

PART 1 - INDIVIDUALS

Section 1: Preliminary Work and Taxpayer Data

15%

1 Preliminary work to prepare tax returns

- 1 Use of prior years' returns for comparison, accuracy, and carryovers for current year's return
- 2 Taxpayer biographical information (e.g., date of birth, marital status, dependents)
- 3 Residency status and/or citizenship (e.g., citizen, visas, green cards, resident alien or non-resident alien)
- 4 Taxpayer filing status (e.g., single, MFJ, MFS, QW, HOH)
- 5 Sources of all taxable and non-taxable income (e.g., interest, wages, business, sales of property, dividends, rental income, flow-through entities, alimony received)
- 6 Sources of applicable adjustments to gross income (e.g., retirement plans, HSAs, alimony paid, health insurance, moving expenses, self employment tax)
- 7 Sources of applicable deductions (e.g., itemized, standard)
- 8 Sources of applicable credits (e.g., education, foreign tax, retirement, energy, dependent care)
- 9 Sources of tax payments and refundable credits (e.g., withholding, estimated payments, earned income tax credit)
- 10 Previous IRS correspondence with taxpayer
- 11 Additional required returns filed and taxes paid (e.g., employment, gifts, and information returns)
- 12 Special filing requirements (e.g., foreign income, presidentially declared disaster areas, Form 1040-NR)
- 13 Foreign account and asset reporting (e.g., FBAR, Form 8938)

2 Taxpayer data

- 1 Filing requirements for tax returns and extensions (e.g., dates)
- 2 Personal exemptions including dependents
- 3 Minor children's unearned income (Kiddie tax)

Section 2: Income and Assets

25%

1 Income

- 1 Taxability of wages, salaries and other earnings (e.g., earned income, statutory employee)
- 2 Interest Income (e.g., taxable and non-taxable)
- 3 Dividends and other distributions from mutual funds, corporations, and other entities (e.g., qualified dividends)
- 4 Rental income and expenses (e.g., vacation homes, not-for-profit rentals, calculation of depreciation)
- 5 Gambling income and allowable deductions (e.g., W-2G, documentation)
- 6 Tax treatment of forgiveness of debt (e.g., 1099C, foreclosures)
- 7 Tax treatment of a U.S. citizen/resident with foreign income (e.g., individual tax treaties, form 2555)
- 8 Other income (e.g., scholarships, fellowships, Social Security benefits, barter income, independent contractor income, hobby income, alimony, non-taxable combat pay, unearned income, taxable recoveries)
- 9 Constructive receipt of income (e.g., cash vs. accrual)
- 10 Constructive dividends (e.g., payments of personal expenses)

11 Passive income and loss (e.g., loss limitations)

12 Royalties and related expenses

2 Retirement income

1 Basis in a traditional IRA (Form 8606)

2 Comparison of and distributions from traditional and Roth IRAs

Distributions from qualified and non-qualified plans (e.g., pre-tax, after-tax, rollovers,
3 1099R)

4 Excess contributions and tax treatment (e.g., penalties)

5 Prohibited transactions and tax effects

6 IRA conversions and recharacterizations (Form 8606)

7 Required minimum distributions and excess accumulations

8 Loans from IRC section 401(k) plans and other qualified plans

9 Taxability of Social Security benefits

3 Property, real and personal

1 Capital gains and losses (e.g., netting effect, short-term, long-term)

2 Basis of assets (e.g., purchased, gifted or inherited)

Basis of stock after stock splits and/or stock dividends (e.g., research, schedules,
3 brokerage records)

4 Sale or disposition of property

5 Sale of a personal residence (e.g., Sec 121 exclusions)

Installment sales (e.g., related parties, original cost, date of acquisition, possible
6 recalculations and recharacterization)

7 Options (e.g., stock, commodity, ISO, ESPP)

8 Like-kind exchange

9 Non-business bad debts (e.g., documentation required)

4 Adjustments to income

1 Self-employment tax

2 Retirement contribution limits and deductibility (e.g., earned compensation requirements)

3 Health savings accounts

Other adjustments to income (e.g., student loan interest, alimony, moving expenses, write-
4 in adjustments)

Section 3: Deductions and Credits

25%

1 Itemized deductions

1 Medical and dental expenses

2 Various taxes (e.g., state income, personal property, real estate)

3 Interest expense (e.g., mortgage interest, investment interest, tracing rules, points)

4 Charitable contributions (e.g., cash, non-cash, 50% vs. 30%, documentation required)

5 Nonbusiness casualty and theft losses

6 Miscellaneous itemized deductions

7 Employee travel, transportation and entertainment expenses

8 Other employee expenses (e.g., education, reimbursement, eligibility, home office)

9 AGI limitations

10 Allowed itemized deductions for Form 1040-NR

2 Credits

- 1 Child and dependent care credit
- 2 Child tax credits
- 3 Education credits
- 4 Foreign tax credit
- 5 Earned income tax credit (e.g., paid preparer's earned income credit checklist, eligibility and disallowance)
- 6 Retirement contribution credit
- 7 Adoption credits (e.g., carryovers, limitations, special needs)
- 8 Other credits (refundable and non-refundable)

Section 4: Taxation and Advice

20%

1 Taxation

- 1 Alternative minimum tax
- 2 Credit for prior year minimum tax
- 3 Penalties and exceptions on premature distributions from qualified retirement plans and IRAs
- 4 Household employees
- 5 Underpayment penalties and interest
- 6 Conditions for filing a claim for refund (e.g., amended returns)
- 7 Self employment tax
- 8 Excess social security withholding
- 9 Tax provisions for members of the clergy

2 Advising the individual taxpayer

- 1 Reporting obligations for individuals
- 2 Property sales (e.g., homes, stock, businesses)
- 3 Education planning (e.g., lifetime learning credit, IRC section 529 plans)
- 4 Estate planning (e.g., gift versus inheritance, trusts, family partnerships, charitable giving, LTC, life insurance)
- 5 Retirement planning (e.g., annuities, IRAs, employer plans, early retirement rules, required minimum distribution, beneficiary ownership)
- 6 Marriage and divorce (e.g., divorce settlement, common-law, community property)
- 7 Items that will affect future returns (e.g., carryovers, net operating loss, Schedule D, Form 8801)
- 8 Injured spouse
- 9 Innocent spouse
- 10 Estimated tax
- 11 Adjustments, deductions, and credits for tax planning
- 12 Use of capital gain rates versus ordinary income rates (e.g., character of transaction)

Section 5. Specialized Returns for Individuals

15%

1 Estate tax

- 1 Gross estate
- 2 Taxable estate: calculations and payments

- 3 Unified credit
- 4 Jointly-held property
- 5 Life insurance and taxable estate
- 6 Marital deduction and other marital issues
- 7 IRAs and retirement plans
- 8 Filing requirements

2 Gift tax

- 1 Gift-splitting
- 2 Annual per donee exclusion
- 3 Unified credit
- 4 Effect on estate tax (e.g., Generation skipping transfer tax)
- 5 Filing requirements