



Appendix: Affordable Care Act (ACA) Exercises



Instructions

The purpose of the following examples is to give volunteers an opportunity to practice completing forms and worksheets associated with the Affordable Care Act (ACA) tax provisions. Adequate information is provided to prepare simple tax returns with various health insurance coverage scenarios that you may encounter. Following each scenario are screen shots from the tax preparation software that will allow you to check your work. Note: All TaxWise screen shots in the results section are from tax year 2014, but are updated with 2015 amounts.

Reminders

- All taxpayer names, addresses and Social Security numbers provided in the scenarios are fictitious.
- When entering Social Security numbers (SSNs), replace the Xs with your unique User ID (in Practice Lab) or, if using other forms of the software, replace the Xs as directed.
- Complete tax return information is not provided. For the purposes of these exercises, you can ignore the red marks in the practice tax returns.
- Use your city, state, and ZIP code when completing any forms, unless the notes state otherwise.
- For the purposes of the premium tax credit calculations on Form 8962, use “Other 48 states and DC” so your calculations will match the provided answers.
- For all scenarios, assume that the identity and Social Security cards were checked for all individuals on the intake sheet.

Example 1 – Taxpayer with Partial Year Minimum Essential Coverage (MEC) and Coverage Exemption

Interview Notes

- Greg Clayton is single with no dependents. No one can claim him as a dependent.
- His SSN is 621-XX-XXXX
- Greg started a new job on March 15 and was immediately eligible for, and enrolled in, his employer-sponsored health care coverage. The employer withholds Greg’s share of the insurance premium pretax from his paycheck each week.
- Greg was uninsured for January and February of the tax year.
- Greg’s W-2 shows the following:
 - Box 1 = \$38,000
 - Box 2 = \$3,800
 - Box 12 = \$3,640 with code DD

Directions

Review the interview notes, complete the volunteer sections of the intake sheet, and start a new return using Practice Lab or TaxWise software. Complete the Main Info sheet, and any Forms W-2 using the information provided in the interview notes and intake sheet excerpts. Allow TaxWise to calculate all other entries for the Form W-2. Then complete the following steps:

1. Complete Affordable Care Act Worksheet (1040 ACA Wkt)
2. Complete Form 8965
3. Compare your result to the screen shots on the following pages

Form 13614-C (October 2015)		Department of the Treasury - Internal Revenue Service Intake/Interview & Quality Review Sheet				OMB Number 1545-1964	
You will need: <ul style="list-style-type: none"> • Tax information such as Forms W-2, 1099, 1098. • Social security cards or ITIN letters for all persons on your tax return. • Picture ID (such as valid driver's license) for you and your spouse. 				<ul style="list-style-type: none"> • Please complete pages 1-3 of this form. • You are responsible for the information on your return. Please provide complete and accurate information. • If you have questions, please ask the IRS certified volunteer preparer. 			
Part I – Your Personal Information							
1. Your first name GREG		M.I.	Last name CLAYTON		Telephone number YOUR PHONE #	Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2. Your spouse's first name		M.I.	Last name		Telephone number	Is your spouse a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No	
3. Mailing address 55 CONCORD COURT				Apt #	City YOUR CITY	State YS	ZIP code YOUR ZIP
4. Your Date of Birth 7/22/1987		5. Your job title SALES REP		6. Last year, were you:		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
				b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
7. Your spouse's Date of Birth		8. Your spouse's job title		9. Last year, was your spouse:		a. Full time student <input type="checkbox"/> Yes <input type="checkbox"/> No	
				b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No		c. Legally blind <input type="checkbox"/> Yes <input type="checkbox"/> No	
10. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure							
11. Have you or your spouse: a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Part II – Marital Status and Household Information							
1. As of December 31 of 2015, were you:		<input checked="" type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)					
		<input type="checkbox"/> Married		a. Did you live with your spouse during any part of the last six months of 2015?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Divorced		b. Was your marriage recognized under the laws of the state(s) you are filing in?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure	
		Date of final decree					

Greg's intake sheet, page 2 is below (all other entries on this page are marked "No"):

						Page 2		
Yes	No	Unsure	Check appropriate box for each question in each section					
Part III – Income – Last Year, Did You (or Your Spouse) Receive								
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <u> 1 </u>					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Refund of state/local income taxes? (Form 1099-G)					

Greg's intake sheet, page 3:

						Page 3		
Yes	No	Unsure	Check appropriate box for each question in each section					
Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)								
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Have health care coverage?					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Receive one or more of these forms? (Check the box) <input type="checkbox"/> Form 1095-B <input type="checkbox"/> Form 1095-C					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3a. If yes, Have an exemption granted by the Marketplace? [Provide exemption certificate number (ECN)]					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3b. If Yes, Receive an advanced payment from the Marketplace to help pay your monthly health care payments?					
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3c. If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?					

Results – Approaching the ACA

Confirm with Greg the months that he had MEC, and indicate this on Part VI of his intake sheet:

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return.)					
Name (List dependents in the same order as in Part II)	Coverage Entire Year	No Coverage	Part Year Coverage (circle months with coverage)	Exemption (circle months exemption applies)	Notes
Taxpayer			J F M A M J J A S O N D	J F M A M J J A S O N D	Employer Coverage
Spouse			J F M A M J J A S O N D	J F M A M J J A S O N D	
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	

Results – TaxWise ACA Worksheet

Greg's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Remember that MEC coverage for one day during the month counts for the entire month. He is eligible for a short coverage gap exemption for January and February and has MEC for March through December. He will not be required to pay any shared responsibility payment. So, check only the "Exm" box.

For each individual, check the box in the column labeled "Full" if the individual had minimum essential coverage for the entire year, check the box labeled "None" if the individual did not have insurance all year, or check the box for each month that the individual did not have minimum essential coverage. If you are applying for an exemption or have been granted a full or partial exemption for an individual, check the box in the column labeled "Exm" and only check those months that are not covered by the exemption, if any. If you received insurance through the Marketplace, check the box labeled "Mkt".

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
GREG CLAYTON	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Results – Form 8965 Part III

The software will open a Form 8965 in the forms tree. Complete Part III. Check the box for each month that the exemption applies.

Part III: Coverage Exemptions for Individuals Claimed on Your Return
 If you and / or a member of your tax household are claiming an exemption on your return, complete Part III.
 Please note that the lines below marked with * are for e-filing only and will not be included on the printed form.

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Name	SSN	Exemption type	Full year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
8 GREG CLAYTON	621-XX-XXXX	B	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Greg's Form 1040, page 2 will not have the "Full-year coverage" box marked and will also not show an amount on the individual responsibility line.

