Understanding your W-2s

22222	Void	a Employee's soc. sec. number 444-44-4444

For Official Use Only ►
OMB No. 1545-0008

b Employer identification number 12-1234567	1 Wages, tips, other comp. 21689.20	2 Federal income tax withheld 2488.46
c Employer's name, address, and ZIP code SOME COMPANY NAME 1111 SOME ADDRESS DRIVE SOMECITY, OK 00000	3 Social security wages 22360.00	4 Social security tax withheld 1386.32
	5 Medicare wages and tips 22360.00	6 Medicare tax withheld 324.22
	7 Social security tips	8 Allocated tips
d Control number	9 Advance EIC payment	10 Dependent care benefits
e Employee's first name and initial CONNIE / Last name BARNES / Suff.	11 Nonqualified plans	12a See instructions for box 12
P. O. BOX 11211 OKLAHOMA CITY, OK 73127	13 Statutory employee / Retirement plan / Third-party sick pay	12b
	14 Other	12c
f Employee's address and ZIP code		12d D 670.80

15 State / Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
OK 12-1234567	21689.20	936.00			

Form **W-2** Wage & Tax Statement **2007** 0 0 0 0 / 1034
Department of the Treasury -- Internal Revenue Service
For Privacy Act and Paperwork Reduction Act Notice, see back of Copy D.
Copy A For Social Security Administration -- Send this entire page with Form W-3 to the Social Security Administration; photocopies are not acceptable.
38-2099803

Do Not Cut, Fold, or Staple Forms on This Page

Box 1) All the money you made last year

Box 2) The *income* tax that the federal government withheld from each of your paychecks

Box 3) The money you made (excluding tips) last year. You will not need to use this box to file taxes

Box 4) The *social security* tax that the federal government withheld from each paycheck. You will not need this box to file taxes. (this money goes into the social security fund which you will be able to collect from once you are in your 60s. There are different rules based on health, age, etc. that determine what year you can officially collect social security)

Box 5) Should be the same as box 3 or box 1. You will not need this box to file taxes

Box 6) The *Medicare* tax withheld. You will not need this box to file taxes. (This money goes into the medicare fund which you can collect from when you become eligible- again based on things like health and age)

Boxes 7-12) Will most likely not have anything in them. These boxes are for special withholdings for things like dependent care and flex spending (which none of you will have).

Boxes 15-20 are state taxes. You will not use any of the boxes until you file your STATE tax return.

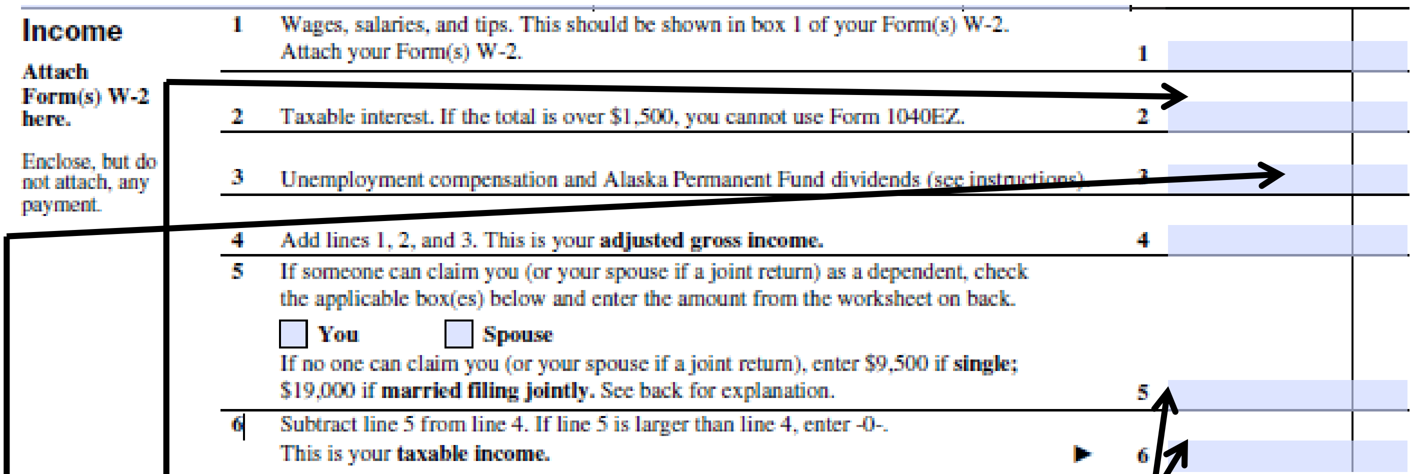
Box 16) Should be the same as box 1

Box 17) The *income* tax that the state of Georgia has withheld.

Filing your Federal Tax Return

Use form 1040EZ. This is the basic tax return form . Fill out the top basic information.

INCOME



Income

Attach Form(s) W-2 here.

Enclose, but do not attach, any payment.

