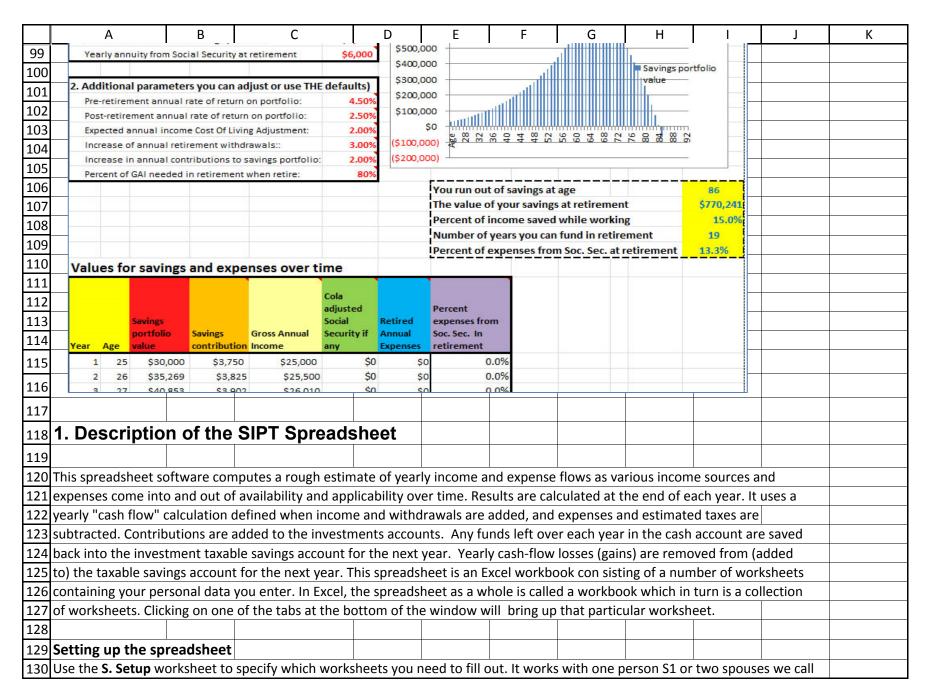
	А	В	С	D	E	F	G	Н	I	J	K
1	File: SIPT.xls		Elementary glide-	path calcu	lator (Sim	pleCalc)		Next SIPT	workshee	t (Assumpt	ions)
2											
3	Simplified I	ncome	-Stream Plar	nning T	ool						
4	Calculate Glide-P	ath from y	early Cash-flows,	Income Sti	reams, Exp	enses, Inv	estment A	ccounts ar	nd Taxes		
5											
6	This Excel spreadsh	neet is a pla	nning tool for peop	le who wan	nt to plan fo	r future sav	ing and spo	ending need	ds, want to	get rough	
7	estimates of their s	saving and	spending patterns, a	nd are will	ing to enter	r summarie:	s of their pe	ersonal fina	ncial data r	equired to	
8	compute this. Fina	l results ar	e show in summary	tables and	glide-path g	graphs of th	ose tables.	All data is	entered an	d calculated	
9	in this spreadsheet	t. No data is	s exported from the	spreadshee	et. From the	e data that	you enter, t	he spreads	heet estima	ates	
10	yearly cash-flows ເ	ising incom	e from various sour	ces: Work,	Pensions, S	Social Secur	ity, Annuiti	es, and Life	Insurance		
11	benefits; contribu	tions and w	ithdrawals from tax	-deferred I	RAs, Roths	and Savings	s investmer	t accounts.	It also esti	mates	
12	yearly expenses. It	then estim	ates yearly Federal	tax rates ar	nd resulting	cash-flows	. It allows s	cheduled a	nd irregular	•	
13	contributions and	withdrawal	s for investment acc	ounts (IRA	, Roth, Savi	ngs) as well	as schedul	ed-and-irre	gular exper	ises	
14	and deductions. It	then estim	ates investment retu	irns and ta	xes on inve	stment retu	ırns. These	are also use	ed in the		
15	calculations for est	imating ye	arly net worth. It car	n be useful	for investig	gating vario	us planning	scenarios k	y making		
16	changes and seeing	g how that	affects the results. I	t will run in	a variety o	f spreadshe	et program	ns such as V	/indows Ex	cel,	
17	OpenOffice or Libro	eOffice "ca	lc", Google"sheet", e	etc. since it	doesn't use	e Microsoft	Visual Basi	c because V	'BA may no	t be	
18	available in all spre	eadsheet pi	ograms. It does not	save data o	on the Inter	net. Why m	nodel? Alth	ough all mo	dels will be	inaccurate	
19	having a rough esti	imate can b	e useful for plannin	g purposes	. The spread	dsheet is a	compromis	e between	complexity	and	
20	completeness and	leans in the	e direction of a simp	ler model.	It is an educ	cational too	l. As statist	ician Georg	e Box note	d	
21	"All models are wr	ong, but so	me are useful". In a	ddition, a c	rude glide- _l	path calcula	tor is availa	able to illus	trate the co	ncept	
22	that may be useful	to experim	ent with to better u	ınderstand	the concep	t of glide-pa	ath before	using the fu	II spreadsh	eet.	
23											
24	Recent revisions:	Revised:	12/9/2015		V.0.22.4	Beta**					
25		Revised:	7/14/2016		V.0.24.14	Beta**					
26		Revised:	7/20/2016		V.0.24.15	Beta**					
27		Revised:	8/1/2016		V.0.24.16	Beta**					
28	See	Appendix I	<u>D</u>	for list of o	utstanding	issues (thing	gs TODO), a	nd extende	d REVISION	I-LIST	
29											
30	Note: The spreadsh	neet will be	revised each year af	ter new Tax	Tables & C	ap-Gains/D	iv. rates & t	ax rules are	announced	.	
31											
32	© P. Lemkin 2012-2	2016	**This Beta version	is <u>not rele</u>	ased for ge	neral circula	ation at this	point.			
33											

