


Exercise 2: Barbara Bullock

Interview Notes

- Barbara has been divorced since 2017.
- Barbara's twins, Charles and Charlotte, lived with her all year. She provides all of their support.
- Barbara withdrew \$5,000 from her IRA. The money was used to pay for summer camp and new school uniforms for both of her children. Neither Barbara nor anyone in her household was affected medically or financially by COVID-19.
- Barbara's sister, Clara Cooper, and Clara's boyfriend, Daryl Dixon, were evicted from their apartment in March of the tax year and moved in with Barbara. Each of them had less than \$4,000 income for the year, and Barbara provided more than half of their support. Barbara would like to claim Clara and Daryl as dependents.
- Barbara has received \$4,000 in Economic Impact Payments, the full amount to which she is entitled.
- No one in Barbara's household had health insurance that was provided by the Marketplace.
- If Barbara is due a refund, she would like to receive a paper check. If she has a balance due, she will pay by check.

Driver's License (Tax Training Only)	
License No.	20201017100508
Name and Address	BARBARA C. BULLOCK 1827 CHASE LN. YOUR CITY, YS, ZIP CODE
Birth Date	02/15/1978
Issue Date	01/26/2020
Expiration Date	01/26/2025



Social Security

227-00-2272

THIS NUMBER HAS BEEN ESTABLISHED FOR

BARBARA C. BULLOCK

For Tax Training Purposes Only

Social Security

242-00-7537

THIS NUMBER HAS BEEN ESTABLISHED FOR

CHARLES B. BULLOCK

For Tax Training Purposes Only

Social Security

242-00-7568

THIS NUMBER HAS BEEN ESTABLISHED FOR

CHARLOTTE B. BULLOCK

For Tax Training Purposes Only

Social Security

252-00-7226

THIS NUMBER HAS BEEN ESTABLISHED FOR

CLARA C. COOPER

For Tax Training Purposes Only


Social Security

327-00-9534

THIS NUMBER HAS BEEN ESTABLISHED FOR

DARYL DIXON

For Tax Training Purposes Only

a. Employee's social security number 227-00-2272		Save. accurate, FAST! Use				Visit the IRS website at www.irs.gov/efile	
OMB No. 1545-0008							
b. Employer identification number (EIN) 63-7294677		1. Wages, tips, other compensation \$39,211.06		2. Federal income tax withheld \$1,120.00			
c. Employer's name, address, and ZIP code MERCY HOSPITAL 5000 HOSPITAL DR. YOUR CITY, YS, YOUR ZIP		3. Social security wages \$39,211.06		4. Social security tax withheld \$2,431.09			
		5. Medicare wages and tips \$39,211.06		6. Medicare tax withheld \$568.56			
		7. Social security tips		8. Allocated tips			
d. Control number		9.		10. Dependant care benefits			
e. Employee's first name and initial Last name Employee's address and ZIP code BARBARA C. BULLOCK 1827 CHASE LN. YOUR CITY, YS, ZIP CODE		11. Nonqualified plans		12a. See instructions for box 12			
		13. Statutory Retirement Third-party Employee Plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b.			
		14. Other		12c.			
				12d.			
15. State YS	Employer's state ID number R00048251	16. State wages, tips, etc. \$39,211.06	17. State income tax 1,941.94	18. Local wages, tips, etc.	19. Local income tax	20. Locality name	
<p>Form W-2 Wage and Tax Statement 2020</p> <p>Copy B - To Be Filed With Employee's FEDERAL Tax Return.</p> <p>This information is being furnished to the Internal Revenue Service.</p>							

<input type="checkbox"/> CORRECTED (if checked)						Interest Income	
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. LAKESIDE BANK 1690 BAKER AVE, YOUR CITY, YS, YOUR ZIP			Payer's RTN (optional)		OMB No. 1545-0112 2020 Form 1099-INT		Copy B
			1 Interest income				
PAYER'S TIN 52-5374332			RECIPIENT'S TIN 227-00-2272		2 Early withdrawal penalty		For Recipient
					3 Interest on US Savings Bonds and Treas. obligations		
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code BARBARA C. BULLOCK 1827 CHASE LN. YOUR CITY, YS, ZIP CODE			4 Federal income tax withheld		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.
			6 Foreign Tax Paid		7 Foreign Country or US possession		
			8 Tax exempt interest		9 Specified private activity bond interest		
			10 Market Discount		11 Bond Premium		
FATCA filing requirement <input type="checkbox"/>			12 Bond premium on Treasury obligations		13 Bond Premium on tax-exempt bond		
			14 Tax-exempt and tax credit bond CUSIP no.		15 State	16 State Identification no.	17 State tax withheld
Account number (see instructions)							
Form 1099-INT							

<input type="checkbox"/> CORRECTED (if checked)						Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.			
PAYER'S name Street address City or town, state or province, country, ZIP or foreign postal code Telephone no. RETIREMENT INVESTMENT SOLUTIONS P.O. BOX 667 HOUSTON, TX 77002			1 Gross distribution		OMB No. 1545-0112 2020 Form 1099-R		Copy B		
			2a Taxable amount					\$5,000.00	
PAYER'S TIN 73-8473636			RECIPIENT'S TIN 227-00-2272		2b Taxable amount not determined. <input checked="" type="checkbox"/> Total Distribution <input type="checkbox"/>		Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.		
					3 Capital gain (included in box 2a).			4 Federal income tax withheld	
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal BARBARA C. BULLOCK 1827 CHASE LN. YOUR CITY, YS, ZIP CODE			5 Employee contributions/ Designated Roth contributions or		6 Net unrealized appreciation in employer's securities		This information is being furnished to the IRS		
			7 Distribution Code(s)		IRA/ SEP/ SIMPLE			8 Other	
			1		<input checked="" type="checkbox"/>			%	
			9a Your percentage of total distribution		9b Total Employee Contributions				
10 Amount allocable to IRR within 5 years		11 1st year of desig. Roth contrib.		FATCA filing requirement		12 State tax withheld			
				<input type="checkbox"/>		13 State/Payer's state no. 0000876588			
Account number (see instructions)			Date of payment		15 Local tax withheld		16 Name of locality		
							17 Local distribution		
Form 1099-R									

Practice Questions

1. Whom can Barbara claim as a dependent? Check all that apply.

- A. Charles
- B. Charlotte
- C. Clara
- D. Daryl

2. Barbara must pay a 10% penalty for early withdrawals on the money she took from her IRA, because she is under age 59 1/2 and there is no exception that applies to her situation.

- A. True
- B. False