

**Paid Preparer's Due Diligence Checklist**  
*Earned Income Credit (EIC), Child Tax Credit (CTC), and American Opportunity Tax Credit (AOTC)*  
 ▶ To be completed by preparer and filed with Form 1040, 1040A, 1040EZ, 1040NR, 1040SS, or 1040PR.  
 ▶ Information about Form 8867 and its separate instructions is at [www.irs.gov/form8867](http://www.irs.gov/form8867).

Taxpayer name(s) shown on return

Taxpayer identification number

Enter preparer's name and PTIN

**Due Diligence Requirements**

Please complete the appropriate column for all credits claimed on this return (check all that apply).	EIC	CTC/ACTC	AOTC
<b>1</b> Did you complete the return based on information for tax year 2016 provided by the taxpayer or reasonably obtained by you? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>2</b> Did you complete the applicable EIC and/or CTC/ACTC worksheets found in the Form 1040, 1040A, 1040EZ, or 1040NR instructions, and/or the AOTC worksheet found in the Form 8863 instructions, or your own worksheet(s) that provides the same information, and all related forms and schedules for each credit claimed? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>3</b> Did you satisfy the knowledge requirement? Answer "Yes" only if you can answer "Yes" to both 3a and 3b. To meet the knowledge requirement, did you:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>a</b> Interview the taxpayer, ask adequate questions, and document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s)? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b> Review adequate information to determine that the taxpayer is eligible to claim the credit(s) and in what amount? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>4</b> Did any information provided by the taxpayer, a third party, or reasonably known to you in connection with preparing the return appear to be incorrect, incomplete, or inconsistent? (If "Yes," answer questions 4a and 4b. If "No," go to question 5.) . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>a</b> Did you make reasonable inquiries to determine the correct or complete information? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b> Did you document your inquiries? (Documentation should include the questions you asked, whom you asked, when you asked, the information that was provided, and the impact the information had on your preparation of the return.) . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>5</b> Did you satisfy the record retention requirement? To meet the record retention requirement, did you keep a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility or to compute the amount for the credit(s)? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
In addition to your notes from the interview with the taxpayer, list those documents, if any, that you relied on. _____ _____ _____ _____			
<b>6</b> Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for and the amount of the credit(s) claimed on the return? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>7</b> Did you ask the taxpayer if any of these credits were disallowed or reduced in a previous year? . . . . . (If credits were disallowed or reduced, go to question 7a; if not, go to question 8.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>a</b> Did you complete the required recertification form(s)? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>8</b> If the taxpayer is reporting self-employment income, did you ask adequate questions to prepare a complete and correct Form 1040, Schedule C? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Due Diligence Questions for Returns Claiming EIC** (If the return does not claim EIC, go to question 10.)

	EIC	CTC/ACTC	AOTC
<b>9a</b> Did you explain to the taxpayer the rules about claiming the EIC when a child is the qualifying child of more than one person (tie-breaker rules), and have you determined that this taxpayer is, in fact, eligible to claim the EIC for the number of children for whom the EIC is claimed? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>b</b> Did you explain to the taxpayer that he/she may not claim the EIC if the taxpayer has not lived with the child for over half the year, even if the taxpayer has supported the child? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No		

**Due Diligence Questions for Returns Claiming CTC and/or additional CTC** (If the return does not claim CTC or Additional CTC, go to question 11.)

<b>10a</b> Does the child reside with the taxpayer who is claiming the CTC/ACTC? (If "Yes," go to question 10c. If "No," answer question 10b.) . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>b</b> Did you ask if there is an active Form 8332, Release/Revocation of Claim to Exemption for Child by Custodial Parent, or a similar statement in place and, if applicable, did you attach it to the return? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>c</b> Have you determined that the taxpayer has not released the claim to another person? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No	

**Due Diligence Questions for Returns Claiming AOTC** (If the return does not claim AOTC, go to *Credit Eligibility Certification*.)

<b>11</b> Did the taxpayer provide substantiation such as a Form 1098-T and receipts for the qualified tuition and related expenses for the claimed AOTC? . . . . .			<input type="checkbox"/> Yes <input type="checkbox"/> No
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**► You have complied with all due diligence requirements with respect to the credits claimed on the return of the taxpayer identified above if you:**

- A. Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for all credits claimed;
- B. Submit Form 8867 in the manner required;
- C. Interview the taxpayer, ask adequate questions, document the taxpayer's responses on the return or in your notes, review adequate information to determine if the taxpayer is eligible to claim the credit(s) and in what amount(s); **and**
- D. Keep all five of the following records for 3 years from the latest of the dates specified in the Form 8867 instructions under *Document Retention*.
  - 1. A copy of Form 8867,
  - 2. The applicable worksheet(s) or your own worksheet(s) for any credits claimed,
  - 3. Copies of any taxpayer documents you may have relied upon to determine eligibility for and the amount of the credit(s),
  - 4. A record of how, when, and from whom the information used to prepare this form and worksheet(s) was obtained, and
  - 5. A record of any additional questions you may have asked to determine eligibility for and amount of the credits, and the taxpayer's answers.

**► If you have not complied with all due diligence requirements for all credits claimed, you may have to pay a \$510 penalty for each credit for which you have failed to comply.**

**Credit Eligibility Certification**

<b>12</b> Do you certify that all of the answers on this Form 8867 are, to the best of your knowledge, true, correct and complete? . . . . .			<input type="checkbox"/> Yes <input type="checkbox"/> No
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