, and Filing Information.

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Qualifying Child(ren) for Earned Income Credit (EIC):

EIC is considered for every return unless the program determines that it is not viable.

Verify names, SSNs, and dates of birth with social security cards to prevent rejected returns.

TaxSlayer calculates the amount of earned income credit if the client qualifies based on income and other requirements. **Reminder:** Although age, relationship and residency requirements are the same for EIC as for dependency, support is NOT an issue for EIC (it does not matter whether or not the child, parent, or another provides over half of the child's support).

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Tab C: Dependents

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Overview of the Rules for Claiming a Dependent



This table is only an overview of the rules. For details, see Publication 17, Your Federal Income Tax For Individuals.

- You can't claim any dependents if you, or your spouse if filing jointly, could be claimed as a dependent by another taxpayer.
- You can't claim a married person who files a joint return as a dependent unless that joint return is only to claim a refund of income tax withheld or estimated tax paid.
- You can't claim a person as a dependent unless that person is a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico.¹

- You can't claim a person as a dependent unless that person is your **qualifying child** or **qualifying relative**.

Tests To Be a Qualifying Child	Tests To Be a Qualifying Relative
<p>1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them.</p> <p>An adopted child is always treated as your own child. The term "adopted child" includes a child who was lawfully placed</p>	<p>1. The person can't be your qualifying child or the qualifying child of any other taxpayer. A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a qualifying child) isn't required to file an income tax return or files an income tax return only to get a</p>

with you for legal adoption.	refund of income tax withheld.
2. The child must be: (a) under age 19 at the end of the year and younger than you (or your spouse, if filing jointly), (b) under age 24 at the end of the year, a full-time student, and younger than you (or your spouse, if filing jointly), or (c) any age if permanently and totally disabled.	2. The person either (a) must be related to you in one of the ways listed under Relatives who don't have to live with you (see Table 2, step 2), or (b) must live with you all year as a member of your household ² (and your relationship must not violate local law).
3. The child must have lived with you for more than half of the year. ²	3. The person's gross income for the year must be less than \$4,400. ³ Gross income

means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include Social Security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if $\frac{1}{2}$ the Social Security benefits plus their other gross income and tax exempt interest is more than \$25,000 (\$32,000 if MFJ).

<p>4. The child must not have provided more than half of his or her own support for the year.⁵</p>	<p>4. You must provide more than half of the person's total support for the year.^{4, 5}</p>
<p>5. The child isn't filing a joint return for the year (unless that joint return is filed only to claim a refund of income tax withheld or estimated tax paid).</p>	
<p>6. If the child meets the rules to be a qualifying child of more than one person, you must be the person entitled to claim the child as a</p>	

qualifying child. See the “Qualifying Child of More Than One Person” chart.	
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Footnotes

- 1** There is an exception for certain adopted children.
- 2** There are exceptions for temporary absences, children who were born or died during the year, children of divorced or separated parents or parents who live apart, and kidnapped children. If you obtained a final decree of divorce or separate maintenance during the year, you can’t take your former spouse as a dependent. This rule applies even if you provided all of your former spouse’s support.

- 3** There is an exception if the person is disabled and has income from a sheltered workshop.
- 4** There are exceptions for multiple support agreements, children of divorced or separated parents or parents who live apart, and kidnapped children.
- 5** A worksheet for determining support is provided later in this tab. If a person receives Social Security benefits and uses them toward his or her own support, those benefits are considered as provided by the person. Benefits provided by the state to a needy person are generally considered support provided by the state. A proposed rule on which taxpayers may choose to rely treats governmental payments made to a recipient that the recipient uses, in part, to support others as support of the others provided by the recipient, whereas any part of such payment used for the support of the

recipient would constitute support of the recipient by a third party. For example, if a mother receives Temporary Aid to Needy Families (TANF) and uses the TANF payments to support her children, the proposed regulations treat the mother as having provided that support.

Qualifying Child of More Than One Person

Tiebreaker Rules

If the child meets the conditions to be the qualifying child of more than one person, only one person can claim the child as a qualifying child dependent for all tax benefits associated with an exemption unless the special rule for children of divorced or separated parents applies¹.

- Credit for other dependents
- Child Tax Credit
- Head of Household
- Earned Income Credit
- Credit for Child and Dependent Care Expenses

- Exclusion from income for Dependent Care Benefits

No other person can take any of the six tax benefits listed above unless he or she has a different qualifying child. To determine which person can treat the child as a qualifying child to claim these six tax benefits, the following tiebreaker rules apply. Subject to these tiebreaker rules, the taxpayer and the other person may be able to choose which person claims the child as a qualifying child.

If only one of the persons is the child's parent, the child is treated as the qualifying child of the parent.

If the parents file a joint return together and can claim the child as a qualifying child, the child is treated as the qualifying child of the parents.

If the parents don't file a joint return together but both parents claim the child as a qualifying child, the IRS will treat the child as the qualifying child of the parent with whom the child lived for the longer period of time during the year. If the child lived with each parent for the same amount of time, the IRS will treat the child as the qualifying child of the parent who had the higher adjusted gross income (AGI) for the year.

If no parent can claim the child as a qualifying child, the child is treated as the qualifying child of the person who had the highest AGI for the year.

