



New York State Department of Taxation and Finance 2013 Volunteer Income Tax Training

**Outreach and Taxpayer Education
Office of the Taxpayer Rights Advocate**

Additional Staff Hired for Your Support

- The department is committed in assisting you to achieve your goals of ensuring that more New Yorkers will take advantage of the free tax preparation and financial literacy services that are available to them.
 - Department staff will be available to assist you when training your volunteers.
 - Assist with issues or concerns during the E-filing season.
 - Will be conducting site reviews throughout the filing season to support your volunteers.

DTF Regional Outreach Staff Territories

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Western NY Region

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Central NY Region

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Capital Region

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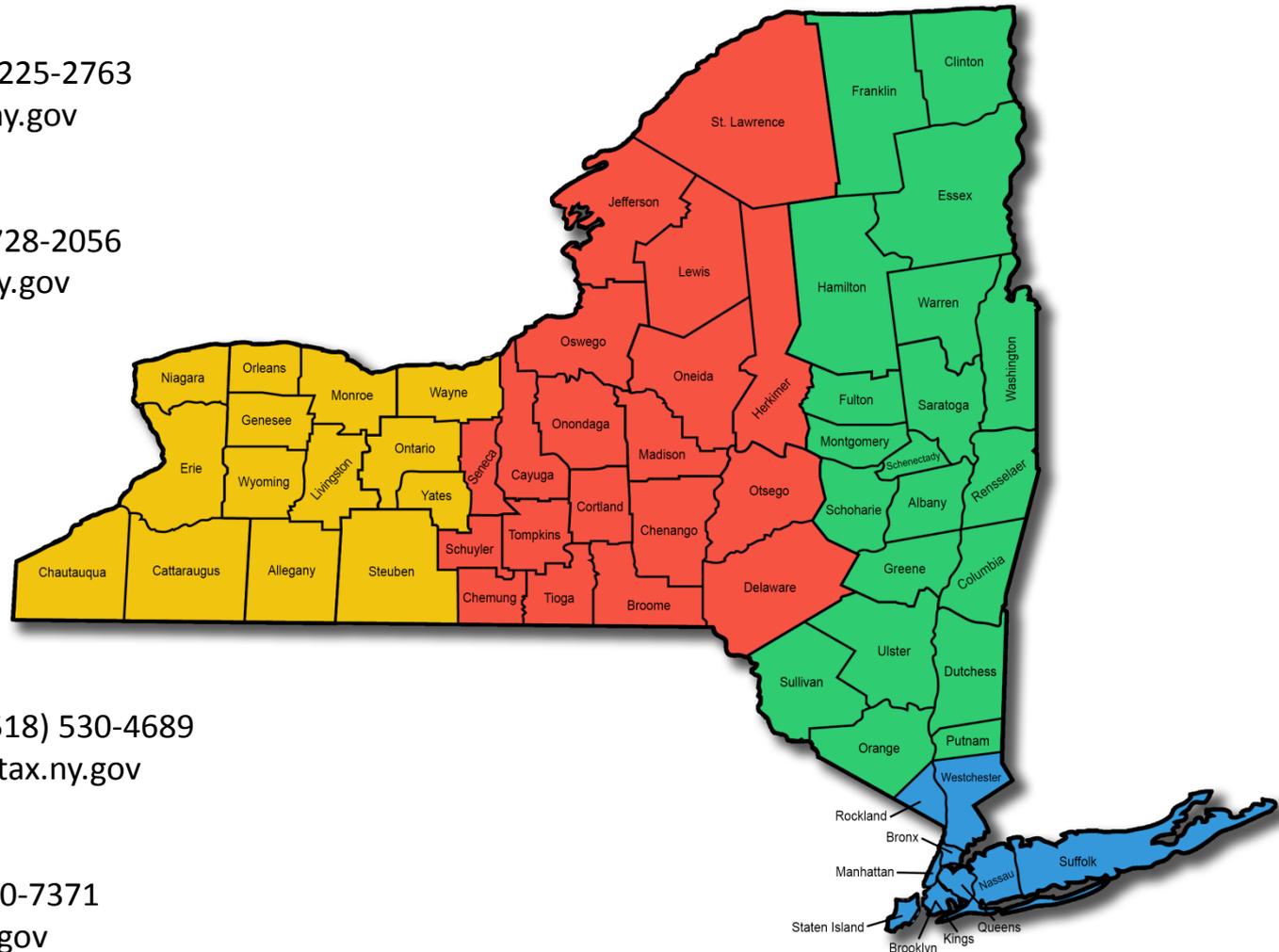
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Metro Region

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NYS Extended Hours

- Tax Practitioner Hotline 518-457-5451
 - Extended hours were offered during filing season
 - Wait time was significantly reduced
 - Based on feedback from Consumer Advocacy Summits attendees and Tax preparers, the extended hours will offered again during filing season.

Private and Confidential

- Taxpayers utilizing volunteer program services provide personal information to the volunteers, such as names, addresses, social security numbers, birth dates, and bank account information. ***This type of information is a prime target for identity theft.***
- Therefore, partners and volunteers must keep the information confidential and protect it from unauthorized individuals and misuse.

Maintaining and Ensuring Confidentiality of Taxpayer Information

- In accordance with Internal Revenue Service (refer to IRS publication 4299) partners and volunteers must maintain confidentiality of taxpayer information by:
 - Protecting the information
 - Providing a Safe Environment for Information
 - Deleting Taxpayer Information
 - Disposing Taxpayer Information

Identity Theft

- IRS tax advocate reports that identity theft cases increased by more than 650 percent over the last five years.
- NYS launched website on what to do if client is a victim of identity theft:
http://www.tax.ny.gov/help/contact/identity_theft.htmPartners

Identity Theft

- What to do:
 - Need a photocopy of a government issued ID.
 - [Form DTF-275, Identity Theft Declaration](#). With statement explaining why you believe you're a victim of identity theft.
 - Address verification for the tax year in question such as a utility bill, lease agreement, or bank statement.
 - 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
 - Client may also call (518) 457-5181.



