UNDERSTANDING TAXES

mission: 50/50

When pharmacists start their career, they are in a unique situation where they earn money for half of the year in one position, and the other half in another. We will analyze the following three 50/50 scenarios.

For each scenario, we will determine:
- How much salary the person will earn in each 50/50 scenario?
- How much less is each 50/50 scenario compared to a full time pharmacist
- What Federal and California tax bracket the person will be in?

Scenario 1:

Scenario 2:

Scenario 3:

TASK B:
Discuss how each of the following may affect your taxable income.

TAKE HOME PFA PEARLS:
- What should be taxed, will be taxed; What should be in your pocket, KEEP in your pocket
- Adjust your tax burden to fit your CHANGING financial situation
- It is not only about how much you earn, it’s also how you MANAGE what you earn

Resources:
- Bankrate.com Tax Brackets (https://www.bankrate.com/finance/taxes/tax-brackets.aspx)
- CA Tax Information (http://www.edd.ca.gov/pdf_pub_ctr/18methb.pdf)
- EDD.ca.gov (http://www.edd.ca.gov/Payroll_Taxes/Rates_and_Withholding.htm)
- IRS Withholding Calculator (www.irs.gov)