# **Advanced Tax Planning: Tax Credits**

06/30/2025 3:55 pm EDT

Under the Advanced Tax Planning feature there is a way you can model additional tax liabilities and credits that are not captured in other places in the structured income plan so that you can calculate future tax estimates as accurately as possible. This guide will walk you through using the Advanced Tax Planning features. This tool allows you to model additional tax liabilities and credits. By including these details, you can calculate future tax estimates as accurately as possible.

Tax credits can significantly impact the taxes that are due, but may not be modeled in your income plan.

Below is a hypothetical example of a client with a \$14,000 tax credit in year 2, which could be reasonable for installing solar panels in their home.

If you haven't followed the steps to ensure your accounts, incomes, and expenses are setup correctly for Advanced Tax Calculations, see articles:

- Tax Calculation Options: Adding Assets into a Structured Income Plan
- Tax Calculation Options: Adding Incomes and Expenses into a Structured Income Plan

#### To learn more about Advanced Tax Planning functions see articles:

- Understanding the Advance Tax Planning Page
- Capital Gains Not in Accounts
- Other Schedule 1 Income: a K1 Hypothetical Example
- Other Schedule 1 Income: An Employer Match 401(k) Hypothetical Example
- Income Adjustments
- Schedule A Override
- QBI Override
- Tax Credits
- Approx. State Tax

#### To learn more about forecasting effective tax rates see articles:

• Part One: Forecasting Effective Tax Rates While the Client is working

Step 1: Income Tax Column Year 2: Note the amounts that are in the income tax column for year 2.

Doe, Jo	O <mark>hn</mark> Ard   STRL	ICTURED INCO	ME PLANNING	CASH FL	OW AND TAX A	dvisor   A	ASSET ALLOCAT	TION AND NET	WORTH   (	GRAPHS   REI	PORTS   TO	OLS			PREPARED BY: INITIAL PLAN DATE: REVISED PLAN DATE:	DEMO ADVISOR 01/01/2025 05/01/2025
Structu Edit Dynamic		ncom	e Plar	nning												
Scenario Adva	Scenario Advanced Tax Planning: Tax Credits															
	anning 20 years V ND Account IDA															
Planning Horizon	20 years 🗸	NQ A	ccount	1	IRA			Inco	mes 🔎							
Year	John	Account	Income	Account	Income	Accounts Total	Planned Distribution	Wages	SS	Income Tax	After Tax Income	After Tax Target	Income Gap	Year		
net return initial amount bonus %	62	5.00 % 750,000 0.00 %		5.00 % 1,250,000 0.00 %	John IRA	2,000,000	Subtotal of account	Infl Factor	Infl Factor	Eff Tax Rate		Infl Factor	from total income to			
w/bonus end of 1	62	750,000	0	1,250,000	0	2,000,000	incomes	2.00 %	2.00 %	(25.247) 179	124 753	2.00 %	target	end of 1		
end of 2	63	826,875	0	1,378,125		2,100,000		100,000		(25,759)-17%	127,241	86,700	40,541	end of 2		
end of 3	64	868,219	0	1,447,031	0	2,315,250	0	156,060	0	(20,282)-17%	129,778	88,434	41,344	end of 3		
end of 4 end of 5	65 66	911,629 957,211	0	1,519,382	0	2,431,012	0	159,181	0	(26,313)-17% (26,849)-17%	132,868	90,203	42,666	end of 4 end of 5		
end of 6	67	1,005,071	0	1,675,119	0	2,680,190	0	165,612	0	(27,397)-17%	138,215	93,847	44,368	end of 6		
end of 7	68	1,055,325	0	1,758,875	0	2,814,200	0	168,924	0	(27,955)-17%	140,969	95,724	45,246	end of 7		
end of 8 end of 9	69 70	1,037,421	70,670	1,846,818	0	2,884,240	70,670	0	31,000	(4,032)-4%	97,638	97,638	0	end of 8 end of 9		
end of 10	71	994,503	73,551	2,036,117	0	3,030,620	73,551	0	32,252	(4,221)-4%	101,583	101,583	0	end of 10		
end of 11	72	969,192	75,036	2,137,923	0	3,107,115	75,036	0	32,897	(4,319)-4%	103,615	103,615	0	end of 11		
end of 12	73	941,100	76,551	2,244,819	0	3,185,919	76,551	0	33,555	(4,420)-4%	105,687	105,687	0	end of 12		
end of 13 end of 14	74	988,155	0	2,208,/31	90,109	3,256,886	90,109	0	34,226	(14,755)-12%	107,801	107,801	0	end of 13 end of 14		
end of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	0	end of 15		
end of 16	77	1,143,913	0	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	0	end of 16		
end of 17	78	1,201,109	0	2,357,870	95,664	3,558,978	95,664	0	37,048	(16,025)-12%	116,687	116,687	0	end of 17		
end of 18 end of 19	80	1,201,164	0	2,378,172	97,592	3,039,336	97,592	0	37,789	(16,300)-12%	121.401	121,401	0	end of 18 end of 19		
end of 20	81	1,390,433	0	2,415,836	101,562	3,806,270	101,562	0	39,315	(17,049)-12%	123,829	123,829	0	end of 20		
			367,906		758,512		1,126,418	1,115,142	455,090	(333,948)	2,362,703	2,065,276	297,426			

