

Tutorial/Scenario 3

In this Scenario you will practice the following:

- Select filing status
- Report health coverage
- Complete Schedule B,D,A

Average Time
25 Minutes

Taxpayer Profile:

Name: Mary E Wilson

SSN: 302-55-8765

Birth date: 01/21/1953

Address: 89 Cowen Way, Cave Spring, GA 30124

Primary Phone Number: (706) 555-3003

Occupation: Production Manager

Dependent/s information:

Name: Hunter Wilson

SSN: 623-55-4321

Birth date: 09/06/2006

Relationship: Grand daughter

Additional information

- *Mary is single head of house hold, and has one dependent her granddaughter for whom she is the legal guardian*
- *Mary received health insurance through her employer for the entire year.*
- *Marry owns stocks*
- *Mary wants to E-file the return preparation fees deducted from his refund and to receive his refund directly put into her bank*

Answer Check:

Federal refund:	\$2,065
------------------------	---------

- *Page 2 shows the source documents to be used for the preparation of this return.*
- *Page 3-16 provides step by step instructions on how to complete this return.*

Available documentation

W-2, Stocks, 8962, Dependent information, Schedule A, B and D Information

Dependent care information:

- Paid dependent care expenses: **\$1500**
- Child care provider name: **Little Wonders.**
- ID Number: **45-6987651**
- Address: **2525 Old Danton Road, Cave Spring GA, 30124.**

Form W-2 Wage and Tax Statement		2015	Department of the Treasury—Internal Revenue Service	
a Employee's social security number 303-55-8765		OMB No. 1545-0008 This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.		
b Employer identification number (EIN) 03-2587691		1 Wages, tips, other compensation 40635	2 Federal income tax withheld 3865	
c Employer's name, address, and ZIP code SOUTHEASTERN MILLS 700 OLD LINDALE ROAD ROME GA 30161		3 Social security wages 40635	4 Social security tax withheld 2519	
		5 Medicare wages and tips 40635	6 Medicare tax withheld 589	
		7 Social security tips	8 Allocated tips	
d Control number		9	10 Dependent care benefits	
e Employee's first name and initial MARY E		Last name WILSON		Suff. 11 Nonqualified plans
89 COWEN WAY CAVE SPRING GA 30124		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12a See instructions for box 12
		14 Other <input type="checkbox"/>		12b
				12c
				12d

Schedule A information:

Medical and dental expenses:

- Amount Paid to Doctors, Dentist, Eye Doctor: **\$650**
- Prescription Medicine, Drugs or Insulin: **\$1350**
- X ray, Lab work, Insulin Treatment etc: **\$2500**
- Hospital care including meals and lodging: **\$2200**
- Medical miles Driven: **(525 miles) \$121**

Taxes you paid

- Real State Taxes(non-Business Property: **\$1320**

Mortgage or Interest you Paid

- Mortgage Int & Points (Form 1098) :**\$1754**
- Qualified mortgage Insurance Premium :**\$900**

Gifts to Charity

- Cash contribution: **\$975**

Schedule B information:

- Type of Transaction: **Regular interest**
- Payer's name: **Cherokee Bank**
- Interest amount: **\$321**

Schedule D information: Capital Gains or Losses

Description: WWW (Stock Tic)

- 1099- B not received
- Date Acquired: **05/01/2000**
- Date Sold: **06/01/2015**
- Sales Price: **\$100**
- Cost: **\$250**

Description: MAC

- 1099- B not received
- Date Acquired: **01/01/2015**
- Date Sold: **10/01/2015**
- Sales price: **\$800**
- Cost: **\$1100**

Description: COM

- 1099- B not received
- Date Acquired: **06/30/2005**
- Date Sold: **12/01/2015**
- Sales price: **\$55**
- Cost: **\$50**

Description: JUS

- 1099- B not received
- Date Acquired: **01/01/2015**
- Date Sold: **12/31/2015**
- Sales price: **\$300**
- Cost: **\$200**

Form 8962 <small>Department of the Treasury Internal Revenue Service</small>	Premium Tax Credit (PTC) <small>► Attach to Form 1040, 1040A, or 1040NR. ► Information about Form 8962 and its separate instructions is at www.irs.gov/form8962.</small>	<small>OMB No. 1545-0074</small> <div style="font-size: 2em; font-weight: bold; text-align: center;">2015</div> <small>Attachment Sequence No. 73</small>
<small>Name shown on your return</small> MARY E WILSON		<small>Your social security number</small> 303-55-8765
<small>You cannot claim the PTC if your filing status is married filing separately unless you are eligible for an exception (see instructions). If you qualify, check the box.</small> <input type="checkbox"/>		
Part I Annual and Monthly Contribution Amount		
1 Tax family size. Enter the number of exemptions from Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d		1 2
2a Modified AGI. Enter your modified AGI (see instructions)	2a 40611	b Enter the total of your dependents' modified AGI (see instructions)
3 Household income. Add the amounts on lines 2a and 2b		3 40611
4 Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3 (see instructions). Check the appropriate box for the federal poverty table used. a <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input checked="" type="checkbox"/> Other 48 states and DC		4 15730
5 Household income as a percentage of federal poverty line (see instructions)		5 258%
6 Did you enter 401% on line 5? (See instructions if you entered less than 100%.) <input checked="" type="checkbox"/> No. Continue to line 7. <input type="checkbox"/> Yes. You are not eligible to receive PTC. If advance payment of the PTC was made, see the instructions for how to report your excess advance PTC repayment amount.		
7 Applicable Figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions		7 0.0833
8a Annual contribution amount. Multiply line 3 by line 7	8a 3383	b Monthly contribution amount. Divide line 8a by 12. Round to whole dollar amount
		8b 282

