

Federal Tax Estimate for the Shareholder(s) of a Sub-Chapter S Corporation

	Prior FYE reversal	YTD Accruals	5/31/2009	
Year to date net income before taxes			440,465	5 out of 12 months
Permanent Differences:				
50% of Meals & Ent.			138	
Penalties				
Domestic Production (est)				
Timing Differences:				
Accounts Receivable	783,125	617,867	165,258	
Prepaid Expenses	0	0	0	
Accounts Payable	108,217	50,609	(57,608)	
Deferred Revenue		0	0	
Accrued Payroll and PR taxes	4,636	2,905	(1,731)	
401k	0	0	0	
Depreciation adjustment		0	0	
Tax-method Pretax Company Income			546,522	
Shareholder's Percentage of Ownership		60%	327,913	
Shareholder's Wages and Guaranteed Payments		125,000		Federal W/H 40,000 State WH 6,250 Local WH 2,500
Shareholder's Current Taxable Income			452,913	
Taxable income grossed up to year end			1,086,992	

PERSONAL TAX ASSUMPTIONS:

Personal tax Status	2	1 = Single or Married Filing Separate 2 = Married Filing Joint
# Exemptions Claimed on your W-2	5	
FICA Limit	106,800	
State Income tax rate	5%	
Local Income tax rate	2%	

RESULTS:

	Estimated Taxes Due	YTD Taxes withheld	Estimates Paid Year to Date	Amount Due
Year-End Tax Projection:				
Federal Taxes	351,026	40,000	200,000	111,000 Federal Taxes
State Taxes	54,350	6,250	40,000	8,100 State Taxes
Local Taxes	21,740	2,500	15,000	4,200 Local Taxes
Year-to-Date Estimate Due:				
Federal Taxes	146,261	40,000	200,000	(93,700) Federal Taxes
State Taxes	22,646	6,250	40,000	(23,600) State Taxes
Local Taxes	9,058	2,500	15,000	(8,400) Local Taxes