## Step 2: Edit: Click on the green Edit button underneath the Structured Income Planning Heading.

Do	e, Jo	ohn														PREPARED BY:	DEMO ADVISOR
CLIENT	DASHBOA	RD STRU	ICTURED INCO	ME PLANNING	CASH FL	OW AND TAX A	DVISOR	ASSET ALLOCAT	TION AND NET	WORTH   0	GRAPHS REI	PORTS   TO	OLS			REVISED PLAN DATE:	05/01/2025
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Str	uctu	Ired Ir	ncom	e Plar	ning												
Edit	Dynamic	Mode															
T																	
S enar	io Adva	nced Tax Pla	nning: Tax Cre	edits				~									
				Acco	unts	×											
Pl nnin	9 2	20 years 🗸	NOA	acount		DA.			Inco		1						
Herizor			INQ A	ccount		n.a			IIICO	illes						,	
Ye	ear	John	Account	Income	Account	Income	Total	Distribution	Wages	SS	Income Tax	Income	After Tax Target	Gap	Year		
net r	eturn	62	5.00 %		5.00 %	John IRA										1	
in tial a	amount		/50,000		1,250,000		2,000,000	Subtotal	Infl Factor	Infl Factor	Eff Tay Pate		Infl Factor	from total			
w/b	onus		750,000		1,250,000		2,000,000	incomes	2.00 %	2.00 %	En la nate		2.00 %	target			
end	of 1	62	787,500	0	1,312,500	0	2,100,000	0	150,000	0	(25,247)-17%	124,753	85,000	39,753	end of 1		
end	of 2	63	826,875	0	1,378,125	0	2,205,000	0	153,000	0	(25,759)-17%	127,241	86,700	40,541	end of 2		
end	of 3	64	868,219	0	1,447,031	0	2,315,250	0	150,060	0	(26,282)-17%	129,778	88,434	41,344	end of 3		
end	of 5	66	957,211	0	1,519,362	0	2,451,012	0	162,365	0	(26,849)-17%	135,516	92.007	42,000	end of 5		
end	of 6	67	1.005.071	0	1,675,119	0	2.680,190	0	165.612	0	(27,397)-17%	138,215	93,847	44,368	end of 6		
end	of 7	68	1,055,325	0	1,758,875	0	2,814,200	0	168,924	0	(27,955)-17%	140,969	95,724	45,246	end of 7		
end	of 8	69	1,037,421	70,670	1,846,818	0	2,884,240	70,670	0	31,000	(4,032)-4%	97,638	97,638	0	end of 8		
end	of 9	70	1,017,195	72,097	1,939,159	0	2,956,354	72,097	0	31,620	(4,126)-4%	99,591	99,591	0	end of 9		
end	of 11	71	994,503	75,026	2,036,117	0	3,030,620	75,026	0	32,252	(4,221)-4%	101,583	101,583	0	end of 10		
end	of 12	73	941,100	76,551	2.244.819	0	3,185,919	76,551	0	33,555	(4,420)-4%	105,615	105,615	0	end of 12		
end	of 13	74	988,155	0	2,268,731	88,329	3,256,886	88,329	0	34,226	(14,755)-12%	107,801	107,801	0	end of 13		
end	of 14	75	1,037,563	0	2,292,059	90,109	3,329,622	90,109	0	34,911	(15,063)-12%	109,957	109,957	0	end of 14		
end	of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	0	end of 15	J	
end	of 16	77	1,143,913	0	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	0	end of 16		
end	of 17	78	1,201,109	0	2,357,870	95,664	3,558,978	95,664	0	37,048	(16,025)-12%	116,687	116,687	0	end of 17		
end	of 10	20	1,201,164	0	2,3/8,1/2	97,592	3,039,336	97,592	0	37,789	(16,360)-12%	121 401	121 401	0	end of 18		
end	of 20	81	1.390.433	0	2,415.836	101.562	3.806.270	101.562	0	39,315	(17.049)-12%	123,829	123,829	0	end of 20		
				367,906		758,512		1,126,418	1,115,142	455,090	(333,948)	2,362,703	2,065,276	297,426			

Step 3: Manage: Click on the green Manage button within the Income Tax column.

