

Understanding Taxes



Just a Point and Click Away



Understanding Taxes

Understanding Taxes Makes
Teaching Taxes as Easy as ABC:

- Accessible (web-based)
- Bringing Learning to Life
- Comprehensive



Understanding Taxes

Accessible



Understanding Taxes

The Quick and Simple Way to Understand Your Taxes



Access all the great educational content found in the **Understanding Taxes** program on the Internet! This online version includes detailed lesson plans, interactive activities, simulations, and more!

For Educators, every **Understanding Taxes** lesson includes the correlations to national and state educational standards. Each lesson plan includes a link to the applicable national and state standards, making it simple to integrate **Understanding Taxes** into your existing classroom curricula.



Teacher Site

Understanding Taxes makes teaching taxes as easy as ABC:

*A*ccessible

*B*ringing Learning to Life

*C*omprehensive

Making real-world connections to classroom instruction is an important goal of educators. The IRS partnered with education professionals to bring you the **Understanding Taxes Teacher Site**, an interactive tax education program for middle school, high school, and community college classrooms.



Student Site

Interested in uncovering the mystery behind taxes? Looking for real-world applications for what you've learned in the classroom?

The **Understanding Taxes Student Site** provides middle schools, high schools, community colleges, and the general public with a technology-based instructional tool.

Understanding Taxes is an interactive web-based application that offers separate areas for teachers and students



Understanding Taxes



Teacher Tools:

Maximize learning

Provide easy-to-understand definitions

Link to additional resources



[Student Site](#)[UT Home](#)**MAIN**the **HOWS** of TAXESthe **WHYS** of TAXES[▶ Custom Resource List](#)[▶ Educational Standards](#)[▶ Downloads](#)

tools:



cool stuff:

[Help](#)[Glossary](#)[Links](#)[Site Map](#)[Tax Trivia](#)[VITAe3](#)

Custom Resource List

Looking for a way to customize **Understanding Taxes** to meet your specific classroom needs? Try creating a Custom Resource List that allows you to save lesson plans and their links for later online access.

This teacher-inspired tool puts you just one click away from a lesson plan and its links to student pages, activities, assessments, and other resources. Below is a list of every lesson plan in **Understanding Taxes**. Just click in the box before each lesson to add it to your Custom Resource List. (If you wish to preview the lesson first, just click on the lesson link.)

Once you have identified the lessons you wish to include in your list, click on the Create a Custom Resource List button. Your custom list will appear and you can then save it to your hard drive for later access.

[Create a Custom Resource List](#)

the **HOWS** of TAXES

[Module 1: Payroll Taxes and Federal Income Tax Withholding](#)

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The Custom Resource List enables teachers to choose their lesson plans today and access them tomorrow with just one click!

the HOWS of TAXES

Module 1: Payroll Taxes and Federal Income Tax Withholding

table of contents:

- Educational Standards
- Time Frame
- Curriculum Area(s)
- Purpose
- Objectives
- Background
- Key Terms
- Opening the Lesson
- Developing the Lesson
- Concluding the Lesson

materials:

Online



Student Lesson: [Payroll Taxes and Federal Income Tax Withholding](#)



Tax Tutorial: [Payroll Taxes and Federal Income Tax Withholding](#)



Simulation 1: [Completing Form W-4](#)



Assessment: [Payroll Taxes and Federal Income Tax Withholding](#)



Assessment Solutions: [Payroll Taxes and Federal Income Tax Withholding](#)

Print (PDF)



Fact Sheet: [Payroll Taxes and Federal Income Tax Withholding](#)



Teacher Lesson Plan: [Payroll Taxes and Federal Income Tax Withholding](#)

Tax Forms



Tax Forms: [Form W-4, Employee's Withholding Allowance Certificate](#)

Individual lesson plans allow teachers to preview every lesson component from just one web page

Educational Standards

[State and National Standards](#)



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the HOWS of TAXES

Module 1: Payroll Taxes and Federal Income Tax Withholding

materials:



Payroll taxes include the Social Security tax and the Medicare tax. Social Security taxes provide benefits for retired workers, the disabled, and the dependents of both. The Medicare tax is used to provide medical benefits for certain individuals when they reach age 65. Workers, retired workers, and the spouses of workers and retired workers are eligible to receive Medicare



[Tax Tutorial: Payroll Taxes and Federal Income Tax Withholding](#)

Learn how payroll taxes are collected and used as well as how federal income taxes are used. Learn how employers determine how much federal income tax to withhold from employee pay.



