

Current Federal Tax Developments

Week of July 22, 2019

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ACCOUNTING
CONTINUING EDUCATION

CURRENT FEDERAL TAX DEVELOPMENTS
WEEK OF JULY 22, 2019
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Kaplan Financial Education

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SECTION: 152
DESPITE FINALLY OBTAINING SIGNED FORM 8332,
NONCUSTODIAL PARENT DENIED DEPENDENT EXEMPTION

Citation: DeMar v. Commissioner, TC Memo 2019-91,
7/18/19

Although it's an issue we've discussed before, it's important to remember to remind noncustodial parents of the requirement to submit a signed Form 8332, *Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent* with their tax return to claim the child as a dependent. In the case of *DeMar v. Commissioner*, TC Memo 2019-91,¹ the taxpayer was denied such benefits due to his failure to submit the form. And even though the taxpayer did eventually obtain a signed form, he failed to prove that his former spouse had filed an amended return to give up her tax benefit—a condition imposed in proposed regulations when taxpayers attempt to submit Form 8332 after initially filing a return for the year.

Divorces often leave the parties with hard feelings, and the issues surrounding children can be especially sensitive. To keep the Tax Court from getting into the middle of such squabbles between former spouses, the law provides a very mechanical test for which of the divorced parents will be able to claim the child as a dependent.

Note that while the dependency exemption no longer is available temporarily after the Tax Cuts and Jobs, other items, such as the child tax credit, still depend on the party that can claim the child as a dependent.

The law provides special rules for children of divorced parents, found at IRC §152(e). So long as the child receives over ½ of his/her support from the combined contributions of both parents, the parent who is deemed the *custodial parent* as defined in the IRC by default has the right to claim the child as a dependent.² This is true regardless of how much of the support is provided by that parent, since the support test could be fulfilled by contributions solely from the non-custodial parent.

Which parent is the custodial parent does not depend on state law, or what the divorce decree says—this is a matter of federal law, specifically that found in Title 26 of the US

¹ <https://www.ustaxcourt.gov/UstcInOp/OpinionViewer.aspx?ID=12004>, retrieved July 18, 2019

² IRC §152(e)(1)(B)

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Code (the IRC). Reg. §1.152-4 provides the following detailed “count the nights” rule for determining custody:

(d) Custodial parent.

(1) In general.

The custodial parent is the parent with whom the child resides for the greater number of nights during the calendar year, and the noncustodial parent is the parent who is not the custodial parent. A child is treated as residing with neither parent if the child is emancipated under state law. For purposes of this section, a child resides with a parent for a night if the child sleeps --

(i) At the residence of that parent (whether or not the parent is present); or

(ii) In the company of the parent, when the child does not sleep at a parent's residence (for example, the parent and child are on vacation together).

(2) Night straddling taxable years.

A night that extends over two taxable years is allocated to the taxable year in which the night begins.

(3) Absences.

(i) Except as provided in paragraph (d)(3)(ii) of this section, for purposes of this paragraph (d), a child who does not reside (within the meaning of paragraph (d)(1) of this section) with a parent for a night is treated as residing with the parent with whom the child would have resided for the night but for the absence.

(ii) A child who does not reside (within the meaning of paragraph (d)(1) of this section) with a parent for a night is treated as not residing with either parent for that night if it cannot be determined with which parent the child would have resided or if the child would not have resided with either parent for the night.

(4) Special rule for equal number of nights.

If a child is in the custody of one or both parents for more than one-half of the calendar year and the child resides with each parent for an equal number of nights during the calendar year, the parent with the

higher adjusted gross income for the calendar year is treated as the custodial parent.

(5) Exception for a parent who works at night.

If, in a calendar year, due to a parent's nighttime work schedule, a child resides for a greater number of days but not nights with the parent who works at night, that parent is treated as the custodial parent. On a school day, the child is treated as residing at the primary residence registered with the school.

Note that nothing in the above rules refers to any language in the divorce decree.