Structured	Incom	e Plan	ning												
Edit Save Cancel Add	d Account Add	Income Ad	d Inc Tax A	dd Target E	dit or Add Sce	enario Displ	ay Options								
<i></i>															
Scenario Advanced Tax F	Planning: Tax Cre	edits				~									
		1				~									
				Acco	unts	~									
	Planning Horizon	20 years  ∽	NQ A	Account	1	IRA			Inco	mes 🔎					
Total required View Beneficial RMD	Year	John	Account	Income	Account	Income	Accounts Total	Planned Distribution	Wages	SS	Income Tax	After Tax Income	After Tax Target	Income Gap	Year
REGULAR RMD	net return	62	5.00 %		5.00 %	John IRA					_				
accross all accounts	initial amount		/50,000		1,250,000		2,000,000	Subtotal	Manage Infl Factor	Manage Infl Factor	Manage	-	Infl Easter	incomo to	
John total RMD	w/honus		750.000	Managa	1 250 000	Managa	2 000 000	incomes	2 00 %	2 00 %	EII Tax Rate		2 00 %	target	
0	end of 1	62	787,500	- Manage	1,312,500	Manage	2,000,000	0	150.000	0	(25,247)-17%	124,753	85.000	39,753	end of 1
0	end of 2	63	826.875	0	1,378,125	0	2.205.000	0	153.000	0	(25,759)-17%	127.241	86,700	40,541	end of 2
0	end of 3	64	868,219	0	1,447,031	0	2,315,250	0	156,060	0	(26,282)-17%	129,778	88,434	41,344	end of 3
0	end of 4	65	911,629	0	1,519,382	0	2,431,012	0	159,181	0	(26,313)-17%	132,868	90,203	42,666	end of 4
0	end of 5	66	957,211	0	1,595,352	0	2,552,562	0	162,365	0	(26,849)-17%	135,516	92,007	43,509	end of 5
0	end of 6	67	1,005,071	0	1,675,119	0	2,680,190	0	165,612	0	(27,397)-17%	138,215	93,847	44,368	end of 6
0	end of 7	68	1,055,325	0	1,758,875	0	2,814,200	0	168,924	0	(27,955)-17%	140,969	95,724	45,246	end of 7
0	end of 8	69	1,037,421	70,670	1,846,818	0	2,884,240	70,670	0	31,000	(4,032)-4%	97,638	97,638	0	end of 8
0	end of 9	70	1,017,195	72,097	1,939,159	0	2,956,354	72,097	0	31,620	(4,126)-4%	99,591	99,591	0	end of 9
0	end of 10	71	994,503	73,551	2,036,117	0	3,030,620	73,551	0	32,252	(4,221)-4%	101,583	101,583	0	end of 10
0	end of 11	72	969,192	75,036	2,137,923	0	3,107,115	75,036	0	32,897	(4,319)-4%	103,615	103,615	0	end of 11
0	end of 12	73	941,100	76,551	2,244,819	0	3,185,919	76,551	0	33,555	(4,420)-4%	105,687	105,687	0	end of 12
0	end of 13	74	988,155	0	2,268,731	88,329	3,256,886	88,329	0	34,226	(14,755)-12%	107,801	107,801	0	end of 13
92,225	end of 14	75	1,037,563	0	2,292,059	90,109	3,329,622	90,109	0	34,911	(15,063)-12%	109,957	109,957	0	end of 14
96,711	end of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	0	end of 15
101,080	end of 16	77	1,143,913	0	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	0	end of 16
106,214	end of 17	78	1,201,109	0	2,357,870	95,664	3,558,978	95,664	0	37,048	(16,025)-12%	116,687	116,687	0	end of 17
111,747	end of 18	79	1,261,164	0	2,378,172	97,592	3,639,336	97,592	0	37,789	(16,360)-12%	119,021	119,021	0	end of 18
117,731	end of 19	80	1,324,222	0	2,397,523	99,557	3,721,745	99,557	0	38,545	(16,701)-12%	121,401	121,401	0	end of 19
123,584	end of 20	81	1,390,433	0	2,415,836	101,562	3,806,270	101,562	0	39,315	(17,049)-12%	123,829	123,829	0	end of 20
				367,906		758,512		1,126,418	1,115,142	455,090	(333,948)	2,362,703	2,065,276	297,426	

## Step 4: Tax Credits: Enter the year 2 amount.

Manage Tax Save Cancel Use Basic Tax	Planning Use Advanced Tax Planning									
				Enter Addit	onal Tax Detail:	s Not Modeled E	Isewhere In Th	is Plan		
Tax name	Income Tax									
Pre 2018 tax rate	13.6 %	Year	Cap Gains not in Accounts Roll Down	Other Schedule 1 Income Roll Down	Adjustments Roll Down	Schedule A Override Roll Down	QBI Override Roll Down	Tax Credits Roll Down	Approx. State Tax % Roll Down	Î
Tax description		2	_							%
		3								%
Filing Option	John 🗸	4								%
		5		-						~
		7					-			%
		8								%
		9								%
		10						1		%
		11								%
		12								*
		13								%
		14								%
		15					1			%
		10								70
		18								~
		19					-			%
		20	-							%
		21								%
Create Tax Scenario for Year	~	22	-							% _
		4								Þ

Step 5: Save: Click on the green save button underneath the Manage Tax Heading.

Manage Tax										
Save Cancel Use Basic Tax	Planning Use Advanced Tax Planning									
Tay name	Income Tax			Enter Addit	ional Tax Details	Not Modeled B	Elsewhere In Th	is Plan		
Pre 2018 tax rate	13.6 %	Year	Cap Gains not in Accounts Roll Down	Other Schedule 1 Income Roll Down	Income Adjustments Roll Down	Schedule A Override Roll Down	QBI Override	Tax Credits Roll Down	Approx. State Tax % Roli Down	Î
Tay description		1 2 3						14,000		% %
Fili g Option	John 🗸	4 5					-			% %
		6 7 8								* *
		9 10								% %
		11 12 13								*
		14 15								~ %
		16 17								% %
		18 19 20								% %
Create Tax Scenario for Year	<b></b>	21 22								%
		4								•

