



# **New York State Department of Taxation and Finance 2014 Coordinators Training**

**Outreach and Constituent Services  
Office of Taxpayer Rights Advocate**

# DTF Regional Outreach Staff Territories

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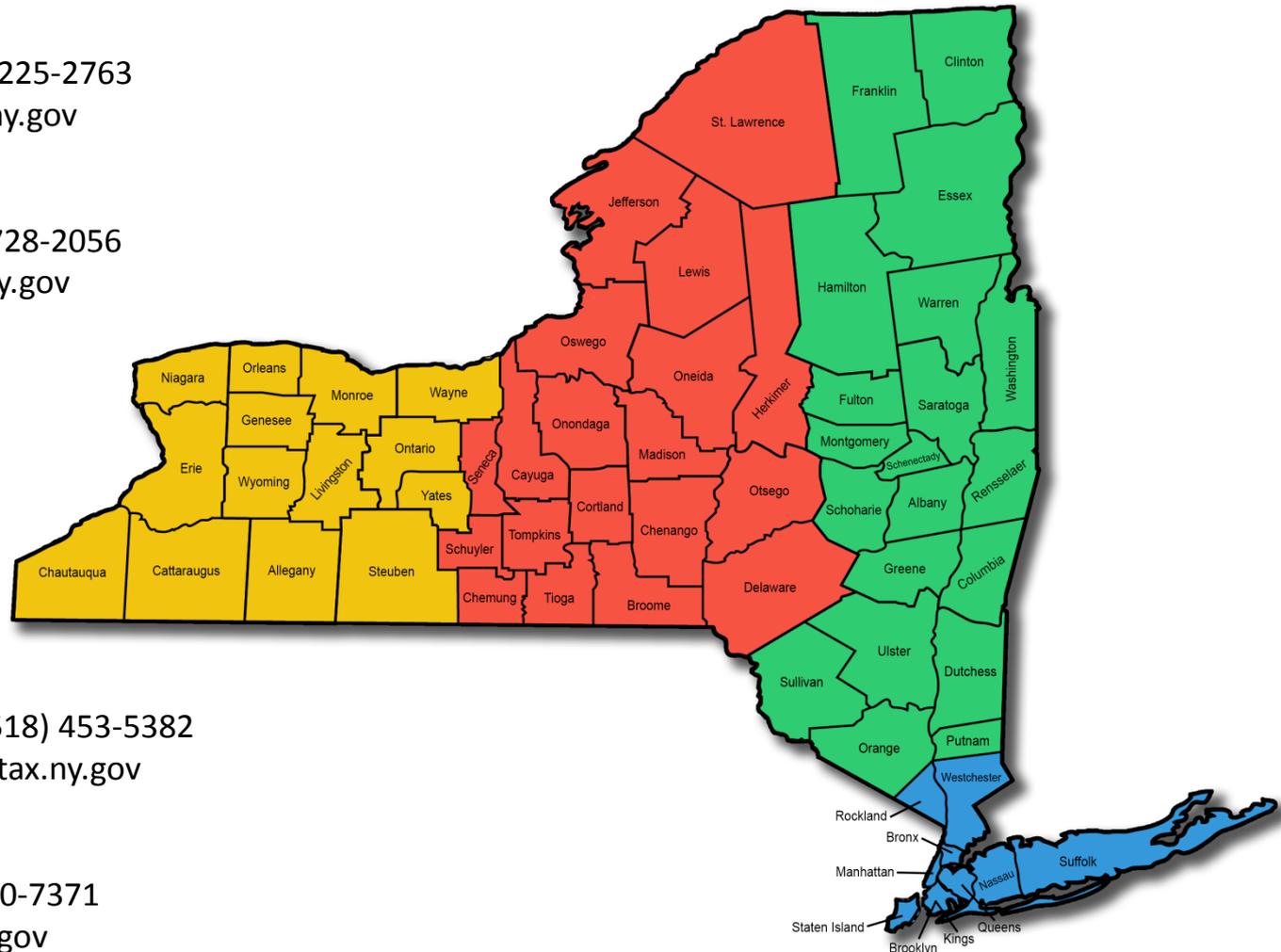
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## Metro Region