EXAMPLE

Custodial Parent Based on Nights Test

Paul and Kristie are the parents of Brandon. Paul and Kristie divorced two years ago. The divorce decree provided that Brandon would be in the custody of Kristie and specified that Paul would have Brandon with him one weekend a month, and for two weeks in the summer.

Kristie was offered a new job out of state in April of 202X for substantially higher pay. Brandon, 16, was completing his junior year of high school and did not want to move away. Since Paul resided nearby, the couple and Brandon agreed he would live with Paul until he graduated from high school. From May 1, 202X through December 31, 202X Brandon resided with Paul.

Despite the language in the divorce decree that provided that Kristie had custody of Brandon, Paul is treated as the custodial parent for 202x since Brandon spent more nights at Paul's residence than he did at Kristie's.

The law does allow for the custodial to transfer the exemption to the noncustodial parent which is found at IRC §152(e)(2):

(2) Exception where custodial parent releases claim to exemption for the year

For purposes of paragraph (1), the requirements described in this paragraph are met with respect to any calendar year if—

(A) the custodial parent signs a written declaration (in such manner and form as the Secretary may by regulations prescribe) that such custodial parent will not claim such child as a dependent for any taxable year beginning in such calendar year, and

(B) the noncustodial parent attaches such written declaration to the noncustodial parent's return for the taxable year beginning during such calendar year.

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The regulations provide detailed instructions on the nature of such a release, effectively mandating the use of Form 8332 or a form that for all intents in purposes duplicates everything on the IRS form:

(e) Written declaration.

(1) Form of declaration.

(i) In general.

The written declaration under paragraph (b)(3)(i) of this section must be an unconditional release of the custodial parent's claim to the child as a dependent for the year or years for which the declaration is effective. A declaration is not unconditional if the custodial parent's release of the right to claim the child as a dependent requires the satisfaction of any condition, including the noncustodial parent's meeting of an obligation such as the payment of support. A written declaration must name the noncustodial parent to whom the exemption is released. A written declaration must specify the year or years for which it is effective. A written declaration that specifies all future years is treated as specifying the first taxable year after the taxable year of execution and all subsequent taxable years.

(ii) Form designated by IRS.

A written declaration may be made on Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, or successor form designated by the IRS. A written declaration not on the form designated by the IRS must conform to the substance of that form and must be a document executed for the sole purpose of serving as a written declaration under this section. A court order or decree or a separation agreement may not serve as a written declaration.

The divorce decree in the case of Mr. DeMar read as follows:

Mr. DeMar is divorced and has one son, TD, with his ex-wife, Amanda Renee DeMar. TD was born in 2008. In 2010 Mr. and Ms. DeMar agreed to custody and child support terms in a consent judgment of divorce. In the judgment they established TD's primary residence with Ms. DeMar. They also agreed that Mr. DeMar was entitled to claim TD as a dependent for even-numbered years. For odd-numbered years Mr. DeMar was entitled to claim TD only if he stayed current with his child support obligations and Ms. DeMar's

annual gross income was less than \$15,000. If these conditions were met, Ms. DeMar agreed to execute Form 8332 or a similar written declaration.³

For 2015, an odd-numbered year, Mr. DeMar claimed TD as his dependent. TD resided with Amanda for the year and Mr. DeMar did not attach a signed Form 8332 to his return for the year. Amanda also claimed TD as a dependent on her return. Not surprisingly, this double claim of the dependent brought the DeMars to the attention of the IRS who, after discovering Amanda was the custodial parent, disallowed the dependency exemption on Mr. DeMar's return.⁴

The Tax Court found that Mr. DeMar did not meet the requirements to claim the exemption, noting:

Mr. DeMar was not entitled to claim TD as a dependent for 2015 because he did not satisfy the requirements established under section 152. For a noncustodial parent to claim a qualifying child as a dependent under section 152, (1) the custodial parent must sign a written declaration stating that he or she will not claim the child as a dependent and (2) the noncustodial parent must attach that declaration to his or her return. Sec. 152(e)(2).⁵

But the story doesn't quite end here—in this case Mr. DeMar did obtain a signed Form 8332 from Amanda after he received the notice of deficiency (90-day letter).⁶ He argued that he and Amanda fulfilled the conditions in their judgment of divorce. And, let's remember, although late he now had the signed letter.

