



Individual Income Tax Planning	2009	2010	2011
<b>Adoption Credit</b>			
*Maximum credit	\$12,150	\$13,170	\$13,360
Phaseout threshold amount	\$182,180	\$182,520	\$185,210
Completed phaseout amount after	\$222,180	\$222,520	\$225,210
<b>Alternative Minimum Tax (AMT)</b>			
*Maximum AMT exemption amount			
Married filing jointly or surviving spouse	\$70,950	\$72,450	\$74,450
Single or head of household	\$46,700	\$47,450	\$48,450
Married filing separately	\$35,475	\$36,225	\$37,225
*AMT income exemption phaseout threshold			
Married filing jointly or surviving spouse	\$150,000	\$150,000	\$150,000
Single or head of household	\$112,500	\$112,500	\$112,500
Married filing separately	\$75,000	\$75,000	\$75,000
<b>Charitable deductions:</b>			
*Use of auto for charitable purposes (deductible standard mileage rate)	\$0.14	\$0.14	\$0.14
<b>Charitable fundraising contributions</b>			
<b>"insubstantial benefit" limitations:</b>			
*Low-cost article (re: unrelated business income)	\$9.50	\$9.60	\$9.70
*Other insubstantial benefits (re: gifts to donor in return for contribution). Contribution is fully deductible if minimum contribution amount is met and cost of token gift does not exceed maximum.			
Token gift maximum cost	\$9.50	\$9.60	\$9.70
Minimum contribution amount	\$47.50	\$48	\$48.50
*Charitable contribution is fully deductible if the benefit received by the donor doesn't exceed the lesser of the threshold amount or 2% of the amount of the contribution			
Threshold amount	\$95	\$96	\$97
<b>Child tax credit</b>			
*Maximum credit per qualifying child	\$1,000	\$1,000	\$1,000
*Phaseout-- credit reduced by \$50 for each \$1,000 or fraction thereof of MAGI over:			
Single	\$75,000	\$75,000	\$75,000
Married Filing Jointly	\$110,000	\$110,000	\$110,000
Married Filing Separately	\$55,000	\$55,000	\$55,000
*Refundability -- up to specified percentage of earned income in excess of specified amount			
Percentage	15%	15%	15%
Amount	\$3,000	\$3,000	\$3,000
<b>Classroom expenses of elementary and secondary school teachers (maximum above-the-line deduction)</b>	\$250	\$250	\$250

<b>Individual Income Tax Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Earned income tax credit (EITC):</b>			
*Excessive investment income limit ("disqualified income limit")	\$3,100	\$3,100	\$3,150
*Maximum amount of EITC per number of children			
0 children	\$457	\$457	\$464
1 child	\$3,043	\$3,050	\$3,094
2 children	\$5,028	\$5,036	\$5,112
3 or more children	\$5,657	\$5,666	\$5,751
*Maximum amount of earned income on which EITC is based (earned income over this amount but under the threshold phaseout amount will not change the amount of the credit received)			
0 children	\$5,970	\$5,980	\$6,070
1 child	\$8,950	\$8,970	\$9,100
2 or more children	\$12,570	\$12,590	\$12,780
*Threshold phaseout amount for joint filers per number of children			
0 children	\$12,470	\$12,490	\$12,670
1 child	\$21,420	\$21,460	\$21,770
2 children	\$21,420	\$21,460	\$21,770
3 or more children	\$21,420	\$21,460	\$21,770
*Threshold phaseout amount for other filers per number of children			
0 children	\$7,470	\$7,480	\$7,590
1 child	\$16,420	\$16,450	\$16,690
2 children	\$16,420	\$16,450	\$16,690
3 or more children	\$16,420	\$16,450	\$16,690
*Completed phaseout amount for joint filers per number of children			
0 children	\$18,440	\$18,470	\$18,740
1 child	\$40,463	\$40,545	\$41,132
2 children	\$45,295	\$45,373	\$46,044
3 or more children	\$48,279	\$48,362	\$49,078
*Completed phaseout amount for other filers per number of children			
0 children	\$13,440	\$13,460	\$13,660
1 child	\$35,463	\$35,535	\$36,052
2 children	\$40,295	\$40,363	\$40,964
3 or more children	\$43,279	\$43,352	\$43,998
<b>Expatriation</b>			
*An individual with "average annual net income tax" of more than this amount for the five taxable years ending before his or her loss of citizenship is a covered expatriate for purposes of IRC §877A(g)(1).	\$145,000	\$145,000	\$147,000
*IRC §877A(3) exclusion amount	\$626,000	\$627,000	\$636,000
<b>Foreign earned income exclusion:</b>	\$91,400	\$91,500	\$92,900
<b>Itemized Deductions</b>			
*Itemized deductions threshold phaseout amount for MFS:	\$83,400	N/A	N/A
*Itemized deductions threshold phaseout amount for all others:	\$166,800	N/A	N/A

