

# TaxPayer Documents

IRS Forms

&

TaxWise Software Input Forms



# Agenda

- Forms
  - IRS W-2 Wage & Tax Statement
  - IRS 1099INT, 1099DIV, 1099R, SSA-1099
- Earned Income Credit & Child Tax Credit



# W-2 Wage and Tax Statement

- Employer issues to employee for tax year
- Employer identification information
- Employee identification information
- Wages earned
- Taxes withheld
- All information to be copied to TaxWise EXACTLY as shown on the form
- TaxWise puts information entered in proper place



# W-2 Wage & Tax Statement

Employer & Employee Info

Wage & Tax Info

a Employee's social security number		OMB No. 1545-0008		Safe, accurate, FAST! Use		Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a>	
b Employer identification number (EIN)				1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code				3 Social security wages		4 Social security tax withheld	
d Control number				5 Medicare wages and tips		6 Medicare tax withheld	
e Employee's first name and initial Last name Suffix				7 Social security tips		8 Allocated tips	
f Employee's address and ZIP code				9 Advance EIC payment		10 Dependent care benefits	
15 State Employer's state ID number				11 Nonqualified plans		12a See instructions for box 12	
16 State wages, tips, etc.				13 Statutory employee Retirement plan Third-party sick pay		12b	
17 State income tax				14 Other		12c	
18 Local wages, tips, etc.				NJSUI		12d	
19 Local income tax				NJSDI			
20 Locality name				FLI			

State Wage & Tax Info

Checked Boxes

NJ Specific Taxes

Box-12 Copy to TaxWise – See Back of Form for Codes

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

2010



# 1099-DIV, 1099-INT

- Received from financial institution for dividends and/or interest received
- Information from these forms are entered in TaxWise Schedule B Interest or Dividend Statement
- TaxWise puts information into Schedule B Interest & Ordinary Dividends and then to 1040.



# 1099-DIV

Payer & Payee Information      Ordinary Dividends      Qualified Dividends      Capital Gains Distribution

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no.		1a Total ordinary dividends	OMB No. 1545-0110
PAYER'S federal identification number		\$	2010
		1b Qualified dividends	
		\$	
RECIPIENT'S identification number		2a Total capital gain distributions	Form 1099-DIV
RECIPIENT'S name		\$	2b Unrecap. Sec. 1250 gain
		2c Section 1202 gain	\$
Street address (including apt. no.)		3 Nondividend distributions	4 Federal income tax withheld
City, state, and ZIP code		\$	\$
Account number (see instructions)		6 Foreign tax paid	7 Foreign country or U.S. possession
		\$	
		8 Cash liquidation distributions	9 Noncash liquidation distributions
		\$	\$

Dividends and Distributions  
Copy B  
For Recipient

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.

Form 1099-DIV (keep for your records) Department of the Treasury - Internal Revenue Service

Federal Taxes Withheld



# 1099-INT

Payer & Payee Information

Interest Income

Early Withdrawal Penalty

CORRECTED (if checked)		OMB No. 1545-0112		
PAYER'S name, street address, city, state, ZIP code, and telephone no.		Payer's RTN (optional)	2010 Interest Income	
		1 Interest Income	Form 1099-INT	
		2 Early withdrawal penalty		
PAYER'S federal identification number	RECIPIENT'S identification number	3 Interest on U.S. Savings Bonds and Treas. obligations	<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		4 Federal income tax withheld		5 Investment expenses
Street address (including apt. no.)		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)		10 Tax-exempt bond CUSIP no. (see instructions)		
Form 1099-INT		(keep for your records)	Department of the Treasury - Internal Revenue Service	

Federal Income Tax Withheld



# Interest & Dividend Worksheet

- Information from the 1099-INT and 1099-DIV are entered in “Interest Stmt” and “Dividend Stmt” respectively in TaxWise.





# Interest Stmt

US Schedule B		Interest Received						2010	
<p>Amounts shown in Box 8 should not be entered in the "Box 1 or 3 amount" column. Instead, enter an "E" in the "NAEOB column" and the amount from Box 8 in the "NAEOB amount" column.</p>									
Payer	Box 1 or 3 amount	TSJ	State adjust +/- Amount	NAE OB	NAEOB amount	AMT PAB	Early penalty	Federal withheld	
NATIONAL CITY BANK	1952		0		0	0	0	0	
	0		0		0	0	0	0	
	0		0		0	0	0	0	
	0		0		0	0	0	0	



# Dividend Stmt

US Schedule B		Dividend Income							2010		
Payer	Ordinary dividends	Qualified dividends	T&E	State adjust +/- Amount	N	Capital gain	1250 gain	28% gain	Fed. with.	Exempt int. div.	AMT PAB
OPPENHEIMER FUND	500	500		0		100	0	0	50	0	0
	0	0		0		0	0	0	0	0	0
	0	0		0		0	0	0	0	0	0
	0	0		0		0	0	0	0	0	0
	0	0		0		0	0	0	0	0	0
	0	0		0		0	0	0	0	0	0
	0	0		0		0	0	0	0	0	0



