

Guide to **FREE TAX SERVICES** For Tax Year 1995



Department of the Treasury
Internal Revenue Service

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Guide to Free Tax Services

Guide to Free Tax Services has information about IRS tax services, tax publications, tax tips, and many tax education and assistance programs. The services, materials, and programs are free and most are available year-round through the IRS.

This guide lists IRS tax assistance telephone numbers and recorded tax information telephone numbers. IRS mailing addresses are also listed.

Please read on to see which free IRS tax services will help make your tax filing easier.

Free Tax Services

Often, your tax questions can be answered by reading tax forms and related publications. But when you need more information, either during the filing season or any other time of the year, take advantage of the free tax services the IRS offers. You may call the IRS at 1-800-829-1040 or visit your local IRS office with questions about your tax account, tax rules, or for general information about IRS procedures and services.

Telephone Service

Toll-free telephone assistance is available in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. By using the toll-free telephone system, you can get answers to your tax questions and pay only local charges, if any. There is no long distance charge for your call.

During peak periods for telephone assistance, you may get a busy signal. Calls may be less frequent early in the morning or later in the week, so you may want to call during those times.

For information on using the toll-free telephone services and for the number listed for your area, turn to the section **Toll-Free Tax Assistance Telephone Numbers**.

TeleTax Recorded Tax Information

TeleTax is the IRS toll-free telephone service that provides both recorded tax information and automated refund information. The *TeleTax Telephone Numbers* section of this Guide tells about using this service and lists tax topics.

Telephone Service for People with Hearing Impairments

Toll-free telephone tax assistance is available for deaf and hearing-impaired people with access to telecommunications device for the deaf (TDD) equipment. The hours of operation are:

January 1 through April 6

8:00 a.m. to 6:30 p.m.

Eastern Standard Time

April 7 through April 15

9:00 a.m. to 7:30 p.m.

Eastern Daylight Time

April 16 through October 26

9:00 a.m. to 5:30 p.m.

Eastern Daylight Time

October 27 through December 31

8:00 a.m. to 4:30 p.m.

Eastern Standard Time

Residents of all areas in the U.S., including Alaska, Hawaii, Puerto Rico, and the U.S. Virgin Islands, can call 1-800-829-4059.

Braille Tax Materials for People with Visual Impairments

Braille tax materials are available for review at Regional Libraries for the Visually Impaired in conjunction with the National Library Service for the Blind and Physically Handicapped. Currently, these materials are limited to copies of Publication 17, *Your Federal Income Tax*; Publication 334, *Tax Guide for Small Business*; Forms 1040, 1040A, and 1040EZ, and related instructions; and the Tax Tables.

Walk-In Service

Assistors at most IRS offices throughout the country can offer guidance on your individual federal tax return. Although they cannot prepare your return for you at these

locations, they will provide line-by-line self-help tax return assistance for you or in a group setting. But if you have a handicap that prevents you from preparing your return with the self-help method, an assistor will prepare the forms for you.

When you go to an IRS office for assistance, be sure to bring the tax forms and instructions you received in the mail and all Forms W-2 and Forms 1099. Bring any other information (such as a copy of last year's return) that the assistors can use.

At most IRS offices, you can also get tax forms, publications, and help with questions about IRS notices or bills.

Also, many walk-in sites offer electronic filing for your convenience.

Electronic and Print Tax Information Materials

The IRS produces a variety of audio-visual and print tax information materials to keep you "in the know" of the latest tax law changes, ongoing tax issues, and programs.

- Videotapes on selected topics are available year-round for loan to interested groups or organizations. You can call your local IRS Public Affairs Officer or Taxpayer Education Coordinator to order a brochure describing the videotapes available, or call 1-800-829-3676 and ask for Publication 1237, *Free Tax Help on Video*. Your local IRS office can provide tapes.

- Free brochures, flyers, and other print materials on various tax issues are also available at your local IRS office. Most print products can be used by educational facilities, libraries, and community service groups.

Many of the audiovisual and print materials are available in Spanish.

International Service

If you are a taxpayer who lives outside the United States, the IRS has a full-time permanent staff at roughly 10 U.S. Embassies and Consulates. These offices have tax forms and publications, can help you with account problems, and answer your questions about notices and bills.

From January 1 through June 15 each year, taxpayer service representatives travel to many cities worldwide to assist taxpayers outside the U.S. In 1996, they will visit more than 120 foreign cities.

You may call your nearest U.S. Embassy, Consulate, or IRS office listed below to find out when and where assistance will be available. These IRS telephone numbers include the country or city codes required if you are outside the local dialing area. The Nassau and Ottawa numbers include the U.S. area codes.

Bonn, Germany
{49} (228) 339-2119

London, England
{44} (171) 408-8077

Mexico City, Mexico
211-0042 ext. 3557 or 3559

Nassau, Bahamas
(809) 766-5040

Ottawa, Canada
(613) 563-1834

Paris, France
{33} (1) 4312-2555

Riyadh, Saudi Arabia
488-3800 ext. 1210

Rome, Italy
{39} (6) 4674-2560

Santiago, Chile
{56} (2) 330-3424

Singapore
{65} 338-0251 ext. 247

Sydney, Australia
{61} (2) 373-9194

Tokyo, Japan
{81} (3) 3224-5466

You can also write to the Assistant Commissioner (International), 950 L'Enfant Plaza SW, CP:IN:D:CS:PAO, Washington, DC, 20024, USA, for answers to your technical or tax account questions.

Taxpayer Education Programs

The IRS has year-round education programs designed to help you understand the tax laws and procedures. Volunteers trained by the IRS are an important part of these programs. For times and locations of available services in your community, or to become a volunteer, call the IRS office in your area and ask for the Taxpayer Education Coordinator or the Public Affairs Officer.

Community Outreach Tax Education

Groups of people with common tax concerns, such as retirees, farmers, and small business owners, can get free tax help from IRS staff or trained volunteers at convenient community locations.

This program offers two kinds of assistance. One provides line-by-line self-help income tax return preparation for people who want to prepare their own returns. The other provides tax seminars on various tax topics. Outreach sessions may be co-sponsored by community organizations and other government agencies.

Small Business Tax Education Program (STEP)

Small business owners and other self-employed individuals can learn about business taxes through a unique partnership between the IRS and local organizations. Through workshops or in-depth tax courses, instructors provide training on starting a business, recordkeeping, preparing business tax returns, self-employment tax issues, and employment taxes.

Some courses are offered free as a community service. Courses given by an educational facility may include costs for materials and tuition. Other courses may have a nominal fee to offset administrative costs of sponsoring organizations.

Your Business Tax Kit (YBTK)

YBTK is a free package of various IRS business tax forms and publications that may be used to prepare and file business taxes. Besides the forms and publications, the kit includes Publication 454-A, *Your Business Tax Kit Content Sheet*, which can be used to order additional forms and publications that are not included in the kit. To order, call 1-800-829-3676 and ask for "Your Business Tax Kit."

Understanding Taxes Program for Schools

Understanding Taxes consists of three separate tax education courses that teach students about their federal tax rights and responsibilities and the economics and history on which our tax system is based.

- The eighth grade program, *Taxes in U.S. History*, details the roles that taxes have played in our nation's history. It is designed for U.S. history classes. Students learn how tax policies of the past have contributed to tax policies in effect today. Teachers can integrate the program into standard curricula.
- The high school program, *Understanding Taxes*, explains how to prepare and file a simple tax return and teaches about the history, politics, and economics of our tax system. The variety of topics covered in their modular format allow the course to be used in a number of different classes, such as history, economics, consumer education, social studies, government, civics, and business education.
- The post-secondary program, *Taxes and You*, is designed to assist adult learners in becoming responsible participants in the tax system. Students will learn how taxes affect people and the economy and how to interpret and prepare tax forms. By learning how to pay only what is owed, managing personal finances will become a lot easier.

Practitioner Education

Practitioner Education provides training to people who prepare tax

returns for a fee. As part of this program, practitioner institutes are held in every state in cooperation with colleges, state bureaus of revenue, and professional associations. Tax professionals can learn about recent tax law changes at these institutes, which will enhance the professional quality of the services they provide.

Assistance Programs

Many IRS programs offer free assistance with tax return preparation or tax counseling using volunteers trained by the IRS. Call the IRS office in your area and ask for the Taxpayer Education Coordinator or Public Affairs Officer for times and locations of these services or for information on becoming a volunteer.

Volunteer Income Tax Assistance (VITA)

VITA provides free tax help to people with low and fixed income who cannot afford paid professional tax assistance, people with disabilities, people uncomfortable speaking and understanding English, the elderly, and others with special needs.

After completing IRS training, VITA volunteers help prepare basic tax returns, including Forms 1040, 1040A, 1040EZ, and some basic schedules.

VITA sites are generally located at community centers, libraries, schools, shopping malls, houses of worship, and other convenient locations.

Tax Counseling for the Elderly (TCE)

The TCE program provides free tax help to people age 60 or older.

Volunteers who provide tax counseling are often retired individuals associated with non-profit organizations that receive grants from the IRS. Grant funds are used to reimburse volunteers for out-of-pocket expenses. These include transportation, meals, and other expenses incurred in training or in providing tax counseling assistance in any of the locations where the elderly are located, such as retirement homes, neighborhood sites, or private houses of the homebound.

Call your local IRS office for more information on this program and to find locations of TCE assistance in your area.

