2024 TAX ASSISTANCE CENTER MANUAL

For Tax Year 2023
Income Tax Filing Guide for Naval Legal Service Command Tax Assistance Centers

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Introduction

Since 1995, the Navy's Volunteer Income Tax Assistance and Electronic Filing (VITA/ELF) program evolved to provide free tax filing assistance around the world. Today, two types of Tax Assistance Centers (TACs) remain in operation: (1) fleet sites and (2) Naval Legal Service Command (NLSC) sites.

There are two main differences between fleet and NLSC sites. The first difference relates to the personnel managing the sites. Navy personnel outside the Judge Advocate General's (JAG) Corps manage fleet sites. On the other hand, Region Legal Service Offices (RLSOs) personnel manage NLSC sites. The second difference is the scope of services each offer. Fleet sites offer either full or self-service VITA. NLSC sites only offer self-service VITA, allowing filers to electronically prepare and file their own taxes online.

The Navy operates all TACs in conjunction with the Internal Revenue Service (IRS) Stakeholder Partnerships, Education and Communication (SPEC) section, who work directly with CONUS TAC administrators. Because SPEC representatives only operate in the CONUS, OCONUS TAC administrators may coordinate SPEC support through the Office of the Judge Advocate General (OJAG) Code 16. Personnel from any site type may request guidance from Code 16.

Commander Naval Legal Service Command (CNLSC) delegated to RLSO Commanding Officers (COs) the authority to stand up and operate VITA Tax Centers (VTCs) proportionate to demand signals and consistent with manning factors. RLSOs electing not to operate VITA sites must notify their respective region's Staff Judge Advocate and Code 16 of each site that will limit or opt out of providing VTCs and advertise the scope of limited services or re-direct customers to alternate free file sources. RLSOs without a site must still appoint a site coordinator to lead this effort.

In addition to this Manual, VITA personnel should become familiar with the Code 16 SharePoint site (https://portal.secnav.navy.mil/orgs/JAG/16/VITA/SitePages/Home.aspx) and relevant IRS trainings and references. The SharePoint site hosts forum discussions, calendars, and electronically posted documents. It also hosts a location to post mandatory monthly reports.

Thank you for your dedication to VITA. For additional assistance, Code 16's VITA Action Officers will be available to help with equipment requests and operating guidance.

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Chapter 1 – Key Resources, Training, and References

The resources required to operate a successful TAC are: (1) personnel, (2) facilities, (3) equipment, and (4) training. Tips regarding these resources are provided below.

Personnel

Each TAC needs a "site coordinator" to oversee operations. Site coordinators are responsible for obtaining spaces, recruiting and training volunteers, securing equipment and supplies, ensuring tax returns are properly filed, and reporting to regional coordinators.

Volunteer recruitment is essential. Local commands may supply a fixed number of Temporary Assigned Duty (TAD) personnel. Coordinators often recruit volunteers from prior tax seasons. Many sites have been staffed with spouse volunteers, retirees, and by incorporating evening and weekend hours for military volunteers who are unable to volunteer during work hours.

Facilities

TAC spaces should be available as early in the season as possible. To maximize accessibility, liaise with local supply officers to stand up TACs in high-traffic areas and spaces. Sites require space to accommodate private work stations, desks, chairs, and computers that protect controlled unclassified information (CUI). Sites also require waiting areas and internet connectivity.

All TACs should be fully operational by the start of ta

All TACs should be fully operational by the start of tax season. DFAS electronically released W-2 forms for the active component on 18 December 2023 through 31 January 2024.

Equipment

Computers top the list of necessary equipment. OJAG's Code 67 can provide laptops and MiFi devices for CNLSC operated TACs. All computers will include a username and password. Other helpful equipment includes: photocopiers, paper, printers, toners, file folders, pens/pencils,stapler/staples, a list of IRS phone numbers, shredders, and volunteer resource materials.

Training

All Navy volunteers must meet the basic IRS certification path to assist with taxes. Volunteer certification requirement are outlined in IRS Publication 5166. Starting in 2023, all volunteers must register and certify via the IRS online testing system – "Link & Learn." Volunteers who prefer to take the certification tests on paper utilizing Form 6744, VITA/TCE Volunteer Assistor's Test/Retest, may complete the test using the paper method but must enter their answers to the test in the online system.

IRS "Link and Learn" online training. To certify, create an account at https://www.linklearncertification.com and complete the certification tests therein. At a minimum, all volunteers must complete the basic certification path and pass the corresponding exam. While it may not be possible for all volunteers to complete Advanced and Military training, at least one volunteer at every TAC must obtain each of these certifications.

It is highly recommended that TAC administrators coordinate group training sessions for volunteers. Requiring volunteers to complete training on their own or during off-duty hours can result in high attrition.

Volunteers who fail tests may review the course materials and retake them. Encourage anyone who does not achieve at least 80 percent on the basic test to participate in a role other than assisting customers with tax preparation, such as greeting and/or coordinating Client Intake Sheets.

Volunteers will **NOT** be able to assist with returns until the TAC administrator has a copy of the **VITA certification certificate** for at least the basic level and has certified their **Volunteer Standards of Conduct Agreement – Form 13615**. TACs should implement screening questions to help volunteers determine which customers they can assist and which customer's taxes are so complex that they fall outside the scope of VITA (e.g., customers with businesses).

ABA Adopt-A-Base program. Some CONUS sites may participate in a pilot program in which the ABA Section of Taxation, working closely with the IRS, recruits volunteer tax attorneys to provide training the IRS historically provided. Contact Code 16 for a list of those locations.

Training Materials and Publications

At a minimum, each volunteer should have access to **Publication 4012** (VITA/TCE Volunteer Resource Guide), **Publication 17** (Your Federal Income Tax), and **Publication 3** (Armed Forces' Tax Guide). All training materials and publications are available at the IRS website here. Ensure that the information and publications are for the 2023 tax returns.

Training materials:

- All site coordinator training materials have been consolidated on the IRS website and can be found here.

