

**All Taxes are Summarized on a 1 Page Report**

**SUMMARY OF 2008 TAXES**

Last Name: Jones	<u>James</u>	<u>Mary</u>
<b>FEDERAL INCOME TAX</b>		
1 Salary	90,000	30,000
2 Self-Employment Income	10,000	0
3 Interest + Dividends	1,000	2,000
4 Alimony Received	0	10,525
5 Long Term Capital Gain	0	0
6 Other Income	0	0
<b>7 Total Income</b>	<b>101,000</b>	<b>42,525</b>
<b>LESS:</b>		
8 Alimony Paid	10,525	0
9 Other Adjustments to Income	707	0
<b>10 Adjusted Gross Income</b>	<b>89,768</b>	<b>42,525</b>
<b>LESS:</b>		
11 Greater: Standard Deduction	(5,450)	0
12 or Itemized Deductions	0	(12,222)
13 Personal Exemptions Allowed	(3,500)	(10,500)
<b>14 Taxable Income</b>	<b>80,818</b>	<b>19,803</b>
15 Taxable Inc Excl Div + LT Capital Gains	79,818	17,803
16 Tax on Regular Income	16,327	2,098
17 Tax on Dividends + LT Capital Gains	150	0
18 Less: Child Care Credit	0	(630)
19 Education/Other Credits	0	0
20 Tax Before Refundable Credits	16,477	1,468
21 Child Tax Credit - Under Age 17	0	(2,000)
22 Earned Income Credit	0	0
23 Alternative Minimum Tax	0	0
<b>24 Total Federal Income Tax</b>	<b>16,477</b>	<b>(532)</b>
25 Soc Sec/Self-Employment Tax	8,298	2,295
26 State Income Tax	4,707	1,222
27 Local Income Tax	0	0
<b>28 Total Taxes</b>	<b>29,482</b>	<b>2,985</b>
<b>TAXES SAVED</b>		
<b>29 Child Dependency Exemption</b>	<b>0</b>	<b>1,141</b>
<b>30 Child Tax Credit - Under Age 17</b>	<b>0</b>	<b>2,000</b>
31 Average Tax Rate %	29.2%	7.0%
32 Marginal Federal Tax %	28.0%	15.0%
33 Marginal Federal + State Tax %	33.8%	19.9%
34 Filing Status	Single	Hd Hsld
35 Total Personal Exemptions	1	3
36 No. of Children Under Age 17	0	2

**NOTE:**

For high income individuals, this tax calculation reflects a reduction of itemized deductions and personal exemption amounts allowed and 2/3 of such reduction has been eliminated per current law.

June 4, 2008 09:48 AM

© 2008 Thomson/West. All rights reserved.