



Personal Finance Virtual Learning

11th and 12th/ Lesson: Teens and Taxes



Lesson: 5/12/2020

Students will be able to:

- **Explain why so few teenagers file taxes**
- **Identify common misconceptions about taxes and state the correct facts**
- **Identify what types of income are taxed**
- **Analyze a number of scenarios to determine who can be claimed as a dependent and if they need to file a tax return**

Question Starter:

How do Gen Z tax filers choose to file their taxes?

What is a W-4?

If you've worked somewhere and received a paycheck with tax deductions, you would have first filled out a W-4. The employer usually has you come in a day or more before your first day of work to fill it out along with other paperwork such as your direct deposit information. Most can remember that day vividly because it was the day you were more than likely inundated with loads of paperwork!!



Form W-4, "Employee's Withholding Certificate," tells your employer about your tax filing status and whether you have multiple jobs, dependents, non-job income (such as interest, dividends, retirement income), deductions, or extra amounts that you want to have withheld with each pay period.

Reference: [TheBalance.com What Forms Do I Need to File My Taxes?](https://www.thebalance.com/what-forms-do-i-need-to-file-my-taxes-2329282)

Click on activity Teens and Taxes and complete sections: 1-5

Exit Ticket and answer to Question Starter:

1. Complete the following sentence: How *much* you pay in taxes depends on _____.
2. True or False: You do not need to pay taxes if you earn income in cash.
3. What is the benefit of filing a tax return even if you didn't make enough money?

-Question Starter answer on next slide

Answer: According to Internal Revenue Service (IRS) for the 2018 tax year:

\$2,869:

Reference: [bankrate.com](https://www.bankrate.com)