**2020 ProConnect Tax Online Lab Instructions, Whittenburg, Gill**

**Chapter 4**

**Group 4, Problem 1: Black, Walter and Skylar**

Sign into your Intuit account and from the Welcome screen, select *Tax Returns* in the lefthand margin. You will have landed on the Tax Returns 2019 page and you should select *Create tax return* on the upper right corner.

From the Create tax return screen, click the [+] for *Add new* and select the *Individual (1040, 709)* button (it is selected as the default). Fill out the information for Walter. Email and phone numbers are not required but you may enter assumed data if you wish. Click on *Save* at the lower right. On the next screen, you may review the information you input, make any corrections necessary through the *Edit* button on the upper right, and once satisfied, click on *Save* at the lower right.

You have now landed on Walter’s 1040 *Profile* page. You may unselect the *Select for E-file* for the *Federal* line under *General* since you will not actually be filing the tax return, but it is not required. From the tabs near the top, select *Input Return*. From the menu at the left, select *General; Client Information. The Filing Status* will appear on the right. Change filing status to *Married filing jointly*. Check the *Live With Spouse* box. Scroll down this page and enter the *Occupation* for Walter and the Spouse Information for Skylar. Continue to scroll down through this page and toward the bottom, under *Miscellaneous Info,* find *Prepared by and* select 3 for *Self-Prepared*.

From the menu at the left, select *General; Dependents; General Information.* Enter the information you have for Rebecca. Use a birthday appropriate for Skylar’s mother (65 or older). Select *3=Dependent other than child* for *Type*. You may leave *Earned Income Credit* and *Child Tax Credit* at *1=When applicable*.

To add Alton as an additional dependent, click the [+] tab next to Rebecca near the top of the page. Enter Alton’s information similar to Rebecca. Note that although Alton receives $7,600 in social security benefits, these are not taxable and as a result, do not count toward the gross income test for a qualified relative (see LO 1-6c in Chapter 1 of ITF)

From the menu at the left, select *Income; Wages, Salaries, Tips (W-2); Wages.* Enter the amounts for Walter’s wages and federal income tax withheld.

To enter the sale of the personal residence, from the menu at the left, select *Income; Dispositions (Schedule D, 4797, etc.).* Enter the *Description of Property,* the *Date Acquired* and the *Date Sold,* the *Sales Price*. For the *Cost or Basis* enter the original cost plus the improvements. If you are in *Quick Entry* mode, select the blue *Details* box on the right. If you are already on the *Details* page, use the *Schedule D* tab at the top and enter *Type=2* for reported on form other than 1099-B. Depending on the width of the screen, select either *Sale of Home* tab at the top or click *2 more* on the right of the tabs to select *Sale of Home*. Check the boxes for *Sale of home* and *2 year use test met (full exclusion).*

For the dividend income, from the menu at the left, select *Income (1099-DIV)*. Enter the name of the payer and enter the amount under *Dividend Income/Total Ordinary Dividends,* *Dividend Income/Qualified Dividends,* and *Capital Gain Distribution*.

For the rental, from the menu at the left, select *Income; Rental and Royalty Income (Sch E); Rental and Royalty Income (Schedule E).* Enter the *Description of property* and address,and for *Type of property,* select *3* for *Vacation/Short Term Rental.* Enter *185* for the *Number of days rented.* From the tabs at the top, select *Income Statement.* Enter the amount for *Rents or royalties received.* Scroll down to *Expenses,* and in the *Indirect* column, enter the expense amounts. The *Indirect* column is used when an allocation to personal use is required (e.g., less than 365 rental days). Click on the *Personal Use of Property* tab at the top and enter then *Number of days personal* use as *15*.

From the menu at the top, select *File Return*. From the menu at the left, under *Print*, select *View/Print Return PDF.* Click the blue *View Return PDF* button. The return should open in a new tab. Review the return and then download it – remember where you save it. Close the PDF.

**Group 4, Problem 2A: Beeper, George**

Sign into your Intuit account and from the Welcome screen, select *Tax Returns* in the lefthand margin. You will have landed on the Tax Returns 2019 page and you should select *Create tax return* on the upper right corner.

From the Create tax return screen, click the [+] for *Add new* and select the *Individual (1040, 709)* button (it is selected as the default). Fill out the information for George. Email and phone numbers are not required but you may enter assumed data if you wish. Click on *Save* at the lower right. On the next screen, you may review the information you input, make any corrections necessary through the *Edit* button on the upper right, and once satisfied, click on *Save* at the lower right.

You have now landed on George’s 1040 *Profile* page. You may unselect the *Select for E-file* for the *Federal* line under *General* since you will not actually be filing the tax return, but it is not required. From the tabs near the top, select *Input Return*. From the menu at the left, select *General; Client Information.* Enter George’s occupation. Scroll down through this page and toward the bottom, under *Miscellaneous Info,* find *Prepared by and* select 3 for *Self-Prepared*.

