



2020 Tax Snapshot for Jane and John Doe

Resident(s) of: **Switzerland**

Tax return prepared by: Tax Preparer, LLC

Tax return overview and key figures

• Total income:	469,506	• Filing status:	Married, joint	• Ordinary/qual. dividends:	9,923 / 8,267
• Tax-exempt income:	(2,602)	• Total taxes:	128,347	• Short-/long-term cap. gain:	-3,242 / 15,125
• Above the line deductions:	(342)	• Marginal ordinary tax rate:	35.0%	• Capital loss carried forward:	-
• Adjusted gross income (AGI):	466,562	• Marginal capital tax rate:	18.8%	• Modified AGI for NIIT:	457,001
• Other deductions:	(29,902)	• Average tax rate:	27.3%	• Estimates due (110% prior year):	92,000
• Taxable income:	436,660	• Credits carried forward:	-	• Estimates due (90% projected):	-

Marginal tax brackets

Rate	AGI (or other metric*) range	You
Ordinary income taxes		
10%	\$1 to \$19,750	
12%	\$19,751 to \$80,250	
22%	\$80,251 to \$171,050	
24%	\$171,051 to \$326,600	
32%	\$326,601 to \$414,700	
35%	\$414,701 to \$622,050	436,660
37%	\$622,051 to N/a	
Capital gain taxes		
0%	\$1 to \$80,000	
15%	\$80,001 to \$496,600	436,660
20%	\$496,601 to N/a	
Net investment income taxes (NIIT)*		
0%	\$1 to \$250,000	
3.8%	\$250,001 to N/a	457,001
Social security and additional medicare taxes*		
Medicare earnings:	201,343	Excess tax: 1,491
Total social security:	17,344	Taxable: 14,742

Standard, itemized, and QBI deduction(s)

Medical expenses	1,992	
Disallowed portion	(1,992)	-
State and local taxes	25,334	
Real estate taxes	12,000	
Disallowed portion	(27,334)	10,000
Other taxes		685
Mortgage interest		10,687
Investment interest		-
Charitable contribution		8,530
Other itemized deductions		-
Total itemized deductions		29,902
Standard deduction		24,800
Qual. business income deduction		342
Itemized deductions favorable by \$5,102		

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Foreign country specifics

Treaty	Link to tax treaty	Here
	Link to totalization agreement	Here
Retirement	Retirement plan(s) recognized	Trad. IRA
	Pension basis is being tracked	Yes
	Pension contributions reported	Partially
	Separately stated on return	\$ 19,325
Misc.	English resources	Here
	Was Form DA-1 filed?	No
	Resident return preparer	Self-prepared
Maximum local taxes	Federal tax rate	13.00%
	Cantonal	Vaud 41.50%
	Communal	Eclépens 39.19%
	Gift tax rate	25.00%
	Inheritance tax rate	25.00%
	Wealth tax rate	0.30%

Foreign tax credit (common categories)

	General	Passive	Re-sourced	Branch
Category net income	86,425	990	40,963	1,400
Maximum credit	25,003	789	42,143	500
Foreign taxes paid	11,850	789	7,639	479
Prior year carryovers	2,754	-	-	-
Reductions	(1,503)	-	-	-
Foreign tax credit	13,101	789	7,639	479
<i>Foreign tax credits reduced your taxes owed to the IRS by \$22,008</i>				

Next year estimates

	Prior year as-filed	Safe harbor	Projected (if known)	Suggested payments based on: <u>Prior year</u>
Total taxes	128,347	141,182	-	Q1 (4/15) 23,000
Less: credits	(22,008)	(30,000)	-	Q2 (6/15) 23,000
Less: withholding	(35,413)	-	-	Q3 (9/15) 23,000
Overpayment applied	(6,200)	(20,274)	-	Q4 (1/15) 23,000
Payments	(85,000)	(92,000)	-	(Q4 Due the following year)
Tax due w/ return	(20,274)	(1,092)	-	
<i>Approximate taxes to be paid: \$142,000 (reduced by expected credits)</i>				