

**Accounting Aid Society**  
**2023 Filing Season – Step by Step Instructions for Tax Preparers**

**Intake/Interview with Taxpayer**

- Step 1: Picture ID and Social Security number documentation
- Step 2: Complete federal Intake/Interview Sheet, Form 13614-C (each line must be answered with yes or no)
- Step 3: Complete Preparer Return Questions sheet
- Step 4: Complete Accounting Aid’s Michigan Intake/Interview Sheet
- Step 5: Ask the taxpayer to complete the Taxpayer Return Questions sheet

**Prepare Tax Return using TaxSlayer Pro Online 2022**

- **IMPORTANT: If information is missing, DO NOT start a return in TaxSlayer**
- The jobs listed below are an overview of the tax preparation process. Detailed step-by-step instructions begin on page 2.

**Job 1: Start New Return and Enter Basic information (See page 2)**

- Filing status (**Do Not** use the filing status wizard in the software)
- Taxpayer information
- Spouse information
- Address, phone number, and email address
- Michigan School District and State Campaign Fund
- Dependent information

**Job 2: Federal Section**

- Step 1: Enter Federal Income (See Table 1). *If there is no Federal taxable income, see bottom of Table 1.*
- Step 2: Enter Expenses (See Table 2)
- Step 3: Life Events (See Table 3)
- Step 4: Health insurance (See Table 3)

**Job 3: State Section (Entering information for State and City returns)**

- Step 1: Basic information
- Step 2: Subtractions from income (See page 6)
- Step 3: Michigan Credits
  - Homestead property tax credit (See Table 5)
  - Home heating credit (See Table 6)
  - Nontaxable Income – Total household resources (See Table 7)
- Step 4: City of Detroit Return
  - Resident (See Table 8)
  - Non-Resident (See Table 9)
  - Part-Year Resident (See Table 10)
- Step 5: Other City Returns/Localities (i.e, Hamtramck, Highland Park, Pontiac) – Prepare MI-CF1040 for the city
  - Resident & Non-Resident (See Table 11)
  - Part-Year Resident (See Site Coordinator)
- Step 6: Select the Print icon on the State Return page – Write in amounts on AAS’s Preparer Return Questions sheet:
  - Record property tax credit
  - Record home heating credit
  - Record city refund/balance due

**Job 4: Client will review basic personal information and initial on the Michigan Intake/Interview Sheet that information is correct**

**Job 5: E-File Section**

- Step 1: Select Federal Return type
- Step 2: Select State Return type
- Step 3: Taxpayer Bank Account Information – If direct deposit, splitting federal refund, or buying U.S. Savings Bond(s)
- Step 4: Consent and Disclose: Global Carryforward
- Step 5: Consent and Disclose: Relational Office
- Step 6: Custom Questions
- Step 7: Custom Credits

## Quality Review and E-signature

- Step 1: Quality review
- Step 2: Print the return
- Step 3: Review tax return with the taxpayer
- Step 4: Obtain signature(s) and assemble return, including a Client Letter.
- Step 5: If returns must be paper, provide extra copies for mailing, along with white mailing envelopes.

### SOFTWARE HINTS:

- If prompted, always choose “ENTER MYSELF”
- (Use **CAPS LOCK/UPPERCASE** for entering Information in the tax return)

### INSTRUCTIONS

#### JOB 1 – Starting a New Tax Return and Entering Basic Information

1. Enter **Social Security number** and select **Start Return** (**Do not** select a Taxpayer Profile)
2. If “**Pulling Prior Year Data**” appears:
  - a. Review items that will be pulled forward and uncheck any items no longer applicable
  - b. Select “Yes, Import My Data” (**ALWAYS** make this selection)
3. **Filing Status** (**Do Not** use the filing status wizard in TaxSlayer):
  - a. Select the filing status – Determined by reviewing Part I (Personal Information) and Part II (Marital Status & Household Information) of the federal Intake/Interview Sheet, and interview with the client. Refer to Pub 4012 and Pub 17.
4. **Personal Information** (for taxpayer and spouse):
  - a. Occupation – The field can be left blank if taxpayer/spouse doesn’t have, or does not wish to list, an occupation
  - b. Checkboxes – Check all that apply. Much of the information can be found on page 1 and page 3 (Presidential Election Campaign Fund) of the federal Intake/Interview Sheet
  - c. Resident State – If taxpayer was a part-year or nonresident of Michigan in the tax year, select None
  - d. Primary Client Email – See federal Intake/Interview Sheet, Part I (Your Personal Information), line 12
5. **Michigan Return** (See the Michigan Intake/Interview Sheet, AAS Part I, #1 and #2)
  - a. **School District** – Select the school district where taxpayer lived on December 31 of the tax year (e.g., 12/31/2022)
  - b. **State Campaign Fund** (See Michigan Intake/Interview Sheet, AAS Part I, #2)
6. **Dependents/Qualifying Person** – If applicable, enter information and mark applicable checkboxes (determined by reviewing Part II, Marital Status and Household Information, #2, of federal Intake/Interview Sheet)
7. **IRS Identity Protection PIN** (IP PIN) – If the taxpayer or spouse indicates they and/or a dependent have been issued an Identity Protection PIN (See federal Intake/Interview Sheet, Part I (Your Personal Information), line 11):
  - a. Go to Basic Information > IRS Identity Protection PIN and enter the IP PIN.  
The individual should have received Notice CP01A from the IRS that shows the Identity Protection PIN (IP PIN) to be used for the 2023 filing season for returns of any tax year.

