

Potential Tax Savings for Cash Payers*

		BASED ON MARRIED (no children) FILING STATUS				BASED ON SINGLE FILING STATUS				
Estimated Federal Taxes Using the Standard Deduction	Income (\$)	40,000	70,000	80,000	100,000	40,000	60,000	80,000	100,000	
	Standard Deduction (\$)	9,700	9,700	9,700	9,700	4,850	4,850	4,850	4,850	
	Taxable Income (\$)	30,300	60,300	70,300	90,300	35,150	55,150	75,150	95,150	
	Estimated Federal Tax (\$)	3,830	8,550	11,050	16,050	5,525	10,525	15,669	21,269	
Simplified Examples of Medical Deductions			TAX DEDUCTION ESTIMATE				TAX DEDUCTION ESTIMATE			
	LAP-BAND® System Procedure (\$)	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	
	Annual Cost of Patient's Medications ¹ (\$)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	
	Patient's Other Medical Expenses ² (\$)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
	Spouse's Medical Expenses (\$)	500	500	500	500	-	-	-	-	
	Total Estimated Medical Expenses	21,100	21,100	21,100	21,100	20,600	20,600	20,600	20,600	
	Defined Tax Threshold ³	0	0	0	0	0	0	0	0	
	Non-Deductible Portion of Medical Expenses	3,000	5,250	6,000	7,500	3,000	4,500	6,000	7,500	
	Deductible Portion of Medical Expenses	18,100	15,850	15,100	13,600	17,600	16,100	14,600	13,100	
	Estimated Federal Taxes Using the Medical Expense Deduction	Income ⁴ (\$)	40,000	70,000	80,000	100,000	40,000	60,000	80,000	100,000
Medical Expense Deduction (\$)		18,100	15,850	15,100	13,600	17,600	16,100	14,600	13,100	
Taxable Income With Deduction (\$)		21,900	54,150	64,900	86,400	22,400	43,900	65,400	86,900	
Revised Federal Tax With Deduction (\$)		2,570	7,408	9,700	15,075	3,003	7,713	13,088	18,959	
Potential 1st Year Tax Savings		\$1,260	\$1,143	\$1,350	\$975	\$2,523	\$2,813	\$2,582	\$2,310	

1. Other medical expenses include medical visits, dental expenses, laboratory fees, chiropractic care, etc.
2. Medication costs assumed at \$175 per month.
3. Percent of Adjusted Gross Income that is not deductible as set by Publication 502 by the IRS for Tax Year 2003.
4. Income means Adjusted Gross Income.

*This document is for illustrative purposes only. Your deductions and savings may vary significantly. Speak with your tax advisor regarding your tax situation.