What is New for 2013?

2013 Standard Deduction and Exemptions

<i>Filing Status</i>	<i>Standard Deduction</i>
<i>Single</i> <i>can be claimed on another's tax return</i>	\$3,050
<i>Single</i> <i>cannot be claimed on another's tax return</i>	\$7,700
<i>Married Filing Jointly</i>	\$15,400
<i>Married Filing Separately</i>	\$7,700
<i>Head of Household</i> <i>with qualifying person</i>	\$10,800
<i>Qualifying Widow(er)</i> <i>with dependent child</i>	\$15,400

Dependent exemption remains at \$1000

Income Tax Rate Extended

- The Laws of 2013 extends the temporary New York State income tax rates through tax year 2017
 - The tax tables will continue to be indexed by a cost-of-living percentage adjustment.
- For tax years beginning after 2017, the tax tables revert to the tables and tax rates in effect for tax years beginning after 2005 and before 2009 (the highest rate will be 6.85 percent).

Tax Form Changes

- New Donation Check off Boxes
 - Gift for Honor and Remembrance of Veterans.
 - Gift for New York State Teen Health Education Fund.

- Third Party Designee - Beginning with tax year 2013 the third party designee (check the box) authorization will not expire but will only cover matters relating to the return filed.

Family Tax Relief Credit (tax years 2014-2016)

- The 2012 income tax return filed will be used to determine the Family Tax Credit that will be available for tax year 2014.
 - 2013 tax return will be used to determine eligibility for 2015
 - 2014 tax return will be used to determine eligibility for 2016
- The credit of \$350 will be issued in the fall of 2014, fall of 2015, and the fall of 2016.
- Eligible taxpayers:
 - Residents
 - Claimed one or more dependents under the age of 17
 - Income between \$40,000 - \$300,000
 - Had tax less other credits greater than zero

NEW: Marriage Equality Act

- **IR-2013-72, Aug. 29, 2013 WASHINGTON**
The U.S. Department of the Treasury and the Internal Revenue Service (IRS) today ruled that same-sex couples, legally married in jurisdictions that recognize their marriages, will be treated as married for federal tax purposes.
- Legally-married same-sex couples must file their 2013 federal income tax return using either the married filing jointly or married filing separately filing status.
- Therefore, NYS and IRS returns will generally have the same filing status for tax year 2013. (Exception may be married filing separate.)
- *NYS Tax information on new IRS rules*
www.tax.ny.gov/pdf/memos/multitax/m13_5i_10m.pdf

Legislative Changes

- **Warrantless Wage Garnishment:**
 - The department may now serve income executions to debtor and, if necessary, on their employers without filing a warrant a/k/a lien.

- **Suspension of Driver's Licenses of Persons Delinquent in the Payment of Past-due Tax Liabilities:**
 - Liabilities great than \$10,000 who fail to enter into a payment agreement.
 - Provide a 60 day notice.

New: voucher required when submitting a paper check or money order

- **E-filed and previously filed returns** - If you e-filed your income tax return, or if you are making a payment for a previously filed return, mail the voucher and payment to:

**NYS PERSONAL INCOME TAX
PROCESSING CENTER
PO BOX 4124
BINGHAMTON NY 13902-4124**

- **Paper returns** - If you are filing a paper income tax return (including amended returns), include the voucher and payment with your return and mail to this address:

**STATE PROCESSING CENTER
PO BOX 15555
ALBANY NY 12212-5555**

Filing a 2013 Tax Return

Volunteer Best Practices

- Treat all taxpayers in a professional, courteous, and respectful manner;
- Provide the client with the highest quality of service;
- Diligence as to accuracy of the return prepared;
- Communicating clearly with the client:
 - Amount calculated as refund or amount due;
 - When and how to pay balance;
 - When a refund can be expected;
 - How to contact the department if the client receives a notice from the department;
 - Explain records clients may need to provide if the department sends an inquiry for additional information (recordkeeping information available on our website).

Meeting Standards as a Return Preparer

- Volunteers should:
 - Never willfully violate the tax law.
 - Not accept payment or solicit donations for federal or state tax return preparation.
 - Not solicit business from taxpayers assisted or use knowledge gained (their information) about taxpayers for any direct or indirect personal benefit.
 - Not knowingly prepare false returns.
 - Not engage in dishonest or unscrupulous behavior.

New Office of Professional Responsibility

- The Tax Department's Office of Professional Responsibility is committed to holding tax preparers to the highest standards of quality service.
- Most tax professionals are honest and provide excellent service to their clients. The relatively few tax preparers who don't meet those standards, however, can cause serious problems.
- Our office works closely with professional societies, consumer advocacy groups, and law enforcement to ensure all tax preparers perform their duties in an ethical and legal manner.
- If you are aware of any tax preparers who have engaged in illegal or improper conduct, please contact the Office of Professional Responsibility at 518- 530-4628.

NYS Volunteer Resource Information

- www.tax.ny.gov/volunteer (complete training information)
- E-file help desk 518-457-6387
- Tax Practitioner Hotline 518-457-5451
- Online service helpline 518-485-7885
- VITA/TCE site information (IRS) 1-800-829-1040
- Office of Taxpayer Rights Advocate (518) 530-HELP (4357)
- Tax information for all states – FTA www.taxadmin.org
- New York City Department of Finance 212-NEW-YORK (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

- TP-300 – Quick Reference Guide
- TP-301 – New York State Intake Sheet (updated to include form numbers)
- TP-302 – 25 question multiple choice test (five questions include NYC and Yonkers tax)
- TP-302-A – answer sheet for test
- To post to the volunteer page and website the three most common notices:
 - DTF-973.52 (Verification for claiming EITC)
 - DTF-973.73 (Verification for claiming DCC)
 - DTF-973.56 (Verification for wages and withholding)
- **NOTE: All above publications have been added to: www.tax.ny.gov/volunteer**

