

# TAX POCKET GUIDE 2009

## 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	\$ 26,638 + 28%	\$ 137,050
\$ 208,850 – \$ 372,950	\$ 46,742 + 33%	\$ 208,850
\$ 372,950 and above	\$100,895 + 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	\$ 13,319 + 28%	\$ 68,525
\$ 104,425 – \$ 186,475	\$ 23,371 + 33%	\$ 104,425
\$ 186,475 and above	\$ 50,447 + 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 – \$ 11,950	..... 10%	\$ 0
\$ 11,950 – \$ 45,500	\$ 1,195 + 15%	\$ 11,950
\$ 45,500 – \$ 117,450	\$ 6,228 + 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	\$104,893 + 35%	\$ 372,950

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

2009 Qualified Dividend Income 15% (0% for lower brackets)

## 2008 INDIVIDUAL INCOME TAX RATES

### Regular Tax — Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 16,050	..... 10%	\$ 0
\$ 16,050 – \$ 65,100	\$ 1,605 + 15%	\$ 16,050
\$ 65,100 – \$ 131,450	\$ 8,963 + 25%	\$ 65,100
\$ 131,450 – \$ 200,300	\$ 25,550 + 28%	\$ 131,450
\$ 200,300 – \$ 357,700	\$ 44,828 + 33%	\$ 200,300
\$ 357,700 and above	\$ 96,770 + 35%	\$ 357,700

### Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,025	..... 10%	\$ 0
\$ 8,025 – \$ 32,550	\$ 803 + 15%	\$ 8,025
\$ 32,550 – \$ 65,725	\$ 4,481 + 25%	\$ 32,550
\$ 65,725 – \$ 100,150	\$ 12,775 + 28%	\$ 65,725
\$ 100,150 – \$ 178,850	\$ 22,414 + 33%	\$ 100,150
\$ 178,850 and above	\$ 48,385 + 35%	\$ 178,850

### Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,025	..... 10%	\$ 0
\$ 8,025 – \$ 32,550	\$ 803 + 15%	\$ 8,025
\$ 32,550 – \$ 78,850	\$ 4,481 + 25%	\$ 32,550
\$ 78,850 – \$ 164,550	\$ 16,056 + 28%	\$ 78,850
\$ 164,550 – \$ 357,700	\$ 40,052 + 33%	\$ 164,550
\$ 357,700 and above	\$103,792 + 35%	\$ 357,700

### Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 11,450	..... 10%	\$ 0
\$ 11,450 – \$ 43,650	\$ 1,145 + 15%	\$ 11,450
\$ 43,650 – \$ 112,650	\$ 5,975 + 25%	\$ 43,650
\$ 112,650 – \$ 182,400	\$ 23,225 + 28%	\$ 112,650
\$ 182,400 – \$ 357,700	\$ 42,755 + 33%	\$ 182,400
\$ 357,700 and above	\$100,604 + 35%	\$ 357,700

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

2008 Qualified Dividend Income 15% (0% for lower brackets)

## ESTATE AND GIFT TAX RATES

### Estate Taxes

	2009	2008
Estate tax exemption	\$ 3,500,000	\$ 2,000,000
Applicable credit amount	\$ 1,455,800	\$ 780,800

Top estate tax rate 45% 45%

### Gift Taxes

	2009	2008
Lifetime gift tax exemption	\$ 1,000,000	\$ 1,000,000
Annual gift tax exclusion		
Gifts per person	\$ 13,000	\$ 12,000
Joint gifts by spouse	\$ 26,000	\$ 24,000

Top gift tax rate 45% 45%

## ALTERNATIVE MINIMUM TAX

AMT Exemption	2009*	2008
Single filers	\$ 33,750	\$ 46,200
Joint filers	\$ 45,000	\$ 69,950
Married, filing separately	\$ 22,500	\$ 34,975
Head of household	\$ 33,750	\$ 46,200

\*Adjustments are expected.

## LONG-TERM CARE INSURANCE

If you are:	You may deduct this much of your annual premiums	
	2009	2008
Over 70	\$ 3,980	\$ 3,850
61 to 70	\$ 3,180	\$ 3,080
51 to 60	\$ 1,190	\$ 1,150
41 to 50	\$ 600	\$ 580
40 and under	\$ 320	\$ 310

## MEDICARE

	2009	2008
Monthly premium	\$ 96.40	\$ 93.50
Deductibles and Coinsurance		
Hospital: your cost, first 60 days	\$1,068.00	\$ 992.00

## PERSONAL EXEMPTIONS

	2009	2008
Deduction for each taxpayer, spouse, and dependent	\$ 3,650	\$ 3,500

Personal exemptions phase out after the following threshold amounts:

Joint returns or surviving spouse	\$ 250,200	\$ 239,950
Head of household	\$ 208,500	\$ 199,950
Single	\$ 166,800	\$ 159,950
Married filing separately	\$ 125,100	\$ 119,975

The exemption amount for taxpayers with AGI in excess of the maximum phase-out amount is \$2,433 in 2009.

## STANDARD DEDUCTION\*

	2009	2008
Married filing jointly	\$ 11,400	\$ 10,900
Single	\$ 5,700	\$ 5,450
Head of household	\$ 8,350	\$ 8,000
Married filing separately	\$ 5,700	\$ 5,450
Additional - blind or elderly		
Single	\$ 1,400	\$ 1,350
Married	\$ 1,100	\$ 1,050
**Dependents	\$ 950	\$ 900

\* Deduct the greater of standard or itemized deductions.

