

**Show 6 Support Alternatives Side-by-Side - Annual, Monthly & Weekly Numbers Available**

**SUMMARY OF ALIMONY/CHILD SUPPORT ALTERNATIVE CASES FOR 2009**

Last Name: Jones

|  | 1 Guideline Child Support |              | 2 Alimony = Mom's Budget |              | 3 Non Taxable Spousal Spt |              |
|--|---------------------------|--------------|--------------------------|--------------|---------------------------|--------------|
|  | John                      | Mary         | John                     | Mary         | John                      | Mary         |
| 1 Cash Income  | 6,250                     | 2,333        | 6,250                    | 2,333        | 6,250                     | 2,333        |
| 2 Children Residing With                                       | 0                         | 2            | 0                        | 2            | 0                         | 2            |
| 3 Child Support  | (511)                     | 511          | (395)                    | 395          | (453)                     | 453          |
| 4 Alimony  | 0                         | 0            | (1,533)                  | 1,533        | 0                         | 0            |
| 5 Non-Taxable Maintenance                                      | 0                         | 0            | 0                        | 0            | (772)                     | 772          |
| <b>6 Cash to Meet Living Expenses</b>                          | <b>4,152</b>              | <b>2,887</b> | <b>3,240</b>             | <b>3,600</b> | <b>3,438</b>              | <b>3,601</b> |
| 7 Total Cash for Both  |                           | <b>7,039</b> |                          | <b>6,840</b> |                           | <b>7,039</b> |
| 8 Budget Cash  | 2,800                     | 3,600        | 2,800                    | 3,600        | 2,800                     | 3,600        |
| <b>9 Over/Under Budget</b>                                     | <b>1,352</b>              | <b>(713)</b> | <b>440</b>               | <b>0</b>     | <b>638</b>                | <b>1</b>     |
| <b>10 Share Cash</b>   | <b>59.0%</b>              | <b>41.0%</b> | <b>47.4%</b>             | <b>52.6%</b> | <b>48.9%</b>              | <b>51.1%</b> |
| 11 Filing Status   | Single                    | Hd Hsld      | Single                   | Hd Hsld      | Single                    | Hd Hsld      |
| 12 No. of Children Age 17 & Over                               | 0                         | 0            | 0                        | 0            | 0                         | 0            |
| 13 No. of Children Under 17                                    | 2                         | 0            | 2                        | 0            | 2                         | 0            |
| 14 Marginal Federal + State Tax %                              | 34.0%                     | 24.0%        | 34.0%                    | 24.0%        | 34.0%                     | 24.0%        |
| 15 Federal + State Tax   | 1,094                     | (208)        | 589                      | 496          | 1,094                     | (208)        |
| 16 Total Taxes for Both  |                           | 886          |                          | 1,085        |                           | 886          |
| 17 Tax Savings Exemptions for Children + Under 17 Child Credit | 348                       | 0            | 325                      | 0            | 348                       | 0            |
| 18 Tax Changes from Alimony                                    | 0                         | 0            | 506                      | (704)        | 0                         | 0            |
| 19 Guideline Support   |                           | 511          |                          | 395          |                           | 453          |

**Comments:**

In Case 2, spousal support is taxable alimony (typical approach) but this increases joint taxes of parties by \$198 per month (\$2,376 per year). The reason is loss of tax credits when alimony increases Mary's income. Using non-taxable spousal support instead of alimony will allow parties to have more after-tax cash and meet their budget needs.

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