

12 PAGES

December 2, 2020
Raju Pusapati & Vidyavathi Bhupathiraju
1506 Braden Circle
Franklin, TN 37067

Department of Treasury
Internal Revenue Service
PO Box 621505
Atlanta, GA-30362-1505

RE: FTA- REQUEST TO WAIVE PENALTY AND INTEREST CHARGED DUE TO CIRCUMSTANCES BEYOND MY CONTROL; AMENDED TAX RETURN- 2018

1. Notice: CP2000 - Notice Date: November 2, 2020
2. Tax Year: 2018
3. AUR Control Number: 50033-1774

Dear Sir or Ma'am,

With reference to your notice referenced above (copy enclosed), I reviewed it with a tax professional and gathered all the relevant documents, and found the respective financial institutions never disclosed and sent the relevant tax statements to me, and reported incorrectly.

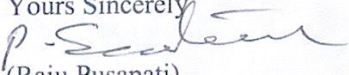
I wish to bring to your kind notice that, I filled my initial taxes for 2018 and paid the tax on time based on the documents and information I had at the time. But unfortunately, the respective financial institutions didn't send some of the relevant tax statements to me and incorrectly presented.

Due these circumstances beyond my control, I request to waive the penalty and interest charged in the notice as they are not accurate based on my amended tax return filing herewith. Please also consider to waive the penalty and interest completely as this was first time I faced with this situation, and also badly affected by COVID-19 hardships including layoff from job, loss of income along with other problems.

I am herewith filing an amended tax return with corrected details accordingly, and sending a check for \$9062.00 toward the amount I owe to IRS, per the amended tax return.

Please acknowledge the receipt of this request, waive the penalty and interest, and send me required confirmation to the address mentioned above.

Thank you so much for your consideration.

Yours Sincerely

(Raju Pusapati)

BOA/#193

NOTE: THE CHECK FOR \$9062.00 AND THE TAX RETURN -
-MAILED TO THE ABOVE ADDRESS.

Amended U.S. Individual Income Tax Return

▶ Go to www.irs.gov/Form1040X for instructions and the latest information.

This return is for calendar year 2018 2017 2016 2015

Other year. Enter one: calendar year or fiscal year (month and year ended):

Your first name and initial RAJU S	Last name PUSAPATI	Your social security number 607-17-0964
If a joint return, spouse's first name and initial VIDYAVATHI	Last name BHUPATHIRAJU	Spouse's social security number 415-89-3060
Current home address (number and street). If you have a P.O. box, see instructions. 1506 BRADEN CIRCLE	Apt. no.	Your phone number
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below. See instructions. FRANKLIN TN 37067		
Foreign country name	Foreign province/state/county	Foreign postal code

Amended return filing status. You must check one box even if you are not changing your filing status. **Caution:** In general, you can't change your filing status from a joint return to separate returns after the due date. Full-year health care coverage (or, for 2018 amended returns only, exempt). See inst.

Single Married filing jointly Married filing separately Qualifying widow(er)
 Head of household (If the qualifying person is a child but not your dependent, see instructions.)

