

Strategicedge

Chartered Financial Consulting Inc.

Dr. Sample Dentistry Professional Corporation Projected Income Analysis

(Assumes 6% throughout and tax rates in ON, couple aged 50)

Prepared by Mark O'Farrell, BA, CHFC, TEP (June 20th. '07)

	Unincorporated Practice	Professional Corporation	Prof. Corp. plus D4D*
Practice Income	400	400	400
Personal Income - Dentist	400	80	80
Personal Tax	168	20	20
Net Personal Income	232	60	60
Personal Income - Spouse	0	50	50
Personal Tax	0	10	10
Net Personal Income	0	40	40
Corporate Earnings	0	270	270
Corporate Tax	0	46	46
Retained Earnings	0	224	224
Total Tax Payable	168	76	76
Tax Rate While Practicing	42.00%	19.00%	19.00%
Annual Savings (-100K Liv. Exp.)	132	224	224
Total Net Savings in 10 years @ 6%	1.6M	2.7M	2.9M
Retirement Income - Year 11	96	105	148
Assumed other taxable income	50	50	50
Total Retirement Income	146	155	198
Annual Tax	50	36	22
Net Retirement Income	96	119	176
Tax Rate in Retirement	34.30%	23.30%	11.10%

Notes: Assumed tax rate on investments is 35%

* D4D is 'Designed For Dentists' and refers to our program used to manage retained earnings.