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.

Income	2010	2011
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 (job-related, subject to limitations)		
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)		
17. Real estate and property taxes (non-business property)		
18. Home mortgage interest		
19. Investment interest (limited to investment income)		
20. Charitable contributions		
21. Casualty or theft losses (excess over $100 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 2010 projected to be $3,700 in 2011)[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. Personal exemptions are not allowed when calculating the alternative minimum tax.

c. Use IRS Form 6251 as a worksheet and review the discussion on AMT on page 13 and further notes in the online version of this article.