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CFS Software
P.O. Box 879
Simi Valley, CA 93062-0879

Federal/State Tax Planner

State: California
Prepared for JOHN & MARY SMITH

Date: 05-03-2007
Prepared by CFS Tax Software Inc

	2006 (MFJ)		2007 (MFJ)		2008 (MFJ)		2009 (MFJ)		2010 (MFJ)	
	Fed	State	Fed	State	Fed	State	Fed	State	Fed	State
INCOME										
Wages	95,481	95,481	98,345	98,345	101,295	101,295	104,335	104,335	107,465	107,465
Taxable Interest	1,591	1,591	1,639	1,639	1,688	1,688	1,739	1,739	1,791	1,791
Dividends	743	743	765	765	788	788	812	812	836	836
State Tax Refunds	0	0	0	0	0	0	0	0	0	0
Alimony Received	0	0	0	0	0	0	0	0	0	0
Schedule C or F	0	0	0	0	0	0	0	0	0	0
Capital Gain	12,500	12,500	4,500	4,500	1,200	1,200	1,250	1,250	2,850	2,850
4797 Ordinary Gain/Loss	0	0	0	0	0	0	0	0	0	0
IRA/Pension/Lump Sum Dist.	0	0	0	0	0	0	0	0	0	0
Schedule E (Non-Passive)	0	0	0	0	0	0	0	0	0	0
Passive Activities	0	0	0	0	0	0	0	0	0	0
Taxable Social Security	0	0	0	0	0	0	0	0	0	0
Unemployment Compensation	0	0	0	0	0	0	0	0	0	0
Other Income or Losses	0	0	0	0	0	0	0	0	0	0
TOTAL INCOME	110,315	110,315	105,249	105,249	104,971	104,971	108,136	108,136	112,942	112,942
ADJUSTMENTS TO INCOME										
Taxpayer IRA	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Spouse IRA	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Taxpayer Keogh/Sep	0	0	0	0	0	0	0	0	0	0
Spouse Keogh/Sep	0	0	0	0	0	0	0	0	0	0
Self Employed Health Ins.	0	0	0	0	0	0	0	0	0	0
Ded. for Self-Employment Tax	0	0	0	0	0	0	0	0	0	0
Early Withdrawal Penalty	0	0	0	0	0	0	0	0	0	0
Alimony Paid	0	0	0	0	0	0	0	0	0	0
Moving Expenses	0	0	0	0	0	0	0	0	0	0
Educational Interest	0	0	0	0	0	0	0	0	0	0
Qualified Higher Education	0	0	0	0	0	0	0	0	0	0
Other Adjustments	0	0	0	0	0	0	0	0	0	0
State Adjustments to Fed AGI	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0
TOTAL ADJUSTMENTS	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
ADJUSTED GROSS INCOME	104,315	104,315	99,249	99,249	98,971	98,971	102,136	102,136	106,942	106,942
ITEMIZED DEDUCTIONS										
Total Medical Expenses	0	0	0	0	0	0	0	0	0	0
Taxes	5,304	5,304	5,463	5,463	5,627	5,627	5,796	5,796	5,970	5,970
Interest	12,875	12,875	12,875	12,875	12,875	12,875	12,875	12,875	12,875	12,875
Charitable Contributions	250	250	250	250	250	250	250	250	250	250
Casualty and Theft	0	0	0	0	0	0	0	0	0	0
Misc. Ded. Subj to 2% of AGI	0	0	0	0	0	0	0	0	0	0
Gambling Losses	0	0	0	0	0	0	0	0	0	0
Other Misc. Deductions	0	0	0	0	0	0	0	0	0	0
High Income Reduction	0	0	0	0	0	0	0	0	0	0
State Adj. to Fed Item. Ded.	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0
TOTAL ITEMIZED DEDUCTIONS	18,429	18,429	18,588	18,588	18,752	18,752	18,921	18,921	19,095	19,095
STANDARD DEDUCTION	10,300	6,820	10,700	7,025	11,000	7,236	11,300	7,453	11,700	7,677
TOTAL DEDUCTIONS	18,429	18,429	18,588	18,588	18,752	18,752	18,921	18,921	19,095	19,095
TAX COMPUTATIONS										
Adjusted Gross Income	104,315	104,315	99,249	99,249	98,971	98,971	102,136	102,136	106,942	106,942
Total Deductions	18,429	18,429	18,588	18,588	18,752	18,752	18,921	18,921	19,095	19,095
Exemptions	13,200	0	13,600	0	14,000	0	14,400	0	7,500	0
TAXABLE INCOME	72,686	85,886	67,061	80,661	66,219	80,219	68,815	83,215	80,347	87,847
Tax From Tax Tables/Schedules	9,960	3,745	9,086	3,232	8,920	3,100	9,362	3,240	11,903	3,508
State Exemption Credits	N/A	752	N/A	776	N/A	800	N/A	824	N/A	206
Tax	9,960	2,993	9,086	2,456	8,920	2,300	9,362	2,416	11,903	3,302
Tax on Lump Sum Dist.	0	0	0	0	0	0	0	0	0	0
TAX BEFORE CREDITS	9,960	2,993	9,086	2,456	8,920	2,300	9,362	2,416	11,903	3,302
CREDITS (NONREFUNDABLE)										
Dependent Care Credit	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Child Tax Credit *	2,000	N/A	2,000	N/A	2,000	N/A	2,000	N/A	0	N/A
Educational Credits *	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Elective Deferral/IRA Credit *	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Other Nonrefundable Credits	0	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	2,000	0	2,000	0	2,000	0	2,000	0	0	0
TAX AFTER CREDITS	7,960	2,993	7,086	2,456	6,920	2,300	7,362	2,416	11,903	3,302
OTHER TAXES										
Self-Employment Tax	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Alternative Minimum Tax	0	0	836	0	1,276	0	1,727	0	384	0
Tax on IRA/Qualified Plan Dist.	0	0	0	0	0	0	0	0	0	0
Other Taxes	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER TAXES	0	0	836	0	1,276	0	1,727	0	384	0
TOTAL TAX	7,960	2,993	7,922	2,456	8,196	2,300	9,089	2,416	12,287	3,302
PAYMENTS										
Inc. Tax Withheld from Wages	9,548	0	9,834	0	10,129	0	10,433	0	10,746	0
Estimated Tax Payments	0	0	0	0	0	0	0	0	0	0
Earned Income Credit	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Excess Soc. Sec./ Local Tax	0	0	0	0	0	0	0	0	0	0
Other Taxes Paid In	0	0	0	0	0	0	0	0	0	0
Refundable Credits	0	0	0	0	0	0	0	0	0	0
TOTAL PAYMENTS	9,548	0	9,834	0	10,129	0	10,433	0	10,746	0
BALANCE DUE OR REFUND (-)	-1,588	2,993	-1,912	2,456	-1,933	2,300	-1,344	2,416	1,541	3,302
Tax Bracket / Effective Marginal ** Tax Rate on Ordinary Income	15 / 25 8 / 8	15 / 36 8 / 8	15 / 41 8 / 8	15 / 38.7 8 / 8	25 / 26 8 / 8	25 / 26 8 / 8	25 / 26 8 / 8	25 / 26 8 / 8	25 / 26 8 / 8	25 / 26 8 / 8

* May be limited by AGI and/or AMT.

** Effective marginal tax rate on next \$1000 of ordinary income, taking into account phase-outs, AMT, etc.

Qualified Loan Limit and Deductible Mortgage Interest Summary

Name: JOHN & MARY SMITH

ID#:

Current Tax Year: 2007 Married Filing Separate (Y/N)? N

Fair Market Value of Residences (as of date last debt secured) 1,750,000 * Required

This module calculates the deductible mortgage interest for both regular income tax and AMT. The calculations are approximations based on the methods described in IRS Pub 936 and Form 6251 Instructions. Payments on mixed use loans are applied first to personal (home equity) debt, next, to any grandfathered debt, and, finally, to any home acquisition debt. Enter mortgage data below and view deductible interest calculations on the summary page.

