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Income Tax Key Numbers



Many tax figures are indexed for inflation and can therefore change from year to year. Here are some of the key figures that have changed for 2009.

Personal Exemptions	2008	2009
Base Amount	\$3,500	\$3,650
Phaseout Ranges¹		
<i>Married Filing Jointly</i>	\$239,950 to \$362,450	\$250,200 to \$372,700
<i>Head of Household</i>	\$199,950 to \$322,450	\$208,500 to \$331,000
<i>Single</i>	\$159,950 to \$282,450	\$166,800 to \$289,300
<i>Married Filing Separately</i>	\$119,975 to \$181,225	\$125,100 to \$186,350

¹The exemption amount allowed is reduced by 2% for each \$2,500 (\$1,250 for filing status married filing separately), or fraction thereof, of AGI in excess of the phaseout threshold amount. For 2008 and 2009, the amount of the phaseout deduction that would otherwise apply is reduced by two-thirds.

Standard Deduction ²	2008	2009
Married Filing Jointly	\$10,900	\$11,400
Head of Household	\$8,000	\$8,350
Single	\$5,450	\$5,700
Married Filing Separately	\$5,450	\$5,700
Dependent	Greater of \$900 or \$300 + earned income	Greater of \$950 or \$300 + earned income
Additional Deduction for Aged or Blind	\$1,350 (Single or Head of Household) \$1,050 (all other filing statuses)	\$1,400 (Single or Head of Household) \$1,100 (all other filing statuses)

² Individuals who do not itemize deductions are allowed to deduct state sales and excise tax attributable to the purchase of a qualified motor vehicle on or after 2/17/09 and before 1/1/10 as part of the standard deduction, subject to a purchase price cap and modified adjusted gross income phaseout.

Itemized Deductions	2008	2009
Threshold Phaseout³ Married Filing Separately	\$79,975	\$83,400
Threshold Phaseout³ All Others	\$159,950	\$166,800

³ Itemized deductions that represent medical and dental expenses, investment interest expense, casualty and theft loss, and gambling losses are not subject to phaseout. If AGI is more than the threshold phaseout amount, itemized deductions are reduced by the smaller of: (1) 3% of the amount by which AGI exceeds the threshold phaseout amount, or (2) 80% of itemized deductions that are affected by the limit. For 2008 and 2009, the amount of the phaseout deduction that would otherwise apply is reduced by two-thirds.

Tax Credits	2008	2009
Adoption Credit	\$11,650 max (phased out for AGIs \$174,730 to \$214,730)	\$12,150 max (phased out for AGIs \$182,180 to \$222,180)
Child Tax Credit	\$1,000 max Phaseout begins at AGI of \$75,000 (Single) \$110,000 (MFJ) \$55,000 (MFS) Refundable up to 15% of earnings over \$8,500	\$1,000 max Phaseout begins at AGI of \$75,000 (Single) \$110,000 (MFJ) \$55,000 (MFS) Refundable up to 15% of earnings over \$3,000
Lifetime Learning Tax Credit⁴	\$2,000 max Phaseout range: \$48,000 to \$58,000 (Single) \$96,000 to \$116,000 (MFJ)	\$2,000 max Phaseout range: \$50,000 to \$60,000 (Single) \$100,000 to \$120,000 (MFJ)
Hope Credit (renamed the American Opportunity Tax Credit for 2009 and 2010)⁴	\$1,800 max Phaseout range: \$48,000 to \$58,000 (Single) \$96,000 to \$116,000 (MFJ)	\$2,500 max Phaseout range: \$80,000 to \$90,000 (Single) \$160,000 to \$180,000 (MFJ)

⁴ Special limits apply to individuals attending eligible institutions in designated Midwestern Disaster areas.

Specific Deduction Items	2008	2009
Classroom Expenses of School Teachers (above-the-line)	\$250	\$250
Deduction for Qualified Higher Education Expenses	\$4,000 max deduction/\$2,000 reduced deduction; Phaseout range: \$65,000 to \$80,000 (Single) \$130,000 to \$160,000 (MFJ)	\$4,000 max deduction/\$2,000 reduced deduction; Phaseout Range: \$65,000 to \$80,000 (Single) \$130,000 to \$160,000 (MFJ)
Education Loans Interest Deduction	\$2,500 max deduction; Phaseout range: \$55,000 to \$70,000 (Single), \$115,000 to \$145,000 (MFJ)	\$2,500 max deduction; Phaseout range: \$60,000 to \$75,000 (Single), \$120,000 to \$150,000 (MFJ)
Standard Mileage Rates	Business - \$0.505 for 1 st half 2008; \$0.585 for 2 nd half Medical - \$0.19 for 1 st half 2008; \$0.27 for 2 nd half Moving - \$0.19 for 1 st half 2008; \$0.27 for 2 nd half Charitable - \$0.14	Business - \$0.55 Medical - \$0.24 Moving - \$0.24 Charitable - \$0.14

Alternative Minimum Tax (AMT)	2008	2009
Maximum AMT Exemption Amount	\$69,950 (MFJ) \$46,200 (Single) \$34,975 (MFS)	\$70,950 (MFJ) \$46,700 (Single) \$35,475 (MFS)
AMT Exemption Phaseout Threshold ⁵	\$150,000 (MFJ) \$112,500 (Single) \$75,000 (MFS)	\$150,000 (MFJ) \$112,500 (Single) \$75,000 (MFS)

⁵ The AMT exemption is reduced by 25% of the amount by which alternative minimum taxable income exceeds the applicable threshold.

Kiddie Tax Rules	2008	2009
Amount Exempt from Tax	\$900	\$950
Additional Amount Taxed at Child's Rate	\$900	\$950
Unearned Income Over This Amount Taxed at Parent's Rate	\$1,800	\$1,900
Election to Include Child's Income on Parent's Return (Child's Gross Income Requirement)	\$900 to \$9,000	\$950 to \$9,500
AMT Exemption for Child Subject to Kiddie Tax	Lesser of \$6,400 + child's earned income or \$46,200	Lesser of \$6,700 + child's earned income or \$46,700

Top Tax Brackets	2008	2009
Unmarried	35% of taxable income exceeding \$357,700 + \$103,791.75	35% of taxable income exceeding \$372,950 + \$108,216
MFJ	35% of taxable income exceeding \$357,700 + \$96,770	35% of taxable income exceeding \$372,950 + \$100,894.50
MFS	35% of taxable income exceeding \$178,850 + \$48,385	35% of taxable income exceeding \$186,475 + \$50,447.25
HOH	35% of taxable income exceeding \$357,700 + \$100,604	35% of taxable income exceeding \$372,950 + \$104,892.50

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