

Diligence Questions

Instructions:

This form must be completed and signed in order to take any of the following credits:

- Head of Household (*For tax purposes, this means single parents only*)
- Child Tax Credit
- Earned Income Credit
- Education Credit

Please fill out the form to the best of your ability.

If a question or section does not apply to you, please write N/A.

The form is not valid unless **signed** and **dated**

Our office will be penalized \$1,000 per item claimed without this *signed* form from you.

It's not just you: even Paul's own family members need to fill out & sign this form! 😊

Thank you for understanding. Page 1 of 8

Diligence Questions

Name: _____ Last 4 of SSN: _____

Filing Status

Please check one:

Single

- Others who lived in your home but are not reported on this tax return: _____
- Is this person biologically related to you? **YES / NO** Relationship? _____
- If this person is a child, why are you not claiming the child on your tax return? _____

Married

Marriage Date: _____

Taxpayer Name: _____ Spouse's Name: _____

Head of Household (For tax purposes, HOH is a **Single Parent** paying more than ½ the cost of keeping up a home)

If filing Head of Household, please fill out the following:

Monthly Income: \$ _____ (wages, child support, other income)*

	Amount you paid	Total Cost
Property Taxes		
Mortgage interest expense		
Rent		
Utility Charges		
Repairs/Maintenance		
Property Insurance		
Food eaten in the home		
Other Household expenses		
Totals:		

**Do not count money received under public assistance/welfare/food stamps in the amount you paid. But include costs paid with public assistance in the total cost*

Other Notes: _____

Diligence Questions

Name: _____ Last 4 of SSN: _____

Head of Household (continued): *(If not filing HOH, skip this page)*

1. Marital Status:
 - Never Married
 - Spouse deceased
 - Divorced or legally separated
 - Married but lived apart from spouse during the last 6 months of the year
 - Separation Agreement
2. If you are divorced or legally separated, can you provide the IRS with any of the following documents?
 - Divorce decree
 - Separate maintenance agreement or separation agreement
3. If you are married but did not reside with your spouse for the last 6 months of the tax year, can you provide the IRS with any of the supporting documents verifying that your spouse did not live with you?
 - Not Applicable
 - Lease agreement
 - Utility Bills
 - Letter from a clergy member
 - Letter from social services
 - Other supporting documentation: _____
4. If requested, would you be able to provide the IRS with receipts and bills substantiating the cost of maintaining more than half the cost of the home (check all that apply)?
 - Utility bills
 - Property tax bills
 - Grocery receipts
 - Rent receipts or mortgage interest statement
 - Maintenance and repair bills
 - Other household bills
5. Did you receive any non-taxable support/income?
 - Family support
 - Food stamps
 - Housing assistance
 - Childcare assistance
 - Other: _____

Diligence Questions

Name: _____ Last 4 of SSN: _____

Self-Employment Income: *(If you or your spouse are not self-employed, skip this page)*

1. Description of business (*Type of work, service rendered, product sold, business location, hours of operation*) _____

2. EIN #: _____
3. How long have you owned your business? _____
4. If requested, would you be able to provide any of the following documentation to substantiate your business?
 - Business Cards
 - Business stationary
 - Receipts or receipt book (with company header)
 - Business/occupational license (if required)
 - Other tax returns (sales/excise, employment, etc)
 - Other documentation: _____
5. Who maintains the business records? _____
6. Do you maintain separate banking accounts for personal and business transactions?
 - YES: In what form were records provided? _____
 - NO: How do you differentiate between personal and business transactions and monetary assets? _____
7. Do you keep good records of income and expenses?
 - YES: In what form?
 - Accounting records
 - Paid invoices/receipts
 - Log books
 - Computer records
 - Car/truck expenses
 - Ledgers
 - Business bank accounts
 - Other: _____
 - NO: How did you determine:
 - The amount of income? _____
 - The amount of expenses? _____
8. Have you received Forms 1099-MISC or 1099-NEC to support your income? **YES / NO**
-If NO, is it reasonable that your business type would **not** receive Form 1099-MISC for services? **YES / NO**
9. Are your expenses consistent with the type of business? **YES / NO**
10. Are the amounts of expense reasonable? **YES / NO**
11. Are any expenses that are typical for this type of business missing? **YES / NO**
12. List any other information you can provide related to your business: _____

Diligence Questions

Name: _____ Last 4 of SSN: _____

Disabled at any age: *(fill out this section if any of your dependents are disabled.)*

1. If your dependent is over the age of 18 and disabled, what is their ailment? _____
2. Has this dependent been declared disabled by a physician? **YES / NO**
 - a. If so, can you provide documentation? **YES / NO**
3. Does dependent receive social security/disability benefits? **YES / NO**
 - b. If yes, how much do they receive? \$ _____ (Please provide form 1099-SSA)
4. Are you listed as the Social Security Representative Payee for this dependent? **YES / NO**
5. Is this the dependent(s) expected to recover in the next year? **YES / NO**
6. If this is not your biological child, why is this child living with you and not another family member?

