**Chapter 2**

**Robert R. (SSN 211-22-3344) and Shirley M. Peters (SSN 210-21-2121) have three children who live with them, Keith, Martha, and Jude. Robert’s mother, Lucy Peters (SSN 045-66-5465), also lives with them at 45 Deer Park Run, Allen Park, MI 48101. Robert and Shirley are filing jointly.**

**Keith (born 4/2/2010, SSN 377-41-6857) is their youngest. He was adopted in 2012 from a legal agency in Columbia. Martha (SSN 318-22-9857) is 18 years old and worked at a department store where she earned $3,400.**

**Jude (SSN 379-37-5964) is 22 years old and a full-time college student. He works part- time during school and full-time during the summer and lives at home. He earned $4,000 in 2013 which he used for food and entertainment.**

**Jude did not provide more than half of his own support. Lucy Peters is a widow. She received $5,100 in social security payments in 2013. Her savings account earned $3,920 of interest, which she left in the account.**

**The fair rental value of their house is $1,050 per month. The Peters paid $850 per month for food and $300 per month for utilities and phone.**

1. **Which, if any, of the Peters’ children can be claimed as dependents?**
2. **Can Lucy Peters be claimed as a dependent?**
3. **Fill in the heading and exemption sections of Form 1040 for Robert and Shirley.**