

Current Federal Income Tax Projection

John & Katrina Powers - Current Status

Federal Filing Status:	Married, Filing Joint	Married, Filing Joint	Married, Filing Joint	Married, Filing Joint	Married, Filing Joint
Exemptions :	2	2	2	2	2

Federal Form 1040	2006	2007	2008	2009	2010
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TOTAL GROSS INCOME

Taxable Interest

Interest Inc (State Tax) - Russell Williams - Katrina	50	53	57	61	65
Interest Inc (State Tax) - Enron Financial - Katrina	8	8	9	10	10
Interest Inc (State Tax) - Maximum Fluctuation - Joint	0	0	0	0	0
Interest Inc (State Tax) - Maximum Fluctuation - John	171	181	194	208	222
Interest Inc (State Tax) - Maximum Fluctuation #1 - Katrina	40	43	46	49	0
Interest Inc (State Tax) - Maximum Fluctuation #2 - Katrina	66	70	75	80	86
Interest Income	81	81	81	81	81
	417	437	462	489	465

Ordinary Dividends

Annual Distribution from Trusts	16,000	16,000	16,000	16,000	16,000
NCNB Stock Dividends - John	12,145	12,145	12,145	12,145	12,145
Credit Shelter Trust Income (\$2,500/Month)	30,000	30,000	30,000	30,000	30,000
Marital Trust Income (\$250/Month)	3,000	3,000	3,000	3,000	3,000
Marital Trust Income (Paying North Myrtle Mortgage)	32,820	32,820	32,820	32,820	32,820
Maximum Fluctuation Dividends	7,907	7,907	7,907	7,907	7,907
Miscellaneous Dividends	781	781	781	781	781

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	2006	2007	2008	2009	2010
	<u>102,653</u>	<u>102,653</u>	<u>102,653</u>	<u>102,653</u>	<u>102,653</u>
Capital Gain or Loss	-3,000	-3,000	-3,200	-798	6,322
IRA Distributions					
Ret Plan Distribution - Maximum Fluctuation Retirement - Katrina	0	5,061	5,395	5,750	6,127
	<u>0</u>	<u>5,061</u>	<u>5,395</u>	<u>5,750</u>	<u>6,127</u>
Rental Real Estate, etc.					
Mr. William Stevens, LLC. Distributions	25,000	25,000	25,000	25,000	25,000
Family Limited Partnership Passive Income	26,635	26,635	26,635	26,635	26,635
	<u>51,635</u>	<u>51,635</u>	<u>51,635</u>	<u>51,635</u>	<u>51,635</u>
Social Security Benefits					
Social Security Income - Katrina	4,668	4,855	5,049	5,251	5,461
Social Security Income - John	10,620	11,045	11,487	11,946	12,424
	<u>12,995</u>	<u>13,515</u>	<u>14,055</u>	<u>14,617</u>	<u>15,202</u>
Other Income					
Phase II Tobacco Payment	140	140	140	140	140
Family Limited Partnership Other Income	41,650	41,650	41,650	41,650	41,650
POWERS & POWERS Real Estate	850	850	850	850	850
POWERS & POWERS Real Estate Partnership Management Fees	2,150	2,150	2,150	2,150	2,150
	<u>44,790</u>	<u>44,790</u>	<u>44,790</u>	<u>44,790</u>	<u>44,790</u>

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	2006	2007	2008	2009	2010
TOTAL GROSS INCOME	<u>209,489</u>	<u>215,090</u>	<u>215,790</u>	<u>219,136</u>	<u>227,194</u>
ADJUSTED GROSS INCOME	<u>209,489</u>	<u>215,090</u>	<u>215,790</u>	<u>219,136</u>	<u>227,194</u>
ITEMIZED DEDUCTIONS					
TOTAL MEDICAL AND DENTAL EXPENSES					
Medical and Dental Expenses					
Health Insurance Supplements	5,268	5,637	6,031	6,454	6,905
Unreimbursed Medical Expenses	2,400	2,568	2,748	2,940	3,146
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL MEDICAL AND DENTAL EXPENSES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL TAXES YOU PAID					
State and Local Income Taxes					
State Tax Withholding	11,582	12,191	12,178	12,372	12,937
	<u>11,582</u>	<u>12,191</u>	<u>12,178</u>	<u>12,372</u>	<u>12,937</u>
Real Estate Taxes					
Real Estate Tax	7,773	8,084	8,407	8,744	9,093
	<u>7,773</u>	<u>8,084</u>	<u>8,407</u>	<u>8,744</u>	<u>9,093</u>

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Federal Form 1040					
	2006	2007	2008	2009	2010
Personal Property Taxes					
Personal Property Tax	600	624	649	675	702
	<u>600</u>	<u>624</u>	<u>649</u>	<u>675</u>	<u>702</u>
TOTAL TAXES YOU PAID	19,955	20,899	21,235	21,791	22,732
TOTAL INTEREST YOU PAID					
Home Mortgage Interest					
Home Equity Loan - Interest Payment	1,910	1,910	1,910	1,910	1,910
Int Exp Home Mortgage - Personal Residence	4,029	3,630	3,206	2,757	2,282
	<u>5,939</u>	<u>5,540</u>	<u>5,116</u>	<u>4,668</u>	<u>4,192</u>
TOTAL INTEREST YOU PAID	5,939	5,540	5,116	4,668	4,192
TOTAL GIFTS TO CHARITY					
Gifts					
Gifts to Charity	7,500	7,500	7,500	7,500	7,500
	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
TOTAL GIFTS TO CHARITY	7,500	7,500	7,500	7,500	7,500
TOTAL JOB EXPENSES & MISC DEDUCTIONS					
Other Expenses					

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Exemptions :	2	2	2	2	2
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	2006	2007	2008	2009	2010
Financial Planning Fee	5,000	10,400	10,816	11,249	11,699
Flat Fee for Financial Plan	8,000	0	0	0	0
	<u>13,000</u>	<u>10,400</u>	<u>10,816</u>	<u>11,249</u>	<u>11,699</u>
TOTAL JOB EXPENSES & MISC DEDUCTIONS	<u>8,810</u>	<u>6,098</u>	<u>6,500</u>	<u>6,866</u>	<u>7,155</u>
Itemized Deductions	42,205	40,037	40,351	40,824	41,579
Maximum Itemized Deduction Allowed	40,934	38,654	38,654	40,093	41,579
Standard Deduction	12,000	12,000	12,000	12,000	12,000
NET AMOUNT	168,555	176,436	176,137	179,043	185,616
EXEMPTION AMOUNT	6,400	6,400	6,200	6,357	6,400
TAXABLE INCOME	162,155	170,036	169,937	172,686	179,216
FEDERAL TAX	24,603	26,274	25,949	38,084	39,912
TENTATIVE ALTERNATIVE MINIMUM TAX	32,074	33,694	33,729	44,775	48,209
TOTAL FEDERAL TAX	32,074	33,694	33,729	44,775	48,209
AMOUNT DUE	32,074	33,694	33,729	44,775	48,209
REFUNDED TO YOU					

Current North Carolina State Tax Projection

John & Katrina Powers - Current Status

State Filing Status:	Married, Filing Joint	Married, Filing Joint	Married, Filing Joint	Married, Filing Joint	Married, Filing Joint
Exemptions :	2	2	2	2	2
	2006	2007	2008	2009	2010
AMOUNT DUE	11,582	12,191	12,178	12,372	12,937
REFUNDED TO YOU					