Other products and references include:

- Publication 3, Armed Forces' Tax Guide
- Publication 4012, VITA/TCE Volunteer Resource Guide
- Publication 17, Your Federal Income Tax
- Pub. 54, Tax Guide for U.S. Citizens' and Resident Aliens' Living Abroad
- Pub. 1084, IRS Volunteer Coordinator's Guide; Pub. 4053, Your Civil Rights Are Protected Flyer
- Form 13206, Volunteer Assistance Summary Report (1 copy/month)
- Form 13715, Volunteer Site Information Sheet (1 copy/month)

Publications and Forms Required for Each TAC

- Publications 3, 17, and 54 are required at each TAC computer.
- Publication 4053 (Your Civil Rights Are Protected Flyer) must be posted at each TAC.
- Notice that no attorney-client relationships is formed with TAC volunteers and no legal advice is available from TAC volunteers must be prominently posted at each TAC (see **Appendix A**).

- Warnings must be placed on all TAC computers reminding customers to protect their CUI by not saving any information to the hard drive (see **Appendix G**).
- Form 13206 (Volunteer Assistance Summary Report) must be provided to Code 16 and your SPEC rep at the start of tax season (and updated with additional volunteers during the tax season). This Report lists every volunteer and certification level.
- Form 13615 (Volunteer Standards of Conduct Agreement) must be signed by each volunteer and returned to the SPEC rep and copied to Code 16.

Document Retention

Per JAGINST 5801.2B(5-14)(b), customer intakes sheet (see **Appendix B**) are the only documents TACs retain for each customer. They must be retained in a secure location for two (2) years. TACS should not retain customer tax forms.

Publicizing Your TAC or Alternate Free Resources

Your program's success depends heavily on its publicity campaign. Below is a brief list of outreach recommendations.

Chain of command. Consider asking your commanding officer to request support from local commands. Some Regions have received local Flag Commander's support via Flag message or local instruction, mandating assistance to TACs. Additionally, Plans of the Day or of the Week can remind customers of tax service availability, advertise for volunteers, and announce the tax center's opening and the closing.

Public affairs office. Use OJAG's PAO for assistance— they have the experience and contacts to help market your TAC and can disseminate tax information on their social media accounts. See their website here for more information.

Code 16 support. Code 16 maintains a tax information website available to the public which will be updated as the tax season progresses: Tax Information (navy.mil)

Chapter 2 – Customer Eligibility

VITA is operated under the Navy Legal Assistance Program guidelines. Therefore, program eligibility is limited to those eligible under JAGMAN § 0705 and JAGINST 5801.2B. Both NLSC sites and Fleet sites must abide by these rules. Failing to do so may result in cancelling your site identification number or tax center. Contact Code 16 for customer eligibility questions.

In General, Assistance is Limited to:

- Active duty U.S. military
- Retired members entitled to retired/retainer pay and/or military disability
- Dependent family members of the above two groups, or of those who died while on active duty
- Reserve U.S. military –
  - during pre-mobilization,
  - on active duty for 30 days or more,
  - on active duty for 29 days or less, in cases of emergency, or
  - following an active duty recall of 30+ days, who are eligible for assistance for no less than twice the length of the period of time served on active duty
- 20/20/20 spouses/dependents receiving transitional compensation
- Spouses, former spouses and children who are victims of abuse by members losing the right to pay under 10 U.S.C. § 1408(h)
- Dependents of members separated for dependent abuse consistent with 10 U.S.C. § 1059

Personnel Eligible Overseas or Afloat:

- "U.S. hire" DoD GS employees (non-contractors) stationed in foreign countries and their dependents
- U.S. government-employed non-DoD civilian personnel, who are U.S. citizens, serving in a foreign country or on a U.S. Armed Forces vessel, where legal assistance from non-military providers is not reasonably available. This includes contractors working in support of the U.S. government, who are U.S. citizens overseas and whose employment contract requires the U.S. government to provide legal assistance services. (Contractors must produce employment contract for verification).

Accepted Forms of Identification for Proof of Eligibility:

- Valid U.S. government-issued Common Access Card (CAC)
- Valid U.S. government-issued United States Uniformed Services identification
- Valid U.S. state-issued driver's license or identification card

Chapter 3 – Filing Season Action Plan

The following timetable is provided as a guide.

November

- Identify RLSO Tax Coordinator and establish communication with Code 16 for all sites.
- Tax Coordinator becomes familiar with and access Code 16’s SharePoint VITA portal.
- Establish local IRS SPEC (CONUS) contact, start recruiting volunteers.
- Schedule dates and location for volunteer certification through Link & Learn training online.
- Secure TAC locations, determine equipment needs and make requests from Code 16.
- Begin Form 13715 (Volunteer Site Info. Sheet) — Track volunteer hours.

December

- Begin publicity campaign.
- Conduct volunteer certification training and collect Form 13615 (Volunteer Standards of Conduct Agreement).

January

- TAC Administrators complete training via Link & Learn online.
- Send IRS SPEC rep and Code 16 Form 13715 (Volunteer Site Information Sheet). Also, retain a copy at TAC.
- Post publicity flyer and include tax assistance center information such as: hours, services provided, and any limitations on services provided. Any custom flyers must be sent to Code 16 for approval.
- Complete computer set-up. Bookmark Military OneSource (MoS) MilTax (https://www.militaryonesource.mil/financial-legal/taxes/miltax-military-tax-services/) and IRS Free File alliance program URLs. (https://freefilealliance.org/)
- **Tax season began 29 January 2024.**

February

- Send Form 13206 (Volunteer Assistance Summary Report) to IRS SPEC via encrypted email listing each volunteer and certification level.
- Complete/update Form 13715 (Volunteer Site Information Sheet) and send to IRS SPEC and Code 16.

March

- Compile volunteer metrics to assess individual award nominations.
- Prepare IRS appreciation certificates for volunteers with IRS SPEC representative.

