

Combined Disposable Income Worksheet

Income year:	
Are you required to file a federal income tax return?	Yes No
<u>Disposable income</u>	<u>Amount</u>
1. Federal adjusted gross income from Federal Form 1040	
2. Capital gains not reported on your federal income tax return	
3. Losses reported on your federal income tax return	
4. Depreciation reported on your federal income tax return	
5. Wage income: nontaxable and/or not reported on your federal income tax return	
6. Dividend or interest income: nontaxable and/or not reported on your federal income tax return	
7. Pension and annuity income: nontaxable and/or not reported on your federal income tax return	
8. Military pay and benefits: nontaxable and/or not reported on your federal income tax return	
9. Veterans pay and benefits: nontaxable and/or not reported on your federal income tax return	
10. Social security or railroad retirement benefits: nontaxable and/or not reported on your federal income tax return	
11. Business, rental, or farming income not reported on your federal income tax return	
12. Other income not included in amounts on Lines 1-11, provide the source, type and amount	
13. Add lines 1-12 This is your total disposable income:	
<u>Deductions</u>	
14. Nursing home, assisted living or adult family home	
15. Home health care	
16. Prescription drugs	
17. Medicare parts A,B,C, D insurance premiums	
18. Medicare supplemental/Medigap insurance premiums	
19. Durable medical and mobility enhancing equipment and prosthetic devices	
20. Medically prescribed oxygen	
21. Long-term care insurance	
22. Cost-sharing amounts	
23. Nebulizers	
24. Medicines of mineral, animal and botanical origin prescribed, administered, dispensed, by a naturopath licensed under Washington law	
25. Ostomic items	
26. Insulin for human use	
27. Kidney dialysis devices	
28. Disposable devices used to deliver drugs for human use	
29. Adjustments to income	
30. Add lines 14-29 This is your total deductions:	
31. Subtract line 30 from line 13 This is your total combined disposable income:	

Income Example #8

Documentation provided: one tax return – 4 rental income properties

AGI is found on line 11 – \$39,497.00

Line 8 – Other income from Schedule 1, line 10: \$2,172

Schedule 1:

*Line 5: Schedule E 2,172

Schedule E: On Schedule E there are 4 rental income properties. There is depreciation deducted for each one. Therefore, we need to calculate the income for each one.

*Rental A has depreciation – do we add it back?

The overall net profit or (loss) is 9,836

Since our net profit is a positive to begin with, we would add back the entire amount of Rental A's **depreciation**: \$3,750.00

*Rental B has depreciation – do we add it back?

The overall net profit or (loss) is <17,266>

Our calculation to figure out if we add back depreciation is:

(Rents Received) – (Total Expenses) + (Depreciation)

(17,550) – (34,816) + (7,236) = <10,030>

The result is still negative, so we DO NOT add back the depreciation, we just add back the <17,266> loss.

Let's add back the Rental B's **loss** of <17,266> \$17,266.00

*Rental C has depreciation – do we add it back?

The overall net profit or (loss) is 9,282

Since our net profit is a positive to begin with, we would add back the entire amount of Rental C's **Depreciation:** \$15,818.00

*Rental D has depreciation – do we add it back?

The overall net profit or (loss) is 320

Since our net profit is a positive to begin with, we would add back the entire amount of Rental D's **Depreciation:** \$13,351.00

Total disposable income \$89,682.00

Total Depreciation:

Rental A (3,750) + Rental C (15,818) + Rental D (13,351) = 32,919