However the Tax Court did not find that any of these facts changed the results. The Court decided it did not need to determine if a Form 8332 could be submitted after the filing of an original return. The opinion noted that the law does not explicitly allow or prohibit a Form 8332 to be submitted on an amended return or during an examination.

The Court turns to a proposed regulation (Proposed Reg. §1.152(e)(2)(i)) which provides:

(2) Attachment to return -- (i) In general. A noncustodial parent must attach a copy of the written declaration to the parent's original or amended return for each taxable year for which the noncustodial parent claims an exemption for the child. A noncustodial parent may

³ <https://www.ustaxcourt.gov/UstcInOp/OpinionViewer.aspx?ID=12004>, p. 2

⁴ *Ibid*, p. 2-3

⁵ *Ibid*, p. 4

⁶ IRC §6212

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submit a copy of the written declaration to the IRS during an examination to substantiate a claim to a dependency exemption for a child. A copy of a written declaration attached to an amended return, or provided during an examination, will not meet the requirement of this paragraph (e) if the custodial parent signed the written declaration after the custodial parent filed a return claiming a dependency exemption for the child for the year at issue, and the custodial parent has not filed an amended return to remove that claim to a dependency exemption for the child.

These regulations were issued with a note in the preamble that “[p]ending the issuance of the final regulations, taxpayers may choose to apply these proposed regulations in any open taxable years.”⁷

But, as the Tax Court notes, the taxpayer did not show he met the proposed regulations, since he produced no evidence that Amanda had amended her return to remove her claim for an exemption for TD. The Court did not explicitly say so, but most likely the Court felt that the provision was clearly there to prevent a double benefit to the two parents—and that unless Amanda had followed through and relinquished the exemption and paid back the tax benefit, a second benefit would not be granted to Mr. DeMar. As well, since the regulations in force now were silent on the issue, the Court felt comfortable looking to the proposed regulations for guidance on how to handle the matter.

The case highlights the fact that this issue is decided strictly based on conforming to required steps to transfer the exemption to a non-custodial parent. And it also clarifies that a non-custodial who fails to attach the exemption to his/her original return must show that if the custodial parent claimed the child on his/her return, that the custodial parent has filed an amended return to remove the claim for an exemption.

SECTION: 223

MORE PREVENTIVE CARE ITEMS ADDED TO LIST OF ITEMS ALLOWED TO BE PAID FROM HIGH DEDUCTIBLE HEALTH PLAN

Citation: Notice 2019-45, 7/17/2019

In Notice 2019-45⁸ the IRS expanded the list of preventive care items that can be paid for under a high deductible health plan (HDHP) for taxpayers with health savings accounts.

⁷ Preamble to Proposed Regulations, REG-137604-07, January 18, 2017

⁸ <https://www.irs.gov/pub/irs-drop/n-19-45.pdf>, retrieved July 17, 2019

Under IRC §223, for a taxpayer to be eligible to contribute to a health savings account, the taxpayer must be covered by a qualified HDHP program and have no disqualifying coverage. Aside from payments for certain preventive care, an HDHP cannot provide reimbursement to the taxpayer until the taxpayer has paid for care equal to the deductible.

In this notice the IRS added the following items to the list of allowable preventive care:

Preventive Care for Specified Conditions	For Individuals Diagnosed with
Angiotensin Converting Enzyme (ACE) inhibitors	Congestive heart failure, diabetes, and/or coronary artery disease
Anti-resorptive therapy	Osteoporosis and/or osteopenia
Beta-blockers	Congestive heart failure and/or coronary artery disease
Blood pressure monitor	Hypertension
Inhaled corticosteroids	Asthma
Insulin and other glucose lowering agents	Diabetes
Retinopathy screening	Diabetes
Peak flow meter	Asthma
Glucometer	Diabetes
Hemoglobin A1c testing	Diabetes
International Normalized Ratio (INR) testing	Liver disease and/or bleeding disorders
Low-density Lipoprotein (LDL) testing	Heart disease
Selective Serotonin Reuptake Inhibitors (SSRIs)	Depression
Statins	Heart disease and/or diabetes