Student Tax Clinics

Student Tax Clinics are sponsored by law and graduate accounting schools. They are staffed by student volunteers who provide free tax assistance to people who would not normally obtain counsel when faced with a tax audit or examination. Students who have received special permission from the IRS may represent these people before the IRS during examination and appeal proceedings.

Bank, Post Office, and Library Program

The IRS supplies free tax preparation materials to many post offices, libraries, and reference areas in technical schools, military bases, prisons, and community colleges. Participating libraries have tax forms available for copying, reference sets of IRS publications, and audiovisual materials on preparing Forms 1040, 1040A, 1040EZ, and general tax information. Post offices stock Forms 1040, 1040A, 1040EZ, and the instructions, and related schedules.

Banks are no longer tax forms distribution outlets. However, banks that participate in the electronic filing program may distribute tax forms.

Problem Resolution Program (PRP)

If you have a tax problem with the IRS and have been unable to resolve it through normal IRS procedures, you may qualify for PRP assistance.

When IRS employees recognize persistent problems, they can refer them to PRP, which has the authority to cut through red tape. They will keep you informed of your case's progress. PRP can usually help with delayed refunds, unanswered inquiries, and incorrect billing notices. However, PRP cannot help when there is an administrative or formal appeals procedure available or when an inquiry only questions the constitutionality of the tax system.

PRP may also be able to help if

you are suffering or about to suffer a significant hardship because of your tax problem. Request Form 911, *Application for Taxpayer Assistance Order to Relieve Hardship (ATAO)*, at your local IRS office or by calling 1-800-829-1040. A significant hardship usually means being unable to provide the necessities of life, such as food, shelter, clothing, or medical care for you or your family. The Problem Resolution Officer (PRO) or other official will review your case and advise you of action taken.

Call your local IRS office, write your local PRO, or call 1-800-829-1040 for PRP assistance. Deaf and hearing-impaired people who have access to telecommunication device for the deaf (TDD) equipment may call 1-800-829-4059. For more information about PRP and for a list of PRP addresses, order Publication 1546, *How to Use the Problem Resolution Program of the IRS*, by calling 1-800-829-3676.

FedWorld (Your Source for Government Information On-Line)

You can get tax forms and information through your computer's modem.

The IRS provides tax forms, instructions, publications, and other tax data on-line over FedWorld, the public's electronic source for government information.

FedWorld can be dialed direct by setting modem parity to none, data bits to 8, stop bit to 1, terminal emulation to ANSI, duplex to full, and communication software to dial (703) 321-3339 (14.4k) or (703) 321-8020 (9.6k). Once you connect to FedWorld, type "go/IRIS." IRIS stands for Internal Revenue Information Services.

FedWorld is available free over the Internet:

- Telnet - fedworld.gov
- File Transfer Protocol (FTP) - ftp.fedworld.gov
- World-Wide Web - <http://www.ustreas.gov>

Technical questions regarding FedWorld can be directed to the FedWorld help desk 24 hours a day at (703) 487-4608.

Free Tax Publications

The IRS produces many free publications to help you fill out your tax return and to answer your tax questions. All IRS publications and forms can be ordered at no charge by calling the IRS at 1-800-829-3676.

Tax Publications

You may want to order one or more of the publications listed below for information on a specific topic.

Where the publication title may not be enough to describe the contents of the publication, there is a brief description. Forms and schedules related to the contents of each publication are shown after each listing.

Pub 1, *Your Rights as a Taxpayer* — explains your rights at each step in the tax process. To ensure that you always receive fair treatment in tax matters, you should know what your rights are.

Pub 1SP, *Derechos del Contribuyente* (Your Rights as a Taxpayer) — (Spanish version of Publication 1.)

Pub 3, *Tax Information for Military Personnel (Including Reservists Called to Active Duty)* — gives information about the special tax situations of active members of the Armed Forces. This publication contains information on items that are included in and excluded from gross income, combat zone exclusion, alien status, dependency exemptions, sale of residence, itemized deductions, tax liability, extension of deadline, and filing returns.

Forms 1040, 1040A, 1040EZ, 1040NR, 1040X, 1310, 2106, 2688, 2848, 3903, 3903F, 4868, W-2.

Pub 4, *Student's Guide to Federal Income Tax* — explains the federal tax laws that are of particular interest to high school and college students. It describes student's responsibilities to pay taxes and file returns and explains how to file and get help, if needed.

Forms 1040EZ, 4070, W-2, W-4.

Pub 15, *Employer's Tax Guide (Circular E)* — Forms 940, 941.

Pub 15A, *Employer's Supplemental Tax Guide*

Pub 51, *Agricultural Employer's Tax Guide (Circular A)* — Form 943.

Pub 54, *Tax Guide for U.S. Citizens and Resident Aliens Abroad* — explains the special tax rules for U.S. citizens and resident aliens who live and work abroad or who have income earned in foreign countries. In particular, this publication explains the rules for excluding income and excluding or deducting certain housing costs.

Forms 1040 (Schedule SE), 1116, 2555, 2555-EZ.

Pub 80, *Federal Tax Guide for Employers in the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands (Circular SS)* — Forms 940, 941SS, 943.

Pub 179, *Guía Contributiva Federal Para Patronos Puertorriqueños (Circular PR) (Federal Tax Guide for Employers in Puerto Rico)* — Forms 940PR, 941PR, 943PR, W-3PR.

Pub 225, *Farmer's Tax Guide* —

identifies the kind of farm income you must report and the different deductions you can take.

Forms 1040 (Schedules A,D,F,SE), 4136, 4562, 4684, 4797, 6251.

Pub 349, *Federal Highway Use Tax on Heavy Vehicles* — explains which trucks, truck-tractors, and buses are subject to the federal highway-use tax on heavy motor vehicles and how to figure and pay any tax due on the taxable vehicle.

Form 2290.

Pub 378, *Fuel Tax Credits and Refunds* — explains the creditor refund allowable for the federal excise taxes paid on certain fuels.

Forms 720, 4136, 8849.

Pub 448, *Federal Estate and Gift Taxes* — Forms 706, 709.

Pub 463, *Travel, Entertainment, and Gift Expenses* — identifies business-related travel, entertainment, gift, and local transportation expenses that may be deductible.

Forms 2106, 2106EZ.

Hot Publications

Pub 17, *Your Federal Income Tax (For Individuals)* — can help you prepare your individual tax return. This publication takes you step-by-step through each part of the return. It explains the tax laws in a way that will help you better understand your taxes so that you pay only as much as you owe and no more.

Forms 1040 (Schedules A,B,D,E,EIC,R,SE) 1040A, 1040EZ, 2106, 2119, 2441, 3903, W-2.

Pub 334, *Tax Guide for Small Business* — explains federal tax laws that apply to businesses and the tax responsibilities of the four major forms of business organizations—sole proprietorship, partnership, corporation, and S corporation.

Forms 1040 (Schedule C), 1065 and 1120S (Schedule K-1), 1120, 1120-A, 4562.

Pub 579SP, *Cómo Preparar la Declaración de Impuesto Federal* (How to Prepare the Federal Income Tax Return) — Forms 1040, 1040A, (Schedules 1 and 2), 1040EZ, and Schedule EIC.

Pub 501, Exemptions, Standard Deduction, and Filing Information — Forms 2120, 8332.

Pub 502, Medical and Dental Expenses — explains which medical and dental expenses are deductible, how to deduct them, and how to treat insurance reimbursements you may receive for medical care.
Form 1040 (Schedule A).

Pub 503, Child and Dependent Care Expenses — explains that you may be able to take a credit if you pay someone to care for your dependent who is under age 13, your disabled dependent, or your disabled spouse. For purposes of the credit, “disabled” refers to a person physically or mentally incapable of self-care. Tax rules covering benefits paid under a dependent care assistance plan are also explained.

See Publication 926, which tells of the employment taxes you may have to pay if you are a household employer.

Forms 1040A (Schedule 2), 2441.

Pub 504, Divorced or Separated Individuals — Form 8332.

Pub 505, Tax Withholding and Estimated Tax — Forms 1040-ES, 2210, 2210F, W-4, W-4P, W-4S.

Pub 508, Educational Expenses — identifies work-related educational expenses that may be deductible.
Forms 1040 (Schedule A), 2106, 2106EZ.

Pub 509, Tax Calendars for 1996

Pub 510, Excise Taxes for 1996 — covers in detail the various federal excise taxes reported on Form 720. These include environmental taxes; facilities and service taxes on communications and air transportation; fuel taxes; manufacturers’ taxes; vaccines; tax on heavy trucks, trailers, and tractors; luxury taxes; and tax on ship passengers. This publication briefly describes other excise taxes and which forms to use in reporting and paying the taxes.

Forms 11-C, 637, 720, 730, 6197, 6627, 8743, 8807.

Pub 513, Tax Information for Visitors to the United States — briefly reviews the general requirements of U.S. income tax rules for foreign visitors who may have to file a U.S. income tax return during their visit. Most visitors who come to the United States are not allowed to work in this country. Check with the Immigration and Naturalization Service before taking a job.

Forms 1040C, 1040-ES (NR), 1040NR, 2063.

Pub 514, Foreign Tax Credit for Individuals — explains the foreign tax credit or deduction that is allowed for income taxed by both the United States and a foreign country. This publication also identifies which foreign taxes qualify and how to figure your credit or deduction.

Form 1116.

