

Paying taxes annually each year

Years:	<u>30</u>	_____
Present Value:	<u>100,000</u>	_____
Earnings Rate:	<u>8.00%</u>	_____

AVERAGE Investment Return: 8.00%
ACTUAL Investment Return: 8.00%

Year	Beg. Of Year Acct. Value	Earnings Rate	Annual Cash Flow	Interest Earnings	End of Year Acct. Value
1	100,000	8.00%	(1,920)	7,846	105,926
2	105,926	8.00%	(1,920)	8,321	112,327
3	112,327	8.00%	(1,920)	8,833	119,239
4	119,239	8.00%	(1,920)	9,386	126,705
5	126,705	8.00%	(1,920)	9,983	134,768
6	134,768	8.00%	(1,920)	10,628	143,476
7	143,476	8.00%	(1,920)	11,324	152,880
8	152,880	8.00%	(1,920)	12,077	163,037
9	163,037	8.00%	(1,920)	12,889	174,006
10	174,006	8.00%	(1,920)	13,767	185,853
11	185,853	8.00%	(1,920)	14,715	198,648
12	198,648	8.00%	(1,920)	15,738	212,466
13	212,466	8.00%	(1,920)	16,844	227,390
14	227,390	8.00%	(1,920)	18,038	243,507
15	243,507	8.00%	(1,920)	19,327	260,914
16	260,914	8.00%	(1,920)	20,720	279,714
17	279,714	8.00%	(1,920)	22,224	300,017
18	300,017	8.00%	(1,920)	23,848	321,945
19	321,945	8.00%	(1,920)	25,602	345,627
20	345,627	8.00%	(1,920)	27,497	371,204
21	371,204	8.00%	(1,920)	29,543	398,826
22	398,826	8.00%	(1,920)	31,753	428,659
23	428,659	8.00%	(1,920)	34,139	460,878
24	460,878	8.00%	(1,920)	36,717	495,675
25	495,675	8.00%	(1,920)	39,500	533,255
26	533,255	8.00%	(1,920)	42,507	573,842
27	573,842	8.00%	(1,920)	45,754	617,676
28	617,676	8.00%	(1,920)	49,260	665,016
29	665,016	8.00%	(1,920)	53,048	716,144
30	716,144	8.00%	(1,920)	57,138	771,362
Totals	716,144	8.00%	(57,600)	728,962	771,362

Pay the tax on the gain annually to prevent compounding taxation