

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

Taxes 2

# Filing Your Taxes (1/3)

## Directions

1 Review the following terms before completing this activity.

- » **W-2 (Wage and Tax Statement):** A form used to report wages paid to employees and taxes withheld from them. Should be completed for each employee on or before Jan. 31 of each year.
- » **1099 (MISC Statement for Recipients of Non-Employee Compensation):** Used to report earnings of \$600 or more paid per calendar year, for which no withholding of social security taxes and income tax was made over the year.
- » **1040 (A, EZ):** The starting form for personal income tax returns filed with the IRS
- » **IRS (Internal Revenue Service):** United States government agency that is responsible for the collection and enforcement of taxes
- » **Head of household:** A filing status that is used for individuals who are not married. They must pay more than half of the costs for the household.
- » **Joint return:** Income taxes that are filed for a couple who are married. The income, tax credits, tax deductions, and tax exemptions are combined on one tax return.
- » **FICA (Federal Insurance Contributions Act):** Taxes that are used to pay for social security or Medicare programs.
- » **Income tax withholdings:** This is money an employer legally has to withhold (take out, deduct) from an employee's earnings and is sent to the city, state and federal governments. This money is applied toward the amount of money an employee will owe the government agency when income taxes are filed.

2 List all items commonly withheld from gross pay.

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Research and explain the difference among Social Security, Medicaid and Medicare.

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3 Next, complete the form filing a joint return. Have students use the second W-2 provided, titled "Spouse".

you have no children  
 you have \$127 in taxable interest

# Sample Form W-2

a Control number		OMB No. 1545-0008		This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.			
b Employer identification number 94-18643		1 Wages, tips, other compensation 16,701.60		2 Federal income tax withheld 1,224.00			
c Employer's name, address, and ZIP code Smart Shoes 901 Baron Street Our Towne, CA 95551-1440		3 Social security wages 16,701.60		4 Social security tax withheld 1,035.60			
		5 Medicare wages and tips 16,701.60		6 Medicare tax withheld 242.16			
		7 Social security tips		8 Allocated tips			
d Employee's social security number 277-00-4545		9 Advance EIC payment		10 Dependent care benefits			
e Employee's address and ZIP code Oki Komuro 7201 Jasmine Boulevard Our Towne, CA 95551-1445		11 Nonqualified plans		12a See instructions for box 12			
		13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b			
		14 Other		12c			
				12d			
15 State	Employer's state ID number 94-186438	16 State wages, tips, etc. 16,701.60	17 State income tax 240.24	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form **W-2** Wage and Tax Statement  
 Copy C For EMPLOYEE'S RECORDS. (See Notice to Employee on back of Copy B).

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Department of the Treasury—Internal Revenue Service

Safe, accurate, FAST! Use 

# Spouse's W-2

22222		a Employee's social security number 000-00-0000		OMB No. 1545-0008		This is a recreation of a W-2 for education purposes only.			
b Employer identification number (EIN) 62-0000XXX		1 Wages, tips, other compensation \$41,000.00		2 Federal income tax withheld \$5986.50					
c Employer's name, address, and ZIP code Marketing Strategies, Inc. 1749 Main St. Del Boca Vista, FL 90035		3 Social security wages \$41,000.00		4 Social security tax withheld \$2,542.00					
		5 Medicare wages and tips \$41,000.00		6 Medicare tax withheld \$594.50					
		7 Social security tips		8 Allocated tips					
d Control number		9		10 Dependent Care benefits					
e Employees first name and initial James King		Last name 7201 Jasmine Boulevard Our Towne, CA 95551-1445		11 Nonqualified plans		12a See instructions for box 12			
		13 Statutory Employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b					
f Employee's address and ZIP code		14 Other		12c					
				12d					
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips	19 Local income tax				

Form **W-2** Wage and Tax Statement  
 Copy C - for Employee's Records (See Notice to Employee on the back of Copy B.)

2011

This is not a real W-2 form but a recreation of a W-2 for education purposes only.

Your first name and initial	Last name	OMB No. 1545-0074
		Your social security number
If a joint return, spouse's first name and initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. ▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Foreign country name Foreign province/state/county Foreign postal code

**Filing status** Check only one box.

1  Single  
 2  Married filing jointly (even if only one had income)  
 3  Married filing separately. Enter spouse's SSN above and full name here. ▶  
 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶  
 5  Qualifying widow(er) (see instructions)

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a.  
 b  Spouse

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)
(1) First name	Last name			
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than six dependents, see instructions.

Boxes checked on 6a and 6b  
 No. of children on 6c who:  
 • lived with you  
 • did not live with you due to divorce or separation (see instructions)  
 Dependents on 6c not entered above  
 Add numbers on lines above ▶

d Total number of exemptions claimed.