Resources Available for Volunteers

- DTF-215 – Earned Income Tax Credit (recordkeeping suggestions for self-employed)
- **DTF-215.2 – Earned Income Tax Credit Brochure**
- DTF-216 – Claim for Child and Dependent Care Credit (recordkeeping suggestions for Child Care Expenses)
- 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

- **NOTE: All above publications have been added to:
www.tax.ny.gov/volunteer**

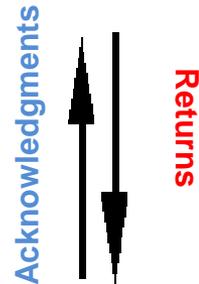
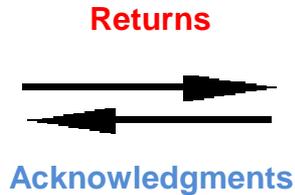
Multilingual Assistance

- Taxpayers may contact us for assistance via telephone and request an interpreter.
- To increase taxpayer access to information, we've translated vital documents into the languages below:
 - Spanish (1.2 million potential customers)
 - Chinese (300,000)
 - Russian (136,000)
 - Italian (80,000)
 - Korean (65,000)
 - French or Haitian Creole (52,000)

The Fed/State e-file Process



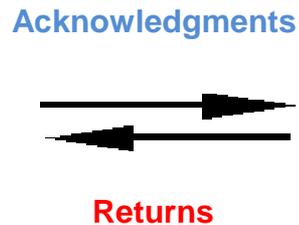
**Return
Preparer**



- ✓ Fed/State filings
- ✓ State only filings



NYS DTF



IRS

Most Common Errors for volunteers for tax year 2012

Reject Code	Error List for Volunteers (top 10 errors)
R0460	IT-272 Qualified college tuition expenses must > 0 to claim CTC
R0129	NYS withholding not = amount on wage and tax statements
R0930	Only one box must be checked for refund choice
R0170	The primary ID was either invalid, or could not be verified at this time
04075	Invalid Bank Routing Number or Account Number
R0157	Non-obligated spouse SSN on IT-203-C not = PR or SP SSN on IT-203.
R0502	NYS + NYC + YKR tax withheld > 0 and greater than or = wages
R0134	Estimated Tax penalty not = amount on IT-2105.9
R0130	NYC withholding on form not = amount on W-2
R0168	When filing IT-203-C the spouse's name should be left blank on the IT-203

New York Conforms with all Federal adjustments

Federal income and adjustments *(see page 14)*

Whole dollars only

1	Wages, salaries, tips, etc.	1	.00
2	Taxable interest income	2	.00
3	Ordinary dividends	3	.00
4	Taxable refunds, credits, or offsets of state and local income taxes <i>(also enter on line 25)</i>	4	.00
5	Alimony received	5	.00
6	Business income or loss <i>(submit a copy of federal Schedule C or C-EZ, Form 1040)</i>	6	.00
7	Capital gain or loss <i>(if required, submit a copy of federal Schedule D, Form 1040)</i>	7	.00
8	Other gains or losses <i>(submit a copy of federal Form 4797)</i>	8	.00
9	Taxable amount of IRA distributions. If received as a beneficiary, mark an X in the box ... <input type="checkbox"/>	9	.00
10	Taxable amount of pensions and annuities. If received as a beneficiary, mark an X in the box <input type="checkbox"/>	10	.00
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc. <i>(submit copy of federal Schedule E, Form 1040)</i>	11	.00
12	Rental real estate included in line 11	12	.00
13	Farm income or loss <i>(submit a copy of federal Schedule F, Form 1040)</i>	13	.00
14	Unemployment compensation	14	.00
15	Taxable amount of social security benefits <i>(also enter on line 27)</i>	15	.00
16	Other income <i>(see page 14)</i> Identify:	16	.00
17	Add lines 1 through 11 and 13 through 16	17	.00
18	Total federal adjustments to income <i>(see page 14)</i> Identify:	18	.00
19	Federal adjusted gross income <i>(subtract line 18 from line 17)</i>	19	.00

BASICS – Who must file?

- Residents:
 - If you were required to file a federal return.
 - You did not have to file a federal return but if you had, your federal adjusted gross income plus NYS additions would have been \$4000 or more.
 - \$3000 or more if you can be claimed on another's person federal tax return.
 - You want to claim a refund or credit.

- Nonresidents:
 - You have income from New York sources and your New York AGI, federal column, is above your standard deduction.

Who is a resident?

- You're a New York State *resident* for income tax purposes if:
 - your [domicile](#) is New York State or
 - your [domicile](#) is **not** New York State but you maintain a permanent place of abode in New York State for more than 11 months of the year and spend 184 days or more in New York State during the tax year.
 - Special rules for undergraduate students, military and nonresident aliens.

- Use the same rules for determining residency of New York City.

New York State Income Tax

- Fed AGI + NYS additions – NYS subtractions = NYS AGI
 - NYS AGI – Standard or Itemized deduction – exemptions = taxable income
- No personal exemptions
- Dependent exemptions is \$1000
 - Same rules for claiming a dependent as federal

New York additions (see page 14)

20	Interest income on state and local bonds and obligations (but not those of NYS or its local governments)	20	.00
21	Public employee 414(h) retirement contributions from your wage and tax statements (see page 15)	21	.00
22	New York's 529 college savings program distributions (see page 15)	22	.00
23	Other (see page 16) <i>Identify:</i>	23	.00
24	Add lines 19 through 23	24	.00

Additions & Subtractions

New York subtractions (see page 19)

25	Taxable refunds, credits, or offsets of state and local income taxes (from line 4)	25	.00
26	Pensions of NYS and local governments and the federal government (see page 19)	26	.00
27	Taxable amount of social security benefits (from line 15)	27	.00
28	Interest income on U.S. government bonds	28	.00
29	Pension and annuity income exclusion (see page 19)	29	.00
30	New York's 529 college savings program deduction/earnings	30	.00
31	Other (see page 20) <i>Identify:</i>	31	.00
32	Add lines 25 through 31	32	.00
33	New York adjusted gross income (subtract line 32 from line 24)	33	.00