#### JOB 2 – Federal Section

1. Go to Federal Section
2. Make entries based on information in Parts III, IV and V of the federal Intake/Interview & Quality Review Sheet
  - a. Follow instructions in Tables 1, 2 and 3 below

#### **NOTE: Correlation between the Intake/Interview Sheets and these Step by Step Instructions**

- For most of the tables on the subsequent pages, the first column references the section and line number of the Intake/Interview Sheet which you must reference to determine if an entry is needed in the software
- If the answer is “Yes” on the intake sheet or there is information written on an intake sheet line, follow the instruction written in the table for that line.

**\*\*\* Continue with the instructions on the following pages \*\*\***

**If in doubt about an item being in scope for VITA, refer to the Scope of Service chart and the instruction pages in Pub 4012, Volunteer Resource Guide.**

**TABLE 1 – Income (See Part III on page 2 of Federal Intake/Interview & Quality Review Sheet)**

<b>Intake/Interview Sheet, Part III</b>	<b>Advanced/Basic</b>	<b>Source Document</b>	<b>Where in TaxSlayer (Page)</b>	<b>Pub 4012 Reference</b>
1. Wages	B	W-2	Income > Form W-2	D-6 through D-8
2. Tip Income	A	W-2 / Client Records	Income > Form W-2	Consult Site Coordinator
3. Scholarships (received by taxpayer or spouse, <i>not dependents</i> )	B	1098-T, W-2	Income > Other Income > Other Compensation > Scholarships and Grants	D-5, D-56 & D-63; J-1 (Determine taxable & tax-free portions. See the Site Coordinator)
4. Interest/Dividends	B	1099-INT / 1099-DIV	Income > Schedule B - Forms 1099-INT, DIV, OID > Interest or Dividend Income	D-10 through D-15
5. State/Local Income Tax Refund ( <i>Only if</i> client itemized deductions last year)	B	1099-G	Income > Form 1099-G Box 2	D-16
6. Alimony Income	B	Client Records	Income > Alimony Received	D-5
7. Self-Employment income	A	1099-NEC	Income > 1099-NEC, then transfer to Schedule C	D-17 through D-22
		1099-K Client Records	Income > Form 1099-K, Create Schedule C Income > Schedule C	
8. Cash/Check payments, etc.	A	Client Records	Income > Schedule C	D-21 through D-22
9. Income (or loss) from the sale of Stocks, Bonds, Digital Assets or Real Estate	A	1099-B 1099-S	Income > Schedule D/Form 8949 > Capital Gains and Loss Items (See Site Coordinator)	D-26 through D-35
10. Disability income	B	1099-R	Income > Form 1099-R, RRB, SSA > Add or Edit a 1099-R	D-36 through D-47 (If 1099-R has code 3 in Box 7, see pages D-41 and D-43)
		W-2	Income > Form W-2	D-6 through D-8
11. Retirement income or payments from Pensions, Annuities, and/or IRA  Railroad Retirement Benefits (Tier 2, Green form)	B  <b>See Note 1</b>	1099-R ( <b>See Note 1</b> ) • codes 1 and 7 only • other codes: see site coordinator)	Income > Form 1099-R, RRB, SSA > Add or Edit a 1099-R	D-36 through D-47  <b>See Note 1</b>
	A	RRB-1099-R	Income > Form 1099-R, RRB, SSA > RRB-1099-R	D-48
12. Unemployment Compensation	B	1099-G	Income > Form 1099-G Box 1 > Add or Edit a 1099-G	D-5
13. Social Security Benefits or Railroad Retirement Benefits (Tier 1, Blue form)	B	SSA-1099	Income > Form 1099-R, RRB, SSA > Social Security Benefits/RRB-1099	D-49 – D-50
	A	RRB-1099	Income > Form 1099-R, RRB, SSA > Social Security Benefits/RRB-1099	D-49
14. Income (or loss) from Rental Property	M	1099-MISC, Box 1	In scope only for active duty military – See site coordinator	D-54 – D-55
15. Other Income  Gambling Winnings  Jury Duty  Sch K-1 Royalties	B	1099-MISC	Income > 1099-MISC	D-56 through D-58
		W-2G	Income > Other Income > Gambling Winnings W-2G	D-56
		Client Records	Income > Other Income > Other Income Not Reported Elsewhere	D-56, E-1
		K-1 1099-MISC, Box 2	Consult Site Coordinator	D-51 through D-53 D-54 – D-55
<b>Michigan Credit-Only Returns, if AGI is zero</b>		None	Income > Other Income > Other Income Not Reported Elsewhere	Enter “To E-file MI Credits” and \$1

**Note 1:** If Form 1099-R has a “blank” amount in Box 2a (Taxable amount), Advanced certification required. Form 1099-R, Box 7 codes 5,6,8, & 9 and A,E,J,K,N,P,R,T,U, & W are **Out of Scope**. Form 1099-R, Box 7 with Code 3 (Disability) may require special handling.

