

Which Form to File

When you “file” or turn your taxes to the government, the main form that you must file is the 1040. This gives the government a basic idea of what your family and your income are like, so it knows how much to tax you. If you are eligible for special benefits, like the Earned Income Tax Credit (see the handout “Do You Qualify for the Earned Income Tax Credit” for more information) you usually have to fill out an extra form for the benefit and attach it to your 1040.

There are 3 kinds of 1040 forms. They are different in their length, who can use them and what credits and benefits that you can claim with them. It is important to choose the right form, otherwise you might miss out on tax benefits that you deserve.

1040EZ

The 1040EZ (EZ=easy) is the simplest and shortest of the three types of 1040 forms. The 1040EZ does not have as many lines to fill out nor does it have as many extra forms to fill out and attach. You don't even have to compute the math if you do not want to. All you have to do is fill out the lines that apply to you and send it in.

You can file a 1040EZ if you meet **all** of the following criteria:

- Your filing status (how you describe your family to the government- for more information, see the handout “Choose the Best Filing Status”) is single or married filing jointly (meaning you turn in your tax form with your spouse).
- You do not have any dependents (people who depend on you for more than half of their financial needs, for example, children).
- Your only income is from wages, tips, salaries, taxable scholarships, unemployment compensation and fellowship grants.
- You do not have more than \$400 in interest income. (This is interest you are earning, like income, for example on stocks or bank accounts. This does not count interest you pay, on loans and credit cards.)
- You, and your spouse if you are filing together, are under the age of 65 and are not blind. (If you are over 65 or blind you get special benefits from the government, so you need to use one of the other forms).
- Your taxable income is less than \$50,000.
- You aren't receiving your Earned Income Tax Credit in your paycheck (for more informations, see the handout “Do You Qualify for the Earned Income Tax Credit?”).
- You are not itemizing (listing) any deductions (for things like charity contributions) or claiming any adjustments to income (for example, from IRA or student loan interest deductions) or any tax credits (for things like childcare expenses.) (For more information see the handouts “Education Tax Benefits” and “Tax Benefits for People with Dependents.”)

1040A

The 1040A is not as simple as the 1040EZ but it is still easier than the regular 1040. You may use the 1040A if you meet **all** of the following criteria:

- You are not itemizing (listing) deductions (you would do this only if you had a big deduction, like for charity contributions).
- Your income is less than \$50,000.
- Your income is only from salaries, wages, tips, taxable scholarships, fellowship grants, pensions (retirement money from your employer or the state), annuities (insurance money), withdrawals from your IRA (an individual retirement account in the stock market), unemployment compensation and interest and dividends (this is interest that

you earned on a bank account or the stock market, not interest you paid on loans and credit cards).

You may use 1040A to claim all of the following tax benefits, which could potentially save, or even give you money:

- Earned Income Tax Credit (see the hand out “Do You Qualify for the Earned Income Tax Credit?” for more information).
- Deduction for contributions to an IRA (individual retirement account in the stock market).
- Credit for child and dependent care expenses (see the handout “Tax Benefits for People with Dependents” for more information).
- Child tax credits (see the handout “Tax Benefits for People with Dependents” for more information).
- Education credits (see the handout “Education Tax Benefits” for more information).
- Student loan interest deduction (see the handout “Education Tax Benefits” for more information).

1040

If you do not fit the criteria to file either a 1040EZ or a 1040A, you must use the standard 1040 form, which isn't impossible, just longer and requires more attached, extra forms. Anyone who chooses to itemize (list) their deductions (so they could save money if they have a large expense on charity) as opposed to taking the standard deduction (an amount that is given to you by the IRS, based on your family status, if you don't have large amounts of deductible expenses) must use the 1040. Anyone who owns rental property, is self-employed or sells stocks or bonds (in the stock market) must also use the 1040.

Where to get Tax Forms:

Internet: <http://www.irs.gov>

Phone: 1-800-TAX-FORM

Tele-Fax: 703-368-9694

How to File:

See handout “How to File.”