

## FORM 1040EZ STEP-BY-STEP

**What you'll need:**

- One Form W-2 for each job held during the year
- Form 1099-INTs from each payer of interest
- Pencil/pen, scratch paper. Use ink on the return you file.
- Calculator (optional)
- Blank Form 1040EZ
- Social security number for your spouse (of applicable).

**Key items****Name and address label**

- If you have a peel-off mailing label, save it to apply when you are sure your return is complete and correct and you are ready to file it. If you have no peel-off mailing label, print your name and address carefully.
- Enter your social security number (and your spouse's, when applicable). See Form W-2, box d.
- If you (and/or your spouse) want \$3 to go into the Presidential Election Campaign Fund, check "Yes." (**Note:** Checking "yes" will not change your tax or reduce your refund.)

**Report your income**

- Add the amount(s) in box 1 of your Form(s) W-2, and put the total on line 1 of Form 1040EZ.
- Put taxable interest (if \$400 or less) on line 2, even if no Form 1099-INT was received. If your interest income is over \$400 you must file either Form 1040A or Form 1040.
- Double-check your addition for line 4.
- See student handout 3.4, "The Dependency Tests" to find out if you should check the "Yes" or "No" box on line 5. If you check the "No" box, enter 7,200 if you are single and 12,950 if you are married.
- If you check the "Yes" box, use the worksheet on the back of Form 1040EZ to figure the amount to enter on line 5.
- Double-check your subtraction for line 6.

**Figure your tax**

- Add the amounts in box 2 of your Form(s) W-2, and put the total on Form 1040EZ, line 7. (To see if line 8a "Earned Income Credit" applies to you, see the instructions for Form 1040EZ.)
- Add lines 7 and 8a and enter the total on line 9.
- Find your tax by using the appropriate (single or married filing jointly) column of the Tax Tables. Look for your taxable income (the line 6 amount). Write in the amount of your tax on line 10.
- Double-check that you copied the figures from your Form W-2s and Tax Tables correctly.

**Refund or amount you owe**

- Look at lines 9 and 10 again. Check whether line 9 or 10 is larger.
- If line 9 is larger, you should complete line 11a. Subtract line 10 from line 9, and put the result on line 11a. This is the amount of your refund.
- If line 10 is larger, subtract line 9 from line 10, and put the result on line 12. This is the amount you owe.

**Sign your return**

- Double-check your addition and subtraction.
- Read the words in bold letters at the bottom of the form (above the signature line), then sign, date it, and enter your occupation.
- Attach your mailing label; make any necessary corrections right on the label.
- Be sure to enter your Social Security Number on the return.
- Attach Copy B of each Form W-2.
- If you owe more tax, see the instructions for details on how to pay (and what to write on your payment, if applicable).
- Mail your return by April 16, 2001.

FORM 1040A

Form **1040A** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return 2000** IRS Use Only—Do not write or staple in this space.

OMB No. 1545-0085

**Label**

(See page 19.)

**Use the IRS label.**

Otherwise, please print or type.

|            |   |  |           |  |                                 |  |
|------------|---|--|-----------|--|---------------------------------|--|
| LABEL HERE | Your first name and initial   |  | Last name |  | 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 page 20.                      |  |           |  | Apt. no.                        |  |
|            | City, town or post office, state, and ZIP code. If you have a foreign address, see page 20. |  |           |  |                                 |  |

**▲ Important! ▲**  
You must enter your SSN(s) above.

**Presidential Election Campaign**  
(See page 21.)

**Note.** Checking "Yes" will not change your tax or reduce your refund. Do you, or your spouse if filing a joint return, want \$3 to go to this fund? . . . . .  Yes  No  Yes  No

**Filing status**

- 1  Single
- 2  Married filing joint return (even if only one had income)
- 3  Married filing separate return. Enter spouse's social security number above and full name here. ▶ \_\_\_\_\_
- 4  Head of household (with qualifying person). (See page 21.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ \_\_\_\_\_
- 5  Qualifying widow(er) with dependent child (year spouse died ▶ \_\_\_\_\_). (See page 22.)

Check only one box.

