

TAX POCKET GUIDE 2009

2009 INDIVIDUAL INCOME TAX RATES

Regular Tax — Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 16,700	..... 10%	\$ 0
\$ 16,700 – \$ 67,900	\$ 1,670 + 15%	\$ 16,700
\$ 67,900 – \$ 137,050	\$ 9,350 + 25%	\$ 67,900
\$ 137,050 – \$ 208,850	\$ 26,638 + 28%	\$ 137,050
\$ 208,850 – \$ 372,950	\$ 46,742 + 33%	\$ 208,850
\$ 372,950 and above	\$100,895 + 35%	\$ 372,950

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,350	..... 10%	\$ 0
\$ 8,350 – \$ 33,950	\$ 835 + 15%	\$ 8,350
\$ 33,950 – \$ 68,525	\$ 4,675 + 25%	\$ 33,950
\$ 68,525 – \$ 104,425	\$ 13,319 + 28%	\$ 68,525
\$ 104,425 – \$ 186,475	\$ 23,371 + 33%	\$ 104,425
\$ 186,475 and above	\$ 50,447 + 35%	\$ 186,475

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,350	..... 10%	\$ 0
\$ 8,350 – \$ 33,950	\$ 835 + 15%	\$ 8,350
\$ 33,950 – \$ 82,250	\$ 4,675 + 25%	\$ 33,950
\$ 82,250 – \$ 171,550	\$ 16,750 + 28%	\$ 82,250
\$ 171,550 – \$ 372,950	\$ 41,754 + 33%	\$ 171,550
\$ 372,950 and above	\$108,216 + 35%	\$ 372,950

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 11,950	..... 10%	\$ 0
\$ 11,950 – \$ 45,500	\$ 1,195 + 15%	\$ 11,950
\$ 45,500 – \$ 117,450	\$ 6,228 + 25%	\$ 45,500
\$ 117,450 – \$ 190,200	\$ 24,215 + 28%	\$ 117,450
\$ 190,200 – \$ 372,950	\$ 44,585 + 33%	\$ 190,200
\$ 372,950 and above	\$104,893 + 35%	\$ 372,950

The phaseout of personal exemptions for taxpayers above certain income levels is not reflected in these schedules.

2009 Qualified Dividend Income 15% (0% for lower brackets)

2008 INDIVIDUAL INCOME TAX RATES

Regular Tax — Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 16,050	..... 10%	\$ 0
\$ 16,050 – \$ 65,100	\$ 1,605 + 15%	\$ 16,050
\$ 65,100 – \$ 131,450	\$ 8,963 + 25%	\$ 65,100
\$ 131,450 – \$ 200,300	\$ 25,550 + 28%	\$ 131,450
\$ 200,300 – \$ 357,700	\$ 44,828 + 33%	\$ 200,300
\$ 357,700 and above	\$ 96,770 + 35%	\$ 357,700

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,025	..... 10%	\$ 0
\$ 8,025 – \$ 32,550	\$ 803 + 15%	\$ 8,025
\$ 32,550 – \$ 65,725	\$ 4,481 + 25%	\$ 32,550
\$ 65,725 – \$ 100,150	\$ 12,775 + 28%	\$ 65,725
\$ 100,150 – \$ 178,850	\$ 22,414 + 33%	\$ 100,150
\$ 178,850 and above	\$ 48,385 + 35%	\$ 178,850

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 8,025	..... 10%	\$ 0
\$ 8,025 – \$ 32,550	\$ 803 + 15%	\$ 8,025
\$ 32,550 – \$ 78,850	\$ 4,481 + 25%	\$ 32,550
\$ 78,850 – \$ 164,550	\$ 16,056 + 28%	\$ 78,850
\$ 164,550 – \$ 357,700	\$ 40,052 + 33%	\$ 164,550
\$ 357,700 and above	\$103,792 + 35%	\$ 357,700

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 11,450	..... 10%	\$ 0
\$ 11,450 – \$ 43,650	\$ 1,145 + 15%	\$ 11,450
\$ 43,650 – \$ 112,650	\$ 5,975 + 25%	\$ 43,650
\$ 112,650 – \$ 182,400	\$ 23,225 + 28%	\$ 112,650
\$ 182,400 – \$ 357,700	\$ 42,755 + 33%	\$ 182,400
\$ 357,700 and above	\$100,604 + 35%	\$ 357,700

The phaseout of personal exemptions for taxpayers above certain income levels is not reflected in these schedules.

2008 Qualified Dividend Income 15% (0% for lower brackets)

ESTATE AND GIFT TAX RATES

Estate Taxes

	2009	2008
Estate tax exemption	\$ 3,500,000	\$ 2,000,000
Applicable credit amount	\$ 1,455,800	\$ 780,800

Top estate tax rate 45% 45%

Gift Taxes

	2009	2008
Lifetime gift tax exemption	\$ 1,000,000	\$ 1,000,000
Annual gift tax exclusion		
Gifts per person	\$ 13,000	\$ 12,000
Joint gifts by spouse	\$ 26,000	\$ 24,000

Top gift tax rate 45% 45%

ALTERNATIVE MINIMUM TAX

AMT Exemption

	2009*	2008
Single filers	\$ 33,750	\$ 46,200
Joint filers	\$ 45,000	\$ 69,950
Married, filing separately	\$ 22,500	\$ 34,975
Head of household	\$ 33,750	\$ 46,200

*Adjustments are expected.