MORTGAGE SCHEDULE

<u>Reference</u>	<u>Loan # 1</u>	<u>Loan # 2</u>	<u>Loan # 3</u>	<u>Loan # 4</u>	<u>Loan # 5</u>
Description	Original Loan	New Loan	Third Loan	RV Loan	
Date originated	05/01/1986	03/02/2004	06/15/2006	03/01/2000	
<u>Current year data</u>					
Month of first payment * Required . . .	1	3	6	3	
Beginning balance	1,200,000	200,000	175,000	150,000	
Principal payments	400,000	10,000	5,000	26,000	
Amount refinanced					
Ending balance	800,000	190,000	170,000	124,000	
Month of last payment * Required . . .	12	12	12	12	
Interest paid	40,000	4,500	2,750	8,725	
No. Months a Qualified Home * Required	12	12	12	12	
<u>Allocate beginning balance</u>					
Acquisition/Improve debt		180,000		150,000	
Grandfathered debt	1,200,000				
Home equity/Personal debt	0	20,000	175,000	0	
<u>Ending balance</u>					
Acquisition/Improve debt	0	180,000	0	124,000	
Grandfathered debt	800,000	0	0	0	
Home equity/Personal debt	0	10,000	170,000	0	
<u>Average balance</u>					
Acquisition/Improve debt	0	150,000	0	113,083	
Grandfathered debt	983,333	0	0	0	
Home equity/Personal debt	0	12,083	100,417	0	
<u>AMT adjustment</u>					
Portion of above used to acquire a NON-QUALIFIED (for AMT) 2nd home . .		180,000		150,000	
<u>Recap</u>					
Average balance Grandfathered debt (before 10/13/1987)				983,333	
Average balance Acquisition/Improvement debt (after 10/13/1987)				263,083	
Average balance Home Equity/Personal debt				112,500	
Average balance on all mortgages				1,358,917	
Total ending balance on all mortgages.				1,284,000	
Total interest paid				55,975	

Prepared By:

CFS Tax Software Inc
1445 Los Angeles Ave Ste 214
Simi Valley CA 93065
Tel: (800) 343-1157 Fax: (805) 522-0187

05-03-2007

Qualified Loan Limit and Deductible Mortgage Interest Summary

Name: JOHN & MARY SMITH

ID#:

Current Tax Year: 2007 Married Filing Separate (Y/N)? N

1. Average balance of all Grandfathered debt (before 10/13/1987)	983,333
2. Average balance of all Acquisition debt (after 10/13/1987 to acquire or improve)	263,083
3. Limitation \$1,000,000 or \$500,000	1,000,000
4. The greater of Line 1 or Line 3	1,000,000
5. Add Line 1 and Line 2	1,246,417
6. Smaller of Line 4 or Line 5	1,000,000
7. Fair Market Value of Home (as of date last debt secured)	1,750,000
8. Smaller of \$100,000 (MFS \$50,000) or FMV minus Line 5	100,000
9. Qualified Loan Limit (Add Line 6 and Line 8)	1,100,000
10. Average Balance on all mortgages	1,358,917
11. Total interest paid.	55,975
12. Divide Line 9 by Line 10	0.80947
13. Deductible Interest - Form 1040, Schedule A (Line 11 x Line 12)	45,310
14. Non-Deductible Interest (Line 11 x Line 12)	10,665

AMT Calculation:

	<u>Total</u>	<u>Amount Included on Line 13</u>
15. Allocation of interest paid:		
a. Acquisition/Grandfathered mortgage interest	39,550	39,550
b. Interest to acquire a Non-Qualified (for AMT) dwelling	13,225	5,760
c. Home Equity/Personal mortgage interest	3,200	0
16. Home mortgage interest adjustment - Form 6251, Part I (Add Lines 15b, and 15c)		5,760

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05-03-2007

Social Security Benefits Take It at Age 62 or Later?

Name: JOHN SMITH

Input:

Date of birth 10/10/1946
 Male or Female
 Full social security retirement age 66 yr. 0 mo.
 Monthly benefits at full retirement age 1,500
 Life expectancy at full retirement age 82
 Alternate life expectancy at full retirement age
 Projected rate of inflation 3.00 %
 Rate of return for net present value (NPV) calculations ** 5.00 %

Results:

	62	63	64	65	66	67	68	69	70
Age benefits start									
Remaining life expectancy (years)	17.98	17.25	16.54	15.84	15.16	14.50	13.86	13.23	12.61
Monthly benefits *	1,125	1,236	1,362	1,530	1,688	1,878	2,078	2,288	2,508
Annual benefits	13,804	15,166	16,714	18,771	20,715	23,043	25,493	28,068	30,776
NPV of benefits paid over lifetime **	211,065	220,157	230,223	245,072	256,171	269,723	282,290	293,645	303,786
Total benefits paid over lifetime *	346,236	372,399	401,703	441,094	475,941	517,652	559,700	601,842	643,794
Benefits gained over lifetime vs taking benefits at age 62 *		26,163	55,467	94,858	129,705	171,416	213,464	255,606	297,558
Age at breakeven vs age 62		71	72	72	72	73	73	74	75

* Inflation adjusted

** Net present value (NPV) is a method for comparing the value of money now with the value of money in the future. NPV is today's value of a future payment or stream of payments invested at a conservative rate of return (ROR).

These calculations are based on a projection of future events, and should be used for planning purposes only.

Sale of Principal Residence

Name: JOHN & MARY SMITH

SSN: _____

Part I. Computation of Realized Gain on Sale of Principal Residence

1. Date of Sale			02/15/2006
2. Sales Price	\$		635,000
3. Expenses of Sale	\$		<u>26,329</u>
4. Amount Realized (line 2 less line 3)	\$		608,671
5. Adjusted Basis of Residence Sold:			
a) Original Purchase Price	\$	35,000	
b) Expenses of Acquisition		1,750	
c) Improvements and Additions		49,550	
d) Other Increases to Basis			
e) Deferred Gains from Previous Sales			
f) Depreciation Allowed or Allowable Before 5/7/1997			
g) Depreciation Allowed or Allowable After 5/6/1997			
h) Residential Energy Credits			
i) Other Decreases to Basis			
6. Adjusted Basis of Residence Sold (5a-i)	\$		<u>86,300</u>
7. Realized Gain (Loss) on Sale (line 4 less line 6). If this is a loss, STOP.	\$		522,371

Part II. Exclusion and Taxable Gain for Sales After May 6, 1997

8. Depreciation Allowed or Allowable After 5/6/1997	\$		0
9. Line 7 less line 8, if less than zero, enter zero	\$		522,371
10. Married Filing Joint (Y/N)?		Yes	
11a. Did you satisfy the 2 of 5 year requirement?		No	
b. Do you qualify for a reduced exclusion? (change of place of employment, health, or other unforeseen circumstances)		Yes	
		(a)	(b)
		<u>Taxpayer</u>	<u>Spouse</u>
12. Maximum Exclusion	\$	250,000	250,000
13. Number of days used as main home during 5 year period		425	425
14. Number of days owned property during 5 year period		425	425
15. If you are excluding gain from the sale of another home after May 6, 1997, enter the number of days between date of sale of other home and date of sale of this home. Otherwise leave this line blank.			
16. Enter the smaller of line 13, 14 or (if applicable) line 15		425	425
17. Divide line 16 by 730 days, enter result as decimal		0.5822	0.5822
18. Multiply line 12 x line 17 (Reduced Exclusion Amount)	\$	145,550	145,550
19. Maximum Exclusion Amount (or add line 18a and line 18b for reduced exclusion)	\$		291,100
20. Lesser of line 9 or line 19, this is the exclusion amount	\$		<u>291,100</u>
21. Taxable Gain (line 7 less line 20)	\$		231,271
22. Depreciation subject to recapture (lesser of line 8 or line 21)	\$		<u>0</u>
23. Gain on sale of residence subject to max. cap gain rate (line 21 less line 22)	\$		231,271
24. Total reportable gain (add line 22 and line 23)	\$		231,271