April

- Initiate site close-out procedures, taking care to erase hard-drives.
- Evaluate filing season, site, and volunteers and hold volunteer recognition ceremony.
- Return laptops to OJAG. Code 16 will provide return labels upon email request.
- **Tax season ends 15 April 2024 (FEDERAL DEADLINE ONLY).**

May

- Submit final After Action Report (AAR) to Code 16 by **Friday, 17 May 2024.**

Chapter 4 – Self-Service Tax Assistance

Self-service TACs allow customers to prepare and file their own taxes using MoS or IRS Free File Alliance, with IRS-certified volunteers. Because self-service TACs do not utilize TaxWise, no Electronic Filing Information Number (EFIN) is required. Instead, customers prepare and transmit their own returns. Online tax preparation companies normally communicate with the customer via email at a later date if the return was properly completed and accepted for filing, or if it contains errors.

Remind customers to retain a copy of their returns for their records. To cut down on printing, customers can access their tax returns electronically at home or on their phones. Some TACs email customers PDF copies of their tax return in lieu of printed copies. Returns must be sent by encrypted email.

Policy

- All NLSC site customers, including retirees, must use the self-service model, use their own personal email address for correspondence and login information, enter their own bank information, and initiate the transmission of their returns by the pushing "send" or "file" button.
- Customers physically unable to complete their taxes, may receive one-on-one assistance. TAC volunteers may assist with entering bank information and initiating transmissions of completed returns, but must orally or visually confirm the accuracy of the information with the customer.

Self-Service Tax Programs

MILITARY ONESOURCE

Military OneSource.
Military OneSource (MoS) is the default program for all NLSC sites because it offers the most support at no cost and no income limitations. Service Members or their dependents can electronically file their own returns through MoS. TACs retain no copies of tax forms or returns because MoS stores all information for easy client access and retrieval.

MoS is available for all active duty service members and their dependents, as well as all members of the National Guard and reserve and their dependents (regardless of activation status). For a detailed list of eligible individuals, please visit the link here. For the MoS Tax Services homepage generally, please visit the link here.

Retirees and former spouses – IRS Free File Alliance (My Free Taxes and other programs).
Retirees who are more than 365 days past their end of tour of service, retirement date or discharge date, as well as former spouses, may not qualify for MoS. For these individuals, self-service TACs should use IRS Free File Alliance online programs such as My Free Taxes, Tax Slayer, and others with specific URLs.

Note: IRS Free File Alliance (FFA) programs have adjusted gross income (AGI) limitations. Clients using FFA programs with AGIs exceeding $79,000 may not be eligible to use certain programs or may require a fee. These customers, as well as those with tax needs beyond the scope of the self-assistance program, may be referred to other filing services, as appropriate.

Implementing Self-Service

Availability. Ideally, TACs should offer self-service VITA on a walk-in basis during established hours.

Determining resources. If demand is low, staff TACs accordingly and ensure volunteers fulfill their mission. Appropriate measures include reducing TAC or volunteer hours. Each volunteer should be able to assist approximately three to four customers at a time on computer terminals. When questions arise, volunteers should remain within eyesight and earshot of customers. However, volunteers should protect customer privacy and not engage with the customers unless requested to do so.

Customer computer use. Government computers are for official-use only (FOUO) and TAC computers must be used only for tax-related purposes at all times. Non-NMCI computers require manual tracking to determine who used each computer throughout the day. To ensure no illegal use occurs, it is imperative that volunteers carefully monitor which customers are using which computer terminals at specific times by using a computer log. (For a template, see **Appendix F**).

COMPUTERS ARE

FOUO!

Military OneSource – Creating a Customer Profile. To determine eligibility, MoS requires customers to register. Customers already registered with MoS should log on without issue. Customers not previously registered must follow these steps to use free tax preparation services through MoS's H&R Block software: Each customer must use their own profile. Common or shared usernames and passwords for a TAC are strictly prohibited.

Customer Arrival at the TAC

TACs must maintain professional environments that put customers at ease and instill customer confidence. Greet all customers promptly and inform them of how the self-service model works. Volunteers should be proactive in addressing customer questions. If unsure about the answer to a question, instead of simply saying "I don't know," volunteers should work to find the answer. Many resources are available as listed in Chapter 1. Contact the listed Code 16 Action Officers if you cannot find the answer.

Communicating Policy Changes to Customers

The change in manner and scope of tax services provided under the self-service model may frustrate some customers. The best way to curb such frustrations is to provide senior commanders and potential customers a clear message about the benefits of the self-service model. If necessary, a sample letter to customers regarding the self-service program can be found in **Appendix E**.

Frequently Asked Questions:

What if a customer has difficulty using the self-service program? If a customer struggles with the self-service program, a TAC volunteer shall assist the customer using an online self-service tax preparation program. TAC volunteers are not authorized to complete an online return in place of the customer unless a customer has a physical disability that prevents self-filing. Even then, the customer must orally or visually verify the information the volunteer submits.

What if a customer is physically unable to complete their taxes? Customers who are physically unable to complete their taxes, including our Wounded Warriors, may receive one-on-one assistance at self-service terminals. The volunteer may enter the customer's information under the customer's supervision. TACs may also refer such customers to other, full-service VITA/ELF programs.[1]

What if a customer must file a paper return and cannot file electronically? Certain tax returns must be paper filed such as: returns for previous years, returns with fiscal year tax periods, returns with foreign addresses (FPO/APO addresses are not foreign), returns for decedents, and returns requiring unique forms or schedules not otherwise available via e-file. Depending on the reason necessitating paper filing, customers may be able to input their data into an online program, print a hard copy, and send it to the IRS via the U.S. Postal Service. Provide customers the specific address to mail their return and a copy of their return for their records (address information found here). Other customers may be referred to alternative, full-service VITA/ELF programs (see FN1).

What if a customer must amend a return? Online tax preparation programs allow customers to amend returns electronically if filed the same year using the same program. Amendments for prior years may also be possible, but could require a fee. Customers may also be referred to alternative, full-service VITA/ELF programs (see FN1).

