



**FEDERAL INCOME TAX**

**ACCOUNTING**

(140)

**REGIONAL 2022**

**CONCEPT KNOWLEDGE:**

Multiple Choice (15 @ 2 points each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (30 points)

**APPLICATION KNOWLEDGE:**

Short Answer (5 @ 3 points each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (15 points)

Job 1: Taylor Tax Return (20 @ 3 point each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (60 points)

Job 2: Morrisey Forms (25 @ 3 points each) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (75 points)

 ***TOTAL POINTS*** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ***(180 points)***

**Test Time: 90 minutes**

**GENERAL GUIDELINES:**

*Failure to adhere to any of the following rules will result in disqualification:*

1. Member must hand in this test booklet and all printouts if any. Failure to do so will result in disqualification.
2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests (handwritten, photocopied, or keyed) are allowed in the testing area.
3. Electronic devices will be monitored according to ACT standards.

**EXAM GUIDELINES:**

You have been hired as a Financial Assistant and will be keeping the accounting records for Digital Solutions, located at 700 Morse Road, Suite 201, Columbus, Ohio 43214. Digital Solutions provides accounting and other financial services for clients. You will complete jobs for Digital Solutions’ own accounting records, as well as for clients.

You will have 90 minutes to complete your work. The test is divided into two parts: concept knowledge and application knowledge.

Your name and/or school name should *not* appear on any work you submit for grading. Write your Member ID in the provided space. Staple all pages in order before you turn in your test.

Assumptions to make when taking this assessment:

* Round all calculations at the final step.
* Round all percentages to one decimal place.
* Use 360 days for interest calculations.

**CONCEPT KNOWLEDGE**

**MULTIPLE CHOICE:** Choose the best answer or statement for each of the following questions (30 points, 2 points each)

1. **C**
2. **B**
3. **A**
4. **C**
5. **B**
6. **A**
7. **B**
8. **B**
9. **D**
10. **C**
11. **C**
12. **C**
13. **A**
14. **B**
15. **D**

**APPLICATION KNOWLEDGE**

**SHORT ANSWER:** Calculate the total tax on the following scenarios. (5 @ 3 points each)

1. **$26,213**
2. **$5,851**
3. **$8,834**
4. **$24,020**
5. **$13,333**

**JOB 1: TAYLOR TAX RETURN**

Form 1040 – What is the amount on each line listed below?

1. Line 1 120,500
2. Line 3b 1,595
3. Line 8 2,165
4. Line 9 124,260
5. Line 10a 321
6. Line 10b 300
7. Line 10c 621
8. Line 11 123,639
9. Line 12 24,800
10. Line 14 24,800
11. Line 15 98,839
12. Line 16 13,322
13. Line 19 6,000
14. Line 22 7,322
15. Line 24 7,322
16. Line 25a 6,997
17. Line 25d 6,997
18. Line 33 6,997
19. Do the clients have a refund or owe? OWE
20. How much do the clients receive or owe? 325

**JOB 2: MORRISEY FORMS**

Schedule A – What is the amount on each line listed below?

1. Line 1 15,000
2. Line 2 174,740
3. Line 3 13,106
4. Line 4 1,894
5. Line 5a 8,737
6. Line 5b 3,835
7. Line 5c 0
8. Line 5d 12,572
9. Line 5e 10,000
10. Line 7 10,000
11. Line 8a 12,155
12. Line 10 13,120
13. Line 11 2,190
14. Line 12 175
15. Line 14 2,365
16. Line 17 27,379

 Form 8863 – What is the amount on each line listed below?

1. Line 1 2,500
2. Line 2 180,000
3. Line 3 174,740
4. Line 4 5,260
5. Line 5 20,000
6. Line 6 0.263
7. Line 7 658
8. Line 8 263
9. Line 27 4,000