Classwork 1 – with answers

CLASSWORK 1: True or False.

1. You do not need to enter a social security number or individual taxpayer identification number on your tax return. **FALSE**
2. You do not have to file a return if you do not earn wages. **FALSE**
3. If you are self-employed with no other income, you have to file a return if your net income from self-employment is $400 or more. **TRUE**
4. Generally, dependent children who meet the filing requirements have to file a tax return. **TRUE**
5. A single person who has wages of $2,000 and federal withholding of $120 should file a return even if he or she is not required to file. **TRUE**
6. Whether you are required to file a tax return depends only on the amount of income you receive. **FALSE**
7. A dependent whose only income is interest from a savings account may be required to file a return. **TRUE**
8. A single person who is 68 during the tax year can have a higher amount of gross income before he or she must file than a single person who is 63. **TRUE**

 9. If you are not a dependent and your gross income is less than the filing requirement for your age and filing status on Table 1-1, you may still be required to file a return. **TRUE**

10. You can file a 1040EZ if you are married filing separately. **FALSE**

11. Exemptions and deductions are subtracted from taxable income. **FALSE**

12. Interest from a savings account is an example of earned income. **FALSE**

13. On Form 1040 taxable income is the same as the AGI. **FALSE**

14. The total of all income minus any adjustments is called adjusted gross income. **TRUE**

CLASSWORK 2: Answer the following questions.

1. When does the tax year end for a calendar year taxpayer? **December 31**
2. Most taxpayers use which accounting method? **Cash**
3. What is the normal due date for a calendar year taxpayer’s return? **April 15**
4. Which tax return form do you have to use if you receive self-employment income? **Form 1040**
5. Which return form may be used (if other conditions are met) only by single taxpayers and joint filers with no dependents? **Form 1040EZ**
6. What three factors determine whether most individuals who are not claimed as dependents must file a tax return? **Gross Income, Filing Status, Age**
7. What are the circumstances when you should file even if you do not have to? **If you had income tax withheld, if you qualify for the earned income credit, if you qualify for the additional child tax credit or if you qualify for other refundable credits**.