



**BUSINESS STRATEGISTS
CERTIFIED PUBLIC ACCOUNTANTS**

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The following table provides important tax information for 2009, as compared with 2008.

Social Security Wage Base	2009	2008
Social Security Taxable Wage Base	\$106,800	\$102,000
Medicare Taxable Wage Base	No Limit	No Limit
Individual Retirement Accounts	2009	2008
Roth IRA Individual, up to 100% of earned income	\$5,000	\$5,000
Traditional IRA Individual, up to 100% of earned income	\$5,000	\$5,000
Roth and traditional IRA additional annual "catch-up" contributions for employees age 50 and older	\$1,000	\$1,000
Annual Qualified Plan Limits	2009	2008
Defined Contribution Plan Dollar Limit on additions on Section 415(c)(1)(A)	\$49,000	\$46,000
Defined Benefit Plan limit on benefits <i>Section 415(b)(1)(A)</i>	\$195,000	\$185,000
Maximum compensation used to determine contributions	\$245,000	\$230,000
401(k), SARSEP, 403(b) Plan Deferrals (Section 402(g), & 457 Plan deferrals (Section 457(b)(2))	\$16,500	\$15,500
401(k), 403(b), 457 & SARSEP additional "catch-up" contributions for employees age 50 and older	\$5,500	\$5,000
SIMPLE deferrals <i>Section 408(p)(2)(A)</i>	\$11,500	\$10,500
Simple additional "catch-up" contributions for employees age 50 and older	\$2,500	\$2,500
Compensation defining highly compensated employee <i>Section 414(q)(1)(B)</i>	\$110,000	\$105,000
Compensation defining key employee (officer)	\$160,000	\$150,000
Compensation triggering Simplified Employee Pension (SEP) contribution requirement <i>Section 408(k)(2)(c)</i>	\$550	\$500
Driving Deductions	2009	2008
Business mileage, cents per mile	55 cents	58.5 cents <small>(7/1/08 to 12/31/08)</small> 50.5 cents <small>(1/1/08 to 6/30/08)</small>
Charitable mileage, cents per mile	14 cents	14 cents
Medical and moving mileage, cents per mile	24 cents	27 cents <small>(7/1/08 to 12/31/08)</small> 19 cents <small>(1/1/08 to 6/30/08)</small>

Business Equipment	2009	2008
Maximum Section 179 expense deduction	\$133,000	\$250,000
Phaseout for Section 179	\$530,000	\$800,000
Fringe Benefit Exclusion	2009	2008
Commuter highway vehicle and transit pass, per month	\$120	\$115
Qualified parking, per month	\$230	\$220
Domestic employees	2009	2008
Annual threshold when a domestic employer is liable to withhold and pay FICA for babysitters, housekeepers, cooks, etc.	\$1,700	\$1,600
Standard Deduction	2009	2008
Married filing jointly	\$11,400	\$10,900
Single (and married filing separately)	\$5,700	\$5,450
Heads of Household	\$8,350	\$8,000
Itemized Deduction Phase-Out	2009	2008
Amount for all filing status categories except married filing separately	\$166,800	\$159,950
Married filing separately	\$83,400	\$79,975
Personal Exemption	2009	2008
Amount	\$3,650	\$3,500
Kiddie Tax	2009	2008
Net unearned income for a child that is not subject to the "kiddie tax"	\$1,900	\$1,800
Annual Exclusion for Gifts	2009	2008
Amount you can give	\$13,000	\$12,000
IRS Interest Rates	2009	2008
	(1st quarter)	(4th quarter)
Tax overpayments	5 Percent (4 percent for corporations; 2.5 percent for the portion of corporate overpayments exceeding \$10,000)	6 Percent (5 percent for corporations; 3.5 percent for the portion of corporate overpayments exceeding \$10,000)
Tax underpayments	5 Percent (7 percent for large corporate underpayments)	6 Percent (8 percent for large corporate underpayments)