Part II Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit							
9 Are you allocating policy amounts with another taxpayer or do you want to use the alternative calculation for year of marriage (see instructions)? <input type="checkbox"/> Yes. Skip to Part IV, Shared Policy Allocation, or Part V, Alternative Calculation for Year of Marriage. <input checked="" type="checkbox"/> No. Continue to line 10.							
10 See the instructions to determine if you can use line 11 or must complete lines 12 through 23. <input checked="" type="checkbox"/> Yes. Continue to line 11. Compute your annual PTC. Then skip lines 12–23 and continue to line 24. <input type="checkbox"/> No. Continue to lines 12–23. Compute your monthly PTC and continue to line 24.							
Annual Calculation	(a) Annual enrollment premiums (Form(s) 1095-A, line 33A)	(b) Annual applicable SLCSP premium (Form(s) 1095-A, line 33B)	(c) Annual contribution amount (line 8a)	(d) Annual maximum premium assistance (subtract (c) from (b), if zero or less, enter -0-)	(e) Annual premium tax credit allowed (smaller of (a) or (d))	(f) Annual advance payment of PTC (Form (s) 1095-A, line 33C)	
11 Annual Totals	281	281	3383			281	
Monthly Calculation	(a) Monthly enrollment premiums (Form(s) 1095-A, lines 21–32, column A)	(b) Monthly applicable SLCSP premium (Form (s) 1095-A, lines 21–32, column B)	(c) Monthly contribution amount (amount from line 8b or alternative marriage monthly contribution)	(d) Monthly maximum premium assistance (subtract (c) from (b), if zero or less, enter -0-)	(e) Monthly premium tax credit allowed (smaller of (a) or (d))	(f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21–32, column C)	
12 January							
13 February							
14 March							
15 April							
16 May							
17 June							
18 July							
19 August							
20 September							
21 October							
22 November							
23 December							
24 Total premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here						24	
25 Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here						25	281
26 Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27						26	
Part III Repayment of Excess Advance Payment of the Premium Tax Credit							
27 Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here						27	281
28 Repayment limitation (see instructions)						28	1500
29 Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44						29	281
For Paperwork Reduction Act Notice, see your tax return instructions.							
QNA							
Form 8962 (2015)							

Tutorial #3

Tutorial #3 Objective:

Once you have completed this tutorial you will know how to:

Complete Forms: 1040, EIC, Schedule A, Schedule B, Schedule D, 2441, 1095-A, 8962 and E-file with a bank account.

ENTER ALL CLIENT DATA

Note: Please refer to tutorial 1 and 2 to learn how to enter client information, W-2, dependent information and 1095-A.

1. Enter Taxpayer information
2. Enter Dependant information presented on page 2
3. When done entering dependant information click continue for the next step.

After entering the Taxpayer and dependent information we will continue to the federal section and begin inputting the taxpayer income

INCOME ENTRY - ENTER ALL INCOME ITEMS

1. Begin entering W2 information. At this point forms navigation should not be a challenge.
2. Refer to page 2 to enter W-2 information, scroll down to enter to enter wages.

3. On the income Menu click on **Interest and Dividends (1099-INT, 1099-DIV)**8. Click on interest and Dividends

4. Select Divided income, Form 1099-DIV,box 1 and click continue.

ftware \$2,065 Federal Refund N/A Refund Amount Help

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Interest and Dividend Income

Interest or Dividend Income EDIT

Did you earn interest from a bank in a foreign country? BEGIN

Exclusion of Interest from Series EE & I US Savings Bonds BEGIN

Continue

\$2,065 Federal Refund N/A Refund Amount

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

1099 Description Schedule B

Choose the type of Interest or Dividend item you want to enter:

- ☐ Interest Income, Form 1099-INT
- ☐ Tax Exempt Interest Income, Form 1099-INT, Box 8 or Form 1099-DIV, Box 10
- ☐ Dividend Income, Form 1099-DIV, Box 1
- ☐ Seller Financed Interest Income

5. The Dividend Income (Form 1099-DIV)(Schedule B) page will appear, refer to page 2 to input the information, click continue when finished.

6. Click continue until you are into the income menu. click **BEGIN** on Capital Gain and Losses D (Schedule D).

Pro Tax Software \$2,346 Federal Refund N/A Refund Amount Help

Mary Wilson Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Enter the Form Number..

- Basic Information
- Federal Section
- Health Insurance
- State Section
- Summary/Print
- e-File
- 2015 Amended Return
- Save & Exit Return
- Scanned Documents

Enter your Dividend Income (Form 1099-DIV)

Type of transaction: **Dividend Income**

Payer's Name: **Cherokee Bank**

Ordinary Dividends (Box 1a) 321

Qualified Dividends (amount of ordinary dividends that are considered qualified) (Box 1b) \$

Capital Gain to Schedule D (Box 2a) \$

Unrecaptured Section 1250 Gain (Box 2b) \$

Section 1202 Gain (Box 2c) \$

Collectibles (28%) Gain (Box 2d) \$

Nondividend Distributions (Box 3) \$

Federal Income Tax Withheld (Box 4) \$

Foreign Tax Withheld (Box 6) \$

Nominee Dividend \$

Amount of Interest on U.S. Savings Bonds and Treasury obligations that you want subtracted from your state return \$

