

KEY FINANCIAL DATA FOR 2012

Frances E. Twiddy, CFP®
Branch Manager
Raymond James Financial Services, Inc.



22811 Greater Mack Avenue Ste 110
 St Clair Shores, MI 48080

(586) 888-8100
 frances.twiddy@raymondjames.com
 raymondjames.com/francestwiddy

2012 Tax Rate Schedule

Taxable income (\$)	Base amount of tax (\$)	Plus	Rate on excess (%) (also called marginal tax rate or tax bracket)	Of the amount over (\$)
Single				
0 to 8,700	0	+	10	0
8,701 to 35,350	870.00	+	15	8,700
35,351 to 85,650	4,867.50	+	25	35,350
85,651 to 178,650	17,442.50	+	28	85,650
178,651 to 388,350	43,482.50	+	33	178,650
Over 388,350	112,683.50	+	35	388,350
Married filing jointly and surviving spouses				
0 to 17,400	0	+	10	0
17,401 to 70,700	1,740.00	+	15	17,400
70,701 to 142,700	9,735.00	+	25	70,700
142,701 to 217,450	27,735.00	+	28	142,700
217,451 to 388,350	48,665.00	+	33	217,450
Over 388,350	105,062.00	+	35	388,350
Head of household				
0 to 12,400	0	+	10	0
12,401 to 47,350	1,240.00	+	15	12,400
47,351 to 122,300	6,482.50	+	25	47,350
122,301 to 198,050	25,220.00	+	28	122,300
198,051 to 388,350	46,430.00	+	33	198,050
Over 388,350	109,229.00	+	35	388,350
Married filing separately				
0 to 8,700	0	+	10	0
8,701 to 35,350	870.00	+	15	8,700
35,351 to 71,350	4,867.50	+	25	35,350
71,351 to 108,725	13,867.50	+	28	71,350
108,726 to 194,175	24,332.50	+	33	108,725
Over 194,175	52,531.00	+	35	194,175
Estates and trusts				
0 to 2,400	0	+	15	0
2,401 to 5,600	360.00	+	25	2,400
5,601 to 8,500	1,160.00	+	28	5,600
8,501 to 11,650	1,972.00	+	33	8,500
Over 11,650	3,011.50	+	35	11,650

Source: IRS Rev. Proc. 2011-52 <http://www.irs.gov/pub/irs-drop/rp-11-52.pdf>

Standard Deductions & Personal Exemption

Filing status	Standard deduction*	Personal exemption*
Married, filing jointly and qualifying widow(er)s	\$11,900	\$3,800
Single	5,950	3,800
Married, filing separately	5,950	3,800
Head of household	8,700	3,800
Dependent filing own tax return	950	950
Additional deductions for non-itemizers		
Blind or over 65	Add 1,150	
Blind or over 65 and unmarried or not a surviving spouse	Add 1,450	

Source: IRS Rev. Proc. 2011-52
<http://www.irs.gov/pub/irs-drop/rp-11-52.pdf>

Capital Gains Tax Rates

Assets held longer than one year	0% for taxpayers in the 10% or 15% bracket 15% for taxpayers in higher brackets
Unrecaptured Sec. 1250 gains	25%
Collectibles	28%

Source: JCT Technical Explanation of the Tax Relief Act of 2010
<http://www.jct.gov/publications.html?func=startdown&id=3716>

Education Credits & Deductions

Credit/Deduction/Account	Maximum credit/deduction	Income phaseouts begin at AGI of:
American Opportunity Tax Credit	\$2,500 credit	\$160,000 joint 80,000 all others
Lifetime learning credit	\$2,000 credit	\$104,000 joint 52,000 all others
Savings bond interest tax-free if used for education	Deduction - limited to amount of qualified expenses	\$109,250 joint 72,850 all others
Coverdell	2,000 maximum contribution; not deductible	\$190,000 joint 95,000 all others

Gift and Estate Tax Exclusions and Credits

Maximum estate tax rate	35%
Estate tax exclusion	\$5,120,000
Gift tax exclusion	\$5,120,000
Gift tax annual exclusion	\$13,000
Exclusion on gifts to non-citizen spouse	\$139,000

Tax Deadlines

January 17 – 4th installment of the previous year's estimated taxes due
April 17 – Tax filing deadline, or request extension to October 15; 1st installment of 2012 taxes due; last day to file amended return for 2008
June 15 – 2nd installment of estimated taxes due
September 17 – 3rd installment of estimated taxes due
October 15 – Tax returns due for those who requested an extension
December 31 – Last day to pay expenses for itemized deductions

IRA and Retirement Plan Deadlines

April 17 – Last day to contribute to Roth or traditional IRA for 2011; Keogh plan or SEP for 2011 (unless tax filing deadline has been extended); HSA for 2011. (April 15 is Emancipation Day in the District of Columbia. Federal tax filing deadline is deferred to following Tuesday, April 17.)
October 15 – Last day to recharacterize a converted IRA from 2011 if extension was filed or tax return was filed by April 17; last day to contribute to SEP or Keogh for 2011 if extension was filed.
December 31 – Last day to: 1) establish a Keogh plan for 2012; 2) establish and fund a solo 401(k) for 2012; 3) complete 2012 contributions to employer-sponsored 401(k) plans; 4) correct excess contributions to IRAs and qualified plans to avoid penalty.

