Addendum: 2027 Annual Federal Tax Refresher (AFTR)

Revision 1

Please note that the course title printed on the textbook states **2027 Annual Federal Tax Refresher**. The correct course title is **2026 Annual Federal Tax Refresher**.

This course covers federal tax law and filing requirements applicable to the 2026 tax year and is approved to satisfy the continuing education requirements for participation in the 2027 Annual Filing Season Program (AFSP).

Date of revision: 07-01-26

Revision 2

Page 6

For the 35% tax bracket:

- MFS was changed to $256,226. The $256,626 was incorrect.

Beginning of Regular Income Tax Brackets							
2026	10%	12%	22%	24%	32%	35%	37%
MFJ, QSS	$0	$24,801	$100,801	$211,401	$403,551	$512,451	$768,701
HOH	$0	$17,701	$67,451	$105,701	$201,751	$256,201	$640,601
S	$0	$12,401	$50,401	$105,701	$201,776	$256,226	$640,601
MFS	$0	$12,401	$50,401	$105,701	$201,776	$256,226	$384,351

Date of revision: 06-23-26

Revision 3

Page 89

The starting date for qualified mortgage insurance (QMI) premiums beginning date has been changed to 2025. The date Dec. 31, 2026, was incorrect.

> Qualified mortgage insurance (QMI) premiums paid or accrued by a taxpayer during the year in connection with acquisition indebtedness on the taxpayer's qualified residence are deductible as mortgage interest for tax years starting after Dec. 31, 2025. QMI includes:

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Revision 4

Page 98

The correct limit was added to the refundable portion of the additional child tax credit.

> The CTC is generally a nonrefundable personal credit; thus, any excess of the credit over the taxpayer's income tax liability is lost. However, a special provision provides that a portion of the CTC can be refundable, known as the ACTC which is refundable up to a cap of $1,700.

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Revision 5

Page 100

Child and dependent care credit modified to exclude mention of refundable nature of credit, which applied to prior tax years. The credit is currently nonrefundable.

This sentence is omitted: *For the credit to be refundable, taxpayers must have a principal place of abode in the U.S. for more than one-half of the tax year.*

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Revision 6

Page 132

The cafeteria plan carryover amount was corrected to reflect the current-year value. The carryover amount of $660 was incorrect.

- If the plan permits the carryover of unused amounts, the maximum carryover amount is $680

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Revision 7

Page 138

These two paragraphs referencing Series I bonds have been omitted:

Taxpayers can purchase up to three Series I savings bonds with their tax refunds. Series I savings bonds are sold at face value (a $50 bond costs $50) and grow in value for up to 30 years. The taxpayer can only purchase up to $5,000 in any single calendar year.

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The Note has been modified to omit reference to using Form 8888 to direct the refund to the bond purchase.

Note: If a refund is deposited directly into two or three accounts, file Form 8888.

Note: This form can also be used for a direct deposit to a mutual fund, HSA, IRA (traditional, Roth or SEP), Archer MSA or Coverdell ESA.

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