



## Practice Exercise #2

1 child (age 14), living primarily with Mom

**Visitation:** Child visits Dad an average of 40 hours per month.

**Note:** Amounts are monthly unless otherwise noted.

### Parent 1 (Dad)

Married to Parent 2, filing jointly  
\$3,000 YTD (W-2 earnings)  
from 1/3/09 to 1/16/09  
\$200 interest income  
\$300 outgoing child support for another child  
\$105 property tax  
\$695 mortgage interest  
\$125 health insurance premium (pre-tax)

### Parent 2 (Mom)

Married to Parent 1, filing jointly  
\$1200 unemployment benefits  
Requests temporary spousal support

## RESULTS & ANALYSIS

**PGC**..... Father pays Mother **\$1171.00** total child support

**DM**..... Father pays Mother \$1214.00 total child support

*(Temporary Spousal Support is not available at this time.)*

Since these parents are married to each other and filing jointly, tax liabilities are apportioned between the parents.

IRS and FTB currently and historically show state unemployment compensation benefits to be federally taxable and generally not state taxable. This fundamental difference in the tax treatment of unemployment compensation causes a difference in the estimated and apportioned joint tax liability, as well as the guideline support calculation result.

While DM shows taxes for the Mother, they appear to be solely from the apportionment of tax liabilities based on the Father's taxable income. Move Mother's unemployment income in the PGC to **Other Non-taxable Income** and the PGC result matches DM to within \$1.00.

Calculation Results Summary

<b>Monthly Support Totals</b>		<b>Parent 1</b>	<b>Parent 2</b>				
Monthly Child Support Amount		1171.00	0.00				
Basic Child Support Amount		1171.00	0.00				
Child Support Add-Ons Amount		0.00	0.00				
Child Care		0.00	0.00				
Visit/Travel Expenses		0.00	0.00				
School Expenses		0.00	0.00				
Uninsured Health Expenses		0.00	0.00				
Total Arrears Support Amount		0.00	0.00				
Temporary Spousal Support Amount (N/A)		0.00	0.00				
<b>Monthly Tax/Income Information (Tax Year: 2009)</b>		<b>Parent 1</b>	<b>Parent 2</b>				
Monthly Net Disposable Income		4766.00	1026.00				
Monthly Taxable Gross Income		6718.00	1200.00				
Monthly Non-Taxable Gross Income		0.00	0.00				
Federal Adjusted Gross Income		6718.00	1200.00				
Federal Taxable Income		5205.00	930.00				
Net Income Of Parties With Support		3595.00	2197.00				
Federal Tax Filing Status		MARRIED FILING JOINTLY (WITH PARENT 2)	MARRIED FILING JOINTLY (WITH PARENT 1)				
Number of Tax Exemptions(Federal)		1	2				
State Tax Filing Status		SAME AS FEDERAL	SAME AS FEDERAL				
Number of Tax Exemptions(State)		1	2				
Federal Tax Liabilities		714.00	127.00				
State Tax Liabilities		262.00	47.00				
FICA		499.00	0.00				
Self Employment Tax		0.00	0.00				
CASDI		52.00	0.00				
TANF/CalWORKS		NO	NO				
<b>Other Monthly Deduction Totals</b>		<b>Parent 1</b>	<b>Parent 2</b>				
Child Support Paid (Other Relationships)		300.00	0.00				
Required Union Dues		0.00	0.00				
Mandatory Retirement		0.00	0.00				
Other Guideline Deductions		0.00	0.00				
Health Insurance Premium		125.00	0.00				
Hardship Deduction Amount		0.00	0.00				
Hardship Deduction Children		0.0	0.0				
Necessary Job-Related Expenses		0.00	0.00				
Extraordinary Health Expenses		0.00	0.00				
Uninsured Catastrophic Losses		0.00	0.00				
<b>PARENT 1 is required to pay PARENT 2 \$1171.00 in CURRENT SUPPORT</b>							
Monthly Support Amounts Per Child	% Time with Parent1	Parent1 Add-Ons	Parent1 Support	Parent1 Total	Parent2 Add-Ons	Parent2 Support	Parent2 Total
FIRST-BORN	6.0%	0.00	1171.00	1171.00	0.00	0.00	0.00
	%						
	%						
	%						
	%						
	%						
	%						
	%						
<b>Average % Time with NCP</b>		<b>6.0%</b>	0.00	1171.00	1171.00	0.00	0.00

