Tax Forecasting Worksheet

This worksheet is designed for estimation purposes only and does not cover all the possible adjustments that may be required to arrive at actual taxable income (for example, Social Security benefits may be taxable in some circumstances) or to compute final income tax liability (for example, lump-sum distribution tax on retirement distributions). It should be adequate for most purposes and is a good starting point for discussions with your tax advisor, who can assist you in making exact calculations.

	2009	2010
Income		
1. Salaries per Form W-2	________	________
2. Non-qualified dividends and interest income	________	________
3. Net business income (losses)	________	________
4. Net capital gains and qualified dividend income[a]	________	________
5. Other gains (losses)	________	________
6. Passive income (losses) (subject to limitations)	________	________
7. Other income, including 85% of Social Security benefits, if applicable	________	________
8. Total income (sum of lines 1 – 7)	$ ________	$ ________
Adjustments		
9. Alimony paid	________	________
10. Keogh contributions	________	________
11. Deductible IRA contributions	________	________
12. Moving expenses	________	________
13. Other ____________	________	________
14. Adjusted gross income (AGI) (subtract lines 9 – 13 from line 8)	$ ________	$ ________
Deductions		
15. Medical and dental expenses (excess over 7.5% of line 14) or self-employed health insurance	________	________
16. State and local income taxes (or sales taxes—2009 only)	________	________
17. Real estate and property taxes	________	________
18. Home mortgage interest	________	________
19. Investment interest (limited to investment income)	________	________
20. Charitable contributions	________	________
21. Casualty or theft losses (excess over $100 [$500 in 2009] plus 10% of line 14)	________	________
22. Miscellaneous expenses (excess over 2% of line 14)	________	________
23. Total deductions (sum of lines 15 – 22 or the standard deduction if greater)[b]	$ ________	$ ________
24. Personal exemptions ($3,650 in 2009 and 2010)[b]	________	________
25. Regular taxable income (subtract lines 23 and 24 from line 14)	$ ________	$ ________
26. Regular tax (see tax rate tables)[a]	________	________
27. Tax credits	________	________
28. Regular tax (net) (subtract line 27 from line 26)	________	________
29. Alternative minimum tax[c]	________	________
30. Other taxes (self-employment tax, household help, and so forth)	________	________
31. Total tax (sum of lines 28, 29, and 30)	________	________
32. Total withholding and estimated tax payments	$ ________	$ ________
33. Balance due (refund) (subtract line 32 from line 31)	$ ________	$ ________

a. *If your taxable income includes net capital gain and qualified dividend income, you may be eligible for a tax rate on that income that is lower than the tax rate that applies to your other income. Refer to IRS Form 1040, Schedule D.*

b. *The deduction for itemized deductions and personal exemptions is reduced for 2009 if AGI is above certain levels—see the 2009 Tax Benefit Phase-Out Levels on page 17. For 2010, there is no income level phase-out for itemized deductions or personal exemptions.*

c. *Use IRS Form 6251 as a worksheet and review the discussion on AMT on page 12.*

Note: This page has been corrected since publication. Under Deductions, #21 now shows that for the year 2009, losses must be reduced by $500 instead of $100 before claiming. For the IRS rule on this, go here.