\*\* Greater of amount above or \$300 plus dependant's earned income.

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## 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

### Section 179 Expense

	2009	2008
Maximum expense election	\$133,000	\$250,000
Phaseout threshold	\$530,000	\$800,000

## 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.  
Corporate Estate Tax — 100% (Where applicable)

## RETIREMENT PLANS

### Indexed Contribution & Benefit Limits for Qualified Plans

Type of Plan	2009	2008
Individual Retirement Accounts (IRAs)*	\$ 5,000	\$ 5,000
Section 401(k) plans or SAR-SEPs*	\$ 16,500	\$ 15,500
Section 403(b) plans*	\$ 16,500	\$ 15,500
Section 408(p)(2)(E) SIMPLE contributions*	\$ 11,500	\$ 10,500
Section 457(b)(2) limit*	\$ 16,500	\$ 15,500
Section 415 limit for:		
Defined contribution plans*	\$ 49,000	\$ 46,000
Defined benefit plans	\$ 195,000	\$ 185,000
Highly compensated employees Section 414(q)	\$ 110,000	\$ 105,000

FICA taxable wage base	2009	2008
Social security (tax rate 6.20% for employees; 12.40% for self-employed)	\$ 106,800	\$ 102,000
Medicare (tax rate 1.45% for employees; 2.90% for self-employed)	No limit	No limit

* Age 50 additional contributions	2009	2008
401(k) type plans	\$ 5,500	\$ 5,000
SIMPLEs	\$ 2,500	\$ 2,500
IRAs	\$ 1,000	\$ 1,000

\*The section 415 compensation limit for defined contribution plans is \$230,000 for 2008 and \$245,000 for 2009.

### Roth IRAs - 2009 & 2008

	2009	2008
• Nondeductible contributions		
• Qualified tax-free distributions		
• AGI limit for maximum contributions		
Joint filers	\$ 166,000	\$ 159,000
Individual filers	\$ 105,000	\$ 101,000

### COVERDELL ESAs — 2009 & 2008

• Contribution limit	\$ 2,000 per beneficiary
• AGI phaseouts:*	
Joint filers	\$ 190,000 – \$ 220,000
Individual filers	\$ 95,000 – \$ 110,000

\* Phaseout applies to the contributor, not the beneficiary.  
Note: Coverdell ESAs (Education Savings Accounts) were formerly known as Education IRAs. Contributions for ESAs must be made before the filing date of the tax return, not including extensions.

## HEALTH SAVINGS ACCOUNTS

Contribution Limits	2009	2008
Individual, self-only	\$ 3,000	\$ 2,900
Family Coverage	\$ 5,950	\$ 5,800
Catch-up for those age 55 and older	\$ 1,000	\$ 900

### High-Deductible Health Plans

Minimum Deductible	2009	2008
Individual, self-only	\$ 1,150	\$ 1,100
Family coverage	\$ 2,300	\$ 2,200
Maximum Annual Out-of-Pocket	2009	2008
Individual, self-only	\$ 5,800	\$ 5,600
Family coverage	\$ 11,600	\$ 11,200

## HEALTH INSURANCE DEDUCTION

	2009	2008
Self-employed, Federal	100%	100%

## CAPITAL GAINS — 2009 & 2008

Holding Period	Top Capital Gains Rates
12 months or less	35%
More than 12 months	15%
Depreciation recapture on real estate	25%
Collectibles and certain small business stock	28%

## SOCIAL SECURITY

Maximum Annual Earned Income Limit	2009	2008
Under full retirement age	\$ 14,160	\$ 13,560
Full retirement age	No Limit	No Limit

\* For people reaching full retirement age in 2009, the limit is \$37,680 for months prior to attainment. Beginning the month in which they turn full retirement age, there is no limit.

## STANDARD MILEAGE RATES

Use	2009	2008*
Business	55¢ per mile	58.5¢ per mile
Charitable	14¢ per mile	14¢ per mile
Medical	24¢ per mile	27¢ per mile
Moving	24¢ per mile	27¢ per mile

\* The mileage rate changed in 2008. The amounts above represent the period 7/1/2008 - 12/31/2008.

## MISCELLANEOUS AREAS

### Estimated Tax

	2009	2008
Threshold	\$ 1,000	\$ 1,000
Percentage required	90%	90%
Safe harbor (prior year)	100%	100%
Safe harbor (prior year) high income	110%	110%

### Income Thresholds for Filing Requirements

	2009	2008
Single, under 65	\$ 9,350	\$ 8,950
Single, over 65	\$ 12,000	\$ 10,300
Married, under 65 (both spouses)	\$ 18,700	\$ 17,900
Married, over 65 (both spouses)	\$ 20,900	\$ 18,950
Married, 65 or older (one spouse)	\$ 19,800	\$ 20,000

### Employment Taxes - 2009 & 2008

Federal Unemployment Tax		
Wage base on which employer pays tax		\$ 7,000
Tax Rate		.8%
State of Florida Unemployment Tax		
Wage base on which employer pays tax		\$ 7,000

### Minimum Wage - 2009 & 2008

	2009	2008
Federal minimum wage law	\$ 7.25/hr	\$ 6.55/hr
Florida minimum wage law	\$ 7.21/hr	\$ 6.79/hr

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