Social Security and Railroad Retirement Equivalent

Pub 4491 – Part 3
Pub 4012 – Page D-24, 25

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Intake and Interview

Yes	No	Unsure	Check appropriate box for each question in each section
Part III – Income – Last Year, Did You *(or Your Spouse)* Receive			
☐	☐	☐	13. (B) Social Security or Railroad Retirement Benefits? (Forms SSA-1099, RRB-1099)

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FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

2014 • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. • SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name	Box 2. Beneficiary's Social Security Number
SAMUEL J. AMBROSE	XXX-XX-5480

Box 3. Benefits Paid in 2013	Box 4. Benefits Repaid to SSA in 2013	Box 5. Net Benefits for 2013 *(Box 3 minus Box 4)*
$16,809.00	NONE	$16,809.00

DESCRIPTION OF AMOUNT IN BOX 3

Paid by check or direct deposit: $14,700.20

Medicare Part B premiums deducted from your benefits: $1,198.80

Medicare Prescription Drug Premiums (Part D) deducted from your benefits: $360.00

Total Additions: $16,809.00

Benefits for 2013: $16,809.00

DESCRIPTION OF AMOUNT IN BOX 4

NONE

Box 6. Voluntary Federal Income Tax Withheld

$550.00

Box 7. Address

SAMUEL J. AMBROSE
890 CREEK ROAD
PAOLI, PA 19301

Box 8. Claim Number *(Use this number if you need to contact SSA.)*

XXX-XX-5480A

Form **SSA-1099-SM** (1-2013) **DO NOT RETURN THIS FORM TO SSA OR IRS**

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Social Security Income in TaxWise

- Select Wkt1 from Tree
- Enter data for **both** Taxpayer and Spouse
- Check for Federal withholding
- Add Medicare payments and enter on Medicare line, it will carry automatically to Sch A

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Add SS Income

US **1040, 1040A, 1040EZ, 1040NR, and 1040NR-EZ Income Worksheet**

Name: SSN: 022-35-9880

Interest. List all interest on Schedule B, regardless of the amount.
Unemployment compensation. Fill out 1099G worksheet.

Additional Earned Income	Taxpayer	Spouse	Total
Scholarship income - no W2	0	0	0
Household employee income - no W2	0	0	0

Social Security and Railroad Tier 1 Benefits	Taxpayer	Spouse	Total
Social security received this year	16809	0	
Railroad tier 1 received this year	0	0	
Total before Medicare or Federal tax withheld	16809	0	0
Medicare Parts B, C, and D to Schedule A (only if you are not deducting this amount as self-employed health insurance)	1559	0	
Federal tax withheld	550	0	

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Lump-Sum Social Security

- **Benefits paid may include lump-sum payments for prior years**
  - **Prior year amounts will show in DESCRIPTION block of Form SSA-1099**
- **All must be included in the current return**
- **Compare whether refund/tax owed changes when all entered for current year versus allocating appropriate amounts to prior year(s)**

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FORM SSA-1099 – SOCIAL SECURITY BENEFIT STATEMENT

2013 • PART OF YOUR SOCIAL SECURITY BENEFITS SHOWN IN BOX 5 MAY BE TAXABLE INCOME. • SEE THE REVERSE FOR MORE INFORMATION.

Box 1. Name		Box 2. Beneficiary's Social Security Number
MARY BERINGER		XXX-XX-5480
Box 3. Benefits Paid in 2013	Box 4. Benefits Repaid to SSA in 2013	Box 5. Net Benefits for 2013 *(Box 3 minus Box 4)*
$24,750.00	NONE	$24,750.00

DESCRIPTION OF AMOUNT IN BOX 3

Paid by check or direct deposit: $24,750.00

Medicare Part B premiums deducted from your benefits:

Medicare Prescription Drug Premiums (Part D) deducted from your benefits:

Total Additions: $24,750.00

Benefits for 2013: $8,250.00

Benefits for 2012: $8,250.00

Benefits for 2011: $8,250.00

DESCRIPTION OF AMOUNT IN BOX 4

NONE

Sample SSA-1099 Lump-Sum Distrib

Box 6. Voluntary Federal Income Tax Withheld

Box 7. Address

MARY BERINGER
Your Street
Your City, State Zip

Box 8. Claim Number *(Use this number if you need to contact SSA.)*

XXX-XX-5480A

Form **SSA-1099-SM** (1-2013) DO NOT RETURN THIS FORM TO SSA OR IRS

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Start With 1040 Wkt1

- **In TaxWise, at the bottom of 1040 Wkt1 you'll see "Lump Sum Payment…"**
- **Enter amount(s) for 2014 then click here and link (F9) for worksheet**

Lump Sum Payment of Social Security and Railroad Tier 1 Benefits

Fill in the total lump sum received above.	Taxpayer	Spouse	Total
Gross amount received attributable to 201X	0	0	0
Using the above modified AGI, this is the taxable amount of the 201X benefits			0
Amounts taxable from previous years		F9 to worksheet	0
Taxable benefits using the lump-sum election method			0

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Lump-Sum Worksheet

US 1040 Worksheet for a Lump-Sum Social Security or RR Tier 1 Payment 2013

Name: MARY BERINGER SSN:

Enter the earlier year for which benefits were received in 2013

What was the filing status on the earlier year tax return?

a Married filing jointly.

b Married filing separately and you lived with your ... ring the earlier year.

c Neither a nor b.

