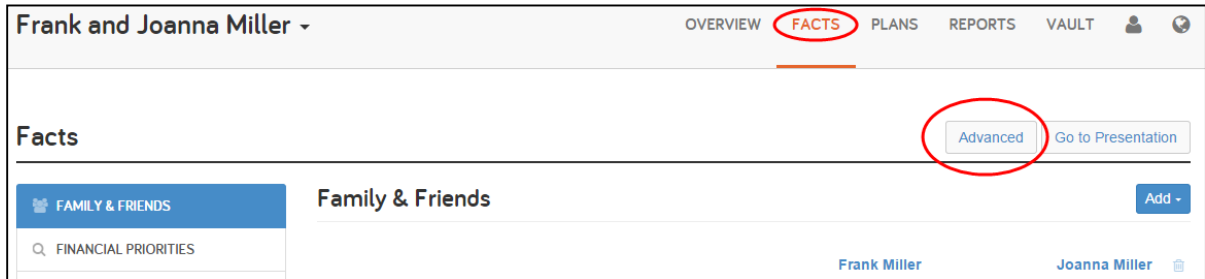
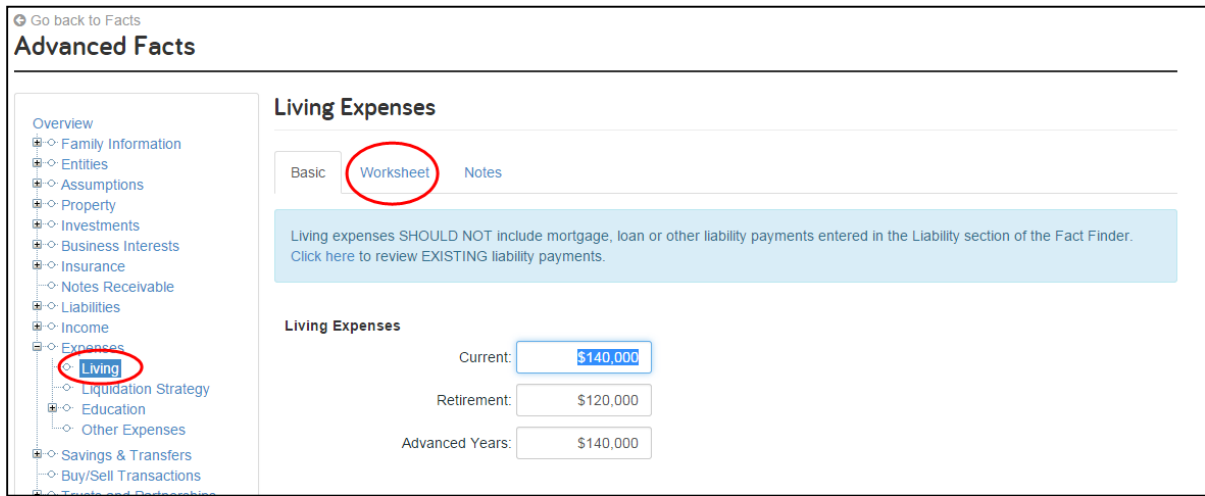


This guide will demonstrate how to identify information regarding deductions on income tax. The system can establish certain expenses as “Above Line” deductions and “Below Line” deductions. The “Below Line” deductions can be further broken out as Miscellaneous, subject to 2% floor or Medical deductions (which are subject to 7% floor).

1. From the client overview, select **Facts**, and click **Advanced**.



2. Click the plus sign next to **Expenses** and choose **Living**.



3. Click **Worksheet** and click **Add an Entry**.

Living Expenses

Basic
Worksheet
Notes

Living expenses SHOULD NOT include mortgage, loan or other liability payments entered in the Liability section of the Fact Finder. Click here to review EXISTING liability payments.

Description	Type	Req'd	Current Amount	Retire Amount	Advanced Years Amount	Custom Growth Rate
	Basic Expenses	<input type="checkbox"/>	>			
Total			\$0	\$0	\$0	

Add an Entry

4. Input expenses by **Description** and **Type**. Type will designate the deduction characteristic of the expense.

Fact Finder

- Overview
- Family Information
- Entities
- Assumptions
- Property
- Investments
- Business Interests
- Insurance
- Notes Receivable
- Liabilities
- Income
- Expenses
 - Living
 - Liquidation Strategy
 - Education
 - Other Expenses
- Savings & Transfers
- Buy/Sell Transactions
- Trusts and Partnerships
- Wills & Gifting
- Objectives

Living Expenses

Basic
Worksheet
Notes

Living expenses SHOULD NOT include mortgage, loan or other liability payments entered in the Liability section of the Fact Finder. Click here to review EXISTING liability payments.

