# Services Guide

## Help for Individual Taxpayers

| If you need help with | Here's where to find it |
|---|---|
| General tax law information | • Enter **ITA** into the Search feature on **www.IRS.gov** for the **Interactive Tax Assistant**, a tool that will ask you questions and provide tax law answers<br>• Enter **IRS Tax Map** or **Tax Trails** into the Search feature for more detailed information by tax topic<br>• Enter **Pub 17** into the Search feature to get Pub 17: Your Federal Income Tax for Individuals, which features details on tax-saving opportunities, 2013 **tax changes** and thousands of interactive links to help you find answers to your questions<br>• Call TeleTax: 1-800-829-4477 for recorded information on a variety of tax topics<br>• Access tax law information in your electronic filing software<br>• Go to **www.IRS.gov** and click on the **Help & Resources** tab for more information |
| Preparing a federal tax return | Find free options on IRS.gov or in your community for those who qualify<br>• Go to **www.IRS.gov** and click on the Filing tab<br>• Enter **Free File** into the Search feature to use brand name software to prepare and e-file your return for free<br>• Enter **VITA** into the Search feature, download the free **IRS2Go** app, or call 1-800-906-9887 to find the nearest Volunteer Income Tax Assistance or Tax Counseling for the Elderly location for free tax preparation<br>• Enter **TCE** into the Search feature or call 1-888-227-7669 to find the nearest Tax Counseling for the Elderly location for free tax preparation |
| Checking on the status of a refund | • Go to **www.IRS.gov** and click on **Where's My Refund**<br>• Download the free **IRS2Go** app to your smart phone<br>• Call the automated refund hotline: 1-800-829-1954 |
| Checking the status of an amended return | • Go to **www.IRS.gov** and click on the Tools tab and select the **Where's My Amended Return** tool |
| Making a tax payment | Go to **www.IRS.gov** and click on the **Payments** tab and select:<br>• Pay by **Debit or credit card**<br>• Pay by **Electronic Funds Withdrawal**<br>• Pay by **Electronic funds transfer**<br>• Pay by **Check or money order**<br>Instructions for additional payment options<br>• Enter **OPA** into the Search feature to get an Online Payment Agreement application<br>• Enter **EFTPS** into the Search feature to make recurring payments<br>• Enter Payment Plan into the Search feature to get a payment plan or **Installment Agreement** |

| | |
|---|---|
| Understanding an IRS Notice or Letter | • Enter **understanding your notice** in the Search feature on **www.IRS.gov** to find additional information about your IRS notice or letter |
| Getting a transcript or copy of a return | • Go to **www.IRS.gov** and enter "**Order a Transcript**" in the Search box.<br>• Call the transcript toll-free line: 1-800-908-9946<br>• Mail in Form 4506-T (available on IRS.gov) |
| Getting an Employer Identification Number (EIN) | • Go to **www.IRS.gov** and enter **EIN** in the Search feature to access the **Online EIN Application** |
| Getting an Individual Taxpayer Identification Number (ITIN) | • Go to **www.IRS.gov** and enter **ITIN** in the Search feature to learn more and to get an application |
| Understanding Identity Theft issues | • Go to **www.IRS.gov** and enter **Identity Theft** in the Search feature for information and videos<br>• Contact the Identity Protection Specialized Unit at 1-800-908-4490 if you believe you're at risk due to a lost/stolen purse or wallet, questionable credit card activity or credit report, etc. |
| Obtaining a tax form or publication | • Go to **www.IRS.gov** and click on the **Forms and Pubs** tab<br>• Call toll-free at1-800-829-3676<br>• Visit a **Taxpayer Assistance Center** near you |
| Contacting a local Taxpayer Advocate | • Go to **www.IRS.gov** and enter **Taxpayer Advocate** in the Search box or call them at 1-877-777-4778 or TTY/TTD: 1-800-829-4059 |