Total Child Support Arrears Per Child							
Child Name	Prior Period Date Range	Parent1 Add-Ons	Parent1 Support	Parent1 Total	Parent2 Add-Ons	Parent2 Support	Parent2 Total
FIRST-BORN	Not Applicable	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00

Calculation Results Detail

Tax Setting Details		
	Parent 1	Parent 2
<b>Federal Tax Settings</b>		
Include Self-Employment Taxes	YES	YES
Include FICA	YES	YES
Include Medicare	YES	YES
Include Advance Earned Income Credit	YES	YES
Number of Children for Child Care Credits	0	1
Number of Children for Earned Income Credits	0	1
Number of Children for Child Tax Credits	0	1
Parent is Blind	NO	NO
Parent is 65 or Older	NO	NO
New Spouse is Blind	NO	NO
New Spouse is 65 or Older	NO	NO
Married Filing Separately, Lived with Spouse Part of the Year	YES	YES
<b>State Tax Settings</b>		
Include California State Income Taxes	YES	YES
California State Disability Insurance	YES	YES
Dependency Credit for Dependent Parent(s)	NO	NO
Joint Custody Head of Household Credit	NO	NO
California Renter's Credit	NO	NO
Number of Children for Child Tax Credits	0	1
Number of Children for Child Tax Credits		
Include Other State Income Taxes	NO	NO
Other State Tax Rate		
Other State Tax Amount		
Deduction type when NCP and Other Parent are Married Filing Separately		

Monthly Income Details

	Parent 1	Parent 2
<b>Wages/Salary</b>	<b>6518.00</b>	<b>0.00</b>
Parent 1: Based on earned income: \$3000.00 YEAR-TO-DATE from 01/03/2009 to 01/16/2009		
Parent 2: Based on earned income: \$0.00 MONTHLY		
<b>Self-Employment Income</b>	<b>0.00</b>	<b>0.00</b>
<b>Unemployment Compensation</b>	<b>0.00</b>	<b>1200.00</b>
<b>Disability (Taxable)</b>	<b>0.00</b>	<b>0.00</b>

<b>Other Taxable Income</b>	<b>200.00</b>	<b>0.00</b>
Interest Received	200.00	0.00
Nonqualified Dividends	0.00	0.00
Qualified Dividends	0.00	0.00
Operating Losses and Other Income	0.00	0.00
Short-Term Capital Gains	0.00	0.00
Long-Term Capital Gains	0.00	0.00
Rental Income	0.00	0.00
Social Security Income(Taxable)	0.00	0.00
Line 4e from IRS Form 4952	0.00	0.00
Unrecaptured Section 1250 Gains	0.00	0.00
Royalties	0.00	0.00
Other Taxable Income Adjustments	0.00	0.00
<b>Other Non-Taxable Income</b>	<b>0.00</b>	<b>0.00</b>
<b>Social Security Income (Non-Taxable)</b>	<b>0.00</b>	<b>0.00</b>
Significant Other/New-Mate Income	0.00	0.00
Tax Exempt Interest	0.00	0.00
Depreciation or Other	0.00	0.00
Disability	0.00	0.00
Worker's Compensation	0.00	0.00
<b>Public Assistance and Child Support Received</b>	<b>0.00</b>	<b>0.00</b>
Public Assistance	0.00	0.00
Child Support Received	0.00	0.00
<b>New-Spouse Income</b>	<b>0.00</b>	<b>0.00</b>
Wages/Salary	0.00	0.00
Self-Employment Income	0.00	0.00
Social Security Income(Taxable)	0.00	0.00
Social Security Income(Non-Taxable)	0.00	0.00
Other Taxable Income	0.00	0.00
Spousal Support Paid Other Marriage	0.00	0.00
Retirement Contribution if Adjustments to Income	0.00	0.00
Required Union Dues	0.00	0.00
Necessary Job-Related Expenses	0.00	0.00

Monthly Deduction Details		
	Parent 1	Parent 2
<b>Child Support Paid (Other Relationships)</b>	<b>300.00</b>	<b>0.00</b>
<b>Spousal Support Paid This Relationship</b>	<b>0.00</b>	<b>0.00</b>
<b>Property Tax</b>	<b>105.00</b>	<b>0.00</b>
<b>Mortgage Interest</b>	<b>695.00</b>	<b>0.00</b>
<b>Other Itemized Deductions</b>	<b>0.00</b>	<b>0.00</b>
Other Medical Expenses	0.00	0.00
Deductable Interest Expenses	0.00	0.00
Contribution Deduction	0.00	0.00
Miscellaneous Itemized	0.00	0.00
<b>Required Union Dues</b>	<b>0.00</b>	<b>0.00</b>

