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Internal Revenue Service

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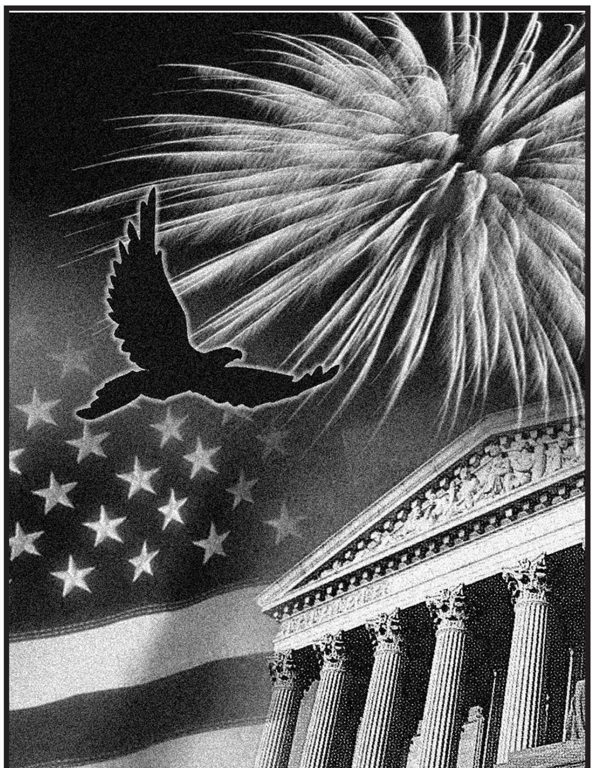
Tax Highlights for Persons with Disabilities

For use in preparing

2015 Returns



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Dec 18, 2015

Future Developments

For the latest information about developments related to Publication 907, such as legislation enacted after this publication was published, go to *www.IRS.gov/pub907*.

What's New

An ABLE account. The Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014 (ABLE) was enacted on December 19, 2014, to help blind or disabled people save money in a tax-favored ABLE account to maintain health, independence, and quality of life. Compare ABLE programs on the websites of state governments to see which program is best suited for you. See *ABLE Account*, later.

My Social Security account. Social security beneficiaries can obtain helpful information from the Social Security Administration's website with a ***my Social Security*** account. See *Social Security and Railroad Retirement Benefits*, later.

Introduction

This publication concerns people with disabilities and those who care for them. It includes highlights about:

- Income,
- Itemized deductions,
- Tax credits,
- Household employers, and
- Business tax incentives.

You will find most of the information you need to complete your tax return in its instructions.

See *How To Get Tax Help,* at the end of this publication, for information about getting publications, forms, and free tax services.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions.

You can send us comments from *www.irs.gov/formspubs*. Click on “More Information” and then on “Give us feedback.”

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We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

Although we cannot respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax products.

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Income

All income is taxable unless it is specifically excluded by law. The following discussions highlight some taxable and nontaxable income items. For information about distributions from an ABLE account, see *ABLE Account*, later.

Dependent Care Benefits

Dependent care benefits include:

- Amounts your employer paid directly to you or your care provider for the care of your qualifying person(s) while you worked,
- The fair market value of care in a daycare facility provided or sponsored by your employer, and
- Pre-tax contributions you made under a dependent care flexible spending arrangement.

Exclusion or deduction. If your employer provides dependent care benefits under a qualified plan, you may be able to exclude these benefits from your income. Your employer can tell you whether your benefit plan qualifies. To claim the exclusion, you must complete Part III of Form 2441, Child and Dependent Care Expenses. You cannot use Form 1040EZ.

If you are self-employed and receive benefits from a qualified dependent care benefit plan, you are treated as both employer and employee. Therefore, you would not get an exclusion from wages. Instead, you would get a deduction on one of the following Form 1040 schedules: Schedule C, line 14; Schedule E, line 19 or 28; or Schedule F, line 15. To claim the deduction, you must use Form 2441.

The amount you can exclude or deduct is limited to the smallest of:

1. The total amount of dependent care benefits you received during the year,
2. The total amount of qualified expenses you incurred during the year,
3. Your earned income,
4. Your spouse's earned income, or
5. $5,000 ($2,500 if married filing separately).