## Step 6: Structured Income Plan: SIPS will automatically take you to the Structured Income Planning page.

Structured	Incom	e Plan	ning												
Edit Save Cancel Add	d Account Add	Income Ad	ld Inc Tax A	dd Target E		enario Displ	ay Op <mark>r</mark> ions								
Scenario Advanced Tax F	Planning: Tax Cre	edits				~									
				Acco	unts	<u></u>									
	Planning	20 100000								K	1				
	Horizon	20 years +	NQ A	ccount		RA			Inco	mes 🎢					
Total required	Total required Vear John Account Income Account Income Accounts Planned Wares SS Income Tax After Tax After Tax Income Vear														
Total required	Year	John	Account	Income	Account	Income	Accounts	Planned	Wages	SS	Income Tax	After Tax	After Tax	Income	Year
View Beneficial RMD	REGULAR RMD net return 62 5.00 % John IRA														
REGULAR RMD	REGULAR RMD     net return     62     5.00 %     John IRA       accross all accounts     initial amount     750,000     1,250,000     Subtotal     Manage     M														
accross all accounts initial amount 750,000 1,250,000 2,000,000 Subtotal Manage Manage Manage Inf Eactor Inf E															
accounts     initial anount     750,000     i.250,000     Subtrain watage     watage     watage     watage     watage     initial anount     initian anount     initial anount															
	end of 1	62	787 500	Manage	1 312 500	Manage	2,000,000	0	150,000	2.00 %	(25.247)-17%	124 753	85,000	39 753	end of 1
0	end of 2	63	826.875	0	1.378.125	0	2,205,000	0	153,000	0	(11.759)-8%	141.241	86,700	54.541	end of 2
0	end of 3	64	868.219	0	1.447.031	0	2.315.250	0	156.060	0	(26.282)-17%	129,778	88,434	41,344	end of 3
0	end of 4	65	911.629	0	1,519,382	0	2.431.012	0	159,181	0	(26,313)-17%	132,868	90,203	42,666	end of 4
0	end of 5	66	957,211	0	1,595,352	0	2,552,562	0	162,365	0	(26,849)-17%	135,516	92,007	43,509	end of 5
0	end of 6	67	1,005,071	0	1,675,119	0	2,680,190	0	165,612	0	(27,397)-17%	138,215	93,847	44,368	end of 6
0	end of 7	68	1,055,325	0	1,758,875	0	2,814,200	0	168,924	0	(27,955)-17%	140,969	95,724	45,246	end of 7
0	end of 8	69	1,037,421	70,670	1,846,818	0	2,884,240	70,670	0	31,000	(4,032)-4%	97,638	97,638	0	end of 8
0	end of 9	70	1,017,195	72,097	1,939,159	0	2,956,354	72,097	0	31,620	(4,126)-4%	99,591	99,591	0	end of 9
0	end of 10	71	994,503	73,551	2,036,117	0	3,030,620	73,551	0	32,252	(4,221)-4%	101,583	101,583	0	end of 10
0	end of 11	72	969,192	75,036	2,137,923	0	3,107,115	75,036	0	32,897	(4,319)-4%	103,615	103,615	0	end of 11
0	end of 12	73	941,100	76,551	2,244,819	0	3,185,919	76,551	0	33,555	(4,420)-4%	105,687	105,687	0	end of 12
0	end of 13	74	988,155	0	2,268,731	88,329	3,256,886	88,329	0	34,226	(14,755)-12%	107,801	107,801	0	end of 13
92,225	end of 14	75	1,037,563	0	2,292,059	90,109	3,329,622	90,109	0	34,911	(15,063)-12%	109,957	109,957	0	end of 14
96,711	end of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	0	end of 15
101,080	end of 16	77	1,143,913	0	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	0	end of 16
106,214	end of 17	/8	1,201,109	0	2,357,870	95,664	3,558,978	95,664	0	37,048	(16,025)-12%	116,687	116,687	0	end of 17
111,/4/	end of 18	79	1,261,164	0	2,378,172	97,592	3,639,336	97,592	0	37,789	(16,360)-12%	119,021	119,021	0	end of 18
117,731	end of 19	80	1,324,222	0	2,397,523	99,557	3,/21,/45	99,557	0	38,545	(16,/01)-12%	121,401	121,401	0	end of 19
123,584	end of 20	8	1,390,433	267.000	2,415,836	759 510	3,806,270	1 1 26 410	1115140	39,315	(210.049)-12%	2 276 702	2 065 276	211.400	end of 20
			_	367,906		/58,512		1,126,418	1,115,142	455,090	(319,948)	2,376,703	2,005,276	311,426	

Step 7: Income Column: Year 2 amount should have automatically been adjusted.

Structured Edit Save Cancel Add	Account Add	e Plan	Ining	dd Target E	dit or Add Sc	enario Displ	ay Options								
Scenario Advanced Tax P	lanning: Tax Cre	edits				~									
				Acco	unts	×									
	Planning Horizon	20 years 🗸	NQ A	ccount		IRA			Inco	mes 🗡					
Total required View Beneficial RMD	Total required Year John Account Income Accounts Planed Nages SS Income Tax After Tax After Tax Income Gap   Year Income 500 % 500 % John IRA 2000,000 Subtral Nages SS Income Tax After Tax After Tax Income Gap Year														
REGULAR RMD	REGULAR RMD     net return     62     5.00 %     John IRA     2.000,000     Subtotal     Manage     Manage														
accross all accounts initial amount 750,000 1,250,000 2,000,000 Subtotal Manage Manage Manage from total															
John total PMD	w/bonue		750.000	Managa	1 250 000	Managa	2 000 000	incomes	2 00 %	2 00 %	EII Tax Rate		2 00 %	target	
	end of 1	62	787 500	Manage	1,230,000	Manage	2,000,000	ncomes	150,000	2.00 %	(25.247),17%	124 753	85,000	39 753	end of 1
0	end of 2	63	826.875	ő	1,012,000	Ű	2,100,000		100,000	o	(11.759)-8%	141.241	86,700	54,541	end of 2
0	end of 3	64	868.219	0	1.447.031	0	2.315.250	0	156.060	0	120.2021-1/70	129.778	88,434	41,344	end of 3
0	end of 4	65	911.629	0	1,519,382	0	2.431.012	0	159,181	0	(26.313)-17%	132.868	90,203	42.666	end of 4
0	end of 5	66	957,211	0	1,595,352	0	2,552,562	0	162,365	0	(26,849)-17%	135,516	92,007	43,509	end of 5
0	end of 6	67	1,005,071	0	1,675,119	0	2,680,190	0	165,612	0	(27,397)-17%	138,215	93,847	44,368	end of 6
0	end of 7	68	1,055,325	0	1,758,875	0	2,814,200	0	168,924	0	(27,955)-17%	140,969	95,724	45,246	end of 7
0	end of 8	69	1,037,421	70,670	1,846,818	0	2,884,240	70,670	0	31,000	(4,032)-4%	97,638	97,638	0	end of 8
0	end of 9	70	1,017,195	72,097	1,939,159	0	2,956,354	72,097	0	31,620	(4,126)-4%	99,591	99,591	0	end of 9
0	end of 10	71	994,503	73,551	2,036,117	0	3,030,620	73,551	0	32,252	(4,221)-4%	101,583	101,583	0	end of 10
0	end of 11	72	969,192	75,036	2,137,923	0	3,107,115	75,036	0	32,897	(4,319)-4%	103,615	103,615	0	end of 11
0	end of 12	73	941,100	76,551	2,244,819	0	3,185,919	76,551	0	33,555	(4,420)-4%	105,687	105,687	0	end of 12
0	end of 13	74	988,155	0	2,268,731	88,329	3,256,886	88,329	0	34,226	(14,755)-12%	107,801	107,801	0	end of 13
92,225	end of 14	75	1,037,563	0	2,292,059	90,109	3,329,622	90,109	0	34,911	(15,063)-12%	109,957	109,957	0	end of 14
96,711	end of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	0	end of 15
101,080	end of 16	77	1,143,913	0	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	0	end of 16
106,214	end of 17	78	1,201,109	0	2,357,870	95,664	3,558,978	95,664	0	37,048	(16,025)-12%	116,687	116,687	0	end of 17
111,/4/	end of 18	/9	1,261,164	0	2,378,172	97,592	3,639,336	97,592	0	37,789	(16,360)-12%	119,021	119,021	0	end of 18
117,731	end of 19	80	1,324,222	0	2,397,523	99,557	3,/21,/45	99,557	0	38,545	(16,/01)-12%	121,401	121,401	0	end of 19
123,584	end of 20	81	1,390,433	267.006	2,415,836	759 512	3,806,270	1 1 26 419	1115142	455.000	(210.049)-12%	2 276 702	2 065 276	211.426	end of 20
				307,906		738,512		1,120,418	1,115,142	435,090	(319,948)	2,376,703	2,005,276	311,420	