[Fact Sheet: Payroll Taxes and Federal Income Tax Withholding](#)

Print this fact sheet on payroll taxes and federal income tax withholding.



[Simulation: Completing](#)

Form 1041



Lessons allow students to complete in class or on their own!

Understanding Taxes

Bringing Learning to Life





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Welcome to the Understanding Taxes Student Site

Whether you're "on assignment" or just browsing the Web, this set of 38 **Understanding Taxes** student lessons has something for everyone. Divided into two content areas — the Hows of Taxes and the Whys of Taxes — The Hows of Taxes shows you how to apply tax principles, while the Whys of Taxes explains tax history and theory.

what's here:



Activities

Balance the national budget, take virtual field trips, discover how your tax dollars are spent, and lobby for a cause you choose from a variety of interactive tax activities.



Tax Tutorials

Who qualifies as a dependent? What is an exemption? How do you report ...



the HOWS of TAXES

Confused about tax terms and forms? Interested in learning more about the basic concepts behind taxes? **Understanding Taxes** can take the mystery out of taxes. The Hows of Taxes includes 14 self-paced modules, offering a step-by-step approach to tax preparation.



the WHYS of TAXES

Investigate the theory and history behind America's tax system. Who were the key players instrumental in the development of this system? What is the rationale supporting existing and past tax legislation? How can you affect your tax situation?

Student pages for every lesson bring learning to life! Helps students understand the basic concepts behind taxes and completion of returns





Simulations

You've heard of reality TV. Now it's reality taxes! Apply what you've learned by putting yourself in the shoes of 20 different taxpayers while you explore the ins and outs of filing tax returns electronically!

the HOWS of TAXES simulations:



Lawrence Red Owl

[Simulation 1: Completing Form W-4](#)



Cicely King

[Simulation 2: Using Your W-2 to File Your 1040EZ](#)



Tasha Miller

[Simulation 3: Using Your W-2 and Form 1099-INT to File Your 1040EZ](#)



Michael Brand

[Simulation 4A: Identifying Dependents as a Single Taxpayer](#)



Samantha Nichols

[Simulation 4B: Identifying Dependents as a Single Taxpayer with Children](#)



Scott Newberry

[Simulation 8: Claiming Child Tax Credit and Additional Child Tax Credit](#)



Albert Wentworth

[Simulation 9: Claiming the Tax Credit for Child and Dependent Care Expenses](#)



Jon Stillman

[Simulation 10A: Claiming Education Credits for the Hope Credit](#)



Judy Hood

[Simulation 10B: Claiming Education Credits for the Lifetime Learning Credit](#)



Seth Wiggins

[Simulation 11A: Claiming the Earned Income Credit as a Single Taxpayer](#)

Interactive simulation activities, encourage students to put their knowledge to work in the real world





The interface for 'Understanding Taxes Student' features a top navigation bar with 'UT Home' and tabs for 'MAIN', 'the HOWS of TAXES', and 'the WHYS of TAXES'. Below these are links for 'Activities', 'Tax Tutorials', and 'Simulations'. A 'tools' section includes 'Help', 'Glossary', 'Links', and 'Site Map'. A 'cool stuff' section includes 'Tax Trivia' and 'VITAe3'. A blue arrow points from the 'cool stuff' section to the 'Take the Tax Trivia Challenge' text on the right.

Cool Stuff lets users:

Learn more about VITA e³

Take the Tax Trivia Challenge

Interactive activities make learning fun!

Tax Trivia

Are you a whiz at trivia? Then take the Tax Trivia Challenge! See how you score on a series of multiple-choice questions that offer little-known tidbits of information. Discover how many hours per year citizens spend preparing their taxes, or in what country people must pay a tax on every television set they own!

- | | |
|--|--|
| <p>1. Which ancient civilization revered the tax professional as the most noble man in society?</p> <p>2. What is a duck stamp, and how much is it worth?</p> <p>3. How many tax returns were filed electronically in the year 2000?</p> <p>4. What was the total amount in refunds that the IRS paid to taxpayers in the year 2000?</p> <p>5. What is the origin of the word tariff?</p> <p>6. What was the name southerners gave to the tax on slaves?</p> | <p>7. In medieval Europe, how was a tithe paid and what was it used for?</p> <p>8. In what year was the Twenty-fourth Amendment ratified?</p> <p>9. About how much money was given to the Presidential Election Campaign Fund from 2001 tax returns?</p> <p>10. How many Americans were out of work during the Great Depression?</p> <p>11. For the year 2000, President George W. Bush and his wife, Laura, declared a taxable income of \$744,682. What was their total tax liability for that year?</p> |
|--|--|



