

# '08 Tax

REFERENCE SHEET

ESG

The Estate Services Group

## Tax Brackets for 2008

Taxable income (i.e. income minus deductions and exemptions) between:

<b>Married, Filing Jointly</b>	
\$0-\$16,050	10%
\$16,051-\$65,100	15%
\$65,101-\$131,450	25%
\$131,451-\$200,300	28%
\$200,301-\$357,700	33%
over \$357,700	35%

<b>Single</b>	
\$0-\$8,025	10%
\$8,026-\$32,550	15%
\$32,551-\$78,850	25%
\$78,851-\$164,550	28%
\$164,551-\$357,700	33%
over \$357,700	35%

<b>Married, Filing Separately</b>	
\$0-\$8,025	10%
\$8,026-\$32,550	15%
\$32,551-\$65,725	25%
\$65,726-\$100,150	28%
\$100,151-\$178,850	33%
over \$178,850	35%

<b>Single, Head of Household</b>	
\$0-\$11,450	10%
\$11,451-\$43,650	15%
\$43,651-\$112,650	25%
\$112,651-\$182,400	28%
\$182,401-\$357,700	33%
over \$357,700	35%

<b>Estates and Trusts</b>	
\$0-\$2,200	15%
\$2,201-\$5,150	25%
\$5,151-\$7,850	28%
\$7,851-\$10,700	33%
over \$10,700	35%

<b>Corporations</b>	
\$0-\$50,000	15%
\$50,000-\$75,000	25%
\$75,000-\$100,000	34%
\$100,000-\$335,000	39%
\$335,000-\$18,333,333	34-38%
over \$18,333,333	35%

## Standard Deduction

Married, filing jointly	\$10,900
Single	\$5,450
Married, filing separately	\$5,450
Head of household	\$8,000
Blind or over 65: add \$1,050 if married, \$1,350 if single or head of household	

## Itemized Deductions Phaseout Begins

Married, filing jointly	\$159,950 AGI
Single	\$159,950 AGI
Married, filing separately	\$79,975 AGI
Head of household	\$159,950 AGI

## Personal Exemption \$3,500

## Personal Exemption Phaseout Begins

Married, filing jointly	\$239,950-\$362,450 AGI
Single	\$159,950-\$282,450 AGI
Married, filing separately	\$119,975-\$181,225 AGI
Head of household	\$199,950-\$332,450 AGI

## Kiddie Tax Exemption \$1,800

## Long-term Capital Gains and Dividend Rates

10% and 15% brackets	0%
Higher brackets	15%
Capital gains on collectibles	28%
Unrecaptured 1250 depreciation	25%

## Pension Plans Limits

IRA contribution	
Under age 50	\$5,000
Age 50 and over	\$6,000
Phaseout for deducting IRA contribution	
Joint	\$85,000-\$105,000 AGI
Single	\$53,000-\$63,000 AGI
Phaseout for deducting spousal IRA	
	\$159,000-\$169,000 AGI
Phaseout of Roth contribution eligibility	
Joint	\$159,000-\$169,000 MAGI
Single	\$101,000-\$116,000 MAGI
Filing separately	\$0-\$10,000 MAGI
No Roth conversion if \$100,000+ MAGI	

SEP contribution	
Up to 25% of compensation, limit \$46,000	

Compensation to participate in SEP	\$500
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SIMPLE elective deferral	
Under age 50	\$10,500
Age 50 and over	\$13,000

401(k), 403(b) <sup>1</sup> , 457 and SARSEP elective deferral under age 50	\$15,500
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401(k), 403(b) <sup>1</sup> , 457 <sup>2</sup> and SARSEP elective deferral age 50 and over	\$20,500
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Annual defined contribution limit	\$46,000
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Annual defined benefit limit	\$185,000
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Highly compensated employee makes	\$105,000
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Annual compensation taken into account for qualified plans	\$230,000
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Retirement Tax Credit	
A % tax credit for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction or exclusion, if	
Married, Joint	Below \$53,050 MAGI
Head of House	Below \$39,750 MAGI
Single	Below \$26,500 MAGI

## Gift and Estate Tax

Gift tax annual exclusion	\$12,000
Highest estate and gift tax rate	45%
Estate tax exemption	\$2,000,000
Lifetime gift exemption	\$1,000,000
GST exemption	\$2,000,000
Annual exclusion for gifts to noncitizen spouse	\$128,000

## Education

Coverdell Education Savings Account	\$2,000
Coverdell contribution eligibility phaseout	
Single	\$95,000-\$110,000
Joint	\$190,000-\$220,000
Student loan interest deduction limit	\$2,500
Interest deduction is phased out	
Single	\$55,000 - \$70,000 MAGI
Joint	\$115,000 - \$145,000 MAGI

Phaseout of Hope and Lifetime Learning Credits	
Single, head of household	\$48,000 - \$58,000
Joint	\$96,000 - \$116,000

Tax-free savings bonds interest phased out	
Single	\$67,100-\$82,100 MAGI
Joint	\$100,650-\$130,650 MAGI

## Social Security

Maximum earnings (during work years) subject to FICA tax	\$102,000
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Income <sup>3</sup> (in retirement) causing Social Security benefits to be taxable	
Married, filing jointly	
50% taxable	\$32,000 MAGI
85% taxable	\$44,000 MAGI
Single	
50% taxable	\$25,000 MAGI
85% taxable	\$34,000 MAGI

1. Special increased limit may apply to certain 403(b) contributors with 15 or more years of service.

2. In last 3 years prior to year of retirement, 457 plan participant may be able to double elective deferral if needed to catch-up on prior missed contributions, but if they do, they cannot use catch-up.

