

Module 3 Simulation

**Using Your W-2 and Form  
1099-INT to File Your 1040EZ**

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



**Module 3  
Simulation**

January 1

Your Tax Year

December 31 January 1

Your Filing Season

April 15

*In this simulation, you will take on the role of Tasha Miller in order to learn how to use the information from Forms W-2 and 1099-INT to complete Form 1040EZ.*

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



## Module 3 Simulation

January 1

Your Tax Year

December 31 January 1

Your Filing Season

April 15

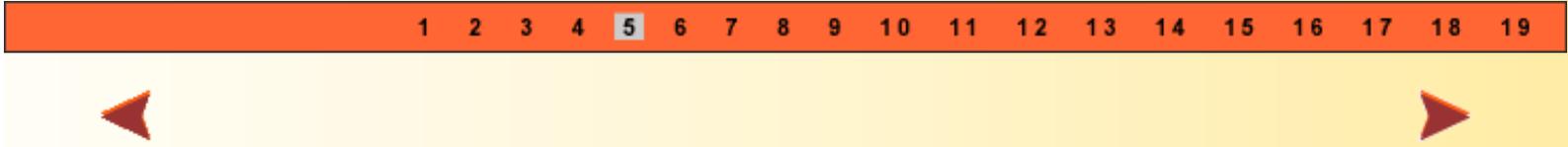
You are single. You live in the United States. You have no children. No one else depends on you for income or support. Your sources of income are your job and interest on your savings account.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

# Module 3 Simulation



You are employed as an administrator at the Job Center.  
Your salary is \$36,206 a year.



## Module 3 Simulation



Your favorite aunt dies and leaves \$2000 to you in her will. You deposit the money in a savings account at your bank.

**Tax Tip:** The inheritance is tax-free; the interest on the inheritance is subject to tax.

To review your personal information, click **My Profile** below.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**





## **My Profile**

Name: Tasha Miller

Employment: Administrator at the Job Center

Marital status: Single

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

Children: None

U.S. citizen: Yes

Other: Your favorite aunt died and left \$2000 to you in her will. You deposit the money in a savings account at your bank.

## Module 3 Simulation



You receive your W-2 from your employer. You have earned \$36,206 from your job.

**Note:** Your employer is required to send you your W-2 by January 31!

To review your Form W-2, click **My Form W-2** below.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**



a Employee's social security number <b>222-00-2222</b>		OMB No. 1545-0008		Safe, accurate, <b>FAST!</b> Use				Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> .		
b Employer identification number (EIN) <b>10-000003</b>				1 Wages, tips, other compensation <b>\$36,206</b>		2 Federal income tax withheld <b>\$4,452</b>				
c Employer's name, address, and ZIP code <b>Job Center 30 Ash Grove Anytown, US 00100</b>				3 Social security wages <b>\$36,206</b>		4 Social security tax withheld <b>\$2,244.77</b>				
				5 Medicare wages and tips <b>\$36,206</b>		6 Medicare tax withheld <b>\$521.36</b>				
				7 Social security tips		8 Allocated tips				
d Control number				9 Advance EIC payment		10 Dependent care benefits				
e Employee's first name and initial <b>Tasha R.</b>		Last name <b>Miller</b>		Suff.		11 Nonqualified plans		12a See instructions for box 12		
285 Linden Avenue Anytown, US 00100						13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b		
						14 Other		12c		
								12d		
f Employee's address and ZIP code										
15 State Employer's state ID number <b>US 20-0000000</b>		16 State wages, tips, etc. <b>\$36,206</b>		17 State income tax <b>\$2,480.12</b>		18 Local wages, tips, etc.		19 Local income tax		20 Locality name

Form **W-2** Wage and Tax  
Statement

**2007**

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.

## Module 3 Simulation



You receive Form 1099-INT from the bank. You earned \$43 interest on your savings.

