Making Finance Personal: Project-Based Learning for the Personal Finance Classroom

Project 4: Income Taxes

Lesson Author

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Activity Description

We spend a large part of our work year earning money to pay taxes. We are taxed when we work and often taxed when we make purchases. Besides federal income taxes, we have state taxes, personal property taxes, sales taxes, capital gains taxes, and more.

Objectives

In this lesson, students will:

- Define taxes as compulsory charges imposed by government on its citizens and their property to pay for expenses
- Identify the most common IRS forms (W2 and 1099)
- Complete a Federal 1040 form
- Identify appropriate strategies to avoid overpayment of income taxes

Essential Question

What can I do to avoid overpayment of income taxes?

Assignment Materials

Students will need access to the internet to complete the in-class activity. They may use all resources at their disposal to complete the take-home assignment.

Assignment Length

One week

Author's Notes

- Students are typically intimidated by the thought of doing their own taxes. Many would prefer to pay a service to complete a 1040 form. Others have friends or family members complete the forms. This activity is designed to build the students' coactivity confidence to complete tax forms themselves.
- We spend time in class discussing tax credits that are available for students. I also discuss tax- deferred savings and investing and how being strategic in contributions to 401k or IRAs can help you keep more of your money.
- For more information on tax credits and deductions for students, I have found this link helpful: www.irs.gov/uac/Tax-Benefits-for-Education-Information-Center.
- Students will need to access Khan Academy's Taxes site at https://www.khanacademy.org/college-careers-more/personal-finance/pf-taxes. They should spend time reviewing the Personal taxes overview section. Once they have reviewed the modules, they will be ready to complete a 1040 form.

- One of the problems I had in pulling together this project was finding documents that were current. As I explain to the students, tax law changes every year. Most websites are not using current-year data. I use the IRS website for forms and publications (https://www.irs.gov/pub/irs-pdf/f1040.pdf) for up-to-date 1040 forms, tax tables, and instructions.
- I know that there are websites that do much of the calculating automatically, but I have my students do it the old-fashioned way. They must use the tax tables in the back of the handout packet to determine their refunds. I feel that it's important for students to have experience working with the tables, and we don't always have access to our computer lab. I let them use any format (online or electronic) when they complete their project-based piece.
- If I teach this class during the spring semester, I typically give the students a choice to either complete their personal income tax form or use the 1040 scenario. If this class is taught in the fall, I will have all of the students complete the 1040 assignment. The object is to make them feel comfortable enough with the process that they don't pay someone to complete their tax return for them.

Project 4 Assessment: Income Taxes Rubric

This project has a total value of 20 points.

The student did not follow directions. (minus 2)	
The student completed the tax form. (plus 10) The student attempted to complete the form but they were not thorough. (plus 5) The student did not attempt. (0 points)	
The essay was well written. The essay displays clear facility in the use of grammar, mechanics, usage and spelling. The essay is generally free from errors. (plus 6) The essay contained a few mistakes. The essay displays facility in the use of grammar, mechanics, usage, and spelling, though it may contain errors. However, these errors do not overly detract from the overall success of the message. (plus 4) The essay contained many mistakes. The essay displays serious deficiencies in the use of grammar, mechanics, usage, and spelling. The essay contains an accumulation of serious errors in any and/or all these areas. (plus 2)	
The essay answered all questions thoughtfully. The essay contains details that support the author’s responses. (plus 4) The essay answered most questions but lacked detail. (plus 3) The essay was vague and lacked detail. (plus 1)	
Total	

Project 4 Resources: Completed 1040—Answer Key

Form **1040** Department of the Treasury—Internal Revenue Service (99)
U.S. Individual Income Tax Return **2019** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

Filing Status Check only one box.
☑ Single ☐ Married filing jointly ☐ Married filing separately (MFS) ☐ Head of household (HOH) ☐ Qualifying widow(er) (QW)
If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial	Last name	Your social security number
TASHA R.	MILLER	2 2 2 0 0 2 2 2 2
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund. ☐ **You** ☐ **Spouse**