60 a Household employment taxes. Schedule H	0
b First-time homebuyer credit repayment. Form 5405	0
61 Health care: individual responsibility	0
62 Taxes from <input type="checkbox"/> Form 8959 <input type="checkbox"/> Form 8960 <input type="checkbox"/>	
LT: 0 MSA: 0 ZONE: 0	

Example 2 – Coverage Exemptions

Interview Notes

- Susan and Lee Parks are married and file a joint return.
- They have two children, Elizabeth and Emilee, whom they claim as dependents on their return.
- Susan's Form W-2 shows the following:
 - Box 1 = \$26,880
 - Box 2 = \$2,000
- Lee's Form W-2 shows the following:
 - Box 1 = \$27,000
 - Box 2 is \$2,700
- Neither Susan, Lee, nor their children have any other income.
- Their Social Security numbers are:
 - Lee: 613-XX-XXXX
 - Susan: 614-XX-XXXX
 - Elizabeth: 615-XX-XXXX
 - Emilee: 616-XX-XXXX
- Lee's employer did not offer health insurance coverage for the tax year.
- Susan purchased self-only coverage under a plan offered by her employer. Susan's share of the premiums was \$3,120 for the year, which was deducted pre-tax from her salary.
- Susan had the option to purchase family coverage under an insurance plan offered by her employer which would have covered Susan, Lee, Elizabeth, and Emilee, at a cost of \$13,140. Susan and Lee could not afford this plan. Lee, Elizabeth and Emilee did not have health insurance coverage all year.

Directions

Review the interview notes, complete the volunteer sections of the intake sheet, and start a new return using Practice Lab or TaxWise software. Complete the Main Info sheet, and any Forms W-2 using the information provided in the interview notes and intake sheet excerpts. Allow TaxWise to calculate all other entries for the Form W-2, child tax credit, and EIC. Then complete the following steps:

1. Using the Affordability Worksheet from the Instructions for Form 8965, determine if Lee, Elizabeth, or Emilee can claim a coverage exemption
2. Complete Affordable Care Act Worksheet (1040 ACA Wkt)
3. Complete Form 8965
4. Compare your result to the screen shots on the following pages

Form 13614-C (October 2015)	Department of the Treasury - Internal Revenue Service Intake/Interview & Quality Review Sheet	OMB Number 1545-1964											
You will need: <ul style="list-style-type: none"> • Tax Information such as Forms W-2, 1099, 1098. • Social security cards or ITIN letters for all persons on your tax return. • Picture ID (such as valid driver's license) for you and your spouse. 													
Part I – Your Personal Information													
1. Your first name LEE	M.I.	Last name PARKS	Telephone number YOUR PHONE #	Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
2. Your spouse's first name SUSAN	M.I.	Last name PARKS	Telephone number	Is your spouse a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
3. Mailing address 87 HASTINGS BLVD		Apt #	City YOUR CITY	State YS									
4. Your Date of Birth 06/01/1968	5. Your job title CONSTRUCTION		6. Last year, were you:										
7. Your spouse's Date of Birth 04/05/1970		8. Your spouse's job title SALES		9. Last year, was your spouse:									
10. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure													
11. Have you or your spouse:													
a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
Part II – Marital Status and Household Information													
1. As of December 31 of 2015, were you:													
<input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)													
<input checked="" type="checkbox"/> Married a. Did you live with your spouse during any part of the last six months of 2015? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No													
b. Was your marriage recognized under the laws of the state(s) you are filing in? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure													
<input type="checkbox"/> Divorced Date of final decree _____													
<input type="checkbox"/> Legally Separated Date of separate maintenance agreement _____													
<input type="checkbox"/> Widowed Year of spouse's death _____													
2. List the names below of:													
• everyone who lived with you last year (other than you or your spouse)													
• anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
To be completed by a Certified Volunteer Preparer													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
ELIZABETH PARKS	03/02/2012	DAUGHTER	12	YES	YES	S	YES	NO					
EMILEE PARKS	09/07/2007	DAUGHTER	12	YES	YES	S	YES	NO					

Page 2 of the Parks' intake sheet is shown here (all other entries on this page are marked "No"):

Page 2			
Yes	No	Unsure	Check appropriate box for each question in each section
Part III – Income – Last Year, Did You (or Your Spouse) Receive			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <u>2</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	(B) Refund of state/local income taxes? (Form 1099-G)

Page 3 of the Parks' intake sheet:

Page 3			
Yes	No	Unsure	Check appropriate box for each question in each section
Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)			
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Have health care coverage?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Receive one or more of these forms? (Check the box) <input type="checkbox"/> Form 1095-B <input type="checkbox"/> Form 1095-C
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4. If yes, Have an exemption granted by the Marketplace? [Provide exemption certificate number (ECN)]

Results – Exemptions; Insurance is Unaffordable

Complete the volunteer section on page 1 of the intake sheet:

If additional space is needed check here and list on page 3

- everyone who lives with you last year (other than you or your spouse)
- anyone you supported but did not live with you last year

									To be completed by a Certified Volunteer Preparer				
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					
ELIZABETH PARKS	03/02/2012	DAUGHTER	12	YES	YES	S	YES	NO	NO	NO	YES	YES	YES
EMILEE PARKS	09/07/2007	DAUGHTER	12	YES	YES	S	YES	NO	NO	NO	YES	YES	YES

Volunteers are trained to provide high quality service and uphold the highest ethical standards.
To report unethical behavior to the IRS, email us at wi.voltax@irs.gov or call toll free

Catalog Number 52121E www.irs.gov Form 13614-C (Rev. 10-2015)

Susan had coverage all year so you do not need to determine if it was affordable. Next, determine if the coverage available to Lee, Elizabeth and Emilee is considered unaffordable.

For purposes of determining whether this coverage exemption applies, increase household income by the amount that Susan's wages were reduced to pay the premiums for employer-sponsored coverage (a salary reduction arrangement). ($\$53,880 + \$3,120 = \$57,000$)

The required contribution for Lee, Elizabeth, and Emilee is Susan's share of the cost for family coverage (\$13,140), which is more than 8.05% of their household income ($\$57,000 \times .0805 = \$4,589$). As a result, Lee, Elizabeth, and Emilee are eligible for the exemption for unaffordable coverage for the tax year. Their Affordability Worksheet is completed below:

(A) Affordability Threshold
Enter 8.05% of your household income (see *Household Income*). For this purpose, increase household income by the amount of any premium that is paid through a salary reduction arrangement and excluded from gross income. \$4589

(B) Required Contribution Amount
For each member of your tax household, enter in the columns provided the annual premium for the first option below that applies to that person. If the premium is the same for the whole year, enter the same value for each month. If the premiums covers only part of the year, use the *Annualized Premium Worksheet* to determine what the annualized premium would be for each month.

Options (use the first that applies to each member of your tax household, including you, for each month):

1. The lowest cost self-only policy offered to each member of your tax household by his or her employer.
2. The lowest cost family policy* offered by your employer or your spouse's employer (if you are filing a joint return).
3. The amount from the Marketplace Coverage Affordability Worksheet.

For each individual, coverage is unaffordable and the individual is exempt if (B), the Required Contribution Amount, is greater than (A), the Affordability Threshold.

