

Name:

**Students will be able to:**

- Identify key facts about taxes and the tax cycle
- Explain who qualifies to be claimed as a dependent for tax purposes
- Determine whether or not a person is required to file taxes

 **INTRO**

**DATA CRUNCH:** [How Old Are Most Taxpayers?](#)

How many people in different age groups are filing their taxes? Analyze the image on the worksheet to answer the questions on this Data Crunch.

 **LEARN IT**

**REFERENCE:** [Updated Tax Figures](#)

Throughout this lesson, you may notice that tax figures vary based on the year the resource was created. Review this slide that details the most updated tax figures before proceeding. Be sure to come back to this reference if you have any questions about whether or not a person meets a specific requirement.

**REFERENCE:** [Can I Claim Them As A Dependent?](#)

Whether or not you're a dependent not only has an effect on your tax situation, but also those who could claim you as a dependent. Whether or not you're a dependent might be more complicated to determine than you think. Review the reference to learn about who qualifies as a dependent. Then, answer the question.

- 1. TRUE or FALSE: Only U.S. citizens can be claimed as a dependent for tax purposes.**

**2. Create an imaginary profile for someone who CAN be claimed as a dependent and someone who CANNOT be claimed as a dependent. Be sure to include their age and at least TWO details that explain why they can or cannot be claimed as a dependent.**

a. CAN be claimed:

b. CANNOT be claimed:

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**REFERENCE:** [Do I Need to File a Tax Return?](#)

As a teen, filing a tax return can be a mostly straight-forward process. However, you may be wondering how that process changes if someone claims you as a dependent or if you are a self-employed worker or household employee. Read through this reference to learn more about what to do in these scenarios. Then, answer the questions.

**Tip:** *The first question requires information from this resource and the Updated Tax Figures resource.*

- 1. Which of the following people is/are legally required to file a tax return?**
  - a. Amanda, who can be claimed as a dependent and earned \$850 last year
  - b. Greg, who can be claimed as a dependent and earned \$13,200 last year
  - c. Jason, who cannot be claimed as a dependent and earned \$1,500 last year
  - d. Erin, who cannot be claimed as a dependent and earned \$14,000 last year
  
- 2. The resource mentions that if the IRS owes you a refund, you won't be penalized if you file your tax return late. Why might you want to file your tax return on time anyway?**

3. When filling out a W-4 form, in what situation would a teen want to claim exemption from federal income taxes being withheld from their paycheck? What is the benefit of doing so?
4. What is the amount of the self-employment tax (SECA) and how does it compare to FICA taxes?



### DO IT

#### **ACTIVITY:** [PLAY: Should They File a Tax Return?](#)

Whether or not a person should file a tax return can differ on a case-by-case basis. Put all you've learned so far to the test! Follow the directions on the worksheet to complete this activity.



### EXIT TICKET

Follow your teacher's directions to complete the Exit Ticket.