Foreign country name | Foreign province/state/county | Foreign postal code

If more than four dependents, see instructions and ✓ here ▶ ☐

Standard Deduction **Someone can claim:** ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** ☐ Were born before January 2, 1955 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1955 ☐ Is blind

Dependents (see instructions): (1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions): Child tax credit	Credit for other dependents
				☐	☐
				☐	☐
				☐	☐
				☐	☐

1	Wages, salaries, tips, etc. Attach Form(s) W-2			1	36,206
2a	Tax-exempt interest	2a	b Taxable interest. Attach Sch. B if required	2b	43
3a	Qualified dividends	3a	b Ordinary dividends. Attach Sch. B if required	3b	
4a	IRA distributions	4a	b Taxable amount	4b	
c	Pensions and annuities	4c	d Taxable amount	4d	
5a	Social security benefits	5a	b Taxable amount	5b	
6	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐			6	
7a	Other income from Schedule 1, line 9			7a	
b	Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your **total income** ▶			7b	36,249
8a	Adjustments to income from Schedule 1, line 22			8a	
b	Subtract line 8a from line 7b. This is your **adjusted gross income** ▶			8b	
9	**Standard deduction or itemized deductions** (from Schedule A)	9	12,200		
10	Qualified business income deduction. Attach Form 8995 or Form 8995-A	10			
11a	Add lines 9 and 10			11a	12,200
b	**Taxable income.** Subtract line 11a from line 8b. If zero or less, enter -0-			11b	24,249

Standard Deduction for—
- Single or Married filing separately, $12,200
- Married filing jointly or Qualifying widow(er), $24,400
- Head of household, $18,350
- If you checked any box under *Standard Deduction,* see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form **1040** (2019)

Project 4 Resources: Completed 1040—Answer Key (Continued)

Form 1040 (2019) Page **2**

12a	**Tax** (see inst.) Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐	12a	2689
b	Add Schedule 2, line 3, and line 12a and enter the total ▶	12b	2689
13a	Child tax credit or credit for other dependents	13a	
b	Add Schedule 3, line 7, and line 13a and enter the total ▶	13b	
14	Subtract line 13b from line 12b. If zero or less, enter -0-	14	2689
15	Other taxes, including self-employment tax, from Schedule 2, line 10	15	
16	Add lines 14 and 15. This is your **total tax** ▶	16	2689
17	Federal income tax withheld from Forms W-2 and 1099	17	4452
18	Other payments and refundable credits:		
a	Earned income credit (EIC)	18a	
b	Additional child tax credit. Attach Schedule 8812	18b	
c	American opportunity credit from Form 8863, line 8	18c	
d	Schedule 3, line 14	18d	
e	Add lines 18a through 18d. These are your **total other payments and refundable credits** ▶	18e	
19	Add lines 17 and 18e. These are your **total payments** ▶	19	4452

• If you have a qualifying child, attach Sch. EIC.
• If you have nontaxable combat pay, see instructions.

Refund

Direct deposit? See instructions.

20	If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you **overpaid**	20	1763
21a	Amount of line 20 you want **refunded to you.** If Form 8888 is attached, check here ▶ ☐	21a	1763
▶ b	Routing number 1 2 3 4 5 6 7 8 9 ▶ c Type: ☑ Checking ☐ Savings		
▶ d	Account number 1 1 0 0 0 1 2 3 4 5 6		
22	Amount of line 20 you want **applied to your 2020 estimated tax** ▶	22	

Amount You Owe

23	**Amount you owe.** Subtract line 19 from line 16. For details on how to pay, see instructions ▶	23	
24	Estimated tax penalty (see instructions) ▶	24	

Third Party Designee (Other than paid preparer)

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. ☐ **Yes.** Complete below. ☐ **No**

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

Sign Here

Joint return? See instructions. 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 complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
Tasha Miller	04-15-19	CLERICAL	
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: ☐ 3rd Party Designee ☐ Self-employed
Firm's name ▶		Phone no.		
Firm's address ▶			Firm's EIN ▶	

Go to *www.irs.gov/Form1040* for instructions and the latest information. Form **1040** (2019)

Project 4 Overview: Income Taxes

Handout 4A: What Can I Do to Avoid Overpayment of Income Taxes?

