

## Income Tax Summary 2005

Income Tax = Actual

Cash Flow = Alternative 2 Invest: \$48,000 Purchases: \$30,000

**Reported Income**

		Filing Status: Joint	Exemptions: 4		
Wages, Salaries: _____	\$ 180,000	Interest Income: _____	\$ 5,600		
Dividend Income: _____	\$ 2,000	State Refunds: _____	\$ 0		
Business Net: _____	\$ 1,000	Capital Gains: _____	\$ 9,000		
Rental Net: _____	\$ 500	Pension: _____	\$ 0		
Farm Net: _____	\$ 0	Social Security: _____	\$ 0		
Other: _____	\$ 0	Other: _____	\$ 0		

**Total Reportable Income:****\$ 198,100**

## Adjustments

IRA Deduction: _____	\$ 0	Self-employed Pension: _____	\$ 0	=	\$ 0
½ of Self Emp.: _____	\$ 0	Other: _____	\$ 0	=	\$ 0

**Adjusted Gross Income:****\$ 198,100**

## Deductions and Exemptions

Deductions: _____	\$ 29,500	Less Phase Out: _____	\$ 1,568	= Net Ded.: _____	\$ 27,932
Exemptions: _____	\$ 12,600	Less Phase Out: _____	\$ 0	= Net Exem.: _____	\$ 12,600

**Taxable Income:****\$ 157,568**

Tentative Tax: \_\_\_\_\_ \$ 33,295

## Plus Alternative Minimum Tax

Alternative Minimum Tax From the 1040 Tax Return: \_\_\_\_\_ = \$ 0

## Less Credits

Child Care: _____	\$ 0			=	\$ 0
Foreign: _____	\$ 0	Other: _____	\$ 0	=	\$ 0

## Plus Other Taxes

Self Employment: \_\_\_\_\_ \$ 0 Other Taxes: \_\_\_\_\_ \$ 0 = \$ 0

**Federal and State Income Taxes**

	Being Paid	Percentage	Calculated
Federal Tax: _____	\$ 33,288	16.8%	\$ 33,295
State Tax: _____	\$ 11,028	5.6%	\$ 11,030

**Federal and State Income Taxes:**

22.4%

**\$ 44,324**

(Note: Federal, State &amp; FICA Taxes being paid come from the Cash Flow Screen.)

## FICA Taxes Withheld

OASDI: Old-Age, Survivors and Disability Insurance Tax: _____	\$ 5,450	=	\$ 8,060
Medicare Hospital Insurance Tax: _____	\$ 2,610	=	

**Total Federal and State Income Taxes:**

(Percentage of reportable income: 26.4% )

**\$ 52,384**

## Income Tax: Actual

## Reported Income

Status: Joint		Exemptions: 4	
Wages:	\$ 180,000	Interest:	\$ 5,600
Dividends:	\$ 2,000	Refunds:	\$ 0
Business Net:	\$ 1,000	Capital Gains:	\$ 9,000
Rental Net:	\$ 500	Pension:	\$ 0
Farm Net:	\$ 0	Social Security:	\$ 0
Other:	\$ 0	Other:	\$ 0

**Total Reportable Income: \$ 198,100**

## Adjustments

IRA Ded.:	\$ 0	SEP:	\$ 0	=	\$ 0
1/2 Self Emp.:	\$ 0	Other:	\$ 0	=	\$ 0

**Adjusted Gross Income: \$ 198,100**

## Deductions and Exemptions

Ded.:	\$ 29,500	Net Ded.:	\$ 27,932	=	\$ 40,532
Exemp:	\$ 12,600	Net Exem.:	\$ 12,600	=	\$ 40,532

**Taxable Income: \$ 157,568**

Tentative Tax: \$ 33,295

## Plus Alternative Minimum Tax

Alternative Minimum Tax from 1040: = \$ 0

## Less Credits

Child Care:	\$ 0			=	\$ 0
Foreign:	\$ 0	Other:	\$ 0	=	\$ 0

## Plus Other Taxes

Self Empl: \$ 0 Other: \$ 0 = \$ 0

## Federal and State Income Taxes

	Being Paid	Calculated
Federal Tax:	\$ 33,288	\$ 33,295
State Tax:	\$ 11,028	\$ 11,030

**Federal and State Income Taxes: \$ 44,324**

(Federal, State & FICA Taxes being paid come from Cash Flow.)

