



## Out of Scope: What you need to know

### What is out of scope?

The IRS limits the scope of returns that Tax Help volunteers are trained and certified to prepare. If there is an issue on your tax return that the IRS says we cannot prepare, your tax return is out of scope.

### What are my options?

- **Hire a CPA.** The Austin Chapter of Texas Society of Certified Public Accountants has a referral service and directory and can provide additional information on selecting a CPA: <http://cpascount.org/directory/>
- **Hire an Enrolled Agent.** An EA specializes in income tax, although many of them also do other accounting/bookkeeping tasks. EAs often charge less than CPAs. See [www.captxea.org](http://www.captxea.org) for a local directory.
- **Hire a paid preparer you trust.** For guidance, visit [www.irs.gov](http://www.irs.gov) "Choosing a Preparer."
- **Schedule an appointment through our *Special Tax Services* program:** If your return is out of the scope for the Tax Help program, we have a program called *Special Tax Services* that may be able to prepare your return. We will submit an online referral form for eligible, interested taxpayers to the *Special Tax Services* program. Taxpayers receive a response within 1 week. Please note that our *Special Tax Services* program is small, and there is no guarantee we will be able to accommodate your request.

### Criteria for the *Special Tax Services* program:

- Your household income must be below \$55,000 annually.
- *Special Tax Services* prepares ONLY individual tax returns – no S corporations, no C corporations, no partnerships.
- *Special Tax Services* will NOT prepare Married Filing Separately (MFS) community property splits. If a MFS return is out of scope for the Tax Help program, it will also not be prepared by the *Special Tax Services* team.

### What do I bring?

- Valid photo identification for you and your spouse
- Social security card or ITIN letter for everyone on the return.
- Applicable forms and documentation according to your income, expenses, and other life events
- Last year's tax return (if you have it)
- Bank information (routing and account numbers for direct deposit)
- Any relevant IRS correspondence you have received

**Please make sure the reason you are referred to the *Special Tax Services* program is checked below.**  
Beneath each reason is a list of additional documentation you must bring to your appointment.

- Business use of home for self-employment
  - Annual cost of utilities
  - Property taxes
  - Homeowners/renters insurance
  - Square footage of home
  - Mortgage interest
  - Amount paid for rent
  - HOA fees
  - Square footage of space used for business
- Business loss
- Business expenses over \$25,000
- You paid a helper/worker
- 1098-Ts that require recapture of Education Credit
  - Prior year return
  - 1098-T and student's account summary for tax year and prior year
  - Education worksheet for prior year return if applicable and available
- Returns for 2017 and earlier** requiring Form 8615, Tax for Certain Children Who Have Unearned Income
  - Copy of page 1 and 2 of parents Form 1040 for **the prior year return**
- Self-employed health insurance deduction (for taxpayers with a net profit and 1095-A)
  - 1095-A for Marketplace insurance
- Cancellation of debt – for any debt cancelled (including home foreclosure), except for those who were or are in bankruptcy
  - Autos – make, model, year
- ACA shared policy allocation
  - All 1095-As
  - Need Social Security numbers (just the number, not the card) for all listed on 1095-A
- Rental income
  - Rental income
  - Rental expenses
    - Homeowner's insurance
- Royalties with expenses
- Roth distribution with codes J, K or T
  - Amount of client's contribution to Roth account
- K-1s with entries that are outside the scope of the Tax Help program
- Adoption credit
- Mortgage interest credit certificate
  - Copy/original mortgage certificate
- Casualty losses from natural disasters
  - To the best of your ability a list of what was lost in the disaster
  - For tax years 2018 and forward, only eligible if federally declared disaster area
- Complex capital gain transactions, including sale of rental property
- 1099-Qs where portion of distribution is taxable
  - Education expenses
- Residential Energy credit – solar panels – solar water heater
  - Copy of contract for purchase of solar panels

**If you do not bring all necessary documents to your appointment, we may not be able to prepare your tax return.**