

2009

Personal & Business Income Taxes

2008

If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$ 0	\$ 16,050	\$ 0 + 10%	\$ 0
16,050	65,100	1,605 + 15%	16,050
65,100	131,450	8,962.50 + 25%	65,100
131,450	200,300	25,550 + 28%	131,450
200,300	357,700	44,828 + 33%	200,300
357,700	And Over	96,770 + 35%	357,700
Single:			
\$ 0	\$ 8,025	\$ 0 + 10%	\$ 0
8,025	32,550	802.50 + 15%	8,025
32,550	78,850	4,481.25 + 25%	32,550
78,850	164,550	16,056.25 + 28%	78,850
164,550	357,700	40,052.25 + 33%	164,550
357,700	And Over	103,791.75 + 35%	357,700
Estates and Trusts			
\$ 0	\$ 2,200	\$ 0 + 10%	\$ 0
2,200	5,150	330 + 25%	2,200
5,150	7,850	1,067.50 + 28%	5,150
7,850	10,700	1,823.50 + 33%	7,850
10,700	And Over	2,764 + 35%	10,700

Standard Deductions

2008

2009

Married Filing Jointly	\$ 10,900	\$ 11,400
Head of Household	8,000	8,350
Single	5,450	5,700
Additional (Age 65/older, or blind):		
Married	1,050	1,100
Unmarried and not surviving spouse	1,350	1,400
AGI itemized deduction phase-out:		
Married Filing Separately	79,975	83,400
All Others	159,950	166,800

Personal Exemptions

2008

2009

Personal exemption	\$3,500	\$3,650
Phase-out range:		
Single	\$159,950 – \$282,450	\$166,800 – \$289,300
Head of Household	199,950 – 322,450	208,500 – 331,000
Married Filing Jointly	239,950 – 362,450	250,200 – 372,700
Married Filing Separately	119,975 – 181,225	125,100 – 186,350

Kiddie Tax (certain under age 19 – 24 if student)

2008

2009

First (No Tax)	\$ 900	\$ 950
Next (Child's Rate)	900	950
Amounts over (Parents' Rate)	1,800	1,900

Capital Gains Tax

2009

Rates on dividends and gains for assets held at least 12 months:		
15% income tax bracket or below		0%
25% income tax bracket or above		15%

2009

If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$ 0	\$ 16,700	\$ 0 + 10%	\$ 0
16,700	67,900	1,670 + 15%	16,700
67,900	137,050	9,350 + 25%	67,900
137,050	208,850	26,638 + 28%	137,050
208,850	372,950	46,742 + 33%	208,850
372,950	And Over	100,895 + 35%	372,950
Single:			
\$ 0	\$ 8,350	\$ 0 + 10%	\$ 0
8,350	33,950	835 + 15%	8,350
33,950	82,250	4,675 + 25%	33,950
82,250	171,550	16,750 + 28%	82,250
171,550	372,950	41,754 + 33%	171,550
372,950	And Over	108,216 + 35%	372,950
Estates and Trusts			
\$ 0	\$ 2,300	\$ 0 + 10%	\$ 0
2,300	5,350	345 + 25%	2,300
5,350	8,200	1,108 + 28%	5,350
8,200	11,150	1,906 + 33%	8,200
11,150	And Over	2,879 + 35%	11,150

Corporations (for all tax years since 1993)

If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
\$ 0	\$ 50,000	\$ 0 + 15%	\$ 0
50,000	75,000	7,500 + 25%	50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 39%	100,000
335,000	10,000,000	113,900 + 34%	335,000
10,000,000	15,000,000	3,400,000 + 35%	10,000,000
15,000,000	18,333,333	5,150,000 + 38%	15,000,000
18,333,333	And Over	6,416,667 + 35%	18,333,333

Education Incentives

2008

2009

Hope Credit	\$1,800	\$1,800
Lifetime Learning Credit	2,000	2,000
Phase-outs for HOPE & Lifetime Learning Credits:		
Married Filing Jointly	\$96,000 – \$116,000	\$100,000 – \$120,000
Others	48,000 – 58,000	50,000 – 60,000
Phase-outs for exclusion of U.S. savings bond income:		
Married Filing Jointly	\$100,650 – \$130,650	\$104,900 – \$134,900
Others	67,100 – 82,100	69,950 – 84,950

Coverdell Education Savings Accounts (formerly Education IRAs)

2009

Maximum contributions of \$2,000 phase-out range:

Married Filing Jointly	\$190,000 – \$220,000
Single	95,000 – 110,000

Health Savings Account Limits

	Individual		Family	
	2008	2009	2008	2009
Minimum Deductible	\$1,100	\$1,150	\$2,200	\$2,300
Maximum OOP	\$5,600	\$5,800	\$11,200	\$11,600
Maximum Contribution	\$2,900	\$3,000	\$5,800	\$5,950
Individual "Catch Up" (over age 55)	\$900	\$1,000	N/A	N/A