Itemized or standard and dependent exemption

Standard deduction or itemized deduction (see page 24)

34	Enter your standard deduction (table on page 24) or your itemized deduction (from Form IT-203) Mark an X in the appropriate box: <input type="checkbox"/> Standard - or - <input type="checkbox"/> Itemized	34	.00
35	Subtract line 34 from line 33 (if line 34 is more than line 33, leave blank)	35	.00
36	Dependent exemptions (not the same as total federal exemptions; see page 24)	36	000.00
37	Taxable income (subtract line 36 from line 35)	37	.00

NYS additions to Federal Adjusted Gross Income

- **Using Software for the most common addition modifications:**
 - Public employee retirement contributions (414(h)).
 - Form W-2, box 14, is subject to NYS tax even though they are not subject to federal tax.
 - Make sure these amounts are entered on line 14 when completing the W-2 form.
 - IRC 125 Verify that the amount appears on line 21 of Form IT-201.
 - **NOTE: TaxWise will again require 414HSUB and IRC125S for 2013**
- Muni Bond Interest outside New York.
- New York 529 college savings non-qualified withdrawals.
- Other addition amounts should be reported on the proper line.

New York Subtractions

- Taxable refunds, credits or offsets of state and local income tax
- Pensions of NYS, local and federal government
- Taxable amount of Social Security benefits
- Interest income on US Government Bonds
- Pension and annuity income exclusion
- New York 529 college savings contributions
 - Must be the owner of plan
 - Must be a NYS College Savings Plan
- Other Subtractions – See instructions
 - Disability Income Exclusion
 - Native American

Subtractions to federal Adjusted Gross Income (FAGI)

- The tax software will automatically subtract a state refund included in FAGI
- The tax software will automatically subtract social security income included in FAGI
- 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)
 - **NOTE:** Volunteer page has a separate section for pension information which includes Q & A's and a matrix.
 - **New: Pension Question and Answers included in TP-300**

Pension subtraction on Tax Wise

PRIVATE - If a taxpayer is 59 ½ or older, he or she can subtract up to \$20,000 from the qualifying pension and annuity income from his or her federal adjusted gross income (1099R).

To enter the amount on line 29 of the IT-201 page 2 enter the amount in the 1099R, and put an “x” in box 1.

PUBLIC - Pensions of New York State, local government and the federal government (form 1099R).

The entire pension is excluded & entered on line 26, page 2 on IT-201. To enter the amount on line 26 of the IT-201 page 2, enter the amount in the 1099R, and put an “x” in box 2.

Note: Box 4 is used for Railroad Retirement

Private Pension Exclusions

The five statutory criteria require that the payment must:

1. Be received by an individual aged fifty-nine and one-half or older,
2. Be included in gross income for federal tax purposes,
3. Be periodic (except IRA or Keogh),

Note: annual payments are considered periodic

4. Be attributable to personal services performed by the individual prior to his/her retirement from employment, and
5. Arise from an employer-employee relationship or from an employee's tax deductible contributions to a retirement plan.

See separate MATRIX handout which is available on www.tax.ny.gov/volunteer

Private Pension Exclusion NOTES

- Married taxpayers who both receive qualified income are each entitled to the maximum \$20,000 exclusion. (\$40,000 total)
- A married taxpayer cannot claim any unused portion of a spouse's exclusion.
- A person receiving their own pension and a deceased spouse's pension is entitled to a maximum of \$20,000 exclusion. The maximum exclusion allowable from the total of ALL SOURCES that qualify for the non-public exclusion may not exceed \$20,000 per individual.

Non-Qualified Plans

- Non-Employer Plan
 - Purchased annuity (not rolled over from retirement)
 - Pension received by the nonemployees spouse through a qualified domestic Relations Order -QDRO

- NOT eligible for \$20,000 exclusion

IT-221 Disability Income Exclusion – Create a PDF and attach to E-file

- Taxpayers may exclude either their actual weekly disability pay or \$100 a week, whichever is less if they meet ALL of the following tests:
 - They received disability pay; and
 - They were not yet 65 when your tax year ended; and
 - They retired on disability and were permanently and totally disabled when they retired (*Physician's statement*); and
 - On January 1 of this tax year, they had not yet reached the age when their employer's retirement program would have required them to retire; and
 - If they filed *Married filing separate return*, on their federal and New York State returns, they may claim the disability income exclusion only if they lived apart during the entire tax year; and
 - **Cannot be engaged in gainful employment.**

Taxable Income

New York Adjusted Gross Income
Minus (-)
Standard or Itemized Deduction
Minus (-)
Dependent Exemptions
Equals (=)
Taxable Income

2013 Standard Deduction and Exemptions

<i>Filing Status</i>	<i>Standard Deduction</i>
<i>Single</i> <i>can be claimed on another's tax return</i>	\$3,050
<i>Single</i> <i>cannot be claimed on another's tax return</i>	\$7,700
<i>Married Filing Jointly</i>	\$15,400
<i>Married Filing Separately</i>	\$7,700
<i>Head of Household</i> <i>with qualifying person</i>	\$10,800
<i>Qualifying Widow(er)</i> <i>with dependent child</i>	\$15,400

Dependent exemption remains at \$1000

Itemized deductions

Federal Itemized deduction minus State and Local Income Taxes Or Sales Taxes



New York State Department of Taxation and Finance

Resident Itemized Deduction Schedule

IT-201-D

Submit this form with Form IT-201. See instructions for completing Form IT-201-D in the instructions for Form IT-201.

