

**Fitzgerald (A)**

This exercise explores the health insurance tax benefit for a retired Public Safety Officer (PSO); working with a brokerage statement; capital loss carryforward; student loan interest adjustment: state refund taxability determination; potential benefit of sales tax in lieu of state tax (in applicable states); and gambling losses as an itemized deduction.

The taxpayer is a widowed senior whose husband died 2006. She receives a pension as a retired Deputy Sheriff. Neither she nor her husband were eligible for Social Security benefits. She has a brokerage account statement and a capital loss carryover. She did not itemize the previous year, but had high dental bills this past year. An itemized deduction worksheet (<https://ta-nttc.tiny.us/Itemized-Deductions-WS>) was completed by the taxpayer.

Rosalina Fitzgerald SSN: 626-00-XXXX BDATE: 11/10/1953 ADDR: 1510 Raupp Blvd  
PH: 826-459-5555

- She received a state tax refund of \$420 last year (is this taxable income?)<sup>7</sup>
- Carryover long term capital loss of \$68,425
- Use zip code 60062 (Northbrook IL) for sales tax calculation
- She won \$985 playing slots at the casino; has gambling losses of \$1325
- Health insurance premiums \$4,200; dental bills \$9,200; co-pays: \$478; prescriptions \$945
- Property tax \$6,800; charity cash contributions: \$7,645



<sup>7</sup> Review State and Local Refund Worksheet and Public Safety Officer exclusion for insurance premiums in NTTC 4012

<input type="checkbox"/> CORRECTED (if checked)																	
PAYER'S name, street address, city or town, state or province country, ZIP or foreign postal code and phone no.  COMPROLLER JACKSON COUNTY 13 GOVERNMENT PLACE JACKSONVILLE, FL 32211			1 Gross distribution \$28,501.00		OMB No. 1545-0119  <b>20XX</b> Form <b>1099-R</b>	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.  <b>Copy B</b>  Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.  This information is being furnished to the IRS											
			2a Taxable amount \$25,930.00														
PAYER'S TIN 16-851XXXX			RECIPIENT'S TIN 626-00-XXXX		3 Capital gain (included in box 2a).		4 Federal income tax withheld \$500.00										
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code  ROSALINA FITZGERALD 1510 RAUPP BLVD YC, YS YZIP			5 Employee contributions/ Designated Roth contributions or insurance premiums		6 Net unrealized appreciation in employer's securities		7 Distribution Code(s) 7		IRA/ SEP/ SIMPLE <input type="checkbox"/>		8 Other %						
10 Amount allocable to IRR within 5 years			11 1st year of desig. Roth contrib.		12 FATCA filing requirement <input type="checkbox"/>		14 State tax withheld \$895.00		15 State/Payer's state no. YS 16851XXX		16 State distribution \$25,930.00						
Account number (see instructions)			13 Date of payment		17 Local tax withheld		18 Name of locality		19 Local distribution								
Form <b>1099-R</b> (keep for your records)						www.irs.gov/Form1099R						Department of the Treasury - Internal Revenue Service					

AGI: \$22,930

<input type="checkbox"/> CORRECTED (if checked)																	
PAYER'S name, street address, city or town, state or province country, ZIP or foreign postal code and phone no.  LINCOLN INVESTMENT SERVICES 197 ESSEX AVE JACKSONVILLE, FL 32209			1 Gross distribution \$23,000.00		OMB No. 1545-0119  <b>20XX</b> Form <b>1099-R</b>	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.  <b>Copy B</b>  Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.  This information is being furnished to the IRS											
			2a Taxable amount \$23,000.00														
PAYER'S TIN 89-666XXXX			RECIPIENT'S TIN 626-00-XXXX		3 Capital gain (included in box 2a).		4 Federal income tax withheld										
RECIPIENT'S name Street address (including apt.no.) City or town, state or province, country, ZIP or foreign postal code  ROSALINA FITZGERALD 1510 RAUPP BLVD YC, YS YZIP			5 Employee contributions/ Designated Roth contributions or insurance premiums		6 Net unrealized appreciation in employer's securities		7 Distribution Code(s) 7		IRA/ SEP/ SIMPLE <input checked="" type="checkbox"/>		8 Other %						
10 Amount allocable to IRR within 5 years			11 1st year of desig. Roth contrib.		12 FATCA filing requirement <input type="checkbox"/>		14 State tax withheld		15 State/Payer's state no. YS 89666XXXX		16 State distribution \$23,000.00						
Account number (see instructions)			13 Date of payment		17 Local tax withheld		18 Name of locality		19 Local distribution								
Form <b>1099-R</b> (keep for your records)						www.irs.gov/Form1099R						Department of the Treasury - Internal Revenue Service					

