

2009 Tax and Financial Planning Information

Social Security				RMD Uniform Lifetime Table			Maximum Monthly Retirement Benefit at FRA					
Base Amount of MAGI Causing SS Benefits to be Taxed				Current age	Dist. Period	Percent	Current age	Dist. Period	Percent	For worker at age 66 (FRA) in 2009	\$2,323	
	50% taxable	85% taxable		70	27.4	3.65%	93	9.6	10.42%	Cost-of-living Adjustment (COLA)		
MFJ	> \$32,000	> \$44,000		71	26.5	3.77%	94	9.1	10.99%	2008	2009	
Single or H of HH	> \$25,000	> \$34,000		72	25.6	3.91%	95	8.6	11.63%	2.3%	5.8%	
Max Earnings before Soc. Sec. Benefits are Reduced:				73	24.7	4.05%	96	8.1	12.35%	Estimated Average Monthly SS Benefit Payment		
< FRA (lose \$1 for every \$2) over		\$14,160		74	23.8	4.20%	97	7.6	13.16%	2008	2009	
> FRA (FRA throughout 2009 is 66 years)		No Limit		75	22.9	4.37%	98	7.1	14.08%	\$1,079	\$1,153	
Maximum Compensation Subject to FICA				76	22.0	4.55%	99	6.7	14.93%	\$1,761	\$1,876	
OASDI (Soc. Sec.) maximum		\$106,800		77	21.2	4.72%	100	6.3	15.87%	\$2,243	\$2,399	
HI (Medicare) maximum		No Limit		78	20.3	4.93%	101	5.9	16.95%	\$1,041	\$1,112	
OASDI tax rate: 12.4% self-employed, 6.2% employees				79	19.5	5.13%	102	5.5	18.18%	\$1,004	\$1,064	
HI tax rate: 2.9% self-employed, 1.45% employees				80	18.7	5.35%	103	5.2	19.23%	IRA Contribution Limits		
Social Security Full Retirement Age (FRA)				81	17.9	5.59%	104	4.9	20.41%	2008	2009	
<u>year of birth</u>	<u>age full benefits</u>	<u>year of birth</u>	<u>age full benefits</u>	82	17.1	5.85%	105	4.5	22.22%	\$5,000	\$5,000	
1937 or earlier	65	1955	66 & 2 months	83	16.3	6.13%	106	4.2	23.81%	Catch-Up* Contribution Limits for IRAs and Other Qualified Plans		
1938	65 & 2 months	1956	66 & 4 months	84	15.5	6.45%	107	3.9	25.64%	2008	2009	
1939	65 & 4 months	1957	66 & 6 months	85	14.8	6.76%	108	3.7	27.03%	\$1,000	\$1,000	
1940	65 & 6 months	1958	66 & 8 months	86	14.1	7.09%	109	3.4	29.41%	\$5,000	\$5,500	
1941	65 & 8 months	1959	66 & 10 months	87	13.4	7.46%	110	3.1	32.26%	\$2,500	\$2,500	
1942	65 & 10 months	1960 & later	67	88	12.7	7.87%	111	2.9	34.48%	*Only taxpayers age 50 and over are eligible to catch-up		
1943-1954	66			89	12.0	8.33%	112	2.6	38.46%	MAGI Phase-Out Range for Contributions--Traditional and Roth		
Traditional IRAs Deductibility Rules 2009				90	11.4	8.77%	113	2.4	41.67%	MFJ	MFS	Single
Filing Status	Covered by Employee Plan	Modified AGI	Deductibility	91	10.8	9.26%	114	2.1	47.62%	\$89,000-\$109,000	\$0-\$10,000	\$55,000-\$65,000
Single	No	Any Amount	Full	92	10.2	9.80%	115 & >	1.9	52.63%	\$166,000-\$176,000	\$0-\$10,000	\$105,000-\$120,000
	Yes	< \$55,000	Full	To Roll or not to Roll (according to EGTRRA)*								
		> \$55,000-\$65,000	Partial	To**								
		> \$65,000	None	From	IRA/SEP IRA	Roth IRA	Simple IRA	Qual. Plan	403(b)/457			
				IRA/SEP IRA	Y	Y	N	Y	Y			
				Roth IRA	N	Y	N	N	N			
				Simple IRA	Y	Y	Y	Y	Y			
				Qual. Plan	Y	N	N	Y	Y			
				403(b)/457	Y	N	N	Y	Y			
				*All qual. plans do not have the same rollover requirements and restrictions.								
				**The law allows the rollover of eligible assets to qualified plans, but an employer is not required to make these allowances.								
				Savings Bond/Higher Education Expense Exclusion--2009								
				MFJ			Single or Head of HH					
				MAGI phaseout range			\$104,900/\$134,900			\$69,950/\$84,950		
Qualified Plans				2008	2009	2010*	2011*	2012*				
