

Strategicedge

Chartered Financial Consulting Inc.

Dr. Sample Dental Specialist Comparitive Analysis

(Assumes 6% throughout; tax rates in ON; couple aged 50)
Prepared by Mark O'Farrell, BA, CHFC, TEP (June 20th '07)

	Prior to Incorporation	Single Corporation	Single Corp.+ D4D*	Dual Corp. + D4D*
Practice Income	800	800	800	800
Personal Income - Dentist	800	250	250	108
Personal Tax	354	98	98	33
Net Personal Income	446	152	152	75
Personal Income - Spouse	0	150	150	108
Personal Tax	0	52	52	33
Net Personal Income	0	98	98	75
Corporate Earnings	0	400	400	584
Corporate Tax	0	68	68	99
Retained Earnings	0	332	332	485
Total Tax Payable	354	218	218	165
Tax Rate While Practicing	44.30%	27.30%	27.30%	20.60%
Annual Savings (-150K Liv. Exp.)	296	432	432	485
Total Net Savings in 10 years @ 6%	3.6M	5.3M	5.5M	6.3M
Retirement Income - Year 11				
Income from corporate savings	0	158	220	372
Income from new personal savings	216	72	72	0
Assumed other taxable income	100	100	100	100
Total Retirement Income	316	330	392	472
Annual Tax	129	101	74	66
Net Retirement Income	187	229	318	406
Tax Rate in Retirement	40.80%	30.60%	18.90%	14.00%

Notes: Assumed average tax rate for investment income is 35%

Tax shown in retirement is personal tax; corporate tax has been deducted from retirement income.

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