FN281: Personal Financial Plan

Group Term Assignment

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Introduction

This report provides a personal financial plan of an individual including an analysis and recommendations of the most appropriate actions to follow. This report will be sectioned into three parts, the current life situation of the individual, the financial goals set for different period in his lifetime and the recommendations which will include spending and investment suggestions.

Family Background

Suki was born and raised in Thailand. He is 20 years old and his marital status is single. In the next two years, he will be graduating from the B.E. International Program, Thammasat University with a bachelor degree in the fields of economics. With a GPA of 3.7, he hopes to be an analyst and further his studies when all financial support are stable. He is currently living with his parents and is planning on moving out when he has a condo on his own at around age 28.

Analysis of current financial situation

Suki is currently a student and his only source of income is from his parents. His parents give him 15,000 baht per month. He manages his income by investing in a fixed deposit of 36,000 baht per year (3,000 baht per month) therefore, he gets a net return on the fixed deposit of 1,500 baht per year. The rest, he spends on food, entertainment, transportation and other variable costs. According to this plan, he has 3,500 baht per year as cash.

Career planning

After graduation, he plans to work at an investment banking company, his career path goes as follows:

22-25 years old (3 years): “Analyst”

26-28 years old (3 years): “Associate”. At this period, he plans to study for a master degree in finance, Thammasat University.

29-31 years old (3 years): “Vice President” (after finishing master degree)

32-34 years old (3 years): “Director”

35-37 years old (3 years): “Senior vice president”

38-60 years old: “Managing Director”

Financial goals

At 22 years old: Graduation. He plans to purchase a car and study in master degree after he has worked for 3-4 years.

At 28 years old: Marriage. He plans to buy a condominium and marry his girlfriend

At 35 years old: Stable job. He plans to have a daughter, to have a certain amount of money and plans to invest in low-risk stock.

At 45 years old: Preparation for retirement.He wants to manage his money for his retired life.

At 60 years old: Retire.

Recommendations

At the age of 22 years old, newly graduated, Suki's plan is to purchase Honda City 5MT which costs 550,000baht and to finance his master's degree tuition which will be approximately 1,000,000baht. So to finance all of this, Suki needs a total fund of 1,550,000baht, not considering his living expenses. The appropriate action plan that we suggest Suki to follow will be splitted into two parts, spending recommendation and investment recommendation. Looking at his income statement, his income and bonus adds up to 720,000baht per year which he spends 200,000baht on investing, 448,000baht on fixed and variable expenses, remains 217,500 as net cash surplus and the rest are cut off as tax and others. We would recommend Suki to put that amount of net cash surplus into savings account, this will give him a low return but it is quite safe so this will be done the same every year.

At first, his plan is quite unclear and he overspent on many things such as, entertainment and transportation, what he needs to do is to reduce unnecessary expenses, we suggest him to reduce transportation cost by taking a bus instead of taxi, this will reduce his variable expense in a year by 18,000baht (From 54,000 to 36,000). The extra money could be saved for investment

Secondly, what we suggest Suki to do is to invest in a speculative stock 200,000 baht per year for 6 years because he is still young and should take more risks for higher return. The stock that Suki should invest in will give him an average return of 9% per year and he will invest in this for 6 years, this will give him a total return of approximately 1,550,000baht which will be sufficient to finance his goals.

When Suki is 28 years old, he just settled down with his lovely wife, his financial goal is to purchase a condominium of 2 bedrooms at the amount of 6,000,000 Baht. By doing so, he will have a downpayment of 1,500,000 Baht from the saving account and the remaining payment goal will be amounted at 4,500,000 baht. For Suki's investment plan, he is planning on investing in the stock market for 408,000baht per year at the average return of 9% annually for a period of 8 years. This will result in Suki's earning a profit of 4,500,000 to pay for his remaining condominium. To make sure, he decides to pay for his life insurance at 72,000 baht per year.

Purchasing a condominium is considered to be a huge step for Suki as this means that he will not be relying on his parent's shelter anymore, many of his living expenses would increase, for example, from not needing to pay for utilities, now he will need to pay 36,000 baht for that. Suki is now an associate and he will gain a monthly Suki's total income would increase from 665,500 baht to 1,275,690 baht which is a sign of higher consumption but we suggest Suki to try to maintain a stable habit.