## Help for Tax Professionals

| If you need help with | Here's where to find it |
|---|---|
| General Tax Professional Information | • Go to **www.IRS.gov** and click on the **For Tax Pros** tab |
| Getting a Preparer Tax Identification Number (PTIN) | • Enter **PTIN** into the Search feature to get PTIN requirements and renew or sign up for a PTIN<br>• Call toll-free: 1-877-613-7846<br>• International: 1-915-342-5655 (not toll-free)<br>• TTY: 1-877-613-3686 |
| Getting a Power of Attorney (POA) | • Go to **www.IRS.gov** and enter **POA** in the Search feature for information on Form 2848 and Instructions<br>• Fax: 855.214.7519 for: AL, AR, CT, DE, DC, FL,GA, IL, IN, KY, LA, MA MD, ME, MI, MS, NH, NJ, NY, NC, OH, PA, RI, SC, TN, VT, VA, WV<br>• Fax: 855.214.7522 for: AK, AZ, CA, CO, HI, ID, IA,KS, MN, MO, MT, NE, NV, NM, ND, OK, OR, SD, TX, UT, WA, WI, WY<br>• International Fax: 267.941.1017 or 855.772.3156 |
| Contacting the Practitioner Priority Service | • Call toll-free: 1-866-860-4259 for help with a client account issue |
| Obtaining a tax form or publication | • Go to **www.IRS.gov** and click on the **Forms and Pubs** tab<br>• Call toll-free: 1-800-829-3676 |
| Keeping up with the latest IRS information affecting tax professionals | • Go to **www.IRS.gov** and enter "*Join e-news*" in the Search feature to subscribe to **e-News for Tax professionals**<br>• Follow IRS on **Twitter**, at: **http://twitter.com/irstaxpros**<br>• Like IRS on **Facebook**, at: **https://www.facebook.com/IRStaxpros** |
| Professional responsibility information | • Go to **www.IRS.gov** and enter **Circular 230** in the Search feature for information on the standards of practice for tax professionals and frequently asked questions |

# Top Ten Tips to Help You Choose a Tax Preparer

IRS Tax Tip 2014-07, February 05, 2014

Many people hire a professional when it's time to file their tax return. If you pay someone to prepare your federal income tax return, the IRS urges you to choose that person wisely. Even if you don't prepare your own return, you're still legally responsible for what is on it.

Here are ten tips to keep in mind when choosing a tax preparer:

1. **Check the preparer's qualifications.** All paid tax preparers are required to have a Preparer Tax Identification Number or PTIN. In addition to making sure they have a PTIN, ask the preparer if they belong to a professional organization and attend continuing education classes.

2. **Check the preparer's history.** Check with the Better Business Bureau to see if the preparer has a questionable history. Check for disciplinary actions and for the status of their licenses. For certified public accountants, check with the state board of accountancy. For attorneys, check with the state bar association. For enrolled agents, check with the IRS Office of Enrollment.

3. **Ask about service fees.** Avoid preparers who base their fee on a percentage of your refund or those who say they can get larger refunds than others can. Always make sure any refund due is sent to you or deposited into your bank account. Taxpayers should not deposit their refund into a preparer's bank account.

4. **Ask to e-file your return.** Make sure your preparer offers IRS e-file. Any paid preparer who prepares and files more than 10 returns for clients generally must file the returns electronically. IRS has safely processed more than 1.2 billion e-filed tax returns.

5. **Make sure the preparer is available.** Make sure you'll be able to contact the tax preparer after you file your return - even after the April 15 due date. This may be helpful in the event questions come up about your tax return.

6. **Provide records and receipts.** Good preparers will ask to see your records and receipts. They'll ask you questions to determine your total income, deductions, tax credits and other items. Do not use a preparer who is willing to e-file your return using your last pay stub instead of your Form W-2. This is against IRS e-file rules.

7. **Never sign a blank return.** Don't use a tax preparer that asks you to sign a blank tax form.

8. **Review your return before signing.** Before you sign your tax return, review it and ask questions if something is not clear. Make sure you're comfortable with the accuracy of the return before you sign it.

