



2011 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

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Retirement Plans	
Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$16,500
Catch-up contribution	\$5,500
Defined contribution (§415(c)(1)(A))	\$49,000
Defined benefit (§415(b)(1)(A))	\$195,000
SIMPLE plan	\$11,500
SIMPLE catch-up contribution	\$2,500
Maximum includible compensation	\$245,000
Highly compensated employee (§414(q))	\$110,000
Key employee (top-heavy plan)	>\$160,000
SEP participation limit	\$550
IRA or Roth IRA contribution limit	\$5,000
IRA or Roth IRA catch-up	\$1,000
IRA deduction phaseout for active participants	
Single	\$56-\$66,000
Married filing jointly ¹	\$90-\$110,000
Married filing separately	\$0-\$10,000
Spousal IRA	\$169-\$179,000
Roth IRA phaseout	
Single	\$107-\$122,000
Married filing jointly	\$169-\$179,000

Social Security	
SS wage base	\$106,800
FICA tax rate—employee ⁴	5.65%
SECA tax rate—self-employed	13.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$14,160
Persons reaching FRA (\$1 for \$3)	\$37,680
(Applies only to earnings for months prior to attaining FRA)	
Social Security cost-of-living adjustment	0%
Quarter of coverage	\$1,120
Maximum benefit: worker retiring at FRA ^{*See Social Security FRA below.}	\$2,366
Estimated average monthly benefit	\$1,179

Social Security FRA			
Year of Birth	Social Security FRA	Year of Birth	Social Security FRA
1943–54	66	1958	66 and 8 months
1955	66 and 2 months	1959	66 and 10 months
1956	66 and 4 months	1960 and later	67
1957	66 and 6 months	-	-

Estate and Gift Tax	
Annual gift tax exclusion	\$13,000
Estate tax basic exclusion ⁵	\$5,000,000
Gift tax basic exclusion	\$5,000,000
Generation skipping exemption	\$5,000,000
Maximum estate tax rate	35%

Medicare	
Monthly premium:	
Part A ²	\$450.00
Part B ³ ^{*Also see Figure I}	\$96.40/\$110.50/\$115.40
Part A:	
First 60 days—patient pays a deductible	\$1,132
Next 30 days—patient pays per day	\$283
Next 60 days (lifetime reserve days) patient pays per day	\$566
Skilled nursing benefits	
First 20 days—patient pays per day	-0-
Next 80 days—patient pays per day	\$141.50
Over 100 days—patient pays per day	All costs
Part B:	
Deductible	\$162
Coinsurance	20%
Part D (Prescription Benefit):	
Deductible	\$310
25% coinsurance on next	\$2,840
Out-of-pocket (OOP) Threshold	\$4,550
Beneficiary then pays coinsurance amount for additional covered expenses.	

You Pay	If your yearly income is	
	Single	Married Couple
\$115.40 Base Prem	\$85,000 or less	\$170,000 or less
\$161.50	\$85,001–\$107,000	\$170,001–\$214,000
\$230.70	\$107,001–\$160,000	\$214,001–\$320,000
\$299.90	\$160,001–\$214,000	\$320,001–\$428,000
\$369.10	Above \$214,000	Above \$428,000

You Pay	If you are married but you file a separate tax return from your spouse and your yearly income is	
\$115.40	\$85,000 or less	
\$299.90	\$85,001–\$129,000	
\$369.10	Above \$129,000	

- For married couples who file a joint return and only one is an active participant, the AGI phaseout for the non-active participant spouse is \$169,000–\$179,000.
- The Part A premium of \$450.00 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30–39 quarters, the Part A Premium is \$248.00 per month.
- Medicare Part B Premium (2011) Medicare beneficiaries who have incomes of \$85,000 or less (or \$170,000 or less for joint filers) remain at \$96.40 if beneficiary had Social Security Administration (SSA) withhold their Part B premium in 2009; \$110.50 if the beneficiary was new in 2010 and had SSA withhold their Part B premium; but increases 4.4% to \$115.40 for those starting in 2011. For others with higher income, there is also a 4.4% increase in the rates - See Figure I.
- The FICA tax rate is comprised of two separate payroll taxes: Employer portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI); Employee portion—4.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI). For self-employed, the SECA is 10.40% for OASDI and 2.90% for HI.
- The 2010 Tax Relief Act made a deceased spouse's unused credit amount portable to a surviving spouse, if both spouses die in 2011 or 2012.
- For tax years beginning in 2011, an eligible lower-income taxpayer can claim a nonrefundable tax credit for the applicable percentage (50%, 20%, or 10%, depending on filing status and AGI) of up to \$2,000 of his qualified retirement savings contributions.

