The Easy Way Through Divorce Settlements Involving Child Support and Alimony

by Ivon Lerdorf

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The financial interplay between alimony and child support is the ultimate divorce settlement rollercoaster. As alimony goes up, child support goes down. And, as alimony goes up, the payorâ€™s tax deductions go up, while the payeeâ€™s taxable income goes up. Itâ€™s remarkable you ever reach a divorce settlement with such inter-connected figures.

Why not let Easy Softâ€™s divorce financial software keep track of it all?

Letâ€™s look at the first part of divorce settlement mathematics â€“ as alimony goes up, child support goes down. Why is that? Alimony is a deduction from the payorâ€™s income in the computation of child support. What makes this aspect of divorce settlement tricky is that itâ€™s not a direct dollar-for-dollar offset. One dollar of alimony paid might convert to seventeen cents of child support reduction.

With Easy Soft divorce financial software, you enter essential party, children, income, and statutory deduction information in one screen. You can then input up to five, different alimony amounts, and, with the click of a button, our family law software will create a single chart, showing the computations in side-by-side columns.

Now, letâ€™s go over the second part of divorce settlement mathematics â€“ alimony is tax-deductible for the payor and taxable to the payee. Says who? The IRS, thatâ€™s who. Alimony is a deduction from the payorâ€™s taxable income. The tax bracket of the payor determines just how much that alimony dollar really cost, which could be as low as about seventy cents for a high income earner. If you represent the payee, you have to be concerned in the divorce settlement about the true value of the dollar paid because it could be worth only ninety cents or eighty cents after the tax man cometh.

Once again, itâ€™s Easy Soft divorce financial software to the rescue. Our family law software comes with federal tax tables preprogrammed and most state tax tables programmed, too. Once you input each partyâ€™s income and deductions, you enter up to five proposed alimony amounts, and click a button. Instantly, our family law software provides you with a financial analysis of the after-tax costs of alimony for each party.

When you use Easy Soft family law software to help you strategically prepare your divorce settlements, you gain the unwavering power of automated computations of alimony and child support, along with charts that will show you the clear, financial relationship between the two.

With Easy Soft divorce settlement software, alimony and child support settlements let you get off the rollercoaster and take a stroll in the park.

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Ivon Lerdorf - About Author:
A comprehensive guide for law firms to understand, evaluate and select proper a pa child support

calculator, a divorce settlement and a pennsylvania child support calculator.

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