



FOREFIELD

2014 Numbers

Individual Income Tax Planning	2012	2013	2014
Adoption credit			
*Maximum credit	\$12,650	\$12,970	\$13,190
Phaseout threshold amount	\$189,710	\$194,580	\$197,880
Completed phaseout amount after	\$229,710	\$234,580	\$237,880
Alternative Minimum Tax (AMT)			
*Maximum AMT exemption amount			
Married filing jointly or surviving spouse	\$78,750	\$80,800	\$82,100
Single or head of household	\$50,600	\$51,900	\$52,800
Married filing separately	\$39,375	\$40,400	\$41,050
*AMT income exemption phaseout threshold			
Married filing jointly or surviving spouse	\$150,000	\$153,900	\$156,500
Single or head of household	\$112,500	\$115,400	\$117,300
Married filing separately	\$75,000	\$76,950	\$78,250
*AMT tax rate of 26% applies to AMTI at or below (28% for AMTI above this amount):			
All taxpayers except married filing separately	\$175,000	\$179,500	\$182,500
Married filing separately	\$87,500	\$89,750	\$91,250
Charitable deductions:			
*Use of auto for charitable purposes (deductible standard mileage rate)	\$0.14	\$0.14	\$0.14
Charitable fundraising contributions "insubstantial benefit" limitations:			
*Low-cost article (re: unrelated business income)	\$9.90	\$10.20	\$10.40
*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	\$9.90	\$10.20	\$10.40
Minimum contribution amount	\$49.50	\$51.00	\$52.00
*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	\$99	\$102	\$104
Child tax credit			
*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
Classroom expenses of elementary and secondary school teachers (maximum above-the-line deduction)	\$250	\$250	N/A

Individual Income Tax Planning	2012	2013	2014
Earned income tax credit (EITC):			
*Excessive investment income limit ("disqualified income limit")	\$3,200	\$3,300	\$3,350
*Maximum amount of EITC per number of children			
0 children	\$475	\$487	\$496
1 child	\$3,169	\$3,250	\$3,305
2 children	\$5,236	\$5,372	\$5,460
3 or more children	\$5,891	\$6,044	\$6,143
*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	\$6,210	\$6,370	\$6,480
1 child	\$9,320	\$9,560	\$9,720
2 or more children	\$13,090	\$13,430	\$13,650
*Threshold phaseout amount for joint filers per number of children			
0 children	\$12,980	\$13,310	\$13,540
1 child	\$22,300	\$22,870	\$23,260
2 children	\$22,300	\$22,870	\$23,260
3 or more children	\$22,300	\$22,870	\$23,260
*Threshold phaseout amount for other filers per number of children			
0 children	\$7,770	\$7,970	\$8,110
1 child	\$17,090	\$17,530	\$17,830
2 children	\$17,090	\$17,530	\$17,830
3 or more children	\$17,090	\$17,530	\$17,830
*Completed phaseout amount for joint filers per number of children			
0 children	\$19,190	\$19,680	\$20,020
1 child	\$42,130	\$43,210	\$43,941
2 children	\$47,162	\$48,378	\$49,186
3 or more children	\$50,270	\$51,567	\$52,427
*Completed phaseout amount for other filers per number of children			
0 children	\$13,980	\$14,340	\$14,590
1 child	\$36,920	\$37,870	\$38,511
2 children	\$41,952	\$43,038	\$43,756
3 or more children	\$45,060	\$46,227	\$46,997
Expatriation			
*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).	\$151,000	\$155,000	\$157,000
*IRC §877A(3) exclusion amount	\$651,000	\$668,000	\$680,000
Foreign earned income exclusion:	\$95,100	\$97,600	\$99,200
Itemized deductions phaseout threshold:			
*Married filing jointly	N/A	\$300,000	\$305,050
*Head of household	N/A	\$275,000	\$279,650
*Unmarried	N/A	\$250,000	\$254,200
*Married filing separately	N/A	\$150,000	\$152,525

