

# ENROLLED AGENT PRACTICE EXAMS VOL. 2



**ERRATA SHEET**

**2025/26  
TESTING CYCLE**



SKILLPREP BOOKS

# Enrolled Agent Practice Exams Vol. 2 - ERRATA SHEET

This document contains corrections and clarifications for *Enrolled Agent Practice Exams VOL. 2 2025-2026* by *SkillPrep Books* for editions published **before May 22, 2025**.

Some questions have been corrected, while others have been revised to enhance clarity. Please use this information to update the content and ensure you have the most accurate version possible.

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## PART 1 - PRACTICE EXAM #3

### QUESTION 26

**26. John is the executor for his aunt's estate. His aunt passed away on February 10, 2024. John filed Form 4868, Application for Automatic Extension of Time To File U.S. Individual Income Tax Return. What is the extended due date for the aunt's final income tax return?**

- A. June 10, 2025
- B. July 15, 2025
- C. August 15, 2025
- D. October 15, 2025

**ANSWER: D. October 15, 2025**

The final income tax return for a decedent is due on the regular due date that would have applied had the taxpayer lived. This is typically April 15th of the year following the year of death. Since John's aunt died on February 10, 2024, her 2024 income tax return would have been due on April 15, 2025. Filing Form 4868 grants an automatic 6-month extension to file the return. Therefore, adding 6 months to April 15, 2025, the extended due date for the aunt's final income tax return is October 15, 2025.

*Topic: Decedent's Final Tax Return*

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### QUESTION 27

**27. Which item is crucial to carry over from your 2023 tax return to accurately calculate your itemized deductions on your 2024 return?**

- A. Your 2023 filing status.
- B. The amount of your 2023 standard deduction.
- C. A charitable contribution carryover from 2023 due to AGI limitations.
- D. Your 2023 Social Security number.

**ANSWER: C. A charitable contribution carryover from 2023 due to AGI limitations.**

To accurately calculate your total itemized deductions on your 2024 Schedule A, it is crucial to consider any carryovers from your 2023 tax return. One common carryover that directly impacts itemized deductions is a charitable contribution carryover. If your deductible charitable contributions in 2023 were limited because they exceeded a certain percentage of your Adjusted Gross Income (AGI), the excess amount can be carried forward for up to five years. This carryover amount from 2023 would then be included in your 2024 charitable contribution calculation. Other examples of carryovers that can affect itemized deductions include investment interest expense carryovers. Your prior year's filing status, standard deduction amount, or Social Security number are not carryover items that are directly used to calculate the *amount* of current year itemized

deductions (though filing status affects overall tax liability and standard deduction amounts)  
*Topic: Itemized Deductions (Carryovers)*

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## QUESTION 38

**38. What is a key difference between filing the FBAR (FinCEN Form 114) and Form 8938 (Statement of Specified Foreign Financial Assets)?**

- A. The FBAR is filed with the IRS; Form 8938 is filed with FinCEN.
- B. FBAR thresholds are based on asset type; Form 8938 thresholds are fixed at \$10,000.
- C. Form 8938 covers a broader range of foreign assets, including some not held in accounts.
- D. Only U.S. citizens file Form 8938; only U.S. residents file the FBAR

**Question 38 - C. Form 8938 covers a broader range of foreign assets, including some not held in accounts.**

A key distinction is the scope of reportable assets. The FBAR (FinCEN Form 114) primarily targets foreign financial *accounts*. Form 8938 (Statement of Specified Foreign Financial Assets), filed with the IRS, requires reporting of these accounts *and also* other "specified foreign financial assets" which may include items like directly owned foreign stock or bonds, interests in foreign entities, and certain foreign derivatives, even if not held in an account. Other differences include varying reporting thresholds and the filing agency.

*Topic: Foreign Asset Reporting (FBAR vs Form 8938)*

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## QUESTION 72

**72. Emily, a single filer, has \$180,000 in wages subject to Medicare tax and \$50,000 in net self-employment income in 2024. What amount of her income is subject to the regular (not Additional) Medicare tax?**

- A. \$180,000
- B. \$226,175
- C. \$230,000
- D. \$46,175

**ANSWER: B. \$226,175**

The regular Medicare tax applies to wages and net earnings from self-employment. Emily's wages of \$180,000 are fully subject to the regular Medicare tax. For self-employment income, the amount subject to regular Medicare tax is 92.35% of the net self-employment income:  $\$50,000 * 0.9235 = \$46,175$ . The total amount of her income subject to the regular Medicare tax is the sum of these two components:  $\$180,000$  (wages) +  $\$46,175$  (SE base) =  $\$226,175$ .

*Topic: Medicare Tax (Tax Base)*

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## PART 1 - PRACTICE EXAM #4

### QUESTION 54

**54. Emily, a single taxpayer, has \$150,000 in wages and \$60,000 in net earnings from self-employment. What amount is subject to the regular Medicare tax (not the Additional Medicare Tax)?**

- A. \$96,590
- B. \$150,000
- C. \$205,410
- D. \$210,000

#### **Question 54 - C. \$205,410**

The regular Medicare tax (1.45% employee/employer share, 2.9% self-employment rate) applies to all covered earnings, including wages and net earnings from self-employment, without an upper limit. The Additional Medicare Tax (0.9%) applies separately above certain income thresholds. The base subject to the regular Medicare tax system includes all wages subject to Medicare (\$150,000) plus the portion of net self-employment earnings subject to SE tax ( $\$60,000 * 0.9235 = \$55,410$ ). Option C represents the total gross earnings from both sources ( $\$150,000$  wages +  $\$55,410$  net SE income =  $\$205,410$ ), all of which forms the basis for calculating the applicable Medicare tax components.

*Topic: Medicare Tax (Tax Base)*

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### QUESTION 73

**73. What is the statute of limitations for the IRS to assess additional tax related to unreported foreign assets reported on an FBAR?**

- A. 3 years from the date the return was filed.
- B. 6 years from the FBAR report's due date.
- C. There is no statute of limitations.
- D. It depends on whether the failure to report was willful.

#### **Question 73 - B. 6 years from the FBAR report's due date.**

The statute of limitations sets the time frame for the government to assess penalties. For civil penalties related to the failure to file the Report of Foreign Bank and Financial Accounts (FBAR, FinCEN Form 114), the statute of limitations under Title 31 of the U.S. Code is generally 6 years from the due date of the FBAR report (which is typically April 15th, automatically extended to October 15th, following the calendar year reported). This differs from the standard 3-year statute for assessing additional income tax.

*Topic: Foreign Account Reporting (FBAR Statute of Limitations)*