Figure - I

Miscellaneous Items	
PBGC maximum monthly benefit (at age 65)	\$4,500
Archer Medical Savings Account	
Single high deductible	\$2,050-\$3,050
Family high deductible	\$4,100-\$6,150
Single out-of-pocket maximum	\$4,100
Family out-of-pocket maximum	\$7,500
LTC per diem limit	
	\$300
LTC premium as medical expense limitation	
Age 40 or under	\$340
Age 41-50	\$640
Age 51-60	\$1,270
Age 61-70	\$3,390
Age 71 or older	\$4,240
Qualified Transportation Fringes (monthly)	
Commuter highway vehicle/transit pass	\$230
Qualified parking	\$230

Standard Mileage Rates	
Business use	51¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical or moving use	19¢ per mile

2011 Tax Rate Schedules				
If Taxable Income Is		Then the Gross Tax Payable Is:		
Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
Single Taxpayers (other than surviving spouses and heads of households)				
\$0-	\$8,500	\$0	10%	\$0
8,500-	34,500	850.00	15%	8,500
34,500-	83,600	4,750.00	25%	34,500
83,600-	174,400	17,025.00	28%	83,600
174,400-	379,150	42,449.00	33%	174,400
379,150-		110,016.50	35%	379,150
Heads of Households				
\$0-	\$12,150	\$0	10%	\$0
12,150-	46,250	1,215.00	15%	12,150
46,250-	119,400	6,330.00	25%	46,250
119,400-	193,350	24,617.50	28%	119,400
193,350-	379,150	45,323.50	33%	193,350
379,150-		106,637.50	35%	379,150
Married Individuals (and surviving spouses) Filing Joint Returns				
\$0-	\$17,000	\$0	10%	\$0
17,000-	69,000	1,700.00	15%	17,000
69,000-	139,350	9,500.00	25%	69,000
139,350-	212,300	27,087.50	28%	139,350
212,300-	379,150	47,513.50	33%	212,300
379,150-		102,574.00	35%	379,150
Married Individuals Filing Separate Returns				
\$0-	\$8,500	\$0	10%	\$0
8,500-	34,500	850.00	15%	8,500
34,500-	69,675	4,750.00	25%	34,500
69,675-	106,150	13,543.75	28%	69,675
106,150-	189,575	23,756.75	33%	106,150
189,575-		51,287.00	35%	189,575
Fiduciary (estates and trusts) Taxpayers				
\$0-	\$2,300	\$0	15%	\$0
2,300-	5,450	345.00	25%	2,300
5,450-	8,300	1,132.50	28%	5,450
8,300-	11,350	1,930.50	33%	8,300
11,350-		2,937.00	35%	11,350

Health Savings Account	
Minimum Deductible Amount	
Single	\$1,200
Family	\$2,400
Maximum Out-of-Pocket Amount	
Single	\$5,950
Family	\$11,900
HSA Statutory Contribution Maximum	
Single	\$3,050
Family	\$6,150
Catch-Up Contributions (age 55 or older)	\$1,000

Education	
EE bonds for education—exclusion phaseout	
Single	\$71,100-\$86,100
Married filing jointly	\$106,650-\$136,650
Coverdell Education Savings Account phaseout	
Single	\$95-\$110,000
Married filing jointly	\$190-\$220,000
Lifetime Learning Credit—20% of qualified expenses up to \$10,000	
Single	\$51-\$61,000
Married filing jointly	\$102-\$122,000
American Opportunity tax credit—Maximum of \$2,500	
100% up to \$2,000 of qualified expenses	
25% on next \$2,000—phaseout:	
Single	\$80-\$90,000
Married filing jointly	\$160-\$180,000
Education loan deduction (\$2,500) phaseout	
Unmarried	\$60-\$75,000
Married filing jointly	\$120-\$150,000
\$4,000 higher education expense deduction	
Unmarried AGI cutoff	\$65,000
Married filing jointly AGI cutoff	\$130,000
\$2,000 higher education expense deduction	
Unmarried AGI cutoff	\$80,000
Married filing jointly AGI cutoff	\$160,000

Saver's Credit *			
Filing Status	50% Credit	20% Credit	10% Credit
Joint filers	\$0 to \$34,000	\$34,000 to \$36,500	\$36,500 to \$56,500
Heads of Households	\$0 to \$25,500	\$25,500 to \$27,375	\$27,375 to \$42,375
All other filers	\$0 to \$17,000	\$17,000 to \$18,250	\$18,250 to \$28,250

Income Tax Exemptions & Deductions	
Personal exemption	\$3,700
There is no phaseout of personal exemptions for 2011.	
Standard deduction	
Single	\$5,800
Joint	\$11,600
Head of household	\$8,500
Married—filing separately	\$5,800
Kiddie tax limited standard deduction	\$950
Individual eligible to be claimed as dependent—greater of \$950 or earned income plus \$300, not to exceed full standard deduction of \$5,800.	
Elderly or blind additional deduction	
Single	\$1,450
Married	\$1,150
There is no phaseout of itemized deductions for 2011.	
Section 179	
Maximum election	\$500,000
Phaseout begins	\$2,000,000
Adoption credit	
Maximum	\$13,360
Phaseout	\$185,210-\$225,210

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