Individual Income Tax Planning	2012	2013	2014
Kiddie tax:			
*Unearned income limit			
Amount exempt from tax	\$950	\$1,000	\$1,000
Additional amount taxed at child's rate	\$950	\$1,000	\$1,000
Unearned income over this amount taxed at parent's rate	\$1,900	\$2,000	\$2,000
*Election to include child's income on parent's return -- child's gross income requirement	\$950 - \$9,500	\$1,000 - \$10,000	\$1,000 - \$10,000
*AMT exemption for child subject to kiddie tax:	Lesser of \$6,950 + child's earned income or \$50,600	Lesser of \$7,150 + child's earned income or \$51,900	Lesser of \$7,250 + child's earned income or \$52,800
Medicare tax (additional payroll tax and unearned income contribution tax):			
* Additional Medicare payroll tax (and self-employment tax)	N/A	0.90%	0.90%
Applies to wages/self-employment income exceeding:			
Individuals	N/A	\$200,000	\$200,000
Married filing jointly	N/A	\$250,000	\$250,000
Married filing separately	N/A	\$125,000	\$125,000
* Unearned income Medicare contribution tax	N/A	3.80%	3.80%
Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding:			
Individuals	N/A	\$200,000	\$200,000
Married filing jointly	N/A	\$250,000	\$250,000
Married filing separately	N/A	\$125,000	\$125,000
Nanny tax (domestic employee coverage threshold)	\$1,800	\$1,800	\$1,900
Personal exemption amount:	\$3,800	\$3,900	\$3,950
*Married filing jointly			
Phaseout threshold amount	N/A	\$300,000	\$305,050
Completed phaseout amount after	N/A	\$422,501	\$427,550
*Head of household			
Phaseout threshold amount	N/A	\$275,000	\$279,650
Completed phaseout amount after	N/A	\$397,501	\$402,150
*Unmarried			
Phaseout threshold amount	N/A	\$250,000	\$254,200
Completed phaseout amount after	N/A	\$372,501	\$376,700
*Married filing separately			
Phaseout threshold amount	N/A	\$150,000	\$152,525
Completed phaseout amount after	N/A	\$211,251	\$213,775

Individual Income Tax Planning	2012	2013	2014
"Saver's Credit" (Elective Deferrals and IRA Contributions by Certain Individuals)			
*Maximum credit amount	\$1,000	\$1,000	\$1,000
*Applicable percentage of 50% applies to AGI			
Joint return	\$0 - \$34,500	\$0 - \$35,500	\$0 - \$36,000
Head of household	\$0 - \$25,875	\$0 - \$26,625	\$0 - \$27,000
Other	\$0 - \$17,250	\$0 - \$17,750	\$0 - \$18,000
*Applicable percentage of 20% applies to AGI			
Joint return	\$34,501 - \$37,500	\$35,501 - \$38,500	\$36,001 - \$39,000
Head of household	\$25,876 - \$28,125	\$26,626 - \$28,875	\$27,001 - \$29,250
Other	\$17,251 - \$18,750	\$17,751 - \$19,250	\$18,001 - \$19,500
*Applicable percentage of 10% applies to AGI			
Joint return	\$37,501 - \$57,500	\$38,501 - \$59,000	\$39,001 - \$60,000
Head of household	\$28,126 - \$43,125	\$28,876 - \$44,250	\$29,251 - \$45,000
Other	\$18,751 - \$28,750	\$19,251 - \$29,500	\$19,501 - \$30,000
*Applicable percentage of 0% applies to AGI			
Joint return	Over \$57,500	Over \$59,000	Over \$60,000
Head of household	Over \$43,125	Over \$44,250	Over \$45,000
Other	Over \$28,750	Over \$29,500	Over \$30,000
Standard deductions			
*Married filing jointly or surviving spouse	\$11,900	\$12,200	\$12,400
*Head of household	\$8,700	\$8,950	\$9,100
*Unmarried	\$5,950	\$6,100	\$6,200
*Married filing separately	\$5,950	\$6,100	\$6,200
*Dependent	Greater of \$950, or \$300 + earned income	Greater of \$1,000, or \$350 + earned income	Greater of \$1,000, or \$350 + earned income
*Additional deduction for aged or blind (single or head of household)	\$1,450	\$1,500	\$1,550
*Additional deduction for aged or blind (all other filing statuses)	\$1,150	\$1,200	\$1,200
Standard mileage rates:			
*Use of auto for business purposes (cents per mile)	\$0.555	\$0.565	Not yet available
*Use of auto for medical purposes (cents per mile)	\$0.23	\$0.24	Not yet available
*Use of auto for moving purposes (cents per mile)	\$0.23	\$0.24	Not yet available



2014 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

Single Individuals

If taxable income is:	Your tax is:
Not over \$9,075	10% of taxable income
Over \$9,075 to \$36,900	\$907.50 + 15% of the excess over \$9,075
Over \$36,900 to \$89,350	\$5,081.25 + 25% of the excess over \$36,900
Over \$89,350 to \$186,350	\$18,193.75 + 28% of the excess over \$89,350
Over \$186,350 to \$405,100	\$45,353.75 + 33% of the excess over \$186,350
Over \$405,100 to \$406,750	\$117,541.25 + 35% of the excess over \$405,100
Over \$406,750	\$118,118.75 + 39.6% of the excess over \$406,750

Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$18,150	10% of taxable income
Over \$18,150 to \$73,800	\$1,815 + 15% of the excess over \$18,150
Over \$73,800 to \$148,850	\$10,162.50 + 25% of the excess over \$73,800
Over \$148,850 to \$226,850	\$28,925 + 28% of the excess over \$148,850
Over \$226,850 to \$405,100	\$50,765 + 33% of the excess over \$226,850
Over \$405,100 to \$457,600	\$109,587.50 + 35% of the excess over \$405,100
Over \$457,600	\$127,962.50 + 39.6% of the excess over \$457,600

Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$9,075	10% of taxable income
Over \$9,075 to \$36,900	\$907.50 + 15% of the excess over \$9,075
Over \$36,900 to \$74,425	\$5,081.25 + 25% of the excess over \$36,900
Over \$74,425 to \$113,425	\$14,462.50 + 28% of the excess over \$74,425
Over \$113,425 to \$202,550	\$25,382.50 + 33% of the excess over \$113,425
Over \$202,550 to \$228,800	\$54,793.75 + 35% of the excess over \$202,550
Over \$228,800	\$63,981.25 + 39.6% of the excess over \$228,800

Heads of household

If taxable income is:	Your tax is:
Not over \$12,950	10% of taxable income
Over \$12,950 to \$49,400	\$1,295 + 15% of the excess over \$12,950
Over \$49,400 to \$127,550	\$6,762.50 + 25% of the excess over \$49,400
Over \$127,550 to \$206,600	\$26,300 + 28% of the excess over \$127,550
Over \$206,600 to \$405,100	\$48,434 + 33% of the excess over \$206,600
Over \$405,100 to \$432,200	\$113,939 + 35% of the excess over \$405,100
Over \$432,200	\$123,424 + 39.6% of the excess over \$432,200

Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,500	15% of taxable income
Over \$2,500 to \$5,800	\$375 + 25% of the excess over \$2,500
Over \$5,800 to \$8,900	\$1,200 + 28% of the excess over \$5,800
Over \$8,900 to \$12,150	\$2,068 + 33% of the excess over \$8,900
Over \$12,150	\$3,140.50 + 39.6% of the excess over \$12,150

2013 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)**Single Individuals**

If taxable income is:	Your tax is:
Not over \$8,925	10% of taxable income
Over \$8,925 to \$36,250	\$892.50 + 15% of the excess over \$8,925
Over \$36,250 to \$87,850	\$4,991.25 + 25% of the excess over \$36,250
Over \$87,850 to \$183,250	\$17,891.25 + 28% of the excess over \$87,850
Over \$183,250 to \$398,350	\$44,603.25 + 33% of the excess over \$183,250
Over \$398,350 to \$400,000	\$115,586.25 + 35% of the excess over \$398,350
Over \$400,000	\$116,163.75 + 39.6% of the excess over \$400,000

Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$17,850	10% of taxable income
Over \$17,850 to \$72,500	\$1,785 + 15% of the excess over \$17,850
Over \$72,500 to \$146,400	\$9,982.50 + 25% of the excess over \$72,500
Over \$146,400 to \$223,050	\$28,457.50 + 28% of the excess over \$146,400
Over \$223,050 to \$398,350	\$49,919.50 + 33% of the excess over \$223,050
Over \$398,350 to \$450,000	\$107,768.50 + 35% of the excess over \$398,350
Over \$450,000	\$125,846 + 39.6% of the excess over \$450,000

Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$8,925	10% of taxable income
Over \$8,925 to \$36,250	\$892.50 + 15% of the excess over \$8,925
Over \$36,250 to \$73,200	\$4,991.25 + 25% of the excess over \$36,250
Over \$73,200 to \$111,525	\$14,228.75 + 28% of the excess over \$73,200
Over \$111,525 to \$199,175	\$24,959.75 + 33% of the excess over \$111,525
Over \$199,175 to \$225,000	\$53,884.25 + 35% of the excess over \$199,175
Over \$225,000	\$62,923 + 39.6% of the excess over \$225,000

Heads of household

If taxable income is:	Your tax is:
Not over \$12,750	10% of taxable income
Over \$12,750 to \$48,600	\$1,275 + 15% of the excess over \$12,750
Over \$48,600 to \$125,450	\$6,652.50 + 25% of the excess over \$48,600
Over \$125,450 to \$203,150	\$25,865 + 28% of the excess over \$125,450
Over \$203,150 to \$398,350	\$47,621 + 33% of the excess over \$203,150
Over \$398,350 to \$425,000	\$112,037 + 35% of the excess over \$398,350
Over \$425,000	\$121,364.50 + 39.6% of the excess over \$425,000

Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,450	15% of taxable income
Over \$2,450 to \$5,700	\$367.50 + 25% of the excess over \$2,450
Over \$5,700 to \$8,750	\$1,180 + 28% of the excess over \$5,700
Over \$8,750 to \$11,950	\$2,034 + 33% of the excess over \$8,750
Over \$11,950	\$3,090 + 39.6% of the excess over \$11,950

