

2010 Annual Limits Relating to Financial Planning



Traditional and Roth IRAs

Traditional and Roth IRA Contribution Limits	\$5,000
Traditional and Roth IRA Catch-up Contributions	\$1,000
IRA Deduction Phase-out for Active Participants	
Single	\$56,000 - \$66,000
Married Filing Jointly	\$89,000 - \$109,000
IRA Deduction Phase-out for Spousal Contributions	
Married Filing Jointly	\$167,000 - \$177,000
Roth IRA Contribution Phase-out (NOTE: ROTH Conversion Income Eligibility for 2010 is ELIMINATED)	
Single	\$105,000 - \$120,000
Married Filing Jointly	\$167,000 - \$177,000
Married Filing Separately	\$0 - \$10,000

Employer Retirement Plans

Elective deferrals for 401(k), 403(b), 457 and SAR-SEPs	\$16,500
401(k), 403(b), 457 and SAR-SEP Catch-Up Contribution	\$5,500
403 (b) TSA Catch-up 15 or more years of service with current employer	\$3,000
Defined Contribution Plan Limit	\$49,000
SEP IRA Contribution	\$49,000 up to 25%
Maximum Annual Defined Benefit Limit	\$195,000
SIMPLE IRA and SIMPLE 401 (k) Contribution	\$11,500
SIMPLE IRA and SIMPLE 401 (k) Catch-Up Contribution	\$2,500
SIMPLE IRA Maximum Contribution (Maximum Earnings \$383,333 or \$466,666 if over age 50)	\$23,000 (\$28,000 w/catch-up)
Maximum Includable Compensation	\$245,000
Highly Compensated Employee	\$110,000
Key Employee	> \$160,000
SEP Minimum Earnings Limit	\$550
IRS Mileage Rate (Business / Medical, Moving / Charitable purpose)	\$.50 / \$.165 / \$.14 per mile
Savers Credit (MAGI) [Maximum Credit is \$2,000]	
Joint (\$55,500)	\$0 - \$33.5K 50% Phase out 20%, 10%
Single (\$27,750)	\$0 - \$16.75K 50% Phase out 20%, 10%

Education Funding Incentives

Coverdell Education Savings Account Annual Contribution Limit (Per Beneficiary)	\$2,000
Single	\$95,000 - \$110,000
Married filing jointly	\$190,000 - \$220,000
Phase outs of American Opportunity Tax Credit (Max. Credit \$2,500/student for 4 years)	
Single	\$80,000 - \$90,000
Married filing jointly	\$160,000 - \$180,000
Phase out of exclusion for EE bonds (MAGI)	
Single	\$70,100 - \$85,100
Married filing jointly	\$105,000 - \$135,100
Phase outs of Lifetime Learning Tax Credits	
Max. Credit \$2,000/return (Cannot take both credits in same year)	
Single	\$50,000 - \$60,000
Married filing jointly	\$120,000-\$160,000
Phase outs of Deductibility of Student Loan Interest (Maximum \$2,500)	
Others	\$60,000 - \$75,000
Married filing jointly	\$120,000 - \$150,000

*Compliments of your Financial Advisors – Joseph Grella CFP® and William D’Annibale
For Information Purposes Only, seek tax advice from an independent tax advisor*

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Federal Estate and Gift Taxes

Annual Gift Tax Exclusion	\$13,000
Estate Tax Exclusion and Generation-Skipping Tax Exclusion	\$0 and GST Repealed
Federal Gift Tax Exclusion	\$1,000,000
Top Estate, Gift and GST Tax Rate	35% (Estate & Trusts Bene. 35%)

Federal Income Taxes

Personal exemption	\$3,650
Phase out of personal exemption	
Single	No phaseout
Married filing jointly	No phaseout
Married filing separately	No phaseout
Standard Deduction	
Single or Married filing separately	\$5,700
Married filing jointly	\$11,400
Head of Household	\$8,400
Elderly or blind additional deduction	
Single	\$1,400
Married filing jointly	\$1,100
Phase out of Itemized Deductions (Single/MFJ)	No phaseout
Kiddie Tax Standard Deduction (Under Age 19 or 24 if a full time student)	\$950
Capital Gains Tax	
10% and 15% Brackets	STG Ordinary Rate, LTG 0%
All Other Brackets	STG Ordinary Rate, LTG 15%
AMT Exemption	
Married Filing Jointly	\$70,950 Exemption
Single	\$46,700 Exemption

Social Security

Taxable Wage Base	\$106,800
Social Security Tax Rate (Combine)	
Old-Age, Survivors and Disability Insurance	12.40%
Hospital Insurance	2.90%
Earnings limitations for Social Security Benefits	
Before Normal Retirement Age (\$1 in benefits withheld for every \$2 in earnings over limit)	\$14,160 (\$1,180/mn)
The Year the Individual Reaches Full Retirement Age (\$1 for every \$3 over limit)	\$37,680 (\$3,140/mn)
Cost of Living Adjustment	0.0%
Quarter of Coverage	\$1,120
Maximum benefit retiring at age 66	\$2,346/month

Long Term Care Insurance & Health Savings Account (HSA)

Per Diem Daily Limit	\$290
Premium as a deductible medical expense limitation (Per person)	
Age 40 or under	\$330
Age 41 - 50	\$620
Age 51 - 60	\$1,230
Age 61 - 70	\$3,290
Age 71 or older	\$4,110
HSA Contribution Maximum (Age 55 to 64 there is a catch-up of \$1000)	\$3,050 (Single) \$6,150 (Family)

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