To review your Form 1099-INT, click ***My Form 1099-INT*** below.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**



CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no.  First Federal Bank of Anytown 960 High Street Anytown, US 00100		Payer's RTN (optional)	OMB No. 1545-0112  <b>2007</b>  Form <b>1099-INT</b>	<b>Interest Income</b>
		1 Interest income \$ 43.00		
		2 Early withdrawal penalty \$		
3 Interest on U.S. Savings Bonds and Treas. obligations \$				
PAYER'S federal identification number 10-0000002	RECIPIENT'S identification number 222-00-2222			<b>Copy B For Recipient</b>  This is important tax information and is being furnished to the Internal Revenue Service. 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.
RECIPIENT'S name  Tasha Miller  Street address (including apt. no.) 285 Linden Avenue  City, state, and ZIP code Anytown, US 00100		4 Federal income tax withheld \$	5 Investment expenses \$	
		6 Foreign tax paid \$	7 Foreign country or U.S. possession	
		8 Tax-exempt interest \$	9 Specified private activity bond interest \$	
Account number (see instructions)				

Form **1099-INT**

(keep for your records)

Department of the Treasury - Internal Revenue Service

# Module 3 Simulation



You have everything you need to file your taxes. You will be using Form 1040EZ because you are single, have no dependents, and your only sources of income are your salary and taxable interest income.

Department of the Treasury—Internal Revenue Service

**Form 1040EZ** **Income Tax Return for Single and Joint Filers With No Dependents** (99) **2007** OMB No. 1545-0074

<b>L A B E L  H E R E</b>	Your first name and initial	Last name	Your social security number	
	If a joint return, spouse's first name and initial	Last name	Spouse's social security number	
	Home address (number and street). If you have a P.O. box, see page 11.		Apt. no.	▲ You must enter your SSN(s) above. ▲
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 11.			

Check here if you, or your spouse if a joint return, want \$3 to go to this fund . . . .  You  Spouse

Label (See page 11.) Use the IRS label. Otherwise, please print or type. Presidential Election Campaign (page 11)

Checking a box below will not change your tax or refund.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19

- My Profile
- My Form W-2
- My Form 1099-INT



# Module 3 Simulation



Use your W-2 to enter your salary on your Form 1040EZ. Enter your salary exactly as it appears on your W-2.

Enter salary: \$

Department of the Treasury—Internal Revenue Service  
**Form 1040EZ** **Income Tax Return for Single and Joint Filers With No Dependents** (99) **2007** OMB No. 1545-0074

<b>Label</b> (See page 11.) <b>Use the IRS label.</b> Otherwise, please print or type.  Presidential Election Campaign (page 11)	Your first name and initial <b>Tasha R.</b>	Last name <b>Miller</b>	Your social security number <b>222 : 00 2222</b>
	If a joint return, spouse's first name and initial	Last name	Spouse's social security number
	Home address (number and street). If you have a P.O. box, see page 11. <b>285 Linden Avenue</b>		Apt. no.
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 11. <b>Anytown, US 00100</b>		

▲ You must enter your SSN(s) above. ▲

Checking a box below will not change your tax or refund.

Check here if you, or your spouse if a joint return, want \$3 to go to this fund . . . .  You  Spouse

<b>Income</b>	1 Wages, salaries, and tips. This should be shown in box 1 of your Form(s) W-2. Attach your Form(s) W-2.
	<input type="text" value="1"/>

**Hint:** See Box 1 on your Form W-2.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**



# Module 3 Simulation



The correct answer is: 36206

Go back and type in the correct answer to continue.



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----

[My Profile](#)

[My Form W-2](#)

[My Form 1099-INT](#)



# Module 3 Simulation



Use your Form W-2 to enter your federal tax withheld. Enter your tax withheld exactly as it appears on your W-2.

