

Scope (Tax Year 2018)

The official AARP Tax-Aide Federal scope is described in the *Tax-Aide Scope Manual, Tax Year 2018* which is available on the AARP Volunteer Portal under the Library tab. The Massachusetts portion of the Tax-Aide program adheres to the Federal scope policy for any item that flows to the Massachusetts return. The few situations that are unique to Massachusetts are listed below after summarizing the last two years of Federal scope changes.

Scope changes for Tax Year 2018 (from Tax Year 2017) include the following two items. Details for both are contained in the AARP version of Pub 4012, which is also available on the Volunteer Portal.

- The “Kiddie Tax” was changed by the Federal TCJA passed in December 2017. It is now in-scope for Tax-Aide volunteers.
- Tax-Aide volunteers can now include the cost of medical insurance for certain self-employed taxpayers as an adjustment to income. This adjustment is also allowed as a deduction on Mass Schedule Y. Volunteers that were certified in prior years can also prepare amendments for prior year returns for this benefit.

Scope changes for Tax Year 2017 (from Tax Year 2016) included the following and are still in effect for TY2018:

- Form 8606 Part II for traditional IRA to Roth IRA conversions is in-scope
- Contract labor on Schedule C, Line 11, is **out-of-scope**
- The donation of a motor vehicle, airplane, or boat with a value of \$500 or less is in-scope, even if the taxpayer receives a Form 1098-C as confirmation of the donation.

Situations Unique to Massachusetts

Massachusetts has unique tax laws that do not directly flow from the Federal side. The following unique Massachusetts deductions are out-of-scope for Massachusetts Tax-Aide volunteers.

- Schedule Y, line 14, Claim of right deduction
- Schedule Y, line 16 Human organ donation deduction

All credits are **out-of-scope** except for the following:

- Earned Income Tax Credit
- Limited Income Credit
- Income tax due to another state or jurisdiction
- Senior Circuit Breaker
- Lead Paint
- Septic System Upgrade