**TABLE 2 – Expenses (See Part IV on page 2 of Federal Intake/Interview & Quality Review Sheet)**

<b>Intake/Interview Sheet, Part IV</b>	<b>Advanced/Basic</b>	<b>Source Document</b>	<b>Where in TaxSlayer (Page)</b>	<b>Pub 4012 Reference</b>
1. Alimony	B	Client Records	Deductions > Adjustments > Alimony Paid	E-9
2. Contributions or repayments to a Retirement Account	B	W-2, Box 12-14	No Action: entered on W-2 page	E-10  G- 14 through G-16
	A	5498 – IRA	Deductions > Adjustments > IRA Deduction	
	B	5498 – Roth IRA	Deductions > Credits Menu > Retirement Savings Credit Form 8880	
3. College or post secondary Educational Expenses	B	1098-T / Student Account Statement	Deductions > Credits Menu > Education Credits Form 1098-T  Deductions > Adjustments > Tuition and Fees Deduction (no longer deductible after 2020)	J-1 through J-9 for tax law and other info.  J-10 through J-12 for entering instructions
4. Deductions – Make entries <b>ONLY</b> if taxpayer will be itemizing deductions - Medical & Dental Expenses (including insurance prem.)  - Home Mortgage Interest  - Taxes (State, Real Estate, Personal Property, Sales)  - Charitable Contributions	A	Client Records	Deductions > Itemized Deductions > Medical and Dental Expenses (no pre-tax premiums)	F-3 through F-5  F-5 through F-7
	A	1098	Deductions > Itemized Deductions > Mortgage Interest and Expenses	F-10
	A	Property Tax Bills, Auto Registration	Deductions > Itemized Deductions > Taxes You Paid	F-8 – F-9
	A	Client Records (Receipts or Letter)	Deductions > Itemized Deductions > Gifts to Charity > Cash / Non-Cash (\$500 or less)	F-11
5. Child or Dependent Care Expenses	B	W-2, Box 10	No Action: entered on W-2 page	G-9 through G-13
		Daycare Statement	Deductions > Credits Menu > Child Care Credit Form 2441 (Complete Steps 1,2,3)	
6. Educator Expenses	B	Client Records	Deductions > Adjustments > Educator Expenses	E-4
7. Self-Employment Expenses	A	Client Records	Income > Schedule C	D-21 through D-25, see also E-5
8. Student Loan Interest	B	1098-E	Deductions > Adjustments > Student Loan Interest Deduction	E-11

**TABLE 3 – Life Events (See Part V on page 2 of Federal Intake/Interview & Quality Review Sheet)**

<b>Intake/Interview Sheet, Part V</b>	<b>Advanced/Basic</b>	<b>Source Document</b>	<b>Where in TaxSlayer (Page)</b>	<b>Pub 4012 Reference</b>
1. Health Savings Account	A	W-2, Box 12, Code W 1099-SA / 5498-SA	Deductions > Adjustments > Health Savings Account Form 8889	E-6 through E-9
2. Cancellation of Debt (Credit Card, Student Loan, Mortgage Debt) and/or Home Foreclosure	A	1099-C/1099-A	Income > Other Income > Cancellation of Debt 1099-C, 982	Ext-1 through Ext-5 D-64 through D-66 See Site Coordinator
3. Adopt a Child	A	W-2, Box 12, Code T Client Records	See Site Coordinator (adoption benefits and adoption expenses are Out of Scope) Adoption subsidies – include in THR (see site coordinator)	See Site Coordinator
4. Have Earned Income Credit, Child Tax Credit, or American Opportunity Credit Disallowed in a Prior Year	B	Client Records, Letter from IRS	Deductions > Credits Menu > Claiming Refundable Credits after Disallowance Form 8862	I-6, G-2, G-5 and J-11
5. Purchase and install energy-efficient home items	A	Client Records	Deductions > Credits Menu > Residential Energy Credit Form 5695 (in scope only for energy efficient home improvement credit)	Ext-6, G-1
6. Receive the First Time Homebuyers Credit in 2008	A	Client Records Prior Tax Return irs.gov	Other Taxes > Repayment of First-Time Homebuyer Credit Form 5405	H-2 (also see D-33, may be out of scope))
7. Make Estimated Tax Payments or Apply Last Year's Refund	B	Client Records Prior Tax Return	Payments and Estimates > > Federal Estimated Tax Payments and/or > State Estimated Payments	B-6, H-7
8. Capital Loss Carryover	A	Prior Year Tax Return's Capital Loss Carryover Worksheet	If carryover amount did not automatically fill, go to: Income > Schedule D/Form 8949 > Other Capital Gains Data	D-26
9. Have Health Coverage through the Marketplace	A	1095-A	Health Insurance > (Verify info. and answer questions)	F-7, H-8 through H-22

