



Certified Public Accountants

Due Diligence Checklist

IRS regulations require paid tax preparers to perform a series of due diligence requirements for the Earned Income Credit, Child Tax Credit, American Opportunity Tax Credit, and Head of Household Filing Status. We believe you are/may be eligible for one or more of the credits or the filing status. As part of our engagement with you and to comply with these requirements, we ask all clients for whom returns are prepared to answer the following due diligence questions. Please respond to the questions below by entering Y (yes) or N (no) and return to our office.

Earned Income Credit - *Y or N*

Were you (taxpayer(s)) a US citizen or resident alien for all of 2023? ____

Are dependent(s) claimed on your tax return your: son, daughter, stepchild, foster child, or a descendant of any of them (for example, your grandchild), or brother, sister, half-brother, half-sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew)? ____

Did any dependent(s) file a joint return with another person for 2023? ____

Did dependent(s) live with you in the United States for more than half of 2023? ____

*You can't claim the EIC for a child who didn't live with you for more than half of the year, even if you paid most of the child's living expenses.

Do you believe dependent(s) could also meet the qualifications to be a qualifying child of another tax filer?

*Sometimes a child meets the tests to be a qualifying child of more than one person. However, only one of these persons can actually treat the child as a qualifying child. Only that person can use the child as a qualifying child.

Child Tax Credit - *Y or N*

Are dependent(s) claimed on your tax return your: son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, your grandchild, niece, or nephew)? ____

Did dependent(s) provide over half of his or her own support for 2023? ____

Did dependent(s) live with you for more than half of 2023? ____

Did dependent(s) file a joint return with another person for 2023? ____

Are dependent(s) a U.S. citizen, a U.S. national, or a U.S. resident alien? ____

*We are required to obtain from the taxpayer a document proving the existence of the child such as one of the following (that would have the child's name on it):

- School record or statement
- Health care provider statement
- Child care provider record

- Place of worship statement

American Opportunity Tax Credit- *Y or N*

As of the beginning of 2023, has the student completed the first 4 years of postsecondary education (generally, the freshman through senior years of college), as determined by the eligible educational institution? _____

For the student, has either the American Opportunity Tax credit or the Hope Scholarship credit been claimed by you or anyone else for this student for any 4 tax years before 2023? _____

*If the American Opportunity Tax credit (and Hope Scholarship credit) has been claimed for this student for any 3 or fewer tax years before 2023, this requirement is met.

For at least one academic period beginning (or treated as beginning) in 2023, has the student met both of the following? _____

(a) Was enrolled in a program that leads to a degree, certificate, or other recognized educational credential; and

(b) Carried at least one-half the normal full-time workload for his or her course of study.

*The standard for what is half of the normal full-time work load is determined by each eligible educational institution. However, the standard may not be lower than any of those established by the U.S. Department of Education under the Higher Education Act of 1965. For 2023, treat an academic period beginning in the first 3 months of 2023 as if it began in 2023 if qualified education expenses for the student were paid in 2023 for that academic period.

As of the end of 2023, has the student been convicted of a federal or state felony for possessing or distributing a controlled substance? _____

Head of Household Filing Status - *Y or N*

Are you, the taxpayer, unmarried on December 31, 2023 and do you provide more than half of the cost of keeping up a home for the year for a qualifying person? _____

General - *Y or N*

Can you provide documentation to substantiate the above answers? _____

Have you ever had any of these credits disallowed or reduced in the past? _____

Completed By: _____

Date: _____