IRS Enrolled Agent Exam - Part 1 - Study Outline

Part 1 - Individuals: Exam Structure & Topic Weighting

Part 1 is divided into six scored content areas with this approximate weighting:

- **Preliminary Work & Taxpayer Data - 14 scored questions (about 16%)**
- **Income & Assets - 17 scored questions (about 20%)**
- **Deductions & Credits - 17 scored questions (about 20%)**
- **Taxation - 15 scored questions (about 18%)**
- **Advising the Individual Taxpayer - 11 scored questions (about 13%)**
- **Specialized Returns for Individuals - 11 scored questions (about 13%)**

Official Topic Breakdown (85 Scored Questions - PSI Specifications)

The PSI Examination Content Outline details key subtopics for each section:

1. Preliminary Work & Taxpayer Data (14 scored questions)

- Prior-year returns; taxpayer personal information; residency/citizenship; filing requirements, due dates, filing status, and dependency
- Worldwide taxable and nontaxable income; exclusions, adjustments, deductions, credits, payments, and refundable credits
- Additional required returns and taxes; special filing; foreign account and asset reporting (FBAR/Form 8938); kiddie tax; ACA household information

2. Income & Assets (17 scored questions)

- Wages, salaries, other earnings, interest, dividends, personal property rental, gambling income, cancellation of debt, and foreign income
- Scholarships, barter, hobby income, alimony, combat pay, taxable recoveries, NOLs, illegal income, constructive receipt, and constructive dividends
- Passive income/loss, pass-through income, K-1 and QBI items, royalties, state/local tax refunds, and Forms 1099-MISC, 1099-NEC, and 1099-K issues
- Retirement income, IRA basis and distributions, rollovers, RMDs, Social Security/RRB, inherited accounts, and foreign pensions
- Property dispositions, basis, capital gains/losses, home sale exclusion, installment sales, options, like-kind exchanges, bad debts, and adjustments to income

3. Deductions & Credits (17 scored questions)

- Standard vs. itemized deductions; Form 1040-NR itemized deductions; medical, taxes, interest, charity, casualty/theft, other itemized deductions, and QBI deduction
- Child and dependent care, child tax credit, credit for other dependents, education credits, foreign tax credit, EITC, adoption, ACA premium tax credit, energy, saver, and other credits

4. Taxation (15 scored questions)

- Tax computation, Alternative Minimum Tax, prior-year minimum tax credit, household employees, underpayment penalties and interest, self-employment tax, and excess Social Security withholding
- Clergy and military tax provisions, income in respect of a decedent, net investment income tax, Additional Medicare tax, uncollected Social Security/Medicare tax, and other taxes

5. Advising the Individual Taxpayer (11 scored questions)

- Reporting obligations; property sales; education, estate, retirement, marriage, and divorce planning
- Carryovers, NOLs, Schedule D, Form 8801, negative QBI carryovers, injured spouse, innocent spouse, estimated tax planning, timing income/deductions, transaction character, filing status comparisons, refund claims, amended returns, and penalty of perjury

6. Specialized Returns for Individuals (11 scored questions)

- Estate tax: gross estate, taxable estate, unified credit, jointly held property, marital deduction, portability, life insurance, IRAs, retirement plans, Form 706, and Form 1041 awareness
- Gift tax and international information reporting: gift-splitting, annual exclusion, unified credit, Form 709, FBAR, Form 8938, Form 8865, Form 5471, Form 3520, covered accounts/assets, penalties, and FBAR/Form 8938 distinctions

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One-Page Study Outline Summary

SEE Part 1 - Individuals (100 Multiple-Choice Questions / 3.5 Hours)

85 scored questions and 15 unscored experimental questions. Exam references are based on tax law through December 31, 2025; unless stated otherwise, the current tax year is 2025.

