

**Section 2.5: Income Taxes**

Class Prep Assignment

Due at the beginning of next class

1. **Filing Status.** Search online and read about each tax filing status below. Write a short description in your own words.

Single -

Married Filing Jointly -

Married Filing Separately -

Head of Household (with qualifying person) -

Watch the videos and fill in the following information.

2. Tax Calculation Formula (2018 Tax Year):

**Gross Income**

- **Adjustments  
(Above the Line Deductions)**

=

- **The higher of the standard deduction or  
itemized deductions**

=

**(Use tables to calculate taxes due)**

**Tax Amount from Tables**

-

= **Taxes Due**

<p>If your withholdings are less than your taxes due, you will</p> <p>_____</p> <p>If your withholdings are more than your taxes due, you will</p> <p>_____</p>
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3. Tax Calculation Example: **(Using 2018 Tax Year Tables)**

	Jamie and Jordan (1 child)
<b>Filing Status</b>	Married Filing Jointly
<b>Adjusted Gross Income (AGI)</b>	\$66,000
<b>Itemized Deductions</b>	\$15,200
<b>Standard Deduction</b>	
<b>Taxable Income</b>	
<b>Tax from Table</b>	
<b>Tax Credits</b>	\$2000
<b>Tax Amount after Credits</b>	
<b>Federal Taxes Withheld from Paychecks</b>	\$3,120
<b>Federal Tax Owed or Refund</b>	