

Domain 1: Preliminary Work and Taxpayer Data 14 Questions

1.1. Preliminary work to prepare tax returns

- Use of prior years' returns for comparison, accuracy, and carryovers for current year's return
- Taxpayer personal information (e.g., date of birth, marital status, dependents, identity protection PIN, **state issued photo ID**)
- Residency status and/or citizenship (e.g., , visas, green cards, resident alien or non-resident alien, **ITIN**)
- Filing requirements and due date
- Taxpayer filing status
- Sources of worldwide taxable and non-taxable income (e.g., interest, wages, business, sales of property, dividends, rental income, flow-through entities, alimony received)
- Sources of applicable exclusions and adjustments to gross income (e.g., foreign earned income exclusion, retirement plans, HSAs, alimony paid, health insurance, self-employment tax)
- Sources of applicable deductions (e.g., itemized, standard)
- Qualifications for dependency
- Sources of applicable credits (e.g., education, foreign tax, child and dependent care, credit for other dependents, **child tax credit**)
- Sources of tax payments and refundable credits
- Previous IRS correspondence with taxpayer
- Additional required returns to be filed, and taxes paid (e.g., employment, gifts, international information returns, and other information returns)
- Special filing requirements (e.g. foreign income, presidentially declared disaster areas, **injured spouse**)
- Foreign account and asset reporting (e.g., FBAR, Form 8938)
- Minor children's unearned income ("Kiddie" tax)
- ACA requirements (e.g., , total household income, premium tax credit, **household size**)

Domain 2: Income and Assets 17 Questions

2.1. Income

- Taxability of wages, salaries and other earnings
- Interest Income (e.g., taxable and non-taxable)

- Dividends and other distributions from mutual funds, corporations, and other entities
- Personal property rental
- Gambling income and allowable deductions (e.g., Form W-2G, documentation)
- Tax treatment of cancellation of debt (e.g., Form 1099C, foreclosures, insolvency)
- Tax treatment of a U.S. citizen/resident with foreign income (e.g., tax treaties, Form 1116, Form 2555, Form 3520, Form 5471)
- Other income (e.g., scholarships, barter income, hobby income, alimony, non-taxable combat pay, unearned income, taxable recoveries, NOL, illegal income)
- Constructive receipt of income
- Constructive dividends (e.g., payments of personal expenses from a business entity)
- Passive income and loss
- Pass-through income (e.g., Schedule K-1, income, deductions, basis, qualified business income (QBI) items)
- Royalties and related expenses
- State/local income tax refund and other itemized deduction recoveries
- 1099 MISC, 1099 NEC, 1099 K reporting, irregularities, and corrections

2.2. Retirement income

- Basis in a traditional IRA (Form 8606)
- Comparison of and distributions from traditional and Roth IRAs
- Distributions from qualified and non-qualified plans (e.g., pre-tax, after-tax, rollovers, Form 1099R, qualified charitable distribution)
- Excess contributions and tax treatment (e.g., penalties)
- Penalties and exceptions on premature distributions from qualified retirement plans and IRAs
- Prohibited transactions and tax consequences
- IRA conversions and recharacterization (Form 8606)
- Required minimum distributions
- Loans from qualified plans
- Taxability of Social Security and Railroad Retirement benefits
- Inherited retirement accounts
- Foreign pensions and retirement income

2.3. Property, real and personal

- Sale or disposition of property including depreciation recapture rules and 1099A
- Capital gains and losses (e.g., netting effect, short-term, long-term, mark-to-market, **virtual currency**)
- Basis of assets (e.g., purchased, gifted or inherited)
- Basis of stock after stock splits and/or stock dividends (e.g., research, schedules, brokerage records)
- Publicly traded partnerships (PTP) (e.g., sales, dispositions, losses)
- Sale of a personal residence (e.g., IRC sec 121 exclusions)
- Installment sales (e.g., related parties, original cost, date of acquisition, possible recalculations and recharacterization)
- Options (e.g., stock, commodity, ISO, ESPP)
- Like-kind exchange
- Non-business bad debts
- Investor versus trader

