



2013 TAX INFORMATION FOR INDIVIDUALS

Standard Deduction

(the amount to deduct unless itemized deductions are greater)

Married filing jointly and surviving spouse (SS)	\$ 12,200
Head of household (HH)	\$ 8,950
Unmarried (not SS or HH)	\$ 6,100
Married filing separately	\$ 6,100

Note - The standard deduction for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of (1) \$1,000 or (2) the sum of \$350 and the individual's earned income.

Personal and Dependent Exemption Amount

\$ 3,900

Note - You may claim an exemption in 2013 for your qualifying child who is under age 19 or a full-time student under age 24 at the end of 2013. If you cannot claim the exemption under this rule, the child may claim an exemption on his or her own return.

Note - Phaseout of exemptions for upper income filers is restored in 2013.

Payroll Taxes

Social Security wage base	\$ 113,700
Self-employment FICA rate (Social Security + Medicare)	15.30%
Employer and employee FICA rate (Social Security + Medicare)	7.65%
Employer and employee Social Security rate	6.20%
Employer and employee Medicare rate	1.45%
High earner additional Medicare rate*	0.90%

*imposed on wages or self employment income over \$200,000 (\$250,000 if married filing jointly)

Note - Unlike regular Medicare tax, the additional Medicare tax has no employer match but employers have the withholding obligation.

Estate and Gift Taxes

Estate and gift applicable exclusion amount	\$ 5,250,000
Annual gift tax exclusion per donee	\$ 14,000
Maximum estate and gift tax rate	40%
Note - Threshold for Washington state estate tax	\$ 2,000,000

Retirement/Pension Plans

All retirement plans maximum annual compensation	\$ 255,000
Defined contribution plan maximum annual contribution	\$ 51,000
401(k) maximum annual elective deferral	\$ 17,500
SIMPLE maximum annual elective deferral	\$ 12,000
IRA maximum annual contribution	\$ 5,500
Additional catch-up contributions (age 50 and over):	
Traditional and Roth IRAs	\$ 1,000
SIMPLEs	\$ 2,500
401(k), 403(b) and 457 plans	\$ 5,500
Adjusted gross income phaseout ranges for Roth IRA contribution:	
Married filing jointly and surviving spouse	from \$178,000 to \$188,000
Singles and heads of household	from \$112,000 to \$127,000

Mileage Rates

<u>Business</u>	<u>Medical/Moving</u>	<u>Charity</u>
\$0.565 / mi	\$0.24 / mi	\$0.14 / mi

Individual Tax Rates (see reverse side)

INDIVIDUAL TAX RATES FOR 2013

Unmarried Individuals				
(other than Surviving Spouses and Heads of Households)				
Taxable income over:	But not over:	Pay:	+ % on excess:	Over:
\$ -	\$ 8,925	\$ -	10%	\$ -
\$ 8,925	\$ 36,250	\$ 893	15%	\$ 8,925
\$ 36,250	\$ 87,850	\$ 4,991	25%	\$ 36,250
\$ 87,850	\$ 183,250	\$ 17,891	28%	\$ 87,850
\$ 183,250	\$ 398,350	\$ 44,603	33%	\$ 183,250
\$ 398,350	\$ 400,000	\$ 115,586	35%	\$ 398,350
\$ 400,000		\$ 116,164	39.6%	\$ 400,000

Married Individuals Filing Joint Returns and Surviving Spouses				
Taxable income over:	But not over:	Pay:	+ % on excess:	Over:
\$ -	\$ 17,850	\$ -	10%	\$ -
\$ 17,850	\$ 72,500	\$ 1,785	15%	\$ 17,850
\$ 72,500	\$ 146,400	\$ 9,983	25%	\$ 72,500
\$ 146,400	\$ 223,050	\$ 28,458	28%	\$ 146,400
\$ 223,050	\$ 398,350	\$ 49,920	33%	\$ 223,050
\$ 398,350	\$ 450,000	\$ 107,769	35%	\$ 398,350
\$ 450,000		\$ 125,846	39.6%	\$ 450,000

Heads of Households				
Taxable income over:	But not over:	Pay:	+ % on excess:	Over:
\$ -	\$ 12,750	\$ -	10%	\$ -
\$ 12,750	\$ 48,600	\$ 1,275	15%	\$ 12,750
\$ 48,600	\$ 125,450	\$ 6,653	25%	\$ 48,600
\$ 125,450	\$ 203,150	\$ 25,865	28%	\$ 125,450
\$ 203,150	\$ 398,350	\$ 47,621	33%	\$ 203,150
\$ 398,350	\$ 425,000	\$ 112,037	35%	\$ 398,350
\$ 425,000		\$ 121,365	39.6%	\$ 425,000

Married Individuals Filing Separate Returns				
Taxable income over:	But not over:	Pay:	+ % on excess:	Over:
\$ -	\$ 8,925	\$ -	10%	\$ -
\$ 8,925	\$ 36,250	\$ 893	15%	\$ 8,925
\$ 36,250	\$ 73,200	\$ 4,991	25%	\$ 36,250
\$ 73,200	\$ 111,525	\$ 14,229	28%	\$ 73,200
\$ 111,525	\$ 199,175	\$ 24,960	33%	\$ 111,525
\$ 199,175	\$ 225,000	\$ 53,884	35%	\$ 199,175
\$ 225,000		\$ 62,923	39.6%	\$ 225,000

Tax Rates on Capital Gains and Qualified Dividends	
Taxpayers in 10% or 15% income tax bracket	0%
Taxpayers in 25% or 35% income tax bracket	15%
Taxpayers in 39.6% income tax bracket	20%
Note - In applying these rates, capital gains and dividends are considered the top or highest rate element of a taxpayer's annual income.	

Surtax on Net Investment Income
The surtax is 3.8% of the lesser of (1) net investment income or (2) the excess of the taxpayer's modified adjusted gross income over \$200,000 (\$250,000 if married filing jointly).
Net investment income is the sum of:
Gross income from interest, dividends, annuities, royalties and rents*; and
Income from a business in which the taxpayer does not materially participate; and
Capital and other net gains from the disposition of property*
*unless derived in the ordinary course of business