**Exemptions**

6a  Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a.

b  Spouse

c Dependents:

| (1) First name | Last name | (2) Dependent's social security number | (3) Dependent's relationship to you | (4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see page 23) | No. of boxes checked on 6a and 6b | No. of your children on 6c who:                                    |
|----------------|-----------|--|-------------------------------------|--|-----------------------------------|--|
|                |           |  |                                     | <input type="checkbox"/>   |                                   | • lived with you   |
|                |           |  |                                     | <input type="checkbox"/>   |                                   | • did not live with you due to divorce or separation (see page 24) |
|                |           |  |                                     | <input type="checkbox"/>   |                                   | Dependents on 6c not entered above                                 |
|                |           |  |                                     | <input type="checkbox"/>   |                                   |  |
|                |           |  |                                     | <input type="checkbox"/>   |                                   |  |
|                |           |  |                                     | <input type="checkbox"/>   |                                   |  |
|                |           |  |                                     | <input type="checkbox"/>   |                                   |  |

d Total number of exemptions claimed. Add numbers entered on lines above

**Income**

Attach Form(s) W-2 here. Also attach Form(s) 1099-R if tax was withheld.

If you did not get a W-2, see page 25.

Enclose, but do not attach, any payment.

|   |      |
|---|------|
| <b>7</b> Wages, salaries, tips, etc. Attach Form(s) W-2.  | 7    |
| <b>8a</b> Taxable interest. Attach Schedule 1 if required.  | 8a   |
| <b>b</b> Tax-exempt interest. Do not include on line 8a.  | 8b   |
| <b>9</b> Ordinary dividends. Attach Schedule 1 if required.   | 9    |
| <b>10</b> Capital gain distributions (see page 25).   | 10   |
| <b>11a</b> Total IRA distributions.   | 11a  |
| <b>11b</b> Taxable amount (see page 25).  | 11b  |
| <b>12a</b> Total pensions and annuities.  | 12a  |
| <b>12b</b> Taxable amount (see page 26).  | 12b  |
| <b>13</b> Unemployment compensation, qualified state tuition program earnings, and Alaska Permanent Fund dividends. | 13   |
| <b>14a</b> Social security benefits.  | 14a  |
| <b>14b</b> Taxable amount (see page 28).  | 14b  |
| <b>15</b> Add lines 7 through 14b (far right column). This is your total income.                                    | ▶ 15 |
| <b>16</b> IRA deduction (see page 30).  | 16   |
| <b>17</b> Student loan interest deduction (see page 30).  | 17   |
| <b>18</b> Add lines 16 and 17. These are your total adjustments.  | 18   |
| <b>19</b> Subtract line 18 from line 15. This is your adjusted gross income.  | ▶ 19 |

FORM 1040A CONTINUED

Form 1040A (2000)

