

FASTTAXFACTS2010

The online version of Fast Tax Facts will be updated for tax law changes. Check it out at www.calcpa.org/fasttaxfacts.

special thanks to: Rebecca Christiansen, CPA and Brooke Sigler of Windes & McClaughry Accountancy Corporation, and the FTB for compiling this information.

Welcome to our annual at-a-glance compilation of federal and state tax information. User-friendly tax rate schedules, facts, figures and assorted data make this time-saving section a handy companion. Keep it within arm's reach as you enter the upcoming busy season.

2010 TAX DATA SCHEDULE

	2010 Federal	2010 California		2010 Federal	2010 California
Standard Deductions			IRC Section 179 Deduction	\$500,000	\$25,000
Single	\$ 5,700	\$3,670	Sec. 179 Purchase Phaseout	\$2,000,000	\$200,000
Married Filing Jointly, Surviving Spouse	11,400	7,340	Sec. 179 Deduction Allowed on Qualified Real Property	\$250,000	N/A
Married Filing Separately	5,700	3,670			
Head of Household	8,400	7,340	Beginning of Personal Exemption Phaseout Range—Based on Federal AGI		
Additional for Age 65 and Older or Blind—Married	1,100		Single	none	\$162,186
Additional for Age 65 and Older or Blind—Unmarried (per individual for each situation, age or blind)	1,400		Married Filing Jointly, Surviving Spouse	none	324,376
Taxpayer Claimed as a Dependent	950	950	Married Filing Separately	none	162,186
			Head of Household	none	243,283
Personal or Dependent Exemption (Social Security Number required)	3,650		Beginning of Itemized Deduction Phaseout Range—Based on Federal AGI		
			Single	none	\$162,186
California Exemption Credits			Married Filing Jointly, Surviving Spouse	none	324,376
Single, Married Filing Separately, Head of Household		\$ 99	Married Filing Separately	none	162,186
Married Filing Jointly, Surviving Spouse		198	Head of Household	none	243,283
Dependent		99	Rate Reduced over federal AGI limits	N/A	6%
Blind or Age 65 and Older		99	Schedule A Medical Deduction		
Senior Head of Household Credit			Based on federal AGI	7.5%	7.5%
2% of California taxable income, maximum California AGI of \$63,440 with maximum credit of		\$1,196	Schedule A Miscellaneous Deduction		
Joint Custody Head of Household Credit and Dependent Parent Credit			Based on federal AGI	2%	2%
Each is 30% of net tax with maximum credit of		\$390	Alternative Minimum Tax (AMT) Rate		
Child and Dependent Care Credit			AMTI Less Exemption up to \$175,000	26%	
Percentage of federal credit for California AGI limits			AMTI Less Exemption over \$175,000 (\$87,500 if Married Filing Separately)	28%	
\$0–40,000		50%	AMTI Less Exemption		7.25%
40,001–70,000		43%	AMT Exemption Amounts		
70,001–100,000		34%	Married Filing Jointly, Surviving Spouse	\$45,000	\$79,526
100,001 or more		0%	Single, Head of Household	33,750	59,646
California Renter's Credit			Married Filing Separately	22,500	39,762
Married Filing Jointly, Head of Household, Surviving Spouse if AGI is below \$68,824		\$120	Estate or Trust	22,500	39,762
Single or Married Filing Separately if AGI is below \$34,412		60	AMT Exemption Phaseout Amounts		
			Married Filing Jointly, Surviving Spouse	\$150,000	\$298,224
			Single, Head of Household	112,500	223,669
			Married Filing Separately, Estate or Trust	75,000	149,111
			Self-Employed Health Insurance Premiums		
			Adjustment for AGI, percentage of total qualifying health insurance premiums	100%	100%

2010 TAX DATA SCHEDULE

	2010 Federal	2010 California
Auto Standard Mileage Allowances		
Business	.50	.50
Charity work—general	.14	.14
Medical or moving	.165	.165

U.S. Savings Bond Interest Exclusion Phaseout Based on Modified AGI

Joint Return, Surviving Spouse	\$105,100–135,100
All Other	70,100–85,100

California SDI

Federal tax deduction*	
Annual wage limit	\$93,316
Rate	1.10%
Tax	1,026.48

*Amounts paid to a voluntary program in lieu of the state programs are not deductible, but may be a credit on California return.