Enter federal tax withheld: \$

Form 1040EZ  
Department of the Treasury—Internal Revenue Service  
**Income Tax Return for Single and Joint Filers With No Dependents (99) 2007**  
OMB No. 1545-0074

**Label**  
(See page 11.)  
**Use the IRS label.**  
Otherwise, please print or type.  
**Presidential Election Campaign**  
(page 11)

**LABEL HERE**

Your first name and initial: **Tasha R.**  
Last name: **Miller**

If a joint return, spouse's first name and initial: \_\_\_\_\_  
Last name: \_\_\_\_\_

Home address (number and street). If you have a P.O. box, see page 11. Apt. no.:  
**285 Linden Avenue**

City, town or post office, state, and ZIP code. If you have a foreign address, see page 11.  
**Anytown, US 00100**

Your social security number: **222 : 00 2222**  
Spouse's social security number: \_\_\_\_\_

▲ You must enter your SSN(s) above. ▲

Checking a box below will not change your tax or refund.

Check here if you, or your spouse if a joint return, want \$3 to go to this fund . . . .  You  Spouse

<b>Income</b> <b>Attach Form(s) W-2 here.</b> Enclose, but do not attach, any payment.	<b>1</b> Wages, salaries, and tips. This should be shown in box 1 of your Form(s) W-2. Attach your Form(s) W-2.	1	<b>36,206</b>	<b>00</b>
	<b>2</b> Taxable interest. If the total is over \$1,500, you cannot use Form 1040EZ.	2		
	<b>3</b> Unemployment compensation and Alaska Permanent Fund dividends (see page 13).	3		
	<b>4</b> Add lines 1, 2, and 3. This is your <b>adjusted gross income</b> .	4		
	<b>5</b> If someone can claim you (or your spouse if a joint return) as a dependent, check the applicable box(es) below and enter the amount from the worksheet on back. <input type="checkbox"/> You <input type="checkbox"/> Spouse If no one can claim you (or your spouse if a joint return), enter \$8,750 if <b>single</b> ; \$17,500 if <b>married filing jointly</b> . See back for explanation.	5		
<b>6</b> Subtract line 5 from line 4. If line 5 is larger than line 4, enter -0-. This is your <b>taxable income</b> .	6			
<b>7</b> Federal income tax withheld from box 2 of your Form(s) W-2.	7			
<b>8a</b> Earned income credit (EIC).	8a			
<b>b</b> Nontaxable combat pay election.	8b			

**Payments and tax**

**Hint:** See Box 2 on your Form W-2.

# Module 3 Simulation



The correct answer is: 4452

Go back and type in the correct answer to continue.



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**



# Module 3 Simulation



Use your Form 1099-INT to enter your interest income on your Form 1040EZ.  
Enter your interest exactly as it appears on your 1099-INT.

Enter interest income: \$

Department of the Treasury—Internal Revenue Service  
**Form 1040EZ** **Income Tax Return for Single and Joint Filers With No Dependents (99)** **2007** OMB No. 1545-0074

**Label**  
(See page 11.)  
**Use the IRS label.**  
Otherwise, please print or type.  
**Presidential Election Campaign**  
(page 11)

**LABEL HERE**

Your first name and initial: **Tasha R.** Last name: **Miller**  
 If a joint return, spouse's first name and initial: Last name:  
 Home address (number and street). If you have a P.O. box, see page 11. Apt. no.:  
**285 Linden Avenue**  
 City, town or post office, state, and ZIP code. If you have a foreign address, see page 11.  
**Anytown, US 00100**

Your social security number: **222 00 2222**  
 Spouse's social security number:  
 You must enter your SSN(s) above.  
 Checking a box below will not change your tax or refund.