	А	В	С	D	E	F	G	Н	I	J	K
34	GNU General Public	c License, ve	ersion 3.0 (GPLv3) at		http://oper	nsource.org	/licenses/g	ol-3.0.html			
35	See the full license de	escription se	ctions 15. Disclaimer o	of Warranty a	and 16. Limita	ation of Liab	ility for detai	ls.			
36											
37	** For more on Beta-	-level softwa	are see	https://en.	wikipedia.o	rg/wiki/Sof	tware_relea	se life cyc	<u>e</u>		
38											
39	"Forever	Boto"									
40	į										
41	<u> </u>		o wait - one more t	-							
42	Vers	ion 0.123.	7 No, still not quite	right. 🙁	Done! 🙂						
43	i	Version 0.1	23.8 Well, still not	quite there	yet. 😕 Do	ne! 🙂					
44	!	Version	0.123.9 Added a n	ew feature	competing	software h	as. 😕 Doi	ne! 😊			
45		Versi	on 0.123.10 Oops,	didn't impl	ement feati	ire correct	ly. (2) Don	ne! 🙂			
46	<u>i</u>			₹.	17.		To the world				
47		•	• •								
48											
49	Cartoon by Ta	rTar, 10-15	-2015								
50		_							r		
	Table of Conte	nts for In	troduction								
	Introduction										
	1. Description of th	•									
54	•	•	ions that can be inve	estigated us	ing this spre	eadsheet					
55	1.2 The types of o	•									
56	1.3 How the spre										
57			drawals and Expens								
58		g - Running	out of money and a	ge entry ch	ecking						
	2. Disclaimer										
	3. Directions for usi										
_			orksheet tables in A	ppendix A							
	5. Notes on current	version of	the spreadsheet								
63											
	Documentation in										
	· · ·		ng hyperlinks to go to	•							
66	<u>Assumptions</u>	Summary li	ist of all settings in S	etup, and A	IgeData thro	ough Expen	seData wor	ksheets			

	А	В	С		D	E	F	G	Н	I	J	K	
67	<u>Results</u>	Glide-path	of income from	Income &	Withd	drawal sour	ces less Exp	enses & Ta	xes				
68	Resources	Lists of arti	cles, literature,	web sites	related	d to financia	al planning						
69	<u>Figures</u>	Screen sho	ts & descriptior	s illustrati	ng how	v the sprea	dsheet work	ks					
70	Appendix A	List of all w	orksheets desc	ribing thei	r tables	s and section	ons						
71	Appendix B	Extra calcu	lators (not tied	in with the	e rest o	of the sprea	dsheet)						
72	Appendix C	Glossary - o	definitions of te	rms used i	n the s	preadshee	t						
73	Appendix D	List of outs	tanding issues (Things TO	DO and	d CHECK), a	nd REVISIO	N-LIST Histo	ory				
74	FAQ	Answers to	Frequently Ask	ed Questi	ons								
75													
76													
77	Introduction												
78													
79	While you are saving for future expenditures such as retirement, a new house, college education for your children you												
80	might wonder if you are saving enough or spending too much on current expenses. A glide-path analysis lets you look												
81	at your finances ov	er time. Ho	w does it chang	e with the	contril	butions to	savings duri	ng your acc	cumulation p	phase			
82	and how rapidly yo	ur savings a	re being deplet	ed during	retiren	nent? It car	n be useful t	o periodicl	y check how	you you			
83	are doing to make s		still on track to	reach you	r goals,	, and if not	what might	you chang	e to improv	e your			
84	retirement glide pa	th.											
85													
	The full Simplified I												
	data to help answe	•					•	•					
_	rudimentary retirer												
	types of calculation				<u>leCalc</u>		worksheet.						
	typical data and res												
	might try using this				n more	detail belo	w. Of cours	e it can not	predict the	future but			
	, , , ,												
93													
94 95	1. Enter your data i		s below. if <u>already</u> retired):	25	6000 0		ings por	tfolio va	lue	_			
96	Your expected retir	ement age:		67	\$900,0								
97	Current value of sa			\$30,000	- \$700,0	553							
98	Current gross annu Annual contributo		The state of the s	\$25,000	\$600,0	000			-				