2012 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)**Single Individuals**

If taxable income is:	Your tax is:
Not over \$8,700	10% of taxable income
Over \$8,700 to \$35,350	\$870 + 15% of the excess over \$8,700
Over \$35,350 to \$85,650	\$4,867.50 + 25% of the excess over \$35,350
Over \$85,650 to \$178,650	\$17,442.50 + 28% of the excess over \$85,650
Over \$178,650 to \$388,350	\$43,482.50 + 33% of the excess over \$178,650
Over \$388,350	\$112,683.50 + 35% of the excess over \$388,350

Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$17,400	10% of taxable income
Over \$17,400 to \$70,700	\$1,740 + 15% of the excess over \$17,400
Over \$70,700 to \$142,700	\$9,735 + 25% of the excess over \$70,700
Over \$142,700 to \$217,450	\$27,735 + 28% of the excess over \$142,700
Over \$217,450 to \$388,350	\$48,665 + 33% of the excess over \$217,450
Over \$388,350	\$105,062 + 35% of the excess over \$388,350

Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$8,700	10% of taxable income
Over \$8,700 to \$35,350	\$870 + 15% of the excess over \$8,700
Over \$35,350 to \$71,350	\$4,867.50 + 25% of the excess over \$35,350
Over \$71,350 to \$108,725	\$13,867.50 + 28% of the excess over \$71,350
Over \$108,725 to \$194,175	\$24,332.50 + 33% of the excess over \$108,725
Over \$194,175	\$52,531 + 35% of the excess over \$194,175

Heads of household

If taxable income is:	Your tax is:
Not over \$12,400	10% of taxable income
Over \$12,400 to \$47,350	\$1,240 + 15% of the excess over \$12,400
Over \$47,350 to \$122,300	\$6,482.50 + 25% of the excess over \$47,350
Over \$122,300 to \$198,050	\$25,220 + 28% of the excess over \$122,300
Over \$198,050 to \$388,350	\$46,430 + 33% of the excess over \$198,050
Over \$388,350	\$109,229 + 35% of the excess over \$388,350

Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,400	15% of taxable income
Over \$2,400 to \$5,600	\$360 + 25% of the excess over \$2,400
Over \$5,600 to \$8,500	\$1,160 + 28% of the excess over \$5,600
Over \$8,500 to \$11,650	\$1,972 + 33% of the excess over \$8,500
Over \$11,650	\$3,011.50 + 35% of the excess over \$11,650



FOREFIELD

Investment Planning	2012	2013	2014
Tax on long-term capital gains			
Taxpayers in top (39.6%) tax bracket	N/A	20%	20%
Taxpayers in 25%, 28%, 33%, and 35% tax rate brackets	15%	15%	15%
Taxpayers in tax rate bracket 15% or less	0%	0%	0%
Tax on dividends			
*Maximum tax rate on dividends received by an individual shareholder from domestic and qualified foreign corporations			
Taxpayers in top (39.6%) tax bracket	N/A	20%	20%
Taxpayers in 25%, 28%, 33%, and 35% tax rate brackets	15%	15%	15%
Taxpayers in tax rate bracket 15% or less	0%	0%	0%
Unearned income Medicare contribution tax			
*Tax percentage	N/A	3.80%	3.80%
*Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding:			
Individuals	N/A	\$200,000	\$200,000
Married filing jointly	N/A	\$250,000	\$250,000
Married filing separately	N/A	\$125,000	\$125,000



Education Planning	2012	2013	2014
Coverdell education savings accounts (formerly known as education IRAs):			
*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
Deduction for qualified higher education expenses			
*Maximum deduction	\$4,000	\$4,000	N/A
*MAGI maximum for full \$4,000 deduction			
Single	\$65,000	\$65,000	N/A
Married filing jointly	\$130,000	\$130,000	N/A
*Reduced deduction available	\$2,000	\$2,000	N/A
*MAGI range for \$2,000 deduction			
Single--MAGI greater than this amount:	\$65,000	\$65,000	N/A
Single--MAGI does not exceed this amount:	\$80,000	\$80,000	N/A
Married filing jointly--MAGI greater than this amount:	\$130,000	\$130,000	N/A
Married filing jointly--MAGI does not exceed this amount:	\$160,000	\$160,000	N/A
Education loans--interest deduction			
*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	\$65,000
Single--completed phaseout amount after	\$75,000	\$75,000	\$80,000
Married filing jointly--phaseout threshold amount	\$125,000	\$125,000	\$130,000
Married filing jointly--completed phaseout threshold amount	\$155,000	\$155,000	\$160,000
Gift tax exclusion			
Annual gift tax exclusion--single individual	\$13,000	\$14,000	\$14,000
Annual gift tax exclusion--joint gift	\$26,000	\$28,000	\$28,000
Lump-sum gift to 529 plan--single individual	\$65,000	\$70,000	\$70,000
Lump-sum gift to 529 plan--joint gift	\$130,000	\$140,000	\$140,000
American Opportunity¹ and Lifetime Learning credits			
*Maximum Lifetime Learning credit	\$2,000	\$2,000	\$2,000
*Maximum American Opportunity credit	\$2,500	\$2,500	\$2,500
*MAGI phaseout range for Lifetime Learning Credit			
Single--phaseout threshold amount	\$52,000	\$53,000	\$54,000
Single--completed phaseout amount after	\$62,000	\$63,000	\$64,000
Married filing jointly--phaseout threshold amount	\$104,000	\$107,000	\$108,000
Married filing jointly--completed phaseout threshold amount	\$124,000	\$127,000	\$128,000
*MAGI phaseout range for American Opportunity 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
Kiddie tax			
Children pay federal income tax at their parents' rate on any investment income over	\$1,900	\$2,000	\$2,000

