



Gold Seal Lesson

Author(s): David Nohara			Lesson Title: Taxes			
Grade Span			ICLE Application Model			
K-4	5-8	9-12 XX	A	B	C	D XX

Instructional Focus:

Reading

Students read a variety of grade level materials, applying strategies appropriate to various situations.

Language Arts Integration

Students synthesize individual language arts skills.

Number Operation and Concepts

Students use number, number sense, and number relationships in a problem-solving situation. Students communicate the reasoning used in solving these problems.

Performance Task

You are an accountant preparing taxes for the three individuals described on the sheet labeled "Client Tax Information" (see Taxes Chart 1). Your job is to determine whether they must file a tax return, see if they can use IRS Form 1040EZ, and if so, to complete it for them. You should assume that there is no relevant tax information (income, citizenship/resident status, etc.) other than what is provided.

Before referring to the instructions for Form 1040EZ, try to complete the form (see Taxes Chart 2) using only the information provided. You will probably have some difficulty, so make a note of all the questions about the form that arise while filling it out, including unfamiliar terms. After your initial attempt, refer to the instruction manual and try the task again. In addition to the completed 1040EZ form—if it is necessary and possible to fill it out—you should submit the following for each client:

- Your notes from your initial attempt, with the answers to the questions you raised and the page of the instructions where you found the answer
- A memo to the client telling them: (1) whether he/she is required to file a return, (2) whether he/she *should* file a return, and (3) whether he/she can use Form 1040EZ. Include explanations for your answers to all three questions, with page references to the instruction manual as appropriate.

Teachers' note:

Form 1040EZ and the instructions for it are attached (see Taxes Chart 3). They can also be obtained on the Internet at www.irs.gov and at post offices and libraries during tax season.

ICLE Essential Skills

Follow oral or written directions. (ela 4)

Identify, collect and/or select pertinent information while reading. (ela 5)

Follow written directions carefully and accurately. (ela 6)

Apply the information gathered from technical texts in real-life situations. (ela 35)

Read for main idea first and then read for detail. (ela 49)

Understand that technical texts require precise understanding rather than interpretation. (ela 65)

Perform **operations with signed** (positive and negative) **numbers**, including decimals, ratios, percents, and fractions. (m1)

Scoring Guide:

Initial notes 25 Points	Student asks relevant questions Questions based on terms used on form
Answers to questions 25 Points	Student finds answers to questions in instruction form and includes page references Answers are correct Student notes any points of contradiction within the instructions and other points of continued confusion
Client memos 25 Points	<ul style="list-style-type: none"> • Answers all three questions for each client • Answers questions correctly. Key points include: <ul style="list-style-type: none"> • Heather Webb cannot use form 1040EZ and must use 1040 instead, since she had over \$400 in self-employment earnings (p. 10, Chart C of instructions, although the following section, "Should You Use Form 1040EZ" confuses the point). • Brent Bagger does not have to file, but should in order to recover taxes withheld. • Jane Jewel qualifies for a \$27 EIC. • Clearly and concisely written, using appropriate format • Obeys rules and conventions of standard written English
Completed forms 25 Points	<ul style="list-style-type: none"> • Student transfers information from W-2 forms in appropriate places • Student follows instructions for filling out forms • Calculations are correct

Keywords

English Language Arts	Mathematics	Science
Reading Comprehension	Algebra	Earth Science
Writing Technical writing	Geometry	Life Science
Communications	Statistics	Chemistry
Literature	Calculus	Physics
Other	Trigonometry	Other
	Other Mathematics in daily life	

Taxes Chart 1
Client Tax Information

1. Heather W. Webb—Seventeen years old. Lives with parents. Made \$1,250 in 2000 by designing web pages. Worked independently and was paid directly by clients. Made \$35 in interest from bank accounts. (Has no W-2 forms.)

2. Brent Bagger—Eighteen years old. Lives with mother. Made \$3,025.76 from part-time job at large grocery store. Made \$236 in interest from bank accounts.

a Control Number	22222	Void	For official use only OMB No. 1545-0008		
b Employer Identification Number 12-3456789		1 Wages, tips, other compensation 3,025.76		2. Federal income tax withheld 123.81	
c Employer's name, address, and ZIP code Food Food Food 1 Food Avenue East Springfield, DE 54321		3 Social security wages 3,025.76		4 Social security tax withheld 92.23	
		5 Medicare wages and tips 3,025.76		6 Medicare tax withheld 31.13	
		7 Social security tips		8 Allocated tips	
d Employee's social security number 987-65-4321		9 Advance EIC payment		10 Dependent care benefits	
e Employee's name (first, middle initial, last) Brent Q. Bagger 16 W. East Springfield St. East Springfield, DE 54321		11 Nonqualified plans		12 Benefits included in box 1	
		13 See instrs. for box 13		14 Other	
		15 Statutory Deceased employee		Pension plan	Legal rep.
f Employee's address and ZIP code					
16 State Employer's state I.D. no. 99999	17 State wages, tips, etc. 3,025.76	18 State income tax 46.39	19 Locality name	20 Local wages, tips, etc.	21 Local income tax

W-2 Wage and Tax Statement 2000

3. Jane Jewel—Twenty-six years old. Aspiring poet, works part-time at health food store. Lives in poet commune; pays her own rent. Made \$10,015 in 2000 from job at store (\$0.00 from poetry). Had no interest income.

a Control Number	22222	Void	For official use only OMB No. 1545-0008		
b Employer Identification Number 12-3456780		1 Wages, tips, other compensation 10,015.71		2. Federal income tax withheld 643.26	
c Employer's name, address, and ZIP code Health Health Health 2 Food Avenue East Springfield, DE 54321		3 Social security wages 10,015.71		4 Social security tax withheld 321.86	
		5 Medicare wages and tips 10,015.71		6 Medicare tax withheld 95.62	
		7 Social security tips		8 Allocated tips	
d Employee's social security number 987-65-1234		9 Advance EIC payment		10 Dependent care benefits	
e Employee's name (first, middle initial, last) Jane B. Jewel 452 W. East Springfield St. East Springfield, DE 54321		11 Nonqualified plans		12 Benefits included in box 1	
		13 See instrs. for box 13		14 Other	
		15 Statutory Deceased employee		Pension plan	Legal rep.
f Employee's address and ZIP code					
16 State Employer's state I.D. no. 99999	17 State wages, tips, etc. 10,015.71	18 State income tax 173.98	19 Locality name	20 Local wages, tips, etc.	21 Local income tax

W-2 Wage and Tax Statement 2000

Taxes Chart 2

NOTE: this is a 2-page document that can be downloaded at:
<http://ftp.fedworld.gov/pub/irs-pdf/f1040ez.pdf>

Taxes Chart 3

NOTE: This is a 33-page document that can be downloaded at:
<http://ftp.fedworld.gov/pub/irs-pdf/i1040ez.pdf>