Statement for employee. Your employer must give you a Form W-2 (or similar statement), showing in box 10 the total amount of dependent care benefits provided to you during the year under a qualified plan. Your employer will also include any dependent care benefits over $5,000 in your wages shown on your Form W-2 in box 1.

Qualifying person(s). A qualifying person is any of the following.

- A qualifying child who is under age 13 whom you can claim as a dependent. If the child turned 13 during the year, the child is a qualifying person for the part of the year he or she was under age 13.
- Your disabled spouse who is not physically or mentally able to care for themselves.
- Any disabled person who was not physically or mentally able to care for themselves whom you can claim as a dependent (or could claim as a dependent except that the person had gross income of $4,000 or more or filed a joint return).
- Any disabled person who was not physically or mentally able to care for themselves whom you could claim as a dependent except that you (or your spouse if filing jointly) could be claimed as a dependent on another taxpayer's 2015 return.

For information about excluding benefits on Form 1040, Form 1040NR, or Form 1040A, see Form 2441 and its instructions.

Social Security and Railroad Retirement Benefits

My Social Security account. Social security beneficiaries may quickly and easily obtain the following information from the Social Security Administration's website with a *my Social Security* account.

- Keep track of your earnings and verify them every year.
- Get an estimate of your future benefits if you are still working.
- Get a letter with proof of your benefits if you currently receive them.
- Change your address.
- Start or change your direct deposit.
- Get a replacement Medicare card.
- Get a replacement SSA-1099 or SSA-1042S for the tax season.

For more information and to set up an account, go to www.socialsecurity.gov/myaccount.

If you received social security or equivalent Tier 1 railroad retirement (RRTA) benefits during the year, part of the amount you received may be taxable.

Are any of your benefits taxable? If the only income you received during the year was your social security or equivalent Tier 1 railroad retirement (RRTA) benefits, your benefits generally are not taxable.

If you received income during the year in addition to social security or equivalent Tier 1 railroad retirement

(RRTA) benefits, part of your benefits may be taxable if all of your other income, including tax-exempt interest, plus half of your benefits are more than:

- $25,000 if you are single, head of household, or qualifying widow(er);
- $25,000 if you are married filing separately and lived apart from your spouse for all of 2015;
- $32,000 if you are married filing jointly; or
- $-0- if you are married filing separately and lived with your spouse at any time during 2015.

For more information, see the instructions for Form 1040, lines 20a and 20b; or Form 1040A, lines 14a and 14b; and Publication 915, Social Security and Equivalent Railroad Retirement Benefits.

Supplemental security income (SSI) payments. Social security benefits do not include SSI payments, which are not taxable. Do not include these payments in your income.

Disability Pensions

If you retired on disability, you must include in income any disability pension you receive under a plan that is paid for by your employer. You must report your taxable disability payments as wages on line 7 of Form 1040 or Form 1040A until you reach minimum retirement age. Minimum retirement age generally is the age at which you can first receive a pension or annuity if you are not disabled.

TIP *You may be entitled to a tax credit if you were permanently and totally disabled when you retired. See Publication 524, Credit for the Elderly or the Disabled.*

Beginning on the day after you reach minimum retirement age, payments you receive are taxable as a pension or annuity. Report the payments on Form 1040, lines 16a and 16b, or on Form 1040A, lines 12a and 12b. See Publication 575, Pension and Annuity Income.

Terrorist attacks. Do not include in your income disability payments you receive for injuries incurred as a direct result of terrorist attacks directed against the United States (or its allies), whether outside or within the United States. However, you must include in your income any amounts that you received that you would have received in retirement had you not become disabled as a result of a terrorist attack.

TIP *Contact the company or agency making these payments if it incorrectly reports your payments as taxable income to the IRS on Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., to request that it re-issue the form to report some or all of these payments as nontaxable income on Form W-2, box 12 (under code J), or Form 1099-R, box 1, but not in box 2a. If income taxes are being incorrectly withheld from these payments, you may also submit Form W-4P, Withholding Certificate for Pension or Annuity Payments, to the company or agency to stop the withholding of income taxes from the payments.*

Disability payments you receive for injuries not incurred as a direct result of a terrorist attack, or for illnesses or diseases not resulting from an injury incurred as a direct result of a terrorist attack, cannot be excluded from your income under this provision, but may be excludable for other reasons as described in this publication.

