

Out-of-Scope Tax Situations

Our IRS certified volunteers undergo annual training to assist with most common tax situations. However, there are certain complex circumstances that fall outside the guidelines of the Tax Counseling for the Elderly (TCE) program. In these cases, our volunteers are not certified to help. These situations are considered “out-of-scope” and require you to seek help from another tax preparer, typically a paid IRS-certified professional.

Common Out-of-Scope Tax Situations

Below is a list of the most common out-of-scope tax scenarios. This list is not exhaustive, but it highlights the situations that our volunteers are not certified to handle:

- Total annual income of \$200,000 or greater if filing as single, \$250,000 if filing joint or Head of Household
- Married but filing separately, except when there has been no contact with spouse for at least 6 continuous months
- Returns for non-resident aliens who are not married to a U.S. citizen or resident
- Depreciation-related items, such as rental income or home office deductions
- Resident energy efficient property credits, including solar panels and storage batteries (Please contact us if this applies to you)
- Electric vehicle tax credits
- Business income resulting in a net loss and/or business expenses exceeding \$25,000
- Farm or hobby income/loss
- Foreign pensions, except those from Canada and Germany
- Taxable Roth IRA distributions or rollovers
- Bond interest other than U.S. Savings Bonds
- W-2 forms with codes Q, R, T, or FF (if the Premium Tax Credit applies)
- Casualty or theft losses
- Non-cash donations above \$5,000
- Non-cash donations of adjusted basis property above \$500 (including cars, airplanes, and boats)
- Charitable contribution carryover from prior years
- Interest paid for investment purposes
- Real estate transactions other than for a personal residence
- Like-kind exchanges
- Archer or Medicare Advantage Medical Savings Accounts (MSA)
- Returns subject to the Alternative Minimum Tax (AMT)

- Donations of capital gain property or business assets
- Excess Health Savings Account (HSA) contributions not withdrawn within the same tax year and/or HSA funded from an IRA
- Military, minister, or other clergy member returns
- Part Year California Resident. We can prepare your federal return, but you'll need another preparer for the California return
- Return filing extensions

Please note that there may be additional out-of-scope situations not listed here. If you believe your tax situation could fall outside our scope, contact us promptly at (858) 746-9649 to confirm whether we can assist you.

Even if your tax situation appears to be within our scope, please be aware that preparation of your return is ultimately at the discretion of the volunteer and/or site coordinator. The volunteer/coordinator may determine that we are not able to prepare your return and recommend that you seek assistance from another preparer if they do not believe your tax situation and/or documentation meets our IRS certification requirements for any reason.