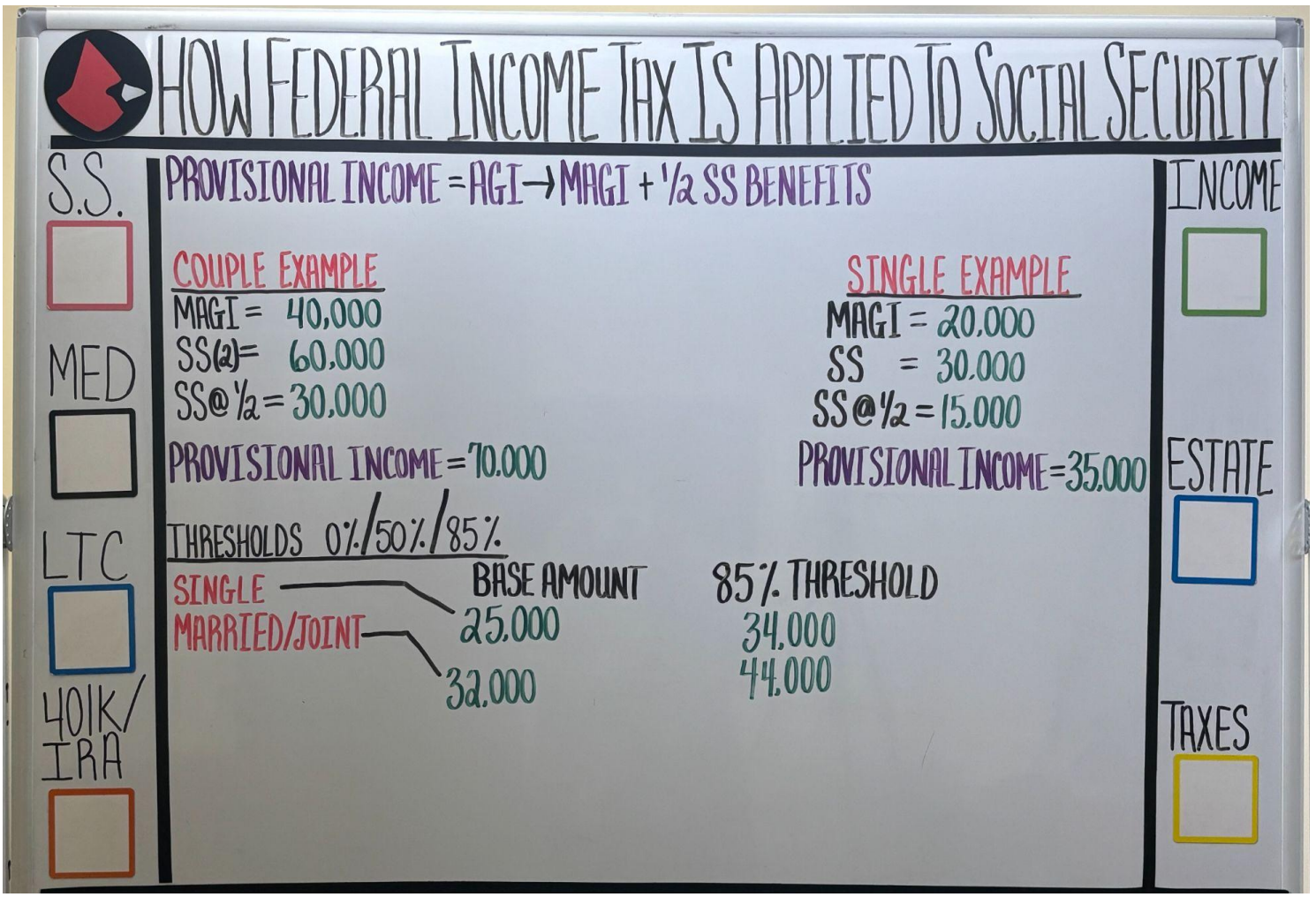
CARDINAL ADVISORS

How Federal Income Tax is Applied to Social Security

Hans and Tom discuss Social Security in the video titled “How Federal Income Tax is Applied to Social Security”



Nov. 2025

Form **1040**

Department of the Treasury—Internal Revenue Service

OBBBA Tax Forecast

2025

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning ____ ending ____

See separate instructions.

Your first name and middle initial	Last name	Your social security number
		001-01-0001
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
		001-01-0002

Home address (number and street). If you have a P.O. box, see instructions. | Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below. | State | ZIP Code

Foreign country name | Foreign province/state/county | Foreign postal code

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund.
☐ You ☐ Spouse

Filing Status
Check only one box

☐ Single ☐ Head of Household (HOH)
☒ Married filing jointly
☐ Married filing separately (MFS) ☐ Qualifying Surviving Spouse (QSS)

If you checked the MFS box, enter the name of spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent.

☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required):

Digital Assets
At any time during 2025, did you (a) receive (as a reward, award, or payment for property or service); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

Standard Deduction
Someone can claim: ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age / Blindness
You: ☒ Were born before January 2, 1961 ☐ Are blind **Spouse:** ☒ Was born before January 2, 1961 ☐ Is blind

Dependents
If more than four dependents, see instructions and check here . . . ☐

(1) First name Last name (see instructions) :	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
			☐	☐
			☐	☐
			☐	☐
			☐	☐

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

	1 a	Total amount from Form(s) W-2, box 1 (see instructions)				1a	0
	b	Household employee wages not reported on Form(s) W-2				1b	
	c	Tip income not reported on line 1a (see instructions)				1c	
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)				1d	
	e	Taxable dependent care benefits from Form 2441, line 26				1e	
	f	Employer provided adoption benefits from Form 8839, line 29				1f	
	g	Wages from Form 8919, line 6				1g	
	h	Other earned income (see instructions)				1h	
	i	Nontaxable combat pay election (see instructions)			1i 0		
	z	Add lines 1a through 1h				1z	0
Attach Sch. B if required.	2 a	Tax-exempt interest	2a	0	b Taxable interest	2b	0
	3 a	Qualified dividends	3a	0	b Ordinary dividends	3b	0
Standard Deduction for --	4 a	IRA distributions	4a	40,000	b Taxable amount	4b	40,000
	5 a	Pensions and annuities	5a		b Taxable amount	5b	0
• Single or married filing separately $15,750	6 a	Social security benefits	6a	60,000	b Taxable amount	6b	28,100
	c	If you elect to use the lump-sum election method, check here (see instructions) ☐					
	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐				7	
• Married filing jointly or Qualifying surviving spouse $31,500	8	Other income from Schedule 1, line 10				8	0
	9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income**				9	68,100
	10	Adjustments to income from Schedule 1, line 26				10	0
	11	Subtract line 10 from line 9. This is your **adjusted gross income**				11	68,100
• Head of house $23,625	12	**Standard deduction or itemized deductions** (from Schedule A)				12	34,700
	13a	Qualified business income deduction from Form 8995 or Form 8995-A				13a	0
• If you checked any *Standard Deduction* box, see instructions.	13b	Additional **OBBBA 'below-the-line' deduction**s (see worksheets at right)				13b	12,000
	14	Add lines 12, 13a, and 13b				14	46,700
	15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your **taxable income**				15	21,400

Tax and Credits

16	**Tax** (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐		16	2,143
17	Amount from Schedule 2, line 3		17	
18	Add lines 16 and 17		18	2,143
19	Child tax credit or credit for other dependents from Schedule 8812		19	0
20	Amount from Schedule 3, line 8		20	0
21	Add lines 19 and 20		21	0
22	Subtract line 21 from line 18. If zero or less, enter -0-		22	2,143
23	Other taxes, including self-employment tax, from Schedule 2, line 21		23	0
24	Add lines 22 and 23. This is your **total tax**		24	2,143

Payments

25	Federal income tax withheld from:			
a	Form(s) W-2	25a 0		
b	Form(s) 1099	25b 0		
c	Other forms (see instructions)	25c 0		
d	Add lines 25a through 25c		25d	0
26	2025 estimated tax payments and amount applied from 2024 return		26	
27	Earned income credit (EIC)	27 0		
28	Additional child tax credit from Schedule 8812	28 0		
29	American opportunity credit from Form 8863, line 8	29		
30	Reserved for future use	30		
31	Amount from Schedule 3, line 15	31 0		
32	Add lines 27, 28, 29, and 31. These are your **total other payments and refundable credits**		32	0
33	Add lines 25d, 26, and 32. These are your **total payments**		33	0

If you have a qualifying child, attach Sch EIC.

Refund

Direct deposit? See instructions

34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid**		34	0
35 a	Amount of line 34 you want **refunded to you**. If Form 8888 is attached, check here ☐		35a	0
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
36	Amount of line 34 you want **applied to your 2026 estimated tax**	36 0		

Amount You Owe

37	Subtract line 33 from line 24. This is the **amount you owe.** For details on how to pay, go to *www.irs.gov/Payments* or see instructions		37	2,143
38	Estimated tax penalty (see instructions)	38 0		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions ☐ **Yes.** Complete below. ☒ **No**

Designee's name | Phone no. | Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompa 4 belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions.

Keep a copy for your records.

Your signature	Date	Your occupation	If the IRS sent you an identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	If the IRS sent you an identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparers Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: ☐ Self-employed
Firm's name			Phone no.	
Firm's address			Firm's EIN	

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OMB No. 1545-0074

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See separate instructions.

Your first name and middle initial	Last name	Your social security number
		001-01-0001
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. | Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below. | State | ZIP Code

Foreign country name | Foreign province/state/county | Foreign postal code

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund.
☐ You ☐ Spouse

Filing Status
Check only one box

☒ Single
☐ Married filing jointly
☐ Married filing separately (MFS)
☐ Head of Household (HOH)
☐ Qualifying Surviving Spouse (QSS)

If you checked the MFS box, enter the name of spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent.