<b>Health Insurance Premium</b>	<b>125.00</b>	<b>0.00</b>
Paid By Party (Pre-Tax)	0.00	0.00
Paid By Party (Post-Tax)	0.00	0.00
Wage Deduction (Pre-Tax)	125.00	0.00
Wage Deduction (Post-Tax)	0.00	0.00
<b>Retirement Contributions</b>	<b>0.00</b>	<b>0.00</b>
Mandatory Retirement(Tax-Deferred)	0.00	0.00
Mandatory Retirement(Non-Tax-Deferred)	0.00	0.00
Voluntary Retirement(Non-Tax-Deferred)	0.00	0.00
<b>Other Guideline Deductions</b>	<b>0.00</b>	<b>0.00</b>
Spousal/Other Partner Support Paid Other Relationship	0.00	0.00
Necessary Job-Related Expenses	0.00	0.00
<b>State Adjustments</b>		
State Adjustments to Income	0.00	0.00
State Adjustments to Itemized Deduction	0.00	0.00
<b>Monthly Hardship Deduction</b>		
Hardship Deduction Amount	0.00	0.00
Hardship Deduction Children	0.0	0.0
<b>Hardship Deduction Expenses</b>		
Extraordinary Health Expenses	0.00	0.00
Uninsured Catastrophic Losses	0.00	0.00
<b>Other Tax Deductions</b>	<b>0.00</b>	<b>0.00</b>
Adjustments to Income	0.00	0.00
Other Discretionary Deductions	0.00	0.00
<b>Alternative Minimum Tax Information</b>	<b>0.00</b>	<b>0.00</b>
Certain Interest on Home Mortgage	0.00	0.00
Investment Interest	0.00	0.00
Post-1986 Depreciation	0.00	0.00
Adjusted Gain or Loss	0.00	0.00
Incentive Stock Options	0.00	0.00
Passive Activities	0.00	0.00
Estates and Trusts, Schedule K-1	0.00	0.00
Tax Exempt Interest From Private Activity Bond	0.00	0.00
Other Preferences	0.00	0.00
Alternative Minimum Tax Operating Loss Deduction	0.00	0.00

### DissoMaster Data Screen Monthly Figures

Input Data	Father	Mother	Guideline (2009)	Cash Flow Analysis	Gdln.	Prop.
Party Info	Father	Mother	<b>Nets (adjusted)</b>	Comb. net spendable	5997	5997
Number of children	0	1	Father	4940	Percent change	0%
% time with NCP	6.00	0.00	Mother	1057	Father, payor of CS, Prop. CS	0.0%
Filing Status	MFJ->	<-MFJ	Total	5997	Payment cost	1214
# federal exemptions	1*	2*	<b>Support</b>		Net spendable income	3726
Wages + salary	6518	0	Presumed CS	1214	Change from guideline	0
Self-employment income	0	0	Basic CS	1214	% of combined spendable	62.1%
Other taxable income	200	1200	Add-ons	0	% of saving over guideline	0%
TANF plus CS received	0	0	Per Kid		Total Taxes	1353
Other nontaxable income	0	0	Child 1	1214	Dep. exemptions value	0
New-spouse income	0	0	Spousal	blocke	# withholding allowances	3
Wages + Salary	0	0	Support	d	Net wage paycheck	5111
Self-employment income	0	0	Total	1214	Mother	
SS paid other marriage	0	0	<b>Proposed, Tactic 9</b>		Payment benefit	1214
Retirement contrib. if ATI	0	0	Presumed CS	1214	Net spendable income	2271
Required union dues	0	0	S. Clara SS	0	Change from guideline	0
Nec. Job-related exp.	0	0	Total	1214	% of combined spendable	37.9%
Adj. income (ATI)	0	0	Comb. Savings	0	% of saving over guideline	0%
SS paid other marriage	0	0	Releases	0	Total Taxes	143
CS paid other relationship	300	0	Default Case Settings		Dep. exemptions value	0
Health insurance	125	0	2 Tax Settings Changed		# withholding allowances	0(es)
Itemized deductions	800	0			Net wage paycheck	0
Other medical expenses	0	0				
Property tax expenses	105	0				
Ded. interest expense	695	0				
Charitable contribution	0	0				
Miscellaneous itemized	0	0				
Required union dues	0	0				
Mandatory retirement	0	0				
Hardship deduction	0*	0*				
Other guideline deductions	0	0				
AMT Info (IRS Form 6251)	0	0				
Child support add-ons	0	0				