

**IMPLEMENTATION PLAN for 1040C INST**

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**P.L. 110-343, Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (Division C)**

| <b>Action Number</b> | <b>Act Section</b> | <b>IRC Section</b> | <b>Description of Action</b>   | <b>Date Type</b> | <b>Effective Date</b> | <b>Target Date</b> | <b>Actual Date</b> |
|----------------------|--------------------|--------------------|--|------------------|-----------------------|--------------------|--------------------|
| 65.00084             | 202                | 222                | Revise product to reflect that the deduction for qualified tuition and related expenses has been extended. | TYBA             | 31-DEC-2007           | 17-NOV-2008        |                    |
| 65.00129             | 202                | 222                | Revise product to reflect that the deduction for qualified tuition and related expenses has expired.       | TYBA             | 31-DEC-2007           | 17-NOV-2010        |                    |

**Total Action Items: 2**

## DESCRIPTION OF MAJOR CHANGES FOR INST FOR FORM 1040-C

What's New has been updated for 2009. Added items for new expatriation rules (PL 110-245, sec 301; IRC 877A), earned income credit (RP 2008-66), IRAs (IR-2008-118), sale of main home (PL 110-289, sec 3092(a); IRC 121 (b)(4), AMT (IRC 55(d)(1)), expiration of allowance of personal credits against AMT (expiration of IRC 26(a)(2), and new \$500 limit for personal casualty and theft losses (PL 110-343, Div C, sec 706(c)).

Two paragraphs referring to the now defunct Question A and the accompanying checkboxes have been removed. This revision is necessary to reflect certain policy procedures that have been changed by a multifunctional task force.

Instructions have been added and the Deduction for Exemptions Worksheet on page 8 was revised to account for the special personal exemption rules for individuals providing housing to Midwestern displaced individuals added by PL 110-343, sec. 702.

Add instructions for the add'l standard deductions for real estate taxes and net disaster loss to conform to Form 1040 instructions. PL 110-343, Div C, sec 204 and sec 706(b)

Added instructions for recapture of an education credit under Lines 6 and 14 to conform to Form 1040 instructions. Reg. 1.25A-5(f)(3).

The exemption amount and exemption phaseout minimum amount used for Schedule D, line 4, and Schedule D, line 12, have been updated to reflect Revenue Procedure 2008-66, sec. 3.19.

The itemized deduction phaseout minimum amount used for Schedule C, line 2, has been updated to reflect Revenue Procedure 2008-66, sec. 3.11.

The tax rate schedules on page 9 have been updated per RP 2008-66, sec 3.01.