Name(s) as shown on your Form IT-201	Your social security number
--------------------------------------	-----------------------------

	Whole dollars only	
1 Medical and dental expenses (federal Schedule A, line 4)	1	.00
2 Taxes you paid (federal Schedule A, line 9)	2	.00
3 Interest you paid (federal Schedule A, line 15)	3	.00
4 Gifts to charity (federal Schedule A, line 19)	4	.00
5 Casualty and theft losses (federal Schedule A, line 20)	5	.00
6 Job expenses/miscellaneous deductions (federal Schedule A, line 27)	6	.00
7 Other miscellaneous deductions (federal Schedule A, line 28)	7	.00
8 Enter amount from federal Schedule A, line 29	8	.00
9 State, local, and foreign income taxes (or general sales tax, if applicable) and other subtraction adjustments (see Instructions)	9	.00
10 Subtract line 9 from line 8	10	.00
11 Addition adjustments (see Instructions)	11	.00
12 Add lines 10 and 11	12	.00
13 Itemized deduction adjustment (see Instructions)	13	.00
14 Subtract line 13 from line 12	14	.00
15 College tuition itemized deduction (see Form IT-272)	15	.00
16 New York State itemized deduction (add lines 14 and 15; enter on Form IT-201, line 34)	16	.00

Exemptions

- NYS has no personal exemptions
- Dependent exemptions is \$1000
 - Same rules for claiming a dependent as federal

Name(s) as shown on page 1

Your social security number

Tax computation, credits, and other taxes (see page 25)

38	Taxable income (from line 37 on page 2)	38	.00
39	NYS tax on line 38 amount (see page 25 and Tax computation on pages 57, 58, and 59)	39	.00
40	NYS household credit (page 25, table 1, 2, or 3)	40	.00
41	Resident credit (see page 26)	41	.00
42	Other NYS nonrefundable credits (Form IT-201-ATT, line 7)	42	.00
43	Add lines 40, 41, and 42	43	.00
44	Subtract line 43 from line 39 (if line 43 is more than line 39, leave blank)	44	.00
45	Net other NYS taxes (Form IT-201-ATT, line 30)	45	.00
46	Total New York State taxes (add lines 44 and 45)	46	.00

Tax computation, credits

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

47	NYC resident tax on line 38 amount (see page 26)	47	.00
48	NYC household credit (page 26, 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
55	Yonkers resident income tax surcharge (see page 28)	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 (add lines 54 through 57)	58	.00
59	Sales or use tax (see page 29; do not leave line 59 blank)	59	.00

See instructions on pages 26, 27, and 28 to compute New York City and Yonkers taxes, credits, and tax surcharges.

76 Total payments (add lines 63 through 75) 7600

Your refund, amount you owe, and account information (see pages 33 through 36)

77 Amount overpaid (if line 76 is more than line 62, subtract line 62 from line 76) 7700

78 Amount of line 77 to be refunded
Mark one refund choice: direct deposit (fill in line 83) - or - debit card - or - paper check ... 7800

79 Amount of line 77 that you want applied to your 2014 estimated tax (see instructions) 7900

See pages 33 and 34 for information about your three refund choices.

80 Amount you owe (if line 76 is less than line 62, subtract line 76 from line 62). To pay by electronic funds withdrawal, mark an X in the box and fill in lines 83 and 84. If you pay by check or money order you must complete Form IT-201-V and mail it with your return. 8000

See page 35 for payment options.

81 Estimated tax penalty (include this amount in line 80 or reduce the overpayment on line 77; see page 34) 8100

See page 37 for the proper assembly of your return.

82 Other penalties and interest (see page 35) 8200

Amount due or refund

83 Account information for direct deposit or electronic funds withdrawal (see page 35).

If the funds for your payment (or refund) would come from (or go to) an account outside the U.S., mark an X in this box (see pg. 35)

83a Account type: Personal checking - or - Personal savings - or - Business checking - or - Business savings

83b Routing number 83c Account number

84 Electronic funds withdrawal (see page 36) Date Amount .00

Third-party designee? (see instr.) Yes <input type="checkbox"/> No <input type="checkbox"/>	Print designee's name	Designee's phone number ()	Personal identification number (PIN)
	E-mail:		

▼ Paid preparer must complete (see instr.) ▼		Taxpayer(s) must sign here ▼	
Preparer's signature	Date	Signature	
Firm's name (or yours, if self-employed)	Preparer's NYTPRIN	Your occupation	
Address	Preparer's PTIN or SSN	Spouse's signature and occupation (if joint return)	
	Employer identification number	Date	Daytime phone number ()
	Mark an X if self-employed <input type="checkbox"/>		

Signatures

Irrevocable election

Voluntary contributions (see page 30)

60a	Return a Gift to Wildlife	60a	.00
60b	Missing/Exploited Children Fund	60b	.00
60c	Breast Cancer Research Fund	60c	.00
60d	Alzheimer's Fund	60d	.00
60e	Olympic Fund (\$2 or \$4; see page 30)	60e	.00
60f	Prostate Cancer Research Fund	60f	.00
60g	9/11 Memorial	60g	.00
60h	Volunteer Firefighting & EMS Recruitment Fund	60h	.00
60i	Teen Health Education	60i	.00
60j	Veterans Remembrance.....	60j	.00
60	Total voluntary contributions (add lines 60a through 60j)	60	.00
61	Total New York State, New York City, and Yonkers taxes, sales or use tax, and voluntary contributions (add lines 46, 58, 59, and 60)	61	.00

Voluntary gifts

Your social security number

62 Enter amount from line 61 **62**00

Payments and refundable credits (see page 31)

63 Empire State child credit	63	.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 31)	69	.00
70 NYC earned income credit	70	.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

Payments & Refundable Credits

Submit your wage and tax statements with your return (see page 33).