<b>Individual Income Tax Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Kiddie tax:</b>			
*Unearned income limit			
Amount exempt from tax	\$950	\$950	\$950
Additional amount taxed at child's rate	\$950	\$950	\$950
Unearned income over this amount taxed at parent's rate	\$1,900	\$1,900	\$1,900
*Election to include child's income on parent's return -- child's gross income requirement	\$950 - \$9,500	\$950 - \$9,500	\$950 - \$9,500
*AMT exemption for child subject to kiddie tax:	Lesser of \$6,700 + child's earned income or \$46,700	Lesser of \$6,700 + child's earned income or \$47,450	Lesser of \$6,800 + child's earned income or \$48,450
<b>Making Work Pay tax credit</b>			
*Maximum credit			
Filing status other than married filing joint	\$400	\$400	N/A; Credit not extended, but related benefit provided by new one-year 2% reduction in employee Social Security payroll taxes (also applies to self-employment tax of self-employed individuals)
Married filing joint	\$800	\$800	
*Income phaseout: Other than married filing jointly			
Phaseout threshold amount	\$75,000	\$75,000	
Completed phaseout amount after	\$95,000	\$95,000	
*Income phaseout: Married filing joint			
Phaseout threshold amount	\$150,000	\$150,000	
Completed phaseout amount after	\$190,000	\$190,000	
<b>Nanny tax (domestic employee coverage threshold)</b>	\$1,700	\$1,700	\$1,700
<b>Personal exemption amount:</b>	\$3,650	\$3,650	\$3,700
*Personal exemption amount for taxpayers with AGI exceeding maximum phaseout threshold	\$2,433	N/A	N/A
*Married filing jointly			
Phaseout threshold amount	\$250,200	N/A	N/A
Completed phaseout amount after	\$372,700	N/A	N/A
*Head of household			
Phaseout threshold amount	\$208,500	N/A	N/A
Completed phaseout amount after	\$331,000	N/A	N/A
*Single			
Phaseout threshold amount	\$166,800	N/A	N/A
Completed phaseout amount after	\$289,300	N/A	N/A
*Married filing separately			
Phaseout threshold amount	\$125,100	N/A	N/A
Completed phaseout amount after	\$186,350	N/A	N/A