Description	Type	Req'd	Current Amount	Semi-Retire Amount	Retire Amount	Advanced Years Amount	Custom Growth Rate
Living Expe	Basic Expenses	<input type="checkbox"/>	\$110,000 >	\$110,000	\$90,000	\$85,000	
Membership	Discretionary Sp	<input type="checkbox"/>	\$25,000 >	\$25,000	\$25,000	\$25,000	
erty Taxes	Property Taxes	<input type="checkbox"/>	\$20,000 >	\$20,000	\$20,000	\$20,000	3.00%
h Insurance	Medical Expense	<input type="checkbox"/>	\$20,000 >	\$20,000	\$20,000	\$20,000	4.00%
Charity	Charitable Gift	<input type="checkbox"/>	\$10,000 >				
Total			\$185,000	\$185,000	\$165,000	\$160,000	

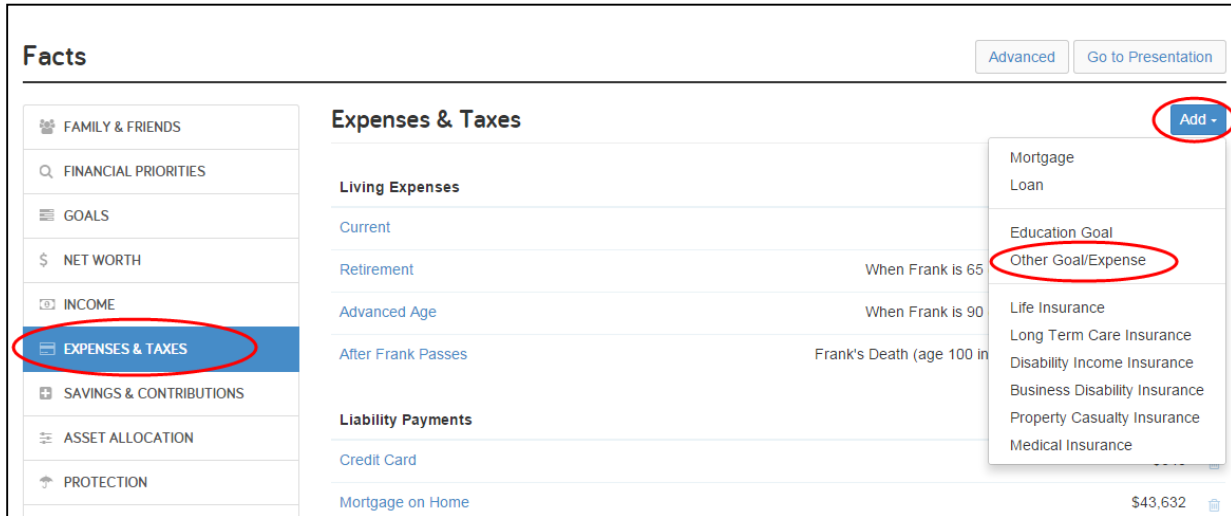
Add an Entry

Save
 Task Completed

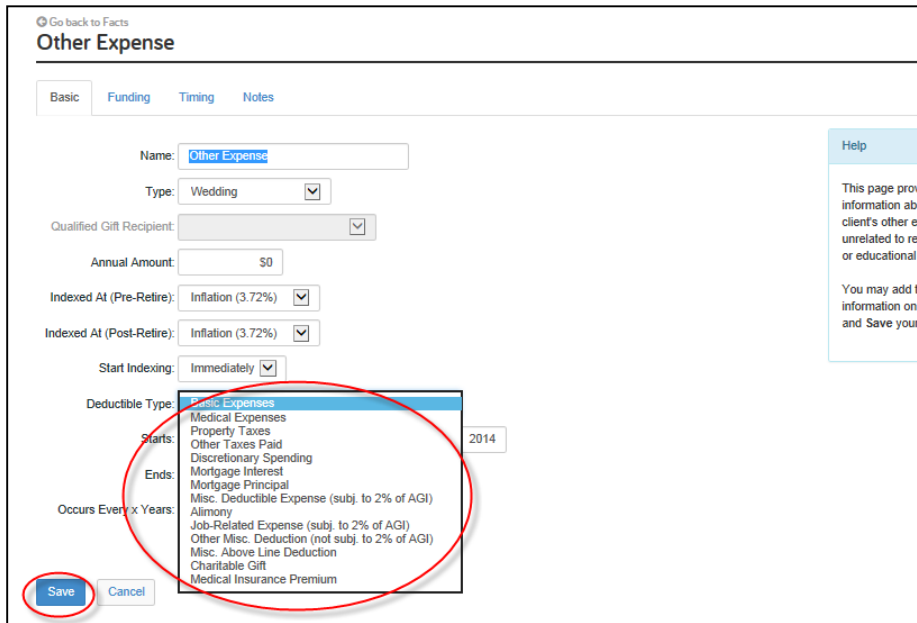
2 | Facts – Deductions on Income Tax

The remainder of this supplement will outline how to define deductibility on an Other Expense.

1. Select **Facts**, choose **Expenses & Taxes**, click **Add> Other Expense** and then select **Advanced**.



2. Select **Deduction Type** and click **Save**.



3 | Facts – Deductions on Income Tax