

Should The Taxpayer Itemize Deductions? Quick Calculation Tool for TY2025

Remember: Returns that include itemized deductions require **Advanced** certification. This tool may be useful during Intake to determine the certification required for preparation and during Preparation to determine if itemization may benefit the taxpayer. **If there is any doubt** that the taxpayer would benefit from itemization, Intake should **mark the return as Advanced** and have the taxpayer review with the tax preparer.

We can estimate the taxpayer's **adjusted gross income (AGI)** by adding up all taxable sources of income. AGI only includes the [taxable portion of Social Security benefits](#) and the net profit (i.e. income minus expenses) of self-employment income.

Itemized expense:	Amount:
Medical and dental expenses <i>(subject to 7.5% floor)</i> Note: only unreimbursed expenses that exceed 7.5% of the taxpayer's AGI can be included when itemizing. Example: a taxpayer with an AGI of \$30,000 can include total medical expenses paid minus \$2,250 ($30,000 \times .075$).	\$ _____
Real estate taxes <i>(commonly known as property taxes)</i>	\$ _____
Home mortgage interest <i>(see Form 1098 Box 1)</i>	\$ _____
Donations	\$ _____
Casualty/theft losses <i>(only if in federally declared disaster area)</i> Note: If the client itemizes and claims casualty losses, the return is out of scope for VITA. The taxpayer also has the option to file without including casualty losses and later amend. See " About Casualty Loss and VITA " for more info.	\$ _____
Sales tax (use the IRS sales tax deduction calculator) <i>or</i> State and local taxes <i>(does not apply to Texas) – limit is \$40,000</i>	\$ _____
Total:	\$ _____

If the total of eligible deductions is greater than the standard deduction for the respective filing status, it **may benefit the taxpayer to itemize deductions.**

Standard deductions amounts for TY2025 are:

- Single:** \$15,750
- Married Filing Jointly:** \$31,500
- Married Filing Separately:** \$15,750
- Head of Household:** \$23,625
- Qualifying Surviving Spouse:** \$31,500