Pub 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations — provides information for withholding agents who are required to withhold and report tax on payments to nonresident aliens and foreign corporations. This publication includes information on required withholding upon the disposition of a U.S. real property interest by a foreign person. Also, it includes three tables listing U.S. tax treaties and some of the treaty provisions that provide for reduction of or exemption from withholding for certain types of income.

Forms 1001, 1042, 1042S, 1078, 4224, 8233, 8288, 8288-A, 8288-B, 8709, 8804, 8805, 8813, W-8.

Pub 516, Tax Information for U.S. Government Civilian Employees Stationed Abroad

Pub 517, Social Security and Other Information for Members of the Clergy and Religious Workers — defines social security and medicare taxes for ministers and religious workers. This publication explains the income tax treatment of certain income items.

Forms 1040 (Schedules C-EZ, SE), 2106EZ, 4029, 4361.

Pub 519, U.S. Tax Guide for Aliens —

gives guidelines on how aliens determine their U.S. tax status and figure their U.S. income tax.

Forms 1040, 1040C, 1040NR, 1040NR-EZ, 2063.

Pub 520, Scholarships and Fellowships — explains the tax rules that apply to U.S. citizens and resident aliens who study, teach, or conduct research in the United States or abroad under scholarships and fellowship grants.

Forms 1040A, 1040EZ.

Pub 521, Moving Expenses — explains whether certain expenses of moving are deductible. For example, if you changed job locations last year or started a new job, you may be able to deduct your moving expenses. You also may be able to deduct expenses of moving to the United States if you retire while living and working overseas or if you are a survivor or dependent of a person who died while living and working overseas.

Forms 3903, 3903F, 4782.

Pub 523, Selling Your Home — explains how to treat any gain or loss from selling your main home.
Forms 2119, 8828.

Pub 524, Credit for the Elderly or the Disabled — explains that you may be able to claim this credit if you are 65 or older or if you are retired on permanent and total disability. This publication also explains how to figure this credit.

Forms 1040 (Schedule R), 1040A (Schedule 3).

Pub 525, Taxable and Nontaxable Income

Pub 526, Charitable Contributions — describes organizations that are qualified to receive charitable contributions. It also describes contributions you can (and cannot) deduct and explains deduction limits.

Forms 1040 (Schedule A), 8283.

Pub 527, Residential Rental Property — explains rental income and expenses and how to report them on your return. This publication also defines the sale of rental property

and other special rules that apply to rental activity.

Forms 1040 (Schedule E), 4562, 4797.

Pub 529, Miscellaneous Deductions

— identifies expenses you may be able to take as miscellaneous deductions on Form 1040 (Schedule A), such as employee business expenses and expenses of producing income. This publication does not discuss other itemized deductions, such as the ones for charitable contributions, moving expenses, interest, taxes, or medical and dental expenses.

Forms 1040 (Schedule A), 2106EZ.

Pub 530, Tax Information for First-Time Homeowners

Forms 1040 (Schedule A), 8396.

Pub 531, Reporting Tip Income — explains how tip income is taxed and the rules for keeping records and reporting tips to your employers. This publication focuses on employees of food and beverage establishments, but recordkeeping rules and other information may also apply to other workers who receive tips, such as hairdressers, cab drivers, and casino dealers. (See Publication 1244.)

Forms 4070, 4070A.

Pub 533, Self-Employment Tax — explains the self-employment tax. This is a social security and Medicare tax for people who work for themselves.

Form 1040 (Schedule SE).

Pub 534, Depreciating Property Placed in Service Before 1987 — Form 4562.

Pub 535, Business Expenses

Pub 536, Net Operating Losses — Form 1045.

Pub 537, Installment Sales — explains that some property sales arrangements provide that part or all of the selling price be paid in a later year. These are installment sales. If you finance the buyer's purchase of your property, instead of having the buyer get a loan or mortgage from a bank (or other lender), you probably have an installment sale.

Form 6252.

Pub 538, Accounting Periods and Methods

Pub 541, Tax Information on Partnerships — Form 1065 (Schedules K, K-1).

Pub 542, Tax Information on Corporations — Forms 1120, 1120A.

Pub 544, Sales and Other Dispositions of Assets — explains how to figure gain and loss on various transactions, such as trading, selling, or exchanging an asset used in a trade or business. This publication defines capital and noncapital assets and the tax results of different types of gains and losses.

Forms 1040 (Schedule D), 4797, 8824.

Pub 547, Nonbusiness Disasters, Casualties, and Thefts — helps you identify a deductible disaster, casualty, or theft loss. This publication also explains how to figure and prove your loss and how to treat the reimbursement you receive from insurance or other sources.

Form 4684.

Pub 550, Investment Income and Expenses — Forms 1040 (Schedules B, D), 1099-DIV, 1099-INT, 4952, 6781, 8815.

Pub 551, Basis of Assets — explains how to determine the basis of property, which is usually its cost.

Pub 552, Recordkeeping for Individuals — highlights and serves as a ready reference on general recordkeeping for individual income tax filing.

Pub 553, Highlights of 1995 Tax Changes

Pub 554, Tax Information for Older Americans — Forms 1040 (Schedules B,D,R), 1040A, 2119.

Pub 555, Federal Tax Information on Community Property — provides helpful information to married taxpayers who reside in a community property state—Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, or Wisconsin. If you and your spouse file separate tax returns, you should

understand how community property laws affect the way you figure your income on your federal income tax return.

Pub 556, Examination of Returns, Appeal Rights, and Claims for Refund — Forms 1040X, 1120X.

Pub 557, Tax-Exempt Status for Your Organization — explains the rules and procedures that apply to organizations obtaining and keeping exemption from federal income tax under section 501(a) of the Internal Revenue Code of 1986.

Forms 990, 990EZ, 990PF, 1023, 1024.

Pub 559, Survivors, Executors, and Administrators — provides helpful information for reporting and paying the proper federal income tax if you are responsible for settling a decedent's estate. This publication answers many questions that a spouse or other survivor faces when a person dies.

Forms 1040, 1041, 4810.

Pub 560, Retirement Plans for the Self-Employed — explains tax considerations relevant to retirement plans available to self-employed employers, such as the simplified employee pensions (SEPs) and Keogh (H.R. 10) plans.

Forms 5305-SEP, 5500EZ.

Pub 561, Determining the Value of Donated Property — Form 8283.

Pub 564, Mutual Fund Distributions — explains the tax treatment of distributions paid or allocated to an individual shareholder of a mutual fund, and explains how to figure gain or loss on the sale of mutual fund shares.

Forms 1040 (Schedules B, D), 1099-DIV.

Pub 570, Tax Guide for Individuals With Income From U.S. Possessions — provides tax guidance for individuals with income from American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, or the U.S. Virgin Islands. This publication also gives information and addresses for filing

U.S. possession tax returns, if required.

Forms 1040, 1040-SS, 4563, 5074, 8689.

Pub 571, *Tax-Sheltered Annuity Programs for Employees of Public Schools and Certain Tax-Exempt Organizations* — explains the rules concerning employers qualified to buy tax-sheltered annuities, eligible employees who may participate in the program, and the amounts that may be excluded from income.
Form 5330.

Pub 575, *Pension and Annuity Income (Including Simplified General Rule)* — explains how to report pension and annuity income and discusses the optional tax treatment you can choose to use for lump-sum distributions from pension, stock bonus, or profit-sharing plans. Also discusses rollovers from qualified retirement plans.

Forms 1040, 1040A, 1099-R, 4972.

Pub 578, *Tax Information for Private Foundations and Foundation Managers* — Form 990-F.

Pub 583, *Starting a Business and Keeping Records* — provides basic federal tax information for people who are starting a business. It also provides information on keeping records and illustrates a recordkeeping system.

Forms 1040 (Schedule C), 4562.

Pub 584, *Nonbusiness Disaster, Casualty, and Theft Loss Workbook* — contains worksheets for listing contents of your residence that were lost due to casualty or theft. It also includes schedules to help you determine item losses.

Pub 584SP, *Registro de Pérdidas Personales Causadas por Hechos Fortuitos (Imprevistos) o Robos* — (Spanish version of Publication 584.)

Pub 587, *Business Use of Your Home (Including Use by Day-Care Providers)* — explains rules for claiming a deduction for business use of your home and what expenses may be deducted.

Pub 589, *Tax Information on S Corporations* — discusses how to become an S corporation, how S corporations may be taxed, how income is distributed to shareholders, and how to terminate an S corporation.

Form 1120S (Schedule K-1).

Pub 590, *Individual Retirement Arrangements (IRAs)* — explains the tax rules that apply to IRAs and the penalties for not following them. Rules discussed include those affecting contributions, deductions, transfers (including rollovers) and withdrawals. This publication also includes tax rules for simplified employee pension (SEP) plans.

Forms 1040, 1040A, 5329, 8606.

Pub 593, *Tax Highlights for U.S. Citizens and Residents Going Abroad* — provides a brief overview of various U.S. tax provisions that apply to U.S. citizens and resident aliens who live or work abroad and expect to receive income from foreign sources.

Pub 594, *Understanding the Collection Process* — defines your rights and duties as a taxpayer who owes federal taxes. This publication also explains how the IRS fulfills its legal obligation to collect these taxes.

Pub 594SP, *Comprendiendo el Proceso de Cobro (Understanding the Collection Process)* — (Spanish version of Publication 594.)



Pub 595, *Tax Guide for Commercial Fisherman* — is intended for sole proprietors who use Form 1040 (Schedule C) to report profit or loss from fishing. This publication does not cover corporations or partnerships.

