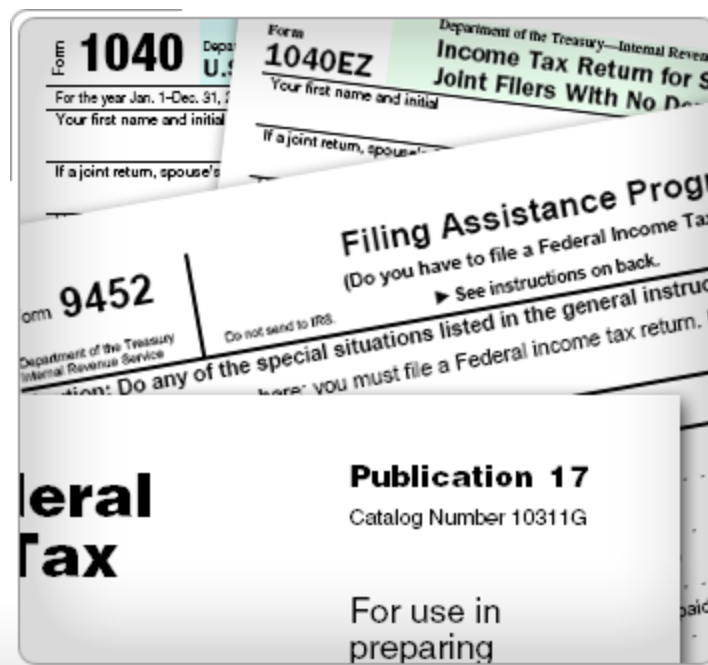




Filing Basics



Topics



- Who Must File
- Who Should File
- Verifying Taxpayer Identity
- Choosing the Right Return
- Filing the Return



Chart A – For Most People Who Must File

If you CAN be claimed as a dependent by another taxpayer, you must file as a dependent whether you are being claimed or not. See Chart B for filing requirements.

If your filing status is...	AND at the end of 2015 you were...*	THEN file a return if your gross income was at least...**
Single	under 65	\$10,300
	65 or older	\$11,850
Married filing jointly***	under 65 (both spouses)	\$20,600
	65 or older (one spouse)	\$21,850
	65 or older (both spouses)	\$23,100
Married filing separately (see the instructions for line 3)	any age	\$ 4,000
Head of household (see the instructions for line 4)	under 65	\$13,250
	65 or older	\$14,800
Qualifying widow(er) with dependent child (see the instructions for line 5)	under 65	\$16,600
	65 or older	\$17,850

* If you were born on January 1, 1951 you are considered to be age 65 at the end of 2015.

** **Gross income** means all income you received in the form of money, even if it is exempt from tax, including any income from sources outside the home (even if you can exclude part or all of it).

* Do not include any social security benefits unless you are married filing a separate return.

TY2016: Single **\$10,350** (Personal Exp. \$4,050 + Standard Deduction \$6,300)

Who Must File

- What helps determine if an individual must file?
- Form 13614-C very important in this stage of the process
- Refer to Pub 4012, [Charts A, B, and C](#)
- Internet resources for determining filing requirement
 - Interactive Tax Assistant: [Determine if you have to file a return](#)
 - Tax Tips Video: [Do I have to File a Tax Return?](#)
- Let's practice: case studies and Skills Warm Up from L< lesson

Who Should File

- In what situations would an individual want to file if they are not required to?
 - Find examples in Pub 4012, [Chart D](#)