2010 FEDERAL TAX RATE SCHEDULE

Taxable Income	But Not Over	Pay	+	Of The Amount Over
\$0	\$8,375	\$0	10%	\$0
8,375	34,000	837.00	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 more	108,421.25	35%	373,650

Head of Household

\$0	\$11,950	\$0	10%	\$0
11,950	45,550	1,195.00	15%	11,950
45,550	117,650	6,235.00	25%	45,550
117,650	190,550	24,260.00	28%	117,650
190,550	373,650	44,672.00	33%	190,550
373,650	and more	105,095.00	35%	373,650

Married Filing Jointly or Qualifying widow(er)

\$0	\$16,750	\$0	10%	\$0
16,750	68,000	1,675.00	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 more	101,085.50	35%	373,650

Married Filing Separately

\$0	\$8,375	\$0	10%	\$0
8,375	34,000	837.50	15%	8,375
34,000	68,650	4,681.25	25%	34,000
68,650	104,625	13,343.75	28%	68,650
104,625	186,825	23,416.75	33%	104,625
186,825	and more	50,542.75	35%	186,825

Estate or Nongrantor Trust

\$0	\$2,300	\$0	15%	\$0
2,300	5,350	345.00	25%	2,300
5,350	8,200	1,107.50	28%	5,350
8,200	11,200	1,905.50	33%	8,200
11,200	and more	2,895.50	35%	11,200

2010 STATE TAX RATE SCHEDULE

Single, Married Filing Separately, Fiduciary Return

\$0	\$7,124	\$0	1.25%	\$0
7,124	16,890	89.05	2.25%	7,125
16,890	26,657	308.79	4.25%	16,890
26,657	37,005	723.89	6.25%	26,657
37,005	46,766	1,370.64	8.25%	37,005
46,766	and more	2,175.92	9.55%	46,766

An additional 1% surcharge applies to taxable income in excess of \$1 million.

Married Filing Jointly or Qualifying Widow(er)

\$0	\$14,248	\$0	1.25%	\$0
14,248	33,780	178.10	2.25%	14,248
33,780	53,314	617.57	4.25%	33,780
53,314	74,010	1,447.77	6.25%	53,314
74,010	93,532	2,741.27	8.25%	74,010
93,532	and more	4,351.84	9.55%	93,532

An additional 1% surcharge applies to taxable income in excess of \$1 million.

Head of Household

\$0	\$14,257	\$0	1.25%	\$0
14,257	33,780	178.21	2.25%	14,257
33,780	43,545	617.48	4.25%	33,780
43,545	53,893	1,032.49	6.25%	43,545
53,893	63,657	1,679.24	8.25%	53,893
63,657	and more	2,484.77	9.55%	63,657

An additional 1% surcharge applies to taxable income in excess of \$1 million.

LUXURY AUTO LIMIT

Taxpayer leasing so-called "luxury" autos needs to add back an amount to income to offset the full deduction of the lease payments.

Year	First	Second	Third	Thereafter
2010 (Passenger Autos)	3,060	4,900	2,950	1,775
2010 (Trucks & Vans)	3,160	5,100	3,050	1,875

SOCIAL SECURITY AND MEDICARE TAXES

	2009	2010
Social Security Tax		
Maximum wage base	\$106,800	\$106,800
Social Security rate—employee	6.2%	6.2%
Social Security rate—self-employed	12.4%	12.4%

Medicare Tax

Maximum wage base	Unlimited	Unlimited
Medicare rate—employee	1.45%	1.45%
Medicare rate—self-employed	2.9%	2.9%

