

## Who Must File a Federal Tax Return? (Pub 501)

The information provided in this section is found in IRS Publication 501. The IRS website has an excellent interactive tool to determine if an individual is required to file a tax return. It is at:

<https://www.irs.gov/uac/Interactive-Tax-Assistant-%28ITA%29-1>

The following are some basic guidelines for when a person **must** file a return:

### 2018 Income Mandates for Filing a Federal Tax Return

Depending on the filing status of the individual, there are different income thresholds for filing a 2018 return (filed in 2019). The chart below is for most individuals (non-dependents). Gross income includes both earned and unearned income.

Filing Status	Age	Gross Income is at least:	Minimum <u>NET</u> Self-Employment Earnings	
Single	Under 65	\$12,000	\$400	<i>*Information on self-employment earnings threshold found at the IRS.gov website page "Self-Employed Individuals Tax Center"</i>
	65 or older	\$13,600	\$400	
Head of Household	Under 65	\$18,000	\$400	
	65 or older	\$19,600	\$400	
Married Filing Jointly	Under 65 (both spouses)	\$24,000	\$400	
	65 or older (one spouse)	\$25,300	\$400	
	65 or older (both spouses)	\$26,000	\$400	
Married Filing Separately	Any age	\$5 *significant change	\$400	
Qualifying Widow(er) with Dependent Children	Under 65	\$24,000	\$400	
	65 or older	\$25,300	\$400	

**Note:** Net self-employment income is calculated by subtracting allowable expenses from the total gross income earned for the year. A tax professional nor the tax filer can say if they should or should have to file taxes unless a full calculation is completed (unless the gross earnings are under \$400).

### Income Test for Filing Taxes for Children and Dependents

Besides being a minor (under age 18), a person can be defined as a dependent for tax filing purposes if s/he:

- Is not already a qualifying dependent child; and
- Is related to the tax filer or lived in the home for the entire tax year with the tax filer; and
- Gross income of the person is less than \$4,000 for the tax year; and

- Tax filer provided more than half of the person's support for the year.

If a person is a Child or a Dependent, the following are the income guidelines for being required to file a Tax return. If the person meets any of the three situations, s/he must file a return.

Child or Dependent Tax Filing Requirements					
Filing Status	Unearned Income	Earned Income	Gross income greater than the larger of:		
Single under 65, not blind	\$1,050	\$12,000	\$1,050	or	\$12,000
Single over 65 <u>or</u> blind	\$2,650	\$13,600	\$2,650		\$13,600
Single over 65 <b>and</b> blind	\$4,250	\$15,200	\$4,250		\$15,200
Married under 65, not blind*	\$1,050	\$12,000	\$1,050		\$12,000
Married over 65 <u>or</u> blind*	\$2,350	\$13,300	\$2,350		\$13,300
Married over 65 <b>and</b> blind*	\$3,650	\$14,600	\$3,650		\$14,600

*\*If Married, and gross income was at least \$5 and spouse files a separate return and itemized deductions, the person must file a return.*

**Note:** In-kind income is not taxable or reportable income on a tax return. When a household reports an adult child is doing work around the house in exchange for rent, the parent does not report the value of that "work" as income. The adult child does not report the value of the "rent" as income (or as an expense).

## Other Situations That Requires Filing a Tax Return

Even if a person does not have to file a return because of income, there are other reasons that may require a person to file a return:

1. The person utilized the **Healthcare Marketplace** for insurance **and** used the advance payment credit for their insurance premiums.
2. The person received a distribution from a health savings account, Archer MSA or Medicare Advantage MSA.
3. The person had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer social security and Medicare wages.
4. The person owes any special taxes such as Alternative minimum tax, owe taxes on a qualified plan (such as retirement plan), s/he has to pay Social Security/Medicare tax on tips not reported to an employer, owe household employee tax, recapture of first-time homebuyer credit, write-in taxes or recapture taxes.