

Answers to Practice Test 2

1	C	Section 1.2,1.2-1,1.2-2
2	A	44x \$7.25, can attend up to 10 hrs remedial education without paying OT Section 2.7-6 in text book
3	D	Section 4.6-2
4	C	Section 4.3-2
5	D	The Uniform Interstate Family Support Act clarifies many of the rules for processing out-of-state withholding orders Section 9.1-2 in text book
6	A	Section 8.2-1 in text book
7	A	Section 6.7-2
8	B	Section 4.6-2
9	B	Section 11.7-1
10	E	Section 13.3-7
11	D	Unable to locate section
12	C	Section 1.2 to 1.2-2
13	A	Law enforcement officer has to work over 86 hrs in 14 days before OT is paid. $\$12.50 \times 96 = \1200 OT = $\$12.50 \times .5 \times 10 = \62.50 (96-86 for 10 hrs) Total is \$1262.50 Section 2.6-5 in text book
14	C	Section 3.4-27 in text book
15		(.5 + 5 + 1.5) - \$2 = \$5 million Net worth is a balance sheet concept and has nothing to do with revenue & expenses. Assets - Liabilities = Net Worth Section 11.1-1
16	D	$\$600 \times 6 = \$3,600 \times 75\% = \$2,700$ 3 rd party must withhold and pay employees SS & Med for 6 mos of benefits attributed by employer's funding Section 4.3-2 in text book
17	B	$\$600 \times 9 = \$5400 \times 75\% = \$4050$
18	C	Section 3.2-6
19	A	Section 2.8
20	B	Section 13.3-7
21	C	Section 1.2,1.2-1,1.2-2
22		$\$1,200 \times 28\% = \336 .. Section 6.5 in text book
23	B	$\$338 + \$36.25 = \$374.25$ regular pay $\$374.25 / 50 = \7.49 regular rate pay $\$7.49 \times .5 \times 10 \text{ hrs OT} = \37.50 $\$374.25 + \$37.50 = \$411.75$ total compensation Time waiting to be engaged is compensable time Section 2.6-3, 2.7-5
24	B	Section 4.6-4
25	C	Section 4.3-1
26		13 of its 20 employees will earn over \$7000 $13 \times \$7000 = \$91,000$ $7 \times \$1400 \times 3 \text{ months} = \$29,400$ $\$91,000 + \$29,400 = \$120,400 \times 0.6\% = \722.40 Section 7.1-4
27		$1 \times \$7000 = \7000 $7 \times \$1400 \times 2 \text{ mos} = \$19,600$ or $7 \times (7000 - 4200) = 19,600$ $\$7000 + \$19,600 = \$26,600 \times 0.6\% = \159.60 Section 7.1-4
28	B	Amount is greater than \$100 Section 7.1-5
29		$\$120,400 + \$26,600 + \$0 + \$2,000 = \$149,000$ taxable wage $\$149,000 \times (0.6\% + 0.4\%) = \$1,490$ tax owed $\$1,490 - \$963.20 - \$212.80 = \314 FUTA tax credit is now 5% = (6.2% - 1.2%)

		Section 7.1-6
30	D	Section 4.2
31	A	Section 11.3, 11.7-1
32	A	Section 13.3-7
33	C	Section 1.2,1.2-1,1.2-2,1.3,1.3-1,1.3-2
34	C	Section 3.2-1
35	D	Section 13.3-5
36	A	Section 4.5-7
37	B	Section 4.4 in text book
38	A	Section 4.3-2
39	D	Section 4.1-5
40	B	Section 11.1-1
41	D	Section 13.3-7
42	B	Section 2.4-1
43	A	Section 6.1
44	C	Section 4.5-8 in text book
45	C	Section 4.4-2 in text book
46	B	Section 1.9
47	A	Section 8.3-1
48	D	Section 1.8
49	B	Section 11.7-2
50	B	Section 13.1