

TRADITIONAL AND ROTH IRAS

Contribution Limits

	2008–2012	2013
Regular	\$5,000	\$5,500
Catch-Up**	\$1,000	\$1,000

**Only taxpayers age 50 and over are eligible to make catch-up contributions.

Roth Contribution Phase-Out

MAGI phase-out range for contributions to Roth IRAs in 2013		
• Married filing jointly: \$178,000–\$188,000	• Married filing separately: \$0–\$10,000	• Single: \$112,000–\$127,000

Annual income limit for determining ability to convert traditional IRA to Roth IRA is \$100,000 in 2009; no limit in 2010 and subsequent years.

Traditional IRA Deductibility Rules

Filing Status	Covered by Employer's Retirement Plan?	Modified AGI 2012	Modified AGI 2013	Deductibility
Single	No	Any amount	Any amount	Full deduction
	Yes	\$58,000 or less	\$59,000 or less	Full deduction
		\$68,000 or more	\$69,000 or more	No deduction
Married Filing Jointly	Neither Spouse Covered	Any amount	Any amount	Full deduction
	Both Spouses Covered	\$92,000 or less	\$95,000 or less	Full deduction
		\$92,001–\$111,999	\$95,001–\$114,999	Partial deduction
		\$112,000 or more	\$115,000 or more	No deduction
	One Spouse Covered For Covered Spouse	\$92,000 or less	\$95,000 or less	Full deduction
		\$92,001–\$111,999	\$95,001–\$114,999	Partial deduction
		\$112,000 or more	\$115,000 or more	No deduction
	One Spouse Covered For Non-Covered Spouse	\$173,000 or less	\$178,000 or less	Full deduction
		\$173,001–\$182,999	\$178,001–\$187,999	Partial deduction
\$183,000 or more		\$188,000 or more	No deduction	

QUALIFIED PLANS

	2012	2013
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b) and 457 plans, and SARSEPs)	\$17,000	\$17,500
Maximum elective deferral to SIMPLE 401(k) plans	\$11,500	\$12,000
Limit on annual additions to SEP plans	\$50,000	\$51,000
Annual compensation threshold requiring SEP contribution	\$550	\$550
Limit on annual additions to defined contribution plans	\$50,000	\$51,000
Maximum annual compensation taken into account for contributions	\$250,000	\$255,000
Annual benefit limit under defined benefit plans	200,000	205,000
Threshold amount for definition of highly compensated employee	115,000	115,000
Threshold amount for definition of key employee/officer in top-heavy plans	165,000	165,000

Catch-up Contribution Limits for Other Qualified Plan Types

	2009	2010	2011	2012	2013
401(k), 403(b), SARSEP, and 457 Plans	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
SIMPLE Plans	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500

REQUIRED MINIMUM DISTRIBUTIONS

Uniform Lifetime Table

Current Age	Distribution Period	Current Age	Distribution Period
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115 and Over	1.9

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EASY REFERENCE TAX GUIDE 2013



2013 ESTATE AND GIFT TAX RATES

The top tax rate applicable to estates and living gifts will be subject to a maximum tax rate of 40%.

Subtract Applicable Credit Below from Calculated Tax

Estate Tax	Exclusion Amount	Federal Credit	Gift Tax Exclusion
2011	\$5,000,000	\$1,730,800	\$5,000,000
2012	\$5,120,000	\$1,772,800	\$5,120,000
2013	\$5,250,000	\$2,045,800	\$5,250,000

Other Estate and Gift Planning Items

	2012	2013
Annual gift tax exclusion	\$13,000	\$14,000
Annual gift tax exclusion for non-U.S. citizen spouses	\$139,000	\$143,000
Generation-skipping tax (GST) exemption	\$5,120,000	\$5,250,000
IRC § 6166 2% limit for deferred estate tax payments	\$1,390,000	\$1,430,000
Special use valuation for qualified real property	\$1,040,000	\$1,070,000