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05-03-2007

Inherited IRA - Required Minimum Distribution (2002 Final Reg)

Beneficiary:Name: JOHN SMITHDate: May 4, 2007Date of birth: * 05/20/1965 * **Required fields****Original Owner of IRA:**Name: Erma SmithDate of birth: * 05/15/1928 Date of death: * 05/15/2002Year for which RMD is to be calculated: * 2007Account balance as of 12/31/2006 : * 135,000**Check the box that defines the beneficiary below: (Check only one category)**

1. The spouse is the sole beneficiary.
- a) The spouse rolls over the IRA to his/her own account.
- b) The spouse DID NOT roll over the IRA and is still alive.
- c) If the spouse is deceased, enter the year of death. _____
2. The beneficiary is NOT the spouse (or the spouse is NOT the SOLE beneficiary)
3. There is NO designated beneficiary as of September 30th of the year after the date the original owner of the IRA died.

Caution: If the original owner did not take his RMD for the year of death, then that distribution must be taken in the year of death or as soon as possible thereafter.

Results:

Year of distribution	2007
Original owner's age (year of death)	74
Beneficiary's age (year of orig. owner's death)	37
Divisor	41.6
Required minimum distribution (RMD)	3,245

The applicable divisor is the LARGER of the divisor taken from the Single Life Table* for the beneficiary's age in the year after the original owner's death, reduced by one for each subsequent year OR the divisor from the Single Life Table* based on the original owner's age in the year of death, reduced by one for each subsequent year.

* Final 2002 regulations from Federal Register, Vol 67, No. 74, April 17, 2002.

Estimated calculations for planning purposes only.

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Simi Valley CA 93065
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05-04-2007

Minimum IRA Distribution Calculation (2002 Final Reg)

Name: JOHN SMITH

Calculates the required minimum IRA distribution for taxpayers who have reached age 70 1/2: Calculations are based on the Taxpayer's Age and the applicable divisor from the Uniform Lifetime Table from Federal Register, Vol 67, No. 74 dated April 17, 2002. This divisor is applicable to situations where the spouse is not the sole designated beneficiary or is the sole designated beneficiary but is not more than 10 years younger than the taxpayer.

Non-spousal Beneficiary or No Beneficiary: Based on Taxpayer's Age and the applicable divisor from the Uniform Lifetime Table.

Spousal Beneficiary: Based on Taxpayer's Age and the applicable divisor from the Uniform Lifetime Table unless the spouse is 10 or more years younger than the taxpayer. Then the divisor is from the Joint Life and Last Survivor Expectancy (Table II).

Note: Non-spousal inherited IRAs require special considerations not covered by this module.

Assumptions:

Current distribution year	2007
IRA account balance (December 31 of previous year)	\$ 100,000.00
Taxpayer's birthdate	07/20/1929
First year for required minimum distribution	2000
Taxpayer's age (December 31 of current distribution year)	78
Spouse's birthdate	05/20/1935
Spouse's age (December 31 of current distribution year)	72
Is the spouse a beneficiary?	Yes

Calculations:

Number of required prior distributions	7
Expected return divisor	20.3
Minimum distribution	\$ 4,926.11

Auto Lease vs Buy Comparison

Name: JOHN & MARY SMITH

Vehicle Description: 2005 Lexus 300

INPUT DATA

Tax rate	Federal: ..	25.00%	State:	9.30%
Business use %				90.00%
Time value of money				5.00%
Does taxpayer itemize deductions?				Yes
Is taxpayer self-employed?				No
Taxpayer AGI	100,000	Other misc. expenses		3,500

Lease Information

Date of lease start	02/01/2005
Term of lease (months)	48
Down payment on lease	4,000
Refundable security deposit	500
Monthly payment	533
Excess mileage penalty	

Purchase Information

Vehicle cost	38,000
Selling price at end of lease period	17,500
Will taxpayer pay cash?	No
Down payment on purchase	3,000
Loan interest rate	7.50%
Term of loan (months)	48
Depreciation method (200% DB, SL, SMR)	STANDARD MILEAGE

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Business miles	15,000	15,000	15,000	15,000		
Operating cost	3,000	3,000	3,000	3,000		
License (Pers. prop. portion)	300	280	260	240		

SUMMARY

	LEASE			BUY		
	Lease Expense	Tax Benefit	Net PV of Expenses & Benefits	Purchase Expense	Tax Benefit	Net PV of Payments & Benefits
2005	13,663	2,870	10,667	15,609	2,467	12,897
2006	9,676	2,986	6,249	13,435	2,465	10,204
2007	9,656	2,932	5,976	13,415	2,458	9,697
2008	9,636	2,898	5,697	13,395	2,452	9,214
2009	33	163	-107	-16,654	2,258	-15,490
TOTALS	42,664	11,849	28,482	39,200	12,100	26,522

BUYING provides a net PV cost savings of \$1,960.

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1445 Los Angeles Ave Ste 214
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05-03-2007

Auto Lease Inclusion Amount

Name: JOHN & MARY SMITH

ID#:

Vehicle Description: 2006 Lexus

Passenger Auto

Truck/Van < 6,000 lbs.

1. Date of Lease	05/15/2006
2. Term of Lease (Months)	36
3. Current Tax Year	2006
4. Fair Market Value	\$ 38,000
5. Number of Days Leased in Current Tax Year	231
6. Business/Investment Mileage	15,000
7. Total Mileage	17,500
8. Dollar Amount From Table	\$ 148
9. Business/Investment Mileage Percentage (Line 6 / line 7)	85.71%
10. Percent of Days Leased in Current Tax Year 2006 (Line 5 / 365)	63.29%
11. Lease Inclusion Amount For Tax Year 2006 (Line 8 x line 9 x line 10)	\$ 80

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05-03-2007

Mutual Fund Transactions
(Using Average Cost Basis Method)

