

2013 Annual Limits Relating to Financial Planning



AMERICAN RETIREMENT
& Investment Strategies, LLC

Traditional and Roth IRAs

Traditional and Roth IRA Contribution Limits	\$5,500
Traditional and Roth IRA Catch-up Contributions	\$1,000
IRA Deduction Phase-out for Active Participants	
Single	\$59,000 - \$69,000
Married Filing Jointly	\$95,000 - \$115,000
IRA Deduction Phase-out for Spousal Contributions	
Married Filing Jointly	\$178,000 - \$188,000
Roth IRA Contribution Phase-out	
Single	\$112,000 - \$127,000
Married Filing Jointly	\$178,000 - \$188,000
Married Filing Separately	\$0 - \$10,000

Employer Retirement Plans

Elective deferrals for 401(k), 403(b), 457 and SAR-SEPs	\$17,500
401(k), 403(b), 457 and SAR-SEP Catch-Up Contribution	\$5,500
Defined Contribution Plan Limit	\$51,000
SEP IRA Contribution	\$51,000 up to 25%
Maximum Annual Defined Benefit Limit	\$205,000
SIMPLE IRA and SIMPLE 401 (k) Contribution	\$12,000
SIMPLE IRA and SIMPLE 401 (k) Catch-Up Contribution	\$2,500
SIMPLE Maximum Compensation (11,500 / 3%)	\$383,333
Maximum Includable Compensation	\$255,000
Highly Compensated Employee	\$115,000
Key Employee	> \$165,000
SEP Minimum Earnings Limit	\$550
IRS Mileage Rate (Business / Medical, Moving / Charitable purpose)	\$.565 / \$.24 / \$.14 per mile
Savers Credit (MAGI) [Maximum Credit is \$2,000 for couples, \$1,000 per individual]	
Joint (Max income \$55,500)	\$0 - \$35.5 K 50% Phase out 20%, 10%
Single (Max income \$29,500)	\$0 - \$17.75 K 50% Phase out 20%, 10%

Education Funding Incentives

Coverdell Education Savings Account Annual Contribution Limit (Per Beneficiary)	\$2,000
Single	\$95,000 - \$110,000
Married filing jointly	\$190,000 - \$220,000
Phase outs of American Opportunity Tax Credit (Can be claimed for up to 4 years)	\$2,500
Single	\$80,000 - \$90,000
Married filing jointly	\$160,000 - \$180,000
Phase out of exclusion for EE bonds (MAGI)	
Single	\$74,700 - \$89,700
Married filing jointly	\$112,050 - \$142,050
Phase outs of Lifetime Learning Tax Credits	
Max. Credit \$2,000/return (Cannot take both credits in same year)	
Single	\$52,000 - \$62,000
Married filing jointly	\$104,000-\$124,000
Phase outs of Deductibility of Student Loan Interest (Maximum \$2,500)	
Married Filing Jointly	\$125,000 - \$155,000
Others	\$60,000 - \$75,000

Compliments of your Financial Advisors – Joseph Grella CFP® and William D’Annibale
For Information Purposes Only, seek tax advice from an independent tax advisor

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Federal Estate and Gift Taxes

Annual Gift Tax Exclusion	\$14,000
Estate Tax Exclusion, Generation-Skipping Tax Exclusion, and Gift Tax Exclusion	\$5,250,000
Top Estate, Gift and GST Tax Rate	40% (Estate & Trusts Bene.)

Federal Income Taxes

Personal exemption	\$3,900
Phase out of personal exemption	2% for every \$2,500 over same thresholds as deductions
Standard Deduction	
Single or Married filing separately	\$6,100
Married filing jointly	\$12,200
Head of Household	\$8,950
Elderly or blind additional deduction	
Single / Married filing jointly	\$1,500 / \$1,200
Phase out of Itemized Deductions (Single/MFJ)	3% over \$250K (single) or \$300k (married) up to 80%
Kiddie Tax Standard Deduction (Under Age 19 or 24 if a full time student)	\$1,000, Next \$1,000 is 10%
Capital Gains Tax	
10% and 15% Brackets	STG Ordinary Rate, LTG 0%
All Other Brackets	STG Ordinary Rate, LTG 15%, Over \$400k (s)/\$450k (mfj) 20%
Medicare Surtax	3.9% Income over \$200k (s)/\$250k (mfj)
AMT Exemption	Married Filing Jointly \$80,800 Single \$51,900

Social Security

Taxable Wage Base (Soc. Sec. Maximum)	\$113,700
Social Security Tax Rate (Combine)	
Old-Age, Survivors and Disability Insurance	12.40% Self-employed, 6.2% Employees
Hospital Insurance	2.9% Self-employed, 1.45% Employees
Medicare Surtax	0.9% Employees Income over \$200k (s)/\$250k (mfj)
Earnings limitations for Social Security Benefits	
Before Normal Retirement Age (\$1 in benefits withheld for every \$2 in earnings over limit)	\$15,120 (\$1,260/mn)
The Year the Individual Reaches Full Retirement Age (\$1 for every \$3 over limit)	\$40,080 (\$3,340/mn)
Income (in retirement) causing SS benefits to be taxed : Married Filing Jointly (50% / 85% Taxable)	\$32K MAGI / \$44k MAGI
Single (50% / 85%)	\$25K MAGI / \$34k MAGI
Cost of Living Adjustment	1.7%
Quarter of Coverage	\$1,160
Maximum benefit retiring at age 66	\$2,533/month

Long Term Care Insurance & Health Savings Account (HSA)

Per Diem Daily Limit	\$320
Premium as a deductible medical expense limitation (Per person)	
Age 40 or under	\$360
Age 41 - 50	\$680
Age 51 - 60	\$1,360
Age 61 - 70	\$3,640
Age 71 or older	\$4,550
HSA Contribution Maximum (Age 55 to 64 there is a catch-up of \$1000 - per married individual)	\$3,250 (Single) \$6,450 (Family)

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