Use Part III on the back to explain any changes

	A. Original amount reported or as previously adjusted (see instructions)	B. Net change—amount of increase or (decrease)—explain in Part III	C. Correct amount
Income and Deductions			
1 Adjusted gross income. If a net operating loss (NOL) carryback is included, check here ▶ <input type="checkbox"/>	1 121,605.	40,191.	161,796.
2 Itemized deductions or standard deduction	2 24,000.	0.	24,000.
3 Subtract line 2 from line 1	3 97,605.	40,191.	137,796.
4a Exemptions (amended returns for years before 2018 only). If changing, complete Part I on page 2 and enter the amount from line 29	4a		
b Qualified business income deduction (2018 amended returns only)	4b 0.	0.	0.
5 Taxable income. Subtract line 4a or 4b from line 3. If the result is zero or less, enter -0-	5 97,605.	40,191.	137,796.
Tax Liability			
6 Tax. Enter method(s) used to figure tax (see instructions): TCW	6 13,357.	8,837.	22,194.
7 Credits. If a general business credit carryback is included, check here ▶ <input type="checkbox"/>	7 4,000.	-135.	3,865.
8 Subtract line 7 from line 6. If the result is zero or less, enter -0-	8 9,357.	8,972.	18,329.
9 Health care: individual responsibility (see instructions)	9 0.	0.	0.
10 Other taxes	10 0.	0.	0.
11 Total tax. Add lines 8, 9, and 10	11 9,357.	8,972.	18,329.
Payments			
12 Federal income tax withheld and excess social security and tier 1 RRTA tax withheld. (If changing, see instructions.)	12 8,788.	0.	8,788.
13 Estimated tax payments, including amount applied from prior year's return	13 0.	0.	0.
14 Earned income credit (EIC)	14 0.	0.	0.
15 Refundable credits from: <input type="checkbox"/> Schedule 8812 Form(s) <input type="checkbox"/> 2439 <input type="checkbox"/> 4136 <input checked="" type="checkbox"/> 8863 <input type="checkbox"/> 8885 <input type="checkbox"/> 8962 or <input type="checkbox"/> other (specify):	15 1,000.	-90.	910.
16 Total amount paid with request for extension of time to file, tax paid with original return, and additional tax paid after return was filed	16	0.	0.
17 Total payments. Add lines 12 through 15, column C, and line 16	17	9,698.	9,698.
Refund or Amount You Owe			
18 Overpayment, if any, as shown on original return or as previously adjusted by the IRS.	18	431.	431.
19 Subtract line 18 from line 17. (If less than zero, see instructions.)	19	9,267.	9,267.
20 Amount you owe. If line 11, column C, is more than line 19, enter the difference	20	9,062.	9,062.
21 If line 11, column C, is less than line 19, enter the difference. This is the amount overpaid on this return	21		
22 Amount of line 21 you want refunded to you	22	0.	0.
23 Amount of line 21 you want applied to your (enter year): estimated tax 23	23		

Complete and sign this form on page 2.

Part I Exemptions

Complete this part **only** if any information relating to exemptions (to dependents if amending your 2018 return) has changed from what you reported on the return you are amending. This would include a change in the number of exemptions (of dependents if amending your 2018 return).



For 2018 amended returns only, leave lines 24, 28, and 29 blank. Fill in all other applicable lines.

Note: See the Form 1040 or, for amended returns for years before 2018, the Form 1040A instructions. See also the Form 1040X instructions.

		A. Original number of exemptions or amount reported or as previously adjusted	B. Net change	C. Correct number or amount
24	Yourself and spouse. Caution: If someone can claim you as a dependent, you can't claim an exemption for yourself. If amending your 2018 return, leave line blank	24		
25	Your dependent children who lived with you	25		
26	Your dependent children who didn't live with you due to divorce or separation	26		
27	Other dependents	27		
28	Total number of exemptions. Add lines 24 through 27. If amending your 2018 return, leave line blank	28		
29	Multiply the number of exemptions claimed on line 28 by the exemption amount shown in the instructions for line 29 for the year you are amending. Enter the result here and on line 4a on page 1 of this form. If amending your 2018 return, leave line blank	29		

30 List **ALL** dependents (children and others) claimed on this amended return. If more than 4 dependents, see inst. and here

Dependents (see instructions):			(d) <input checked="" type="checkbox"/> if qualifies for (see instructions):		
(a) First name	Last name	(b) Social security number	(c) Relationship to you	Child tax credit	Credit for other dependents (2018 amended returns only)
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Part II Presidential Election Campaign Fund

Checking below won't increase your tax or reduce your refund.
 Check here if you didn't previously want \$3 to go to the fund, but now do.
 Check here if this is a joint return and your spouse did not previously want \$3 to go to the fund, but now does.

Part III Explanation of Changes. In the space provided below, tell us why you are filing Form 1040X.