**IMPORTANT:** After entries were made from Tables 1 - 3 (or if there were no entries made), additional entries may be needed:

- **If AGI is \$0** (To see amount of AGI, look at top right side of screen in TaxSlayer) and client is filing for a Michigan property tax credit and/or home heating credit (a Michigan credit-only return):
  - Go to: Income > Other Income > Other Income Not Reported Elsewhere
    - Enter a description of "To E-file MI credits" and enter \$1
- **Identity Protection PIN** – If the taxpayer, spouse, and/or dependent has been issued an **Identity Protection PIN** (See Part I, line 11 on page 1 of the federal Intake/Interview Sheet):
  - The individual should have received Notice CP01A from the IRS that shows the Identity Protection PIN (IP PIN) to be used for the 2023 filing season for returns of any tax year.
  - Go to: Basic Information > IRS Identity Protection PIN and enter the IP PIN for filing season 2023.  
(Reference pages P-3 – P-5 in Pub 4012)
- **Injured Spouse** – Form 8379 located in Federal Section > Miscellaneous forms

**JOB 3: STATE SECTION**

On the State Return page, select the blue Edit pencil icon for Michigan. Complete applicable information in the menus listed below.

- 1. BASIC INFORMATION** – Enter personal information needed for the Michigan return:
  - a. School District – If not selected previously in the return, select the school district the taxpayer lived in as of December 31 of the tax year (e.g., 12/31/2022) (See AAS Part I, #1, of Michigan Intake/Interview Sheet)  
**Note:** For 1b. through 1e., refer to the Michigan Intake/Interview Sheet, AAS Part III, making sure it's completed accurately based on the definitions found on page 9 of the 2022 MI-1040 instructions.
  - b. If taxpayer (and/or spouse, if MFJ) qualifies for a special exemption, answer Yes to “Do you qualify for a special exemption for the deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled?”
  - c. If a dependent(s) qualifies for a special exemption, “Enter the number of dependents, listed on your return, who qualify for the special exemption above”
  - d. If taxpayer, spouse (if MFJ), and/or dependent is a qualified disabled veteran, “Enter the number of qualified disabled veterans listed on your return”
  - e. If taxpayer was a parent with a stillbirth during the tax year, “Enter the number of Certificates of Stillbirth from MDHHS”
  - f. State Campaign Fund – If not previously answered, answer now. (See AAS Part I, #2, of Michigan Intake/Interview Sheet)

- 2. SUBTRACTIONS FROM INCOME**
  - a. Income from U.S. government obligations – If taxpayer/spouse has Income from U.S. government obligations (e.g., U.S. savings bonds), an entry should have been made on the federal Interest Income page in the field for “Amount of interest on U.S. Savings Bonds and Treasury Obligations that you want subtracted from your state return”.
  - b. Military Pay – If taxpayer/spouse has military pay that is included in AGI (requires Military certification):
    - i. Go to: Subtractions from Income > Military pay included on MI-1040, line 10.
  - c. State and Local Income Tax Refund – If there is a taxable state and/or local income tax refund on the federal return (see Form 1040, Schedule 1, line 1):
    - i. Go to: Subtractions from Income > Enter your Michigan State Income Tax Refund reported as income on the federal return.
  - d. Pension or Retirement Benefits – If a taxpayer/spouse received qualified pension or retirement benefits (reported on Forms 1099-R, CSA/F 1099-R, RRB-1099-R), they may be eligible for subtraction on the Michigan return.
    - i. Refer to the MI-1040 instructions book and the “Pension Subtraction Guide for Michigan Return” located in the Site Manual.  
 If a qualified distribution:
      1. Use the Distribution Code Chart in the Pension Subtraction Guide to determine if eligible for subtraction
      2. If the code chart indicates the distribution is eligible for subtraction on the Michigan return, there may be a limitation based on age and year of birth – Tier 1, 2, or 3 (See Tier table below.)

Birth Year	Retirement Benefits Tier	Retirement Benefit Deduction Limits
Before 1946	Tier 1	All public benefits plus private benefits up to \$56,961 for a single or MFS return or \$113, 922 for a *joint return
1946 through 1952	Tier 2	‡ No retirement deduction on Form 4884. See Tier 2 Michigan Standard Deduction on Schedule 1, line 24 (*Joint)
After 1952	Tier 3	† ‡ No deduction before reaching age 67. After Reaching Age 67: No retirement deduction on Form 4884. See Tier 3 Michigan Standard Deduction on Schedule 1, line 25

**\* On a joint return, determine the eligibility for deducting retirement benefits using the age of the older spouse**  
**† Taxpayers in Tier 3 who receive pension benefits from employment with governmental agencies not covered by the Social Security Act, may be eligible for a pension deduction**  
**‡ Taxpayers who receive pension benefits from a deceased spouse, see “Retirement Benefits from a Deceased Spouse” and “Retirement Benefits Election for Tier 2 and Tier 3 Surviving Spouses” on page 18 of the 2022 MI-1040 instructions book.**

- 3.** Follow instructions below in Table 4, Michigan Pension Subtraction, for retirement and pension benefits that are eligible for subtraction

