

View/Edit Taxes for 2008

Clif	Amy	
Single	Head Hsld	Filing Status in 2008
1	2	Number of exemptions
Income:		
	50,000	Wages and salary.
0	0	Taxable interest income.
2,012	408	Taxable dividend income.
	12,000	Spousal Support income.
120,000		Business and farm income.
0	0	Capital gain taxable.
		Other gains and losses.
0	0	Taxable IRA and pension income.
		Rent, royalty, partnership, S corporation.
0		Social Security taxable.
		Other income.
122,012	62,408	Taxable gross income.
Adjustments:		
		IRA deduction.
		Moving expenses.
7,931		Deduction of 1/2 of self-employment tax.
		Part of health insurance for self-employed people.
12,000		Spousal Support paid.
		Interest on education loans.
		Other deductions.
19,931		Total adjustments.
102,081	62,408	Adjusted Gross Income ("AGI") = gross income - total adjustments).
Itemized Deductions:		
0	0	Deductible medical expenditures.
6,467	502	State income taxes.
		Local income taxes.
	4,380	Property taxes.
0	19,106	Mortgage interest.
		Charitable contributions.
		Miscellaneous, subject to 2% AGI threshold.
		miscellaneous, after 2% AGI threshold.
		Miscellaneous, not subject to 2% AGI threshold.
6,467	23,988	Itemized deductions before phase-out.
6,467	23,988	Itemized deductions after phase-out.
5,450	8,000	Compare: standard deduction.

View/Edit Taxes (cont.)

Clif	Amy	
Exemptions:		
<u>3,500</u>	<u>7,000</u>	Deduction for exemptions before phase-out.
<u>3,500</u>	<u>7,000</u>	Deduction for exemptions after phase-out.
Tax Before Credits and Other Taxes:		
<u>92,114</u>	<u>31,420</u>	Taxable Income = AGI - greater of itemized or standard deductions - exemptions.
<u>19,515</u>	<u>4,081</u>	Tax before credits and other taxes (from tax table or formula).
Non-refundable Credits:		
<u></u>	<u></u>	Child care credit.
<u></u>	<u></u>	Hope education credit.
<u></u>	<u></u>	Lifetime learning credit.
<u></u>	<u></u>	Child credit, after phase-out, non-refundable portion.
<u></u>	<u></u>	Total non-refundable credits (reduce tax, but not below zero).
Refundable Credits:		
<u></u>	<u>1,000</u>	Child credit, after phase-out, refundable portion.
<u></u>	<u></u>	Earned income credit.
<u></u>	<u>1,000</u>	Total refundable credits (can reduce tax below zero and generate a payment from the IRS).
Other Taxes on Form 1040:		
<u>0</u>	<u>0</u>	Tax on retirement plan premature distribution.
<u></u>	<u></u>	Alternative minimum tax.
<u>15,862</u>	<u></u>	Lump-sum distribution 5- or 10- year averaging. Self-employment tax.
Total Federal Income Tax:		
<u>35,377</u>	<u>3,081</u>	= tax before credits and other taxes - total nonrefundable credits (down to zero) - total refundable credits + other taxes on Form 1040 Total Federal Income Tax.
Taxes Not on Form 1040:		
<u></u>	<u>3,100</u>	FICA Taxes.
<u></u>	<u>725</u>	Medicare Taxes.
<u>6,372</u>	<u>492</u>	State Income Tax
Total Taxes:		
<u>41,749</u>	<u>7,398</u>	Total taxes.