

**CASE 6**  
Single, Retired, with Large Capital Gain; Own Home

Filing Status: Single  
Dependents: None

	Current	SITP	GITP
<b>Income:</b>			
Interest Income	\$ 300	\$ 300	\$ 300
Nonqualified Dividends	260	-	260
Qualified Div	37,940	-	37,940
Short-term Capital Gain/Loss	(3,950)	(3,950)	(3,950)
Long-term Capital Gain/Loss	300,610	300,610	300,610
Capital Gains Excluded	-	(225,458)	-
Social Security	<u>12,680</u>	<u>12,680</u>	<u>12,680</u>
<b>Gross Income</b>	<b>\$ 347,840</b>	<b>\$ 84,183</b>	<b>\$ 347,840</b>
<b>Adjusted Gross Income</b>	<b>\$ 347,840</b>	<b>\$ 84,183</b>	<b>\$ 347,840</b>
<b>Deductions:</b>			
<b>Itemized Deductions:</b>			
State and Local Tax	(19,000)	-	-
Property Taxes	(26,540)	-	-
Home Mortgage Interest	(3,240)	-	-
Charity	(2,180)	-	-
Misc. Subj. 2%	(2,980)	-	-
Add-Back for Limitation	3,947	-	-
<b>Total Deductions</b>	<b>\$ (49,993)</b>	<b>-</b>	<b>-</b>
Exemptions	(1,100)	-	-
<b>Total Deductions and Exemptions</b>	<b>\$ (51,093)</b>	<b>-</b>	<b>-</b>
<b>Taxable Income</b>	<b>\$ 296,747</b>	<b>\$ 84,183</b>	<b>\$ 347,840</b>
Initial Income Tax	41,448	17,605	54,078
Additional AMT	8,634	-	-
FTC	(80)	(80)	(80)
Family Credit	-	(1,650)	(1,650)
Home Credit	<u>-</u>	<u>(486)</u>	<u>(486)</u>
<b>Total Income Tax</b>	<b>\$ 50,002</b>	<b>\$ 15,389</b>	<b>\$ 51,862</b>
Self-Employment Tax	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Tax</b>	<b>\$ 50,002</b>	<b>\$ 15,389</b>	<b>\$ 51,862</b>
Income tax if long-term capital gain is not from sale of stock in U.S. company; for example, gain on sale of real estate or equipment		<u>\$ 91,529</u>	
Additional income tax if long-term gain is not from sale in stock of U.S. company		<u>\$ 76,140</u>	