2009

Estate & Gift Taxes, IRA & Retirement Plan Limits, Social Security

Estate & Gift Taxes

Subtract applicable credit (below) from calculated tax.
If taxable estate is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$ 0	\$ 10,000	\$ 0 + 18%	\$ 0
10,000	20,000	1,800 + 20%	10,000
20,000	40,000	3,800 + 22%	20,000
40,000	60,000	8,200 + 24%	40,000
60,000	80,000	13,000 + 26%	60,000
80,000	100,000	18,200 + 28%	80,000
100,000	150,000	23,800 + 30%	100,000
150,000	250,000	38,800 + 32%	150,000
250,000	500,000	70,800 + 34%	250,000
500,000	750,000	155,800 + 37%	500,000
750,000	1,000,000	248,300 + 39%	750,000
1,000,000	1,250,000	345,800 + 41%	1,000,000
1,250,000	1,500,000	448,300 + 43%	1,250,000
1,500,000	2,000,000	555,800 + 45%	1,500,000
2,000,000	And Over	780,800 + 45%	2,000,000

Scheduled Estate Tax Changes

Year	Top Estate Tax Rate	Estate Tax Exemption	Applicable Credit
2002	50%	\$ 1 million	\$ 345,800
2003	49%	1 million	345,800
2004	48%	1.5 million	555,800
2005	47%	1.5 million	555,800
2006	46%	2 million	780,800
2007	45%	2 million	780,800
2008	45%	2 million	780,800
2009	45%	3.5 million	1,455,800
2010	Repealed	N/A	N/A
2011	55%	1 million	345,800

Gift Tax Annual Exclusion: Individual donor may gift \$13,000 per donee
Gift Tax Exemption: \$1,000,000
Generation-Skipping Transfer Tax Exemption: \$3,500,000

Qualified Plans

	2008	2009
IRA maximum contribution limit	\$ 5,000	\$ 5,000
IRA Age 50+ catch-up contribution	1,000	1,000
SEP plan participant maximum percentage of compensation	25%	25%
SEP plan participant maximum dollar allocation limit	46,000	49,000
SEP minimum compensation amount	500	550
SIMPLE IRA employee contribution	10,500	11,500
SIMPLE IRA catch-up—Age 50 or older	2,500	2,500
Maximum elective deferral to SIMPLE plan	10,500	11,500
403(b) TSA elective employee deferral	15,500	16,500
403(b) TSA catch-up—Age 50 or older	5,000	5,500
403(b) TSA catch-up—15 or more years of service with current employer	3,000	3,000
Defined contribution maximum employer percentage deduction limit (of eligible payroll)	100%	100%
Defined contribution plan annual addition limit	46,000	49,000
Maximum elective deferral to retirement plans [e.g., 401(k), 403(b), & 457]	15,500	16,500
401(k) Age 50+ catch-up contribution	5,000	5,500
Annual includable compensation limit	230,000	245,000
Highly compensated employee compensation limit	105,000	110,000
Annual retirement benefit limit under defined benefit plan (not to exceed 100% of compensation)	185,000	195,000

IRAs

	2008	2009
Phase-out range for deductible contributions to traditional IRAs		
Married Filing Jointly		
Both spouses as participants in Qualified Plan	\$ 85,000 – \$105,000	\$ 89,000 – \$109,000
One spouse as participant in Qualified Plan	159,000 – 169,000	166,000 – 176,000
Single/Head of Household	53,000 – 63,000	55,000 – 65,000
Phase-out range for contributions to Roth IRAs		
Married Filing Jointly	159,000 – 169,000	166,000 – 176,000
Single/Head of Household	101,000 – 116,000	105,000 – 120,000

Social Security Benefits Subject to Income Tax 2009

Base amount of modified AGI causing Social Security benefits to be taxable	Up to 50% taxable	Up to 85% taxable
Married Filing Jointly	\$32,000 – \$44,000	\$44,001 +
Single	25,000 – 34,000	\$34,001 +

Required Minimum Distributions

Age	Factor	Age	Factor	Age	Factor
70	27.4	81	17.9	92	10.2
71	26.5	82	17.1	93	9.6
72	25.6	83	16.3	94	9.1
73	24.7	84	15.5	95	8.6
74	23.8	85	14.8	96	8.1
75	22.9	86	14.1	97	7.6
76	22.0	87	13.4	98	7.1
77	21.2	88	12.7	99	6.7
78	20.3	89	12.0	100	6.3
79	19.5	90	11.4	101	5.9
80	18.7	91	10.8		

Social Security

	2008	2009
Full retirement age	66 yrs (bom in 1943)	66 yrs (bom in 1944)
Portion of benefit paid at age 62	75%	75%
Maximum earnings before Social Security benefits are reduced		
Before full retirement age (lose \$1 for every \$2 of earnings)	\$13,560	\$14,160
Year of full retirement age	\$36,120	\$37,680
After full retirement	No limit	No limit
Maximum compensation subject to FICA taxes		
OASDI (Social Security) maximum	\$102,500	\$106,800
HI (Medicare) maximum	No limit	No limit
OASDI tax rate	12.4% 6.2%	self employed employees
HI tax rate	2.9% 1.45%	self employed employees

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