

IRS Due Diligence Requirements
Direct Deposit | Child Tax Credits | Education Credits

Section 1. Bank Account Verification

Per new IRS security requirements, bank information must be verified by the tax payer annually. Please provide your banking information below or provide us with a voided check.

Bank Name:
Routing Number:
Bank Account Number:
Type of Account:

Section 2. Required Child Tax Credit Due Diligence

Additional IRS regulations, as a result of legislation passed last year, require that the taxpayer and preparer provide additional substantiation for the Child Tax Credit, Earned Income Credit, and College Tuition Credits. The questions and checklists provided herein are designed to protect you in the event of an IRS review. *Typical answers are highlighted.*

	Yes	No
Child Tax Credit / Earned Income Credit		
1 Did the child(ren) live with you for six or more months out of last year? <i>If not, then you are ineligible for the Earned Income Credit but you may be eligible for other credits.</i>		
2 Did you provide over half of the support for your household? <i>If not, please explain below.</i>		
3 Do you have documentation to substantiate eligibility for these credits?		
4 Were any of these credits disallowed or reduced in a previous year?		
5 Is there an active Form 8332, <i>Release/Revocation of Claim to Exemption for Child of Custodial Parent</i> , or similar statement in place?		
6 Have you released your claim to another person for the child tax credit?		

Please provide one of the following documents to meet IRS Due Diligence Requirements:

- School records or statement
- Landlord or a property management statement
- Health care provider statement
- Medical records
- Child care provider records
- Placement agency statement
- Social service records or statement
- Place of worship statement
- Indian tribal official statement

Section 3. College Tuition Credits

Please provide form 1098-T and receipts for the qualified tuition and expenses.

We are required to make you aware of the IRS "Tie Breaker Rule" in regards to claiming children for certain tax credits.

Tie Breaker Rules

Only one person can use the same qualifying child. If a child is the qualifying child of more than one person, only one person can claim the child as a qualifying child for all of the following tax benefits:

- EITC
- Dependency Exemption for the Child,
- Child tax credit,
- Head of household filing status,
- Credit for child and dependent care expenses, and
- Exclusion for dependent care benefits.

The other person(s) cannot take any of the six tax benefits listed above unless he or she has a different qualifying child.* If they cannot agree on who claims the child as a qualifying child, and more than one person claims tax benefits using the same child, the tiebreaker rule explained below applies. *Ignore this rule if you and your spouse both claim the same qualifying child and you file a joint return.*

Under the Tiebreaker Rule, the Child is Treated as a Qualifying Child Only By:

- The parents, if they file a joint return;
- The parent, if only one of the persons is the child's parent;
- The parent with whom the child lived the longest during the tax year, if two of the persons are the child's parent and they do not file a joint return together;
- The parent with the highest adjusted gross income (AGI) if the child lived with each parent for the same amount of time during the tax years, and they do not file a joint return together;
- The person with the highest AGI, if no parent can claim the child as a qualifying child; or
- A person with the higher AGI than any parent who can claim the child as a qualifying child but does not.

I certify that to the best of my knowledge, I have provided accurate responses to the questions contained herein.

Taxpayer Signature

Spouse Signature

Date

Date