

# WELCOME NEW DABC VOLUNTEERS!

The Denver Asset Building Coalition is committed to providing free tax preparation, financial education and financial services through accessible sites in Denver to help the underserved build for the future and become economically stable.

**Thanks to the efforts of our volunteers in 2016 DABC was able to:**

- **Assist over 5,575 individuals and families with free tax preparation**
- **Save our taxpayers over \$1,100,000 in tax preparation fees**
- **Return over \$7,500,000 in refunds to our taxpayers including over \$3,500,000 in Earned Income Tax Credits**
- **Help taxpayers open checking accounts**
- **Allow taxpayers to save with US Savings Bonds**
- **Connected taxpayers to other financial opportunities**

We believe that all families deserve a prosperous and secure financial future. Without our amazing volunteers, DABC would not exist. Thank you for your commitment to our organization. We look forward to working with you.

## **DENVER ASSET BUILDING COALITION**

Mi Casa Resource Center  
360 Acoma Street  
Denver, CO 80223  
(303) 388-7030  
[Www.DenverABC.org](http://www.DenverABC.org)





## Denver Asset Building Coalition

### New Volunteer Training

#### TABLE OF CONTENTS

- **Welcome New Volunteers**
  - New Volunteer Training Agenda
  - Organizational Goals
  - Organizational Chart
  
- **More than taxes**
  - Beyond the Tax season at DABC
  - Mi Casa Resource Center and other Partners
  - U.S. Savings Bonds
  - Virtual (Valet) VITA and Facilitated Self-Assistance
  
- **Volunteer Handbook**
  - The Volunteer Handbook
  
- **Training Materials**
  - Training Purposes
  - Overall Tax Formula
  - Basic Scenarios 7, 8, 9 (Publication 6744)
  - Virtual VITA Procedures
  - Savings Bonds
  
- **Additional Materials**
  - Quality Reviewer Guide
  - Online Resources for Certification



## Denver Asset Building Coalition

### New Volunteer Training

9:00am-5:00pm

#### o Agenda

- 9:00 am Welcome and Introductions
  - Organizational Information
  - More than Taxes: Partner Organizations
- 9:30 am Site Overview and Tour
  - Resource Materials
  - Site Procedures
  - Tour
- 10:00 am Morning Break and Computer Logistics
  - Login
- 10:15 am Screening and Interviewing
  - Introduction to the 13614-C
- 10:30am The Ferris Scenario (pp. 31-39)
  - Overall Tax Formula
  - Filing Basics
  - Filing Status and Personal Exemptions
  - Learning to Enter Income in TaxSlayer:
    - W2 income
    - Retirement Income & SSI
    - Interest Income, Gambling Income
- 12:00 pm Lunch
- 1:00 pm The Sinclair Scenario (pp. 40-48)
  - Dependency Exemptions
  - Dependent Care Credit
  - Non-Dependents and the Earned Income Credit
  - Unemployment Income
- 3:00 pm Afternoon Break
- 3:15 pm The Reedley Scenario (pp. 49-57)
  - Standard Deduction vs Itemized Deductions
  - Education Credits
- 4:15 pm Other Services
  - Virtual VITA Procedures
  - Savings Bonds
- 4:35 pm Certification Overview
  - Link & Learn
  - Practice Lab
  - Quality Reviewer Procedures
- 4:55 pm Closing and Evaluation
  - Survey

- **Certification Sessions (Open Lab Days)**

December 2016

January 2017

- **Special Events**

- Friends & Family Days: **Feb 26, Mar 26**
- Launch Day: **Jan 28**
- Crunch Days: **Apr 15, 17, 18** (Saturday, Monday, Tuesday: 9am-9pm)

- **Site Hours**

<b>Mi Casa</b> 360 Acoma St	Public Hours <b>JAN 28 - APR 25</b>	Volunteer Shifts
Monday	5:30pm - 8:30pm	5:30pm - 9:00pm
Tuesday	5:30pm - 8:30pm	5:30pm - 9:00pm
Wednesday	5:30pm - 8:30pm	5:30pm - 9:00pm
Friday	-	10:00am - 2:00pm (Virtual VITA work)
Saturday	9:00am - 4:30pm	9:00am - 1:00pm 1:00pm - 5:00pm
Sunday	-	9:00am - 1:00pm (Virtual VITA work)
<b>Wells Fargo</b> 9000 E Colfax	Public Hours <b>JAN 28 – APR 15</b>	<b>Volunteer Shifts</b>
Saturday	9:00am - 1:00pm	9:00am - 1:00pm
<b>Virtual VITA</b>	<b>JAN 28 - APR 17</b>	<b>Locations</b>
Mondays	12:00pm - 4:00pm	JeffCo Human Services, Golden
Tuesdays	12:00pm - 4:00pm	Denver Human Services, 12 <sup>th</sup> & Federal
Tuesdays	10:00am - 4:00pm	Volunteers of America, 29 <sup>th</sup> & Lawrence
Wednesdays	12:00pm - 4:00pm	TBA
Wednesdays	12:00pm - 4:00pm	TBA
Thursdays	10:00am - 4:00pm	Innovation Lab, Park Hill
Thursdays	12:00pm - 4:00pm	TBA



## Denver Asset Building Coalition

### TY2016 Organizational Goals

- **Tax Returns**

- During 2017 the IRS expects us to complete 5,553 tax returns.
  - Most of these will be TY2016 returns.
  - We will do prior year returns after April 18<sup>th</sup>, or before then if it is slow.
  - We are available after the tax season on a limited basis.

- **Volunteers**

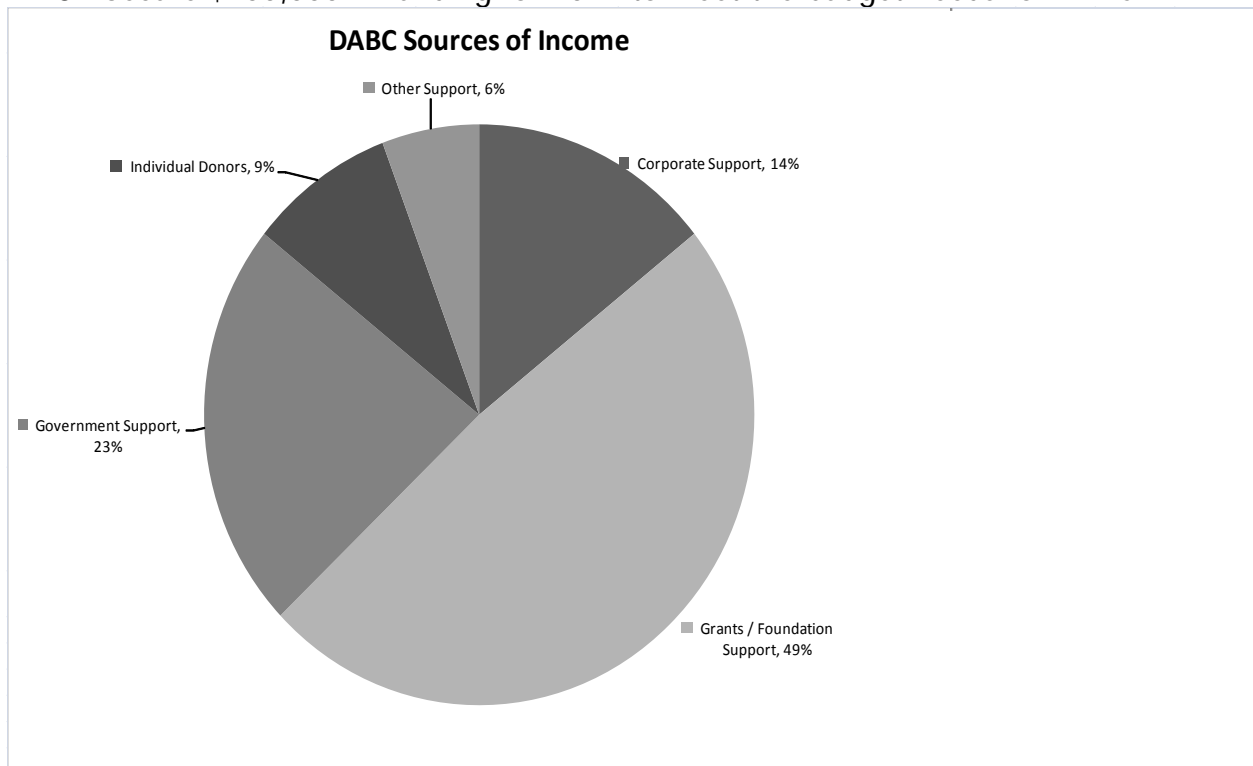
- Our goal is to fill all of our volunteer shifts. Full capacity at our tax sites would require 180 volunteers, each taking 1 shift per week.
  - 145 Tax Assistors – 60 able to do Quality Review
  - 25 Greeters / Screeners
  - 10 Site Coordinators

- **Asset Building**

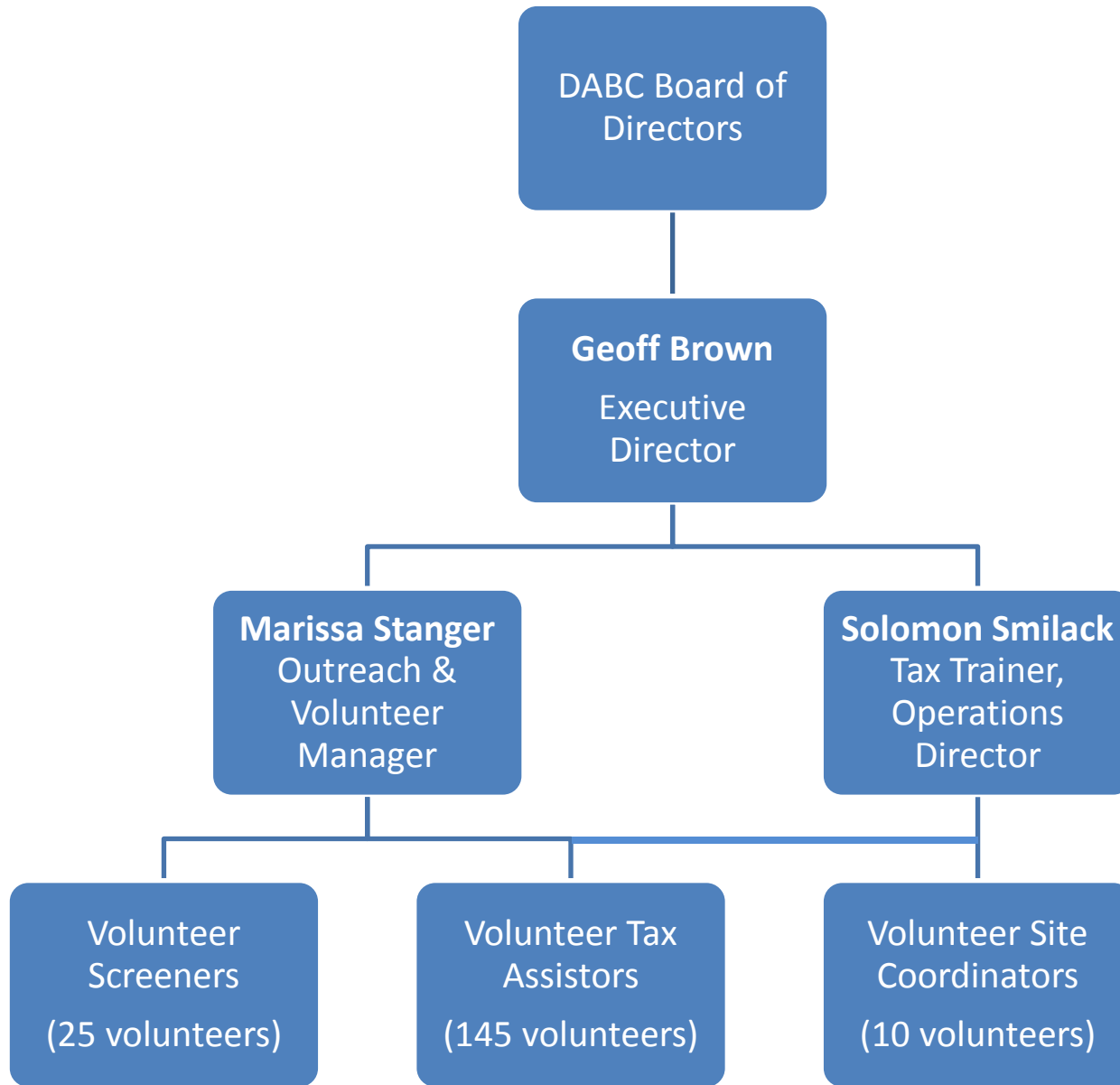
- \$25,000 of client refunds received as US Savings Bonds
- 100 bank accounts opened for faster refund delivery

- **Development**

- Secure \$200,000 in funding for 2017 to meet the budget needs for DABC.



