



**Department of
Taxation and Finance**

2015 Coordinators Training

**Outreach and Constituent Services
Office of Taxpayer Rights Advocate
www.tax.ny.gov/volunteer**

DTF Regional Outreach Staff Territories



Western NY Region
Position vacant



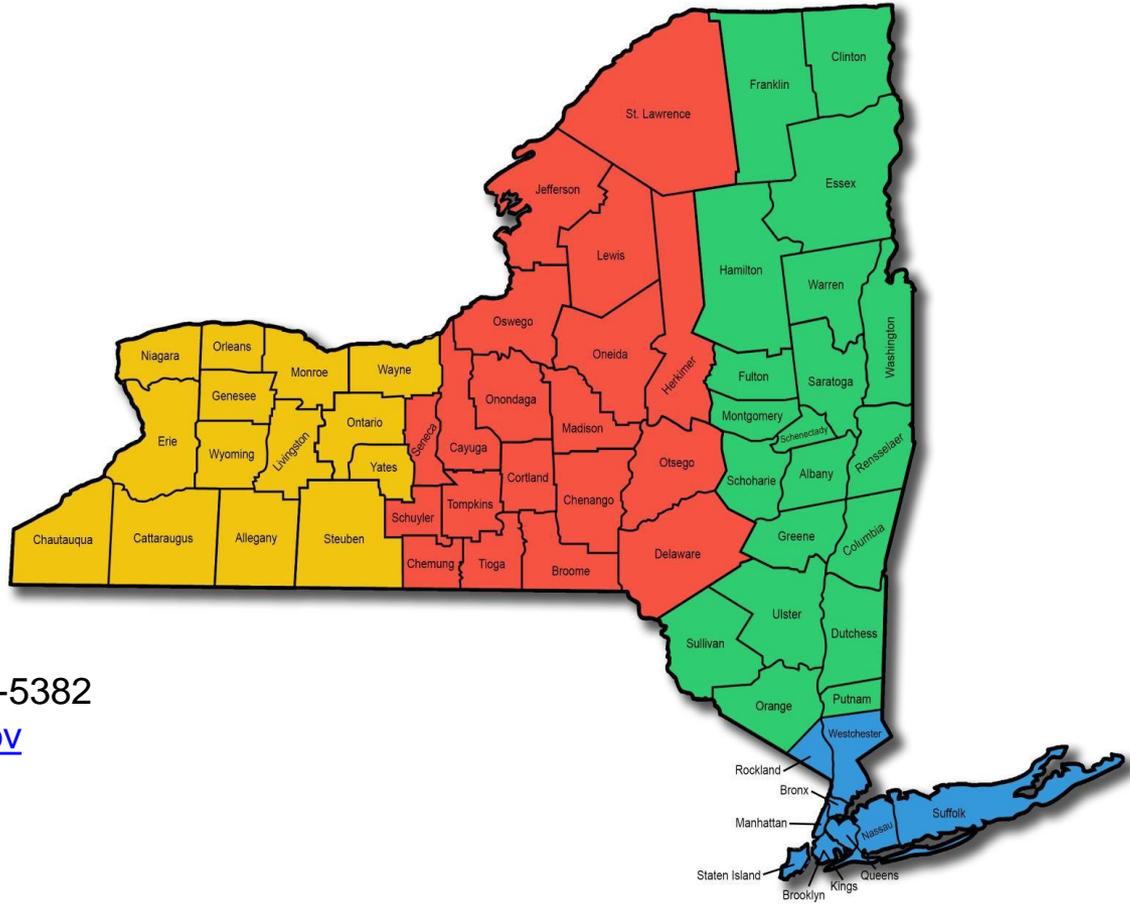
Central NY Region
Karen Martino (315) 728-2056
Karen.martino@tax.ny.gov



Capital Region
Michelle Duchowny (518) 453-5382
Michelle.duchowny@tax.ny.gov



Metro Region
Robert Smith (347) 390-7371
Robert.smith@tax.ny.gov



NYS Volunteer website

www.tax.ny.gov/volunteer



Tax Practitioner Hotline (518) 457-5451

Extended hours were offered during filing season

Refund processing success

Strata	Percent of refunds issued
Refunds issued under 30 days are.....	87.36%
If your client receives an inquiry from the department, and responds to the notice, the resolution of refunds under 45 days are.....	98.76%



**Department of
Taxation and Finance**

What is New for 2015?