	А	В	С	D	Е	F	G	Н	1	J	K
131	S1 and S2. In Excel,	you switch	between worksheet	ts by clicking	g on the wo	rksheet tab	at the bott	om of the E	xcel windov	v or by	
132	clicking on workshe	et hyperlin	ks (blue font with ar	n underline)	available th	roughout tl	he spreadsh	neet. The R.	Results wo	rksheet	
133	summarizes data co	omputed or	the other data wor	ksheets bot	h as tables	and then gra	aphs of the	data in the	tables.		
134	This is updated whe	en you chan	ge any of the other	worksheets	data.						
135											
			pertise and familiarit								
			g your data. In addit						erent work	sheets	
	that focus on partic	cular types	of data (e.g., work ir	ncome, Soci	al Security b	penefits, IRA	As, expense	s, etc.).			
139											
_	Types of persona	<u>-</u>									
			an be defined and ir								
			accounts including: 1								
143	bank accounts, and	CDs). For p	urposes of the sprea	adsheet, 40	1(k), 403(b)	, 457(b), Tra	ditional-IR	A, Rollover I	RAs are cor	sidered to	
144	contributions and b	e tax-defer	red IRAs. Similarly a	Roth-401(k) is conside	red a Roth II	RA. This is	because wh	nen you reti	re,	
145	tax-deferred retirer	mentaccour	nts can be rolled ove	er to "Rollov	/er-IRA" and	d Rollover-R	oth" accoui	nts. You ma	y make botl	n scheduled	
146	and irregular withd	rawals to ea	ach of the spreadshe	eet investme	ent account	s. An irregu	lar event is	a one-time	event on a	particular	
			s as both scheduled				•			•	
-			ure expenses in you								
149	(See the discussion	of the 2007	comedy film <u>The B</u>	ucket List		http://en.w	/ikipedia.or	g/wiki/Buck	<u>cet_list</u>	for a nice	
$\overline{}$	definition.) The spr	eadsheet ca	lculates yearly your	remaining	assets so yo	u can used	this for plar	ning future	expenses.		
151											
			e for a particular yea								
-			possibly increase sor								
	•	make the ca	ish-flow positive if it	was down	a lot. The sp	readsheet v	will warn yo	ou if this hap	ppens in R.F	Results	
	section R.8 .										
156											
157	1.1 Some exam	ples of q	uestions that c	an be inv	estigated	l using th	is spreac	lsheet			
158	Q.1 Will I run out o	f money du	ring retirement?								
			s and expected expe					I save more	or spend le	ess,	
160	work shorter or lon	ger - how \	will that affectmy ca	sh flows? H	ow much do	o I need to s	ave?				
161											
162	Q.1.1 Will the mon	ey being sa	ved for college expe	enses (or a i	new home	or cars, etc.) be adequa	ate?			
163	This is similar to qu	estion Q.1 l	out the future dates	for the star	ts of the ex	penses may	be nearer	or farther o	ut and the e	expense	

	А	В	С	D	E	F	G	Н	I	J	K
164	amounts and saving	gs income a	nd savings amounts	required ar	e quite diff	erent.					
165											
166	Q.2 When should I	do withdra	wals on my tax-defe	erred IRAs?							
167	Using the spreadsh	eet, one co	uld also do experime	ents, for exa	mple - dete	ermine whe	ther taking :	some tax-de	eferred IRA		
168	withdrawals early (before 70 1	/2) might minimize ξ	going into a	higher tax l	bracket whe	en one must	start to tal	ke IRA RMD		
169	without a penalty.	The money,	if unneeded for (Re	quired Mini	mum distril	bution) with	ndrawals. Fo	r example,	if you take	early	
170	IRA withdrawals on	ice you are	able to do itwithout	the added t	ax penalty.	The money	if not need	ed could th	en be reinve	ested	
			a taxable savings acc								
			nt. This might possib								
			th IRAs can be acces		² without a	tax penalty	y. This sprea	dsheet doe	s not currer	ntly	
	check to see if you	are doing If	RA withdrawals befo	re 59 1/2.							
175											
			n Social Security, an								
	· ·	_	used for helping to						ocial		
			6 higher benefit for 6								
_	*	•	Social Security). Th								
	_		iming period could b						-		
			ring the total incom							t	
		s for taking	Social Security and a	accounts to	used to pro	vide incom	e if needed	before clain	ning.		
183							_				
			es affect my future i							_	
_	•		ng how adding irregu	•							
			ou might take; how							-	
		ensive a hou	ıse you might buy. A	II these dec	isions will a	ffect how y	our retirem	ent income	stream mig	ht	
	behave.										
189		•		• • • •				, ,	``		
			could I earn long ter								
	191 The stock/bond asset allocation model used here is fairly elementary using: fixed average long-term returns of stocks an										
	bonds for the duration of the retirement. However, using a more aggressive portfolio (more stocks, riskier stocks, etc.) might give you a higher return. In the long-run, for example, more small-cap stocks might earn a bit more return than large-cap										
	· · · · · · · · · · · · · · · · · · ·		ct of this over the lo								
	•	s into accol	unt that can greatly a	affect the re	suits if with	idrawals are	e taken from	tnat accou	int over tim	e.	
196		an at aller	nont lovels of to first			*i ?					
19/	ပ.ဗ wnat is the eff	ect of diffe	rent levels of inflation	on on my sa	ivings over	time?					

	А	В	С	D	Е	F	G	Н	ı	J	K	
198	You can specify diffe	erent expe	cted long term CPI (Consumer P	rice Index e	stimate of i	nflation) va	lues and see	e how that a	affects		
199	your savings needed	d during re	tirement. Instead of	using the d	efault CPI y	ou set, you	can specify	different CP	ls in your			
200	income and expense	es which m	ay be more or less t	han the def	ault CPI.							
201												
202	Q.7 What would th	e effect be	of adding annuities	during reti	rement? W	hat if I start	ted them at	different ti	imes?			
203	You can experiment	t adding an	nuities for each spor	use, with an	d without C	OLA adjusti	ments to se	e the effect	s on retiren	nent cash		
	flow. Note that the	purchase c	ostz of adding fixed-	-annuities at	t different a	ges in the fo	uture can b	e viewed as	irregular ex	cpenses.		
205												
206												
207	1.2 The types o	f data yo	ou will need to	enter								
208	8 You must specify the starting and ending ages for each income stream (work, pension, Social Security, and/or annuities),											
209	and do this independently for each spouse S1 and S2. You speciufy the expected average market returns for stock and bonds											
210	(fixed income) in your investment portfolio. Historically, roughly 90% of your portfolio return is determined by your asset											
	allocation (in this ca											
212	or COLAs for each o	f these inco	ome streams that in	crease the i	ncome and	expensesby	that perce	ntage each	year. You al	so		
	specify the expecte	d Consume	r Price Index (CPI) th	nat can used	l used as a c	default for t	he various (COLAs you n	eed to ente	er.		
214												
	Types of Savings											
	Similarly, you must											
	for S1 and S2. The II											
_	flow and where insu				•					s of a		
	fixed amount each											
	withdrawal events t											
	example, one could							-				
	the age (e.g. 59) rat											
	year. You specify su	m of the so	:heduled and irregul	ar contribut	ions and wi	ithdrawals r	espectively	. These are	tracked sep	arately		
	for S1 and S2.											
225												
	Types of Expenses		<u> </u>									
	Expenses are specified similar to contributions and withdrawals for investment accounts, but as scheduled and irregular											
	8 expense events. Whereas yearly investment account withdrawals are added to the cash-flow, expenses are subtracted											
	9 from the cash-flow. Otherwise, options are similar such as starting and stopping ages with an expense COLA are											
230	specified. A rough e	stimate of	Federal and State ta	ixes that are	computed	are subtrac	ted from th	e cash acco	unt. Note			