If a parent can claim the child as a qualifying child but no parent claims the child, the child is treated as the qualifying child of the person who had the highest AGI for the year, but only if that person's AGI is higher than the highest AGI of any of the child's parents who

can claim the child. If the child's parents file a joint return with each other, this rule can be applied by dividing the parents' combined AGI equally between the parents.

Example: Your daughter meets the conditions to be a qualifying child for both you and your mother. Under the rules above, you are entitled to treat your daughter as a qualifying child for all of the six tax benefits listed above for which you otherwise qualify. Your mother isn't entitled to take any of the six tax benefits listed above unless she has a different qualifying child. However, if your mother's AGI is higher than yours, you can let your mother treat your daughter as her qualifying child. If you do that, your daughter isn't your qualifying child for any of the six benefits.

For more details and examples, see Publication 17 and Publication 501,

Exemptions, Standard Deduction, and Filing Information.

Footnote

1 When the special rule for children of divorced or separated parents applies (see Table 3, later in this tab) and the noncustodial parent claims the child as a dependent, the noncustodial parent may also claim the child tax credit and any educational benefit, if all other rules are met. The custodial parent should enter the child as a nondependent in the software (see software entries in Tab B, Starting a Return and Filing Status), because they may be eligible for the EIC, Child and Dependent Care Credit, Exclusion from income for Dependent Care Benefits and Head of Household filing status.

Table 1: All Dependents

Begin with this table to determine both Qualifying Child and Qualifying Relative dependents.

Step	Probe/Ask the taxpayer:	Action
1	Can you or your spouse (if filing jointly) be claimed as a dependent on another taxpayer's tax return this year? ⁵	<p>If YES: If you can be claimed as a dependent by another taxpayer, you may not claim anyone else as your dependent.</p> <p>If NO: Go to Step 2</p>
2	Was the person married as of December 31, 2022?	<p>If YES: Go to Step 3</p> <p>If NO: Go to Step 4</p>

<p>3</p>	<p>Is the person filing a joint return for this tax year? (<i>Answer "NO" if the person is filing a joint return only to claim a refund of income tax withheld or estimated tax paid.</i>)</p>	<p>If YES: You can't claim this person as a dependent.</p> <p>If NO: Go to Step 4</p>
<p>4</p>	<p>Was the person a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico?</p> <p>(<i>Answer "YES" if you are a U.S. citizen or U.S. national and you adopted a child who lived with you</i></p>	<p>If YES: Go to Step 5</p> <p>If NO: You can't claim this person as a dependent.</p>

	<i>as a member of your household all year.)</i>	
5	Was the person your son, daughter, stepchild, eligible foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (i.e., your grandchild, niece, or nephew)? ⁴	<p>If YES: Go to Step 6</p> <p>If NO: This person isn't your qualifying child. Go to Table 2: Qualifying Relative Dependents</p>
6	<p>Was the person:</p> <ul style="list-style-type: none"> • under age 19 at the end of the year and younger than you 	<p>If YES: Go to Step 7</p> <p>If NO: This person isn't your qualifying child. Go to Table 2: Qualifying</p>

	<p><i>(or your spouse, if filing jointly)</i> OR</p> <ul style="list-style-type: none"> • under age 24 at the end of the year, a full-time student (see definition in the glossary) and younger than you <i>(or your spouse, if filing jointly)</i> OR • any age if permanently and totally disabled¹ at any time during the year? 	Relative Dependents
7	Did the person live with you as a member of your household, except	If YES: Go to Step 8 (Use Table 3 to see if the dependency for

	<p>for temporary absences², for more than half the year? <i>(Answer "YES" if the child was born or died during the year.)</i></p>	<p>children of divorced or separated parents or parents who live apart applies.)</p> <p>If NO: This person isn't your qualifying child. Go to Table 2: Qualifying Relative Dependents</p>
8	<p>Did the person provide more than half of his or her own support³ for the year?</p>	<p>If YES: You can't claim this person as a dependent If NO: Go to Step 9</p>
9	<p>Is the person a qualifying child of any other taxpayer?</p>	<p>If YES: Go to the chart: Qualifying Child of More Than One Person</p>

		If NO: You can claim this person as a qualifying child dependent
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Footnotes

- 1** A person is permanently and totally disabled if he or she can't engage in any substantial gainful activity because of a physical or mental condition, AND a doctor determines the condition has lasted or can be expected to last continuously for at least a year or can lead to death.
- 2** A child is considered to have lived with you during periods of time when one of you, or both, are temporarily absent due to illness, education, business, vacation, military service, institutionalized care for a child who is permanently and totally disabled, or incarceration. In most cases a child of divorced or separated parents is the qualifying child of the custodial parent.

See Table 3: Children of Divorced or Separated Parents or Parents Who Live Apart to see if an exception applies. There is an exception for kidnapped children. See Publication 17.

- 3** A worksheet for determining support is included later in this tab. If a child receives Social Security benefits and uses them toward his or her own support, those benefits are considered as provided by the child. Benefits provided by the state to a needy person (welfare, food stamps, housing, SSI) are generally considered support provided by the state.
- 4** An adopted child is treated the same as a natural child for the purposes of determining whether a person is related to you in any of these ways. For example, an adopted brother or sister is your brother or sister. An adopted child includes a child who was lawfully placed with a person for legal adoption.