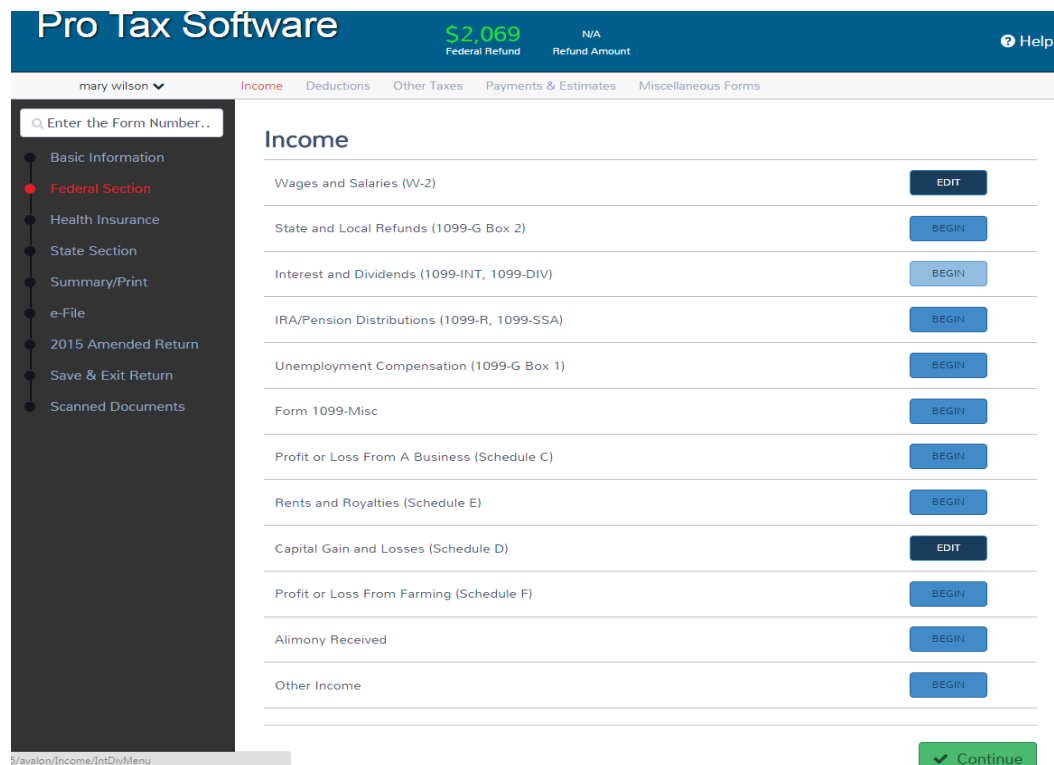
Please select your state: - Please Select -

Cancel Continue

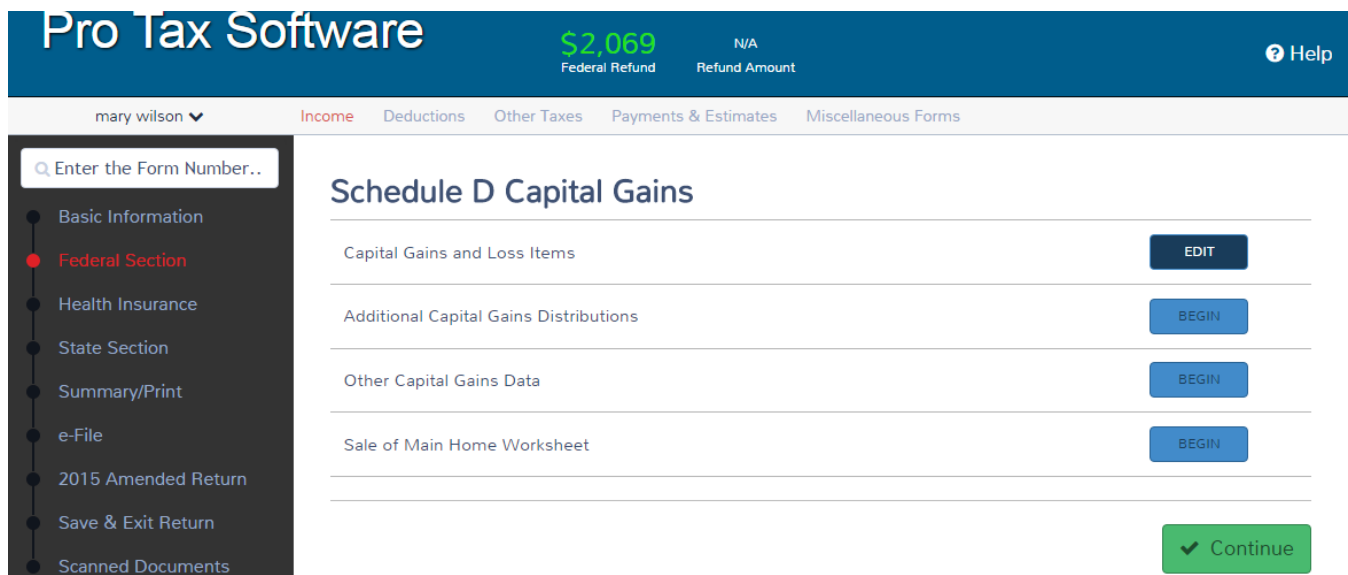
7. Quick Check Point: Your Refund amount should reflect \$2065.00. This will obviously change but based on current inputs your numbers should match ours!

