

INVESTMENT INCOME LESSON
For Ray Mason

TYPE OF INCOME	AGI	FEDERAL TAX LIABILITY 1040 Line 12a	FEDERAL REFUND	NJ REFUND	NOTES
Ordinary dividends					
Qualified dividends					
Taxable interest					
Interest on US Savings Bond					
Capital gains distribution vs. interest					
Short-term capital gains					
Long-term capital gains					
Capital gains on inherited stock					
Tax-exempt interest on Newark Utility Authority bond					
Tax-exempt interest on CA bond					

TYPE OF INCOME	AGI	FEDERAL TAX LIABILITY 1040 Line 12a	FEDERAL REFUND	NJ REFUND	NOTES
Exempt interest dividends on Consolidated Statement					
Consolidated transactions – one with a Wash Sale					

EXEMPT INTEREST DIVIDENDS FROM MUTUAL FUNDS

GUSTE (general bond fund)		NJMB (NJ qualified investment fund)
30% (Tax Exempt)	Federal bonds - Tax Exempt	14% (Tax Exempt)
10% (?)	NJ bonds - Tax Exempt or Taxable?	80% (?)
60% (Taxable)	Bonds from other states - Taxable	6% (Taxable)
? % Tax Exempt (\$) ? % Taxable (\$)	Total	? % Tax Exempt (\$) ? % Taxable (\$)