At 35 years old, Suki is predicted to have a stable job and his main financial responsibility would be to have a sufficient amount of funds to support his daughter including, living expenses and tuition fee from kindergarten to university. The expected fund that he needs to have is around 7,450,000 baht, this consists of the tuition fee from kindergarten to high school which is 450,000 baht (30,000 x 15 years) and the tuition fee for university is 400,000 baht (100,000 x 4 years), which totals up to 850,000 baht. The second part is his daughter's living expense which is around 25,000 baht a month on average, 300,000 baht per year and 6,600,000 baht for 22 years, which means that Suki plans to fund his daughter until she graduates.

During this period, he will be working as a senior vice president and earns an income of 4,080,000 baht per year (170,000 baht/month x 12), including a bonus of 12 times his monthly income. Deducting all the taxes, he will have a total net income of 3,470,680 baht. His total fixed expense is 964,000baht and his variable expense is 800,000baht, so is total expense is 1,764,000baht. His net cash surplus is 1,706,680 baht which will be put into savings account like every year.

The steps that we suggest Suki to take is first, to invest in a mutual fund because there are many advantages to it. Firstly, this would diversify and help in reducing risk, small investors like Suki himself would be able to buy shared bonds from big firms. Moreover, mutual funds has high liquidity and flexibility, Suki can buy or sell back to the firm at anytime although there would be some transaction costs. Suki should invest 600,000 baht per year in the mutual fund which gives an average return of 5% per year for 10 years, he would earn approximately 7,450,000 baht which is enough for his child's expense.

From looking at Suki's income statement, it could be seen that both his fixed and variable expenses are similar to the previous period because his living expenses are quite stable now so there is no need for alteration. However, there is no use of credit during this period and there's an increase in his long term equity fund and life insurance premium because he gains a larger income but his investment percentage is still the same (20% of income).

At 45 years old, he works as a managing director and earn salary around 350,000 baht per month and bonus for 18 months. So, his income from work will be (350,000x 12) + (350,000 x18)=10,500,000 per year. Deducting all the taxes, he will have a total net income of 8,507,780 baht per year. His total fixed expense is 2,248,000 baht and his variable expense is 920,000 baht per year, so his total expense is 3,168,000 baht. Therefore, his net cash surplus is 5,339,780 baht. We recommend Suki to put net cash surplus on a saving account as every year.

During this period, Suki needs to plan for retirement. He assume that he would die on 80 years old. He think that the inflation rate of that period around 3% per year. At 60 years old, his expense per month is around 75,000 baht so we would suggest Suki to have money 15 million baht at 60 years old. Then he would use this money invest in low risk mutual fund that have return around 4% per year. from this, he will have around 75,000 baht per month to use for 20 years that is sufficient for his retirement period.

We would recommend Suki to invest in mutual fund 700,000 baht each year and get average return for 5% per year until he is 60 years old. From this plan, he will receive 15,000,000 baht for financial goals.

Lastly, at age 60, there is no income from employment. Only the money for retirement period. His expense would be mainly diverse to the fixed expenditure and variable expenditure which amount total to 408000. Although there will no longer be any provident fund or social security tax. His net cash surplus is 1238653.

We would recommend that Suki's invest in a low risk mutual fund for 15000000 Baht at the average return of 4% for a period of 20 years . This will allow him to have a 75000 baht for monthly expense. Moreover, by then his insurance has been paid with full amount of premium.

Tax planning

Tax is considered to be a huge expense if one's choose to ignore it or refuse to take the necessary step to reduce it. Because as the higher the income earned the higher the tax charges. Vice versa for low income; therefore, we separate into two case of recent plan and our recommendation plan.

