

## Tax Subject T2 - Filing Basics

[PRINT](#)

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In this section, we will review some tax rules that affect every person who may have to file a federal income tax return. We will cover topics such as who must file, what filing status and how many exemptions to use. In addition, this section is about the standard deduction and taxpayers who do not itemize their deductions.

### Tax School Homepage

Student Instructions: **Follow the following 5 steps:**

<b>Step</b>	<b>Instructions -</b> <b>You must do all of the following</b> (steps 1 - 5)	<b>Links:</b>
	(We must receive from you both an assignment and a quiz for each Tax Subject)	
<b>1</b>	Print the checklist:	<b>Checklist</b> <a href="#">Click Here</a>
<b>2</b>	Read the reading material and answer the questions on this page.	<a href="#">Reading Material</a>
<b>3</b>	<b>Pending...</b> Submit the answers to the <a href="#">Assignment</a> online (the questions on this page). Scroll down for all questions on this page. When you are ready to submit click on the Assignment link. Make sure you either write your answers or print the page before you click on the assignment link.	<a href="#">Assignment</a>
<b>4</b>	Complete a quiz on the reading material: <a href="#">Quiz Online</a> . You have to complete 60 minutes to complete 40 questions for this quiz. You must study the reading material. You won't have time to look up questions in the reading material.	<a href="#">Quiz Online</a>
<b>5</b>	Go to <a href="#">Grades &amp; Certificates</a> for instructions on retrieving your grade results and Certificates.	<a href="#">Grades &amp; Certificates</a>

**Important:** If you fail a topic you can try again until you pass. However, you cannot try again until 24 hours later. Every time you try the questions will be different. You will be disqualified from completing this Item if you do not allow the proper 24 hours in between tries. If you are disqualified, you will be notified through email of the substitute topic to complete.

Most forms are in Adobe Acrobat PDF format. You will need Adobe Reader to view and print these forms. If you do not already have Adobe Reader installed on your computer, you may [download the software](#) for free.

**Material needed to complete this assignment:**

- [Tax Subject T2 - Filing Basics](#) - Use the [IRS Publication 501](#), [IRS Form 1040A Instructions](#), [IRS Form 8812](#), [IRS Schedule B](#), [IRS Schedule R](#) and [Form 1040A](#) to complete this tax topic.

### Tax Return Situation 1:

Thomas Thomson (D.O.B. 8/02/1946) is married to Ruth Ribeiro (SSN 342-23-9012). Thomas and Ruth separated and they started living apart on May 15, 2012. They are going to file separately. Tommy Thomson JR (SSN 619-19-9212 Date of Birth 2-25-1997) is their son. Tommy lived with Thomas all year. Ruth provided \$4,000 to Tommy for the year. \$1,000 of this money was used for Tommy's support and the remaining \$3,000 was kept in a savings account. In addition, Ruth gave Tommy a \$950 flat screen TV for his birthday. Tommy uses the TV in his room.

Currently Thomas is living with his new girlfriend Sara Smith (SSN 534-34-5987) and his son Tommy. There are three people living in the household.

Thomas paid \$28,800 rent for the year. Utilities amount (including heat, light, water, etc.) was \$3,600. Repairs for the home were \$2,000.

Total clothing expense for Tommy was \$400 and other expenses were \$200.

The following is Thomas Thomson's W2 for the year (notice the retirement plan box is marked). All information is correct including address.

a Employee's social security number 555-56-5700		OMB No. 1545-0008		Copy X for Tax Class			
b Employer identification number (EIN) 33-0088763		1 Wages, tips, other compensation 65,897.48		2 Federal income tax withheld 9,884.62			
c Employer's name, address, and ZIP code United Trucking Company 3355 Las Vegas Blvd South Las Vegas, NV 89135		3 Social security wages 68,903.20		4 Social security tax withheld 4,272.00			
		5 Medicare wages and tips 68,903.20		6 Medicare tax withheld 999.03			
		7 Social security tips		8 Allocated tips			
d Control number 1071		9		10 Dependent care benefits			
e Employee's first name and initial Last name Suff. Thomas Thomson 4550 South Maryland Blvd Las Vegas, NV 89044		11 Nonqualified plans		12a See instructions for box 12			
		13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		12b			
		14 Other		12c			
f Employee's address and ZIP code				12d			
15 State NV	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form **W-2** Wage and Tax Statement

**2012**

Department of the Treasury—Internal Revenue Service

Additionally, Thomas received Form 1099-DIV showing total dividends of \$1,475 and he also received unemployment compensation of \$2,500.