Chart D – Who Should File

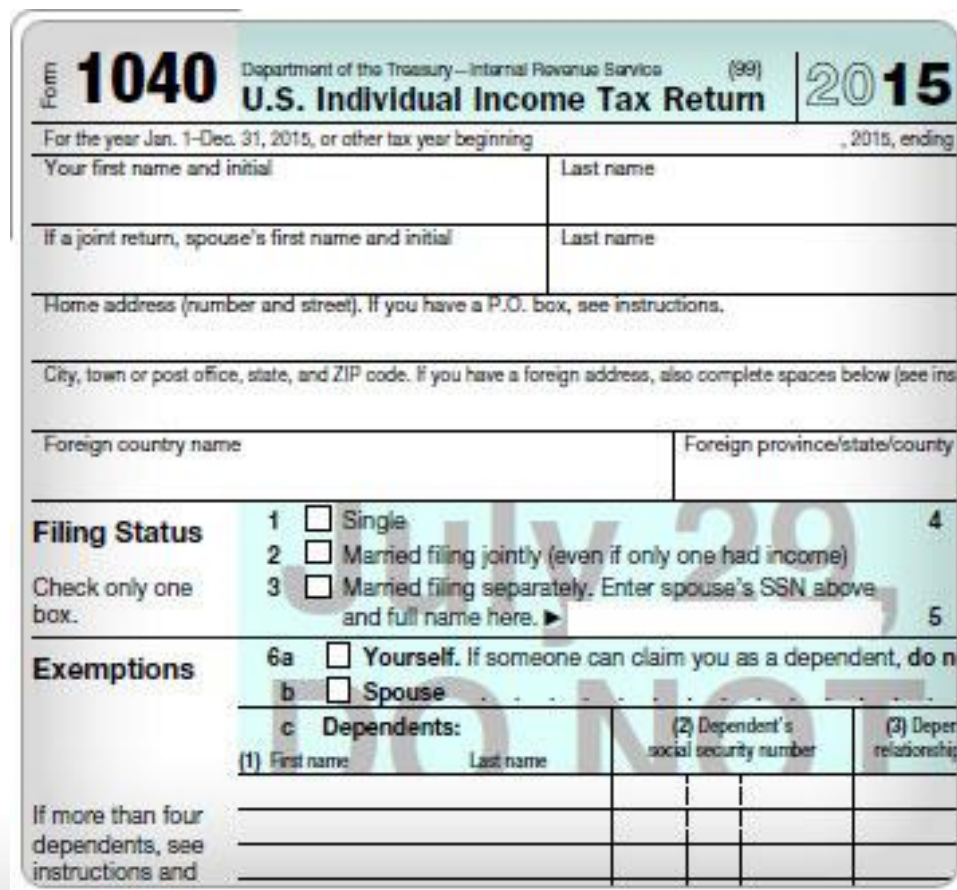
1. You had income tax withheld from your pay.
2. You made estimated tax payments for the year or had any of your overpayment for last year's estimated tax applied to this year's taxes.
3. You qualify for the earned income credit. See Publication 596, Earned Income Credit (EIC), for more information.
4. You qualify for the additional child tax credit. See Form 1040 Instructions for more information on this credit.
5. You qualify for the health coverage tax credit. For information about this credit, see Form 8885, Health Coverage Tax Credit. (Out of scope)
6. You qualify for the refundable credit for prior year minimum tax. See Form 8801, Credit for Prior Year Minimum Tax — Individuals, Estates, and Trusts. (Out of scope)
7. You qualify for an American Opportunity Credit.
8. You receive a 1099-B and the gross proceeds plus other income exceeds the filing limits in Chart A.
9. You receive Form 1099-S, Proceeds From Real Estate Transactions

Verifying Taxpayer Identity

- What are acceptable identity documents to verify identity?
 - See the Tip in Pub 4491
- What are acceptable TINs?
- Enter names and identification numbers accurately
 - Mistakes in data entry can result in processing delays
 - See Pub 4012, Exemptions/Dependency & Main Info tab, [Main Information Screen](#), for ID entries
- Verify taxpayer information to protect against identity theft
- Remind taxpayers correct information is necessary to receive age-related tax benefits

Choosing the Right Return

- **Volunteers should always use Form 1040**
 - Appropriate for all taxpayers



Form **1040** Department of the Treasury—Internal Revenue Service (99) **2015**
U.S. Individual Income Tax Return

For the year Jan. 1–Dec. 31, 2015, or other tax year beginning _____, 2015, ending _____

Your first name and initial		Last name	
If a joint return, spouse's first name and initial		Last name	

Home address (number and street). If you have a P.O. box, see instructions.

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/country	
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Filing Status 1 ☐ Single 4
2 ☐ Married filing jointly (even if only one had income)
Check only one box. 3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶ 5

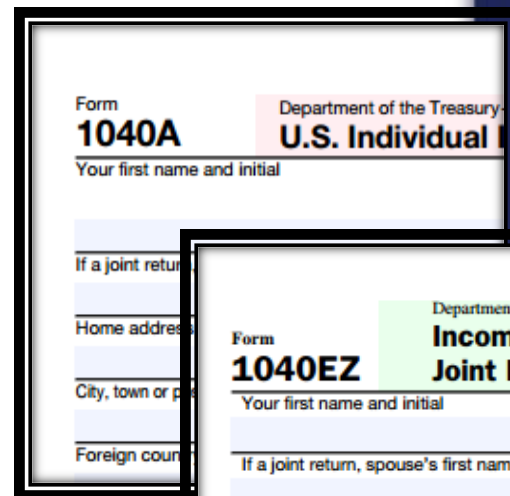
Exemptions 6a ☐ Yourself. If someone can claim you as a dependent, do not check this box.
b ☐ Spouse

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship
(1) First name	Last name		

If more than four dependents, see instructions and

Choosing the Right Return

- 일반적으로 1040 를 많이 사용하지만 경우에 따라서는 1040 A, 1040EZ도 사용해도 된다
- 1040EZ를 사용할수 있는 경우는
 - Single or MFJ
 - Don't claim any dependents
 - Don't claim any adjustments to income
 - Can claim only the earned income credit
 - Taxable income is less then \$100,000



