

**1.3 The Tax Cycle & Job Paperwork**  
**Student Activity Packet**

**Name:** \_\_\_\_\_ Teacher:\_\_\_\_  
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**Would you prefer having a larger paycheck throughout the year OR receive a large lump sum tax refund?**

**Explain your answer.**

**1 When Do People File Their Tax Returns?**

During what months do most people file their taxes?

Approximately how many people filed their returns the first week of February and the week of April 15, combined?

1. Why do you think no one filed their taxes in the month of January?

## 2 RESEARCH: The Tax Cycle

There are only a few times per year you really need to focus on taxes. If you familiarize yourself with a few consistent dates, you'll make it very easy to stay on top of your taxes and file on time every year. Use the internet to determine the date of each of these events in the tax cycle. Because taxes are filed after the calendar year ends, some of these dates are occurring the year after the actual year you are filing for.

Dates in orange are during the calendar year you are filing taxes for

- For instance, if you are filing your taxes for 2019, these dates are actually during 2019.

Dates in blue take place the year AFTER the year you are filing for

- For instance, if you are filing your taxes for 2019, these dates actually are occurring in 2020.

*\*\*If there are any terms in this schedule you are unfamiliar with, consult our [Taxes Glossary](#).*

DATE	EVENT
	First day of the calendar year. Your earnings for the year begin on this date.
<b>Whenever you start a new job</b>	Complete a W-4, indicating how much in taxes you'd like withheld from each paycheck <ul style="list-style-type: none"> <li>• You will complete a new W-4 for every job you hold in a year.</li> <li>• Some people (independent contractors for instance) will not receive a W-4 and are responsible for manually paying their taxes</li> </ul> Complete an I-9, indicating you're eligible for employment in the United States
	Last day of the calendar year. Your earnings for the year are final after this date.
	First day you can mail in federal and state paper form tax returns for the previous year, although you likely will not yet have your necessary W-2 or other documents to do the filing
	Deadline for employers to mail W-2s to their employees (either by paper or electronically) <ul style="list-style-type: none"> <li>• If you do not receive your W-2 by _____, contact your employer.</li> <li>• If you worked multiple jobs in a year, you will receive multiple W-2s.</li> <li>• The <u>vast majority</u> of people wait until after this date to file their taxes, since without a W-2 it is difficult to accurately determine your tax burden.</li> </ul>
	<b>***Last day to e-file or mail federal and state income tax forms or to request an extension.***</b>
	Deadline for filing federal and state income returns that have received extensions.

### 3 COMPARE: Tax Forms and their Purpose

All the forms in your taxes contain so many letters and numbers that it can be hard to keep straight. Match the tax forms (in the bank at the bottom) with their descriptions. Use the internet or this video to help.

List of Tax Forms				
1040	W-2	W-4	1099	I-9

FORM	PURPOSE
I am a...	<ul style="list-style-type: none"> <li>• I am received in January</li> <li>• There is one of me for every job you work</li> <li>• You can tell how much you earned and how much you paid in taxes by reading me</li> </ul>
I am a...	<ul style="list-style-type: none"> <li>• I am received in January</li> <li>• You get me if you are not an employee, but were paid by a company</li> <li>• You probably didn't get taxes withheld if you got me, so you may have a big tax bill coming up</li> </ul>
I am a...	<ul style="list-style-type: none"> <li>• I am completed every April</li> <li>• Anyone can use me</li> <li>• Beware, there is a LOT to fill out</li> </ul>
I am a...	<ul style="list-style-type: none"> <li>• I am received whenever you start a job</li> <li>• You list information about yourself and your family on me</li> <li>• I determine how much money gets taken out of each paycheck</li> </ul>
I am a...	<ul style="list-style-type: none"> <li>• I am received whenever you start a job</li> <li>• You use me to prove that you are eligible to work in the U.S.</li> <li>• You must provide forms of identification when submitting me</li> </ul>

## 4 **What You Need to Know About Form W-4**

So, when you start a new job, you'll likely complete an I-9 proving you are legally allowed to work in the US. After that, you'll need to complete a W-4. Click on the above link to watch this Edpuzzle video to learn more.

<https://edpuzzle.com/media/5e13d304ed78fa6d6499cb1c>

1. Which of the following statements about the W-4 form is TRUE? (Select all that apply)
  1. This form is given to employees on their first day on the job.
  2. The purpose of the form is to let employers know how much money to withhold from an employee's paycheck for taxes.
  3. The purpose of the form is to provide employees with reported wage and salary information.
  4. This form is given to employees every January.
  
2. Miguel has been working at his job for 3 years and already filled out a W-4 when he was first hired. This year, he just got married and is planning on filing his taxes jointly with his spouse. What should he do?
  1. Keep the same information on his W-4
  2. Wait until next April to fill out a new W-4
  3. Request to fill out a new W-4 from his employer
  4. Email his HR department that they need to update his W-4
  
3. You will need to include all of the following information on a W-4 form EXCEPT...
  1. Earned income from previous job
  2. Name and address
  3. Social security number
  4. Marital status

## 5 FINE PRINT: W-4 Form

Now that you know what a W-4 form is for, it's time to practice analyzing one. Follow the directions on the worksheet to complete this activity and to better understand how to read and fill out a W-4 form.

### **Part I: Read The Fine Print**

Analyze this sample W-4 and answer the questions that follow.

1. A W-4 form is given to you by your employer to complete for that specific job. Which statement below is definitely TRUE?

1. He started working at this job during the 2019 tax year
2. He submitted the W-4 a few days after he started
3. He completed this W-4 for his job at Big City Office Furniture
4. He lives and works in the same city

2. What is Maxwell's filing status?

3. Single
4. Married filing jointly
5. Head of household
6. Dependent

3. How much EXTRA money is Maxwell having held from each paycheck?

4. \$0
5. \$10
6. \$50
7. Cannot tell from this form

4. To fill out his W-4, Maxwell must have needed to know the following (choose ALL correct answers):

	Statement
<input type="checkbox"/>	His Social Security number
<input type="checkbox"/>	His address
<input type="checkbox"/>	The amount of taxes he has paid in the last five years
<input type="checkbox"/>	The number of dependents he plans to claim on his tax return

5. Which statement below is TRUE, based on this W-4 form?

1. Maxwell and his spouse are planning to itemize their deductions this year
2. Maxwell and his spouse have similar salaries but Maxwell earns a little more
3. Maxwell and his spouse both work at Big City Office Furniture
4. Maxwell works; his spouse does not

6. When Maxwell completes this W-4, who should he submit it to?

1. Big City Office Furniture
2. The IRS
3. No one - he keeps it for his records
4. His spouse