LONG-TERM CARE INSURANCE

If you are:	You may deduct this much of your annual premiums	
	2009	2008
Over 70	\$ 3,980	\$ 3,850
61 to 70	\$ 3,180	\$ 3,080
51 to 60	\$ 1,190	\$ 1,150
41 to 50	\$ 600	\$ 580
40 and under	\$ 320	\$ 310

MEDICARE

	2009	2008
Monthly premium	\$ 96.40	\$ 93.50
Deductibles and Coinsurance		
Hospital: your cost, first 60 days	\$1,068.00	\$ 992.00

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PERSONAL EXEMPTIONS

	2009	2008
Deduction for each taxpayer, spouse, and dependent	\$ 3,650	\$ 3,500
Personal exemptions phase out after the following threshold amounts:		
Joint returns or surviving spouse	\$ 250,200	\$ 239,950
Head of household	\$ 208,500	\$ 199,950
Single	\$ 166,800	\$ 159,950
Married filing separately	\$ 125,100	\$ 119,975

The exemption amount for taxpayers with AGI in excess of the maximum phase-out amount is \$2,433 in 2009.

STANDARD DEDUCTION*

	2009	2008
Married filing jointly	\$ 11,400	\$ 10,900
Single	\$ 5,700	\$ 5,450
Head of household	\$ 8,350	\$ 8,000
Married filing separately	\$ 5,700	\$ 5,450
Additional - blind or elderly		
Single	\$ 1,400	\$ 1,350
Married	\$ 1,100	\$ 1,050
**Dependents	\$ 950	\$ 900

* Deduct the greater of standard or itemized deductions.

** Greater of amount above or \$300 plus dependant's earned income.

CORPORATE INCOME TAX RATES

Regular Tax

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 50,000	..... 15%	\$ 0
\$ 50,001 – \$ 75,000	\$ 7,500 + 25%	\$ 50,000
\$ 75,001 – \$ 100,000	\$ 13,750 + 34%	\$ 75,000
\$ 100,001 – \$ 335,000	\$ 22,250 + 39%	\$ 100,000
\$ 335,001 – \$ 10,000,000	\$ 113,900 + 34%	\$ 335,000
\$ 10,000,001 – \$ 15,000,000	\$ 3,400,000 + 35%	\$ 10,000,000
\$ 15,000,001 – \$ 18,333,333	\$ 5,150,000 + 38%	\$ 15,000,000
\$ 18,333,334 and above	a flat 35%	

Personal Service Corporations — 35% flat tax rate.

Capital Gains Tax Rate — Same as regular rate.

Corporate Estate Tax — 100% (Where applicable)

BUSINESS

Depreciation

36-Month Assets (Straight-Line)	Most software
3-Year Assets (200% DB)	Dies, molds, small tools, certain horses
5-Year Assets (200% DB)	Autos, computers, typewriters, copiers, many types of equipment, private aircraft
7-Year Assets (200% DB)	Most manufacturing equipment, office furniture, printing equipment, oil and gas production equipment
7-Year Assets (150% DB)	Farm equipment
27.5-Year Assets (Straight-Line)	Rental houses, apartments, low-income housing
39-Year Assets (Straight-Line)	Nonresidential buildings

Personal Property Depreciation

Percent of Original Depreciable Basis under 200% DB Method

(Not applicable for mid-quarter convention)

Recovery Year	3-Year Class	5-Year Class	7-Year Class
1	33.33	20.00	14.29
2	44.45	32.00	24.49
3	14.81	19.20	17.49
4	7.41	11.52	12.49
5		11.52	8.93
6		5.76	8.92
7			8.93
8			4.46

Section 179 Expense

	2009	2008
Maximum expense election	\$133,000	\$250,000
Phaseout threshold	\$530,000	\$800,000

COVERDELL ESAs — 2009 & 2008

- Contribution limit \$ 2,000 per beneficiary
- AGI phaseouts:*
 - Joint filers \$ 190,000 – \$ 220,000
 - Individual filers \$ 95,000 – \$ 110,000

* Phaseout applies to the contributor, not the beneficiary.

Note: Coverdell ESAs (Education Savings Accounts) were formerly known as Education IRAs. Contributions for ESAs must be made before the filing date of the tax return, not including extensions.