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# Advocacy Groups – Free Tax Prep Sites

- New York volunteer sites prepared 237,139 tax returns for tax year 2013
  - 11% increase over 2012
- Free self-assistance sites prepared 7999 returns
  - 23% increase over 2012
- Advocacy groups saved taxpayers over \$59 million in tax preparation fees\*
- Nearly 90% of New York's 10 million taxpayers e-filed last year
- Returns prepared at 92% accuracy rate

# NYS Volunteer website

[www.tax.ny.gov/volunteer](http://www.tax.ny.gov/volunteer)

# Practitioner Hot Line

Tax Practitioner Hotline (518) 457-5451

Extended hours were offered during filing season

# Identity Theft

[www.tax.ny.gov/help/contact/identity\\_theft.htm](http://www.tax.ny.gov/help/contact/identity_theft.htm)

[Form DTF-275, \*Identity Theft Declaration\*](#)

Remember if a taxpayer is a victim of Identity theft it should be reported to both the Federal and NYS.



***What is New for 2014 ?***

# 2014 Standard Deduction and Exemptions

<i>Filing Status</i>	<i>Standard Deduction</i>
<b>Single</b> <i>can be claimed on another's tax return</i>	<b>\$3,100</b>
<b>Single</b> <i>cannot be claimed on another's tax return</i>	<b>\$7,800</b>
<b>Married Filing Jointly</b>	<b>\$15,650</b>
<b>Married Filing Separately</b>	<b>\$7,800</b>
<b>Head of Household</b> <i>with qualifying person</i>	<b>\$10,950</b>
<b>Qualifying Widow(er)</b> <i>with dependent child</i>	<b>\$15,650</b>

***Dependent exemption remains at \$1000***

# Withholding Information

- Taxpayer creates an online service account
- Select option to retrieve wage and withholding
- Information available for 10 years
- Target date for lookup is first week of February 2015
- Complete 2014 withholding information will be available March 2015

# BASIC STAR Registration

- **Registration deadline for the one-time registration was 12/31/13 however we are still accepting late registrations**
  
- **2014 Legislation** amends the STAR Registration program in relation to accepting late registrations:
  - After having directed the removal of basic STAR, the Commissioner is authorized to remit directly to the property owner the tax savings
  - Direct assessor in question to restore the exemption if property owner qualifies for exemption

# Property Tax Freeze Credit

- A program that reimburses qualifying homeowners for increase in taxes on their primary residence. Homeowners outside of NYC.
- October 2014 the department will begin mailing checks
- **Year Eligibility Requirement**
  - Year 1 (2014-15) Comply with tax cap only
  - Year 2 (2015-16) Comply with tax cap and submit an efficiency plan by June 1, 2015 that is determined to be compliant by the State Division of Budget

# NYC 208 -Refundable Property Tax Circuit Breaker Credit

- Because property tax freeze does not apply to NYC the property tax circuit breaker credit was enacted to provide tax relief to NYC residents
  - Household gross income less than \$200,000
  - 2014 and 2015
  - Based on property taxes exceeding a percentage of household gross income
  - Credit range 1.5 to 4.5 %

# Family Tax Relief Credit (tax years 2014-2016)

- The credit of \$350
- Eligible taxpayers:
  - Full year resident
  - Claimed one or more dependents under the age of 17
  - NY AGI between \$40,000 - \$300,000.
  - Had a NYS tax liability after credits that is zero or greater
- 2014 credit is based on 2012 Tax return
- 2015 & 2016 credit will be based on current year.
- **TP-290** – [Application for the Family Tax Relief Credit](#)

# Noncustodial Parent EITC

- Extends the enhanced earned income tax credit for two years to include 2015 and 2016
- Claimant must have a child support order in effect for at least  $\frac{1}{2}$  the taxable year and be current with payments
- Amount remains the same:
  - 20% of federal EITC chart for one qualifying child
  - OR
  - Or 2.5 times of federal EITC for no qualifying children

# E-file Mandate

**Volunteer tax preparers are not subject to the e-filing mandate.**

# Exemption Code - 09

- In the signature section, a NYS tax return preparer must enter either their NYS registration identification number (NYTPRIN) or an exempt code.

