

AARP Foundation Tax-Aide CyberTax

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To: All AARP Foundation Tax-Aide Volunteers

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Subject: CyberTax TY2017-07: IRS Quality Site Requirement Alert - 2018-01 Update on QSR #2 - Intake/Interview & Quality Review Process

The IRS recently issued a Quality Site Requirement Alert to serve as a reminder of the importance of Intake and Quality Review processes. Following is a summary; [please view the full alert here](#). CyberTax is required to be available at all Tax-Aide sites in paper or electronic format.

The IRS has identified the following errors during QSS reviews:

- Taxpayers not being interviewed.
- Volunteers not addressing boxes marked as “unsure” to determine correct answer.
- Volunteers not using the information reflected on the Intake/Interview sheet in preparing the return, specifically information provided on page two.
- Volunteers not completing the volunteer section for individuals listed in Part II question 2, which indicates adequate due diligence in determining dependency claims and filing status.
- Volunteers not completing the volunteer section on page 3 to determine if everyone listed on the return has Minimum Essential Coverage (qualified health insurance).
- Complete Quality Reviews are not being performed

Note: As companies go paperless, taxpayers may not have source documents for taxable income, such as jury duty, gambling winnings, and interest. If these items are marked on the intake sheet, with no source document, the volunteer preparer should ask additional questions to determine the tax consequences.

[Form 13614-C, Intake/Interview & Quality Review Sheet](#), is required for every tax return prepared. Certified volunteer preparers are required to complete the entire Intake/Interview Process when preparing tax returns. To promote accuracy, this process must include an interview with the taxpayer while reviewing Form 13614-C and all supporting documents. The Intake/Interview process must include:

- Verifying the identity of all taxpayers, including spouses, using a photo ID.
- Confirming Social Security Numbers (SSN) and Individual Taxpayer Identification Numbers (ITIN) for everyone on the return.
- Educating taxpayers on how to complete all pages of Form 13614-C.
- Verifying all questions in Parts I-VI are complete and “unsure” answers have been addressed and changed to “Yes” or “No.”
- Creating a process for determining all returns are within the scope of the VITA/TCE Programs and volunteers are assigned returns at their certification levels.
- Reviewing all supporting documentation provided by the taxpayer (Forms W-2, 1099, 1095, etc.).
- Making filing status and dependency determinations by using the resource tools and completing the volunteer section for individuals listed in Part II Question 2. Note: It is the certified volunteer’s responsibility, not the taxpayer’s, to determine the appropriate filing status based on required qualifications.
- Addressing Part VI - Health Care Coverage and the volunteer section to support everyone listed on the return has Minimum Essential Coverage (qualified health insurance).

- Noting any changes and new information, e.g., interest not reported on a Form 1099-INT, on the Intake Sheet.
- Completing the return by adding applicable income, adjustments, deductions, credits, withholding, estimated tax payments and direct deposit account information.
- Validating tax law determinations by using available resources, such as Publication 4012, VITA/TCE Volunteer Resource Guide, and/or Publication 17, Your Federal Income Tax – For Individuals.

The purpose of a Quality Review is to validate that the certified volunteer completed an accurate tax return. Quality Reviewers must have a process for following the 18 steps listed in Part VIII – Certified Volunteer Quality Reviewer Section. The best method for conducting a quality review employs one or more Designated Reviewers, but if necessary, a peer-to-peer review is also acceptable. Self-reviews are not permitted.

- The Quality Review process must include:
- Interviewing the taxpayer to confirm the information on the return is accurate.
- Using supporting documentation to confirm identities, income, expenses, credits and payer information (EINs), on the return.
- Ensuring the income and expenses listed on Form 13614-C, matches the completed tax return.
- Utilizing all available resources such as [Publication 4012](#) and or [Publication 17](#).