Client: JOHN SMITH
Fund: Stoneybrook Growth and Income Fund

ID#: - -
Account No: 01-2335455

No	Date	Type	--- Number of Shares ---		----- \$ Cost Basis -----			----- \$ Amount -----	
			Transaction	Balance	Transaction	Balance	Average	Sales Price	Gain (Loss)
1	01/01/95	Buy	10.000	10.000	300.00	300.00	30.000		
2	04/01/95	Buy	9.750	19.750	300.00	600.00	30.380		
3	07/01/95	Buy	9.500	29.250	300.00	900.00	30.769		
4	10/01/95	Buy	9.250	38.500	300.00	1,200.00	31.169		
5	12/15/95	Reinvest	.800	39.300	25.00	1,225.00	31.170		
6	01/01/96	Buy	9.000	48.300	300.00	1,525.00	31.573		
7	04/01/96	Buy	8.750	57.050	300.00	1,825.00	31.989		
8	07/01/96	Buy	8.500	65.550	300.00	2,125.00	32.418		
9	10/01/96	Buy	8.250	73.800	300.00	2,425.00	32.859		
10	12/15/96	Reinvest	1.500	75.300	50.00	2,475.00	32.869		
11	01/01/97	Buy	8.000	83.300	300.00	2,775.00	33.313		
12	04/01/97	Buy	7.750	91.050	300.00	3,075.00	33.773		
13	07/01/97	Buy	7.500	98.550	300.00	3,375.00	34.247		
14	10/01/97	Buy	7.250	105.800	300.00	3,675.00	34.735		
15	12/15/97	Reinvest	2.000	107.800	75.00	3,750.00	34.787		
16	01/01/98	Buy	6.800	114.600	300.00	4,050.00	35.340		
17	04/01/98	Buy	6.600	121.200	300.00	4,350.00	35.891		
18	07/01/98	Buy	6.400	127.600	300.00	4,650.00	36.442		
19	10/01/98	Buy	6.200	133.800	300.00	4,950.00	36.996		
20	12/15/98	Reinvest	2.500	136.300	100.00	5,050.00	37.051		
21	01/01/99	Buy	6.000	142.300	300.00	5,350.00	37.597		
22	04/01/99	Buy	5.800	148.100	300.00	5,650.00	38.150		
23	07/01/99	Buy	5.600	153.700	300.00	5,950.00	38.712		
24	10/01/99	Buy	5.400	159.100	300.00	6,250.00	39.283		
25	12/15/99	Reinvest	2.200	161.300	125.00	6,375.00	39.523		
26	01/01/00	Buy	5.000	166.300	300.00	6,675.00	40.138		
27	04/01/00	Buy	5.100	171.400	300.00	6,975.00	40.694		
28	07/01/00	Buy	5.200	176.600	300.00	7,275.00	41.195		
29	10/01/00	Buy	5.300	181.900	300.00	7,575.00	41.644		
30	12/15/00	Reinvest	2.300	184.200	150.00	7,725.00	41.938		
31	01/01/01	Buy	5.500	189.700	300.00	8,025.00	42.304		
32	04/01/01	Buy	5.600	195.300	300.00	8,325.00	42.627		
33	07/01/01	Buy	5.700	201.000	300.00	8,625.00	42.910		
34	10/01/01	Buy	5.800	206.800	300.00	8,925.00	43.158		
35	12/15/01	Reinvest	3.000	209.800	180.00	9,105.00	43.398		
36	01/01/02	Buy	6.000	215.800	300.00	9,405.00	43.582		
37	04/01/02	Buy	6.100	221.900	300.00	9,705.00	43.736		
38	07/01/02	Buy	6.500	228.400	300.00	10,005.00	43.805		
39	10/01/02	Buy	7.000	235.400	300.00	10,305.00	43.777		
40	12/15/02	Reinvest	5.000	240.400	200.00	10,505.00	43.698		
41	12/15/03	Reinvest	5.400	245.800	220.00	10,725.00	43.633		
42	12/15/04	Reinvest	4.900	250.700	230.00	10,955.00	43.698		
43	09/01/06	Sell	-60.000	190.700	-2,621.86	8,333.14	43.698	3,000.00	378.14
44	12/15/06	Reinvest	3.400	194.100	160.00	8,493.14	43.757		
45	12/31/06	Sell	-58.000	136.100	-2,537.88	5,955.26	43.757	3,000.00	462.12
							Total:	6,000.00	840.26

2007 Paycheck Withholding Calculator

Employer Name: Jim's Plumbing
 Employer Address: 405 W Edgerton St
 Simi Valley CA 93063

Telephone: (805) 456-4887

Employee Name: John Smith
 Payroll Period Ending: 07/15/2007

Check Number: 42501

SSN: 989-87-4657
 Pay Date: 07/31/2006

Input Data

GROSS AMOUNT of pay per period	1,000.00
Pay period	Weekly
Amount of non-taxable pay per pay period	
Amount of non-taxable pay exempt from Social Security	
Federal Filing status	Married
Spouse works or taxpayer has two jobs	Yes
Number of Federal allowances	2
Extra Federal withholding per pay period	
OR , Federal withholding percentage per pay period	%
Social Security (Basic)	6.20%
Social Security (Medicare)	1.45%
Other paycheck deductions	

State: California	State taxable pay if different than Federal
Filing Status: Single or Married (2 incomes)	Deduction Type Credit Type
State regular or personal (taxpayer, spouse) allowances	N/A 2
State dependent allowances (if not included above)	N/A N/A
Other state allowances: Itemized	N/A N/A
Extra state withholding per pay period	
OR state withholding percentage of pay	%
OR state withholding percentage of federal withholding	%

Locality: California SDI	Local taxable pay if different than Federal
Filing Status: All Filers	Deduction Type Credit Type
Local regular or personal (taxpayer, spouse) allowances	N/A N/A
Local dependent allowances (if not included above)	N/A N/A
Other local allowances:	N/A N/A
Extra local withholding per pay period	
OR local withholding percentage of pay	%
OR local withholding percentage of federal withholding	%

Calculated Results

Federal tax withheld is \$	4,812.50	per year or \$	92.55	per pay period.
State tax withheld is \$	2,208.22	per year or \$	42.47	per pay period.

Net Paycheck Information

YTD

Gross pay	1,000.00	1,000.00
Non-taxable pay		0.00
Federal withholding	92.55	92.55
Social Security (Basic)	62.00	62.00
Social Security (Medicare)	14.50	14.50
State withholding	42.47	42.47
Local withholding	6.00	6.00
Other deductions		0.00
Total deductions	217.52	217.52
Net paycheck	782.48	782.48

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 Simi Valley CA 93065
 Tel: (800) 343-1157 Fax: (805) 522-0187

05-03-2007

MACRS Depreciation

Name: JOHN & MARY SMITH

ID#:

SHORT TAX YEAR in first or last year? No

Date Business Began:

Current Tax Year End Date: 12/31/2006

Date Business Closed:

	Contractor	Contractor	Contractor	Contractor
Description of Asset	Generator	Saw	Truck	Building
Date placed in service	05/15/2003	07/16/2004	06/26/2006	05/12/2003
Property type	Non-vehicle	Non-vehicle	Truck<6,000 lbs.	Non-vehicle
Business/investment use %	100	100	100	100
Cost or other basis	1850	880	38500	275000
Special 1st year allowance	None	50%	None	None
Section 179 deduction				
Recovery period	7	5	5	39
Convention (HY, MQ, MM)	HY	HY	MQ	HY
Method (200%, 150%, SL)	150% DB	200% DB	200% DB	SL
Basis for depreciation	1850	880	38500	275000
Prior depreciation	830	669	0	17628
Current year depreciation	227	84	3260	7051

Year Ending	Contractor	Contractor	Contractor	Contractor
12/31/2003	198			3526
12/31/2004	354	528		7051
12/31/2005	278	141		7051
12/31/2006	227	84	3260	7051
12/31/2007	227	51	5200	7051
12/31/2008	226	51	3150	7051
12/31/2009	227	25	1875	7051
12/31/2010	113		1875	7051
12/31/2011			1875	7051
12/31/2012			1875	7051
12/31/2013			1875	7051
12/31/2014			1875	7051
12/31/2015			1875	7051
12/31/2016			1875	7051
12/31/2017			1875	7051
12/31/2018			1875	7051
12/31/2019			1875	7051
12/31/2020			1875	7051
12/31/2021			1875	7051
12/31/2022			1875	7052
12/31/2023			640	7051
12/31/2024				7052
12/31/2025				7051
12/31/2026				7052
12/31/2027				7051
12/31/2028				7052
12/31/2029				7051
12/31/2030				7052
12/31/2031				7051
12/31/2032				7052
12/31/2033				7051
12/31/2034				7052
12/31/2035				7051
12/31/2036				7052
12/31/2037				7051
12/31/2038				7052
12/31/2039				7051
12/31/2040				7052
12/31/2041				7051
12/31/2042				3526

Income Statement

FOR: JM Java Shop

ID#:

FROM: 01/01/2006

TO: 12/31/2006

INCOME:

Gross Receipts or Sales	.....	\$	133,500
Returns and Allowances	.....		925
Inventory at Beginning of Period	.....	\$	18,500
Purchases	.....		42,011
Cost of Items for Personal Use	.....	
Cost of Labor	.....	
Material and Supplies	.....	
Other Costs	.....	
Inventory at End of Period	.....		17,225
Cost of Goods Sold and/or Operations	.....		43,286
GROSS PROFIT	.....		89,289
Other Income	.....	
GROSS INCOME	.....		89,289