9. **Ensure the preparer signs and includes their PTIN.** Paid preparers must sign returns and include their PTIN as required by law. The preparer must also give you a copy of the return.

10. **Report abusive tax preparers to the IRS.** You can report abusive tax preparers and suspected tax fraud to the IRS. Use Form 14157, Complaint: Tax Return Preparer. If you suspect a return preparer filed or changed the return without your consent, you should also file Form 14157-A, Return Preparer Fraud or Misconduct Affidavit. You can get these forms at IRS.gov or by calling 800-TAX-FORM (800-829-3676).

**Additional IRS Resources:**

- Tax Topic 254 - How to Choose a Tax Return Preparer
- Choosing a Tax Professional
- Verify the Status of an Enrolled Agent
- How to Make a Complaint About a Tax Return Preparer
- How to Report Suspected Tax Fraud Activity

**IRS YouTube Videos:**

- Choosing a Tax Preparer – English | Spanish | ASL

IRS

**e-file Topics**

- e-file Individuals
- e-file Provider & Tax Pro
- e-file Bus. / Self-Employ
- e-file Large Business
- e-file Char. & Non-Profit
- e-file Home

# Free File: Frequently Asked Questions

Find more information at www.freefile.irs.gov

**What is Free File?**
Free File provides free federal tax prep and e-file for taxpayers, either through brand-name software or online fillable forms. This year, you have until April 15, 2014, to file and pay your taxes or request an extension.

**Who can use Free File?**
You can, if your Adjusted Gross Income (AGI) was $58,000 or less in 2013. You can use free brand-name software. You can find the company that's best for you using the "Help Me Find Free File Software" tool. If your income was higher than $58,000, Free File Fillable Forms is available.

**May I also file my state return for free?**
Some participating Free File companies offer free state tax prep and e-file. Check the company's Free File home page to learn if free state income tax prep and e-file are available.

*Note:* AK, FL, NV, NH, SD, TN, TX, WA and WY do not have a state income tax return filing requirement for reporting W2 wage income. Two of these, NH and TN, require taxpayers to file returns for individual interest and dividend income.

**What forms and schedules can I use to Free File?**
Free File offers the most commonly filed forms/schedules. Review the list of most commonly filed forms. If a form/schedule is not listed, check the company's website for more information.

**May I use Free File to e-file my prior year return?**
No. We are not set-up to accept prior year Free File returns electronically.

**How do I get a copy of my return?**
Always remember to print your return after you successfully e-file. If you forget to print your return, order a free transcript from IRS. Depending on the type of transcript your request, you'll get more or less of the information from your return.

**Is customer support service available for Free File?**
Yes. Access the Free File company's website to find customer support contact information. Browse the company's website to find free customer service options such as online assistance, or an e-mail address for technical and/or tax law assistance. Direct specific questions about your individual tax return to the tax software company you are using. Contact the Free File company to resolve issues related to the company's software. If you are not able to resolve your issue, try another Free File company's software.

**Where do I enter the six-digit Identity Protection PIN?**
If the IRS sent you a letter with an Identity Protection PIN, enter the six-digit PIN in the appropriate place in the Free File software you have selected.

**Where can I find answers to tax law questions?** You can get answers to many questions on IRS.gov. Try the Interactive Tax Assistant, use Search in the upper right corner of IRS.gov, and check Tax Topics, Help and Rescurces and Individuals. If you still don't find the answer to your question, call our toll-free tax assistance line at 1-800-829-1040 for individual tax questions or 1-800-829-4933 for business tax questions.

**What can I do if I am not able to get into a Free File company from the IRS.gov website?**
This problem may be due to your Internet service provider, your Internet security software and/or your IT department blocking expected information in the web request from your browser. This information is necessary to protect both you and IRS.gov systems from improper use such as phishing and other security threats. Unfortunately, due to the many differences between Internet browsers and individual computer configurations, we are unable to suggest Internet settings or configurations for you. Try selecting another company, use another computer or another browser.