Members of your tax household (enter one name per column):	Lee	Elizabeth	Emilee			
Premium for:						
January	13,140	13,140	13,140			
February	13,140	13,140	13,140			
March	13,140	13,140	13,140			
April	13,140	13,140	13,140			
May	13,140	13,140	13,140			
June	13,140	13,140	13,140			
July	13,140	13,140	13,140			
August	13,140	13,140	13,140			
September	13,140	13,140	13,140			
October	13,140	13,140	13,140			
November	13,140	13,140	13,140			
December	13,140	13,140	13,140			

*The policy must cover everyone in your tax household:

- for whom a personal exemption deduction is claimed on your tax return,
- who is not eligible for employer coverage, and
- who does not qualify for another coverage exemption.

After you determine that the taxpayers are eligible for a coverage exemption, complete the volunteer section of the Part VI on the intake sheet:

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return.)					
Name (List dependents in the same order as in Part II)	Coverage Entire Year	No Coverage	Part Year Coverage (circle months with coverage)	Exemption (circle months exemption applies)	Notes
Taxpayer		X	J F M A M J J A S O N D	J F M A M J J A S O N D	
Spouse	X		J F M A M J J A S O N D	J F M A M J J A S O N D	
Dependent		X	J F M A M J J A S O N D	J F M A M J J A S O N D	ELIZABETH
Dependent		X	J F M A M J J A S O N D	J F M A M J J A S O N D	EMILEE
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	

Results – TaxWise ACA Worksheet

Susan and Lee’s completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because Susan had minimum essential coverage all year, check the “Full” box. Because Lee, Elizabeth and Emilee are able to claim a coverage exemption, check only the “Exm” box. The boxes that indicate Elizabeth and Emilee are under age 18 are a calculated entry in Practice Lab and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LEE PARKS Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SUSAN PARKS Under age 18 at beginning of month	<input checked="" type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ELIZABETH PARKS Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
EMILEE PARKS Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Results – Form 8965 Part III

Complete Form 8965 Part III to claim coverage exemptions for Lee, Elizabeth and Emilee on the tax return.

Part II: Coverage Exemptions for Your Household Claimed on Your Return

7a Are you claiming an exemption because your household income is below the filing threshold? Yes No

b Are you claiming a hardship exemption because your gross income is below the filing threshold? Yes No

Part III: Coverage Exemptions for Individuals Claimed on Your Return
If you and / or a member of your tax household are claiming an exemption on your return, complete Part III.

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Name	SSN	Exemption type	Full year	Jan	Feb	Mar	Apr	Nov	Jun	Jul	Aug	Sep	Oct	Nov	Dec
8 LEE PARKS	613-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 ELIZABETH PARKS	615-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 EMILEE PARKS	616-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The “Full-year coverage” box is not checked.

61 Health care: individual responsibility _____ Full-year coverage: _____ 0

In this case, each member of the tax household had either coverage or a coverage exemption for each month so there is no individual shared responsibility payment required.

Example 3 – Shared Responsibility Payment

Interview Notes

- Edward and Julia Fulton are married and file a joint return. Their SSNs are:
 - Edward – 617-XX-XXXX
 - Julia – 618-XX-XXXX
- The Fultons have a dependent son, Sam. Sam worked part-time and earned enough that he was required to file a tax return this year. Sam’s MAGI is \$6,900. Sam’s SSN is 619-XX-XXXX.
- Julia and Edward did not have minimum essential coverage for any month during the tax year and they do not qualify for a coverage exemption. Sam was covered all year by a government-sponsored Children’s Health Plan.
- Edward’s Form W-2 shows:
 - Box 1 = \$40,000
 - Box 2 = \$5,000
- Julia’s W-2 shows:
 - Box 1 = \$17,000
 - Box 2 = \$0
- Edward and Julia had no other income.

Directions

Review the interview notes, complete the volunteer sections of the intake sheet, and start a new return using Practice Lab or TaxWise software. Complete the Main Info sheet, and any Forms W-2 using the information provided in the interview notes and intake sheet excerpts. Allow TaxWise to calculate all other entries for the Form W-2, child tax credit, and EIC. Then complete the following steps:

1. Complete Affordable Care Act Worksheet (1040 ACA Wkt)
2. Compare your result to the screen shots on the following pages

Form 13614-C (October 2015)	Department of the Treasury - Internal Revenue Service Intake/Interview & Quality Review Sheet	OMB Number 1545-1964											
You will need: <ul style="list-style-type: none"> Tax Information such as Forms W-2, 1099, 1098. Social security cards or ITIN letters for all persons on your tax return. Picture ID (such as valid driver's license) for you and your spouse. 													
Please complete pages 1-3 of this form. You are responsible for the information on your return. Please provide complete and accurate information. If you have questions, please ask the IRS certified volunteer preparer.													
Part I – Your Personal Information													
1. Your first name EDWARD	M.I.	Last name FULTON	Telephone number YOUR PHONE #	Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
2. Your spouse's first name JULIA	M.I.	Last name FULTON	Telephone number	Is your spouse a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									
3. Mailing address 456 STONEHILL RD		Apt #	City YOUR CITY	State YS									
4. Your Date of Birth 06/01/1978	5. Your job title MANAGER	6. Last year, were you:											
		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
7. Your spouse's Date of Birth 01/06/1979	8. Your spouse's job title CUSTOMER SERVICE REP	9. Last year, was your spouse:											
		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
10. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure													
11. Have you or your spouse: a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
Part II – Marital Status and Household Information													
1. As of December 31 of 2015, were you:													
<input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law) <input checked="" type="checkbox"/> Married a. Did you live with your spouse during any part of the last six months of 2015? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No b. Was your marriage recognized under the laws of the state(s) you are filing in? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure <input type="checkbox"/> Divorced Date of final decree _____ <input type="checkbox"/> Legally Separated Date of separate maintenance agreement _____ <input type="checkbox"/> Widowed Year of spouse's death _____													
2. List the names below: • everyone who lived with you last year (other than you or your spouse) • anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
To be completed by a Certified Volunteer Preparer													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/NA)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
SAM FULTON	05/19/1998	SON	12	YES	YES	S	YES	NO					

All other entries on page 2 of the intake sheet are marked "No."