For Taxpayer, it's allowed to deduct personal expense 50% of income but no more than 100000 baht and personal allowance at 60000 baht. If the tax payers parents are still alive, they can use it to deduct for parental care 30000 per person so if he has the spouse he can deduct for the allowance for his parents and spouse parents at maximum of 30000 * 4 = 120000 and for spouse care 60000 and tax payer for 60000 so in total allowance is 240000. If he has kid, for childcare allowance is 30000 if his child age is under 20 and up to 23-year-old which is studying in a university.

For Social security's contribution could be maximum at 1000 baht per month so he can deduct tax at 12000 bath. For provident fund, he can contribute the maximum of 15% of his salary. For life insurance or health insurance, he can deduct the maximum of 100000 bath on insurance premium he paid for himself , spouse , kids and his parents. For long term equity fund in tax reduction purpose could be deduct 100% if he hold more than 7 year or RMF, or retirement mutual fund could be deduct if he hold until age 55 years old.

In this case, he starts work at the age of 22 years old and has an income from employment of 720000 bath with his recent plan and he has personal allowance for his parent in total of 120000 bath with deduction for personal expense for 100000 bath, he contribute for provident fund at 30000 which is 5% of salary and for social security at maximum of 1000 per month or 12000 bath. These resulting in taxable income is 458000 at tax base 10% so he has to pay tax 23300 bath.

From our recommendation for him to buy life insurance in money market of TMB which is the insurance in deposition by depositing each month 3000 bath which can help deduct tax at 36000 baht. And buying long term equity fund 7% of his salary which is 48000 baht results in tax base of 10% but pay lower tax by 36.05% form 23300 baht to 14900 baht.

At the age of 28 year old, he has income from employment 1440000 baht with his recent plan he has personal allowance for his parents and both the spouse and the spouse's parent at the total of 240000 bath with deduction for personal expense at 100000 bath, he contribute for provident fund at 30000 and for social security at maximum of 1000 per month or 12000 bath. These resulting in taxable income is 1058000 at tax base 25% so he has to pay tax 129500 bath.

From our recommendation for him is to buy life insurance which are for the spouse and himself in the money market of TMB. The insurance in deposition by depositing 3000 bath monthly which can deduct tax at 72000 baht. And by buying long term equity fund 20% of his salary which is 144000 bath resulting in tax base of 20% but pay lower tax by 35.60% from 129500 baht to 83400 baht.

At the age of 35 year old, he has income from employment 4080000 baht with his recent plan he has personal allowance for his parents and both the spouse and spouse's parent as well as for the child in total of 270000 bath with deduction for personal expense for 100000 bath, he contribute for provident fund at 306000 and for social security at maximum at 1000 per month or 12000 bath. These resulting in taxable income is 3392000 at tax base 30% so he has to pay tax 782600 bath.

From our recommendation for him to buy life insurance which for himself ,spouse and kid in money market of TMB is the insurance in deposition by depositing each month 3000 bath which can deduct tax at 100000 bath. And buy long term equity fund 20% of his salary which is 816000 bath and use of credit on interest expense on new condo is 300000 per year resulting in tax base is 30% but pay lower tax by 46.61% form 782600 baht to 417800 baht.

At the age of 45 years old, he has an income from employment of 10500000 baht with his recent plan he has personal allowance for his parents and both the spouse and spouse's parent s as well as for the child in total of 270000 baht with deduction for personal expense for 100000 bath, he contribute for provident fund at 630000 and for social security at maximum at 1000 per month or 12000 bath. These resulting in taxable income is 9488000 at tax base 35% so he has to pay tax 2885800 bath.

From our recommendation for him to buy life insurance which for himself ,spouse and kid in money market of TMB is the insurance in deposition by depositing each month 3000 bath which can deduct tax at 100000 bath. And buy long term equity fund 20% of his salary which is 2100000 bath and use of credit on interest expense on new condo is 300000 per year resulting in tax base is 35% but pay lower tax by 30.32% form 2885800 baht to 2010800 baht.

