

IMPORTANT TIDBITS FOR THE OLD AND NEW YEARS 2009/2010

STANDARD MILEAGE RATES

Beginning January 1, 2010, the **standard mileage rates** for the use of a car (including vans, pickups or panel trucks) will be:

- 50 cents per mile for business miles driven; (55 cents for 2009—yes it went DOWN)
- 16.5 cents per mile driven for medical/ moving purposes; (2008: 24 cents – yes, down)
- 14 cents per mile driven in service of charitable organizations (14 cents in 2009)

TRADITIONAL AND ROTH IRA CONTRIBUTION LIMITS—FUND BY APRIL 15!!

Tax year	Under age 50	Age 50 or older
2010	\$5,000	\$6,000
2009	\$5,000	\$6,000

THERE ARE SOME IMPORTANT RESTRICTIONS – GIVE US A CALL BEFORE FUNDING

FROM SOCIAL SECURITY ADMINISTRATION:

Retirement Earnings Test Exempt Amounts:	2009	2010
Under full retirement age NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.	\$14,160/yr. (\$1,180/mo.)	\$14,160
Year individual reaches <u>full retirement age</u> NOTE: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit.	\$37,680/yr. (\$3,140/mo.)	\$37,680

There is no limit on earnings ***beginning the month*** an individual attains full retirement age. See <http://www.socialsecurity.gov/retire2/agereduction.htm>
Remember – it is NOT 65 for everyone!!

Maximum Earnings Taxable:	2010	2009
Social Security (OASDI only)	\$106,800	\$106,800

NEWS ON THE ESTATE FRONT:

Estate Planning	2010	2009
Estate Tax Exclusion	NONE	\$3.5 million
Gift Tax Exclusion	\$1 million	\$1 million
Annual Gifting – to anyone	\$13,000	\$13,000

**SEE OUR BLOG “THE DAILY DOLLAR”
 FOR MORE INFORMATION ABOUT NO ESTATE TAX 2010
 January 12th and 13th entries**

QUALIFIED PLAN LIMITS

	2009	2010
Elective Deferrals	\$16,500	\$16,500
Catch-Up Contributions	\$5,500	\$5,500
Defined Benefit Plan Annual Benefit Limit	\$195,000	\$195,000
Defined Contribution 415 limit (eg 401k, SEP)	\$49,000	\$49,000