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**2011 Tax Highlights**

2011 Tax Rates		<i>Single</i>	<i>MFJ</i>	<i>Head of Household</i>	<i>MFS</i>	<i>Estates &amp; Trusts</i>
		10% <\$ 8,500	<\$ 17,000	<\$ 12,150	<\$ 8,500	
		15% <\$ 34,500	<\$ 69,000	<\$ 46,250	<\$ 34,500	<\$ 2,300
		25% <\$ 83,600	<\$ 139,350	<\$ 119,400	<\$ 69,675	<\$ 5,450
		28% <\$ 174,400	<\$ 212,300	<\$ 193,350	<\$ 106,150	<\$ 8,300
		33% <\$ 379,150	<\$ 379,150	<\$ 379,150	<\$ 189,575	<\$ 11,350
		35% >\$ 379,150	>\$ 379,150	>\$ 379,150	>\$ 189,575	>\$ 11,350
<b>Standard Deductions</b>	Year <b>2011</b>	\$ 5,800	\$ 11,600	\$ 8,500	\$ 5,800	
<b>Dependent Additional Over 65 (1)</b>			\$ 950	\$ 950		
<b>Personal Exemption</b>	\$ 3,700	Single AGI	MFJ AGI			
	<b>Part B Part D</b>					
<b>Medicare Premiums</b>	\$115.40 Premium	<\$ 85,000	<\$ 170,000			
	\$161.50 +\$12.00	<\$ 107,000	<\$ 214,000			
	\$230.70 +\$31.10	<\$ 160,000	<\$ 320,000			
<b>Social Security</b>	<b>2011</b> Wage Limits – first <b>\$106,800</b> of compensation; <b>full retirement age</b> – born between 1944-1955 (66 yrs) Earnings under full retirement age \$14,160 or \$1,180 monthly; \$37,680 for months prior to 66 <sup>th</sup> birthday					
<b>First Time Homebuyer Credit</b>	Purchase from <b>04/08/08 – 12/31/08</b> - \$7,500 recapture of credit over 15 years starting with 2010 taxes Purchase from <b>01/01/09 – 11/06/09</b> - \$8,000 first time home buyer credit Purchase from <b>11/07/09 – 04/30/10</b> - \$8,000 first time home buyer; otherwise (5 of 8 years) \$6,500 <b>2010 phase-out</b> MFJ < \$170,000, Single < \$95,000					
<b>Transportation Fringe</b>	<b>2010-2011</b> Commuter highway vehicle or Transit pass – up to \$230 per month;					
<b>2011 Capital Gains</b>	Long-term capital gains and qualified dividends are <b>Tax Free</b> for 10% or 15% Income Brackets					
<b>Debt Discharge</b>	If the debtor is insolvent, the amount discharged is <b>not</b> included in gross income (up to the amount of insolvency)					
<b>2011 Rental Property</b>	<b>All</b> property owners who rent property (including vacation homes) <b>must</b> issue Form 1099s for payments aggregating <b>\$600 or more to all</b> vendors and service providers for the calendar year; <b>collect W-9s</b>					
<b>2011 Payroll Tax Credit</b>	Additional 2% of net wages due to decrease in employee / self-employed portion of social security tax					
<b>Retirement Plans</b>	For self-employed; 25% of compensation (20% after calculation)					
401(k)	Pre-tax contribution, \$16,500 maximum for year; \$22,000 if over 50 years old					
Roth 401(k)	After-tax contribution; dollar amount same as 401(k) above					
Simple IRA	\$11,500 maximum contribution for year; \$14,000 if over 50 years old					
Traditional & Roth IRA	\$5,000 maximum contribution for year; plus \$1,000 catch-up contribution if over 50 years old					
Phase Out:	Traditional – One Spouse in Plan MFJ <b>2010</b> \$167,000- \$177,000 <b>2011</b> \$169,000- \$ 179,000 Single <b>2010</b> \$ 56,000- \$ 66,000 <b>2011</b> \$ 56,000- \$ 66,000 Traditional – Two Spouses in Plan MFJ <b>2010</b> \$ 89,000- \$109,000 <b>2011</b> \$ 90,000- \$ 110,000 Minimum contribution of \$200 if phase-out lowers contribution to <\$200 but > greater than \$0 No contribution for individual age > 70 ½					
<b>Rollover to ROTH IRA</b>	<b>ROTH Conversion available regardless of income or tax filing status</b> <b>Spread tax impact over the next two years (filing years 2011 and 2012)</b>					
<b>2011 Hope Education Credit</b>	100% of up to \$2,000 qualified higher-education tuition and related expenses plus 25% of the next \$2,000 of expenses not to exceed \$2,500 for 4 years post-secondary education for <b>each</b> eligible student; <b>2011 phase out</b> starts at MFJ \$160,000; Single \$80,000					
<b>2011 Lifetime Learning Credit</b>	20% of up to \$10,000 qualified tuition and related expenses; \$2,000 Maximum Credit; <b>2011 phase out</b> starts at MFJ \$102,000; Single \$51,000					
<b>Coverdell CESA</b>	\$2,000 per beneficiary under age 18 – can be used for private elementary and high school education					
Phase Out	MFJ \$190,000- \$220,000; Single \$95,000-\$110,000; corporate contribution added to employee's wages					
<b>529 Plans</b>	For contributions – no adjusted gross income limit, no beneficiary age limit					
<b>Education Loan Interest</b>	\$2,500 Limit (no time limit for student loan); <b>2010 phase out</b> MFJ \$120,000-\$150,000; Single \$60,000-\$75,000					
<b>Energy Property Credit</b>	Purchases from 1/1/09-12/31/10; 30% of all energy property; \$1,500 credit limit					
<b>MA Senior Circuit Breaker</b>	\$970; Total income not to exceed MFJ \$77,000; Single \$51,000; Head of Household \$64,000					
<b>Gift Tax Exclusion</b>	\$13,000 per person					
<b>Estate Tax Exclusion</b>	<b>2011</b> Federal - \$5,000,000; MA - \$1,000,000					
<b>Automobile Mileage</b>	<i>Dates</i>	<i>Business</i>	<i>Medical / Moving</i>	<i>Charity</i>		
	As of 1/1/10	50 cents	16.5 cents	14 cents		
	As of 1/1/11	51 cents	19.0 cents	14 cents		

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