Denver Asset Building Coalition – Organization Chart





## Denver Asset Building Coalition

### More than Taxes...

- **Opening Bank Accounts at DABC**

- In Denver:
  - DABC will partner with bankers to have representatives on site when the Mi Casa site is open from January through April.
  - Representatives will open bank accounts for our unbanked clients and instantly provide account numbers so clients can get direct deposits of their tax refunds.
- In Aurora:
  - Bankers at the Wells Fargo site in Aurora will open bank accounts for our unbanked clients and instantly provide account numbers so clients can get direct deposits of their tax refunds.

- **Saving Instruments at DABC**

- DABC helped advocate for the return of Savings Bonds to the tax form including meeting with treasury officials. We encourage the purchase of Tax Time Savings Bonds.
- The Doorways to Dreams Fund (D2D) offers a sweepstakes for anyone that saves \$50 at tax time, through a savings account, retirement account, or savings bonds.
- The US Treasury has started the myRA program – however, clients will need to have already established an account if they intend to do direct deposit of tax refunds.

- **Financial Literacy**

- Tax Dollars and Sense
  - DABC provides an educational workshop for Taxpayers and for the Self-Employed to inform them about their taxes.

- **Partner Organizations**

- DABC teams up with a large number of partner organizations:
  - Mi Casa Resource Center – Adult Education, Career Development, Business Development, Youth & Family Development
  - Mpowered – Financial Education, Debt Management, Credit Improvement
  - CRHDC – Homebuyer Classes, Financial Education
  - Colorado Lawyers Committee & Denver Bar Association – Free Legal Night
  - Spring Institute – ESL Classes
  - Community College of Denver – GED Classes
- See the Partner Services handout for full descriptions.



## Denver Asset Building Coalition

### Virtual "Valet" VITA and Facilitated Self Assistance (FSA)

Expanding our Capacity and easing client flow

Beginning with the 2012 Season we began offering Facilitated Self-Assistance (FSA) and Virtual (Valet) VITA as options for our clients.

Both methods require very minimal volunteer support.

The FSA program is achieved through partnership with Mile High United Way and Goodwill and a grant from The Wal-Mart Foundation.

The Valet program is achieved through cooperation with local agencies.

#### **Virtual (Valet) VITA**

This is a drop-off and pick-up service for clients. Clients complete an interview and drop off their tax documents, then return a week later. Volunteers at our preparation site will have prepared and quality reviewed the tax return and have it printed and ready to pick up.

This option is available to any clients that are regularly in our income and complexity scope. They **must** have photo ID and all the necessary tax documents.

- **Hours**
  - Partner sites are generally open during the morning and afternoon
  - Clients may or may not be able to drop off documents directly at our SuperSites
- **Goals**
  - Provide more options to Denver taxpayers in more neighborhoods
  - Maximize volunteer hours at our SuperSites by eliminating down-time

#### **Facilitated Self Assistance**

Clients under \$62000 AGI do their own tax return online. It can be done at DABC or remotely.

This option is available only for **computer-literate** taxpayers. They **must** have a valid email address, and **should** have a copy of last year's AGI for e-filing.

- **Hours**
  - Available online any time at **MyFreeTaxes.com**
  - Some assistance available at Mi Casa when the tax site is open.
- **Goals**
  - Provide an option to remote taxpayers capable of filing their own taxes.
  - Provide on-site FSA returns to impatient clients or clients outside of VITA scope.



## EITCplatform QuickGuide

### Series I U.S. Savings Bonds and Tax-Time Savings

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The new option for tax filers to purchase U.S. Savings Bonds directly on their tax returns represents an exciting opportunity to help low- and moderate-income families save a portion of their refunds. Tax preparation programs will play a critical role in educating filers about this new opportunity and helping them take advantage of it. This QuickGuide provides background on U.S. Savings Bonds, instructions for how to purchase them on the tax return and tips for how sites can support filers who want to save.<sup>1</sup>

#### 1. Introduction

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Beginning in the 2010 tax season, a new option to save a portion of their refund in Series I U.S. Savings bonds became available to 100 million households nationally. The option, announced by President Obama on September 5, 2009, was part of the administration's efforts to help all families build assets and increase their financial security.

In the 2011 tax season, this policy was considerably expanded to allow tax filers to use this option to use a portion of their refunds to buy Series I U.S. Savings Bonds as gifts for others with up-to two "co-owners" of the bond and one beneficiary. For the first time, this option was made available to tax filers without bank accounts.

Tax filers can elect to purchase U.S. Savings Bonds by simply entering the amount of the savings bonds they would like and the name of the co-owner(s) or beneficiary on the tax form.

While this option is available to all tax filers, it may be especially important for low- and moderate-income filers who want to save, but find it difficult to carve out savings from their monthly budget. Because their refunds can be considerable – with the EITC and other tax credits, some families receive as much as 30% of their income at tax time – this may be the one opportunity for many families to put aside money for savings. With this new option, saving is easy, convenient and safe. And the entry point for families -- the minimum amount required is \$50 -- is affordable given refund sizes.

EITC Campaigns and free tax preparation programs have a critical role to play in educating tax filers about this new option, answering any questions they might have and encouraging those filers who want to save to take advantage of the tax-time opportunity.

#### 2. Why Should Tax Campaigns Encourage Filers to Save?

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While some tax preparation programs actively connect filers with financial services and asset-building opportunities (such as bank accounts, credit counseling and homeownership assistance), others shy away from doing more than just taxes. Often, staff and volunteers are uncomfortable "recommending" financial

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<sup>1</sup> This QuickGuide was developed in partnership with the Doorways to Dreams Fund (D2D). More information about the U.S. Savings Bond option, as well as free computer-based training and downloadable posters and brochures, can be found at [www.bondsmakeiteasy.org](http://www.bondsmakeiteasy.org).

products or strategies to their customers. Even if you have not promoted savings in the past, we recommend that you make special efforts to build awareness and actively promote the new Savings Bond option for the following reasons:

- Unlike other financial services or asset-building programs, this opportunity is on the tax form, so educating filers about it is part of your job as tax preparers.
- Surveys suggest that most low-income filers, like most Americans, want to save and recognize that they need to save more. But, they often lack accessible ways to achieve their savings goals.
- U.S. Savings Bonds are a good savings option for lower-income consumers. They can be purchased in smaller-dollar amounts and they are redeemable for any reason after only one year.
- U.S. Savings Bonds are risk-free – there are no fees, hidden or otherwise, no chance of losing your initial investment, and they offer competitive interest rates that keep up with inflation.

For these reasons, promoting the option to purchase U.S. Savings Bonds is not about convincing people to save, but rather about giving them a way to save. In its pilot efforts, the Doorways to Dreams Fund (D2D Fund) found high interest in purchasing U.S. Savings Bonds among VITA site tax filers. When offered the opportunity to purchase bonds using their tax refund, between 4% and 6% took advantage of the offer during the three-year pilot period (tax season 2007 through tax season 2009).

In tax season 2010, the first year this option was available to tax filers, 22,365 tax filers around the country were able to purchase bonds for a total of \$11 million.

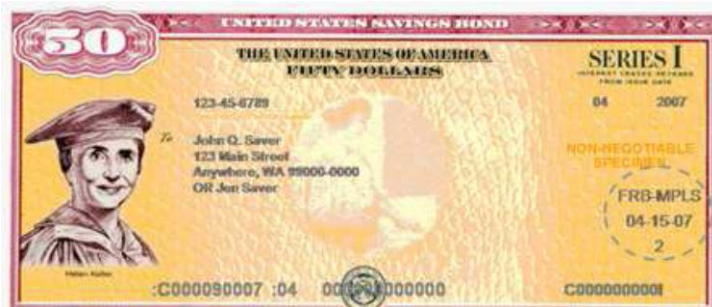
### 3. What Do Tax Sites Need to Know about U.S. Savings Bonds?

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In order to help filers make an informed decision about whether they want to purchase U.S. Savings Bonds on their tax return, it is important for tax site staff and volunteers to know how the bonds work.

Some filers may already be familiar with U.S. Savings Bonds; others may have questions about how much they can or need to save, how the bonds will be delivered, and what interest the bonds will earn. The answers to those and other questions are outlined below:<sup>2</sup>

- The type of bond purchased on a tax return is a Series I U.S. Savings Bond. It looks like this:



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<sup>2</sup> For more on Series I Savings Bonds, see the Treasury's web site: [www.treasurydirect.gov/indiv/indiv.htm](http://www.treasurydirect.gov/indiv/indiv.htm).

- Tax filers will receive bonds worth the full amount they designate – *there are no fees or charges for purchasing U.S. Savings Bonds.*
- The minimum purchase is \$50 and you can purchase any amount (up to a maximum of \$5,000) in \$50.
- There is no credit check and no additional identification or documentation is required.
- *Series I Bonds are safe, low risk products.* You cannot lose the initial purchase amount and they are guaranteed by the government, have competitive interest rates and are protected against inflation.
- Interest rates change twice a year (the Bureau of the Public Debt announces the adjusted rates each May 1st and Nov 1st). The interest is a composite rate, comprising a fixed rate of return that is the same for the life of the bond and a variable semiannual inflation rate.
- Interest accrues from the 1st day of the month and compounds semiannually, based on the issue date, until the bond is redeemed. Series I U.S. Savings Bonds continue to accrue interest for up to 30 years from the purchase date.
- Earned interest is subject to federal income tax but is exempt from state and local income tax. Taxes on earned interest can be paid on redemption or maturity, whichever comes first.
- *U.S. Savings Bonds are a medium- to long-term savings vehicle.* You must hold them for at least one year, but can redeem them at any time after that with a valid ID by going to any bank or credit union. However, if redeemed before five years, the last three months' interest is forfeited.

#### **4. How Does the Savings Bond Option Work?**

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Tax filers who are interested in purchasing U.S. Savings Bonds do so using Form 8888, the same form used to designate a split refund. Tax filers without bank accounts can save a portion of their refunds in U.S. Savings Bonds. Form 8888 has been modified to include a new section (Part II) just on savings bonds. To purchase bonds, tax filers or tax preparers need to enter, on each line in Part II, the amount for bonds and, if purchasing bonds for others, the names of the recipients. Part I is the "Direct Deposit" section and is the same as the direct deposit section in prior versions of the form.<sup>3</sup>

The filer can choose any purchase amount, in \$50 increments (with a minimum purchase of \$50) up to a maximum of \$5,000.

