

2017 Software Tutorials

Scenarios 1-4

Below you will find 4 step by step tutorials that progressively increase in complexity. These scenarios are to be performed in the 2016 Tax Year Pro Web Software to achieve matching results. With that said....Have fun!

Tutorial/Scenario 1

In this Scenario you will practice the following:

- Select a filing status
- Enter Form W-2 information
- Report health coverage
- Enter Form W-2G information

Average Time Complete:

25 Minutes

Taxpayer Profile:

Name: Charles Smith

SSN: 408-00-1001

Birth date: 07/24/1970

Address: 2575 Black Hills Drive, El Dorado, CA 95623

Primary Phone Number: 209-835-2720

Occupation: Manager

Additional information

- *Charles is not married, and has no children.*
- *He received health insurance through his employer for the entire year.*
- *Charles likes to gamble and has a W-2G.*
- *Charles wants to E-file the return and have preparation fees deducted from his refund and receive his refund as a paper check.*

Answer Check:

Federal refund:	\$2079
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Available documentation:

- 1 Form W-2
- 1 Form W-2G

		a Employee's social security number 408-00-1001	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) 90-2334567			1 Wages, tips, other compensation 53329		2 Federal income tax withheld 7825	
c Employer's name, address, and ZIP code PERFECT SNOW PLACE 123 CAPLES CREST OLYMPIC VALLEY CA 96146			3 Social security wages 53329		4 Social security tax withheld 3306	
			5 Medicare wages and tips 53329		6 Medicare tax withheld 773	
			7 Social security tips		8 Allocated tips	
d Control number			9		10 Dependent care benefits	
e Employee's first name and initial Last name Suff. CHARLES SMITH 2575 BLACK HILL DRIVE EL DORADO CA 95623			11 Nonqualified plans		12a See instructions for box 12	
			13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b	
			14 Other		12c	
					12d	
f Employee's address and ZIP code						
15 State	Employer's state ID number	16 State wages, tips, etc. 53329	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

PAYER'S name, street address, city or town, province or state, country, and ZIP or foreign postal code MONEYMAKER CASINO 321 ATLANTIC DIVE JACKSON CA 95642		1 Gross winnings \$10000	2 Date won 06/20/2015	OMB No. 1545-0238 2016 Form W-2G Certain Gambling Winnings
PAYER'S federal identification number 31-7754321		3 Type of wager SLOTS	4 Federal income tax withheld \$3269	
PAYER'S telephone number -		5 Transaction	6 Race	
WINNER'S name CHARLES SMITH		7 Winnings from identical wagers \$	8 Cashier	
WINNER'S federal identification number 408-00-1001		9 Winner's taxpayer identification no.	10 Window	This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Street address (including apt. no.) 2575 BLACK HILL DRIVE		11 First I.D.	12 Second I.D.	
City or town, province or state, country, and ZIP or foreign postal code EL DORADO CA 95623		13 State/Payer's state identification no.	14 State winnings \$0	
		15 State income tax withheld \$0	16 Local winnings \$	
		17 Local income tax withheld \$	18 Name of locality	Copy C For Winner's Records
Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments.				
Signature ►		Date ►		

Form W-2G

www.irs.gov/w2g

Department of the Treasury - Internal Revenue Service

Tutorial #1

Tutorial #1 Objective:

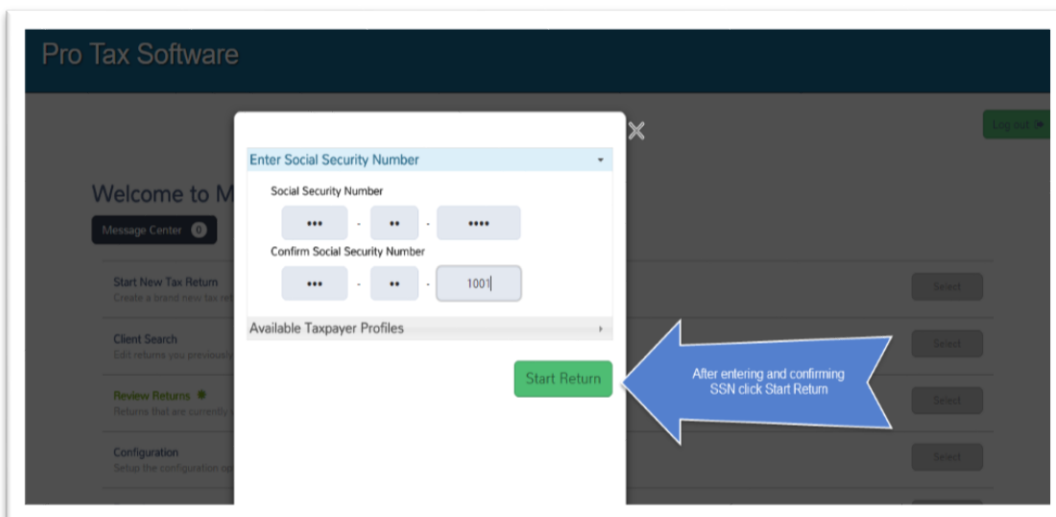
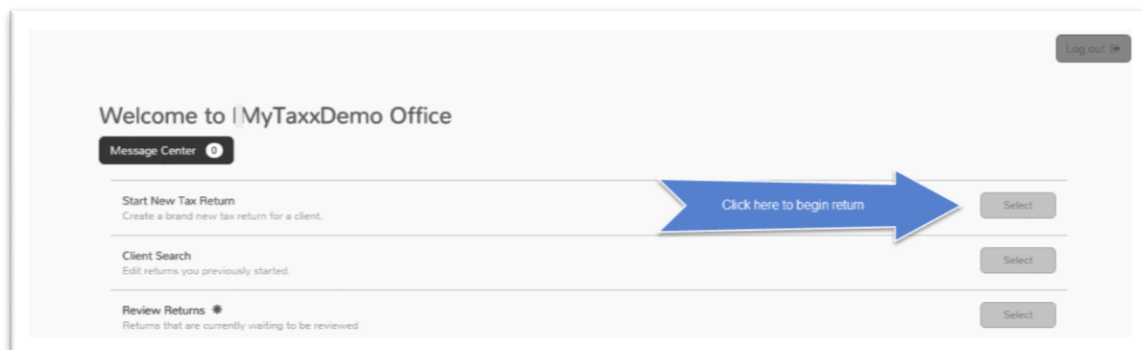
Once you have completed this tutorial you will know how to:

- Create a new return
- Complete forms: W-2, W-2G, 1040 and 8879

Enter Client Data:

The first step to creating a tax return is to enter the client's information. The following instructions will walk you through entering the client's info into the Tax program.