What if a customer must file a previous year's return? The H&R Block through MoS offers filing not only for the current year, but also for the past years. To report income, customers need the W-2s or 1099 forms from prior years. They also need any receipts or other supporting records to prove eligibility for deductions. Customers cannot complete prior year tax returns using instructions and forms for the current tax year. Instead, paper or online forms and instructions must match the tax year for which the return is filed. If taxes are due, customers should receive a notice for penalties and interest charges after the IRS processes the return. Customers not able to file prior tax years for free may be referred to alternate full-service VITA/ELF programs (see FN1).

Prior year forms, instructions, and publications are available at:
http://apps.irs.gov/app/picklist/list/priorFormPublication.html

What if a customer qualifies for TAC services, but does not qualify for MoS, has an AGI greater than the Free File Alliance maximum, and cannot file for free using programs through the IRS FFA?
The purpose of the Navy tax assistance program is to primarily assist junior enlisted personnel. The Navy does not set income limits for programs the IRS operates. Individuals not qualifying for free filing may file their returns with the help of TAC volunteers, if willing to pay the necessary fees charged by the FFA. Such customers may receive alternative tax assistance (see FN1).

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[1] Other services may include Navy fleet sites, sister military branches, the American Association of Retired persons (AARP), or the United Way. Please note that the U.S. Navy does not endorse or vouch for the quality of service a customer will receive at outside its VITA sites. This information is provided purely for the knowledge of the customer.

Self-Service Lessons Learned:

In this section, please find lessons learned and best practices for operating a self-service program.

- **Rental property.** During intake, volunteers should ask customers if they own a rental property and if they have the corresponding prior year's depreciation worksheet. Volunteers should then ask whether or not the customer has depreciated the property in previous years. If not, volunteers should ask the customer for the price of the home currently used as a rental property.

- **Annual statements on stocks and bonds.** Assuming a TAC has volunteers certified to assist with reporting stocks and bonds, volunteers should ask customers who sold stocks or bonds throughout the year (and thus have 1099Bs), if they have the annual statement from the company that manages their investment portfolios. This information makes it easy to determine the gains or losses because most companies list the investments' cost basis on a detailed annual statement.

- **Advertise to customers about creating a MoS account.** Customers should be informed immediately that creating a MoS account will unlock free use of the H&R Block filing program.

- **Common customer questions/issues.** Explaining the following items before customers begin their returns saves time and reduces customer need for assistance while inputting their data. Please note, it is recommended that customers bring a copy of their tax return from the prior year. This helps with: (1) knowing what third party reporting (W-2, F1099, etc.) the customer receives, the type of return and schedule they file, and can be used as a reference for any carry over items.

  - Unless otherwise indicated, "life events" are those that occurred during the actual tax year (i.e., 2023).

  - Do not enter the location of boot camps or follow on schools as the tax jurisdiction unless the customer is a resident of the same jurisdiction on an independent basis.

  - Customers should use their permanent addresses, not barracks addresses.

- **Maintaining efficient TACs.** Code 16 tracks and analyzes TAC data, including equipment and supply costs (regardless of whether donated or loaned or purchased by the RLSO), volunteer hours, and customer volume. Code 16 reports these numbers to Navy leadership to determine program efficacy. Some considerations for running an efficient TAC include reducing manpower costs by scheduling shorter volunteer sessions or sending volunteers back to their normal duty stations. This includes setting volunteer expectations and informing them that they might be sent back to their normal place of duty if the demand for your TAC decreases.

Chapter 5 – Reporting Requirements

Monthly Statistics to OJAG Code 16

Operating sites must submit a monthly report according to the schedule below. Operating sites must submit statistics in an excel format detailing the number of returns filed, volunteer hours, etc. Customer intake sheets will help operating sites track the numbers they need. Always ensure intake sheets are completely filled out prior to customer departure. NLSC Regional Coordinators are responsible for gathering reports from all site coordinators in their regions and sending monthly reports to Code 16. (See **Appendix D** for examples of operating monthly reports. More detailed templates will be sent to TAC coordinators via email).

After Action Reports

Each TAC must submit an After-Action Report (AAR) at the end of the season. This report must be submitted in addition to the last monthly statistical report.

Due Dates to OJAG Code 16

Reporting Period	**Report Due**	**Date Due**
Opening Day- 31 Jan	Monthly Report	16 Feb (Friday)
1 Feb – 29 Feb	Monthly Report	15 Mar (Friday)
1 Mar – 31 Mar	Monthly Report	12 Apr (Friday)
2023 Tax Season	**After Action**	**17 May (Friday)**

Chapter 6 – Individual Taxpayer Identification Numbers (ITINs) for Non-Resident Aliens

Anyone listed as a dependent on a return must have a Social Security Number (SSN), an Employer Identification Number (EIN), or an Individual Taxpayer Identification Number (ITIN)[2].

Note: To claim a child as a dependent, you must satisfy more than just having a social security number or an ITIN. See IRS Pub 17 for the rules on claiming a non-resident as a dependent.

Non-resident aliens filing returns (such as the spouse of a US citizen or resident) must apply for an ITIN. Without an ITIN, the US citizen or resident cannot claim an exemption for the spouse and the spouse cannot take advantage of the Married Filing Jointly filing status.

It is recommended that ITIN applications are filed in-person with an IRS-approved Acceptance Agent. The following link provides a list of ITIN Acceptance Agents: http://www.irs.gov/Individuals/Acceptance-Agent-Program. Where no in-person acceptance agents are available, ITIN applicants must send original documentation to support the application directly to the IRS ITIN processing office CONUS via US Mail. It is therefore important to check ahead of filing if an Acceptance Agent is located near your TAC.

Complete instructions for the ITIN application are available online at: http://www.irs.gov/pub/irs-pdf/iw7.pdf. Applicants should receive a letter with their ITINs six to eight weeks after applying.

