



FEDERAL INCOME TAX ACCOUNTING (140)

—Post-secondary—
REGIONAL – 2017

Multiple Choice & Short Answer:

Multiple Choice (15 @ 2 points each) _____ (30 points)

Short Answers (8 @ 2 points each) _____ (16 points)

Production:

Job 1: Schedule A Completion _____ (18 points)

Job 2: Form 1040 Completion _____ (33 points)

TOTAL POINTS _____ (***97 points***)

**Judge/Graders: Please double check and verify all
scores and answer keys!**

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General Instructions

You have been hired as a Financial Assistant and will be keeping the accounting records for Professional Business Associates, located at 5454 Cleveland Avenue, Columbus, Ohio 43231. Professional Business Associates provides accounting and other financial services for clients. You will complete jobs for Professional Business Associates' own accounting records, as well as for clients.

You will have 90 minutes to complete your work. The test is divided into two parts. The multiple choice and short answer questions should be completed first, and then the accounting problems may be completed in any order.

Your name and/or school name should *NOT* appear on any work you submit for grading. Write your contestant number in the provided space. Staple all pages in order before you turn in your test.

Assumptions to make when taking this assessment: this exam will use the 2015 IRS rules for federal income taxation.



Part 1-Multiple Choice: (15 questions, 2 points each for a total of 30 points)

1. D
2. B
3. D
4. A
5. C
6. A
7. C
8. D
9. D
10. A
11. C
12. B
13. D
14. D
15. D

Part 2-Short Answer: (8 questions, 2 points each for a total of 16 points)

1. Bobby Bobblehead

- | | |
|---|----------|
| A. What is Bobby's TOTAL income | \$49,440 |
| B. What is Bobby's AGI | \$48,771 |
| C. How much is Bobby's taxable income | \$31,521 |
| D. How much is Bobby's tax liability | \$4,071 |
| E. How much is Bobby's child tax credit | \$1,000 |

2. Benny Jetson

- | | |
|---|---------------|
| A. What is the Benny's AGI | \$100,100 |
| B. How much is the Benny's tax | \$9,206 |
| C. What is the outcome of Benny's tax return—does he receive a refund or owe money? If so how much? | (\$1,996) Owe |



Part 3-Problems

JOB #1 (18 questions/lines, 1 point each for a total of 18 points Total)

LINE # - AMOUNT 1 point each (Also see complete KEY Schedule A for Howard)

6 – 6210
7 – 31
9 – 6241
10 – 7395
15 – 7395
16 – 1850
17 – 65
19 – 1915
21 – 2500
22 – 210
24 – 2710
25 – 91240
26 – 1825
27 – 885
28 – Gambling Losses
28 – 620
29 – Box “X” NO
29 – 17056



JOB #2 (33 Points Total):

Top of 1040 (9 Points, 1 point each—must be complete)

SS# for Larry: 391-64-0087
SS# for Larietta: 296-55-7788
Address: 322 Main St
Town: Madison, WI 53774
Filing Status: MFJ Checked
Exemptions: Yourself Checked
Spouse Checked
Boxes checked: 2
Total of column: 2

***if you are confused, please look at the Form 1040 Key**

LINE # - AMOUNT 1 point each (24 points)

16a – 47000
16b – 47000
20a – 32000
20b – 22150
22 – 69150
37 – 69150
38 – 69150
39a – “You” box checked

39a – “Spouse” box Checked

40 – 15100
41 – 54050
42 – 8000
43 – 46050
44 – 5989
47 – 5989
56 – 5989
63 – 5989
64 – 6000
74 – 6000
75 - 11
76a - 11

Your Occupation = Retired

Spouse’s Occupation = Retired

Daytime Phone Number = 715-234-5555