Appendix

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Income	Unit: Thai baht
Allowance	180,000
Bonus	0
Gross Income	180,000
Less: Provident Fund	0
Less: Social Security	0
Less: Personal Income Tax	0
Allowance Net	180,000
After-tax Interest Income	0
Income on Investment	1,500
Total Income	**181,500**

Expense	Unit: Thai baht
Fixed Expenses	
Utilities	0
Telephone and Interest	0
Credit card payment	0
Total Fixed Expenses	**0**
Variable Expenses	
Food	72,000
Entertainment	24,000
Transportation	36,000
Investment Expense	36,000
Others	10,000
Total Variable Expenses	**142,000**
Total Expenses	**142,000**
Net Cash Surplus	**3,500**

Asset	Unit: Thai Baht
Liquid Asset	
Cash	3,500
Savings Account	0
Total Liquid Asset	3,500
Personal Possessions	
Furniture	0
Car	0
Electronic Appliances	0
Jewelry and Gold	0
Total Personal Possessions Valued At Market Price	0
Investment and Retirement Assets	
Fund investment	36,000
Total Investment and Retirement Assets	36,000
Total Assets	39,500

Liablities	Unit: Thai Baht
Credit Card Debt (Consumer purchase)	0
Total Liabilities	0
Equity	
Other equity	3,500
Fund Investment	36,000
Total Equity	39,500
Total Liabilities and Equity	39,500

Income	Unit: Thai baht
Salary (40,000 per month)	480,000
Bonus (40,000 x 6)	240,000
Gross Income	**720,000**
Less: Provident Fund	30,000
Less: Social Security	12,000
Less: Personal Income Tax	14,900
Salary Net	**663,100**
After-tax Interest Income	0
Income on Investment	2,400
Total Income	**665,500**

Expense	Unit: Thai baht
Fixed Expenses	
Utilities	0
Telephone and Internet	12,000
Credit card payment	0
Life insurance premium	36,000
Long term equity fund	48,000
Total Fixed Expenses	**96,000**
Variable Expenses	
Food	72,000
Entertainment	24,000
Transportation	36,000
Investment expense(goal)	200,000
Others	20,000
Total Variable Expenses	**352,000**
Total Expenses	**448,000**
Net Cash Surplus	**217,500**

For the Tax Year	Unit: Thai baht
Income from employment	720,000
Less: Deductions	100,000
Less: Allowances	
Personal,Parent allowance	120000
Provident fund contributions	30,000
Social security contributions	12,000
Taxable Income	458,000

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	150,000			
150,001 - 300,000	5	150,000	150,000	142,500	7500
300,001 - 500,000	10	158,000	158,000	142,200	15800
500,001 - 750,000	15	0			
750,001 - 1,000,000	20	0			
1,000,001 - 2,000,000	25	0			
2,000,001 - 4,000,000	30	0			
Over 4,000,000	35	0			
Total payable taxes					23300
Effective tax rate					10%

With reccomendations, For the Tax Year	Unit: Thai baht
Income from employment	720,000
Less: Deductions	100,000
Less: Allowances	
Personal, Parentallowance	120000
Life insurance premium	36000
Provident fund contributions	30,000
Long term equity fund	48000
Social security contributions	12,000
Taxable Income	374,000

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	150,000			
150,001 - 300,000	5	150,000	150,000	142,500	7500
300,001 - 500,000	10	74,000	74,000	66,600	7400
500,001 - 750,000	15				
750,001 - 1,000,000	20				
1,000,001 - 2,000,000	25				
2,000,001 - 4,000,000	30				
Over 4,000,000	35				
Total payable taxes					14900
Effective tax rate					0%
Tax reduction					8400
% of Tax reduction					36.05%

Asset	Unit: Thai Baht
Liquid Asset	
Cash	10,500
Savings Account	217,500
Total Liquid Asset	218,000
Personal Possessions	
Furniture	0
Car	0
Electronic Appliances	50,000
Jewelry and Gold	0
Total Personal Possessions Valued At Market Price	50,000
Investment and Retirement Assets	
Provident Fund	30,000
Stock	200,000
Long term equity fund	48,000
Total Investment and Retirement Assets	278,000
Total Assets	278,000

Liablities	Unit: Thai Baht
Credit Card Debt (Consumer purchase)	0
Total Liabilities	0
Equity	
Other equity	22,000
Fund Investment	108,000
Stock	200,000
Long term equity fund	48,000
Total Equity	278,000
Total Liabilities and Equity	278,000