**TABLE 4 - Michigan Pension Subtraction**

Source Document	Where in TaxSlayer's Michigan Return Section	TaxSlayer Instructions	2022 MI-1040 Instructions Reference
1099-R for U.S. Military and Michigan National Guard retirement benefits	Subtractions from Income > Amount included in MI 1040 Line 10 from Military Retirement Benefits due to service in the U.S. Armed Forces or Michigan National Guard	Enter the amount of U.S. Military and/or Michigan National Guard retirement benefits (does <b>not</b> require Advanced certification)	Page 13 (instruction for Sch 1, line 11)
RRB-1099 – Tier 1, Blue form (Note: RRB-1099-R, Tier 2 Green form, benefits will be automatically subtracted on the Michigan return)	Subtractions from Income > Amount included in MI 1040 Line 10 from Military Retirement Benefits due to service in the U.S. Armed Forces or Michigan National Guard	If any RRB-1099 Tier 1 benefits are included in AGI (federal Form 1040, line 6b), enter the amount in the field for "Tier 1 railroad retirement benefits reported as social security benefits on the federal 1040" (Note: This step must be done for proper reporting on Michigan Sch 1.)	Page 13 (instruction for Sch 1, line 11)
1099-R (* ** See special situations below)	Subtractions from Income > Deduction Based on Year of Birth > Retirement Benefits that are Exempt from Michigan Income Tax	<p><u>If eligible for subtraction:</u></p> <ol style="list-style-type: none"> <li>1. Answer Yes to "Do you have Retirement Benefits that are Exempt from Michigan Income Tax?" and make other applicable page entries (See instructions further below for SSA exempt and deceased spouse.)</li> <li>2. Then select <i>Retirement And Pension Benefits</i> at the bottom of the page</li> <li>3. Click on the small <i>Add Retirement And Pension Benefits</i> tab and from the "Select Federal 1099R to be pulled to Form 4884" drop-down menu, select the eligible 1099-R (DO NOT select railroad retirement or military/Michigan National Guard benefits.)</li> <li>4. Select if it is a private or public benefit</li> </ol>	Pages 17 – 26
<p><u>1099-R that is:</u></p> <p>* A pension from employment with governmental agencies not covered by the Social Security Act</p>		<p>* If SSA exempt and eligible for additional <u>subtraction or standard deduction:</u></p> <ul style="list-style-type: none"> <li>• If in Tier 2, complete the SSA exempt field(s) on the <i>Deduction Based on Year of Birth</i> page</li> <li>• If in Tier 3, complete the SSA exempt field(s) on the <i>Retirement Benefits that are Exempt from Michigan Income Tax</i> page</li> </ul>	Pages 15 and 17
** From a deceased spouse (Code 4 in Box 7)		** If eligible for subtraction, enter deceased spouse information on the <i>Retirement Benefits that are Exempt from Michigan Income Tax</i> page	Page 18

\* Taxpayers who receive pension benefits from employment with governmental agencies not covered by the Social Security Act may be entitled to a greater retirement or pension subtraction or Michigan Standard Deduction. See instructions for Michigan Schedule 1, Additions and Subtractions, and instructions for Michigan Form 4884, Pension Schedule.

\*\* If 1099-R has distribution code 4 AND the distribution qualifies for Michigan subtraction, the client must provide the deceased spouse's name, SSN, & year of birth. See page 18 of the MI-1040 instructions book. See "Retirement Benefits from a Deceased Spouse" on page 18 of the MI-1040 instructions book.

4. **CREDITS** – If the taxpayer is eligible for the Homestead Property Tax Credit and/or Home Heating Credit, follow instructions in Tables 5, 6, and 7 below.

<b>TABLE 5 – Michigan Homestead Property Tax Credit (See AAS Part III on Michigan Intake/Interview Sheet)</b>			
<b>Michigan Intake/Interview Sheet – AAS Part III</b>	<b>Source Document</b>	<b>Where in TaxSlayer’s Michigan Return Section / Instructions</b>	<b>2022 MI-1040 Instructions Reference</b>
Line 2: Homeowner **See Below	Summer & Winter Tax Bills, Notice of Assessment, Taxable Valuation and Property Classification	Credits > Homestead Property Tax and Home Heating Credit > Homestead Property Tax Credit Claim ● Answer Yes to “Are you eligible for the Homestead Property Tax Credit?”, complete the other fields, and go to Part 1	Pages 27-28, Property Taxes Eligible for Credit Page 31, lines 9 - 10
Line 3: Alternate Housing Facility	Client Records	SEE SITE COORDINATOR	Pages 30 & 34, line 57
Line 4: Renter	Lease/Rent Receipts	Credits > Homestead Property Tax and Home Heating Credit > Homestead Property Tax Credit Claim ● Answer Yes to “Are you eligible for the Homestead Property Tax Credit?”, complete the other fields, and go to Part 2	Page 28, Rent Eligible for Credit Page 34, line 52
Lines 4b & 4c: Subsidized Housing and Service Fee Housing <b>See Note 1</b>	Lease/Rent Receipts	Credits > Homestead Property Tax and Home Heating Credit > Homestead Property Tax Credit Claim ● Answer Yes to “Are you eligible for the Homestead Property Tax Credit?”, complete the other fields, and go to Part 3	Page 34, line 54 <b>See Note 1</b>