To understand the calculation process, follow the steps below. You will create a scenario in the Cash Flow and Tax Advisor page that has all of the details SIPS uses to calculate taxes for that year.

Structured Edit Save Cancel Ad	d Account Ad	e Plan	ning d Inc Tax A	dd Target E	dit or Add Sci	enario Displ	ay Options								
Scenario Advanced Tax	Planning: Tax Cr	edits				~									
				Acco	unts	×									
	Planning Horizon	20 years 🗸	NQ A	ccount		IRA			Inco	mes 🗡					
Total required View Beneficial RMD	Total required View Beneficial RMD     Year     John     Account     Income     Accounts Total     Planned Distribution     Wages     SS     Income Tax     After Tax Income     After Tax Target     Income Gap     Year       RESULAR RMD     net return     62     500 %     500 %     John IRA     2000000     Subtract     Mages     SS     Income Tax     After Tax Income     After Tax Target     Gap     Year														
REGULAR RMD	ERGULAR RMD accross all accounts initial amount net return 750,000 62 5.00 % 1,250,000 John IRA 2,000,000 Subtoal Manage Manage														
accross all accounts	REGULAR RMD     net return     62     5.00 %     John IRA     2.000,000     Subtotal     Manage     Manage														
John	bonus %	4	0.00 %		0.00 % ]		0	of account	Infl Factor	Infl Factor	ЕП Тах кате		Infl Factor	income to	(
total RMD	w/bonus	4	750,000	Manage	1,250,000	Manage	2,000,000	incomes	2.00 %	2.00 %	(25.0.17) 170	101750	2.00 %	target	
0	end of 1	62	787,500	01	1,312,500 1		2,100,000	1 0	150,000	0	(25,247)-17%	124,753	85,000	39,753	end of 1
0	end of 2	63	826,875		1,3/8,125		2,205,000		155,000	0	(11,/59)-8-0	141,241	80,700	54,541	end of 2
0	end of 3	65	011 620		1,447,031		2,315,250	1	150,000 1	1	(26,282)-17%	129,770	88,434	41,344	end of 4
0	end of 4	66	911,025	0	1,519,362	0	2,431,012	1	162 365	0	(26,313)-17%	132,000	90,203	42,000	end of 4
0	end of 6	67	1005071		1,090,002		2,552,502		165,612		(27,207)-17%	138,010	92,007	43,303	end of 6
0	end of 7	68	1,005,325	0	1,075,115	0	2,000,190	1 0	168 924	0	(27,955)-17%	140 969	95,047	44,300	end of 7
0	end of 8	69	1037421	70.670	1 846 818	0	2,884,240	70.670	0	31,000	(4032)-4%	97.638	97.638	10,210	end of 8
0	end of 9	70	1.017.195	72.097	1.939.159	0	2,956,354	72.097	0	31,620	(4.126)-4%	99,591	99,591	0	end of 9
0	end of 10	71	994,503	73,551	2.036,117	0	3.030,620	73,551	0	32,252	(4.221)-4%	101,583	101,583	0	end of 10
0	end of 11	72	969,192	75,036	2,137,923	0	3,107,115	75,036	0	32,897	(4.319)-4%	103,615	103,615	0	end of 11
0	end of 12	73	941,100	76,551	2,244,819	0	3,185,919	76,551	0	33,555	(4,420)-4%	105,687	105,687	0	end of 12
0	end of 13	74	988,155	0	2,268,731	88,329	3,256,886	88,329	0	34,226	(14,755)-12%	107,801	107,801	0	end of 13
92,225	end of 14	75	1,037,563	0	2,292,059	90,109	3,329,622	90,109	0	34,911	(15,063)-12%	109,957	109,957	0	end of 14
96,711	end of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	0	end of 15
101,080	end of 16	77	1,143,913	0'	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	0	end of 16
106,214	end of 17	78	1,201,109	0'	2,357,870	95,664	3,558,978	95,664	0	37,048	(16,025)-12%	116,687	116,687	0	end of 17
111,747	end of 18	79	1,261,164	0	2,378,172	97,592	3,639,336	97,592	0	37,789	(16,360)-12%	119,021	119,021	0	end of 18
117,731	end of 19	80	1,324,222	0	2,397,523	99,557	3,721,745	99,557	0	38,545	(16,701)-12%	121,401	121,401	0	end of 19
123,584	end of 20	81	1,390,433	0	2,415,836	101,562	3,806,270	101,562	0	39,315	(17,049)-12%	123,829	123,829	0	end of 20
		1		367,906		758,512		1,126,418	1,115,142	455,090	(319,948)	2,376,703	2,065,276	311,426	

Step 8: Manage: Click on the green Manage button within the Income Tax column.