Yes	No	Unsure	Check appropriate box for each question in each section	
Part III – Income – Last Year, Did You (or Your Spouse) Receive				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <u>2</u>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. (B) Refund of state/local income taxes? (Form 1099-G)	

Yes	No	Unsure	Check appropriate box for each question in each section	
Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)				
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Have health care coverage?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Receive one or more of these forms? (Check the box) <input type="checkbox"/> Form 1095-B <input type="checkbox"/> Form 1095-C	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3a. If yes, Have an exemption granted by the Marketplace? [Provide exemption certificate number (ECN)]	

Results – Approaching the ACA

Complete the volunteer section of Part VI of Edward and Julia's intake sheet:

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return.)					
Name (List dependents in the same order as in Part II)	Coverage Entire Year	No Coverage	Part Year Coverage (circle months with coverage)	Exemption(circle months exemption applies)	Notes
Taxpayer		X	J F M A M J J A S O N D	J F M A M J J A S O N D	
Spouse		X	J F M A M J J A S O N D	J F M A M J J A S O N D	
Dependent	X		J F M A M J J A S O N D	J F M A M J J A S O N D	Govt - CHP
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	

Edward and Julia's completed 1040 ACA Wkt is shown below. Neither spouse had minimum essential coverage for any month, so you must check the "None" box for both taxpayer and spouse. Sam had full coverage all year, so you must check the "Full" box for him. The boxes that indicate Sam is under age 18 are a calculated entry and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Edward Fulton Under age 18 at beginning of month	<input type="radio"/>	<input checked="" type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Julia Fulton Under age 18 at beginning of month	<input type="radio"/>	<input checked="" type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sam Fulton Under age 18 at beginning of month	<input checked="" type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Because Sam's income exceeded the filing threshold, his MAGI is included on line 7.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1 Total number of boxes checked per month, maximum of 5	2	2	2	2	2	2	2	2	2	2	2	2
2 Total number of boxes checked per month for individuals 18 or over	2	2	2	2	2	2	2	2	2	2	2	2
3 One-half the number of boxes checked per month for individuals under 18	0	0	0	0	0	0	0	0	0	0	0	0
4 Add lines 2 and 3 for each month	2	2	2	2	2	2	2	2	2	2	2	2
5 Multiply line 4 by \$325 for each month. If \$975 or more, enter \$975.	650	650	650	650	650	650	650	650	650	650	650	650
6 Sum of the number of boxes checked on line 1 above for the year												24
7 Household income Enter the total modified AGI for any dependent included in this return who is required to file a tax return - F3 if zero												63900
8 Filing threshold												20600
9 Subtract line 8 from line 7												43300
10 Multiply line 9 by 2% (.02)												866
11 Is line 10 more than \$975? <input type="checkbox"/> Yes. Multiply line 10 by the number of months for which line 1 is more than zero. <input checked="" type="checkbox"/> No. Amount calculated based on the flat dollar amount worksheet												10392
12 Divide line 11 by 12												866
13 Multiply line 6 by \$207												4968
14 Smaller of line 12 or line 13												866

The shared responsibility payment calculated above will carry over to Edward and Julia's Form 1040, page 2, shown below:

60a Household employment taxes. Schedule H		0
b First-time homebuyer credit repayment. Form 5405		0
61 Health care: individual responsibility	Full-year coverage: <input type="checkbox"/>	866
62 Taxes from	<input type="checkbox"/> Form 8959 <input type="checkbox"/> Form 8960 <input type="checkbox"/>	

Because Edward and Julia did not have MEC and did not have a coverage exemption, they must make an individual shared responsibility payment (SRP). This amount will decrease their refund or increase their balance due.

As you discuss the SRP with Edward and Julia, they mention that they looked into purchasing coverage through the Marketplace but felt that the premiums were too expensive. You explain that if their out-of-pocket costs for Marketplace coverage is more than a certain percentage of their income, they would be eligible for an exemption from the SRP. You'll need to complete a worksheet to see if they are eligible. This will be covered in the next example.

Example 4 – Affordability Exemptions – Marketplace Coverage

For this scenario, use the return you prepared in Example 3.

As you discuss the SRP with Edward and Julia, they mention that they looked into purchasing coverage through the Marketplace but felt that the premiums were too expensive. You explain that if their out-of-pocket costs for Marketplace coverage is more than a certain percentage of their income, they would be eligible for an exemption from the SRP.

Directions

Complete the worksheets in the Form 8965 Instructions to see if Edward and Julia would qualify for the affordability exemption. Edward and Julia were not offered insurance coverage through their employers, so you'll need to complete two, the Affordability Worksheet and the Marketplace Coverage Affordability Worksheet.

Results – Insurance is Unaffordable

Complete the top of the Affordability Worksheet to determine the Affordability Threshold of the Household Income (including the MAGI for a dependent, such as Sam, whose income was exceeds the filing threshold). The calculation is: $\$63,900 \times .0805$ (affordability threshold for 2015) = \$5,144.

Affordability Worksheet	
Use this worksheet to determine whether coverage for each individual in your tax household is unaffordable. If you or another member of your tax household is not eligible for employer-sponsored coverage, use the Marketplace Coverage Affordability Worksheet to figure the required contribution for that individual. An individual is exempt for any month in which (B), the Required Contribution, is more than (A), the Affordability Threshold.	
(A) Affordability Threshold Enter 8.05% of your household income (see <i>Household income</i>). For this purpose, increase household income by the amount of any premium that is paid through a salary reduction arrangement and excluded from gross income.	5144

Visit www.healthcare.gov

- Remember to use their ages at the start of the tax year, since the first month they did not have coverage was January.
- Assume they live in zip code 31405 (Chatham County, GA) and do not use tobacco.
- Look up the lowest cost bronze plan for Edward, Julia and Sam. For this example, Sam is included in the calculation for the lowest cost bronze plan since he does not have an offer of employer coverage. Enter this amount on line 1 of the worksheet.
- Then look up the second lowest cost silver plan (SCLSP) for Edward and Julia. Do not include Sam in this quote because he has government-sponsored coverage. Enter this figure on line 10.

Marketplace Coverage Affordability Worksheet

Use this worksheet to figure an individual's required contribution for any month in which the individual is not eligible for employer-sponsored coverage. Complete a separate worksheet for each part of the year in which either the individual resided in different geographic rating areas served by the Marketplace or for which the number of people in your tax household who are neither exempt nor eligible for employer-sponsored coverage was different.



Do not complete this worksheet unless you were instructed to do so in the Affordability Worksheet.

1. Enter the monthly premium for the lowest cost bronze plan that covers everyone in your tax household for whom a personal exemption deduction is claimed, who is not eligible for employer coverage, and who does not qualify for another coverage exemption for the month. To find the lowest cost bronze plan go to the Marketplace for your area	468
2. Enter your household income (see <i>Household income</i>)	63900
3. Enter the total of all nontaxable social security benefits received by you, your spouse, and each claimed dependent who must file a tax return*	0
4. Add lines 2 and 3	63900
5. Enter the federal poverty line for the number of individuals in your tax household less any dependents not claimed. See the instructions for Form 8962, line 4	19790
6. Divide line 4 by line 5. If the result (without rounding) is less than 1.0 or more than 4.0, skip lines 7 through 10 and enter -0- on line 11.	3.23
7. Multiply line 6 by 100 and round to the nearest whole number. Enter the applicable figure for the result from the table in the instructions for Form 8962, line 7	0956
8. Multiply line 4 by line 7	6109
9. Divide line 8 by 12.0	509
10. Enter the monthly premium for the second lowest cost silver plan premium that covers everyone in your tax household for whom a personal exemption deduction is claimed, who is not eligible for minimum essential coverage (other than coverage in the individual market), and who does not qualify for another coverage exemption for the month. To find the second lowest cost silver plan go to the Marketplace for your area	457
11. Subtract line 9 from line 10	0
12. Subtract line 11 from line 1. If zero or less, enter -0-. This is the individual's required contribution for the month	468
13. Is the individual eligible for this coverage for every month of the year? <input checked="" type="checkbox"/> Yes. Multiply line 12 by 12.0. This is the annualized premium. Enter this amount in the space for every month on the <i>Affordability Worksheet</i> <input type="checkbox"/> No. Use the Annualized Premium Worksheet to determine what the annualized premium would be for each month the individual was eligible for the coverage being tested. Enter the annualized premium in the space for the appropriate months on the <i>Affordability Worksheet</i>	5616

Compare the annualized premium from line 13 of the Marketplace Coverage Affordability Worksheet to the Affordability Threshold. Because the annualized premium is higher than the 8.05% threshold, both Edward and Julia can claim the Code A exemption for affordability for all 12 months of the year.