Understanding Taxes

Comprehensive



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tools:



cool stuff:

[Help](#)[Glossary](#)[Links](#)[Site Map](#)[Tax Trivia](#)[VITRe3](#)

Welcome to the Understanding Taxes Teacher Site

Does teaching about taxes seem as intimidating as completing your yearly tax forms? Don't worry! Understanding Taxes can be customized to fit your own personal teaching style. You have the freedom to choose which activities and methods of instruction work best to meet the needs of your students.

Teaching taxes can take a traditional approach as students complete downloaded worksheets, classroom activities, and assessment pages. Or, students can complete work online and take part in interactive activities and simulations.

what's here:



Custom Resource List

Looking for a way to customize **Understanding Taxes** to meet your specific classroom needs? Try creating a Custom Resource List that allows you to save lesson plans and their links for later online access.



the HOWS of TAXES

Confused about tax terms and forms? Interested in learning more about the basic concepts behind taxes? **Understanding Taxes** can take the mystery out of taxes. The Hows of Taxes includes 14 self-paced modules, offering a step-by-step approach to tax preparation.



the WHYS of TAXES






Investigate the theory and history behind America's tax system. Who were the key players instrumental in the development of this system? What is the rationale supporting existing and past tax legislation? How can you affect your tax situation?



The teacher section offers:

- Quick online access
- 38 comprehensive lesson plans
- Links to state and national standards
- Downloadable components






Glossary Links Site Map Tax Trivia VITAe3


Taxes Teacher Site

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 **the HOWS of TAXES**

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 **the WHYS of TAXES**

Investigate the theory and history behind America's tax system. Who were the key players instrumental in the development of this system? What is the rationale supporting existing and past tax legislation? How can you affect your tax situation?

your
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links for

Content is divided into two distinct areas:

- The HOWS of Taxes
- The WHYS of Taxes





Tax Tutorials

Who qualifies as a dependent? What is an exemption? How do you report interest from a Form 1099? These 14 tax tutorials will guide you through the basics of tax preparation, giving you the background you need to electronically file your tax return.

For starters, check out the tax tutorials to find the answers to these frequently asked questions.

the HOWS of TAXES tutorials:

Need hints on completing a Form W-4?

[Module 1: Payroll Taxes and Federal Income Tax Withholding](#)

Do I have to claim my tips on my tax return?

[Module 2: Wage and Tip Income](#)

What interest is considered tax exempt?

[Module 3: Interest Income](#)

When can I claim myself as a dependent on my tax return?

[Module 4: Dependents](#)

What is the difference between "married filing a joint return and married filing a separate return?"

[Module 5: Filing Status](#)

What is the difference between a personal exemption and a dependency exemption?

[Module 6: Exemptions](#)

What is the standard deduction for a single person?

[Module 7: Standard Deduction](#)

How do I claim the Child Tax Credit?

[Module 8: Claiming Child Tax Credit and Additional Child Tax Credit](#)

What are the requirements for claiming the child care tax credit?

[Module 9: Tax Credit for Child and Dependent Care Expenses](#)

Tax Tutorials teach students the basics of taxes



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Taxes 16



Assessment

Close Window

Theme 1: Your Role as a Taxpayer Lesson 2: How Taxes Evolve

Online graded assessments
test students' comprehension

Part 1

Match the clues below to their correct terms by choosing from the drop-down menu. Continue to Part 2 or, to assess your answers, click the Check My Answers button at the bottom of the page.

1. **The process of strict constitutional steps that a proposed tax bill must pass through before it becomes law**

Choose the correct answer ▼

2. **This occurs when individuals and interest groups express and promote their opinions about tax legislation**

Choose the correct answer ▼

3. **Where tax bills originate in the House of Representatives**

Choose the correct answer ▼

4. **Where the Senate reviews and often rewrites bills**

Choose the correct answer ▼

5. **Where a bill goes after it is approved by Congress and is then signed or vetoed**

Choose the correct answer ▼



Understanding Taxes

Accessible, Bringing Learning to
Life, and Comprehensive

A Quick and Simple Way to
Understand YOUR Taxes



Understanding Taxes



For more information, check out:
<http://apps.irs.gov/app/understandingTaxes/index.jsp>

