

Estate Tax Rates

Year	Estate Exemption	% on Excess Over Base
2009	\$3,500,000	45%
2010	One year repeal	
2011	\$1,000,000	55%

Gift Tax

	2009	2010
Gifts per person	\$ 13,000	\$ 13,000
Joint gifts by spouses	\$ 26,000	\$ 26,000
Gift Exemption	\$1,000,000	\$1,000,000
Tax Rate on Taxable Gifts up to	45%	35%

Health Savings Accounts

	2009	2009	2010	2010
	Single	Family	Single	Family
Max Deduct./Contribution	\$3,000	\$5,950	\$3,050	\$6,150
Minimum Deduct./Contribution	\$1,150	\$2,300	\$1,200	\$2,400
Age 55-64 Catch-Up	\$ 1,000		\$1,000	

Tax Credits

	2009	2010
Child Tax Credit	\$1,000/child	\$1,000/child
under age 17, subject to phaseouts above \$110,000 (married & joint) and above \$75,000 (single)		
The American Opportunity Credit*	\$2,500	\$2,500
(formerly known as the Hope Credit)		
The Lifetime Learning Credit**	\$2,000	\$2,000
for each additional year of post-secondary education		

*subject to phaseouts between \$160,000-\$180,000 (married & joint) and \$80,000-\$90,000 (single).

** subject to phaseouts between \$100,000-\$120,000 (married & joint) and \$50,000-\$60,000 (single).

Equipment Depreciation

SECTION 179

	2009	2010
Maximum Deduction is	\$250,000	\$134,000

Retirement Plan Contribution Limits

INDIVIDUAL & EMPLOYER PLAN LIMITATIONS

	2009	2010
Individual 401(k) Contributions	\$16,500	\$16,500
Age 50+ Catch-up	\$ 5,500	\$ 5,500
Individual SIMPLE Contributions	\$11,500	\$11,500
Age 50+ Catch-up	\$ 2,500	\$ 2,500

	2009	2010
Employer Qualified Plans		
Maximum compensation limited to	\$245,000	\$245,000
Annual contribution limit for defined contribution plans	\$49,000	\$49,000

IRAs

Regular IRA (2009 & 2010)

Not a Participant in Another Plan

\$5,000 (2009 & 2010) maximum deductible contribution; taxable distribution; deduction for participant and for non-working spouse.

Active Participant in Another Plan

\$5,000 (2009 & 2010) deductible contribution; taxable distributions; subject to phaseouts between \$89,000-\$109,000 (married and joint); \$55,000-\$65,000 (single) for **2009** and \$89,000-\$109,000 (married and joint); \$56,000-\$66,000 (single) for **2010**.

Age 50 + Catch-up

\$1,000 deductible contribution.

Roth IRA (2009 & 2010)

\$5,000 (2009 & 2010) maximum nondeductible contribution; nontaxable distributions; subject to phaseouts between \$166,000-\$176,000 (married and joint); \$105,000-\$120,000 (single) for **2009** and \$167,000-\$177,000 (married and joint); \$105,000-\$120,000 (single) for **2010**.

Age 50 + Catch-up

\$1,000 nondeductible contribution.

2009 2010

Your
Guide
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This publication reflects tax laws in effect as of 12/1/09. Due to the concise nature of this publication, no final conclusions should be drawn without further review and consultation with a professional.

