

Money Math: Lessons for Life**Taxes****DON'T "fill in the blanks"! Find the TOTAL ANNUAL (yearly) INCOME.**

Family 1:

Family Member	Profession	Full/Part Time	Wage	Hours/Week
Dad	Truck Driver		\$780.00/week	
Mother	Seamstress	Part Time	\$12.00/hour	10 hrs/week
Son (19 yrs)	Gas Station Clerk	Part Time	\$8.50/hour	20 hrs/week
Daughter (17 yrs)	Ice Cream Store Clerk	Part Time	\$6.80/hour	12 hrs/week
Additional Information: Investment Dividend \$25.00 every three months				

What is the Total Yearly Income for Family 1? _____

Family 2:

Family Member	Profession	Full/Part Time	Wage	Hours/Week
Dad	Store Manager		\$615.00/week	
Mother	Writer		\$150.00/week	
Son (9 yrs)	Odd jobs		\$7.00/week	
Son (7 yrs)	No income			
Daughter (4 yrs)	No Income			
Daughter (1 yr)	No Income			
Additional Information: 6% interest on \$5,000 Savings account				

What is the Total Yearly Income for Family 2? _____

Family 3:

Family Member	Profession	Full/Part Time	Wage	Hours/Week
Mother	Lawyer		\$1875/week	
Son (21 yrs)	Mechanic		\$392/week	
Daughter (16 yrs)	Secretary	Part Time	\$7.85/hr	20 hrs/week
Daughter (8 yrs)	No Income			
Additional Information: Annual 7.5% interest from \$50,000 insurance policy				

What is the Total Yearly Income for Family 3? _____

1. What taxes do people pay? List some.
2. Look at the wage statement below. Go back and calculate what each family pays in taxes a year. Did you include all the taxes you figured out above?

b Employer identification number (EIN) 46-0997139			1 Wages, tips, other compensation 39,027		2 Federal income tax withheld 5,292		
c Employer's name, address, and ZIP code L & R Tax Preparation LLC 342 North Scott Suite D Belton MO 64012			3 Social security wages 40,254		4 Social security tax withheld 1,691		
			5 Medicare wages and tips 40,254		6 Medicare tax withheld 584		
			7 Social security tips 		8 Allocated tips 		
d Control number 			9		10 Dependent care benefits 		
e Employee's first name and initial Billy H			11 Nonqualified plans 		12a See instructions for box 12 DD 2,742		
Does			13 Statutory employee <input type="checkbox"/> Retmit. plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b D 1,227		
6101 N American Belton MO 64012			14 Other KCSR 235		12c 12d		
f Employee's address and ZIP code 							
15 State Employer's state ID number MO 21669783		16 State wages, tips, etc. 39,027		17 State income tax 1,597		18 Local wages, tips, etc. 40,254	
State Information				19 Local income tax 403		20 Locality name KC	
				City Information			