	А	В	С	D	E	F	G	Н	I	J	K
231	that State taxes are	estimated	by a fixed percentag	ge not as a A	AGI-depende	ent margina	ıl tax rate . I	Different sta	ates may als	50	
232	have various deduc	tion levels	associated with diffe	rent types	of pensions,	etc. which	are not take	en into acco	ount.		
233											
234	It can be used by	a single pe	erson or a couple								
	•	•	ust <u>enter zeros</u> for al			, withdraw	als, and exp	enses for S2	2 entries.		
236	You can enter the s	ame age ra	nge as for S1 to simp	olify data er	itry.						
237											
238	Limitiations on th	ne types of	calculations done	in the spr	eadsheet						
239	The computations (use estimat	es you specify for va	rious paran	neters and u	ises a fixed	CPI, fixed Co	OLAs,			
240	fixed stock and fixe	d income re	eturns whereas in re	ality these a	all change ye	ear to year.	It does not	address th	e problem c	of	
241	sequence of return	s and seque	ence of withdrawals	that can rac	dically affect	t long term	returns. Th	e reality is t	hat all futu	re rates	
242	of returns, CPIs, CO	LAs, tax rat	es, tax rules and sch	edules, ded	uction sche	dules, etc. a	are unknow	n. However	, we know t	hey <u>will</u>	
243	vary and both of th	ese factors	can greatly affect fu	ture results	. Better me	thods such	as monte-ca	arlo or rand	omized seq	uences	
	· · · · · · · · · · · · · · · · · · ·		ove the model, but								
245	of this spreadsheet	. Black Swa	n events do happen	- think 9/11	and the 20	07-Great Re	ecession. So	these resu	Its are really	/	
246	ball-park estimates	, but that m	nay be useful for plar	nning.							
247											
248											
249	1.3 How the sp	readshe	et works								
250	Each worksheet has	s an INSTR I	UCTIONS paragraph	in the begi	inning that e	explains wh	at you need	to fill out i	n that work	sheet.	
251	A few figures illustr	ating some	of the aspects of the	e spreadshe	et are foun	d in the		<u>Figures</u>	worksheet.	. Some of the	<u>;</u>
252	figures are for an o	lder version	of the spreadsheet	but give the	e general fla	vor of how	the worksh	eets work.			
253											
254	Personal configur	ration of th	ne spreadsheet usi	ng the "S.	Setup: wo	rksheet					
255	You must first spec	ify which da	ata worksheets you v	vant to use	. Go to the S	S. Setup wo	rksheet to s	pecify the t	ypes of acco	ounts	
_			uation in section S.1	·			<u>~</u>				
257 worksheet options. You may specify whether you want to include irregular contributions and withdrawals in the investment											
258 and expense accounts in section S.2 (see Figure 2). Finally, you can specify whether you want to add scheduled contributions											
and withdrawals for the investment accounts in table S.3 (see Figure 3). Figures 4 and 5 show examples of account worksheets											
260 that MUST be edited and those NO NEED TO EDIT based on the parameters you set in section S.1 . Figure 6 shows how irregular											
261 expenses are entered into the 10. ExpensesData worksheet. Figure 7 shows how irregular contributions and withdrawals are											
262 entered into the investment accounts worksheets. The following is a summary list of the other worksheets. You can click on											
263	the hypertext to go	to that wo	rksheet or click on th	ne workshe	et name tab	at the bott	om of this v	vindow. Fig	ure 8. show	's an	

	А	В	С	D	Е	F	G		Н	I	J	K
264	example of the R. R	Results sum	mary table R.1 .	The other work	sheets are o	discussed in	more o	detail bel	ow.			
265												
266	Then enter your A	Age and Ta	ıx data									
267	After editing the S ,	Setup work	sheet, you sho	uld then edit the	1. AgeDat	a worksheet	and er	nter basi	c tax filin	g data in t	he	
268	2. TaxData workshe	eet. Then yo	ou should visit e	each of the othe	r data-entry	worksheet	s and e	nter you	r person	al data.		
269												
270	Remember to save	the Excel w	orkbook (sprea	idsheet) after or	during you	r editing of	the var	ious wor	ksheets.	Your perso	onal	
271	data will not be sav	ed unless y	ou tell Excel (or	whatever sprea	dsheet pro	gram you ar	e using	g) to save	it. As yo	ou make ch	anges,	
272	saving the spreadsh	neet often is	s a good idea.									
273												
	Some worksheets I											
	You enter data only											
	and 8. Roth data ha	ive table-Gl	UI data entry. T	he following is a	n example	of a Table-G	UI for t	the 3. W o	orkData	worksheet	•	
277	S1 star	t S1 end jok	Job Job	income S1 wor	k S2 st	art job S2 en	d job J	ob	Job inco	me S1 wor	k	
278	Job Nbr job age	e age	Income COI	LA adjustr	nent <mark>age</mark>	age	ı	ncome	COLA	adjustn	nent	
279	1 2	25 63	2 \$50,000	2.00%	\$0	25	35	\$20,000		20%	\$0	
280	2 6	53 69		0.50%	\$0	35	57	\$40,000		60%	\$0	
281	3	0	0 \$0	0.00%	\$0	58	66	\$15,000	1.5	60%	\$0	
282												
	View the final res											
_	After you have ente	·		•								
-	intermediate result	s computed	d in the rest of t	the worksheets a	and gives yo	u a global p	icture (of your s	ituation	year by ye	ar.	
286				_								
	The worksheets a		<u>-</u>									
288	Introduction and			e white.		al documen						
289	SimpleCalc work	sheet:	<u>SimpleCalc</u>		is the elem	entary glide	e-path c	calculato	r			
290												
291	Figures and Appe	endices wor	ksheets are		is addition	al documen	tation					
292]	
	You can get a sumn			settings in S. Se								
294	Assumptions wo		<u>Assumptions</u>			ist of all set		y user in	the othe	r workshee	ets	
-	You don't edit the A	Assumption	ı s worksheet sir	nce it summarize	es the other	data works	neets.					
296												