1. In our main menu click on Start New Return



After entering in Primary SSN this will prompt you to enter in Basic information it will begin in asking Filing Status for this Demo you will choose single and Click Continue.

Next it will ask you if you have any dependents to claim for this demo you will select No.

Filing Status Personal Information Dependents

What's your filing status?

☒ Single
☐ Married Filing Joint
☐ Married Filing Separate
☐ Head of Household
☐ Qualifying Widow(er) with Dependent Children

Need help determining your filing status?
Filing Status Wizard

Cancel Continue

2. You will now be viewing the personal information entry screen. Enter the Taxpayers information. Use the information provided to you on [page 1](#).

Personal Information

Taxpayer Information

Primary First Name MI Last Name Suffix (Jr, Sr, etc.)
Charles Smith ---

Social Security Number Date of Birth
408 - 00 - 1001 7 / 24 / 1970

Occupation
Manager

Navigation Tip - Tab between fields and do your best to avoid using the mouse, this will improve your speed. When entering the zip code data, the program will auto populate city and state.

Note - You must input two phone #'s for taxpayers requesting a bank product. The email address is used if the client wants a copy of his or her return emailed. In a real tax return you would enter your customer's email address.

3. Charles has no dependents so we are going to click **NO** to continue.

4. You should now be in the Federal Income screen of the return. You can identify what section of the return you are in by referencing the red text in the **“header”** labeled **Income** and **“Navigation Bar”** **Federal Section**. The arrows in the below image show the different options you have for adding forms.

5. Navigate to form W2 using One of the Three navigation options presented in the image above. If you are an experienced preparer you will likely be using the *Enter the Form Number* option as your primary navigation tool. If you are less experienced you may want to use the *Guide Me* option till you have more experience. Please reference [page 2](#) for source documents. To keep this tutorial under a 100 pages, I would ask for you to play around with all the options and determine your preferred method for navigation.
6. This is how it will appear after completing W2. In a situation where you have multiple W2's, select the +Add button below the existing W2. When complete, select Continue.

Charles Smith ▾ Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Q Enter the Form Number...

W-2 Wage Statement

Employee	Employer	Income	Tax Withheld	
Taxpayer	Perfect Snow Place	\$53,329	\$7,825	Edit Delete

[+ Add](#) Add a W-2 Wage Statement

[Continue](#)

Check point: At this point you have completed the form W-2 data entry and the refund amount should total **\$1,310**.

7. The next income item to be reported is the W-2G. To add a form W-2G, follow the steps below:

When using the **Enter Myself** option shown below, the W-2G is located under **Other Income**.


Charles Smith ▾ Income Deductions Other Taxes Payments & Estimates Miscellaneous Forms

Q

Income

Wages and Salaries Form W-2	Edit
State and Local Refunds Form 1099-G Box 2	Begin
Interest and Dividends Form 1099-INT / 1099-DIV	Begin
IRA/Pension Distributions Form 1099-R / RRB, SSA	Begin
Unemployment Compensation Form 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	Begin
Profit or Loss From Farming Schedule F	Begin
Alimony Received	Begin
Other Income	Begin

8. Click **New** and begin by entering the federal ID. Please refer to page 2 for W-2G info.

 Leave the "State Tax Withholdings, State Taxes Paid To and State ID Number" section blank if no state tax withholdings were included on the W-2G form you received.

State Winnings	\$
State Tax Withheld	\$
State Taxes Paid To	- Please Select -
State ID Number	

Form W-2G is completed and should look as shown below. Click **Continue** if everything is correct.

W-2G Gambling Winning

Payee Information

☒ Check here if this is a standard W-2G.

This W-2G issued to: Taxpayer

Payee's Address: ☐ Check here if foreign address

Address (Number and Street)
2575 Black Hills Drive

Zip Code
95623 -

City, Town, or Post Office
El Dorado

State
California

Payer Information

Payer's ID Number: 31 - 7754321

Payer's Name
Moneymaker Casino

Payer's Address

Payer Information

Payer's ID Number * 31 - 7754321

Payer's Name * MoneyMaker Casino

Payer's Address *

☐ Check here if foreign address

Address (Number and Street) * 321 Atlantic Drive

Zip Code * 95642 -

City, Town, or Post Office * Jackson

State * California

Payer's Phone Number * 351 - 421 - 8936

Winnings Information

Gross Winnings * \$10000

Federal Tax Withheld \$3269

Type of Wager * slots

Date Won * 6 - 20 - 2016

9. The W-2G edit menu will appear for review if there is nothing to add click **Exit** or press **Enter**. To leave the *Form W-2G*, press the **Enter** key. **Exit** the *Other Income Menu*

The screenshot shows a tax software interface for Charles Smith. The top navigation bar includes 'Income', 'Deductions', 'Other Taxes', 'Payments & Estimates', and 'Miscellaneous Forms'. A sidebar on the left lists various sections, with 'Federal Section' highlighted. The main area displays the 'W-2G Gambling Winning' form. It contains a table with the following data:

Winner	Payer	Gross Winnings	Federal Tax Withheld
Taxpayer	Moneymaker Casino	\$10,000.00	\$3,269.00

Below the table, there is an 'Add' button and a text prompt 'Add a W-2G Gambling Winning'. At the bottom right, there is a 'Continue' button. The 'Edit' and 'Delete' buttons are also visible next to the table entry.