2.4. Adjustments to Income

- Self-employment tax
- Retirement contribution limits and deductibility (e.g., earned compensation requirements)
- Health savings accounts
- Other adjustments to income (e.g., student loan interest, alimony, moving expenses for active military, write-in adjustments)
- Self-Employed Health Insurance

Domain 3: Deductions and Credits 17 Questions

3.1. Itemized deductions and QBI

- Medical, dental, **vision, long-term care expenses**
- Various taxes (e.g., state and local, personal property, real estate)
- Interest expense (e.g., mortgage interest, investment interest, tracing rules, points, indebtedness limitations)
- Charitable contributions (e.g., cash, non-cash, **limitations**, documentation required)
- Nonbusiness casualty and theft losses

- Other itemized deductions
- Itemized deductions for Form 1040-NR
- Qualified Business Income (QBI) deduction

3.2. Credits

- Child and dependent care credit
- Child tax credit and credit for other dependents
- Education credits
- Foreign tax credit
- Earned income tax credit (e.g., paid preparer's earned income credit checklist, eligibility and disallowance)
- Adoption credits (e.g., carryovers, limitations, special needs)
- ACA premium tax credit
- Other credits (refundable and non-refundable) (e.g., health coverage tax credit, energy credits, Retirement savings contribution credit)

Domain 4: Taxation 15 Items

4.1. Taxation

- Alternative minimum tax and credit for prior year
- Household employees
- Underpayment penalties and interest
- Self-employment tax
- Excess Social Security withholding
- Tax provisions for members of the clergy
- Tax provisions for members of the military
- Income in respect of decedent
- Net investment income tax
- Additional Medicare tax
- Uncollected Social Security and Medicare tax
- Other taxes (e.g., first time homebuyer credit repayment)

Domain 5: Advising the individual taxpayer 11 Questions

5.1. Advising the Individual Taxpayer

- Reporting obligations for individuals (e.g., 1099, bartering, cash)
- Property sales (e.g., homes, stock, businesses, antiques, collectibles)
- Education planning (e.g., lifetime learning credit, IRC section 529 plans)
- Estate planning (e.g., gift versus inheritance, trusts, family partnerships, charitable giving, long-term care, life insurance)
- Retirement planning (e.g., annuities, IRAs, employer plans, early retirement rules, required minimum distribution, beneficiary ownership, charitable distributions from an IRA)
- Marriage and divorce (e.g., divorce settlement, common-law, community property, alimony)
- Items that will affect future/past returns (e.g., carryovers, net operating loss, Schedule D, Form 8801, negative QBI carryover)
- Injured spouse
- Innocent spouse
- Estimated tax and penalty avoidance (e.g., mid-year estimated tax planning)
- Adjustments, deductions, and credits for tax planning (e.g., timing of income and expenses)
- Character of transaction (e.g., use of capital gain rates versus ordinary income rates)
- Advantages and disadvantages of MFJ/MFS/HOH filing statuses in various scenarios (e.g., joint and several liability)
- Conditions for filing a claim for refund (e.g., amended returns)
- Penalty of perjury

Domain 6: Specialized Returns for Individuals 11 Questions

6.1. Estate Tax

- Gross estate, taxable estate (calculations and payments), unified credit
- Jointly held property
- Marital deduction and other marital issues (e.g., portability election)
- Life insurance, IRAs, and retirement plans
- Estate filing requirements and due dates (e.g., Form 706: Form 1041)

6.2. Gift Tax

- Gift-splitting

- Annual exclusion
- Unified credit
- Effect on estate tax (e.g., Generation skipping transfer tax)
- Filing requirements (e.g., **Form 709**)

6.3. International Information Reporting

- Filing **and reporting** requirements and due dates (e.g., FBAR, Form 8938, Form 8865, Form 5471, Form 3520)
- Covered accounts (e.g., FBAR, Form 8938)
- Potential penalties (e.g., failure to file, underreporting, substantially incomplete, statute of limitations, reduction of tax attributes)
- Distinctions between FBAR and Form 8938 requirements