Form 1040A U.S. Individual Income Tax Return

Department of the Treasury

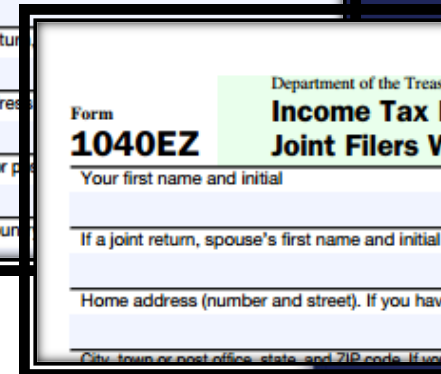
Your first name and initial

If a joint return, spouse's first name and initial

Home address (number and street). If you have a separate home address for your spouse, list it here.

City, town or post office, state, and ZIP code. If you have a separate city, town or post office for your spouse, list it here.

Foreign country



Form 1040EZ Joint Filers Only

Department of the Treasury

Your first name and initial

If a joint return, spouse's first name and initial

Home address (number and street). If you have a separate home address for your spouse, list it here.

City, town or post office, state, and ZIP code. If you have a separate city, town or post office for your spouse, list it here.

Tax Return Due Date

- Due Date: 15th day of the 4th month after the close of the tax year (TY) ex. April 15
- Extension: Filing Form 4868 grants you an automatic extension of 6 months (ex. Oct. 15)
- 신고기간의 연장일 뿐 세금납부기간의 연장이 아니다

Form 1040 Structure

총수입
Gross Income

우선공제
(Pre-Tax Deduction)

조정총소득
Adjust Gross Income(AGI)

공제(표준 or 항목)
(Standard. Itemized Deduction)

공제(인적+부양자)
(Personal + Dependent Exemption)

이사비용
IRA(은퇴연금)
위자료(Alimony)

Line# 37

과세소득
Taxable Income
(Line#43)



세율
Tax Rate

세액공제
Tax Credit

TAX
Line#63

U.S. Individual Tax Rate

TABLE 7—ANNUAL Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages

(after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$2,250 \$0

Over—	But not over—		of excess over—
\$2,250	—\$11,525 . .	\$0.00 plus 10%	—\$2,250
\$11,525	—\$39,900 . .	\$927.50 plus 15%	—\$11,525
\$39,900	—\$93,400 . .	\$5,183.75 plus 25%	—\$39,900
\$93,400	—\$192,400 . .	\$18,558.75 plus 28%	—\$93,400
\$192,400	—\$415,600 . .	\$46,278.75 plus 33%	—\$192,400
\$415,600	—\$417,300 . .	\$119,934.75 plus 35%	—\$415,600
\$417,300		\$120,529.75 plus 39.6%	—\$417,300

(b) MARRIED person—

If the amount of wages

(after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$8,550 \$0

Over—	But not over—		of excess over—
\$8,550	—\$27,100 . .	\$0.00 plus 10%	—\$8,550
\$27,100	—\$83,850 . .	\$1,855.00 plus 15%	—\$27,100
\$83,850	—\$160,450 . .	\$10,367.50 plus 25%	—\$83,850
\$160,450	—\$240,000 . .	\$29,517.50 plus 28%	—\$160,450
\$240,000	—\$421,900 . .	\$51,791.50 plus 33%	—\$240,000
\$421,900	—\$475,500 . .	\$111,818.50 plus 35%	—\$421,900
\$475,500		\$130,578.50 plus 39.6%	—\$475,500

Filing the Return

- Covered in detail in Concluding the Interview lesson
- IRS E-file
 - All volunteer tax assistance sites e-file tax returns
 - Safest, fastest and easiest way to file
 - Free File for individuals with income below \$57,000



Potential Pitfalls

- Canadians have ID numbers similar to social security; do not use it on a U.S. tax return
- Be alert for possible indications of fraudulent activity
 - Form W-2 that is typed or handwritten or has noticeable alterations
 - Form W-2 from a company that looks different from other Forms W-2 issued by the same company
 - A suspicious person accompanying the taxpayer (who has been observed on other occasions)
 - Multiple refunds directed to the same address or P.O. box
 - Employment or earnings that are a basis for refundable credits, which are not well-documented
 - Similar returns (e.g., same amount of refund, same number of dependents, or same number of Forms W-2)

Summary

- Three charts help you determine who must file and who should file
 - Chart A - For Most People Who Must File
 - Chart B - For Children and Other Dependents
 - Chart C - Other Situations When You Must File
 - Chart D - Who Should File
- Individuals who are not required to file *should* file to claim a refund of withheld taxes or a tax credit for which they qualify
- Verifying taxpayer identity