10. Healthcare Wizard – Please follow the prompts/screen by screen.

The screenshot shows the 'Health Insurance Questionnaire' screen. It asks the user: 'Did you or your family have health insurance at any time in 2015?'. There are radio buttons for 'Yes' and 'No'. Below the question, it lists examples of healthcare plans that may be purchased or qualify as a purchased plan under the Affordable Care Act. The examples include:

- 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

At the bottom right, there is a 'Continue' button.

The screenshot shows the next screen of the 'Health Insurance Questionnaire'. It asks the user: 'Did you purchase health insurance via HealthCare.gov or a State Marketplace? *'. There are radio buttons for 'Yes' and 'No'. At the bottom left, there is a 'Back' button. At the bottom right, there is a 'Continue' button.

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
Charles	Smith	408-00-1001	7/24/1970

+ Dependents
+ Add a New Member

< Back
✓ Continue

Months Insured

Was your entire household insured for all 12 months of 2016? *

☒ Yes
☐ No

< Back
✓ Continue

Your Federal Return is Complete!

Congratulations! You have completed your Federal Return.

We're ready to add your state return. We'll automatically transfer all the necessary information into your state return for you.

Please choose from the following options:

- Add a State Return to your account.
 The following states do not have state income tax returns that can be filed through Pro Tax Software: **Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington and Wyoming**
- Skip the State Return process and Continue to the Summary.
- Return to the Federal Section to review or make changes to your Federal Return.

< Return to Federal Section
➤ Add State Return(s)
➤ Continue to Summary

11. With the W-2, W-2G and Healthcare sections complete we will begin the completion process.

The Calculation Summary is a break down of the data previously entered. The green button in the summary [1040 View] will allow you to see the 1040 and actually link to forms from there as well.

Calculation Summary [Preview Return](#)

REASONS FOR NO EARNED INCOME CREDIT (EIC) ON

- ★ There are No Qualifying Children Listed.
- ★ EIC Checklist was not Answered Correctly.
- ★ Your Earned Income is Greater than the Earned Income Tax Credit Limits.
- ★ Your Adjusted Gross Income is Greater than the Earned Income Tax Credit Limits.
- ★ Your Earned Income + Combat Pay is Greater than the EITC Limits.

[1040 View](#)

Total Income show details	\$63,329.00
Adjusted Gross Income show details	\$63,329.00
Tax and Credits show details	\$0.00
Total Tax show details	\$9,050.00
Payments show details	\$11,094.00
Refund show details	\$2,044.00
Amount You Owe show details	\$0.00

[Back](#)

Once you have reviewed
summary and verified everything

[Continue](#)

Charles wants his return filed electronically with the fees deducted from the return's refund amount.

- To mark return electronic go to the 1040 menu.
- **Check point:** Verify the refund amount is **\$2079**
- Click **SBTPG RT Check**. Bank Options

- 12. E-file Page** – Please use the continue button at the bottom of each sub section.
- a. Here you can select what E-file type the customer would like. For this return select **Bank Check** and click **OK**.
 - b. Preparation and E-file fees
 - c. Check the 7216 for consent
 - d. Complete BANK APPLICATION. (Drivers license info, and if direct deposit was selected for either a bank product or regular IRS deposit; Input bank account information.)
 - e. Answer all required questions.

E-File

← Back
✓ Save

Return Type

Your return is now ready to be e-Filed to the IRS.

Please make sure that all information you enter below is correct.

In order for us to transmit your client's return to the IRS you must complete all Steps in the e-File Process.

CAUTION: Your client's return will not be sent to the IRS unless you complete ALL steps. None of the information is saved until all information is entered and the "Continue" button below is clicked.

To continue the e-File process, please first select a return type and the form will ask for all required information.

Refund and Estimated Check Summary

Federal Return Type Please Select ▼

ERO Information

Efin#: 002222

EroName#: duncan

Self Prepared

Self Prepared: ☐

Next

Please Select ▼

Please Select

Electronic Mailed

Direct Deposit

SBTPG RT Check

SBTPG RT Direct

SBTPG Green Dot Card

SBTPG WalMart Direct2Cash

Paper Return with Direct Deposit

Paper Return

- 13. Submission Page** – At this stage we need to capture the Taxpayers Digital Signature, Print their return with bank documents, Mark the return complete, Ect. Many things on this page will be subject to your office operating procedure. Things to pay special attention to are: Mark For Review button, Referral tracking, Return tags (special ways to identify and track returns).

Referrer

Select Referrer: No Answer ▼

Other:

Review/Retransmit Status

☐ Ready for Retransmit

☐ Ready For Review

Set Return Tags

← Back
✓ Save And Exit Return
Save And Transmit Return to IRS >

Click "Save and Transmit"
"Unless waiting for approval you
will receive a notification after
clicking that "return was
successful"

Congratulations! You have completed Tutorial 1!!!

Tutorial/Scenario 2

In this Scenario you will practice the following:

- Select filing status
- Report health coverage
- Complete Schedule C with income and expenses
- W2 Entry
- Enter Dependent Information
- Enter a 1095-A

Average Time

25 Minutes

Taxpayer Profile:

Name: Charles Simpson

SSN: 302-55-8798

Birth date: 01/21/1983

Address: 5674 Red Bud Rd, Temple, TX, 76504

Primary Phone Number: (706) 555-3002

Occupation: Business owner

Spouse Info:

Name: Pamela Simpson

SSN: 243-67-3223

Birth date: 05/14/1983

Occupation: Teacher

Dependent/s information:

Name: Amanda Simpson

SSN: 431-12-6953

Birth date: 04/02/2007

Relationship: Daughter

Additional information

- Charles is married and has one child.
- Charles wife received health insurance through his employer for the entire year.
- Charles owns his own horse stable business.
- Charles wants to E-file the return and have preparation fees deducted from his refund and to receive his refund directly into his bank account.

Answer Check:

Federal refund:	\$558
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Available Documentation

- Business income and expenses
- W-2

Business Information and Income:

Company Name: Stable Acres **EIN:** 42-3656871

Services Provided: Horse Boarding and riding lessons.

