

**Federal Income Tax**

- ✦ Our Tax System
- ✦ Filing Tax Returns

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**Types of Taxes**

- ✦ Progressive taxes
- ✦ Regressive taxes
- ✦ Proportional taxes

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**Components of the Tax System**

- ✦ The IRS
- ✦ The power to tax
- ✦ Paying your fair share
  - Tax brackets
  - Tax evasion

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**IRS Audit**

- ✦ Correspondence audit
- ✦ Field audit

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**Filing Status**

- ✦ Single person
- ✦ Married person filing a joint return
- ✦ Married person filing a separate return
- ✦ "Head of household"
- ✦ Qualifying widow(er) with a dependent child

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**Exemptions**

- ✦ Personal exemption
- ✦ Dependent exemption

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Personal Finance (Federal Income Tax)

**Gross Income**

- ✦ Wages, salaries, and tips
- ✦ Interest income
- ✦ Dividend income
- ✦ Unemployment compensation
- ✦ Social security benefits
- ✦ Child support
- ✦ Alimony

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**Adjusted Gross Income**

Gross income
- Adjustments
Adjusted gross income

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**Taxable Income**

Gross income
- Adjustments
Adjusted gross income
- Deductions
- Exemptions
Taxable income

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**Deductions**

- ✦ Itemize
- ✦ Standard deduction

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**Tax Credits**

- ✦ For college tuition
- ✦ For childcare to enable parents to work
- ✦ For lower-income wage earners

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**Preparing to File**

- ✦ Who must file?
- ✦ When to file?
- ✦ Which form to use?
- ✦ Where to begin?
- ✦ Filing electronically

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