

## Domestic Production Activities Deduction

The deduction rate for 2009 is 6%

## Kiddie Tax

2009 Age Limit	18
2009 Unearned Income Limitation	\$1,900

## Foreign Earned Income

2009 Maximum Exclusion	\$91,400
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## Gift Tax

2009 Exclusion	\$13,000
2009 Exclusion for gift to spouse who is not a U.S. Citizen	\$133,000

## 401(K) Contribution Limits

2009 Maximum Deferral	\$16,500
2009 Catch Up Contributions for taxpayers 50 and over	\$22,000

## 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	\$104,900 - \$134,900
All other filing status	\$69,950 - \$84,950

## Qualified Transportation Fringe Benefit Exclusion

Commuter highway vehicle and transit pass	
January 1 - February 16	\$120
February 17 - December 25	\$230
Qualified parking	\$230

## Itemized Deduction Phaseout Points

Married Filing Separate	\$83,400
All Others	\$166,800

## Long-Term Care Premiums

Maximum premium (per person)	
Age 40 or under	\$320
Age 41 to 50	\$600
Age 51 to 60	\$1,190
Age 61 to 70	\$3,180
Age 71 or over	\$3,980

## 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)	\$70,950
Married Filing Separate	\$35,475
Single or Head of Household	\$46,700

### Exemption Phaseout :

25% of amount AMTI exceeds:

Filing Status	AGI Begin Phaseout	AGI Fully Phaseout
MFJ/Surviving Spouse	\$150,000	\$433,800
Married Filing Separate	\$75,000	\$216,900
Single/HOH	\$112,500	\$299,300

## 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 11	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 14	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	

## 2009 Standard Mileage Rates

Business Mileage	Beginning January 1	55 cents / mile
Charitable Mileage		14 cents / mile
Medical/Moving Mileage	Beginning January 1	24 cents / mile

## Estate Exemption

