

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 #14

Documentation provided: Tax return

AGI is found on line 11 - \$9,007.00

Line 8 – Additional income from Schedule 1, line 10 (9,692)

*Let's look at Schedule 1 to see what the income sources are

Schedule 1:

*Line 3: Business income (Sch. C) \$23,134

*Line 8a: Net Operating loss <11,484>

Let's add back the Net Operating loss (NOL) first \$11,484.00

Now, let's look at the Schedule C for any additional information

*No depreciation to add back

So, is that it?

I want to bring your attention back to Schedule 1, line 10.

The amount reported on the actual Schedule 1, line 10 is 11,650.

The amount that should show up on line 8 of the IRS1040 should match but it does not. Mistakes can happen on a tax return. I would add the difference back on Line 12 for other income and make a note that there was a mistake on the tax return.

11,650 – 9,692 = 1,958 \$1,958.00

Total disposable income \$22,449.00

Any way to double check? Yes

Take the positives and minus the allowable deduction.

Schedule 1, line 3= Schedule C income:	23,134
<u>Allowed adjustments from line 10 of IRS1040:</u>	<u>685</u>
Total	22,449

This income matches. The clerical error on IRS1040, line 10, reduced the business income. That's why we would add it back.