- Charles uses the cash method of accounting, and materially participated in the business.
- Charles received \$22,594 for boarding 10 horses and giving riding lessons during the year.

Business Expenses:

- Advertising = \$1,200 : Rent machinery = \$1650 : Licenses = \$500 : Supplies = \$955
Repairs = \$2500

Form W-2 Wage and Tax Statement		2016							
a Employee's social security number 243-67-3223		This information is being furnished to the Internal Revenue Service.							
b Employer identification number (EIN) 44-1334752		1 Wages, tips, other compensation 65000	2 Federal income tax withheld 9500						
c Employer's name, address, and ZIP code KENESAW STATE UNIVERSITY 1 OWL CIRCLE TEMPLE TX 76504		3 Social security wages 65000	4 Social security tax withheld 4030						
		5 Medicare wages and tips 65000	6 Medicare tax withheld 943						
		7 Social security tips	8 Allocated tips						
		9							
d Control number		10 Dependent care benefits							
e Employee's first name and initial PAMELA		Last name SIMPSON		Suff.		11 Nonqualified plans		12a See instructions for box 12	
5674 RED BUD RD TEMPLE TX 76504		13 Statutory employee <input type="checkbox"/>		Retirement plan <input type="checkbox"/>		Third-party sick pay <input type="checkbox"/>		12b	
		14 Other				12c			
						12d			
f Employee's address and ZIP code									
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name			

8962 **Premium Tax Credit (PTC)** **2016**

Department of the Treasury
Internal Revenue Service

► Attach to Form 1040, 1040A, or 1040NR.
► Information about Form 8962 and its separate instructions is at www.irs.gov/form8962.

Attachment Sequence No. **73**

Name shown on your return
CHARLES SIMPSON

Your social security number
302-55-8798

You cannot claim the PTC if your filing status is married filing separately unless you qualify for an exception (see instructions). If you qualify, check the box. ☐

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**

2a Modified AGI. Enter your modified AGI (see instructions) **79673** 2b Enter the total of your dependents' modified AGI (see instructions) **7967**

3 Household income. Add the amounts on lines 2a and 2b (see instructions) **7967**

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 ☐ Alaska b ☐ Hawaii c ☒ Other 48 states and DC **2009**

5 Household income as a percentage of federal poverty line (see instructions) **396%**

6 Did you enter 401% on line 5? (See instructions if you entered less than 100%.)
☒ No. Continue to line 7.
☐ Yes. You are not eligible to take the 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 **0.096**

8a Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount **7696** 8b Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount **64**

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)?
☐ Yes. Skip to Part IV, Allocation of Policy Amounts, or Part V, Alternative Calculation for Year of Marriage. ☒ No. Continue to line 10.

10 See the instructions to determine if you can use line 11 or must complete lines 12 through 23.
☒ Yes. Continue to line 11. Compute your annual PTC. Then skip lines 12-23 and continue to line 24.
☐ 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	400	400	7696			400
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 calculation)	(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						
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						40
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 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						

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 **40**

28 Repayment limitation (see instructions) **255**

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 **40**

or Paperwork Reduction Act Notice, see your tax return instructions.

Form 8962 (2016)

Tutorial/Scenario 2

Tutorial #2 Objective:

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

- Complete forms: 1040, Schedule C, 8962 (with a 1095-A), and E-file with a Direct Deposit Bank Product.
- The forms completed in this return will consist of 1040, 8879, 8962, Schedule C, Schedule SE, W-2 and Bank Application

ENTERING CLIENT INFORMATION:

Use the Taxpayer profile to enter personal information and the Spouse W-2.

Note: Please refer to tutorial #1 to learn how to enter client information and W-2. Information covered in tutorial will not be repeated.

1. Basic Client Data Entry

- a. *Input Taxpayer and Spouse Information*
- b. When done entering the client's information press **Continue**.
- c. Answer the question do you want to enter dependents now? Click **Yes**.
- d. Then *Edit Dependent Information* window will open, Click **New**.
- e. The *Dependent Information Entry Screen* will open allowing you to input the information that is provided to you on page 2 under Taxpayer Profile.

When finished, the dependent information should look as shown below. **Click Continue**.

Dependent / Qualifying Child Information

First Name: Amanda Middle: Last Name: Simpson

Date of Birth: 4 / 2 / 2007

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

Social Security Number: 431 - 12 - 6953

Relationship: Daughter

Number of months this person lived in your home during 2015: 12

(Note: If this dependent was born in 2015, you must select 12 months)

Please answer the following:

☐ Check if this person was a FULL-TIME student.

☐ Check if this person was DISABLED.

☐ Check if this qualifying child is NOT YOUR DEPENDENT.

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

☐ Check if this dependent is married.

Once you have verified all information is correct click continue to save

- f. The Qualifying Dependent Care Expenses will appear, we are not entering any expenses, select no and press **Continue**.
- g. **Enter the W-2 information** for Spouse, when completed exit to the 1040 screen

Note: Reference Tutorial #1 for instructions on entering preparer code and W-2

2. ENTERING SCHEDULE C:

Charles is a business owner and has information to report. Information at the beginning of the tutorial

- a. In the 1040 Menu Click on **Form Finder** on the left hand side.
 - o Under **Search for Keyword:** Click on the box and type *Schedule C*; the form will automatically open with the main menu of *Schedule C* options.
- b. The Schedule C/C-EZ window will appear, click **New**.

Schedule C

This business belongs to:

☒ Charles Simpson
☐ Pamela Simpson

Here it will allow you to choose which Taxpayer this Schedule C belongs

Name and Address

Business Name: Stables Acres
Leave blank if no separate business name

Employer ID: 42 - 3656871
Leave blank if EIN = SSN

Address:

Address (Number and Street)
5674 Red Bud Rd

Zip Code
76504 -

City, Town, or Post Office
Temple

State
Texas ▼

Business Type

Business Code: 487000
[Click here for a list of Business Codes](#)

Description of Business:

- c. The *Select the Principal Business Activity and Code* window will open. Input the business description as *HORSE STABLES AND HORSEBACK RIDING LESSONS*.

