



Department of the Treasury
Internal Revenue Service

Examination Fresno
CA 93888

FIRST LAST
555 AVENUE BLVD.
FAIRFIELD OH 45011-0001111

Date:
May 10, 2019
Taxpayer ID Number:
XXX-XX-XXXX
Form:
1040
Tax periods ended:
December 31, 2017
Person to contact::
Tax Examiner
Employee ID number:
XXX-XXXX
Contact telephone number:
1-866-897-0177
Contact hours:
8:00 am - 8:00 pm
Contact fax number:
1-855-233-8481

We're auditing your 2017 Form 1040, and need a response from you

Dear Taxpayer:

We're auditing your 2017 federal income tax return and need additional information to support the items listed below that you claimed on your return.

- | | | |
|--|---|--------------------------|
| <input checked="" type="checkbox"/> Earned Income Credit | <input checked="" type="checkbox"/> American Opportunity Credit | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> Dependent Exemptions | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> Head of Household | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> Child Tax Credit | <input type="checkbox"/> | <input type="checkbox"/> |

What you need to do

- Please see the enclosed explanation of the documentation you need to provide.
- Send the documentation to us within 30 days from the date of this letter.
 - Send clean, readable copies of your supporting records and/or information (includes receipts, canceled checks, etc.). Include a copy of this letter. (Don't send us original documents, unless we specifically ask for it.)
 - Complete and return any enclosed questionnaires.
 - If you reply by mail, send to the address shown at the top of this letter. Keep a copy of the letter and any information you send to us.
 - If you reply by fax, use the number listed at the top of this letter. Include your social security number on each page.

If you have questions about this letter or need additional time to gather your documents, call us at the number listed at the top of this letter. We enclosed Publication 3498-A, *The Examination Process (Audits by Mail)*, that explains your responsibilities and rights during the audit process.

We'll review the information you send us and take one of the following actions:

1. We will make no changes to the tax you reported on your return, if the information you send fully addresses our questions. You will receive a letter stating we accept your return as filed, and you won't need to take any further action.
2. We will send you a letter with an examination report explaining the proposed changes to your tax and the actions you need to take, if the information doesn't fully address our questions.

If you don't reply

We will disallow the questioned items and send you a letter and examination report showing our proposed changes to your tax.

Please provide a telephone number, including area code, and the best time for us to reach you if we need more information.

Home telephone number: (_____) _____ Hours: _____

Thank you for your cooperation.

Sincerely,

L. Glass
Operations Manager, Examination Branch

Enclosures:
Copy of this letter
Publication 3498-A
Envelope

- Form 886-H-EIC
- Form 886-H-HOH
- Form 886-H-DEP
- Form 886-H-AOC

Form **886-H-AOC**
(May 2017)

Department of the Treasury - Internal Revenue Service

Supporting Documents to Prove American Opportunity Credit

We need to verify that you are eligible to claim, the American Opportunity Credit shown on your tax return.

For each student for whom you claimed the American Opportunity Credit, provide proof of enrollment in an eligible educational institution::

- Copies of Form 1098-T, *Tuition Statement*, from each institution the student attended (if provided by the institution)
- If any institution did not provide Form 1098-T, copies of other documents that verify enrollment, such as transcripts or other enrollment forms. The document(s) must include the institution's name, federal identification number, dates of enrollment, and the student's enrollment status (more than half time, not a graduate student)
- Copies of proof of payment of tuition and fees such cancelled checks, bank statements, credit card statements or receipts. Form 1098-T may serve as proof of payment IF payments received are recorded in Box 1

For each student for whom you claimed the American Opportunity Credit, provide proof of payment for other qualified expenses such as additional courses related fees, books and supplies:

- Copies of cancelled checks, bank statements, credit card statements or receipts
- Copies of documents that show the expenses were needed for a course of study, such as course guides, course syllabuses, or letters from the educational institution(s)

Certain payments on behalf of the student reduce the amount of qualified expenses. For any student that received any of the following, provide copies of documents that show the amounts received as:

- Employer provided educational assistance benefits
- Withdrawals from any educational retirement arrangements
- U.S. Savings bond interest that is nontaxable because you paid qualified higher education expenses
- Veteran's educational assistance benefits or
- Any other nontaxable payment received for education expenses

Note: The following expenses are not allowable and do not qualify for the American Opportunities Credit:

- Insurance
- Medical expenses (including student health fees)
- Room and Board
- Similar personal, living or family expenses, This is true even if the amount must be paid to the institution as a condition of enrollment or attendance.