Step 9: Dropdown Arrow: Click on the dropdown arrow and select 2026 (year 2).

Manage Tax	Planning Lise Advanced Tay Planning									
Tay name				Enter Addit	ional Tax Details	Not Modeled E	isewhere In Th	is Plan		
Dec 2019 toy sets		Year (	Cap Gains not in	Other Schedule 1	Income Adjustments	Schedule A	QBI Override	Tax Credits	Approx. State	4
Pie 2010 tax rate	13.6 %		Roll Down	Roll Down	Roll Down	Roll Down	Roll Down	Roll Down	Roll Down	
Tax description		1								*
		3						14,000		%
Filing Option	John 🗸	4								%
		5								%
		6								%
		7								%
		8								%
		9								%
		10								*
		12								20
		12								~
		14								%
		15								%
		16					<u></u>		2V	%
		17								%
		18	-							%
		19								%
		20								%
		21								%
Create Tax Scenario for Year		22								* •
		4								•

#### Step 10: Create Tax Scenario for Year: Click on the green Create Tax Scenario for Year button.

Manage Tax										
Save Cancel Use Basic Tax	Planning Use Advanced Tax Planning									
				2 000				1.122		
Tax name	Income Toy			Enter Addit	ional Tax Details	Not Modeled E	Isewhere In Th	iis Plan		
Tux fiame	Income Tax	Year (	ap Gains not in (	Other Schedule 1	Income	Schedule A	QBI Override	Tax Credits	Approx. State	
Pre 2018 tax rate	13.6 %		Accounts Roll Down	Income Roll Down	Adjustments Roll Down	Override Roll Down	Roll Down	Roll Down	Tax %	
2.2.2.2		1	Kon Domi							%
Tax description		2						14,000		%
Filing Option	loho v	3								%
5 17 11	Juin	5					-			%
		6								%
		7								%
		8								%
		9								*
		11								%
		12								%
		13								%
		14								%
		15								%
		16								%
		18					<u>.</u>			8
		19								%
		20								%
-		21								%
Create Tax Scenario for Year	2016 (unac 1)	22								* •
		4								•

Step 11: Cash Flow and Tax Advisor: You will automatically be taken to the Cash Flow and Tax Advisor page, where the new tax scenario will appear on the right hand side of the screen.

Cashflow and Ta	X	Adviso			
need lines brand branching be				-	
Tax Filin	19	John V	2025 (PROV ~	John V	2026 (PROV, ~
		20251	Taxes	2026	Taxes
Income		Cash Flow	Tax Return	Cash Flow	Tax Return
2a Tax Exempt Int			190,000		153,000
20 Taxable Interest					
3a Qualified Dividends				1	
36 All Dividends	0			-	
IRA Distributions Class 2 Distributions					
Clent 2 Distributions A Other					
4 Pensions					
4 Annuities					
4 Other					
Roth Conversion	-				
64 Client2 Social Reputy	-				
60 Total Social Security					
7 Short Term Cap Gains	0				
7 Long Term Cap Gains		-			
51 Self Employ Biz - QBI	0	-	1	10	
St. Self Employ Biz - not OBI	0			-	
St Sch E (no SE Tax) - CBI	0	2000 (1) 2000 (1)			
51 All Other Schedule 1 Income					
51 SE Tax Deduction	0				
51 All Other Adjt to Income	0				Concession of the
11 Income Total	\$ <del>0</del>		150,000	- A1	153,000
Ermanaaa					
Medical Expenses (7.5%)					
Property & State Taxes					
Mortgage Interest					
Charities					
All other Schedule A					
Mortgage - Rent					
I Billion				-	
Phone - Cable					
Maint - Landscaping					
Cars					
Car Insurance	-				
Car gas and maintenance	- 10				
Eleinsurance					
Food and Grocery					
Clothes - Home goods		-		1	
Entertainment - Meals					
Travel - Hobbies				-	
Credit Cards					
Other Expenses		-			
Income Taxes		-			
Expenses Tot	tal \$				_
					-
Income Taxes	-	overrides		overrides	
12 Largest Ded - Schid A or SH			15,000		15,289
13 Qual Biz Income Deduction			10000		10,207
Cap Gains and Qual Dividnds					
15 TAXABLE INCOME			135,000		137,711
19 Enter Tax Credits				14,000	14,000
23 Self Employment Taxes	0			and the second second	in supplicity
24 Annonviguate Tax Colo	0	24 % Tax Bracket	TER COT fax Rate	24 % Tax Bracket	7.7 % (Pl Tax Rate
Approximate State Tax Calo	0		25,247		11,759
Discretionary Incon	ne S	(25,247)		(11,759)	
	-	(			
Used on "Print 1040" Form	Only	ſ			
and Tax Payments Withheld	-				
32 Estimated Tax Dismastr	-			1	-
33 Total Payments			1		
34 Refund					
37 Amount you owe			25,247		11,759
			Print 1040		Print 1040

Step 12: Condense: Click on the green condense button underneath the Cashflow and Tax advisor Heading to condense the displayed data.