- d. The *Schedule C Data Entry* window will open to allow you to enter the business information, Please refer to page 2 to enter this information (Note: no business address is acceptable), when completed click **Continue**.
- e. The *Schedule C-Questions Menu* will open. These are questions regarding the business the program automatically answers them. Press **Continue**.
- f. The *Schedule-C Edit Menu* will appear. The next step is to enter the income of the business. Click **Income**.
- g. Here you will enter **\$22594** and press **Continue**.

Schedule C - Income

Income:

Gross receipts or sales	\$22594
Income reported to you on Form W-2 as Statutory Employee	\$
Returns and allowances	\$
Other Income	\$

✕ Cancel
✓ Continue

- h. In the *Schedule-C Edit Menu*, Click on **Expenses**
- i. The *Schedule C - Expenses Menu* will open, Input the information shown below. Select each item and enter the values shown below

Schedule C - Expenses

Advertising	\$1200	Pension and profit sharing	\$1650
Contract Labor	\$	Rent or lease of equipment	\$
Commission and fees	\$	Rent or lease of property	\$
Depletion	\$	Repairs and maintenance	\$2500
Employee benefit programs	\$	Supplies	\$955
Health Insurance (will carry automatically to worksheet)	\$	Taxes and licenses	\$500
Insurance (other than health)	\$	Travel	\$
Mortgage interest	\$	Meals and entertainment (50%) Enter 100% of the expenses.	\$
Other interest	\$	Meals and entertainment (80%) Enter 100% of the expenses.	\$
Legal and professional services	\$	Utilities	\$
Office expense	\$	Wages (less employment credits)	\$

✕ Cancel
✓ Conti

j. When complete click **Continue**.

You have completed entering the Schedule C.

3. Healthcare Insurance Questionnaire integrates 8962 as well as 1095-A based on how the questions are answered

The screenshot shows the 'Health Insurance Questionnaire' form. On the left is a dark sidebar with a search bar and a list of sections: Basic Information, Federal Section, Health Insurance (highlighted in red), State Section, Summary/Print, e-File, 2016 Amended Return, Save & Exit Return, and Scanned Documents. The main content area has the title 'Health Insurance Questionnaire' and the question 'Did you or your family have health insurance at any time in 2016?'. There are two radio buttons: 'Yes' (selected) and 'No'. Below this, it says 'Below are some examples of healthcare plans that may be purchased or qualify as a purchased plan under the Affordable Care Act.' followed by a bulleted list of examples: 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), and The Nonappropriated Fund Health Benefit Program. At the bottom, there is a checkbox labeled 'Check this box if the taxpayer does NOT want to compute the Shared Responsibility Payment.' and two buttons: 'Back' and 'Continue'.

Health Insurance Questionnaire

This screenshot shows a specific question on the 'Health Insurance Questionnaire' form: 'Did you purchase health insurance via HealthCare.gov or a State Marketplace?'. There are two radio buttons: 'Yes' (selected) and 'No'. At the bottom of the form, there are two buttons: 'Back' and 'Continue'.

- Look at the client's 1095-A part 3 form.** Note: The monthly amounts may be equal or differ depending on the client's situation. For this tutorial the amounts will be considered equal throughout the year. Click on
- Use Annual PTC totals** and select **Yes**. (Selecting **No** will allow you to enter each month's value)

- c. **Enter Form 1095-A Amounts** and enter the \$400 for each item. Click **Ok**, Click **Exit**.

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
Charles	Simpson	302-55-8798	1/23/1983
Pamela	Simpson	243-67-3223	5/14/1983
Amanda	Simpson	431-12-6953	4/2/2007

+ Dependents

+ Add a New Member

< Back

✓ Continue

Months Insured

Was your entire household insured for all 12 months of 2016? *

☒ Yes

☐ No

< Back

✓ Continue

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 2016? *

☒ Yes

☐ No

Are you required to repay all of the APTC received? In most cases, the answer is NO. ONLY answer YES if you were not considered lawfully present in the U.S. or you meet the Health Coverage Tax Credit criteria. Note: We will automatically calculate a full repayment of APTC when MAGI is greater than 400 percent of Federal Poverty Line.

☐ Yes

☒ No

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

☒ Yes

☐ No

Please enter your annual Advance Premium Tax Credit information

Premium Amount (Form 1095-A, line 33A)

\$400

Annual Premium Amount of SLCP (Form 1095-A, line 33B)

\$400

Annual Advance Payment of PTC (Form 1095-A, line 33C)

\$400

< Back

✓ Continue

Congratulations!! you are done with the 1095-A and the 8962.

4. CONTINUE TO E-FILE PAGE:

- a. Under Federal Return Type, Select TFS ERD---Terminology will vary by bank
- b. Tax Prep and E-file Information – Fees should be calculated based off populated forms. Also, make sure to always enter the clients email!
- c. Complete bank application and input all fields related to Client Bank Account Information. Sample Information – Account Type = Checking - Bank Routing # = **011500337** and Account = **000021000021**. Taxpayer Account information does require double entry to ensure accuracy.
- d. Answer any remaining required fields or questions

5. Continue to Submission page : Reference Tutorial 1 if you have any questions

This is the final page of the return after you have reviewed all information and it looks correct follow the steps below:

Submission

Please review all information on this screen. To finalize your return please click on the submit button located below.

One Copy - Federal and State

Electronic Signature

Taxpayer:

Spouse:

ERO Information

Efin: 680613
Company Name: Demo ERO

Client Information

Client Name: Charles Simpson
Email Address: charlessimpson@gmail.com

Return Information

Type of Return: TFS ERD

Tax Preparation Charges:

Preparer Fee: \$115.95
Electronic Filing Fee: \$0.00
Total Fees: \$115.95

☐ Mark Complete

This screen is the final step of the return this allows you to save and exit or transmit directly from this page as well as print out a copy of return

Congratulations at this point you are done with practice return 2!