On the Fulton's TaxWise ACA Worksheet, check "Exm" for Edward and Julia. Check "Full" for Sam, as he was enrolled in government-sponsored coverage all year. No SRP should be calculated on the lower part of the ACA Worksheet.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Edward Fulton Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Julia Fulton Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sam Fulton Under age 18 at beginning of month	<input checked="" type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Complete Part III of Form 8965 to show that both Edward and Julia are eligible for exemption type A for the full year.

Part III: Coverage Exemptions for Individuals Claimed on Your Return

If you and / or a member of your tax household are claiming an exemption on your return, complete Part III.
Please note that the lines below marked with * are for e-filing only and will not be included on the printed form.

	a Name	b SSN	c Exemption type	d Full year	e Jan	f Feb	g Mar	h Apr	i May	j Jun	k Jul	l Aug	m Sep	n Oct	o Nov	p Dec
8	Edward Fulton	617-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Julia Fulton	618-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In this case, Edward and Julia are able to claim exemption code A because marketplace coverage is considered unaffordable. They are not required to pay the \$866 SRP as calculated in example 3. A thorough interview with the taxpayer resulted in this outcome for the taxpayer.



Example 5 – Premium Tax Credit with Advance Credit Payments

Interview Notes

- Sheryl Graves has two children she claims as dependents, Trina and Travis, who live with her all year. She divorced in 2010. Sheryl pays all the costs of keeping up the home. Their SSNs are:
 - Sheryl – 605-XX-XXXX
 - Trina – 606-XX-XXXX
 - Travis – 607-XX-XXXX
- Sheryl’s mother, Monique Floyd, also lives with her. Sheryl provides over half of Monique’s support and claims her as a dependent. Monique’s SSN is 608-XX-XXXX. Her only income for the tax year is \$4,500 received from Social Security and she was covered by Medicare.
- Sheryl’s Form W-2 shows:
 - Box 1 = \$36,429
 - Box 2 = \$1,026
- Sheryl had no other income or deductions.
- Sheryl’s employer does not offer health insurance coverage. She purchased minimum essential coverage for herself and her children through the Marketplace. They were covered for the entire year. Sheryl received the benefit of advance payments of the premium tax credit to help with the cost of her insurance premiums.

Directions

Review the interview notes, complete the volunteer sections of the intake sheet, and start a new return using Practice Lab or TaxWise software. Complete the Main Info sheet, and any Forms W-2 using the information provided in the interview notes and intake sheet excerpts. Allow TaxWise to calculate all other entries for the Form W-2, child tax credit, and EIC. Then complete the following steps:

1. Complete Affordable Care Act Worksheet (1040 ACA Wkt)
2. Complete Form 8965
3. Compare your result to the screen shots on the following pages

Form 13614-C (October 2015)		Department of the Treasury - Internal Revenue Service Intake/Interview & Quality Review Sheet						OMB Number 1545-1964					
You will need: <ul style="list-style-type: none"> Tax Information such as Forms W-2, 1099, 1098. Social security cards or ITIN letters for all persons on your tax return. Picture ID (such as valid driver's license) for you and your spouse. 				<ul style="list-style-type: none"> Please complete pages 1-3 of this form. You are responsible for the information on your return. Please provide complete and accurate information. If you have questions, please ask the IRS certified volunteer preparer. 									
Part I - Your Personal Information													
1. Your first name SHERYL		M.I.	Last name GRAVES			Telephone number YOUR PHONE #		Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
2. Your spouse's first name		M.I.	Last name			Telephone number		Is your spouse a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No					
3. Mailing address 321 MARTIN ROAD				Apt #	City YOUR CITY		State YS	ZIP code YOUR ZIP					
4. Your Date of Birth 06/17/1979		5. Your job title CLERK		6. Last year, were you:		a. Full time student		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
7. Your spouse's Date of Birth		8. Your spouse's job title		9. Last year, was your spouse:		a. Full time student		<input type="checkbox"/> Yes <input type="checkbox"/> No					
				b. Totally and permanently disabled		c. Legally blind		<input type="checkbox"/> Yes <input type="checkbox"/> No					
10. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure													
11. Have you or your spouse: a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
Part II - Marital Status and Household Information													
1. As of December 31 of 2015, were you: <input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)													
<input type="checkbox"/> Married a. Did you live with your spouse during any part of the last six months of 2015? <input type="checkbox"/> Yes <input type="checkbox"/> No													
b. Was your marriage recognized under the laws of the state(s) you are filing in? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure													
<input checked="" type="checkbox"/> Divorced Date of final decree 4/27/2010													
<input type="checkbox"/> Legally Separated Date of separate maintenance agreement _____													
<input type="checkbox"/> Widowed Year of spouse's death _____													
2. List the names below of: • everyone who lived with you last year (other than you or your spouse) • anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
To be completed by a Certified Volunteer Preparer													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/NA)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					
TRINA GRAVES	03/01/1999	DAUGHTER	12	YES	YES	S	YES	NO					
TRAVIS GRAVES	12/25/2000	SON	12	YES	YES	S	YES	NO					
MONIQUE FLOYD	05/05/1944	MOTHER	12	YES	YES	S	NO	NO					

Sheryl's intake sheet, page 2 (all other entries are checked "No"):

Yes No Unsure			Check appropriate box for each question in each section	Page 2
Part III - Income - Last Year, Did You (or Your Spouse) Receive				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <u>1</u>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Refund of state/local income taxes? (Form 1099-G)	

Sheryl's intake sheet, page 3:

Yes No Unsure			Check appropriate box for each question in each section
Part VI - Health Care Coverage - Last year, did you, your spouse, or dependent(s)			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Have health care coverage?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Receive one or more of these forms? (Check the box) <input type="checkbox"/> Form 1095-B <input type="checkbox"/> Form 1095-C
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3a. If yes, Have an exemption granted by the Marketplace? [Provide exemption certificate number (ECN)]
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3b. If Yes, Receive an advanced payment from the Marketplace to help pay your monthly health care payments?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3c. If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?