Check here if you, or your spouse if a joint return, want \$3 to go to this fund . . . .  **You**  **Spouse**

<b>Income</b> Attach Form(s) W-2 here. Enclose, but do not attach, any payment.	<b>1</b> Wages, salaries, and tips. This should be shown in box 1 of your Form(s) W-2. Attach your Form(s) W-2.	1	<b>36,206</b>	<b>00</b>
	<b>2</b> Taxable interest. If the total is over \$1,500, you cannot use Form 1040EZ.	2		
	<b>3</b> Unemployment compensation and Alaska Permanent Fund dividends (see page 13).	3		
	<b>4</b> Add lines 1, 2, and 3. This is your <b>adjusted gross income</b> .	4		
	<b>5</b> If someone can claim you (or your spouse if a joint return) as a dependent, check the applicable box(es) below and enter the amount from the worksheet on back. <input type="checkbox"/> <b>You</b> <input type="checkbox"/> <b>Spouse</b> If no one can claim you (or your spouse if a joint return), enter \$8,750 if <b>single</b> ; \$17,500 if <b>married filing jointly</b> . See back for explanation.	5		
	<b>6</b> Subtract line 5 from line 4. If line 5 is larger than line 4, enter -0-. This is your <b>taxable income</b> .	6		
<b>Payments and tax</b>	<b>7</b> Federal income tax withheld from box 2 of your Form(s) W-2.	7	<b>4,452</b>	<b>00</b>
	<b>8a</b> Earned income credit (EIC).	8a		
	<b>b</b> Nontaxable combat pay election. <b>8b</b>			
<b>9</b> Add lines 7 and 8a. These are your <b>total payments</b> .	9			

**Hint:** See Box 1 on your Form 1099-INT.

# Module 3 Simulation



The correct answer is: 43

Go back and type in the correct answer to continue.

**Back**

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**



## Module 3 Simulation



Since you have no other sources of income, you have completed your tax return. All that's left to do is review your return.

To review your tax return, click *My Tax Form* below.

A horizontal navigation bar with a red top section containing numbers 1 through 19. The number 13 is highlighted with a white background. Below the numbers is a yellow section containing four buttons: 'My Profile', 'My Form W-2', 'My Form 1099-INT', and 'My Tax Form'. The 'My Tax Form' button is highlighted with a white background.



**Label**  
(See page 11.)  
**Use the IRS label.**  
Otherwise, please print or type.  
**Presidential Election Campaign**  
(page 11)

L  
A  
B  
E  
L  
  
H  
E  
R  
E

Your first name and initial <b>Tasha R.</b>	Last name <b>Miller</b>
If a joint return, spouse's first name and initial	Last name
Home address (number and street). If you have a P.O. box, see page 11. <b>285 Linden Avenue</b>	
Apt. no.	
City, town or post office, state, and ZIP code. If you have a foreign address, see page 11. <b>Anytown, US 00100</b>	

**Your social security number**  
**222 00 2222**  
**Spouse's social security number**

▲ You must enter your SSN(s) above. ▲  
Checking a box below will not change your tax or refund.

Check here if you, or your spouse if a joint return, want \$3 to go to this fund . . . . ▶  **You**  **Spouse**

**Income**  
**Attach Form(s) W-2 here.**  
Enclose, but do not attach, any payment.

<b>1</b> Wages, salaries, and tips. This should be shown in box 1 of your Form(s) W-2. Attach your Form(s) W-2.	1	<b>36,206</b>	<b>00</b>
<b>2</b> Taxable interest. If the total is over \$1,500, you cannot use Form 1040EZ.	2	<b>43</b>	<b>00</b>
<b>3</b> Unemployment compensation and Alaska Permanent Fund dividends (see page 13).	3		
<b>4</b> Add lines 1, 2, and 3. This is your <b>adjusted gross income</b> .	4	<b>36,249</b>	<b>00</b>
<b>5</b> If someone can claim you (or your spouse if a joint return) as a dependent, check the applicable box(es) below and enter the amount from the worksheet on back. <input type="checkbox"/> <b>You</b> <input type="checkbox"/> <b>Spouse</b> If no one can claim you (or your spouse if a joint return), enter \$8,750 if <b>single</b> ; \$17,500 if <b>married filing jointly</b> . See back for explanation.	5	<b>8,750</b>	<b>00</b>
<b>6</b> Subtract line 5 from line 4. If line 5 is larger than line 4, enter -0-. This is your <b>taxable income</b> .	6	<b>27,499</b>	<b>00</b>
<b>7</b> Federal income tax withheld from box 2 of your Form(s) W-2.	7	<b>4,452</b>	<b>00</b>
<b>8a</b> Earned income credit (EIC).	8a		
<b>b</b> Nontaxable combat pay election.	8b		
<b>9</b> Add lines 7 and 8a. These are your <b>total payments</b> .	9	<b>4,452</b>	<b>00</b>
<b>10</b> <b>Tax.</b> Use the amount on <b>line 6 above</b> to find your tax in the tax table on pages 24–32 of the booklet. Then, enter the tax from the table on this line.	10	<b>3,734</b>	<b>00</b>

