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Income Tax Key Numbers



Long-Term Capital Gains and Qualifying Dividends

Long-term capital gains and qualifying dividends continue to be taxed at a maximum rate of 15%. If you're in the 10% or 15% marginal income tax brackets, a special 0% rate will generally continue to apply.

Qualified Charitable Distributions

For 2011, an IRA holder age 70½ or older was able to exclude from gross income up to \$100,000 in otherwise taxable distributions made from his or her IRA directly to a qualified charity. Unless extended by Congress, this provision is not available for 2012.

Exemptions	2011	2012
Personal and Dependency Exemption Amount	\$3,700	\$3,800

Standard Deduction	2011	2012
Married Filing Jointly (MFJ)	\$11,600	\$11,900
Head of Household	\$8,500	\$8,700
Single	\$5,800	\$5,950
Married Filing Separately	\$5,800	\$5,950
Dependent	Greater of \$950 or \$300 + earned income	Greater of \$950 or \$300 + earned income
Additional Deduction for Aged or Blind (Single or Head of Household)	\$1,450	\$1,450
Additional Deduction for Aged or Blind (all other filing statuses)	\$1,150	\$1,150

Tax Credits	2011	2012
Adoption Credit	\$13,360 max (phased out for AGIs \$185,210 to \$225,210)	\$12,650 max (phased out for AGIs \$189,710 to \$229,710)
Child Tax Credit	\$1,000 max; phaseout begins at AGI of \$75,000 (Single) \$110,000 (MFJ) \$55,000 (MFS); refundable up to 15% of earnings over \$3,000	\$1,000 max; phaseout begins at AGI of \$75,000 (Single) \$110,000 (MFJ) \$55,000 (MFS); refundable up to 15% of earnings over \$3,000
Lifetime Learning Tax Credit	\$2,000 max; phaseout range: \$51,000 to \$61,000 (Single) \$102,000 to \$122,000 (MFJ)	\$2,000 max; phaseout range: \$52,000 to \$62,000 (Single) \$104,000 to \$124,000 (MFJ)
American Opportunity (Hope) Tax Credit	\$2,500 max; phaseout range: \$80,000 to \$90,000 (Single) \$160,000 to \$180,000 (MFJ)	\$2,500 max; phaseout range: \$80,000 to \$90,000 (Single) \$160,000 to \$180,000 (MFJ)
Making Work Pay Tax Credit	Credit does not apply, but related benefit provided by one-year 2% reduction in employee Social Security payroll tax	Credit does not apply

Still Available / In Effect

- *Itemized deductions and personal and dependency exemptions for higher-income individuals are not reduced.*
- *For 2011, state and local sales tax can continue to be claimed in lieu of state and local income tax by individuals who itemize deductions on Form 1040, Schedule A. Unless extended by Congress, this provision is not available for 2012.*
- *For 2011, mortgage insurance premiums remain deductible as qualified residence interest, subject to adjusted gross income limitations. Unless extended by Congress, this provision is not available for 2012.*

Deductions	2011	2012
Classroom Expenses of School Teachers (above-the-line)	\$250	\$0 (unless extended by Congress)
Deduction for Qualified Higher Education Expenses	\$4,000 max deduction/\$2,000 reduced deduction; phaseout range: \$65,000 to \$80,000 (Single), \$130,000 to \$160,000 (MFJ)	\$0 (unless extended by Congress)
Education Loans Interest Deduction	\$2,500 max deduction; phaseout range: \$60,000 to \$75,000 (Single), \$120,000 to \$150,000 (MFJ)	\$2,500 max deduction; phaseout range: \$60,000 to \$75,000 (Single), \$125,000 to \$155,000 (MFJ)
Standard Mileage Rates	Business - \$0.51/\$0.555 Medical or Moving - \$0.19/\$0.235 Charitable - \$0.14/\$0.14 (first half of 2011/second half of 2011)	Business - \$0.555 Medical or Moving - \$0.23 Charitable - \$0.14

Alternative Minimum Tax (AMT)	2011	2012
Maximum AMT Exemption Amount	\$74,450 (MFJ) \$48,450 (Single) \$37,225 (MFS)	\$45,000 (MFJ) \$33,750 (Single) \$22,500 (MFS)
AMT Exemption Phaseout Threshold	\$150,000 (MFJ) \$112,500 (Single) \$75,000 (MFS)	\$150,000 (MFJ) \$112,500 (Single) \$75,000 (MFS)

Kiddie Tax Rules	2011	2012
Amount Exempt from Tax	\$950	\$950
Additional Amount Taxed at Child's Rate	\$950	\$950
Unearned Income Over This Amount Taxed at Parent's Rate	\$1,900	\$1,900
Election to Include Child's Income on Parent's Return (Child's Gross Income Requirement)	\$950 to \$9,500	\$950 to \$9,500
AMT Exemption for Child Subject to Kiddie Tax	Lesser of \$6,800 + child's earned income or \$48,450	Lesser of \$6,950 + child's earned income or \$33,750

Top Tax Brackets	2011	2012
Single	35% of taxable income exceeding \$379,150 + \$110,016.50	35% of taxable income exceeding \$388,350 + \$122,683.50
MFJ	35% of taxable income exceeding \$379,150 + \$102,574	35% of taxable income exceeding \$388,350 + \$105,062
MFS	35% of taxable income exceeding \$189,575 + \$51,287	35% of taxable income exceeding \$194,175 + \$52,531
HOH	35% of taxable income exceeding \$379,150 + \$106,637.50	35% of taxable income exceeding \$388,350 + \$109,229

IMPORTANT DISCLOSURES

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