▶ Attach any supporting documents and new or changed forms and schedules.
 LOAN DEFAULT, HSA AND INTEREST INCOME WAS NOT REPORTED EARLIER.
 PLS WAIVE THE PENALTY AND LET ME KNOW THE INTEREST TO PAY AFTER YOU
 PROCESS THE PAYMENT
 THANKS IN ADVANCE FOR YOUR KIND CONSIDERATION

Remember to keep a copy of this form for your records.

Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief, this amended return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information about which the preparer has any knowledge.

Sign Here

▶ D.S. [Signature] 12/2/20 SECURITY ANALYST
 Your signature Date Your occupation
 ▶ B. Nodiyathi 12/2/20 ACCOUNTANT
 Spouse's signature. If a joint return, both must sign. Date Spouse's occupation

Paid Preparer Use Only

▶ NITAX, INC. 12/01/2020 NITAX, INC.
 Preparer's signature Date Firm's name (or yours if self-employed)
NITAX, INC. 24945 West Warren Dearborn Heights MI 48127
 Print/type preparer's name Firm's address and ZIP code
P01349278 Check if self-employed (313) 730-8801 38-3422401
 PTIN Phone number EIN

Filing status: Married filing jointly. Your first name and initial: RAJU S. Last name: PUSAPATI. Your social security number: 607-17-0964. Spouse's first name and initial: VIDYAVATHI. Last name: BHUPATHIRAJU. Spouse's social security number: 415-89-3060. Home address: 1506 BRADEN CIRCLE, FRANKLIN TN 37067.

Table with 4 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Child tax credit, Credit for other dependents. Rows for LALIT PUSAPATI (Son) and LALITHA K PUSAPATI (Parent).

Sign Here section. Preparer's name: NITAX, INC. Preparer's signature: NITAX, INC. PTIN: P01349278. Firm's EIN: 38-3422401. Phone no.: (313) 730-8801. Firm's address: 24945 West Warren Dearborn Heights MI 48127.

Paid Preparer Use Only section. Includes fields for Preparer's name, signature, PTIN, Firm's EIN, and address.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Form 1040 (2018)

Main tax table with 23 rows. Columns include line numbers, descriptions (e.g., Wages, salaries, tips, etc.), and amounts. Total amount owed: 8,879. Estimated tax penalty: 248.

Standard Deduction for - Single or married filing separately, \$12,000. Married filing jointly or Qualifying widow(er), \$24,000. Head of household, \$18,000.

Refund section. Direct deposit? See instructions. Routing number: XXXXX XXXX. Account number: XXXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX.

SCHEDULE 3
(Form 1040)

Nonrefundable Credits

OMB No. 1545-0074

2018
Attachment
Sequence No. **03**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040.
▶ Go to www.irs.gov/Form1040 for instructions and the latest information.

Name(s) shown on Form 1040

RAJU S PUSAPATI & VIDYAVATHI BHUPATHIRAJU

Your social security number
607-17-0964

Nonrefundable Credits	48	Foreign tax credit. Attach Form 1116 if required	48	
	49	Credit for child and dependent care expenses. Attach Form 2441	49	
	50	Education credits from Form 8863, line 19	50	1,365.
	51	Retirement savings contributions credit. Attach Form 8880	51	
	52	Reserved	52	
	53	Residential energy credit. Attach Form 5695	53	
	54	Other credits from Form a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54	
	55	Add the amounts in the far right column. Enter here and include on Form 1040, line 12	55	1,365.

For Paperwork Reduction Act Notice, see your tax return instructions.

REV 12/21/18 PRO

Schedule 3 (Form 1040) 2018

Education Credits
(American Opportunity and Lifetime Learning Credits)

▶ Attach to Form 1040.

▶ Go to www.irs.gov/Form8863 for instructions and the latest information.

Name(s) shown on return

RAJU S PUSAPATI & VIDYAVATHI BHUPATHIRAJU

Your social security number

607-17-0964



Complete a separate Part III on page 2 for each student for whom you're claiming either credit before you complete Parts I and II.