SECTION: 6011

FAREWELL 1040 POSTCARD, WE HARDLY KNEW YE

Citation: Draft 2019 Forms 1040 and 1040-SR and Schedules 1, 2 and 3, 7/15/19

“Friends, Romans, countrymen, lend me your ears; I come to bury Caesar, not to praise him.” (William Shakespeare, *Julius Caesar*, spoken by Mark Anthony)

The IRS has now moved to update yet again the Form 1040, adding the Form 1040-SR that was mandated in the Bipartisan Budget Act of 2018 and updating the regular Form

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1040, at least partially abandoning the much maligned postcard 1040 that was introduced for 2018 tax returns.

The 1040-SR was mandated for tax years beginning after February 3, 2018 by Section 41106 of the Bipartisan Budget Act of 2018. The law directed the IRS to develop a form that:

- Could only be used by individuals who have attained age 65 by the end of the year and
- Must be able to be used to file returns even if the taxpayer's income for the year includes:
 - Social security benefits;
 - Distributions from qualified retirement plans, annuities or similar deferred payment arrangements
 - Interest and dividends; and
 - Capital gains and losses
- The form is to be available regardless of the amount of any items of taxable income or the total amount of taxable income for the year.

The draft form for 2019 consists of the following two pages.

Form **1040-SR** Department of the Treasury—Internal Revenue Service (99) **2019** U.S. Tax Return for Seniors OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

Filing Status Single Married filing jointly Married filing separately (MFS)
 Head of household (HOH) Qualifying widow(er) (QW)

Check only one box. If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial _____ Last name _____ Your social security number _____
 If joint return, spouse's first name and middle initial _____ Last name _____ Spouse's social security number _____

Home address (number and street). If you have a P.O. box, see instructions. _____ Apt. no. _____ **Presidential Election Campaign**
 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. You Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). _____
 Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____ If more than four dependents, see inst. and ✓ here ▶

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1955 Are blind
Spouse: Was born before January 2, 1955 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see inst.):	
				Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

1 Wages, salaries, tips, etc. Attach Form(s) W-2	1
2a Tax-exempt interest	2a
2b Taxable interest	2b
3a Qualified dividends	3a
3b Ordinary dividends	3b
4a IRA distributions	4a
4b Taxable amount	4b
c Pensions and annuities	4c
d Taxable amount	4d
5a Social security benefits	5a
b Taxable amount	5b
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here	6
7a Other income from Schedule 1, line 9	7a
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income	7b
8a Adjustments to income from Schedule 1, line 22	8a
b Subtract line 8a from line 7b. This is your adjusted gross income	8b
9 Standard deduction or itemized deductions (from Schedule A)	9
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10
11a Add lines 9 and 10	11a
b Taxable income. Subtract line 11a from line 8b	11b

Standard Deduction Chart

IF your filing status is . . .	AND the number of boxes checked is . . .	THEN your standard deduction is . . .	IF your filing status is . . .	AND the number of boxes checked is . . .	THEN your standard deduction is . . .
Single	0	\$12,200	Head of household	0	\$18,350
	1	13,850		1	20,000
	2	15,500		2	21,650
Married filing jointly or Qualifying widow(er)	0	24,400	Married filing separately	0	12,200
	1	25,700		1	13,500
	2	27,000		2	14,800
	3	28,300		3	16,100
	4	29,600		4	17,400

Don't use this chart if someone can claim you (or your spouse if filing jointly) as a dependent, your spouse itemizes on a separate return, or you were a dual-status alien. Instead, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 71930F Form **1040-SR** (2019)