**Does Free File use secure technologies?**
Yes. We approve the Free File companies' proprietary software. All Free File companies must get third-party privacy and security certificates. Taxpayers enter tax information in a secure session and the Free File companies transmit tax returns using secure technologies. In addition, the Free File tax software companies must comply with all federal rules governing e-filing and regulations covering taxpayer privacy. The companies may not disclose or use tax return information for purposes other than tax return preparation without the knowing, informed and voluntary consent of the taxpayer. These companies are also subject to the Federal Trade Commission Privacy and Safeguards Rules.

**What information will the IRS collect or retain about me using Free File?**
None. Our policy prohibits the use of permanent Internet cookies. We sometimes use "temporary" or "session" cookies to make sure you are the correct recipient of information you requested. These are deleted when your Internet visit ends.

**Can a Free File company share my information with anybody besides the IRS?**
No. As part of the agreement, the Free File Alliance companies must comply with our strict privacy standards. In accordance with Treasury regulations, the companies may not disclose your tax return information without your permission.

*Page Last Reviewed or Updated: 16-Jan-2014*

## VITA & AARP (Tax Aide) Locations for Cecil, Wicomico, Worcester, and Dorchester Counties

| Site Name | Closing | Phone | Language | Services & Information | Address | City | Zip |
|---|---|---|---|---|---|---|---|
| **Cecil County Public Library** | 04/15/14 | (410) 996-5600 | English | Sat 10A-4P<br>Appt Only | 301 Newark Avenue | **Elkton** | 21921 |
| **Cecilton United Methodist Church** | 04/15/14 | (410) 996-5600 | English | Thurs 11A-4P<br>Every Other Mon<br>Start 02/06/14 | 164 W Main Street | **Cecilton** | 21913 |
| **Comfort Inn** | 04/15/14 | (410) 996-5600 | English | Tues<br>9AM-9PM | 1 Center Drive | **North East** | 21901 |
| **Elkton United Methodist Church** | 04/15/14 | (410) 996-5600 | English | Mon<br>9A-5P | 219 E Main Street | **Elkton** | 21921 |
| **Franklin Hall** | 04/15/14 | (410) 996-5600 | English | Thurs 11A-4P<br>Alternate Thurs Start 02/13/14 | 100 Bohemia Avenue | **Chesapeake City** | 21915 |
| **Rising Sun Community Center** | 04/15/14 | (410) 996-5600 | English | Fri<br>9A-3P | 17 Wilson Road | **Rising Sun** | 21911 |
| **Univ Maryland Eastern Shore<br>Somerset VITA** | **03/27/14** | (410) 749-1142 | **English<br>Spanish** | Tues 9:30A-2:30P; Closed 03/18<br>Thurs 3P-7:30P; Closed 03/20 | Stud Dev Ctr 2nd Fl<br>Upward Bound | **Princess Anne** | 21853 |
| ***Shore Up!*, Inc.<br>Wicomico VITA** | 04/12/14 | (410) 749-1142 | **English<br>Spanish** | Mon 4:30P-8P; Closed 03/17<br>Wed 4:30P-8P; Closed 03/19<br>Sat 10A-2P; Closed 03/22 | 520 Snow Hill Road | **Salisbury** | 21804 |
| **Mac Inc<br>Salisbury Conference** | 04/15/14 | (410) 742-0505 | English | Mon<br>9A-4:30P | 909 Progress Cir | **Salisbury** | 21804 |
| **Ocean Pines Library Annex** | 04/15/14 | (410) 213-1608 | English | Mon 10A-3P Afternoon Only on<br>02/11, 03/11 & 04/08 | 11107 Cathell Road | **Berlin** | 21811 |
| **Ocean City Library** | 04/12/14 | (410) 213-1608 | English | Thurs 10A-3P; Sat 10A-3P;<br>Mornings only on 02/08, 03/08 &<br>04/12<br>Closed 02/13, 03/13 & 04/10 | 10003 Coastal Hwy | **Ocean City** | 21842 |
| **The Community Church At Ocean** | 04/12/14 | (410) 213-1608 | English | Thurs 10A-3P<br>Sat 10A-3P<br>Closed 02/22 | 11227 Racetrack<br>Road | **Berlin** | 21811 |
| **Ocean Pines Library** | 04/14/14 | (410) 213-1608 | English | Mon 10A-3P<br>Mon Only on 02/10, 03/14 12P-5P | 11107 Cathell Road | **Ocean Pnes** | 21811 |
| **Pocomoke City Library** | 04/11/14 | (410) 957-0878 | English | Fri 10A-3P<br>Site is only open: 02/14,<br>02/28,03/14, 03/28 & 04/11 | 301 Market Street | **Pocomoke City** | 21851 |
| **Worcester Co Library-Snow Hill** | **02/18/14** | (410) 632-1277 | English | Tues 10A-3P<br>02/18 ONLY | 307 N Washington<br>Street | **Snow Hill** | 21863 |