EXPENSES:

Advertising	.....	\$	500	Rent (Other)	.....	\$	12,000
Amortization	.....			Repairs	.....		375
Bad Debts from Sales/Svcs	.....			Supplies	.....		667
Car & Truck Expenses	.....		3,647	Taxes	.....		125
Cleaning & Maintenance	.....			Travel	.....		405
Commissions	.....			Meals/Ent (50%)	.....		157
Depreciation & Sect. 179	.....		4,250	Utilities	.....		1,575
Employee Benefits	.....			Telephone	.....		1,845
Freight	.....			Wages	.....		7,250
Insurance	.....			Jobs Credit (Pos #)	.....	
Interest (Mortgage)	.....			Postage	.....		146
Interest (Other)	.....		214	Bank Charges	.....		642
Legal & Professional	.....		375				
Office Expense	.....		366				
Pension/Profit Sharing	.....					
Rent (Machinery/Equip)	.....					
TOTAL EXPENSES	.....						34,539

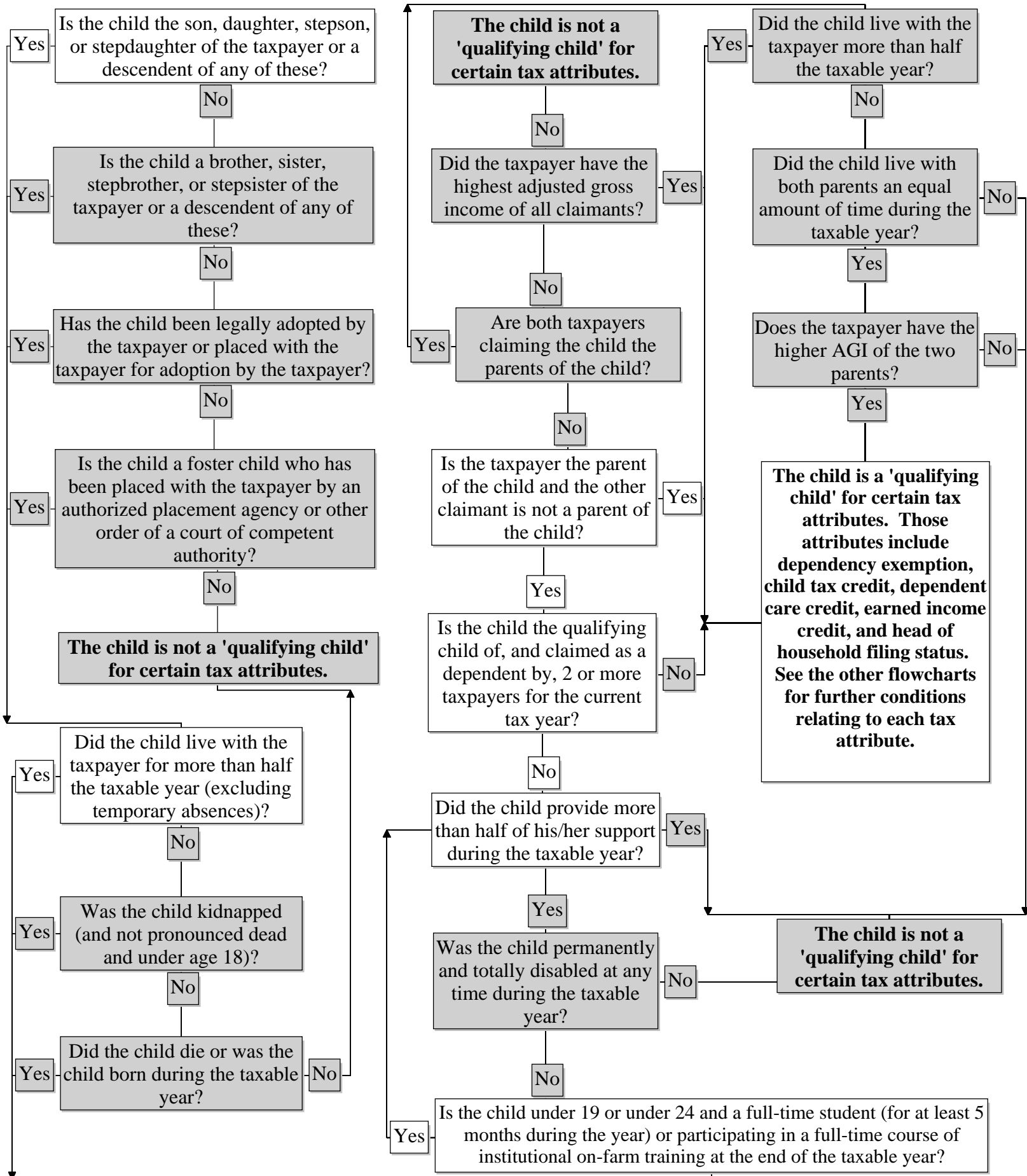
NET PROFIT OR (LOSS) \$ 54,750

Prepared By:

CFS Tax Software Inc
1445 Los Angeles Ave Ste 214
Simi Valley CA 93065
Tel: (800) 343-1157 Fax: (805) 522-0187

05-03-2007

Child: Uniform Definition of a 'Qualifying Child' for certain tax attributes. IRC 152(c)



LAW ENFORCEMENT DEDUCTIONS

Client: JOHN & MARY SMITH

ID# _____

Tax Year 2006

The purpose of this worksheet is to help you organize your tax deductible business expenses. In order for an expense to be deductible, it must be considered an "ordinary and necessary" expense. You may include other applicable expenses. Do not include expenses for which you have been reimbursed, expect to be reimbursed, or are reimbursable.

Uniforms	
Uniforms	
Belts	
Boots, shoes	
Gloves	
Hat, helmet	
Jacket	
Pants	
Shirts	
Ties	
Emblems, insignia	
Dry Cleaning	
Laundry	
Rain gear	
Other _____	
Other _____	
Total	

Professional	
Registration	
Fingerprinting	
Licenses & permits	
Union dues	
Association dues	
Professional dues	
Range dues	
Subscriptions	
Textbooks	
Seminars	
Workshops	
Books, manuals	
Supplies	
Other _____	
Other _____	
Total	

Insurance	
Bond	
Errors & Omissions	
Other _____	
Other _____	
Total	

Vehicle & Travel	
See Vehicle, Travel & Entertainment Worksheet	

Equipment/Supplies	
Ammo pouch	
Ammunition	
Badges, name tags	
Baton	
Briefcase	
Bulletproof vest	
Ear protectors	
Camera	
Film & processing	
Flashlight, bulbs, batteries	
Guns	
Mace	
Maps	
Notebook	
Pager, beeper	
Equipment repairs	
Safety equipment	
Tape recorder	
Tapes	
Whistle	
Other _____	
Other _____	
Total	

Telephone	
2nd Line	
Long distance	
Pay phone	
Cellular	
Answering machine	
Fax line	
Other _____	
Other _____	
Total	

Other Information	

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05-03-2007

Computing Repossession Gain of Real Property

Name: JOHN & MARY SMITH

ID#:

GAIN ON REPOSSESSION OF REAL PROPERTY (Reported on Installment method)

1. Total amount received from sale prior to repossession	.....	\$	75,000
2. Gain previously reported or gain prev. deferred or excluded	.....	\$	20,000
3. Gain (line 1 minus line 2)	.....	\$	55,000
4. Original basis used to determine gain	.....	\$	40,000

LIMITATION

5. Gain on original sale	.....	\$	60,000
6. Amount on line 2	.....	\$	20,000
7. Repossession costs	.....	\$	5,000
8. Add line 6 plus line 7	.....	\$	25,000
9. Subtract line 8 from line 5	.....	\$	35,000
10. GAIN TO BE REPORTED (smaller of 3 or 9, not less than 0)	.....	\$	35,000

