

# Tax Calculation

Taxes for Lisa S Mallikrodt in 2004 are \$3,669, and taxes for Michael R Mallinkrodt are \$21,397.

	<b>Lisa</b>	<b>Michael</b>	
	Head Hsld	Single	Filing Status in 2004
	3	1	Number of exemptions
<b>Income:</b>			
	30,000	80,000	Wages and salary.
	28	44	Taxable interest income.
	114	0	Taxable dividend income.
	5,500	0	Alimony income.
	0	0	Business and farm income.
	721	0	Capital gain taxable.
	0	0	Other gains and losses.
	0	0	Taxable IRA and pension income.
	0	0	Rent, royalty, partnership, S corporation.
	0	0	Social Security taxable.
	0	0	Other income.
	36,363	80,044	Taxable gross income.
<b>Adjustments:</b>			
	0	0	IRA deduction.
	0	0	Moving expenses.
	0	0	Deduction of 1/2 of self-employment tax.
	500	0	Part of health insurance for self-employed people.
	0	8,500	Alimony paid.
	0	0	Interest on education loans.
	0	0	Other deductions.
	500	8,500	Total adjustments.
	35,863	71,544	Adjusted Gross Income ("AGI") = gross income - total adjustments).
<b>Itemized Deductions:</b>			
	1,020	3,774	Deductible medical expenditures.
	1,614	3,219	State income taxes.
	0	0	Local income taxes.
	900	0	Property taxes.
	3,512	0	Mortgage interest.
	200	250	Charitable contributions.
	0	180	Miscellaneous, subject to 2% AGI threshold.
	0	0	miscellaneous, after 2% AGI threshold.
	0	0	Miscellaneous, not subject to 2% AGI threshold.
	7,246	7,243	Itemized deductions before phase-out.
	7,246	7,243	Itemized deductions after phase-out.
	7,200	4,850	Compare: standard deduction.

Lisa	Michael	
<b>Exemptions:</b>		
9,150	3,050	Deduction for exemptions before phase-out.
9,150	3,050	Deduction for exemptions after phase-out.
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<b>Tax Before Credits and Other Taxes:</b>		
19,467	61,251	Taxable Income = AGI - greater of itemized or standard deductions - exemptions.
2,336	12,058	Tax before credits and other taxes (from tax table or formula).
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<b>Non-refundable Credits:</b>		
576	0	Child care credit.
0	0	Hope education credit.
0	0	Lifetime learning credit.
50	0	Child credit, after phase-out, non-refundable portion.
626	0	Total non-refundable credits (reduce tax, but not below zero).
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<b>Refundable Credits:</b>		
1,950	0	Child credit, after phase-out, refundable portion.
0	0	Earned income credit.
1,950	0	Total refundable credits (can reduce tax below zero and generate a payment from the IRS).
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<b>Other Taxes on Form 1040:</b>		
0	0	Tax on retirement plan premature distribution.
0	0	Alternative minimum tax.
0	0	Lump-sum distribution 5- or 10- year averaging.
0	0	Self-employment tax.
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<b>Total Federal Income Tax:</b>		
		= tax before credits and other taxes - total nonrefundable credits (down to zero) - total refundable credits + other taxes on Form 1040
(240)	12,058	Total Federal Income Tax.
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<b>Taxes Not on Form 1040:</b>		
2,295	6,120	Other taxes (FICA and Medicare Taxes).
1,614	3,219	State Income Tax (CT: 4.5% of adjusted gross income).
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<b>Total Taxes:</b>		
3,669	21,397	<b>Total taxes.</b>