**IRLS Tax Return Transcript** - 2015 – 2016 Academic Year

The IRS Data Retrieval Tool (DRT) **must be used** when completing your FAFSA (Free Application for Federal Student Aid) or an IRS 2014 Tax Return Transcript must be submitted, especially if your 2015-2016 FAFSA was randomly selected for a review process known as, “verification”. If you choose to do neither, you will not be eligible to receive any federal grant, student loans, or Work-Study funds, nor will you be considered for any financial aid offered by the University Office of Student Financial Aid.

**Important Changes to the FAFSA Process**

- The United States Department of Education has recently decided to streamline the financial aid application process and to make it more accurate. ALL students and parents (dependent students only) who indicate they have filed a federal tax return will be directed to use the IRS Data Retrieval Tool (DRT).
- Applicants and parents who indicate they “will file” a federal tax return will receive email communication(s) directing them to use the IRS Data Retrieval Tool (DRT) to update their income information once they have filed their 2014 federal income tax return.
- Applicants selected for the verification process will be required to use the IRS Data Retrieval Tool (or) they may choose to request a tax transcript from the IRS which can later be submitted to the Financial Aid Office.

**What is the difference between the Tax Return Transcript and Account Transcript**

The IRS Tax Return Transcript displays most line items from your United States Tax Return (Form 1040, 1040A or 1040EZ), as it was originally filed, this includes any accompanying forms and schedules. The United States Department of Education requires all schools, including the University of South Carolina Beaufort, to collect the tax return transcript.

If you and your parent(s) (dependent students) or spouse, (independent students) filed an amended tax return, you must also request the “Account Transcript” or “Record of Account Transcript”. The tax account transcript, which is also free, shows basic data from your return, including marital status, type of return filed, your adjusted gross income and taxable income. It also includes any adjustments you made after you filed your return.

**In What Cases Will I NOT Be able to Use the DRT?**

You will not be able to use the IRS Data Retrieval Tool (DRT) if any of the following are true:
- Marital status changed after December 1, 2014
- Filed taxes as “Married Filing Separately”
- Filed an amended tax return
- Filed an foreign tax return
- Filed a tax return using a Tax ID Number (TIN)
- The home address on the FAFSA does not match the address the tax return
- Applicants who are, have not, and are not required to file a 2014 Federal Tax Return

**NOTE:** For applicants that cannot use the online IRS Data Retrieval Tool, a paper tax transcript must be requested from the IRS. Please refer to our in-house instructions on how to request the tax return transcript for future reference.

**How to View the Tax Transcript Online?**

**Step-by-Step Instructions**

The step-by-step instructions assume that you are not eligible to use the IRS Data Retrieval or you and your parent(s) (dependent students) or spouse, (independent students) have chosen not to use it, and would like to request the Tax Return Transcript and Account Transcript.

1) Type in [www.irs.gov](http://www.irs.gov) in your web browser, and hit “Enter”.
2015-2016 Viewing Tax Return Transcripts Online Checklist

2) Click on “Get Transcript for My Tax Records”. 

**NOTE:** To satisfy the tax transcript verification requirement, you will need to order a “Tax Return Transcript”—not “Account Transcript”, UNLESS you filed an amended tax return. If you filed an amended return, we require BOTH the “Tax Return Transcript” AND “Account Transcript” OR “Record of Account Transcript”.

Tools
- Request an Electronic Filing PIN
- Get Transcript for My Tax Records
- Time to Adjust Your Tax Withholding?
- Apply for an EIN Online
- First Time Homebuyer Credit Look-up
- More ...

3) Click on “Get Transcript ONLINE”

**NOTE:** Starting with the 2014-2015 Academic Year, students and parents now have the option to retrieve your tax transcript via online, by setting up an IRS Account or request that the transcript be sent through the mail. This form is only for students and parents, who wish to view and print their “Tax Return Transcript”, “Account Transcript”, “Record of Account Transcript” or “Wage & Income Transcript” or a “Verification of Nonfiling Letter” immediately.

How to Set Up Your IRS Online Account?

4) If you have not already established an account through the IRS, click on the link that says “CREATE AN ACCOUNT”. 

There are six steps you need to follow, before you can launch an IRS account.
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**Step 1 of 6** requires the tax filer to input your legal **First Name** and **Last Name**, along with your most frequent **Email Address**. Then click on the “SEND EMAIL CONFIRMATION CODE”, to the email address that you provided.

**NOTE**: A confirmation code will be sent to your email address, in order for you to proceed to the next step.

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**Step 2 of 6**: Please check your email account to retrieve the “confirmation code”. Place the eight-digit code in the “Enter Confirmation Code” section and click on “VERIFY EMAIL CONFIRMATION CODE”.

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Step 3 of 6: Your First Name, Last Name, and Email Address transfers over from the previous step. You will not be able to change this information.

Type in your Social Security Number (SSN) or Individual Tax ID Number (ITIN).

Date of Birth: Simply select your birth month, date, and type in the year you were born.

Under “Filing Status”, you have the option to select whether or not you have filed a tax return in the past seven years. If you did file a tax return in the past seven years, you must select your actual “filing status”. The list comprises of “Single”, “Married Filing Jointly”, “Married Filing Separately”, “Head of Household”, or “Qualifying Widow(er) with Dependent Child”.