2015 standard deduction and exemptions

Filing Status <i>Filing Status</i>	Standard Deduction <i>Standard Deduction</i>
Single <i>client can be claimed on another's tax return</i>	\$3,100
Single <i>client cannot be claimed on another's tax return</i>	\$7,900
Married Filing Jointly	\$15,850
Married Filing Separately	\$7,900
Head of Household <i>with qualifying person</i>	\$11,100
Qualifying Widow(er) <i>with dependent child</i>	\$15,850

Dependent exemption remains at \$1,000



Income tax rate extended

- For tax years 2015 through 2017:
 - We will continue to index the tax tables by a cost-of-living percentage adjustment.

- For tax years beginning after 2017:
 - We will revert the tax tables to the tables and tax rates in effect for tax years beginning after 2005 and before 2009 (the highest rate will be 6.85%).

Recoup improperly granted Basic STAR

- **Part E of Chapter 59 of the Laws of 2015** allows the Tax Department to go back up to three years to recoup savings plus interest from taxpayers who improperly received the Basic School Tax Relief (STAR) exemption.

Benefits

- **Part F of Chapter 59 of the Laws of 2015** allows homeowners who registered for the Basic STAR exemption with the Tax Department, but failed to file a timely application with their assessor, to receive the benefit of the exemption for 2014.

Electronic filing

Amended returns

- For tax year 2015, you can e-file NYS amended personal income tax returns (Forms IT-201X and IT-203X).
- Prior year amended returns must be submitted on paper.

Attachments

- You can include attachments with an e-filed return.
 - These attachments must be in PDF format.
 - Your software will guide you on how to include PDF attachments with an e-filed return.
 - Do **not** password protect, encrypt, or in any way document protect PDF attachments.

Withholding Information

- Taxpayer creates an online service account
- Select option to retrieve wage and withholding
- Information available for 10 years
- 2014 will be most current year available
- Withholding Tax Information (518)485-6820

NOTE: WT transcripts will not be available until after 1/1/16

Withholding forms for PAPER filed returns

- Form IT-2, *Summary of W-2 Statements* (only for paper filed returns)
 - If you are filing a paper return, you must complete Form IT-2 for all Form W-2s your client received. Use Form IT-2 for tax year 2015 and forward. For older years, submit Form W-2 with the paper filed return.
- Form IT-1099-R, *Summary of Federal Form 1099-R Statements* (only for paper returns and **ONLY if there is NYS withholding taxes on the pension**)
 - Form IT-1099-R is for tax year 2015 and forward. If there is NYS withholding tax on a 1099-R for a prior year, you must submit it with the paper filed return.

Property tax freeze credit

- For 2015, the credit will apply to increases in school taxes **and** municipal taxes, including:
 - counties,
 - cities,
 - towns,
 - villages, and
 - special districts.
- The Tax Department will mail checks to eligible homeowners. If you are eligible, you do not need to do anything to receive your check.
- Property Tax Freeze Credit (518)453-8146
- For more information:
www.tax.ny.gov/pit/property/property_tax_freeze.htm

NYC-208 Refundable property tax circuit breaker credit for NYC residents

Because the property tax freeze does not apply to NYC, the New York City enhanced real property tax credit was enacted to provide tax relief to NYC residents. **The 2015 legislation extends the credit through tax year 2019.**

- Must be a NYC resident for the entire year.
- Cannot be claimed on another's federal income tax return.
- Household gross income less than \$200,000.
- The credit is based on property taxes exceeding a percentage of household gross income. The credit range 1.5% to 4.5%.