<b>Individual Income Tax Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>"Saver's Credit" (Elective Deferrals and IRA Contributions by Certain Individuals)</b>			
*Maximum credit amount	\$1,000	\$1,000	\$1,000
*Applicable percentage of 50% applies to AGI			
Joint Return	\$0 - \$33,000	\$0 - \$33,500	\$0 - \$34,000
Head of Household	\$0 - \$24,750	\$0 - \$25,125	\$0 - \$25,500
Other	\$0 - \$16,500	\$0 - \$16,750	\$0 - \$17,000
*Applicable percentage of 20% applies to AGI			
Joint Return	\$33,000 - \$36,000	\$33,501 - \$36,000	\$34,001 - \$36,500
Head of Household	\$24,750 - \$27,000	\$25,126 - \$27,000	\$25,501 - \$27,375
Other	\$16,500 - \$18,000	\$16,751 - \$18,000	\$17,001 - \$18,250
*Applicable percentage of 10% applies to AGI			
Joint Return	\$36,000 - \$55,500	\$36,001 - \$55,500	\$36,501 - \$56,500
Head of Household	\$27,000 - \$41,625	\$27,001 - \$41,625	\$27,376 - \$42,375
Other	\$18,000 - \$27,750	\$18,001 - \$27,750	\$18,251 - \$28,250
*Applicable percentage of 0% applies to AGI			
Joint Return	Over \$55,500	Over \$55,500	Over \$56,500
Head of Household	Over \$41,625	Over \$41,625	Over \$42,375
Other	Over \$27,750	Over \$27,750	Over \$28,250
<b>Standard deductions</b>			
*Married filing jointly or surviving spouse	\$11,400	\$11,400	\$11,600
*Head of household	\$8,350	\$8,400	\$8,500
*Single	\$5,700	\$5,700	\$5,800
*Married filing separately	\$5,700	\$5,700	\$5,800
*Dependent	Greater of \$950, or \$300 + earned income	Greater of \$950, or \$300 + earned income	Greater of \$950, or \$300 + earned income
*Additional deduction for aged or blind (single or head of household)	\$1,400	\$1,400	\$1,450
*Additional deduction for aged or blind (all other filing statuses)	\$1,100	\$1,100	\$1,150
*Additional standard deduction for state and local real property taxes (maximum additional deduction)			
Married filing jointly	\$1,000	N/A	N/A
All other filing statuses	\$500	N/A	N/A
<b>Standard mileage rates:</b>			
*Use of auto for business purposes (cents per mile)	\$0.55	\$0.50	\$0.51
*Use of auto for medical purposes (cents per mile)	\$0.24	\$0.165	\$0.19
*Use of auto for moving purposes (cents per mile)	\$0.24	\$0.165	\$0.19

<b>Investment Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Tax on long-term capital gains</b>			
Taxpayers in tax rate brackets greater than 15%	15%	15%	15%
Taxpayers in tax rate brackets 15% or less	0%	0%	0%
<b>Tax on dividends</b>			
*Maximum tax rate on dividends received by an individual shareholder from domestic and qualified foreign corporations			
Taxpayers in tax rate brackets greater than 15%	15%	15%	15%
Taxpayers in tax rate brackets 15% or less	0%	0%	0%

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<b>Education Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Coverdell education savings accounts (formerly known as education IRAs):</b>			
*Annual contribution limit	\$2,000	\$2,000	\$2,000
*MAGI phaseout range for Coverdell education savings accounts			
Single--phaseout threshold amount	\$95,000	\$95,000	\$95,000
Single--completed phaseout amount after	\$110,000	\$110,000	\$110,000
Married filing jointly--phaseout threshold amount	\$190,000	\$190,000	\$190,000
Married filing jointly--completed phaseout threshold amount	\$220,000	\$220,000	\$220,000
<b>Deduction for qualified higher education expenses</b>			
*Maximum deduction	\$4,000	\$4,000	\$4,000
*MAGI maximum for full \$4,000 deduction			
Single	\$65,000	\$65,000	\$65,000
Married filing jointly	\$130,000	\$130,000	\$130,000
*Reduced deduction available	\$2,000	\$2,000	\$2,000
*MAGI range for \$2,000 deduction			
Single--MAGI greater than this amount:	\$65,000	\$65,000	\$65,000
Single--MAGI does not exceed this amount:	\$80,000	\$80,000	\$80,000
Married filing jointly--MAGI greater than this amount:	\$130,000	\$130,000	\$130,000
Married filing jointly--MAGI does not exceed this amount:	\$160,000	\$160,000	\$160,000
<b>Education loans--interest deduction</b>			
*Maximum deduction for interest paid on qualified education loans	\$2,500	\$2,500	\$2,500
*MAGI phaseout range			
Single--phaseout threshold amount	\$60,000	\$60,000	\$60,000
Single--completed phaseout amount after	\$75,000	\$75,000	\$75,000
Married filing jointly--phaseout threshold amount	\$120,000	\$120,000	\$120,000
Married filing jointly--completed phaseout threshold amount	\$150,000	\$150,000	\$150,000
<b>Gift tax exclusion</b>			
Annual gift tax exclusion-- <i>single individual</i>	\$13,000	\$13,000	\$13,000
Annual gift tax exclusion-- <i>joint gift</i>	\$26,000	\$26,000	\$26,000
Lump-sum gift to 529 plan-- <i>single individual</i>	\$65,000	\$65,000	\$65,000
Lump-sum gift to 529 plan-- <i>joint gift</i>	\$130,000	\$130,000	\$130,000
<b>Hope<sup>1</sup> and Lifetime Learning credits</b>			
*Maximum Lifetime Learning credit	\$2,000	\$2,000	\$2,000
*Maximum Hope credit	\$2,500	\$2,500	\$2,500
*MAGI phaseout range for Lifetime Learning Credit			
Single--phaseout threshold amount	\$50,000	\$50,000	\$51,000
Single--completed phaseout amount after	\$60,000	\$60,000	\$61,000
Married filing jointly--phaseout threshold amount	\$100,000	\$100,000	\$102,000
Married filing jointly--completed phaseout threshold amount	\$120,000	\$120,000	\$122,000
*MAGI phaseout range for Hope credit			
Single--phaseout threshold amount	\$80,000	\$80,000	\$80,000
Single--completed phaseout amount after	\$90,000	\$90,000	\$90,000
Married filing jointly--phaseout threshold amount	\$160,000	\$160,000	\$160,000
Married filing jointly--completed phaseout threshold amount	\$180,000	\$180,000	\$180,000