1 Wages, salaries, and tips. This should be shown in box 1 of your Form(s) W-2. Attach your Form(s) W-2. 1

2 Taxable interest. If the total is over $1,500, you cannot use Form 1040EZ. 2

3 Unemployment compensation and Alaska Permanent Fund dividends (see instructions). 3

4 Add lines 1, 2, and 3. This is your **adjusted gross income.** 4

5 If someone can claim you (or your spouse if a joint return) as a dependent, check the applicable box(es) below and enter the amount from the worksheet on back.
☐ **You** ☐ **Spouse**
If no one can claim you (or your spouse if a joint return), enter $9,500 if **single;** $19,000 if **married filing jointly.** See back for explanation. 5

6 Subtract line 5 from line 4. If line 5 is larger than line 4, enter -0-. This is your **taxable income.** ▶ 6

This box is if you have accumulated any money from INTEREST only. Not a job. For example, If you received a 1099 form with interest you accumulated from a savings account. Most of you will not have ANY taxable interest- or if you do it may only be a few dollars. If you did NOT receive a 1099 form (it would have come addressed from your bank), then you do not have any taxable interest and you should leave this as 0.

None of you are eligible for unemployment or the Alaska Permanent Fund. Write 0

You are a dependent. Even once you are over 18, your parents may still be able to claim you as a dependent if they are providing you with assistance, like helping you pay for college. Always make sure you ask them if you are claiming you as a dependent or not. Check the “You” box. Now we go to the worksheet on the back of the 1040EZ

Line 6 is your Gross Adjusted Income. That means, this is the amount of money that the government can tax you on. In the next steps we will use the Tax Table to determine the amount of taxes that must be paid based on your gross adjusted income. The good news is- you have already been paying the government every month so you shouldn’t have to pay them anymore ☺

Payments, Credits, and Tax

7	Federal income tax withheld from Form(s) W-2 and 1099.	7
8a	**Earned income credit (EIC)** (see instructions).	8a
b	Nontaxable combat pay election. 8b	
9	Add lines 7 and 8a. These are your **total payments and credits.** ▶	9
10	**Tax.** Use the amount on **line 6 above** to find your tax in the tax table in the instructions. Then, enter the tax from the table on this line.	10 ★

Only applies to members of the military who are in active combat zones.

Box 2 from your W-2

You cannot take the EIC. This is for people who are over 25 and ARE working but are making a minimum amount of money. General this would be people under the poverty line.

This is all the money you have already paid the government!

★ Now we need to look up the Tax Table to determine the actual amount of tax you owe. This changes slightly every year based on new tax laws. You can find updated tax tables each year by easily doing a search. You need to use **line 6** (your gross adjusted income) to find out your taxes. Use the tax table I have provided to find out the amount of tax you owe.

THE BEST PART!

Refund

Have it directly deposited! See instructions and fill in 11b, 11c, and 11d or Form 8888.

11a	If line 9 is larger than line 10, subtract line 10 from line 9. This is your **refund.** If Form 8888 is attached, check here ▶ ☐	11a
▶ b	Routing number ▶ c Type: ☐ Checking ☐ Savings	
▶ d	Account number	

Filing your Georgia state return

Use Federal Adjusted Gross Income, NOT Federal Taxable Income, on Line 1 below

1.	Adjusted Gross Income from Form 1040EZ, 1040 or 1040 A **(Cannot exceed $99,999 for Line1)**	1.	.00
2.	If your filing status is single, enter $5,000.00, married filing joint, enter $8,400.00	2.	.00
3.	Subtract Line 2 from Line 1. If Line 2 is larger than Line 1 enter zero	3.	0 .00
4.	Find the tax on the amount on Line 3. **(Use Tax Table in the Tax Booklet on Pages 20-22)**	4.	0 .00
5.	Low income tax credit. **(Not allowed if you are claimed as a dependent on another return)** 5a. 5b.	5c.	.00
6.	Line 4 Less Line 5c. If zero or less than zero, enter zero	6.	0 .00
7.	Georgia income tax withheld **(Enter tax withheld only and enclose W-2's, 1099s, etc.)**	7.	.00
8.	If Line 6 is larger than Line 7, subtract Line 7 from Line 6. **THE AMOUNT OF TAX YOU OWE**	8.	.00
9.	If Line 7 is larger than Line 6, subtract Line 6 from Line 7. **THE AMOUNT OF YOUR OVERPAYMENT**	9.	0 .00
10.	Georgia Wildlife Conservation Fund **(No gift less than $1.00)**	10.	.00
11.	Georgia Children and Elderly Fund **(No gift less than $1.00)**	11.	.00
12.	Georgia Cancer Research Fund **(No gift less than $1.00)**	12.	.00
13.	Statewide Land Conservation Program **(No gift less than $1.00)**	13.	.00
14.	Georgia National Guard Foundation **(No gift less than $1.00)**	14.	.00
15.	Dog and Cat Sterilization Fund **(No gift less than $1.00)**	15.	.00
16.	Save the Cure Fund **(No gift less than $1.00)**	16.	.00
17.	Georgia Student Finance Authority Fund **(No gift less than $1.00)**	17.	.00

SIGNATURES ARE REQUIRED ON PAGE 2 OF THIS FORM

This is like the Earned Income Credit from federal taxes. It generally applies to people who are working but still not making enough money to support themselves and their families. You do not qualify

From line 6 from 1040EZ

Use the tax table to look up the taxes you owe (just like we did with federal taxes)

From box 17 on your W-2