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Income	Unit: Thai baht
Salary (60,000 per month)	720,000
Bonus (60,000 x 12)	720,000
Gross Income	**1,440,000**
Less: Provident Fund	108,000
Less: Social Security	12,000
Less: Personal Income Tax	83,400
Salary Net	**1,236,000**
After-tax Interest Income	22,890
Income on Investment	16,800
Total Income	**1,275,690**

Expense	Unit: Thai baht
Fixed Expenses	
Utilities	36,000
Telephone and Internet	12000
Credit card payment	360,000
Life insurance premium	72,000
Long term equity fund	144,000
Total Fixed Expenses	624,000
Variable Expenses	
Food	108,000
Entertainment	26000
Transportation	36000
Investment expense (goal)	408,000
Others	30000
Total Variable Expenses	608,000
Total Expenses	1,232,000
Net Cash Surplus	43,690

For the Tax Year	Unit: Thai baht
Income from employment	1,440,000
Less: Deductions	100000
Less: Allowances	
Personal parrent, spouse and parent's spouse allowance	240000
Provident fund contributions	30000
Social security contributions	12000
Taxable Income	1,058,000

With reccomendations, For the Tax Year	Unit: Thai baht
Income from employment	1,440,000
Less: Deductions	100000
Less: Allowances	
Personal parrent, spouse and parent's spouse allowance	240000
Life insurance premium	72000
Provident fund contributions	30000
Long term equity fund 20%	144000
Social security contributions	12000
Taxable Income	842,000

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	0			
150,001 - 300,000	5	150000	150000	142500	7500
300,001 - 500,000	10	200,000	200,000	180,000	20,000
500,001 - 750,000	15	250,000	250,000	212,500	37,500
750,001 - 1,000,000	20	250,000	250,000	200,000	50,000
1,000,001 - 2,000,000	25	58,000	58,000	43,500	14,500
2,000,001 - 4,000,000	30				
Over 4,000,000	35				
Total payable taxes					129,500
Effective tax rate					12%

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	150000			
150,001 - 300,000	5	150000	150000	142500	7500
300,001 - 500,000	10	200000	200000	180000	20000
500,001 - 750,000	15	250000	250000	212500	37500
750,001 - 1,000,000	20	92,000	92,000	73,600	18400
1,000,001 - 2,000,000	25				
2,000,001 - 4,000,000	30				
Over 4,000,000	35				
Total payable taxes					83400
Effective tax rate					10%
Tax reduction					14900
% of Tax reduction					15.16%

Asset	Unit: Thai Baht
Liquid Asset	
Cash	10,000
Savings Account	33,690
Total Liquid Asset	43,690
Personal Possessions	
Furniture	0
Car	550,000
Electronic Appliances	100,000
Jewelry and Gold	0
Total Personal Possessions Valued At Market Price	650,000
Investment and Retirement Assets	
Provident Fund	240,000
Stock	408,000
Long term equity fund	480,000
Total Investment and Retirement Assets	1,128,000
Total Assets	1,821,690

Liablities	Unit: Thai Baht
Credit Debt (Mortgage loan)	600,000
Total Liabilities	600,000
Equity	
Other equity	333,690
Fund Investment	
Stock	408,000
Long term equity fund	480,000
Total Equity	1,221,690
Total Liabilities and Equity	1,821,690

Income	Unit: Thai baht
Salary (170,000 per month)	2,040,000
Bonus (170,000 x 12)	2,040,000
Gross Income	4,080,000
Less: Provident Fund	306000
Less: Social Security	12,000
Less: Personal Income Tax	417,800
Salary Net	3,344,200
After-tax Interest Income	4,080
Income on Investment	122,400
Total Income	3,470,680

Expense	Unit: Thai baht
Fixed Expenses	
Utilities	36,000
Telephone and Interest	12,000
Credit card payment	0
Life insurance premium	100,000
Long term equity fund	816,000
Total Fixed Expenses	964,000
Variable Expenses	
Food	108,000
Entertainment	26,000
Transportation	36,000
Investment expense (goal)	600,000
Others	30,000
Total Variable Expenses	800,000
Total Expenses	1,764,000
Net Cash Surplus	1,706,680