Forms 1040 (Schedule C), 1099-MISC, 4562, 4797.

Pub 596, *Earned Income Credit* — explains who may receive the credit, how to figure and claim the credit, and how to receive advance payments of the credit.

Forms 1040, 1040A, Schedule EIC, EIC Worksheets, W-5.

Pub 596SP, *Crédito por Ingreso del Trabajo (Earned Income Credit)* — (Spanish version of Publication 596.)

Pub 597, *Information on the United States-Canada Income Tax Treaty* — reproduces the text of the U.S.-Canada income tax treaty and defines its key provisions. This publication also explains certain tax problems that may be encountered by Canadian residents who temporarily work in the United States.

Pub 598, *Tax on Unrelated Business Income of Exempt Organizations* — explains the tax provisions that apply to most tax-exempt organizations that regularly operate a trade or business that is not substantially related to its exempt purpose.

Form 990-T.

Pub 686, *Certification for Reduced Tax Rates in Tax Treaty Countries* — explains how U.S. citizens, residents, and domestic corporations may certify to a foreign country that they are entitled to tax treaty benefits.

Pub 721, *Tax Guide to U.S. Civil Service Retirement Benefits* — Forms 1040, 1040A.

Pub 850, *English-Spanish Glossary of Words and Phrases Used in Publications Issued by the Internal Revenue Service*

Pub 901, *U.S. Tax Treaties* — explains the reduced tax rates and exemptions from U.S. taxes provided under U.S. tax treaties with foreign countries. This publication

provides helpful information for residents of those countries who receive income from U.S. sources. It may be useful to U.S. citizens and residents with income from abroad.

Forms 1040NR, 1040NR-EZ, 8833.

Pub 904, *Interrelated Computations for Estate and Gift Taxes* — Forms 706, 709.

Pub 907, *Tax Highlights for Persons with Disabilities* — briefly explains tax laws that apply to persons with disabilities and directs readers to sources of detailed information, such as Pub 502, *Medical and Dental Expenses*; Pub 503, *Child and Dependent Care Expenses*; Pub 524, *Credit for the Elderly or the Disabled*; Pub 525, *Taxable and Nontaxable Income*; and Pub 915, *Social Security and Equivalent Railroad Retirement Benefits*. For information on the disabled access credit and the jobs credit, see Pub 334, *Tax Guide for Small Business*. For business tax information on deducting costs of removing architectural or transportation barriers, see Pub 535, *Business Expenses*.

Pub 908, *Tax Information on Bankruptcy* — Forms 982, 1040, 1041.

Pub 911, *Tax Information for Direct Sellers* — provides information on figuring income from direct sales and identifies deductible expenses. A direct seller is a person who sells consumer products to others on a person-to-person basis, such as door-to-door, at sales parties, or by appointment in someone's home.

Form 1040 (Schedules C, SE).

Pub 915, *Social Security and Equivalent Railroad Retirement Benefits* — Forms SSA-1042S and RRB-1042S, SSA-1099 and RRB-1099, Social Security Benefits Worksheets.

Pub 917, *Business Use of a Car* — Forms 2106, 2106EZ.

Pub 919, *Is My Withholding Correct for 1996?* — defines Form W-4 and offers guidance for withholding the right amount of tax from your pay.

Form W-4.

Pub 924, *Reporting of Real Estate Transactions to IRS* — defines infor-

mation that sellers of certain real estate must provide to individuals who report real estate transactions to the IRS on Form 1099-S.

Pub 925, *Passive Activity and At-Risk Rules* — Form 8582.

Pub 926, *Household Employer's Tax Guide* — identifies "household employers." You may be a household employer if you have a babysitter, maid, yard worker, or other person who works at your house. This publication explains what taxes to withhold and pay and what records to keep.

Forms Schedule H, W-2, W-4, W-5.

Pub 929, *Tax Rules for Children and Dependents* — explains filing requirements and the standard deduction amount for dependents. This publication also explains when



and how a child's parents may include their child's interest and dividend income on their return and when and how a child's interest, dividends, and other investment income is taxed at the parents' tax rate.

Forms 8615, 8814.

Pub 936, *Home Mortgage Interest Deduction* — Form 1040 (Schedule A).

Pub 938, *Real Estate Mortgage Investment Conduits (REMICs) Reporting Information* — explains reporting requirements for issuers of REMICs and Collateralized Debt Obligations (CDOs) and contains a directory of REMICs and CDOs to assist brokers and middlemen with their reporting requirements.

Pub 939, *Pension General Rule (Non-simplified Method)* — covers the General Rule for the taxation of pensions and annuities, which must be

used if the Simplified General Rule does not apply or is not chosen. For example, this nonsimplified method must be used for payments under commercial annuities. The publication contains needed actuarial tables.

Pub 945, *Tax Information for Those Affected by Operation Desert Storm*

Pub 946, *How To Depreciate Property*

Pub 947, *Practice Before the IRS and Power of Attorney* — explains who can represent a taxpayer before the IRS and what forms or documents are used to authorize a person to represent a taxpayer.

Forms 2848, 8821.

Pub 950, *Introduction to Estate and Gift Taxes* — outlines some of the topics covered in Publication 448, *Federal Estate and Gift Taxes*.

Pub 953, *International Tax Information for Businesses* — covers topics of interest to U.S. citizens and resident aliens with foreign investments and nonresident aliens who want to invest in U.S. businesses.

Pub 1004, *Identification Numbers Under ERISA*

Pub 1045, *Information for Tax Practitioners*

Pub 1212, *List of Original Issue Discount Instruments* — explains the tax treatment of original issue discount (OID) by brokers and other middlemen and by owners of OID debt instruments.

Pub 1244, *Employee's Daily Record of Tips and Report to Employer* — Forms 4070, 4070-A.

Pub 1542, *Per Diem Rates*

Pub 1544, *Reporting Cash Payments of Over \$10,000 (Received in a Trade or Business)* — explains when and how persons in a trade or business must file a Form 8300 when they receive cash payments of more than \$10,000 from one buyer. It also discusses the substantial penalties for not filing the Form.

Form 8300.

Pub 1546, *How To Use the Problem Resolution Program of the IRS*.

Index of Topics and Related Publications

Look over the following index to find the topic you have questions about. The number listed after each topic is the publication number that you will need when ordering a free copy. Where more than one number is listed after a topic, bold type has been used to identify the publication that provides the most detailed information about that topic. Refer back to the section titled **Free Tax Publications** for a brief description of many of the publications listed below.

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Alternative Ways to File

The IRS offers alternatives to the traditional paper return filing method: electronic filing, telephone filing, on-line filing, and 1040PC return filing. These methods can make filing faster, easier, and more accurate. You may even be able to electronically file your state and federal income taxes together. (See Federal/State Electronic Tax Filing below.) For additional information on these alternative ways to file, call your local IRS Public Affairs Office or Electronic Filing Coordinator and ask for Publication 1857, *Alternative Ways of Filing*.

Electronic Tax Filing

Electronic filers (those who prepare tax returns and those who transmit them) can send your tax return over telephone lines directly to the IRS, where computers automatically check for errors and missing information. The IRS will notify your electronic filer that your return has been received and accepted within 48 hours after the transmission.

When expecting a refund, you can get it directly deposited into your checking or savings account. If you expect to owe taxes, you can go ahead and file electronically and then pay by April 15.

Many employers set up electronic filing sites in the workplace for employees, free or for a small fee. Your employer may have staff members or a contractor input, transmit, and even help prepare employees' tax data. Or, representatives from the IRS (Volunteer Income Tax Assistance (VITA) Program) may be able to come to your workplace and assist you for free. Similarly, many financial institutions set up these sites for employees and customers. Check with your employer or your financial institution to see if he/she will offer electronic filing this tax season. Also, electronic filing is available in most IRS walk-in offices for free.

Look in your local telephone directory for tax professionals who, for a fee, can transmit your return, whether they prepare the return or you do it yourself.

Federal/State Electronic Tax Filing

You may be able to electronically file your state income taxes together with your federal income taxes.

The IRS has teamed up with state tax agencies to offer this one-stop service. Many tax preparers who offer electronic tax filing offer joint federal/state electronic tax filing.

Call your local IRS office or your tax preparer to find out if your state participates in this program.

TeleFile

TeleFile is the first completely automated way to file federal income taxes using your telephone. You do not mail any forms to the IRS, not even W-2s. You simply complete the TeleFile worksheet before calling. Then dial the toll-free number listed in the special TeleFile tax package that the IRS mailed to you. (The IRS

sends this tax package with the TeleFile worksheet and instructions along with Form 1040EZ to only those who qualify.) Follow recorded instructions. When you hang up, the TeleFile system has automatically calculated and filed your tax return.