From the menu at the left, select *Income; Wages, Salaries, Tips (W-2); Wages.* Enter the amounts for George’s wages and federal income tax withheld.

For the rental, from the menu at the left, select *Income; Rental and Royalty Income (Sch E); Rental and Royalty Income (Schedule E).* Enter the *Description of property* and address,and for *Type of property,* select *1* for *Single Family Residence.* Enter *365* for the *Number of days rented.* From the tabs at the top, select *Income Statement.* Enter the amount for *Rents or royalties received.* Scroll down to *Expenses,* and in the *Direct* column, enter the expense amounts. The *Direct* column is used when no allocation to personal use is required (e.g., 365 rental days)

To enter the sale of the personal residence, from the menu at the left, select *Income; Dispositions (Schedule D, 4797, etc.).* Enter the *Description of Property,* the *Date Acquired* and the *Date Sold,* the *Sales Price*. For the *Cost or Basis* enter the original cost plus the improvements. If you are in *Quick Entry* mode, select the blue *Details* box on the right. If you are already on the *Details* page, use the *Schedule D* tab at the top and enter *Type=2* for reported on form other than 1099-B. Depending on the width of the screen, select either *Sale of Home* tab at the top or click *2 more* on the right of the tabs to select *Sale of Home*. Check the boxes for *Sale of home* and *2 year use test met (full exclusion).*

To enter the alimony paid, from the menu at the left, select *Deductions; Adjustments to Income; Alimony Paid.* Click *Less Common Scena…* tab at the top and enter the *Alimony Paid,* the *Recipient’s SSN*, the date of the divorce, and the amount for the year.

From the menu at the top, select *File Return*. From the menu at the left, under *Print*, select *View/Print Return PDF.* Click the blue *View Return PDF* button. The return should open in a new tab. Review the return and then download it – remember where you save it. Close the PDF.

**Group 4, Problem 2B: Pate, Patricia**

Sign into your Intuit account and from the Welcome screen, select *Tax Returns* in the lefthand margin. You will have landed on the Tax Returns 2019 page and you should select *Create tax return* on the upper right corner.

From the Create tax return screen, click the [+] for *Add new* and select the *Individual (1040, 709)* button (it is selected as the default). Fill out the information for Patricia. You will need to create a birthdate that makes Patty 62 years old. Email and phone numbers are not required but you may enter assumed data if you wish. Click on *Save* at the lower right. On the next screen, you may review the information you input, make any corrections necessary through the *Edit* button on the upper right, and once satisfied, click on *Save* at the lower right.

You have now landed on Patty’s 1040 *Profile* page. You may unselect the *Select for E-file* for the *Federal* line under *General* since you will not actually be filing the tax return, but it is not required. From the tabs near the top, select *Input Return*. From the menu at the left, select *General; Client Information.* Enter Patty’s occupation. Scroll down through this page and toward the bottom, under *Miscellaneous Info,* find *Prepared by and* select 3 for *Self-Prepared*.

From the menu at the left, select *Income; Wages, Salaries, Tips (W-2); Wages.* Enter the amounts for Patty’s wages and federal income tax withheld. You will need to create employer information.

For the rental, from the menu at the left, select *Income; Rental and Royalty Income (Sch E); Rental and Royalty Income (Schedule E).* Enter the *Description of property* and address,and for *Type of property,* select *1* for *Single Family Residence.* Enter *60* for the *Number of days rented.* Although Patty was only able to rent the condo for two months due to the mold issues, she attempted to rent the property but was unable. These days do not count as rental days or personal days. From the tabs at the top, select *Income Statement.* Enter the amount for *Rents or royalties received.* Scroll down to *Expenses,* and in the *Direct* column, enter the expense amounts. The *Direct* column is used when no allocation to personal use is required.

To enter the sale of the personal residence, from the menu at the left, select *Income; Dispositions (Schedule D, 4797, etc.).* Enter the *Description of Property,* the *Date Acquired* and the *Date Sold,* the *Sales Price*. Enter the *Cost or Basis*. If you are in *Quick Entry* mode, select the blue *Details* box on the right. If you are already on the *Details* page, use the *Schedule D* tab at the top and enter *Type=2* for reported on form other than 1099-B. Depending on the width of the screen, select either *Sale of Home* tab at the top or click *2 more* on the right of the tabs to select *Sale of Home*. Check the boxes for *Sale of home* and *2 year use test met (full exclusion).*

From the menu at the top, select *File Return*. From the menu at the left, under *Print*, select *View/Print Return PDF.* Click the blue *View Return PDF* button. The return should open in a new tab. Review the return and then download it – remember where you save it. Close the PDF.