We spend a large part of our work year earning money to pay taxes. We are taxed when we work and often taxed when we make a purchase. Besides federal income taxes, we have state taxes, personal property taxes, sales taxes, capital gains taxes, and more. In this lesson, you will:

- Define taxes as compulsory charges imposed by government on its citizens and their property to pay for expenses
- Identify the most common IRS forms (W2 and 1099)
- Complete a Federal 1040 form
- Identify appropriate strategies to avoid overpayment of income taxes

Assignment Instructions

For our classroom assignment, you will need to access the internet. Your assignment is located in the Khan Academy course on Taxes and Tax Forms https://www.khanacademy.org/college-careers-more/personal-finance/pf-taxes. You will need to review:

- Personal Tax Overview – (We no longer use the 1040EZ, but there is still good information in the video.)
- Tax Forms
- Protecting your personal information

Project 4 Activity: Income Taxes

Handout 4B: Income Taxes: Take-Home Assignment

For your project-based learning assignment, you will have a choice as to how you would like to demonstrate you have mastered filing income taxes.

Choice A

If you plan to file your personal taxes, you may show me your completed return for the 10-point assignment credit. Please recall that if you are uncomfortable with sharing personal information, you may make a copy and black out anything you don't want to share. I will not review the return for accuracy. I will simply make sure you have completed the form and filed a copy in your project binder.

Choice B

If you do not work or your parents claim you on their taxes and you don't plan to file a return, you will need to select and complete this option.

This is very similar to the simulation you worked on in class. Use the profile information below to complete the assignment.

Profile Information

Your name is Tasha R. Miller and you live at 285 Linden Avenue, Anywhere, USA, 00100. Your social security number is 222-00-2222.

Employment: Full-time

Marital status: Single

Spouse's name (if any): N/A

Children: None

U.S. citizen: Yes

Other: It's the end of the tax year. You receive your W-2 from your employer. You have earned $36,206 from your job and $43 in interested reflected on our 1099 form.

Note: Your employer is required to send your W-2 postmarked by January 31.

You have everything you need to file your taxes. Use the sample 1099 and W2 provided in this activity. Go to https://www.irs.gov/pub/irs-pdf/f1040.pdf to download and print a 1040 form to use for this exercise.

Don't get tripped up:

- You choose to decline the Presidential Election Campaign box.
- Use your W2 handout to complete line 1 of the 1040 form. A W2 is a wage and tax statement sent to you by your employer. It provides documentation of income earned and taxes paid for the tax year.
- Use your 1099-INT form to complete line 2b. The 1099-INT form is documentation of how much interest you earned on a specific account.
- Total lines 1 and 2b on line 7b and again on 8b to reflect your adjusted gross income.
- Line 9 should reflect your standard deduction. Carry your standard deduction total to line 11a.
- Subtract 11a from 8b to determine your taxable income.

- You will now need to use your tax table to find your tax amount owed on your taxable income.
- That dollar amount should be reflected in line 12a, 12b, 14, and 16.
- For line 17, refer to your W2 to find the amount of Federal Income Tax withheld. Enter that number again on line 19.
- Subtract line 16 from 19 to the amount you overpaid or your refund.
- You would like the refund deposited into your checking account. Your checking account routing number is 12345678 and account number is 11000123456.
- When you have completed the tax assignment, you will then include either your actual tax forms or your sample tax forms in your binder.
- You do not want to allow a third party to discuss the return.
- Sign, date, indicate your occupation, and list your phone number. You do not have a spouse.
- You did not pay someone to prepare the return so leave the last boxes empty.
- Congratulations! You have completed your taxes.