Education Planning	2012	2013	2014
U.S. savings bonds--interest exclusion for higher education expenses:			
*Joint returns			
Phaseout threshold for joint returns	\$109,250	\$112,050	\$113,950
Completed phaseout amount after	\$139,250	\$142,050	\$143,950
*Other returns			
Phaseout threshold for other returns	\$72,850	\$74,700	\$76,000
Completed phaseout amount after	\$87,850	\$89,700	\$91,000

¹For 2009 through 2017, the Hope Credit is renamed the American Opportunity tax credit.



Retirement Planning	2012	2013	2014
Employee/individual contribution limits			
Elective deferral limits			
* 401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ¹ (includes Roth 401(k) and Roth 403(b) contributions)	Lesser of \$17,000 or 100% of participant's compensation	Lesser of \$17,500 or 100% of participant's compensation	Lesser of \$17,500 or 100% of participant's compensation
* SIMPLE 401(k) plans and SIMPLE IRA plans ¹	Lesser of \$11,500 or 100% of participant's compensation	Lesser of \$12,000 or 100% of participant's compensation	Lesser of \$12,000 or 100% of participant's compensation
IRA contribution limits			
* Traditional IRAs	Lesser of \$5,000 or 100% of earned income	Lesser of \$5,500 or 100% of earned income	Lesser of \$5,500 or 100% of earned income
* Roth IRAs	Lesser of \$5,000 or 100% of earned income	Lesser of \$5,500 or 100% of earned income	Lesser of \$5,500 or 100% of earned income
Additional "catch-up" limits (individuals age 50 or older)			
* 401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ²	\$5,500	\$5,500	\$5,500
* SIMPLE 401(k) plans and SIMPLE IRA plans	\$2,500	\$2,500	\$2,500
* IRAs (traditional and Roth)	\$1,000	\$1,000	\$1,000
Employer contribution/benefit limits³			
Defined benefit plan limits			
* Annual contribution limit per participant	No predetermined limit. Contributions based on amount needed to fund promised benefits.	No predetermined limit. Contributions based on amount needed to fund promised benefits.	No predetermined limit. Contributions based on amount needed to fund promised benefits.
* Annual benefit limit per participant	Lesser of \$200,000 or 100% of average compensation for highest three consecutive years	Lesser of \$205,000 or 100% of average compensation for highest three consecutive years	Lesser of \$210,000 or 100% of average compensation for highest three consecutive years
Defined contribution plan limits (qualified plans, 403(b) plans, SEPs, and SIMPLE plans)			
* Annual addition limit per participant (employer contributions; employee pretax, after-tax, and Roth contributions; and forfeitures) (does not apply to SIMPLE IRA plans)	Lesser of \$50,000 or 100% (25% for SEP) of participant's compensation	Lesser of \$51,000 or 100% (25% for SEP) of participant's compensation	Lesser of \$52,000 or 100% (25% for SEP) of participant's compensation
* Maximum tax-deductible employer contribution (not applicable to 403(b) plans)	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans

Retirement Planning	2012	2013	2014
Compensation limits/thresholds			
Retirement plan compensation limits			
* Maximum compensation per participant that can be used to calculate tax-deductible employer contribution (qualified plans and SEPs)	\$250,000	\$255,000	\$260,000
* Compensation threshold used to determine a highly compensated employee	\$115,000 (when 2012 is the look-back year)	\$115,000 (when 2013 is the look-back year)	\$115,000 (when 2014 is the look-back year)
* Compensation threshold used to determine a key employee in a top-heavy plan	\$1 for more-than-5% owners \$165,000 for officers \$150,000 for more-than-1% owners	\$1 for more-than-5% owners \$165,000 for officers \$150,000 for more-than-1% owners	\$1 for more-than-5% owners \$170,000 for officers \$150,000 for more-than-1% owners
* Compensation threshold used to determine a qualifying employee under a SIMPLE plan	\$5,000	\$5,000	\$5,000
* Compensation threshold used to determine a qualifying employee under a SEP plan	\$550	\$550	\$550
Traditional deductible IRA compensation limits			
* Income phaseout range for determining deductibility of traditional IRA contributions for taxpayers:			
1. Covered by an employer-sponsored plan and filing as:			
Single	\$58,000 - \$68,000	\$59,000 - \$69,000	\$60,000 - \$70,000
Married filing jointly	\$92,000 - \$112,000	\$95,000 - \$115,000	\$96,000 - \$116,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000
2. Not covered by an employer-sponsored retirement plan, but filing joint return with a spouse who is covered by an employer-sponsored retirement plan	\$173,000 - \$183,000	\$178,000 - \$188,000	\$181,000 - \$191,000
Roth IRA compensation limits			
* Income phaseout range for determining ability to fund Roth IRA for taxpayers filing as:			
Single	\$110,000 - \$125,000	\$112,000 - \$127,000	\$114,000 - \$129,000
Married filing jointly	\$173,000 - \$183,000	\$178,000 - \$188,000	\$181,000 - \$191,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000
* Annual income limit for determining ability to convert traditional IRA to Roth IRA	N/A	N/A	N/A

¹ Must aggregate employee contributions to all 401(k), 403(b), SAR-SEP, and SIMPLE plans of all employers. Contributions to 457(b) plans are not aggregated. For SAR-SEPs, the percentage limit is 25% of compensation reduced by elective deferrals (effectively, a 20% maximum contribution).

² Special catch-up limits may also apply to 403(b) and 457(b) plan participants.

³ Note: For self-employed individuals, compensation generally means earned income. This means that, for qualified plans, deductible contributions for a self-employed individual are limited to 20% of net earnings from self-employment (net profits minus self-employment tax deduction), and special rules apply in calculating the annual additions limit.



Government Benefits	2012	2013	2014
Social Security			
Social Security cost-of-living adjustment (COLA)			
* For Social Security and Supplemental Security Income (SSI) beneficiaries	3.60%	1.70%	1.50%
Tax rate			
* FICA tax -- Employee	5.65% ¹	7.65%	7.65%
Social Security (OASDI) portion of tax	4.20% ¹	6.20%	6.20%
Medicare (HI) portion of tax	1.45%	1.45% ²	1.45% ²
* Self-employed	13.30% ¹	15.30%	15.30%
Social Security (OASDI) portion of tax	10.40% ¹	12.40%	12.40%
Medicare (HI) portion of tax	2.90%	2.90% ²	2.90% ²
Maximum taxable earnings			
* Social Security (OASDI only)	\$110,100	\$113,700	\$117,000
* Medicare (HI only)	No limit	No limit	No limit
Quarter of coverage			
* Earnings required	\$1,130	\$1,160	\$1,200
Retirement earnings test--exempt amounts			
* Under full retirement age			
Benefits reduced by \$1 for each \$2 earned above:			
Yearly figure	\$14,640	\$15,120	\$15,480
Monthly figure	\$1,220	\$1,260	\$1,290
* Year individual reaches full retirement age			
Benefits reduced by \$1 for each \$3 earned above (applies only to earnings for months prior to attaining full retirement age):			
Yearly figure	\$38,880	\$40,080	\$41,400
Monthly figure	\$3,240	\$3,340	\$3,450
* Beginning the month individual attains full retirement age	No limit on earnings	No limit on earnings	No limit on earnings
Social Security disability thresholds			
* Substantial gainful activity (SGA) for the sighted (monthly figure)	\$1,010	\$1,040	\$1,070
* Substantial gainful activity for the blind (monthly figure)	\$1,690	\$1,740	\$1,800
* Trial work period (TWP) (monthly figure)	\$720	\$750	\$770
SSI federal payment standard			
* Individual (monthly figure)	\$698	\$710	\$721
* Couple (monthly figure)	\$1,048	\$1,066	\$1,082
SSI resource limits			
* Individual	\$2,000	\$2,000	\$2,000
* Couple	\$3,000	\$3,000	\$3,000
SSI student exclusion limits			
* Monthly limit	\$1,700	\$1,730	\$1,750
* Annual limit	\$6,840	\$6,960	\$7,060
Maximum Social Security benefit			
* Worker retiring at full retirement age (monthly figure)	\$2,513	\$2,533	\$2,642
Formula for monthly Primary Insurance Amount (PIA) (90% of first X of AIME + 32% of the AIME over X and through Y + 15% of AIME over Y)	X=\$767 Y=\$4,624	X=\$791 Y=\$4,768	X=\$816 Y=\$4,917