# Important Tax Law Changes for 2013

**Due Date of Return**

The due date for the US Individual Income Tax Return for Tax Year 2013 is April 15, 2014.

**Income Limits Increased for Excluding Education Savings Bond Interest**

For 2013, the amount of the interest exclusion is phased out for Married Filing Jointly taxpayers or Qualifying Widow(er) taxpayers whose modified AGI is between $112,050 and $142,050. If the modified AGI is $142,050 or more, no deduction is allowed. For Single and Head of Household filing statuses, the interest exclusion is phased out for taxpayers whose modified AGI is between $74,700 and $89,700. If the modified AGI is $89,700 or more, no deduction is allowed.

**Standard Deduction Increases**

The standard deduction for taxpayers who do not itemize deductions on Schedule A (Form 1040) has increased. The standard deduction amounts for 2013 are:

- $12,200 – Married Filing Jointly or Qualifying Widow(er)
- $8,950 – Head of Household
- $6,100 – Single or Married Filing Separately

**Taxpayers who are 65 and Older or are Blind**

For 2013, the standard deduction for these taxpayers increased:

- $1,200 – Married Filing Jointly, Married Filing Separately, or Qualifying Widow(er)
- $1,500 – Single or Head of Household

**Expiration of Temporary Decrease in Employee's Share of Payroll Tax**

For 2013, social security tax is withheld from an employee's wages at the rate of 6.2% up to the social security wage limit of $113,700. There is no change to Medicare withholding.

The same change applies to net earnings from self-employment – the rate returns to 12.4% up to the social security wage limit of $113,700.

**Exemption Amount**

The amount a taxpayer can deduct for each exemption increased to $3,900 for 2013.

**Retirement Savings Contribution Credit Income Limits Increased**

In order to claim this credit, your MAGI must not be more than $29,500 ($59,000 if Married Filing Jointly; $44,250 if Head of Household).

**Earned Income Credit (EIC)**
***Amount of Credit Increased***

For 2013, the maximum credit is:

- $6,044 with three or more qualifying children
- $5,372 with two qualifying children
- $3,250 with one qualifying child
- $487 with no qualifying child

***Earned Income Amount Increased***

To be eligible for a full or partial credit, the taxpayer must have earned income of at least $1 but less than:

- $46,227 ($51,567 if Married Filing Jointly) with three or more qualifying children

- $43,038 ($48,378 if Married Filing Jointly) with two qualifying children
- $37,870 ($43,210 if Married Filing Jointly) with one qualifying child
- $14,340 ($19,680 if Married Filing Jointly) with no qualifying child

***Investment Income***

Taxpayers whose investment income is more than $3,300 cannot claim the EIC.

