

Comparison of Trust Accounting Income, Distributable Net Income, and Taxable Income

Trust Accounting Income Distributable Net Income Taxable Income

Income:

Taxable Interest	x	x	x
Tax Exempt Interest	x	x	
U.S. Government Interest	x	x	x
Dividends	x	x	x
Partnership Income	x	x	x
Passive Loss Limitation		x	x
Other Estate or Trust Income	x	x	x
Rental Income	x	x	x
Royalty Income	x	x	x
Schedule C (Business Income)	x	x	x
Capital Gain (Loss)			x
Ordinary Gain (Loss)	x	x	x

Expenses:

Interest	x	x	x
Fiduciary Fees	y	x	x
Investment Fees	x	x	x
State Taxes	y	x	x
Federal Taxes	y		
Real Estate Taxes	x	x	x
Personal Property Taxes	x	x	x
Loan Interest Payments	x	x	x
Loan Principal Payments			
Depreciation	(x)		x
Depletion	(x)	x	x
2% Misc. Deduct. Limitation	x		
Accounting/Attorney Fees	y	x	x
Expenses Allocate to Tax Exempt Income	x	x	

Deductions:

Exemption			x
Charitable Deduction	x	x	x
Income Distribution Deduction			x

() = Depending on trust agreement or trustee's discretion

y = Allocated between principal and income

but check state law