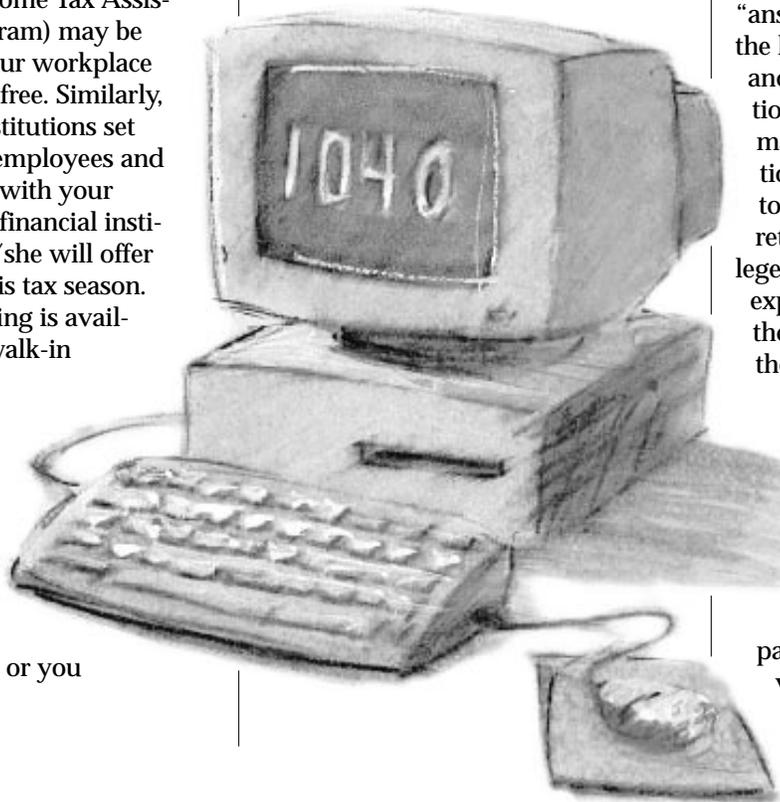
If you filed taxes using Form 1040EZ last year, are single, have no dependents, and have the same address as last year, then you may be able to TeleFile.

TeleFile is also available in Spanish.

1040PC Tax Return Filing

The 1040PC Return is prepared on a personal computer using an IRS-accepted print option. This option is included in various tax preparation software packages, which are available at many computer software stores. The program automatically prints the return in a three-column "answer sheet" format. It prints only the line numbers, dollar amounts, and, when called for, brief descriptions of line entries. Since the format is condensed, an 11 page traditional paper return can be reduced to a two-to-three page 1040PC return. For easy understanding, a legend "description" paper, which explains each line entry made by the taxpayer, should accompany the return.

The 1040PC paper-return process allows direct deposit of a refund into a savings or checking account. You can expect your refund within weeks. If you owe taxes, you can file early and pay by April 15 using a payment voucher.



Business Owner Tax Information

The IRS has many publications containing information about the federal tax laws that apply to businesses. Publication 334, *Tax Guide for Small Business*, is a good place to start to learn more about sole proprietorships, partnerships, corporations, and S corporations. Look in section **Free Tax Publications** for other materials that can explain your business tax responsibilities.

Employee or Independent Contractor Status

A worker is either an employee or an independent contractor. The classification is determined by the facts and circumstances of his/her work relationship.

Generally, an employee is controlled by an employer in ways that a true independent contractor is not. If the employer sets the work hours, provides the tools needed to do the job, and can hire and fire, the worker is an employee, not an independent contractor.

An independent contractor will usually maintain an office and staff, advertise, and have a financial investment risk. Independent contractors will file a Schedule C and be able to deduct certain expenses that an employee would not.

Those who should be classified as employees, but aren't, may lose out on social security benefits, workers' compensation, unemployment benefits, and, in many cases, group insurance (including life and health), and retirement benefits. For details, get Publication 15-A, *Employer's Supplemental Tax Guide*.

Tax Tips Newsletter

The IRS publishes *Tax Tips*, a monthly newsletter for first-time small business owners. Written in simple terms, the newsletter covers basic business tax law, helpful bookkeeping and recordkeeping hints, explanations of how the IRS works, and where to go for additional help.

The twelve-month subscription is available free by sending a postcard with your name and address to:

Internal Revenue Service
Attn: *Tax Tips* Editor, M:C:DP
1111 Constitution Avenue
NW
Washington, DC 20224

Tax Tips is also available on IRIS, an electronic bulletin board system located on FedWorld (via the Internet or through direct dial). See section **FedWorld** for dialing instructions.

Did You Know?

The IRS is responding to tax law, regulation, and policy concerns raised by small businesses through its Small Business Affairs Office. Read below for more information.

Small Business Affairs Office (SBAO)

One of the ways the IRS is listening and responding to concerns regarding tax laws, regulations, and policy raised by small businesses is through its Small Business Affairs Office (SBAO). Established in March 1994, this office is a national contact within IRS for small business owners to voice concerns.

The SBAO recommends changes to the federal tax system, such as recordkeeping requirements, payroll tax reporting, and simplifying tax forms. SBAO works with many other IRS offices and other government agencies (Small Business Administration) helping them understand small business owner needs and

concerns of reducing burden.

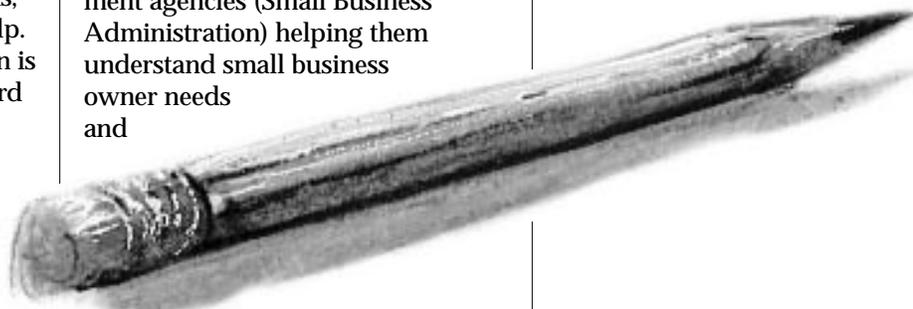
This office, however, does not handle small business owners' individual tax problems. If a problem has not been resolved after repeated attempts through normal IRS channels, small business owners should contact their local Problem Resolution Office for assistance. See section on *Problem Resolution Program (PRP)* under **Free Tax Services** for more information.

Write to the IRS Small Business Affairs office if you have questions.
Internal Revenue Service
Small Business Affairs
Office C:SB
ICC Building, Room 1211
1111 Constitution Avenue NW
Washington, DC, 20224

SSA/IRS (Social Security Administration/Internal Revenue Service) Reporter (Newsletter)

If you are an employer and have not been receiving a copy of the *SSA/IRS Reporter*, tell your local IRS Public Affairs Office.

The *SSA/IRS Reporter* is a quarterly newsletter that keeps you up-to-date on changes to taxes and employee wage obligations. This newsletter, produced jointly by the Social Security Administration and the IRS, is mailed to over six million employers along with quarterly Forms 941 and instructions.



Subjects You May Want to Know More About

The IRS has many programs and processes that can reduce anxieties of taxes. A description of some of the more popular ones follows. In most cases, the description lists free IRS publications for additional information.

Call 1-800-829-3676 to order IRS publications. You should receive your order within 7-15 work-days. If a publication is on backorder or discontinued, we will notify you.

Amending a Return

If you find that you made a mistake on your tax return, you can correct it by filing a Form 1040X, *Amended U.S. Individual Income Tax Return*. Generally, you must file this form within three years from the date you filed your original return or within two years from the date you paid your tax, whichever is later. File Form 1040X with the Internal Revenue Service Center for your area. (Your state tax liability may be affected by a change made on your federal income tax return. For more information on this, contact your state tax authority.)

Collection Process

The IRS checks tax returns for accuracy and to confirm that payment has been made. If there is an amount due, the IRS will send you a notice of tax due that you must pay within 10 days of the date of the bill.

If you believe a bill from the IRS is incorrect, contact the IRS immediately. You will need to provide information showing why you think the bill is wrong. If the IRS agrees with you, then your account will be corrected.

However, if the bill is correct and it is not paid within 10 days, interest and penalties will be charged on the amount you owe until the full amount due is paid. If the taxes, interest, and penalties are not paid, then a federal tax lien may also be filed on your property.

If you cannot pay the entire amount due, contact your local IRS office. Depending on your financial condition, an installment agreement or other payment arrangements may be approved. (See **Payment Methods** later in this section.)

If you ignore the notice of tax due, the IRS may enforce collection

by taking your assets, including your income and other property.

The collection process can be stopped at any stage if the amount you owe is paid in full.

More information on the collection process and about your rights are found in Publication 594, *Understanding The Collection Process*, and Publication 1, *Your Rights as a Taxpayer* (both available in Spanish).

Copies of Prior Year Returns

There are occasions when you may need a copy of your prior year(s) Federal Tax Form 1040, 1040A, or 1040EZ, a transcript of return, or account information.

A transcript of return contains information from the original return. It does not contain information regarding amended returns or subsequent payments. If amended returns or subsequent payment summary is needed, account information can be secured.

Examples of when you may need a copy of a return or a return transcript include applying for a home mortgage loan or financial aid for education. While there is a fee for requesting a photocopy of a return, transcripts are free of charge. Ask the requester if a transcript will meet their needs.

- You can get a copy of a prior year(s) tax return by completing Form 4506, *Request for Copy or Transcript of Tax Form*, and mailing it to the IRS address where you filed your return. There is a fee of \$14 for each return requested. Allow 60 days to receive your copy.
- For a transcript that reflects most items from your return, send a completed Form 4506 to the IRS address where the return was filed. There is no charge. You

should receive the transcript within 10 work days from the IRS office's receipt of your request.

- For tax account information, you can visit an IRS office or call the IRS toll-free number listed in your telephone directory. This list of basic tax data, like marital status, type of return filed, adjusted gross income, and taxable income, is available free of charge. Do not use Form 4506 to request this information. Please allow 30 days for delivery.