FICA Taxes Withheld	Being Paid	
OASDI: Old Age:	\$ 5,450	= \$ 8,060
Medicare:	\$ 2,610	

**Total Federal & State Income Taxes: \$ 52,384**

Cash Flow: Alternative 2  
Invest: \$48,000 Purchases:

## Available Cash

Income, Wages:	\$ 180,000
Interest:	\$ 5,600
Dividends:	\$ 2,000
Refunds:	\$ 0
Pensions/Annuities:	\$ 0
Social Security:	\$ 0
Non-Reportable Cash:	\$ 24,000

**Total Cash Available - All Sources: \$ 211,600**

## Taxes Being Paid

## Obligation

Federal Income Tax:	\$ 33,295	\$ 33,288
State Income Tax:	\$ 11,030	\$ 11,028
FICA, Soc. Sec.:		\$ 5,450
FICA, Medicare:		\$ 2,610

**Total Taxes Being Paid This Year: \$ 52,376**

**Net After Tax Available Cash: \$ 159,224**

## Household and Family Spending

Car Payment, Transportation:	\$ 4,800
Car Gas, Oil, Repairs & Ins.:	\$ 2,400
Charitable Donations:	\$ 3,000
Children:	\$ 1,200
Clothing:	\$ 126
Credit Cards:	\$ 1,200
Education:	\$ 2,700
Entertainment:	\$ 3,600
Food and Sundries:	\$ 7,200
Gifts, Birthdays, Holidays:	\$ 6,000
House Mortgage, Rent, Ins.:	\$ 11,484
House Improvements, Repairs:	\$ 2,400
Life & Disability Insurance:	\$ 10,800
Medical/Dental Costs & Ins.:	\$ 2,400
Personal-Client:	\$ 1,200
Personal-Spouse:	\$ 3,000
Savings:	\$ 6,000
Utilities, Telephone, Gas, etc.:	\$ 4,200
Vacation, Travel:	\$ 2,400
Miscellaneous:	\$ 2,400

**Total Household Spending: \$ 78,510**

**Investments: \$ 48,000**

**Major Purchases: \$ 30,000**

**Total Expenditures: \$ 156,510**

**Surplus or Shortage: \$ 2,714**

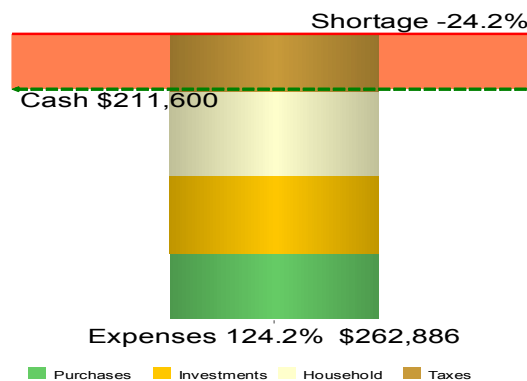
## Cash Flow Graph Alternatives 2005

Income Tax = Actual:

**Actual : Invest \$72,000 - Purchase \$60,000**

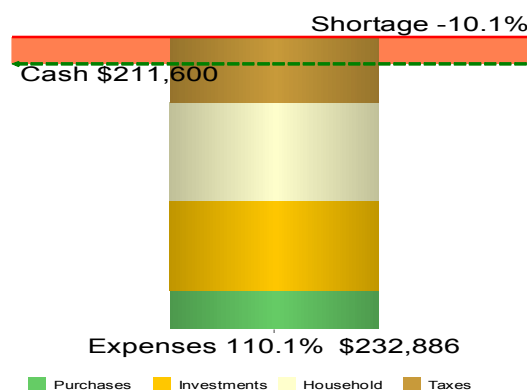
Reportable income: \$ 187,600

Non-Reportable Cash: \$ 24,000

**Total Cash Available: \$ 211,600****Taxes Being Paid: \$ 52,376 24.8%****Household Spending: \$ 78,510 37.1%****Investments Being Made: \$ 72,000 34.0%****Major Purchases: \$ 60,000 28.4%****Surplus/Shortage: -\$ 51,286 -24.2%****Alternative 1 : Invest \$72,000. Purchase: \$30,000**

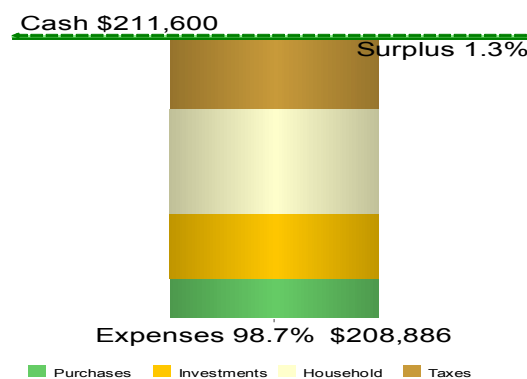
Reportable income: \$ 187,600

Non-Reportable Cash: \$ 24,000

**Total Cash Available: \$ 211,600****Taxes Being Paid: \$ 52,376 24.8%****Household Spending: \$ 78,510 37.1%****Investments Being Made: \$ 72,000 34.0%****Major Purchases: \$ 30,000 14.2%****Surplus/Shortage: -\$ 21,286 -10.1%****Alternative 2 : Invest: \$48,000 Purchases: \$30,000**

