



CHIBS Property Sale

Selling Price

\$1,000,000

Outright Sale

Selling Price: \$ 1,000,000
Cost Basis: \$ 250,000

Capital Gain \$ 750,000
15% Cap. Gain Tax \$ 112,500

Selling Price: \$ 1,000,000
Cap. Gain Tax \$ (112,500)

Total: \$ 887,500

Fixed Rate 5% Example

On CD

Annual Income \$ 44,375

This is for illustration purposes only, and is not a contract. This is not intended to be legal or accounting advice

20 Year Benefit
\$ 1,286,463

Total Payout

Annual Payout
\$ 64,323

Before tax annual income for 20 years.
 (see illustrations for details)

\$ 229,773

Upfront Tax Deduction

(Mid Term Rate 5.6%)

*** If parents die before the 20 years then the balance of the payments would also go to their heirs.

Charitable Installment Bargain Sale

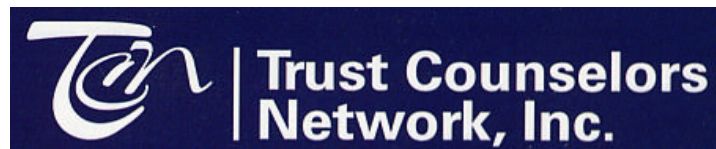
Preliminary

Prepared For:

Sample

Presented By:

Kevin Brown



**Trust Counselors Network
190 Bethlehem Pike, Suite One
Colmar, PA 18915
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All payout rates represented in this illustration are valid for 30 days.
This is an educational illustration and is not intended to be legal or tax advice.
This is for illustration purposes and is not a contract.

Prepared by:
George P. Brown
April 7, 2006

Charitable Installment Bargain Sale

Prepared for:

Sample

Total Asset Value

\$1,000,000



Annual Payout*

\$64,323.19



Pmt Freq. **Monthly**

Installation Term **20** Yrs.

\$1,286,463.77

Total of Payments Over Term

Tax Summary

\$229,773

Income Tax Deduction

\$64,336

Potential Resulting Tax Savings
From Tax Deduction

\$172,329

Gain Eliminated

\$25,849

Gain Tax Savings
From Gain Elimination

\$0

Gain Realized Up Front

Preliminary

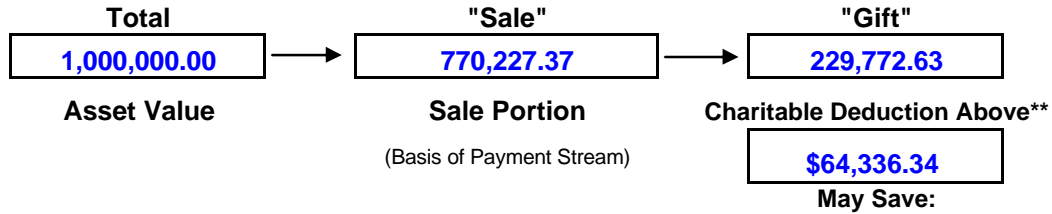
* **Note:** This number represents annual payments that are not based on mortality. These payments occur regardless of whether or not the payment recipients are living.

[See detail sheet for tax and additional information.](#)

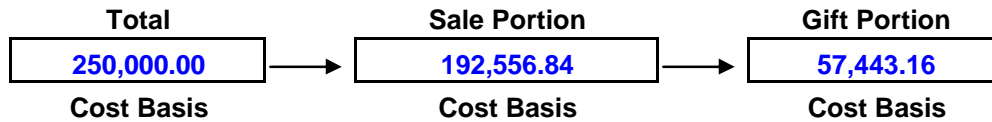
Charitable Installment Bargain Sale

Preliminary

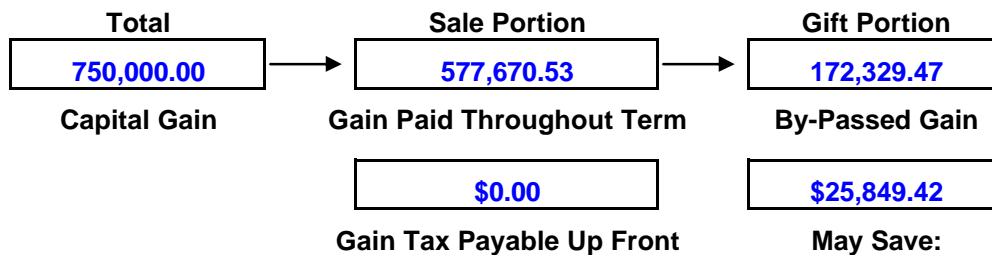
Client Name **Sample**
 Advisor Name **Kevin Brown**