Page 2

|   |  |   |
|---|--|---|
| <b>Taxable income</b>   | <b>20</b> Enter the amount from line 19. <span style="float:right">20</span>   |   |
|   | <b>21a</b> Check <input type="checkbox"/> You were 65 or older <input type="checkbox"/> Blind } Enter number of boxes checked ▶ 21a <input style="width:30px;" type="text"/><br>if: <input type="checkbox"/> Spouse was 65 or older <input type="checkbox"/> Blind }   |   |
|   | <b>b</b> If you are married filing separately and your spouse itemizes deductions, see page 32 and check here . . . . . ▶ 21b <input type="checkbox"/>   |   |
|   | <b>22</b> Enter the <b>standard deduction</b> for your filing status. <b>But</b> see page 33 if you checked any box on line 21a or 21b <b>or</b> if someone can claim you as a dependent.<br>• Single—\$4,400 • Married filing jointly or Qualifying widow(er)—\$7,350<br>• Head of household—\$6,450 • Married filing separately—\$3,675 <span style="float:right">22</span>                      |   |
|   | <b>23</b> Subtract line 22 from line 20. If line 22 is more than line 20, enter -0-. <span style="float:right">23</span>   |   |
|   | <b>24</b> Multiply \$2,800 by the total number of exemptions claimed on line 6d. <span style="float:right">24</span>   |   |
|   | <b>25</b> Subtract line 24 from line 23. If line 24 is more than line 23, enter -0-. This is your <b>taxable income</b> . <span style="float:right">25</span>  |   |
|   | <b>26</b> Tax (see page 34). <span style="float:right">26</span>   |   |
| <b>Tax, credits, and payments</b>   | <b>27</b> Credit for child and dependent care expenses. Attach Schedule 2. <span style="float:right">27</span>   |   |
|   | <b>28</b> Credit for the elderly or the disabled. Attach Schedule 3. <span style="float:right">28</span>   |   |
|   | <b>29</b> Education credits. Attach Form 8863. <span style="float:right">29</span>   |   |
|   | <b>30</b> Child tax credit (see page 35). <span style="float:right">30</span>  |   |
|   | <b>31</b> Adoption credit. Attach Form 8839. <span style="float:right">31</span>   |   |
|   | <b>32</b> Add lines 27 through 31. These are your <b>total credits</b> . <span style="float:right">32</span>   |   |
|   | <b>33</b> Subtract line 32 from line 26. If line 32 is more than line 26, enter -0-. <span style="float:right">33</span>   |   |
|   | <b>34</b> Advance earned income credit payments from Form(s) W-2. <span style="float:right">34</span>  |   |
|   | <b>35</b> Add lines 33 and 34. This is your <b>total tax</b> . <span style="float:right">35</span>   |   |
|   |  | <b>36</b> Federal income tax withheld from Forms W-2 and 1099. <span style="float:right">36</span>                                    |
|   | <b>37</b> 2000 estimated tax payments and amount applied from 1999 return. <span style="float:right">37</span>   |   |
| If you have a qualifying child, attach Schedule EIC.  | <b>38a</b> <b>Earned income credit (EIC)</b> . <span style="float:right">38a</span>  |   |
|   | <b>b</b> Nontaxable earned income: amount ▶ and type ▶   |   |
|   | <b>39</b> Additional child tax credit. Attach Form 8812. <span style="float:right">39</span>   |   |
|   | <b>40</b> Add lines 36, 37, 38a, and 39. These are your <b>total payments</b> . <span style="float:right">40</span>  |   |
| <b>Refund</b><br><br>Have it directly deposited! See page 47 and fill in 42b, 42c, and 42d. | <b>41</b> If line 40 is more than line 35, subtract line 35 from line 40. This is the amount you <b>overpaid</b> . <span style="float:right">41</span>   |   |
|   | <b>42a</b> Amount of line 41 you want <b>refunded to you</b> . <span style="float:right">42a</span>  |   |
|   | ▶ <b>b</b> Routing number <input style="width:100px;" type="text"/> ▶ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings<br>▶ <b>d</b> Account number <input style="width:100px;" type="text"/>   |   |
|   | <b>43</b> Amount of line 41 you want <b>applied to your 2001 estimated tax</b> . <span style="float:right">43</span>   |   |
| <b>Amount you owe</b>   | <b>44</b> If line 35 is more than line 40, subtract line 40 from line 35. This is the <b>amount you owe</b> . For details on how to pay, see page 48. <span style="float:right">44</span>  |   |
|   | <b>45</b> Estimated tax penalty (see page 48). <span style="float:right">45</span>   |   |
| <b>Sign here</b><br><br>Joint return? See page 20. 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 _____<br>Spouse's signature. If a joint return, <b>both</b> must sign. _____ Date _____ Spouse's occupation _____   | May the IRS discuss this return with the preparer shown below (see page xx)? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Paid preparer's use only</b>   | Preparer's signature _____ Date _____ Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN _____<br>Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____<br>Phone no. ( ) _____  |   |

SCHEDULE 1

Schedule 1 (Form 1040A) Department of the Treasury—Internal Revenue Service Interest and Ordinary Dividends for Form 1040A Filers

2000

OMB No. 1545-0085

Name(s) shown on Form 1040A

Your social security number

Part I Interest

(See page 60 and the instructions for Form 1040A, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, enter the firm's name and the total interest shown on that form.

Table with 4 columns: Description, Line Number, Amount, and Taxable Amount. Rows include: 1 List name of payer... 2 Add the amounts on line 1. 3 Excludable interest on series EE and I U.S. savings bonds... 4 Subtract line 3 from line 2.