To obtain Form 4506, call the IRS at 1-800-829-3676.

Credits

The tax laws include a number of credits you may be entitled to take. The following are several of the more popular credits available.

- earned income tax credit
- child and dependent care credit
- mortgage interest credit
- foreign tax credit

Turn to the **Index of Topics and Related Publications** section and look under "Credits" for a list of the credits and the related publications for details.

Disasters

When property is damaged or lost in a hurricane, earthquake, fire, flood, or similar event that is sudden, unexpected, or unusual, it is called a casualty. Your unreimbursed loss from a casualty may be deductible on your tax return for the year the casualty occurred. If the loss happened in an area the President designated a disaster area, you may not have to wait until the end of the year to file a tax return and claim a loss. You may be able to file an amended return for last year right now and get a refund of taxes you have already paid. For details, get Publication 547, *Nonbusiness Disasters, Casualties, and Thefts*.

Estimated Tax

If you are self-employed or have other income not subject to income tax withholding, you may have to make estimated tax payments. For details on who must pay estimated taxes and how and when to make payments, get Publication 505, *Tax Withholding and Estimated Tax*.

Examination of Returns

If the IRS selects your return for examination, you may be asked to show records such as canceled checks, receipts, or other supporting documents to verify entries on your return. You can appeal if you disagree with the examination results. Your appeal rights will be explained to you.

You may act on your own behalf or have an attorney, a certified public accountant, or an individual enrolled to practice before the IRS represent or accompany you. Student Tax Clinics are available in some areas to help people during examination and appeal proceedings. Call your local IRS office and ask the Taxpayer Education Coordinator or the Public Affairs Officer about these clinics.

For more information, get Publication 556, *Examination of Returns, Appeal Rights, and Claims for Refund*, and Publication 1, *Your Rights as a Taxpayer* (available in Spanish). Also see Publication 947, *Practice Before the IRS and Power of Attorney*.

Form W-4, Employee's Withholding Allowance Certificate

Each time you start working for an employer, you should complete a Form W-4. This information will help your employer know how much federal tax to withhold from your wages. If your tax situation changes, complete a new Form W-4 so that the correct amount of tax will be withheld. For more information, get Publication 919, *Is My Withholding Correct for 1996?*

Form W-5, Earned Income Credit Advance Payment Certificate

You can file a Form W-5 with your employer if you are eligible for the earned income tax credit (EITC) and have a qualifying child. This will allow you to receive payment of the credit during the year instead of when you file your tax return. The amount of the advance EITC payment you receive will be shown on your Form W-2. For more information, get Publication 596, *Earned Income Credit* (available in Spanish).

Did You Know?

If you are not able to pay in full the taxes you owe, IRS staff will work with you to find the best way to meet your tax obligations. Read on for more information.

Late (Overdue) Returns

Sometimes people do not file their tax return(s) because of personal problems, no money to pay, lost records, or confusion over complex tax rules.

If you have not filed your federal income tax return for a year or so and should have filed, IRS staff will work with you to help you get back on track. Copies of missing documents like Form W-2, *Wage and Tax Statement*, can often be retrieved. If you owe taxes, the IRS will explain your payment options. And if you have a refund coming, they will explain the time limit on getting it.

Call your local IRS office or call toll-free 1-800-829-1040 for assistance. Remember, interest and penalties are adding up if you owe taxes, and time is running out if you are due a refund. For more information, get Publication 1715, *It's Never too Late* (available in Spanish).

Payment Methods

If you are not able to pay in full the taxes you owe, IRS staff will work with you to find the best way to meet your tax obligations. This may include an installment agreement or acceptance of an offer to settle the account for less than the amount owed. Call your local IRS office or call toll-free 1-800-829-1040 for assistance. More information is in Publication 594, *Understanding the Collection Process* (available in Spanish).

Social Security Number (SSN)

List the correct social security number for yourself, spouse, or dependent on your tax return. Other supporting forms and schedules you fill out for certain credits require SSNs, too. Be sure each SSN is complete and correct or processing of your return could be delayed. If you are getting a refund, that could be delayed also.

Name Change

If your name has changed for some reason, like marriage or divorce, notify the Social Security Administration (SSA) immediately.

If the name and social security number you show on your tax return does not match the one SSA has on record, there can be a processing delay, which could hold up your refund.

Dependent's SSN

If you claim an exemption for a dependent, you are required to show his or her social security number on your tax return. (You do not need to show a social security number for a child born in November or December of 1995.)

If you do not list a complete and correct social security number, any refund attributable to claiming the dependent may be held up.

To get a social security number, contact the nearest Social Security Administration Office to get Form SS-5, *Application for a Social Security Number Card*.

Tax Tips When Filing Your Return

Gathering forms, receipts, and other paperwork to file your taxes is your first step. Once you've completed your forms, it is equally important to double-check your figures, information, and packaging procedures (as applicable to your filing method).

Always review your filing entries for misprinted or overlooked data. And with a paper return, also review your forms for miscalculations. Any mistake can cause processing delays that may hold up your refund. When mailing a paper return, make sure you have enough postage and your complete return address on the IRS envelope to avoid mailing delays. If you owe taxes, remember any delay could result in penalty and interest charges.

The tips below can serve as your checklist to prevent filing mistakes.

Important Parts of Your Return

- Age/Blindness Box Checked?** — If you are age 65 or older or blind, or your spouse is age 65 or older or blind, make sure you notate the appropriate box(es) on Form 1040 or Form 1040A.
- Earned Income Credit Claimed, Figured Correctly?** — This is a special tax credit that can help some people who work and have incomes below a certain level. For more information on whether you qualify and how to figure the credit, get Publication 596, *Earned Income Credit*, or Publication 596SP, *Crédito por Ingreso del Trabajo* (Spanish version).
- Federal Income Tax Withheld, not Social Security Tax, Entered on the Return?** — Form W-2 shows both the federal income tax and FICA (social security tax) withheld. Remember to use the amount for federal income tax on your return to calculate your total income tax withheld.
- Entry for Standard Deduction Amount Correct?** — If you do not itemize deductions, use the correct standard deduction chart to find the right amount.
- Refund or Balance Due Correct?** — Check your addition and subtraction. If your total payments are more than your total tax, you are due a refund. A balance due is figured when your taxes due are more than the amount you have already paid.
- Tax from Tax Tables Entered Correctly?** — First, take the amount shown on the taxable income line of your Form 1040, 1040A, or 1040EZ and find the line in the tax table showing that amount. Next, find the column for your marital status (married filing joint, single, etc.) and read down the column. The amount shown where the income line and filing status column meet is your tax.



Important Double-Checks on Your Paper Return Before Mailing

- Check for math errors.
- Attach Copy B of all Forms W-2.
- Attach all required forms and related schedules.
- Place preprinted address label on your return and make any necessary changes on it.
- Check all SSNs for accuracy.
- Sign and date your return (both husband and wife must sign a joint return).
- If you owe tax, include your check or money order payable to "Internal Revenue Service," not the "IRS." You must write your social security number, daytime telephone number, tax form number, and tax year on your check or money order.
- Make a copy of the return for your records.

Important Mailing Procedures

- Use preprinted envelope that came in the tax package to mail your return. If you do not have one, address an envelope to the Internal Revenue Service Center for your state.
- Write your complete return address on the envelope.
- Attach the correct postage.

Toll-Free Tax Assistance Telephone Numbers

Call TeleTax to get Tax Information

TeleTax is recorded tax information and refund information available by dialing TeleTax from your telephone. The *Recorded Tax Information* includes about 140 recorded topics that provide basic tax information. You can listen to up-to-three topics on each call you make. *Automated Refund Information* allows you to check the status of your refund.



Choosing the Right Number
Use the toll-free number listed on this page for your area. Use a local city number if one is available.

Recorded Tax Information
A complete list of TeleTax topics is on the next page. This touch-tone service is available 24 hours a day, 7 days a week.

Select, by number, the topic you want to hear. Then, call the appropriate phone number listed on this page. **For the directory of topics, listen to Topic 123.** Have paper and pencil handy to take notes.

Automated Refund Information
Be sure to have a copy of your current tax return available since you will need to know the first social



security number shown on your return, the filing status, and the exact whole dollar amount of your refund. Then call the appropriate phone number listed on this page and follow the recorded instructions.

The IRS updates refund information every 7 days. If you call to find out about the status of your refund and do not receive a refund mailing date, please wait 7 days before calling back.

This touch-tone service is available Monday through Friday from 7:00 a.m. to 11:30 p.m. (Hours may vary in your area.)