5 An individual is not a dependent of a person if that person is not required to file an income tax return and either does not file an income tax return or files an income tax return solely to claim a refund of estimated or withheld taxes.

Table 2: Qualifying Relative Dependents

You must start with Table 1. (To claim a qualifying relative dependent, you must first meet the Dependent Taxpayer, Joint Return and Citizen or Resident Tests in steps 1-4 of Table 1)

Step	Probe/Ask the taxpayer:	Action
1	Is the person your qualifying child or the qualifying child of any other taxpayer? A child isn't the qualifying child of any other taxpayer if the child's parent (or any other person for whom the child is defined as a	If YES, the person isn't a qualifying relative. (See Table 1: All Dependents) If NO, go to Step 2.

	qualifying child) isn't required to file a U.S. income tax return or files an income tax return only to get a refund of income tax withheld.	
2	<p>Was the person your son, daughter, stepchild, foster child, or a descendant of any of them (i.e., your grandchild)? OR</p> <p>Was the person your brother, sister, half brother, half sister, or a son or daughter of any of them? OR</p> <p>Was the person your father, mother, or an</p>	<p>If NO, go to Step 3. If YES, go to Step 4.</p> <p>Note: The relatives listed in Step 2 are considered "Relatives who don't have to live with you"</p> <p>Note: To enter into TaxSlayer a qualifying relative who did not live</p>

	<p>ancestor or sibling of either of them? OR</p> <p>Was the person your stepbrother, stepsister, stepfather, step-mother, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law?¹</p>	<p>with the taxpayer more than 6 months, choose "Other reasons" from the months dropdown menu.</p>
3	<p>Was the person any other person (other than your spouse) who lived with you all year as a member of your household?²</p>	<p>If NO, you can't claim this person as a dependent. If YES, go to Step 4.</p> <p>Exceptions: There are exceptions for kidnapped children; a child who was born or</p>

		<p>died during the year; certain temporary absences—school, vacation, medical care, etc.</p> <p>Divorced or separated spouse. If you obtained a final decree of divorce or separate maintenance during the year, you can't take your former spouse as a dependent. This rule applies even if you provided all of your former spouse's support.</p>
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4	Did the person have gross income of less than \$4,400 in 2022? ³	If NO, you can't claim this person as a dependent. If YES, go to Step 5.
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Footnotes

- 1** An adopted child is treated the same as a natural child for the purposes of determining whether a person is related to you in any of these ways. For example, an adopted brother or sister is your brother or sister. An adopted child includes a child who was lawfully placed with a person for legal adoption. Any of these relationships that were established by marriage aren't ended by death or divorce.
- 2** A person doesn't meet this test if at any time during the year the relationship between you and that person violates local law.

3 For purposes of this test, the gross income of an individual who is permanently and totally disabled at any time during the year doesn't include income for services the individual performs at a sheltered workshop. Gross income means all income the person received in the form of money, goods, property and services, that isn't exempt from tax. Don't include Social Security benefits unless the person is married filing a separate return and lived with their spouse at any time during the tax year or if 1/2 the Social Security benefits plus their other gross income and tax exempt interest is more than \$25,000 (\$32,000 if MFJ).

Table 2: Qualifying Relative Dependents

Step	Probe/Ask the taxpayer:	Action
5	<p>Did you provide more than half the person's total support for the year?</p> <p>See Worksheet for Determining Support on page C-7 to calculate the total support for the year.</p>	<p>If YES, you can claim this person as your qualifying relative dependent. (Use Table 3 to see if the exception for children of divorced or separated parents or parents who live apart applies.)</p> <p>If NO, go to Step 6.</p>
6	<p>Did another person provide more than</p>	<p>If YES, you can't claim this person</p>

	half the person's total support?	as a dependent. If NO, go to Step 7.
7	Did two or more people, each of whom would be able to take the dependent but for the support test, together provide more than half the person's total support?	<p>If YES, go to Step 8.</p> <p>If NO, you can't claim this person as a dependent.</p>
8	Did you provide more than 10% of the person's total support for the year?	<p>If YES, go to Step 9.</p> <p>If NO, you can't claim this person as a dependent.</p>
9	Did the other person(s) providing more than 10% of	If YES, you can claim this person as a dependent.

	the person's total support for the year provide you with a signed statement agreeing not to claim the dependent?	<p>You must file Form 2120, Multiple Support Declaration, with your return.</p> <p>If NO, you can't claim this person as a qualifying child dependent.</p>
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Footnotes

See Table 3, Children of Divorced or Separated Parents or Parents Who Live Apart, for the exception to the support test.

If a child receives Social Security benefits and uses them toward his or her own support, those benefits are considered as provided by the child. Benefits provided by the state to a needy person are generally considered support provided by the state. A proposed

rule, on which taxpayers may choose to rely, treats governmental payments made to a recipient that the recipient uses, in part, to support others as support of the others provided by the recipient, whereas any part of such payment used for the support of the recipient would constitute support of the recipient by a third party. For example, if a mother receives TANF and uses the TANF payments to support her children, the proposed regulations treat the mother as having provided that support.

