

PONTIS COMMUNITY SERVICES



PCS eLearn



IRS Enrolled Agent Exam – Part 1 – Study Outline

Part 1 – Individuals: Exam Structure & Topic Weighting

Part 1 is divided into five major sections with this approximate weighting:

- **Preliminary Work & Taxpayer Data – 15%**
 - **Income & Assets – 25%**
 - **Deductions & Credits – 25%**
 - **Taxation & Advice – 20%**
 - **Specialized Returns for Individuals – 15%**
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Official Topic Breakdown (85 Scored Questions – Prometric Specifications)

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

1. Preliminary Work & Taxpayer Data (17 questions)

- Using prior-year returns for accuracy, carryovers
- Taxpayer biographical details (marital status, dependents, residency, filing status)
- Worldwide income sources and non-taxable income
- Exclusions, adjustments, deductions, credits, tax payments
- Special filing requirements (foreign income, disaster areas, 1040-NR)
- Foreign asset reporting (FBAR, Form 8938), kiddie tax, ACA mandates

2. Income & Assets (21 questions)

- Wages, salaries, statutory employee income, tips
- Taxable vs. non-taxable interest
- Dividends (qualified vs. ordinary)
- Rental income & expenses, depreciation, vacation vs. personal use
- Gambling income and deductibility
- Debt forgiveness, foreign income, scholarships, barter, hobby income, alimony
- Constructive receipt/dividends, passive income/loss limitations, pass-through entities & QBI deduction

3. Deductions & Credits (Approx. 25%)

- Standard vs. itemized deductions
- Above-the-line adjustments (e.g., HSA, retirement contributions, alimony paid)
- Credits (e.g., education, child and dependent care, foreign tax, other dependents)
- Refundable credits including EITC and premium tax credit

4. Taxation & Advice (Approx. 20%)

- Tax computation: filing status, taxable vs. total income
- Tax liability calculations, effective rates
- Self-employment tax, AMT basics, withholding vs. estimated payments
- Tax planning strategies (timing income/deductions, credits optimization)

5. Specialized Returns for Individuals (Approx. 15%)

- Forms like 1040-X, 9465, W-7, 2848, 8962
- Reporting for foreign income, disaster relief, unique taxpayer scenarios
- Guidance on tax representation for individuals

One-Page Study Outline Summary

SEE Part 1 – Individuals (100 Questions / 3.5 Hours)

I. Preliminary Work & Taxpayer Data (15%)

- Prior-year returns, personal data, filing status, residency, dependents
- Income/exclusion sources, deductions, credits, ACA, FBAR, kiddie tax

II. Income & Assets (25%)

- Wages, interest, dividends, rental income, debt forgiveness
- Scholarships, barter, hobby, pass-through income, QBI, foreign income

III. Deductions & Credits (25%)

- Standard vs itemized, above-the-line deductions
- Education, care, dependent, foreign tax, EITC, PTC, etc.

IV. Taxation & Advice (20%)

- Tax computation, AMT, self-employment tax, payments
- Effective planning and advisory scenarios

V. Specialized Returns & Scenarios (15%)

- 1040-X, 9465, ITIN/W-7, POA/2848, PTC forms
- Special filing situations (foreign, disaster, unique taxpayer conditions)

Key IRS Publications to Review

Detailed list of IRS publications that correspond directly to Part 1 content:

- **Publication 17** – *Tax Guide for Individuals*
- **Publication 501** – *Exemptions, 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 508** – *Tax Benefits for Work-Related Education*
- **Publication 523** – *Selling Your Home*
- **Publication 525** – *Taxable and Nontaxable Income*
- **Publication 535** – *Business Expenses*
- **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 553** – *Highlights of Tax Changes*
- **Publication 925** – *Passive Activity and At-Risk Rules*
- **Publication 926** – *Household Employment Taxes*

Study Strategy Recommendations

- **Start with weight-driving topics:**
 - “Income & Assets” and “Deductions & Credits” each account for 25% of the exam—make them your core focus.
- **Use Publication 17 as your roadmap**, and supplement it with the specialty publications aligned to those high-weight areas.
- **Don’t neglect “Taxation & Advice” and “Specialized Returns”**—they make up 35% combined and are essential for rounding out knowledge of advisory scenarios and uncommon return forms.
- Reference and practice with **sample questions and official materials from the IRS**, available on their site to mirror question style and depth.

