

Evaluate Support on a Single Computer Screen

Once case facts have been entered, a SINGLE ANALYSIS SCREEN is used to evaluate different alimony and child support alternatives. Change alimony and child support amounts and see after-tax cash impact on the settlement. Switch children under 17 at the top to see tax savings from dependency exemption and under age 17 child tax credit at the bottom. Once you have a case you want, store it in the Summary Report on Support. Change support amounts to structure a settlement that makes tax sense and gets the client to the share of AFTER-TAX CASH to meet living expenses which YOU WANT.

ALL KEY VARIABLES FOR SUPPORT DECISION ARE SHOWN ON THIS SCREEN

To get to this screen, choose: Support Analysis menu, Split Screen Summary Analysis.

Change Data at Top	James	Mary		
Filing Status	Single	Hd Hsld	Automatic Spt =	YES
No. of Children 17 and Over	0	0	Child Support	0
No. of Children Under Age 17	0	2	Alimony	9,725
Monthly Budget Amount	3,600	4,500	NonTaxable Maint	0
Children Residing (Sole/Split)	0	2		
No. of Shared 0 Overnights	0	0	Each must have 91 nights.	
% of Time with Each Parent	0%	0%		
Salary	90,000	30,000	Software calculates VA child support.	
Self-Employment Income	10,000	0		

Top part of screen is Input area

Recalculate & View Results	2010 Annual Numbers			Monthly Numbers	
	James	Mary	Total	James	Mary
After-Tax Cash for Living Expenses	48,323	53,996	102,319	4,027	4,500
% Share	47.2%	52.8%	100%		
Budget Cash	43,200	54,000	97,200	3,600	4,500
Over/Under Budget	5,123	(4)	5,119	427	0
Mon Cash for Child Support	7,631	3,477	11,108	Payor's %	68.7%
Child Support	(14,604)	14,604	1,217	Per Month	
Tax Saved Child Dep Exempt	0	1,186	1,186	Pre-Divorce Alimony Guideline Annual Amount	
Tax Saved Under 17 Child Cr	0	2,000	2,000	9,792	
Child Cr not Allowed	0	0			
Tax Savings from Alimony	3,305	(1,807)	1,498	Payor's Annual Guideline Support Included	
Alt Min Tax Incl in Fed Tax	0	0	0	Other Items 14,604	
Marg Tax % Incl in State Tax	30.8%	19.9%			
Adjusted Gross Income	90,568	41,725			
Federal Income Tax	16,297	(1,138)	15,159	Max 2010 Alimony	
State Income Tax	4,753	1,176	5,929	No Recapture 24,725	
Local Income tax	0	0	0		

Bottom part Shows results

This is last case of Support Summary exhibit. You can immediately see the after-tax impact of using more alimony on bottom line cash flow for both parties. Different mixes of alimony and child support can be easily assessed. You instantly see taxes saved from the child dependency exemption and underage 17 child tax credit. You can determine the tax savings from the child dependency exemption and child tax credit if either party claims the children. It's simple to figure out who should "take the kids" and detailed reports are available to show how the numbers on this screen are computed. All the federal tax tables are available on-screen to make this analysis simple.

FinPlan Divorce Planner's single screen analysis lets you quickly determine how to get your clients to the best possible settlement because you KNOW the TAX IMPACT of different options is accurate.