Part I Recipient Information

1 Marketplace identifier XXXXX	2 Marketplace-assigned policy number XXXXXX	3 Policy issuer's name XXXXXXXXXXXX
4 Recipient's name SHERYL GRAVES	5 Recipient's SSN 605-XX-XXXX	6 Recipient's date of birth 06/17/1979
7 Recipient's spouse's name	8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth
10 Policy start date 01/01/2015	11 Policy termination date 12/31/2015	12 Street address (including apartment no.) 321 MARTIN ROAD
13 City or town YOUR CITY	14 State or province YOUR STATE	15 Country and ZIP or foreign postal code YOUR ZIP

Part II Covered Individuals

	A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16	SHERYL GRAVES	605-XX-XXXX	06/17/1979	01/01/2015	12/31/2015
17	TRINA GRAVES	606-XX-XXXX	03/01/1999	01/01/2015	12/31/2015
18	TRAVIS GRAVES	607-XX-XXXX	12/25/2000	01/01/2015	12/31/2015
19					
20					

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January	\$587.00	\$774.00	\$492.00
22 February	\$587.00	\$774.00	\$492.00
23 March	\$587.00	\$774.00	\$492.00
24 April	\$587.00	\$774.00	\$492.00
25 May	\$587.00	\$774.00	\$492.00
26 June	\$587.00	\$774.00	\$492.00
27 July	\$587.00	\$774.00	\$492.00
28 August	\$587.00	\$774.00	\$492.00
29 September	\$587.00	\$774.00	\$492.00
30 October	\$587.00	\$774.00	\$492.00
31 November	\$587.00	\$774.00	\$492.00
32 December	\$587.00	\$774.00	\$492.00
33 Annual Totals	\$7,044.00	\$9,288.00	\$5,904.00

Results – Approaching the ACA

Complete the volunteer section of Sheryl's intake sheet on page 1:

• everyone who lives with you last year (other than you or your spouse)
 • anyone you supported but did not live with you last year

Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	To be completed by a Certified Volunteer Preparer				
									Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
TRINA GRAVES	03/01/1999	DAUGHTER	12	YES	YES	S	YES	NO	NO	NO	YES	YES	YES
TRAVIS GRAVES	12/25/2000	SON	12	YES	YES	S	YES	NO	NO	NO	YES	YES	YES
MONIQUE FLOYD	05/05/1944	MOTHER	12	YES	YES	S	NO	NO	NO	NO	YES	YES	YES

Volunteers are trained to provide high quality service and uphold the highest ethical standards.
 To report unethical behavior to the IRS, email us at vi.voltax@irs.gov or call toll free

Catalog Number 52121E www.irs.gov Form 13614-C (Rev. 10-2015)

Complete Part VI of Sheryl's intake sheet after confirming her insurance coverage:

Name (List dependents in the same order as in Part II)	Coverage Entire Year	No Coverage	Part Year Coverage (circle months with coverage)	Exemption(circle months exemption applies)	Notes
Taxpayer <i>employer coverage</i>	<input checked="" type="checkbox"/>		J F M A M J J A S O N D	J F M A M J J A S O N D	
Spouse			J F M A M J J A S O N D	J F M A M J J A S O N D	
Dependent	<input checked="" type="checkbox"/>		J F M A M J J A S O N D	J F M A M J J A S O N D	TRINA
Dependent	<input checked="" type="checkbox"/>		J F M A M J J A S O N D	J F M A M J J A S O N D	TRAVIS
Dependent	<input checked="" type="checkbox"/>		J F M A M J J A S O N D	J F M A M J J A S O N D	MONIQUE

Sheryl's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because Sheryl, Trina, Travis all had minimum essential coverage all year purchased through the Marketplace, check both the "Full" and the "Mkt" box for each of them. Monique had minimum essential coverage that was not purchased through the Marketplace, so only the "Full" box is checked for her. The boxes that indicate Trina and Travis are under age 18 are a calculated entry in Practice Lab and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
SHERYL GRAVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TRINA GRAVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Under age 18 at beginning of month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
TRAVIS GRAVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Under age 18 at beginning of month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
MONIQUE FLOYD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The software will check the "Full-year coverage" box to indicate that everyone listed on the ACA worksheet had insurance all year.

60a Household employment taxes. Schedule H	0
60b First-time homebuyer credit repayment. Form 5405	0
61 Health care: individual responsibility	0
62 Taxes from <input type="checkbox"/> Form 8959 <input type="checkbox"/> Form 8960 <input type="checkbox"/>	0

Full-year coverage:

There is no amount on the individual responsibility line because all members of the tax household had full year coverage.

Results – Premium Tax Credit Form 8962

You do not need to enter an amount on line 2b because none of Sheryl's dependents were required to file a return.

Part 1: Annual and Monthly Contribution Amount		
1	Family size	4
2a	Modified AGI	36429
b	Enter total of your dependents' modified AGI	0
3	Household income	36429
4	Federal povertyline - check the appropriate box for the state you resided in. If you moved during 2014 and you lived in Alaska and / or Hawaii, or if filing jointly and you and your spouse lived in different states, check all of the boxes that apply. The table that results in the highest income will be used. <input type="checkbox"/> Alaska <input type="checkbox"/> Hawaii <input checked="" type="checkbox"/> Other 48 states and DC	23850
5	Household income as a percentage of Federal povertyline	153 %
6	Is the result on line 5 less than or equal to 400%? See instructions if result is less than 100%. <input checked="" type="checkbox"/> Yes. Continue to line 7. <input type="checkbox"/> No. You are not eligible to receive the PTC. If you received advance payment of PTC, skip lines 7 and 8 and go to line 9. If you did not receive any advance payment of PTC, stop here. If the percentage on line 5 is less than 100%, did the taxpayer qualify for the PTC under the requirements in the instructions? <input type="radio"/> Yes. <input type="radio"/> No.	
7	Applicable figure from the table in the instructions	0.0416
8a	Annual contribution for health care - multiply line 3 by line 7	1515
b	Monthly contribution for health care - divide line 8a by 12	126

Part 2: Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit

- 9 Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation? (see instructions)
- Yes. Skip to Part 4, Share Policy Allocation, or Part 5, Alternative Calculation for Year of Marriage
- No. Continue to line 10.
- 10 Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown in lines 21 - 32, columns A and B?
- Yes. Continue to line 11. Compute your annual PTC. Skip lines 12 - 23 and continue to line 24.
- No. Continue to lines 12 - 23. Compute your monthly PTC and continue to line 24.

Annual Calculation

	A Premium amount Form 1095-A line 33A	B Annual premium amount of SLCSP Form 1095-A line 33B	C Annual contribution amount Line 8A	D Annual maximum premium assistance	E Annual premium tax credit allowed	F Annual advance payment of PTC Form 1095-A line 33C
11 Annual totals	7044	9288	1515	7773	7044	5904
22 Nov	0	0	0	0	0	0
23 Dec	0	0	0	0	0	0
24 Total premium tax credit						7044
25 Advance payment of PTC						5904
26 Net premium tax credit						1140

TIP

Column C of the 1095-A is entered in Column F of Form 8962.

