

Policy & Preparation: Deceased Dependent

The Tax Help Program does not inquire whether dependents listed on a tax return are deceased. If the taxpayer reveals during Intake or tax return preparation that a dependent has died during the tax year being prepared, Foundation Communities will assist the taxpayer.

How to Assist the Taxpayer

If you learn that a dependent on the tax return is deceased, the tax return can be prepared as usual. Proof of SSN is required but no copy of the death certificate is required to proceed.

1. Confirm the date of death of the dependent.
2. Start a new return in TaxSlayer.
3. Prepare the tax return as usual.

Note: There is no way to indicate in the tax return that a dependent is deceased.

4. To determine the Return Type, see below.

Can the Return be E-Filed?

► The tax return can be **e-filed** if all of these conditions are met:

- the date of death is not greater than 6 months prior to return preparation (and date of presumed efile); **and**
- a refund is due to the taxpayer; **and**
- there is no other circumstance that prevents e-filing.

If any of these conditions are not met, the return must be **Paper**.

Important! Explain to the client that the IRS may reject the return if the SSN of the deceased has been “locked”. If the client wishes to proceed with e-filing, follow the steps for **e-filing** below. If the client wishes to proceed with a Paper return, follow the steps for a **Paper** return below

► For e-filing, follow these steps:

- Make a note in TaxSlayer that the dependent is deceased. Include the date of death.
- Set the **Return Type** to **E-file** in TaxSlayer.

- Prepare two (2) printed copies of the complete tax return:
 - one copy that is ready to mail with all required tax documents attached; and
 - one copy for the taxpayer's records.
- Instruct the client **not to mail** the tax return to the IRS unless they receive a call from the Tax Help Program instructing them to do so because the e-file tax return has been rejected.
- Place copies of IDs, proof of SSN, and W-2s in the Processing Envelope as usual.

► **For a Paper return, follow these steps:**

- Make a note in TaxSlayer that the dependent is deceased. Include the date of death.
- Set the **Return Type** to **Paper** in TaxSlayer.
- Prepare two (2) printed copies of the complete tax return:
 - one copy that is ready to mail with all required tax documents attached; and
 - one copy for the taxpayer's records.
- Instruct the taxpayer to sign and mail the prepared return to the IRS.
- Place copies of IDs, proof of SSN, and W-2s in the Processing Envelope as usual.