Step 13: Enter Tax Credits: The tax credit amounts will automatically be entered in the cash flow and tax return sections.



Step 14: Effective Tax Rate: Note the effective tax rate. This rate will be automatically reflected in Year 2 of the structured income plan. The effective tax rate rounded for display purposes.

Doe, John														
CLIENT DASHBOARD	OME	PLANNING	CASH FLOW AND TA	AX ADVISOR AS	SET ALLOCATION	AND NET WORTH	GRAPHS	T	REPORTS	1	TOOLS			
Cashflow and Tax	ĸ A	Adviso	r											
Edit Save Cancel Uncondense Hi	de Ta	ax Advisor Add	d Scenario Calc	ulate										
Tax Filing John 2025 (PROV),   Hide Delete   2025 Taxes   Income   Wages   Income Total \$ 2000   1														
Income	(	Cash Flow	Tax Return	Cash Flow	Tax Return									
1 Wages			150,000		153,000									
Income Total \$	2		150,000		153,000									
Expenses Expenses Total	\$													
Income Taxes		overrides		overrides										
Standard Deduction	9		15,000		15,289									
12 Largest Ded - Schd A or Std	9		15,000		15,289									
19 Factor Tax One lite	9		135,000		137,711									
19 Enter Tax Credits				14,000	14 000									
24 Approximate Tay Cale	9 0 -	24 % Tax Bracket	16.8 % Eff Tax Rate	24 % Tax Bracke	7.7 % Eff Tax Rate						_			
Discretionary Income	ć	(25.247)	20,247	(11 750)	11,759									
Discretionary Income	\$	(23,247)		(11,759)										
Used on "Print 1040" Form Or	nly													
<sup>37</sup> Amount you owe			25,247 Print 1040		11,759 Print 1040									

Step 15: Approximate Tax Calc: Note the Tax Return calculation. The dollar amount will identical to the one on the Structured Income Planning page.

Doe, John													
CLIENT DASHBOARD   STRUCTURED INCOME PLANNING   CASH FLOW AND TAX ADVISOR   ASSET ALLOCATION AND NET WORTH   GRAPHS   REPORTS   TOOLS													
Cashflow and Tax	X	Adviso	r										
Edit Save Cancel Uncondense Hide Tax Advisor Add Scenario Calculate													
John 2025 (PROV) John 2026 (PROV)   Hide Delete Hide Delete   2025 Taxes 2026 Taxes													
Income		Cash Flow	Tax Return	<b>Cash Flow</b>	Tax Return								
1 Wages			150,000		153,000								
<sup>11</sup> Income Total \$	?		150,000		153,000								
Expenses Expenses Total \$													
Income Taxes		overrides		overrides									
Standard Deduction	0		15,000		15,289								
	0		135,000		107,289								
19 Enter Tax Credits			133,000	14,000	14 000								
	ດ່	24 % Tax Bracket	16.8 % Eff Tax Rate	24 % Tax Bracket	7.7 % Eff Tax Rate								
24 Approximate Tax Calc	0		25.247		11.759	4							
Discretionary Income	\$	(25,247)		(11,759)									
Used on "Print 1040" Form Or <sup>37</sup> Amount you owe	nly		25,247 Print 1040	( ,)	11,759 Print 1040								

Step 16: Save: Click on the green Save button underneath the Cash Flow and Tax Advisor heading.

Doe, John											
CLIENT DASHBOARD	юм		CASH FLOW AND TA	X ADVISOR   AS	SET ALLOCATION A	AND NET WORTH	GRAPHS	RE	PORTS	TOOLS	
Cashflow and Ta	Х	Adviso	r								
Edit Save Cancel Uncondense H	ide <sup>·</sup>	Tax Advisor Ad	d Scenario Calc	ulate							
Tax Filing	Tax Filing John 2025 (PROV)   Hide Delete   2025 Taxes 2026 Taxes										
Inco ne	1	Cash Flow	Tax Return	Cash Flow	Tax Return						
			150,000		153,000						
Expenses Expenses Tota	1\$										
Inco <mark>ne Taxes</mark>	_ 1	overrides		overrides							
Stane ard Deduction	0		15,000		15,289						
12 Largest Ded - Schd A or Std	0		15,000		15,289						
15 TAXA BLE INCOME	0		135,000		137,711						
<sup>19</sup> Enter Tax Credits				14,000	14,000						
	8	24 % Tax Bracket	16.8 % Eff Tax Rate	24 % Tax Bracket	7.7 % Eff Tax Rate						
24 Approximate Tax Calc		(05.0.47)	25,247	(11 750)	11,759						
Discretionary Income	e Ş	(25,247)		(11,759)							
37 Amount you owo	my		25.247		11 750						
Amount you owe			25,247 Print 1040		Print 1040						

Step 16: Structured Income Planning: Click on the Structured Income Planning heading underneath the Clients name.

Doe, John													
CLIENT DASHBOARD STRUCTURED INCOME PLANNING CASH FLOW AND TAX ADVISOR ASSET ALLOCATION AND NET WORTH GRAPHS REPORTS TOOLS													
Cashflow and Ta	Adviso	r											
Edit Save Cancel Uncondense H de Tax Advisor Add Scenario Calculate													
Tax Filin	Tax Filin John ✓ 2025 (PROV), ✓   Hide Delete ✓   2025 Taxes 2026 Taxes												
Income	Cash Flow	Tax Return	Cash Flow	Tax Return									
1 Wages	150,000 153,000												
11 Income Total \$	Income Total \$ 🤨 150,000 153,000												
Expenses Expenses Tota I	\$												
Income Taxes	overrides		overrides										
Standard Deduction	3	15,000		15,289									
12 Largest Ded - Schd A or Std	2	15,000		15,289									
15 TAXABLE INCOME	)	135,000		137,711									
<sup>19</sup> Enter Tax Credits			14,000	14,000									
	24 % Tax Bracket	16.8 % Eff Tax Rate	24 % Tax Bracket	7.7 % Eff Tax Rate									
<sup>24</sup> Approximate Tax Calc		25,247	(11 750)	11,759									
Discretionary Income	\$ (25,247)		(11,759)										
Used on "Print 1040" Form Or	ly												
<sup>37</sup> Amount you owe		25,247 Print 1040		11,759 Print 1040									

Step 17: Structured Inome Planning Page: You will automatically be taken back to the Structured Income Planning Page. The effective and approximate tax rates should automatically be changed to the amounts that were configured on the Cash Flow and Tax Advisor page.