Part II Ordinary dividends

(See page 60 and the instructions for Form 1040A, line 9.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, enter the firm's name and the ordinary dividends shown on that form.

Table with 4 columns: Description, Line Number, Amount, and Taxable Amount. Rows include: 5 List name of payer... 6 Add the amounts on line 5.

**STANDARD DEDUCTION WORKSHEET  
FOR DEPENDENTS  
(FROM FORM 1040A INSTRUCTIONS)**

**Standard Deduction Worksheet for Dependents—Line 22**

*Keep for Your Records*

Use this worksheet **only** if someone can claim you (or your spouse if married filing jointly) as a dependent.



|   |     |                    |
|---|-----|--------------------|
| 1. Add \$250 to the amount from Form 1040A, line 7. Enter the total . . . . .   | 1.  | _____              |
| 2. Minimum standard deduction . . . . .   | 2.  | 700.00             |
| 3. Enter the <b>larger</b> of line 1 or line 2. . . . .   | 3.  | _____              |
| 4. Enter the amount shown below for your filing status.   |     |                    |
| • Single—\$4,400  | }   | . . . . . 4. _____ |
| • Married filing separately—\$3,675   |     |                    |
| • Married filing jointly or qualifying widow(er)—\$7,350  |     |                    |
| • Head of household—\$6,450   |     |                    |
| 5. <b>Standard deduction.</b>   |     |                    |
| a. Enter the <b>smaller</b> of line 3 or line 4. If under 65 and not blind, <b>stop here</b> and enter this amount on Form 1040A, line 22. Otherwise, go to line 5b. . . . .                          | 5a. | _____              |
| b. If 65 or older or blind, multiply the number on Form 1040A, line 21a, by: \$1,100 if single or head of household; \$850 if married filing jointly or separately, or qualifying widow(er) . . . . . | 5b. | _____              |
| c. Add lines 5a and 5b. Enter the total here and on Form 1040A, line 22 . . . . .   | 5c. | _____              |

## FORM 1040A STEP-BY-STEP

**What you'll need**

- One Form W-2 for each job held during the year
- Form 1099-INTs from each payer of interest
- Pencil/pen, scratch paper. Use ink on the return you file.
- Calculator (optional)
- Blank Form 1040EZ
- Social security number for your spouse (if applicable).

**Key items:****Name and address label**

- If you have a peel-off mailing label, save it to apply when you are sure your return is complete and correct and you are ready to file it.
- If you have no peel-off mailing label, print your name and address carefully.
- Enter your social security number (and your spouse's, when applicable).
- If you (and/or your spouse) want \$3 of your taxes to go into the Presidential Election Campaign Fund, check "Yes." (Note: Checking "yes" will not change your tax or reduce your refund.)

**Check the box for your filing status**

- If you are single, check box 1. (You may want to check Student Handout 3.9 "Which Tax Form Should You Use?" to find out whether you can use Form 1040EZ instead.)
- If you are married and want to file a joint return, check box 2.
- If you are married and want to file separately from your spouse, check box 3. Be sure to enter your spouse's name and social security number.
- If you are unmarried or do not live with your spouse and have an unmarried child living with you, you may qualify as head of household. (See the instructions for Form 1040A for more information about head of household status.) Check box 4.
- If you are a widow or widower with a dependent child, enter the year in which your spouse died and read the instructions for more information. Check box 5.

**Figure your exemptions**

- If no one else can claim you as a dependent on his or her tax return, take an exemption for yourself by checking box 6a. (See Student Handout 3.4, "The Dependency Tests.")
- If you are filing a joint return, your spouse usually cannot be claimed as a dependent on someone else's return. Take an exemption for your spouse by checking box 6b. If you are filing a separate return, you can take an exemption for your spouse only if he or she is not filing a return, had no income, and cannot be claimed as a dependent of another taxpayer. Your spouse is never considered your dependent.
- Take an exemption for each person who qualifies as your dependent. (See Student Handout 3.4.) Enter names and other information on the lines under "6c Dependents."
- Complete the lines at the right, and add the total number of exemptions. Put the total in the large box to the right of line 6d.