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 purchased health insurance through the market place.*
- *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:	\$2,325
------------------------	---------

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 **2016**

a Employee's social security number **302-55-8765** This information is being furnished to the Internal Revenue Service.

b Employer identification number (EIN) 45-6957651	1 Wages, tips, other compensation 40635	2 Federal income tax withheld 3865			
c Employer's name, address, and ZIP code SOUTHERN 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 Last name MARY E WILSON 89 COWEN WAY CAVE SPRING GA 30124	Suff. 11 Nonqualified plans	12a See instructions for box 12			
	13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	12b			
	14 Other	12c			
		12d			
f Employee's address and ZIP code					
15 State Employer's state ID number GA 133698712	16 State wages, tips, etc. 40635	17 State income tax 3152	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

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 Interest Reported on Form 1098 :**\$1754**
- Private mortgage Insurance Deduction :**\$900**

Gifts to Charity

- Cash contribution: **\$975**

Schedule B information:

- Type of Transaction: **Interest Income**
- 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: **06/01/2016**
- Sales Price: **\$100**
- Cost: **\$250**

Description: MAC

- 1099- B not received
- Date Acquired: **01/01/2015**
- Date Sold: **10/01/2016**
- Sales price: **\$800**
- Cost: **\$1100**

Description: COM

- 1099- B not received
- Date Acquired: **06/30/2005**
- Date Sold: **12/01/2016**
- Sales price: **\$55**
- Cost: **\$50**

Description: JUS

- 1099- B not received
- Date Acquired: **01/01/2015**
- Date Sold: **12/31/2016**
- Sales price: **\$300**
- Cost: **\$200**

Form 8962 Department of the Treasury Internal Revenue Service	Premium Tax Credit (PTC) ▶ Attach to Form 1040, 1040A, or 1040NR. ▶ Information about Form 8962 and its separate instructions is at www.irs.gov/form8962 .	OMB No. 1545-0074 2016 Attachment Sequence No. 73
Name shown on your return MARY E WILSON		Your social security number 303-55-8765
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. <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	2
2a	Modified AGI. Enter your modified AGI (see instructions) 40611	2b
3	Household income. Add the amounts on lines 2a and 2b	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	15730
5	Household income as a percentage of federal poverty line (see instructions)	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	0.0833
8a	Annual contribution amount. Multiply line 3 by line 7	3383
8b	Monthly contribution amount. Divide line 8a by 12. Round to whole dollar amount	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)?
☐ Yes. Skip to Part IV, Shared Policy Allocation, or Part V, Alternative Calculation for Year of Marriage. ☒ No. Continue to line 10.
- 10 See the instructions to determine if you can use line 11 or must complete lines 12 through 23.
☒ Yes. Continue to line 11. Compute your annual PTC. Then skip lines 12-23. ☐ 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 direct deposit bank product.

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.

- Enter Taxpayer information
- Enter Dependent information presented on page 2
- When done entering dependent 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)**. Click on interest and Dividends

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

Pro Tax Software

\$2,321 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 ADD

Continue

Federal Refund 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

Pro Tax Software

\$2,321 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

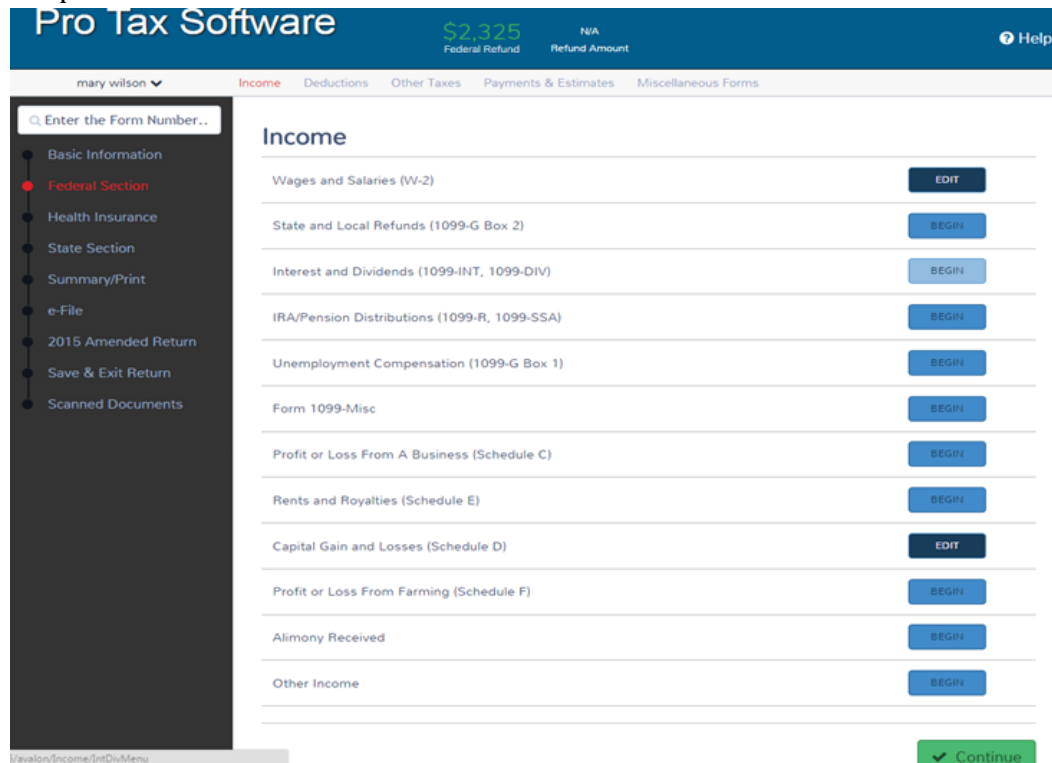
6. The Dividend Income (Form 1099-DIV)(Schedule B) page will appear, refer to page 2 to input the information, click continue when finished.