If a customer applied for an ITIN, but has not received the actual number back from the IRS, they can no longer submit a tax return that states “SSA”, “205c”, “applied for”, or “NRA,” as the IRS will reject such submissions. Customers cannot e-file a return using an ITIN in the calendar year the ITIN is issued. Those customers must file a paper return attached to their W-7 form.

[2] An ITIN is similar to an SSN and commonly issued to identify persons who are not otherwise eligible for a SSN.

Chapter 7 - Volunteer Liability, Ethics and Competency

Volunteer Liability

The Federal Tort Claims Act and other tort laws protect Service Members and DOD employees volunteering at TACs from liability for damages due to tax preparation errors. While this offers some protection, it does not give volunteers license to be negligent. IRS Form 13615 (Volunteer Standards of Conduct Agreement) makes clear that volunteers are generally protected from liability for errors, but that volunteers should not exceed their level of comfort or certification. Comfort is generally commensurate with competence and supervisors must be attuned to volunteer competence and limitations and assign work accordingly.

Ethics

Compensation. Under no circumstances is any TAC-associated person to accept compensation for tax services. Volunteers cannot maintain a commercial tax preparation business, as it might create the appearance of a conflict of interest. TAC coordinators must turn away volunteers who also work as commercial tax preparers.

Tax assistance is not legal assistance – No formation of attorney-client relationships. In 1997, OJAG Code 13 opined that attorneys providing Navy TAC assistance do not form attorney-client relationships. To reinforce this, place notices at each computer using the sample in **Appendix A**. The Privacy Act statement of the Navy TAC Self-Service Intake Sheet includes a notice prohibiting attorney-client relationships and the provision of legal advice under TAC operations. See **Appendix B**.

Competency

Volunteers should not attempt to assist with returns beyond their competency level. Customers with substantial incomes or complicated business expenses should be referred elsewhere (see FN1 in previous section), as the Navy program is not designed to prepare complicated returns or authorized to prepare business returns.

To enhance volunteer competency, TAC administrators must ensure all volunteers review the Volunteer Quality Alerts (VQAs), which provide updates throughout the season relating to tax preparation. VQAs are available at: http://www.irs.gov/Individuals/Quality-and-Tax--Alerts-for-IRS-Volunteer-Programs.

Honesty. Volunteers must be aware that some customers may attempt to illegally "cut corners" in pursuit of a lessened tax burden or larger refund. This may sound obvious, but customers either qualify for a certain deduction or they do not. Past problems with the Earned Income Credit highlight the need for accurate and honest reporting. It is illegal for customers to hide income or claim unauthorized dependents. Such misconduct may result in harsh penalties. Volunteers assisting in the commission of tax fraud are not protected from criminal liability.

Site reviews. IRS SPEC representatives periodically conduct field site visits for quality reviews. Reviews ensure sites are operating effectively and efficiently while adhering to standard operating procedures. TAC Administrators should reference IRS Form 6729-D (Site Review Sheet) to remain in compliance. Please inform Code 16 if the IRS contacts you for site review.

Chapter 8 – Filing State Returns

Customers prepare and file state tax returns in conjunction with federal returns. While most states allow separate e-file returns, some require simultaneous e-filing of federal and state returns. Customers filing state returns separately may have to wait two to three days for the IRS to acknowledge receipt of the federal return before e-filing the state return.

MoS allows up to three state returns for free. IRS Free File Alliance programs vary in the maximum number of state returns allowed depending on the program. Most programs support e-filing from all states that collect income tax, but TAC volunteers may need to assist customers in determining which program best fits the customer's filing needs.

Individual State Laws - ABA State Tax Guide

Code 16 no longer provides an annual State Tax Guide, but the ABA has a Military State Tax Guide that is updated annually. Please note the guide is typically not updated until the end of January/beginning of February. Code 16 will post the ABA Military State Tax Guide on its SharePoint page when published. **It is strongly recommended customers check their state's tax website as individual states may differ from federal deadlines and requirements. States with alternative deadlines are listed below:**

- Delaware, due Tuesday, 30 April: Delaware's Tax Season Starts January 23, 2024 - State of Delaware News
- Hawaii, due Monday, 22 April: Updates for Taxpayers | Department of Taxation (hawaii.gov)
- Iowa, due Tuesday, 30 April: Iowa Individual Tax Information | Iowa Department of Revenue
- Louisiana, due Wednesday, 15 May: Individual Income Tax - Louisiana Department of Revenue
- Massachusetts, due Wednesday, 17 April: Current Tax Filing Season Overview | Mass.gov
- New Mexico, due Thursday, 18 April:Filing-season-2023.pdf (newmexico.gov)
- Virginia, due Wednesday, 1 May: When to File | Virginia Tax

Eight states do not levy income taxes:

Alaska
Florida
Nevada
South Dakota
Tennessee
Texas
Washington
Wyoming

Limitations

As with federal returns, state returns requiring forms not available online must be filed in paper. Even if a state return is accepted online, certain documents may still need to be mailed to the state.

Community property. Resident of community property states ("CPS") normally cannot file "Married Filing Separately" (MFS) returns electronically. However, it should be possible to file MFS returns for Sailors who are residents of non-CPS, but are stationed in CPS. Observe the special MFS rules when preparing returns for Sailors who are residents of CPS (AZ, CA, ID, LA, NV, NM, TX, WA, and WI).

City Returns

Unless the city return is included in the state return or the city has created a separate online program to accept returns, customers requiring city returns must file a paper city return.

Chapter 9 – Filing Returns for Same-Sex Partners

For tax purposes, same-sex marriages are to be treated in the same manner as any other marriage recognized by the state.

Registered domestic partnerships, civil unions or similar formal relationships recognized under state law are not considered legal marriages for federal tax purposes.

