

# Miscellaneous Credits

Pub 4012 – Tab G

Pub 4491 – Lesson 26

# ■ Nonrefundable Credits

- Retirement Savings Contributions Credit
- Credit for the Elderly or Disabled
- No cash back – must have tax to offset

# ■ Retirement Savings Contributions Credit

Pub 4012 Tab G

- Credit designed for low-income taxpayers with voluntary contributions to qualified retirement plan
  - Income phase-out limits
- Find Retirement Savings Contribution Credit – Screening Sheet in Pub 4012 Tab G and income / rate chart
- Retirement contributions offset by current year and prior 2 year retirement distributions
- Credit reported on Form 8880

# ■ Retirement Savings Contributions Credit

- Contributions eligible Saver's Credit
  - Payroll contributions entered on W-2 box 12 with certain codes
  - Traditional IRA contributions entered in adjustment section
  - Roth IRA contributions entered on Form 8880
  - ABLE account contributions (new for 2018 – TaxSlayer support to be determined)

# ■ W-2 Retirement Contributions

## ■ Form W-2 Retirement Savings Contribution

- Entry in box 12 will automatically generate Form 8880 if qualified
- Entry in box 14 may qualify
  - Requires interview
  - Must be voluntary contribution to qualify
  - Select appropriate drop-down description

Other (Not listed here)  
Retirement (Not in Box 12) - Carry to Form 8880  
Retirement (Not in Box 12) - Do not carry to Form 8880  
RI TDI - RI Temporary Disability Insurance

# ■ Form 8880 and Retirement Distributions

NTTC-modified Pub 4012 Tab G

- Enter as negative number current year distributions from
  - Military pensions and any other qualified plans that do not permit elective contributions
  - Trustee-to-trustee transfers
  - Rollovers
  - Loans treated as distribution
  - Non-spousal inherited IRA
  
- See Pub 4012 Tab G for TaxSlayer entries

# ■ Credit for the Elderly or the Disabled

Pub 4012 Tab G

## ■ Qualified individual

- 65 or older end of 2018
- Under 65 end of 2018 and all following apply
  - Retired on permanent total disability
  - Received taxable disability income in 2018
  - Not reached mandatory retirement age as of January 1, 2018
- Must be U.S. citizen or resident alien

# ■ Credit for the Elderly or the Disabled

- Credit for the elderly or disabled rarely seen due to low income thresholds
  - Not qualified for credit if AGI equal to or more than
    - \$17,500 S, HoH, QW
    - \$20,000 MFJ with one qualifying elderly or disabled
    - \$25,000 MFJ with both qualifying
    - \$12,500 MFS and lived apart entire year
- Fewer taxpayers will qualify with higher standard deductions



# ■ Credit for the Elderly or the Disabled (cont.)

Pub 4012 Tab G

- Not qualified for credit if non-taxable social security or non-taxable pension equal to or more than
  - \$5,000 S, HoH, QW
  - \$5,000 MFJ with one qualifying elderly or disabled
  - \$7,500 MFJ with both qualifying
  - \$3,750 MFS and lived apart entire year
- Check Schedule R if potentially eligible for the credit
- Find Entering the Credit for the Elderly or the Disabled in Pub 4012 Tab G

# ■ Miscellaneous Credits



# ■ Extender: Energy Efficient Improvements

Expired 12/31/2107

- Pub 4491-X will advise if the energy credit is extended
- Note – solar electric, solar water heating, small wind energy, and geothermal heat pump property costs are out of scope

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## Part V – Life Events – Last Year, Did You (or Your Spouse)

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|  |  | 5. (A) Purchase and install energy-efficient home items? (such as windows, furnace, insulation, etc.)

# ■ Residential Energy Credits

## ■ Nonbusiness Energy Property Credit limits

- Lifetime limits
  - Cumulative \$500 (\$200 for windows) for all tax years after 2005
- Individual item limits
- Improvements to **main home** only

# ■ Residential Energy Credits

Pub 4012 Legislative Extenders Tab

- Placed in service in current tax year
- Energy efficient windows, doors, insulation, roof (materials only, not installation)
- Heating, ventilating, and air conditioning, hot water heaters (materials and installation)
- Compare item purchased with requirements from Form 5695 instructions
- Pub 4012 for TaxSlayer entries