

6 Support Scenarios Can Be Shown Side-by-Side-Annual, Monthly or Weekly Numbers Available

**SUMMARY OF ALIMONY/CHILD SUPPORT ALTERNATIVE CASES FOR 2011**

Last Name: Jones

	1 Guideline Support		2 Alimony = Mom's Budget		3 Non Taxable Spousal Spt	
	John	Mary	John	Mary	John	Mary
1 Cash Income	78,500	27,000	78,500	27,000	78,500	27,000
2 Children Residing With	0	2	0	2	0	2
3 Child Support	(13,620)	13,620	(12,468)	12,468	(11,772)	11,772
4 Alimony	0	0	(4,850)	4,850	(2,480)	2,480
5 Non-Taxable Maintenance	0	0	0	0	(5,328)	5,328
6 Cash to Meet Living Expenses	39,980	41,276	37,892	43,200	38,983	43,201
7 Total Cash for Both		81,256		81,092		82,184
8 Budget Cash	36,000	43,200	36,000	43,200	36,000	43,200
9 Over/Under Budget	3,980	(1,924)	1,892	0	2,983	1
10 Share Cash	49.2%	50.8%	46.7%	53.3%	47.4%	52.6%
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	0	2	0	2	2	0
14 Marginal Federal + State Tax %	31.8%	19.0%	34.0%	19.0%	34.0%	24.0%
15 Federal + State Tax	19,151	(2,069)	17,541	(295)	14,188	1,966
16 Total Taxes for Both		17,082		17,246		16,154
17 Tax Savings Exemptions for Children + Under 17 Child Credit	0	2,851	0	3,093	4,158	0
18 Tax Changes from Alimony	0	0	1,610	(1,774)	993	(993)
19 Guideline Support		13,620		12,468		11,772

**Comments:**

In Case 2, spousal support is taxable alimony (typical approach) but this increases combined taxes of parties. 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. Child support is recalculated for changes in spousal support.

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