Form 1040-SR (2019) Page **2**

12a Tax (see instructions). Check if any from:
 1 Form(s) 8814 2 Form 4972 3 _____ **12a**

b Add Schedule 2, line 3, and line 12a and enter the total **12b**

13a Child tax credit or credit for other dependents **13a**

b Add Schedule 3, line 7, and line 13a and enter the total **13b**

14 Subtract line 13b from line 12b. If zero or less, enter -0- **14**

15 Other taxes, including self-employment tax, from Schedule 2, line 10 **15**

16 Add lines 14 and 15. This is your **total tax** **16**

17 Federal income tax withheld from Forms W-2 and 1099 **17**

18 Other payments and refundable credits:

a Earned income credit (EIC) **18a**

b Additional child tax credit. Attach Schedule 8812 **18b**

c American opportunity credit from Form 8863, line 8 **18c**

d Schedule 3, line 14 **18d**

e Add lines 18a through 18d. These are your **total other payments and refundable credits** ▶ **18e**

19 Add lines 17 and 18e. These are your **total payments** **19**

Refund **20** If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you **overpaid** **20**

21a Amount of line 20 you want **refunded to you**. If Form 8888 is attached, check here ▶ **21a**

Direct deposit? ▶ **b** Routing number _____ ▶ **c** Type: Checking Savings
 See instructions. ▶ **d** Account number _____

22 Amount of line 20 you want **applied to your 2020 estimated tax** ▶ **22**

Amount You Owe **23** **Amount you owe**. Subtract line 19 from line 16. For details on how to pay, see instructions ▶ **23**

24 Estimated tax penalty (see instructions) ▶ **24**

Third Party Designee Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. Yes. Complete below. No

(Other than paid preparer) Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶ _____

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____ Your occupation _____ If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____

Spouse's signature. If a joint return, both must sign. _____ Date _____ Spouse's occupation _____ If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) _____

Phone no. _____ Email address _____

Paid Preparer Use Only Preparer's name _____ Preparer's signature _____ Date _____ PTIN _____ Check if: 3rd Party Designee Self-employed

Firm's name ▶ Phone no. _____
 Firm's address ▶ Firm's EIN ▶ _____

Go to www.irs.gov/Form1040SR for instructions and the latest information. Form **1040-SR** (2019)

Note that the form has more lines than the 2018 postcard Form 1040. While nothing on the form would make it unusable by those under age 65, since the law required the IRS to limit its use to individuals who attained age 65 by year end presumably those who have not attained that age will not be allowed to file with this form.

The fact that Form 1040-SR was longer than the postcard seemed a bit quirky at first, since the reasonable assumption when the law passed was that the IRS wanted a simpler form for seniors—but selling this form as simpler might be tough after the agency last year released what was touted as the simple postcard—simple because it only used two half pages.

The mystery was cleared up a few days later when the IRS released the draft of the regular Form 1040 and the postcard 1040 proved to be mostly a one year phenomena.

The draft Form 1040 has a number of changes compared to the 2018 postcard Form 1040, including:

- The form has numbers on the front page, ending with taxable income on that page;
- There are separate lines for IRA and pensions and annuities, eliminating the somewhat confusing combined total distribution box from 2018 to return to two boxes;
- No longer do totals that never appear on the Form 1040 enter into the calculations; and
- Only three schedules now exist to attach to the Form 1040, down from the six used in 2018.

The 2019 draft Form 1040 is shown below:

Form 1040 Department of the Treasury—Internal Revenue Service (99) **2019** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)
 Check only one box. If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial Last name Your social security number
 If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. Presidential Election Campaign
 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. You Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Foreign country name Foreign province/state/county Foreign postal code If more than four dependents, see instructions and ✓ here ▶

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1955 Are blind Spouse: Was born before January 2, 1955 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):
				Child tax credit Credit for other dependents
				<input type="checkbox"/> <input type="checkbox"/>
				<input type="checkbox"/> <input type="checkbox"/>
				<input type="checkbox"/> <input type="checkbox"/>
				<input type="checkbox"/> <input type="checkbox"/>