Project 4 Resources: Income Taxes

Handout 4B: Income Taxes: Take-Home Assignment—Blank 1040

Go to: https://www.irs.gov/pub/irs-pdf/f1040.pdf

Project 4 Resources: Income Taxes

Handout 4C: Income Taxes: Take-Home Assignment—W-2 and 1099-Int

a Employee's social security number: 222-00-2222
OMB No. 1545-0008
Safe, accurate, FAST! Use e-file
Visit the IRS website at *www.irs.gov/efile*

b Employer identification number (EIN): 10-000003	1 Wages, tips, other compensation: $36,206.00	2 Federal income tax withheld: $4,452.00
c Employer's name, address, and ZIP code: JOB CENTER, 30 ASH GROVE, ANYTOWN, US 00100	3 Social security wages: $36,206.00	4 Social security tax withheld: $1,502.65
	5 Medicare wages and tips: $36,206.00	6 Medicare tax withheld: $521.36
	7 Social security tips	8 Allocated tips
d Control number	9	10 Dependent care benefits
e Employee's first name and initial / Last name / Suff.: TASHA R. MILLER, 285 LINDEN AVENUE, ANYTOWN, US 00100	11 Nonqualified plans	12a See instructions for box 12 (Code)
	13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐	12b (Code)
	14 Other	12c (Code)
f Employee's address and ZIP code		12d (Code)

15 State	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
US	20-0000000	$36,206.00	$2,480.12			

Form **W-2** **Wage and Tax Statement** **2019**
Department of the Treasury—Internal Revenue Service
Copy B—To Be Filed With Employee's FEDERAL Tax Return.
This information is being furnished to the Internal Revenue Service.

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.: YOUR BANK, 123 SOME STREET, ANYTOWN, USA 00123	Payer's RTN (optional)	OMB No. 1545-0112 / 2019 / Form **1099-INT**	**Interest Income**
	1 Interest income: $ 43.00		
	2 Early withdrawal penalty: $		**Copy B**
PAYER'S TIN: 12-0000 / RECIPIENT'S TIN: ***-**-2222	3 Interest on U.S. Savings Bonds and Treas. obligations: $		**For Recipient**
RECIPIENT'S name: TASHA R. MILLER	**4 Federal income tax withheld**: $ 00	5 Investment expenses: $	This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Street address (including apt. no.): 285 LINDEN AVENUE	6 Foreign tax paid: $	7 Foreign country or U.S. possession	
City or town, state or province, country, and ZIP or foreign postal code: ANYWHERE, USA, 00100	8 Tax-exempt interest: $	9 Specified private activity bond interest: $	
	10 Market discount: $	11 Bond premium: $	
FATCA filing requirement ☐	12 Bond premium on Treasury obligations: $	13 Bond premium on tax-exempt bond: $	
Account number (see instructions): *****1234	14 Tax-exempt and tax credit bond CUSIP no.	15 State / 16 State identification no.	17 State tax withheld: $ 00 / $

Form **1099-INT** (keep for your records) www.irs.gov/Form1099INT Department of the Treasury - Internal Revenue Service