8. Return to the income menu and we will begin to enter Capital Gains and Loss Items.

9. Refer to page 2 to find the information for our capital gains entries. We have 4 entries in this section. entering information click save and enter another. Please reference the images below to complete this task



The screenshot shows the 'Income' section of the Pro Tax Software interface. The top header is blue with 'Pro Tax Software' on the left, '\$2,069 Federal Refund' and 'N/A Refund Amount' in the center, and a 'Help' icon on the right. Below the header is a navigation bar with 'mary wilson' and tabs for 'Income', 'Deductions', 'Other Taxes', 'Payments & Estimates', and 'Miscellaneous Forms'. A left sidebar contains a search bar and a list of menu items: 'Basic Information', 'Federal Section' (highlighted with a red dot), 'Health Insurance', 'State Section', 'Summary/Print', 'e-File', '2015 Amended Return', 'Save & Exit Return', and 'Scanned Documents'. The main area is titled 'Income' and lists various income sources with corresponding buttons: 'Wages and Salaries (W-2)' (EDIT), 'State and Local Refunds (1099-G Box 2)' (BEGIN), 'Interest and Dividends (1099-INT, 1099-DIV)' (BEGIN), 'IRA/Pension Distributions (1099-R, 1099-SSA)' (BEGIN), 'Unemployment Compensation (1099-G Box 1)' (BEGIN), 'Form 1099-Misc' (BEGIN), 'Profit or Loss From A Business (Schedule C)' (BEGIN), 'Rents and Royalties (Schedule E)' (BEGIN), 'Capital Gain and Losses (Schedule D)' (EDIT), 'Profit or Loss From Farming (Schedule F)' (BEGIN), 'Alimony Received' (BEGIN), and 'Other Income' (BEGIN). A green 'Continue' button is at the bottom right.



The screenshot shows the 'Schedule D Capital Gains' section of the Pro Tax Software interface. The top header is blue with 'Pro Tax Software' on the left, '\$2,069 Federal Refund' and 'N/A Refund Amount' in the center, and a 'Help' icon on the right. Below the header is a navigation bar with 'mary wilson' and tabs for 'Income', 'Deductions', 'Other Taxes', 'Payments & Estimates', and 'Miscellaneous Forms'. A left sidebar contains a search bar and a list of menu items: 'Basic Information', 'Federal Section' (highlighted with a red dot), 'Health Insurance', 'State Section', 'Summary/Print', 'e-File', '2015 Amended Return', 'Save & Exit Return', and 'Scanned Documents'. The main area is titled 'Schedule D Capital Gains' and lists various capital gains entries with corresponding buttons: 'Capital Gains and Loss Items' (EDIT), 'Additional Capital Gains Distributions' (BEGIN), 'Other Capital Gains Data' (BEGIN), and 'Sale of Main Home Worksheet' (BEGIN). A green 'Continue' button is at the bottom right.

Capital Gains Transaction

Description of Property

Date Acquired:

MM ▾

DD ▾

YYYY ▾

☐ * **Alternate Option:** If Date Acquired is not known, leave the date blank and select an option here

Date Sold:

MM ▾

DD ▾

YYYY ▾

☐ * **Alternate Option:**

☐ Check here if a short sale.

Sales Price

\$

☐ * **Alternate Option:** If Sale Price is Expired, leave the sales price blank and select an option here

Select cost basis type

- Please Select - ▾

Cost

\$

☐ * **Alternate Option:** If Cost is Expired, leave the cost blank and select an option here

Enter any necessary adjustments to Gain or Loss

NOTE: If this entry is to be shown as a loss, please enter a negative sign before the number.

\$

If you entered an adjustment amount above, please select the adjustment explanation

- Select if Applicable - ▾

Is this a Collectible Exchange?

☐ Check if 'YES'

10. When done entering all Schedule D information click continue until you are back into the income menu. At this point we should have entered all of our income items.

=====

=====

DEDUCTIONS ENTRY - Next is the deduction menu, click Enter Myself to continue to the deductions menu.

ftware

\$2,065

Federal Refund

N/A

Refund Amount

?

 Help

Income

Deductions

Other Taxes

Payments & Estimates

Miscellaneous Forms

Let's see how we can cut your tax bill

Here's a reason to smile. You may be able to get tax deductions for education costs, child care, charitable contributions and more. Follow our step-by-step guide to ensure accurate entry of your tax deductions. Or, enter the information on your own if you are familiar with the forms.

Guide Me

-OR-

Enter Myself

< Back

✓ Skip Deductions

1. Refer to page 3 for the information on where to enter itemized deductions.

ftware

\$2,065

Federal Refund

N/A

Refund Amount

?

 Help

Income

Deductions

Other Taxes

Payments & Estimates

Miscellaneous Forms

Deductions

Adjustments

BEGIN

Standard Deduction

BEGIN

Itemized Deductions

EDIT

Credits Menu

EDIT

Compare Deductions

BEGIN

✓ Continue

Itemized Deductions

Use Standard or Itemized Deduction	BEGIN
Medical and Dental Expenses	EDIT
Taxes You Paid	EDIT
Mortgage Interest and Expenses	EDIT
Gifts to Charity	EDIT
Unreimbursed Employee Business Expense	BEGIN
Job-Related Travel Expenses (Form 2106)	BEGIN
Miscellaneous Deductions	BEGIN
Less Common Deductions	BEGIN
<div> Continue </div>	

- Click continue until you are in the Deductions menu. in the Deductions menu click begin in the credits menu.

ftware

\$2,065

Federal Refund

N/A

Refund Amount

Help

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Deductions

3. In the credits menu Click begin in the Child Care Credit (Form 2441)

ftware

\$2,065

Federal Refund

N/A

Refund Amount

Help

[Income](#) [Deductions](#) [Other Taxes](#) [Payments & Estimates](#) [Miscellaneous Forms](#)

Credits

Foreign Tax Credit (Form 1116)	BEGIN
Child Care Credit (Form 2441)	EDIT
Education Credits (Form 1098-T)	BEGIN
Retirement Savings Credit (Form 8880)	BEGIN
Residential Energy Credit (Form 5695)	BEGIN
Adoption Credit (Form 8839)	BEGIN
DC First-Time Homebuyer Credit (Form 8859)	BEGIN
Mortgage Interest Credit (Form 8396)	BEGIN
Earned Income Credit (Form 8862)	BEGIN
Credit for the Elderly or Disabled (Schedule R)	BEGIN
Alternative Motor Vehicle Credit (Hybrid Cars, Form 8910)	BEGIN
Qualified Electric Motor Vehicle Credit (Form 8936)	BEGIN
Small Employer Health Insurance Premiums (Form 8941)	BEGIN

4. Child care page-1 will appear in the Step-1 child care providers click ADD in the child care provider.

ftware

\$1,735

Federal Refund


N/A

Refund Amount

Help

IncomeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

F2441 - Child Care Credit - Page 1



The 2441 covers expenses paid for child care. The amount paid to the provider(s) of the child care must equal the total expenses of the dependents and any qualified person not listed on the return as a dependent. If the totals do not balance out to a difference of \$0, then there is a risk of rejection of the return.