Table 3: Children of Divorced or Separated Parents or Parents Who Live Apart

Use this table when directed from Table 1 or Table 2 to determine if the exception applies to the qualifying child residency test or the qualifying relative support test

Step	Probe/Ask the taxpayer:	Action
1	Did the child receive over half of his or her support ⁴ from the parents who are: Divorced OR Legally separated under a decree of divorce or separate maintenance OR Separated under a written separation agreement OR	If YES, go to Step 2. If NO, Table 3 doesn't apply.

	Lived apart at all times during the last 6 months of the year?	
2	Was the child in the custody of one or both parents for more than half the year? ¹	<p>If YES, go to Step 3.</p> <p>If NO, Table 3 doesn't apply.</p>
3	Did the custodial parent (parent with whom the child lived for the greater number of nights during the year) provide the taxpayer a signed written declaration (Form 8332, Release/Revocation of Release of Claim to Exemption to Child by Custodial Parent, a copy of Form 8332, or similar	<p>If YES, the Table 3 exception applies.²</p> <p>Return to the appropriate step in Table 1 or Table 2.</p> <p>If NO, go to Step 4.</p>

	document) releasing his or her claim to the child as a dependent?	
4	<p>Are either of the following statements true?</p> <p>The taxpayer has a post-1984 and pre-2009 decree³ or agreement that is applicable for the current tax year and states <i>all three of the following</i>:</p> <p>The noncustodial parent can claim the child as a dependent without regard to any condition, such as payment of support.</p> <p>The other parent won't claim the child as a dependent for the year.</p>	<p>If YES, the Table 3 exception applies. Return to the appropriate step in Table 1 or Table 2.</p> <p>If NO, Table 3 doesn't apply.</p>

	<p>The years for which the noncustodial parent can claim the child as a dependent. OR</p> <p>The taxpayer has a pre-1985 decree of divorce or separation maintenance or written separation agreement between the parents that provide that the noncustodial parent can claim the child as a dependent, and the noncustodial parent provides at least \$600 for support of the child during the current tax year.</p>	
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Footnotes

- 1** If the child is emancipated under state law, either by reaching age of majority or other means, child is treated as not living with either parent (see Publication 17).
- 2** Post-2008 decree or agreement. If the divorce decree or separation agreement went into effect after 2008, the noncustodial parent can't attach pages from the decree or agreement instead of Form 8332. The custodial parent must sign, and the noncustodial parent must attach to his or her return, either Form 8332, or a copy of Form 8332 or a substantially similar statement the only purpose of which is to release the custodial parent's claim to a child. For an e-filed return, attach and submit the Form 8332 with Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return. Alternatively, scan Form 8332 and

upload to the return as a Scanned Document. See Tab K.

3 Post-1984 and Pre-2009 divorce decrees or agreements: The noncustodial parent must attach all of the following pages from the decree or agreement.

- Cover page (include the other parent's SSN on that page)
- The pages that include all the information identified in (1) through (3) above
- Signature page with the other parent's signature and date of agreement.

4 If you remarry, the support provided by your new spouse is treated as provided by you.

Release of certain tax benefits revoked

A custodial parent who has revoked his or her previous release of a claim to certain tax benefits for a child must attach a copy of the revocation to his or her return. For the revocation to be effective for the current tax year, the custodial parent must have given (or made reasonable efforts to give) written notice of the revocation to the noncustodial parent in the prior tax year or earlier. (See Form 8332 for more details)

Other decrees or agreements that don't meet step 4:

Noncustodial parents must attach the Form 8332, or a copy of Form 8332 or similar statement to their return.

Worksheet for Determining Support



Taxpayers should keep a completed copy of this worksheet for their records. See the following page for important notes.

Funds Belonging to the Person You Supported

1. Enter the total funds belonging to the person you supported, including income received (taxable and non-taxable) and amounts borrowed during the year, plus the amount in savings and other accounts at the beginning of the year. Don't include funds provided by the state; include those amounts on line 23 instead 1. _____
2. Enter the amount on line 1 that was used for the person's support 2. _____
3. Enter the amount on line 1 that was used for other purposes 3. _____
4. Enter the total amount in the person's savings and other accounts at the end of the year 4. _____
5. Add lines 2 through 4. (This amount should equal line 1.) 5. _____

Expenses for Entire Household (where the person you supported lived)

6. Lodging (complete line 6a or 6b):
- a. Enter the total rent paid 6a. _____
- b. Enter the fair rental value of the home. If the person you supported owned the home, also include this amount in line 21 6b. _____
7. Enter the total food expenses 7. _____
8. Enter the total amount of utilities (heat, light, water, etc. not included in line 6a or 6b) 8. _____
9. Enter the total amount of repairs (not included in line 6a or 6b) 9. _____
10. Enter the total of other expenses. Don't include expenses of maintaining the home, such as mortgage interest, real estate taxes, and insurance 10. _____
11. Add lines 6a through 10. These are the total household expenses 11. _____
12. Enter total number of persons who lived in the household 12. _____

Expenses for the Person You Supported

13. Divide line 11 by line 12. This is the person's share of the household expenses 13. _____
14. Enter the person's total clothing expenses 14. _____
15. Enter the person's total education expenses 15. _____
16. Enter the person's total medical and dental expenses not paid for or reimbursed by insurance 16. _____
17. Enter the person's total travel and recreation expenses 17. _____
18. Enter the total of the person's other expenses 18. _____
19. Add lines 13 through 18. This is the total cost of the person's support for the year 19. _____

Did the Person Provide More Than Half of His or Her Own Support?