NYS Credits

Credits

- Volunteer should know the qualifications for the following credits and the proper entries required for e-filing:
 - *Household 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-245 Volunteer Firefighter and Ambulance Worker Credit
 - IT-249 Long Term Care Credit
 - IT-258 Refundable Nursing Home Credit
 - IT-272 College Tuition Credit
 - IT-112R Resident Tax Credit (optional)
 - NYC-210 New York City School Tax Credit

Credits that are automatically calculated or calculated from federal comparable schedule

- Household credit – reduces tax base
- Child Care and Dependent Credit (IT-216) – NYS is refundable, must complete federal 2441
- Earned Income Tax Credit (IT-215)
 - 30% of federal EITC minus household credit
- Empire Child Tax Credit (IT-213):
 - Refundable for qualifying children **ages 4-16**
 - **Must calculate the Federal Child Tax Credit whether or not a credit is claimed so that the tax software will calculate the amount of Empire Child Tax Credit**

Credits

- **NYS Household Credit** (based on Federal Adjusted gross income (FAGI)) – The tax software will automatically calculate the household credit.
 - Taxpayer cannot be claimed as a dependent
 - Married \$32,000 or less (allowed for married filing separate)
 - Single \$28,000 or less
 - Nonrefundable
 - Additional for NYC residents

Earned Income Tax Credit (EITC) IT-215

- Who qualifies:
 - If the taxpayer qualified for and claimed the federal earned income credit.
 - Did not claim the noncustodial parent EITC.
 - The refundable credit is equal to 30% of the allowable federal earned income credit, reduced by the amount of any household credit. If claiming qualifying child(ren) must have valid social security numbers for the child(ren).
 - Is reduced by the household credit.
 - Additional Credit for NYC residents.
 - **The tax software will automatically calculate the EITC**

Earned Income Tax Credit

Record Keeping for self-employed

- Taxpayers should be advised that their books and records:
 - Should show business income earned and business expenses paid each day.
 - The records should contain enough information to correctly determine the tax year's gross receipts, business expenses, and the purchase price of assets and inventory.
 - The taxpayer should have documents that support entries in their books and records, including cash register receipts, bank statements, deposit slips, canceled checks, invoices, credit card sales slips, 1099-MISC, etc.

- **Form DTF-215 provides Recordkeeping suggestions for the self-employed and how to keep good records.**

Earned Income Tax Credit

Record Keeping for self-employed

- **In accordance with IRS Form 8867 *Preparer's earned income tax credit check list***, volunteers should make themselves familiar with Section IV, which refers to the due diligence requirements.
- Section IV question 24 reads “Did you comply with the knowledge requirements? (To comply with the knowledge requirements, you must not know or have reason to know that any information used to determine the taxpayer’s eligibility for, and the amount of, the EIC is incorrect.) You may not ignore the implications of information furnished to or known by you, and you must make reasonable inquiries if the information furnished appears to be incorrect, inconsistent, or incomplete.....”

Noncustodial Earned Income Tax Credit –IT-209

- Taxpayers may claim the noncustodial EIC only if they meet all of the following conditions for tax year 2013:
 - They must be a full-year NYS resident and at least 18 years of age,
 - Must be a parent of a minor child(ren) with whom they did not reside,
 - Must have an order in effect for at least one-half of the tax year requiring them to make child support payments payable through a support collection unit, and have paid at least the court-ordered amount of child support during the tax year.
- **Note:** If a taxpayer qualifies for the regular EITC and the noncustodial EITC, they may claim one or the other but not both.
- **Can apply without child's SS#**

Empire Child Tax Credit – IT-213

- Who qualifies:
 - *Resident taxpayers* may claim a credit equal to the greater of:
 - a) \$100 times the number of children who “qualify” for the federal child tax credit, or
 - b) 33 percent of the taxpayer’s allowed Federal child tax credit whether or not a federal child tax credit was claimed.
 - Refundable for qualifying children ages 4-16.
 - Must have a social security number of child(ren).
- **The tax software will calculate the amount of Empire Child Tax Credit**

Claim for Child and Dependent Care Credit –IT-216

- **Taxpayers are entitled to this credit if they:**
 - Qualified to claim the federal child and dependent care credit (whether they claimed the federal credit or not).
 - The credit is a minimum of 20% and as much as 110% of the federal credit, depending on the amount of their New York State adjusted gross income.
 - New York's Child and Dependent care credit is fully refundable.

- Additional credit for NYC residents

Recordkeeping for Child Care Expenses

- Taxpayers should be advised that the department may ask the taxpayer to produce records that prove the amount of child care expense claimed. The department will use this information to confirm that they are entitled to the credit.
- Taxpayers should be advised that if they don't keep records or if the records do not prove what they claimed, the credit will be disallowed.
- **Form DTF-216 provides recordkeeping suggestions for child care expenses and how to keep good records.**

Nursing Home Assessment Credits – IT-258

- Available for amount of assessment imposed on a residential health care facility pursuant to Public Health Law section 2807-d(2)(b).
- The assessment must be separately stated and must be **paid directly by the individual taxpayer claiming the credit.**
- Credit equals the assessment amount (not expenses) separately stated & accounted for on the billing statement.
- **NOTE:** There is a temporary rate increase, however, the NYS credit is still limited to the 6% allowed pursuant to Public Health Law section 2807-d(2)(b).

College Tuition Credit or Itemized Deduction - IT-272

- **Taxpayers are entitled to this refundable credit or deduction if they:**
 - were a full-year New York State resident,
 - if they or their spouse, or dependent (for whom you've taken an exemption) were an undergraduate student paid qualified tuition expenses, and
 - aren't claimed as a dependent on another person's tax return.
- \$10,000 per eligible student (4% credit or added itemized deduction)
- The credit can be as much as \$400 per student.
- **For tax Software :**
 - **you must have the federal ID# of college/university**
 - If student attended more than one college/university enter most recent college attended and add total undergraduate tuition expenses.

College Tuition Credit – IT-272

- **What are qualified tuition expenses?**
 - Qualified tuition expenses include only tuition paid for the undergraduate enrollment or attendance of the student at an institution of higher education. This includes expenses paid from a qualified state tuition program (like New York's 529 College Savings Program).

- **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
 - amounts paid for books, equipment, and activities, even if required by the school

College Tuition Credit - IT-272

Note: If you are married and filing separate New York State returns, you must also enter your spouse's name and social security number.

