

2008 Tax Facts At-a-Glance

Income Taxes

2008

If Taxable Income Is:		The Tax Is	Of The Amount Over
Over	But Not Over		
Married Filing Jointly			
\$0	\$16,050	\$0 + 10%	\$0
16,050	65,100	1,605 + 15%	16,050
65,100	131,450	8,962.50 + 25%	65,100
131,450	200,300	25,550 + 28%	131,450
200,300	357,700	44,828 + 33%	200,300
357,700	And Over	96,770 + 35%	357,700
Single			
\$0	\$8,025	\$0 + 10%	\$0
8,025	32,550	802.50 + 15%	8,025
32,550	78,850	4,481.25 + 25%	32,550
78,850	164,550	16,056.25 + 28%	78,850
164,550	357,700	40,052.25 + 33%	164,550
357,700	And Over	103,791.75 + 35%	357,700
Estates and Trusts			
\$0	\$2,220	\$0 + 15%	\$0
2,220	5,150	330.00 + 25%	2,200
5,150	7,850	1067.50 + 28%	5,150
7,850	10,700	1,823.50 + 33%	7,850
10,700	And Over	2,764 + 35%	10,700

Standard Deductions

	2008	2007
Married Filing Jointly	\$10,900	\$10,700
Head of Household	8,000	7,850
Single/Married Filing Separately	5,450	5,350
Additional (Age 65/older, or blind)		
Married	\$1,050	\$1,050
Single, not surviving spouse	1,350	1,300
AGI Limitations		
Married Filing Separately	\$79,975	\$78,200
All Others	159,950	156,400

Personal Exemptions

	2008	2007
Personal Exemption	\$3,500	\$3,400
Phase-Out Range		
Single	\$159,950-282,450	\$156,400-278,900
Head of Household	199,950-322,450	195,500-318,000
Married Filing Jointly	239,950-362,450	234,600-357,100
Married Filing Separately	119,975-181,225	117,300-178,550

Kiddie (under age 18 with unearned income)

	2008	2007
First (No Tax)	\$900	\$850
Next (Child's Rate)	900	850
Amounts Over (Parents' Rate)	1,800	1,700

Child Tax Credits

\$1,000 Per Child Under Age 17: Phases Out \$50 for Each \$1,000 of AGI Over \$110,000 (Married Filing Jointly) \$75,000 (Single) or \$55,000 (Married Filing Separately)

2007

If Taxable Income Is:		The Tax Is	Of The Amount Over
Over	But Not Over		
Married Filing Jointly			
\$0	\$15,650	\$0 + 10%	\$0
15,650	63,700	1,565 + 15%	15,650
63,700	128,500	8,772.50 + 25%	63,700
128,500	195,850	24,972.50 + 28%	128,500
195,850	349,700	43,830.50 + 33%	195,850
349,700	And Over	94,601 + 35%	349,700
Single			
\$0	\$7,825	\$0 + 10%	\$0
7,825	31,850	782.50 + 15%	7,825
31,850	77,100	4,386.25 + 25%	31,850
77,100	160,850	15,698.75 + 28%	77,100
160,850	349,700	39,148.75 + 33%	160,850
349,700	And Over	101,469.25 + 35%	349,700
Estates and Trusts			
\$0	\$2,150	\$0 + 15%	\$0
2,150	5,000	322.50 + 25%	2,150
5,000	7,650	1,035 + 28%	5,000
7,650	10,450	1,777 + 33%	7,650
10,450	And Over	2,701 + 35%	10,450

Education Incentives

	2008	2007
Hope Credit up to 100% of expenses	\$1,200	\$1,100
50% of additional expenses up to	2,400	2,200
Lifetime Learning Credit	2,000	2,000
Phase-Outs for HOPE & Lifetime Learning Credits		
Married Filing Jointly	\$96,000-116,000	\$94,000-114,000
Others	48,000-58,000	47,000-57,000
Phase-Outs for Exclusion of U.S. Savings Bond Income		
Married Filing Jointly	\$100,650-130,650	\$98,400-128,400
Others	67,100-82,100	65,600-80,600

Capital Gains and Dividends Taxes

	2008	2007
Rates on Dividends and Gains for Assets Held at Least 12 Months		
15% Bracket or Below	0%	5%
25% Bracket or Above	15%	15%

Corporate Taxes (for all years since 1993)

If Taxable Income is:		The Tax Is	Of The Amount Over
Over	But Not Over		
\$0	\$50,000	\$0 + 15%	\$0
50,000	75,000	7,500 + 25%	50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 39%	100,000
335,000	10,000,000	113,900 + 34%	335,000
10,000,000	15,000,000	3,400,000 + 35%	10,000,000
15,000,000	18,333,333	5,150,000 + 38%	15,000,000
18,333,333	And Over	35%	0