20. Multiply line 19 by 50% (0.50) 20. _____
21. Enter the amount from line 2, plus the amount from line 6b if the person you supported owned the home. This is the amount the person provided for his or her own support..... 21. _____
22. Is line 21 more than line 20?
- ☐ **No.** You meet the support test for this person to be your qualifying child. If this person also meets the other tests to be a qualifying child, stop here; don't complete lines 23–26. Otherwise, go to line 23 and fill out the rest of the worksheet to determine if this person is your qualifying relative.
- ☐ **Yes.** You don't meet the support test for this person to be either your qualifying child or your qualifying relative. Stop here.

Did You Provide More Than Half?	
23. Enter the amount others provided for the person's support. Include amounts provided by state, local, and other welfare societies or agencies. Don't include any amounts included on line 1	23. _____
24. Add lines 21 and 23	24. _____
25. Subtract line 24 from line 19. This is the amount you provided for the person's support	25. _____
26. Is line 25 more than line 20?	
<input type="checkbox"/> Yes. You meet the support test for this person to be your qualifying relative.	
<input type="checkbox"/> No. You don't meet the support test for this person to be your qualifying relative. You can't claim this person as a dependent unless you can do so under a multiple support agreement, the support test for children of divorced or separated parents, or the special rule for kidnapped children. See Multiple Support Agreement, Support Test for Children of Divorced or Separated Parents (or Parents Who Live Apart), or Kidnapped child under Qualifying Relative.	

The following items aren't included in total support:

- Federal, state, and local income taxes paid by persons from their own income
- Social Security and Medicare taxes paid by persons from their own income
- Life insurance premiums
- Funeral expenses
- Scholarships received by your child if your child is a student
- Survivors' and Dependents' Educational Assistance payments used for the support of the child who receives them



TANF and other governmental payments. Under proposed Treasury regulations, if you received Temporary Assistance to Needy Families (TANF) payments or other similar payments and used the payment to support another person, those payments are considered support you

provided for that person, rather than support provided by the government or other third party.



Social Security benefits. *If spouses each receive benefits that are paid by one check made out to both of them, half of the total paid is considered to be for the support of each spouse, unless they can show otherwise. If a child receives Social Security benefits and uses them toward his or her own support, the benefits are considered as provided by the child.*



Foster care payments and expenses. *Payments you receive for the support of a foster child from a child placement agency are considered support provided by the agency. Similarly, payments you receive for the support of a foster child from a state or county are considered support provided by the state or county.*



Armed Forces dependency

allotments. *The part of the allotment contributed by the government and the part taken out of your military pay are both considered provided by you in figuring whether you provide more than half of the support. If your allotment is used to support persons other than those you name, you can claim them as dependents if they otherwise qualify.*



Tax-exempt income. *In figuring a person's total support, include tax-exempt income, savings, and borrowed amounts used to support that person. Tax-exempt income includes certain social security benefits, welfare benefits, nontaxable life insurance proceeds, Armed Forces family allotments, nontaxable pensions, and tax-exempt interest.*

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Tab D: Income

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Income Quick Reference Guide

This list is a quick reference and volunteers should refer to Publication 525, Taxable and Nontaxable Income, for more information. Don't rely on this list alone. Some of the income items on this chart are Out of Scope for VITA/TCE. Review the Scope of Service chart to identify Out of Scope items. Refer taxpayers with Out of Scope income to a professional tax preparer. Confirm that all income received by the taxpayer has been discussed and shown on the return, if required. To determine taxability at the state level, check with your state's department of revenue.

Table A – Examples of Taxable Income

(Examples of income to consider when determining whether a return must be filed or if a person meets the gross income test for qualifying relative)

<ul style="list-style-type: none">• Wages, salaries, bonuses, commissions• Alimony (for divorce before 2019, see How/Where to Enter Income, later)• Annuities	<ul style="list-style-type: none">• Farm income• Fees• Gains from sale of property or securities• Gambling winnings• Hobby income• Grants to businesses, even	<ul style="list-style-type: none">• Railroad retirement—Tier I (portion may be taxable)• Railroad retirement—Tier II• Recovery of prior year deduction² (medical, property taxes, etc.)
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<ul style="list-style-type: none"> • Awards • Back pay • Breach of contract payment • Business income/Self-employment income • Cash income • Compensation for personal services • Canceled debts¹ 	<ul style="list-style-type: none"> disaster related, unless exempted by law • Interest • Interest on life insurance dividends • IRA distributions • Jury duty fees • Military pay (not exempt from taxation) 	<ul style="list-style-type: none"> • Refunds of State and local income tax (if reportable)² • Rents (gross rent) • Rewards • Royalties • Severance pay • Self-employment (gross income) • Social Security benefits (including SSDI)
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<ul style="list-style-type: none"> • Director's fees • Disability benefits (employer-funded) • Discounts • Dividends • Employee awards • Employee bonuses • Estate and trust income 	<ul style="list-style-type: none"> • Military pension • Nonemployee compensation • Notary fees • Partnership, Estate and S-Corporation income (Schedule K-1s, Taxpayer's share) • Pensions • Prizes 	<ul style="list-style-type: none"> • portion may be taxable (See Tab D, Income, Railroad Retirement, Civil Service, and Social Security Benefits) • Supplemental unemployment benefits • Taxable scholarships and grants • Tips and gratuities
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	<ul style="list-style-type: none"> • Punitive damage award 	<ul style="list-style-type: none"> • Tribal per capita payments • Unemployment compensation
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Nontaxable Income

