

## ■ Regular Tax Calculation (2024)

Wages: \$350,000

Capital Gains: \$50,000

**Total Income: \$400,000**

### **Deductions:**

- SALT (capped): \$10,000
- Mortgage Interest: \$25,000
  - Charity: \$20,000

**Taxable Income: \$345,000**

**Regular Tax = \$69,850**

## ■ AMT Before Planning

Start with Regular Taxable Income: \$345,000

**Add-backs:**

- SALT add-back: +\$10,000
- ISO Bargain Element: +\$100,000

**Alternative Minimum Taxable Income (AMTI): \$455,000**

Less Exemption (MFJ 2024): -\$133,300

**AMT Base: \$321,700**

**AMT Liability = \$85,424**

## ■ AMT After Planning

Start with Regular Taxable Income: \$345,000

**Add-backs:**

- SALT add-back: +\$10,000
- ISO (spread exercise): +\$30,000

**Alternative Minimum Taxable Income (AMTI): \$385,000**

Less Exemption (MFJ 2024): -\$133,300

**AMT Base: \$251,700**

**AMT Liability = \$65,824**

Final Tax = Higher of Reg/AMT = \$69,850

## ■ Final Comparison

### **No Planning:**

Regular Tax = \$69,850

AMT = \$85,424

Tax Owed = \$85,424

### **With Planning:**

Regular Tax = \$69,850

AMT = \$65,824

Tax Owed = \$69,850

■ **Tax Savings from Planning = \$15,574**