**Figure your total income**

- Add the amounts in box 1 of your Form(s)W-2, and put the total on Form 1040A, line 7.
- If you received taxable interest income, put the total on line 8a.
- If the amount you entered on line 8a is more than \$400, put the name of each party who paid you interest and the amount in Part I of Schedule 1. Put your name and social security number on Schedule 1, and attach it to your return.
- If you received tax-exempt interest income (for example, from municipal bonds), enter the amount on line 8b and refer to the instructions.
- To see if lines 9 through 14b apply to you, see the form instructions. Line 10 is new for 2000. You may be able to use it to report capital gain distributions on Form 1040A.
- Add the amounts on lines 7, 8a, 9, 10, 11b, 12b, 13, and 14b. (Do not include lines 8b, 11a, 12a, or 14a.) Write the total income on line 15. Double check your addition.

## FORM 1040A STEP-BY-STEP (CONTINUED)

### Figure your adjusted gross income

- To see if line 16 or line 17 applies to you, see the instructions.
- If line 16 or line 17 does apply to you, add the amounts on lines 16 and 17 and enter the total on line 18. Then follow the instructions for line 19.
- If line 16 or line 17 do not apply to you, write the amount from line 15 on line 19.

### Figure your standard deduction, exemption amount, and taxable income

- Put the amount from line 19 on line 20.
- To see if box 21b applies to you, see the instructions.
- If you did not check box 21b, look back at lines 1-5 where you checked box 1, 2, 3, 4, or 5. If you checked box 1, put \$4,400 on line 22. If you checked box 2 or 5, enter \$7,350. If you checked box 3, enter \$3,675. If you checked box 4, enter \$6,450.
- If someone can claim you as a dependent, see the instructions for line 22, Form 1040A.
- Subtract your standard deduction, line 22, from your adjusted gross income, line 20. Double-check your subtraction, and enter the amount on line 23.
- Look at line 6d. Multiply the number you put there times \$2,800. Put the total on line 24.
- Subtract the amount entered on line 24 from the amount on line 23. Enter the result on line 25.

### Figure your tax, credits, and payments

- Look at your taxable income (line 25) and find the pair of figures that includes this amount of income in the Tax Tables. Find the column that applies to you to find your tax. Enter this amount on line 26.
- See the instructions to see if lines 27, 29, 30, 31, or 34 apply to you. If these lines do not apply, write the line 26 amount on line 35. If those lines do apply, follow the instructions.

- Add the amounts in box 2 of your W-2, and put the total on line 36. (To see if lines 37 or 38a apply to you, see the instructions.)
- Add any amount on lines 37, 38a or 39 to line 36 and enter the total on line 40.

### Figure your refund or the amount you owe

- Look at lines 35 and 40 again. Check whether line 35 or line 40 is larger.
- If line 40 is larger, you should complete lines 41 and 42a. (To see if line 43 applies to you, see the instructions.) Subtract line 35 from line 40 and put the result on line 41. This is the amount you overpaid. Enter on line 42a the amount you want refunded to you.
- If line 35 is larger, you should complete line 44. Subtract line 40 from line 35, and put the result on line 44. This is the amount you owe.