Retirement and profit-sharing plans. If you receive payments from a retirement or profit-sharing plan that does not provide for disability retirement, do not treat the payments as a disability pension. The payments must be reported as a pension or annuity.

Accrued leave payment. If you retire on disability, any lump-sum payment you receive for accrued annual leave is a salary payment. The payment is not a disability payment. Include it in your income in the tax year you receive it.

See Publication 525, Taxable and Nontaxable Income.

Military and Government Disability Pensions

Generally, you must report disability pensions as income, but do not include certain military and government disability pensions. See Publication 525.

VA disability benefits. Do not include disability benefits you receive from the Department of Veterans Affairs (VA) in your gross income. If you are a military retiree and do not receive your disability benefits from the VA, see Publication 525 for more information.

Do not include in your income any veterans' benefits paid under any law, regulation, or administrative practice administered by the VA. These include:

- Education, training, and subsistence allowances;
- Disability compensation and pension payments for disabilities paid to veterans or their families;
- Grants for homes designed for wheelchair living;
- Grants for motor vehicles for veterans who lost their sight or the use of their limbs;
- Veterans' insurance proceeds and dividends paid to veterans or their beneficiaries, including the proceeds of a veteran's endowment policy paid before death;
- Interest on insurance dividends left on deposit with the VA;
- Benefits under a dependent-care assistance program;
- The death gratuity paid to a survivor of a member of the Armed Forces who died after September 10, 2001; or
- Payments made under the VA's compensated work therapy program.

Other Payments

You may receive other payments that are related to your disability. The following payments are not taxable.

- Benefit payments from a public welfare fund, such as payments due to blindness.
- Workers' compensation for an occupational sickness or injury if paid under a workers' compensation act or similar law.
- Compensatory (but not punitive) damages for physical injury or physical sickness.
- Disability benefits under a "no-fault" car insurance policy for loss of income or earning capacity as a result of injuries.
- Compensation for permanent loss or loss of use of a part or function of your body, or for your permanent disfigurement.

Long-Term Care Insurance

Long-term care insurance contracts generally are treated as accident and health insurance contracts. Amounts you receive from them (other than policyholder dividends or premium refunds) generally are excludable from income as amounts received for personal injury or sickness. See Publication 525.

Accelerated Death Benefits

You can exclude from income accelerated death benefits you receive on the life of an insured individual if certain requirements are met. Accelerated death benefits are amounts received under a life insurance contract before the death of the insured. These benefits also include amounts received on the sale or assignment of the contract to a viatical settlement provider. This exclusion applies only if the insured was a terminally ill individual or a chronically ill individual. See Publication 525.

Itemized Deductions

If you file Form 1040, to lower your taxable income you generally can claim the standard deduction or itemize your deductions, such as medical expenses, using Schedule A (Form 1040). For impairment-related work expenses, use the appropriate business form (1040 Schedules: C, C-EZ, E, and F; Form 2106, Employee Business Expenses; or Form 2106-EZ, Unreimbursed Employee Business Expenses).

Medical Expenses

When figuring your deduction for medical expenses, you can generally include medical and dental expenses you pay for yourself, your spouse, and your dependents.

Medical expenses are the cost of diagnosis, cure, mitigation, treatment, or prevention of disease and the costs for treatments affecting any part or function of the body. They include the costs of equipment, supplies, diagnostic devices, and transportation for needed medical care and payments for medical insurance.

You can deduct only the amount of your medical and dental expenses that is more than 10% (7.5% if you or your spouse were born before January 2, 1949) of your adjusted gross income shown on Form 1040, line 38.

The following list highlights some of the medical expenses you can include in figuring your medical expense deduction.

- Artificial limbs, contact lenses, eyeglasses, and hearing aids.
- The part of the cost of Braille books and magazines that is more than the price of regular printed editions.
- Cost and repair of special telephone equipment for hearing-impaired persons.
- Cost and maintenance of a wheelchair or a three-wheel motor vehicle commercially known as an "autoette."
- Cost and care of a guide dog or other animal aiding a person with a physical disability.
- Costs for a school that furnishes special education if a principal reason for using the school is its resources for relieving a mental or physical disability. This includes the cost of teaching Braille and lip reading and the cost of remedial language training to correct a condition caused by a birth defect.
- Premiums for qualified long-term care insurance, up to certain amounts.
- Improvements to a home that do not increase its value if the main purpose is medical care. An example is constructing entrance or exit ramps.