Part I Refundable American Opportunity Credit			
1	After completing Part III for each student, enter the total of all amounts from all Parts III, line 30	1	2,500.
2	Enter: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)	2	180,000.
3	Enter the amount from Form 1040, line 7. If you're filing Form 2555, 2555-EZ, or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter	3	161,796.
4	Subtract line 3 from line 2. If zero or less, stop ; you can't take any education credit	4	18,204.
5	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	5	20,000.
6	If line 4 is: • Equal to or more than line 5, enter 1.000 on line 6 • Less than line 5, divide line 4 by line 5. Enter the result as a decimal (rounded to at least three places)	6	0.910
7	Multiply line 1 by line 6. Caution: If you were under age 24 at the end of the year and meet the conditions described in the instructions, you can't take the refundable American opportunity credit; skip line 8, enter the amount from line 7 on line 9, and check this box <input type="checkbox"/>	7	2,275.
8	Refundable American opportunity credit. Multiply line 7 by 40% (0.40). Enter the amount here and on Form 1040, line 17c. Then go to line 9 below	8	910.
Part II Nonrefundable Education Credits			
9	Subtract line 8 from line 7. Enter here and on line 2 of the Credit Limit Worksheet (see instructions)	9	1,365.
10	After completing Part III for each student, enter the total of all amounts from all Parts III, line 31. If zero, skip lines 11 through 17, enter -0- on line 18, and go to line 19	10	
11	Enter the smaller of line 10 or \$10,000	11	
12	Multiply line 11 by 20% (0.20)	12	
13	Enter: \$134,000 if married filing jointly; \$67,000 if single, head of household, or qualifying widow(er)	13	
14	Enter the amount from Form 1040, line 7. If you're filing Form 2555, 2555-EZ, or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter	14	
15	Subtract line 14 from line 13. If zero or less, skip lines 16 and 17, enter -0- on line 18, and go to line 19	15	
16	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	16	
17	If line 15 is: • Equal to or more than line 16, enter 1.000 on line 17 and go to line 18 • Less than line 16, divide line 15 by line 16. Enter the result as a decimal (rounded to at least three places)	17	
18	Multiply line 12 by line 17. Enter here and on line 1 of the Credit Limit Worksheet (see instructions) ▶	18	
19	Nonrefundable education credits. Enter the amount from line 7 of the Credit Limit Worksheet (see instructions) here and on Schedule 3 (Form 1040), line 50	19	1,365.

Name(s) shown on return **RAJU S PUSAPATI & VIDYAVATHI BHUPATHIRAJU** Your social security number **607-17-0964**



Complete Part III for each student for whom you're claiming either the American opportunity credit or lifetime learning credit. Use additional copies of page 2 as needed for each student.

Part III Student and Educational Institution Information. See instructions.

<p>20 Student name (as shown on page 1 of your tax return) RAJU S PUSAPATI</p>	<p>21 Student social security number (as shown on page 1 of your tax return) 607-17-0964</p>		
<p>22 Educational institution information (see instructions)</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; vertical-align: top;"> <p>a. Name of first educational institution REGENT UNIVERSITY</p> <p>(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. 100 REGENT UNIVERSITY DR VIRGINIA BEACH VA 23464</p> <p>(2) Did the student receive Form 1098-T from this institution for 2018? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution. 54-1061178</p> </td> <td style="width:50%; vertical-align: top;"> <p>b. Name of second educational institution (if any) AUSTIN STATE</p> <p>(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. P O BOX 4444 CLARKSVILLE TN 37044</p> <p>(2) Did the student receive Form 1098-T from this institution for 2018? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution. 62-0646576</p> </td> </tr> </table>		<p>a. Name of first educational institution REGENT UNIVERSITY</p> <p>(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. 100 REGENT UNIVERSITY DR VIRGINIA BEACH VA 23464</p> <p>(2) Did the student receive Form 1098-T from this institution for 2018? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution. 54-1061178</p>	<p>b. Name of second educational institution (if any) AUSTIN STATE</p> <p>(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. P O BOX 4444 CLARKSVILLE TN 37044</p> <p>(2) Did the student receive Form 1098-T from this institution for 2018? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution. 62-0646576</p>
<p>a. Name of first educational institution REGENT UNIVERSITY</p> <p>(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. 100 REGENT UNIVERSITY DR VIRGINIA BEACH VA 23464</p> <p>(2) Did the student receive Form 1098-T from this institution for 2018? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution. 54-1061178</p>	<p>b. Name of second educational institution (if any) AUSTIN STATE</p> <p>(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. P O BOX 4444 CLARKSVILLE TN 37044</p> <p>(2) Did the student receive Form 1098-T from this institution for 2018? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution. 62-0646576</p>		
<p>23 Has the Hope Scholarship Credit or American opportunity credit been claimed for this student for any 4 tax years before 2018? <input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Go to line 24.</p>			
<p>24 Was the student enrolled at least half-time for at least one academic period that began or is treated as having begun in 2018 at an eligible educational institution in a program leading towards a postsecondary degree, certificate, or other recognized postsecondary educational credential? See instructions. <input checked="" type="checkbox"/> Yes — Go to line 25. <input type="checkbox"/> No — Stop! Go to line 31 for this student.</p>			
<p>25 Did the student complete the first 4 years of postsecondary education before 2018? See instructions. <input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Go to line 26.</p>			
<p>26 Was the student convicted, before the end of 2018, of a felony for possession or distribution of a controlled substance? <input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Complete lines 27 through 30 for this student.</p>			



