

Earned Income Tax Credit (EIC)

IRS Required Documentation for Proof of a Qualifying Child

- School Records and Statements
- Landlord or Property Management Statement
- Health Care Provider Statement
- Medical Records (Vaccination Records)
- Placement Agency Statement
- Social Service Records or Statements
- Place of Worship Statement
- Social Security Card (Actual Document)
- Birth Certificate (Actual Document or Certified Copy)
- Statement of Guardianship
- Employer Statement

These documents have been deemed **NECESSARY** by the **IRS** for providing proof that a child is eligible to be considered your qualified child. Professional Income Tax will be collecting at least 2 of the 11 stated documents as copies in compliance with the IRS.

Section 1.6695-2(b)(1)(i) of the proposed regulations required submission of Form 8867 to the IRS, and §1.6695-2(b)(4)(i)(C) of the proposed regulations required retention of a copy of any document that was provided by the taxpayer and on which the tax return preparer relied to complete Form 8867 or the Earned Income Credit Worksheet. Two commenters suggested that these additional requirements increased a tax return preparer's burden under the knowledge requirement of existing §1.6695-2(b)(3) because a tax return preparer would now be obligated to verify taxpayers' responses to the eligibility questions and also to verify non signing tax return preparers' (if any) completion of the Form 8867. The proposed regulations, however, do not expand tax return preparers' obligation to verify information provided by taxpayers and other tax return preparers under existing §1.6695-2(b)(3). Under §1.6695-2(b)(3) of the current regulations, tax return preparers are already required to complete Form 8867, prohibited from ignoring the implications of information provided, obligated to make reasonable inquiries if the information provided appears incorrect, inconsistent, or incomplete, and required to contemporaneously document their reasonable inquiries and the taxpayer's responses. For purposes of §1.6695-2(b)(3), tax return preparers would not be held to a higher standard under the proposed regulations than they are under the existing regulations. A tax return preparer can generally rely on the information furnished by a taxpayer (or other tax return preparer who determines eligibility for, or amount of, the EIC) as long as the tax return preparer does not know, or have reason to know, that the information is incorrect, inconsistent, or incomplete. A signing tax return preparer who satisfies the knowledge requirement in §1.6695-2(b)(3), therefore, will ordinarily be able to rely on the information furnished to the signing tax return preparer by a taxpayer or non signing tax return preparer regarding the EIC. The additional requirements in proposed §1.6695-2(b)(1)(i) and (b)(4)(i)(C) are not unduly burdensome and will improve the IRS' ability to determine whether a tax return preparer has complied with the EIC due diligence requirements that already exist. No modification is made in the final regulations in response to these comments.