- 1 Are you claimed as a dependent on another taxpayer's New York State tax return for this tax year? **1** Yes No
- If **Yes**, stop; you do not qualify for the college tuition credit or the college tuition itemized deduction.
 - If **No**, continue with question 2.
- 2 Were you (and your spouse if filing a joint return) a **New York State resident** for all of this tax year? **2** Yes No
- If **Yes**, continue with Part 1 below.
 - If **No**, stop; you do not qualify for the college tuition credit. However, you may qualify for the college tuition itemized deduction. For more information, see the instructions for Form IT-203.

Part 1 – In the spaces provided below, complete lines A through H for up to three eligible students for whom you paid qualified college tuition expenses. (If you are claiming expenses for more than three eligible students, see instructions.)

	1 – Student 1	2 – Student 2	3 – Student 3
A Eligible student's name			
B Eligible student's social security number (SSN)			
C Is the student claimed as a dependent on your NYS return? (see instructions)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
D EIN of college or university (see instr.)			
E Name of college or university (see instr.)			
F Were expenses for undergraduate tuition? (see instructions)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
G Amount of qualified college tuition expenses (see instructions)00	.00	.00
H Enter the lesser of line G or 10,00000	.00	.00

3 Total qualified college tuition expenses (Add line H, columns 1, 2, and 3; include amounts from any additional sheets. Complete Part 2 or Part 3 on the back.) **3** .00

Real Property Tax Credit – IT-214

- Taxpayers may be entitled to the refundable credit if:
 - Their household gross income is \$18,000 or less
 - They occupied the same New York residence for six months or more
 - They were a New York State resident for the entire tax year
 - They could not be claimed as a dependent on another taxpayer's federal income tax return
 - Their residence was not completely exempted from real property taxes and the taxpayer paid rent or property taxes
 - The current market value of all real property they owned, such as houses, garages, and land, was \$85,000 or less

- **For tax year 2012 and 2013 , the IT-214 Real Property Tax Credit, will be accepted for E-file as a standalone form.**
- **Additional information in TP-300 (NY Quick Reference Guide)**

Real Property Tax Credit – IT-214

■ **Homeowners:**

- You or your spouse paid real property taxes.

■ **Renters:**

- You or a member of your household paid rent for your residence.
- The average monthly rent you and other members of your household paid was \$450 or less, not counting charges for heat, gas, electricity, furnishings, or board.

■ **How much is the credit?**

- If all members of your household are under 65, the credit can be as much as \$75.
- If at least one member of your household is 65 or older, the credit can be as much as \$375.

IT -214 include all income from all sources of everyone sharing the same furnishings and facilities (does not include food stamps, Medicare, grants, scholarships)

Step 3 – Determine household gross income

Enter the total of all amounts, even if not taxable, that you, your spouse (if married), and all other household members received during 2011.

9	Federal adjusted gross income (from Form 1040A, line 22; Form 1040EZ, line 4; or Form 1040, line 38). If any household members do not have to file a federal return, see instructions	9.		.	
10	New York State additions to federal adjusted gross income	10.		.	
11	Social security payments not included on line 9	11.		.	
12	Supplemental security income (SSI) payments	12.		.	
13	Pensions and annuities (including railroad retirement benefits) not included on lines 9 through 12	13.		.	
14	Cash public assistance and relief	14.		.	
15	Other income	15.		.	
16	Household gross income (add lines 9 through 15; round to the nearest whole dollar)	16.		.	
If line 16 is more than \$18,000, stop; you do not qualify for this credit.					
17	Enter rate from Table 1 (see instructions)	17.		.	
18	Multiply line 16 by line 17	18.		.	

Credits

- ***IT-112-R New York State Resident Tax Credit*** - Credit for Taxpayers who are full year or part-year residents of New York whose income was taxed by another state may be entitled to claim a credit against NYS taxes.
 - Avoid Double taxation
 - Nonrefundable
 - Income taxes paid to another state
- ***IT-112R*** - You may not claim a credit for tax paid to the other taxing authority on any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the other taxing authority.

Resident Tax Credit – IT-112-R

- The resident credit may not decrease your New York State tax payable to an amount less than would have been due if the income sourced to and taxed by the other jurisdiction(s) was excluded from your New York income.
- For purposes of the resident tax credit, your NYS tax payable is Tax Computed minus the household credit.

IT-112-R resident tax credit – Line 24 The amount of income tax imposed is the amount of income tax computed on your return for the other taxing authority minus any credits allowed against this tax.

IT-112-R (2012) (back)

Part 2 – Computing your resident credit for taxes paid to another state, local government, or the District of Columbia

23	Enter the two-letter abbreviation of the other state, including the District of Columbia, where tax was paid (see instructions).....	23	
	Also enter the locality name, if applicable. Locality name: _____		
24	Enter the amount of income tax computed on this year's return for the other state or local government (see instructions).....	24	.00
25	New York State tax payable (see instructions).....	25	.00
26	Divide line 22, column B, by line 22, column A (round to the fourth decimal place; see instructions)	26	
27	Multiply line 25 by line 26.....	27	.00
28	Enter amount from line 24 or line 27, whichever is less (see instructions).....	28	.00
29	Total line 28 amounts from additional Form(s) IT-112-R and line 44 amounts from Form(s) IT-112-C, if any (see instructions)	29	.00
30	Add lines 28 and 29	30	.00

Part 3 – Application of Credit

31	Tax due before credits (see instructions)	31	.00
32	Other credits that you applied before this credit (see instructions)	32	.00
33	Subtract line 32 from line 31	33	.00
34	Enter the amount from line 30 or line 33, whichever is less (see instructions)	34	.00

Credits

IT-245 – Claim For Volunteer Firefighter and Ambulance Worker Credit

- Resident taxpayers who are active volunteers firefighters or volunteer ambulance workers may be entitled to a \$200 refundable credit.
- **NOTE** – Taxpayers cannot claim the volunteer firefighters' and ambulance workers' credit if they receive a real property tax exemption that relates to your volunteer service under Real Property Tax Law (RPTL), Article 4, Title 2.