Government Benefits	2012	2013	2014
Medicare			
Medicare monthly premium amounts			
* Part A (hospital insurance) monthly premium			
Individuals with 40 or more quarters of Medicare-covered employment	\$0	\$0	\$0
Individuals with less than 40 quarters of Medicare-covered employment who are not otherwise eligible for premium-free hospital insurance	Up to \$451	Up to \$441	Up to \$426
* Part B (medical insurance) monthly premium			
For beneficiaries who file an individual income tax return with income that is:			
Less than or equal to \$85,000	\$99.90	\$104.90	\$104.90
\$85,001 - \$107,000	\$139.90	\$146.90	\$146.90
\$107,001 - \$160,000	\$199.80	\$209.80	\$209.80
\$160,001 - \$214,000	\$259.70	\$272.70	\$272.70
Greater than \$214,000	\$319.70	\$335.70	\$335.70
For beneficiaries who file a joint income tax return with income that is:			
Less than or equal to \$170,000	\$99.90	\$104.90	\$104.90
\$170,001 - \$214,000	\$139.90	\$146.90	\$146.90
\$214,001 - \$320,000	\$199.80	\$209.80	\$209.80
\$320,001 - \$428,000	\$259.70	\$272.70	\$272.70
Greater than \$428,000	\$319.70	\$335.70	\$335.70
For beneficiaries who are married, but file a separate tax return from their spouse and lived with spouse at some time during the taxable year with income that is:			
Less than or equal to \$85,000	\$99.90	\$104.90	\$104.90
\$85,001 - \$129,000	\$259.70	\$272.70	\$272.70
Greater than \$129,000	\$319.70	\$335.70	\$335.70
Original Medicare plan deductible and coinsurance amounts			
* Part A (hospital insurance)			
Deductible per benefit period	\$1,156	\$1,184	\$1,216
Coinsurance per day for 61st to 90th day of each benefit period	\$289	\$296	\$304
Coinsurance per day for 91st to 150th day for each lifetime reserve day (total of 60 lifetime reserve days--nonrenewable)	\$578	\$592	\$608
* Skilled nursing facility coinsurance per day for 21st to 100th day of each benefit period	\$144.50	\$148.00	\$152.00
* Part B (medical insurance) annual deductible			
Individual pays 20% of the Medicare-approved amount for services after deductible is met	\$140	\$147	\$147

Government Benefits	2012	2013	2014
Medicaid			
Monthly income threshold for income-cap states ("300 percent cap limit")	\$2,094	\$2,130	\$2,163
Monthly maintenance needs allowance for at-home spouse			
* Minimum ³	\$1,838.75	\$1,891.25	\$1,938.75
* Maximum	\$2,841	\$2,898	Not yet available
Spousal resource allowance			
* Minimum	\$22,728	\$23,184	
* Maximum	\$113,640	\$115,920	

¹ The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 included a 2% reduction in the Social Security (OASDI) portion of FICA tax for 2011. The Temporary Payroll Tax Cut Continuation Act of 2011 and the Middle Class Tax Relief and Job Creation Act of 2012 extended the 2% reduction to the end of 2012.

² An additional 0.9% Medicare/hospital insurance tax (for a total employee contribution of 2.35%) is assessed on wages exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns). An additional 0.9% Medicare/hospital insurance tax (for a total Medicare portion of 3.8%) is assessed on self-employment income exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns).

³ Amounts listed actually effective as of July of prior year; different amounts apply to Alaska and Hawaii.



Business Planning	2012	2013	2014
Adoption assistance programs			
*Maximum amount that can be excluded from employee's gross income	\$12,650	\$12,970	\$13,190
Phaseout threshold amount	\$189,710	\$194,580	\$197,880
Completed phaseout amount after	\$229,710	\$234,580	\$237,880
Earnings subject to FICA taxes (taxable wage base):			
*Maximum annual earnings subject to Social Security taxes	\$110,100	\$113,700	\$117,000
*Social Security and Medicare combined tax rate	13.30% ¹	15.30% ²	15.30% ²
OASDI portion (Social Security)	10.40% ¹	12.40%	12.40%
Hospital Insurance portion (Medicare)	2.90%	2.90% ²	2.90% ²
Health insurance deduction for self-employed:			
*Deduction for health insurance premiums paid by self-employed persons	100%	100%	100%
Qualified transportation fringe benefits:			
*Commuter vehicles and transit pass monthly exclusion amount	\$240	\$245	\$130
*Qualified parking monthly exclusion amount	\$240	\$245	\$250
*Qualified bicycle commuting reimbursement fringe benefit (monthly amount)	\$20	\$20	\$20
Section 179 expensing			
*Maximum amount that may be deducted under Section 179	\$500,000	\$500,000	\$25,000
*Deduction reduced by the amount by which the cost of Section 179 property placed in service during the year exceeds this amount	\$2,000,000	\$2,000,000	\$200,000
Small business tax credit for providing health-care coverage			
*Maximum credit percentage	35%	35%	50%
*Partial credit			
Number of full-time equivalent employees (FTEs) fewer than:	25	25	25
Maximum annual average wages less than:	\$50,000	\$50,000	\$50,800
*Full credit			
Number of full-time equivalent employees (FTEs) no more than:	10	10	10
Maximum annual average wages less than or equal to:	\$25,000	\$25,000	\$25,400
Special additional first-year depreciation allowance			
**"Bonus" depreciation for qualified property acquired and placed in service during specified time periods	50%	50%	N/A
Standard mileage rate (per mile):			
*Use of auto for business purposes	\$0.555	\$0.565	Not yet available
Tax on accumulated earnings and personal holding company income			
	15%	20%	20%