Use thi... er 1993.

Complete one worksheet for each year

1	Enter the total amount of s... received for the earlier year and repor... 3) for that year	0	
	Enter the amount of lump-s... the earlier year received this year	0	0
2	One-half of line 1		0
3	Enter the adjusted gross income reported on the tax return for the earlier year		0
4	Enter total exclusions/adjustments claimed in earlier year on Forms 8815, 8839, 2555, or 2555EZ. Also include any student loan interest deduction and certain income of bona fide residents of American Samoa (Form 4563) or Puerto Rico		0
5	Enter any tax-exempt interest received in the earlier year		0
6	Add lines 2, 3, 4, and 5		0
7	Enter taxable benefits reported on the tax return for the earlier year return		0

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Comments…

- Taxpayer must have copies of previous year tax return(s)
- Be sure to enter any SS income received by taxpayer and spouse in previous year
- Be sure to check previous return for any tax-exempt interest (Line 8b) [line 5 on worksheet]

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Railroad Retirement Benefits

Pub 4012 Pg D-22

- Railroad Retirement Tier 1
  - Blue form
  - RRB-1099
- Same Rules as Social Security
- Enter data on Railroad Tier 1 line on Wkt1 – do not use Social Security line
- Enter Medicare B and D on Medicare line

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☐ CORRECTED ☐ DUPLICATE

PAYER'S NAME, STREET ADDRESS, CITY, STATE, AND ZIP CODE. UNITED STATES RAILROAD RETIREMENT BOARD 844 N RUSH ST CHICAGO, IL 60611-2092	TAX YEAR	PAYMENTS BY THE RAILROAD RETIREMENT BOARD
PAYER'S FEDERAL IDENTIFYING NO. 36-3314600	3. Gross Social Security Equivalent Benefit Portion of Tier 1 Paid in the Year Shown Above	
1. Claim No. and Payee Code	4. Social Security Equivalent Benefit Portion of Tier 1 Repaid to RRB in the Year Shown Above	
2. Recipient's Identification Number	5. Net Social Security Equivalent Benefit Portion of Tier 1 Paid in the Year Shown Above	
Recipient's Name, Street Address, City, State, and Zip Code	6. Workers' Compensation Offset in the Year Shown Above	
	7. Social Security Equivalent Benefit Portion of Tier 1 Paid for One Year Prior to the Year Shown Above	
	8. Social Security Equivalent Benefit Portion of Tier 1 Paid for Two Years Prior to the Year Shown Above	
	9. Social Security Equivalent Benefit Portion of Tier 1 Paid for Three or More Years Prior to the Year Shown Above	
	10. Federal Income Tax Withheld	11. Medicare Premium Total

COPY C - FOR RECIPIENT'S RECORDS. THIS INFORMATION IS BEING FURNISHED TO THE INTERNAL REVENUE SERVICE.

☆ U.S. GPO: 2001-648-659

FORM RRB-1099 (1-98) DO NOT ATTACH TO YOUR INCOME TAX RETURN

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1040 Wkt1 – Railroad Retirement

US **1040, 1040A, 1040EZ, 1040NR, and 1040NR-EZ Income Worksheet**

Name: MARY BERINGER SSN: 031-22-4062

Interest. List all interest on Schedule B, regardless of the amount.
Unemployment compensation. Fill out 1099G worksheet.

Additional Earned Income	Taxpayer	Spouse	Total
Scholarship income - no W2	0	0	0
Household employee income - no W2	0	0	0

Social Security and Railroad Tier 1 Benefits	Taxpayer	Spouse	Total
Social security received this year	24750	0	
Railroad tier 1 received this year	0	0	
Total before Medicare or Federal tax withheld	24750	0	24750
Medicare Parts B, C, and D to Schedule A (only if you are not deducting this amount as self-employed health insurance)	0	0	
Federal tax withheld	0	0	

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Foreign Old Age Payments

- **Canada Pension Plan, Quebec Pension Plan and Old Age Security from Canada and Germany**
  - **By treaty are added to/treated like U.S. Social Security (Pub 915)**
  - **Taxpayer must have converted amount into US dollars (bank statement shows)**
- **Other countries and pensions from all countries (other than above) out-of-scope**

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If Taxpayer does not have SSA-1099

1. Use SSA-4926 for 2015 (statement of benefits to be paid) and calculate 2014 by dividing 2015 monthly amount by 1.017 times number of months benefits received in 2014, OR
2. Go to https://secure.ssa.gov – if taxpayer has an account or can access his e-mail

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Quality Review

- Check that all information transferred from Form(s) SSA-1099 to Wkt1 (particularly Federal Income Tax Withheld)
- If benefits are shown for multiple years, determine if lump-sum worksheets are needed
- For Form(s) RRB-1099 (Blue) make sure all information has been transferred to Wkt1

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Questions/Comments?