

## Finalizing tax returns

Here are some fine points about getting a tax return filed.

- **Paper or E-file?** Given the IRS budget crunch, avoid paper filing. These are taking upwards of 3-4 months or more to process. We recommend them ONLY where absolutely necessary, mainly where there is a rejected dependent where the taxpayer legitimately believes he or she is entitled to the dependent.
- **Contact information.** The e-file process usually happens after the client has left the site. Therefore we MUST have valid contact information - email AND phone - for followup.
- **EIC and filing status.** Almost all VITA clients are entitled to the EIC. If you don't see one on a return, review the EIC worksheet for entry errors. MFS clients don't get the EIC so explore whether the client really needs to MFS.
- **Diagnostics.** Preparer should run these BEFORE the quality review. This process identifies obvious data errors and inconsistencies, such as failing to enter the bank information in all locations.
- **Create e-file.** Preparer should do this AFTER quality review. This step reveals additional data errors, mainly in state filings.
- **Need more information?** Don't create the e-file if you are waiting for information. Instead enter a status flag of "Need More Info." Then, add a notes form and list the information required.
- **Drop-offs.** For drop-offs, set the "Need More Info" flag pending getting the 8879 form.
- **Files.** Retain for our files a copy of all W-2 forms. *Make sure the W-2 you keep has something on it.*
- **Submit e-files.** Coordinator should do this ASAP during the day. There are two steps: IRS and state. Some states including CT require the IRS return to be accepted first so you must file CT later. Others, including MA allow simultaneous e-filing with IRS.

The IRS acceptance takes about 15-20 minutes. Then you can e-file the state return.

- **Rejects.** Investigate these ASAP, preferably by the original preparer. 99% are due to Social Security numbers:
  - Name and SSN not matching. Especially hyphenated names or double last names.
  - Prior use of SSN for children of divorced parents.

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