

WOUGH, MALONEY CO., LLP
2009 TAX FACTS

	2009	2008	2007
FICA / MEDICARE & SELF-EMPLOYMENT TAX			
Taxable wages for social security / Medicare	Up to \$106,800/All	Up to \$102,000/All	Up to \$97,500/All
Maximum social security / Medicare tax	\$6,621.60/ No Limit	\$6,324/ No Limit	\$6,045/ No Limit
Social security / Medicare tax rate (employers & employees)	6.20% / 1.45%	6.20% / 1.45%	6.20% / 1.45%
Social security / Medicare tax rate (self-employed)	12.4% / 2.9%	12.4% / 2.9%	12.4% / 2.9%
FUTA (Federal Unemployment Tax)			
Taxable wage base	\$7,000	\$7,000	\$7,000
Maximum contributions	\$56	\$56	\$56
Net tax rate	0.8% (.008)	0.8% (.008)	0.8% (.008)
SOCIAL SECURITY EARNINGS LIMIT			
Under Full Retirement Age (age 65 - 67 depending on D.O.B.)	\$14,160	\$13,560	\$12,960
Over Full Retirement Age	No limit	No limit	No limit
IRA CONTRIBUTION LIMIT			
50 & over catch-up	\$5,000	\$5,000	\$4,000
	\$1,000	\$1,000	\$1,000
SIMPLE DEFERRAL LIMIT			
50 & over catch-up	\$11,500	\$10,500	\$10,500
	\$2,500	\$2,500	\$2,500
401(k) DEFERRAL LIMIT			
50 & over catch-up	\$16,500	\$15,500	\$15,500
	\$5,500	\$5,000	\$5,000
SELF-EMPLOYED HEALTH INSURANCE DEDUCTION			
	100%	100%	100%
SECTION 179 DEDUCTION			
	\$133,000	\$250,000	\$125,000
KIDDIE TAX UNEARNED INCOME MAXIMUM			
	\$1,900	\$1,800	\$1,700
EDUCATION LOAN INTEREST DEDUCTION			
	\$2,500	\$2,500	\$2,500
HIGHER EDUCATION DEDUCTION			
	\$4,000	\$4,000	\$4,000
EDUCATION SAVINGS ACCOUNT CONTRIBUTION			
	\$2,000	\$2,000	\$2,000
ESTATE TAX EXCLUSION			
	\$3,500,000	\$2,000,000	\$2,000,000
TOP ESTATE TAX RATE			
	45%	45%	45%
ANNUAL GIFT EXCLUSION			
	\$13,000	\$12,000	\$12,000
STANDARD MILEAGE RATE			
		Jan-Jun / Jul-Dec	
Business	55¢	50.5¢ / 58.5¢	48.5¢
Charitable activities	14¢	14¢	14¢
Medical/Moving expense	24¢	19¢ / 27¢	20¢
PHASE-OUT INCOME LEVELS FOR:			
IRA DEDUCTIBILITY (WITH COMPANY PENSION)			
Single/Head of Household	\$55,000 - 65,000	\$53,000 - 63,000	\$52,000 - 62,000
Joint (taxpayer has company pension)	\$89,000 - 109,000	\$85,000 - 105,000	\$83,000 - 103,000
Married filing separately	0 - 10,000	0 - 10,000	0 - 10,000
ROTH IRA ELIGIBILITY			
Single/Head of Household	\$105,000 - 120,000	\$101,000 - 116,000	\$99,000 - 114,000
Joint	\$166,000 - 176,000	\$159,000 - 169,000	156,000 - 166,000
Married filing separately	0 - 10,000	0 - 10,000	0 - 10,000
Rollover of regular IRA to Roth IRA (not allowed for married filing separately)	\$100,000	\$100,000	\$100,000
HOPE / LIFETIME LEARNING CREDITS			
Single/Head of Household	\$50,000 - 60,000	\$48,000 - 58,000	\$ 47,000 - 57,000
Joint	\$100,000 - 110,000	\$96,000 - 116,000	94,000 - 114,000
Married filing separately	0	0	0

STATE RATES:

PENNSYLVANIA WITHHOLDING - 3.07%

PENNSYLVANIA UNEMPLOYMENT

Employer unemployment taxable wage base for employees - \$8,000
Employee unemployment tax w/h rate .06% (.0006) on ALL wages paid - no wage limit

NEW JERSEY WITHHOLDING

Graduated from 1.5% to 9.9%

NEW JERSEY UNEMPLOYMENT

Employer unemployment taxable wage base for employees - \$28,900
Employee unemployment tax withholding rate - 1.015%
(.0425 Workforce Development, .5000 Disability, .3825 Unemployment, .0900 Family Leave)

DELAWARE WITHHOLDING

Graduated from 2.2% to 5.95% for annual wages paid in excess of \$2,000

DELAWARE UNEMPLOYMENT

Employer taxable wage base for employees - \$10,500

MINIMUM WAGE RATES:

FEDERAL - \$6.55 (7/24/06-7/23/09)	FEDERAL - WITH TIPS - \$2.13
FEDERAL - \$7.25 (effective 7/24/09)	FEDERAL - WITH TIPS - \$2.13
PENNSYLVANIA - \$7.15 (through 7/23/09)	PENNSYLVANIA - WITH TIPS - \$2.83
NEW JERSEY - \$7.15 (through 7/23/09)	NEW JERSEY - WITH TIPS - \$2.13
DELAWARE - \$7.15 (through 7/23/09)	DELAWARE - WITH TIPS - \$2.23
FLORIDA - \$7.21 (through 7/23/09)	FLORIDA - WITH TIPS - \$4.19

NEW HIRE REPORTING:

Pennsylvania, New Jersey, Florida and Delaware employers are required to report to the state basic information about newly hired or rehired employees.

PHILADELPHIA WAGE TAX (EFFECTIVE 01/01/09):

Philadelphia Resident - 3.93%
Philadelphia Non-Resident - 3.50%

FEDERAL TAX DEPOSITORY RULES:

MONTHLY - If the accumulated tax liability is less than or equal to \$50,000 for the annual base period, deposit monthly by the 15th of the following month regardless of what day of the week the payroll is paid.

SEMI-WEEKLY - If the accumulated tax liability is more than \$50,000 for the annual base period and

- * payroll check date is Wed, Thur, Fri, deposit by the following Wednesday.
- * payroll check date is Sat, Sun, Mon or Tues, deposit by the following Friday.

EXCEPTIONS:

- * De minimis Rule - If the accumulated tax liability is less than \$2,500 for the quarter, remit the liability with the quarterly tax return.
- * \$100,000 Rule - If the accumulated tax liability is \$100,000 or more, deposit the liability on the next banking day.

ANNUAL BASE PERIOD:

To determine which deposit schedule applies, look back at employment tax reported during the period July 1, 2007 through June 30, 2008.

ELECTRONIC FEDERAL TAX PAYMENT SYSTEM (EFTPS)

Employers with \$200,000 or more in federal tax deposits (Form 941, 943, 945 and CT-1) for the determination period of 2007 must pay their federal tax liabilities through the Electronic Federal Tax Payment System (EFTPS)

Effective Date - 1/1/08

Determination Period - 1/1/07-12/31/07

Threshold - \$200,000

Mandated filers using coupons will be subject to a 10% penalty for failure to file by EFTPS.