Form 886-H-EIC (October 2017)	Department of the Treasury - Internal Revenue Service Documents You Need to Send to Claim the Earned Income Credit on the Basis of a Qualifying Child or Children for Tax Year 2017
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Taxpayer name	Taxpayer Identification Number	Tax year
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We get Earned Income Credit (EIC), the child must have lived with you, be related to you and be a certain age.
 Para recibir el Crédito por Ingreso del Trabajo (EIC, por sus siglas en inglés), el niño tiene que haber convivido con usted, ser su pariente, y tener una edad específica. Visite IRS.gov/espanol para buscar la versión en español del Formulario 886-H-EIC (SP) (Rev. 10-2017) o llame al 1-800-829-3676. Visit IRS.gov/eitc to find out more about who qualifies for EIC.

1. Each child that you claim must have lived with you for more than half of 2017* in the United States. The United States includes the 50 states and the District of Columbia. It doesn't include Puerto Rico or U.S. possessions such as Guam.

*Count time that you or the child is temporarily away from home due to special circumstances as time the child lived with you. Examples include illness, college, business, vacation, military service or detention in a juvenile facility.

To prove the child lived with you in the United States, the document(s) must have: <ul style="list-style-type: none"> • your U.S. address, your name, and the child's name. (if you use a P.O. Box as your mailing address, you must send a completed Form 1093, <i>P.O. Box Application</i> stamped by the Post Office) • the dates in 2017 the child lived at the same address as you must cover more than half of 2017 • if the document has the child's name and your address but not your name, you need to send in another document with your name showing the same address 	You can send one or more of the following documents to prove the child lived with you for more than half of 2017: <ul style="list-style-type: none"> • school records (you may need to send one or more school records) • Medical records from doctors hospitals or medical clinic (immunization) records may not include all the necessary information) • adoption or child placement documents • court records 	Or, send dated statements on letterhead from: <ul style="list-style-type: none"> • the child's school • the child's childcare provider (not a relative) • the child's health care provider, doctor, nurse or clinic • a social service agency • a placement agency official • your employer • an indian tribal official • your landlord or property manager • a place of worship • shelters
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2. Each child that you claim must be related to you in one of the ways listed below. If the child is:	Then, send in copies of:
<i>Your son or daughter (including an adopted child)</i>	Nothing at this time, go to Section 3. If your name is not on the child's birth certificate, send us other records or documents proving you are the parent such as adoption records, court decree or paternity test results. If the child was not born in the United States, we need a copy of the birth certificate or immigration papers in English or a copy of the legal translation.
<i>Your grandchild or great grandchild</i>	One or more birth certificates or other legal documents proving how you are related. For example, if you are claiming your: <ul style="list-style-type: none"> • Grandchild, send your child's and grandchild's birth certificates • Great grandchild, send your child's, your grandchild's and your great grandchild's birth certificates If the names aren't on the birth certificates, you need to send another type of document such as a court decree or paternity test results.

Table continued...

2. Each child that you claim must be related to you in one of the ways listed below. If the child is:	Then, send in copies of:
<i>Your niece or nephew</i>	One or more birth certificates or other legal documents proving how you are related. For example, the child's birth certificate, showing your brother as the father, your brother's birth certificate showing your mother's name and your birth certificate showing your mother's name. If the names aren't on the birth certificates, you need another type of document such as a court decree or paternity test.
<i>Your brother, sister, half brother, or half sister</i>	One or more birth certificates or other legal documents proving how you are related. For example, if you are claiming your half-brother, you need your brother's birth certificate with the name of your mother or father and your birth certificate with the name of the same mother or father. Both birth certificates must have the name of the parent in common. If not, you need another type of document, such as a court decree or paternity test results.
<i>Your stepson, stepdaughter, step-brother, step-sister, step-grandchild, or step-great grandchild</i>	One or more birth certificates or other legal documents such as court papers or marriage licenses, proving how you are related. If the birth certificate doesn't have the name of the parent to prove how you are related, you need another type of document, such as court decree or DNA test results.
<i>A child pending adoption</i>	If the adoption is not final, you need a statement on letterhead from an authorized adoption agency.
<i>Your foster child placed with you by an authorized placement agency</i>	A statement on the letterhead of the authorized placement agency or the court document placing the child with you during 2017.
3. Age of each child that you claim is:	Then, send in copies of:
<i>Under age 19 at the end of 2017 and younger than you (or your spouse if filing a joint return)</i>	Nothing at this time.
<ul style="list-style-type: none"> • <i>age 19 but under age 24 at the end of 2017, and</i> • <i>a full-time student for any part of 5 calendar months during 2017 and</i> • <i>younger than you (or your spouse if filing a joint return)</i> 	<ul style="list-style-type: none"> • School records showing the child was considered a full-time student for any part of five months of the tax year. It can be any five months of the year. The months do not have to be consecutive. • The school records must show the child's name and the dates the child attended school during 2017.
<i>Any age and permanently and totally disabled at any time during 2017</i>	A letter from a doctor, other health care provider, a social service program or government agency verifying the person is permanently and totally disabled. To be permanently and totally disabled for EIC purposes, the condition must last or be expected to last continuously for at least a year or is expected to result in death, and the person can't work or perform other substantial gainful activities.