3. Income is most income including muni bond interest but only 1/2 of Social Security.

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# THE ESTATE SERVICES GROUP 2008 TAX REFERENCE SHEET

## Uniform Lifetime Table

Use to calculate Minimum Required Distributions from IRA's and qualified plans during owners life. Do not use this table if owner has spousal beneficiary more than 10 years younger. Instead use Joint Life Table from IRS Pub. 590.

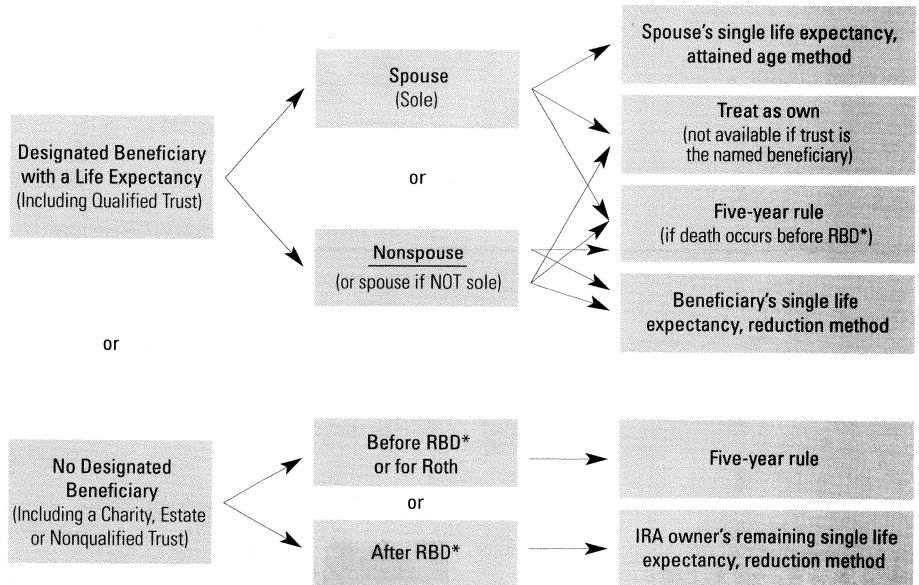
Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
10	86.2	63	33.9
11	85.2	64	33.0
12	84.2	65	32.0
13	83.2	66	31.1
14	82.2	67	30.2
15	81.2	68	29.2
16	80.2	69	28.3
17	79.2	70	27.4
18	78.2	71	26.5
19	77.3	72	25.6
20	76.3	73	24.7
21	75.3	74	23.8
22	74.3	75	22.9
23	73.3	76	22.0
24	72.3	77	21.2
25	71.3	78	20.3
26	70.3	79	19.5
27	69.3	80	18.7
28	68.3	81	17.9
29	67.3	82	17.1
30	66.3	83	16.3
31	65.3	84	15.5
32	64.3	85	14.8
33	63.3	86	14.1
34	62.3	87	13.4
35	61.4	88	12.7
36	60.4	89	12.0
37	59.4	90	11.4
38	58.4	91	10.8
39	57.4	92	10.2
40	56.4	93	9.6
41	55.4	94	9.1
42	54.4	95	8.6
43	53.4	96	8.1
44	52.4	97	7.6
45	51.5	98	7.1
46	50.5	99	6.7
47	49.5	100	6.3
48	48.5	101	5.9
49	47.5	102	5.5
50	46.5	103	5.2
51	45.5	104	4.9
52	44.6	105	4.5
53	43.6	106	4.2
54	42.6	107	3.9
55	41.6	108	3.7
56	40.7	109	3.4
57	39.7	110	3.1
58	38.7	111	2.9
59	37.8	112	2.6
60	36.8	113	2.4
61	35.8	114	2.1
62	34.9	115+	1.9

## Single Life Table After IRA Owner's Death

### Ordinary Life Annuities One Life—Expected Return Multiples

Age	Multiple	Age	Multiple	Age	Multiple
15	67.9	44	39.8	73	14.8
16	66.9	45	38.8	74	14.1
17	66.0	46	37.9	75	13.4
18	65.0	47	37.0	76	12.7
19	64.0	48	36.0	77	12.1
20	63.0	49	35.1	78	11.4
21	62.1	50	34.2	79	10.8
22	61.1	51	33.3	80	10.2
23	60.1	52	32.3	81	9.7
24	59.1	53	31.4	82	9.1
25	58.2	54	30.5	83	8.6
26	57.2	55	29.6	84	8.1
27	56.2	56	28.7	85	7.6
28	55.3	57	27.9	86	7.1
29	54.3	58	27.0	87	6.7
30	53.3	59	26.1	88	6.3
31	52.4	60	25.2	89	5.9
32	51.4	61	24.4	90	5.5
33	50.4	62	23.5	91	5.2
34	49.4	63	22.7	92	4.9
35	48.5	64	21.8	93	4.6
36	47.5	65	21.0	94	4.3
37	46.5	66	20.2	95	4.1
38	45.6	67	19.4	96	3.8
39	44.6	68	18.6	97	3.6
40	43.6	69	17.8	98	3.4
41	42.7	70	17.0	99	3.1
42	41.7	71	16.3	100	2.9
43	40.7	72	15.5	101	2.7

## IRA Beneficiary Options



\*RBD defined as "Required Beginning Date," (April 1 following the year a Traditional IRA or Simple IRA holder reached age 70 ½).

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