

BUSINESS

Depreciation

- 36-Month Assets (Straight-Line)
 - Most software
- 3-Year Assets (200% DB)
 - Dies, molds, small tools, certain horses
- 5-Year Assets (200% DB)
 - Autos, computers, typewriters, copiers, many types of equipment, private aircraft
- 7-Year Assets (200% DB)
 - Most manufacturing equipment, office furniture, printing equipment, oil and gas production equipment
- 7-Year Assets (150% DB)
 - Farm equipment
- 27.5-Year Assets (Straight-Line)
 - Rental houses, apartments, low-income housing
- 39-Year Assets (Straight-Line)
 - Nonresidential buildings

Personal Property Depreciation

Percent of Original Depreciable Basis under 200% DB Method*
(Not applicable for mid-quarter convention)

Recovery Year	3-Year Class	5-Year Class	7-Year Class
1	33.33	20.00	14.29
2	44.45	32.00	24.49
3	14.81	19.20	17.49
4	7.41	11.52	12.49
5		11.52	8.93
6		5.76	8.92
7			8.93
8			4.46

*New Gulf Opportunity Zone property purchased and placed in service after 8/28/05 eligible for additional 50% bonus depreciation.

Section 179 Expense

	2009	2010
Maximum expense election	\$250,000	\$134,000

\$25,000 for SUV's placed in service after 10/22/04

Standard Mileage Rates

Use	2009	2010
Business	55¢ per mile	50¢ per mile
Charitable	14¢ per mile	14¢ per mile
Medical	24¢ per mile	16.5¢ per mile
Moving	24¢ per mile	16.5¢ per mile

ESTATE & GIFT TAX RATES

2010 Estate Tax Repealed For 2010 Only

Cumulative Taxable Amount	Tax*	% on Excess Over Base
\$ 2,000,000+	\$ 0	45%

* Net of credit of \$1,455,800, which is equivalent to an estate tax exemption of \$3,500,000.

2010 For Gift Tax Purposes

Cumulative Taxable Amount	Tax**	% on Excess Over Base
\$ 1,000,000 or less	\$ 0	41%
\$ 1,250,000	\$ 102,500	43%
\$ 1,500,000+	\$ 210,000	45%

** Net of credit of \$345,800 which is equivalent to a gift tax exemption of \$1,000,000.

Exemption Amount – Estate & Gift Tax

2009 \$3,500,000 estate	2010 No Federal Estate Tax
\$1,000,000 gift	\$1,000,000 gift

Annual Gift Tax Exclusion

	2009	2010
Gifts per person	\$ 13,000	\$ 13,000
Joint gifts by spouses	\$ 26,000	\$ 26,000

SOCIAL SECURITY

Social Security Taxes

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

Social Security Benefits

Maximum Annual Earned Income Limit	2009	2010
Ages 62-64	\$ 14,160	\$ 14,160
Ages 65 or older*	No Limit	No Limit

* For people turning 65 in 2009 and 2010, the limit is \$37,680 for months prior to age 65. Beginning the month in which they turn 65, there is no limit.

CORPORATE INCOME TAX RATES

Regular Tax

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 50,000	15%	\$ 0
\$ 50,001 – \$ 75,000	\$ 7,500 + 25%	\$ 50,000
\$ 75,001 – \$ 100,000	\$ 13,750 + 34%	\$ 75,000
\$ 100,001 – \$ 335,000	\$ 22,250 + 39%	\$ 100,000
\$ 335,001 – \$ 10,000,000	\$ 113,900 + 34%	\$ 335,000
\$10,000,001 – \$ 15,000,000	\$ 3,400,000 + 35%	\$ 10,000,000
\$15,000,001 – \$ 18,333,333	\$ 5,150,000 + 38%	\$ 15,000,000
\$18,333,334 and above	a flat 35%	

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



FIDUCIAL

2010 TAX POCKET GUIDE



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2009 INDIVIDUAL INCOME TAX RATES*

Regular Tax – Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 16,700	..... 10%	\$ 0
\$ 16,700 – \$ 67,900	\$ 1,670 + 15%	\$ 16,700
\$ 67,900 – \$ 137,050	\$ 9,350 + 25%	\$ 67,900
\$ 137,050 – \$ 208,850	\$26,637.50 + 28%	\$ 137,050
\$ 208,850 – \$ 372,950	\$46,741.50 + 33%	\$ 208,850
\$ 372,950 and above	\$100,894.50 + 35%	\$ 372,950

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,350	..... 10%	\$ 0
\$ 8,350 – \$ 33,950	\$ 835 + 15%	\$ 8,350
\$ 33,950 – \$ 68,525	\$4,675 + 25%	\$ 33,950
\$ 68,525 – \$ 104,425	\$13,318.75 + 28%	\$ 68,525
\$ 104,425 – \$ 186,475	\$23,370.75 + 33%	\$ 104,425
\$ 186,475 and above	\$50,447.25 + 35%	\$ 186,475

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,350	..... 10%	\$ 0
\$ 8,350 – \$ 33,950	\$ 835 + 15%	\$ 8,350
\$ 33,950 – \$ 82,250	\$4,675 + 25%	\$ 33,950
\$ 82,250 – \$ 171,550	\$16,750 + 28%	\$ 82,250
\$ 171,550 – \$ 372,950	\$41,754 + 33%	\$ 171,550
\$ 372,950 and above	\$108,216 + 35%	\$ 372,950

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 11,200	..... 10%	\$ 0
\$ 11,950 – \$ 45,500	\$ 1,195 + 15%	\$ 11,950
\$ 45,500 – \$ 117,450	\$6,227.50 + 25%	\$ 45,500
\$ 117,450 – \$ 190,200	\$24,215 + 28%	\$ 117,450
\$ 190,200 – \$ 372,950	\$44,585 + 33%	\$ 190,200
\$ 372,950 and above	\$104,892.50 + 35%	\$ 372,950

The phase-out of personal exemptions for taxpayers above certain income levels is not reflected in these schedules.