Table B – Examples of Nontaxable Income

(Examples of income items to exclude when determining whether a return must be filed)

- | | |
|---|---|
| <ul style="list-style-type: none">• Child support• Civil damages, restitution or other monetary award paid to someone because that person was wrongfully incarcerated• Damages for physical injury (other than punitive)• Death payments | <ul style="list-style-type: none">• Payments to the beneficiary of a deceased employee• Payments in lieu of worker's compensation• Qualified Medicaid waiver payments• Relocation payments• Rebate/Patronage Dividends issued by co-ops for |
|---|---|

<ul style="list-style-type: none"> • Dividends on life insurance • Employer reimbursements for ordinary or necessary actual expenses • Federal Employees' Compensation Act payments • Federal income tax refunds • Gifts • Grants to individuals if due to a qualified disaster (otherwise taxable unless exempted by law) 	<p>personal use are not taxable</p> <ul style="list-style-type: none"> • Rental less than 15 days⁵ • Rental allowance of clergyman • Reverse mortgages • Sickness and injury payments • Social security benefits portion may not be taxable • (See Tab D, Income, Railroad Retirement, Civil Service, and Social Security Benefits)
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<ul style="list-style-type: none"> • Inheritance³ or bequest • Insurance proceeds (Accident, Casualty, Health, Life) • Interest on tax-free securities • Interest on EE/I bonds redeemed for qualified higher education expenses • Meals and lodging for the convenience of employer • Olympic and Paralympic Games medals and prizes⁴ 	<ul style="list-style-type: none"> • Student loan forgiveness (2021-2026) • Supplemental Security Income (SSI) • Temporary Assistance for Needy Families (TANF) • Terrorist or military action, certain payments received as a result • Veterans' benefits • Welfare payments (including TANF) and food stamps
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	<ul style="list-style-type: none"> • Worker's compensation and similar payments
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Footnotes

- 1** If the taxpayer received a Form 1099-C, Cancellation of Debt, in relation to their main home, it can be nontaxable
- 2** If itemized in year paid and taxes were reduced because of deduction
- 3** An inheritance isn't reported on the income tax return, but a distribution from an inherited pension or annuity is subject to the same tax as the original owner would have had to pay
- 4** The exclusion does not apply to a taxpayer for any year in which the taxpayer's AGI exceeds \$1 million (or \$500,000 for an individual filing a MFS return)

5 If you use a dwelling unit as a home and you rent it less than 15 days during the year, you are not required to report the rental income and rental expenses from this activity. See Publication 527, Residential Rental Property. (Military Certification only)

Armed Forces Gross Income

Members of the Armed Forces receive many different types of pay and allowances. Some are included in gross income while others are excluded from gross income. Table 1 lists included items that are subject to tax and must be reported on your tax return. Table 2 lists excluded items that are not subject to tax, but may have to be shown on your tax return. See Publication 3, *Armed Forces' Tax Guide*, for additional information. To determine taxability at the state level, check with your state's department of revenue.

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Table 1—Included Items These items are included in gross income, unless the pay is for service in a combat zone					
Basic pay	<ul style="list-style-type: none"> • Active duty • Attendance at a designated service school • Back wages • Drills (Inactive Duty Training) • Reserve training • Training Duty 	Special pay (cont.)	<ul style="list-style-type: none"> • Hostile fire or imminent danger • Medical and dental officers • Nuclear-qualified officers • Optometry • Other Health Professional Special Pay (for example, nurse, physician assistant, social work, etc.) • Pharmacy • Special compensation for assistance with activities of daily living (SCAADL) • Special duty assignment pay • Veterinarian • Voluntary Separation Incentive 	Incentive pay	<ul style="list-style-type: none"> • Submarine • Flight • Hazardous duty • High altitude/Low altitude (HALO)
				Other pay	<ul style="list-style-type: none"> • Accrued leave • CONUS COLA • High deployment per diem • Personal money allowances paid to high ranking officers • Student loan repayment from programs such as the Department of Defense Educational Loan Repayment Program, to the extent that qualified higher education expenses exceed \$5,250 annually
Special pay	<ul style="list-style-type: none"> • Aviation career incentives • Career sea • Diving duty • Foreign duty (outside the 48 contiguous states and the District of Columbia) • Foreign language proficiency • Hardship duty 	Bonus pay	<ul style="list-style-type: none"> • Career status • Continuation pay • Enlistment • Officer • Overseas extension • Reenlistment 	In-kind military benefits	<ul style="list-style-type: none"> • Personal use of government-provided vehicle