Refundable property tax circuit breaker credit

Household Income	Burden Threshold	Credit Percentage
Less than \$100,000	4%	4.5%
\$100,000 - \$150,000	5%	3.0%
\$150,000-\$200,000	6%	1.5%

Family tax relief credit

- For tax year 2015 and 2016, you must complete Form IT-114, Claim for Family Tax Relief Credit, for your client to receive the credit.
- Eligible taxpayers are residents who:
 - were a New York State resident for all of 2015;
 - had at least one dependent child who was younger than 17 (as of December 31, 2015);
 - had New York adjusted gross income between \$40,000 and \$300,000; and
 - had a New York State tax liability after credits of zero or greater.
- (518)485-1057

Family tax relief credit line 63a

Page 4 of 4 IT-201 (2015)

Your social security number

62 Enter amount from line 61 62

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Payments and refundable credits (see page 28)

63 Empire State child credit	63	00
63a Family tax relief credit	63a	00
64 NYS/NYC child and dependent care credit	64	00
65 NYS earned income credit (EIC)	65	00
66 NYS noncustodial parent EIC	66	00
67 Real property tax credit	67	00
68 College tuition credit	68	00
69 NYC school tax credit (also complete F on page 1; see page 29)	69	00
70 NYC earned income credit	70	00
70a NYC enhanced real property tax credit	70a	00
71 Other refundable credits (Form IT-201-ATT, line 18)	71	00
72 Total New York State tax withheld	72	00
73 Total New York City tax withheld	73	00
74 Total Yonkers tax withheld	74	00
75 Total estimated tax payments and amount paid with Form IT-370	75	00
76 Total payments (add lines 63 through 75)	76	00

2D barcode clear area
approximate size
1 3/4" X 1 1/4"

If applicable, complete Form(s) IT-2 and/or IT-1099-R and submit them with your return (see page 12).

E-file Mandate

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



Rejects

- All preparer information on the main form (IT-201, IT-203, and IT-205) **must** be present to prevent submissions created with “professional” software from rejecting for **R0800** “*Preparers name/SSN/PTIN, signed date, firm name, address must be present*”.
- The tax professionals must add an exclusion code or NYTPRIN on the return to prevent the personal income tax returns and fiduciary returns submissions created with “professional” software from rejecting for **R1048**.

NYTPRIN or exempt code

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

Code	Exemption type	Code	Exemption type
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

Metropolitan Commuter Transportation Mobility Tax (MCTMT)

- Effective for tax years beginning on or after January 1, 2015, MCTMT for self-employed individuals is now reported with personal income taxes.
- The following forms are now obsolete:
 - MTA-5 (estimated tax for MCTMT)
 - MTA-6 (self-employment MCTMT income tax form)
 - MTA-7 (extension for MCTMT)
 - MTA-9 (underpayment of estimated taxes for MCTMT)

MCTMT on PIT form

New York City and Yonkers taxes, credits, and surcharges, and MCTMT

47	NYC resident tax on line 38 amount (see page 20)	47		00
48	NYC household credit (page 20, table 4, 5, or 6)	48		00
49	Subtract line 48 from line 47 (if line 48 is more than line 47, leave blank)	49		00
50	Part-year NYC resident tax (Form IT-360.1)	50		00
51	Other NYC taxes (Form IT-201-ATT, line 34)	51		00
52	Add lines 49, 50, and 51	52		00
53	NYC nonrefundable credits (Form IT-201-ATT, line 10)	53		00
54	Subtract line 53 from line 52 (if line 53 is more than line 52, leave blank)	54		00
54a	MCTMT net earnings base	54a		00
54b	MCTMT	54b		00
55	Yonkers resident income tax surcharge (see page 22)	55		00
56	Yonkers nonresident earnings tax (Form Y-203)	56		00
57	Part-year Yonkers resident income tax surcharge (Form IT-360.1)	57		00
58	Total New York City and Yonkers taxes / surcharges and MCTMT (add lines 54 and 54b through 57)	58		00
59	Sales or use tax (see page 23; do not leave line 59 blank)	59		00

See instructions on pages 20, 21, and 22 to compute New York City and Yonkers taxes, credits, and surcharges, and MCTMT.