Amendments for Prior Tax Years

Individuals who were in same-sex marriages may - but are not required to - file original or amended returns choosing to be treated as married for federal tax purposes for one or more prior tax years still open under the statute of limitations. Generally, the statute of limitations for filing a refund claim is three years from the date the return was filed or two years from the date the tax was paid, whichever is later. Some taxpayers may have special circumstances (such as signing an agreement with the IRS to keep the statute of limitations open) that permit them to file refund claims for earlier tax years. Additionally, employees who purchased same-sex spouse health insurance coverage from their employers on an after-tax basis may treat the amounts paid for that coverage as pre-tax and excludable from income. (For more information, see IRS webpage "Answers to Frequently Asked Questions for Individuals of the Same Sex Who Are Married Under State Law," https://www.irs.gov/newsroom/answers-to-frequently-asked-questions-for-same-sex-married-couples)

Chapter 10 – Quality Control & Controlled Unclassified Information

Quality Site Requirements

TACs must maintain high quality assurance standards by adhering to applicable IRS Quality Site Requirements (QSRs). QSRs consist of ten practices to ensure quality service and accuracy. Some QSRs require TACs to post publications or notices. These materials can either by ordered from the IRS or are available via the IRS website at: http://apps.irs.gov/app/picklist/list/formsPublications.html. Because the QSRs are developed for full-service VITA/ELF tax centers, some do not apply to self-serviceTACs. Site coordinators must use common sense and sound judgment when determining which QSRs mustreasonably be kept in place.

Requirements specifically deemed to not apply to self-service sites are:

- All sites must use Form 13614-C, *Intake/Interview & Quality Review Sheet* for every return prepared.
- All returns prepared by IRS-certified volunteers must undergo quality review and taxpayer discussion.
- For e-filed returns, Form 8879, *IRS e-file Signature Authorization* is required to be signed by the taxpayer, which gives the site permission to e-file the return.

For a complete list of QSRs, see IRS Publication 5166, *VITA/TCE Volunteer Quality Site Requirements*

Protecting Controlled Unclassified Information

Take all reasonably necessary actions to safe-guard Controlled Unclassified Information (CUI). Arrange computer stations so customer information is not readily visible to others. TAC volunteers must be aware of these concerns and monitor the TAC for any unauthorized CUI viewing. All computers must use secure landline or wireless internet and have antivirus software installed.

No customer should store or save CUI on any TAC computer, as it might be accessible by others. TAC OICs and volunteers are responsible for warning customers against storing or saving their CUI. Warnings should be placed on all computers reminding customers not to store information on the computer. Prior to turning the computer over to the next customer, TAC staff must clear all site histories and ensure that nothing was saved to the hard drive after each customer closes out his or her filing. Failure to do so may result in reportable CUI violations. To permanently delete unwanted files, delete the file itself and empty the recycling bin.

All VITA volunteers should review and be familiar with the following regulations:

- DON Breach Reporting: DON CIO 291652Z FEB 08
- DON Privacy Program Instruction: SECNAVINST 5211.5F

Proper Disposal of Documents Containing CUI

Electronic document disposal – deleting taxpayer information from computers. At the end of the tax season, the information on non-NMCI computers must be deleted in order to prevent unauthorized disclosure ofconfidential information.

Physical document disposal – Mandatory use of cross-cut shredders and/or "burn bags". All documents containing CUI must be disposed of according to DoD and Navy CUI Policy. To ensure proper disposal of documents containing CUI, a crosscut shredder must be used. If a crosscut shredder is unavailable, a substitute shredder shall not be used, but instead, "burn bags" shall be used to properly dispose of these documents. If "burn bags" are used, exercise care to ensure proper security and disposal under DoD and Navy CUI policies (*see* SECNAVINST 5211.5 (series) and JAG/CNLSCINST 5211.11).

Reporting Lost or Stolen Equipment and CUI Breaches

If controlled unclassified information is compromised, stolen, or lost, TAC administrators must notify Code 16 and take appropriate action in accordance with DoD and DoN CUI policy and regulations. If there is a CUI breach and/or lost or stolen equipment, immediately notify Code 16 of the following:

- Serial number, make, & model of computer.
- Description of occurrence.
- Taxpayer data at risk (include number of records).
- Whether computer was encrypted.
- Strength of the computer password (Describe password make-up).
- Whether customers have been notified of theft/loss.

Appendix

A

Notice of No Attorney-Client Relationship Formation at Tax Assistance Centers

Note: The TAC Administrator should fill in Appendix A and post prominently.

[See next page]

U.S. Navy Tax Assistance Center

Attention Customers:

Volunteers at U.S. Navy Tax Assistance Centers (TACs) are certified by the Internal Revenue Service to assist customers in filing only basic personal income tax returns. <u>TAC personnel do not form attorney-client relationships with customers at TACs and are prohibited from providing legal advice</u>. Should you desire personal income tax advice from an attorney, please contact the Legal Assistance Department at your nearest Region Legal Service Office (RLSO).

Your nearest RLSO is:

____

RLSO Command Phone Number

If you have any questions about this policy, please contact (*enter name*) at *(enter phone number)* or the Office of the Judge Advocate General, Code 16 (Legal Assistance) at (202) 685-4641, DSN 325-4641.

Thank you for understanding. We look forward to serving you!

(Rank and Name)
VITA/ELF Site Administrator
(Name of Command)

Appendix B

Customer Intake Sheet

Note: All customers must complete a Customer Intake Sheet, which will help volunteers identify whether the customer's filing needs are within the scope of what the TAC provides, and if so, select the best online tax preparation program for the customer.

When customers complete their returns, it is imperative that TAC staff fill out the "staff use only" box on the Customer Intake Sheet as completely and accurately as possible. This information is used in mandatory monthly reports.

A user-friendly template in Word format is available from Code 16 via the VITA SharePoint site.