AGI: \$45,930

<input type="checkbox"/> CORRECTED (if checked)		OMB No 1545-0238	
PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code  <b>CARNIVAL CORPORATION</b> 3655 NW 87 AVE MIAMI, FL 33178		1. Reportable winnings <b>\$985.00</b>	2. Date won <b>02/16/20XX</b>
		3. Type of wager <b>SLOT MACH</b>	4. Federal income tax withheld <b>\$99.00</b>
		5. Transaction	6. Race
		7. Winnings from identical wagers	8. Cashier <b>JT</b>
PAYER'S TIN <b>59-1562976</b>	PAYER'S Telephone number	9. WINNER'S TIN <b>626-00-XXXX</b>	10. Window
WINNER'S name Street address (including apt. no.) City or town, state or province, country, and ZIP or foreign postal code  <b>ROSALINA FITZGERALD</b> 1510 RAUPP BLVD YC YS YZIP		11. First identification no. <b>202576893</b>	12. Second identification no.
		13. State/Payer's state identification no. <b>YS 591562976</b>	14. State Winnings <b>\$985.00</b>
		15. State income tax withheld	16. Local Winnings
		17. Local income tax withheld	18. Name of locality
Under penalty of perjury, I declare that, to the best of my knowledge and belief, the name, address, taxpayer identification number that I furnished correctly identify me as the recipient of this payment and any payment from identical wagers, and no other person is entitled to any part of these payments.			
Signature:		Date:	
Form <b>W-2G</b>			

AGI \$46,915

<input type="checkbox"/> CORRECTED (if checked)		OMB. 1545-1576	
RECIPIENT'S/LENDER'S name Street address City or town, state or province, country, ZIP or Foreign Postal Code Telephone number  <b>NORVEST</b> <b>5 CIRCLE</b> <b>CITY STATE ZIP</b>		<b>20XX</b>  Form 1098-E	
		<b>Student Loan Interest Statement</b>	
RECIPIENT'S federal identification no. <b>42-987789X</b>	BORROWER'S social security number <b>626-00-XXXX</b>	1 Student loan interest received by lender <b>\$487.00</b>	
BORROWER'S name Street address (including apt. no.) City or town, state or province, country, ZIP or Foreign Postal Code  <b>ROSALINA FITZGERALD</b> 1510 RAUPP BLVD YC YS YZIP		<b>Copy B For Borrower</b>  This important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if the IRS determines that an underpayment of tax results because you overstated a deduction for student loan interest.	
Account number (see instructions)			
Form <b>1098-E</b>			

AGI: \$46,428

After you finish entering all information for the tax return, go to E-file to complete the return. Use today's date for the debit date.

ALPINE BROKERAGE LLC  
 2715 Alpine Lane  
 Boston, MA 02110  
 Account No. 111-227  
 Payer's TIN: 95-7XXXXXXX

**20XX  
 TAX INFORMATION SUMMARY**

TAX REPORTING STATEMENT  
 Rosalina Fitzgerald  
 1510 Raupp Blvd  
 YC YS YZIP  
 626-00-XXXX

<b>Form 1099-DIV</b>		<b>20XX Dividends and Distributions</b>		<b>Copy B for Recipient</b>	
1a	Total Ordinary Dividends	5,859.66	6	Investment Expenses	850.00
1b	Qualified Dividends	3,987.43	7	Foreign Tax Paid	34.89
2a	Total Capital Gain Distributions	2,353.97	8	Foreign Country or US Possession	VARIOUS
2b	Unrecaptured Sec 1250 Gain	0.00	9	Cash Liquidation Distributions	
2c	Section 1202 Gain	0.00	10	Noncash Liquidation Distributions	0.00
2d	Collectibles (28%) Gain	0.00	12	Exempt-Interest Dividends	507.78
2e	Section 897 Ordinary Dividends	0.00	13	Specified Private Activity Bond Interest Dividends	0.00
2f	Section 897 Capital Gains	0.00	14	State	YS
3	Nondividend Distributions	56.00	15	State Identification Number	
4	Federal Income Tax Withheld	1,600.00	16	State Tax Withheld	0.00
5	Section 199A Dividends	654.85			
<b>Form 1099-INT</b>		<b>20XX Interest Income</b>		<b>Copy B for Recipient</b>	
1	Interest Income	658.00	9	Specified Private Activity Bond Interest	0.00
2	Early Withdrawal Penalty	0.00	10	Market Discount	0.00
3	Interest on US Savings Bonds and Treasury Obligations	456.93	11	Bond Premium	223.67
4	Federal Income Tax Withheld	0.00	12	Bond Premium on US Treasury Obligations	0.00
5	Investment Expenses	0.00	13	Bond Premium on Tax-Exempt Bond	0.00
6	Foreign Tax Paid	0.00	15	State	YS
7	Foreign Country or US Possession		16	State Identification No	XXXXX
8	Tax-Exempt Interest	87.95	17	State Tax Withheld	0.00