Thomas paid student loan interest of \$2,800. He also made an IRA contribution of \$5,000 to receive an IRA deduction on his tax return.

### Tax Return Situation 2:

Oscar Lyndon was born on March 3, 1947. He received Form SSA-1099 showing in box 5 \$18,300.39 is Social Security Benefits. Additionally, he received the following W-2 Form. All information is correct including address.

a Employee's social security number 055-65-5678		OMB No. 1545-0008				Copy X for Tax Class	
b Employer identification number (EIN) 22-4564575		1 Wages, tips, other compensation 16,400.49		2 Federal income tax withheld 2,459.52			
c Employer's name, address, and ZIP code  Data Inc. 1001 Congress Ave. Austin, TX 78701		3 Social security wages 16,400.49		4 Social security tax withheld 1,016.80			
		5 Medicare wages and tips 16,400.49		6 Medicare tax withheld 237.78			
		7 Social security tips		8 Allocated tips			
d Control number 3480		9		10 Dependent care benefits			
e Employee's first name and initial Last name Suff.  Oscar Lyndon 501 West 15th Street Austin, TX 78701		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			
f Employee's address and ZIP code				12d			
15 State TX	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form **W-2** Wage and Tax Statement

**2012**

Department of the Treasury—Internal Revenue Service

After you have prepared the tax returns, please complete the following questions. Please also submit the answers one by one in step 2 above.

1. Look at the Form 1040A you prepared for Thomas. What is the amount on line 7?

- A. \$65,897.
- B. \$68,903.20
- C. \$65,897.48
- D. None of the above.

2. Look at the Form 1040A you prepared for Thomas. What is the amount on line 9a?

- A. \$1,500.
- B. \$1,475.
- C. \$0
- D. None of the above.

3. What is the amount on Schedule B, line 6?

- A. \$1,500.
- B. \$1,475.
- C. \$0, Schedule B is not required.
- D. None of the above.

4. Look at the Form 1040A you prepared for Thomas. What is the amount on line 11b?

- A. \$5,000.
- B. \$10,000.
- C. \$4,000.
- D. \$0, there is not reason to put an amount here.

5. Look at the Form 1040A you prepared for Thomas. What is the amount on line 13?

- A. \$2,500.
- B. \$2,400.
- C. \$1,500.
- D. \$0, there is not reason to put an amount here.

6. Look at the Form 1040A you prepared for Thomas. What is the amount on line 15?

- A. \$69,872
- B. \$65,897
- C. \$69,872.48
- D. \$0, there is not reason to put an amount here.

7. Look at the Form 1040A you prepared for Thomas. What is the amount on line 17? (Prepare the worksheet).

- A. \$69,872.
- B. \$0; Thomas had a retirement plan with his employer.

- C. \$5,000.
- D. None of the above because there is not reason to put an amount here.

8. Look at the Form 1040A you prepared for Thomas. What is the amount on line 18? (Prepare the worksheet).

- A. \$1,155
- B. \$2,800
- C. \$2,500
- D. None of the above.

9. Look at the Form 1040A you prepared for Thomas. What is the amount on line 24?

- A. \$8,700
- B. \$5,950
- C. \$11,900
- D. None of the above.

10. Look at the Form 1040A you prepared for Thomas. What is the amount on line 26?

- A. \$3,700.
- B. \$7,400
- C. \$11,100.
- D. None of the above.

11. Look at the Form 1040A you prepared for Thomas. What the is amount on line 27?

- A. \$53,117
- B. \$7,400
- C. \$55,172
- D. None of the above.

12. Look at the Form 1040A you prepared for Thomas. What is amount on line 28?

- A. \$53,117
- B. \$7,400
- C. \$8,061
- D. None of the above.

