

2009 Tax Facts At-A-Glance

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

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	26,637.50 + 28%	137,050
208,850	372,950	46,741.50 + 33%	208,850
372,950	And Over	100,894.50 + 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

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 & 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

Education Incentives

2008

2009

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
Phase-outs for Coverdell Education Savings Accounts		
<i>Maximum contributions of \$2,000 phase-out range:</i>		
Married Filing Jointly	\$190,000-220,000	\$190,000-220,000
Single	\$95,000-110,000	\$95,000-110,000

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	\$125,100-247,600

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%

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

2009 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
2002	50%	50%	\$ 1 million	\$345,800
2003	49%	49%	1 million	345,800
2004	48%	48%	1.5 million	555,800
2005	47%	47%	1.5 million	555,800
2006	46%	46%	2 million	780,800
2007	45%	45%	2 million	780,800
2008	45%	45%	2 million	780,800
2009	45%	45%	3.5 million	1,455,800
2010	35%	Repealed	N/A	N/A
2011	35%	55%	1 million	345,800

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

Individual donor may gift to non-U.S. citizen spouse: \$133,000

Gift Tax Exemption: \$1,000,000

Generation-Skipping Transfer Tax Exemptions: \$3,500,000

Social Security	2008	2009
Full retirement age	66 years	66 years, 2 months
Portion of benefit paid at age 62	75%	74.17%
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) max	\$102,000	\$106,800
HI (Medicare) max	No limit	No limit
OASDI tax rate	12.4%	self-employed employees
	6.2%	employees
HI tax rate	2.9%	self-employed employees
	1.45%	employees

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)	25%	25%
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

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		

IRAs

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

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 December 2008.