

Herb and Wendy. At least one is age 70 1/2.

	Scenario #1	Scenario #2	Scenario #3
<u>Cash Flow</u>	2017	2018	2018
Cash Income (Inflow) to H and W	\$120,000	\$120,000	\$112,000
Memo:RMD Income	\$50,000	\$50,000	\$42,000
QCD donation	\$0	\$0	\$8,000
Itemized Expenses paid by check (Outflow)	\$18,000	\$18,000	\$10,000
Net Cash Inflow Before Taxes	\$102,000	\$102,000	\$102,000
<u>Tax Accounting</u>			
Adjusted Gross Income (Page 1, Line 37, Form 1040, 2017)	\$120,000	\$120,000	\$112,000
Standard Deduction	\$13,950	\$25,300	\$25,300
Itemized Deductions	\$18,000	\$18,000	\$10,000
Calculated Taxable Income	\$102,000	\$94,700	\$86,700
Difference in taxable income relative to column #1		-\$7,300	-\$15,300

Scenario #1: 2017. Writes \$8,000 donation checks out of checkbook

Scenario #2. 2018. Writes \$8,000 donation checks out of checkbook

Scenario #3. 2018. Uses QCD for \$8,000 donations. Not checkbook.