

VITA/TCE Volunteer Tax Alert

VTA 2021-04 Publication 4012 Update

Purpose:

Publication 4012, VITA/TCE Volunteer Resource Guide (**Rev. 1-2021**), is now available for download and review. This new revision contains the changes included in **Publication 4491-X**, VITA/TCE Training Supplement. This publication contains critical new tax law information, new TaxSlayer screen shots, corrections and updates.

Message to Volunteers:

The Publication 4012 (Rev. 1-2021) now includes changes due to Consolidated Appropriations Act, 2021, signed into law on December 27, 2020. This includes information about:

- Economic Impact Payments
- Recovery rebate credits
- Educator expense deduction
- Election to use 2019 earned income to figure the 2020 earned income credit and additional child tax credit
- Other updates

There were additional topics added to scope:

- Form 8615, Tax for Certain Children Who Have Unearned Income (also known as Kiddie Tax), requires Advanced certification and is limited to:
 - Native Americans receiving per capita payments
 - Alaska residents receiving permanent fund dividends
- Form 8814, Parent's Election to Report Child's Interest and Dividends, requires Advanced certification and is limited to Alaska residents receiving permanent fund dividends
- Three-year spread of coronavirus-related distributions from eligible retirement plans, as well as special rollover rules with respect to such distributions, to qualified individuals. Advanced certification is required.

Updated TaxSlayer screenshots were added for:

- Form 1099-NEC, Non-Employee Compensation
- Schedule SE Deferral
- Form 5329, Part I – Additional Tax on Early Distributions
- Form 7202, Credits for Sick Leave & Family Leave

The updated version of Publication 4012 also includes other changes not listed here.

For additional questions, please talk to your site coordinator, partner or IRS SPEC relationship manager.

Thank you for volunteering and for your dedication to top QUALITY service!