<b>Education Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Kiddie tax</b>			
Children pay federal income tax at their parents' rate on any investment income over...	\$1,900	\$1,900	\$1,900
<b>U.S. savings bonds--interest exclusion for higher education expenses:</b>			
*Joint returns			
Phaseout threshold for joint returns	\$104,900	\$105,100	\$106,650
Completed phaseout amount after	\$134,900	\$135,100	\$136,650
*Other returns			
Phaseout threshold for other returns	\$69,950	\$70,100	\$71,100
Completed phaseout amount after	\$84,950	\$85,100	\$86,100

<sup>1</sup> For 2010 through 2012, the Hope Credit is renamed the American Opportunity tax credit.

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<b>Protection Planning</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Eligible long-term care premium deduction limits:</b>			
*Age 40 or under	\$320	\$330	\$340
*Age 41-50	\$600	\$620	\$640
*Age 51-60	\$1,190	\$1,230	\$1,270
*Age 61-70	\$3,180	\$3,290	\$3,390
*Over age 70	\$3,980	\$4,110	\$4,240
<b>Per diem limit: periodic payments for qualified long-term care insurance/certain life insurance:</b>	\$280	\$290	\$300
<b>Archer Medical Savings Accounts</b>			
*High deductible health plan--self-only coverage			
Annual deductible--minimum	\$2,000	\$2,000	\$2,050
Annual deductible--maximum	\$3,000	\$3,000	\$3,050
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$4,000	\$4,050	\$4,100
*High deductible health plan--family coverage			
Annual deductible--minimum	\$4,000	\$4,050	\$4,100
Annual deductible--maximum	\$6,050	\$6,050	\$6,150
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$7,350	\$7,400	\$7,500
<b>Health Savings Accounts (HSAs)</b>			
*Annual contribution limit			
Self-only coverage	\$3,000	\$3,050	\$3,050
Family coverage	\$5,950	\$6,150	\$6,150
*High deductible health plan--self-only coverage			
Annual deductible--minimum	\$1,150	\$1,200	\$1,200
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$5,800	\$5,950	\$5,950
*High deductible health plan--family coverage			
Annual deductible--minimum	\$2,300	\$2,400	\$2,400
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$11,600	\$11,900	\$11,900
*Annual catch up contribution limit for individuals age 55 or older	\$1,000	\$1,000	\$1,000

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