Total Expenses		\$0.00
Total Amount Paid To Providers	-	\$0.00
<hr/>		
Difference	-	\$0.00

- Step 1 - Child Care Providers

Child Care Providers

Enter the required information about the child care provider you paid to care for your dependents and qualified persons. Once you have entered all providers, continue to Step 2 - Dependents.

Provider	ID Number	Amount
<div>+ Add</div>	Add a Child Care Provider	

+ Step 2 - Dependents

+ Step 3 - Qualifying Persons

Cancel

Continue To Page 2

5. Refer to page 3 to fill out Form 2441-child care provider information.

ftware

\$1,735
Federal Refund

N/A
Refund Amount

Help

IncomeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

Form 2441 - Child Care Provider Information

Basic Provider Information

Please select if ID Number is a SSN, ITIN, or EIN

☐ SSN/ITIN

☒ EIN

Provider's ID Number
(SSN, ITIN, or EIN)

Provider's Name

Provider's Address

☐ Check here if foreign address

Address (Number and Street)

Zip Code

City, Town, or Post Office

State

- Please Select -

☐ Check here if provider is Tax Exempt

☐ Check here if you were living abroad and used a foreign care provider

Amount Paid to Provider for Child Care

\$

Hawaii Tax ID Number
Enter the 8 or 10 digit number (numbers only)

Provider's Phone Number

(

)

-

* You MUST provide a phone number if you intend to file a CALIFORNIA state return.

6. When finished scroll down and click continue.

7. In the child care credit click on step 2-dependents and click edit.

ftware

\$1,735

Federal Refund


N/A

Refund Amount

Help

IncomeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

F2441 - Child Care Credit - Page 1



The 2441 covers expenses paid for child care. The amount paid to the provider(s) of the child care must equal the total expenses of the dependents and any qualified person not listed on the return as a dependent. If the totals do not balance out to a difference of \$0, then there is a risk of rejection of the return.

Total Expenses		\$0.00	
Total Amount Paid To Providers	-	\$0.00	
<hr/>			
Difference	-	\$0.00	
<hr/>			
Dependent's Name	Social Security Number	Qualifying Expenses	
Hunter Wilson	623-55-4321	\$0.00	<div>EditDelete</div>

8. Enter qualifying expenses and click continue.

ftware

\$1,735

Federal Refund

N/A

Refund Amount

Help

IncomeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

Form 2441 - Qualifying Dependent Expenses

Amount Paid
Hunter Wilson

1500


Cancel

Continue

9. In the Child care credit continue to page 2.

omeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

F2441 - Child Care Credit - Page 1



The 2441 covers expenses paid for child care. The amount paid to the provider(s) of the child care must equal the total expenses of the dependents and any qualified person not listed on the return as a dependent. If the totals do not balance out to a difference of \$0, then there is a risk of rejection of the return.

Total Expenses		\$0.00
Total Amount Paid To Providers	-	\$0.00
Difference	-	\$0.00

+ Step 1 - Child Care Providers

- Step 2 - Dependents

Dependents

Dependents entered on your return are pulled and listed below. Enter the total annual qualifying expenses paid for each dependent listed below. If you have qualified expenses for a qualifying person not listed below, continue to step 3.

Dependent's Name	Social Security Number	Qualifying Expenses	
Hunter Wilson	623-55-4321	\$0.00	<div>EditDelete</div>

+ Step 3 - Qualifying Persons

Cancel

Continue To Page 2

15

10. Click continue until you are in the deductions menu.

ftware

\$2,065
Federal Refund

N/A
Refund Amount

Help

IncomeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

F2441 - Child Care Credit - Page 2

What is this page for?

The Credit for Dependent Care Expenses is for individuals who paid for child care so that they could work. For this credit to calculate, the Taxpayer and the Spouse, if applicable, must each have earned income. There are exceptions to the rule for disabled or full-time students who were unable to work. Complete the "Addition to Income" section below for the appropriate non-working spouse for the purpose of calculating this credit only.

*NOTE: Any amounts entered here are **only** used for the purposes of figuring this credit. It will not be added to your total income on your tax return.

Additions to Income for Taxpayer for this credit

NOTE: If the taxpayer was a full-time student or disabled, enter any additional income.

Figuring the amount to enter:

Step 1: Figure out how many months you were a student (or disabled) and did not work. Do not include any month in which both you and your spouse (if applicable) were both students.

Step 2: If you have just one qualifying child that you paid expenses for, multiply the number of months you figured in Step 1 by \$250. If you have more than one qualifying child, multiply the number of months by \$500. The result is what you should report as Additional Income for Taxpayer.