TeleTax Telephone Numbers

- | | | | |
|---|---|--|--|
| Alabama
1-800-829-4477 | Indiana
Indianapolis, 631-1010
Elsewhere, 1-800-829-4477 | Nebraska
Omaha, 221-3324
Elsewhere, 1-800-829-4477 | South Carolina
1-800-829-4477 |
| Alaska
1-800-829-4477 | Iowa
Des Moines, 284-7454
Elsewhere, 1-800-829-4477 | Nevada
1-800-829-4477 | South Dakota
1-800-829-4477 |
| Arizona
Phoenix, 640-3933
Elsewhere, 1-800-829-4477 | Kansas
1-800-829-4477 | New Hampshire
1-800-829-4477 | Tennessee
Nashville, 781-5040
Elsewhere, 1-800-829-4477 |
| Arkansas
1-800-829-4477 | Kentucky
1-800-829-4477 | New Jersey
1-800-829-4477 | Texas
Dallas, 767-1792
Houston, 541-3400
Elsewhere, 1-800-829-4477 |
| California
Oakland, 839-4245
Elsewhere, 1-800-829-4477 | Louisiana
1-800-829-4477 | New Mexico
1-800-829-4477 | Utah
1-800-829-4477 |
| Colorado
Denver, 592-1118
Elsewhere, 1-800-829-4477 | Maine
1-800-829-4477 | New York
Buffalo, 685-5533
Elsewhere, 1-800-829-4477 | Vermont
1-800-829-4477 |
| Connecticut
1-800-829-4477 | Maryland
Baltimore, 244-7306
Elsewhere, 1-800-829-4477 | North Carolina
1-800-829-4477 | Virginia
Richmond, 783-1569
Elsewhere, 1-800-829-4477 |
| Delaware
1-800-829-4477 | Massachusetts
Boston, 536-0709
Elsewhere, 1-800-829-4477 | North Dakota
1-800-829-4477 | Washington
Seattle, 343-7221
Elsewhere, 1-800-829-4477 |
| District of Columbia
628-2929 | Michigan
Detroit, 961-4282
Elsewhere, 1-800-829-4477 | Ohio
Cincinnati, 421-0329
Cleveland, 522-3037
Elsewhere, 1-800-829-4477 | West Virginia
1-800-829-4477 |
| Florida
1-800-829-4477 | Minnesota
St Paul, 644-7748
Elsewhere, 1-800-829-4477 | Oklahoma
1-800-829-4477 | Wisconsin
Milwaukee, 273-8100
Elsewhere, 1-800-829-4477 |
| Georgia
Atlanta, 331-6572
Elsewhere, 1-800-829-4477 | Mississippi
1-800-829-4477 | Pennsylvania
Philadelphia, 627-1040
Pittsburgh, 261-1040
Elsewhere, 1-800-829-4477 | Wyoming
1-800-829-4477 |
| Hawaii
1-800-829-4477 | Missouri
St Louis, 241-4700
Elsewhere, 1-800-829-4477 | Puerto Rico
1-800-829-4477 | |
| Idaho
1-800-829-4477 | Montana
1-800-829-4477 | Rhode Island
1-800-829-4477 | |
| Illinois
Chicago, 886-9614
In area code 708,
1-312-886-9614
Springfield, 789-0489
Elsewhere, 1-800-829-4477 | | | |

Call the IRS with Your Tax Questions

If you cannot answer your tax question by reading the tax form instructions or one of our free tax publications, please call us for assistance Monday through Friday from 7:30 a.m. to 5:30 p.m. Hours in Alaska and Hawaii may vary. If you want to check on the status of your refund, call TeleTax.

Choose The Right Number

Use the toll-free number listed on this page for your area. Use a local city number if one is available.

Before You Call

Your IRS representative can better provide you with accurate and complete answers to your tax questions if you have the following information available.

- The tax form, schedule, or notice to which your question relates.
- The facts about your particular situation (the answer to the same question often varies from one taxpayer to another because of differences in their age, income, whether they can be claimed as a dependent, etc.).
- The name of any IRS publication or other source of information that you used to look for the answer.

Before You Hang Up

If you do not fully understand the answer you receive, or you feel the IRS representative may not fully understand your question, the representative needs to know. The representative will be happy to take additional time to be sure he or she has answered your question fully.

By law, you are responsible for paying your fair share of federal income tax. If we should make an error in answering your question, you are still responsible for the payment of the correct tax. Should this occur, however, you will not be charged any penalty. To make sure that IRS representatives give accu-

rate and courteous answers, a second IRS representative sometimes listens in on telephone calls. No

record is kept of any taxpayer's identity.

Tax Help Telephone Numbers

Alabama

1-800-829-1040

Alaska

1-800-829-1040

Arizona

Phoenix, 640-3900
Elsewhere,

1-800-829-1040

Arkansas

1-800-829-1040

California

Oakland, 839-1040
Elsewhere,

1-800-829-1040

Colorado

Denver, 825-7041
Elsewhere,

1-800-829-1040

Connecticut

1-800-829-1040

Delaware

1-800-829-1040

District of Columbia

1-800-829-1040

Florida

Jacksonville, 354-1760
Elsewhere,

1-800-829-1040

Georgia

Atlanta, 522-0050
Elsewhere,

1-800-829-1040

Hawaii

1-800-829-1040

Idaho

1-800-829-1040

Illinois

1-800-829-1040

Indiana

Indianapolis, 226-5477
Elsewhere,

1-800-829-1040

Iowa

1-800-829-1040

Kansas

1-800-829-1040

Kentucky

1-800-829-1040

Louisiana

1-800-829-1040

Maine

1-800-829-1040

Maryland

Baltimore, 962-2590
Elsewhere,

1-800-829-1040

Massachusetts

Boston, 536-1040

Elsewhere,

1-800-829-1040

Michigan

Detroit, 237-0800

Elsewhere,

1-800-829-1040

Minnesota

Minneapolis, 644-7515
St Paul, 644-7515

Elsewhere,

1-800-829-1040

Mississippi

1-800-829-1040

Missouri

St Louis, 342-1040

Elsewhere,

1-800-829-1040

Montana

1-800-829-1040

Nebraska

1-800-829-1040

Nevada

1-800-829-1040

New Hampshire

1-800-829-1040

New Jersey

1-800-829-1040

New Mexico

1-800-829-1040

New York

Buffalo, 685-5432

Elsewhere,

1-800-829-1040

North Carolina

1-800-829-1040

North Dakota

1-800-829-1040

Ohio

Cincinnati, 621-6281

Cleveland, 522-3000

Elsewhere,

1-800-829-1040

Oklahoma

1-800-829-1040

Oregon

Portland, 221-3960

Elsewhere,

1-800-829-1040

Pennsylvania

Philadelphia, 574-9900

Pittsburgh, 281-0112

Elsewhere,

1-800-829-1040

Puerto Rico

San Juan Metro Area,
766-5040

Elsewhere,

1-800-829-1040

Rhode Island

1-800-829-1040

South Carolina

1-800-829-1040

South Dakota

1-800-829-1040

Tennessee

Nashville, 834-9005

Elsewhere,

1-800-829-1040

Texas

Dallas, 742-2440

Houston, 541-0440

Elsewhere,

1-800-829-1040

Utah

1-800-829-1040

Vermont

1-800-829-1040

Virginia

Richmond, 698-5000

Elsewhere,

1-800-829-1040

Washington

Seattle, 442-1040

Elsewhere,

1-800-829-1040

West Virginia

1-800-829-1040

Wisconsin

1-800-829-1040

Wyoming

1-800-829-1040

Phone Help for People With Impaired Hearing

All areas in U.S., including Alaska, Hawaii, Virgin Islands, and Puerto Rico:
1-800-829-4059.

Note: This number is answered by TDD equipment only.

Hours of TDD

Operation:

8:00 a.m. to 6:30 p.m. EST
(Jan. 1 - April 6)

9:00 a.m. to 7:30 p.m. EST
(April 7 - April 15)

9:00 a.m. to 5:30 p.m. EST
(April 16 - Oct. 26)

8:00 a.m. to 4:30 p.m. EST
(Oct. 27 - Dec. 31)

TeleTax Topics

Topic No. Subject

IRS Help Available

- 101 IRS services—Volunteer tax assistance, toll-free telephone, walk-in assistance, and outreach programs
- 102 Tax assistance for individuals with disabilities and the hearing impaired
- 103 Small Business Tax Education Program (STEP)—Tax help for small businesses
- 104 Problem Resolution Program—Help for problem situations
- 105 Public libraries—Tax information tapes and reproducible tax forms
- 911 Hardship assistance applications

IRS Procedures

- 151 Your appeal rights
- 152 Refunds—How long they take
- 153 What to do if you haven't filed your tax return (nonfilers)
- 154 Form W-2—What to do if not received
- 155 Forms and publications—How to order
- 156 Copy of your tax return—How to get one
- 157 Change of address—How to notify the IRS

Collection

- 201 The collection process
- 202 What to do if you can't pay your tax
- 203 Failure to pay child support and other federal obligations
- 204 Offers in compromise

Alternative Filing Methods

- 251 1040PC tax return
- 252 Electronic filing
- 253 Substitute tax forms
- 254 How to choose a tax preparer
- 255 TeleFile

General Information

- 301 When, where, and how to file
- 302 Highlights of tax changes
- 303 Checklist of common errors when preparing your tax return
- 304 Extensions of time to file your tax return
- 305 Recordkeeping
- 306 Penalty for underpayment of estimated tax
- 307 Backup withholding
- 308 Amended returns
- 309 Tax fraud—How to report
- 310 Tax-exempt status for organizations
- 311 How to apply for exempt status
- 312 Power of attorney information
- 999 Local information

Filing Requirements, Filing Status, and Exemptions

- 351 Who must file?
- 352 Which form—1040, 1040A, or 1040EZ?
- 353 What is your filing status?
- 354 Dependents
- 355 Estimated tax
- 356 Decedents