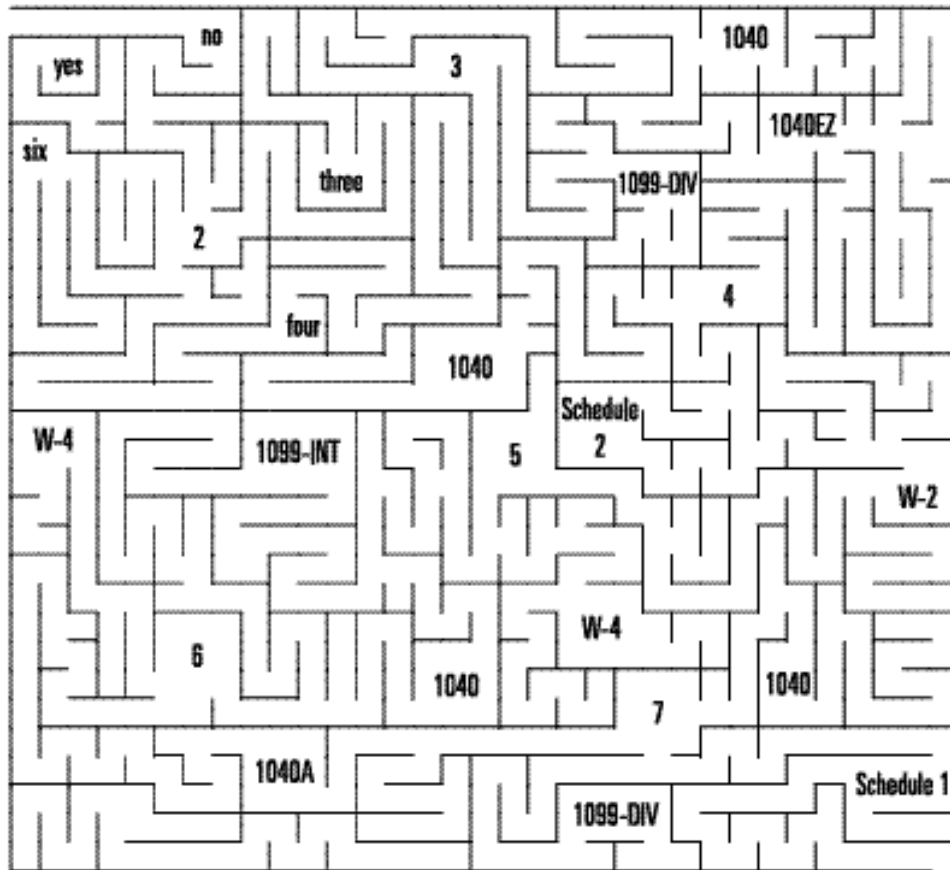
### Sign your return

- Carefully read the words above the line for your signature, then sign and date your return and write in your occupation.
- Attach your mailing label; make any corrections right on the label.
- Be sure to enter your SSN and your spouse's (if applicable) on the return.
- Attach copy B of each Form W-2.
- Attach any schedules you used.
- If you owe more tax, see the instructions for details on how to pay (and what to write on your payment, if applicable).
- Mail your 2000 return by April 16, 2001.

THE TAX MAZE

**Directions** Read question 1 below. Then enter the maze at “Start 1” and find your way to the correct answer to the question. From there, go to “2”, read question 2, and continue on through the maze until you find the answer to that question. Continue on through the maze until you have answered all seven questions in order.

Start 1



Finish Collect your tax refund

1. You expect to earn about \$375 in your first summer job and about \$675 in interest this year. Are you exempt from withholding?
2. You are 25, your spouse doesn't work, and your 14-year-old brother qualifies as your dependent. How many allowances can you claim on your W-4?
3. You are 16, single, claimed as a dependent on your parents' tax return, and earned \$2,457 last year. Which return do you file?
4. You earned \$640 at your after-school job and you have completed your Form 1040EZ tax return. What form do you need to attach to it before you mail it in?
5. You have a savings account at your bank. What form will tell you how much interest you earned in the past year?
6. You and your spouse file a joint return showing a combined salary income of \$47,000 with no other sources of income, and you have two children. Which return do you file?
7. You earned \$534 in interest income last year. What will you need to attach to your Form 1040A?