\*\* If needed, visit [www.accountingaidresources.org](http://www.accountingaidresources.org) for millage rates

**Note 1:** If housing was both Service Fee and Subsidized, select Service Fee Housing

<b>TABLE 6 – Michigan Home Heating Tax Credit (See AAS Part IV on Michigan Intake/Interview Sheet)</b>			
<b>Michigan Intake/Interview Sheet – AAS Part IV</b>	<b>Source Document</b>	<b>Where in TaxSlayer’s Michigan Return Section / Instructions</b>	<b>2022 MI-1040CR-7 Instructions Reference</b>
AAS Part IV	Client Records, December 2022 &/or January 2023 gas bill	Credits > Homestead Property Tax and Home Heating Credit > Home Heating Credit 1. Answer Yes to “Are you eligible for the Home Heating Credit?” 2. Complete the other fields and questions: a. See <b>Note 2</b> below for instruction on some of the fields/questions	MI-1040CR-7 instructions book

**Note 2:**

- **Heat Type Code and Heat Provider Name Code** – All filers must answer these questions. Renters whose heat is included in his or her rent should ask their landlord for the name of the heat provider and the type of heat in the home.
  - Heat Type Code: Natural gas = 300. See Table 2 on page 10 of MI-1040CR-7 instructions book for others. (Line 7).
  - Heat Provider Name Code: DTE = 0900720, Consumers Energy = 0900213. See Table 1 on page 10 of MI-1040CR-7 instructions book for others and instructions for Line 6 on page 6.
- **U.S. Citizen or Qualified Alien Status** – Answer will be Yes for most of our clients. See instructions for line 5 on page 6 of the MI-1040CR-7 instructions book.
- **How much were you billed for heat ... ?** – Do not enter an amount if claim is for less than 12 months
- **CARE facility**
  - If client lived in one of the listed licensed care facilities for the entire year, select the care facility
  - If client lived in one of the listed licensed care facilities for part of the year, see the Site Coordinator
- **Are you eligible to receive a refund from your heat provider for any overpayment to your heat account?**
  - Always answer Yes to this question
- **Two or more single adults sharing a home** – See the Site Coordinator and instruction for Shared Housing Standard Allowance on page 5 of the MI-1040CR-7 instructions book.
- **Occupancy dates** – If client was an eligible homeowner or renter for just part of the year, enter dates he or she was eligible.

**TABLE 7 – Nontaxable Income for Michigan Total Household Resources (Part V on Michigan Intake/Interview Sheet) and Health Insurance deduction for Total Household Resources (Part VI on Michigan Intake/Interview Sheet)**

Michigan Intake/Interview Sheet – AAS Part V, Nontaxable Income	Source Document	<b>Where in TaxSlayer’s Michigan Return Section / Instructions:</b> <b>Homestead Property Tax and Home Heating Credit page – Enter amount(s) on the TaxSlayer lines described below:</b>	<b>2022 MI-1040 Instructions Book Reference</b>
1. Child Support	Client Records	Enter amount of Child Support received during the tax year	Page 32, line 22
2. Workers’ Compensation  VA (Dept. of Veteran Affairs) benefits	Letter/Client Records  Letter from VA/Client Records	Enter any Workers compensation, veterans disability compensation and pension benefits that you received and are not included in your Federal income	Page 32, line 26
3. FIP & other Michigan DHHS Benefits	Client Annual Statement from MDHHS	Enter the amount of FIP and other MDHHS benefits you received. DO NOT INCLUDE Food Assistance Program benefits • See instructions if client received both child support and MDHHS benefits)	Page 32, line 27
4. Supplemental Security Income (SSI) received by taxpayer and/or spouse  Supplemental Security Income (SSI) received for dependent(s)  Social Security benefits received for dependent(s)	Letter from SSA  Letter from SSA  Form SSA-1099 (for dependents)	Enter any additional Social Security Benefits and Supplemental Security Income (SSI) that you did NOT report on your federal tax return	Page 32, line 21
5. Gifts or Assistance	Client Records	Enter the amount of gifts or expenses paid on your behalf • Enter the value over \$300	Page 32, line 24
6. Other Nontaxable Income: ▪ State SSI ▪ Other nontaxable income	Letter from MDHHS  Client Records Other sources	Enter any other nontaxable income  Enter the description of other nontaxable income	Page 32, line 25

**TABLE 7 (continued) – Health Insurance deduction for Total Household Resources (Part VI on Michigan Intake Sheet)**

Michigan Intake/Interview Sheet – AAS Part VI, Health Insurance	Source Document	<b>Where in TaxSlayer’s Michigan Return Section / Instructions:</b> <b>Homestead Property Tax and Home Heating Credit page – Enter amount(s) on the TaxSlayer lines described below:</b>	<b>2022 MI-1040 Instructions Book Reference</b>
1. Medical Insurance or HMO premiums paid other than Medicare 2. Automobile insurance and Auto PIP was not waived	Client Records	Enter the Medical insurance or HMO premiums you paid for you or your family • Enter the total from the AAS Michigan Intake/Interview Sheet, AAS Part VI	Page 33, line 31