Once the return is filed, the tax filer will receive their refund, minus the Savings Bond amount, as a direct deposit into their primary direct deposit account. The filer will also receive the paper Savings Bonds in the mail to the address listed on the tax return. (Please note that filers cannot choose the denominations they want for the bonds they purchase.)

#### **5. What You Can Do**

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Tax preparation programs play a critical role in making sure that all tax filers know about and are able to take advantage of the new Savings Bond option. Below are some suggestions for what you can do:

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<sup>3</sup> See also the QuickGuide on Direct Deposit available at [www.EITCplatform.org](http://www.EITCplatform.org).

- **Make sure every tax client is aware of the option.** Use posters, flyers and other materials to market the new opportunity. Train all intake and tax preparation volunteers, asset and financial coaches as well as quality reviewers, to ask every tax filer if they are interested in purchasing U.S. Savings Bonds. Find materials you can use at <http://bondsmakeiteasy.org/taxpreparers/materials>.
- **Train tax preparers on how to promote and purchase bonds.** Volunteers and staff are much more likely to promote the bond option if they are comfortable entering it on the tax return and they believe in the product. Train preparers in how to talk to clients about bonds, savings bond features, why saving and particularly saving at tax time is important and on completing Form 8888. Print copies of this QuickGuide as a reference for volunteers. And access training at <http://bondsmakeiteasy.org/taxpreparers/training>.
- **Make it clear that savings is a program priority.** Many volunteers (and clients) are focused narrowly on tax preparation. But the mission of EITC Campaigns goes beyond that. Send a clear message throughout your program that the goal is long-term financial
- **Integrate the Savings Bond message into all asset-building efforts.** If your program or partners are engaged in asset-building efforts, from Bank On programs to homeownership programs, tax time savings is an important complementary message that can jump-start any savings or financial goal.

**Get involved.**

Contact us at <http://bondsmakeiteasy.org/contact>.



# Denver Asset Building Coalition 2017 Volunteer Handbook

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# Table of Contents

Introduction.....	3
General Site Procedures and Process.....	4
Overview.....	4
Greeting.....	4
Screening.....	5
Tax Return Preparation.....	8
Quality Review.....	9
Virtual (Valet) VITA and Facilitated Self-Assistance.....	12
Eligibility.....	12
Selection of Clients.....	12
Responsibilities.....	12
Client Folder Storage.....	13
Submitted E-Files.....	13
Accepted E-Files.....	13
Rejected E-Files.....	13
Paper Returns.....	144
Final Disposition of Folders and Documents.....	14
DABC Records Retention Policies (revised 2012-11-06).....	15
Other Site Operation Issues.....	16
Information Security.....	16
Inclement Weather Procedures.....	16
Client Scheduling.....	16
Managing Partial Returns.....	16
Site Operations Briefing.....	16
Dress Code.....	17
No Fees for Service – No Solicitation.....	17
Site Safety.....	17
Volunteer and Friends/Family Returns.....	17
Lost/Found.....	18
Non-Discrimination Policy.....	18
Duties.....	18
All Volunteers.....	19
Tax Site Operations (DABC staff).....	19
Site Coordinators (Volunteer).....	20
Greeters / Screeners (Volunteer).....	20
Tax Assistors (Volunteer).....	21
Quality Reviewers (Volunteer).....	21
Translators (Volunteer).....	22
Resources.....	23
Taxpayer Advocate Service (TAS).....	23
VITA & Government Resources.....	23
Other Resources and Partner Services.....	24

## Introduction

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Thank you for volunteering with the Denver Asset Building Coalition (DABC).

It is the DABC's policy and belief that all families deserve a prosperous and secure financial future. Every day our volunteers prepare tax returns for low income families because without us they may be taken advantage of by people not looking out for their best interests or miss out on tax refunds they can use to clothe their children.

DABC's mission, *"To provide free tax preparation, financial education and financial services through accessible sites in Denver to help the underserved build for the future and become economically stable,"* is only fulfilled because of volunteers who are willing to take the time to provide their talents to our clients, the underserved.

DABC strives to make your experience volunteering positive and enjoyable. Many of the clients you will meet have little income and are intimidated by the income tax system. Your expertise will make this annual civic duty more relevant and less daunting.

**Please don't hesitate to contact DABC staff members if you ever have questions, concerns or suggestions about our program.**

# General Site Procedures and Process

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## Overview

DABC clients go through four phases to have their tax returns prepared: Greeting; Screening; Tax Preparation and Quality Review. This allows all volunteers to easily guide each client through the tax preparation process. DABC is committed to having experienced Site Coordinators available during tax site hours so all volunteers have a resource available to them for questions or guidance.

In the first phase, a volunteer Greeter meets each client and reviews their basic documents to ensure they are ready for tax preparation. Once the clients demonstrate that they have the necessary documents, the volunteer issues an intake sheet to complete.

In the second phase, a volunteer Screener reviews the client's intake sheet, financial information and tax documents to make sure the client meets DABC intake guidelines and has all necessary paperwork to continue with the process. There are "cheat sheets" to help with this. The Screener then enters the client's name on a client folder to store their documents throughout the process.

During the third phase the Tax Assistor volunteer prepares the client's tax return. This is generally the most time-consuming and complex phase. Depending on the site, and expected client volume, there will be as many as 20 volunteers working in this capacity. Tax Assistor volunteers use computer software to complete the return (not pen and paper).

In the fourth and final phase, the Quality Review volunteer reviews the tax return looking for and correcting typographical or tax law errors. Once the review is done the return is either prepared for E-Filing or printed so it can be mailed by the client.

The following sections describe each step in the process in more detail and may be used as a reference for volunteers.

## Greeting

Greeters welcome clients to the site and help create a positive first impression by orienting them to the tax preparation process. Greeters perform an initial screening for eligibility ensuring that clients have the 3 most crucial items needed for tax preparation:

1. Social Security or Individual Taxpayer Identification Number (ITIN) cards for each person to be listed on the tax return (or reliable records of these numbers). This includes the taxpayer, spouse and any dependents.
2. W-2 or 1099 forms for each job held during the year being filed.
3. Original or copy of a government-issued ID card, like a valid driver's license.

## Completion of Intake Form

When a client enters a DABC Tax Site, a Greeter volunteer greets them and asks them to fully complete an IRS Intake & Interview Sheet (Form 13614). Once they have done so,



they return the clipboard to the Greeter volunteer and wait in line to meet with a Screener who will review their situation.

## **Screening**

DABC provides tax-preparation only to people who meet certain intake guidelines. The Screener is responsible for determining if clients meet the guidelines. To qualify, a client must have (i) moderate or low income, (ii) a relatively simple tax situation, and (iii) all required tax documentation on hand. Each guideline is explained in more detail below.

### **Income Limitation**

DABC sites want to help low income individuals and families so our income eligibility is for:

- families who file Married Jointly or Head of Household with combined income < (less than) \$55,000 of the combined amounts of W2, 1099's
- individuals who file Single or Married Separately with income < (less than) \$35,000 of the combined amounts of W2, 1099's

### **Scope of Training**

DABC Tax Sites adhere to the IRS Volunteer Income Tax Assistance (VITA) program guidelines and use VITA training materials to provide their volunteer Tax Assistors with a basic working knowledge of tax law. Any client who has a tax situation which requires tax law knowledge beyond the scope of the training provided will be referred to a paid tax preparer. It is better that the client pay to have the return prepared properly than to have it prepared improperly due to lack of training.

### **DABC Prepared Forms**

DABC Tax Sites will prepare the following forms for clients. Clients who need forms outside of this list should be referred to a paid Assistor.

- Form 1040EZ - Federal Easy Form
- Form 1040A - Federal Short Form
- Form 1040 - Federal Long Form
- Form 1040X - Amended Returns (*in March only or by appointment*)
- Schedule A - Itemized Deductions
- Schedule B - Interest and Dividends
- Schedule C-EZ – Sch C only if the business fits on a C-EZ with expenses under \$25k
- Schedule D - Capital Gains and Losses (with limited usage)
- Schedule EIC - Earned Income Tax Credit
- Schedule R - Credit for the Elderly
- Schedule SE - Self Employment Tax
- Form 2441 - Child Care Expenses
- Form 8822 - IRS Change of Address
- Form 8863 - Education Credits
- Form 8332 - Release Claim to Exemption
- Form W-4 – Withholding Allowance
- Form 104 - State of Colorado Tax Return
- Form 104 PTC - State of Colorado Property Tax/Rent Rebate

## Required Client Tax Documentation

All clients must have all of the needed tax documentation for their specific tax situation on hand prior to being seated with a Tax Assistor. A return should not be started unless it is believed that it may be completed during the same shift. Any client who is missing a required piece of documentation will be given a Tax Document Checklist indicating the missing documentation and should be asked to return later with complete documentation. Following these guidelines will expedite the preparation process for all clients and avoid the need to amend the client's return later. The DABC Tax Document Checklist should be used to help screen the clients and may be given to them, marked with any missing items, to help them remember what to bring when they return to DABC.

At a minimum, clients must have the following:

- A Social Security Card, Individual Taxpayer Identification Number (ITIN) or an official, accurate record of either number for the taxpayer, spouse and dependent. Handwritten versions of these documents are not acceptable because of the possibility of fraud and the increased risk of typographical errors; (*See the exception below regarding this*)
- Photo Identification such as a driver's license, passport or identification card;
- Their spouse, if filing a joint tax return. A paper return may be completed if only one spouse is available;
- All W-2 Forms (Wage and Tax Statements) from all employers for the relevant tax year. Joint tax returns require the spouse's W-2 Forms as well. Taxpayers who do not have all of these forms will be referred to their employer or the IRS / State of Colorado to receive a transcript or copy of the information;
- Any and all 1099 Forms received. Form 1099 reports various types of income received (such as interest, dividends, retirement, IRS distributions, unemployment compensation, social security, state tax refunds, etc.);
- A copy of any educational expenses paid to a qualified educational institution (including tuition/mandatory fees and interest paid on student loans). Form 1098-T is not sufficient by itself to prove qualified educational expenses paid;
- Any documentation required if the client itemizes deductions. This includes lists, statements, bills, or receipts for out-of-pocket medical and dental expenses, property taxes, auto vehicle registration, home mortgage interest, casualty losses, charitable contributions, and other miscellaneous expenses;
- The amount of state tax refund received in the previous year (Form 1099-G), but only if the client itemized deductions in the previous year (filed Schedule A). They will need a copy or transcript of the previous year tax return;
- Tax ID numbers (Social Security or Federal ID numbers) for any child care providers (Child and Dependent Care Credit);
- A bank account and routing number if selecting a direct deposit (refund) or direct debit (balance due). Most DABC tax sites can open a bank account for free if a client does not already have one. *If electronically filing, direct deposit refunds take 10-14 business days, versus 30 days for a paper check;*
- A copy of the return originally submitted if the client is amending a return (to correct a return that has been previously filed). Client must also have all of the above documents that are relevant and documentation of the items being amended;
- A copy of the prior year's tax return is helpful as a guide;

- Other tax related documents the client may have questions about can be addressed during the tax preparation or quality review process.

### **ITIN Application Exception**

Some DABC Tax Sites will aid taxpayers in preparing a return so they may apply for an Individual Taxpayer Identification Number (ITIN) for the client, spouse or a dependent. The Mi Casa Resource Center site will have a DABC staff person on site January through October who is certified by the IRS to assist with the ITIN application process. A client who needs to obtain an ITIN may generally only have their tax return prepared for the current tax year. Tax returns from prior years may be prepared once the client has received the ITIN from the IRS. See the section on ITIN return preparation for more information.