**Income**

7 Wages, salaries, tips, etc. Attach Form(s) W-2. 7

8a Taxable interest. Attach Schedule B if required. 8a

b Tax-exempt interest. Do not include on line 8a. 8b

9a Ordinary dividends. Attach Schedule B if required. 9a *0*

b Qualified dividends (see instructions). 9b

10 Capital gain distributions (see instructions). 10 *0*

11a IRA distributions. 11a	11b Taxable amount (see instructions). 11b <i>0</i>
12a Pensions and annuities. 12a	12b Taxable amount (see instructions). 12b <i>0</i>
13 Unemployment compensation and Alaska Permanent Fund dividends. 13 <i>0</i>	
14a Social security benefits. 14a	14b Taxable amount (see instructions). 14b <i>0</i>

15 Add lines 7 through 14b (far right column). This is your **total income**. ▶ 15

**Adjusted gross income**

16 Educator expenses (see instructions). 16 *0*

17 IRA deduction (see instructions). 17 *0*

18 Student loan interest deduction (see instructions). 18 *0*

19 Tuition and fees. Attach Form 8917. 19 *0*

20 Add lines 16 through 19. These are your **total adjustments**. 20

21 Subtract line 20 from line 15. This is your **adjusted gross income**. ▶ 21

**Tax, credits, and payments** **22** Enter the amount from line 21 (adjusted gross income). 22

**23a** Check  **You** were born before January 2, 1953,  **Blind** if:  **Spouse** was born before January 2, 1953,  **Blind** } **Total boxes checked** ▶ **23a**

**Standard Deduction for—**

- People who check any box on line 23a or 23b or who can be claimed as a dependent, see instructions.
- All others:
  - Single or Married filing separately, \$6,350
  - Married filing jointly or Qualifying widow(er), \$12,700
  - Head of household, \$9,350

**b** If you are married filing separately and your spouse itemizes deductions, check here ▶ **23b**

**24** Enter your **standard deduction**. 24

**25** Subtract line 24 from line 22. If line 24 is more than line 22, enter -0-. 25

**26 Exemptions.** Multiply \$4,050 by the number on line 6d. 26

**27** Subtract line 26 from line 25. If line 26 is more than line 25, enter -0-. This is your **taxable income**. ▶ **27**

**28 Tax**, including any alternative minimum tax (see instructions). 28

**29** Excess advance premium tax credit repayment. Attach Form 8962. 29

**30** Add lines 28 and 29. 30

**31** Credit for child and dependent care expenses. Attach Form 2441. 31

**32** Credit for the elderly or the disabled. Attach Schedule R. 32

**33** Education credits from Form 8863, line 19. 33

**34** Retirement savings contributions credit. Attach Form 8880. 34

**35** Child tax credit. Attach Schedule 8812, if required. 35

**36** Add lines 31 through 35. These are your **total credits**. 36

**37** Subtract line 36 from line 30. If line 36 is more than line 30, enter -0-. 37

**38** Health care: individual responsibility (see instructions). Full-year coverage  38

**39** Add line 37 and line 38. This is your **total tax**. 39

If you have a qualifying child, attach Schedule EIC.

**40** Federal income tax withheld from Forms W-2 and 1099. 40

**41** 2017 estimated tax payments and amount applied from 2016 return. 41

**42a Earned income credit (EIC).** 42a

**b** Nontaxable combat pay election. 42b

**43** Additional child tax credit. Attach Schedule 8812. 43

**44** American opportunity credit from Form 8863, line 8. 44

**45** Net premium tax credit. Attach Form 8962. 45

**46** Add lines 40, 41, 42a, 43, 44, and 45. These are your **total payments**. ▶ **46**

**Refund**

Direct deposit? See instructions and fill in 48b, 48c, and 48d or Form 8888.

**47** If line 46 is more than line 39, subtract line 39 from line 46. This is the amount you **overpaid**. 47

**48a** Amount of line 47 you want **refunded to you**. If Form 8888 is attached, check here ▶  **48a**

▶ **b** Routing number           ▶ **c** Type:  Checking  Savings

▶ **d** Account number

**Amount you owe**

**49** Amount of line 47 you want **applied to your 2018 estimated tax**. 49

**50 Amount you owe.** Subtract line 46 from line 39. For details on how to pay, see instructions. ▶ **50**

**51** Estimated tax penalty (see instructions). 51

**Third party designee**

Do you want to allow another person to discuss this return with the IRS (see instructions)?  **Yes**. Complete the following.  **No**

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

**Sign here**

Joint return? See instructions. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>

**Paid preparer use only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN <input type="text"/>
Firm's name ▶	Firm's EIN ▶		Phone no.	
Firm's address ▶				

If line 43 (taxable income) is—		And you are—				Your tax is—	If line 43 (taxable income) is—		And you are—				Your tax is—	If line 43 (taxable income) is—		And you are—				Your tax is—
At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household		At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household		At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	
<b>30,000</b>						<b>33,000</b>						<b>36,000</b>								
30,000	30,050	4,038	3,571	4,038	3,836	33,000	33,050	4,488	4,021	4,488	4,286	36,000	36,050	4,938	4,471	4,938	4,736			
<b>31,000</b>						<b>34,000</b>						<b>37,000</b>								
<b>32,000</b>						<b>35,000</b>						<b>38,000</b>								

\* This column must also be used by a qualifying widow(er).

(Continued)