Sheryl's total premium tax credit is greater than the advance credit payments, so the additional credit amount carries to the Net premium tax credit line on her Form 1040, page 2. This amount will be added to her refund or decrease her balance due.

68 American opportunity credit. Form 8863	0
69 Net premium tax credit. Form 8962	1140
70 Amount paid with request for extension of time to file	0
71	0

Example 6 – Premium Tax Credit with Advance Payments for Part-Year Coverage

Interview Notes

- Charles and Shay Baldwin are married with two dependent children, Nathaniel and Karly, who live with them all year. Their SSNs are:
 - Charles – 609-XX-XXXX
 - Shay – 610-XX-XXXX
 - Nathaniel – 611-XX-XXXX
 - Karly – 612-XX-XXXX
- Charles' Form W-2 shows:
 - Box 1 = \$33,500
 - Box 2 = \$1,820
- Shay's W-2 shows:
 - Box 1 = \$17,750
 - Box 2 = \$1,153
- Charles' and Shay's employers do not offer health insurance coverage. In early March, Charles enrolled in a plan through the Marketplace that covered him, Shay, and both children with an effective date of April 1. He selected the second lowest cost silver plan. They received the benefit of advance payments of the premium tax credit for their coverage. During the year, Charles received an unexpected raise in pay. They did not notify the Marketplace. The family has no other income or deductions.
- They received a marketplace exemption for January, February, and March.
 - Charles' ECN is A23BC4
 - Shay's ECN is A34BC5
 - Nathaniel's ECN is A45BC6
 - Karly's ECN is A56BC7

Directions

Review the interview notes, complete the volunteer sections of the intake sheet, and start a new return using Practice Lab or TaxWise software. Complete the Main Info sheet, and any Forms W-2 using the information provided in the interview notes and intake sheet excerpts. Allow TaxWise to calculate all other entries for the Form W-2, child tax credit, and EIC. Then complete the following steps:

1. Complete Affordable Care Act Worksheet (1040 ACA Wkt)
2. Complete Form 8965
3. Complete Form 8962
4. Compare your result to the screen shots on the following pages

Form **13614-C**
(October 2015)

Department of the Treasury - Internal Revenue Service
Intake/Interview & Quality Review Sheet

OMB Number
1545-1964

You will need:
 • Tax information such as Forms W-2, 1099, 1098.
 • Social security cards or ITIN letters for all persons on your tax return.
 • Picture ID (such as valid driver's license) for you and your spouse.

• Please complete pages 1-3 of this form.
 • You are responsible for the information on your return. Please provide complete and accurate information.
 • If you have questions, please ask the IRS certified volunteer preparer.

Part I – Your Personal Information

1. Your first name
CHARLES M.I.
Last name
BALDWIN Telephone number
YOUR PHONE # Are you a U.S. citizen?
 Yes No

2. Your spouse's first name
SHAY M.I.
Last name
BALDWIN Telephone number
Is your spouse a U.S. citizen?
 Yes No

3. Mailing address
775 BANKS ST Apt # City
YOUR CITY State
YS ZIP code
YOUR ZIP

4. Your Date of Birth
12/03/1981 5. Your job title
CUSTOMER SERVICE REP 6. Last year, were you: a. Full time student Yes No
b. Totally and permanently disabled Yes No c. Legally blind Yes No

7. Your spouse's Date of Birth
06/10/1985 8. Your spouse's job title
CASHIER 9. Last year, was your spouse: a. Full time student Yes No
b. Totally and permanently disabled Yes No c. Legally blind Yes No

10. Can anyone claim you or your spouse on their tax return? Yes No Unsure

11. Have you or your spouse: a. Been a victim of identity theft? Yes No b. Adopted a child? Yes No

Part II – Marital Status and Household Information

1. As of December 31 of 2015, were you:
 Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)
 Married a. Did you live with your spouse during any part of the last six months of 2015? Yes No
 b. Was your marriage recognized under the laws of the state(s) you are filing in? Yes No Unsure
 Divorced Date of final decree _____
 Legally Separated Date of separate maintenance agreement _____
 Widowed Year of spouse's death _____

2. List the names below of:
 • everyone who lived with you last year (other than you or your spouse)
 • anyone you supported but did not live with you last year

If additional space is needed check here and list on page 3

Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	To be completed by a Certified Volunteer Preparer				
									Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a) NATHANIEL BALDWIN	(b) 04/04/2004	(c) SON	(d) 12	(e) YES	(f) YES	(g) S	(h) YES	(i) NO					
KARLY BALDWIN	04/29/2006	DAUGHTER	12	YES	YES	S	YES	NO					

The Baldwins' intake sheet, page 2 (all other entries on this page are checked "No"):

Page 2

Yes No Unsure Check appropriate box for each question in each section

Part III – Income – Last Year, Did You (or Your Spouse) Receive

1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? 2

2. (A) Tip Income?

3. (B) Scholarships? (Forms W-2, 1098-T)

4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)

5. (B) Refund of state/local income taxes? (Form 1099-G)

Page 3 of the intake sheet:

Page 3

Yes No Unsure Check appropriate box for each question in each section

Part VI – Health Care Coverage – Last year, did you, your spouse, or dependent(s)

1. Have health care coverage?

2. Receive one or more of these forms? (Check the box) Form 1095-B Form 1095-C

3. Have coverage through the Marketplace (Exchange)? [Provide Form 1095-A]

3a. If yes, Have an exemption granted by the Marketplace? [Provide exemption certificate number (ECN)]

3b. If Yes, Receive an advanced payment from the Marketplace to help pay your monthly health care payments?

3c. If yes, Is everyone listed on your Form 1095-A being claimed on this tax return?

Part I Recipient Information

1 Marketplace identifier XXXXX		2 Marketplace-assigned policy number XXXXX		3 Policy issuer's name XXXXXXXXXXXX	
4 Recipient's name CHARLES BALDWIN		5 Recipient's SSN 609-XX-XXXX		6 Recipient's date of birth 12/03/1981	
7 Recipient's spouse's name SHAY BALDWIN		8 Recipient's spouse's SSN 610-XX-XXXX		9 Recipient's spouse's date of birth 06/10/1985	
10 Policy start date 04/01/2015		11 Policy termination date 12/31/2015		12 Street address (including apartment no.) 775 BANKS ST	
13 City or town YOUR CITY		14 State or province YOUR STATE		15 Country and ZIP or foreign postal code YOUR ZIP	

Part II Covered Individuals

	A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16	CHARLES BALDWIN	609-XX-XXXX	12/03/1981	04/01/2015	12/31/2015
17	SHAY BALDWIN	610-XX-XXXX	06/10/1985	04/01/2015	12/31/2015
18	NATHANIEL BALDWIN	611-XX-XXXX	04/04/2004	04/01/2015	12/31/2015
19	KARLY BALDWIN	612-XX-XXXX	04/29/2006	04/01/2015	12/31/2015
20					