Maximum elective deferral to retirement plans, e.g., 401(k), 403 (b)				\$15,500	\$16,500	\$17,000	\$17,500	\$18,000				
Maximum elective deferral to SIMPLE 401 (k) and Simple IRA plans				\$10,500	\$11,500	\$12,000	\$12,500	\$13,000				
Maximum elective deferral to 457 plans of tax-exempt employers				\$15,500	\$16,500	\$17,000	\$17,500	\$18,000				
Limit on annual additions to SEP plans				\$46,000	\$49,000	\$51,000	\$53,000	\$55,000				
Defined-contribution plans, basic limit				\$46,000	\$49,000	\$51,000	\$53,000	\$55,000				
Annual compensation used to determine contribution for most plans				\$230,000	\$245,000	\$260,000	\$275,000	\$290,000				
Annual benefit limit under defined benefit plans				\$185,000	\$195,000	\$205,000	\$215,000	\$225,000				
Threshold amount used to determine a highly-compensated employee				\$105,000	\$110,000	\$115,000	\$120,000	\$125,000				
Threshold amount for more than 1% owners in top-heavy plans				\$150,000	\$160,000	\$170,000	\$180,000	\$190,000				
PBGC maximum annual guaranteed pension amt. at age 65 (single life)				\$51,750	\$54,000	*Projections dependent on indexing.						
Maximum Monthly Retirement Benefit at FRA										2008	2009	
For worker at age 66 (FRA) in 2009										\$250,000	\$133,000	
Cost-of-living Adjustment (COLA)										100%	100%	
Estimated Average Monthly SS Benefit Payment												
Retired workers										\$1,079	\$1,153	
Retired couples										\$1,761	\$1,876	
Young widow & 2 eligible children										\$2,243	\$2,399	
Aged Widow(er) (no children)										\$1,041	\$1,112	
Disabled workers										\$1,004	\$1,064	
IRA Contribution Limits										2008	2009	
Traditional and Roth										\$5,000	\$5,000	
Catch-Up* Contribution Limits for IRAs and Other Qualified Plans										2008	2009	
IRAs--Traditional and Roth										\$1,000	\$1,000	
401k, 403b, 457										\$5,000	\$5,500	
Simple Plans										\$2,500	\$2,500	
*Only taxpayers age 50 and over are eligible to catch-up												
MAGI Phase-Out Range for Contributions--Traditional and Roth												
										MFJ	MFS	Single
Traditional										\$89,000-\$109,000	\$0-\$10,000	\$55,000-\$65,000
Roth										\$166,000-\$176,000	\$0-\$10,000	\$105,000-\$120,000
No Traditional IRA to Roth conversions if MAGI exceeds \$100,000 or if MFS												
Alternative Minimum Tax (AMT) 2009										Max. AMT Exp. Amt.	AMT Phaseout Threshold	
MFJ or surviving spouse										\$45,000	\$150,000	
MFS										\$22,500	\$75,000	
Head of Household										\$33,750	\$112,500	
Single										\$33,750	\$112,500	
Miscellaneous Business Data										2008	2009	
Maximum Section 179 Expense Deduction										\$250,000	\$133,000	
Self-Employed Health Insurance Deduction										100%	100%	
Standard Mileage Rates										1st half 2008	2nd half 2008	2009
For business purposes (cents per mile)										\$0.505	\$0.585	\$0.55
For medical purposes (cents per mile)										\$0.19	\$0.27	\$0.24
For moving purposes (cents per mile)										\$0.19	\$0.27	\$0.24
For charitable purposes (cents per mile)										\$0.14	\$0.14	\$0.14
Qualified Transportation Fringe Benefits										2008	2009	
Commuter vehicles & transit pass monthly exclusion amt.										\$115	\$120	
Qualified parking monthly exclusion amount										\$220	\$230	



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