TIP *Improvements that increase a home's value, if the main purpose is medical care, may be partly included as a medical expense. See Publication 502, Medical and Dental Expenses (Including the Health Coverage Tax Credit).*

Impairment-Related Work Expenses

If you are disabled, you can take a business deduction for expenses that are necessary for you to be able to work. If you take a business deduction for these impairment-related work expenses, they are not subject to the 10% (7.5% if you or your spouse is age 65 or older) limit that applies to medical expenses.

You are disabled if you have:

- A physical or mental disability (for example, blindness or deafness) that functionally limits your being employed; or
- A physical or mental impairment (including, but not limited to, a sight or hearing impairment) that substantially limits one or more of your major life activities,

such as performing manual tasks, walking, speaking, breathing, learning, or working.

Impairment-related expenses defined. Impairment-related expenses are those ordinary and necessary business expenses that are:

- Necessary for you to do your work satisfactorily;
- For goods and services not required or used, other than incidentally, in your personal activities; and
- Not specifically covered under other income tax laws.

See Publication 502.

Tax Credits

This discussion highlights three tax credits which may lower your tax due and may be refundable.

Child and Dependent Care Credit

If you pay someone to care for your dependent under age 13 or your spouse or dependent who is not able to care for themselves, you may be able to get a credit of up to 35% of your expenses. To qualify, you must pay these expenses so you can work or look for work. The care must be provided for:

1. Your qualifying child who is your dependent and who was under age 13 when the care was provided;
2. Your spouse who was not physically or mentally able to care for themselves and lived with you for more than half the year; or
3. A person who was not physically or mentally able to care for themselves, lived with you for more than half the year, and either:
   a. Was your dependent, or
   b. Would have been your dependent except that:
      i. He or she received gross income of $4,000 or more,
      ii. He or she filed a joint return, or
      iii. You, or your spouse if filing jointly, could be claimed as a dependent on someone else's 2015 return.

You can claim the credit on Form 1040 or 1040A. You cannot claim the credit on Form 1040EZ or Form 1040NR-EZ. You figure the credit on Form 2441.

For more information, see the instructions for Form 1040, line 49, or Form 1040A, line 31, and Publication 503, Child and Dependent Care Expenses.

Credit for the Elderly or the Disabled

You may be able to claim this credit if you are a U.S. citizen or a resident alien and either of the following apply.

- You were 65 or older at the end of 2015.
- You were under 65 at the end of 2015, and retired on permanent or total disability.

You can claim the credit on Form 1040 or 1040A. You figure the credit on Schedule R, Credit for the Elderly or the Disabled.

For more information, see the instructions for Form 1040, line 54; Form 1040A, line 32; and Publication 524, Credit for the Elderly or the Disabled.

Earned Income Credit

This credit is for people who work and have a qualifying child or who meet other qualifications. You can get the credit if your adjusted gross income for 2015 is less than:

- $14,820 ($20,330 for married filing jointly) if you do not have a qualifying child,
- $39,131 ($44,651 for married filing jointly) if you have one qualifying child,
- $44,454 ($49,974 for married filing jointly) if you have two qualifying children, or
- $47,747 ($53,267 for married filing jointly) if you have three or more qualifying children.

To figure the credit, use the worksheet in the instructions for Form 1040, 1040A, or 1040EZ. If you have a qualifying child, also complete Schedule EIC, Earned Income Credit, and attach it to your Form 1040 or 1040A. You cannot use Form 1040EZ if you have a qualifying child.

Qualifying child. To be a qualifying child, your child must be younger than you (or your spouse if married filing jointly) and under age 19 or a full-time student under age 24 at the end of 2015, or permanently and totally disabled at any time during 2015, regardless of age.

Earned income. If you are retired on disability, benefits you receive under your employer's disability retirement plan are considered earned income until you reach minimum retirement age. However, payments you received from a disability insurance policy that you paid the premiums for are not earned income.

More information. For more information, including all the requirements to claim the earned income credit, see the instructions for Form 1040, line 66a; Form 1040A, line 42a; Form 1040EZ, line 8a; and Publication 596, Earned Income Credit (EIC).

