

Sally and Sawyer Smith

Return Level: Advanced

Interview Notes:

- Sally and Sawyer are married and would like to file a joint return.
- Sally retired in 2021 and started to receive her pension November 1st of that year. She explains that this is a joint and survivor annuity. She has already recovered \$1,300 of the cost of the plan. 12 months were paid in 2024.

HINT: This requires you to calculate the taxable amount of the distribution using the simplified method. Refer to page D-47 in Publication 4012


- Sally also has a brokerage statement (enter 1099 INT and 1099 DIV in their income section and then go into Capital Gains section to enter the stock transactions) Publication 4012: D-32
- If they are due a refund, they want it sent in the mail by paper check.

NOTE: To conserve paper, only pages 1-3 of the intake form were printed.

<i>Social Security Card</i>	
Sally Smith	
255-00-7532	
For training purposes only	

<i>Social Security Card</i>	
Sawyer Smith	
256-00-9512	
For training purposes only	

Driver's License Number T-23414273	
Name & Address Sally Smith 424 Bridge Street Hopewell, VA 23860	
Date of Birth 06/18/1956	Expiration Date 04/18/2027

Driver's License Number T-83414579	
Name & Address Sawyer Smith 424 Bridge Street Hopewell, VA 23860	
Date of Birth 06/18/1958	Expiration Date 06/18/2027

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province country, ZIP or foreign postal code and phone no.

GENERAL RIVERSIDE
123 WATERS EDGE ROAD
NEW YORK, NEW YORK

1 Gross distribution
\$18,000.00

OMB No. 1545-0119

2024

Form 1099-R

Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

2a Taxable amount

2b Taxable amount not determined.

Total Distribution

Copy B

PAYER'S TIN
55-3456789

RECIPIENT'S TIN
255-00-7532

3 Capital gain (included in box 2a).

4 Federal income tax withheld
\$1,800.00

Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.

RECIPIENT'S name
Street address (including apt.no.)
City or town, state or province, country, ZIP or foreign postal code

SALLY SMITH
424 BRIDGE STREET
HOPEWELL, VA 23860

5 Employee contributions/ Designated Roth contributions or insurance premiums

6 Net unrealized appreciation in employer's securities

7 Distribution Code(s)
7
IRA/SEP/SIMPLE

8 Other
%

This information is being furnished to the IRS

9a Your percentage of total distribution
%

9b Total Employee Contributions
\$13,000

10 Amount allocable to IRR within 5 years

11 1st year of desig. Roth contrib.

12 FATCA filing requirement

14 State tax withheld
\$200.00

15 State/Payer's state no.
VA 30553456789

16 State distribution
\$18,000.00

Account number (see instructions)

13 Date of payment

17 Local tax withheld

18 Name of locality

19 Local distribution

Form 1099-R

(keep for your records)

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province country, ZIP or foreign postal code and phone no.

ONE GOOD COMPANY
4300 SUMMER LANE
RICHMOND, VA 23225

1 Gross distribution
\$5,000.00

OMB No. 1545-0119

2024

Form 1099-R

Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

2a Taxable amount
\$5,000.00

2b Taxable amount not determined.

Total Distribution

Copy B

PAYER'S TIN
43-4234567

RECIPIENT'S TIN
256-00-9512

3 Capital gain (included in box 2a).

4 Federal income tax withheld
\$500.00

Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.

RECIPIENT'S name
Street address (including apt.no.)
City or town, state or province, country, ZIP or foreign postal code

SAWYER SMITH
424 BRIDGE STREET
HOPEWELL, VA 23860

5 Employee contributions/ Designated Roth contributions or insurance premiums

6 Net unrealized appreciation in employer's securities

7 Distribution Code(s)
7
IRA/SEP/SIMPLE

8 Other
%

This information is being furnished to the IRS

9a Your percentage of total distribution
%

9b Total Employee Contributions

10 Amount allocable to IRR within 5 years

11 1st year of desig. Roth contrib.

12 FATCA filing requirement

14 State tax withheld
200

15 State/Payer's state no.
VA434234567

16 State distribution
\$5,000.00

Account number (see instructions)

13 Date of payment

17 Local tax withheld

18 Name of locality

19 Local distribution

Form 1099-R

(keep for your records)