Topic No. Subject

Types of Income

- 401 Wages and salaries
- 402 Tips
- 403 Interest received
- 404 Dividends
- 405 Refunds of state and local taxes
- 406 Alimony received
- 407 Business income
- 408 Sole proprietorship
- 409 Capital gains and losses
- 410 Pensions and annuities
- 411 Pensions—The General Rule and the Simplified General Rule
- 412 Lump-sum distributions
- 413 Rollovers from retirement plans
- 414 Rental income and expenses
- 415 Renting vacation property and renting to relatives
- 416 Royalties
- 417 Farming and fishing income
- 418 Earnings for clergy
- 419 Unemployment compensation
- 420 Gambling income and expenses
- 421 Bartering income
- 422 Scholarship and fellowship grants
- 423 Nontaxable income
- 424 Social security and equivalent railroad retirement benefits
- 425 401(k) plans
- 426 Passive activities—Losses and credits

Adjustments to Income

- 451 Individual Retirement Arrangements (IRAs)
- 452 Alimony paid
- 453 Bad debt deduction
- 454 Tax shelters
- 455 Moving expenses

Itemized Deductions

- 501 Should I itemize?
- 502 Medical and dental expenses
- 503 Deductible taxes
- 504 Home mortgage points
- 505 Interest expense
- 506 Contributions
- 507 Casualty losses
- 508 Miscellaneous expenses
- 509 Business use of home
- 510 Business use of car
- 511 Business travel expenses
- 512 Business entertainment expenses
- 513 Educational expenses
- 514 Employee business expenses
- 515 Disaster area losses

Tax Computation

- 551 Standard deduction
- 552 Tax and credits figured by IRS
- 553 Tax on a child's investment income
- 554 Self-employment tax
- 555 Five- or ten-year tax options for lump-sum distributions
- 556 Alternative minimum tax
- 557 Estate tax
- 558 Gift tax

Tax Credits

- 601 Earned income tax credit (EITC)
- 602 Child and dependent care credit
- 603 Credit for the elderly or the disabled
- 604 Advance earned income tax credit

Topic No. Subject

IRS Notices and Letters

- 651 Notices—What to do
- 652 Notice of underreported income—CP 2000
- 653 IRS notices and bills and penalty and interest charges

Basis of Assets, Depreciation, and Sale of Assets

- 701 Sale of your home—General
- 702 Sale of your home—How to report gain
- 703 Sale of your home—Exclusion of gain, age 55 and over
- 704 Basis of assets
- 705 Depreciation
- 706 Installment sales

Employer Tax Information

- 751 Social security and Medicare withholding rates
- 752 Form W-2—Where, when, and how to file
- 753 Form W-4—*Employee's Withholding Allowance Certificate*
- 754 Form W-5—*Earned Income Credit Advance Payment Certificate*
- 755 Employer identification number (EIN)—How to apply
- 756 Employment taxes for household employees
- 757 Form 941—Deposit requirements
- 758 Form 941—*Employer's Quarterly Federal Tax Return*
- 759 Form 940/940-EZ—Deposit requirements
- 760 Form 940/940-EZ—*Employer's Annual Federal Unemployment Tax Return*
- 761 Form 945—*Annual Return of Withheld Federal Income Tax*
- 762 Tips—Withholding and reporting

Magnetic Media Filers—1099 Series and Related Information Returns

- (For electronic filing of individual returns, listen to Topic 252.)*
- 801 Who must file magnetically
 - 802 Acceptable media and locating a third party to prepare your files
 - 803 Applications, forms, and information
 - 804 Waivers and extensions
 - 805 Test files and combined federal and state filing
 - 806 Electronic filing of information returns
 - 807 Information reporting program bulletin board system

Tax Information for Aliens and U.S. Citizens Living Abroad

- 851 Resident and nonresident aliens
- 852 Dual status alien
- 853 Foreign earned income exclusion—General
- 854 Foreign earned income exclusion—Who qualifies?
- 855 Foreign earned income exclusion—What qualifies?
- 856 Foreign tax credit

Topic No.	Subject	Topic No.	Subject	Topic No.	Subject
	Tax Information for Puerto Rico Residents (in Spanish)		Other TeleTax Topics in Spanish	955	Who must file?
901	Who must file a U.S. income tax return in Puerto Rico	951	IRS services—Volunteer tax assistance, toll-free telephone, walk-in assistance, and outreach programs	956	Which form to use?
902	Deductions and credits for Puerto Rico filers	952	Refunds—How long they should take	957	What is your filing status?
903	Federal employment taxes in Puerto Rico	953	Forms and publications—How to order	958	Social security and equivalent railroad retirement benefits
904	Tax assistance for Puerto Rico residents	954	Highlights of tax changes	959	Earned income tax credit (EITC)
				960	Advance earned income tax credit
				961	Alien tax clearance

Mailing Addresses of Internal Revenue Service Centers

If an addressed envelope came with your return, and you are filing a paper return, please use it. If you do not have one, or if you moved during the year, mail your return to the Internal Revenue Service Center indicated for the state where you live. A street address is not needed.

Internal Revenue Service Centers

Alabama—Memphis, TN 37501

Alaska—Ogden, UT 84201

Arizona—Ogden, UT 84201

Arkansas—Memphis, TN 37501

California—*Counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba*—Ogden, UT 84201
All other counties—Fresno, CA 93888

Colorado—Ogden, UT 84201

Connecticut—Andover, MA 05501

Delaware—Philadelphia, PA 19255

District of Columbia—

Philadelphia, PA 19255

Florida—Atlanta, GA 39901

Georgia—Atlanta, GA 39901

Hawaii—Fresno, CA 93888

Idaho—Ogden, UT 84201

Illinois—Kansas City, MO 64999

Indiana—Cincinnati, OH 45999

Iowa—Kansas City, MO 64999

Kansas—Austin, TX 73301

Kentucky—Cincinnati, OH 45999

Louisiana—Memphis, TN 37501

Maine—Andover, MA 05501

Maryland—Philadelphia, PA 19255

Massachusetts—

Andover, MA 05501

Michigan—Cincinnati, OH 45999

Minnesota—Kansas City, MO 64999

Mississippi—Memphis, TN 37501

Missouri—Kansas City, MO 64999

Montana—Ogden, UT 84201

Nebraska—Ogden, UT 84201

Nevada—Ogden, UT 84201

New Hampshire—

Andover, MA 05501

New Jersey—Holtsville, NY 00501

New Mexico—Austin, TX 73301

New York—*New York City and Counties of Nassau, Rockland, Suffolk, and Westchester*—

Holtsville, NY 00501

All other counties—

Andover, MA 05501

North Carolina—

Memphis, TN 37501

North Dakota—Ogden, UT 84201

Ohio—Cincinnati, OH 45999

Oklahoma—Austin, TX 73301

Oregon—Ogden, UT 84201

Pennsylvania—

Philadelphia, PA 19255

Rhode Island—Andover, MA 05501

South Carolina—Atlanta, GA 39901

South Dakota—Ogden, UT 84201

Tennessee—Memphis, TN 37501

Texas—Austin, TX 73301

Utah—Ogden, UT 84201

Vermont—Andover, MA 05501

Virginia—Philadelphia, PA 19255

Washington—Ogden, UT 84201

West Virginia—

Cincinnati, OH 45999

Wisconsin—

Kansas City, MO 64999

Wyoming—Ogden, UT 84201

American Samoa—

Philadelphia, PA 19255

Guam: Nonpermanent residents—Philadelphia, PA 19255

Guam: Permanent residents—

Department of Revenue and Taxation

Government of Guam

Building 13-1 Mariner Avenue

Tiyjan Barrigada, GU 96913

Puerto Rico—

Philadelphia, PA 19255

Virgin Islands:

Nonpermanent residents—

Philadelphia, PA 19255

Virgin Islands:

Permanent residents—

V.I. Bureau of Internal Revenue

9601 Estate Thomas

Charlotte Amalie

St. Thomas, VI 00802

Foreign country: U.S. citizens and

those filing Form 2555, Form

2555-EZ, or Form 4563—

Philadelphia, PA 19255

All A.P.O. and F.P.O. addresses—

Philadelphia, PA 19255



Don't Get Shortchanged

The Earned Income Tax Credit may mean up to \$3,110 for you!

You may qualify for this tax benefit if, in 1995...

- ✓ You earned less than \$26,673 from a job, and had qualifying children living with you, **OR**
- ✓ You earned less than \$9,230 from a job, didn't have qualifying children, were age 25 to 64, and were not a dependent on someone else's tax return.



Don't wait until next year to get your money! In 1996—If you have at least one qualifying child, you may be able to get extra money in each paycheck. Ask your employer about getting Advance Earned Income Tax Credit payments.

For more information order Publication 596, *Earned Income Tax Credit*. Call the Internal Revenue Service at

1-800-829-3676.



Are you a Federal Retiree? You're still required to pay taxes.

If you're a Federal Retiree (Civilian or Military) and you have questions concerning your taxes, the IRS has a new brochure with answers.

Call the IRS at 1-800-829-3676 and ask for Publication 1798, "Retiring Qs&As."



Single with no dependents?
**File your taxes
by phone**
with



- ✓ Quick and easy
- ✓ Only a few minutes
- ✓ Nothing to mail in

1040EZ

IRS On The Information Highway

Taxpayers may now access and print any of 500 federal tax forms with instructions, 90 tax publications, and other tax information materials from FedWorld.

Internal Revenue Service

Modem:
IRIS at FedWorld
(703)321-8020

Internet:
Telnet - [fedworld.gov](telnet://fedworld.gov)
FTP - [ftp.fedworld.gov](ftp://ftp.fedworld.gov)
WWW - <http://www.ustreas.gov>



FedWorld Help Desk: (703)487-4608