

Answers to Practice Lab Self-Study Exercises
Using TY18 Practice Lab

	SSN	TP			AGI	FIT Withholding
Income Module:						
Wages	015-00- 7001	Evans	W-2	33,293	33,293	3,328
Interest	015-00- 7002	Evans	Interest	848		
			Exempt	45		
			L 30 Penalty Early Withdrawl	23		
					825	0
Dividends	015-00- 7003	Evans	Ordinary	346		
			Qualified	257		
			Cap Gain	50	396	
Refund, State and Local Taxes	015-00- 7004	Evans	Refund Worksheet	4	4	0
Alimony Received	015-00- 7500	Bryant	Alimony Income	4,200	4,200	
Business Income	015-00- 7612	Evans	Business Inc	30,586		
			Deductible SE Tax	2,161		
			SE Health Ins	7,200		
					21,231	
			QBID	0		
			SE Tax	4,322		
Capital Gains and Losses	015-00- 7614	Evans	Interest	398		
			Exempt Interest	975		
			Ordinary Div	3,578		
			Qual Div	2,675		
			Cap Gain	1,251	5,227	

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Retirement Income	014-00- 7012	Davenport	IRA Distributions	13,567	13,567	
	015-00- 7012	Bryant	Early IRA Other taxes	4,256 426	4,256	
	015-00- 7113	Evans	Rollover	234,975	0	
	015-00- 7120	Evans	Partial Tax Retirement	12,743	12,287	1,274
	303-00- 7000	Miller	CSA/OPM	25,864	24,208	1,295
	204-00- 7000	Moore	CSF/no determined tax	18,985	17,740	1,300
	302-00-7000	Meadows	RRB SS Equiv RR Retirement	15,645 22,640	0 21,515	2,245
Unemployment Income	015-00- 7014	Evans	Unemployment	10,000	10,000	500
Social Security Benefits	015-00- 7125	Evans	Soc Sec	13,682	0	1,068
Other Income	015-00- 7130	Evans	Gambling Cancellation of debt	2,000 1,623	3,623	
Adjustments to Income						
Educator Expenses	018-00- 1801	Evans	wages educator adj Sch 1 L 23	65,000 250	64,750	6,000
Self-Employed Health Insurance	018-00- 1802	Evans	Bus Income Soc Sec deduct SE tax Sch 1 L 27 SE Health Ins Sch 1 L 29 SE Tax Sch 4 L 57 QBID	15,000 26,800 1,060 3,594 2,120 0	10,346	1,000

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Alimony	018-00- 1803	Evans	w-2	60,000		
			alimony received	12,000		
			alimony paid	6,000	66,000	7,000
Traditional IRS Contribution	018-00- 1804	Evans	w-2	59,000		
			IRA contribution	4,000		
			Retirement savings credit	400	55,000	7,000
Student Loan Interest	018-00- 1805	Evans	w-2	60,000		
			student loan interest Sch 1 L 33	2,500	57,500	7,000
Standard Deduction						
Itemized Deduction	015-00- 7660	Evans	w-2	33,293	33,293	
			Itemized Deductions	31,798		
Foreign Tax Credit	202-00- 7001	Clark	w-2	47,163		
			Dividends	202		
			Cap Gains Sch 1 L 13	82	47,447	3,005
			Foreign Tax Credit	9		Sch 3 L 48
Child and Dependent Care	202-00- 7001	Clark	Child&Dependent Care Credit	495		Sch 3 L 49
Education Credits (Core)	572-00- 7140	Elliott	w-2	52,000	52,000	4,500
			Child & Other Dependent Tax Credit	500		F 1040 L 12a
			Education Credit	1,500		Sch 3 L 50
			Education Credit (refundable)	1,000		F 1040 L 17c
Child Tax Credit	202-00- 7001	Clark	Child & Other Dependents Tax Credit	1,790		F 1040 L 12a
			Additional Child Tax Credit	710		F 1040 L 17b
Miscellaneous Credits						
Retirement Savings Credit	202-00- 7001	Clark	Retirement Savings Credit	112		Sch 3 L 51
Estimated Payments	202-00- 7001	Clark	Payments	1,100		Sch 5 L 66
Earned Income Credit	202-00- 7001	Clark	EIC	856		F 1040 L 17a

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Comprehensive Exercises						
Sale of Home - Capital Gains and Losses	015-00-	7625 Evans	Basis	70,900		
			Adjustment	(526,000)		
			Proceeds	695,750	98,850	
Nondeductible F8606	125-00-	7114 Meadows	1099-r,Line 1	3,700		200
			Taxable - 2a	3,123	3,123	
Medicaid Waiver - Notice 2014-7						
Scenario 1	015-00-	7756 Evans	Wages	10,000		
			Sch 1 Line 21	(10,000)	-	"Notice 2014-7"
Scenario 2	015-00-	7757 Evans	Sch C Line 1	10,000		
			Sch 1 Line 21	(10,000)	-	"Notice 2014-7"
Scenario 3	015-00-	7758 Evans	Sch C Line 1	10,000		
			Sch C Part V	10,000	-	"Notice 2014-7"