

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	John	Mary	% Inc > 30,000	0%
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	2	0	Alimony	11,950
Monthly Budget Amount	3,000	4,200	NonTaxable Maint	0
Children Residing (Ch Spt)	0	2		
Salary	80,000	25,000	Software calculates GA child support.	
Self-Employment Income	5,000	0		

Top part of screen is Input area

Recalculate & View Results	2011 Annual Numbers			Monthly Numbers	
	John	Mary	Total	John	Mary
After-Tax Cash for Living Expenses	41,002	51,145	92,147	3,500	4,261
% Share	44.5%	55.5%	100%		
Budget Cash	36,000	50,400	86,400	3,000	4,200
Over/Under Budget	5,002	745	5,747	500	61
Child Support	(16,692)	16,692	1,391	Per Month	
Tax Saved Child Dep Exempt	2,210	0	2,210		
Tax Saved Under 17 Child Cr	2,000	0	2,000	Tax Savings – Alimony (If Negative, use Non-Taxable Maintenance)	
Child Cr not Allowed	0	0			1,562
Tax Savings from Alimony	4,305	(2,743)	1,562	Max 2011 Alimony No Recapture	
Alt Min Tax Incl in Fed Tax	0	0	0		26,950
Marg Tax % Incl in State Tax	31.0%	21.0%			
Adjusted Gross Income	74,740	39,950			
Federal Income Tax	8,585	2,445	11,030		
State Income Tax	3,574	1,639	5,213		

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.