<b>Code</b>	<b>Exemption type</b>	<b>Code</b>	<b>Exemption type</b>
01	Attorney	02	Employee of attorney
03	CPA	04	Employee of CPA
05	PA (Public Accountant)	06	Employee of PA
07	Enrolled agent	08	Employee of enrolled agent
09	Volunteer tax preparer	10	Employee of business preparing that business' return

# Yonkers surcharge increases

- Effective for tax year 2014, the rate of the Yonkers resident income tax surcharge has increased from 15% to 16.75% of the *net state tax*.(Article 30-A of the tax law)
- TSB-M-14(4)I - *Increase in the Rate of the Yonkers Resident Income Tax Surcharge*



# ***Department Updates***

# IT- 225 - New York State Modifications

## Common additions reported on this form

- A-101 New York City flexible benefits program (IRC-125)

## Common subtractions reported on this form

- S-119 Military pay
- S-124 Disability income exclusion
- S-128 Native American income inclusion

# New Questions on IT-201

## D2 Yonkers residents and Yonkers part-year residents only:

(1) Did you receive a property tax freeze credit?  
(see page XX) ..... Yes  No

(2) If Yes, enter  
the amount..... 

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D3 Did you receive a family tax relief credit?  
(see page XX) ..... Yes  No

# New Phone #'s added to TP 300

- Withholding Tax Information
  - (518) 485-6820
  
- Attorney General Consumer Protection
  - 1-800-771-7755
  
- Family Tax Relief Credit
  - (518) 485-1057
  
- Property Tax Freeze Credit
  - (518) 453-8146

# College Tuition Credit

**Part 1:** Complete lines A through H below for each eligible student for whom you paid qualified college tuition expenses. You can use the duplicate NY 272 to list three additional students.

	1 Student 1	2 Student 2	3 Student 3
<b>A</b> Eligible student's first name	WINDSOR		
Eligible student's last name	WASHINGTON		
<b>B</b> Eligible student's SSN	121-22-0090		
<b>C</b> Is the student claimed as a dependent on your NYS return?	<input checked="" type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
<b>D</b> EIN of college or university If this is a foreign university that does not have an EIN, check here	15-9220090 <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>E</b> Name of college or university	WALKER UNIVERSITY		
<b>F</b> Were expenses for undergraduate tuition? If no, the expenses do not qualify.	<input checked="" type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
<b>G</b> Amount of qualified college tuition expenses	5000	0	0
<b>H</b> Lesser of line G or \$10,000	5000	0	0

# NYS additions to Federal Adjusted Gross Income

- **Using Software for the most common addition modifications:**
  - Public employee retirement contributions (414(h)) and NYC flexible benefits program (IRC 125), entered in box 14

**Must be entered as 414HSUB and IRC125S**
  - 414H make sure the amount appears on line 21 on form IT-201
  - IRC 125 Verify that the amount appears on line 23 of Form IT-201

# Subtractions to federal Adjusted Gross Income (FAGI)

- The tax software will automatically subtract a state refund and social security income included in federal adjusted gross income
  
- Contributions to a NYS 529 College Savings Plan
  
- Pensions - Must indicate on 1099R if the pension is from:
  - NYS or NYS local government or federal pension (box 2)
  - Private pension if entitled to exclusion (box 1)
  - Railroad retirement (box 4)

# Software NOTES

- MUST Enter on NYS Tax Form:
  - School District Name
  - School District Code
  - County of Resident
  
- Line 59 – **NYS Sales Tax must have an entry**
  
- New York State has approved IT-214, NYC-210 and **NYC-208** to be filed as a stand alone forms. (**NOTE:** IT-214 and NYC-210 can also be filed through the NYS online service center)

# Due Date of the 2014 personal income tax return

- **April 15, 2015** – Date by which you must file your 2014 New York State income tax return and pay any amounts you owe without interest or penalty
- If you cannot file by this date, you can get an automatic 6-month extension of time to file (to October 15, 2015) by filing IT-370, *Application for Automatic Six-Month Extension of Time to File for Individuals*. **Note:** NYS does not accept the federal extension form 4868.

