



SAVE FIRST

**VOLUNTEER
TRAINING NOTES**



VOLUNTEER TRAINING NOTES

REVIEW: EXEMPTIONS

ANSWER KEY ON PG. 2

1. Where should you look for help in determining dependency exemptions?
2. Walter White has been married for 10 years. He and his wife have one child, who is a U.S. citizen, and they pay all of his support. The child 23 years old and permanently and totally disabled. How many exemptions will Walter receive and what is the total amount of his exemptions?
3. Niki lives with her parents who provide all of her support. Niki has a part-time job and is filing her tax return as single. How many exemptions will Niki receive and what is the total amount of the exemption?
4. Jamie lives in Birmingham. His mother is an unmarried, U.S. citizen who lives in Montgomery. She only made \$2,000 in the tax year, so Jamie provided almost all of her support. Is Jamie's mother his qualifying child, qualifying relative or neither? Why?

REVIEW: FILING STATUS

ANSWER KEY ON PG. 2

1. Cassie's husband died in 2012. She has one son, Parker, who is 10, who lives with her all year. She provides all of Parker's support and all of the cost of keeping up the home. Cassie's filing status should be _____.
2. Brendan and Kaitlin separated in August of the current tax year. Their child, Alexandra, lived with Brendan all year. Brendan should file as _____. Kaitlin should file as _____.
3. Lane's husband died in 2015. He has two children and provides all the cost of keeping up his family's home. Lane's filing status should be _____.
4. Lorie works as a teacher and pays all of the cost of keeping up the home for herself and her cousin, Malcolm. He lived with Lorie for 7 months while he was unemployed. Lorie should file as _____.
5. Allison and Logan got married on December 28, 2016. She had 9 bridesmaids, and made Logan pay for the entire wedding. They are currently honeymooning in Bora Bora. When they return to the United States to file their taxes, what must their filing status be?
_____.

ANSWER KEY

REVIEW: EXEMPTIONS

1. Always turn to the **Publication 4012: pg. C-5** and begin with Table 1: Dependency Exemption to determine dependency exemptions.
2. Walter will receive 3 exemptions for a total of \$12,000. Walter and his wife are eligible for personal exemptions, and his son passes all the tests to be a qualifying child dependent.
3. Nike will not receive an exemption for a total of \$0. Niki is not eligible for a personal exemption because she passes all the test to be claimed as a dependent by her parents; whether or not her parents actually claim her as a dependent is irrelevant to Niki's eligibility for a personal exemption.
4. Jamie's mother can be claimed as a qualifying relative dependent. She is not a qualifying child of any other person, is one of the qualifying relationships, and had a gross income of less than \$4,000. Jamie's mother does not have to live in the home with him to qualify as his qualifying relative dependent.

REVIEW: FILING STATUS

1. Head of Household
2. Married Filing Separately; Married Filing Separately (Brendan does not qualify for Head of Household because he lived with his spouse at some point during the last 6 months of the year)
3. Qualifying Widow with Dependent Child
4. Single (Lorie is not eligible to file as Head of Household because Malcom is not a qualifying person for Head of Household)
5. Married Filing Jointly or Married Filing Separately