NEW BASIS OF REPOSSESSED REAL PROPERTY

11. Original basis used to determine gain (from line 4)	.....	\$	40,000
12. Amount on line 1	.....	\$	75,000
13. Subtract line 12 from line 11 (may be a negative figure)	.....	\$	-35,000
14. Amount on line 2	.....	\$	20,000
14. Amount on line 7	.....	\$	5,000
16. Amount on line 10	.....	\$	35,000
17. BASIS OF REPOSSESSED REAL PROPERTY (add 13, 14, 15 & 16) (if line 13 is negative use as a minus figure)	\$	25,000

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Tel: (800) 343-1157 Fax: (805) 522-0187

05-03-2007

IRREGULAR AMORTIZATION CALCULATION
 (Using Daily Simple Interest Calculated on the Remaining Principal)

Client: JOHN SMITH
 Loan: John Jr Personal Loan

ID#: - -
 Account No:

Start Date: 11/28/2000
 Days Per Year: 365

Starting Loan Amount: \$125,000.00
 Deferred Interest Balance:

No	Payment Date	Payment Amount	Int Rate	- This Payment Interest	- Paid - Principal	Remaining Principal	Deferred Interest
1	12/28/2000	1200.00	8.000	821.92	378.08	124621.92	0.00
2000 Totals		1200.00		821.92	378.08		0.00
2	01/28/2001	1200.00	8.000	846.75	353.25	124268.67	0.00
3	02/28/2001	1200.00	8.000	844.35	355.65	123913.02	0.00
4	03/28/2001	800.00	8.000	760.45	39.55	123873.47	0.00
5	04/28/2001	400.00	8.000	400.00	0.00	123873.47	441.66
6	05/28/2001	1200.00	8.000	814.51	0.00	123873.47	-385.49
7	06/28/2001	1200.00	8.000	841.66	302.17	123571.30	-56.17
8	07/28/2001	1200.00	8.000	812.52	387.48	123183.82	0.00
9	08/28/2001	800.00	8.000	800.00	0.00	123183.82	36.97
10	09/28/2001	1000.00	8.000	836.97	126.06	123057.76	-36.97
11	10/28/2001	1000.00	8.000	809.15	190.85	122866.91	0.00
12	11/28/2001	1000.00	8.000	834.82	165.18	122701.73	0.00
13	12/28/2001	1200.00	8.000	806.81	393.19	122308.54	0.00
2001 Totals		12200.00		9407.99	2313.38		478.63
14	01/28/2002	1200.00	8.000	831.03	368.97	121939.57	0.00
15	02/28/2002	1200.00	8.000	828.52	371.48	121568.09	0.00
16	03/28/2002	400.00	8.000	400.00	0.00	121568.09	346.06
17	04/28/2002	400.00	8.000	400.00	0.00	121568.09	426.00
2002 Totals		3200.00		2459.55	740.45		0.00
18	01/28/2004	12000.00	8.000	12000.00	0.00	121568.09	5052.84
19	02/28/2004	1500.00	8.000	826.00	0.00	121568.09	-674.00
20	03/28/2004	1500.00	8.000	772.71	0.00	121568.09	-727.29
21	04/28/2004	1500.00	8.000	826.00	0.00	121568.09	-674.00
22	05/28/2004	1500.00	8.000	799.35	0.00	121568.09	-700.65
23	06/28/2004	1500.00	8.000	826.00	0.00	121568.09	-674.00
24	07/28/2004	1500.00	8.000	799.35	0.00	121568.09	-700.65
25	08/28/2004	1500.00	8.000	826.00	0.00	121568.09	-674.00
26	09/28/2004	1500.00	8.000	826.00	0.00	121568.09	-674.00
27	10/28/2004	1500.00	8.000	799.35	374.34	121193.75	-326.31
28	11/28/2004	1500.00	8.000	823.45	676.55	120517.20	0.00
29	12/28/2004	10000.00	8.000	792.44	9207.56	111309.64	0.00
2004 Totals		37000.00		20916.65	10258.45		5824.90
30	01/15/2006	42000.00	9.250	10803.90	31196.10	80113.54	0.00
31	02/15/2006	42000.00	9.250	629.39	41370.61	38742.93	0.00
32	04/15/2006	2500.00	9.500	594.94	1905.06	36837.87	0.00
2006 Totals		86500.00		12028.23	74471.77		0.00

LOAN SUMMARY

Regular Interest Paid:	\$45,634.34	Deferred Interest Unpaid:	\$0.00
Deferred Interest Paid:	\$6,303.53	Principal Applied:	\$88,162.13
Total Interest Paid:	\$51,937.87	Remaining Principal:	\$36,837.87

Like-Kind Exchange Worksheet

Name: JOHN & MARY SMITH ID#: _____

Riverside County Condo

Like-kind Property Given Up

Description Rental House
 Date of Transfer 05/15/2007
 FMV/Sales Price 175,000
 Less: Liabilities/Mortgages (75,000)
 Equity 100,000

Like-kind Property Received

Description Condo
 Date Received 05/26/2007
 FMV/Sales Price 200,000
 Less: Liabilities/Mortgages (125,000)
 Equity 75,000

Realized Gain FMV/Sales Price of Property Given Up 175,000
 Less: Adjusted Basis (88,000)
 Less: Exchange Expenses (5,000)
 Gain/(Loss) 82,000
 (Loss cannot be recognized)

Recognized Gain Decrease in Equity or 25,000
 Increase in Equity (0)
 Decrease in Liabilities/Mortgage(s), if any _____
 Less: Exchange Expenses (5,000)
 Gain/(Loss) 20,000
 Recognized Gain, but only
 to extent of realized gain. 20,000
 (Note, if result is negative,
 there is no recognized gain)

Basis of Property Received

FMV/Sales Price of Property Received 200,000
 Plus: Non-Recognized Loss, if any, or _____
 Less: Non-Recognized Gain, if any (62,000)
 Basis of Property Received 138,000

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05-03-2007

Computation of NOL Carryback/Carryover

Name: JOHN & MARY SMITH

ID#:

- A. NOL Year is 2006
- B. NOL is carried to 2004
- C. Filing Status for 2004 is Married Filing Joint
 - Taxpayer 65 and/or Blind (0, 1 or 2)
 - Spouse 65 and/or Blind (0, 1 or 2)

- D. Other NOL Carryovers to 2004 \$
- E. Other NOL Carrybacks to 2004 \$

1. Amount of 2006 NOL Carried to 2004 \$ 36,500

2a. 2004 AGI per return or as adjusted \$ 45,000

2b. Capital Loss or 60% Gain Exclusion for 2004 \$

2c. Modifications to 2004 AGI \$

2d. Modified AGI for 2004 (Combine 2a through 2c) \$ 45,000

3a. Direct Charitable Contributions \$

3b. Standard Deduction/ZBA for 2004 equals \$ 9,700

3c. Standard Deduction/ZBA plus allowable Charitable \$ 9,700

	Total	Limit	Allowable
4a. Medical Expenses	12000	7.5%	8,625
4b. Charitable Contributions	1000	50%	1,000
4c. Casualty Losses		10%	0
4d. Misc Subject to 2% Limit	300	2%	0
4e. Deducts Exempt from High Income Phaseout	4000	N/A	4,000
4f. Remaining Itemized Deductions		N/A	0
4g. High Income Phaseout Reduction			0
4h. Total Itemized Deductions			13,625

5. Total Deductions (Greater of Lines 3c or 4h) \$ 13,625

6. Modified Taxable Income (Line 2d minus Line 5) \$ 31,375

7. Remaining NOL to be carried to next available year (Ln 1-6) \$ 5,125

Offer in Compromise

Attach Application Fee and Payment (check or money order) here.

