2012 Allowable Tax Benefits

Standard Deduction

Under Age 65	
Married, Filing Joint	$11,900
Single	$5,950
Married, Filing Separate	$5,950
Head of Household	$8,700

Additional—Age 65 or Older	
Married (or Qualifying Widow)	$1,150
Single	$1,450

Additional—Blind	
Married (or Qualifying Widow)	$1,150
Single	$1,450

Personal Exemption

$3,800

Maximum Child Tax Credit

$1,000 per child under 17 years

Standard Mileage Deductions

Business Standard Mileage Rate	55.5 cents
Medical Standard Mileage Rate	23.0 cents
Moving Standard Mileage Rate	23.0 cents
Charitable Serv Standard Mile Rate	14.0 cents

Deductible IRA Contribution

If taxpayer and spouse NOT covered by employer-sponsored plan:

If younger than 50	$5,000
If 50 or older	$6,000

Maximum 401(k) Employee Contribution

If younger than 50	$17,000
If 50 or older	$22,500

Self-Employed Medical Insurance Premium Deduction

100%*

Annual Gift Tax Exclusion (per person)

$13,000

Estate Tax Exclusion

$5.12 million

**Unlike 2010, premiums do not reduce self-employed income.*

2012 Other Tax Items

2012 Social Security Tax Rates

	Employers & Employees	Self-Employed	Wage Limits
Social Security	6.20%*	12.40%*	$110,100
Medicare	1.45%	2.90%	no limit
Total	7.65%	15.30%	

**Congress has yet to extend the 2% reduction for employees from 2011.*

2012 Itemizable Deductions

Among other items they include:

- Interest and taxes on your home
- Uninsured medical expenses above 7.5% of AGI
- Miscellaneous itemized deductions above 2.0% of AGI
- Uninsured casualities or theft losses above 10.0% of AGI
- Contributions to qualified charities
- You can itemize state and local income taxes only; state and local sales taxes are no longer itemizable unless Congress extends the deduction

2012 Safe Harbor for Underpayment Penalty

Avoid underpayment penalties by paying (through witholding or estimated tax payments):

AGI $150,000 or less ($75,000 married filing separate)

- 100% of prior tax liability or
- 90% of current year tax liability

AGI $150,000 or greater ($75,000 married filing separate)

- 110% of prior year tax or
- 90% of current year tax liability

2012 AMT Exemption Amount*

Single	$33,750
Married, Filing Joint	$45,000
Married, Filing Separate	$22,500
Head of Household	$33,750

**Congress has yet to extend higher exemptions from 2011.*