5. **CITY OF DETROIT RETURN** – If the taxpayer was a resident or part-year resident of Detroit, or was a nonresident who worked in Detroit, follow instructions in Tables 8, 9 or 10 below

<b>TABLE 8 – City of Detroit Resident Return</b>			
1. In the State Section on the Michigan Return page, select City of Detroit Return > City of Detroit Resident Return 2. Answer Yes to “Do you wish to complete the City of Detroit return - Form 5118?” 3. If taxpayer can be claimed as a dependent and is blind, deaf, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled, select Heading Information and mark the applicable box 4. Follow instructions below if any of the scenarios are applicable to the taxpayer			
<b>If taxpayer has a/or:</b>	<b>Explanation</b>	<b>Where in TaxSlayer’s City of Detroit Resident Return Section / Instructions</b>	<b>City of Detroit Instructions Reference</b>
1099-R with Code 1 in Box 7	Not eligible for subtraction on Detroit return; however, TaxSlayer automatically subtracts the pension. An entry is needed to adjust this.	> Subtractions – In the field for “Enter amount to adjust total pulled from the federal”, enter the taxable amount as a negative number	Page 6, line 30
1099-R with Code 2 or 4 in Box 7	May not be eligible for subtraction on Detroit return; however, TaxSlayer automatically subtracts the pension. See the site coordinator.	If not eligible for subtraction: > Subtractions – In the field for “Enter amount to adjust total pulled from the federal”, enter the taxable amount as a negative number	
Lived in Detroit and worked in another taxing city (e.g., Hamtramck or Highland Park)	Taxpayer may be eligible for credit for income taxes paid to another city. See the site coordinator.	> Payments and Credits  (The nonresident city return must be prepared first. See the site coordinator.)	Page 5, line 20
If taxpayer has interest income from U.S. obligations; state or local income tax refunds included in AGI; and/or property tax credit refunds included in AGI, see the Site Coordinator. Reference “Subtractions from Income” on page 6 of Detroit instructions.			

<b>TABLE 9 – City of Detroit Nonresident Return</b>			
1. In the State Section on the Michigan Return page, select City of Detroit Return > City of Detroit Nonresident Return 2. Answer Yes to “Do you wish to complete the City of Detroit Nonresident Return, Form 5119?” 3. If taxpayer can be claimed as a dependent and is blind, deaf, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled, select Heading Information and mark the applicable box 4. Follow instructions below if any of the scenarios are applicable to the taxpayer			
<b>Taxpayer with wages</b>	<b>Explanation</b>	<b>Where in TaxSlayer’s City of Detroit Nonresident Return Section/Instructions</b>	<b>City of Detroit Instruction Reference</b>
If taxpayer performed part of their services in the City of Detroit and part of their services outside the City	Wages earned in Detroit need to be computed  See the Site Coordinator	> Income > Wage Allocation  See Site Coordinator	Page 7, line 9
If 100% of services were performed in Detroit (100% of wages earned in Detroit)		No additional entries necessary	
If taxpayer contributed to an IRA and/or made alimony payments, see the Site Coordinator. Reference “Subtractions from Income” on page 9 of Detroit instructions.			

**TABLE 10 – City of Detroit Part-Year Resident Return**

1. In the State Section on the Michigan Return page, select City of Detroit Return > City of Detroit Part-Year Resident Return
2. Answer Yes to “Do you wish to complete the City of Detroit Part-Year Return, Form 5120?”
3. Select Heading Information and enter dates of residency
4. If taxpayer can be claimed as a dependent and is blind, deaf, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled, select Heading Information and mark the applicable box
5. Follow instructions below if any of the scenarios are applicable to the taxpayer

	<b>Explanation</b>	<b>Where in TaxSlayer’s City of Detroit Nonresident Return Section/Instructions</b>	
If taxpayer, while a nonresident, performed part of their services in the City of Detroit and part of their services outside the City	Wages earned in Detroit need to be computed  See the Site Coordinator	> Income > Wage Allocation  See the Site Coordinator	
See the Site Coordinator in all instances of a Detroit part-year resident return			

6. **OTHER CITY RETURNS/LOCALITIES** – If client is filing a city return other than Detroit (e.g., Hamtramck, Highland Park, Pontiac):
  - a. Exit the Michigan Return and on the State Return page, select the link for **Localities**
  - b. Select MI City Form CF-1040 and then choose the return type (Resident, Part Year, Non-Resident)
  - c. Follow the instructions in Table 11 below

(Note: These city returns cannot be e-filed. They are filed using the Michigan Cities Common Form, Form MI CF-1040, and taxpayers must mail in the tax return.)