Household Employers

If you pay someone to work in your home, such as a babysitter or housekeeper, you may be a household employer who has to pay employment taxes.

A person you hire through an agency is not your employee if the agency controls what work is done and how it is done. This control could include setting the fee, requiring regular reports, and providing rules of conduct and appearance. In this case you do not have to pay employment taxes on the amount you pay. But if you control what work is done and how it is done, the worker is your employee. If you possess the right to discharge a worker, that worker is generally considered to be your employee. If a worker is your employee, it does not matter that you hired the worker through an agency or from a list provided by an agency.

To find out if you have to pay employment taxes, see Publication 926, Household Employer's Tax Guide For Wages Paid in 2015.

Business Tax Incentives

If you own or operate a business, or you are looking for work, you should be aware of the following tax incentives for businesses to help persons with disabilities.

- **Deduction for costs of removing barriers to the disabled and the elderly**—This is a deduction a business can take for making a facility or public transportation vehicle more accessible to and usable by persons who are disabled or elderly. See chapter 7 of Publication 535, Business Expenses.
- **Disabled access credit**—This is a nonrefundable tax credit for an eligible small business that pays or incurs expenses to provide access to persons with disabilities. The expenses must be to enable the eligible small business to comply with the Americans With Disabilities Act of 1990. See Form 8826, Disabled Access Credit.
- **Work opportunity credit**—This credit provides businesses with an incentive to hire individuals from targeted groups that have a particularly high unemployment rate or other special employment needs. One targeted group consists of vocational rehabilitation referrals. These are individuals who have a physical or mental disability that results in a substantial handicap to employment. See Form 5884, Work Opportunity Credit.

ABLE Account

Overview. Compare ABLE programs on the websites of state governments to see which program is best suited for you.

- An ABLE account is a tax-favored savings account that can accept contributions for an eligible blind or disabled individual, who is the designated beneficiary and owner of the account. The account is used to provide for qualified disability expenses.
- A designated beneficiary is limited to only one ABLE account at a time (for exceptions, see *Program-to-program transfers* and *Rollovers*, later).
- Earnings in an ABLE account aren't taxed unless a distribution exceeds a designated beneficiary’s qualified disability expenses. A designated beneficiary doesn't include distributions for qualified disability expenses in their income. Qualified disability expenses include any expenses incurred at a time when the designated beneficiary is an eligible individual. The expenses must relate to blindness or disability, including expenses for maintaining or improving health, independence, or quality of life.
- Contributions to an ABLE account are not tax deductible and must be in cash or cash equivalents. Anyone, including the designated beneficiary, can contribute to an ABLE account. An ABLE account is subject to an annual contribution limit and a cumulative balance limit.

Who can establish an ABLE account and what are the requirements? You may establish an ABLE account if your blindness or disability occurred before age 26. As a disabled individual, you may be eligible if either of the following applies.

- You are entitled to benefits based on blindness or disability under Title II or XVI of the Social Security Act, or
- You file a disability certification with your qualified ABLE program, including your diagnosis relating to your relevant impairment or impairments signed by a physician (as defined in section 1861(r) of the Social Security Act). You must certify one of the following.
  ► You have a medically determinable physical or mental impairment which results in marked and severe functional limitations, which (a) can be expected to result in death or (b) lasted or can be expected to last for a continuous period of not less than 12 months; or
  ► You are blind (within the meaning of section 1614(a)(2)) of the Social Security Act.

If you’re unable to establish an ABLE account, your agent, under a power of attorney, or if none, your parent or legal guardian can establish it for you. But only you, the designated beneficiary, can have any interest in the account during your lifetime.

Loss of eligible individual status. If you establish an ABLE account and later cease to be an eligible individual because, for example, your impairment goes into remission, then beginning the first day of the next year no contributions may be accepted by your ABLE account. If you cease to be an eligible individual, then for each taxable year in which you are not an eligible individual, the account will continue to be an ABLE account, and the ABLE account will not be deemed to be distributed. Contributions may resume after the impairment recurs. You should notify your ABLE program of any changes in your eligibility status.

Distributions from your ABLE account during a period you're no longer an eligible individual aren't for qualified disability expenses and therefore are possibly subject to tax. The earnings portion of a distribution (determined under section 72) made from your ABLE account to you when you're no longer an eligible individual may be taxable.