**Standard Mileage Rate**

For 2013, the following rates are in effect:

- 56.5 cents per mile for business miles driven
- 24 cents per mile driven for medical or moving purposes
- 14 cents per mile driven in service of charitable organizations

**Deduction Amount and Modified AGI Limit for Traditional IRA Contributions Increased**

For 2013, the maximum IRA deduction increases to $5,500 ($6,500 if age 50 or older). If a taxpayer is covered by a retirement plan at work, the deduction for contributions to a traditional IRA is reduced (phased out) if the modified AGI is:

- More than $95,000 but less than $115,000 for a married couple filing a joint return or a qualifying widow(er),
- More than $59,000 but less than $69,000 for a single individual or head of household, or
- Less than $10,000 for a married individual filing a separate return

If only one spouse is covered by a retirement plan at work, and the taxpayers live together or file a joint return, the deduction is phased out if the modified AGI is more than $178,000 but less than $188,000. If the modified AGI is $188,000 or more, no deduction for contributions to a traditional IRA is allowed.

**Deductible Long-Term Care Premium Limits Increased**

For 2013, the maximum amount of qualified long-term care premiums includible as medical expenses has increased. Qualified long-term care premiums up to the amounts shown below can be included as medical expenses on Schedule A (Form 1040) Itemized Deductions.

- $360: age 40 or under
- $680: age 41 to 50
- $1,360: age 51 to 60
- $3,640: age 61 to 70
- $4,550: age 71 and over

**Lifetime Learning Credit Income Limits Increased**

The MAGI threshold at which the lifetime learning credit begins to phase out is $53,000 ($107,000 for Married Filing Jointly). To claim the credit, the taxpayer's MAGI must be less than $63,000 ($127,000 for Married Filing Jointly).

**Additional Medicare Tax**

Additional Medicare tax applies to an individual's wages, Railroad Retirement Tax Act compensation, and self-employment income that exceeds a threshold amount based on the individual's filing status. This topic is out of scope for the VITA/TCE program. Taxpayers affected by the additional Medicare tax should be referred to a professional tax preparer. Additional information can be found on www.irs.gov.

## Itemized Deductions

Taxpayers can deduct only the amount of unreimbursed medical and dental expenses that exceeds 10% of their Adjusted Gross Income (AGI). If the taxpayer or their spouse is aged 65 or over, they will use the 7.5% threshold of AGI. This applies to any tax year beginning after December 31, 2012, and ending before January 1, 2017.

## Tax Forms and Schedules

### *Schedule D*

Line 1 has been divided into lines 1a and 1b to report certain transactions directly on Form 1040, Schedule D without filing Form 8949 and to provide a report of each transaction. Line 1a may be used to report the totals from short-term transactions reported on Form 1099-B for which:

- Basis was reported to the IRS
- There are no adjustments and no codes

Line 8 has been divided into lines 8a and 8b. Lines 8a through 10 have been revised to reference Boxes D, E, and F of Form 8949 (instead of Boxes A, B, and C, respectively). A corresponding change has been made to Form 8949.

### *Schedule D Tax Worksheet*

New lines 24 through 32 were added to the worksheet to compute the amount subject to a 20% maximum capital gains rate.

## Foreign Earned Income and Housing Exclusions

For 2013, the maximum Foreign Earned Income Exclusion increased to $97,600. The base housing amount increased to $42.78 per day or $15,616 for the entire calendar year.

## Extended Provisions

The American Taxpayer Relief Act of 2012 (passed January 1, 2013) temporarily extended the provisions listed below. The sunset for these provisions is December 31, 2013.

- Above-the-line deduction of up to $250 for teacher classroom expenses
- Discharge of indebtedness on principal residence excluded from gross income of individuals
- Premiums for mortgage insurance deductible as interest that is qualified residence interest
- Deduction for state and local general sales taxes
- Deduction for qualified tuition and related expenses
- Extension and modification of section 25C nonbusiness energy property
- Tax-free distributions from IRAs to certain public charities for individuals age 70-1/2 or older, not to exceed $100,000 per taxpayer per year; special transition rules for certain distributions made in December 2012 and January 2013

## .ink & Learn Taxes – Optional Courses

## ıealth Savings Account (HSA) Deduction

'he annual limit on deductions for HSAs has been increased to $3,250 for self-only coverage and $6,450 for amily coverage.