INCOME TAX COMPARISON

2012			
If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly and Surviving Spouses			
\$0	\$17,400	\$0 + 10%	\$0
\$17,400	\$70,700	\$1,740 + 15%	\$17,400
\$70,700	\$142,700	\$9,735 + 25%	\$70,700
\$142,700	\$217,450	\$27,735 + 28%	\$142,700
\$217,450	\$388,350	\$48,665 + 33%	\$217,450
\$388,350	—	\$105,062 + 35%	\$388,350
Single			
\$0	\$8,700	\$0 + 10%	\$0
\$8,700	\$35,350	\$870 + 15%	\$8,700
\$35,350	\$85,650	\$4,867 + 25%	\$35,350
\$85,650	\$178,650	\$17,442 + 28%	\$85,650
\$178,650	\$388,350	\$43,482 + 33%	\$178,650
\$388,350	—	\$112,683 + 35%	\$388,350
Married Filing Separately			
\$0	\$8,700	\$0 + 10%	\$0
\$8,700	\$35,350	\$870 + 15%	\$8,700
\$35,350	\$71,350	\$4,867 + 25%	\$35,350
\$71,350	\$108,725	\$13,867 + 28%	\$71,350
\$108,725	\$194,175	\$24,332 + 33%	\$108,725
\$194,175	—	\$52,531 + 35%	\$194,175
Head of Household			
\$0	\$12,400	\$0 + 10%	\$0
\$12,400	\$47,350	\$1,240 + 15%	\$12,400
\$47,350	\$122,300	\$6,482 + 25%	\$47,350
\$122,300	\$198,050	\$25,220 + 28%	\$122,300
\$198,050	\$388,350	\$46,430 + 33%	\$198,050
\$388,350	—	\$109,229 + 35%	\$388,350
Estates and Trusts			
\$0	\$2,400	\$0 + 15%	\$0
\$2,400	\$5,600	\$360 + 25%	\$2,400
\$5,600	\$8,500	\$1,160 + 28%	\$5,600
\$8,500	\$11,650	\$1,972 + 33%	\$8,500
\$11,650	—	\$3,011 + 35%	\$11,650

Personal Exemptions			
		Exemption	Phase-out Range
Married Filing Jointly	2012	\$3,800	Not Applicable
	2013	\$3,900	\$300,000
Single	2012	\$3,800	Not Applicable
	2013	\$3,900	\$250,000

Child Tax Credit: \$1,000 per child phases out \$50 for each \$1,000 of modified AGI over \$110,000 (married filing jointly), or \$75,000 (single).

Standard Deductions			
		Annual	Add'l Age 65 or Older, or Blind
Married Filing Jointly	2013	\$12,200	\$1,200
Head of Household	2013	\$8,950	\$1,500
Single/Married Filing Separately	2013	\$6,100	\$1,500

Capital Gains and Qualifying Dividends Tax Rate (2013)		
Taxpayer Bracket	Short Term < 12 Months	Long Term > 12 Months
10%, 15%	Ordinary rate	0%
25%, 28%, 33%, 35%	Ordinary rate	15%
39.6%	Ordinary rate	20%

Tax on Net Investment Income
Additional 3.8% tax on lesser of net investment income or excess of modified adjusted gross income over \$200,000 single/ \$250,000 married filing jointly

2013			
If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly and Surviving Spouses			
\$0	\$17,850	\$0 + 10%	\$0
\$17,850	\$72,500	\$1,785 + 15%	\$17,850
\$72,500	\$146,400	\$9,982 + 25%	\$72,500
\$146,400	\$223,050	\$28,457 + 28%	\$146,400
\$223,050	\$398,350	\$49,919 + 33%	\$223,050
\$398,350	\$450,000	\$107,768 + 35%	\$398,350
\$450,000	—	\$125,846 + 39.6%	\$450,000
Single			
\$0	\$8,925	\$0 + 10%	\$0
\$8,925	\$36,250	\$892 + 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 Filing Separately			
\$0	\$8,925	\$0 + 10%	\$0
\$8,925	\$36,250	\$892 + 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
Head of Household			
\$0	\$12,750	\$0 + 10%	\$0
\$12,750	\$48,600	\$1,275 + 15%	\$12,750
\$48,600	\$125,450	\$6,652 + 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	—	\$121,364 + 39.6%	\$425,000

Estates and Trusts: Tax rates are graduated from 10% to 39.6%. Income over \$11,950 will be taxed at 39.6%.