Example. In 2015 Adam is an eligible individual with $2,400 in his ABLE account. $2,000 of this is from contributions, and $400 is earnings. During 2015, Adam's disability goes into remission and he is no longer an eligible individual. In 2016, a distribution of $2,400 is made to Adam from the ABLE account while he is still not an eligible individual. The earnings portion, $400, is included in Adam's gross income after the calculation in *Table 1. Figuring the Taxable Portion of a Distribution*.

Contribution limitation. The total annual contributions to an ABLE account (other than amounts received in rollovers and/or program-to-program transfers) are limited to the annual gift tax exclusion amount ($14,000 for 2015). Also, contributions may not exceed an annual cumulative limit, which is the same as the state's section 529 qualified tuition program limit.

What if more than the annual gift tax exclusion amount is contributed to your ABLE account? If more than the annual gift tax exclusion amount is contributed to your ABLE account, the ABLE program must return to the contributors the excess contributions (amounts over the gift-tax exclusion amount) and the earnings on those contributions. The ABLE program should do this on or before the due date of your income tax return, which is generally April 15 (including extensions), and must notify you of this action.

You're subject to a 6% excise tax on the excess contributions and earnings that aren't returned by the ABLE program to the contributors by the due date (including extensions) of your income tax return. You figure this tax on Form 5329, Part VIII, and file it even if you're not otherwise required to file a federal income tax return.

What if your ABLE account exceeds the cumulative limit? The cumulative limit for an ABLE account is set by each state's ABLE program. If your ABLE account exceeds the cumulative limit, the state's ABLE program will return to the contributors the contributions that caused your account to go over the limit, and notify you of this action by the due date of your income tax return, which is generally April 15 (including extensions).

Distributions. You can take distributions from your ABLE account to pay for any qualified disability expenses such as expenses for maintaining or improving your health, independence, or qualify of life. Qualified disability expenses include those for education, housing, transportation, employment training and support, assistive technology, personal support services, health, prevention and wellness, financial management, administrative services, legal fees, expenses for oversight and monitoring, and funeral and burial expenses.

If distributions from your ABLE account during a year aren't more than your qualified disability expenses for that year, no amount is taxable for that year. If the total amount distributed during a year is more than your qualified disability expenses for that year, the earnings portion of the distribution is included in your income for that year, after the calculation in *Table 1*, next.

Table 1. Figuring the Taxable Portion of a Distribution

$$\frac{\text{The year's total distributions for qualified disability expenses}}{\text{The year's total distributions}} \times \text{Earnings portion of the year's distributions} = \text{Amount nontaxable for the year}$$

Example. On August 2, 2015, Dora's ABLE account has a balance of $2,400; $2,000 is from contributions and $400 is earnings. During 2015, Dora has qualified disability expenses of $1,600, but she receives distributions from her ABLE account totaling $2,400 on August 2, 2015. She figures the nontaxable part of her earnings portion as follows.

$$\frac{\text{Distributions for qualified disability expenses: \$1,600}}{\text{Total distributions: \$2,400}} \times \text{Earnings portion of the year's distributions: \$400} = \text{\$266.67, the nontaxable portion of the earnings}$$

Dora will include the difference of $133.33 ($400 - $266.67) in her gross income for 2015.

The tax on any distribution included in your taxable income is increased by 10%. Figure this tax on Form 5329, Part II, and file it even if you're not otherwise required to file a federal income tax return.

Rollovers, program-to-program transfers, and beneficiary changes. If you need to move your ABLE account to another qualified ABLE program because of a change in residency or to change the designated beneficiary of the account, you can accomplish this through a rollover. If the ABLE program permits, funds can move from one ABLE account to another through a direct program-to program transfer.

Rollover. You don't include in your gross income any amount distributed to you from your ABLE account if it's rolled over within 60 days to another ABLE account established for you or for an eligible family member and no other rollover has been made within the previous 12 months.

Program-to-program transfer. The entire balance of your ABLE account can be transferred by your ABLE program to another ABLE program if, for example, you move from one state to another. You can also have your ABLE program transfer all or part of the balance in your account to an eligible family member. If the entire balance is transferred, your first ABLE account is closed after the transfer is complete. A program-to-program transfer isn't a distribution so you don't include any of the transferred amount in your gross income.