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

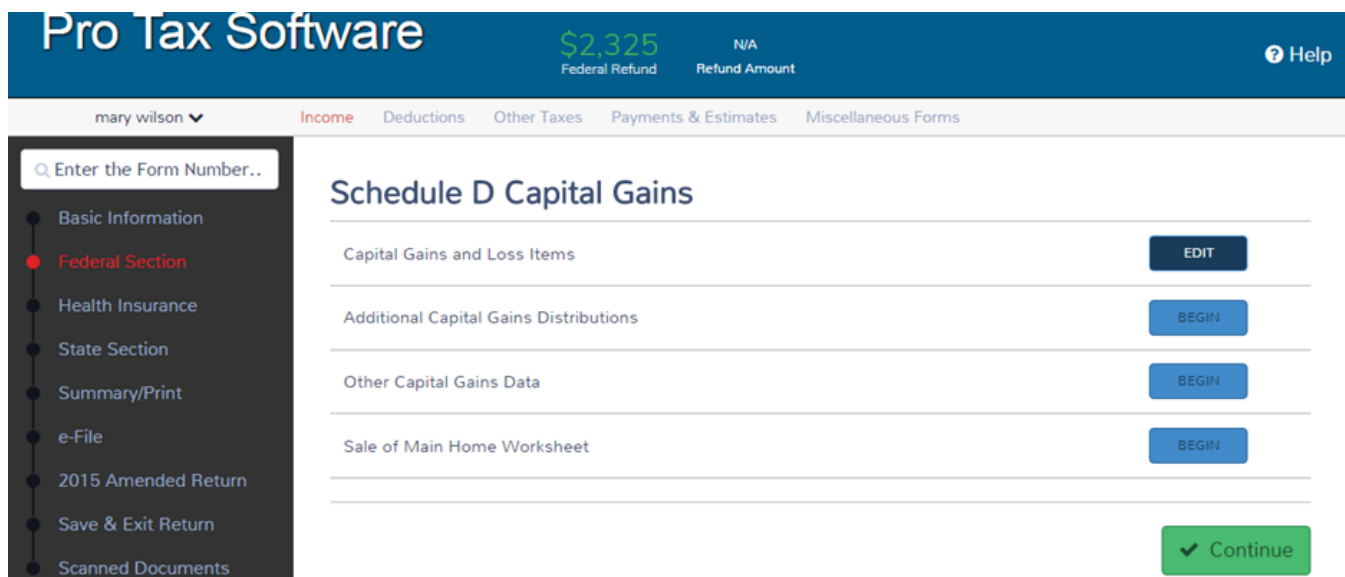
8. Quick Check Point: Your Refund amount should reflect \$2,321. This will obviously change but based on current inputs your numbers should match ours!

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

10. Refer to page 2 to find the information for our capital gains entries. We have 4 entries in this section. Enter the 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, '\$2,325 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 content 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, '\$2,325 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 content area is titled 'Schedule D Capital Gains' and lists four items 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.

The screenshot shows the top navigation bar with the software logo, a Federal Refund of \$2,325, and a Refund Amount of N/A. Below the navigation bar, the 'Deductions' menu is highlighted. The main content area features a heading 'Let's see how we can cut your tax bill' followed by a paragraph explaining the benefits of tax deductions. Below this, there are two buttons: 'Guide Me' and 'Enter Myself', separated by '-OR-'. At the bottom, there are two buttons: 'Back' and 'Skip Deductions'.

ftware \$2,325 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.

The screenshot shows the top navigation bar with the software logo, a Federal Refund of \$2,325, and a Refund Amount of N/A. Below the navigation bar, the 'Deductions' menu is highlighted. The main content area features a heading 'Deductions' followed by a table with five rows: 'Adjustments', 'Standard Deduction', 'Itemized Deductions', 'Credits Menu', and 'Compare Deductions'. Each row has a corresponding button: 'BEGIN', 'BEGIN', 'EDIT', 'EDIT', and 'BEGIN'. At the bottom, there is a 'Continue' button.

ftware \$2,325 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

ware

\$2,325

Federal Refund

N/A

Refund Amount

Help

Income
Deductions
Other Taxes
Payments & Estimates
Miscellaneous Forms

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
Continue	

- Click Continue until you are in the **Deductions menu** within the **Deductions menu** click begin in the credits menu.

ware

\$2,325

Federal Refund

N/A

Refund Amount

Help

Income
Deductions
Other Taxes
Payments & Estimates
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Deductions

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

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

ftware

\$2,325

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

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

ftware

\$2,321

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
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

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

ware \$2,321 Federal Refund N/A Refund Amount Help

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

☐ 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.

5. When finished scroll down and click Continue.

6. In the **Child Care Credit** click on **step 2**-dependents and click Edit.

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>Edit</div> <div>Delete</div>

+ Step 3 - Qualifying Persons

✕ Cancel

✓ Continue To Page 2

7. Enter qualifying expenses and click Continue.

Form 2441 - Qualifying Dependent Expenses

Amount Paid
Hunter Wilson

1500


✕ Cancel

✓ Continue

8. 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

9. Click Continue until you are in the deductions menu.

=====

ftware

\$2,325
Federal Refund

N/A
Refund Amount

Help

Income Deductions Other Taxes Payments & Estimates Miscellaneous 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	<input type="text" value="\$"/>
Forfeited Employer-paid Benefits	<input type="text" value="\$"/>
Benefits Received from Sole Proprietorship or Partnership	<input type="text" value="\$"/>

=====

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, the header displays "Pro Tax Software" on the left, "\$2,325 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 tabs: "Income", "Deductions" (highlighted in red), "Other Taxes", "Payments & Estimates", and "Miscellaneous Forms". On the left side, there is a sidebar menu with options: "Basic Information", "Federal Section" (highlighted in red), "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 contains a list of options with corresponding buttons: "Adjustments" (BEGIN), "Standard Deduction" (BEGIN), "Itemized Deductions" (EDIT), "Credits Menu" (EDIT), and "Compare Deductions" (BEGIN). At the bottom right of the main content area is a green "Continue" button with a checkmark icon.

3. Based on the information in the taxpayer profile, select **Yes** and click Continue.

This is a partial screenshot of the Pro Tax Software interface, showing the top header. It displays "Pro Tax Software" on the left, "\$2,325 Federal Refund" and "N/A Refund Amount" in the center, and a "Help" icon on the right.

