**2023**

**Required Due Diligence Questions for Certain Income Tax Positions**

**Earned Income Tax Credit**

The IRS requires tax return preparers to complete a due diligence checklist with all income tax returns that contain certain credits and deductions, including steep penalties for noncompliance. Your return qualifies for the following special credits/deductions; therefore, it is imperative you read and understand this entire document. **YOUR RETURN WILL NOT BE FINALIZED UNTIL YOU SIGN AND RETURN THIS DOCUMENT TO US.**

**EARNED INCOME TAX CREDIT:**

This credit is based on the level of your income for the current tax year, and whether you have qualifying children. In addition to the income requirements, you must meet **ALL** the following requirements to qualify:

* You must have a valid social security number by the due date of your return
* Your filing status cannot be married filing separately
* You must be a US citizen or resident alien for the full year
* You cannot have foreign earned income
* Your investment income for the current tax year (including non-taxable interest and dividends) cannot be greater than $10,300.00

**I acknowledge that I (we) meet these requirements \_\_\_\_\_ (TYPE YES OR NO)**

**If YES, continue below.**

**If NO, you can stop as you do not qualify for the Earned Income Tax Credit.**

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There are additional requirements you must meet to claim the Earned Income Credit that depend on whether you have a qualifying child.

A **qualifying child** is a child who is your:

* Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half- brother, half-sister, or a descendent of any of them
* Under age 19 at the end of the current tax year, **OR** a student under age 24 at the end of the current tax year, **OR** permanently disabled regardless of age
* Does not file a joint return for the current tax year
* Lived with you for more than half of the current tax year (except for temporary absences for school, vacation, medical care, or juvenile detention).

**I acknowledge that I (we) have a qualifying child for the current tax year \_\_\_\_\_ (TYPE YES OR NO) If true, continue below to section A for additional requirements with a qualifying child. If not true, continue below to section B for additional requirements if you do not have a qualifying child**

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**Section A:**

**If you have a qualifying child, these two things must be true:**

* Your qualifying child cannot be used on more than one tax return each year to claim the Earned Income Credit (in other words, no one else can “use” this child for this credit).
* You cannot be a qualifying child (see details above) of another taxpayer

**CONTINUED ON BACK**

**NOTE:** For children of divorced or separated parents, the child will be treated as the custodial child of the parent with whom they lived the greater number of nights during the year. If the number of nights were equal, the custodial parent is the parent with the higher adjusted gross income.

**I acknowledge that these two things are true for this tax year \_\_\_\_\_ (TYPE YES OR NO)**

**List each one of your qualifying children who met the above requirements for the current tax year.**

**Section B:**

**(Do not complete this section if you had a qualifying child in section A above).**

If you **do not** have a qualifying child, you must meet **ALL** the following requirements:

* You must be at least age 25 but under age 65.
* You cannot be a dependent or qualifying child of another person.
* You must have lived in the US for greater than half of the year.

**I acknowledge that I (we) meet these requirements \_\_\_\_\_ (TYPE N/A IF YOU HAVE CHILDREN**

**TYPE YES IF NO CHILDREN**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**PLEASE ACKNOWLEDGE THE FOLLOWING STATEMENTS:**

**Both the taxpayer and spouse meet every one of the above requirements for the current tax year.**

**No other adult lived in our house during the year or, if another adult did live in our house, their name and relationship to us has been separately communicated.**

**I / we did not have any income that was NOT reported to our tax preparers for this tax year.**

**If I/we are self-employed, we reported exactly the income I/we earned and exactly the expenses I/we incurred.**

**If our tax return was to be audited by the IRS, I/we would be able to provide them with the documentation required to qualify for this credit (proof of residency, etc)**

**I/we have never been notified by the IRS that this credit was disallowed or reduced in a previous year.**

**By signing below, you indicate that you and your spouse, if applicable, have read and acknowledge that the statements above are true.**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Signature Date**

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**Signature Date**