Change of designated beneficiary. Your ABLE program may permit you to change the beneficiary of your ABLE account from yourself to one of your siblings if your sibling is an eligible individual for the tax year in which you make the change. A sibling, whether by blood or by adoption, includes a brother, sister, stepbrother, stepsister, half-brother and half-sister.

New information returns for ABLE accounts. You may receive from your ABLE program the following forms which you can use if you need to file an income tax return.

Form 1099-QA, Distributions from ABLE Accounts. An ABLE program issues this form to you to report all distributions made from your ABLE account.

Form 5498-QA, ABLE Account Contribution Information. An ABLE program issues this form to you annually to report contributions (including rollovers), fair market value of the account, opening of a new account, certification of a qualified account, and your disability code.

If you have any questions about the amounts on these forms, you should contact your ABLE program administrator.

How To Get Tax Help

If you have questions about a tax issue, need help preparing your tax return, or want to download free publications, forms, or instructions, go to IRS.gov and find resources that can help you right away.

Preparing and filing your tax return. Find free options to prepare and file your return on IRS.gov or in your local community if you qualify.

- Go to IRS.gov and click on the Filing tab to see your options.
- Enter "Free File" in the search box to see whether you can use brand-name software to prepare and *e-file* your federal tax return for free.
- Enter "VITA" in the search box, download the free IRS2Go app, or call 1-800-906-9887 to find the nearest Volunteer Income Tax Assistance or Tax Counseling for the Elderly (TCE) location for free tax preparation.
- Enter "TCE" in the search box, download the free IRS2Go app, or call 1-888-227-7669 to find the nearest Tax Counseling for the Elderly location for free tax preparation.

The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make $54,000 or less, persons with disabilities, the elderly, and limited-English-speaking taxpayers who need help preparing their own tax returns. The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors.

Getting answers to your tax law questions. On IRS.gov, get answers to your tax questions anytime, anywhere.

- Go to *www.irs.gov/Help-&-Resources* for a variety of tools that will help you with your taxes.
- Enter "ITA" in the search box on IRS.gov for the Interactive Tax Assistant, a tool that will ask you questions on a number of tax law topics and provide answers. You can print the entire interview and the final response.
- Enter "Pub 17" in the search box on IRS.gov to get Pub. 17, Your Federal Income Tax for Individuals, which features details on tax-saving opportunities, 2015 tax changes, and thousands of interactive links to help you find answers to your questions.
- Additionally, you may be able to access tax law information in your electronic filing software.

Tax forms and publications. You can download or print all of the forms and publications you may need on *www.irs.gov/formspubs*. Otherwise, you can go to *www.irs.gov/orderforms* to place an order and have forms mailed to you. You should receive your order within 10 business days.

Direct Deposit. The fastest way to receive a tax refund is by combining direct deposit and IRS *e-file*. Direct deposit securely and electronically transfers your refund directly into your financial account. Eight in 10 taxpayers use direct deposit to receive their refund. The majority of refunds are received within 21 days or less.

Getting a transcript or copy of a return.

- Go to IRS.gov and click on "Get Transcript of Your Tax Records" under "Tools."
- Call the transcript toll-free line at 1-800-908-9946.
- Mail Form 4506-T or Form 4506T-EZ (both available on IRS.gov).

Using online tools to help prepare your return. Go to IRS.gov and click on the Tools bar to use these and other self-service options.

- The *Earned Income Tax Credit Assistant* determines if you are eligible for the EIC.
- The *Online EIN Application* helps you get an employer identification number.
- The *IRS Withholding Calculator* estimates the amount you should have withheld from your paycheck for federal income tax purposes.
- The *Electronic Filing PIN Request* helps to verify your identity when you do not have your prior year AGI or prior year self-selected PIN available.

- The *First Time Homebuyer Credit Account Look-up* tool provides information on your repayments and account balance.

For help with the alternative minimum tax, go to IRS.gov/AMT.

Understanding identity theft issues.

- Go to *www.irs.gov/uac/Identity-Protection* for information and videos.
- If your SSN has been lost or stolen or you suspect you are a victim of tax-related identity theft, visit *www.irs.gov/identitytheft* to learn what steps you should take.

Checking on the status of a refund.

