

## DOMESTIC PRODUCTION ACTIVITIES DEDUCTION

The deduction rate for 2008 is 6%.

## KIDDIE TAX

2008 Age Limit	18
2008 Unearned Income Limitation	\$1,800

## FOREIGN EARNED INCOME

2008 Maximum Exclusion	\$87,600
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## GIFT TAX

2008 Exclusion	\$12,000
2008 Exclusion for gift to spouse who is not a U.S. Citizen	\$128,000

## 401(K) CONTRIBUTION LIMITS

2008 Maximum Deferral	\$15,500
2008 Catch Up Contributions for taxpayers 50 and over	\$20,500

## LONG-TERM CAPITAL GAINS AND QUALIFYING DIVIDENDS

For taxpayers in the 10% or 15% bracket	0%
For taxpayers in higher brackets	15%
Tax on unrecaptured Sec. 1250 gain	25%
Capital gain rate on collectibles	28%

## SAVINGS BOND/HIGHER EDUCATION EXPENSE EXCLUSION

Modified adjusted gross income phaseout range:	
Married Filing Joint	\$100,650 – \$130,650
All other filing status	\$67,100 – \$82,100

## QUALIFIED TRANSPORTATION FRINGE BENEFIT EXCLUSION

Commuter highway vehicle and transit pass	\$115
Qualified parking	\$220

## ITEMIZED DEDUCTION PHASEOUT POINTS

Married Filing Separate	\$79,975
All Others	\$159,950

## 2008 LONG-TERM CARE PREMIUMS

Maximum premium (per person)	
Age 40 or under	\$310
Age 41 to 50	\$580
Age 51 to 60	\$1,150
Age 61 to 70	\$3,080
Age 71 or over	\$3,850

## ALTERNATIVE MINIMUM TAX

First \$175,000 (\$87,500 married, separate) of Alternative Minimum Taxable Income	26%
Over \$175,000 of Alternative Minimum Taxable Income	28%

### EXEMPTIONS:

Married Filing Jointly or Qualifying Widow(er)	\$69,950
Married Filing Separate	\$34,975
Single or Head of Household	\$46,200

### EXEMPTION PHASEOUT :

25% of amount AMTI exceeds:

Filing Status	AGI Begin Phaseout	AGI Fully Phaseout
MFJ/Surviving Spouse	\$150,000	\$429,800
Single/HOH	\$112,500	\$297,300
Married Filing Separate	\$ 75,000	\$214,900

## WHERE TO DEDUCT YOUR INTEREST EXPENSE

IF YOU HAVE...	THEN DEDUCT IT ON...	AND FOR MORE INFORMATION GO TO...
Deductible student loan interest	Form 1040, line 33 or Form 1040A, line 18	Publication 970
Deductible home mortgage interest and points reported on Form 1098	Schedule A (Form 1040), line 10	Publication 936
Deductible home mortgage interest <b>not</b> reported on Form 1098	Schedule A (Form 1040), line 14	Publication 936
Deductible points not reported on Form 1098	Schedule A (Form 1040), line 12	Publication 936
Deductible investment interest (other than interest incurred to produce rents or royalties)	Schedule A (Form 1040), line 13	Publication 550
Deductible business interest (non-farm)	Schedule C or C-EZ (Form 1040)	Publication 535
Deductible farm business interest	Schedule F (Form 1040)	Publications 225 and 535
Deductible interest incurred to produce rents or royalties	Schedule E (Form 1040)	Publications 527 and 535
Personal interest	Not Deductible	

## 2008 STANDARD MILEAGE RATES

Business Mileage	Jan.1 - June 30, 2008	50.5 cents / mile
	Beginning July 1, 2008	58.5 cents / mile
Charitable Mileage		14 cents / mile
Medical/Moving Mileage	Jan.1 - June 30, 2008	19 cents / mile
	Beginning July 1, 2008	27 cents / mile

## ESTATE EXEMPTION