[See next page]

NAVY TAX ASSISTANCE CENTER
CUSTOMER INTAKE SHEET

Privacy Act Statement (5 USC § 522a): AUTHORITY: 10 USC § 8072. PRINCIPLE PURPOSE: Assist Tax Assistance Center (TAC) personnel to provide self-service tax assistance through the Navy Tax Assistance Program. ROUTINE USES: To provide TAC personnel with sufficient information to assist customers preparing their own tax returns. Customers are strongly encouraged to keep a copy of the return that they e-file since no copies are retained by the TAC. MANDATORY OR VOLUNTARY DISCLOSURE AND EFFECT ON INDIVIDUAL BY NOT PROVIDING INFORMATION: Disclosure is voluntary. Nondisclosure prohibits tax assistance at Navy TACs. Information must be legible. By completing and submitting this Intake Sheet, you authorize TAC personnel to retain a copy of this form. **NOTE: Volunteers at U.S. Navy TACs are certified by the Internal Revenue Service to assist customers filing basic personal income tax returns. Tax Assistance Center Personnel do not form attorney-client relationships with customers at Tax Assistance Centers and are prohibited from providing legal advice.**

Taxpayer Rank: (joint returns - check 2 boxes)

□ E1 □ E2 □ E3 □ E4 □ E5 □ E6 □ E7 □ E8 □ E9
□ W1 □ W2 □ W3 □ W4 □ W5
□ O1 □ O2 □ O3 □ O4 □ O5 □ O6 □ O7 □ O8
□ Ret □ Dep □ Civ

Taxpayer/Sponsor Branch: □ Navy □ Air Force □ Marine Corps □ Army □ Coast Guard

Unit or Name of Command: ______________________________

STATE TAX RETURN: If you need to file a State Tax Return(s) in addition to your Federal Income Tax return, please fill out the following information:

Taxpayer:
List the State in which you currently live: ______________
List any other States in which you lived or worked in 2021: ______________
List your State of tax residency (domicile): ______________

Spouse:
List the State in which you currently live: ______________
List any other States in which you lived or worked in 2021: ______________
List your State of tax residency (domicile): ______________

<u>If you are not Active-Duty Military/Family Member</u>:

The following information will assist in determining which IRS Free File Alliance Program is best for you. Please check one.

Adjusted Gross Income: □ $79,000 or less □ $79,001 or more
60 Years or Over: □ Yes □ No

Staff Use Only:	
Check ID: (Indicate Type)	**Fed Return Prepared? (Y/N):**
Computer Terminal: *(NMCI Computers use Asset Tag No.)*	**Amount of Fed Refund:**
Tax Assistance Center Volunteer:	**Number of State Returns Prepared:**
Time Customer Logged On & Off:	**Amount of State Refund(s):**
Does customer feel able to file taxes without assistance next tax season? (Y/N):	**Customer Required Assistance from tax center volunteer when preparing return(s)? (Y/N):**
Self-Service Program Used: *(Military OneSource, My Free Taxes, etc.)*	**Returns Filed/Transmitted from the TAC? (Y/N)** *(vice waiting to electronically file @ home/work)*

Appendix C

Customer Satisfaction Survey Template

Note: To improve customer service, TAC Administrators may implement customer satisfaction surveys. The one provided on the following page is offered as a template for revision to best suit individual TACs.

[See next page]

NAVY TAX ASSISTANCE CENTER
CUSTOMER SATISFACTION SURVEY

1. Is this your first time at a U.S. Navy Tax Assistance Self-Service Center? ☐ Yes ☐ No

2. How long did you have to wait for assistance? Less than: ☐ 10 mins ☐ 15 mins ☐ 20 mins ☐ Longer than 20 mins

3. Were you satisfied with the services you received today? ☐ Yes ☐ No

4. Did you encounter any technical difficulties filing your returns? ☐ Yes ☐ No

5. Do you plan to use a Navy self-service tax center in the future? ☐ Yes ☐ No

6. Please rate our services today:
   ☐ Poor ☐ Fair ☐ Satisfactory ☐ Above Average ☐ Outstanding

7. How long did it take to complete your return? ____

8. Is this your first time using self-service? ☐ Yes ☐ No

9. Before coming here today did you know that you can prepare your tax return on your own computer at home via Military OneSource?

   ☐ Yes ☐ No

10. Do you plan to file your own taxes next year from home or work using Military One Source?

   ☐ Yes ☐ No

Comments:

____

____

____

Appendix

D

Monthly Report Form

TAC personnel use the following forms when providing Code 16 mandatory monthly reports. Operating sites will use an excel spreadsheet version of the example below. Chapter 5 includes the monthly reporting schedule.

Please use the following to help complete the operating form (a guide will also be included on the excel spreadsheet):

- **Number of Fed Returns.** Number of federal returns prepared and sent to the IRS electronically. The only exception is for customers who must submit a paper return.
- **Amount of Fed Refunds.** Dollar amounts of the returns from number of Fed Returns prepared. This amount is recorded by your volunteer staff who fill out the bottom portion of the intake sheet for the client.
- **Number of State Returns.** Number of state returns prepared and sent to the state, both electronic and paper.
- **Amount of State Returns.** Same function as amount of Fed Returns.
- **Number of customers –**
    - Who e-filed from TAC. This number will match up with # of Fed Returns.
    - Who waited to e-file. Tracks those who started a return but completed it at home.
    - Who asked/did not ask for help understanding what data to input.
    - By Branch. Limit this to those who actually complete their return at the TAC.
    - By Type. Limit to those who complete return at the TAC.
- **Customer Aptitude.** Tracks how many customers will likely return to a TAC in the following tax year.
- **Volunteer Hours.** Tracks volunteer hours supporting the TAC. Broken down by rank, those inside or outside NLSC. This number should include all time spent training and/or volunteering in the TAC. It also includes TAC Coordinator hours spent setting up for tax season, including answering emails from Code 16.
- **Number of Volunteers by Type.** Same idea as above, but counts pure number of volunteers. Initial month will have the number of volunteers to start the tax season, with each additional month only reporting those volunteers who were added or who stopped volunteering.
- **Online Programs Used.** Tracks what programs customers used to file taxes.
- **Funding Provided by RLSO.** Tracks how much money the RLSO put in to help with VITA.
- **Funding Provided by Region/Base.** Tracks the money spent by the Region/Base on VITA.

