

**From:** Tax Aide [mailto:TAXAIDE@aarp.org]  
**Sent:** Friday, March 09, 2012 3:52 PM  
**To:** Tax Aide  
**Subject:** CyberTax 2012-06: Volunteer Tax Alerts- Required at sites

March 9, 2012

To: CyberTax volunteers (all volunteers with a valid email address in VMIS)  
From: David Alexander, Program Manager, AARP Foundation Tax-Aide  
Subject: CyberTax 2012-06: Volunteer Tax Alerts- Required at sites

In this CyberTax:

- \*February service increases!
- \*VTA 2012-02 Educators Expense
- \*VTA 2012-03 Self Employment Income
- \*VTA 2012-04 Saver's Credit
- \*Updated QSRA- 2012-05 Identity Theft
- \*Foreclosure settlement information

**February Service increases!**

E-filing in February 2012 was up 6% over February 2011. You all continue to do wonderful work for the taxpayers in your communities. As of the end of February, we've already e-filed nearly 600,000 returns. Thank you for your effort!

**Volunteer Tax Alert 2012-02: Educators Expense**

The deduction for educator expenses was extended through 2011 as a result of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

**Volunteer Tax Alert 2012-03: Self-Employment Income**

Taxpayers must include all items of income that are received in the form of cash, property, and services, unless the tax law specifically excludes. This includes all self-employment income (such as cash) even if the taxpayer does not receive a 1099-MISC.

**Volunteer Tax Alert 2012-04: Saver's Credit**

Remember to determine if a taxpayer is eligible for the Credit for Qualified Retirement Savings Contributions. This credit is also known as the Saver's Credit.

**Updated Quality Site Requirements Alert 2012-05 Identity Theft (sent March 6)**

The updated QSRA 2012-05 is attached and was updated as follows:

- If the taxpayer received an IPPIN from the IRS but has misplaced or lost it advise them to contact the IPSU. IPSU will determine if the taxpayer is eligible to receive a replacement IPPIN and will mail the replacement generally within 10 business days.  
**Important** - If the taxpayer received an IPPIN and it is not included on the return, the

return will be rejected with code 0603 during processing. The taxpayer must contact IPSU to request a replacement PIN and the IPPIN must be placed on the return before the return can be resubmitted. The taxpayer must provide the Protection Specialist with this reject code.

- and to remove the reference to "dependents social security number" - the IPPIN applies only to primary and secondary taxpayers.

### **Foreclosure settlement and scams**

Our colleagues in the Income area of AARP Foundation have reminded us of the good news of the February 9 foreclosure settlement. This may affect some of our taxpayers directly as the settlement could provide billions of dollars in relief to help troubled borrowers by reducing the amount they owe on their mortgages, lowering their interest rates, and paying restitution to homeowners who suffered mortgage-related abuses. While it's not appropriate to counsel taxpayers regarding the settlement, if you do come across a taxpayer who could use additional resources as a homeowner and a borrower, you can direct them to this article on [AARP.org](http://www.aarp.org/aarp-foundation/info-2012/mortgage-foreclosure-help-but-beware-scams.html) as a starting place for additional information: <http://www.aarp.org/aarp-foundation/info-2012/mortgage-foreclosure-help-but-beware-scams.html>

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