Alternative Minimum Tax			
	2012	2013	Tax Rate
First	\$175,000	\$179,500	26%
Amounts over	\$175,000	\$179,500	28%
	Exemption	Exemption	
Married Filing Jointly	\$78,750	\$80,750	
Single	\$50,600	\$51,900	

Kiddie Tax			
	2012	2013	Tax Rate
First	\$950	\$1,000	No Tax
Next	\$950	\$1,000	10%
Amounts over	\$1,900	\$2,000	Parent's Rate

Corporations (2010–2013) ¹		
Taxable Income Over	Not Over	Tax Rate
\$0	\$50,000	15%
\$50,000	\$75,000	25%
\$75,000	\$100,000	34%
\$100,000	\$335,000	39%
\$335,000	\$10,000,000	34%
\$10,000,000	\$15,000,000	35%
\$15,000,000	\$18,333,333	38%
\$18,333,333	—	35%

¹Qualified personal service corporations are taxed at a flat 35% of taxable income.

EDUCATION INCENTIVES

Coverdell Education Savings Accounts (Education IRAs)—Contribution Limit \$2,000

MAGI phase-out range for contributions to Coverdell Education Savings Accounts:
 • Married Filing Jointly \$190,000–\$220,000 • Single \$95,000–\$110,000
Qualified Tuition Programs—Section 529 Plans
 Distributions after 12/31/2001 used for qualified higher education expenses are income tax-free.

Lifetime Learning and American Opportunity Tax Credits

Lifetime Learning Credit—Up to 20% of up to \$10,000 tuition paid, calculated per taxpayer. American Opportunity Tax Credit—Up to \$2,500 per student for first 4 years of higher education tuition paid.

MAGI Phase-outs	Hope Education or Lifetime Learning Credit (2013)
Married Filing Jointly	\$107,000–127,000
Others	\$53,000–63,000

Exclusion of U.S. Savings Bond Income

MAGI Phase-outs	2012	2013
Married Filing Jointly	\$109,300–\$139,300	\$112,050–\$142,050
Others	\$72,850–\$87,850	\$74,700–\$89,700

Student Loan Interest—Maximum Itemized Deduction \$2,500

MAGI Phase-outs	2012	2013
Married Filing Jointly	\$125,000–\$155,000	\$125,000–\$155,000
Others	\$60,000–\$75,000	\$60,000–\$75,000
Deductibility Period	No time limit	No time limit

Itemized Deduction for Higher Education Expenses

Maximum deduction: \$4,000 if Modified AGI is less than the following range:
 Maximum deduction: \$2,000 if Modified AGI is within the following range:
 Maximum deduction: \$0 if Modified AGI is above the following range:
 • Married Filing Jointly: \$130,000–\$160,000 • Single: \$65,000–\$80,000
 • All others: \$0

SOCIAL SECURITY

Base Amount of Modified AGI Causing Social Security Benefits to be Taxable

	50% Taxable	85% Taxable
Married Filing Jointly	\$32,000	\$44,000
Single	\$25,000	\$34,000

Maximum Earnings Before Social Security Benefits are Reduced

	2012	2013
If under full retirement age, lose \$1 for every \$2 earned	\$14,640	\$15,120
In the year of retirement, lose \$1 for every \$3 earned in months prior to full retirement	\$38,880	\$40,080
At full retirement age	No Limit	No Limit

Maximum Compensation Subject to FICA Taxes

	2012	2013
OASDI (Social Security) maximum	\$110,100	\$113,700
HI (Medicare) maximum	No Limit	No Limit

OASDI tax rate: 12.4% self-employed, 6.2% employees, 6.2% employers. HI tax rate: 2.9% self-employed, 1.45% employees, 1.45% employers. For HI, additional 0.9% on total wages for household income over \$250,000 married filing jointly and \$200,000 for other filing status

LONG-TERM CARE INSURANCE²

Maximum Qualified LTC Premium Eligible for Deduction

Age	40 or less	41–50	51–60	61–70	Over 70
2012	\$350	\$660	\$1,310	3,500	4,370
2013	\$360	\$680	\$1,360	3,640	4,550

²Qualified LTC contract per diem limit: \$320 (\$310 in 2012).