- c. Where are the biological parents of your disabled dependent(s)? _____
21. Who cares for the disabled dependent while the taxpayer works? _____

College Credits *(fill out if you or any of your dependents attended college. If it doesn't apply, skip this section)*

1. Student's Name: _____ Relationship to Taxpayer: _____
2. Which college did the student attend? _____
3. Did student attend at least half time? **YES / NO** Degree seeking? _____
4. Did this student receive a tuition statement from the school? **YES / NO*** Tuition amount: \$ _____
 - a. IF **YES**, PLEASE PROVIDE 1098-T TUITION STATEMENT
 - b. IF **NO**, PLEASE PROVIDE BURSAR STATEMENT OR ACCOUNT HISTORY
5. Cost of Books/Materials: \$ _____
6. Did this student work while attending school? **YES / NO** If so, how much did they earn? \$ _____
7. How many tax years have you claimed the American Opportunity Tax Credit (AOTC)? _____
22. Any Drug-Related Felonies? **YES / NO**

Diligence Questions

Name: _____ Last 4 of SSN: _____

Qualifying Child: *(fill out if you claim a child as a dependent)*

	Child's SSN	Child's First Name	Child's Last Name	Child's Date of Birth
1				
2				
3				

- a. If over 18, what school does the child attend? _____
- b. Can you provide documentation showing that the child was a full-time student for at least 5 months? **YES / NO**

Not Biological Child: *(if not applicable, skip)*

1. Name of non-biological dependent: _____
2. If this is not your biological child, what is your relationship to the dependent? _____
3. Did the dependent live in your home for more than 6 months? **YES / NO**
4. Do you have custody? **YES/ NO** If so, through what court/agency? _____
5. Who are the biological parents? _____
6. Where do the biological parents live?
 - a. Biological Mother: _____
 - b. Biological Father: _____
7. What were the circumstances leading to the dependent(s) being placed in your home? _____

8. Do you receive any financial aid for this child such as WIC, Medicaid, SNAP, listed on your health insurance policy, etc? **YES / NO** If yes, which ones? _____
9. Are you listed as the guardian for this dependent(s) on school records, medical records, daycare records, or place of worship records? **YES / NO**
10. Adopted children:
 - a. Is the adoption final or pending? **FINAL / PENDING**
 - b. If the adoption is pending, do you have a letter from an authorized adoption agency? **YES / NO**
11. Foster Children:
 - a. Do you have a letter from the authorized placement agency or applicable court document? **YES / NO**
12. Brother, sister, niece, nephew, grandchildren, great-grandchildren:
 - a. Can you provide a birth certificate that verifies your relationship to the child? **YES / NO**
13. Stepchildren or descendent of them, step-grandchildren, step-great-grandchildren:
 - a. Can you provide a birth certificate & marriage certificate verifying your relationship to the child? **YES/ NO**

Diligence Questions

Name: _____ Last 4 of SSN: _____

Qualifying Relative: (other than a child under 19 years old, 24 if student – see *Qualifying Child*)

1. Name of relative: _____
2. Age of relative: _____
3. Relationship to taxpayer: _____
4. Is this person someone else's Qualifying Child*? **YES / NO** (**Qualifying child is a child who is claimed as a dependent*)
5. How many months out of the year did the person live you? _____
6. Please list the person's **gross income** for the year and whether or not this income was from Social Security:
 - a. Social Security Income: \$ _____
 - b. Other income (ie. W2, 1099, etc): \$ _____
7. Is the person required to file a tax return? **YES / NO**
 - a. Will the person be filing a tax return this year? **YES / NO**
8. Did you provide more than half of the support for that person during the year? **YES / NO**
9. Please include any other pertinent information that might help in determining the eligibility of this person as your dependent: _____

Diligence Questions

Name: _____ Last 4 of SSN: _____

Signature of Taxpayer

If requested by the government, can you, the Taxpayer, provide documentation to substantiate eligibility for the credits claimed on your tax return? **YES / NO**

I have filled out this form to the best of my ability, and the answers therein are accurate to the best of my knowledge.

Taxpayer Signature: _____ Date: _____

Spouse Signature (if filing jointly): _____ Date: _____

Preparer Notes: _____

Taxpayer has provided all answers to the above questions to be true and correct to the best of the taxpayer's knowledge. Taxpayer has been informed that claiming a dependent for EITC/CTC/AOTC/HOH or other can result in an audit, fines and penalties if information provided to the preparer is incorrect.

Preparer signature _____

Answers were provided by taxpayer on the above date unless otherwise noted here: _____