



## Illustration Calculator

Contact: Adam Ausloos  
414-269-2600  
adam@defernow.com

Assumptions		Red = Input Cells			
Sale Price of Asset	\$5,000,000				
Brokerage Commission	\$75,000				
Closing Costs	\$3,500				
Tax Basis	\$250,000				
Debt / Mortgage	\$250,000				
Capital Gains - Total Tax Rate	29.800%				
Investment Rate of Return	7.000%				
Annual Distribution	\$50,000				
Estimated Annual Tax Rate	24.00%				
Taxable Debt Over Basis (DOB)	\$0				
Net Sales Proceeds (Pre-Tax)	\$4,671,500	Defer Tax on NSP + DOB	Tax on DOB	Tax on DOB	
<b>Projected Tax Payment</b>					
Year of Sale	\$1,392,107	\$ -	\$ -	\$ -	
<b>Cost of This Alternative</b>	Pay Tax	453 Cash at Close	453 Partnership LLC	453 Trust	
Transaction fee at close	29.80%	6.50%	5.00%	3.50%	
Annual Maintenance	0.00%	1.00%	1.00%	0.50%	
Typical Advisor Fee	1.00%	0.25%	0.50%	1.50%	
					Cumulative Projected Tax on Distributions LLC & Trust only
Year	Pay Tax	453 Cash at Close	453 Partnership LLC	453 Trust	
Beginning Net	\$3,279,393	\$4,351,603	\$4,437,925	\$4,507,998	\$12,000
1	\$3,426,157	\$4,595,336	\$4,676,390	\$4,683,397	\$24,000
10	\$5,213,854	\$7,679,626	\$7,655,874	\$6,714,158	\$132,000
20	\$8,678,178	\$14,074,989	\$13,696,407	\$10,307,762	\$252,000
30	\$15,073,126	\$26,229,183	\$24,967,546	\$16,442,954	\$372,000
(Less) Tax Basis Deferred *EST* <small>(Note: Use gross profit ratio form 6252 at time tax paid for accuracy)</small>		\$1,020,107	\$1,020,107	\$1,020,107	Remaining Tax Basis
(Less) 20% Cap Gain Tax (assumes liquidating all investments this year)	\$2,358,747	\$4,375,516	\$4,105,924	\$2,386,991	\$1,020,107
<b>End Balance</b>	<b>\$12,714,379.22</b>	<b>\$20,833,560.12</b>	<b>\$19,841,515.05</b>	<b>\$13,035,855.66</b>	

**Illustration shows fixed distributions** - Due to unlimited distribution options and timing of distributions this illustration only calculates fixed distributions, any other variations would change illustration results as actual annually distributions occur as installment payments.

**Circular 230 - Does Not Constitute A Relationship**  
This summary uses information from the IRS Sec 453 and contract law. It is not intended nor does it constitute legal or tax advice. We will gladly provide you and your tax advisor with data to support the information found in this summary. If there is a Debt Over Basis, the capital gain and depreciation recapture in that amount are not deferrable. This illustration calculates a total DOB based on input data and may reflect a higher DOB number. In some cases there may be opportunities to restructure to reduce DOB. Recapture tax on depreciation in excess of "straight line" is not deferrable. And is not reflected in this illustration tool. Straight line depreciation on real property lowers the basis. The resulting increase in gain is deferrable.

**DISCLAIMER:** This illustration is provisional only and is provided and intended to be used for general educational and informational purposes only. This illustration is based on a variety of assumptions, not explicitly stated herein, and all numbers and projections should be considered a rough estimate based on the assumptions. You should contact your attorney or Tax Deferral Services immediately if you have questions about the assumptions contained herein, or for explanation of any calculation contained here. This illustration is furnished with the understanding that Tax Deferral Services as authors and publishers are not engaged in rendering legal, accounting, investment, tax, or other professional advice and/or services. Before making any decision, you should seek the advice of a qualified professional before proceeding. The amount(s) payable to you which is reflected in this illustration is based on interest rates, formulas and other factors provided by federal tax law and the IRS. No representation is made that the payment amount is guaranteed for the rest of your life. This scenario makes certain assumptions in order to illustrate the important aspects of this transaction. There may also be additional considerations not accounted for in this example that may further affect whether this is appropriate for you. Prior to engaging in this transaction, it is necessary that you review your tax situation with your tax advisor to determine if this transaction is right for you.

Contact: Adam Ausloos 414-269-2600 adam@defernow.com

[WWW.DEFERNOW.COM](http://WWW.DEFERNOW.COM)