RETIREMENT PLANS

Indexed Contribution & Benefit Limits for Qualified Plans

Type of Plan	2009	2008
Individual Retirement Accounts (IRAs)*	\$ 5,000	\$ 5,000
Section 401(k) plans or SAR-SEPs*	\$ 16,500	\$ 15,500
Section 403(b) plans*	\$ 16,500	\$ 15,500
Section 408(p)(2)(E) SIMPLE contributions*	\$ 11,500	\$ 10,500
Section 457(b)(2) limit*	\$ 16,500	\$ 15,500
Section 415 limit for:		
Defined contribution plans*	\$ 49,000	\$ 46,000
Defined benefit plans	\$ 195,000	\$ 185,000
Highly compensated employees Section 414(q)	\$ 110,000	\$ 105,000

FICA taxable wage base

Social security (tax rate 6.20% for employees; 12.40% for self-employed)	\$ 106,800	\$ 102,000
Medicare (tax rate 1.45% for employees; 2.90% for self-employed)	No limit	No limit

* Age 50 additional contributions

401(k) type plans	\$ 5,500	\$ 5,000
SIMPLEs	\$ 2,500	\$ 2,500
IRAs	\$ 1,000	\$ 1,000

*The section 415 compensation limit for defined contribution plans is \$230,000 for 2008 and \$245,000 for 2009.

Roth IRAs - 2009 & 2008

- Nondeductible contributions
- Qualified tax-free distributions
- AGI limit for maximum contributions

	2009	2008
Joint filers	\$ 166,000	\$ 159,000
Individual filers	\$ 105,000	\$ 101,000

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MISCELLANEOUS AREAS

Estimated Tax

	2009	2008
Threshold	\$ 1,000	\$ 1,000
Percentage required	90%	90%
Safe harbor (prior year)	100%	100%
Safe harbor (prior year) high income	110%	110%

Income Thresholds for Filing Requirements

	2009	2008
Single, under 65	\$ 9,350	\$ 8,950
Single, over 65	\$ 12,000	\$ 10,300
Married, under 65 (both spouses)	\$ 18,700	\$ 17,900
Married, over 65 (both spouses)	\$ 20,900	\$ 18,950
Married, 65 or older (one spouse)	\$ 19,800	\$ 20,000

Employment Taxes - 2009 & 2008

Federal Unemployment Tax		
Wage base on which employer pays tax		\$ 7,000
Tax Rate		.8%
State of Ohio Unemployment Tax		
Wage base on which employer pays tax		\$ 7,000

Minimum Wage - 2009 & 2008

	2009	2008
Federal minimum wage law	\$ 7.25/hr	\$ 6.55/hr
Florida minimum wage law	\$ 7.21/hr	\$ 6.79/hr

HEALTH SAVINGS ACCOUNTS

Contribution Limits	2009	2008
Individual, self-only	\$ 3,000	\$ 2,900
Family Coverage	\$ 5,950	\$ 5,800
Catch-up for those age 55 and older	\$ 1,000	\$ 900

High-Deductible Health Plans

Minimum Deductible		
Individual, self-only	\$ 1,150	\$ 1,100
Family coverage	\$ 2,300	\$ 2,200
Maximum Annual Out-of-Pocket		
Individual, self-only	\$ 5,800	\$ 5,600
Family coverage	\$ 11,600	\$ 11,200

STANDARD MILEAGE RATES

Use	2009	2008*
Business	55¢ per mile	58.5¢ per mile
Charitable	14¢ per mile	14¢ per mile
Medical	24¢ per mile	27¢ per mile
Moving	24¢ per mile	27¢ per mile

* The mileage rate changed in 2008. The amounts above represent the period 7/1/2008 - 12/31/2008.

HEALTH INSURANCE DEDUCTION

	2009	2008
Self-employed, Federal	100%	100%
Self-employed, Ohio	100%	100%

CAPITAL GAINS — 2009 & 2008

Holding Period	Top Capital Gains Rates
12 months or less	35%
More than 12 months	15%
Depreciation recapture on real estate	25%
Collectibles and certain small business stock	28%

SOCIAL SECURITY

Maximum Annual Earned Income Limit	2009	2008
Under full retirement age	\$ 14,160	\$ 13,560
Full retirement age	No Limit	No Limit

* For people reaching full retirement age in 2009, the limit is \$37,680 for months prior to attainment. Beginning the month in which they turn full retirement age, there is no limit.

SERVICES

Accounting, Auditing & Financial Reporting

Audits, Reviews & Compilations
Budgeting & Cash Forecasting
Business Advisory Services
Financial Projections & Forecasts
Management & Internal Control Reviews

Tax Services

Business, Estate & Personal Tax Planning
Employment Benefit Plans & Administration
International Tax & Consulting
State & Local Tax Issues
Tax Return Preparation

Consulting Services

Business Valuations
Buy-Sell Agreements
Cost Management
Financial Management, Restructuring & Reorganization
Human Resources Consulting
Merger & Acquisition Services
Ownership Succession Planning

Litigation Services

Bankruptcy & Reorganization
Business, Asset & Matrimonial Valuation
Employment, Injury & Wrongful Death Damages
Intellectual Property, Contract & Business Interruption Damages

Related Companies & Services

Cohen & Company
Cohen Capital Advisors, Ltd.
Cohen Fund Audit Services, Ltd.
Lanese & Associates
KGLC
Sequoia Financial Group, LLC
Sequoia Financial Mortgage, LLC