



Business Planning	2009	2010	2011
Adoption Assistance Programs			
*Maximum amount that can be excluded from employee's gross income	\$12,150	\$13,170	\$13,360
Phaseout threshold amount	\$182,180	\$182,520	\$185,210
Completed phaseout amount after	\$222,180	\$222,520	\$225,210
Earnings subject to FICA taxes (taxable wage base):			
*Maximum annual earnings subject to Social Security taxes	\$106,800	\$106,800	\$106,800
*Social Security and Medicare combined tax rate	15.30%	15.30%	13.30% ¹
OASDI portion (Social Security)	12.40%	12.40%	10.40% ¹
Hospital Insurance portion (Medicare)	2.90%	2.90%	2.90%
Health insurance deduction for self-employed:			
*Deduction for health insurance premiums paid by self-employed persons	100%	100%	100%
Qualified transportation fringe benefits:			
*Commuter vehicles and transit pass monthly exclusion amount	\$230	\$230	\$230
*Qualified parking monthly exclusion amount	\$230	\$230	\$230
*Qualified bicycle commuting reimbursement fringe benefit (monthly amount)	\$20	\$20	\$20
Section 179 expensing			
*Maximum amount that may be deducted under section 179	\$250,000	\$500,000	\$500,000
*Deduction reduced by the amount by which the cost of §179 property placed in service during the year exceeds this amount	\$800,000	\$2,000,000	\$2,000,000
Small business tax credit for providing health-care coverage			
*Maximum credit percentage	N/A	35%	35%
*Partial credit			
Number of full-time equivalent employees (FTEs) fewer than:	N/A	25	25
Maximum annual average wages less than:	N/A	\$50,000	\$50,000
*Full credit			
Number of full-time equivalent employees (FTEs) no more than:	N/A	10	10
Maximum annual average wages less than or equal to:	N/A	\$25,000	\$25,000
Special additional first-year depreciation allowance			
**"Bonus" depreciation for qualified property acquired and placed in service during specified time periods	50%	50%/100% ²	100%
Standard mileage rate (per mile):			
*Use of auto for business purposes	\$0.55	\$0.50	\$0.51
Tax on accumulated earnings and personal holding company income			
*Maximum tax on these items (prior to the 2003 Tax Act, these items were taxed at the highest marginal personal income tax rate).	15%	15%	15%

¹ The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 included a 2% reduction in the Social Security (OASDI) portion of FICA tax for 2011.

² 100% "bonus" depreciation applies to qualifying property purchased and placed in service after 9/8/10.

IRS Circular 230 disclosure:

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