ALPINE BROKERAGE LLC 2715 Alpine Lane Boston, MA 02110 Account No. 111-227 Payer's TIN: 95-7XXXXXXX	<b>20XX TAX INFORMATION SUMMARY</b>			TAX REPORTING STATEMENT Rosalina Fitzgerald 1510 Raupp Blvd YC YS YZIP 626-00-XXXX		
<b>Summary of 20XX Proceeds from Broker and Barter Exchange Transactions</b>						
1099-B Type	Total Proceeds	Total Cost Basis	Total Market Discount	Total Wash Sales	Realized Gain/Loss	Federal Income Tax Withheld
A Short-term transactions for which basis is reported to the IRS	17,749.50	13,932.50			3,817.00	
B Short-term transactions for which basis is not reported to the IRS						
D Long-term transactions for which basis is reported to the IRS	8,089.35	5,194.75			2,894.60	
E Long-term transactions for which basis is not reported to the IRS						
Transactions for which Term is Unknown (C or F)						
<b>Totals</b>	<b>25,838.85</b>	<b>19,127.25</b>			<b>6,711.60</b>	

Enter Interest and Dividends<sup>8</sup>

AGI after Interest and Dividends: \$55,533

Enter 1099-B and the carryover Long Term Capital Loss. If needed, use 9/1/2025 for Date Sold.

AGI after sales and capital losses: \$50,179

<sup>8</sup> Your instructor will teach you how U.S. bonds, Exempt Interest Dividends, and Tax-Exempt interest are handled in your state

### 2024 Itemized Deductions (Sch A) Worksheet (fillable)

I donated a vehicle worth more than \$500       I made more than \$5,000 of noncash donations  
 I paid interest on borrowings for investments       I repaid income (taxed in prior year) over \$3,000

**If you checked any of the above, please stop here and speak with one of our Counselors.**

If none is checked: enter your totals below for each exp  
 Please ask if you are unsure or have any questions.

**\*\* Use zip code 60062 Northbrook, IL for sales tax calculator**

Your name: ROSALINA FITZGERALD

<b>MEDICAL EXPENSES</b> you paid for yourself or your dependent that were not reimbursed	
Insurance* (specify)	\$
PREMIUMS	\$ 4200
	\$
	\$
*Not paid pre-tax from paycheck for health, dental, vision, long-term care. Provide Form 1095-A from Marketplace if received.	
Doctors, dentist, etc.	\$ 9678
Hospital, medically needed care facility, etc.	\$
Prescriptions (even if filled with over the counter meds)	\$ 945
Medical aids (canes, glasses, etc.)	\$
COVID protective items	\$
Other (specify):	\$
	\$
Parking	\$
Bus or car service	\$
Medical miles	mi.
<b>CHARITY</b> (you need to keep evidence of each; if \$250 or more, must be in writing from charity)	
Cash contributions (total)	\$ 7645
Other than cash, specify name of charity (provide thrift store value) (no appreciated items)	\$
	\$
	\$
Charitable miles	mi.

<b>STATE/LOCAL TAXES</b>	
State/local income tax paid (other than through withholding)	\$
Sales tax on car or home improvement purchases	\$
Real estate taxes (not service fees like garbage or sewer)	\$ 6800
Personal property (e.g. tax portion of car registration)	\$
Other taxes paid (specify):	\$
	\$
<b>INTEREST</b>	
Home mortgage interest	
- on main home	\$
- on second loan or home	\$
Loan balance owed at Jan 1 or date acquired (Form 1098):	\$
Amount of loan used to buy, build, or improve home, if less than the full amount	\$
Mortgage insurance required by lender	\$
Year loan originated	Yr:
Other (specify):	\$
<b>OTHER:</b>	
Gambling losses/expenses	\$ 1325
Investment expenses (for state)	\$
Other (specify):	\$

Enter Itemized Deductions. Your answers may not match due to different general sales tax amounts.

AGI: \$50,179