For the Tax Year	Unit: Thai baht
Income from employment	4,080,000
Less: Deductions	100000
Less: Allowances	
Personal parrent, spouse ,kid and parent's spouse allowance	270000
Provident fund contributions	306000
Social security contributions	12,000
Taxable Income	3,392,000

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	0			
150,001 - 300,000	5	150000	150000	142500	7500
300,001 - 500,000	10	200000	200000	180000	20000
500,001 - 750,000	15	250000	250000	212500	37500
750,001 - 1,000,000	20	250000	250000	200000	50000
1,000,001 - 2,000,000	25	1000000	1000000	750000	250000
2,000,001 - 4,000,000	30	1,392,000	1,392,000	974,400	417600
Over 4,000,000	35				
Total payable taxes					782600
Effective tax rate					25%

With reccomendations,

For the Tax Year	Unit: Thai baht
Income from employment	4,080,000
Less: Deductions	100000
Less: Allowances	
Personal parrent, spouse , kid ,and parent's spouse allowance	270000
Life insurance premium	100000
Provident fund contributions	306000
Long term equity fund	816000
Social security contributions	12,000
Interest Expense on condo	300000

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	0			
150,001 - 300,000	5	150000	150000	142500	7500
300,001 - 500,000	10	200000	200000	180000	20000
500,001 - 750,000	15	250000	250000	212500	37500
750,001 - 1,000,000	20	250000	250000	200000	50000
1,000,001 - 2,000,000	25	1000000	1000000	750000	250000
2,000,001 - 4,000,000	30	176,000	176,000	123,200	52800
Over 4,000,000	35				
Total payable taxes					417800
Effective tax rate					20%
Tax reduction					364800
% of Tax reduction					46.61%

Asset	Unit: Thai Baht
Liquid Asset	
Cash	80,000
Savings Account	1,978,680
Total Liquid Asset	2,058,680
Personal Possessions	
Condo	6,000,000
Furniture	200,000
Car	550,000
Electronic Appliances	100,000
Jewelry and Gold	0
Total Personal Possessions Valued At Market Price	6,850,000
Investment and Retirement Assets	
Provident Fund	1,410,000
Mutual Fund	600,000
Long term equity fund	2,448,000
Total Investment and Retirement Assets	4,458,000
Total Assets	13,366,680

Liablities	Unit: Thai Baht
Credit Debt (Mortgage loan)	0
Total Liabilities	0
Equity	
Other equity	3,468,680
Fund Investment	600,000
household	6,850,000
Long term equity fund	2,448,000
Total Equity	13,366,680
Total Liabilities and Equity	13,366,680

Income	Unit: Thai baht
Salary (350,000 per month)	4,200,000
Bonus (350,000 x 18)	6,300,000
Gross Income	10,500,000
Less: Provident Fund	630000
Less: Social Security	12,000
Less: Personal Income Tax	2,010,800
Salary Net	7,847,200
After-tax Interest Income	29,680
Income on Investment	630,900
Total Income	8,507,780

Expense	Unit: Thai baht
Fixed Expenses	
Utilities	36,000
Telephone and Interest	12,000
Credit card payment	0
Life insurance premium	100,000
Long term equity fund	2,100,000
Total Fixed Expenses	2,248,000
Variable Expenses	
Food	108,000
Entertainment	26,000
Transportation	36,000
Investment expense (goal)	700,000
Others	50,000
Total Variable Expenses	920,000
Total Expenses	3,168,000
Net Cash Surplus	5,339,780

For the Tax Year	Unit: Thai baht
Income from employment	10,500,000
Less: Deductions	100000
Less: Allowances	
Personal parrent, spouse ,kid and parent's spouse allowance	270000
Provident fund contributions	630000
Social security contributions	12,000
Taxable Income	9,488,000