You can't take the American opportunity credit and the lifetime learning credit for the same student in the same year. If you complete lines 27 through 30 for this student, don't complete line 31.

American Opportunity Credit	
27 Adjusted qualified education expenses (see instructions). Don't enter more than \$4,000	27 4,000.
28 Subtract \$2,000 from line 27. If zero or less, enter -0-	28 2,000.
29 Multiply line 28 by 25% (0.25)	29 500.
30 If line 28 is zero, enter the amount from line 27. Otherwise, add \$2,000 to the amount on line 29 and enter the result. Skip line 31. Include the total of all amounts from all Parts III, line 30, on Part I, line 1	30 2,500.
Lifetime Learning Credit	
31 Adjusted qualified education expenses (see instructions). Include the total of all amounts from all Parts III, line 31, on Part II, line 10	31

Health Savings Accounts (HSAs)

▶ Attach to Form 1040 or Form 1040NR.
 ▶ Go to www.irs.gov/Form8889 for instructions and the latest information.

Name(s) shown on Form 1040 or Form 1040NR
RAJU S PUSAPATI

Social security number of HSA beneficiary. If both spouses have HSAs, see instructions ▶

607-17-0964

Before you begin: Complete Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, if required.

Part I HSA Contributions and Deduction. See the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part I for each spouse.

1	Check the box to indicate your coverage under a high-deductible health plan (HDHP) during 2018 (see instructions)	<input type="checkbox"/> Self-only	<input checked="" type="checkbox"/> Family
2	HSA contributions you made for 2018 (or those made on your behalf), including those made from January 1, 2019, through April 15, 2019, that were for 2018. Do not include employer contributions, contributions through a cafeteria plan, or rollovers (see instructions)	2	0.
3	If you were under age 55 at the end of 2018, and on the first day of every month during 2018, you were, or were considered, an eligible individual with the same coverage, enter \$3,450 (\$6,900 for family coverage). All others , see the instructions for the amount to enter	3	6,900.
4	Enter the amount you and your employer contributed to your Archer MSAs for 2018 from Form 8853, lines 1 and 2. If you or your spouse had family coverage under an HDHP at any time during 2018, also include any amount contributed to your spouse's Archer MSAs	4	0.
5	Subtract line 4 from line 3. If zero or less, enter -0-	5	6,900.
6	Enter the amount from line 5. But if you and your spouse each have separate HSAs and had family coverage under an HDHP at any time during 2018, see the instructions for the amount to enter	6	6,900.
7	If you were age 55 or older at the end of 2018, married, and you or your spouse had family coverage under an HDHP at any time during 2018, enter your additional contribution amount (see instructions)	7	1,000.
8	Add lines 6 and 7	8	7,900.
9	Employer contributions made to your HSAs for 2018	9	
10	Qualified HSA funding distributions	10	
11	Add lines 9 and 10	11	
12	Subtract line 11 from line 8. If zero or less, enter -0-	12	7,900.
13	HSA deduction. Enter the smaller of line 2 or line 12 here and on Schedule 1 (Form 1040), line 25, or Form 1040NR, line 25	13	0.