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January			
22 February			
23 March			
24 April	\$789.00	\$789.00	\$507.00
25 May	\$789.00	\$789.00	\$507.00
26 June	\$789.00	\$789.00	\$507.00
27 July	\$789.00	\$789.00	\$507.00
28 August	\$789.00	\$789.00	\$507.00
29 September	\$789.00	\$789.00	\$507.00
30 October	\$789.00	\$789.00	\$507.00
31 November	\$789.00	\$789.00	\$507.00
32 December	\$789.00	\$789.00	\$507.00
33 Annual Totals	\$7,101.00	\$7,101.00	\$4,563.00

Results – Approaching the ACA

Complete the volunteer section of the Baldwins' intake sheet, Part II:

• everyone who lived with you last year (other than you or your spouse)
 • anyone you supported but did not live with you last year

If additional space is needed check here and list on page 3

									To be completed by a Certified Volunteer Preparer				
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/15 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Is this person a qualifying child/relative of any other person? (yes/no)	Did this person provide more than 50% of his/her own support? (yes/no)	Did this person have less than \$4,000 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no/N/A)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					
NATHANIEL BALDWIN	04/04/2004	SON	12	YES	YES	S	YES	NO	NO	NO	YES	YES	YES
KARLY BALDWIN	04/29/2006	DAUGHTER	12	YES	YES	S	YES	NO	NO	NO	YES	YES	YES

Volunteers are trained to provide high quality service and uphold the highest ethical standards.
 To report unethical behavior to the IRS, email us at wi.voltax@irs.gov or call toll free

Catalog Number 52121E www.irs.gov Form 13614-C (Rev. 10-2015)

Complete the volunteer section of the Baldwins' intake sheet, Part VI:

To be Completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return.)

Name (List dependents in the same order as in Part II)	Coverage Entire Year	No Coverage	Part Year Coverage (circle months with coverage)	Exemption(circle months exemption applies)	Notes
Taxpayer			J F M A M J J A S O N D	J F M A M J J A S O N D	
Spouse			J F M A M J J A S O N D	J F M A M J J A S O N D	
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	NATHANIEL
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	KARLY
Dependent			J F M A M J J A S O N D	J F M A M J J A S O N D	

Charles and Shay's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because Charles, Shay, Nathaniel and Karly all had minimum essential coverage purchased through the Marketplace from April through December, and they qualify for an exemption for January, February and March, check both the "Mkt" and "Exm" boxes for each of them. Since there is no shared responsibility to calculate, do not check any other boxes. The boxes that indicate Nathaniel and Karly are under age 18 are a calculated entry in Practice Lab and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CHARLES BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SHAY BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NATHANIEL BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
KARLY BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Results – Exemptions, Form 8965

Each member of the family received a coverage exemption from the Marketplace for the months of January, February, and March. See Part I of the Baldwin's completed Form 8965:

Part I: Marketplace-Granted Coverage Exemptions for Individuals		
If you and / or a member of your tax household have an exemption granted by the Marketplace, complete Part I. Please note that the lines below marked with * are for e-filing only and will not be included on the printed form.		
a Name of individual	b SSN	c Exemption certificate number
1 CHARLES BALDWIN	609-XX-XXXX	A23BC4
2 SHAY BALDWIN	610-XX-XXXX	A34BC5
3 NATHANIEL BALDWIN	611-XX-XXXX	A45BC6
4 KARLY BALDWIN	612-XX-XXXX	A56BC7
5 _____	_____	_____
6 _____	_____	_____

Results – Premium Tax Credit, Form 8962

See Parts 1, 2 and 3 of Charles and Shay's completed Form 8962 below.

Part 1: Annual and Monthly Contribution Amount	
1 Family size	4
2a Modified AGI	51250
b Enter total of your dependents' modified AGI	0
3 Household income	51250
4 Federal poverty line - check the appropriate box for the state you resided in. If you moved during 2014 and you lived in Alaska and / or Hawaii, or if filing jointly and you and your spouse lived in different states, check all of the boxes that apply. The table that results in the highest income will be used. <input type="checkbox"/> Alaska <input type="checkbox"/> Hawaii <input checked="" type="checkbox"/> Other 48 states and DC	23850
5 Household income as a percentage of Federal povertyline	215 %
6 Is the result on line 5 less than or equal to 400%? See instructions if result is less than 100%. <input checked="" type="checkbox"/> Yes. Continue to line 7. <input type="checkbox"/> No. You are not eligible to receive the PTC. If you received advance payment of PTC, skip lines 7 and 8 and go to line 9. If you did not receive any advance payment of PTC, stop here. If the percentage on line 5 is less than 100%, did the taxpayer qualify for the PTC under the requirements in the instructions? <input type="radio"/> Yes. <input type="radio"/> No.	
7 Applicable figure from the table in the instructions	0.0687
8a Annual contribution for health care - multiply line 3 by line 7	3521
b Monthly contribution for health care - divide line 8a by 12	293
Part 2: Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit	
9 Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation? (see instructions) <input type="radio"/> Yes. Skip to Part 4, Share Policy Allocation, or Part 5, Alternative Calculation for Year of Marriage <input checked="" type="radio"/> No. Continue to line 10.	
10 Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown in lines 21 - 32, columns A and B? <input type="radio"/> Yes. Continue to line 11. Compute your annual PTC. Skip lines 12 - 23 and continue to line 24. <input checked="" type="radio"/> No. Continue to lines 12 - 23. Compute your monthly PTC and continue to line 24.	

Monthly Calculation						
	A Monthly premium amount Form 1095-A lines 21 - 32, column A	B Monthly premium amount of SLCSP Form 1095-A lines 21 - 32, column B	C Monthly contribution amount Line 8B or alternative marriage contribution	D Monthly maximum premium assistance	E Monthly premium tax credit allowed	F Monthly advance payment of PTC Form 1095-A lines 21 - 32, column C
12	January	0	0	0	0	0
13	February	0	0	0	0	0
14	March	0	0	0	0	0
15	April	789	789	293	496	507
16	May	789	789	293	496	507
17	June	789	789	293	496	507
18	July	789	789	293	496	507
19	August	789	789	293	496	507
20	Sept	789	789	293	496	507
21	October	789	789	293	496	507
22	Nov	789	789	293	496	507
23	Dec	789	789	293	496	507
24	Total premium tax credit					4464
25	Advance payment of PTC					4563
26	Net premium tax credit					0

Part 3 of Form 8962 reconciles advance premium tax credit payments.

Part 3: Repayment of Advance Payment of the Premium Tax Credit		
27	Excess advance payment of PTC	99
28	Repayment limitation	1500
29	Excess advance payment premium tax credit repayment	99

In this case, Charles failed to report an increase in pay to the Marketplace. This resulted in excess advance premium tax credit payments. This excess will decrease their refund or increase their balance due.

45	Alternative minimum tax. Attach Form 6251	0
46	Excess advance premium tax credit repayment. Form 8962	99

The "Full-year coverage" box is not checked.

61	Health care: individual responsibility	Full-year coverage: <input type="checkbox"/>	0
----	--	--	---