**TABLE 11 – MI CF-1040, Michigan Cities Common Form – Resident Return and Non-Resident Return**

	<b>Where in TaxSlayer’s Localities &gt; MI City Form CF-1040 / Instructions</b>	<b>City Instruction Reference</b>
Enter basic information for the MI CF-1040 return	> Basic Information <ul style="list-style-type: none"> <li>● Select “City you are filing this CF-1040 for”, answer questions, and complete Addresses Schedule</li> </ul>	See each city’s instructions book
If completing a non-resident return and taxpayer worked both in and out of the city, the amount of excludable wages needs to be determined	> Wages and Excludible Wages  See the Site Coordinator	
If taxpayer has income other than wages, see the Site Coordinator	> Adjustments to Income  See the Site Coordinator	
If taxpayer has adjustments to income on their federal return	> Deductions  See the Site Coordinator	
If taxpayer lived in one taxing city and worked in another taxing city	> Payments and Credits <ul style="list-style-type: none"> <li>● Complete the nonresident city return first, then</li> <li>● Select Credit for Tax Paid to Another City and complete the fields</li> </ul> See the Site Coordinator	
If preparing a Pontiac city return, and client wants to direct deposit a refund or direct debit tax owed	> NonElectronic Direct Deposit/Debit Info	

7. When Michigan return is complete, exit the Michigan Return
  - a. On the State Return page, select the Print icon that is next to the blue pencil edit icon.
  - b. From the PDF of the return, write down on the back page of the Michigan Intake/Interview Sheet the amount of any property tax credit, home heating credit, and/or city refund/tax due.
  - c. Select Continue on the State Return page.

**JOB 4: CLIENT WILL REVIEW BASIC PERSONAL INFORMATION:**

1. On the Tax Return Summary page, select View/Print Return at the top, right of the page.
2. Select “Print your 20XX Tax Return” and print the second page of the return.
  - a. Have the client review the names, Social Security numbers, and birth dates of the taxpayer, spouse, and each dependent. Also verify the mailing address is correct.
  - b. If there is direct deposit on the return, the routing number and account number should also appear on this sheet.
  - c. If information is correct, have the client initial each applicable line on the Michigan Intake/Interview Sheet.
3. After above information has been verified, select Continue on the Tax Return Summary page

<b><u>JOB 5: E-FILE SECTION</u></b>	
<b>Return Details</b>	<ul style="list-style-type: none"><li>● Federal Return – E-file should be selected for all returns. See Site Coordinator for situations warranting a paper return.</li><li>● State Return – If filing a Michigan credit-only return (\$1 AGI), select <i>E-file: Mail Payment</i>.</li><li>● Form 8879 – If client provided an email address on page 1, line 12, of the federal Intake/Interview Sheet and it was not entered on the Personal Information page, enter it here.</li></ul>
<b>Fee Summary</b>	<ul style="list-style-type: none"><li>● DO NOT make any entries in this section</li></ul>
<b>Bank Account</b> (See page 3, #3, of federal Intake/Interview Sheet)	<ul style="list-style-type: none"><li>● If client wants direct deposit of a refund, enter bank information. Select <i>Pull Refund</i> if taxpayer wants entire refund direct deposited into one bank account.</li><li>● If client wants to split a refund or to buy a U.S. Savings Bond(s), enter information in this section.</li></ul>
<b>State ID License</b>	<ul style="list-style-type: none"><li>● DO NOT make any entries in this section</li></ul>
<b>Consents to Disclose Tax Return Information</b>	<ul style="list-style-type: none"><li>● Taxpayer must enter the Primary PIN. They do not have to remember it (suggest zip code). If MFJ, spouse enters Secondary PIN.</li><li>● Tax preparer may enter the PIN Date.</li></ul>
<b>Custom Questions</b> (See the AAS Taxpayer Return Questions sheet)	<ul style="list-style-type: none"><li>● For client questions, be sure the client is aware of all of the choices and then make a selection.</li></ul>
<b>Custom Credits</b>	<ul style="list-style-type: none"><li>● Enter the amount of any Michigan property tax credit, home heating credit, and/or city refund/tax due.</li><li>● If city tax is due, enter as a negative number.</li></ul>

**QUALITY REVIEW AND SIGNATURE:**

**SUBMISSION Page** – Do not make any entries on this page

1. Ask the site coordinator or a designated quality reviewer to review the return. Stay with the client and quality reviewer during this process.
2. Reviewer prints the return.
3. Complete the Client Letter (“Your \_\_\_\_ Worksheet”)
4. Review the entire tax return with the taxpayer.
5. Have the client sign Form 8879, advising the taxpayer(s) they are responsible for the information on their return.
6. Staple the Client Letter and all tax return forms together (federal, State and city) and place the completed return and all of the client’s documents in the large IRS client envelope. Include all intake/Interview sheets.
7. If a paper return, provide extra copies for mailing along with the white mailing envelopes (Make sure the correct mailing label is on the envelope(s).)
  - a. Make sure client is aware of the filing deadline, and if tax is owed, the amount they owe.
  - b. Filing Deadlines: 2022 Federal Return – April 18, 2023  
2022 Michigan Return – April 18, 2023  
2022 Detroit Return – April 18, 2023  
2022 Hamtramck, Highland Park, Pontiac – April 30, 2023 (or next business day)