

2010—2011 Tax Pocket Guide

INDIVIDUAL RETIREMENT ACCOUNTS

DEDUCTIBLE IRAs

	2010	2011
Maximum contribution:		
Age 49 and younger	\$5,000	\$5,000
Age 50 and older	\$6,000	\$6,000

Active participants in employer pension and 401(k) plans are subject to phase-out limits.

ROTH IRAs

- * Nondeductible contribution up to \$5,000
- * \$6,000 for age 50 and older

2010 AGI phase-outs:		
Joint filers	\$167,000 - \$176,999	
Individual filers	\$105,000 - \$119,999	
2011 AGI phase-outs:		
Joint filers	\$169,000 - \$178,999	
Individual filers	\$107,000 - \$119,999	

*Qualified distributions are tax-free.

SOCIAL SECURITY TAXES

EMPLOYEE	TAX RATE	WAGE BASE 2010	WAGE BASE 2011
FICA	6.20%	\$106,800	N/A
FICA	4.20%	N/A	\$106,800
Medicare	1.45%	No Limit	No Limit
	5.65%		
EMPLOYER			
FICA	6.20%	\$106,800	\$106,800
Medicare	1.45%	No Limit	No Limit
	7.65%		
SELF-EMPLOYED			
FICA	12.40%	\$106,800	N/A
FICA	10.40%	N/A	\$106,800
Medicare	2.90%	No Limit	No Limit
	13.30%		

SOCIAL SECURITY BENEFITS

MAXIMUM ANNUAL EARNED INCOME LIMIT

	2010	2011
Under full retirement age* (65 years old)	\$37,680	\$37,680

*For 2011, \$1 in benefits will be withheld for every \$2 above an exempted annual earnings amount of \$14,160 for retirees, under full retirement age, who work.

BUSINESS RATES & LIMITATIONS

STANDARD MILEAGE RATES (rate per mile)

Use	2010 (c)	2011 (c)
Business	50	51
Charitable	14	14
Medical	16.5	19
Moving	16.5	19

SECTION 179 EXPENSE

Year	Maximum Section 179 Expense*
2010	\$500,000
2011	\$500,000

* Maximum expense election phase-out applies to asset purchases in excess of \$2,000,000 (see vehicle limitations below).

LIMITS FOR PASSENGER VEHICLES

For passenger vehicles, trucks and vans that are used more than 50% in a qualified business use, the maximum depreciation deduction, including both the Section 179 expense deduction as well as bonus depreciation, is limited to \$11,060 for cars and \$11,160 for trucks and vans.

LIMITS FOR HEAVY SUVs, TRUCKS AND VANS

Certain vehicles, with a gross vehicle weight rating above 6,000 lbs but no more than 14,000 lbs, qualify for Section 179 expensing up to \$25,000 if the vehicle is placed in service prior to December 31st.

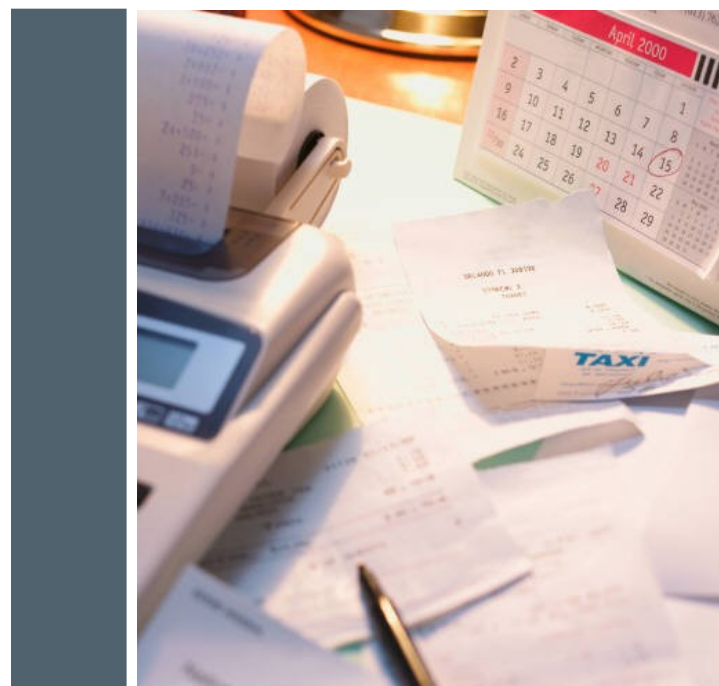
RETIREMENT PLANS

MAXIMUM CONTRIBUTIONS TO PENSION PLANS

The maximum employee contribution into 401(k), 403(b), and 457(b) plans is as follows:

Year	Maximum Employee Contribution if Under Age 50	Maximum Employee Catch-up Contribution if Age 50 or Older
2010	\$16,500	\$5,500
2011	\$16,500	\$5,500

Disclaimer: Many of the amounts used in this guide are adjusted annually for inflation and/or tax law changes. As we go to press, this is the most current information available. We suggest you talk to a tax professional regarding your own situation.