Caution: If line 2 is more than line 13, you may have to pay an additional tax (see instructions).

Part II HSA Distributions. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part II for each spouse.

14a	Total distributions you received in 2018 from all HSAs (see instructions)	14a	2,351.
b	Distributions included on line 14a that you rolled over to another HSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 14a that were withdrawn by the due date of your return (see instructions)	14b	
c	Subtract line 14b from line 14a	14c	2,351.
15	Qualified medical expenses paid using HSA distributions (see instructions)	15	2,351.
16	Taxable HSA distributions. Subtract line 15 from line 14c. If zero or less, enter -0-. Also, include this amount in the total on Schedule 1 (Form 1040), line 21, or Form 1040NR, line 21. On the dotted line next to line 21, enter "HSA" and the amount	16	0.
17a	If any of the distributions included on line 16 meet any of the Exceptions to the Additional 20% Tax (see instructions), check here <input type="checkbox"/>		
b	Additional 20% tax (see instructions). Enter 20% (0.20) of the distributions included on line 16 that are subject to the additional 20% tax. Also include this amount in the total on Schedule 4 (Form 1040), line 62, or Form 1040NR, line 60. Check box c on Schedule 4 (Form 1040), line 62, or box b on Form 1040NR, line 60. Enter "HSA" and the amount on the line next to the box	17b	

Part III **Income and Additional Tax for Failure To Maintain HDHP Coverage.** See the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part III for each spouse.

18	Last-month rule	18	
19	Qualified HSA funding distribution	19	
20	Total income. Add lines 18 and 19. Include this amount on Schedule 1 (Form 1040), line 21, or Form 1040NR, line 21. On the dotted line next to Schedule 1 (Form 1040), line 21, or Form 1040NR, line 21, enter "HSA" and the amount	20	
21	Additional tax. Multiply line 20 by 10% (0.10). Include this amount in the total on Schedule 4 (Form 1040), line 62, or Form 1040NR, line 60. Check box c on Schedule 4 (Form 1040), line 62, or box b on Form 1040NR, line 60. Enter "HDHP" and the amount on the line next to the box	21	

Paid Preparer's Due Diligence Checklist
 Earned Income Credit (EIC), American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC) (including the Additional Child Tax Credit (ACTC)) and Credit for Other Dependents (ODC), and Head of Household (HOH) Filing Status
▶ To be completed by preparer and filed with Form 1040, 1040NR, 1040SS, or 1040PR.
▶ Go to www.irs.gov/Form8867 for instructions and the latest information.

Taxpayer name(s) shown on return RAJU S PUSAPATI & VIDYAVATHI BHUPATHIRAJU	Taxpayer identification number 607-17-0964
Enter preparer's name and PTIN NITAX, INC.	P01349278

Part I Due Diligence Requirements

	EIC	CTC/ ACTC/ODC	AOTC	HOH
Please check the appropriate box for the credit(s) and/or HOH filing status claimed on this return and complete the related Parts I-V for the benefit(s), and/or HOH filing status claimed (check all that apply).	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1 Did you complete the return based on information for tax year 2018 provided by the taxpayer or reasonably obtained by you?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
2 If credits are claimed on the return, did you complete the applicable EIC and/or CTC/ACTC/ODC worksheets found in the Form 1040, 1040SS, 1040PR, 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
3 Did you satisfy the knowledge requirement? To meet the knowledge requirement, you must do both of the following. <ul style="list-style-type: none"> • Interview the taxpayer, ask questions, and document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status. • Review information to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status and the amount of any credit(s) claimed. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
4 Did any information provided by the taxpayer or a third party for use in preparing the return, or information reasonably known to you, appear to be incorrect, incomplete, or inconsistent? (If "Yes," answer questions 4a and 4b. If "No," go to question 5.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
a Did you make reasonable inquiries to determine the correct, complete, and consistent information?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
5 Did you satisfy the record retention requirement? To meet the record retention requirement, you must keep a copy of your documentation referenced in 4b, a copy of this Form 8867, a copy of any applicable worksheet(s), a record of how, when, and from whom the information used to prepare Form 8867 and any applicable worksheet(s) was obtained, and a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility for the credit(s) and/or HOH filing status or to compute the amount of the credit(s) List those documents, if any, that you relied on. _____ _____ _____	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
6 Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for the credit(s) and/or HOH filing status and the amount of any credit(s) claimed on the return if his/her return is selected for audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
7 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
a Did you complete the required recertification Form 8862?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
8 If the taxpayer is reporting self-employment income, did you ask questions to prepare a complete and correct Form 1040, Schedule C?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			