**Payments and tax**

**Refund**  
Have it directly deposited! See page 18 and fill in 11b, 11c, and 11d or Form 8888.

**11a** If line 9 is larger than line 10, subtract line 10 from line 9. This is your **refund**. If Form 8888 is attached, check here ▶

▶ **b** Routing number **2 4 2 2 2 2 2 2** ▶ **c** Type:  Checking  Savings

▶ **d** Account number **1 0 2 2 2 2 2 0 0**

11a **718 00**

**Amount you owe**

**12** If line 10 is larger than line 9, subtract line 9 from line 10. This is the **amount you owe**. For details on how to pay, see page 19. ▶ 12

**Third party designee**

Do you want to allow another person to discuss this return with the IRS (see page 20)?  **Yes**. Complete the following.  **No**

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

**Sign here**

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct, and accurately lists all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number ( )
Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	

**Paid preparer's use only**

Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶	EIN	Phone no. ( )	

## Module 3 Simulation



Based on your completed tax return, enter your tax for the year. Enter your total tax exactly as it appears on your tax form.

Enter tax: \$

**Hint:** See Line 10 on your 1040EZ.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**

**My Tax Form**

**Module 3  
Simulation**

Correct! Your tax is \$3734.00.

Are you getting a refund or do you owe more tax?

Refund

Owe more taxes

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**

**My Tax Form**



## Module 3 Simulation



No! You are incorrect. Line 11a on your 1040EZ shows that your refund is \$718.00.

Now you are ready to e-file your tax return with the IRS. Click on the e-file button below to continue.



1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

[My Profile](#)

[My Form W-2](#)

[My Form 1099-INT](#)

[My Tax Form](#)

## Module 3 Simulation



*If you were actually filing your taxes online, you would now be asked to select how you want to receive your refund. You can receive your refund by:*

- authorizing a direct deposit (automatic deposit) into a checking or savings account, or
- requesting a check be sent to you.

Opting to receive a refund by direct deposit is the fastest and most convenient way to receive a refund. Your refund should be in your savings or checking account within two weeks if you chose direct deposit. If you opt for a paper check, it will take about three weeks.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**

**My Tax Form**

**Module 3  
Simulation**

*The last step would be signing the return. You can submit your signature by actually signing Form 8453 and sending it to the IRS, or by using Self-Select PIN (Personal Identification Number) if you are eligible.*

*The Self-Select PIN is made up of any five numbers (except all zeros) that you choose to enter as your electronic signature. You select your PIN by providing your adjusted gross income from your previous year's tax return and your date of birth for verification purposes. Depending on the version of the software you are using, you may be asked to provide your date of birth in addition to your adjusted gross income.*

*Signing your return using Self-Select PIN is the simplest and fastest way to submit your signature. You do not need to mail in a paper signature, and you receive an immediate acknowledgement that your tax return was received.*

*Learn more about self-selecting a PIN by visiting the [IRS Web site](#).*

*Now click the forward arrow below to finish filing Tasha's return.*

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 **18** 19

**My Profile**

**My Form W-2**

**My Form 1099-INT**

**My Tax Form**

# Module 3 Simulation



Congratulations, Tasha! You've successfully filed your return by the filing deadline.