### **Encouraging Asset Building**

DABC works with many partners in the community, including other nonprofits and banks, who are often represented at our sites providing services and referrals that taxpayers may find helpful. The screener can provide information regarding bank accounts, savings bonds and other services that include credit counseling, career and business development classes, financial literacy, IDAs and other human services. Clients are encouraged to consider the cost of tax preparation saved at our site as potential long-term savings and some take advantage of the opportunity to purchase US Savings Bonds with part of their refund. A mock form 8888 can be included in the client folder for this purpose. DABC does not promote paid services and cannot refer clients to any specific paid service provider.

### **Client Folder Preparation and Sign-In**

If a client meets all of the above intake guidelines, the Screener should prepare a folder for them that has a number corresponding with their place in line and then add them to the “Waiting for Prep” box in order of their assigned number.

### **Folder Preparation**

The client’s intake form should be placed on the left side of a folder and all relevant tax documents placed on the right side. It is important that the folder label be completed legibly by the Screener (not the client) to support accurate filing. If a client wants DABC to prepare more than one year’s return, they may need to finish their first session and go to the back of the line to begin a second return. If the site is not busy they may have multiple assistors prepare one year each, using a separate folder for each tax year. Non-standard returns (Prior year, Amended, ITIN, etc.) should be noted as such for the Tax Assistor.

### **Sign-In**

At this point, the Screener is satisfied that the client qualifies to have their return prepared. The “Waiting for Prep” and “Waiting for Quality Review” boxes help maintain the sequence of clients and flow through the site. DABC tax sites generally operate on a first-come first-served basis. Exceptions may be made for clients with special needs (including language assistance) at the discretion of the Screener and Site Coordinator.

## **Tax Return Preparation**

The Tax Assistor volunteer prepares the client's federal and Colorado tax returns using the tax software. The Tax Assistor must carefully review the client's tax documents and interview the client about their tax situation. The Tax Assistor usually spends about 30 minutes with the client to prepare their returns, but this period can be much shorter or longer depending on the complexity of the client's tax situation.

### **Meeting with the Client**

When the Tax Assistor volunteer is ready for a client they should:

- Contact the Screener to be directed to the next client.
- Greet the client and introduce themselves.
- Review and discuss the client's tax documents and situation. Any boxes marked "Unsure" on the intake and interview sheet (IRS Form 13614) should be changed to "Yes" or "No."
- Confirm that they will be able to complete the return before beginning work in the tax software. Any questions can be referred to a Site Coordinator. If the return cannot be completed, the client should be either (i) asked to return to DABC Tax Site with the missing information or documentation, or (ii) referred to any paid preparer. In the first case, the Tax Assistor should indicate on the client's DABC Taxpayer Intake Form what they need to bring when they return. DABC does not retain the client's documentation – the client should leave the site with all their documents.
- Discuss savings and tax planning opportunities for the client including savings bonds, bank accounts, and use of W-4 and W-5 forms. Some of these services may be available at the site.
- Complete the tax return.
- Answer any questions the client may have or refer them to a Site Coordinator.

### **E-File PIN information**

Clients who choose to have their return E-Filed will need to choose a five-digit PIN to represent their electronic signature. The Tax Assistor will enter their PIN into the tax software. It can be any five-digit sequence other than "00000." DABC staff often use the client's zip code as the five-digit PIN.

### **Finishing with the Client**

After the client's return has been completed, the Tax Assistor should escort the client to the Quality Review waiting area and place their folder in the "Waiting for Quality Review" box. The Quality Review area is also handled on a first-come first-served basis. However exceptions may be made for clients with special needs at the discretion of the Site Coordinator responsible for the Quality Review area.

### **ITIN Returns**

Many clients or their dependents will not have a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN). The IRS requires that the client file a tax return with their ITIN application (form W-7). DABC will assist clients in this process. Generally only the current year tax return will be prepared. Prior year returns will not be prepared except with permission of a Site Coordinator.

The tax software requires that a number be used to create a return. For an ITIN customer we will generate a 'placeholder' number. This number is not valid, and if printed during Quality Review it is erased with white correction paint or black maker before the return is signed. For clients who have dependents needing an ITIN, DABC will provide a 'placeholder' number. This number is used in the tax software to simulate an ITIN number.

### **DABC cannot issue ITINs.**

Tax Assistors should request a Placeholder Number from a Site Coordinator. They come on individual labels which should be placed on the front of the client folder in plain view to the Quality Reviewer. The return should be prepared as usual, using these numbers in place of actual ITIN numbers, which the clients will receive from the IRS later.

### **DABC can assist with the ITIN application.**

DABC Staff may be current Certifying Acceptance Agents (CAA). As a CAA, they can complete form W7COA to verify that the client has the necessary documents to receive an ITIN and make copies of these documents to send with the W7 and tax return to the IRS. This allows the client to continue holding the original documents during the ITIN process.

## **Quality Review**

The Quality Review station is the final step in the tax return preparation process. The Quality Review volunteer meets with the client, reviews the work of the Tax Assistor, and corrects any errors that are found. The Quality Review volunteer also prepares the return for filing and gives the client a copy of their return and any relevant instructions.

### **Reviewing the Return**

The Quality Review volunteer should review the entire return for accuracy. Special attention should be paid to potential data entry errors related to the spelling of last names, entry of SSN/ITIN information, Employer ID Numbers and bank account numbers. The Quality Review volunteer should also ensure that the Tax Assistor properly handled the various aspects of the client's tax situation – this always requires a conversation with the client. The QR Checklist on the client intake and interview sheet (IRS Form 13614) is helpful.

### **Explaining Client Refunds**

Clients requesting direct deposit can expect their federal refunds in 10-14 business days. Clients receiving paper checks should allow up to 30 business days. State of Colorado refund direct deposit dates will vary, but generally should be in a bank account within 3 weeks, or within 4 weeks if mailed (paper check). Pub 4012 contains a refund schedule.

### **Helping Clients with a Balance Due**

#### Form 9465 – IRS Payment Plan

If the client cannot pay the entire balance and wants other payment options, DABC will still E-file the tax return. The client should call the general IRS toll-free number after the return is E-filed at 1-800-829-1040 to make other payment arrangements.

#### Payment by Credit Card

If a client would like to pay all or a portion of their tax due by credit card (federal return

only), they should call **1-877-754-4413 (Official Payments Corporation)** or **1-888-658-5465 (LINK2GOV Corporation)**. DABC will E-file the return (or the client may mail a copy for a paper return), and then the client should call one of the above numbers with a copy of their return in front of them. There is a fee for payments by credit card.

#### Payment by Direct Debit

If a client would like to pay the total balance due and has a bank account, the tax software allows entry of the necessary information to request an electronic funds transfer on a specific date (up until April 15).

#### **E-File Returns**

After the return has been reviewed for quality it is ready for E-Filing and/or printing. E-Filing is the direct electronic filing of encrypted tax return data from a DABC site to the IRS and/or State of Colorado. It is fast and accurate and refunds will usually arrive faster for clients who E-File. Once the tax return has been reviewed and “Diagnostics” have been run, simply click on “E-File” in the tax software and it will encrypt the data in the return and assign the Declaration Control Number (DCN) to the tax return. If the return is printed before Diagnostics and E-File have been selected, the DCN number will not appear. It is important that the copy of the tax return provided to a taxpayer contain the DCN because if the client taxpayer contacts the IRS, they may need that number in addition to the SSN to locate a recently filed tax return.

Some clients are not eligible for E-Filing. These clients include those who:

- Do not have a SSN or ITIN. Those clients applying for these numbers must submit their return on paper with their W-7 ITIN application.
- Have a spouse who is not present to sign E-file authorizations if filing a joint return.
- Have a W-2 form which does not include an Employer ID Number.
- Are filing a prior year return more than 3 years late.

When E-Filing a return it is necessary to create two packets of information, one for DABC and one for the client:

#### DABC Packet (Placed into EITC Folder)

- LEFT side of folder:
  - The client’s intake & interview sheet (Form 13614)
- RIGHT side of folder:
  - 1 copy of a signed form 8879 – E-File Permission
  - 1 copy of documents showing withholding, such as W-2s, 1099-Rs, etc.

The folder should be marked as an E-File return by circling the ‘E’ on the folder label.

#### Client Packet (Placed into Client Envelope)

- 1 copy of the complete Federal tax return
- 1 copy of the complete State of Colorado tax return
- 1 copy of the Consent to Disclose signed by the clients if they Opt In to disclosure,
- All other tax-related documents of the client.



## **Paper Returns**

When a return is ineligible for E-Filing, or when the client chooses not to e-file their return, the volunteer should print two copies of both the Federal and State of Colorado tax return and direct the taxpayer in signing the returns and preparing them for mailing. The volunteer should then create two packets of information, one for DABC and one for the client:

### DABC Packet (Placed into Folder)

- The client's intake form on the LEFT side of the folder. Nothing else.

### Client Packet (Placed into Client Envelope)

- 2 copies of the Federal tax return: One signed copy in a pre-addressed envelope (ready to mail to the IRS) and one copy for the client's records;
- 2 copies of the State of Colorado tax return: One signed copy in a pre-addressed envelope (ready to mail to the state) and one copy for the client's records;
- 1 copy of a Consent to Disclose signed by the taxpayers if they Opt In to disclosure;
- All copies of any documents, such as W-2s: One of each document showing tax withholding attached to each tax return to be mailed; and
- All other client documents.

The folder should be marked as a paper return by circling the 'P' on the folder label. Additionally, it should be checked that the tax software properly indicates that the return was handled on paper instead of e-filing.

## **ITIN Returns**

All returns prepared for the purposes of obtaining an ITIN from the IRS must be treated as Paper; the IRS will not accept these for e-filing. The Quality Review volunteer should print the return, and use either white-out or a black marker to mark over any placeholder ITINs printed on the return. The client should be provided with a copy of DABC ITIN instructions, and form W-7. Form W-7SP is available to help clients who speak Spanish as their primary language. A DABC Staff member may be able to act as a Certifying Acceptance Agent and complete form W-7COA which allows the client to avoid mailing original identity documents.

## **Client Envelopes**

Client envelopes should be used to help the client keep and organize their tax information for a given year. As described above, the Quality Reviewer should give the client a client envelope containing the client's copies of their return and all supporting documentation. DABC uses envelopes which have IRS information and phone numbers pre-printed on them. The client should be instructed to retain the file for a minimum of three years. IRS Publication 552, Recordkeeping for Individuals, has more information.

## **Client Folder**

After a client's return has been completed the folder should be placed in either the "To be E-filed" or "Paper" box for the Site Coordinator to retrieve and store later.

# Self-Assistance and Virtual (Valet) VITA

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DABC offers Facilitated Self-Assistance (FSA) and Virtual (Valet) VITA as **options** for our clients to do **current year returns**. These programs help us expand our capacity. FSA is achieved through partnership with the United Way, Goodwill, and MyFreeTaxes.com

## FSA Eligibility

To be considered for the Self-Preparation program a client must be eligible for Free E-File. The income limit for Free E-File is \$64,000. They must be computer-literate and possess a **valid email address** to receive communication from the IRS.

## FSA Selection of Clients

Clients will be given the **option** of Self-Assistance. They must be comfortable working with a computer. Eligible clients may have to wait until computer lab staff directs them to an available computer. Clients that do not choose this option will be advised to return to the site when volunteers are available.

## FSA Responsibilities

1. Ensure that the client is using the appropriate web URL to receive the free service.
2. Have the clients include their information on a Sign In Sheet so that we can contact them with any follow-up issues.

## Valet Eligibility

The income and complexity scope is the same as our regular VITA program.

