

100,000 AGI
8,000 Personal Exemption
12,600 Standard Deduction or Itemized Deduction
79,400 Federal Taxable Income

CURRENT LAW

79,400 Federal Taxable Income

Additions

0 Bonus Depreciation
1,000 Non-VT Muni bond income and dividends
0 State and Local income tax deduction
Itemized Deductions (except medical and charitable) greater
0 than 2.5X Standard

- Subtractions

0 US Gov Bond Income
5,000 Capital Gains Exclusion (\$5,000 or 40%)
50 Recapture of state and local income tax deductions

75,350 Vermont Taxable Income

Standard Deduction Example

PROPOSAL

100,000 Federal AGI

+ Additions

0 Bonus Depreciation
1,000 Non-VT Muni bond income and dividends
101,000 subtotal

- Subtractions

0 US Gov Bond Income
5,000 Capital Gains Exclusion (\$5,000 or 40%)
50 Recapture of state and local income tax deductions
8,000 Personal Exemption Amounts (federal)
12,600 Standard Deduction Amount (federal)

or

Itemized Deductions - federal excluding:

state and local income taxes
medical and dental expenses
charitable contributions
amounts over 2.5 times the standard deduction

75,350 Vermont Taxable Income