Additional Income for Taxpayer for purposes of this credit

\$

Benefits (Do not enter an amount from your W-2)

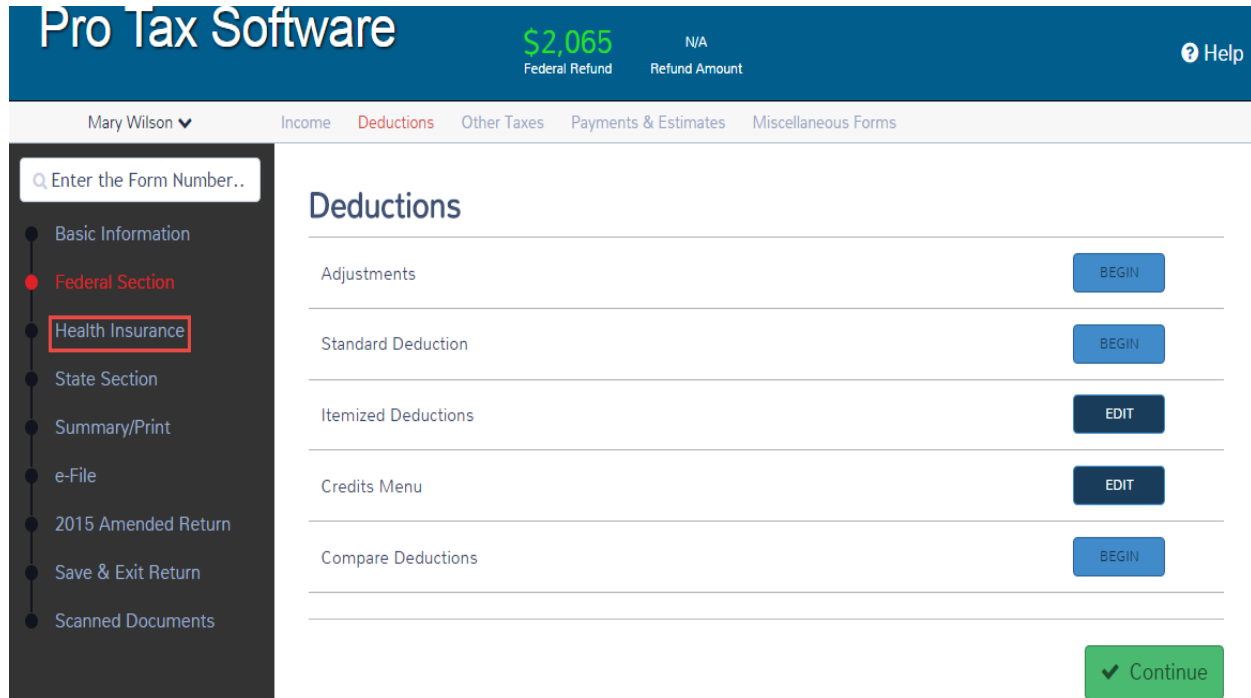
Employer-paid Dependent Care Benefits	\$
Forfeited Employer-paid Benefits	\$
Benefits Received from Sole Proprietorship or Partnership	\$

Cancel

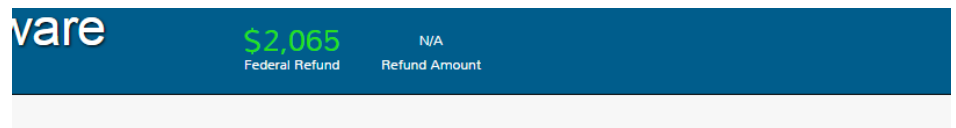
Continue

HEALTH INSURANCE SECTION:

1. Select the health Insurance Menu option on the left hand side as depicted in the image below.
2. In the Health insurance Questionnaire click yes and click continue.



The screenshot shows the 'Pro Tax Software' interface. At the top, a blue header bar displays 'Pro Tax Software' on the left, '\$2,065 Federal Refund' and 'N/A Refund Amount' in the center, and a 'Help' icon on the right. Below the header, a navigation bar shows 'Mary Wilson' with a dropdown arrow, followed by tabs for 'Income', 'Deductions' (highlighted in red), 'Other Taxes', 'Payments & Estimates', and 'Miscellaneous Forms'. On the left side, a dark sidebar contains a search bar 'Enter the Form Number..' and a list of menu items: 'Basic Information', 'Federal Section' (highlighted with a red dot), 'Health Insurance' (highlighted with a red box), 'State Section', 'Summary/Print', 'e-File', '2015 Amended Return', 'Save & Exit Return', and 'Scanned Documents'. The main content area is titled 'Deductions' and lists several options with corresponding buttons: 'Adjustments' (BEGIN), 'Standard Deduction' (BEGIN), 'Itemized Deductions' (EDIT), 'Credits Menu' (EDIT), and 'Compare Deductions' (BEGIN). A green 'Continue' button with a checkmark is located at the bottom right of the 'Deductions' section.



This block shows a partial view of the software's header, displaying 'Pro Tax Software' on the left, '\$2,065 Federal Refund' and 'N/A Refund Amount' in the center, and a 'Help' icon on the right.

3. Based on the information in the taxpayer profile, select yes and click continue.

Health Insurance Questionnaire

Did you or your family have health insurance at any time in 2015? ☒ Yes ☐ No

Below are some examples of healthcare plans that may be purchased or qualify as a purchased plan under the Affordable Care Act.

- ✦ A private plan purchased from a health insurance company
- ✦ An employer-sponsored health insurance plan or insurance through your work, spouse's work or parent's work
- ✦ A university or college where you are enrolled
- ✦ Your parent's health insurance plan if you're under age 26
- ✦ A State Medicaid program
- ✦ State high-risk pools for plan or policy years
- ✦ The Children's Health Insurance Program (CHIP) in your state
- ✦ Medicare
- ✦ Veteran's Administration (VA), CHAMPVA, or Tricare
- ✦ A former employer's retirement program
- ✦ A union you belong to
- ✦ The Peace Corps
- ✦ COBRA
- ✦ Refugee Medical Assistance (RMA)
- ✦ The Nonappropriated Fund Health Benefit Program

Health Insurance Questionnaire

Did you purchase health insurance via HealthCare.gov or a State Marketplace?