## Valet Selection of Clients

Clients are served first-come first-served at Valet sites. They must sign a consent form which allows us to transport their documents (or copies) to our preparation site. The client must return at a later time (usually 1 week) to sign and pick up a copy of the tax return.

- It is very important to have the client's contact information.
- Always note on the EITC Folder Label the name of the Valet Site and drop-off date. Complete this label by marking when each step is done: Prep, QR, Signatures (E-File).
- A robust Virtual (Valet) VITA guide is available at <http://www.denverabc.org/training.htm>

## Valet Responsibilities

1. Pick-Up: Conduct a robust interview as though you were preparing the tax return on the spot. Make sure that no information is missing and that all information is legible.
2. Preparation: Contact the client to obtain any missing information.
3. Quality Review: Treat the tax return as though the client is present – prepare to E-File and print the tax return, put the tax return in a Client Envelope and the disclosure forms in the EITC Folder so that they will be ready to return to the client.
4. Drop-Off: Walk through the tax return with the client to verify the information. Secure signatures on the E-Filing forms and the Consent / Disclosure forms.



## Client Folder Storage

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After a client's return has been through Quality Review, their folder is securely filed at DABC main headquarters site at the Mi Casa Resource Center. At this point, the folder will contain, at most, the intake form, signature documents and tax-withholding documents. Client information is stored so that problems with E-Filing can be resolved, signature documents can be forwarded to the IRS as needed and client data can be available to DABC for research and marketing purposes with the clients' consent. Clients' tax returns are only stored electronically to expedite preparation of subsequent years' returns by carrying over tax return data to the next year. During a shift, Site Coordinators should periodically collect client folders from the E-file and Paper boxes. Depending on the type of return, the folders should be handled as described below.

### Submitted E-Files

Folders waiting e-filing should be reviewed to ensure they contain proper documentation and that the IRS and State forms are signed. E-file returns are then transmitted through the tax software in batches of ten. An E-file Submission Report (ESR) will print for each batch, which should then be attached to the front of the batch which is stacked together and held with a rubber band and filed in the "Awaiting Acknowledgment" section of the filing cabinet.

### Accepted E-Files

When E-files are accepted the folder should then be filed according to the date the e-file was submitted. The folder should contain only intake form, with-holding documents, signature forms and any forms related to a correction of a reject code.

### Rejected E-Files

After a return has been submitted it may be rejected by the IRS for a number of reasons. The Director of Operations is responsible for ensuring that rejected returns are managed by the end of their shift. This duty is often as well delegated to a Site Coordinator.

#### Reasons for Rejection

Returns are rejected electronically for various reasons, including:

- Incorrect Social Security Numbers (SSN) or Individual Taxpayer Identification Numbers (ITIN) for the client, spouse or dependents.
- Incorrect Federal Identification Numbers from forms W-2 and 1099.
- Birth Date that does not match taxpayer SSN or ITIN.
- Last Name that does not match taxpayer SSN or ITIN.
- Dependents or spouse have been claimed by another taxpayer in an accepted return.
- A client has already been claimed for the EITC on another tax return.

Upon receiving a reject, the software will print an explanation of the error with a Reject Error Code (a 3-digit code such as: 501, 510, etc.). This sheet should be placed into the client's folder. Many rejects can be corrected without contacting a client by referring to the information in the saved client file folder.

Comments related to the management of the rejection should be made on the reject form printed by the software. These comments should include, at a minimum, the date, a brief

note of the action taken and the name of the person writing the comment. These comments should also be included in the appropriate field on the Prep Use form in the tax software.

### **Contacting the Client**

Sometimes it will be necessary to contact the client to get additional information. DABC has created a *Standard Reject Letter* that you may fill out and send the client to have them return to the site to correct the problem.

Folders which fall into this situation should be filed in the “Awaiting for Client to Return” section of the file cabinet so other Site Coordinators may retrieve them.

### **Managing a Client who has received a Reject Letter**

Once the client returns to the site with the necessary information, changes may be made to the client’s tax return. New copies of the Tax Return should be printed for the client to sign if the AGI changes by more than \$50 or the refund changes by more than \$14. The file can then be re-transmitted for acknowledgement. The client’s file should be kept in order and all previous (old) copies should be shredded to maintain a current file. The client folder should then be stored with other submitted E-Files as described in the Submitted E-Files section.

### **“Flipping” to Paper**

Some errors cannot be corrected even if the client returns. (Commonly, clients who are rejected because a dependent was used on another return will dispute this). These returns must be handled on paper. Paper Returns will be explained below.

To do this, first retrieve the client’s EITC folder. Then print a copy of the client’s return (federal and state if applicable), have the client sign Form 1040 page 2 to the federal return and the Colorado Form 104 page 2. Also, attach one copy of each document with federal and/or state withholding (W-2 and 1099s) to the front of each return. Mail the federal and state returns separately using the standard envelopes provided to a client for a paper tax return. Please be sure to affix proper postage (provided by DABC) before mailing on behalf of the client. Keep in mind that, by using this procedure, the client is likely to receive a notice in six to eight weeks indicating problems with their tax return (for the same reasons the E-File was rejected).

The reject information should be included with the intake and interview form in the EITC folder and filed in the Paper File section of the filing cabinet.

## **Paper Returns**

Paper return folders should be reviewed to ensure that the only item in the folder is the intake form and any consent forms.

## **Final Disposition of Folders and Documents**

Once a client’s return has been fully processed, if it was E-Filed their folder should only contain signature documents, withholding documents, rejection forms (if the return was ever rejected) and an intake form. If the return was a paper return, or “flipped” to paper, their folder will contain only an intake form. All folders will be emptied of contents at the end of the year, and those sensitive documents will be shredded. The label containing the

client's SSN/ITIN must be totally removed or "blacked out" with a permanent marker and then a new label applied so that the folder can be reused the following year. If it is not possible to clean the folder of all client data, the folder should be shredded.

### **DABC Records Retention Policies (revised 2012-11-06)**

DABC adheres to the IRS privacy and confidentiality practices as detailed in IRS Publication 4299, and is dedicated to protecting the information entrusted to us by our clients. As such, DABC will retain and use this information as detailed below:

DABC will shred any documents containing taxpayer information at the end of the tax season or as soon as it is no longer necessary to retain them, or they will be treated otherwise in order to comply with US Treasury Regulation 7216.

Data and electronic information will only be used to internally develop, improve and market programs and services for these clients or to report in aggregate fashion statistical performance information about DABC's services. DABC will never release or sell specific client information to other organizations except the IRS as required for tax return filing or other parties with taxpayer consent.

All paper and electronic data will be secured by DABC. Paper documents will be locked in an office providing physical security. Electronic data will be password protected. DABC staff and volunteers will not permit unauthorized access to the information.

## Other Site Operation Issues

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### Information Security

DABC must be careful to protect client information. To accomplish this:

- Passwords to the tax software are vital to the security of the client's data. It is important that all volunteers are careful not to reveal passwords to clients or others not working at the tax site. Internet browsers should not be set to save login information.
- Client information being discarded must be shredded and never just trashed/recycled.
- Client information must be secured at all times when unattended.

### Inclement Weather Procedures

Clients depend on DABC to provide free tax preparation during the tax season. We make every effort to accommodate this need by remaining open during our scheduled hours. In the case of severe inclement weather when it is necessary to close DABC, volunteers may check VolunteerHub (<http://denverabc.volunteerhub.com>) or call (303) 388-7030.

### Client Scheduling

DABC tax sites generally operate on a first-come first-served basis. Exceptions may be made for clients with special needs (including language assistance) at the discretion of the Screener or Site Coordinator. Concerns should be referred to a Site Coordinator.

Appointments may not be made unless authorized with the following exceptions:

- Clients who have had their return started (a partial return as described below) may be moved ahead in the line if they return the same day they started their return. If they return at a later time they must be placed in the order they arrived for that day.
- Clients returning to assist in managing a rejected tax return may be brought directly to the Site Coordinator of the Quality Review Room and do not need to be signed in. These clients may have their Reject Letter available for review, and their folder will be in "Rejected" section of the filing cabinet.

### Managing Partial Returns

Client that need to leave without finishing their tax return should take all of their documents, including the intake form, tax documentation and the client folder. DABC does not hold or store client documents for unfinished returns.

Volunteers should not begin a return if they believe it cannot be finished by the end of site operations. However situations occasionally occur where the client's return cannot be completed without additional information or time.

### Site Operations Briefing

Please arrive 15 minutes before your shift begins so that you can take part in the Site Operations Briefing sessions, during which we will go over any recent changes or IRS alerts, answer any questions and discuss common mistakes or other issues. As well, the continued education of our volunteers is important to DABC.

DABC staff will maintain a document wall which will contain recent tax news and announcements related to the site and tax law, including IRS Quality Alerts. The wall will have extra copies of all documents available for volunteers to remove and review at their convenience.

## **Dress Code**

DABC offers a casual dress environment for employees and volunteers and jeans and other casual attire are accepted. Volunteers are expected to use good judgment and to show professionalism and courtesy to their co-workers by dressing in a manner that is presentable, appropriate and accountable to this policy.

## **No Fees for Service – No Solicitation**

DABC's tax prep services are free. As specified in IRS Form 13615, the Volunteer Agreement signed by each volunteer, volunteers cannot solicit or accept any donations or payments for services provided.

Clients cannot pay, but still many offer to pay – instruct the client that we cannot accept payment for the services. If they would like to give a donation to the organization, they can do so with pre-addressed envelopes or through the DenverABC.org website.

## **Site Safety**

Familiarize yourself as well with the location of first aid kit. Also note the location of fire extinguishers and emergency exits. Ask a site coordinator to point them out if you are not sure. If you ever feel threatened or unsafe, contact a site coordinator immediately.

Lock your vehicle and keep valuables in the trunk or out of sight. You can also secure your possessions inside the site in designated areas. After dark, it is a good idea to leave the site with another individual, even if it means asking someone to escort you.

## **Volunteer and Friends/Family Returns**

Volunteers may prepare their own tax returns and those of their friends/families during Friends & Family days. This opportunity is intended for active volunteers only. Friends and family may also come in as regular clients if their returns are within the scope of the program, but will not be moved ahead in line for service during normal site hours.

DABC will provide several Friends and Family sessions during the course of the tax season. During these times computers will be available for certified volunteers to prepare returns for themselves, friends and family members regardless of scope. The friends and family members will need to come to the site in order to e-file.

The following rules apply to all volunteer returns:

- To attend the event, volunteers must sign up on VolunteerHub.
- Volunteers must complete a folder and intake forms and file them as usual.
- E-filing is permitted as long as the appropriate forms are signed.

- It is the burden of the volunteer to ensure they are qualified to prepare the tax return. Many volunteer returns are exceptionally complex and time-consuming - Site Coordinators will help as possible but will not take on the task of completing the return.
- Volunteers who are not certified may ask other volunteers or coordinators to prepare their return for them. It is at the discretion of that volunteer to do so.

## **Lost/Found**

Volunteers who find items which are left by a client will turn the item in to DABC staff. DABC staff will make an effort to contact the client. A storage location will be designated to hold these items for a period of one month, after which the items will be disposed of.

## **Non-Discrimination Policy**

It is the policy of DABC to create an environment free from discrimination and harassment of any kind whatsoever, and where staff, board members, volunteers and clients of DABC are always treated with dignity, respect and courtesy. No service recipient or other person shall intimidate, threaten, coerce or discriminate against any individual for the purpose of interfering with any right or privilege, or because the individual has made a complaint, testified, assisted or participated in any manner in an investigation, proceeding or hearing.

