

Fact Sheet

Module 3: Interest Income

Interest is the charge for the use of borrowed money.

Money earns interest when it is

- deposited in accounts in banks, savings and loans, and credit unions.
- used to buy certificates of deposit or bonds.
- lent to another person or business.

Interest income may be taxable or tax-exempt.

Interest income is reported on Form 1099-INT.

All taxable interest income is reported on the taxpayer's return, even if it does not appear on Form 1099-INT.

VOID CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no.		Payer's RTN (optional)		OMB No. 1545-0112			
		1 Interest income \$		<div style="font-size: 2em; font-weight: bold; text-align: center;">2008</div> <div style="font-size: 1.5em; font-weight: bold; text-align: center;">Interest Income</div>			
		2 Early withdrawal penalty \$					
PAYER'S federal identification number		RECIPIENT'S identification number		Form 1099-INT			
RECIPIENT'S name		3 Interest on U.S. Savings Bonds and Treas. obligations \$		<div style="font-weight: bold; font-size: 1.2em;">Copy C For Payer</div> <p style="font-size: 0.8em; margin-top: 10px;">For Privacy Act and Paperwork Reduction Act Notice, see the 2008 General Instructions for Forms 1099, 1098, 5498, and W-2G.</p>			
Street address (including apt. no.)		4 Federal income tax withheld \$				5 Investment expenses \$	
		6 Foreign tax paid \$				7 Foreign country or U.S. possession	
City, state, and ZIP code		8 Tax-exempt interest \$				9 Specified private activity bond interest \$	
Account number (see instructions)		2nd TIN not. <input type="checkbox"/>					

Form **1099-INT**

Department of the Treasury - Internal Revenue Service