	Α	В	С	D	Е	F	G	Н	I	J	K		
297	Results workshe	et:	R. Results		summarize	s spreadshe	et glide-pa	th results a j	fter enterin	g your data			
298	You don't edit the F	R. Results w	orksheet since it sui	mmarizes th	ne other dat	a workshee	ts.						
299													
300	Configuration wo	orksheets:	S. Setup		used to con	figure entir	e spreadsh	eet (indicate	which shee	ets are used)		
301			1. AgeData		enter age, (CPI, market	returns, in	surance use	d througho	ut spreadsh	eet		
302			2. TaxData		enter Fedei	ral tax data	and filing s	tatus					
303													
304			y one or more sourc	es of yearly	income,								
305	Income workshe	eets:	3. WorkData	_	enter your	work incom	e data, if ai	ny (current d	or future)				
306			4. PensionData	_	enter your	pension inco	ome data, i	f any (currei	nt or future)	<u> </u>			
307			5. SocSecData	_	enter your	Social Secur	ity income	data, if any	(current or)	future)			
308			6. AnnuityData		enter your	annuity inco	ome data, ij	any (currer	nt or future)				
309													
310	The investment acc	ounts are a	lso a source of mon	ey through	taking witho	drawals (as v	well as allo	wing contrib	outions).				
311	Investment wor	ksheets:	7. IRAdata		enter your tax-deferred IRA accounts data, if any (current or future)								
312			8. RothData		enter your	Roth IRA ac	counts date	a, if any (cur	urrent or future)				
313			9. SavingsData		enter your	taxable savi	ings accour	ts data, if a	ny (current	or future)			
314													
			ou enter your yearly										
316	You don't edit the F	Results wor	ksheet since it sumn	narizes the	other data v	vorksheets.							
317	Expense worksh	eet:	10. ExpensesData		enter your	expenses da	rta (current	or future)					
318													
	•	•	low is computed fro	m (Income -	+ Withdrawa	als - Expense	es - Taxes)						
320	You don't edit the (CashData w	orksheet.										
321	Cash-flow works	sheet:	11. CashData		summarize	s the cash fl	low from th	e other wor	ksheets				
322													
			withdrawals is in the										
			vorksheet unless the										
325	RMD table work	sheet:	<u>RMDtable</u>		contains th	e IRS Requir	red Minimu	m Distributi	on data				
326													
-	•		worksheets accoun										
		s, rates of re	eturn (ROR), COLAs,	etc.). There	is a detailed	d summary	of these wo	rksheets ta	bles and sec	ctions			
-	in Appendix A .												
330													

	А	В	С	D	Е	F	G	Н	I	J	K
331	Income sources are	: work inco	me, pensions, Social	Security, a	nd annuity l	benefits. Inv	estment ac	counts inclu	ıde		
332	tax-deferred IRAs, I	Roth IRAs, a	ind savings investme	nt accounts	s. You may s	specify conti	ributions ar	d withdraw	als from		
333	investment accoun	ts. Expense	es are entered in the	10. Expens	esData wor	ksheet. Taxe	es are then	estimated o	on the total		
334	taxable income. All	data works	heets let you specify	the age wl	hen the inco	mes, contri	butions and	d withdrawa	als or expen	ses	
335	start as well as whe	en they end	. Investment contrib	outions and	withdrawal	s as well as	expenses a	nd tax dedu	ctions are		
336	specified by both so	cheduled ye	early events and by i	rregular eve	ents. Irregul	ar events ar	e specified	at particula	r ages		
337	rather than on a ye	early schedu	ule.								
338											
339	How excess or ins	sufficient o	ash is handled at	the end of	each year						
340	Each year, all incon	ne and inve	stment withdrawals	are "deposi	ited" or add	ed into the	cash-flow to	able in 11. (CashData		
			s are "removed" or s								
342	shortfall) is calculat	ted and add	ed or (removed) fro	m the taxab	ole savings i	n 9. Savings	Data . Here	is an examp	ole to help o	larify	
343	the difference betw	veen schedi	uled and unschedule	d events. Fo	or example,	you might s	schedule ye	arly withdra	awals from	the	
344	Savings account on	either a sp	ecific schedule (e.g.,	1%/year) o	r on an irre	gular basis s	uch as a pa	rticular with	ndrawal for	a new car a	
345	(e.g., \$15,000). This	s is describe	ed in more detail in s	ection 1.4 b	elow.						
346											
347	How life insurance	e payouts	are handled								
348	If there is ever a life	e insurance	payout for s1 and/o	r s2 for poli	cies describ	ed in 1. Age	Data section	n 1.4 , the p	ayout		
349	is computed for 9. S	SavingsData	a table 9.4.2.1 and a	dded tax-fr	ee to the sa	vings accord	ding to the p	oayee.			
350											
351	Demonstration D	ata that y	ou must overide to	enter you	ur data						
352	The spreadsheet co	mes with d	emonstration (demo	o) data alrea	ady set up fo	or demonsti	ration purpo	oses and to	gives exam	ples	
353	of reasonable value	es in all of th	ne data-entry worksl	neets. You r	may or may	not use all o	of the data-	entry works	sheets.		
354	You direct the spre	adsheet to	not use any particula	ar data worl	ksheet by se	electing "ign	oring" in th	e S. Setup v	vorksheet		
355	section S.1 lets you	declare the	e data worksheets th	nat <i>you do</i> w	vant you sp	ecify as "use	<mark>ed</mark> ". [You ca	ın also ignoi	re data fron	n	
356	particular workshee	ets by settir	ng the income, contr	ibution or v	vithdrawal a	amounts dat	ta to \$0 to r	emove ther	m from		
357	the calculations.] T	he investme	ent returns for the ir	vestment a	ccount (IRA	, Roth, and	Savings acc	ounts) from	the		
358	previous year are a	dded to the	e current year for each	ch of the re	spective acc	counts (whe	ther the ba	lance is + or	· -).		
359	S. Setup section S.2	lets you e	nable/disable the use	e of Irregula	ar contributi	ionsand witl	hdrawals by	selecting			
	•	-	et S.3 lets you enable	e/disable th	e use of Sch	eduled cor	tributions a	and withdra	wals by		
	selecting "yes" or "	'no"									
362											
363	Removing the irre	egular den	nonstration data ii	າ (7. IRAda	ata, 8. Rotl	hData, 9. S	avingsData	a, 10. Expe	nses Data)]