I. Preliminary Work & Taxpayer Data (14 scored)

- Prior-year returns, personal data, residency, ITIN, filing requirements/status, dependency, special filing, foreign reporting, kiddie tax, and ACA household information

II. Income & Assets (17 scored)

- Wages, investment income, COD, foreign income, barter, hobby, alimony, K-1/QBI, retirement income, Social Security, property sales, basis, capital gains, and adjustments

III. Deductions & Credits (17 scored)

- Standard/itemized deductions, QBI, education, child/dependent, foreign tax, EITC, adoption, premium tax, energy, saver, and other credits

IV. Taxation (15 scored)

- Tax computation, AMT, household employment, penalties, self-employment tax, clergy/military tax issues, IRD, NIIT, Additional Medicare tax, and other taxes

V. Advising the Individual Taxpayer (11 scored)

- Reporting obligations, planning issues, carryovers, spouse relief, estimated tax planning, transaction character, filing status comparison, refund claims, and amended returns

VI. Specialized Returns for Individuals (11 scored)

- Estate tax, gift tax, international information reporting, FBAR, Form 8938, Form 8865, Form 5471, Form 3520, covered accounts/assets, and penalties

Key IRS Publications, Forms, and Instructions to Review

- Publication 17 - Your Federal Income Tax for Individuals
- Publication 501 - Dependents, Standard Deduction, and Filing Information
- Publication 502 - Medical and Dental Expenses
- Publication 503 - Child and Dependent Care Expenses
- Publication 504 - Divorced or Separated Individuals
- Publication 505 - Tax Withholding and Estimated Tax
- Publication 519 - U.S. Tax Guide for Aliens
- Publication 54 - Tax Guide for U.S. Citizens and Resident Aliens Abroad
- Publication 523 - Selling Your Home
- Publication 525 - Taxable and Nontaxable Income
- Publication 527 - Residential Rental Property
- Publication 537 - Installment Sales
- Publication 544 - Sales and Other Dispositions of Assets
- Publication 547 - Casualties, Disasters, and Thefts
- Publication 550 - Investment Income and Expenses
- Publication 551 - Basis of Assets
- Publication 559 - Survivors, Executors, and Administrators
- Publication 596 - Earned Income Credit
- Publication 926 - Household Employer's Tax Guide
- Publication 925 - Passive Activity and At-Risk Rules
- Publication 929 - Tax Rules for Children and Dependents
- Publication 969 - HSAs and Other Tax-Favored Health Plans
- Publication 970 - Tax Benefits for Education
- Publication 971 - Innocent Spouse Relief
- Instructions for Form 1040, Form 1040-NR, Schedules A, B, C, D, E, and SE
- Forms and instructions for 1116, 2555, 8606, 8938, 8962, 709, 706, and FinCEN Form 114 (FBAR)

Study Strategy Recommendations

- Start with the highest-volume scored sections: Income & Assets, Deductions & Credits, and Taxation.
- Use Publication 17 as the roadmap, then branch into the specialty publication, form instruction, or schedule tied to each topic.
- Practice all multiple-choice formats: direct question, incomplete sentence, and "all of the following except."
- Study 2025 tax law for the 2026 exam cycle and do not apply later changes unless official exam guidance says otherwise.
- Build comparison charts for filing status, dependency, refundable credits, IRA distributions, Social Security taxability, basis, home sale exclusion, passive losses, and FBAR versus Form 8938.

1. Preliminary Work & Taxpayer Data - 14 scored questions

Content focus:

- Filing requirements, due dates, extensions, filing status, dependents, residency, citizenship, resident alien/nonresident alien status, visas, green cards, and ITIN issues
- Taxpayer data collection: prior-year returns, identity protection PINs, dates of birth, marital status, dependents, state photo ID information, and prior IRS correspondence
- Sources of worldwide income, exclusions, adjustments, deductions, credits, payments, and refundable credits
- Additional returns and taxes, including employment, gift, international information returns, and other information returns
- Foreign reporting, FBAR, Form 8938, disaster-area filings, injured spouse, kiddie tax, and ACA household information

Key IRS Pubs / References:

- Pub 17, Pub 501, Pub 519, Pub 54, Pub 596, Pub 969, Form 1040 instructions, Form 1040-NR instructions, FBAR guidance, and Form 8938 instructions

2. Income & Assets - 17 scored questions

Content focus:

- Wages, salaries, fringe benefits, tips, taxable and tax-exempt interest, dividends, mutual fund distributions, gambling income, personal property rental, foreign income, and cancellation of debt
- Scholarships, barter, hobby income, alimony, combat pay, taxable recoveries, NOLs, illegal income, constructive receipt, constructive dividends, passive income/loss, K-1 income, QBI items, royalties, and information return reporting issues
- Retirement income, IRA basis, traditional and Roth IRA distributions, rollovers, RMDs, early-distribution penalties, Social Security, railroad retirement, inherited accounts, foreign pensions, and qualified plan loans
- Property dispositions, depreciation recapture, capital gains/losses, basis, stock splits/dividends, publicly traded partnerships, personal residence exclusion, installment sales, options, like-kind exchange, bad debts, and investor versus trader rules
- Adjustments to income, including self-employment tax, retirement contributions, HSAs, student loan interest, active-duty military moving expenses, and self-employed health insurance

Key IRS Pubs / References:

- Pub 17, Pub 525, Pub 527, Pub 537, Pub 544, Pub 550, Pub 551, Pub 925, Pub 970, Form 8606 instructions, Schedule D instructions, Schedule E instructions, and Form 1099 guidance

3. Deductions & Credits - 17 scored questions

Content focus:

- Standard deduction versus itemized deductions, including itemized deductions for Form 1040-NR
- Medical, dental, vision, and long-term care expenses; state and local taxes; personal property and real estate taxes
- Mortgage interest, investment interest, tracing rules, points, indebtedness limitations, charitable contributions, documentation, casualty and theft losses, other itemized deductions, and QBI deduction
- Child and dependent care credit, child tax credit, credit for other dependents, education credits, foreign tax credit, EITC, adoption credit, premium tax credit, energy credits, and retirement savings contribution credit

Key IRS Pubs / References:

- Pub 17, Pub 502, Pub 503, Pub 504, Pub 523, Pub 596, Pub 970, Schedule A instructions, Form 8863 instructions, Form 1116 instructions, Form 8962 instructions, and EITC due diligence guidance

4. Taxation - 15 scored questions

Content focus:

- Tax computation, tax liability, Alternative Minimum Tax, and credit for prior-year minimum tax
- Household employees, underpayment penalties and interest, self-employment tax, excess Social Security withholding, and clergy and military tax provisions
- Income in respect of a decedent, net investment income tax, Additional Medicare tax, uncollected Social Security and Medicare tax, and other taxes

Key IRS Pubs / References:

- Pub 17, Pub 505, Pub 926, Pub 929, Schedule SE instructions, Form 6251 instructions, Form 8959 instructions, and Form 8960 instructions

5. Advising the Individual Taxpayer - 11 scored questions

Content focus:

- Reporting obligations for individuals, including Forms 1099, bartering, and cash reporting issues
- Property sales, education planning, estate planning, retirement planning, marriage/divorce, common-law and community property, and alimony
- Carryovers and items affecting future or past returns, including NOLs, Schedule D, Form 8801, negative QBI carryovers, injured spouse, and innocent spouse
- Estimated tax planning, penalty avoidance, timing of income and deductions, transaction character, filing status comparisons, amended returns, refund claims, and penalty of perjury

Key IRS Pubs / References:

- Pub 17, Pub 505, Pub 523, Pub 525, Pub 550, Pub 559, Pub 971, Pub 970, Form 1040-X instructions, Form 8379 instructions, and Form 8857 instructions

6. Specialized Returns for Individuals - 11 scored questions

Content focus:

- Estate tax: gross estate, taxable estate, unified credit, jointly held property, marital deduction, portability, life insurance, IRAs, retirement plans, Form 706, and Form 1041 awareness
- Gift tax: gift-splitting, annual exclusion, unified credit, generation-skipping transfer tax effects, and Form 709 filing requirements
- International information reporting: FBAR, Form 8938, Form 8865, Form 5471, Form 3520, covered accounts/assets, penalties, statute of limitations effects, and distinctions between FBAR and Form 8938

Key IRS Pubs / References:

- Pub 17, Pub 559, Form 706 instructions, Form 709 instructions, Form 8938 instructions, FinCEN Form 114 guidance, Form 3520 instructions, Form 5471 instructions, and Form 8865 instructions

Tip for studying: Begin with Pub 17 and the Form 1040 instructions, then move to the specialty publication or form instruction connected to the specific domain. Part 1 questions test application, recognition of tax treatment, filing requirements, due dates, limitations, and form-level consequences.