



Payments

Payments	25	Federal income tax withheld from:		
	a	Form(s) W-2	25a	
	b	Form(s) 1099	25b	
	c	Other forms (see instructions)	25c	
	d	Add lines 25a through 25c		25d
If you have a qualifying child, attach Sch. EIC.	26	2024 estimated tax payments and amount applied from 2023 return		26
	27	Earned income credit (EIC)	27	
	28	Additional child tax credit from Schedule 8812	28	
	29	American opportunity credit from Form 8863, line 8	29	
	30	Reserved for future use	30	
	31	Amount from Schedule 3, line 15	31	
	32	Add lines 27, 28, 29, and 31. These are your total other payments and refundable credits		32
	33	Add lines 25d, 26, and 32. These are your total payments		33



About Payments

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



Objectives – Payments

- Identify the following types of payments and credits that are applicable for most low- and moderate-income taxpayers:
 - Federal income tax withheld, from Forms W-2 and Forms 1099
 - Estimated tax payments and amounts applied from the prior year's return
 - Amount paid with a request for an extension to file
 - Excess Social Security and tier 1 RRTA tax withheld
- Report these payments and credits correctly on the taxpayer's return
- Time Required: 30 minutes

Topics



- Federal Income Tax Withheld
- Estimated Tax Payments
- Amounts Applied From Previous Year
- Payments and Extensions
- Excess Social Security and Tier 1 RRTA



Key Terms

Definitions are always available in the L< online Glossary.

- Refundable Credit
- RRTA
- Withholding Tax

Federal Income Tax Withheld

- The total federal income tax withheld is entered in the Payments section of Form 1040
- Use interview techniques and Form 13614-C to determine the payments and credits to report
- Review [Pub 4012](#), Tab H, Other Taxes, Payments and ACA
- See [Pub 505](#), Tax Withholding and Estimated Tax, for more information

<input type="checkbox"/> CORRECTED (if checked)		Dividends and Distributions	
State or province, country, ZIP	1a Total ordinary dividends	OMB No. 1545-0110	Form 1099-DIV (Rev. January 2014) For calendar year _____
	\$		
	1b Qualified dividends		
\$			
1c Total capital gain distr.	2b Unrecap. Sec. 1250 gain		Copy B For Recipient This is 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 this income is taxable and the IRS determines that it has not been reported.
\$	\$		
2 Section 1202 gain	2d Collectibles (pink) gain	\$	
\$	\$		
3 Section 807 ordinary dividends	2f Section 807 capital gain	\$	
\$	\$		
4 Nondividend distributions	4 Federal income tax withheld	\$	
5 Section 1291(a) dividends	6 Investment expenses	\$	
\$	\$		
6 Foreign tax paid	6 Foreign country or U.S. possession		
7 Cash liquidation distributions	10 Noncash liquidation distributions	\$	
\$	\$		
8 Exempt interest dividends	13 Specified private activity bond interest dividends	\$	
\$	\$		
9 State	15 State income tax	16 State tax withheld	
\$	\$	\$	
\$	\$	\$	