www.irs.gov/Form1099R

Department of the Treasury - Internal Revenue Service

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT

2024

○ PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME.
○ SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name SAWYER SMITH		Box 2. Beneficiary's Social Security Number 256-00-9512																						
Box 3. Benefits Paid in 2024 \$21,643.00	Box 4. Benefits Repaid to SSA in 2024	Box 5. Net Benefits Paid for 2024 (Box 3 minus Box 4) \$21,643.00																						
<p align="center">DESCRIPTION OF AMOUNT IN BOX 3</p> <table border="0"> <tr> <td>Paid by check or direct deposit</td> <td align="right">\$18,291.00</td> </tr> <tr> <td>Medicare Part B premiums deducted from your benefits</td> <td align="right">\$1,978.00</td> </tr> <tr> <td>Medicare Prescription Drug premiums (Part D) deducted from your benefits</td> <td></td> </tr> <tr> <td>Total Additions</td> <td align="right">\$3,352.00</td> </tr> <tr> <td>Benefits for 2024</td> <td align="right">\$21,643.00</td> </tr> <tr> <td>Benefits for 2023</td> <td></td> </tr> <tr> <td>Benefits for 2022</td> <td></td> </tr> <tr> <td>Benefits for 2021</td> <td></td> </tr> </table>		Paid by check or direct deposit	\$18,291.00	Medicare Part B premiums deducted from your benefits	\$1,978.00	Medicare Prescription Drug premiums (Part D) deducted from your benefits		Total Additions	\$3,352.00	Benefits for 2024	\$21,643.00	Benefits for 2023		Benefits for 2022		Benefits for 2021		<p align="center">DESCRIPTION OF AMOUNT IN BOX 4</p> <table border="0"> <tr> <td>Box 6. Voluntary Federal Income Tax Withheld</td> <td align="right">\$1,374.00</td> </tr> <tr> <td>Box 7. Address</td> <td>SAWYER SMITH 424 BRIDGE STREET HOPEWELL, VA 23860</td> </tr> <tr> <td>Box 8. Claim Number (use this number if you need to contact SSA)</td> <td align="right">256-00-9512A</td> </tr> </table>	Box 6. Voluntary Federal Income Tax Withheld	\$1,374.00	Box 7. Address	SAWYER SMITH 424 BRIDGE STREET HOPEWELL, VA 23860	Box 8. Claim Number (use this number if you need to contact SSA)	256-00-9512A
Paid by check or direct deposit	\$18,291.00																							
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Form **SSA-1099-SM**

FORM SSA-1099 - SOCIAL SECURITY BENEFIT STATEMENT

2024

○ PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME.
○ SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name SALLY SMITH		Box 2. Beneficiary's Social Security Number 255-00-7532																						
Box 3. Benefits Paid in 2024 \$18,423.00	Box 4. Benefits Repaid to SSA in 2024	Box 5. Net Benefits Paid for 2024 (Box 3 minus Box 4) \$18,423.00																						
<p align="center">DESCRIPTION OF AMOUNT IN BOX 3</p> <table border="0"> <tr> <td>Paid by check or direct deposit</td> <td align="right">\$15,787.00</td> </tr> <tr> <td>Medicare Part B premiums deducted from your benefits</td> <td align="right">\$1,978.00</td> </tr> <tr> <td>Medicare Prescription Drug premiums (Part D) deducted from your benefits</td> <td></td> </tr> <tr> <td>Total Additions</td> <td align="right">\$2,636.00</td> </tr> <tr> <td>Benefits for 2024</td> <td align="right">\$18,423.00</td> </tr> <tr> <td>Benefits for 2023</td> <td></td> </tr> <tr> <td>Benefits for 2022</td> <td></td> </tr> <tr> <td>Benefits for 2021</td> <td></td> </tr> </table>		Paid by check or direct deposit	\$15,787.00	Medicare Part B premiums deducted from your benefits	\$1,978.00	Medicare Prescription Drug premiums (Part D) deducted from your benefits		Total Additions	\$2,636.00	Benefits for 2024	\$18,423.00	Benefits for 2023		Benefits for 2022		Benefits for 2021		<p align="center">DESCRIPTION OF AMOUNT IN BOX 4</p> <table border="0"> <tr> <td>Box 6. Voluntary Federal Income Tax Withheld</td> <td align="right">\$658.00</td> </tr> <tr> <td>Box 7. Address</td> <td>SAWYER SMITH 424 BRIDGE STREET HOPEWELL, VA 23860</td> </tr> <tr> <td>Box 8. Claim Number (use this number if you need to contact SSA)</td> <td align="right">255-00-7532A</td> </tr> </table>	Box 6. Voluntary Federal Income Tax Withheld	\$658.00	Box 7. Address	SAWYER SMITH 424 BRIDGE STREET HOPEWELL, VA 23860	Box 8. Claim Number (use this number if you need to contact SSA)	255-00-7532A
Paid by check or direct deposit	\$15,787.00																							
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Box 8. Claim Number (use this number if you need to contact SSA)	255-00-7532A																							

Form **SSA-1099-SM**

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code and telephone no.

CHARLES SCHWAB & CO.
211 MAIN STREET
SAN FRANCISCO, CA 94105

Applicable Check Box on Form 8949

OMB No. 1545-0715

2024

Form **1099-B**

**Proceeds From
Broker and
Barter Exchange
Transactions**

1a Description of Property (Example 100 sh. XYZ Co.)
HOME DEPOT

1b Date acquired

01/15/2024

1c Date sold or disposed

06/27/2024

**Copy B
For Recipient**

PAYER'S TIN

94-1737782

RECIPIENT'S TIN

255-00-7532

1d Proceeds

\$1,027.11

1e Cost or other basis

\$525.00

1f Accrued Market Discount

1g Wash sale loss disallowed

RECIPIENT'S name

Street address (including apt.no.)