[See next page]

Operating Sites

Tax Assistance Center Statistics TY 2023

Name & Location of TAC:

Period		Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
Federal (Fed) Returns	# of Fed Returns						
	Amt of Fed Refunds						
State (ST) Returns	# of ST Returns						
	Amt of ST Refunds						
TOTALS	# Fed & ST Returns						
	Amt Fed & ST Refunds						

* Overseas personnel have a two-month extension to file returns

Returns Filed by Customers	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
# of customers who e-filed from TAC						
# of customers who e-filed outside TAC						

Customer Assistance Needs	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
# of customers who asked for data input help						
# of customers who did not ask for data input help						

Number of Customers by Branch	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
Navy						
Air Force						
Marine Corps						
Army						
Coast Guard						
None						
Total Customers						

Number of Customers by Type	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
E1-E3						
E4-E6						
E7-E9						
Officers						
Dependents						
Retirees						
Other						
Total Customers						

Customer Aptitude	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
# of customers who **DID** feel they will be able to file without assistance in TY22						
# of customers who **DID NOT** feel they will be able to file without assistance in TY22						

Volunteer Hours	Type	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
E1-E3	RLSO						
	Other Commands						
E4-E6	RLSO						
	Other Commands						
E7-E9	RLSO						
	Other Commands						
Officers	RLSO						
	Other Commands						
DOD Civilians	RLSO						
	Other Commands						
Other Volunteers							
TOTAL Volunteer Hours							

Number of Volunteers by Type		Opening Day-31 Jan (only add new volunteers)	1 Feb-29 Feb (only add new volunteers)	1 Mar-31 Mar (only add new volunteers)	1 Apr-30 Apr* (only add new volunteers)	1 May-31 May* (only add new volunteers)	Totals (always equals current #)
Example		*4*	*1*	*-1*	*0*	*0*	*4*
E1-E3	RLSO						
	Other Commands						
E4-E6	RLSO						
	Other Commands						
E7-E9	RLSO						
	Other Commands						
Officers	RLSO						
	Other Commands						
DOD Civilians	RLSO						
	Other Commands						
Other Volunteers							
TOTAL Volunteers							

On-line Programs Used	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
Military One Source						
My Free Taxes						
H&R Block Free File						
FileYourTaxes.com						
TaxSlayer						
TaxAct Free File						
Fee Tax USA						
Turbo Tax						
Other (write name(s)):						
Totals						

NLSC SITES ONLY:

Funding provided by RLSO	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
Cost of Training (incl. TAD travel)						
Cost of Paper						
Cost of Toner Cartridges						
Cost of Internet (if billed)						
Other supplies (list $ value)						
Totals						

Funding provided by Region/Base	Opening Day-31 Jan	1 Feb-29 Feb	1 Mar-31 Mar	1 Apr-30 Apr*	1 May-31 May*	Totals
Cost of Training (incl. TAD travel)						
Cost of Paper						
Cost of Toner Cartridges						
Cost of Internet (if billed)						
Other supplies (list $ value)						
Totals						

Reporting Period	Report Due	Date Due
Opening Day-31 Jan	Monthly Report	16 Feb (Friday)
1 Feb – 29 Feb	Monthly Report	15 Mar (Friday)
1 Mar – 31 Mar	Monthly Report	12 Apr (Friday)
2023 Tax Season	After Action	17 May (Friday)

Reports are due to the Code 16 Action Officer email, Code16AO@us.navy.mil, and to the VITA Coordinator, LT Latena Hazard, at latena.m.hazard.mil@us.navy.mil

Note: If you have any questions, please contact LT Hazard at (202) 685-4641 or DSN 325-4637

Appendix E

Sample Self-Service Letter to Customers

Dear Customer:

The Navy Tax Assistance Center program has evolved over time to best meet mission requirements while addressing practical manning and budgetary realities. In 2014, all Naval Legal Service Command (NLSC) sites fully transitioned into self-service tax assistance centers.

As the *(insert title)* of the TAC at *(insert name of base)*, I want to take this opportunity to explain some of the reasons behind this policy, why our program may be different from your expectations, and ultimately, why this program benefits our customers.

In the past, we were able to offer one-on-one tax preparation to our customers on the basis of ample staff and support for this service. Over the past several years, both the number of volunteers available and the demand for full-service tax assistance have decreased. This is related to the introduction of alternate, low-cost online tax assistance preparation programs.

With the Navy's self-service program, you are still able to electronically file your return and receive assistance from IRS-certified tax personnel. It is our hope that in doing so, you will also learn how to prepare taxes on your own using free, internet-based software. This will enable us to better assist customers and decrease wait times.

Your understanding and continued support of the Navy tax assistance program is appreciated. Please feel free to include any constructive comments you may have on the customer survey you have been provided.

Very Respectfully,

(Insert name)
Officer-in-Charge, Tax Assistance Center

Appendix F

Self-Service Computer Log

[See next page]

Tax Assistance Center
Self-Service Computer Log

Date	Customer Last Name	Customer First Name	Command Name (if applicable)	Computer Terminal Asset Tag No. or OJAG Laptop No.*	Login Time	Logoff Time	Tax Center Volunteer
3 Feb 23	Smith	James	PSD	5100145657	1320	1355	Brown, W.

*The NMCI Computer Asset Tag Identification Number is located on a silver or white label on the CPU or laptop and is a series of numbers beginning with 3000 or 5100. The Asset Tag Identification Number is NOT the machine's serial number.

Appendix

G

Sample CUI Warning to Customers

Notice must be provided to customers to not store any CUI to a TAC computer hard drive. The template provided on the following page is offered as a guide that can be revised to best suit individual TACs.

*******WARNING******

PROTECT YOUR CUI

Saving or storing any CUI (Controlled Unclassified Information) on a tax center computer hard drive is prohibited.

*******WARNING******

PROTECT YOUR CUI

Saving or storing any CUI (Controlled Unclassified Information) on a tax center computer hard drive is prohibited.