Project 4 Resources: Income Taxes

Handout 4D: Income Taxes: Take-Home Assignment—Tax Table

If line 11b (taxable income) is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing sepa-rately	Head of a house-hold
		Your tax is—			
21,000					
21,000	**21,050**	2,329	2,135	2,329	2,246
21,050	**21,100**	2,335	2,141	2,335	2,252
21,100	**21,150**	2,341	2,147	2,341	2,258
21,150	**21,200**	2,347	2,153	2,347	2,264
21,200	**21,250**	2,353	2,159	2,353	2,270
21,250	**21,300**	2,359	2,165	2,359	2,276
21,300	**21,350**	2,365	2,171	2,365	2,282
21,350	**21,400**	2,371	2,177	2,371	2,288
21,400	**21,450**	2,377	2,183	2,377	2,294
21,450	**21,500**	2,383	2,189	2,383	2,300
21,500	**21,550**	2,389	2,195	2,389	2,306
21,550	**21,600**	2,395	2,201	2,395	2,312
21,600	**21,650**	2,401	2,207	2,401	2,318
21,650	**21,700**	2,407	2,213	2,407	2,324
21,700	**21,750**	2,413	2,219	2,413	2,330
21,750	**21,800**	2,419	2,225	2,419	2,336
21,800	**21,850**	2,425	2,231	2,425	2,342
21,850	**21,900**	2,431	2,237	2,431	2,348
21,900	**21,950**	2,437	2,243	2,437	2,354
21,950	**22,000**	2,443	2,249	2,443	2,360
22,000					
22,000	**22,050**	2,449	2,255	2,449	2,366
22,050	**22,100**	2,455	2,261	2,455	2,372
22,100	**22,150**	2,461	2,267	2,461	2,378
22,150	**22,200**	2,467	2,273	2,467	2,384
22,200	**22,250**	2,473	2,279	2,473	2,390
22,250	**22,300**	2,479	2,285	2,479	2,396
22,300	**22,350**	2,485	2,291	2,485	2,402
22,350	**22,400**	2,491	2,297	2,491	2,408
22,400	**22,450**	2,497	2,303	2,497	2,414
22,450	**22,500**	2,503	2,309	2,503	2,420
22,500	**22,550**	2,509	2,315	2,509	2,426
22,550	**22,600**	2,515	2,321	2,515	2,432
22,600	**22,650**	2,521	2,327	2,521	2,438
22,650	**22,700**	2,527	2,333	2,527	2,444
22,700	**22,750**	2,533	2,339	2,533	2,450
22,750	**22,800**	2,539	2,345	2,539	2,456
22,800	**22,850**	2,545	2,351	2,545	2,462
22,850	**22,900**	2,551	2,357	2,551	2,468
22,900	**22,950**	2,557	2,363	2,557	2,474
22,950	**23,000**	2,563	2,369	2,563	2,480
23,000					
23,000	**23,050**	2,569	2,375	2,569	2,486
23,050	**23,100**	2,575	2,381	2,575	2,492
23,100	**23,150**	2,581	2,387	2,581	2,498
23,150	**23,200**	2,587	2,393	2,587	2,504
23,200	**23,250**	2,593	2,399	2,593	2,510
23,250	**23,300**	2,599	2,405	2,599	2,516
23,300	**23,350**	2,605	2,411	2,605	2,522
23,350	**23,400**	2,611	2,417	2,611	2,528
23,400	**23,450**	2,617	2,423	2,617	2,534
23,450	**23,500**	2,623	2,429	2,623	2,540
23,500	**23,550**	2,629	2,435	2,629	2,546
23,550	**23,600**	2,635	2,441	2,635	2,552
23,600	**23,650**	2,641	2,447	2,641	2,558
23,650	**23,700**	2,647	2,453	2,647	2,564
23,700	**23,750**	2,653	2,459	2,653	2,570
23,750	**23,800**	2,659	2,465	2,659	2,576
23,800	**23,850**	2,665	2,471	2,665	2,582
23,850	**23,900**	2,671	2,477	2,671	2,588
23,900	**23,950**	2,677	2,483	2,677	2,594
23,950	**24,000**	2,683	2,489	2,683	2,600

