

# ***The Tax Review* Income, Deductions, and Credits**

## **Learning Objectives / Table of Contents**

---

### **Chapter**

#### **1 Dependents, Filing Status, and Credits**

- 1-A** Identify the requirements for an individual to be considered a dependent.
- 1-B** Determine eligibility to claim Head of Household filing status.
- 1-C** Determine eligibility to claim Qualifying Widow(er) filing status.
- 1-D** Recognize a qualifying child for the Earned Income Credit (EIC).
- 1-E** Identify a qualifying child for the Child Tax Credit.

#### **2 Itemized Deductions**

- 2-A** Identify deductible medical expenses.
- 2-B** Identify allowable deductions for state and local taxes.
- 2-C** Determine the tax effects of gambling winnings and losses.
- 2-D** Recognize job expenses that are deductible as miscellaneous itemized deductions.
- 2-E** Recognize education expenses that are deductible as miscellaneous itemized deductions.

#### **3 Education Expenses**

- 3-A** Choose the most beneficial option for claiming education expenses.
- 3-B** Determine the taxability of distributions from education savings programs.
- 3-C** Determine what savings bond interest can be excluded from income for education expenses.
- 3-D** Determine the qualifications to claim the student loan interest deduction.
- 3-E** Use Form 1098-T, *Tuition Statement*, to compute eligible expenses for education credits or deductions.

#### **4 Investment Income and Sale of Home**

- 4-A** Recognize the effect of Kiddie Tax rules on reporting a child's investment income.
- 4-B** Classify interest as ordinary, tax-exempt, or obligations of the U.S. government.
- 4-C** Classify dividends as qualified, not qualified, or return of cost.
- 4-D** Compute the exclusion of gain on the sale of a principal residence.
- 4-E** Recognize reporting requirements for the sale of a principal residence.