13. Look at the Form 1040A you prepared for Thomas. What is the amount of AMT included in the amount on line 28? (Prepare the worksheet).

- A. \$ 3,525.
- B. \$ 4,536.
- C. \$0; Thomas does not owe this tax.
- D. \$ 8,061.

14. Look at the Form 1040A you prepared for Thomas. What is amount on line 33?

- A. \$1,000.
- B. \$250
- C. \$3,700
- D. \$0, these is no need to do this calculation.

15. Look at the Form 1040A you prepared for Thomas. What is amount on line 36?

- A. \$9,884.62
- B. \$9,885
- C. \$0; Thomas did not pay any federal tax.
- D. \$4,272

16. Look at the Form 1040A you prepared for Thomas. What is amount on line 38a?

- A. Thomas needs to file Form 1040 instead of Form 1040A to claim EIC.
- B. \$0; EIC Credit amount does not need to be considered because Thomas is over 65.
- C. \$0; Thomas income is over the amount to qualify for the EIC.
- D. \$5,751

17. Look at the Form 1040A you prepared for Thomas. What is amount on line 39? (Use Form 8812 as a worksheet).

- A. \$750
- B. \$7,061
- C. \$0
- D. None of the above.

18. Look at the Form 1040A you prepared for Thomas. What is amount on line 41?

- A. \$2,824
- B. \$9,885
- C. \$7,061
- D. There is no reason to enter an amount here.

19. Look at the Form 1040A you prepared for Thomas. What is amount on line 42?

- A. \$9,885
- B. \$7,061
- C. \$311.
- D. \$0

20. Look at the Form 1040A you prepared for Thomas. What is amount on line 45?

- A. \$0; Thomas is getting a refund.
- B. \$9,885
- C. \$7,061
- D. None of the above.

21. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 7?

- A. \$16,400.49.
- B. \$16,400.
- C. \$0.
- D. \$9,885.

22. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 8a?

- A. \$0.
- B. \$16,400.
- C. \$400.
- D. There is no reason to enter an amount here.

23. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 14a?

- A. \$18,300.
- B. \$16,400.

- C. \$400.
- D. None of the above.

24. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 14b? (Prepare the worksheet).

- A. \$18,300.
- B. \$275.
- C. \$400.
- D. \$16,400.

25. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 15?

- A. \$18,300.
- B. \$475.
- C. \$16,675.
- D. \$16,400.

26. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 22?

- A. \$18,300.
- B. \$475.
- C. \$16,675.
- D. \$0.

27. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 24?

- A. \$5,950
- B. \$11,900
- C. \$7,400
- D. \$8,700

28. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 26?

- A. \$3,700.
- B. \$475.



- C. \$3,800
- D. \$7,250.

29. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 27?

- A. \$3,700.
- B. \$5,725.
- C. \$5,475
- D. \$7,250.

30. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 28?

- A. \$548
- B. \$6,325.
- C. \$573.
- D. \$7,250.

31. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 30?

- A. \$3,700.
- B. \$6,325.
- C. \$633.
- D. \$0; The credit does not need to be calculated because he received over \$5,000 in Social Security benefits.

32. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 36?

- A. \$2,460.
- B. \$6,325.
- C. \$633.
- D. \$0.

33. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 38a?

- A. \$3.
- B. \$0; there is no need to calculate the amount because Oscar is over 65 years old.
- C. I looked at the EIC Table and the result is \$0 for the income Oscar earned.
- D. \$464.

34. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 42?

- A. \$2,460.
- B. \$1,912
- C. \$1,887.
- D. \$0.

35. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 43a?

- A. \$2,460.
- B. \$1,912
- C. \$633.
- D. \$1,887.

36. Look at the Form 1040A you prepared for Oscar Lyndon. What is the amount on line 45?

- A. \$2,460.
- B. \$1,912
- C. \$633.
- D. \$0.

If you are answering the questions directly on this page, make sure you print them before you click on "Assignment" in step 2 above. If you don't have a printer, then write the answers down before you proceed.