

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 and immediately 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 that 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				
Filing Status	Single	Hd Hsld		Automatic Spt =	YES	Top part of screen is input area
No. of Children 17 and Over	0	0		Child Support	0	
No. of Children Under Age 17	1	0		Alimony	8,699	
Monthly Budget Amount	3,400	4,000		Nontaxable Maint	0	
Children Residing (Ch Spt)	0	1				
Salary	90,000	30,000		Software calculates IL child support.		
Self-Employment Income	10,000	0				
Recalculate & View Results	2011 Annual Numbers			2011 Monthly Numbers		Bottom part shows results
After-Tax Cash for	John	Mary	Total	John	Mary	
Living Expenses	52,147	48,000	100,147	4,345	4,000	
% Share	52.1%	47.9%	100%			
Budget Cash	40,800	48,000	88,800	3,400	4,000	Budget cash is computed
Over /Under Budget	11,347	0	11,347	945	1	
Child Support Annual	(14,498)	14,498	1,208	Per Month	20%	
Alimony	(8,699)	8,699	725	Per Month	11%	
Tax Saved Child Dep Exempt	1,025	0	1,025			
Tax Saved Under 17 Child Cr	150	0	150			
Child Cr not Allowed	850	0				
Tax Savings from Alimony	2,852	(1,739)	1,113			
Alt Min Tax Incl in Fed Tax	0	0	0	Alimony which meets Receiver's Budget 8,699		Alimony to get Mary to budget cash is computed
Marg Tax % Incl State Tax	30.0%	20.0%				
Adjusted Gross Income	91,180	40,699		Max 2011 Alimony		
Federal Income Tax	15,470	3,667	19,137	No Recapture	23,699	
State Income Tax	4,359	1,835	6,194			
Local Income tax	0	0	0			

You can immediately see the after-tax impact of using 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.