## LESSON SUMMARY FROM W-4 TO W-2

**Key terms are in boldface. Their definitions should be checked in Student Handout 3.1, “Glossary of Key Terms.”**

### From W-4 to W-2

- U.S. citizens and residents generally have to pay tax on their income, based on ability to pay.
- Federal income tax is collected on a pay-as-you-go basis. Employees usually have taxes taken out of – withheld from – each paycheck that is subject to tax. (See Tax Withholding.)
- Employees provide information on Form W-4 so their employer can determine how much should be withheld from their wages. Employees are expected to fill out Form W-4 accurately and honestly.
- To fill out a Form W-4, it is important to understand the meaning of **dependent** in tax law. (See Student Handout 3.4, “The Dependency Tests.”)
- Some people are not required to have any tax withheld. (Check the definition of **exempt from withholding**. Then work through Student Handout 3.3, “Are You Exempt from Withholding?” to find out whether you are exempt.)
- Taxpayers may claim withholding **allowances** on Form W-4. The total number of allowances listed on a Form W-4 is not the same as exemptions (personal and dependency) that an employee expects to claim on his or her return. Exemptions are subtracted from adjusted gross income on the return before the tax liability is figured. The exemption amount for 2000 is \$2,800. It’s important to determine the right number of allowances on Form W-4 because an employer withholds tax based on wages paid and information the employee provides on Form W-4. (See **Withholding Allowance**.)
- If you are **single** and have **more than one job** and your combined earnings from all jobs exceed \$34,000, OR if you are married and have a **working spouse or more than one job** and the combined earnings from all jobs exceed \$60,000, use the Two-Earner/Two-Job Worksheet to avoid having too little tax withheld. The worksheet will help you estimate your tax liability so that your withholding can more closely match it. (See Form W-4)
- Taxpayers may, even if they are married, request withholding at the rate for single people, which is higher than that for married people, in order to cover taxes that might be owed on other sources of income, such as interest or dividends.
- On the basis of the information employees provide on their W-4 forms, employers calculate the amount of tax to withhold. By Jan. 31 of each year, they give employees copies of Form W-2 that show how much employees earned in the previous year and how much was withheld. Employees should check this form for accuracy. They are required to attach a copy to their tax return.

### Filing a Return

Even if you do not owe any taxes, you should file a return if you had any federal income taxes withheld from your pay. Filing a return is how you have them refunded.

For 2000, you must file a return if you are under age 65, not blind, and:

- are someone’s dependent, are not married, and had **earned income** of over \$4,400
- are someone’s dependent, are not married, and the total of your unearned and earned income was more than the **larger** of \$700 or your earned income (up to \$4,150) plus \$250
- are someone’s dependent, are married, and had earned income of over \$3,675
- are someone’s dependent, are married, and the total of your unearned and earned income was more than the larger of \$700 or your earned income (up to \$3,425) plus \$250
- are someone’s dependent, are married, had gross income of at least \$5.00, and either your spouse files a separate return and itemizes **deductions** or you had net earnings from self-employment of at least \$400.
- had net earnings from self-employment of at least \$400.

You also must file a return if you:

- are not someone’s dependent, are single, and had gross income of \$7,200 or more
- are not someone’s dependent and are a head of household with gross income of \$9,250 or more
- are not someone’s dependent, are married filing separately, and had gross income of at least \$2,800
- are not someone’s dependent, are married filing jointly, and had gross income of at least \$12,950.

See Student Handout 3.8, “Should You File a Tax Return?”

**LESSON SUMMARY (CONTINUED)  
FROM W-4 TO W-2**

Once you have decided that you need to file a return, you need to decide which form is most appropriate for you. Form 1040EZ is the simplest and most likely to be used by students. You can use this form if you

- are single and claim an exemption only for yourself or are married and filing a joint return with no dependents
- had less than \$50,000 in taxable income
- had no sources of income other than wages, salaries, tips, taxable scholarship or fellowship grants, unemployment compensation, qualified state tuition program earnings, Alaska Permanent Fund dividends, and not more than \$400 of interest income
- had no income adjustments, itemized deductions, or other taxes and the only credit you claim is the earned income credit.

Forms 1040A and 1040 are used by people whose tax situations are more complex. See Student Handout 3.9, “Which Tax Return Form Should You Use?”

To fill out Form 1040EZ, see Student Handout 3.12, “Form 1040EZ Step-by-Step.”

**1040A and Beyond**

In certain cases, you may need to file Form 1040A or 1040 instead of Form 1040EZ. You will need to use Form 1040A or Form 1040 if you:

- claim more than two exemptions (for yourself and your spouse)
- are a qualifying widow(er) with a dependent child or a head of household
- have more than \$400 worth of interest income
- have sources of income besides those listed for Form 1040EZ..

(See Student Handout 3.9, “Which Tax Return Form Should You Use?”)

