



**Other Information:**

* The Caldwells paid $2,100 a month for rent
* The Caldwells wish to have their refund or balance due treated the same way for Federal and NJ.
* The Caldwells do not wish to contribute to either the presidential or gubernatorial election funds
* Last year, the Caldwells had a balance of $5 due on her NJ return which they paid.
* The Caldwell purchased a TV in Delaware where there is no sales tax and brought it back to NJ. The cost was $500.



Supplemental information that accompanied this W-2 shows the following payroll deductions-

**$1500 for Sec125 health insurance payments**

**$ 300 for Sec125 life insurance premiums**





The supplemental information provided states that the tax-exempt interest came from the following sources:

New Jersey Turnpike Bond $200

California Freeway Bonds $800

Arizona Build The Wall Bonds $1,000



The exempt interest dividends on line 11 of the 1099-DIV is:

* $50.16 from Dreyfuss NJ Tax-Exempt Fund
* $150 from Fidelity Municipal Tax-Exempt Fund
* The following table was provided by Ray which he obtained from ACE Financial Corp.

|  |  |  |
| --- | --- | --- |
|  | Dreyfus New Jersey Tax-Exempt Fund | Fidelity Municipal Tax-Exempt Fund |
| Puerto Rico Recovery Bonds | 5% | 9% |
| Federal Treasury Bonds | 4% | 1% |
| New York Thruway Bonds | 8% | 40% |
| New Jersey Turnpike Bonds | 81% | 45% |
| Misc | 2% | 5% |

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Interview Notes: Ray provided the following details about these college expenses-

Tuition and Fees $10200 (as per Box 1 of the 1098-T)

Room and Board $3300

Athletic Fee (voluntary) $100

Books Purchased Online $275

**Interview Notes:**

Mallory supplements the family income as a costumed story teller. She visits a local daycare center twice a month and performs at children’s parties. She maintains meticulous income and expense records.



 Mallory Caldwell –Summary of income and expenses:

Income: ABC Daycare: $2,400.00

 Children’s parties (paid in cash): $5,500.00

Expenses: License/Fees: $190.00

 Liability Insurance: $315.00

 Costumes: $1,389.97

 Candy/prizes: $278.46

 Books: $261.17

 Advertising: $200.00

Mileage: Commuting – 1,367, Business – 340, Other – 10,562
Her car is a 2010 Toyota was placed in service 3/23/2014. She did have a second car available to her and the Toyota was available for personal use. She has a written record of all her mileage.

Mallory made a federal estimated tax payment of $700.00 on June 11.
She also paid $100 estimated tax to New Jersey on June 11.