

Income Tax Projection

for
John & Jane Sample

Scenario: *Baseline*

	Before Planning 2008	After Planning 2008	2009	2010	2011	2012
Income Items						
Gross Wages and Salaries	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Net Self-Employment Income	0	0	0	0	0	0
Taxable Interest and Dividend Income	145	145	155	164	171	177
Net Capital Gain	0	0	0	0	0	0
Real Estate-Ltd Partnership Gain/Loss	0	0	0	0	0	0
Pension, IRA, and Other Income	73,188	73,188	73,692	74,206	74,730	75,264
Taxable Social Security	0	0	0	0	0	0
Deductible Retirement Contributions	0	0	0	0	0	0
Misc. Ded. (Alimony, SE Tax & Health, Flex Accts)	0	0	0	0	0	0
Adjusted Gross Income	\$ 123,333	\$ 123,333	\$ 123,847	\$ 124,369	\$ 124,901	\$ 125,441
Deductions & Exemptions						
Deductible Medical Expenses	\$ 0	\$ 0	\$ 128	\$ 418	\$ 720	\$ 1,032
State Income Tax	7,166	7,166	7,180	7,182	7,183	7,185
Real and Personal Property Taxes	3,100	3,100	3,193	3,289	3,387	3,489
Residential Mortgage Interest	4,900	4,900	4,794	4,683	4,566	4,442
Other Interest Deductions	0	0	0	0	0	0
Charitable Contributions	6,000	6,000	6,210	6,427	6,652	6,885
Miscellaneous Deductions	0	0	0	0	0	0
Phase Out of Itemized Deductions	0	0	0	0	0	0
Total Itemized/Standard Deduction	\$ 21,166	\$ 21,166	\$ 21,505	\$ 21,999	\$ 22,508	\$ 23,033
Personal Exemptions	7,000	7,000	7,165	7,334	7,507	7,685
Total Taxable Income	\$ 95,167	\$ 95,167	\$ 95,176	\$ 95,036	\$ 94,885	\$ 94,724
Regular Tax and Adjustments						
Regular Tax	\$ 16,479	\$ 16,479	\$ 16,308	\$ 16,095	\$ 15,877	\$ 15,652
Less Tax Credits	0	0	0	0	0	0
Self Employment Tax	0	0	0	0	0	0
Alternative Minimum Tax	0	0	0	0	0	0
Tax Credit Recapture	0	0	0	0	0	0
Miscellaneous Tax Adjustments	0	0	0	0	0	0
Taxes						
Federal Income Tax	\$ 16,479	\$ 16,479	\$ 16,308	\$ 16,095	\$ 15,877	\$ 15,652
Combined Federal & State Income Tax	23,646	23,646	23,488	23,277	23,060	22,837
FICA Tax	3,825	3,825	3,825	3,825	3,825	3,825
Gift Tax	0	0	0	0	0	0
Total Taxes	\$ 27,471	\$ 27,471	\$ 27,313	\$ 27,102	\$ 26,885	\$ 26,662
Tax Bracket						
Federal Marginal Tax Bracket	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Combined Federal & State Marginal Bracket	30.3%	30.3%	30.3%	30.3%	30.3%	30.3%

Tax Withholding Analysis:		
Federal tax liability	\$ 16,479	\$ 16,479
Lower of last year's tax X 110%		
or 90% of this year's tax	\$ 14,831	\$ 14,831
Federal tax withholding	23,335	23,335
(Under)/Over vs. Penalty	\$8,504	\$8,504
(Under)/Over vs. Total Tax	\$6,856	\$6,856
State tax liability	\$ 7,166	\$ 7,166
Lower of last year's tax X 100%		
or 90% of this year's tax	\$ 6,450	\$ 6,450
State tax withholding	9,161	9,161
(Under)/Over vs. Penalty	\$2,711	\$2,711
(Shortfall)/Overwithheld	\$1,995	\$1,995

	Unwithheld	To be Withheld
Federal	\$ 0	#DIV/0!
State	\$ 0	#DIV/0!

Actual Estimated Payments			
	Federal	State	Pmt. Due
	\$0	\$0	15-Apr-08
	0	0	15-Jun-08
	0	0	15-Sep-08
	0	0	15-Jan-09