It is the policy of DABC that all employees and volunteers will provide services to any and all parties in need of said services without regard to factors including: age, color, race, ethnicity, disability, height or weight, gender, sexual or gender orientation, marital or family status, pregnancy, military status, national origin, political persuasion or religion. Furthermore, all DABC services provided in English are accessible to those with limited English proficiency, including through oral and written translation.

## **Sexual Harassment Policy**

DABC is pledged to preserving a working environment free from sexual harassment for staff, volunteers and clients of DABC. Harassment is illegal and is a form of gender discrimination. The aim of this policy is to prevent harassment of any kind by anyone employed by or associated with DABC.

Sexual harassment consists of unwelcome sexual advances, requests for sexual favors or unwanted sexual attention by anyone associated with DABC, regardless of gender and including all staff, volunteers and clients. Harassment includes, but is not limited to, obscene jokes, lewd comments, sexual depictions, repeated requests for dates, gift giving, touching, staring or other sexual conduct committed either on or off company premises.

All DABC employees and volunteers are responsible for helping ensure that our workplace is free of sexual harassment. If you feel you have been a victim of sexual harassment, report the behavior to a staff or board member of DABC. If you have witnessed sexual harassment, you are urged to report the incident so that prompt action may be taken. All sexual harassment complaints will be treated seriously, investigated fully, and kept as confidential as possible. DABC expressly forbids any retaliation against employees for reporting sexual harassment. If, however, DABC finds that false charges have been filed, disciplinary action may be taken against anyone who provides false information.



# Duties

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## All Volunteers

There are some responsibilities that all volunteers share during their work at a DABC tax site. In general all volunteers should:

- Strive to provide the most accurate information to clients. Often there are other volunteers at the site who have significant tax law experience and are available to answer questions. The IRS also provides numbers specific for VITA tax questions.
- Work to prepare tax returns in accordance with training and tax law.
- Be courteous to clients and other volunteers.

Additionally, there are specific duties every volunteer is responsible for:

- Volunteers should sign and timestamp the sign-in sheet on arrival and departure. This is often a good time to advise DABC staff about any special scheduling needs they may have.
- Volunteers should update their schedule on VolunteerHub ([www.denverabc.volunteerhub.com](http://www.denverabc.volunteerhub.com)) and coordinate with the Volunteer Coordinator regarding their volunteer schedules.
- Volunteers should ask questions or seek assistance when they are unclear about a tax situation or site procedure.
- Volunteers should help maintain a clean and organized site. Sites are often shared with other organizations so it is important that the facility be presentable at the close of site operations.
- Volunteers who prepare or review returns (including all Site Coordinators and Site Operations Managers) must complete and pass the appropriate trainings and exams. DABC will assist volunteers in this endeavor.

## Director of Operations (DABC staff)

The Director of Operations (DO) is responsible for the overall operation of the tax site. The DO works directly with the volunteers and DABC Tax Operations Committee to ensure volunteers are well supported in their efforts to provide quality services to clients.

Specific duties include:

### Site Setup

Generally the DO should arrive at the site 45 minutes prior to the opening (other volunteers are encouraged to arrive 15 minutes prior to their shift). The DO will:

- Designate a check-in space for clients.
- Assign volunteers to positions:
  - Greeters – at least one, however efficient site flow will often require more.
  - Screeners – at least one, however efficient site flow will often require more.
  - Tax Assistors – generally three assistors to every two Quality Reviewers.
  - Quality Reviewers – there should generally be two Quality Reviewers for every three Tax Assistors.
  - Site Coordinators – generally there should be at least one Site Coordinator assigned to support Tax Assistors and one assigned to support Quality Reviewers.

- Note: Many volunteers will have a preference for certain roles which should be respected as best as possible.
- Designate a location for tax site partners (bank representatives, etc.) to work.
- Determine the maximum quantity of clients the site will be able to manage in the time allotted to ensure there is a smooth and timely closure of the site.
- Open the site to the clients, and close the site at the end of the shift.
- Ensure supplies are available for all of the volunteers.

### **Site Operation**

The DO is responsible for the smooth operation of the site, and will coordinate with the site coordinator to make sure DABC procedures are followed. Although the DO and site coordinators must be VITA certified, the DO should ensure that site coordinators are available to all volunteers, which often means they may not have time to prepare returns.

### **Staffing**

The DO will also coordinate the necessary volunteer staffing levels, and will work closely with volunteers regarding their scheduling. It is the DO's role to know the needs of the site and to ensure there is sufficient staffing.

### **Site Coordinators (Volunteer)**

Site Coordinators are the first line of support for volunteers. They are volunteers who often have additional experience in tax law or IRS procedures and are willing to lead other volunteers in their duties. Site Coordinators generally help find information and answer questions for volunteers and rarely have time to prepare client tax returns.

Specific duties and responsibilities include:

- Must be certified to prepare tax returns at the "advanced" level and have a working knowledge of tax law and resources available to answer questions.
- Should have experience working with the tax software. Often, Site Coordinators will have volunteered for at least one season as a Tax Assistor and a Quality Reviewer.
- Transmission of e-files as directed by the DO.
- Management of either the Tax Assistor area or the Quality Review area. They should be in communication with the DO about staffing levels and client volume.
- Ensure that procedures in this guide are followed.
- Comply with and promote the 10 IRS Quality Site Requirements.

### **Greeters/Screeners (Volunteer)**

Greeters will welcome clients to the site and be their first impression of DABC by orienting them to the tax preparation process. The Greeter meets the client and performs a brief review of the crucial paperwork to ensure they are ready for tax preparation and are qualified for DABC's services, and then gives the client an intake sheet to complete.

Specifically duties include:

- Meet the client and review the top three items necessary for tax preparation:



- Social Security or Individual Taxpayer Identification Number (ITIN) cards for each person listed on the return, including the taxpayer, spouse and any dependents.
- W-2 or 1099 forms for each job held during the year being filed.
- Original or copy of the filer's valid driver's license or government issued ID card.
- Provide the client with an intake sheet to complete.
- Review the client's documents and intake form to ensure the client has all necessary documentation for their situation and meets DABC income and complexity guidelines. *A client should not be accepted if it is believed their return cannot be completed that day.*
- Help the client understand the process at the tax site.
- Match the clients with volunteer Tax Assistors as they are available.

### **Tax Assistors (Volunteer)**

The Tax Assistor is the heart of the tax site. They are responsible for the preparation of the client's tax return and often spend the most amount of time with any given client.

The duties and responsibilities of a Tax Assister include:

- Completing tax law training by certifying as VITA Tax Assistor at least to the Basic level.
- Completing DABC training in the tax software to prepare returns.
- Review of the client's tax documents and situation to ensure the return may be completed during the current shift and that the client meets the income and complexity guidelines. *A client's return should not be partially prepared and saved for later.* Often more information will be revealed by the client to the Tax Assistor which disqualifies a client from using our service. It is acceptable to decline a return at this stage due to its complexity or because it exceeds our income guidelines. The Tax Assistor should contact a Site Coordinator if there are questions or concerns.
- Accurate and careful preparation of the client's tax return.
- Proper research of any tax law questions which become apparent during the preparation of the return. Site Coordinators are available to help answer questions.
- Responding to any questions the client may have.
- Providing tax planning and financial management suggestions to the client, including referring the client to other DABC partners that offer free services

### **Quality Reviewers (Volunteer)**

The Quality Review volunteer is the final volunteer the client will meet. They are responsible for ensuring the client's return has been prepared accurately and for performing the final tasks of printing and preparing the return for E-Filing or mailing. It is at this stage that a client is told what amount of refund they are receiving or amount they owe the IRS. Quality Review volunteers will have spent some time volunteering as a Tax Assistor (ideally at least one year) and are comfortable in those duties.

The duties and responsibilities of a Quality Reviewer include:

- Completing tax law training and certifying as a VITA Tax Assistor at the Advanced level.
- Completing training in the tax software to prepare returns.
- Reviewing the client's tax documents and situation.

- Carefully reviewing the client's return for typographical errors or incorrect treatment of income or deductions.
- Informing the client of any refunds or liabilities, and amounts.
- Printing a copy of the return for the client's files.
- Preparing the return for E-Filing or mailing to the IRS and/or State of Colorado.
- Answering any final questions the client may have.

### **Translators (Volunteer)**

Translators can be cross trained as Greeters & Screeners to ensure that they are most effectively utilized when volunteering. While many volunteers speak multiple languages, the volunteer Greeter or Screener who is multi-lingual can aid clients through the entire tax preparation process. Translators are not required to have any tax law training or tax software experience. They should make themselves available to the other volunteers as much as possible.

## Resources

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There are many resources available to the client and Tax Assistor.

### **Taxpayer Advocate Service (TAS)**

Periodically, volunteers work with clients who are having trouble resolving various tax issues with the IRS. Generally, TAS can help if, as a result of the administration of the tax laws, the client:

- Is suffering a significant hardship or is facing an immediate threat of adverse action;
- Will suffer irreparable injury or long-term adverse impact;
- Has experienced a delay of more than 30 days to resolve the issue; or
- Has not received a response or resolution by the date promised.

If the client has an ongoing issue with the IRS that has not been resolved through normal processes, or they have suffered, or are about to suffer a significant hardship as a result of the administration of the tax laws, contact the Taxpayer Advocate Service at 1-877-777-4778 or in Denver at (303) 603-4600.

### **VITA & Government Resources**

#### **VITA Tax Law Questions (for volunteers)**

*For volunteers needing tax law assistance at free tax assistance sites.*

**1-800-829-VITA**

#### **TaxSlayer Software Support (for volunteers)**

*For procedural and operational questions regarding the use of TaxSlayer software.* Online support is available in the Practice Lab by clicking on the Help button or email [Support@vita.taxslayerpro.com](mailto:Support@vita.taxslayerpro.com)

**1-800-421-6346** or [www.TaxSlayer.com](http://www.TaxSlayer.com)

#### **Colorado VITA (for volunteers and clients)**

*For clients to locate other VITA sites in the state.*

[www.ColoradoVita.org](http://www.ColoradoVita.org)

#### **Colorado Department of Revenue (for clients)**

*For clients to retrieve Colorado State withholding transcripts or other documentation.*

8am-4:30pm M-F @ 1375 Sherman Street, Denver CO 80261

**1-303-238-7378** or [www.Colorado.gov/revenue](http://www.Colorado.gov/revenue)

#### **Internal Revenue Service Walk-In Clinic (for clients)**

*For clients to retrieve Federal withholding transcripts or other documentation.*

8am-4:30pm M-F @ 1999 Broadway, Denver CO 80202

**1-303-446-1675** or [www.IRS.gov](http://www.IRS.gov)

#### **Social Security Administration (for clients)**

*For clients to retrieve records of Social Security income or request new Social Security cards.*

9am-3:30pm M-F @ 1500 Champa Street, 2<sup>nd</sup> Floor Suite 200, Denver CO 80202

**1-800-772-1213** or [www.SSA.gov](http://www.SSA.gov)

## Other Resources

### **Low Income Tax Clinic (LITC) – Tax Law Controversies (for clients)**

*For clients with complicated tax situations or needing to resolve issues with the IRS:*

*Installments & Offers in Compromise, Release of Liens & Levies, Audits Representation & Appeals*

**1-303-871-6331 or [litc@du.edu](mailto:litc@du.edu)**

**University of Denver – Graduate Tax Program**

**2255 East Evans Avenue #390, Denver CO 80208**

### **Federal Tax Refund Inquiry Automated (for customer use)**

*For 1040-type Individual and Joint Filers who need to check the status of their current year refund.*

*Automated Refund Self-Service Interactive Applications are offered on this line.*

**1-800-829-1954**

### **Federal Internet Tax Refund Inquiry (requires Internet access)**

*For 1040-type Individual and Joint Filers who need to check the status of their current year refund.*