With reccomendations,	
For the Tax Year	Unit: Thai baht
Income from employment	10,500,000
Less: Deductions	100000
Less: Allowances	
Personal parrent, spouse ,kid and parent's spouse allowance	270000
Life insurance premium	100000
Provident fund contributions	630000
Long term equity fund	2100000
Social security contributions	12,000
Interest Expense on condo	300000

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	0			
150,001 - 300,000	5	150000	150000	142500	7500
300,001 - 500,000	10	200000	200000	180000	20000
500,001 - 750,000	15	250000	250000	212500	37500
750,001 - 1,000,000	20	250000	250000	200000	50000
1,000,001 - 2,000,000	25	1000000	1000000	750000	250000
2,000,001 - 4,000,000	30	2000000	2000000	1400000	600000
Over 4,000,000	35	5,488,000	5,488,000	3,567,200	1920800
Total payable taxes					2885800
Effective tax rate					25%

Net Income (baht	Tax Rate (%)	Taxable Income (baht)	Before Tax (baht)	After Tax (baht)	Tax payment
0-150,000	Exempt	0			
150,001 - 300,000	5	150000	150000	142500	7500
300,001 - 500,000	10	200000	200000	180000	20000
500,001 - 750,000	15	250000	250000	212500	37500
750,001 - 1,000,000	20	250000	250000	200000	50000
1,000,001 - 2,000,000	25	1000000	1000000	750000	250000
2,000,001 - 4,000,000	30	2000000	2000000	1400000	600000
Over 4,000,000	35	2,988,000	2,988,000	1,942,200	1045800
Total payable taxes					2010800
Effective tax rate					20%
Tax reduction					875000
% of Tax reduction					30.32%

Asset	Unit: Thai Baht
Liquid Asset	
Cash	80,000
Savings Account	7,318,460
Total Liquid Asset	7,398,460
Personal Possessions	
Condo	6,000,000
Furniture	500,000
Car	550,000
Electronic Appliances	200,000
Jewelry and Gold	200,000
Total Personal Possessions Valued At Market Price	7,450,000
Investment and Retirement Assets	
Provident Fund	4,164,000
Mutual Fund	700,000
Long term equity fund	14,718,000
Total Investment and Retirement Assets	19,582,000
Total Assets	34,430,460

Liablities	Unit: Thai Baht
Credit Card Debt (Consumer purchase)	0
Total Liabilities	0
Equity	
Other equity	11,562,460
Fund Investment	700,000
household	7,450,000
Long term equity fund	14,718,000
Total Equity	34,430,460
Total Liabilities and Equity	34,430,460

Income	Unit: Thai baht
Salary	
Bonus	
Gross Income	
Less: Provident Fund	
Less: Social Security	
Less: Personal Income Tax	
Salary Net	
After-tax Interest Income	1,646,653
Income on Investment	
Total Income	1,646,653

Expense	Unit: Thai baht
Fixed Expenses	
Utilities	36,000
Telephone and Interest	12,000
Credit card payment	0
Life insurance premium	0
Long term equity fund	0
Total Fixed Expenses	48,000
Variable Expenses	
Food	120,000
Entertainment	100,000
Transportation	40,000
Investment expense (goal)	0
Others	100,000
Total Variable Expenses	360,000
Total Expenses	408,000
Net Cash Surplus	1,238,653

Asset	Unit: Thai Baht
Liquid Asset	
Cash	80,000
Savings Account	109,776,900
Total Liquid Asset	109,856,900
Personal Possessions	
Condo	6,000,000
Furniture	500,000
Car	550,000
Electronic Appliances	200,000
Jewelry and Gold	200,000
Total Personal Possessions Valued At Market Price	7,450,000
Investment and Retirement Assets	
Provident Fund	13,614,000
Mutual Fund	0
Long term equity fund	46,218,000
Total Investment and Retirement Assets	59,832,000
Total Assets 177,138,900	177,138,900

Liablities	Unit: Thai Baht
Credit Card Debt (Consumer purchase)	0
Total Liabilities	0
Equity	
Other equity	123,470,900
Fund Investment	0
household	7,450,000
Long term equity fund	46,218,000
Total Equity	177,138,900
Total Liabilities and Equity	177,138,900