☒ Yes ☐ No

< Back

✓ Continue

4. Select continue.

Verify Your Household Members

If there are additional household members that are listed as a dependent, click the "Dependents" button below. If you have additional family members that are neither a spouse nor a dependent, click "Add a New Member."

First Name	Last Name	SSN	Date of Birth
Mary	Wilson	302-55-8765	1/21/1973
Hunter	Wilson	623-55-4321	9/6/2006

+ Dependents

+ Add a New Member

< Back

✓ Continue

5. select yes and click continue.

Months Insured

Was your entire household insured for all 12 months of 2015?

Yes

< Back

✓ Continue

6. Refer to page four for source information.

ftware

\$2,065

Federal Refund

N/A

Refund Amount

Help

Advanced Premium Tax Credit (1095-A)

Did you receive a 1095-A statement or any Premium Tax Credits to assist you in paying for your health care for 2015?

Yes

Do all Forms 1095-A include coverage for January through December, with no changes in monthly amounts?

Yes

Please enter your annual Advance Premium Tax Credit information

Premium Amount (Form 1095-A, line 33A)	\$281
Annual Premium Amount of SLCSP (Form 1095-A, line 33B)	\$281
Annual Advance Payment of PTC (Form 1095-A, line 33C)	\$281

Back

Continue

7. when done click continue.
8. Complete the remainder of the return as previously instructed in tutorials 1 and 2.

Congratulations you have finished tutorial number 3!

Tutorial/Scenario 4

In this Scenario you will practice the following:

- Select filing status
- Claim Earned Income Credit
- Report health coverage
- Complete Schedule A, E

Average Time
25 Minutes

Taxpayer Profile:

Name: Mark Whitmore

SSN: 204-55-2004

Birth date: 06/15/1974

Address: 89 Cowen Way, Cave Spring, GA 30124

Primary Phone Number: (706) 555-3003

Occupation: Production Manager

Spouse Info:

Name: Miranda Whitmore

SSN: 404-55-2004

Birth date: 10/11/1979

Occupation: administrative assistant

Dependent/s information:

Name: Samantha Whitmore

SSN: 424-55-2004

Birth date: 05/16/2004

Relationship: Daughter

Additional information

- Mark is married filing jointly, and have one dependent.
- Mark received health insurance through his employer for the entire year.
- Mark wants to E-file the return preparation fees deducted from his refund and to receive his refund directly put into his bank account.

Answer Check:

Federal refund:	\$5,863
------------------------	---------

- Page 2 shows the source documents to be used for the preparation of this return.
- Page 3-6 provides step by step instructions on how to complete this return.

Available Documentation:

W-2

Schedule A information

Schedule E information.

Schedule A

Form W-2 Wage and Tax Statement		2015		Department of the Treasury — Internal Revenue Service	
a Employee's social security number		404-55-2004		OMB No. 1545-0008	
b Employer identification number (EIN)		02-4556423		This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.	
c Employer's name, address, and ZIP code		BROOKS BARNUM AND SAMPSON LEGAL SER 6312 EAST 2ND STREET ROME GA 30161		1 Wages, tips, other compensation 22465	
		3 Social security wages 22465		2 Federal income tax withheld 1976	
		5 Medicare wages and tips 22465		4 Social security tax withheld 1393	
		7 Social security tips		6 Medicare tax withheld 326	
d Control number		9		8 Allocated tips	
e Employee's first name and initial		MIRANDA		10 Dependent care benefits	
Last name		WHITMORE		11 Nonqualified plans	
13 SPRING STREET ROME GA 30165		14 Other		12a See instructions for box 12	
f Employee's address and ZIP code		15 State		12b	
GA		124123456		12c	
		16 State wages, tips, etc. 22465		12d	
		17 State income tax 1426			
		18 Local wages, tips, etc.			
		19 Local income tax			
		20 Locality name			

Taxes You Paid:

- Real State: \$1426

Schedule E:

Type of property: Multi-Family Residence.

Location: 2216 Huffaker Road. Cave Spring, GA 30124

Fair Rental Days: 360

Personal use only: 0

Rental Income: \$11250

Expenses: Utilities> \$5000 Cleaning> \$293

Type of property: Single-Family Residence.

Location: 8 Mongolia Lane Cave Spring, GA 30124

Fair Rental Days: 300

Personal use only: 0

Rental Income: \$7125

Expenses: Utilities> \$9000 Cleaning> \$725

Override Deductible Loss: \$2600

Tutorial #4

Tutorial #4 Objective:

Once you have completed this tutorial you will know how to:

Complete Forms: 1040, EIC, Schedule E, and E-file with a bank account.

ENTER ALL CLIENT DATA

Note: *This tutorial begins after entering client information (personal info, spouse, dependent, income)*

INCOME ENTRY - ENTER ALL INCOME ITEMS

Note: Please refer to tutorial #1 to learn how to enter client information and W-2.

1. In the income menu click Begin in the Rents and royalties (Schedule E)

Income	Deductions	Other Taxes	Payments & Estimates	Miscellaneous Forms
--------	------------	-------------	----------------------	---------------------

Income	
Wages and Salaries (W-2)	EDIT
State and Local Refunds (1099-G Box 2)	BEGIN
Interest and Dividends (1099-INT, 1099-DIV)	BEGIN
IRA/Pension Distributions (1099-R, 1099-SSA)	BEGIN
Unemployment Compensation (1099-G Box 1)	BEGIN
Form 1099-Misc	BEGIN
Profit or Loss From A Business (Schedule C)	BEGIN
Rents and Royalties (Schedule E)	EDIT

2. Continue.

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Schedule E Required Information

☐ Check here if you made any payments in 2015 that would require you to file Form(s) 1099.