Information contained herein is current as of 12/30/11. It is subject to legislative changes and is not intended to be legal or tax advice. Consult a qualified tax advisor regarding specific circumstances. This material is furnished "as is" without warranty of any kind. Its accuracy and completeness is not guaranteed and all warranties express or implied are hereby excluded.

Retirement Plan Contribution Limits	
Annual compensation used to determine contribution for most plans	\$250,000
Defined-contribution plans, basic limit	50,000
Defined-benefit plans, basic limit	200,000
401(k) plans, 403(b) plans, 457(b) plans, elective deferrals	17,000
Catch-up provision for individuals 50 and over, 401(k) plans, 403(b) plans, 457(b) plans	5,500
SIMPLE plans, elective deferral limit	11,500
SIMPLE plans, catch-up contribution for individuals 50 and over	2,500
Roth 401(k) (if plan permits)	17,000
Roth 401(k) catch-up contribution for individuals 50 and over	5,500

Individual Retirement Accounts			
IRA type	Contribution limit	Catch-up at 50+	Income limits
Traditional nondeductible	\$5,000	\$1,000	None
Traditional deductible	5,000	1,000	If covered by a plan: \$92,000 - 112,000 joint 58,000 - 68,000 single, HOH 10,000 married filing separately If one spouse is covered by a plan: 173,000 - 183,000 joint
Roth	5,000	1,000	173,000 - 183,000 joint 110,000 - 125,000 single & HOH 0 - 10,000 married filing separately and active participant in a plan
Roth conversion			No income limit

Health Savings Accounts			
Annual limit	Maximum deductible contribution	Expense limits (deductibles & co-pays)	Minimum annual deductible
Individuals	\$3,100	\$6,050	\$1,200
Families	6,250	12,100	2,400
Catch-up for 55 and older	1,000		

Deductibility of Long-Term Care Premiums on Qualified Policies	
Attained age before close of tax year	Amount of LTC premiums that qualify as medical expenses in 2011
40 or less	\$350
41 to 50	660
51 to 60	1,310
61 to 70	3,500
Over 70	4,370

Medicare Premiums & Deductibles	
Part B premium	\$99.90
Part B deductible	140.00
Part A (inpatient services) deductible for first 60 days of hospitalization	1,156 .00
Part A deductible for days 61-90 of hospitalization	289/day
Part A deductible for more than 90 days of hospitalization	578/day

Social Security		
Benefits		
Full retirement age (FRA) if born between 1943 and 1954	66	
Maximum monthly benefit	\$2,513 if FRA in 2012	
Retirement earnings exempt amounts	14,640 under FRA 38,880 during year reach FRA No limit after FRA	
Tax (FICA)		
	% withheld	Maximum tax payable
SS tax paid on income up to \$110,100		
Employer pays	6.2%	\$6,826
Employee pays	6.2%*	6,826
Self-employed pays:	12.4%	13,652

*4.2% first two months of 2012

Medicare tax paid on all income		
Employer pays	1.45%	varies per income
Employee pays	1.45%	varies per income
Self-employed pays:	2.90%	varies per income
Tax on benefits: income brackets		
Filing status	AGI plus provisional income*	Amount of Social Security subject to tax
Married filing jointly	Under \$32,000	0
	32,000 - 44,000	50%
	Over 44,000	85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under 25,000	0
	25,000 - 34,000	50%
	Over 34,000	85%
Married filing separately and living with spouse	Over 0	85%

*Provisional income = tax-exempt interest plus 50% of Social Security benefit

Medicare Premiums for High-Income Taxpayers			
MAGI single	MAGI joint	Part B Premium	Part D income adjustment
\$85,000 or less	\$170,000 or less	\$99.90	\$0
85,001-107,000	170,001-214,000	139.90	11.60
107,001-160,000	214,001-320,000	199.80	29.90
160,001-214,000	320,001-428,000	259.70	48.10
Above 214,000	Above 428,000	319.70	66.40

Member FINRA/SIPC

Uniform Lifetime Table			
Age of IRA owner or plan participant	Life expectancy (in years)	Age of IRA owner or plan participant	Life expectancy (in years)
70	27.4	90	11.4
71	26.5	91	10.8
72	25.6	92	10.2
73	24.7	93	9.6
74	23.8	94	9.1
75	22.9	95	8.6
76	22.0	96	8.1
77	21.2	97	7.6
78	20.3	98	7.1
79	19.5	99	6.7
80	18.7	100	6.3
81	17.9	101	5.9
82	17.1	102	5.5
83	16.3	103	5.2
84	15.5	104	4.9
85	14.8	105	4.5
86	14.1	106	4.2
87	13.4	107	3.9
88	12.7	108	3.7
89	12.0	109	3.4

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