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2011 INDIVIDUAL TAX RATE SCHEDULE

FILING STATUS:	If taxable income is between:	Your tax is:	Of amount over:
SINGLE	\$0 - 8,500 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 above	110,016.50 + 35%	379,150
MARRIED, FILING JOINTLY, SURVIVING SPOUSE	\$0 - 17,000 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 above	102,574 + 35%	379,150

2010 INDIVIDUAL TAX RATE SCHEDULE

FILING STATUS:	If taxable income is between:	Your tax is:	Of amount over:
SINGLE	\$0 - 8,375 10%	\$ 0
	\$8,375 - 34,000	837.50 + 15%	8,375
	\$34,000 - 82,400	4,681.25 + 25%	34,000
	\$82,400 - 171,850	16,781.25 + 28%	82,400
	\$171,850 - 373,650	41,827.25 + 33%	171,850
	\$373,650 and above	108,421.25 + 35%	373,650
MARRIED, FILING JOINTLY, SURVIVING SPOUSE	\$0 - 16,750 10%	\$ 0
	\$16,750 - 68,000	1,675 + 15%	16,750
	\$68,000 - 137,300	9,362.50 + 25%	68,000
	\$137,300 - 209,250	26,687.50 + 28%	137,300
	\$209,250 - 373,650	46,833.50 + 33%	209,250
	\$373,650 and above	101,085.50 + 35%	373,650

STANDARD DEDUCTIONS

	2010	2011
Joint return/surviving spouse	\$11,400	\$11,600
Single/MFS	5,700	5,800
Head of household	8,400	8,500
Additional amount for 65 or older or blind: Married filing jointly	1,100	1,150
Additional amount for 65 or older or blind: Single/head of household/surviving spouse/MFS	1,400	1,450

INDIVIDUAL ESTIMATED TAX PAYMENTS

To avoid possible underpayment penalties, you are generally required to pay through withholding or quarterly estimated tax payments the lesser of:

- 100% of prior year tax liability,* or;
- 90% of the current year tax liability

*For individuals whose adjusted gross income for the preceding year is more than \$150,000, the required percentage of the prior year tax liability is 110%.

Estimated tax payments for individuals and trusts for 2011 are due by:

April 18, 2011 September 15, 2011
June 15, 2011 January 16, 2012

DIVIDENDS

Dividends received by non-corporate taxpayers from certain qualified corporations are taxed at a maximum tax rate of 15% for investors in the top four brackets. Investors whose income is in the bottom two brackets, 10% and 15%, will pay 0% tax on dividends from 2008 through 2012. When these tax cuts expire at the end of 2012, all dividends will be taxed as ordinary income at tax rates as high as 39.6%.

LONG TERM CAPITAL GAINS

The tax rate on capital gains for assets held more than one year is 15% for taxpayers in the top four brackets and 0% for those in the lowest tax brackets.

Ordinary Income Tax Bracket	Long Term Capital Gain Rate for 2010 and 2011
10%	0%
15%	0%
25, 28, 33, and 35%	15%

GAIN ON THE SALE OF PRINCIPAL RESIDENCE

Tax-free gain of up to \$500,000 for joint filers and \$250,000 for single and married filing separate status.

- Must have owned and used the home as principal residence for two of the previous five years.
- Other limitations may apply.

PERSONAL EXEMPTIONS

	2010	2011
Deduction for each taxpayer, spouse, and dependent	\$3,650	\$3,700

CORPORATE INCOME TAX RATES 2010-2011

TAXABLE INCOME	RATE (%)
\$0 - 50,000	15
\$50,001 - 75,000	25
\$75,001 - 100,000	34
\$100,001 - 335,000	39*
\$335,001 - 10,000,000	34
\$10,000,001 - 15,000,000	35
\$15,000,001 - 18,333,333	38
\$18,333,334 - and up	35

*Reflects a 5% surtax which phases out the benefit of the 15% and 25% rates.

** Personal service corporations have a flat 35% tax rate.

ESTATE AND GIFT TAXES

YEAR	ESTATE TAX EXEMPTION	GIFT TAX EXEMPTION	MAXIMUM TAX RATE	ESTATE BASIS STEP-UP
2010 (Opt 1)	N/A	\$1,000,000	35%*	Modified
2010 (Opt 2)	\$5,000,000	\$1,000,000	35%	Yes
2011	\$5,000,000	\$5,000,000	35%	Yes
2012	\$5,000,000	\$5,000,000	35%	Yes
2013	\$1,000,000	\$1,000,000	55%	Yes

*Gift tax is 35%, Estate tax is 0%.

ANNUAL GIFT TAX EXCLUSION

	2010	2011
Gifts per donee	\$13,000	\$13,000
Joint gifts by spouses	\$26,000	\$26,000

ALTERNATIVE MINIMUM TAX

AMT rates for individuals, estates, and trusts (on taxable excess - i.e., alternative minimum taxable income less exemption amount):*

- 26% of taxable excess that does not exceed \$175,000 (\$87,500 for married filing separately)
- 28% of taxable excess that exceeds \$175,000 (\$87,500 for married filing separately)

*Tax rate on net long-term capital gain and qualified dividends is the same as for regular tax.