1 Wages, salaries, tips, etc. Attach Form(s) W-2	1
2a Tax-exempt interest	2a
3a Qualified dividends	3a
4a IRA distributions	4a
c Pensions and annuities	4c
5a Social security benefits	5a
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here	6
7a Other income from Schedule 1, line 9	7a
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income	7b
8a Adjustments to income from Schedule 1, line 22	8a
b Subtract line 8a from line 7b. This is your adjusted gross income	8b
9 Standard deduction or itemized deductions (from Schedule A)	9
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10
11a Add lines 9 and 10	11a
b Taxable income. Subtract line 11a from line 8b	11b

Standard Deduction for--
 • Single or Married filing separately, \$12,200
 • Married filing jointly or Qualifying widow(er), \$24,400
 • Head of household, \$18,350
 • If you checked any box under Standard Deductions, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form 1040 (2019)

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Form 1040 (2019) Page 2

	12a Tax (see inst.) Check if any from Form(s): <input type="checkbox"/> 8814 <input type="checkbox"/> 4972 <input type="checkbox"/> 3			
	b Add Schedule 2, line 3, and line 12a and enter the total	▶		12b
	13a Child tax credit or credit for other dependents		▶	13b
	b Add Schedule 3, line 7, and line 13a and enter the total		▶	13b
	14 Subtract line 13b from line 12b. If zero or less, enter -0-		▶	14
	15 Other taxes, including self-employment tax, from Schedule 2, line 10		▶	15
	16 Add lines 14 and 15. This is your total tax		▶	16
	17 Federal income tax withheld from Forms W-2 and 1099		▶	17
	18 Other payments and refundable credits:			
	a Earned income credit (EIC)		▶	18a
	b Additional child tax credit. Attach Schedule 8812		▶	18b
	c American opportunity credit from Form 8863, line 8		▶	18c
	d Schedule 3, line 14		▶	18d
	e Add lines 18a through 18d. These are your total other payments and refundable credits		▶	18e
	19 Add lines 17 and 18e. These are your total payments		▶	19
	20 If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid		▶	20
	21a Amount of line 20 you want refunded to you . If Form 8888 is attached, check here		▶	<input type="checkbox"/> 21a
	b Routing number		▶	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
	d Account number		▶	
	22 Amount of line 20 you want applied to your 2020 estimated tax		▶	22
	23 Amount you owe . Subtract line 19 from line 16. For details on how to pay, see instructions		▶	23
	24 Estimated tax penalty (see instructions)		▶	24
	Third Party Designee (Other than paid preparer)	Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. <input type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No		
	Designee's name ▶	Phone no. ▶	Personal identification number (PIN) ▶	
	Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
	Spouse's signature. If a joint return, both must sign.		Date	Spouse's occupation
	Phone no.		Email address	
	Preparer's name	Preparer's signature	Date	PTIN
	Firm's name ▶	Phone no.		Check it: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
	Firm's address ▶	Firm's EIN ▶		

Go to www.irs.gov/Form1040 for instructions and the latest information. Form **1040** (2019)

Not all of the old Form 1040 lines have returned but the form has significantly more information than 2018's postcard Form 1040.

Draft Schedule 1, *Additional Income and Adjustments to Income* has the following information:

SCHEDULE 1 (Form 1040 or 1040-SR)		Additional Income and Adjustments to Income		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		▶ Attach to Form 1040 or 1040-SR. ▶ Go to www.irs.gov/Form1040 for instructions and the latest information.		2019 Attachment Sequence No. 01
Name(s) shown on Form 1040 or 1040-SR			Your social security number	
Part I Additional Income				
1	Taxable refunds, credits, or offsets of state and local income taxes		1	
2a	Alimony received		2a	
b	Date of original divorce or separation agreement (see instructions) ▶			
3	Business income or (loss). Attach Schedule C		3	
4	Other gains or (losses). Attach Form 4797		4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		5	
6	Farm income or (loss). Attach Schedule F		6	
7	Unemployment compensation		7	
8	Other income. List type and amount ▶		8	
9	Combine lines 1 through 8. Enter here and on Form 1040 or 1040-SR, line 7a		9	
Part II Adjustments to Income				
10	Educator expenses		10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106		11	
12	Health savings account deduction. Attach Form 8889		12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903		13	
14	Deductible part of self-employment tax. Attach Schedule SE		14	
15	Self-employed SEP, SIMPLE, and qualified plans		15	
16	Self-employed health insurance deduction		16	
17	Penalty on early withdrawal of savings		17	
18a	Alimony paid		18a	
b	Recipient's SSN			
c	Date of original divorce or separation agreement (see instructions) ▶			
19	IRA deduction		19	
20	Student loan interest deduction		20	
21	Reserved for future use		21	
22	Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040 or 1040-SR, line 8a		22	
For Paperwork Reduction Act Notice, see your tax return instructions.		Cat. No. 71479F	Schedule 1 (Form 1040 or 1040-SR) 2019	