Visit the IRS website at www.irs.gov/efile

Federal income tax withheld

State income tax withheld


Medicare tax withheld

Allocated SPS

Dependent care benefits

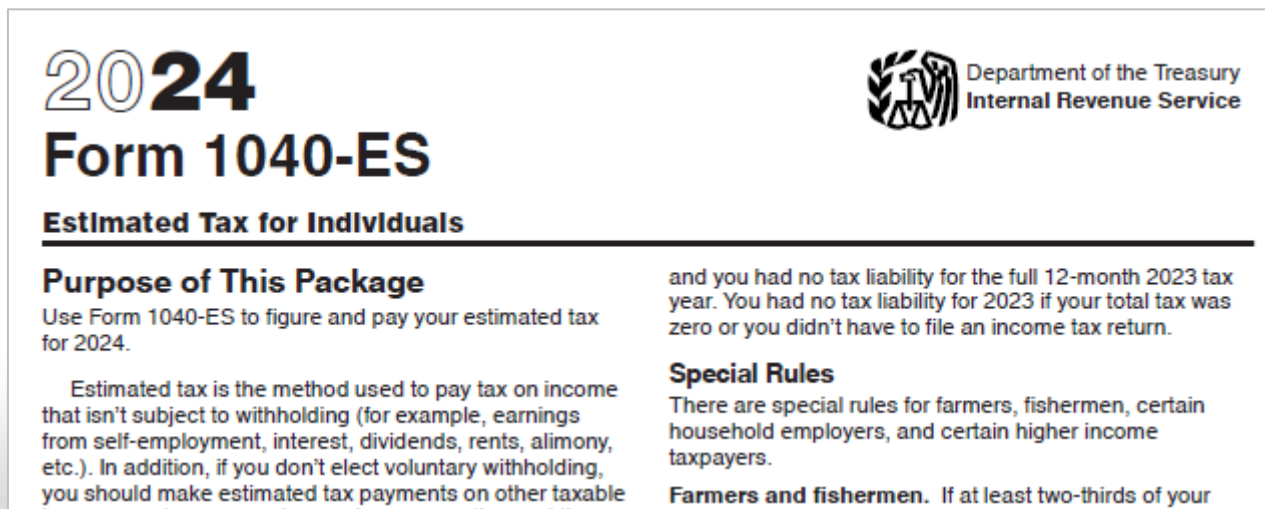
See instructions for box 12

www.irs.gov/Form1099DIV Department of the Treasury - Internal Revenue Service

a Employee's social security number		Safe, accurate, FAST! Use  Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN)		1 Wages, tips, other compensation	2 Federal income tax withheld
c Employer's name, address, and ZIP code		3 Social security wages	4 Social security tax withheld
		5 Medicare wages and tips	6 Medicare tax withheld
		7 Social security tips	8 Allocated tips
d Control number		9	10 Dependent care benefits
e Employee's first name and initial Last name Suff.		11 Nonqualified plans	12a See instructions for box 12
		13 <input type="checkbox"/> <small>Shareholder-employee</small> <input type="checkbox"/> <small>Partner</small> <input type="checkbox"/> <small>Trust party</small>	12b
		14 Other	12c
			12d
f Employer's address and ZIP code			
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.
			19 Local income tax
			20 Locally taxed

Estimated Tax Payments

- Estimated tax includes income tax and self-employment tax
- If estimated payments are not paid when required, or amounts are insufficient, a penalty could be imposed
- From Form 13614-C and interview, determine if taxpayers paid estimated tax; if yes, ask to see the taxpayer's Form 1040-ES
- For more information about estimated taxes, refer to [Publication 505](#), Tax Withholding and Estimated Tax and [Form 1040-ES](#), Estimated Tax for Individuals



2024
Form 1040-ES
Estimated Tax for Individuals

Purpose of This Package
Use Form 1040-ES to figure and pay your estimated tax for 2024.

Estimated tax is the method used to pay tax on income that isn't subject to withholding (for example, earnings from self-employment, interest, dividends, rents, alimony, etc.). In addition, if you don't elect voluntary withholding, you should make estimated tax payments on other taxable income, such as unemployment compensation and the

and you had no tax liability for the full 12-month 2023 tax year. You had no tax liability for 2023 if your total tax was zero or you didn't have to file an income tax return.

Special Rules
There are special rules for farmers, fishermen, certain household employers, and certain higher income taxpayers.

Farmers and fishermen. If at least two-thirds of your

Department of the Treasury
Internal Revenue Service

Amounts Applied from Previous Year

- Taxpayers who overpay income taxes for one tax year can apply all or part of their refund to next year's tax
- From Form 13614-C and interview, determine if taxpayers overpaid income tax last year and if they applied any part of it to this tax year; if yes, ask to see the last year's return to verify the amount
- Add the amount to the estimated tax payments and enter the total on Form 1040