We must have proof for all three: you are related to the child, the child lived with you and the child's age. If you don't have or can't get the legal documents that we ask for, you can't claim EITC with that child. But, you may still be eligible for EIC without a qualifying child.

Important things to check before sending copies of your documents to us:

- Your records and documents prove all three; the child lived with you, is related to you and is a certain age. If not, we cannot allow your claim for EIC.
- Your documents are for 2017 not the current year.
- If your documents are not in English, you are sending a legally translated document
- We cannot accept documents signed by **someone related to you** for example, your sister takes care of the child while you work. You can't send a statement signed by your sister as the childcare provider to prove the child lived with you.
- You are using the same record or document to prove different things. For example, you use a school record to show the child attended school from January to May and then another record showing the same child attended from September to December during 2017. If the records show your address and list you as the parent, you can use the records to prove the child lived with you for more than half the year in 2017 and that the child is related to you. If the child is age 19 but under age 24, the records also prove the child is the right age.

Form **886-H-DEP**
(October 2017)

Department of the Treasury-Internal Revenue Service

Supporting Documents for Dependency Exemptions

Taxpayer name		Taxpayer Identification Number	Tax Year
If You Are:	And:	Then please send photocopies of the following documents:	
Divorced, legally separated, or living apart from the other parent of the child claimed on your return.	Both parents (<i>together</i>) provided more than half of the child's total support for the tax year. and One or both parents have custody	Entire divorce decree, separation agreement, decree of separate maintenance. If you are living apart from the child's other parent, but you are not divorced or legally separated send proof that you did not live with the child's other parent for the last six months of the year. Current custody order, completed Form 8332, <i>Release of Claim to Exemption for Child of Divorced or Separated Parents</i> or a similar statement as applicable for 2017. You may need to send more than one document.	
If the Person Is:	And:	Then please send photocopies of the following documents:	
Your qualifying child	The child is: your son, daughter, adopted child, a child lawfully placed with you for legal adoption, stepson, stepdaughter, brother, sister, stepbrother, stepsister, foster child placed with you by an authorized placement agency or by court order, or a descendant of any such person (<i>for example, a grandchild, a niece, or a nephew</i>), and The child lived with you for more than half of 2017, (<i>temporary absences away from home, such as the child going away to school, count as time lived at home</i>), and The child did not provide half of his or her own support for 2017, and At the end of 2017, the child is under age 19, or a full time student under the age of 24, or permanently and totally disabled regardless of age.	Birth certificates or other official documents of birth, marriage certificates, letter from an authorized adoption agency, letter from the authorized placement agency, or applicable court document that verify your relationship to the child (<i>send these documents only for a qualifying child who is not your natural or adopted child</i>). To show both you and your child lived together at the same address or addresses for more than half of 2017, send either: <ul style="list-style-type: none">• School, medical, daycare, or social service records.• A letter on the official letterhead from a school, medical provider, social service agency, or place of worship that shows names, common address and dates. (<i>If you send a letter from a relative who provides your daycare, you MUST send at least one additional letter that provides proof.</i>) You may need to send more than one document to show that the child lived with you for more than half of the year.	
If the Person Is:	And:	Then please send photocopies of the following documents:	
Your qualifying relative	Your relative is any of the relatives listed in the box above or any of the following: father or mother and their ancestors, step-father or step-mother, aunt or uncle, brother-in-law or sister-in-law, and You provided over half of his or her support in 2017, (<i>except for children of divorced or separated parents</i>), and Can not be claimed as a qualifying child by any other person in 2017	Birth and marriage certificates that verify your relationship to the qualifying relative. If you claim a non-blood related person as a qualifying relative, send proof the person has lived in your home for the entire 12 months of the year. To show both of you lived together at the same address or addresses for all of 2017, send either: <ul style="list-style-type: none">• School, medical, daycare, or social service records.• A letter on the official letterhead from a school, medical provider, social service agency, or place of worship that shows names, common address and dates. (<i>If you send a letter from a relative who provides your daycare, you MUST send at least one additional letter that provides proof.</i>)	

*** Note - Send Us Copies of the Following Documents as Proof You Provided More Than Half of Your Dependent's Total Support: ***

- A statement of account from a child support agency.
- A statement from any government agency verifying the amount and type of benefits you and/or your dependent received for the year.
- Rental agreements or a statement showing the fair rental value of your residence (*proof of lodging cost*).
- Utility and repair bills (*proof of household expenses*) with canceled checks or receipts.
- Daycare, school, medical records or bills (*proof of child's support*) with canceled checks or receipts.
- Clothing bills (*proof of child's support*) with canceled checks or receipts.