You must also type in your address, as listed on your U.S. Federal Tax Return. You also have the option of sharing your phone or mobile numbers on this page, as well.

Step 4 of 6: Based on the social security number that was placed in Step 3 of 6, the IRS has gathered up personal information that only you would know. This step comprises of a series of four questions that examine your credit history and previous residency status. If the selection is not accurate, simply click on “NONE OF THE ABOVE”. Once finished, click on “CONTINUE”.

NOTE: If you answer any of the questions incorrectly, your IRS account will be in jeopardy of being locked. You will not be to start over until after the 24-hour period is up. Therefore, please read and select your responses carefully.
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Step 5 of 6: This section ask you to create your own “Security Profile”. This section is divided into three sections, which are “Site Phrase and Site Image”, “Question”, and “User ID and Password”. Please try to be creative, but also aim to write your responses and hide it somewhere, so that you will be able to refer to it.

“Site Phrase and Site Image” provides the user with the opportunity to choose one random picture and come with a phrase that he or she will remember and recognize.

“Question”: The user has the ability to select three distinct personal questions. Questions with answers that you would only know, as the user. For example: “What is your mother’s place of birth?”

Please follow the IRS’s “Answer Rules”.

The same answer cannot be used more than once.

The answer cannot be a word or number that is part of the same question.
“User ID and Password”: The user now has to create a User ID, which cannot be an email address, SSN or contain a space or @. The IRS has also emphasized the criteria for the password. Click on “SUBMIT” to proceed.

**Password Rules**
- Password must be at least 8 characters long.
- Password must contain at least one numeric and one special character (!@#$%&*)._)
- Password must have at least one uppercase and at least one lowercase letter.
- Password cannot be the same as the User ID.

Step 6 of 6: This is the “congratulatory” phase of learning how to set up an IRS account.

Please click on “CONTINUE” to proceed.

This is the page where you can view all of your tax information, which includes the “Tax Return Transcript”, “Account Transcript”, “Record of Account Transcript” or “Wage & Income Transcript” or a “Verification of Nonfiling Letter” immediately. This letter will not be released for 2014, until June 15, 2015. Just click on the specified tax year to view your transcript. In this case, it would be “2014”. **NOTE:** You must have Adobe® Reader® installed on your computer, to view and print out the information.

Click on the drop box menu to select “Higher Education/Student Aid”, as the most appropriate reason “why you are requesting a transcript”. Once finished, click on the “Sign Out” blue hyperlink, and close your web browser.
2015-2016 Viewing Tax Return Transcripts Online Checklist

How to Sign In to Your IRS Online Account?

1) Congratulations, you have already established an account through the IRS! Please follow Steps 1, 2, and 3 from the first and second pages of this checklist, in order to get to the “Sign in or Sign Up” page. If you want to access your tax transcripts for future purposes, enter your User ID and, then click on the “SIGN IN” link.

2) If you recognize your selected “Site Image” and the “Site Phrase” that you have created, please type in your password and click “Submit”. If you forgot your password, click on the “Forgot Password” blue hyperlink.
3) Again, this is the page where you can view all of your tax information, which includes the “Tax Return Transcript”, “Account Transcript”, “Record of Account Transcript” or “Wage & Income Transcript” or a “Verification of Nonfiling Letter” immediately. This letter will not be released for 2014, until June 15, 2015. Just click on the specified tax year to view your transcript. In this case, it would be “2014”. NOTE: You must have Adobe® Reader® installed on your computer, to view and print out the information.

Click on the drop box menu to select “Higher Education/Student Aid”, as the most appropriate reason “why you are requesting a transcript”. Once finished, click on the “Sign Out” blue hyperlink, and close your web browser.

Miscellaneous Information about the IRS DRT and the Verification Process

I Was Selected for Verification. Can I Submit Photocopies of Tax Returns to Satisfy the Verification Requirements?

NO. Beginning with the 2012 – 2013 award year, institutions can NO longer accept copies of federal income tax returns to satisfy federal financial aid verification requirements. In general and in accordance with federal financial aid regulations, all applicants who already filed his/her 2015-2016 FAFSA but elect to not use the IRS Data Retrieval Process will be required to support his/her reported FAFSA data with information obtained directly from the Internal Revenue Service (IRS). This would include but not limited to a 2014 IRS Tax Return Transcript for student and their parents (if a dependent student), as well as other documentation required to verify information on the FAFSA.

Applicants Who Choose Not to Use the IRS Data Retrieval Tool OR Change the IRS Income Information

Applicants who choose not to use the FAFSA – IRS Data Retrieval Tool (or) applicants who use the tool but subsequently change the income information will be informed that they will be required to verify the information used on the FAFSA. Verification includes, but is not limited to, submitting a copy of your/your parent(s) or spouse 2014 IRS Tax Return Transcript, 2014 W-2s (Wage and Earnings Statement), 1099 Forms, and may require verification of family members, those enrolled in college, and child support received.

NOTE: If your FAFSA was randomly selected for the “verification process” and you choose NOT to complete the FAFSA using the IRS DRT or submit an IRS 2014 Tax Transcript, then per federal regulations you are not eligible to receive any federal grants, loans, or Work-Study, nor will be considered for any financial aid offered by the University of South Carolina Beaufort’s Office of Financial Aid and Veterans Affairs. No further consideration of your application will be made.