

OR Tax in Case with Alimony - Line 22 Indicates a Problem

OREGON STATE INCOME TAX CALCULATION

| Last Name: Jones | Full Tax Calc | | Tax Calculation | |
|---|-------------------|--------------|-------------------|--------------|
| | Including Alimony | | Excluding Alimony | |
| | <u>John</u> | <u>Mary</u> | <u>John</u> | <u>Mary</u> |
| 1 Filing Status | Single | Hd Hsld | Single | Hd Hsld |
| 2 Exemptions | 1 | 3 | 1 | 3 |
| 3 Federal AGI | 72,944 | 32,400 | 78,344 | 27,000 |
| OREGON ADJUSTMENTS | | | | |
| 4 Tax Exempt Interest | 0 | 0 | 0 | 0 |
| 5 Additions (User Input) | 0 | 0 | 0 | 0 |
| 6 Interest US Gov't Securities | 0 | 0 | 0 | 0 |
| 7 Taxable Social Security | 0 | 0 | 0 | 0 |
| 8 Reductions (User Input) | 0 | 0 | 0 | 0 |
| 9 Federal Income Tax (subject to maximum) | (5,850) | 0 | (5,850) | 0 |
| 10 Greater of: Itemized Deduct or Standard Deduction Where Std Ded = Single (1950); Hd Hsld (3140); Mar, Jt (3900); Mar Sep (1950); Plus Blind + Age 65 * 1000 for Mar or 1200 for Single or Hd Hsld | 0 (1,950) | 0 (3,140) | 0 (1,950) | 0 (3,140) |
| 11 OR Taxable Income | 65,144 | 29,260 | 70,544 | 23,860 |
| 12 Tax Before OR Credits | 5,646 | 2,199 | 6,132 | 1,713 |
| OREGON CREDITS | | | | |
| 13 Fed Exemp * 179 | (179) | (537) | (179) | (537) |
| 14 Child Care Credit | 0 | (24) | 0 | (45) |
| 15 Earned Income Credit | 0 | (35) | 0 | (87) |
| 16 Working Family Credit | 0 | (120) | 0 | (120) |
| 17 Credit (User Input) | 0 | 0 | 0 | 0 |
| 18 Total Credits | (179) | (716) | (179) | (789) |
| 19 OR State Income Tax | 5,467 | 1,483 | 5,953 | 924 |
| 20 Alimony in line 3 | (5,400) | 5,400 | | |
| 21 Tax Changes from Alimony | 486 | (559) | | |
| 22 Total for Both | (73) | | | |

If line 22 is a negative figure, alimony may not be best option.
Review federal tax calculations (with & without alimony) and consider using non-taxable maintenance instead of alimony.