

Avioneta Holdings, LLC
Proforma Tax Treatment
Statement of Income and Expense
Year Ended December 31, 2012

	(with 50% bonus depreciation)	(with regular 7 yr depreciation - w/o bonus)
	<u>Dec 31, 12</u>	<u>Dec 31, 12</u>
Ordinary Income/Expense		
Income		
Aircraft Revenue		
Business Use Revenue	2,210,100.00	2,210,100.00
Private Use Revenue	6,801,480.92	6,801,480.92
Total Revenue	<u>9,011,580.92</u>	<u>9,011,580.92</u>
Total Income	9,011,580.92	9,011,580.92
Expense		
Depreciation Expense	14,914,845.00	3,729,000.00
Excise Tax _ accrued	675,868.57	675,868.57
Fees		
Communications Fees	44.00	44.00
Enrollment Fees	136,319.00	136,319.00
Landing Fees	85.00	85.00
Total Fees	<u>136,448.00</u>	<u>136,448.00</u>
Insurance Expense	44,190.00	44,190.00
Interest Expense		
Aircraft Financing	610,511.51	610,511.51
Total Interest Expense	<u>610,511.51</u>	<u>610,511.51</u>
Management Fees - Jet Aviation		
Business Use	2,210,100.00	2,210,100.00
Personal Use	2,114,516.66	2,114,516.66
Total Management Fees	<u>4,324,616.66</u>	<u>4,324,616.66</u>
Postage & Shipping	163.81	163.81
Professional Fees		
Legal Fees	306,659.82	306,659.82
Trustee Fees	11,095.00	11,095.00
Total Professional Fees	<u>317,754.82</u>	<u>317,754.82</u>
Total Expense	<u>21,024,398.37</u>	<u>9,838,553.37</u>
Net Ordinary Income	<u>-12,012,817.45</u>	<u>-826,972.45</u>
Net Loss	<u><u>-12,012,817.45</u></u>	<u><u>-826,972.45</u></u>

Note - The operation of the aircraft is considered a passive activity.
Therefore, the loss is only deductible to the extent of passive income which does
not include portfolio income such as cap gains, div and int.