- Go to *www.irs.gov/refunds*.
- Download the free IRS2Go app to your smart phone and use it to check your refund status.
- Call the automated refund hotline at 1-800-829-1954.

Making a tax payment. The IRS uses the latest encryption technology so electronic payments are safe and secure. You can make electronic payments online, by phone, or from a mobile device. Paying electronically is quick, easy, and faster than mailing in a check or money order. Go to *www.irs.gov/payments* to make a payment using any of the following options.

- *IRS Direct Pay* (for individual taxpayers who have a checking or savings account).
- **Debit or credit card** (approved payment processors online or by phone).
- **Electronic Funds Withdrawal** (available during *e-file*).
- **Electronic Federal Tax Payment System** (best option for businesses; enrollment required).
- **Check or money order**.

IRS2Go provides access to mobile-friendly payment options like IRS Direct Pay, offering you a free, secure way to pay directly from your bank account. You can also make debit or credit card payments through an approved payment processor. Simply download IRS2Go from Google Play, the Apple App Store, or the Amazon Appstore, and make your payments anytime, anywhere.

What if I can't pay now? Click on the "Pay Your Tax Bill" icon on IRS.gov for more information about these additional options.

- Apply for an *online payment agreement* to meet your tax obligation in monthly installments if you cannot pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- An offer in compromise allows you to settle your tax debt for less than the full amount you owe. Use the *Offer in Compromise Pre-Qualifier* to confirm your eligibility.

Checking the status of an amended return. Go to IRS.gov and click on the Tools tab and then *Where's My Amended Return?*

Understanding an IRS notice or letter. Enter "Understanding your notice" in the search box on IRS.gov to find additional information about your IRS notice or letter.

Visiting the IRS. Locate the nearest Taxpayer Assistance Center using the Office Locator tool on IRS.gov. Enter "office locator" in the search box. Or choose the "Contact Us" option on the IRS2Go app and search Local Offices. Before you visit, use the Locator tool to check hours and services available.

Watching IRS videos. The IRS Video portal *www.irsvideos.gov* contains video and audio presentations for individuals, small businesses, and tax professionals. You'll find video clips of tax topics, archived versions of panel discussions and Webinars, and audio archives of tax practitioner phone forums.

Getting tax information in other languages. For taxpayers whose native language is not English, we have the following resources available.

1. Taxpayers can find information on IRS.gov in the following languages.
   a. *Spanish*.
   b. *Chinese*.
   c. *Vietnamese*.
   d. *Korean*.
   e. *Russian*.
2. The IRS Taxpayer Assistance Centers provide over-the-phone interpreter service in over 170 languages, and the service is available free to taxpayers.

The Taxpayer Advocate Service Is Here To Help You

What is the Taxpayer Advocate Service?

The Taxpayer Advocate Service (TAS) is an ***independent*** organization within the Internal Revenue Service that helps taxpayers and protects taxpayer rights. Our job is to ensure that every taxpayer is treated fairly and that you know and understand your rights under the *Taxpayer Bill of Rights*.

What Can the Taxpayer Advocate Service Do For You?

We can help you resolve problems that you can't resolve with the IRS. And our service is free. If you qualify for our assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business,

- You face (or your business is facing) an immediate threat of adverse action, or
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

How Can You Reach Us?

We have offices *in every state, the District of Columbia, and Puerto Rico*. Your local advocate's number is in your local directory and at *www.taxpayeradvocate.irs.gov*. You can also call us at 1-877-777-4778.

How Can You Learn About Your Taxpayer Rights?

The Taxpayer Bill of Rights describes ten basic rights that all taxpayers have when dealing with the IRS. Our Tax Toolkit at *www.taxpayeradvocate.irs.gov* can help you understand *what these rights mean to you* and how they apply. These are ***your*** rights. Know them. Use them.

How Else Does the Taxpayer Advocate Service Help Taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to us at *www.irs.gov/sams*.

Low Income Taxpayer Clinics

Low Income Taxpayer Clinics (LITCs) serve individuals whose income is below a certain level and need to resolve tax problems such as audits, appeals, and tax collection disputes. Some clinics can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. To find a clinic near you, visit *www.irs.gov/litc* or see IRS Publication 4134, *Low Income Taxpayer Clinic List*.