

Domestic Production Activities Deduction

The deduction rate for 2012 is 9%

Deduction reduced by 3% if the taxpayer has any oil related qualified production activities income

Kiddie Tax

2012 Age Limit up to 18, and certain under 24
2012 Unearned Income Limitation \$1,900

Foreign Earned Income

2012 Maximum Exclusion \$95,100

Gift Tax

2012 Exclusion \$13,000
2012 Exclusion for gift to spouse who is not a U.S. Citizen \$139,000

401(K) Contribution Limits

2012 Maximum Deferral \$17,000
2012 Catch Up Contributions for taxpayers 50 and over \$22,500

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 \$109,250 - \$139,250
All other filing status \$72,850 - \$87,850

Qualified Transportation Fringe Benefit Exclusion

Commuter highway vehicle and transit pass \$125
Qualified parking \$240

Long-Term Care Premiums

Maximum premium (per person)
Age 40 or under \$350
Age 41 to 50 \$660
Age 51 to 60 \$1,310
Age 61 to 70 \$3,500
Age 71 or over \$4,370

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) \$45,000
Married Filing Separate \$22,500
Single or Head of Household \$33,750

Exemption Phaseout :

25% of amount AMTI exceeds:

Filing Status	AGI Begin Phaseout	AGI Fully Phaseout
MFJ/Surviving Spouse	\$150,000	\$447,800
Married Filing Separate	\$ 75,000	\$223,900
Single/HOH	\$112,500	\$306,300

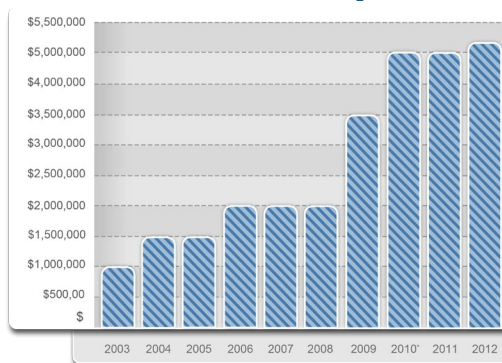
Where to Deduct Your Interest Expense

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 <i>not</i> 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	

2012 Standard Mileage Rates

Business Mileage 55.5 cents / mile
Charitable Mileage 14 cents / mile
Medical/Moving Mileage 23 cents / mile

Estate Exemption



*2010 5,000,000 (or N/A if elected to file 8939)