¹ The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 included a 2% reduction in the Social Security (OASDI) portion of FICA tax for 2011. The Temporary Payroll Tax Cut Continuation Act of 2011 and the Middle Class Tax Relief and Job Creation Act of 2012 extended the 2% reduction to the end of 2012.

² In 2013, an additional Medicare (HI) employee contribution rate of 0.9% (for a total HI employee contribution of 2.35%, and a total combined Medicare contribution rate of 3.8%) is assessed on wages exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns). For married individuals filing joint returns, the additional 0.9% tax applies to the couples combined wages (to the extent the combined wages



Estate Planning	2012	2013	2014
Annual gift exclusion:	\$13,000	\$14,000	\$14,000
Gift and estate tax basic exclusion amount:	\$5,120,000 + DSUEA ¹	\$5,250,000 + DSUEA ¹	\$5,340,000 + DSUEA ¹
Noncitizen spouse annual gift tax exclusion:	\$139,000	\$143,000	\$145,000
Generation-skipping transfer (GST) tax exemption:	\$5,120,000 ²	\$5,250,000 ²	\$5,340,000 ²
Special use valuation limit (qualified real property in decedent's gross estate):	\$1,040,000	\$1,070,000	\$1,090,000

¹ Basic exclusion amount plus deceased spousal unused exclusion amount (exclusion is portable for 2011 and later years)

² The GST tax exemption is not portable

2013 and 2014 Gift and Estate Tax Rate Schedule	Tentative Tax Equals		
Taxable Gift/Estate	Base Tax	Plus	Of Amount Over
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 +	\$345,800	40%	\$1,000,000
Credit shelter amount \$5,250,000 in 2013, \$5,340,000 in 2014	Unified credit amount \$2,045,800 in 2013, in 2014		\$2,081,800

2011 and 2012 Gift and Estate Tax Rate Schedule	Tentative Tax Equals		
Taxable Gift/Estate	Base Tax	Plus	Of Amount Over
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 +	\$155,800	35%	\$500,000
Credit shelter amount \$5,000,000 in 2011, \$5,120,000 in 2012	Unified credit amount \$1,730,800 in 2011, \$1,772,800 in 2012		



Protection Planning	2012	2013	2014
Eligible long-term care premium deduction limits:			
*Age 40 or under	\$350	\$360	\$370
*Age 41-50	\$660	\$680	\$700
*Age 51-60	\$1,310	\$1,360	\$1,400
*Age 61-70	\$3,500	\$3,640	\$3,720
*Over age 70	\$4,370	\$4,550	\$4,660
Per diem limit: periodic payments for qualified long-term care insurance/certain life insurance	\$310	\$320	\$330
Archer medical savings accounts			
*High deductible health plan--self-only coverage			
Annual deductible--minimum	\$2,100	\$2,150	\$2,200
Annual deductible--maximum	\$3,150	\$3,200	\$3,250
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$4,200	\$4,300	\$4,350
*High deductible health plan--family coverage			
Annual deductible--minimum	\$4,200	\$4,300	\$4,350
Annual deductible--maximum	\$6,300	\$6,450	\$6,550
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$7,650	\$7,850	\$8,000
Flexible spending account (FSA) for health care--maximum salary reduction contribution	N/A	\$2,500	\$2,500
Health savings accounts (HSAs)			
*Annual contribution limit			
Self-only coverage	\$3,100	\$3,250	\$3,300
Family coverage	\$6,250	\$6,450	\$6,550
*High deductible health plan--self-only coverage			
Annual deductible--minimum	\$1,200	\$1,250	\$1,250
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$6,050	\$6,250	\$6,350
*High deductible health plan--family coverage			
Annual deductible--minimum	\$2,400	\$2,500	\$2,500
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$12,100	\$12,500	\$12,700
*Annual catch-up contribution limit for individuals age 55 or older	\$1,000	\$1,000	\$1,000

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