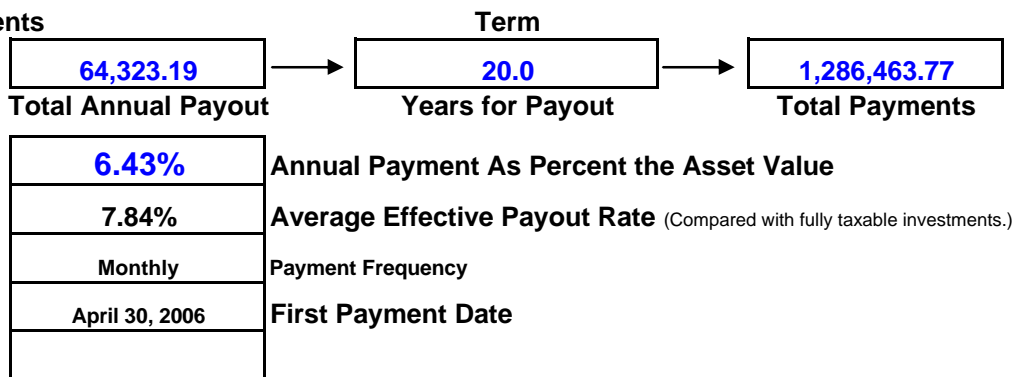
Basis Allocation



Capital Gain Treatment



Payments



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THIS IS FOR ILLUSTRATION PURPOSES ONLY, AND IS NOT A CONTRACT

**Charitable Deduction - Difference between the market value of asset and the present value of the payment stream. Consult Your Advisor About your specific Situation)

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Prepared By: George P. Brown

7-Apr-06

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Charitable Installment Bargain Sale: Annual 1099

April 7, 2006

Property Market Value	\$1,000,000.00
Sale Portion	\$770,227.37
Term (Years)	20
Monthly Payment	\$5,360.27



Advisor: Kevin Brown

Preliminary

Year	Taxable Interest By Year	Taxed At Cap.Gains By Year	Tax Free Principal By Year	Annual Gross Payout	Annual Net After Tax Cash Flow
2006	\$32,294.68	\$11,960.79	\$3,986.93	\$48,242.39	\$37,405.76
2007	\$41,984.78	\$16,753.80	\$5,584.60	\$64,323.19	\$50,054.38
2008	\$40,691.34	\$17,723.89	\$5,907.96	\$64,323.19	\$50,271.03
2009	\$39,323.00	\$18,750.14	\$6,250.05	\$64,323.19	\$50,500.23
2010	\$37,875.44	\$19,835.81	\$6,611.94	\$64,323.19	\$50,742.69
2011	\$36,344.05	\$20,984.35	\$6,994.78	\$64,323.19	\$50,999.20
2012	\$34,724.00	\$22,199.39	\$7,399.80	\$64,323.19	\$51,270.56
2013	\$33,010.14	\$23,484.79	\$7,828.26	\$64,323.19	\$51,557.63
2014	\$31,197.04	\$24,844.61	\$8,281.54	\$64,323.19	\$51,861.32
2015	\$29,278.97	\$26,283.17	\$8,761.06	\$64,323.19	\$52,182.60
2016	\$27,249.83	\$27,805.02	\$9,268.34	\$64,323.19	\$52,522.48
2017	\$25,103.20	\$29,414.99	\$9,805.00	\$64,323.19	\$52,882.04
2018	\$22,832.27	\$31,118.19	\$10,372.73	\$64,323.19	\$53,262.42
2019	\$20,429.85	\$32,920.00	\$10,973.33	\$64,323.19	\$53,664.83
2020	\$17,888.33	\$34,826.14	\$11,608.71	\$64,323.19	\$54,090.53
2021	\$15,199.65	\$36,842.65	\$12,280.88	\$64,323.19	\$54,540.89
2022	\$12,355.29	\$38,975.93	\$12,991.98	\$64,323.19	\$55,017.32
2023	\$9,346.23	\$41,232.72	\$13,744.24	\$64,323.19	\$55,521.34
2024	\$6,162.94	\$43,620.19	\$14,540.06	\$64,323.19	\$56,054.54
2025	\$2,795.33	\$46,145.89	\$15,381.96	\$64,323.19	\$56,618.61
2026	\$150.04	\$11,948.07	\$3,982.69	\$16,080.80	\$14,246.58
2027	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2028	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2029	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2030	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2032	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2034	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2035	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2036	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$516,236.40	\$577,670.53	\$192,556.84	\$1,286,463.77	\$1,055,267.00

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