Earned Income Ceilings for Social Security Benefits

Under full retirement age	\$14,160	\$14,160
Full retirement age	Unlimited	Unlimited
Monthly Medicare Part B Premium	\$96.40	\$110.50

RETIREMENT PLAN LIMITATIONS

	2009	2010
Maximum 401(k) or 403(b) Deferral	\$16,500	\$16,500
Maximum Defined Contribution Plan Contribution	49,000	49,000
Maximum Annual Benefit for Defined Benefit Plans	195,000	195,000
Annual Compensation Limit for Computing Plan Benefits	245,000	245,000
Annual Compensation Limit for the Definition of Highly Compensated Employee IRC Section 414(q)	110,000	110,000
Compensation Minimum for SEP plan	550	550
Maximum Contribution for SIMPLE plan	11,500	11,500
Catch-up Contribution for 401(k) or 403(b) for taxpayers age 50 and older	5,500	5,500
Catch-up Contribution for SIMPLE for taxpayers age 50 and older	2,500	2,500
Key Employee for Top Heavy Purposes:		
• Officers Earning Over	\$160,000	\$160,000
• A 5-percent Owner or a 1-percent Owner Earning Over	150,000	150,000

TRADITIONAL AND ROTH IRAs

	2009	2010
Contribution Limit	\$5,000	\$5,000
Catch-up Contribution age 50 and older	1,000	1,000

IRA Deduction Phaseout for Active Participants

Single	\$55,000–65,000	\$56,000–66,000
Married Filing Jointly	89,000–109,000	89,000–109,000
Married Filing Separately	0–10,000	0–10,000

IRA Deduction Phaseout for Spousal Contributions

Married Filing Jointly	166,000–176,000	167,000–177,000
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Roth IRA Contribution Phaseout

Single	\$105,000–120,000	105,000–120,000
Married Filing Jointly	166,000–176,000	167,000–177,000
Married Filing Separately	0–10,000	0–10,000

Roth IRA Conversion Phaseout

Single	\$100,000	no AGI Limit
Married Filing Jointly	100,000	no AGI Limit
Married Filing Separately	Ineligible	no AGI Limit

IRA & PENSION CREDIT

Tax Credit Rate applied to maximum contribution of \$2,000 Based on AGI for various pension/IRA plans

Joint Filers	Heads of Household	All Other Filers	Credit Rate
\$0–33,500	\$0–25,125	\$0–16,750	50%
33,501–36,000	25,126–27,000	16,751–18,000	20%
36,001–55,500	27,001–41,625	18,001–27,750	10%
Over 55,500	Over 41,625	Over 27,750	0%

ESTATE AND GIFT TAX

Phaseout and Repeal of Estate and Generation-Skipping Transfer Taxes

Calendar Year	Estate/GST tax transfer exemption	Highest estate and gift tax rate
2010	Not applicable, taxes repealed	35%
2011	1 million	39.6%

Gift tax:

Annual Gift Limitation of \$13,000 for 2009.

Lifetime Exemption of \$1 million after Dec. 31, 2001.

EDUCATION-RELATED TAX BENEFITS

Coverdell Educational Savings Accounts

Annual Contribution Limit	\$2,000
Contribution Phaseout based on modified AGI	
Single	\$95,000–110,000
Married Filing Jointly	190,000–220,000

Student Loan Interest Deduction

Maximum interest deduction	\$2,500
Deduction phaseout based on modified AGI	
Single	\$60,000–75,000
Married Filing Jointly	120,000–150,000

IMPORTANT PHONE NUMBERS

Tax Practitioner Hotlines

IRS Priority Service: (866) 860-4259

FTB: (916) 845-7057

FTB Fax: (916) 845-9300

FTB E-file: (916) 845-0353

EDD: (888) 745-3886

BOE: (800) 401-3661

Application for Taxpayer ID Number

Federal Form SS-4: (800) 829-4933

Federal Form SS-4 Fax: (859) 669-5760

Federal Online: www.irs.gov

EDD Form DE 1: (916) 654-8706

EDD Form DE 1: Fax (916) 654-9211

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