

Income Taxes
2011
If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$0	\$17,000	\$0 + 10%	\$0
17,000	69,000	1,700 + 15%	17,000
69,000	139,350	9,500 + 25%	69,000
139,350	212,300	27,087.50 + 28%	139,350
212,300	379,150	47,513.50 + 33%	212,300
379,150	and over	102,574 + 35%	379,150

Single:

\$0	\$8,500	\$0 + 10%	\$0
8,500	34,500	850 + 15%	8,500
34,500	83,600	4,750 + 25%	34,500
83,600	174,400	17,025 + 28%	83,600
174,400	379,150	42,449 + 33%	174,400
379,150	and over	110,016.50 + 35%	379,150

Standard Deductions

	2011	2012
Married Filing Jointly	\$11,600	\$11,900
Head of Household	8,500	8,700
Single	5,800	5,950
Additional (Age 65/older or blind):		
Married	1,150	1,150
Unmarried & not surviving spouse	1,450	1,450

AGI itemized deduction phase-out:

Married Filing Separately	No phase-out	No phase-out
All Others	No phase-out	No phase-out

Personal Exemptions

	2011	2012
Personal exemption	\$3,700	\$3,800

Phase-out range:

Single	No phase-out	No phase-out
Head of Household	No phase-out	No phase-out
Married Filing Jointly	No phase-out	No phase-out
Married Filing Separately	No phase-out	No phase-out

Kiddie Tax

	2011	2012
(under age 18 with unearned income)		
First (No Tax)	\$950	\$950
Next (Child's Rate)	950	950
Amounts Over (Parents' Rate)	1,900	1,900

Election to Expense Certain

	2011	2012
Depreciable Assets	\$500,000	\$560,000

Mileage Rates (per mile)

	2011	2012
Business	\$0.51	\$0.555
Charity	\$0.14	\$0.14
Medical	\$0.19	\$0.23

2012
If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$0	\$17,400	\$0 + 10%	\$0
17,400	70,700	1,740 + 15%	17,400
70,700	142,700	9,735 + 25%	70,700
142,700	217,450	27,735 + 28%	142,700
217,450	388,350	48,665 + 33%	217,450
388,350	and over	105,062 + 35%	388,350

Single:

\$0	\$8,700	\$0 + 10%	\$0
8,700	35,350	870 + 15%	8,700
35,350	85,650	4,867.50 + 25%	35,350
85,650	178,650	17,442.50 + 28%	85,650
178,650	388,350	43,482.50 + 33%	178,650
388,350	and over	112,683.50 + 35%	388,350

Education Incentives

	2011	2012
Lifetime Learning Credit	\$2,000	\$2,000

Phase-outs for Lifetime Learning Credits:

Married Filing Jointly	\$102,000-122,000	\$104,000-124,000
Others	\$51,000-61,000	\$52,000-62,000

Phase-outs for exclusion of U.S. savings bond income:

Married Filing Jointly	\$106,650-136,650	\$109,250-139,250
Others	\$71,100-86,100	\$72,850-87,850

Phase-outs for Coverdell Education Savings Accounts:
Maximum contributions of \$2,000 phase-out range

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

Capital Gains Tax
2012
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%

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

2012 Tax Facts At-A-Glance

Estate & Gift Taxes

Scheduled Gift & Estate Tax Changes

Year	Gift Tax Top Rate	Top Estate Tax Rate	Estate Tax Exemption	Applicable Credit
2003	49%	49%	\$1,000,000	345,800
2004	48%	48%	1,500,000	555,800
2005	47%	47%	1,500,000	555,800
2006	46%	46%	2,000,000	780,800
2007	45%	45%	2,000,000	780,800
2008	45%	45%	2,000,000	780,800
2009	45%	45%	3,500,000	1,455,800
2010	35%	35%	5,000,000	1,730,800
2011	35%	35%	5,000,000	1,730,800
2012	35%	35%	5,120,000	1,772,800

Annual Gift Tax Exclusion: Individual donor may gift \$13,000 per donee

Gift Tax Exemption: \$5,000,000

Generation-Skipping Transfer Tax Exemptions: \$5,120,000

Social Security

2011

2012

Full retirement age	66 years, 6 months	66 years, 6 months
Portion of benefit paid at age 62	72.5%	75%
Maximum earnings before Social Security benefits are reduced		
Before full retirement age (lose \$1 for every \$2 of earnings)	\$14,160	\$14,640
Year of full retirement age	\$37,680	\$38,880
After full retirement	No limit	No limit
Maximum compensation subject to FICA taxes		
OASDI (Social Security) max	\$106,800	\$110,100
HI (Medicare) max	No limit	No limit
2012 OASDI tax rate	10.4%	self-employed 4.2% employees
2012 HI tax rate	2.9%	self-employed 1.45% employees

Qualified Plans

2011

2012

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	49,000	50,000
SEP minimum compensation amount	550	550
Simple IRA employee contribution	11,500	11,500
SIMPLE IRA catch-up - Age 50 or older	2,500	2,500
Maximum elective deferral to SIMPLE plan	11,500	11,500
403(b) TSA elective employee deferral	16,500	17,000
403(b) TSA catch-up - Age 50 or older	5,500	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)	25%	25%
Defined contribution plan annual addition limit	49,000	50,000
Maximum elective deferral to retirement plans [e.g., 401(k), 403(b) & 457]	16,500	17,000
401(k) Age 50+ catch-up contribution	5,500	5,500
Annual includable compensation limit	245,000	250,000
Highly compensated employee compensation limit	110,000	115,000
Annual retirement benefit limit under defined benefit plan (not to exceed 100% of compensation)	195,000	200,000

2012 Required Minimum Distributions must be taken by age 70 1/2

2012 Required Minimum Distribution Table

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	102	5.5



IRAs

2011

2012

Phase-out range for deductible contributions to Traditional IRAs

Married Filing Jointly

 Both spouses as participants in Qualified Plan

\$ 90,000 - 110,000

\$ 92,000 - 112,000

 One spouse as participant in Qualified Plan

169,000 - 179,000

173,000 - 183,000

Single/Head of Household

56,000 - 66,000

58,000 - 68,000

Phase-out range for contributions to Roth IRAs

Married Filing Jointly

\$169,000 - 179,000

\$173,000 - 183,000

Single/Head of Household

107,000 - 122,000

110,000 - 125,000

This material is provided for informational purposes only and should not be construed as tax advice. Please call Downey & Company at (800) 849-6022 for assistance or more information. This information has been obtained from publicly available sources and is believed to be accurate as of January 2012.