*<http://www.irs.gov/Refunds>*

### **IRS Account Inquires (Individual)**

*For individual and joint filers who need procedural or tax law information and/ or help to file their*

*1040-type individual returns (including Schedules C and E); and, general account information for*

*Form 1040 Filers. Automated Self-Service Interactive Applications are also offered on this line.*

**1-800-829-1040**

### **IRS Account Inquires (Business)**

*For Small Businesses, Corporations, Partnerships and Trusts who need information and/or help*

*related to their Business Returns or Business Accounts.*

**1-800-829-4933**

### **Federal Tax Forms**

*For individuals, businesses and tax practitioners who need IRS tax forms, instructions and related materials and tax publications.*

**1-800-829-3676**

[www.IRS.gov](http://www.IRS.gov) or [www.1040.com](http://www.1040.com)

### **National Taxpayer Advocate's Hotline**

*For taxpayers whose tax problems have not been resolved through normal channels. Taxpayer*

*Advocate Service (TAS) provides an independent system to assure that tax problems are promptly*

*and fairly handled. TAS operates independently of any other IRS office and reports directly to*

*Congress through the National Taxpayer Advocate.*

**1-877-777-4778 or (303) 446-1012 in Denver**

### **Federal Tax Payments by Credit Card**

*To pay current year tax liabilities (full or partial) with VISA®, MasterCard®, American Express® or*

*Discover® credit cards. Service fee applies from vendor. Please check vendor for applicable*

*charges.*

**1-800 2PAY-TAX or 1-888-PAY-1040**

[www.officialpayments.com](http://www.officialpayments.com) or [www.pay1040.com](http://www.pay1040.com)

## Partner Organizations and Services

**Mi Casa Resource Center** – Mi Casa provides financial advancement services that include business counseling and development, career development, entrepreneurial training and more. DABC's partnership with Mi Casa is an active and robust one that includes data sharing as well as resources, and is being funded by private and national foundations specifically for its collaborative efforts around integrated financial advancement services. Training will be provided to volunteers in regard to this partnership and what action we are asking them to take with clients in terms of referrals and information gathering. There will often times be a Mi Casa staff person or volunteer available at our tax sites for questions.

**mpowered Colorado** – mpowered is another important partner of DABC's and is part of the integrated services initiative with whom we are piloting. The organization provides financial advancement services that include free credit report pulls and individualized and comprehensive (and free!) credit counseling. Again, training will be provided to DABC volunteers in regard to this very strong partnership.

**MHUW IDA Program** – Mile High United Way provides DABC clients with access to their Individual Development Accounts (IDA) that are a 4-to-1 match when clients are saving for school, to open a business or to purchase a home. DABC will have resources available to clients on our resource table, including IDA applications.

**D2D Fund** – DABC returns for the 9<sup>th</sup> year supporting the savings bond work of D2D fund. 2015 will allow us to utilize direct purchase of savings bonds from IRS form 8888 to taxpayers and their co-owners or beneficiaries. In addition, there is a raffle incentive for any taxpayer who puts at least \$50 of a tax refund into savings – entries can be made at [www.saveyourrefund.com](http://www.saveyourrefund.com)

**Banking Services** – Bankers from KeyBank, BBVA Compass and Bank of the West will be making regular visits to DABC during the 2015 tax season to be on hand to open bank accounts for taxpayers that wish to expedite their refund with direct deposit.

**ESL Classes** – The Spring Institute offers English language training with a focus on life skills and self-sufficiency at Mi Casa sites and other locations around Denver.

**GED Classes** – The Community College of Denver offers GED test preparation at CCD or Mi Casa sites. There is a fee for taking the actual GED test.

**Homebuyer Classes, Financial Education Classes** – The Community Resources and Housing Development Corporation (CRHDC) offers Pre-Purchase Housing Counseling, Home Buyer Education, Foreclosure Prevention Counseling, Financial Education classes.

**Free Legal Consultations** – the Colorado Lawyers Committee & Denver Bar Association Young Lawyers Division offer a Free Legal Night the third Tuesday of every month at Mi Casa with information on Family Law, Immigration, Housing, Employment, and more.



## Denver Asset Building Coalition

### Supporting our New Volunteers

Every year we welcome new volunteers to DABC and try to provide the support you need. When going through training, we will focus in on three things: Site Procedures, Tax Law and TaxSlayer.

- **Site Procedures** – Making the new volunteers feel at home.
  - Helping everyone get on a first-name basis.
  - Familiarizing the new volunteers with our processes.
  - Letting you know who you can turn to for support.
  
- **Tax Law** – Helping the new volunteers learn about tax law & find resources.
  - Getting to know the tabs of Pub 4012
  - Getting to know the chapters of Pub 4491
  - Feel free to ask questions, but work toward self-sufficiency.
  
- **TaxSlayer** – Helping the new volunteers learn to navigate the software and prepare accurate tax returns.
  - Work slowly and go step-by-step – learning a new program is hard!
  - Get to know the overall structure, like the Tag system.
  - Incorporate the Overall Tax Formula to help understand form 1040.

We cover a lot of material, so please write down any questions you have. Hopefully they will be answered in the flow of training, but don't be afraid to ask!

**Notes:**

## The Overall Tax Formula

## Notes

+	Total Taxable Income	
-	Adjustments	Student Loan, etc
=	<hr/> Adjusted Gross Income (AGI)	
-	Deductions	Standard/Itemized
-	Exemptions	1 per person
=	<hr/> Taxable Income	
x	Tax Rate (refer to TaxTables)	
=	<hr/> Tax owed	
-	Non-Refundable Credits	Coupons
-	Payments & Withholding	Cash
-	Refundable Credits	Cash
=	<hr/> <hr/> Refund (or Balance Due)	

# DABC Guide for Virtual (Valet) VITA



- We only prepare Current Year tax returns via Virtual VITA.
- We conduct a robust interview to avoid missing info.
- We ensure that the intake sheet is complete and legible.
- We make copies of photo ID and Social Security Cards, along with copies of any other documents that the client does not trust us to hold.
- The client(s) must sign a Consent Form to allow us to transport the documents.

## Intake Steps:

**STEP 1** It is common for there to be a large number of clients waiting when a site opens. Explain to the clients that this is a Valet service. Clients expecting on-the-spot services may be alarmed and choose not to participate. Explain the process: clients will complete the interview and drop off their documents, then return to the Valet site (usually 1 week later) to retrieve and sign a copy of the completed tax return.

**STEP 2** Have the clients sign-in by the order they arrived. The sign-in sheet should differentiate between new clients Dropping Off a new tax return and old clients returning to Pick Up a tax return. Instruct new clients to complete the Intake Sheet, form 13614C.

**STEP 3** Interview each client on their Intake Sheet information. Correct entries for legibility. Ensure that all fields are filled – **contact information is very important (phone, email)**. Complete grayed areas for dependents and health care questions. Verify that the client has the necessary documents. For example, a client with form 1099-Misc (non-employee income) will need to declare business expenses & mileage.

**STEP 4** Put the client information into an EITC folder. This includes the completed intake sheet and client documents (or copies), along with a client-signed Consent Form. Check the Intake Site name on the EITC folder label, and add the date and client name:

Sample EITC Label:

<b>Valet Site:</b>	<b>VOA Mission</b>
<b>Client:</b>	_____
<b>Drop-Off Date:</b>	_____
<b>Prep Done</b>	<input type="checkbox"/>
<b>QR Done</b>	<input type="checkbox"/>
<b>Signed</b>	<input type="checkbox"/>

If the client is missing any information or decides to leave, give the EITC Folder back to the client to keep – DABC does not hold onto any incomplete client information.

**STEP 5** Instruct the client to return at the designated time (usually 1 week) – it is best if they come during the last half of the shift to avoid the initial client rush. The EITC Folder can now be taken to the appropriate Site Box at the Preparation Site.



## Preparation Steps:

**STEP 6** Remove the folder from the Site Box. Verify that the label on the EITC Folder contains complete information so that it will be returned to the correct Site Box.

**STEP 7** Prepare the tax return. Contact the client if necessary to obtain missing information. Once finished, mark the Prep box on the EITC label. Return the EITC Folder to the appropriate Site Box.

Valet Site:	VOA Mission
Client:	_____
Drop-Off Date:	_____
Prep Done	<input checked="" type="checkbox"/>
QR Done	<input type="checkbox"/>
Signed	<input type="checkbox"/>

**STEP 8** A second volunteer must Quality Review the tax return. Mark the QR box on the EITC label. **Print the tax return.** Remove one copy of form 8879 (the E-File permission page).

Valet Site:	VOA Mission
Client:	_____
Drop-Off Date:	_____
Prep Done	<input checked="" type="checkbox"/>
QR Done	<input checked="" type="checkbox"/>
Signed	<input type="checkbox"/>

Put the copy of form 8879 into the EITC Folder along with the intake sheet, the consent form, and one copy of each client document that shows withholding.

Put the tax return and remaining client documents into a Client Envelope. Put the client envelope into the center of the EITC folder and return them together to the Site Box.

## Drop-Off Steps:

**STEP 9** Verify the identity of the client with Photo ID. Set aside the client's EITC Folder, while you review the tax return with the client. Have them verify the information.

If corrections are required, make a legible note on the front of the EITC Folder and attach a visible flag extending from the top of the EITC Folder. If corrections will change the calculations of the tax return, instruct the client to return again.

**STEP 10** Have the client sign form 8879 and return it to the EITC Folder. Complete the EITC Folder Label. The client takes the Client Envelope, with the complete tax return and extra supporting documents.

Valet Site:	VOA Mission
Client:	_____
Drop-Off Date:	_____
Prep Done	<input checked="" type="checkbox"/>
QR Done	<input checked="" type="checkbox"/>
Signed	<input checked="" type="checkbox"/>

If the client elects **not to file**, they must take all their documents and the EITC Folder and we keep **nothing**. They can bring the documents back if they change their mind.

**STEP 11** Return the EITC folder to the preparation site and put it in the E-File box if it is complete, or back into the Site Box if it needs corrections.

# U.S. Savings Bond FAQ

## Q1: What are US Savings Bonds?

US Savings Bonds are savings instruments for individual savers issued by the U.S. government's Department of Treasury. The most common types of savings bonds are Series EE and Series I savings bonds. The new savings bonds at tax time policy offers only paper Series I savings bonds on the tax form. Series I bonds are sold at face value (a \$50 bond costs \$50), and grow in value for up to 30 years. Both types of bonds stop accruing interest after 30 years.

## Q2: What is the current interest rate of the Series I Savings Bond?

The composite rate for I bonds issued Nov 1, 2016 – Apr 30, 2017 is 2.76%

## Q3: How is this interest rate calculated?

This interest rate is known as a composite interest rate, and has two components: a guaranteed fixed rate, which does not change over the 30 year period of the bond; and a semiannual inflation rate, which is adjusted twice a year, in May and November. See below for how the current interest rate is calculated, and the formula used to compute the composite rate.

Current fixed rate: 0.00%

Semiannual inflation rate = 1.38%

Composite rate = [Fixed rate + (2 x Semiannual inflation rate) + (Fixed rate x Semiannual inflation rate)]

Composite rate = [0.0000 + (2 x 0.0138) + (0.0000 x 0.0138)]

Composite rate = 0.0276

Composite rate = 2.76%

## Q4: Will I be charged a fee to buy a Savings Bond?

No. There is no fee to buy a Savings Bond. Further, you will not be charged any fees after you buy the bond, even when you cash it in ("redeem" it).

