Classwork 3 – with answers

**CLASSWORK 1: Determine the only filing status available or the most advantageous filing status for each of the following:**

(1)  Joe and Mary Smith are married. Joe works as a computer technician. Mary stays home with their baby and has no income. MFJ

(2)  Mike and Cathy Cato are married and they both are truck drivers. They only lived together for three months of 2013. They have no dependents. MFJ

(3)  Ted MacNamara is unmarried and a part-time student. He rents an apartment and works at Wal-Mart. S

(4)  Judy Vasquez lost her husband two years ago. She lives alone in a retirement home. S

(5)  Mark and Katie Sanders were married and they lived together with their daughter, Abigail, age ten, until 2012 when Mark died. Abigail attends a boarding school and comes home for the summer. Q/W

(6)  Debra Johnson is legally separated from her husband. She pays over half the cost of maintaining her home. Her ten-year-old son lives with her and is claimed by her estranged husband as his dependent. H/H

(7)  Patrick Bartley’s wife died in April 2012. In November 2013, he married her sister, Jezebel. MFJ (new spouse)

(8)  John and Stella Zuty are married and live together. Both are employed. John is very independent and does not want to file a joint return with Stella. MFS

(9)  Matthew Moore is unmarried and lives alone. He works in a factory. Matthew pays over half the cost of keeping his father, whom he claims as a dependent, in a home for the elderly. H/H

(10)  Rita is 20 years old and unmarried. She lives with her boyfriend, Ali, who is a full-time student and does not work. She works at the campus bookstore and provides all of the cost of maintaining the home. S

(11)  Ken Demmer is a stockbroker. He divorced his wife, Phyllis, on December 30, 2012. Their two children live with Phyllis and she pays over half the cost of keeping up their home. What is Ken’s filing status? S

(12)  Karen Karner is divorced and was providing the cost of raising her daughter until her daughter died suddenly in January of 2012. Karen maintained the home during the period her daughter was alive. H/H

(13)  David Astelle pays the full cost of the home in which he and his 23-year-old daughter live. She is not a full-time student or disabled. His daughter earns $3,850 and does not qualify as his dependent. His wife died in 2010. S

(14)  Shilo Cruise is unmarried and lived all year with her boyfriend, Sweeny Todd, and Sweeny’s 10-year-old son, Johnny. Sweeny does not know how to locate Johnny’s mother. Sweeny was a bouncer and earned $5,000. He will file a return only to get his withholding back. Shilo is a lawyer and provides over half of the support of both Sweeny and Johnny and more than half of the cost of keeping up the home. Shilo meets the test to claim Johnny as a qualifying relative. S

CLASSWORK 2: True or False.

(1) On a joint return, both individuals must have income. FALSE

(2) Under the Head of Household filing status, a qualifying person must be a child. FALSE

(3) In general, filing status depends on whether you are married or unmarried. TRUE

(4) If you were widowed during the tax year and did not remarry during the tax year and you have no children, your filing status is Single. FALSE

(5) A married couple living together must file Married Filing Jointly. FALSE

(6) If you are married, you can never file as Head of Household. FALSE

(7) The qualifying widow(er) filing status has the same tax rate as the Married Filing Jointly. TRUE

(8) If more than one filing status applies to you, you must choose the one with the higher tax rate. FALSE

(9) You are considered unmarried for the whole year if, on the last day of the tax year, you are unmarried or legally separated. TRUE

(10) If your spouse died during the year and you did not remarry, you are considered married for the whole year for filing status purposes. TRUE

(11) Once you file a joint return, you cannot choose to file separate returns for that year after the due date of the return. TRUE

(12) A dependent can qualify only one taxpayer to use Head of Household for any tax year. TRUE