



Addendum: Introduction to Tax Preparation

Revision [1.1]

Pages 78-80

Corrections to the textbook were made to reflect a mistake in numbering the answers for review questions.

9.

- A. Incorrect. Unmarried individuals can file as Single or HOH.
- B. Incorrect. A spouse that is still married but separated from their spouse for less than six months of the year only qualifies to file MFS or MFJ.
- C. Incorrect. Under MFJ, both spouses are liable for the income tax even if only one spouse created the tax liability.
- D. Correct.** The qualifying widow(er) with dependent child is available for only two years after the death of the spouse.

[Qualified widow(er)]

10.

- A. Correct.** When a marriage is annulled, taxpayers are single. The marriage is treated as never existing; thus, a married status does not apply.
- B. Incorrect. When a marriage is annulled, the taxpayers are never considered married and are ineligible to file as MFJ.
- C. Incorrect. When a marriage is annulled, the taxpayers are never considered married and are ineligible to file as MFS.
- D. Incorrect. Only answer A is correct.

[Unmarried]

11.

- A. Correct.** Alfonso is a nonresident alien. Jane has a qualifying person and maintains a household; therefore, consider Jane unmarried since Alfonso is a nonresident alien for part of the year, even though they lived together.
- B. Incorrect. If Alfonso were a U.S. resident alien or citizen all year, then Jane would not be able to file as HOH. However, since he was a nonresident alien for part of the year, consider Jane unmarried.

[Head of household]

12.

- A. Correct.** Since the decree has a contingency that child support be current, it fails one of the criteria to use it as a statement similar to Form 8332.
- B. Incorrect. Because of a contingency, the pages of the decree cannot serve as a release.

[Child of divorced or separated parents]

13.

- A. Incorrect. The spouse cannot qualify as a dependent of another taxpayer.
- B. Incorrect. The spouse cannot file a tax return.
- C. Incorrect. The spouse cannot have any gross income.
- D. Correct.** All the above are correct.

[Separate return]

14.

- A. Incorrect. Life insurance premiums are not support of the dependent.
- B. Correct.** Buying items for the dependent is part of their support.
- C. Incorrect. Funeral expenses are not support.
- D. Incorrect. Scholarships for full-time students do not count toward support.

[Qualifying child]

15.

- A. Correct.** As long as the child is born alive and then dies during the year, the taxpayer can treat the child as a dependent even without a Social Security number.
- B. Incorrect. Treat a child as a dependent by attaching a copy of the birth certificate.

[Social Security numbers for dependents]

16.

- A. Incorrect. Personal exemptions no longer apply.
- B. Incorrect. Personal exemptions no longer apply.
- C. Incorrect. Personal exemptions no longer apply.
- D. Correct.** Beginning in 2018, personal exemptions no longer apply.

[Death of spouse]

17.

- A. Correct.** One of the prerequisites to be a qualifying child is that the child be a citizen, resident or national of the U.S., or resident of Canada or Mexico.
- B. Incorrect. Citizens of China cannot be dependents unless they are also residents of the U.S., Canada, or Mexico for the tax year.
- C. Incorrect. Citizens of Jamaica cannot be dependents unless they are also residents of the U.S., Canada, or Mexico for the tax year.
- D. Incorrect. Citizens of the United Kingdom cannot be dependents unless they are also residents of the U.S., Canada, or Mexico for the tax year.

[General tests]

18.

- A. Incorrect. Steve does not meet the definition of a qualifying child or qualifying relative. He is over age 18, and he fails the gross income test. Jeremy also does not meet either test. He fails the relationship test and he does not meet the member of household test. Harry treats only Erin and Becky as qualifying children.
- B. Incorrect. While Steve meets the relationship test, he fails the gross income test for qualifying relative. Jeremy does not meet the relationship or member of household tests. This leaves Harry with only Erin and Becky as qualifying children.
- C. Correct.** Erin and Becky are qualifying children on Harry's 2020 Form 1040.
- D. Incorrect. Harry can claim Erin and Becky as qualifying children.

[Dependency qualifications]