

Due Diligence Questionnaire

IRS regulations require paid tax preparers to perform a series of due diligence requirements for the Earned Income Credit, Child Tax Credit, American Opportunity Tax Credit, and Head of Household Filing Status. To comply with these requirements, we ask all clients to answer the following due diligence questions. Please respond to the questions below by entering Y (yes) or N (no) and return to our office.

Do you want advanced payments of the Child Tax Credit? _____

Earned Income Credit - Y or N

- Were you (taxpayer(s)) a US citizen or resident alien for all of the tax year? _____
- Are dependent(s) claimed on your tax return your: son, daughter, stepchild, foster child, or a descendant of any of them (for example, your grandchild), or brother, sister, half-brother, half-sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew)? _____
- Did any dependent(s) file a joint return with another person for the tax year? _____
- Did dependent(s) live with you in the United States for more than half of the tax year? _____

****You can't claim the EIC for a child who didn't live with you for more than half of the year, even if you paid most of the child's living expenses.***

- Do you believe dependent(s) could also meet the qualifications to be a qualifying child of another? _____

****Sometimes a child meets the tests to be a qualifying child of more than one person. However, only one of these persons can actually treat the child as a qualifying child. Only that person can use the child as a qualifying child.***

Child Tax Credit - Y or N

Are dependent(s) claimed on your tax return: your son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (ie, your grandchild, niece, or nephew)? _____

- Did dependent(s) provide over half of his or her own support for the tax year? _____
- Did dependent(s) live with you for more than half of the tax year? _____
- Did dependent(s) file a joint return with another person for the tax year? _____
- Are dependent(s) a U.S. citizen, a U.S. national, or a U.S. resident alien? _____

***We are required to obtain from the taxpayer a document proving the existence of the child such as one of the following (that would have the child's name on it):** School record or statement, health care provider statement, childcare provider record or place of worship statement

Head of Household Filing Status - Y or N

Are you, the taxpayer, unmarried on the last day of the year and do you provide more than half of the cost of keeping up a home for the year for a qualifying person? _____

American Opportunity Tax Credit- Y or N

- As of the beginning of the tax year, has the student completed the first 4 years of postsecondary education (generally, the freshman through senior years of college), as determined by the eligible educational institution? _____
- For the student, has the American Opportunity Tax credit been claimed by you or anyone else for this student for any 4 tax years before the tax year? _____

***If the American Opportunity Tax credit has been claimed for this student for any 3 or fewer tax years before the tax year, this requirement is met.**

- For at least one academic period beginning (or treated as beginning) in the tax year, has the student met both of the following? _____

(a) Was enrolled in a program that leads to a degree, certificate, or other recognized educational credential; and (b) Carried at least one-half the normal full-time workload for his or her course of study.

• As of the end of the tax year, has the student been convicted of a federal or state felony for possessing or distributing a controlled substance? _____

General - Y or N

- Can you provide documentation to substantiate the above answers? _____
- Have you ever had any of these credits disallowed or reduced in the past? _____

Completed By: _____ Date: _____