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

- Select Continue.

ftware

\$2,325

Federal Refund

N/A

Refund Amount

Help

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

- Select yes and click Continue.

6. Refer to page 4 for source information.

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\$2,325

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: 404-55-2006

Birth date: 10/11/1979

Occupation: administrative assistant

Dependent/s information:

Name: Samantha Whitmore

SSN: 424-55-2008

Birth date: 05/16/2004

Relationship: Daughter

Additional information

- Mark is married filing jointly, and have one dependent.
- Miranda receives health insurance from her employer for the entire family 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:	\$5,910
------------------------	---------

Available Documentation:

W-2

Schedule A information

Schedule E information.

Schedule A

Form W-2 Wage and Tax Statement		2016				
a Employee's social security number 404-55-2006		This information is being furnished to the Internal Revenue Service.				
b Employer identification number (EIN) 02-4556423		1 Wages, tips, other compensation 22465	2 Federal income tax withheld 1976			
c Employer's name, address, and ZIP code BROOKS BARNUM AND SAMPSON LEGAL SER 6312 EAST 2ND STREET ROME GA 30161		3 Social security wages 22465	4 Social security tax withheld 1393			
		5 Medicare wages and tips 22465	6 Medicare tax withheld 326			
		7 Social security tips	8 Allocated tips			
d Control number		9	10 Dependent care benefits			
e Employee's first name and initial MARANDA		Last name WHITMORE	Suff.			
89 COWEN WAY CAVE SPRING GA 30124						
f Employee's address and ZIP code		11 Nonqualified plans	12a See instructions for box 12			
		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b			
		14 Other	12c			
			12d			
15 State GA	Employer's state ID number 124123456	16 State wages, tips, etc. 22465	17 State income tax 1426	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Schedule A:

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

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.

ware \$2,608 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	\$
Mananement 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 'ftware' tax software interface. At the top, there's a blue header bar with the 'ftware' logo on the left, a green '\$5,910 Federal Refund' and a grey 'N/A Refund Amount' in the center, and a 'Help' icon on the right. Below the header is a navigation bar with links: 'Income', 'Deductions' (highlighted in red), 'Other Taxes', 'Payments & Estimates', and 'Miscellaneous Forms'. The main content area is titled 'Deductions' and contains a list of options with corresponding buttons:

Option	Button
Adjustments	BEGIN
Standard Deduction	BEGIN
Itemized Deductions	EDIT
Credits Menu	BEGIN
Compare Deductions	BEGIN

At the bottom right of the 'Deductions' section is a green 'Continue' button with a checkmark icon.

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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.

Due Diligence Checklist

Qualifying Information

Was the taxpayer (or spouse) a nonresident alien for any part of the year? *

- ☐ Yes
☐ No

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

- ☐ Yes
☐ No

Did you complete the return based on information for tax year 2016 provided by the taxpayer or reasonably obtained by you? *

- ☐ Yes
☐ No


Did you interview the taxpayer, ask adequate questions, and document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s)? *

- ☐ Yes
☐ No

Did any information provided by the taxpayer, a third party, or reasonably known to you in connection with preparing the return appear to be incorrect, incomplete, or inconsistent? *

- ☐ Yes
☐ No

Did you satisfy the record retention requirement? *

 To meet the record retention requirement, did you keep a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility or to compute the amount for the credit(s)?

- ☐ Yes
☐ No

Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for and the amount of the credit(s) claimed on the return? *

- ☐ Yes
☐ No

Did you ask the taxpayer if any credits were disallowed or reduced in a prior year? *

- ☐ Yes
☐ No

Were any of these credits disallowed or reduced in a previous year? *

- ☐ Yes
☐ No

Qualifying Child #1 - samntha Whitmore 424-55-2008

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

- ☐ Yes
☐ No

EIC Questions

Did you explain to the taxpayer the rules about claiming the EIC when a child is the qualifying child of more than one person (see **TIEBREAKER RULES** below), and have you determined that this taxpayer is, in fact, eligible to claim the EIC for the number of children for whom the EIC is claimed? *

- ☐ Yes
☐ No

Did you explain to the taxpayer that he/she may not claim the EIC if the taxpayer has not lived with the child for over half the year, even if the taxpayer has supported the child? *

- ☐ Yes
☐ No



TIEBREAKER RULES: To determine which person can treat the child as a qualifying child, the following tiebreaker rules apply:

1. If only one of the persons is the child's parent, the child is treated as the qualifying child of the parent.
2. If the parents do not 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 with 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.
3. 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.
4. If a parent can claim the child as a qualifying child but no parent does claim 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.

Child Tax Credit Questions

Does the child reside with the taxpayer who is claiming the CTC/ACTC? *

- ☐ Yes
☐ No

Do you certify that all answers on this Form 8867 are, to the best of your knowledge, true, correct and complete? *

- ☐ Yes
☐ No



You have complied with all due diligence requirements with respect to the credits claimed on the return of the taxpayer identified above if you:

1. Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for all credits claimed.
2. Submit Form 8867 in the manner required.
3. Interview the taxpayer, ask adequate questions, document the taxpayer's responses on the return or in your notes, review adequate information to determine if the taxpayer is eligible to claim the credit(s) and in what amount(s).
4. Keep all five of the following records for 3 years from the latest of the dates specified in the Form 8867 instructions under *Document Retention*.
 1. A copy of Form 8867.
 2. The applicable worksheet(s) or your own worksheet(s) for any credits claimed.
 3. Copies of any taxpayer documents you may have relied upon to determine eligibility for and the amount of the credit(s).
 4. A record of how, when, and from whom the information used to prepare this form and worksheet(s) was obtained.
 5. A record of any additional questions you may have asked to determine eligibility for and amount of the credits, and the taxpayer's answers.

If you are a paid preparer and have not complied with all due diligence requirements for all credits claimed, you may have to pay a \$510 penalty for each credit for which you have failed to comply.

✓ Continue

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

Congratulations you have finished tutorial number 4!!