If line 11b (taxable income) is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing sepa-rately	Head of a house-hold
		Your tax is—			
24,000					
24,000	**24,050**	2,689	2,495	2,689	2,606
24,050	**24,100**	2,695	2,501	2,695	2,612
24,100	**24,150**	2,701	2,507	2,701	2,618
24,150	**24,200**	2,707	2,513	2,707	2,624
24,200	**24,250**	2,713	2,519	2,713	2,630
24,250	**24,300**	2,719	2,525	2,719	2,636
24,300	**24,350**	2,725	2,531	2,725	2,642
24,350	**24,400**	2,731	2,537	2,731	2,648
24,400	**24,450**	2,737	2,543	2,737	2,654
24,450	**24,500**	2,743	2,549	2,743	2,660
24,500	**24,550**	2,749	2,555	2,749	2,666
24,550	**24,600**	2,755	2,561	2,755	2,672
24,600	**24,650**	2,761	2,567	2,761	2,678
24,650	**24,700**	2,767	2,573	2,767	2,684
24,700	**24,750**	2,773	2,579	2,773	2,690
24,750	**24,800**	2,779	2,585	2,779	2,696
24,800	**24,850**	2,785	2,591	2,785	2,702
24,850	**24,900**	2,791	2,597	2,791	2,708
24,900	**24,950**	2,797	2,603	2,797	2,714
24,950	**25,000**	2,803	2,609	2,803	2,720
25,000					
25,000	**25,050**	2,809	2,615	2,809	2,726
25,050	**25,100**	2,815	2,621	2,815	2,732
25,100	**25,150**	2,821	2,627	2,821	2,738
25,150	**25,200**	2,827	2,633	2,827	2,744
25,200	**25,250**	2,833	2,639	2,833	2,750
25,250	**25,300**	2,839	2,645	2,839	2,756
25,300	**25,350**	2,845	2,651	2,845	2,762
25,350	**25,400**	2,851	2,657	2,851	2,768
25,400	**25,450**	2,857	2,663	2,857	2,774
25,450	**25,500**	2,863	2,669	2,863	2,780
25,500	**25,550**	2,869	2,675	2,869	2,786
25,550	**25,600**	2,875	2,681	2,875	2,792
25,600	**25,650**	2,881	2,687	2,881	2,798
25,650	**25,700**	2,887	2,693	2,887	2,804
25,700	**25,750**	2,893	2,699	2,893	2,810
25,750	**25,800**	2,899	2,705	2,899	2,816
25,800	**25,850**	2,905	2,711	2,905	2,822
25,850	**25,900**	2,911	2,717	2,911	2,828
25,900	**25,950**	2,917	2,723	2,917	2,834
25,950	**26,000**	2,923	2,729	2,923	2,840
26,000					
26,000	**26,050**	2,929	2,735	2,929	2,846
26,050	**26,100**	2,935	2,741	2,935	2,852
26,100	**26,150**	2,941	2,747	2,941	2,858
26,150	**26,200**	2,947	2,753	2,947	2,864
26,200	**26,250**	2,953	2,759	2,953	2,870
26,250	**26,300**	2,959	2,765	2,959	2,876
26,300	**26,350**	2,965	2,771	2,965	2,882
26,350	**26,400**	2,971	2,777	2,971	2,888
26,400	**26,450**	2,977	2,783	2,977	2,894
26,450	**26,500**	2,983	2,789	2,983	2,900
26,500	**26,550**	2,989	2,795	2,989	2,906
26,550	**26,600**	2,995	2,801	2,995	2,912
26,600	**26,650**	3,001	2,807	3,001	2,918
26,650	**26,700**	3,007	2,813	3,007	2,924
26,700	**26,750**	3,013	2,819	3,013	2,930
26,750	**26,800**	3,019	2,825	3,019	2,936
26,800	**26,850**	3,025	2,831	3,025	2,942
26,850	**26,900**	3,031	2,837	3,031	2,948
26,900	**26,950**	3,037	2,843	3,037	2,954
26,950	**27,000**	3,043	2,849	3,043	2,960