Part II Due Diligence Questions for Returns Claiming EIC (If the return does not claim EIC, go to Part III.)

	EIC	CTC/ ACTC/ODC	AOTC	HOH
9a 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, or to claim the EIC if the taxpayer has no qualifying child? (Skip 9b and 9c if the taxpayer is claiming the EIC and does not have a qualifying child.)	<input type="checkbox"/> Yes <input type="checkbox"/> No			
b Did you ask the taxpayer if the child lived with the taxpayer for over half of the year, even if the taxpayer has supported the child the entire year?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
c Did you explain to the taxpayer the rules about claiming the EIC when a child is the qualifying child of more than one person (tiebreaker rules)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			

Part III Due Diligence Questions for Returns Claiming CTC/ACTC/ODC (If the return does not claim CTC, ACTC, or ODC, go to Part IV.)

	EIC	CTC/ ACTC/ODC	AOTC	HOH
10 Have you determined that each qualifying person for the CTC/ACTC/ODC is the taxpayer's dependent who is a citizen, national, or resident of the United States?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
11 Did you explain to the taxpayer that he/she may not claim the CTC/ACTC if the taxpayer has not lived with the child for over half of the year, even if the taxpayer has supported the child, unless the child's custodial parent has released a claim to exemption for the child?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
12 Did you explain to the taxpayer the rules about claiming the CTC/ACTC/ODC for a child of divorced or separated parents (or parents who live apart), including any requirement to attach a Form 8332 or similar statement to the return?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Part IV Due Diligence Questions for Returns Claiming AOTC (If the return does not claim AOTC, go to Part V.)

	EIC	CTC/ ACTC/ODC	AOTC	HOH
13 Did the taxpayer provide the required substantiation for the credit, including a Form 1098-T and/or receipts for the qualified tuition and related expenses for the claimed AOTC?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Part V Due Diligence Questions for Claiming HOH (If the return does not claim HOH filing status, go to Part VI.)

	EIC	CTC/ ACTC/ODC	AOTC	HOH
14 Have you determined that the taxpayer was unmarried or considered unmarried on the last day of the tax year and provided more than half of the cost of keeping up a home for the year for a qualifying person?				<input type="checkbox"/> Yes <input type="checkbox"/> No

Part VI Eligibility Certification

- ▶ **You will have complied with all due diligence requirements for claiming the applicable credit(s) and/or HOH filing status on the return of the taxpayer identified above if you:**
 - A. 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/or HOH filing status and to determine the amount of the credit(s) claimed;
 - B. Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for any applicable credit(s) claimed and HOH filing status, if claimed;
 - C. Submit Form 8867 in the manner required; 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 credit(s) claimed;
 - 3. Copies of any documents provided by the taxpayer on which you relied to determine eligibility for the credit(s) and/or HOH filing status;
 - 4. A record of how, when, and from whom the information used to prepare this form and the applicable worksheet(s) was obtained; and
 - 5. A record of any additional questions you may have asked to determine eligibility to claim the credit(s), and/or HOH filing status and the amount(s) of any credit(s) claimed and the taxpayer's answers.

▶ **If you have not complied with all due diligence requirements, you may have to pay a \$520 penalty for each failure to comply related to a claim of an applicable credit or HOH filing status.**

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