IT-249 – Claim for Long Term Care Insurance

- Taxpayers may be able to claim a 20% credit for qualified long term care insurance.
- **Nonrefundable**

Modernized E-filing (MeF)

- www.tax.ny.gov/pit/efile/pit_mef_publications.htm
- Returns can be linked or unlinked to IRS return;
- Will allow foreign addresses to be processed;
- TAXWISE will support 2012 and 2013 personal income tax returns for e-filing;
- Can attach correspondence to e-filed returns;
- New credit forms will be supported;
- More information on MeF can be found in TP-300 and in the Publication 93.

Software NOTES

- Will be able to E-file 2012 and 2013 using TaxWise
- 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 IT214 and NYC-210 to be filed as a stand alone form.

Refund Options

- **Direct deposit of refunds** - Taxpayers can have their refunds deposited directly into their checking or savings account.
- **NYS Prepaid refund debit Card** - The debit card(s) will be sent to the mailing address entered on the return. Debit cards are secure, easy to use, and flexible. Please provide the taxpayer with DTF-440 (debit card brochure).
- **Paper Check** - The Tax Department will mail the refund check to the mailing address entered on the return. Paper checks for joint filers will be issued with both names and must be signed by both spouses.

Who would benefit from the debit card?

Anyone currently not using the direct deposit method to receive their New York State personal income tax refund;

“Unbanked” or “Underbanked” who pay to cash checks; and

All taxpayers who enjoy the security and ease of use of debit cards for bill pay and making purchases.



Refund applied to spouses debt

- To avoid having your refund applied to your spouse's debt:
 - Complete [Form IT-280, Nonobligated Spouse Allocation](#), and attach the original to your income tax return, if you marked filing status 2 (married filing joint return) and you do not want to apply your part of the refund to your spouse's debt because you are not liable for it.
 - If you did not file Form IT-280 with the original return, you can't file an amended return to disclaim your spouse's debt. However, we will notify you if we apply your refund to your spouse's debt. You will have 10 days from the date of notification to file Form IT-280.

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.**

Paying a Balance Due

- **If the taxpayer cannot pay their bill immediately, they can request an installment payment agreement (IPA).** However, please inform them to pay what they can to avoid accruing more penalties and interest.
- **We base the decision to allow an IPA on a thorough review of:**
 - prior history of compliance, current financial condition, and
 - adherence to all Department requirements
- **To make a request for an installment payment agreement:**
 - The taxpayer should Login to their Online Service account (or create an account if they don't already have one), select Billing and late filing, and select Installment Payment Agreement; or
- They should have a copy of their bill and call 518-457-5434.
- **NOTE: OTHER OPTION MAY BE AN OFFER IN COMPROMISE**

Office of Taxpayer Rights Advocate (OTRA)

- If a taxpayer is having difficulty resolving a tax issue through regular channels at the Department of Taxation and Finance they can contact the OTRA.
- The Office of Taxpayer Rights Advocate is an independent organization within the department, the Office of the New York State Taxpayer Rights Advocate is committed to helping New York State taxpayers by balancing taxpayer assistance against enforcement efforts.
- They will listen, learn about the problems or concerns, and work with the taxpayer in an effort to resolve them.

Estimated taxes and IT-2104

- If a taxpayer owes more than \$300 they may be required to pay estimated taxes:
 - Payment - April 15, June 15, Sept 15 and Jan 15.
 - NYS does not provide statement of accounts and does not provide vouchers (IT-2105V).
 - The easiest and fastest way for individuals to make estimated tax payments is through **our Online Service Center**.
- If a taxpayer owes they may want to provide their employer with an *IT-2104, Employee Withholding Allowance Certificate*, to change their withholding tax allowance.

Due Date of the 2013 personal income tax return

- **April 15, 2014** - Date by which you must file your 2013 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, 2014) by filing IT-370, *Application for Automatic Six-Month Extension of Time to File for Individuals* .
- **NOTE:** *NYS tax does not accept the federal extension form 4868*

Volunteer Signature Requirements

- There is no need to mail Forms W-2 or other supporting documents to the Tax Department when a return is filed electronically.
- Volunteers are required to have the taxpayer sign the TR-579-IT for each return that is e-filed.
- The TR-579-IT should be attached to the copy of the taxpayer's personal income tax return.
- Volunteers should:
 - Enter their SITE ID number where requesting Federal ID number or SS number.
 - Name of Site where requesting name of practitioner.

Power of Attorneys

- NYS accepts durable power of attorneys:
 - Review the POA and make sure it is a properly executed POA.
 - Once the representative signs the TR-579-IT attach the POA to the TR-579-IT and return it to the representative along with a copy of the return you prepared.
- The department may also require the representative to complete form POA-1 (NYS Tax POA). The durable POA does not provide certain necessary information, like identifying numbers.
- NYS Tax does not accept federal form 2848 (the IRS POA).
- NYS Tax will still accept one POA for a joint return if both spouses are appointing the same representative.

Electronically File 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 \$58,000 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 \$58,000 (who are not claiming credits) may create an Online service account to file their NYS personal income tax return for free.

NEW: Online service account to file personal income tax returns

- If you do not qualify for the free electronic filing (\$58,000 or less) you may qualify to file on the NYS website by creating an online service account.
- Many New Yorkers who filed paper stand alone forms in past years will be receiving a letter with instructions how to create their online service account. (it is quick and easy!!)
- Who qualifies:
 - IT-201 filers not claiming separate credit forms (no income limit)
 - IT-214 and NYC-210 can also be filed as stand alone

Creating an online service account

- Taxpayers can view details about their tax account.
- Can view and edit personal contact information and account access permissions.
- Can view and pay bills.
- Can Respond to Department Notices.
- Taxpayer can Sign up for account-specific email alerts instead of paper mailings. These messages include filing due date reminders, updates to your account, and personal income tax refund payment and bill notices.
- Taxpayers can view a detailed history of tax return filings, including the type of form, filing method, confirmation number, and images of returns filed online.

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.