Personal Exemptions

	2009	2010
Deduction for each taxpayer, spouse, and dependent	\$ 3,650**	\$ 3,650**
* Phase-out of personal exemptions begins after the following threshold amounts:		
Joint returns or surviving spouse	\$250,200	No Phaseout
Head of household	\$208,500	
Single	\$166,800	
Married filing separately	\$125,100	

** Reduced by 2% for each \$2,500 increment of AGI in excess of threshold phase-out amounts; 2% for each \$1,250 for married filing separately, maximum.

2010 INDIVIDUAL INCOME TAX RATES

Regular Tax – Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 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 + 28%	\$ 137,300
\$ 209,250 – \$ 373,650	\$ 46,833.50 + 33%	\$ 209,250
\$ 373,650 and above	\$ 101,085.50 + 35%	\$ 373,650

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,375	..... 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	\$ 23,346.75 + 33%	\$ 104,625
\$ 186,825 and above	\$ 50,542.75 + 35%	\$ 186,825

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 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

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 11,950	..... 10%	\$ 0
\$ 11,950 – \$ 45,550	\$ 1,195 + 15%	\$ 11,950
\$ 45,550 – \$ 117,650	\$ 6,235 + 25%	\$ 45,550
\$ 117,650 – \$ 190,550	\$24,260 + 28%	\$ 117,650
\$ 190,550 – \$ 373,650	\$44,672 + 33%	\$ 190,550
\$ 373,650 and above	\$105,095 + 35%	\$ 373,650

* The phase-out of personal exemptions for taxpayers above certain income levels is not reflected in these schedules.

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

* Deduct the greater of standard or itemized deductions.

RETIREMENT PLANS – 2009 and 2010

Individual Deferral Limitations

	2009		2010	
	Regular	Add'l Age 50	Regular	Add'l Age 50
401(k) contributions	\$16,500	\$ 5,500	\$16,500	\$ 5,500
SIMPLE contributions	\$11,500	\$ 2,500	\$11,500	\$ 2,500

Individual Retirement Accounts

Contribution Limit IRAs	2009		2010	
	Regular	Add'l Age 50	Regular	Add'l Age 50
Taxpayer	\$5,000	\$1,000	\$5,000	\$1,000
Non-working spouse	\$5,000	\$1,000	\$5,000	\$1,000

Deductible IRAs

Active Participant in Another Plan – 2010*

Deduction	Married (Joint) AGI	Single AGI
\$5,000 max.	\$ 0 – \$ 85,000	\$ 0 – \$ 56,000
Phased out	\$ 89,001 – \$ 109,000	\$ 56,001 – \$ 66,000
No deduction	> \$ 109,000	> \$ 66,000

Active Participant in Another Plan – 2009*

Deduction	Married (Joint) AGI	Single AGI
\$4,000 max.	\$ 0 – \$ 89,000	\$ 0 – \$ 52,000
Phased out	\$ 89,001 – \$ 109,000	\$ 52,001 – \$ 65,000
No deduction	> \$ 109,000	> \$ 65,000

* Maximum contribution for a spouse who is not an active participant is phased out if the couple's combined AGI is between \$167,000 and \$177,000 for 2010 (\$166,000 to \$176,000 for 2009).

Roth IRAs – 2009 and 2010

	2009	2010
• Nondeductible contributions		
• Qualified tax-free distributions		
• AGI Phase-outs:		
Joint filers	\$166,000-\$176,000	\$167,000-\$177,000
Individual filers	\$105,000-\$120,000	\$105,000-\$120,000

Education IRAs (Coverdell Education Savings Accounts)

	2009	2010
Contribution limit	\$2,000 per beneficiary	\$2,000 per beneficiary
AGI phase-outs*:		
Joint filers	\$190,000 - \$220,000	\$190,000 - \$220,000
Individual filers	\$ 95,000 - \$110,000	\$ 95,000 - \$110,000

* Phase-out applies to the contributor, not the beneficiary.

Note: Contributions for IRAs must generally be made before the filing due date of the tax return, without regards to extensions.

CAPITAL GAINS

Holding Period	Top Capital Gain Rate		
	2005-2010	1-1-03 through 5-5-03	5-6-03 through 12-31-03
12 months or less	35%	35%	35%
More than 12 months	15%	20%*	15%
Sale of real property to extent of depreciation taken			
Collectibles	25%	25%	15%
	28%	28%	15%

* 18% for assets held at least 5 years effective January 1, 2001 through May 5, 2003.