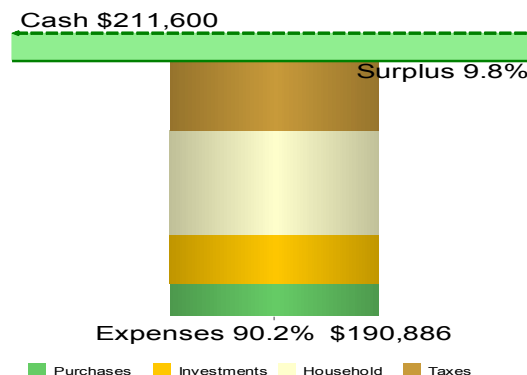
Reportable income: \$ 187,600

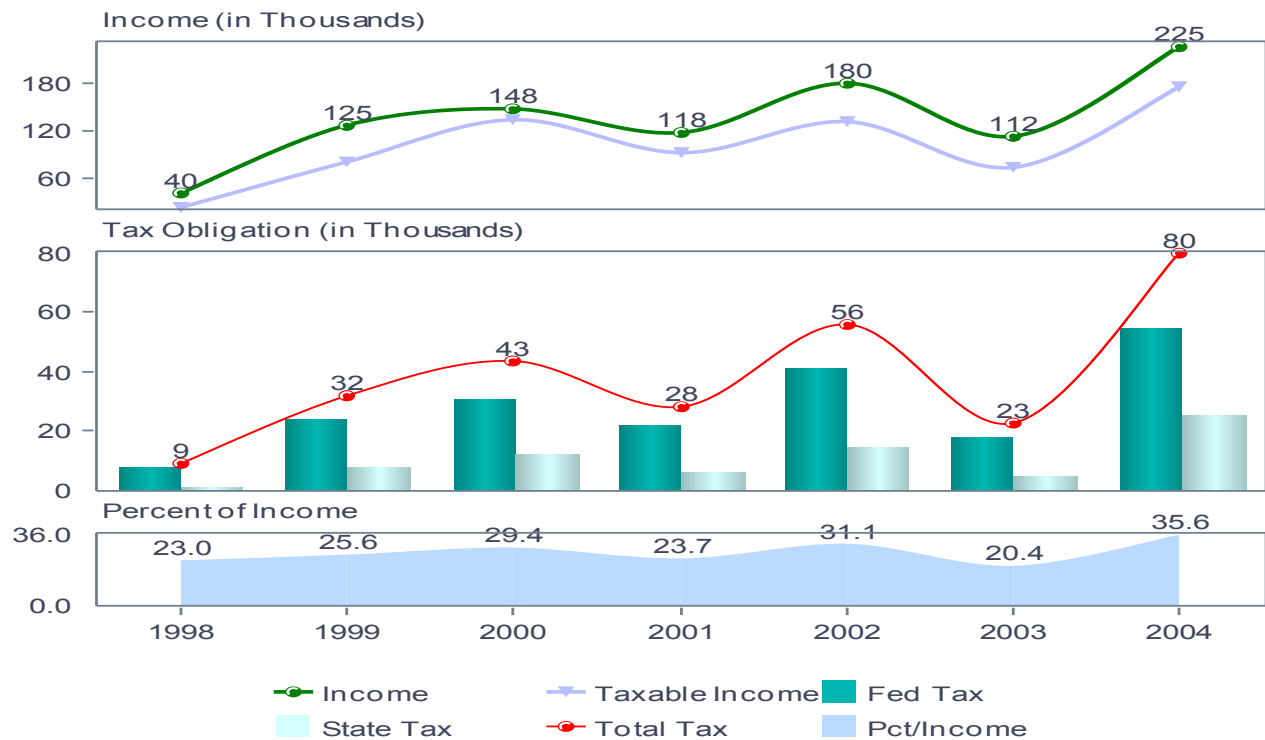
Non-Reportable Cash: \$ 24,000

**Total Cash Available: \$ 211,600****Taxes Being Paid: \$ 52,376 24.8%****Household Spending: \$ 78,510 37.1%****Investments Being Made: \$ 48,000 22.7%****Major Purchases: \$ 30,000 14.2%****Surplus/Shortage: \$ 2,714 1.3%****Alternative 3 : Invest \$36,000. Purchase: \$24,000**

Reportable income: \$ 187,600

Non-Reportable Cash: \$ 24,000

**Total Cash Available: \$ 211,600****Taxes Being Paid: \$ 52,376 24.8%****Household Spending: \$ 78,510 37.1%****Investments Being Made: \$ 36,000 17.0%****Major Purchases: \$ 24,000 11.3%****Surplus/Shortage: \$ 20,714 9.8%**

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