1. Preliminary Work & Taxpayer Data – 15% of exam

Content focus:

- Filing requirements, due dates, extensions
- Filing statuses, dependents, residency
- Foreign reporting (FBAR, Form 8938)
- ACA requirements
- Carryovers from prior years

Key IRS Pubs:

- **Pub 17** – *Your Federal Income Tax* (general reference)
 - **Pub 501** – *Dependents, Standard Deduction, and Filing Information*
 - **Pub 519** – *U.S. Tax Guide for Aliens*
 - **Pub 54** – *Tax Guide for U.S. Citizens and Resident Aliens Abroad*
 - **Pub 596** – *Earned Income Credit (EIC)*
 - **Pub 969** – *HSAs and Other Tax-Favored Health Plans*
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2. Income & Assets – 25% of exam

Content focus:

- Wages, tips, fringe benefits
- Interest, dividends, capital gains
- Rental income & expenses, depreciation rules
- Royalties, partnerships, S-corporations, trusts
- Passive income/loss rules, QBI deduction
- Debt forgiveness, scholarships, barter, hobby income

Key IRS Pubs:

- **Pub 17** – Income chapters
 - **Pub 525** – *Taxable and Nontaxable Income*
 - **Pub 550** – *Investment Income and Expenses*
 - **Pub 551** – *Basis of Assets*
 - **Pub 544** – *Sales and Other Dispositions of Assets*
 - **Pub 925** – *Passive Activity and At-Risk Rules*
 - **Pub 537** – *Installment Sales*
 - **Pub 527** – *Residential Rental Property*
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3. Deductions & Credits – 25% of exam

Content focus:

- Standard vs. itemized deductions
- Above-the-line adjustments (educator, HSA, IRA, student loan interest)
- Itemized deductions (medical, taxes, mortgage interest, charity, casualty)
- Nonrefundable & refundable credits
- Education credits, child/dependent credits, foreign tax credit, EITC

Key IRS Pubs:

- **Pub 17** – Deductions/Credits chapters
 - **Pub 502** – *Medical and Dental Expenses*
 - **Pub 503** – *Child and Dependent Care Expenses*
 - **Pub 504** – *Divorced or Separated Individuals*
 - **Pub 505** – *Tax Withholding and Estimated Tax*
 - **Pub 523** – *Selling Your Home* (home sale exclusion)
 - **Pub 970** – *Tax Benefits for Education*
 - **Pub 596** – *Earned Income Credit*
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4. Taxation & Advice – 20% of exam

Content focus:

- Computing tax liability
- Alternative Minimum Tax basics
- Self-employment tax, additional Medicare tax
- Withholding vs. estimated tax payments
- Tax planning strategies

Key IRS Pubs:

- **Pub 17** – Tax computation tables & guidance
- **Pub 505** – *Tax Withholding and Estimated Tax*
- **Pub 334** – *Tax Guide for Small Business*
- **Pub 929** – *Tax Rules for Children and Dependents*

5. Specialized Returns for Individuals – *15% of exam*

Content focus:

- Amended returns (1040-X)
- ITIN applications (W-7)
- Installment agreements (9465)
- ACA reconciliation (8962)
- Power of Attorney (2848)
- Disaster relief rules

Key IRS Pubs:

- **Pub 17** – Special filing situations
- **Pub 538** – *Accounting Periods and Methods*
- **Pub 547** – *Casualties, Disasters, and Thefts*
- **Pub 559** – *Survivors, Executors, and Administrators*
- **Pub 971** – *Innocent Spouse Relief*

Tip for studying: If you start with **Pub 17 as your anchor**, then branch to the **specific publication tied to each question domain**, you'll cover 95% of the source material the IRS uses for SEE Part 1.