**Due Diligence Questionnaire for Child Tax Credit, Additional Child Tax Credit and Other Dependent Credit**

The IRS has increased the due diligence requirements to claim the child tax credit (CTC), additional child tax credit (ACTC), and other dependent credit (ODC) on your 2019 tax returns. As a result, we cannot use a template format as we did in prior years to meet the IRS due diligence requirements. Instead, we are required to communicate with you directly through in-person, phone, and/or email communications to confirm your responses to the required inquiries. We cannot claim any of these credits on your 2019 tax return unless we receive full and satisfactory responses from you to the following questions. If you prefer to schedule a phone call to discuss the criteria below rather than submitting your response by email, please communicate this preference to us in a separate email response.

Please type your responses next to each question in red font or using *italics* if red font is not available. The following questions apply only to **(Enter name and DOB of dependent here).** Please reply to the following questions as your responses relate only to the dependent named in this document.

Child Tax Credit/Additional Child Tax Credit and Other Dependent Credit

1. Does the person or child claimed by you as a dependent on your tax return meet the qualifying child or qualifying relative criteria as outlined in our 2019 Tax Organizer? If yes, please specify if the person or child met the qualifying child, qualifying relative, or both criteria per our 2019 Tax Organizer. To claim a person as a child or an other dependent, the person must be claimed by you as a dependent on your tax return. And, the same person cannot also be used to claim the CTC or ACTC and the ODC. **TYPE OF DEPENDENT:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
2. Could you, or your spouse if filing jointly, be claimed as a dependent on someone else's 2019 tax return? You could be claimed as a dependent on someone else’s 2019 tax return if another person could answer yes to either the qualifying child or the qualifying relative dependent questions on our 2019 Tax Organizer. If so, you do not need to complete the questionnaire. **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
3. Was the dependent a U.S. citizen, U.S. national, U.S. resident alien, or a resident of Canada or Mexico (CTC/ACTC only)? If yes, please specific which of the 4 categories the dependent met. If the dependent was adopted and is not in one of these 4 categories, answer "adopted" and we will apply special rules for this situation. If you answer no to this question for the dependent named in this email, the dependent will not qualify for the CTC/ATCT/ODC and you do not have to respond to any further questions for this dependent. **CATEGORY MET:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
4. Do you have an SSN (valid for employment even if the dependent is not yet old enough to work) or ITIN or ATIN for your dependent? If yes, please specify the type of number below and please provide it to us through one of our secure file transfer options if we do not already have the number on file. Please note that the dependent must have a valid SSN by the due date of your 2019 return (including extensions) for you to claim the child tax credit on your 2019 return. If the dependent does not have an SSN, then you may still qualify to claim the other dependent credit on your return if the dependent has been issued an ITIN or ATIN by the due date of your 2019 return (including extensions). If your dependent was born and died in 2019 and you do not have an SSN for the dependent, then you may still qualify for the child tax credit if you meet the other criteria as outlined below. **TYPE OF ID NUMBER:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
5. Can you provide documentation to substantiate eligibility for the credit(s) and the amount of any credit(s) claimed on the return if you are selected for audit? Examples of documentation include birth certificate, social security card, documentation to support care provided such as rent, mortgage, utilities, etc., documentation to support nights slept in your residence (in the case of divorced or separated parents) to include calendars, receipts for food, etc. Other documentation may be needed/required, depending on your individual circumstances. **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
6. Have any of these credits been disallowed or reduced in a previous year by the IRS? **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Child Tax Credit/Additional Child Tax Credit Only

**Please respond either “yes” or “no” and provided additional information as needed in red font or *italics* to each bullet point below:**

1. **Is the child from divorced or separated parents? RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

If you respond “yes,” then we will send you follow up questions.

1. As of 12/31/19, was your child under the age of 17? **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
2. Did the child live with you (or your spouse if you file a joint return) for more than half of the year (except for vacations, schools, or illnesses)? Please note that you cannot claim the CTC/ACTC credit if you have not lived with the child for over half of the year, even if you supported the child, unless the child’s custodial parent has released a claim to exemption (as documented on Form 8332) for the child. By responding “yes” to this criteria, you confirm that the child did live with you for over half of 2019. **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
3. Was the child unmarried/single as of 12/31/19? **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
4. The child cannot file a joint return for the tax year unless the child and the child’s spouse did not have a separate filing requirement and filed the joint return only to claim a refund. Please respond “yes” if the child is not filing a joint tax return for 2019. If the child is filing a joint tax return for 2019, please respond “no.” **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
5. Did the child provide over half of his or her own support for 2019? If the child (not you or your spouse or someone else) provided over half of his or her own support for 2019, then the child does not qualify for the child tax credit on your 2019 tax return. **RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Important: Only one person can claim the same child. If a child qualifies for more than one person and one of the persons is a parent or parents, the non-parent can claim the child only if their AGI is higher than the parent(s). If the child qualifies another relative and the parent AGI rules do not apply, the taxpayers choose. If more than one person claims the same child, IRS applies the tiebreaker rules. **Please respond “yes” to this statement if you understand the requirement (you are required to acknowledge that you understand this requirement). If you do not understand, please type your question for clarification as your response. RESPONSE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Qualifying Child Criteria

The child must meet ALL of the following criteria to qualify as a qualifying child on your 2019 tax return:

1. The dependent is a son, daughter, stepchild, sibling, stepsibling, foster child, or a descendent of any of these;
2. The dependent is younger than 19 or younger than 24 and a full-time student (this age limitation does not apply to a permanently disabled child);
3. The dependent has the same principal residence as you for more than half the year excluding temporary absences such as vacation or school (note there are special rules for children of divorced or separated parents);
4. The dependent does not provide more than one-half of his/her own support (scholarships are not considered support); and
5. The dependent is only claimed by one person.

Qualifying Relative Criteria

The relatives must meet ALL of the following criteria to qualify as a qualifying relative on your 2019 tax return:

1. The dependent is one of the relations listed in the previous question (qualifying child criteria #1) OR a half-brother, half-sister, parent, grandparent, or other direct ancestor (aunt, uncle, etc.), stepparent, step aunt, step uncle, niece, nephew, in-law OR an individual who lived the entire year in your principal place of residence and is a member of your household (excluding temporary absences such as vacation or school);
2. The dependent’s gross income (excluding non-taxable social security benefits) was less than $4,200 for 2019;
3. You furnished over one-half of the dependent’s support for 2019; and
4. The dependent was not otherwise a qualifying child of you or anyone else.

Thank you for your responses. We will let you know if this satisfies our due diligence requirements or if we have additional questions.

Brenner & Elsea-Mandojana, LLC