Estate & Gift Taxes

Subtract Applicable Credit Below from Calculated Tax

If Taxable Income Is:		The Tax Is	Of The Amount Over
Over	But Not Over		
Married Filing Jointly			
\$0	\$10,000	\$0 + 18%	\$0
10,000	20,000	1,800 + 20%	10,000
20,000	40,000	3,800 + 22%	20,000
40,000	60,000	8,200 + 24%	40,000
60,000	80,000	13,000 + 26%	60,000
80,000	100,000	18,200 + 28%	80,000
100,000	150,000	23,800 + 30%	100,000
150,000	250,000	38,800 + 32%	150,000
250,000	500,000	70,800 + 34%	250,000
500,000	750,000	155,800 + 37%	500,000
750,000	1,000,000	248,300 + 39%	750,000
1,000,000	1,250,000	345,800 + 41%	1,000,000
1,250,000	1,500,000	448,300 + 43%	1,250,000
1,500,000	2,000,000	555,800 + 45%	1,500,000
2,000,000	And Over	780,800 + 45%	2,000,000

Scheduled Estate Tax Changes

Year	Top Estate Tax Rate	Estate Tax Exemption	Available Credit
2007	45%	\$2,000,000	\$780,800
2008	45%	2,000,000	780,800
2009	45%	3,500,000	1,455,800
2010	Repealed	N/A	
2011	55%	1,000,000	345,800

- For persons dying in 2007, if the taxable estate exceeds \$2,000,000, the tax was \$780,800 plus 45% of the amount over \$2,000,000.
- Annual Gift Tax Exclusion 2007 & 2008: \$12,000
- Gift Tax Exemption: \$1,000,000
- Generation-skipping Transfer Tax Exemption for 2007 & 2008: \$2,000,000

Qualified Retirement Plans (maximum limits)

	2008	2007
SEP Plan Participant Maximum Percentage of Compensation		
SEP Plan Per Participant Maximum Dollar Allocation Limit	\$46,000	\$45,000
SEP Minimum Compensation	500	500
SIMPLE IRA Employee Contribution		
SIMPLE IRA Catch-Up—Age 50 or Older	2,500	2,500
401(k) Plan, 457 Plan—Elective Employee Deferral		
401(k) Plan, 457 Plan Catch-Up—Age 50 or Older	5,000	5,000
403(b) TSA—Elective Employee Deferral		
403(b) TSA Catch-Up—Age 50 or Older	5,000	5,000
403(b) TSA Catch-Up—15 or More Years of Service With Current Employer	3,000	3,000
Defined Contribution Plan Per Participant		
Maximum Dollar Allocation Limit	46,000	45,000
Defined Contribution Maximum Employer Percentage Deduction Limit (of eligible payroll)		
	25%	25%
Defined Benefit Plan Maximum Benefit		
	185,000	180,000
Covered Compensation Limit		
	230,000	225,000
Highly Compensated Employee		
	105,000	100,000

Required Minimum Distributions*

Age	Factor	Age	Factor
70	27.4	86	14.1
71	26.5	87	13.4
72	25.6	88	12.7
73	24.7	89	12.0
74	23.8	90	11.4
75	22.9	91	10.8
76	22.0	92	10.2
77	21.2	93	9.6
78	20.3	94	9.1
79	19.5	95	8.6
80	18.7	96	8.1
81	17.9	97	7.6
82	17.1	98	7.1
83	16.3	99	6.7
84	15.5	100	6.3
85	14.8	101	5.9

*Applies to IRA or 403(b) owners only.

IRAs

	2008	2007
Traditional or Roth IRA Contribution	\$5,000	\$4,000
IRA Catch-Up—Age 50 or Older	1,000	1,000
Phase-Out Range for Deductible Contributions to Traditional IRAs		
Married Filing Jointly	\$85,000-105,000	\$83,000-103,000
Single/Head of Household	53,000-63,000	52,000-62,000
Married Filing Separately	0-10,000	0-10,000
Phase-Out Range for Contributions to Roth IRAs		
Married Filing Jointly	\$159,000-169,000	\$156,000-166,000
Single/Head of Household	101,000-116,000	99,000-114,000
Married Filing Separately	0-10,000	0-10,000

Coverdell Education Savings Accounts

Maximum Contribution: \$2,000		
Phase-Out Range		
Married Filing Jointly	\$190,000-220,000	
Single	95,000-110,000	

Social Security

	2008	2007
Full Retirement Age	66 Years	65-10 Months
Portion of Benefit Paid at Age 62	75%	75.83%
Base Amount of Modified AGI Causing Social Security Benefits to be Taxable (50% Taxable) (85% Taxable)		
Married Filing Jointly	\$32,000	\$44,000
Single	25,000	34,000
Maximum Earnings Before Social Security Benefits are Reduced		
Under Full Retirement Age	\$13,560	\$12,960
(Lose \$1 for Every \$2 of Earnings)	1,130/month	1,080/month
Full Retirement Age	No Limit	No Limit
Maximum Compensation Subject to FICA Taxes		
OASDI (Social Security) Maximum	\$102,000	\$97,500
HI (Medicare) Maximum	No Limit	No Limit
• OASDI Tax Rate: 12.4% Self-Employed, 6.2% Employees		
• HI Tax Rate: 2.9% Self-Employed, 1.45% Employees		