

U.S. Standards Alignment

Tax Simulation:
Understanding Taxes™A guided  INTUIT
turbotax experience for students

CORE SIMULATION: Filing Your Taxes

LEARNING OBJECTIVES

Students will be able to...

- Understand the importance of filing taxes.
- Explain the difference between deductions and credits.
- Understand the steps and requirements for preparing taxes.

STANDARDS ADDRESSED

STANDARDS

Jump\$tart National Standards in K-12 Personal Finance Education (2021)

- Earning Income 12-6c. Describe the benefits they receive, or may receive in the future, from government-collected tax revenue.
- Earning Income 12-7c. Differentiate between gross, net, and taxable income.
- Earning Income 12-9b. Explain the difference between a tax credit and a tax deduction.

Jump\$tart National Standards in K-12 Personal Finance Education (2017)

- Employment and Income 12.c. Social Security and Medicare are examples of government programs that provide insurance against loss of income and benefits to eligible recipients.
- Employment and Income 12.c. Differentiate between gross, net, and taxable income.
- Employment and Income 12.d. Complete IRS Form 1040EZ, Form 1040 and applicable state income tax forms.

Council for Economic Education (CEE) Voluntary National Content Standards in Economics

- Standard 16 Role of Government and Market Failure 12.10 (Application). Analyze the following situation: A government has to raise \$100 billion in revenues. It can do so through a sales tax or a progressive income tax. Explain the effect of each tax on a low-income and a high-income family.

Council for Economic Education (CEE)
National Standards for Financial
Literacy

- Earning Income 12.7 (Knowledge). Taxes are paid to federal, state, and local governments to fund government goods and services and transfer payments from government to individuals. The major types of taxes are income taxes, payroll (Social Security) taxes, property taxes, and sales taxes.
- Earning Income 12.7 (Application). Calculate the amount of taxes a person is likely to pay when given information or data about the person's sources of income and amount of spending.
- Earning Income 12.8 (Knowledge). People's sources of income, amount of income, as well as the amount and type of spending affect the types and amounts of taxes paid.

Center for Civic Education 9–12
National Standards for Civics and
Government

- Standard III.B.3. Financing government through taxation.
- Identify major sources of revenue for the national government, e.g., individual income taxes, social insurance receipts (Social Security and Medicare), borrowing, taxes on corporations and businesses, estate and excise taxes.
- Identify major uses of tax revenues received by the national government, e.g., direct payment to individuals. (Social Security, Medicaid, Medicare, Aid to Families with Dependent Children), interstate highways, national defense, interest on the federal debt, national parks.
- Evaluate the equity of various kinds of taxes.

OPTIONAL SIMULATION: Tax Credits for Families

LEARNING OBJECTIVES

Students will be able to...

- Understand the purpose of the Earned Income Tax Credit (EITC).
- Identify who is a dependent based on IRS criteria.
- Explain the benefits of the EITC.

STANDARDS ADDRESSED

STANDARDS

Jump\$tart National Standards in K–
12 Personal Finance Education (2021)

- Earning Income 12-9b. Explain the difference between a tax credit and a tax deduction.
- Earning Income 12-9c. Identify several examples of tax credits, determining whether they are refundable or non-refundable, and the groups of people who benefit most from each type.

Jump\$tart National Standards in K–
12 Personal Finance Education (2017)

- Spending and Savings 12.b. Certain expenses, such as home loan interest and charitable donations, might be tax deductible.
- Spending and Savings 12.d. Investigate the records required to claim possible tax credits.
- Employment and Income 12.d. Deductions, exemptions and tax credits reduce tax liability.

OPTIONAL SIMULATION: Taxes for Gig Workers

LEARNING OBJECTIVES

Students will be able to...

- Define gig economy.
- Identify differences between contract work income and full employment income.
- Explain the need for self-employed workers to pay taxes quarterly.

STANDARDS ADDRESSED

STANDARDS

Jump\$tart National Standards in K-12 Personal Finance Education (2021)

- Earning Income 12-7d. Explain why some income is reported on an IRS Form W-2 and some is reported on an IRS Form 1099, and how that could affect their taxes.
- Earning Income 12-9b. Explain the difference between a tax credit and a tax deduction.
- Earning Income 12-11a. Evaluate the benefits and costs of gig employment, such as driving for a cab or delivery service.

Jump\$tart National Standards in K-12 Personal Finance Education (2017)

- Spending and Savings 12.b. Certain expenses, such as home loan interest and charitable donations, might be tax deductible.
- Spending and Savings 12.b. Differentiate between an expense that is tax deductible and one that is not.
- Spending and Savings 12.c. Devise a system to retain evidence of tax-deductible expenditures.
- Employment and Income 12.d. Deductions, exemptions and tax credits reduce tax liability.
- Financial Decision Making 12d. Justify reasons to consult with a tax advisor or financial planner.

OPTIONAL SIMULATION: Taxes for Students

LEARNING OBJECTIVES

Students will be able to...

- Explain the purpose of the 1098-T form.
- Identify education expenses that can be claimed on taxes.
- Explain who can claim education tax deductions.

STANDARDS ADDRESSED

STANDARDS

Jump\$tart National Standards in K-12 Personal Finance Education (2021)

- Earning Income 12-9b. Explain the difference between a tax credit and a tax deduction.
- Earning Income 12-9c. Identify several examples of tax credits, determining whether they are refundable or non-refundable, and the groups of people who benefit most from each type.

Jump\$tart National Standards in K-12 Personal Finance Education (2017)

Spending and Savings

- 12.b. Certain expenses, such as home loan interest and charitable donations, might be tax deductible.
- 12.b. Differentiate between an expense that is tax deductible and one that is not.
- 12.c. Devise a system to retain evidence of tax-deductible expenditures.
- 12.d. Investigate the records required to claim possible tax credits.

Employment and Income

- 12.d. Deductions, exemptions and tax credits reduce tax liability.

OPTIONAL SIMULATION: Taxes for Investments and Cryptocurrency

LEARNING OBJECTIVES

Students will be able to...

- Identify sources of income that need to be declared to the IRS.
- Explain the purpose of the 1099-INT form.
- Explain how cryptocurrency is reported to the IRS.

STANDARDS ADDRESSED

STANDARDS

Jump\$tart National Standards in K-12 Personal Finance Education (2021)

- Earning Income 12-8b. Compare the tax rates assessed on earned income, interest income, and capital gains income.
- Investing 12-2a. Describe the different types of annual cash flows that can be received by investors.

Jump\$tart National Standards in K-12 Personal Finance Education (2017)

- Investing 12.f. Tax-exempt and tax deferred investments may be important for increasing an investor's total return over time.