



YOUNG CONAWAY STARGATT & TAYLOR, LLP

Tax, Trust & Estates, and Benefits Section

Benefits Update 2009

Contributions and Benefits

	2009	2008
\$401(k), §403(b) and §457(b) elective deferral limit	\$16,500	\$15,500
IRA Contribution	\$5,000	\$5,000
Catch-up deferrals (§401(k), §403(b), §457(b) plans)	\$5,500	\$5,000
IRA Catch-up Contribution	\$1,000	\$1,000
SIMPLE elective deferral limit	\$11,500	\$10,500
Definition of highly-compensated employee (HCE)	\$110,000	\$105,000
Annual Compensation limit for benefit purposes	\$245,000	\$230,000
Annual Compensation limit for key employee determination	\$160,000	\$150,000
SEP Minimum Compensation	\$550	\$500
Maximum Contribution to HSA*		
Single coverage	\$3,000	\$2,900
Family coverage	\$5,950	\$5,800
HSA Catch Up Contribution	\$1000	\$900

Code §415 Maximums

Defined benefit plan limit at age 62:	Annual amount	\$195,000	\$185,000
Defined contribution plan limit:	Annual amount	\$49,000	\$46,000
	Percent of pay	100%	100%

Pension Benefit Guaranty Corporation

Maximum guaranteed annual benefit (single employer plans)	\$54,000	\$51,750
Fixed Rate Premium Per Participant	\$34	\$33
Variable Rate Premium (% of unfunded liability)	.9%	.9%

*HSAs are used in conjunction with "high deductible health plans." For 2009, for individual coverage, the minimum deductible is \$1,150 with an out-of-pocket maximum of \$5,800. For family coverage, the minimum deductible is \$2,300 with an out-of-pocket maximum of \$11,600.

FOR MORE INFORMATION, CONTACT ONE OF OUR ATTORNEYS OR VISIT OUR WEBSITE: WWW.YOUNGCONAWAY.COM

Joseph M. Nicholson
Jerome K. Grossman
Robert L. Thomas
Timothy J. Snyder

jnicholson@ycst.com
jgrossman@ycst.com
rthomas@ycst.com
tsnyder@ycst.com

Richard J.A. Popper
Jennifer R. Noel
Douglas T. Coats
A. David Hansen

rpopper@ycst.com
jnoel@ycst.com
dcoats@ycst.com
ahansen@ycst.com

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Social Security

OASDI tax rate	6.20%
Medicare tax rate	1.45%
OASDI taxable wage base	\$106,800
Medicare taxable wage base	unlimited
Cost of living adjustment for benefits	5.8%

Taxable Income Brackets

Rate	Single	Head of Household	Married Filing Jointly	Married Filing Separately
10%	\$0 to \$8,350	\$0 to \$11,950	\$0 to \$16,700	\$0 to \$8,350
15%	\$8,351 to \$33,950	\$11,951 to \$45,500	\$16,701 to \$67,900	\$8,351 to \$33,950
25%	\$33,951 to \$82,250	\$45,501 to \$117,450	\$67,901 to \$137,050	\$33,951 to \$68,525
28%	\$82,251 to \$171,550	\$117,451 to \$190,200	\$137,051 to \$208,850	\$68,526 to \$104,425
33%	\$171,551 to \$372,950	\$190,201 to \$372,950	\$208,851 to \$372,950	\$104,426 to \$186,475
35%	Over \$372,950	Over \$372,950	Over \$372,950	Over \$186,475

Capital Gains/Qualified Dividends

Maximum Capital Gain Rate

Collectibles	28%
Qualified Small Business Stock	28%
Unrecaptured §1250 Gain	25%
Other Gain and dividends regularly taxed at 25% or higher	15%
Other gain and dividends regularly taxed at less than 25%	0%

Standard Deduction Amounts

Single	\$5,700
Married Filing Jointly	\$11,400
Dependent Individual	Greater of \$950 or \$300 plus earned income
Aged and Blind	\$1,400
	<i>Single (not surviving spouse)</i>
	<i>Married</i>
Head of Household	\$8,350

Estate and Gift Taxes

Estate Tax Exemption	\$3,500,000
Lifetime Gift Tax Exemption	\$1,000,000
Annual Gift Tax Exclusion	\$13,000

Miscellaneous Tax Related Items

Dependency Deduction	\$3,650
Threshold for Phase Out for Dependency Deductions (married filing jointly)	\$250,200
Threshold for Phase Out for Itemized Deductions (married filing jointly)	\$166,800

Qualified Transportation Benefit

Parking (per month)	\$230
Transit Pass (per month)	\$120
Mileage Rate	55¢ per mile