	А	В	С	D	Е	F	G	Н	I	J	К
364	Some of the worksh	neets have	irregular demonstrat	tion data (7	. IRAdata, 8	. RothData	, 9. Savings	Data, 10. Ex	pensesData	a)	
365	that you should rep	lace with e	mpty entries when y	ou are ente	ering your o	wn data. Oi	nly enter da	ta in the rec	l cells.		
366	The spreadsheet is	also distrib	uted in two other file	e versions v	vith "-noIrre	egularData-	" and "-no D	ata-" in the	ir titles.		
367											
368	The spreadsheet	files are di	stributed with the	name, ve	rsion num	ber, and d	emo data a	as part of t	he file		
369	The spreadsheet i	s distribut	ed in three differe	nt versions	dependin	g on how r	nuch demo	onstration (data is to k	oe .	
370	provided. This is r	noted in th	e file names as we	now desci	ribe.						
371	The file names all	versions c	of the " <u>Simplified-Ir</u>	ncome-Pla	nning-Tool	" are prefix	ked with "S	SIPT-".			
372	For example, the	version nu	mber is indicated a	as:	V.0.19.2						
373	This is followed by	y the relea	se date is indicated	d by:	11-8-2015a)					
374		-									
375		a) full de	mo data	SIPT-Demo-	V.0.19.2-11-	8-2015a.xlsx					
376		b) no irre	egular demo data	SIPT-noIrre	gularDemo-V	/.0.19.2-11-8	-2015a.xlsx				
377		c) no der	no data	SIPT-noDen	no-V.0.19.2-1	L1-8-2015a.x	lsx				
378											
379	a) is the spreadshed	et with full	demo data. It is usef	ul for viewi	ng the full d	emonstrati	on example	s in all data	entry work	sheets.	
380	It includes examp	les for the	data entry workshee	ets. In most	people's sit	uations, yo	น will only น	ise a few of	these		
381	types of income s	sources.									
382	b) is the same dem	o data spre	adsheet as (a) but w	ith all irregu	ular data de	leted and re	eplaced with	n empty ent	ries. It is us	eful	
383	for entering you	r data and ι	viewing demonstration	on answers	without the	e irregular d	lemonstrati	on data.			
384	c) has all entries set	t to either 🕏	0 or 0.0% (as neede	d in all data	a-entry work	ksheets), wi	th no irregu	lar data, and	d with all		
385	worksheets unse	lected in w	orksheet S. Setup . It	is useful fo	r entering y	our data fro	m scratch v	vithout havi	ng to overv	vrite any	
386	demonstration d	ata answers	5.								
387											
			n any of the three ve								
			seeing what typical	answers m	ight be and	you can ad	just your an	swers to yo	ur situation	ı by	
	overwriting the de	mo answer	s in the red cells.								
391											
			ons are performed							lata	
-			red cells might corru	•		•			ı is		
		•	y worksheet you are				•				
		<u>sheet</u> . For r	nore details on prote	ecting/unpr	otecting wo	orksheets, s	ee RS. Reso	urces RS.9 E	xcel resou	rces.	
396											

	А	В	С	D	Е	F	G	Н	l ı	J	К
397	, ,				_	·			·		
398	1.4 How Contri	ibutions.	Withdrawals an	nd Expen	ses are h	andled					
			withdrawals taken f	<u> </u>			A, and Savin	gs accounts	s are added	to	
			ata worksheet. Both								
401	and Federal and Sta	ate taxes (2	. TaxData workshee	t) are taken	from the ca	ash account	. Roughly, fo	or each yea	r y,		
402											
403	Cash(y) = Inco	ome(y) + W	ithdrawals(y) - Cont	ributions(y) - Expenses	s(y) - Taxes(y) + Insurar	cePayout(/)		
404											
405	Then, the cash bala	nce is adde	d (subtracted if nega	ative) to the	savings acc	count for th	e next year,				
406											
407	Savings(y+1)	= Savings(y) + Cash(y)								
408											
	'		iture expenses planr			•				•	
			x-deferred IRA, or ta								
_			the expense may p								
_			to the Cash-flow, th								
			n the 11. CashData v								
			of them has a negative								
			r S2 is negative, then			ve amount	from the po	sitive one s	o the one v	vith	
_	extra cash helps ou	t the the sc	ouse S1 or S2 who ha	is a negative	e balance.						
417											
418			_								
419	1.5 Error check	ing - Rur	ning out of mo	ney and a	age entry	checking	3				
420	There is some error	r checking b	ouilt into the spreads	sheet, altho	ugh far fron	n complete.	In the inco	me source o	data worksh	eets,	
421	If you enter an age	less then yo	our current age it wi	II give you a	in error mes	ssage to tha	t effect. The	e age must l	be at least t	he	
			a worksheet. Also, v								
			ge and and ending ag						_		
	value such as 100 or 110 for the ending age). The spreadsheet checks to make sure your starting age is less than your ending age, and will warn you if it is not. If your withdrawals from an investment account are too high,										
			ney and will show a								
			lraw less to avoid thi								
			eet. If there is no err					will see an	error		
429	message describing	the situati	on and directing you	ı to the app	ropriate wo	rksheet to o	correct it.				