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2009 Individual Income Tax Rates

MARRIED TAXPAYERS

FILING JOINTLY OR SURVIVING SPOUSES

Base Taxable Income	Tax on Base	% on Excess Over Base
\$ 0	\$ 0	10%
\$ 16,700	\$ 1,670	15%
\$ 67,900	\$ 9,350	25%
\$ 137,050	\$ 26,638	28%
\$ 208,850	\$ 46,742	33%
\$ 372,950	\$ 100,895	35%

SINGLE

Base Taxable Income	Tax on Base	% on Excess Over Base
\$ 0	\$ 0	10%
\$ 8,350	\$ 835	15%
\$ 33,950	\$ 4,675	25%
\$ 82,250	\$ 16,750	28%
\$ 171,550	\$ 41,754	33%
\$ 372,950	\$ 108,216	35%

HEAD OF HOUSEHOLD

Base Taxable Income	Tax on Base	% on Excess Over Base
\$ 0	\$ 0	10%
\$ 11,950	\$ 1,195	15%
\$ 45,500	\$ 6,228	25%
\$ 117,450	\$ 24,216	28%
\$ 190,200	\$ 44,586	33%
\$ 372,950	\$ 104,894	35%

NOTE: The phaseout of personal exemptions for taxpayers above certain income levels is not reflected in these schedules. Also, these brackets are annually indexed to inflation. Taxable income is income after all deductions and exemptions.

CAPITAL GAINS TAX RATES

Short-term capital gains

held 12 months or less up to 35%

Long-term capital gains

	15% Tax Bracket	All Other Tax Brackets
Held >12 months	0%*	15%
Real estate depreciation recapture	15%	25%
Collectibles	15%	28%

*10% and 15% tax brackets

Individuals

STANDARD DEDUCTION *

	2009	2010
Married filing jointly	\$ 11,400	\$ 11,400
Single	\$ 5,700	\$ 5,700
Head of household	\$ 8,350	\$ 8,400
Married filing separately	\$ 5,700	\$ 5,700
Additional - blind or elderly		
Single	\$ 1,400	\$ 1,400
Married	\$ 1,100	\$ 1,100
Taxpayer claimed as dependent	\$ 950	\$ 950

* Deduct the greater of standard or itemized deductions.

PERSONAL EXEMPTIONS

	2009	2010
Deduction for each taxpayer spouse and dependent	\$ 3,650**	\$ 3,650**

** Phased out for upper-bracket taxpayers.

ESTIMATED TAX PAYMENTS

- ◆ Taxpayers are generally required to pay in through withholding or estimated tax payments the lesser of 100% (or 110% if AGI > \$150,000) of prior-year tax liability or 90% of current-year tax liability.
- ◆ 2010 estimated tax payments for individuals are due by:
April 15 • June 15 • September 15 • January 17, 2011

Social Security

TAXES

Employer/ Employee	Tax Rate	Wage Base 2009	Wage Base 2010
FICA	6.20%	\$106,800	\$106,800
Medicare	1.45% 7.65%	no limit	no limit
Self Employed	Tax Rate	Wage Base 2009	Wage Base 2010
FICA	12.40%	\$106,800	\$106,800
Medicare	2.90% 15.30%	no limit	no limit

Corporate Income Tax Rates

Regular Tax

TAXABLE INCOME	TAX 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%

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

Capital Gains Tax Rate Same as regular tax rate
Personal Service Corporations 35% flat tax rate

Per Diem Rates For Meals	2009	2010
	Jan-Sept	Oct-Dec Jan-Dec
Low Cost Areas	\$45/day	\$52/day \$52/day
High Cost Areas	\$58/day	\$65/day \$65/day

Business Autos

STANDARD MILEAGE RATES

Use	2009	2010
Business	\$.55/mile	\$.50/mile
Charitable	\$.14/mile	\$.14/mile
Medical	\$.24/mile	\$.16.5/mile
Moving	\$.24/mile	\$.16.5/mile

BENEFITS

Maximum Annual Earned Income Limit	2009	2010
Ages 62 up to full retirement age	\$14,160	\$14,160
Upon reaching full retirement age	No limit	No limit

TAXABLE BENEFITS

Part of social security received is taxable if AGI, plus tax-exempt interest, plus half of social security received exceeds these base amounts:

	50% Taxable	85% Taxable
Married filing jointly	\$32,001 - \$44,000	\$44,001 +
Single/Head of house	\$25,001 - \$34,000	\$34,001 +
Married filing separately	\$0	\$0