2D barcode clear area
approximate size
1 3/4" X 1 1/4"

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

NOTE: You must complete form IT-225 for any other addition on line 23 or other subtraction line 31.

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 IRC125
 - 414H make sure the amount appears on 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 2015 personal income tax return

- **April 18, 2016** – Date by which you must file your 2015 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, 2016) by filing Form 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
- Paper Check – long time to process
- Due to lack of participation debit cards are no longer being offered

Electronically filing for free

- **NOTE:** Most NY taxpayers can electronically file their personal income tax return for free.
 - www.tax.ny.gov/pit/efile/elf_individual.htm
- Taxpayers with income of \$62,000 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 \$62,000 (who are not claiming credits) may create an Online service account to file their NYS personal income tax return for free.

Creating an individual on line service account

- To create an online service account the individual will need the NYS TAXABLE amount and the amount of refund or amount owed from one of the last five years of tax returns filed.
- The individual will be required to answer THREE security questions.

NYS Volunteer Resource Information

- E-file help desk (518) 457-6387
- Tax information for all states – FTA www.taxadmin.org
- New York City Department of Finance (212) NEW-YORK (212-639-9675) www.nyc.gov/finance
- **E-mail alerts - please send e-mail to 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-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 for volunteer training

- *Household Credit*
- IT-112R Resident Tax Credit (optional)
- IT-114 Family Tax Relief Credit
- 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

Department messages

Victims of identity theft

What to do:

- Visit our Web site
www.tax.ny.gov/help/contact/identity-theft.htm
- Complete [Form DTF-275, Identity Theft Declaration](#)
- Fax items to: (518) 435-2990 (Attn: Identity Theft) or mail to:
NYS Assessment Receivables
Attn: Identity Theft
PO Box 4128
Binghamton NY 13902-4128
- Call (518) 457-5181 for more information

Income taxes

- If your client is self-employed, they should keep a separate bank account for their business.
- Those self-employed claiming the Earned Income Tax Credit (EITC) need to maintain records.
 - [*DTF-215 Record Keeping Suggestions for Self-employed persons*](#)

1099-G *Statement for Recipients of State Income Tax Refunds*

- The Tax Department will report your 1099-G information to the Internal Revenue Service (IRS) if you:
 - had an overpayment from your New York State income tax return, **and**
 - itemized your deductions on your federal income tax return for that same tax year.
- Your 1099-G amount reflects the amount of state and local taxes you overpaid through withholding or estimated tax payments. For most people, the amount shown on your 2015 Form 1099-G is the same as the 2014 New York State income tax refund you actually received.



Income taxes (continued)

- NYS College Tuition Credit and added itemized deduction is for undergraduate tuition only; the cost of enrollment or attendance at an institution of higher education. Qualified tuition expenses do not include:
 - tuition paid through scholarships or other financial aid that need not be repaid,
 - amounts paid for room and board, and other similar personal or living expenses, and
 - amounts paid for books, equipment, and activities, even if required by the school.

Voluntary Disclosure and Compliance Program

- Under the Tax Department's Voluntary Disclosure and Compliance program, eligible taxpayers who owe back taxes and have not filed related returns can avoid monetary penalties and possible criminal charges by:
 - telling the department what taxes they owe;
 - paying those taxes; **and**
 - entering an agreement to pay all future taxes.
- The application must be completed [electronically](#).

Common Mistakes

- Verify taxpayer data – name, address (including apartment number), SS#'s of taxpayers and dependents;
- Missing signatures;
- Preparer section must be completed in its entirety (most common reject);
- Federal amounts must appear in the first column of the IT-203 and the IT-360.1;
- IT-249: The Claim for Long-Term Care Insurance Credit
Disability insurance is not eligible.

Common Mistakes

- Amended returns must include all credit forms;
- Add amount from W-2 box 14, listed as 414(h), to line 21 (software may have specific entries);
- Add amount from W-2 box 14 listed as IRC 125, to line 23;
- Bonds invested outside of New York are taxable to New York and must be added as a New York State addition (line 20);

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