

Accounting Aid Society
Site Coordinator Update – March 8, 2025

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Prior Year Returns and Statute of Limitations for Claiming a Tax Refund

If a client needs a prior year tax return prepared, they should be advised to call the Main Office after April 15 to make an appointment during our summer season, with the following two exceptions:

1. They have **received a notice or letter from the IRS.**
 - Clients should be referred to Accounting Aid’s Low Income Taxpayer Clinic (LITC). Information on how the LITC can assist taxpayers can be found on Accounting Aid’s web site under the Deal with the IRS tab, <https://accountingaidsociety.org/help-with-the-irs/>.
 - Taxpayers may request a consultation by completing the online LITC Client Application Form found on the web site or by calling 313-556-1920, ext. 1219. They may also contact the clinic at litc@accountingaidsociety.org.

2. The **return falls under a filing statute of limitation.**
 - Federal Return – Taxpayers have three years from the original due date to claim a refund on a federal tax return.
 - Michigan and City Returns – Taxpayers have four years from the original due date to claim a refund on Michigan and Michigan city tax returns. This includes the Homestead Property Tax Credit Claim.
 - Statute of limitations – Taxpayers must file by the 2025 dates below in order to claim a refund:
 - 2021 federal tax return – April 15, 2025
 - 2020 Michigan tax return – May 17, 2025
 - 2020 Michigan Homestead Property Tax Credit Claim – May 17, 2025
 - 2020 Detroit tax return – May 17, 2025
 - 2020 Hamtramck, Highland Park and Pontiac tax returns – May 31, 2025
 - **If a client needs to file any of the returns listed above**, contact Maysaa Rahal who will ensure that an appointment is made before the filing deadline.
 - Advise the client to make sure they have all of the documents and information needed for filing the prior year return and to bring it with them to their tax appointment. For a 2021 federal return, this includes the amount of the third Economic Impact Payment (EIP), also known as a stimulus payment, received in 2021.

To find the amount of the third payment, taxpayers can create or view their IRS online account; refer to IRS Notice 1444-C, which the IRS mailed after sending the payment; or refer to Letter 6475, which the IRS mailed through March 2022 confirming the total amount of the third Economic Impact Payment and any plus-up payments issued for tax year 2021.

For more information, visit <https://www.irs.gov/newsroom/recovery-rebate-credit>

Completing Form 13614-C when Preparing a Prior Year Return

When completing a prior year return, the current Form 13614-C, Intake/Interview and Quality Review Sheet, must be completed. In addition, you must refer to the Form 13614-C for the tax year being prepared to answer questions on the form specific to the tax year.

Form 13614-C for prior years can be found in the Site Coordinator Corner at [irs.gov](https://www.irs.gov), <https://www.irs.gov/individuals/site-coordinator-corner>.

TaxSlayer

Capital Loss Carryover

Although we don't see capital losses often with our clients, please be aware that there is an issue in TaxSlayer with the carryforward of a capital loss carryover.

On page 2 of Form 13614-C, under Sale of stocks, bonds or real estate, if the answer is marked Yes to, "Did you report a loss on last year's return", the screener/preparer should review the prior year return. In the gray section of page 2, they should mark the Capital loss carryover box and answer Yes or No. If there is a capital loss carryover, follow the steps below:

- If the tax site prepared the prior year return, any capital loss carryover will carryforward and correctly populate on Schedule D, Capital Gains and Losses. No additional entry needed; please review the Schedule D.
- If it is a global carryforward return (another VITA or TCE site prepared the prior year tax return), the carryforward in TaxSlayer of the capital loss carryover is currently not working.
 - The capital loss carryover from the 2023 tax return has to be entered directly in the software.
 - See page D-32 of Pub 4012-A, Volunteer Resource Guide with Updates.
 - Taxpayer must have their 2023 tax return, including the capital loss worksheet.
- Note: If the return is not a carryforward return (i.e., we did not prepare their prior year return, nor was it prepared by another VITA or TCE site), follow the steps above to enter any capital loss carryover. The taxpayer must show you their 2023 tax return.
- Please review Schedule D carefully to ensure amounts are entered correctly on the form.