Draft Schedule 2, *Additional Taxes*, contains the following information:

SCHEDULE 2 (Form 1040 or 1040-SR)		Additional Taxes		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		▶ Attach to Form 1040 or 1040-SR. ▶ Go to www.irs.gov/Form1040 for instructions and the latest information.		2019 Attachment Sequence No. 02
Name(s) shown on Form 1040 or 1040-SR			Your social security number	
Part I Tax				
1	Alternative minimum tax. Attach Form 6251		1	
2	Excess advance premium tax credit repayment. Attach Form 8962		2	
3	Add lines 1 and 2. Enter here and include on Form 1040 or 1040-SR, line 12b		3	
Part II Other Taxes				
4	Self-employment tax. Attach Schedule SE		4	
5	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919		5	
6	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required		6	
7a	Household employment taxes. Attach Schedule H		7a	
b	Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required		7b	
8	Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)		8	
9	Section 965 net tax liability installment from Form 965-A	9		
10	Add lines 4 through 8. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 15		10	
For Paperwork Reduction Act Notice, see your tax return instructions.		Cat. No. 71478U	Schedule 2 (Form 1040 or 1040-SR) 2019	

Draft Schedule 3, *Additional Credits and Payments*, contains the following information:

SCHEDULE 3 (Form 1040 or 1040-SR)		Additional Credits and Payments		OMB No. 1545-0074 2019 Attachment Sequence No. 03
Department of the Treasury Internal Revenue Service		▶ Attach to Form 1040 or 1040-SR. ▶ Go to www.irs.gov/Form1040 for instructions and the latest information.		
Name(s) shown on Form 1040 or 1040-SR			Your social security number	
Part I Nonrefundable Credits				
1	Foreign tax credit. Attach Form 1116 if required			1
2	Credit for child and dependent care expenses. Attach Form 2441			2
3	Education credits from Form 8863, line 19			3
4	Retirement savings contributions credit. Attach Form 8880			4
5	Residential energy credit. Attach Form 5695			5
6	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>			6
7	Add lines 1 through 6. Enter here and include on Form 1040 or 1040-SR, line 13b			7
Part II Other Payments and Refundable Credits				
8	2019 estimated tax payments and amount applied from 2018 return			8
9	Net premium tax credit. Attach Form 8962			9
10	Amount paid with request for extension to file (see instructions)			10
11	Excess social security and tier 1 RRTA tax withheld			11
12	Credit for federal tax on fuels. Attach Form 4136			12
13	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>			13
14	Add lines 8 through 13. Enter here and on Form 1040 or 1040-SR, line 18d			14
For Paperwork Reduction Act Notice, see your tax return instructions.		Cat. No. 71480G	Schedule 3 (Form 1040 or 1040-SR) 2019	

2018 Schedule 4, *Other Taxes*, is now essentially found on 2019 Schedule 2. The old Schedule 2 tax computation moved to page 2 of Form 1040. 2018 Schedule 5, *Other Payments and Refundable Credits*, now mainly exists on Schedule 3. 2018 Schedule 3, *Nonrefundable Credits*, is now found on page 2 of Form 1040.

Schedule 6, *Foreign Address and Third Party Designee*, was moved onto page 1 of Form 1040 (for the address) and page 2 (for the third party designee).