City or town, state or province, country, ZIP or foreign postal code

SALLY SMITH
424 BRIDGE STREET
HOPEWELL, VA 23860

2 Short term gain or loss

Long term gain or loss

Ordinary

3 If checked, proceeds from:

Collectables

QOF

4 Federal income tax withheld

5 If checked, noncovered security

6 Reported to IRS

Gross proceeds

Net proceeds

7 If checked, loss is not allowed due to amount in 1d

Account number (see instructions)

CUSIP number

FATCA filing requirement

8 Profit or (loss) realized in 2024 on closed contracts

9 Unrealized profit or (loss) on open contracts - 12/31/2024

14 State Name

15 State identification no.

16 State tax withheld

10 Unrealized profit or (loss) on open contracts - 12/31/2024

11 Aggregate profit or (loss) on contracts

12 If checked, basis reported to IRS

13 Bartering

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Form **1099-B**

(keep for your records)

www.irs.gov/Form1099B

Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code and telephone no.

CHARLES SCHWAB & CO.
211 MAIN STREET
SAN FRANCISCO, CA 94105

Applicable Check Box on Form 8949

OMB No. 1545-0715

2024
Form **1099-B**

**Proceeds From
Broker and
Barter Exchange
Transactions**

1a Description of Property (Example 100 sh. XYZ Co.)

TURTLE INC.

1b Date acquired

01/15/2024

1c Date sold or disposed

06/27/2024

**Copy B
For Recipient**

PAYER'S TIN

94-1737782

RECIPIENT'S TIN

255-00-7532

1d Proceeds

\$2,750.00

1e Cost or other basis

1400

1f Accrued Market Discount

1g Wash sale loss disallowed

RECIPIENT'S name

Street address (including apt.no.)

City or town, state or province, country, ZIP or foreign postal code

SALLY SMITH

424 BRIDGE STREET

HOPEWELL, VA 23860

2 Short term gain or loss

Long term gain or loss

Ordinary

3 If checked, proceeds from:

Collectables

QOF

4 Federal income tax withheld

5 If checked, noncovered security

6 Reported to IRS

Gross proceeds

Net proceeds

7 If checked, loss is not allowed due to amount in 1d

Account number (see instructions)

CUSIP number

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15 State identification no.

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Form **1099-B**

(keep for your records)

www.irs.gov/Form1099B

Department of the Treasury - Internal Revenue Service

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code and telephone no. CHARLES SCHWAB & CO 211 MAIN STREET SAN FRANCISCO, CA 94105		1 Total Ordinary Dividends \$462.47	OMB No. 1545-0110 Form 1099-DIV (Rev. January, 2022)	Dividends and Distributions
		1b Qualified Dividends \$247.12	For calendar Year 2024	
		2a Total capital gain distr. \$71.87	2b Unrecap. Sec. 1250 gain	
		2c Section 1202 gain	2d Collectables (28%) gain	
PAYER'S TIN 94-1737782	RECIPIENT'S TIN 255-00-7532	2e Section 897 ordinary dividends	2f Section 897 capital gain	Copy B For Recipient This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code SALLY SMITH 424 BRIDGE STREET HOPEWELL, VA 23860		3 Nondividend distributions \$8.63	4 Federal income tax withheld	
		5 Section 199A dividends	6 Investment expenses \$25.00	
		7 Foreign Tax Paid \$19.67	8 Foreign Country or US possession	
		9 Cash liquidation distributions	10 Noncash liquidation distribution	
		11 FATCA filing requirement <input type="checkbox"/>	12 Exempt-Interest dividends	
Account number (see instructions)		15 State	14 State Identification no.	15 State tax withheld
Form 1099-DIV (Rev. 1-2022) (keep for your records) www.irs.gov/Form1099DIV Department of the Treasury - Internal Revenue Service				

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. CHARLES SCHWAB 211 MAIN STREET SAN FRANCISCO, CA 94105		Payer's RTN (optional)	OMB No. 1545-0112 Form 1099-INT (Rev. January, 2022)	Interest Income	
		1 Interest income \$256.00	For calendar Year 2024		
		2 Early withdrawal penalty \$25.00			
		3 Interest on US Savings Bonds and Treas. obligations			
PAYER'S TIN 94-1737782	RECIPIENT'S TIN 255-00-7532			Copy B For Recipient This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code SALLY SMITH 424 BRIDGE STREET HOPEWELL, VA 23860		4 Federal income tax withheld \$0.00	5 Investment expenses		
		6 Foreign Tax Paid	7 Foreign Country or US possession		
		8 Tax exempt interest \$59.56	9 Specified private activity bond interest		
		10 Market Discount	11 Bond Premium \$14.89		
		12 Bond premium on Treasury obligations	13 Bond Premium on tax-exempt bond		
Account number (see instructions)		14 Tax-exempt and tax credit bond CUSIP no.	15 State	16 State Identification no.	17 State tax withheld
Form 1099-INT (Rev. 1-2022) (keep for your records) www.irs.gov/Form1099INT Department of the Treasury - Internal Revenue Service					