Table 2—Excluded Items The exclusion for certain items applies whether the item is furnished in-kind or is a reimbursement or allowance.					
Combat zone and qualified hazardous duty area pay	<ul style="list-style-type: none"> • Compensation for active service while in a combat zone Note: <i>Limited amount for commissioned officers</i> • Leave earned or accrued while performing service in a combat zone 	Family allowances	<ul style="list-style-type: none"> • Certain educational expenses for dependents • Emergencies • Evacuation to a place of safety • Separation 	Travel allowances	<ul style="list-style-type: none"> • Annual round trip for dependent students • Leave between consecutive overseas tours • Reassignment in a dependent restricted status • Transportation for you or your dependents during ship overhaul or inactivation • Per diem
Other pay	<ul style="list-style-type: none"> • Certain amounts received under Armed Force Health Professions Scholarship and Financial Assistance Program payments • Disability, including payments received for injuries incurred as a direct result of a terrorist or military action • Disability severance payments • Group-term life insurance • Professional education • ROTC educational and subsistence allowances • State bonus pay for service in a combat zone • Survivor and retirement protection plan premiums • Uniform allowances • Certain loan payments made by an employer after March 27, 2020, and before January 1, 2026, of principal or interest on certain qualified education loans (Limited to \$5,250 annually). 	Living allowances	<ul style="list-style-type: none"> • BAH (Basic Allowance for Housing) • BAS (Basic Allowance for Subsistence) • Housing and cost-of-living allowances abroad paid by the U.S. Government or by a foreign government • OHA (Overseas Housing Allowance) 	In-kind military benefits	<ul style="list-style-type: none"> • Dependent-care assistance program • Defense Counsel Services • Legal assistance • Medical/dental care • Commissary/exchange discounts • Space-available travel on government aircraft • Uniforms furnished to enlisted personnel
Death allowances	<ul style="list-style-type: none"> • Burial services • Death gratuity payments to eligible survivors • Travel of dependents to burial site 	Moving allowances	<ul style="list-style-type: none"> • Dislocation (limited to actual moving expenses) • Military base realignment and closure benefit (Limits apply. See 42 U.S.C. 3374(c)) • Move-in housing • Move household and personal items • Moving trailers or mobile homes • Storage • Temporary lodging and temporary lodging expenses 		

How/Where to Enter Income



Federal Section>Income

2021 Help & Support Sample Taxpayer

Form Finder

Enter the form number...

Basic Information

Federal Section

Income

W-2 Wage Statement

Deductions

Other Taxes

Payments & Estimates

Miscellaneous Forms

Application for Extension

COVID-19 Relief

Health Insurance

State Section

Summary/Print

E-file

2021 Amended Return

Your Office

Create Customer Portal

Help & Support

Save & Exit Return

Income

Form W-2
Wage and Tax Statement

Form 1099-G Box 2
State or local income tax refunds, credits, or offsets

Schedule B - Forms 1099-INT, DIV, OID
Interest income, dividends, and distributions

Form 1099-R, RRB, SSA
Distributions from pensions, annuities, retirement, IRAs, social security, etc.

Form 8915-F
Qualified Disaster Retirement Plan Distributions and Repayments

Form 1099-G Box 1
Unemployment Compensation

1099-MISC
Miscellaneous income

1099-NEC
Nonemployee compensation

Schedule C
Profit or Loss from Business

Form 1099-K
Payment card and third party network transactions

Schedule E
Supplemental Income and Loss from Rents and Royalties

Schedule D/Form 8949
Capital Gains and Losses

Schedule F
Profit or Loss from Farming

Alimony Received
Payments from a former spouse under a legal agreement


Other Income
K-1 earnings, gambling winnings, cancellation of debt, etc.

3 Your Office
Create Customer Portal
Scanned Documents
¿Si hablas Español?
Notes
Helpful Tools
Quick File
Save & Exit Return

1 To go directly to a specific form, use the box to enter the form number or name.
See Tab O, Using TaxSlayer® Pro Online, for entries.

2 If the taxpayer received a state refund in 2022 and itemized deductions for 2021 that included a deduction for state income tax, select the State and Local Refunds option and complete the State Refund worksheet.

3 Select **Quick File** from this pull-down menu next to the taxpayer's name to create a list of entry screens for this return.

 **Taxpayers who receive an incorrect Form 1099-G for unemployment benefits they did not receive should contact the issuing state agency to request a revised Form 1099-G showing they did not receive these benefits. Taxpayers who are unable to obtain a timely, corrected form from states should still file an accurate tax return, reporting only the income they received.**

4 You can go directly to the Income section from the quick link.

5 To enter unemployment compensation from Form 1099-G, select **Begin** on the unemployment line. If unemployment benefits are repaid in the same year, enter the amount in Repayment of Unemployment. To enter current year unemployment, select **Add or Edit a 1099-G**.

6 Alimony received pursuant to a divorce or separation instrument executed on or before December 31, 2018 is included as income on the return. For divorces after December 31, 2018, alimony is not included as income on the return. The alimony is also not included in income if the instrument is modified after December 31, 2018, and the modification expressly provides that the amendments made by the Tax Cuts and Jobs Act, Section 11051, apply to the modification.

7 To enter Taxable Scholarship, Prisoner Earned Income, or Foreign Compensation - select **Other Income** then choose **Other Compensation**. In certain situations, taxpayers may wish to e-file a \$1 AGI return. To e-file, enter \$1 as other income. Go to Income>Less Common Income>Other Income Not Reported Elsewhere and describe as "IN ORDER TO E-FILE."

Form W-2 Instructions



Federal Section>Income> W-2; or Keyword “W”



If the taxpayer has not received a W-2 from all employers by the end of January, they should contact their employer for the missing copy.

