

NTTC Virtual Training

Tax Law Changes Knowledge Checks

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■ Knowledge Check: Deductions and Credits

Use the workbook to answer:

1. Clark. Can the Clarks take advantage of the new charitable contribution deduction?
2. Clark. If Yes, how much of a deduction can they take?
3. In order to itemize them, medical expenses must exceed _____ % of AGI
4. Taxpayers who take the standard deduction will be able to take a \$300 charitable contribution deduction every tax year starting in 2020. T/F
5. MFJ filing status can take \$600 of charitable deduction as adjustment to income, \$300 for each spouse. T/F

■ Knowledge Check: Education

1. Postdoc student LaTonya received \$4,000 stipend to help pay for housing. Is this taxable income?
2. T/F You can make a qualified 529 Plan distribution to pay for:
 - a. Registered apprenticeship program
 - b. Tutor for your 5th grader who is at home due to COVID
 - c. Student Loans
 - d. Personal computer for college
3. If taxpayer received an emergency school grant under CARES Act to help pay for food, is this taxable income? Is it considered a grant when figuring education credits?

■ Knowledge Check: Stimulus Payments

Use your Workbook to answer:

1. Daniels. Can James still receive a stimulus payment on his 2020 tax return?
2. What is the stimulus payment called on the 1040?
3. Can James receive \$500 for his girlfriend Karen?
4. Emerson. Joanne was entitled to EIP for which child(ren)?
5. Emerson. Diana can claim herself in 2020 and get a \$1,200 Recovery Rebate Credit. T/F
6. If a single taxpayer's income increases from \$70,000 in 2019, to \$115,000 in 2020, will they be required to repay any EIP?

■ Knowledge Check: IRAs

Use your workbook Anderson problem to answer these questions:

1. Can they make contributions to Traditional IRA?
2. Can they make contributions to Roth IRA?
3. How much of a contribution can they make? and if they contribute to a Traditional IRA, how much would be deductible?

■ Knowledge Check: IRAs

Use your workbook to answer:

4. Daniels. If James were unable to work because he was ill for 3 months with coronavirus, what provisions of the CARES Act, relating to his IRA, could he have made in 2020?
5. Daniels. If James took an IRA distribution in 2020 because he was ill with coronavirus, what can he do in 2021?
6. Which taxpayer(s) can make a QCD in 2021 and why?

Anderson ___ Oliver ____ Ingram _____

■ Knowledge Check: New Forms

Use your workbook to answer:

1. Daniels. Where is 1099-NEC entered in Taxslayer?
2. Daniels. What line on the tax return will this information appear, or be included?
3. Parsons. Does Pat have a business?

■ Knowledge Check: Schedule C

A self employed individual was able to:

1. Get a Paycheck Protection Plan loan. T/F
2. Take sick leave credit because their child's daycare was closed in June. T/F
3. Take a refundable credit for either, or both, sick leave and family leave. T/F
4. Take family leave credit for having a baby in October. T/F

■ Knowledge Check: Schedule C

A self employed individual

5. Can defer the employer half of employment tax that was imposed from March 27, 2020 – Dec 31 2020. T/F
6. Must pay the entire deferred employment tax by December 31, 2021. T/F
7. With expenses over _____ is out of scope.