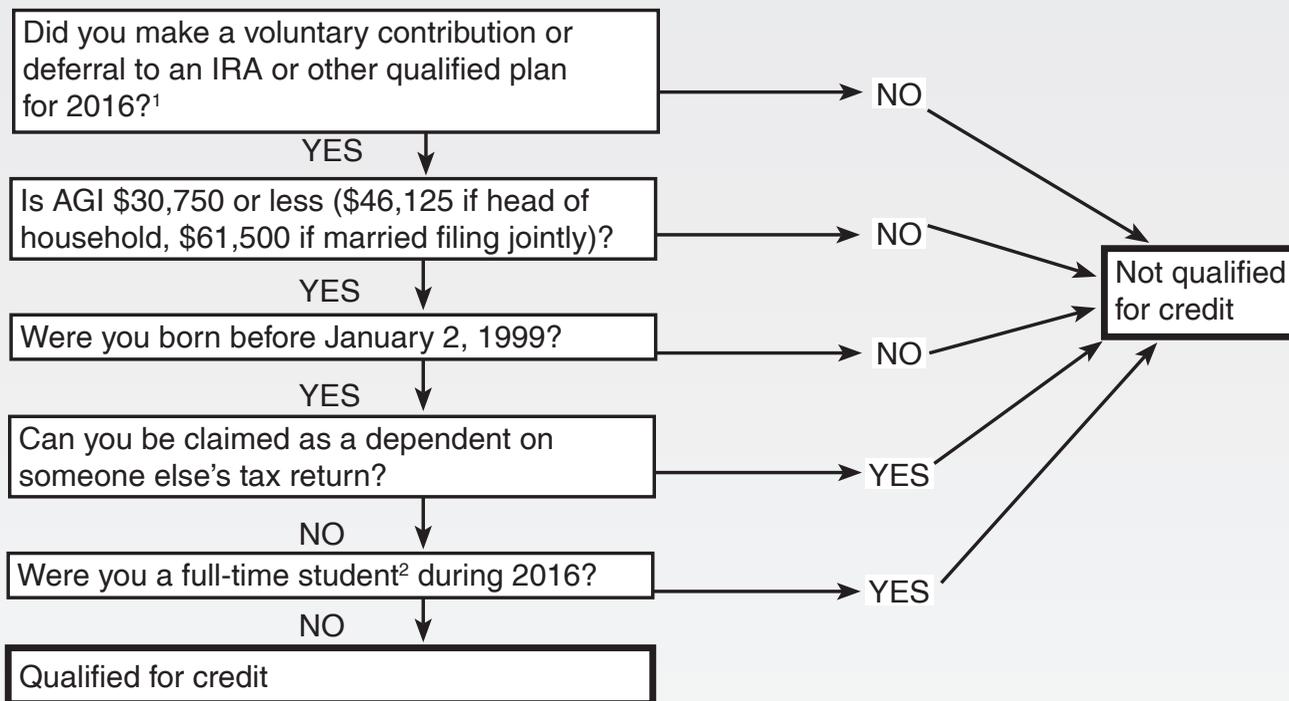


Retirement Savings Contributions Credit – Decision Tree

To determine if a taxpayer qualifies for the Credit for Qualified Retirement Savings Contributions, review the return information and ask the taxpayer the following:



¹ Plans that qualify are listed in the Other Credits chapter of Publication 17. Answer yes if the taxpayer will make a qualifying IRA contribution for tax year 2016 by April 18, 2017.

² See Publication 17 for definition of full-time student.

Important Reminders for Retirement Savings Contributions Credit

- Be sure to look at the taxpayer's Form(s) W-2. An entry in box 12 or an "X" in the Retirement box is an indicator that the taxpayer may be eligible for this credit. A full description of all codes used in box 12 can be found in Instructions for Forms W-2 and W-3.
- An entry in box 14 on the W-2 may also indicate a contribution to a state retirement system. Caution: If these are treated as employer contributions they aren't eligible for the credit. See Form W-2 Instructions.
- When using tax software, remember to key in all entries as they appear on the Form W-2.
- A contribution to a traditional or Roth IRA (including a myRA) qualifies for this credit, but may not appear on any taxpayer document. Remember to review the expenses section on page 2 of the Intake and Interview Sheet and ask taxpayers if they made any IRA contributions.
- Some distributions reduce the eligible contributions for this credit. In addition to distributions for the current year as shown on Forms 1099-R, be sure to ask about distributions in the prior two years and up to the due date of the return.
- See the next page for a list of distributions that don't reduce the eligible contributions for this credit.
- Complete Form 8880 to claim this credit.