

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			Top part of screen is Input area
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	11,470	
Monthly Budget Amount	4,000	5,000	NonTaxable Maint	0	
Children Residing (Ch Spt)	0	2			
Salary		30,000	Software calculates OH child support.		
Self-Employment Income	125,000	0			

Recalculate & View Results	2011 Annual Numbers			Monthly Numbers		Bottom part Shows results
	Jim	Mary	Total	Jim	Mary	
After-Tax Cash for Living Expenses	56,241	60,303	116,544	4,687	5,025	
% Share	48.3%	51.7%	100%			
Budget Cash	48,000	60,000	108,000	4,000	5,000	
Over/Under Budget	8,241	303	8,544	687	25	
Cash for Child Support	106,253	45,014	151,267			
Child Support	(17,501)	17,501				
Tax Saved Child Dep Exempt	0	1,255	1,255	OH Guideline Child Spt Incl Child Care & Hosp Payor's Share		
Tax Saved Under 17 Child Cr	0	2,000	2,000			
Child Cr not Allowed	0	0				
Tax Savings from Alimony	3,661	(2,083)	1,578			
Alt Min Tax Incl in Fed Tax	0	0	0			
Marg Tax % Incl in State Tax	31.9%	18.5%		Max 2011 Alimony		
Adjusted Gross Income	108,284	45,637		No Recapture	26,470	
Federal Income Tax	20,830	(574)	20,256			
State Income Tax	3,967	1,025	4,992			
Local Income tax	2,500	623	3,123			

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.