3. Schedule EE will appear refer to page 3 to enter information. when finished click continue and click add to enter second Rent and royalty information.

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Schedule E Rent and Royalty Information

Type

Description

Address

☐ Check here if foreign address

Address (Number and Street)

Zip Code -

City, Town, or Post Office

State

☐ Check if personal use

Percent of ownership %

Rental payments received

Refunds, Returns and Allowances

Enter the number of days the property was rented at fair rental value

Enter the number of days the property was used for personal purposes

☐ Check here if you are you a member of a Qualified Joint Venture

☐ Check if you actively participated

☐ Check here if you are a real estate professional or sold or disposed of the property this year
(This will allow ALL losses).

4. When done, click continue. Click **Begin** that is besides expenses

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Schedule E Rentals and Royalties

Currently Editing: house

Rent and Royalty Basic Information	EDIT
Depreciation	BEGIN
Expenses	BEGIN
Car and Truck Expenses	BEGIN

Continue

5. Refer to page 3 to for expense detail.

ftware \$2,063 Federal Refund N/A Refund Amount ? Help

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Schedule E Rental/Royalty Expense

Advertising	\$
Travel	\$
Cleaning	\$
Commission	\$
Insurance	\$
Legal Fees	\$
Management Fees	\$

5. When done click continue until you are in the Schedule E Rental/Royalty menu and click Add.

Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Schedule E Rental/Royalty

Description	Address (Number and Street)	Amount		
house	2216 huffaker road	\$11,250.00	Edit	Delete

+ Add Add Another

Continue

6. Repeat steps 2 and 6 to enter second property. when done click continue until you are in the income menu.

=====

ITEMIZED DEDUCTIONS ENTRY - Next is the deduction menu, click Enter Myself to continue to the deductions menu.

Schedule A

1. In the income Menu click continue to enter the deductions menu then click enter myself
2. In the deductions menu Click begin in the itemized deductions.
3. Refer to tutorial 3 on how to enter Schedule A. When done click continue.

The screenshot shows the top navigation bar of a tax software interface. The bar is dark blue with the word "ftware" in white on the left. In the center, it displays "\$5,863 Federal Refund" in green and "N/A Refund Amount" in white. On the right, there is a "Help" icon and text. Below the navigation bar is a horizontal menu with options: "Income", "Deductions" (highlighted in red), "Other Taxes", "Payments & Estimates", and "Miscellaneous Forms". The main content area is titled "Deductions" in a large, bold, dark blue font. Below this title is a table with five rows, each representing a different deduction category. The first four rows have a "BEGIN" button, and the fifth row has a "CONTINUE" button. The "Itemized Deductions" row has a dark blue "EDIT" button instead of a "BEGIN" button. The "Compare Deductions" row has a "BEGIN" button. At the bottom right of the table, there is a green "Continue" button with a checkmark icon.

Deductions	
Adjustments	BEGIN
Standard Deduction	BEGIN
Itemized Deductions	EDIT
Credits Menu	BEGIN
Compare Deductions	BEGIN
Continue	

=====

Health insurance

1. Click health insurance on
2. Answer yes and click continue then answer yes on the second question.
3. The House hold members page will appear, click continue.
4. A Question "*Was your entire household insured for all 12 months of 2015?*" select yes. and click continue.

Note: For this practice return we are not going to select a state.

E-file

1. click E-file on the left hand corner then click continue.

2. The 8867 EIC Checklist will populate. Answer questions as shown below. when done click continue.
- click continue again

Pro Tax Software

\$5,863
Federal Refund

N/A
Refund Amount

Help

Mark Whitmore

IncomeDeductionsOther TaxesPayments & EstimatesMiscellaneous Forms

Enter the Form Number..

Basic Information

Federal Section

Health Insurance

State Section

Summary/Print

e-File

2015 Amended Return

Save & Exit Return

Scanned Documents

EIC Checklist

Qualifying Information

Was the taxpayer a nonresident alien for any part of the year?

No

Is the taxpayer (or spouse) a qualifying child of another person?

No

Did you complete form 8867 and/or perform the due diligence required based on current information provided by the taxpayer or reasonably obtained by you?

Yes

Did you ask this taxpayer any additional questions that are necessary to meet your knowledge requirement?

Yes

Did you document the additional questions you asked and your client's answers?

Yes

Did you comply with the EIC due diligence knowledge requirements?

Yes

i

To comply with the EIC knowledge requirement, you must not know or have reason to know that any information used to determine the taxpayer's eligibility for, and the amount of, the EIC is incorrect. You may not ignore the implications of information furnished to or known by you, and you must make reasonable inquiries if the information furnished appears to be incorrect, inconsistent, or incomplete. At the time you make these inquiries, you must document in your files the inquiries you made and the taxpayer's responses.

Records

Did you keep the records found below?

Yes

Who provided you with the information necessary to answer the previous EITC questions?

Taxpayer and/or Spouse

i

–Form 8867 (or your own form or files).
–The EIC worksheet(s) or your own worksheet(s).
–Record of how, when, and from whom the information used to prepare the form and worksheet(s) was obtained.

Qualifying Child #1 - samntha Whitmore 424-55-3004

Is this child currently, or intended to be, a qualifying child on any other individual's tax return?

No

Documents used to determine Residency

☒ School records or statement

☐ Landlord or property management statement

☐ Health care provider statement

☒ Medical records

☐ Child care provider records

☐ Placement agency statement

☐ Social service records or statement

☐ Place of worship statement

☐ Indian tribal official statement

☐ Employer Statement

☐ Other

☐ Did not rely on any documents, but made notes in file

☐ Did not rely on any documents

Continue

3. Refer to tutorial #2 on how to complete the e-File information.

Congratulations you have finished tutorial number 4!!

26