# Payment Options on E-filing

- Electronic Funds Transfer (EFT) from a checking or savings account
- Credit Card
- **Mail in a check with Form IT-201-V – whether or not you e-filed the return or filed on paper**

# Estimated Tax Penalty (IT 2105.9)

Volunteer tax return preparers should **not** be calculating penalty. If a software is requesting you to complete Form IT-2105.9 (penalty calculation form for the under payment of estimated income taxes). Remove the form. If necessary, insert \$1 in prior years taxes to cause the form to go away.

# Refund Options

- Direct Deposit
  - Will be a limit of three direct deposits into one account
- Debit Card
  - Will be a limit of \$1000 withdrawal per day (at ATMs only)
- Paper Check – long time to process

# Electronically File for Free

**NOTE:** Most NY taxpayers can electronically file their personal income tax return for free:

- [www.tax.ny.gov/pit/efile/default.htm](http://www.tax.ny.gov/pit/efile/default.htm)
- Taxpayers with income of \$60,000 or less, may qualify to use tax preparation software to electronically file their Federal and NYS personal income tax return for free
- Taxpayers with income above \$60,000 (who are not claiming credits) may create an Online service account to file their NYS personal income tax return for free

# NYS Volunteer Resource Information

- E-file help desk (518) 457-6387
- Online service helpline (518) 485-7885
- Tax information for all states – FTA [www.taxadmin.org](http://www.taxadmin.org)
- New York City Department of Finance 212-NEW-YORK  
(212-639-9675) [www.nyc.gov/finance](http://www.nyc.gov/finance)
- **E-mail alerts - please send e-mail to [NYvolunteers@tax.ny.gov](mailto:NYvolunteers@tax.ny.gov) and you will be placed on the "Volunteer Preparers" group list to receive New York State Tax Updates.**

# Resources Available for Volunteers

- DTF-215 – Earned Income Tax Credit
- DTF-215.2 – Earned income tax Credit Brochure
- DTF-215 PO – Earned Income Tax Credit Poster
- DTF-216 – Claim for Child and Dependent Care Credit
- DTF-440 – Debit Card Brochure
- DTF-911.2 – Office of Taxpayer Rights Advocate Brochure
- Publication 36 – General Information for Seniors and Retired Persons
- Publication 93 – Modernized e-file (MeF) Guide for Return Preparers

# Common Tax Credits Volunteers should be aware of

- *Household Credit*
- IT-112R Resident Tax Credit (optional)
- IT-209 Noncustodial Parent Earned Income Tax Credit
- IT-213 Empire Child Tax Credit
- IT-214 Real Property Tax Credit
- IT-215 Earned Income Tax Credit
- IT-216 Child Care and Dependent Credit
- IT-221 Disability Income Exclusion
- IT-245 Volunteer Firefighter and Ambulance Worker Credit
- IT-249 Long Term Care Credit
- IT-258 Refundable Nursing Home Credit
- IT-272 College Tuition Credit
- Property Tax Freeze Credit
- Family Tax Relief Credit

# Ways You Can Connect with NYS Tax

[www.tax.ny.gov](http://www.tax.ny.gov)

Tax Practitioner Hotline (518) 457-5451



NYS TaxDepartment



NYSTaxNews



NYSTax



Online Demos



Email Subscription Service

# QUESTIONS?

# THANK YOU

***The material included in this slide show is intended only to highlight NYS tax issues as of the date presented. For more comprehensive information, please refer to our TSB-M's, Forms, Instructions, Bulletins, and Publications.***