

**[VeriPlan helps you to understand your projected lifetime federal, state, and local income taxes and other taxes](#)**

**Category : How VeriPlan Helps You To Plan Your Lifecycle Finances**

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**[Download the Free VeriPlan Tutorial Here](#)** VeriPlan's tax calculator software automatically projects your real dollar tax obligations using current tax rates and tax limits that would apply in your particular situation. For example, regarding your income taxes and income tax rates, VeriPlan uses current marginal federal income tax rates after taking into account your projected tax deductions, exemptions, and adjustments. Regarding state taxes and local income tax rates, VeriPlan assesses these taxes according to the marginal or flat tax rate method that applies in your tax jurisdiction. VeriPlan automatically assesses Social Security taxes, Medicare taxes, self-employment taxes, real estate and property taxes, short-term capital gains taxes, and long-term capital gains taxes. In addition, it automatically applies taxes across your lifetime to your traditional IRA and 401k accounts and to your Roth IRA and Roth 401k account contributions. VeriPlan automatically applies variable U.S. federal income tax rates and limits. Current federal tax rates are included, and all tax rates and limits in VeriPlan are user changeable. VeriPlan provides and applies variable or flat income tax rates and limits for the 50 U.S. states and Washington, D.C. Furthermore, it automatically projects any local variable or flat ordinary income tax rates according to the rates and limits that you supply. VeriPlan supports both the 'Single' and 'Married, Filing Jointly' tax filing statuses for your federal, state, and local income tax projections. VeriPlan projects your full lifetime taxes in annual increments in these eight different tax categories:

- 1) Federal income taxes on earned income, interest income, retirement income, and other income
  - 2) State income tax and local income taxes on earned income, interest income, retirement income, and other income
  - 3) Social Security and Medicare taxes on earnings, plus income taxes on Social Security payments in retirement
  - 4) Property and real estate taxes
  - 5) Federal income taxes on mandatory tax-deferred account withdrawals and on withdrawals to pay living expenses
  - 6) State income taxes and local income taxes on mandatory and needed tax-deferred account withdrawals
  - 7) Federal long-term capital gains taxes
  - 8) State income taxes and local ordinary income taxes on long-term capital gains
- VeriPlan automatically projects your full lifetime federal income tax deductions. In each projection year, it automatically applies the more favorable of either the standard deduction or your itemized deductions. VeriPlan projects your income tax exemptions for up to 10 dependents, and it manages income limited phase-outs of these tax exemptions. It also projects up to 6 different adjustments to your taxable federal income, and it manages associated differential income adjustment growth rates

and phase-outs automatically. To prevent obsolescence during the years that you use it, VeriPlan enables you to change any tax rates and tax limits, in case tax laws change in the future.