☐ If treating a nonresident alien or dual-status alien spouse as a U.S. resident for the entire tax year, check the box and enter their name (see instructions and attach statement if required):

Digital Assets
At any time during 2025, did you (a) receive (as a reward, award, or payment for property or service); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) ☐ Yes ☐ No

Standard Deduction
Someone can claim: ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age / Blindness
You: ☒ Were born before January 2, 1961 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1961 ☐ Is blind

Dependents
If more than four dependents, see instructions and check here . . . ☐

(see instructions) : (1) First name Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
			☐	☐
			☐	☐
			☐	☐
			☐	☐

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

	1 a	Total amount from Form(s) W-2, box 1 (see instructions)				1a	0
	b	Household employee wages not reported on Form(s) W-2				1b	
	c	Tip income not reported on line 1a (see instructions)				1c	
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)				1d	
	e	Taxable dependent care benefits from Form 2441, line 26				1e	
	f	Employer provided adoption benefits from Form 8839, line 29				1f	
	g	Wages from Form 8919, line 6				1g	
	h	Other earned income (see instructions)				1h	
	i	Nontaxable combat pay election (see instructions)			1i 0		
	z	Add lines 1a through 1h				1z	0
Attach Sch. B if required.	2 a	Tax-exempt interest	2a	0	b Taxable interest	2b	0
	3 a	Qualified dividends	3a	0	b Ordinary dividends	3b	0
Standard Deduction for --	4 a	IRA distributions	4a	20,000	b Taxable amount	4b	20,000
	5 a	Pensions and annuities	5a		b Taxable amount	5b	0
• Single or married filing separately $15,750	6 a	Social security benefits	6a	30,000	b Taxable amount	6b	5,350
	c	If you elect to use the lump-sum election method, check here (see instructions) ☐					
	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐				7	
• Married filing jointly or Qualifying surviving spouse $31,500	8	Other income from Schedule 1, line 10				8	0
	9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income**				9	25,350
	10	Adjustments to income from Schedule 1, line 26				10	0
	11	Subtract line 10 from line 9. This is your **adjusted gross income**				11	25,350
• Head of house $23,625	12	**Standard deduction or itemized deductions** (from Schedule A)				12	17,750
	13a	Qualified business income deduction from Form 8995 or Form 8995-A				13a	0
• If you checked any *Standard Deduction* box, see instructions.	13b	Additional **OBBBA 'below-the-line' deduction**s (see worksheets at right)				13b	6,000
	14	Add lines 12, 13a, and 13b				14	23,750
	15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your **taxable income**				15	1,600

Tax and Credits

16	**Tax** (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐		16	161
17	Amount from Schedule 2, line 3		17	
18	Add lines 16 and 17		18	161
19	Child tax credit or credit for other dependents from Schedule 8812		19	0
20	Amount from Schedule 3, line 8		20	0
21	Add lines 19 and 20		21	0
22	Subtract line 21 from line 18. If zero or less, enter -0-		22	161
23	Other taxes, including self-employment tax, from Schedule 2, line 21		23	0
24	Add lines 22 and 23. This is your **total tax**		24	161

Payments

25	Federal income tax withheld from:			
a	Form(s) W-2	25a 0		
b	Form(s) 1099	25b 0		
c	Other forms (see instructions)	25c 0		
d	Add lines 25a through 25c		25d	0
26	2025 estimated tax payments and amount applied from 2024 return		26	
27	Earned income credit (EIC)	27 0		
28	Additional child tax credit from Schedule 8812	28 0		
29	American opportunity credit from Form 8863, line 8	29		
30	Reserved for future use	30		
31	Amount from Schedule 3, line 15	31 0		
32	Add lines 27, 28, 29, and 31. These are your **total other payments and refundable credits**		32	0
33	Add lines 25d, 26, and 32. These are your **total payments**		33	0

If you have a qualifying child, attach Sch EIC.

Refund

Direct deposit? See instructions

34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid**		34	0
35 a	Amount of line 34 you want **refunded to you**. If Form 8888 is attached, check here ☐		35a	0
b	Routing number	c Type: ☐ Checking ☐ Savings		
d	Account number			
36	Amount of line 34 you want **applied to your 2026 estimated tax**	36 0		

Amount You Owe

37	Subtract line 33 from line 24. This is the **amount you owe.** For details on how to pay, go to *www.irs.gov/Payments* or see instructions		37	161
38	Estimated tax penalty (see instructions)	38 0		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions ☐ **Yes.** Complete below. ☒ **No**

Designee's name | Phone no. | Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompa 4 belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions.

Keep a copy for your records.

Your signature	Date	Your occupation	If the IRS sent you an identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	If the IRS sent you an identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparers Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: ☐ Self-employed
Firm's name			Phone no.	
Firm's address			Firm's EIN	