



IRS Special Edition Tax Tip 2016-11: Tax Tips for Students Working this Summer

Internal Revenue Service (IRS) sent this bulletin at 06/28/2016 10:03 AM EDT



IRS Tax Tips

June 28, 2016

Useful Links:

[IRS.gov](#)

[Help For Hurricane Victims](#)

News Essentials

[What's Hot](#)

[News Releases](#)

[IRS - The Basics](#)

[IRS Guidance](#)

[Media Contacts](#)

[Facts & Figures](#)

[Around The Nation](#)

[e-News Subscriptions](#)

The Newsroom Topics

[Multimedia Center](#)

[Noticias en Español](#)

Issue Number: IRS Special Edition Tax Tip 2016-11
Inside This Issue

Tax Tips for Students Working this Summer

Many students get summer jobs. It's a great way to earn extra spending money or to save for later. Here are some tips for students with summer jobs:

1. **Withholding and Estimated Tax.** If you are an employee, your employer normally **withholds tax** from your paychecks. If you are self-employed, you may be responsible for paying taxes directly to the IRS. One way to do that is by making **estimated tax** payments on set dates during the year. This is essentially how our pay-as-you-go tax system works.
2. **New Employees.** When you get a new job, you need to fill out a **Form W-4**, Employee's Withholding Allowance Certificate. Employers use this form to calculate how much federal income tax to withhold from your pay. The **IRS Withholding Calculator** tool on IRS.gov can help you fill out the form.
3. **Self-Employment.** Money you earn working for others is taxable. Some work you do may count as **self-employment**. These can be jobs like baby-sitting or lawn care. Keep good records of your income and expenses related to your work.

[Radio PSAs](#)

[Tax Scams/Consumer Alerts](#)

[The Tax Gap](#)

[Fact Sheets](#)

[IRS Tax Tips](#)

[Armed Forces](#)

[Latest News](#)

IRS Resources

[Compliance & Enforcement News](#)

[Contact Your Local IRS Office](#)

[Filing Your Taxes](#)

[Forms & Pubs](#)

[Frequently Asked Questions](#)

[Taxpayer Advocate Service](#)

[Where to File](#)

[IRS Social Media](#)

You may be able to [deduct those costs](#). A tax deduction generally reduces the taxes you pay.

4. **Tip Income.** All [tip income](#) is taxable. Keep a daily log to report your tips. You must report \$20 or more in cash tips received in any single month to your employer. And you must report all of your yearly tips on your tax return.

5. **Payroll Taxes.** You may earn too little from your summer job to owe income tax. But your employer usually must withhold [social security and Medicare taxes](#) from your pay. If you're self-employed, you may have to pay them yourself. They count for your coverage under the Social Security system.

6. **Newspaper Carriers.** Special rules apply to a [newspaper carrier](#) or distributor. If you meet certain conditions, you are self-employed. If you do not meet those conditions, and are under age 18, you may be exempt from Social Security and Medicare taxes.

7. **ROTC Pay.** If you're in ROTC, [active duty pay](#), such as pay you get for summer advanced camp, is taxable. Other allowances you may receive may not be taxable, see [Publication 3](#) for details.

8. **Use IRS Free File.** You can prepare and e-file your tax return for free using [IRS Free File](#), available only on IRS.gov. You may not earn enough money to be required to file a federal tax return. Even if that is true, you may still want to file. For example, if your employer withheld income tax from your pay, you will have to file a return to get a tax refund.

Visit [IRS.gov](#) for more about the [tax rules for students](#).

Additional IRS Resources:

- Student's Page - [High School](#)
- Student's Page - [Higher Education](#)

[Back to Top](#)

Thank you for subscribing to IRS Tax Tips, an IRS e-mail service. For more information on federal taxes please visit [IRS.gov](#).

This message was distributed automatically from the IRS Tax Tips mailing list. **Please Do Not Reply To This Message.**