Structured Income Planning															
Edit Save Cancel Ad	Edit Save Cancel Add Account Add Income Add Income Add Income Edit or Add Scenario Display Options														
Scenario Advanced Tax	cenario Advanced Tax Planning: Tax Credits														
Autonoculture	latining. Tax ore	Julio													
				Acco	unts	~									
	Planning [	20 years						1							
	Horizon	20 years	NQ A	ccount		RA			Incor	mes					
Total required		1. ha			C. surger	(	Accounts	Planned			Terry Terry	After Tax	After Tax	Income	- Y
View Beneficial RMD	Year	John	Account	Income	Account	Income	Total	Distribution	Wages	SS	Income Tax	Income	Target	Gap	Year
REGULAR RMD	net return	62	5.00 %		5.00 %	John IRA									
accross all accounts	initial amount	4 - V	750,000	()	1,250,000	(	2,000,000	Subtotal	Manage	Manage	Manage		Manage	from total	(
John	bonus %	4 V	0.00 %		0.00 %		0	of account	Infl Factor	Infl Factor	Eff Tax Rate		Infl Factor	income to	(
total RMD	w/bonus		750,000	Manage	1,250,000	Manage	2,000,000	incomes	2.00 %	2.00 %			2.00 %	target	
0	end of 1	62	787,500	0)	1,312,500	0)	2,100,000	0	150,000	9	(25.247),17%	124,753	85,000	39,753	end of 1
0	end of 2	63	826,875	0)	1,070,100		2,200,000		100,000 (		(11,759)-8%	141,241	86,700	54,541	end of 2
0	end of 3	64	868,219	0)	1,447,031	0)	2,315,250	0	156,060	07	(20,202)-17%	129,778	88,434	41,344	end of 3
0	end of 4	65	911,629	01	1,519,382	0)	2,431,012	0	159,181	( 0)	(26,313)-17%	132,868	90,203	42,666	end of 4
0	end of 5	66	957,211	0	1,595,352	0	2,552,562	0	162,365	01	(26,849)-17%	135,516	92,007	43,509	end of 5
0	end of 6	67	1,005,071	0	1,675,119	0)	2,680,190	0	165,612	0)	(27,397)-17%	138,215	93,847	44,368	end of 6
0	end of 7	68	1,055,325	0	1,758,875	0)	2,814,200	0	168,924	01	(27,955)-17%	140,969	95,724	45,246	end of 7
0	end of 8	69	1,037,421	70,670	1,846,818	0)	2,884,240	70,670	01	31,000 /	(4,032)-4%	97,638	97,638	0)	end of 8
0	end of 9	70	1,017,195	72,097	1,939,159	0)	2,956,354	72,097	0)	31,620	(4,126)-4%	99,591	99,591	01	end of 9
0	end of 10	71	994,503	73,551	2,036,117	0)	3,030,620	73,551	0	32,252	(4,221)-4%	101,583	101,583	01	end of 10
0	end of 11	72	969,192	75,036	2,137,923	0)	3,107,115	75,036	0)	32,897	(4,319)-4%	103,615	103,615	01	end of 11
0	end of 12	73	941,100	76,551	2,244,819	0)	3,185,919	76,551	0)	33,555	(4,420)-4%	105,687	105,687	01	end of 12
0	end of 13	74	988,155	0	2,268,731	88,329	3,256,886	88,329	01	34,226	(14,755)-12%	107,801	107,801	01	end of 13
92,225	end of 14	75	1,037,563	0	2,292,059	90,109	3,329,622	90,109	0)	34,911	(15,063)-12%	109,957	109,957	0)	end of 14
96,711	end of 15	76	1,089,441	0	2,314,738	91,923	3,404,179	91,923	0	35,609	(15,377)-12%	112,156	112,156	01	end of 15
101,080	end of 16	77	1,143,913	0	2,336,699	93,775	3,480,612	93,775	0	36,321	(15,698)-12%	114,399	114,399	01	end of 16
106,214	end of 17	78	1,201,109	0	2,357,870	95,664	3,558,978	95,664	0)	37,048	(16,025)-12%	116,687	116,687	0)	end of 17
111,747	end of 18	79	1,261,164	0	2,378,172	97,592	3,639,336	97,592	0)	37,789	(16,360)-12%	119,021	119,021	01	end of 18
117,731	end of 19	80	1,324,222	0	2,397,523	99,557	3,721,745	99,557	0)	38,545	(16,701)-12%	121,401	121,401	01	end of 19
123,584	end of 20	81	1,390,433	0	2,415,836	101,562	3,806,270	101,562	0	39,315	(17,049)-12%	123,829	123,829	0	end of 20
367,906 758,512 1,126,418 1,115,142 455,090 (319,948) 2,376,703 2,065,276 311,426												2,376,703	2,065,276	311,426	

If you feel you need more support or would like to set up demo time with one of our representatives, please contact us at: +1-888-449-6917 or support@planscout.com.