	А	В	С	D	Е	F	G	Н	1	J	K		
430	In summary:												
431	,												
432	(a) Validity checks a	re made fo	r IRA, Roth, Savings	and Cash-fl	ow account	s to test if a	ny of them	run out of r	noney. This				
433	is indicated with	is indicated with a PROBLEM warning on the R. Results worksheet R.8.2. The error will remain until you correct it.											
434													
435	(b) Validity hecks are made in the data worksheets comparing the age entries with those of the 1. AgeData worksheet												
436													
437	being used (since	e you set th	e amounts in questi	on to \$0), y	ou must set	your startir	ng age in th	e other					
438	worksheets to at	least the c	urrent age in the 1. A	AgeData wo	orksheet. Th	is is summa	arized for al	I workshee	ts in				
439	R. Results sectio	n R.8.1 .											
440													
441													
442	2. Disclaimer												
443	This software attem	npts to mod	<mark>lel an income strean</mark>	n from seve	ral different	income sou	urces, inves	tment with	drawals,				
444	expenses, taxes and	d cash-flows	<mark>s over time. No clair</mark>	m is made to	o the accura	acy, suitabili	ty, and corr	ectness of t	:he				
			further out one goe										
			ates of return, CPI, e										
			ulas and does <u>not</u> use			•		•					
			at your own discreti							an			
_			ream and minimize t						onsibility				
-	is taken for any erro	ors in or you	ur use of the spreads	<mark>sheet. This s</mark>	<mark>spreadsheet</mark>	<mark>t is an educa</mark>	<mark>ational tool</mark> .						
451													
452													
			he spreadsheet										
_			uted has demonstra							-			
_			ion data. You might										
_			des examples of ansv			a of typical v	values. Note	e that negat	ive number	s are			
	shown as (\$1,234) r	ather than	-\$1,234, and should	not be edit	ed.								
458				_									
			ould use to enter	-		-							
_			readsheet to your p							to S.3 .			
	•		AgeData and 2. Taxl										
462	2 In table Setup S.1 you declare the set of data worksheets that are applicable to you (see Figure 1), where you select												

464 ir	"use" or "ignore".	In S. Setup					_				K
			section \$.2 you can	configure tl	ne spreadsh	eet to use i	rregular cor	ntributions a	and withdra	wals for	
465 s	nvestment account	s and the e	xpenses account (se	e Figure 2 i	n Figures ap	pendix). In	S.3 you can	configure t	he spreadsl	heet to use	
			rithdrawals for the in					e S.2 and in	S.3 require	e a	
	" <mark>yes</mark> " or " <mark>no</mark> " answ	er with one	question using havi	ing a " <mark>keep</mark> '	" or " <mark>remov</mark>	e" question	•				
467											
-	Then, entering da										
469 A	After setting the initial configuration in the S. Setup, 1. AgeData and 2. TaxData worksheets, enter the rest of your personal										
470 d	data in the data worksheets 3. WorkData through 10. ExpensesData you have selected (see section 1.3 above for a list of data										
471 e	entry worksheets).	Again, only	enter data in the re	d cells on th	ne workshee	ets. You swit	tch betwee	n worksheet	ts either by	clicking	
472 o	on the tabs at the b	ottom of th	nis Excel window or l	by clicking c	n the hyper	text worksh	neet name i	n the Work	sheet Navig	gation	
473 ta	able at the end of	each works	heet. Some workshe	ets (like thi	s one) will a	Iso have hy	perlinks to	other works	heets.		
474											
475	3. WorkData,	4. Pension	Data, 5. SocSecData	, 6. Annuity	Data, 7. IR	Adata, 8. Ro	thData, 9.	SavingsData	a, 10. Exper	nsesData	
476											
477 If	f a particular data v	worksheet (does not apply to on	e of the spo	ouses S1 or	S2, or there	is no spous	se S2, then j	ust enter \$ (for any	
478 ir	ncome, contributio	n, withdrav	wal, etc. amounts fo	r that works	sheet.That I	ets the data	be ignored	l in computi	ng the resu	Its from	
479 tl	he various data sou	urces. Altho	ough by not using tha	at workshee	et specified	in S. Setup s	section S.1 ,	it will also i	gnore that	data.	
480											
481 V	liewing your resu	ılts in the	"R. Results" works	sheet							
482 A	As you enter the da	ta into the	various worksheets,	the spread	sheet will a	utomatically	, recomput	e the other	worksheets	that use	
483 it	t to incorporate the	ose change:	s. In particular, they	will be refle	ected in the	R. Results v	vorksheet.	You can see	how chang	es in any	
484 w	vorksheet affects t	he results b	y going back and for	rth betweer	the R. Res	ults worksh	eet and the	data works	heet you ar	e	
485 c	currently working o	n.									
486											
487 E	xperimenting wi	th other c	onfigurations afte	r you have	entered y	our persor	nal data				
-			eam in various ways					guration yo	u might ma	ke. For	
-			arious income sourc				-				
-			or claiming Social Sec								
-			reduce certain expe		<u> </u>	J					
492	<u> </u>			-							
493											
-	1. Discussion of	f the list	of all workshee	t tables i	n Append	dix A					
495											
	Appendix A	is a detaile	d list of all workshee	t tables and	l sections A	s mentione	d it is cons	ists of those	worksheet	ts into	

