

Individual Worksheet

Determine Your Provisional Income (Annual)

Taxable Income (earnings, investments, retirement plans, etc.)

Tax-Exempt Interest (municipal bonds) **+**

Social Security (50% of total benefit) **+**

Income Adjustments (if any) **-**

Provisional Income **=**

PROVISIONAL INCOME BRACKET #1

Single: Under \$25,000
Joint: Under \$32,000

Your benefit is NOT taxable.

PROVISIONAL INCOME BRACKET #2

Single: \$25,000 - \$34,000
Joint: \$32,000 - \$44,000

Up to 50% of your benefit is taxable.

PROVISIONAL INCOME BRACKET #3

Single: Over \$34,000
Joint: Over \$44,000

Up to 85% of your benefit is taxable.

Here's how it works:

Provisional Income

(as calculated above)

Less Base Allowance **-**
(\$32,000 joint; \$25,000 single)

Excess Income **=**

(1) 50% of Excess Income

OR

(2) 50% of Social Security Total Benefit

Pay Taxes on the Lesser
of (1) or (2) Above

Combined State
& Federal Tax Rate **x**

Social Security Benefit Tax **=**

Here's how it works:

Provisional Income

(as calculated above)

Less Base Allowance **-**
(\$32,000 joint; \$25,000 single)

Preliminary Excess Income **=**
Less Additional Base Allowance **-**
(\$12,000 joint; \$9,000 single)

Excess Income **=**

x 0.85

Enter the Smallest
Amount that Applies **+**

(50% of Additional Base Allowance,
50% of Preliminary Excess Income,
50% of Social Security Total Benefit)

(1) **=**

Total Social Security Benefit

x 0.85

(2) **=**

Pay Taxes on the Lesser
of (1) or (2) Above

Combined State
& Federal Tax Rate **x**

Social Security Benefit Tax **=**

See the Social Security Benefits Worksheet in the Form 1040 Instructions for complete details on calculating benefit taxation. Western & Southern Financial Group member companies do not offer tax advice. For specific tax information, consult your attorney or tax advisor.

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