W-2

CANCEL

☒ This is a standard W-2

☐ This is a corrected W-2

☐ This is a substitute W-2

☐ This is a railroad W-2

If a Form W-2 can't be obtained from the employer, select the box to indicate this is a substitute W-2. TaxSlayer will generate a Form 4852, Substitute for Form W-2, Wage and Tax Statement. The taxpayer will need to provide total income and withholding from their year-end pay stub. See Publication 5396-A.

Employee

Whose W-2 is this?
Taxpayer

☐ Check here if foreign address

Address (street number & name) *
150 Forest Park

ZIP code *
30904

City, town, or post office *
Augusta

State *
Georgia

ITIN SSN:
- -

Employer

Note: Information entered below must match the IRS Master File.
Please Verify.

b EIN *
-

c Employer Name *

☐ Check here if foreign address

Address (street number & name) *

ZIP code *
-

City, town, or post office *

State *
- Please Select -

Indicate if W-2 is for Taxpayer or Spouse. The software will not allow you to proceed until this is completed.

Compare the taxpayer's address to Form W-2 address. If the address on the W-2 is different, correct the W-2 address here to match the original Form W-2. This won't change the tax return address.

If the taxpayer has an ITIN, you will be prompted to enter the ITIN or SSN as shown on the original W-2.



A taxpayer with multiple Forms W-2 could possibly have a different address on several of the Forms W-2. Check them carefully; the change must be made on every Form W-2 that is different from the current address. Be sure to enter every item from the taxpayer's original W-2 – key what you see.

12

1

Code

a

Amount

\$

+ add another row

14

5

Code

Amount

\$

+ add another row

Railroad tier 1 wages

\$

2

13

3

☐ Statutory Employee

4

☐ Retirement Plan

4

☐ Third Party Pay

☐ Do you want to include Medicaid Waiver payments in the calculation of earned income?

Medicaid Waiver Payment

6

\$

Railroad tier 1 tax withheld

\$

1

For Boxes 12 and 14, choose the code from the drop-down menu and enter the dollar amount. If there are more than 4 items in Box 12, enter the items that impact the tax return (Code D, E, G, M, N, P, Q, T, W, AA, BB, EE).

2

Be sure to select the correct items for Box 13 as indicated on Forms W-2. This is important in calculating the deductibility of IRA contributions.

3

If statutory employee is marked, employment taxes are withheld by the employer, but the taxpayer will report income and deduct expenses using Schedule C. Re-enter income as statutory income on Schedule C Income screen. Also enter related expenses. Do not mix statutory employee income with other income on the same Schedule C.

4

Third party pay, Box 13, is taxable income and reported in Box 1.

5

Select from the drop-down list for Box 14. If the amount is eligible for the retirement saver's contributions credit, select **Retirement (Not in Box 12)- Carry to Form 8880**. To qualify for this treatment, the contribution must be a voluntary, not a mandatory, contribution. Employers use this box for any other information that they want to give to their employees. If none of the drop-down options apply, select **Other** and enter the amount.

6

A taxpayer may choose to include qualified Medicaid waiver payments in the calculation of earned income for the EIC and the ACTC. These are payments received for providing nonmedical support services under a plan of care to someone in the taxpayer's home. If these payments were incorrectly reported in box 1 of Form(s) W-2, enter the amount again in the Medicaid Waiver Payment box. For more information about these payments, see the next page.

If the Form W-2 shows withholding from more than one state, select the **Add State** button to add the additional information.

Form W-2 Reference Guide for Common Box 12 Codes	
<div><div>A</div>Uncollected social security or RRTA tax on tips</div> <div><div>B</div>Uncollected Medicare tax on tips</div> <div><div>C</div>Taxable cost of group term life insurance over \$50,000 included in boxes 1, 3 (up to social security wage base) & 5.</div> <div><div>D</div>Elective deferrals to a section 401(k) cash or deferred arrangement</div> <div><div>E</div>Elective deferrals under a section 403(b) salary reduction agreement</div> <div><div>G</div>Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan</div> <div><div>H</div>Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. Included in Box 1 as wages, but see Pub 525 Taxable and Nontaxable Income instructions on how to deduct on Form 1040.</div>	<div><div>J</div>Nontaxable sick pay (If Box 1 is blank, do not include on return unless there is withholding)</div> <div><div>P</div>Excludable moving expense reimbursements paid directly to employee</div> <div><div>Q</div>Nontaxable combat pay (Military certification)</div> <div><div>R</div>Employee Contributions to MSA, Out of Scope</div> <div><div>T</div>Adoption benefits (Out of Scope)</div> <div><div>W</div>Employer contributions (including amounts the employee contributes through a cafeteria plan) to employee's health savings account</div> <div><div>AA</div>Designated Roth contributions under a section 401(k) plan</div> <div><div>BB</div>Designated Roth contributions under a section 403(b) plan</div> <div><div>DD</div>Cost of employer-sponsored health coverage (not taxable)</div> <div><div>EE</div>Designated Roth contributions under a governmental section 457(b) plan</div>
Codes D through H, S, Y, AA, BB, and EE also indicate elective (voluntary) contributions which qualify for retirement savings credit. See Tab G, Nonrefundable Credits. For less common Box 12 codes, see Form W-2.	