



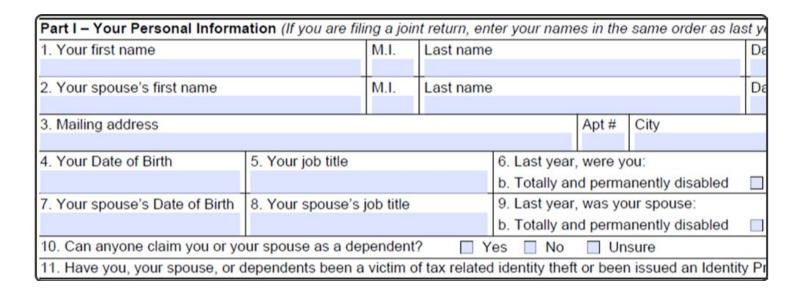
1040	Department of the Treasury—Internal Revenue Service U.S. Individual Income Tax		urn 20 <b>2</b>	2 OMB No. 1545-	0074 IRS Use Onl	y—Do not write or staple in this space.				
Filing Status Check only one box.	eck only  If you checked the MES box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying									
Your first name and middle initial			ıme	Your social security number						
If joint return, spouse's first name and middle initial			ime	Spouse's social security number						
Home address (number and street). If you have a P.O. box, see instructions.  Apt. no.						Presidential Election Campaign Check here if you, or your				
City, town, or pos	st office. If you have a foreign address, also co	mplete s	plete spaces below. State ZIF		ZIP code	spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change				
Foreign country name			Foreign province/state/county Fore			your tax or refund.  You Spouse				
At any time during 2022, did you: (a) receive (as a reward, award, or compensation); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.)										
Standard Someone can claim: You as a dependent Vour spouse as a dependent  Deduction Spouse itemizes on a separate return or you were a dual-status alien										
Age/Blindness You: Were born before January 2, 1958 Are blind Spouse: Was born before January 2, 1958 Is blind										

#### **About Personal Exemptions**

- TaxSlayer: Basic Information section
- Additional resources listed in L&LT "References" tab
- Review all tips and cautions
- Read all examples and sample interviews
- We will review answers to each exercise in the lesson

## Objectives – Personal Exemptions

- Distinguish between personal and dependency exemptions.
- Determine if a taxpayer can claim a personal exemption.
- Time Required: 10 minutes



# Topics





- Personal exemptions
- Entering personal exemptions

#### Key Terms

Definitions are always available in the L&LT online Glossary.

• Exemptions: An exemption is a dollar amount that can be deducted from an individual's total income, thereby reducing the taxable income. The deduction for personal exemptions is suspended (reduced to \$0) for tax years 2018 through 2025 by the Tax Cuts and Jobs Act. Although the exemption amount is zero, the ability to claim an exemption may make taxpayers eligible for other tax benefits.

#### Personal Exemptions

- Questions on the L&LT landing page check your understanding of personal exemptions
- What are exemptions?
  - A dollar amount that can be deducted from a taxpayer's total income, thereby reducing their taxable income.
- Personal exemptions
  - Claimed for self (and possibly spouse)
- Dependency exemptions
  - Claimed for qualifying dependents

#### Rules for Taxpayer and Spouse

- Review Form 13614-C: Can anyone claim you or your spouse as a dependent on their tax return?
  - Answer must be "no" to claim personal exemption
- Resources:
  - Pub 4012, Dependents tab, <u>Overview of the Rules for Claiming a</u>
     <u>Dependent</u>
  - Interactive Tax Assistant: Personal and Spousal Exemptions



## **Entering Personal Exemptions**

- Check boxes on Form 1040 labeled "Someone can claim you as a dependent" and "Someone can claim your spouse as a dependent"
- TaxSlayer automatically fills in the entries

Department of the Treasury—Internal Revenue Service U.S. Individual Income Tax		2 OMB No. 1545-0	074 IRS Use Only	—Do not write or staple in this space.					
Filing Status  Check only one box.  Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)  If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent:									
Your first name and middle initial	Last name	Your social security number							
If joint return, spouse's first name and middle initial	Last name			Spouse's social security number					
Home address (number and street). If you have a P.O. box, see it	Presidential Election Campaign Check here if you, or your								
City, town, or post office. If you have a foreign address, also cor	nplete spaces below.	State 2	ZIP code	spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change					
Foreign country name	Foreign province/state/county Fo		oreign postal code						
At any time during 2022, did you: (a) receive (as a reward, award, or compensation); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.)									
Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Deduction									
Age/Blindness You: Were born before January 2, 19	958 Are blind Spo	ouse: Was born	before January 2	<u> </u>					

#### Summary

- Taxpayers can claim a personal exemption for:
  - Themselves, if they may not be claimed as another taxpayer's dependent
  - Their spouse, if filing jointly and the spouse may not be another taxpayer's dependent