# 1099-R

- Distribution from pension, IRA, annuities, etc.
- Enter information in TaxWise 1099R
- TaxWise puts the proper information on the correct 1040 lines



# 1099-R

Payer & Recipient Info

Gross Distribution

Taxable Amount

If taxable amount not determined, there is more to do

PAYER'S name, street address, city, state, and ZIP code		1 Gross distribution \$		OMB No. 1545-0119		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
PAYER'S federal identification number		2a Taxable amount \$		2010 Form 1099-R		
RECIPIENT'S identification number		2b Taxable amount not determined <input type="checkbox"/>		Total distribution <input type="checkbox"/>		Copy 1 For State, City, or Local Tax Department
RECIPIENT'S name		3 Capital gain (included in box 2a) \$		4 Federal income tax withheld \$		
Street address (including apt. no.)		5 Employee contributions /Designated Roth contributions or insurance premiums \$		6 Net unrealized appreciation in employer's securities \$		Checked if IRA
City, state, and ZIP code		7 Distribution code(s) <input type="checkbox"/> IRA/SEP/SIMPLE <input type="checkbox"/>		8 Other %		
1st year of desig. Roth contrib.		9a Your percentage of total distribution %		9b Total employee contributions \$		12 State distribution \$
Account number (see instructions)		10 State tax withheld \$		11 State/Payer's state no.		
		13 Local tax withheld \$		14 Name of locality		15 Local distribution \$

Form 1099-R

Department of the Treasury - Internal Revenue Service

Distribution Codes defined on Back or in Help



# SSA-1099

- Social Security Distributions
- Box 5 amount entered into TaxWise 1040 Wkt 1
- Medicare Part B entered into TaxWise 1040 Wkt 1
- Box 6 Federal Income Tax Withheld into 1040 Wkt 1
- Medicare Part D to Sch A Detail or Wkt 1 with scratch pad



# SSA-1099

Box 5 Amt to Wkt 1

FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT		
<b>2009</b> • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. • SEE THE REVERSE FOR MORE INFORMATION.		
Box 1. Name	Box 2. Beneficiary's Social Security Number	
Box 3. Benefits Paid in 2009	Box 4. Benefits Repaid to SSA in 2009	Box 5. Net Benefits for 2009 (Box 3 minus Box 4)
DESCRIPTION OF AMOUNT IN BOX 3	DESCRIPTION OF AMOUNT IN BOX 4	
Paid by check or direct deposit:	Medicare Part B to Wkt 1	
Medicare Part B premiums deducted from your benefits:	Federal Tax Withheld to Wkt 1	
Medicare Prescription Drug premiums (Part D) deducted from your benefits:	Box 6. Voluntary Federal Income Tax Withholding	
Total Additions:	Box 7. Address	
Benefits for 2009:	If there is Medicare Part D it is entered into Sch A Detail or Wkt 1 with scratch pad	
Box 8. Claim Number (Use this number if you need to contact SSA.)		

Federal Tax Withheld to Wkt 1



# TaxWise Wkt 1

US

1040, 1040A, 1040EZ, 1040NR, and 1040NR-EZ Income Worksheet

2010

Name: TROY H & YVONNE MCCOOK

SSN: 651-96-7611

**Interest.** List all interest on Schedule B, regardless of the amount.

**Unemployment compensation.** Fill out 1099G worksheet.

Additional Earned Income	Taxpayer	Spouse	Total
Scholarship income - no W2	0	0	0
Household employee income - no W2	0	0	0
Social Security and Railroad Tier 1 Benefits	Taxpayer	Spouse	Total
Social security received this year	12765	10200	
Railroad tier 1 received this year	0	0	
Total before Medicare or Federal tax withheld	12765	10200	22965
Medicare Parts B, C, and D to Schedule A	1157	1157	
Federal tax withheld	1277	1020	

Box 5 From 1099-SSA

Medicare Part B

Box 6 From 1099-SSA



# Earned Income Credit

- Earned Income Credit
  - A refundable tax credit for people who work but do not earn high incomes
  - There are requirements that must be met to get this credit ( details later)
  - For the familiarization problems, check the EIC box next to the dependents name in the main info sheet and follow the form “Sch EIC” and “ SCH EIC Wkst” questions in TaxWise in the order they are shown





# Main Information Sheet Dependents

c Dependents/Nondependents		Check this box									
First name	Last name	Date of birth	Age	Social security number	Relationship to YOU	Months in Home	Child	Dependent	EC	IT	CC
ELIZABETH		04/04/2002	8	672-96-7611	DAUGHTER	12	1	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			0					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			0					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			0					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals from			Above	Statement			Box 6c1				
Number of your children who lived with you			1	0				1			
Number of your children who didn't live with you due to divorce or separation			0	0			Box 6c2	0			
Number of other dependents			0	0			Box 6c3	0			



# Child Tax Credit

- Child Tax Credit
  - A nonrefundable credit that allows taxpayers to claim a tax credit per qualifying child
  - If not claimed in full, taxpayer may be eligible for refundable Additional Child Tax Credit
  - TaxWise automatically calculates this credit