## Q5: Will I get interest every month on a Savings Bond that I buy at tax time?

Interest will "accrue" (i.e. accumulate) every month, but it will not be distributed until you redeem the bond. The interest is also compounded every 6 months. This means that every six months you will get interest on both the principal AND the interest for the previous 6 months.

## Q6: If I buy a Series I US Savings Bond at tax time, when can I cash it in (redeem it) if I need the money?

You can redeem your Series I bonds anytime after 12 months. Series I Bonds are longer-term investments; if you redeem an I Bond within the first 5 years, you will lose the last 3 months' interest. For example, if you redeem an I Bond after 18 months, you'll receive only the first 15 months of interest.

**Q7: Where can I redeem my Series I savings bond?**

Savings bonds can be redeemed at your local bank, credit union, savings & loan or similar institution. However, to be certain, call ahead to ask. You will be asked to present identification and sign the back of each bond you want to redeem, and the financial institution will certify your signature.

**Q8: What documentation do I need to redeem my bond?**

You need a valid driver's license or other accepted form of identification.

**Q9: I am a parent or grandparent and I would like to buy savings bonds as gifts for my children or grandchildren. How can I do this?**

Purchasing a bond as a gift for a child or grandchild is easy. All you need is the name of the child or grandchild. When you purchase a bond at tax time on the tax form, you can list the child or grandchild as the owner of the bond or a "co-owner". You have to provide your Social Security Number to make the purchase, but you do not need the Social Security Number of your child or grandchild.

**Q10: When I purchase a bond either for myself or for a child or grandchild, will I get the bond on the spot, or is there a waiting period?**

You will not get the bond on the spot. The bond will be mailed to you by the Bureau of Public Debt (BPD). The savings bonds may actually arrive before your refund check from the Treasury.

**Q11: At what age can my grand-child cash in (redeem) the savings bonds?**

Bonds can be redeemed after the minimum holding period, which is 12 months. A child who is old enough to sign his or her name can go to a financial institution with an adult and sign the bonds. If a child isn't old enough to sign, his or her parents can sign for the child.

**Q12: Can I ever lose money on a Series I US Savings Bond?**

No. Series I bonds accrue interest based on a combination of a fixed interest rate and the semiannual inflation rate, known as the composite rate. In the event of deflation, the negative change in the semi-annual inflation rate would reduce the composite rate, but the government would not reduce the rate below zero even during severe deflation. So, because savings bonds are backed by the full faith and credit of the US government, the composite interest rate is guaranteed never to go below zero.

**Q13: What happens if I lose my US Savings Bond?**

The Bureau of the Public Debt (BPD) is authorized to replace lost, stolen, or destroyed I Bonds. You can file a claim by writing to: Bureau of the Public Debt, Parkersburg, West Virginia 26106-7012. You'll need to complete Form PDF 1048 which is downloadable from [www.treasurydirect.gov](http://www.treasurydirect.gov)



Savings Bonds on the Tax Form  
D2D Fund, Inc.

Role Play Scenario – Client

Please imagine you are a VITA tax client.

Your quality reviewer is just finishing up your return and is about to tell you, for the first time, how large your federal refund will be. After that, he or she will try to engage you in a conversation about what your plans for your refund generally, some savings options, and the option to buy US Savings Bonds specifically.

Your assignment is to react as you expect many tax clients might. You may ask questions and raise concerns, or even turn down the offer to buy bonds without explanation. The goal is to give the tax assistor you are working with a chance to practice confronting real-world client reactions to their efforts to engage in a discussion about saving and the chance to buy bonds.

To prepare, spend a moment thinking about tax clients being served and how they may react upon hearing the news of their refund amount, or what you have been able to observe about their plans for their refund. Then consider what your own plans for your tax refund are, either this year or in some past year when you have received a refund. Allow these experiences to guide the reactions you will have, and questions you will ask, when your tax assistor engages with you.

Please make note of how you feel when your tax assistor is speaking with you, as we ask that you provide feedback after the exercise.

Thank you!



Savings Bond on the Tax Form  
D2D Fund, Inc.

Role Play Scenario – Quality Reviewer

Please imagine you are a VITA tax assistant.

You are just finishing up a return for a client who is seated with you. In a moment you will know the amount of their federal refund (\$4,600), and deliver this good news. As a part of that conversation, please engage your client in a discussion about their plans for their refund, the option and reasons to save part of it, and the opportunity this year to purchase US Savings Bonds directly at the tax site using part of their federal refund.

To prepare, spend a moment thinking about how best to engage your client around this topic. Your goal is to be a good listener, non-judgmental, non-threatening, and credible. Ask yourself, were I the tax client, what questions and comments would I react well to?

Some suggestions:

- Begin the conversation with an open-ended question. For example, “congratulations, \$4,600 is a pretty good-sized refund. What are your plans for it?”
- Listen carefully and patiently to your client’s reply. This shows respect and gives you important clues about your client’s concerns, interests, and possible misunderstandings.
- Through your responses, make clear that you have heard your client. For example, “I hear what you’re saying, a lot of people use their refunds to pay off some bills. That makes sense to me.”
- Consider approaching the topic of Savings Bonds by asking if your client has seen or heard anything about the bond offering: “has anyone explained the US Savings Bond program we have this year?” If your client responds “yes,” you have an opportunity to ask “what questions do you have about that?” If a client has not heard about the program, you might follow with “may I briefly tell you about it?”
- Consider choosing 3 or 4 features to emphasize when describing savings bonds. For example, “What I like about savings bonds is that you can buy one for as little as \$50, and give them as gifts. That also allows you to enter a free sweepstakes.”

Please make a note of how you feel while you talk with your client – what seems comfortable or uncomfortable to say, and what appears to elicit a positive or negative reaction. We will discuss how the exercise went for you and your client after it is over.

Thank you!

# The DABC Step-by-Step Quality Guide



**STEP 1** Check the “Need QR” box for the client folder with the lowest number. Call the client from the waiting area.

**STEP 2** Greet each client with a smile. Introduce yourself and check their ID:

- A government-issued ID: Driver’s license, Colorado ID card, Passport, etc
  - If the client has no photo ID, a site coordinator can make an exception only in special circumstances (eg, for the elderly)
- Social Security cards, including cards for dependents
  - Acceptable substitutes for a social security card include:
    - Documentation from the IRS or SS Administration
    - Social Security Benefits statement (SSA-1099)
    - Other documentation at a Site Coordinator’s discretion

**STEP 3** Review the tax return for accuracy, making changes as needed. The supporting documents should be in the client’s EITC folder. Let a Site Coordinator know about serious mistakes so that the volunteer who prepared the return can be coached. Check that the grayed areas of form 13614 are complete and initial Part VIII.

**STEP 4** When the return is complete in TaxSlayer, run the Diagnostics tool. Review any errors and correct them. Then run diagnostics again.

**STEP 5** When diagnostics says that there are no errors detected, the return is complete. If it is a paper return, jump to Step 11. If E-Filing, continue at Step 6.

**Now is a great time to begin a dialogue about Asset Building, beginning with telling the taxpayer about their Federal and State refunds.** If the taxpayer elects to purchase Savings Bonds, complete Form 8888. Then go back to Step 4.

**STEP 6** Tag the tax return for E-Filing. This handles both Federal & Colorado if the client is E-Filing both. If it is a paper return, Tag the tax return as Paper Filed. Print a full copy of the tax for the Taxpayer. This will include the extra form 8879 for our records.

**STEP 7** The Gen Use and Consent forms need to be signed if the taxpayer is opting In to disclosure. Check the Prep Use fields that indicate if the taxpayer gave consent or not – if they need to be corrected then do so.

**STEP 8** The full copy of the tax return is for the Taxpayer’s records. Staple the Federal return together and staple the Colorado return separately. The taxpayer should not mail in these documents. The taxpayers **do** have to sign form 8879 (Permission to

E-File) for the Federal return. Advise the client that by signing they acknowledge responsibility for the tax return. Once signed, put the complete returns in the Client Envelope for the taxpayer. And the form 8879 in the client EITC folder.

**STEP 9** Along with the 8879, keep one copy of any documents that show withholding in the EITC folder. For most W-2s we keep the copy marked “Submit with Federal Return.” If the form is not perforated, use scissors. If there are no extra copies, make some. The client should retain other copies for their records with the tax return.

**STEP 10** Complete the label on the EITC Folder by circling E for E-File. Make sure that the correct tax year is marked. Make sure the tax return is tagged as Ready to E-File in TaxSlayer. Remind the client that all services are Free. If they wish to donate to the organization they can do so by mail or online. Put the folder in the “E-File” box.

## **Paper Returns:**

**STEP 11** Print **2** full copies of the tax return. This will cause the printer to print 2 Federal copies and 2 State copies. This allows the taxpayer to keep a set for their records and have a set to mail in.

**STEP 12** Staple one set separately. Put the set in a Client Envelope.

**STEP 13** Attach to the front of the remaining Federal return a copy of any taxpayer documents that show Withholding. Use the copy of the W-2 that says “For the Federal tax return.” Have the taxpayers sign and date the 1040 page 2 Then put the complete return in an IRS envelope and instruct the client to address it and mail it with a stamp.

**STEP 14** Attach to the front of the remaining State return a copy of any documents that show Withholding. Use the copy of the W-2 that says “For the State/Local tax return.” Have the taxpayers sign and date the 104 page 3. Then put the complete return in a Colorado envelope and instruct the client to address it and mail it with a stamp.

**STEP 15** Complete the label on the EITC Folder by circling P for Paper. Tag the tax return in TaxSlayer as Paper Filed. Remind the client that all services are Free. If they wish to donate to the organization they can do so by mail or online. Put the folder in the “Paper” box.

## Denver Asset Building Coalition Online Resources - Tax Year 2016

Website	Username	Password
<b>DABC VolunteerHub</b> DenverABC.volunteerHub.com		
<b>TaxSlayer Practice Lab</b> Vita.TaxSlayerPro.com/IRSTraining		<b>TRAINPROWEB</b>
<b>VITA Certification Test</b> www.linklearncertification.com		
Additional Training Materials, Volunteer Tools, and IRS Updates	<a href="http://www.DenverABC.org/training.htm">www.DenverABC.org/training.htm</a>	

First **study** Tax Law online or using Training Materials from DABC:

- To study tax law online go to the **IRS Link & Learn Taxes** web site:  
<http://www.irs.gov/app/vita/index.jsp>
- If you prefer printed materials, ask DABC for copies of the [4012](#), [4491](#), and [6744](#).
- TaxWise lessons are available at <http://www.coloradovita.org/training/taxwise.html>
- Additional training information is at our website: <http://www.denverabc.org/training.htm>

Then **practice** preparing tax return scenarios.

- Download the IRS publications [4012](#), [4491](#), and [6744](#). You can work on the scenarios in the DABC Lab by signing up for Open Lab days. You can also study from home.
- To access the Practice Lab associated with Link & Learn Taxes, go to:  
<https://vita.taxslayerpro.com/IRSTraining/en/Account/Access>
- Enter the site using the password **TRAINPROWEB** and then “Create New User.”

Finally, **pass the test** for either Basic or Advanced

- Take your **Basic or Advanced test online** through the VITA Certification system:  
<http://linklearncertification.com> (CPAs seeking continuing education credits have to add their relevant information to the My Account page, and must pass the Advanced test).
- You will need to create a username and password for this site. Before you can launch the test you have to take a short Volunteer Standards of Conduct exam and Intake / QR training. If you do not reach 80% you will be told what questions you missed and you will have to retake the test. It is best to circle your answers in the 6744 test booklet.
- Print the **Volunteer Agreement** (you do not need to print certificates for each test)

Then sign up for volunteer shifts or other events at <http://denverabc.volunteerhub.com>