<input type="checkbox"/> (A) Have a tax credit disallowed (example: earned income credit, child tax credit, or American opportunity credit)	<input type="checkbox"/> (A) 1099-A
<input type="checkbox"/> Have a loss related to a declared federal disaster area	<input type="checkbox"/> Disaster relief impacts return
<input type="checkbox"/> (B) Have a tax credit disallowed (example: earned income credit, child tax credit, or American opportunity credit)	<input type="checkbox"/> (B) EITC, CTC, AOTC or HOH disallowed in a previous year
<input type="checkbox"/> Receive any letter or bill from the IRS	<input type="checkbox"/> Year disallowed
<input type="checkbox"/> (B) Make estimated tax payments or apply last year's refund to 2024 taxes	<input type="checkbox"/> Reason
<input type="checkbox"/> Additional information you think we should know	<input type="checkbox"/> Eligible for Low Income Taxpayer Clinic referral
	<input type="checkbox"/> Estimated tax payments
	<input type="checkbox"/> Last year's refund applied to this year
	<input type="checkbox"/> Last year's return available
	<input type="checkbox"/> Additional information for accurate tax preparation

Catalog Number 52121E www.irs.gov Form **13614-C** (Rev. 10-2024)

Payments and Extensions

- [Form 4868](#), Application for Automatic Extension of Time To File U.S. Individual Income Tax Return, extends the time to file until Oct. 15
- An extension must be filed electronically or on paper by the due date of the return
- If taxes due are not paid by April 15, taxpayers may owe interest and penalties
- Review [Pub 4012](#), Tab M, Other Returns, Filing for an Extension

Form 4868		Application for Automatic Extension of Time To File U.S. Individual Income Tax Return		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		For calendar year 2024, or other tax year beginning , 2024, and ending , 20		
Part I Identification		Part II Individual Income Tax		
1 Your name(s) (see instructions)		4 Estimate of total tax liability for 2024 . . . \$		
Address (see instructions)		5 Total 2024 payments		
City, town, or post office		6 Balance due. Subtract line 5 from line 4. See instructions		
State		7 Amount you're paying (see instructions)		
ZIP code		8 Check here if you're "out of the country" and a U.S. citizen or resident. See instructions <input type="checkbox"/>		
2 Your social security number	3 Spouse's social security number	9 Check here if you file Form 1040-NR and didn't receive wages as an employee subject to U.S. income tax withholding <input type="checkbox"/>		
For Privacy Act and Paperwork Reduction Act Notice, see page 4.		Cat. No. 13141W Form 4868 (2024)		

Excess Social Security and Tier 1 RRTA

- A taxpayer with more than one employer may have a combined income over the amount for the Social Security wage base, resulting in overpayment of Social Security tax
- The excess amount is entered on Form 1040, Schedule 3, and is a refundable credit
- TaxSlayer computes excess Social Security taxes automatically based on entries from Forms W-2

8 Add lines 1 through 4, 5a, 5b, and 7. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 20 8

Part II Other Payments and Refundable Credits	
9 Net premium tax credit. Attach Form 8962	9
10 Amount paid with request for extension to file (see instructions)	10
11 Excess social security and tier 1 RRTA tax withheld	11
12 Credit for federal tax on fuels. Attach Form 4136	12
13 Other payments or refundable credits:	
a Form 2439	13a
b Section 1341 credit for repayment of amounts included in income from earlier years	13b
c Net elective payment election amount from Form 3800, Part III, line 6, column (j)	13c
d Deferred amount of net 965 tax liability (see instructions)	13d
z Other refundable credits (see instructions): _____	13z
14 Total other payments or refundable credits. Add lines 13a through 13z	14
15 Add lines 9 through 12 and 14. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 31	15

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 71480G Schedule 3 (Form 1040) 2024



Out of Scope for this Lesson:

- Taxpayers who claim any of these credits:
 - Form 4136, Credit for Federal Tax Paid on Fuels
 - Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains
 - Form 8839, Qualified Adoption Expenses
 - Form 8885, Health Coverage Tax Credit



Summary

This lesson covered:

- How to identify the types of payments and refundable credits that should be entered in the Payments section of the return
- How to handle estimated tax payments and overpayment amounts applied from the prior year's return