Form 1040A is somewhat more complex than Form 1040EZ. You may need to use an additional form, Schedule 1, to list sources and amounts of your interest dividend or income. Depending on your situation, you may need to use other worksheets or schedules as well.

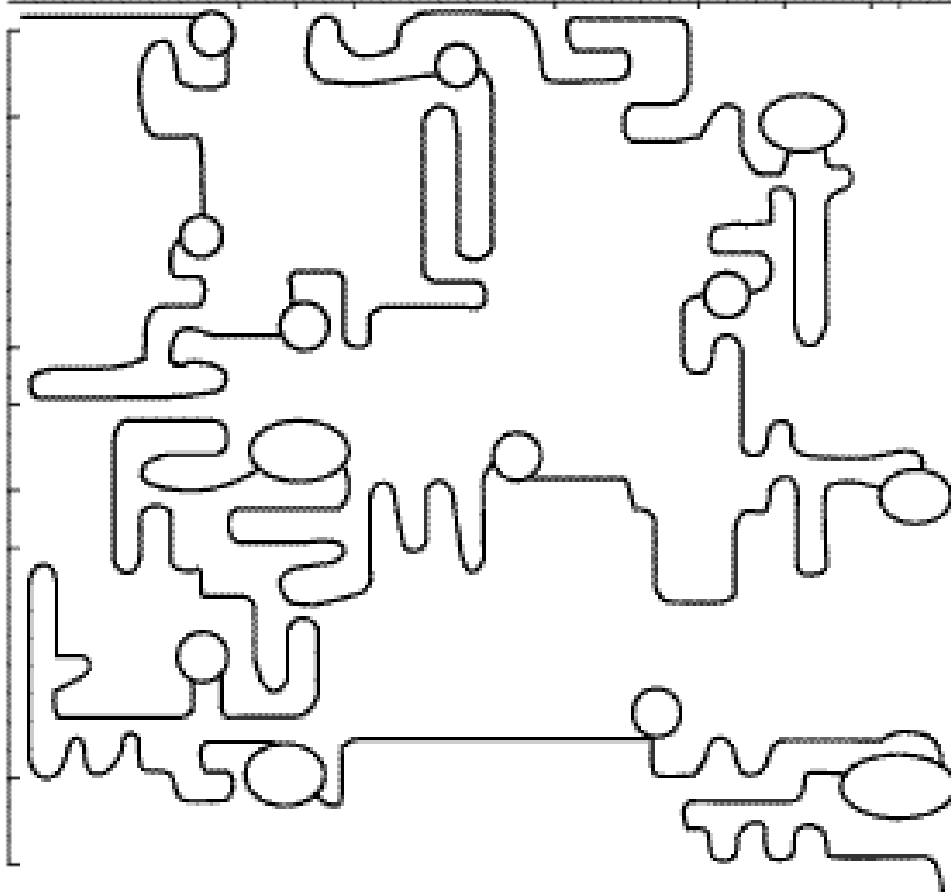
Complete Form 1040A carefully, using Student Handout 3.16, “Form 1040A Step-by-Step” and the instructions.

Any taxpayer can use Form 1040.

**ANSWERS – THE TAX MAZE**

**Directions** Read question 1 below. Then enter the maze at “Start 1” and find your way to the correct answer to the question. From there, go to “2”, read question 2, and continue on through the maze until you find the answer to that question. Continue on through the maze until you have answered all seven questions in order.

**Start 1**



**Finish** Collect your tax refund

1. You expect to earn about \$375 in your first summer job and about \$675 in interest this year. Are you exempt from withholding?
2. You are 25, your spouse doesn't work, and your 14-year-old brother qualifies as your dependent. How many allowances can you claim on your W-4?
3. You are 16, single, claimed as a dependent on your parents' tax return, and earned \$2,457 last year. Which return do you file?
4. You earned \$640 at your after-school job and you have completed your Form 1040EZ tax return. What form do you need to attach to it before you mail it in?
5. You have a savings account at your bank. What form will tell you how much interest you earned in the past year?
6. You and your spouse file a joint return showing a combined salary income of \$47,000 with no other sources of income, and you have two children. Which return do you file?
7. You earned \$534 in interest income last year. What will you need to attach to your Form 1040A?