

**COMMONLY ENCOUNTERED OUT-OF-SCOPE ITEMS - TAXAIDE BOULDER/
BROOMFIELD DISTRICT
TY 2014**

Please note: this is not the comprehensive list of all out-of-scope situations. This list is intended to highlight the most common situations that we encounter in our district. For the comprehensive list, see "Out of Scope for TaxAide..." in your reference materials.

- Student visas
- Unmarried non-resident aliens w/o green card or not passing substantial presence test
- Casualty and theft losses
- Rental income - unless land only
- Royalty income reported on Form 1099-MISC **other than small oil and gas**
- Business income (SCH C) with:
 - expenses over \$10,000
 - inventory/cost of goods sold
 - net loss
 - accounting method other than cash
 - business use of a home

- Sale of home used for business purpose or as a rental
- Retirement income from SIMPLE or SEP IRAs
- Non-deductible contributions to IRAs (Form 8606)
- Self-employed health insurance unless premiums are for Medicare
- Contributions of motor vehicles, boats or airplanes
- Non-cash contributions greater than \$5,000
- Moving expenses
- Employee business expenses
- Foreign income except interest and dividends on a 1099INT/DIV & foreign taxes paid are less than \$300 single filer/\$600 joint filers
- State returns other than Colorado
- Bankruptcy, foreclosures
- Cancellation of debt – **other than credit card debt**

If you encounter a situation that you've not seen before either through your training or prior TaxAide experience and you have no idea how to properly deal with the situation, it is quite likely to be out of scope. Ask your local coordinator or an experienced QR counselor or refer to your out of scope reference materials.