Matthew Dowd
DOB: 09/11/1991
Social Security: xx-xxx-xxxx
Date Sent: February 24, 2022

To Whom It May Concern,

I send this letter in response to a letter I received from the IRS on January 24, 2022 regarding the 2019 tax year. I apologize for the delay in my response, which was a function of international work travel. I have included a copy of the Jan. 24, 2022 letter with this fax, as instructed in the contents of that letter.

As I noted in my letter to the IRS on June 28, 2021, I filed an amended return for the 2019 tax year on May 18, 2021, upon realization of an error that I made in correctly labeling some of my income from that tax period. I do not know if the department with which I am corresponding oversees the handling the amended return which I filed on that date. In any case, I include a new Form 1040 for the 2019 tax year in this fax, as well as a detailed explanation which explains the net change on my Form 1040x. I also include relevant documentation that supports my explanation: a Statements of Earnings from my employer (Princeton University), a Travel Grant Statement from my employer, two W-2 forms, and a 1099-K form (which shows Self-Employment income).
My file thus includes the following documents:

1) This cover sheet

2) A one page copy of the letter I received from the IRS on Jan. 24, 2022

3) A two page, new Form 1040 for 2019 (as instructed by the IRS)

4) A one page explanation of this new Form 1040.
5) Relevant documentation which supports my explanation (5 pages)

Thank you.

**Explanation of New Form 1040:**

On my original Form 1040, I accidentally mischaracterized all of my income as “other income”, when I should have included much of it under box 1 (Wages, salaries, and tips). Of my $40,776 AIG, $36,071 should have been listed in box 1, along with the notice “SCH”, to denote that much of this income derives from a graduate student scholarship stipend and is not subject to Self Employee taxes. I also neglected to include W-2 forms associated with some of this income. My scholarship stipend and award money, for which no W-2 form is generated, accounts for $33,678 of my income; one W-2 form accounts for $2193; a second W-2 accounts for $200. All of this should have been in box 1 on my 1040 form. In box 7a, I should have put the remaining income (for work as a Translator that I carried out on the side), which totals $4705, and is subject to Self Employment taxes. This is reported on a 1099-k form.

Considering this information, I owe $3891 in taxes for the 2019 tax year. This includes taxes on my income, and SE taxes for the $4705 in box 7a. This $3891 tax total was paid in two separate payments: 1) I paid $3153 on April 15, 2019; and 2) I paid $738 on May 18, 2021 (this was the day on which I filed the amended return for 2019). These two payments comprise the $3891 for taxes owed in the 2019 tax year.

I calculated my new tax total by adding the following sources of income in box 1 of 1040:

$26,258 - Semester Scholarships, Princeton University (See Princeton statement of earnings)
$5,570 - Summer Scholarship, Princeton University (See Princeton statement of earnings)
$1,850 - Travel Grant, Princeton University (See Princeton travel statement)
$2193.32 - Assistantship in Instruction, Princeton University (see W-2)
$200 - Our Lady of Sorrows Church (see W-2)

Total = $36,071

Next, I added "other income" from box 7a:

$4705 - Self-Employment income as a Translator (see Paypal 1099-K statement)

Adding these totals together produces $40,776, my total in box 7b.

Then, I apply the standard deduction of $12,200, which gives me $28,576 of taxable income, as noted in box 11b.

Then, using the percentage system established by the IRS for 2019, I calculate that I owe:
$970 on the first bracket of this income, taxed at 10%
$2241 on the second bracket of this income, taxed at 12%
$720 in Self Employment taxes on the $4705 of SE income.
\_\_\_\_
$3,931

I claim a $40 education credit in line 13b. This gives a tax total of $3891.