IRS RECEIVED DATE

Section I Taxpayer Contact Information

Taxpayer's First Name and Middle Initial
JOHN Last Name
SMITH

If a joint offer, spouse's First Name and Middle Initial
MARY Last Name
SMITH

Business Name

Taxpayer's Address (Home or Business) (number, street, and room or suite no., city, state, ZIP code)
1234 MAIN ST
ANYTOWN CA 91234-4568

Mailing Address (if different from above) (number, street, and room or suite no., city, state, ZIP code)

DATE RETURNED

Social Security Number (SSN)
(Primary)
123-45-6789

(Secondary)
987-65-4321

Employer Identification Number (EIN)
(EIN included in offer)
987-65-4321

(EIN not included in offer)

Section II To: Commissioner of Internal Revenue Service

I/We (includes all types of taxpayers) submit this offer to compromise the tax liabilities plus any interest, penalties, additions to tax, and additional amounts required by law (tax liability) for the tax type and period marked below: (Please mark an "X" in the box for the correct description and fill-in the correct tax period(s), adding additional periods if needed).

1040/1120 Income Tax - Year(s) 2004, 2005

941 Employer's Quarterly Federal Tax Return - Quarterly period(s) _____

940 Employer's Annual Federal Unemployment (FUTA) Tax Return - Year(s) _____

Trust Fund Recovery Penalty as a responsible person of (enter corporation name) _____, for failure to pay withholding and Federal Insurance Contributions Act taxes (Social Security taxes), for period(s) ending _____

Other Federal Tax(es) [specify type(s) and period(s)] _____

Note: If you need more space, use a separate sheet of paper and title it "Attachment to Form 656 Dated _____." Sign and date the attachment following the listing of the tax periods.

Section III Reason for Offer in Compromise

I/We submit this offer for the reason(s) checked below:

Doubt as to Collectibility - "I have insufficient assets and income to pay the full amount." You must include a complete Collection Information Statement, Form 433-A and/or Form 433-B.

Effective Tax Administration - "I owe this amount and have sufficient assets to pay the full amount, but due to my exceptional circumstances, requiring full payment would cause an economic hardship or would be unfair and inequitable." You must include a complete Collection Information Statement, Form 433-A and/or Form 433-B and complete Section VI.

Section IV Offer in Compromise Terms

I/We offer to pay \$ 10,000 (must be more than zero). Complete Section VII to explain where you will obtain the funds to make this offer.

Check **only** one of the following:

Lump sum cash offer - 20% of the amount of the offer \$ 2,000 must be sent with Form 656. Upon written acceptance of the offer, the balance must be paid in 5 or fewer installments.

- \$ 2,000 payable within 4 months after acceptance
- \$ 2,000 payable within 6 months after acceptance
- \$ 2,000 payable within 12 months after acceptance
- \$ 2,000 payable within 16 months after acceptance
- \$ _____ payable within _____ months after acceptance

Short Term Periodic Payment Offer - Offer amount is paid within 24 months from the date IRS received your offer. The first payment **must** be submitted with your Form 656. You **must** make regular payments during your offer investigation. Complete the following:

\$ _____ will be submitted with the Form 656. Beginning in the month after the offer is submitted (insert month _____), on the _____ day of each month, \$ _____ will be sent in for a total of _____ months. (Cannot extend more than 24 months from the date the offer was submitted.)

Investment Calculator

Name: JOHN & MARY SMITH

Assumptions:

Amount of initial investment	\$	10,000
Amount of regular contributions to apply toward goal	\$	500
Number of contributions per year		12
Contributions will be made at the End of Period		
Number of years to accumulate		30
Rate of return on investment		6.00%
Interest is compounded		Annually
Federal marginal tax rate		25.00%
State marginal tax rate		9.30%
Are state taxes deductible on the federal return? Yes	Combined tax rate	31.98%
Projected inflation rate		3.00%

Results:

Tax Deferred Investment:

In 30 years the investment, at an effective investment rate of 6.00%, will have grown to **\$544,691** if the gains are NOT subject to taxes.

Taxable Investment:

In 30 years the investment, at an effective investment rate of 4.08%, will have grown to **\$380,647** if the gains ARE subject to taxes.

Effects of Inflation:

Due to the effects of inflation over 30 years, at an inflation adjusted rate of 2.91% (1.05% after taxes), the investment will be worth:

\$224,406 in today's dollars if regular contributions are NOT adjusted for inflation.

\$308,846 in today's dollars if regular contributions ARE adjusted for inflation.

\$156,822 in today's dollars if regular contributions are NOT adjusted for inflation and income is taxed.

\$224,971 in today's dollars if regular contributions ARE adjusted for inflation and income is taxed.

Estate Tax Calculator

Name(s): JOHN & MARY SMITH

ID#:

Tax Year: 2007

	TAXPAYER	SPOUSE	TOTAL
GROSS ESTATE:			
Real estate	\$ 3,500,000	1,900,000	5,400,000
Stocks and bonds	200,000	385,000	585,000
Mortgages, notes, and cash	20,000		20,000
Insurance on the decedent's life	400,000		400,000
Jointly owned property			0
Other miscellaneous property		75,000	75,000
Transfers during the decedent's life			0
Powers of appointment			0
Annuities		300,000	300,000
	-----	-----	-----
TOTAL GROSS ESTATE	\$ 4,120,000	2,660,000	6,780,000
DEDUCTIONS:			
Funeral and administrative expenses	\$ 5,000	6,500	11,500
Debts, mortgages and liens	20,000		20,000
Marital deduction	550,000		550,000
Charitable deductions			0
Other deductions			0
	-----	-----	-----
TOTAL DEDUCTIONS	\$ 575,000	6,500	581,500
Taxable estate	\$ 3,545,000	2,653,500	6,198,500
Post 1976 adjusted taxable gifts (Form 706, line 4)	\$		0
Taxable estate plus gifts	\$ 3,545,000	2,653,500	6,198,500
Total tentative tax	\$ 1,476,050	1,074,875	2,550,925
CREDITS:			
Gift tax payable (Form 706, line 7)	\$		0
Unified credit	780,800	780,800	1,561,600
State death tax credit (maximum)	0	0	0
Other credits			0
	-----	-----	-----
TOTAL CREDITS	\$ 780,800	780,800	1,561,600
Net federal estate tax	\$ 695,250	294,075	989,325
Estimated State death tax	\$		0
	-----	-----	-----
TOTAL ESTATE TAX	\$ 695,250	294,075	989,325

Estimated calculation for planning purposes only.

Prepared By:

CFS Tax Software Inc
1445 Los Angeles Ave Ste 214
Simi Valley CA 93065
Tel: (800) 343-1157 Fax: (805) 522-0187

05-03-2007

Hiring Your Dependent Child

Name: JOHN & MARY SMITH

Child's age		Under 18
Annual wages to be paid to the child	\$	5,700
Will child remain a dependent after becoming an employee (Y/N)?		Yes
State payroll taxes on child's wages paid by employer		
State payroll taxes on child's wages paid by employee		
Amount child will contribute to a deductible IRA		
Net profit from business		125,000
Total wages and tips for self-employed person	\$	
Adjusted Gross Income		
Filing Status		
Federal marginal tax rate		25.00%
State marginal tax rate		9.30%
Are state income taxes deductible on federal return (Y/N)?		Yes

Cost to taxpayer

Wages	\$	5,700
Social security and Medicare		0
Federal unemployment tax		0
State payroll taxes		0
Self-employment tax		-153
Federal and state income tax		-1,798
Net cost to taxpayer	\$	3,749

Child's income

Wages	\$	5,700
Social security and Medicare		0
State payroll taxes		0
Federal income tax		-52
Net income	\$	5,648

Net gain for family \$ 5,648 - \$ 3,749 = \$ 1,899

Prepared By:

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05-03-2007

Keogh, SEP, 401(k), SIMPLE IRA Calculator

Name: JOHN & MARY SMITH

Select One: Keogh(Money Purchase) Keogh/SEP 401(k) SIMPLE IRA

	Plan 1		Plan 2		Plan 3
Current Value of Plan	\$ 55,000	\$	55,000	\$	55,000
Annual Contributions	\$ 8,000	\$	8,000	\$	8,000
Years of Contribution	15		15		15
Investment Rate % - Accumulation Period	11.00%		7.00%		4.50%
Investment Rate % - Retirement Period	9.00%		7.00%		4.50%
Rate of Inflation	3.00%		3.00%		3.00%
Current Age (18-85 years)	45		45		45
Retirement Age (50-99 years)	65		65		65
Years of Retirement Income	25		25		25

Retirement Benefits

Plan Value at Retirement	\$ 907,227	\$	494,791	\$	339,850
Plan Value in Today's Dollars	\$ 502,310	\$	273,954	\$	188,167
Monthly Income at Retirement	\$ 7,613	\$	3,497	\$	1,889
Monthly Income in Today's Dollars	\$ 4,215	\$	1,936	\$	1,046

COMBINED AMOUNTS

Total Value all Plans at Retirement	\$		1,741,868
Total Value all Plans in Today's Dollars ...	\$		964,431
Total Monthly Income at Retirement	\$		12,999
Total Monthly Income in Today's Dollars	\$		7,197

Prepared By:

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05-03-2007

Missing Information Sheet

Name: JOHN & MARY SMITH Date: 05/03/2007
Tel. (Home): (805) 333-4444 Tel. (Work): (805) 333-4555 Fax: _____ Tax Year: 2006

The following information is required to complete your return:

INCOME

- W-2's**
CFS _____
Gary Ford _____

- 1099R's** (Pensions, IRAs, etc.)

- INTEREST:**
Bank of America _____

- DIVIDENDS** (1099DIV, 1099-B)
TD Waterhouse _____

- K-1 FORMS:** (Partnerships, etc.)

- OTHER INCOME:** (unemployment, jury duty, etc.)

DEDUCTIONS

- Medical** _____
- Sales Tax paid on vehicle, boat, etc.**

- Real Estate Taxes**
House _____

- Personal Property Tax**
DMV for all autos _____

- Other Taxes**

- Interest Paid:**

- Charitable contributions:**

- Other deductions:**

OTHER DEDUCTIONS

- Dependent Care:** Name Sally's Day Care ID# _____
Address _____ Amount \$ 3000
Name _____ ID# _____
Address _____ Amount \$ _____
Child's Name _____ Amount \$ _____
Child's Name _____ Amount \$ _____
- Escrow Settlement/Closing Statement for** _____
- Escrow Settlement/Closing Statement for** _____
- Other Information:**
Please FAX me all info as soon as possible

Prepared By:

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05-03-2007

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

For IRS Use Only

Received by: _____

Name _____

Telephone _____

Function _____

Date / /

▶ **Type or print.** ▶ **See the separate instructions.**

Part I Power of Attorney

Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address JOHN SMITH MARY SMITH 1234 MAIN ST ANYTOWN CA 91234-4568	Social security number(s) 123-45-6789 987-65-4321 Daytime telephone number (805) 333-4444	Employer identification number Plan number (if applicable)
---	--	--

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Fred Jones 2800 Elm Street Anytown, CA 91234-1234	CAF No. 9874454 Telephone No. (800) 343-1157 Fax No. (805) 522-0187 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax Matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Income	1040	2000-2004

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific uses not recorded on CAF.**

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____
The power to substitute another representative or delegate authority
is specifically granted. _____

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ _____

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)
▶ See separate instructions for each line. ▶ Keep a copy for your records.

OMB No. 1545-0003
 EIN

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested JOHN SMITH	
	2 Trade name of business (if different from name on line 1) JB JAVA SHOP	3 Executor, administrator, trustee, "care of" name
	4a Mailing address (room, apt., suite no. and street, or P.O. box) 1234 MAIN ST	5a Street address (if different) (Do not enter a P.O. box.)
	4b City, state, and ZIP code ANYTOWN CA 91234-4568	5b City, state, and ZIP code
	6 County and state where principal business is located ORANGE	
	7a Name of principal officer, general partner, grantor, owner, or trustee JOHN SMITH	7b SSN, ITIN, or EIN 123-45-6789

8a Type of entity (check only one box)

<input checked="" type="checkbox"/> Sole proprietor (SSN) <u>123-45-6789</u>	<input type="checkbox"/> Estate (SSN of decedent) _____
<input type="checkbox"/> Partnership	<input type="checkbox"/> Plan administrator (SSN) _____
<input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____	<input type="checkbox"/> Trust (SSN of grantor) _____
<input type="checkbox"/> Personal service corporation	<input type="checkbox"/> National Guard <input type="checkbox"/> State/local government
<input type="checkbox"/> Church or church-controlled organization	<input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military
<input type="checkbox"/> Other nonprofit organization (specify) ▶ _____	<input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises
<input type="checkbox"/> Other (specify) ▶ _____	Group Exemption Number (GEN) ▶ _____

8b If a corporation, name the state or foreign country (if applicable) where incorporated

State	Foreign country
-------	-----------------

9 Reason for applying (check only one box)

<input type="checkbox"/> Started new business (specify type) ▶ _____	<input type="checkbox"/> Banking purpose (specify purpose) ▶ _____
<input checked="" type="checkbox"/> Hired employees (Check the box and see line 12.)	<input type="checkbox"/> Changed type of organization (specify new type) ▶ _____
<input type="checkbox"/> Compliance with IRS withholding regulations	<input type="checkbox"/> Purchased going business
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a trust (specify type) ▶ _____
	<input type="checkbox"/> Created a pension plan (specify type) ▶ _____

10 Date business started or acquired (month, day, year) See instructions. 05/15/2007

11 Closing month of accounting year DECEMBER

12 First date wages or annuities were paid (month, day, year). **Note:** If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year) 06/15/2007

13 Highest number of employees expected in the next 12 months (enter -0- if none).
 Do you expect to have \$1,000 or less in employment tax liability for the calendar year? **Yes** **No**. (If you expect to pay \$4,000 or less in wages, you can mark yes.)

	Agricultural	Household	Other
			12

14 Check **one** box that best describes the principal activity of your business.

<input type="checkbox"/> Construction	<input type="checkbox"/> Rental & leasing	<input type="checkbox"/> Transportation & warehousing	<input checked="" type="checkbox"/> Health care & social assistance	<input type="checkbox"/> Wholesale-agent/broker
<input type="checkbox"/> Real estate	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Finance & insurance	<input type="checkbox"/> Accommodation & food service	<input type="checkbox"/> Wholesale-other <input type="checkbox"/> Retail
<input type="checkbox"/> Other (specify) _____				

15 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.
COFFEE SALES

16a Has the applicant ever applied for an employer identification number for this or any other business? **Yes** **No**
Note: If "Yes," please complete lines 16b and 16c.

16b If you marked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application if different from line 1 or 2 above.
 Legal name ▶ _____ Trade name ▶ _____

16c Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known.

Approximate date when filed (mo., day, year)	City and state where filed	Previous EIN
--	----------------------------	--------------

Complete this section **only** if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.

Third Party Designee	Designee's name Pete Wilson	Designee's telephone number (include area code) (310) 111-3213
	Address and ZIP code 12399 West Sacramento Blvd Sacramento, CA 94544	Designee's fax number (include area code) (310) 222-3364
		Applicant's telephone number (include area code) (805) 333-4555

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

JOHN SMITH

Name and title (type or print clearly) ▶ Owner

Signature ▶ _____ Date ▶ _____

Applicant's fax number (include area code)
(805) 517-3455