

# Fact Sheet

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## Module 3: Interest Income

Interest is the charge for the use of borrowed money.

Money earns interest when it is

- deposited in accounts in banks, savings and loans, and credit unions.
- used to buy certificates of deposit or bonds.
- lent to another person or business.

Interest income may be taxable or tax-exempt.

Interest income is reported to taxpayers on Form 1099-INT; taxpayers then include it in their income tax return.

All taxable interest income is reported on the taxpayer's return, even if it does not appear on Form 1099-INT.

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		Payer's RTN (optional)		OMB No. 1545-0112	
		1 Interest income		<div style="text-align: center; font-size: 2em; font-weight: bold;">2014</div> <b>Interest Income</b> Form <b>1099-INT</b>	
		\$			
2 Early withdrawal penalty		\$			
PAYER'S federal identification number	RECIPIENT'S identification number	3 Interest on U.S. Savings Bonds and Treas. obligations			
		\$			
RECIPIENT'S name		4 Federal income tax withheld	5 Investment expenses		
		\$	\$		
Street address (including apt. no.)		6 Foreign tax paid	7 Foreign country or U.S. possession		
		\$			
City or town, state or province, country, and ZIP or foreign postal code		8 Tax-exempt interest	9 Specified private activity bond interest		
		\$	\$		
Account number (see instructions)		10 Market discount	11 Bond premium		
		\$	\$		
		12 Tax-exempt bond CUSIP no.	13 State	14 State identification no.	15 State tax withheld
					\$
					\$

Form **1099-INT**

(keep for your records)

[www.irs.gov/form1099int](http://www.irs.gov/form1099int)

Department of the Treasury - Internal Revenue Service