	А	В	С	D	E	F	G	Н	I	J	К
497	which you enter yo	ur personal	data, those that you	u may have	to edit whe	n the IRS ru	ile or data c	hanges, a ca	ash-flow tak	ole where	
498	income and expens	ses are tallie	ed, and finally the R.	Results wo	rksheet whe	ere results a	re summari	ized. It may	be useful to	o look	
499	through these lists	to familiari	ze yourself with the	type of data	a that will b	e needed a	nd what typ	es of result	s are preser	nted.	
500											
501	NOTE: Ente	r your	data <u>only</u> in	the Re	d Cells	in the I	Data In	put Wo	orkshee	ets.	
502		ONLY ente	er or edit data in <u>R</u>	ED cells.							
503		ORANGE (cells are normally	not change	ed unless t	he IRS cha	nges vario	us tax rate	s (do not e	edit).	
504	4 BLUE cells are major results or intermediate results (do not edit).										
505	BLACK cells are intermediate computations (do not edit).										
506		GRAY area	as of the other wo	rksheets ir	ndicate wh	ere the an	alysis				
507		has not be	een implemented	yet and sh	ould be igr	nored.					
508											
509	Note: You don't h	ave to edit	t tables in any of th	ne other wo	orksheets l	peyond the	following	warning m	nessage if i	t is present	:
510											
511	> DO <u>NOT</u>	CHANGE	ANY VALUES in	the follo	wing tab	les in thi	s worksh	eet. <	-		
512											
513											
514	5. Notes on cui	rrent ver	sion of the spre	adsheet							
515	Note (1) The spread	dsheet does	not handle state ta	xes fully as t	that would	depend on t	the specific	tax rules of	each state,	and	
			uni-bond income int						•	0	
517	declare a state tax	percentage	which will be added	to your ma	rginal tax ra	ate and app	lied to the a	adjusted gro	ss income.		
		•	ax-free deduction as	a percenta	ge in 9. Savi	ngsData se	ction 9.2 so	that muni b	ond incom	e	
	could be approxima	ated.									
520											
			el uses average esti								
	•		urn that will obvious	•						gh	
			use the CPI, set in 1.								
			work and annuity in								
	·	ksheets. If t	he COLA value you ι	ise on the d	ata workshe	eets is -1, th	en it uses tl	he CPI value	you set.		
526											

	А	В	С	D	E	F	G	Н	ļ	J	K
527	Note (3) You may ir	nclude incoi	me from any of the s	ources (per	nsions, socia	al security, v	work, and/o	r annuities)	•		
528	Withdrawals made	from Invest	tment accounts (IRA,	, Roth, Savir	ngs) are trea	ated as inco	me. None a	re required	except the	IRA	
529	RMD withdrawals.										
530											
531	Note (4) The Social	Security be	nefits tables are con	nputed for e	each spouse	for each ye	ear delayed	past age 62	(see works	heet	
532	5. SocSecData secti	ion 5.1).									
533											
		ke schedule	ed and/or irregular y	early expen	ses from th	e 10. Expe n	isesData wo	rksheet.			
535											
			ed (i.e., yearly) as we								
_			ributions and withdi	•		•					
		emporarily	disable irregular exp	enses to ge	et an idea of	f the "stead	y-state" beł	navior of the	e income		
	stream flow.										
540											
	41 Note (7) The spreadsheet does not calculate additional tax penalties for taking withdrawals from the tax-deferred IRA										
	of Roth IRA before age 59 1/2. It forces you to take the maximum of tax-deferred IRA RMD or your specified withdrawals.										
	·		t differentiate with in			•					
			MD calculation assoc	iated with i	nherited-Ro	oths or 401(k)-Roths cui	rrently whic	th have a red	quired	
_	RMD since they are	treated as	Roths in the SIPT.								
546						. 1	TODO		•		
	• •		rmation about the c	urrent stati	is including	a list of thir	ngs TODO ai	na the ongo	ing		
	REVISION-LIST histo	ory.									
549				/0:	1.0.1.						
550		Elementa	ry glide-path calcu	lator (Sim	<u>pieCaic)</u>		Next SIPT	workshee	t (Assumpt	ions)	
551											
	Worksheet Nav	•									
553	To go to a specific worksheet, click on one of the following:										
554											
555											
556											
557		S. Setup									
558		1. AgeData									
559		2. TaxData									

	Α	В	С	D	Е	F	G	Н	I	J	К
560		3. WorkDa	<u>ta</u>								
561		4. Pension	<u>Data</u>								
562		5. SocSecD	oata e								
563		6. Annuity	<u>Data</u>								
564		7. IRAdata									
565		8. RothDat	ta_								
566		9. Savingsl	<u>Data</u>								
567		10. ExpensesData									
568		11. CashDa	<u>ata</u>								
569		12. RMDta	<u>ble</u>								
570 571 572 573		RS. Resour	ces	Articles, lit	erature, we	eb sites					
571		Figures		Screen sho	ts & descri	ptions					
572		Appendix	<u>A</u>	List of all w	vorksheets	tables & sed	ction				
573		Appendix	<u>B</u>	Extra calcu	lators						
574		<u>Appendix</u>	<u>c</u>	Glossary of	fterms						
575		Appendix	<u>D</u>	List of outs	tanding iss	ues and Rev	vision list				
576		FAQ		Frequently	Asked Que	estions					