



# O'MALLEY & O'MALLEY, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
 CERTIFIED FINANCIAL PLANNER™  
 A Family Business Since 1945  
 AICPA Members - Licensed in NJ & PA  
 Solutions For Businesses & Individuals

3112 WOODHAVEN DRIVE • CINNAMINSON, NJ 08077  
 www.omalleycpa.com • omalleycpa@comcast.net  
 Phone (856) 829-9100 • Fax (856) 829-4422

Annual Tax Reference Guide			
	2009	2010	2011
<b>Personal Exemptions</b>	3,650	3,650	3,700
AGI Phase-out starts at			
Single	166,800	None	None
Married/Joint	250,200	None	None
<b>Standard Deductions</b>			
Single	5,700	5,700	5,800
Married/Joint	11,400	11,400	11,600
<b>AGI Limit for 3% reduction</b>			
Single	166,800	None	None
Married/Joint	166,800	None	None
<b>Alternative Minimum Tax</b>			
Exempt Income			
Single	46,700	47,450	48,450
Married/Joint	70,950	72,450	74,450
Tax Rates			
AMT Income up to \$175,000	26%	26%	26%
AMT Income over \$175,000	28%	28%	28%
<b>Social Security</b>			
Taxable Wage Limits	106,800	106,800	106,800
<i>Employee</i>			
Tax Rate	6.2%	6.2%	4.2%
Maximum Tax	6,622	6,622	4,486
<i>Self-employed</i>			
Tax Rate	12.4%	12.4%	10.4%
Maximum Tax	13,243	13,243	11,107
<i>Medicare Tax</i>			
Taxable Wage Limits	No Limits	No Limits	No Limits
Tax Rate			
Employee	1.45%	1.45%	1.45%
Self-employed	2.9%	2.9%	2.9%
Earnings Limits if Collecting			
Prior to full retirement age	14,160	14,160	14,160
Full retirement age	37,680	37,680	37,680
Beyond full retirement age	No Limit	No Limit	No Limit
Benefits are taxable at up to 50% if total income exceeds:			
Single	25,000	25,000	25,000
Married/Joint	32,000	32,000	32,000
Benefits are taxable at up to 85% if total income exceeds:			
Single	34,000	34,000	34,000
Married/Joint	44,000	44,000	44,000



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	2009	2010	2011
<b>Maximum Contributions to Retirement Plans</b>			
IRA's - Traditional and Roth	5,000	5,000	5,000
IRA's - Non-working spouse	5,000	5,000	5,000
Age 50 + additional contribution	1,000	1,000	1,000
401K, 403B, 457, and SARSEP	16,500	16,500	16,500
Age 50 + additional contribution	5,500	5,500	5,500
Simple IRA plans	11,500	11,500	11,500
Age 50 + additional contribution	2,500	2,500	2,500
Defined contribution plans (profit sharing, Keogh & money purchase)			
Maximum compensation	245,000	245,000	245,000
Maximum contribution	25% up to 49,000	25% up to 49,000	25% up to 49,000
<b>Health Savings Accounts</b>			
<i>Contribution, plan deduction not to exceed:</i>			
Single	3,000	3,050	3,050
Married/Joint	5,950	6,150	6,150
Age 55+ additional contribution	1,000	1,000	1,000
<b>Federal estate tax exemption</b>	3,500,000	5,000,000	5,000,000
<b>Federal gift tax exemption</b>			
Annual per person	13,000	13,000	13,000
Lifetime exclusion (for estate planning)	1,000,000	1,000,000	5,000,000



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<b>Education Deductions/Credits</b>				
Teachers Expense Deduction (deduct excess on Sch. A)		250	250	250
<i>Student Loan Interest Deduction</i>				
Single				
Income below \$60,000		2,500	2,500	2,500
Income above \$75,000		None	None	None
Married/Joint				
Income below \$120,000		2,500	2,500	2,500
Income above \$150,000		None	None	None
American Opportunity Tax Credit – Income limits apply		2,500	2,500	2,500
<i>Lifetime Credit at 20%</i>				
Single				
Income below \$50,000		51,000 (2011)	2,000	2,000
Income above \$60,000		61,000 (2011)	None	None
Married/Joint				
Income below \$100,000		102,000 (2011)	2,000	2,000
Income above \$120,000		122,000 (2011)	None	None
<i>Tuition and Fee Deduction</i>				
Single				
Income under \$65,000			4,000	4,000
Income above \$80,000			2,000	2,000
Married/Joint				
Income under \$130,000			4,000	4,000
Income above \$160,000			2,000	2,000



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	2009	2010	2011
<b>Per diem allowance</b> (effective from 10/1 to 9/30)			
<i>High cost average</i>			
Meals	58	65	65
Lodging	198	193	168
<i>Low cost average</i>			
Meals	45	52	52
Lodging	113	111	108
<b>Standard Mileage Rates</b>			
Business use	\$0.55	\$0.50	\$0.51
<i>Non business use</i>			
Charitable activities	\$0.14	\$0.14	\$0.14
Medical	\$0.24	\$0.165	\$0.19
Moving	\$0.24	\$0.165	\$0.19
<b>Tolls and Parking</b> (for above usage)	Actual Cost	Actual Cost	Actual Cost
<b>Vehicle Depreciation</b> (Under 6,000 pounds gross weight)			
<i>Automobiles</i>			
First year	2,960	3,060	3,060
Second year	4,800	4,900	4,900
Third year	2,850	2,950	2,950
Future years	1,775	1,775	1,775
<i>Vans and light trucks</i>			
First year	3,060	3,160	3,160
Second year	4,900	5,100	5,100
Third year	2,950	3,050	3,050
Future years	1,775	1,875	1,875
<b>Depreciation – Sec 179</b>			
First year write off	250,000	500,000	500,000
Total equipment purchases must be under:	800,000	2,000,000	2,000,000
Trucks and SUV's – Must be new (Between 6,000 and 14,000 LBS GVW)	25,000	25,000	25,000