If line 11b (taxable income) is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing sepa-rately	Head of a house-hold
		Your tax is—			
27,000					
27,000	**27,050**	3,049	2,855	3,049	2,966
27,050	**27,100**	3,055	2,861	3,055	2,972
27,100	**27,150**	3,061	2,867	3,061	2,978
27,150	**27,200**	3,067	2,873	3,067	2,984
27,200	**27,250**	3,073	2,879	3,073	2,990
27,250	**27,300**	3,079	2,885	3,079	2,996
27,300	**27,350**	3,085	2,891	3,085	3,002
27,350	**27,400**	3,091	2,897	3,091	3,008
27,400	**27,450**	3,097	2,903	3,097	3,014
27,450	**27,500**	3,103	2,909	3,103	3,020
27,500	**27,550**	3,109	2,915	3,109	3,026
27,550	**27,600**	3,115	2,921	3,115	3,032
27,600	**27,650**	3,121	2,927	3,121	3,038
27,650	**27,700**	3,127	2,933	3,127	3,044
27,700	**27,750**	3,133	2,939	3,133	3,050
27,750	**27,800**	3,139	2,945	3,139	3,056
27,800	**27,850**	3,145	2,951	3,145	3,062
27,850	**27,900**	3,151	2,957	3,151	3,068
27,900	**27,950**	3,157	2,963	3,157	3,074
27,950	**28,000**	3,163	2,969	3,163	3,080
28,000					
28,000	**28,050**	3,169	2,975	3,169	3,086
28,050	**28,100**	3,175	2,981	3,175	3,092
28,100	**28,150**	3,181	2,987	3,181	3,098
28,150	**28,200**	3,187	2,993	3,187	3,104
28,200	**28,250**	3,193	2,999	3,193	3,110
28,250	**28,300**	3,199	3,005	3,199	3,116
28,300	**28,350**	3,205	3,011	3,205	3,122
28,350	**28,400**	3,211	3,017	3,211	3,128
28,400	**28,450**	3,217	3,023	3,217	3,134
28,450	**28,500**	3,223	3,029	3,223	3,140
28,500	**28,550**	3,229	3,035	3,229	3,146
28,550	**28,600**	3,235	3,041	3,235	3,152
28,600	**28,650**	3,241	3,047	3,241	3,158
28,650	**28,700**	3,247	3,053	3,247	3,164
28,700	**28,750**	3,253	3,059	3,253	3,170
28,750	**28,800**	3,259	3,065	3,259	3,176
28,800	**28,850**	3,265	3,071	3,265	3,182
28,850	**28,900**	3,271	3,077	3,271	3,188
28,900	**28,950**	3,277	3,083	3,277	3,194
28,950	**29,000**	3,283	3,089	3,283	3,200
29,000					
29,000	**29,050**	3,289	3,095	3,289	3,206
29,050	**29,100**	3,295	3,101	3,295	3,212
29,100	**29,150**	3,301	3,107	3,301	3,218
29,150	**29,200**	3,307	3,113	3,307	3,224
29,200	**29,250**	3,313	3,119	3,313	3,230
29,250	**29,300**	3,319	3,125	3,319	3,236
29,300	**29,350**	3,325	3,131	3,325	3,242
29,350	**29,400**	3,331	3,137	3,331	3,248
29,400	**29,450**	3,337	3,143	3,337	3,254
29,450	**29,500**	3,343	3,149	3,343	3,260
29,500	**29,550**	3,349	3,155	3,349	3,266
29,550	**29,600**	3,355	3,161	3,355	3,272
29,600	**29,650**	3,361	3,167	3,361	3,278
29,650	**29,700**	3,367	3,173	3,367	3,284
29,700	**29,750**	3,373	3,179	3,373	3,290
29,750	**29,800**	3,379	3,185	3,379	3,296
29,800	**29,850**	3,385	3,191	3,385	3,302
29,850	**29,900**	3,391	3,197	3,391	3,308
29,900	**29,950**	3,397	3,203	3,397	3,314
29,950	**30,000**	3,403	3,209	3,403	3,320

Project 4 Activity: Income Taxes

Handout 4E: Income Taxes Essay

In a one- to two-page reflective essay, typed and double-spaced, answer the following questions. Make sure you proof the essay for grammar and word usage mistakes.

- Have you filed taxes before? If so, did you complete the forms or did you have someone do it for you?
- What thoughts do you have on the process? Did you find it difficult?
- After reading the text and class discussion, what are some ways you can keep more of your income?
- After learning about taxes in class, will you complete your taxes in the future?