



# Quick Tax Reference

## 2007/2008

As of 11/29/07

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**Darren McKewen**

Group Publisher

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# Standard Mileage Rates

[Rev. Proc. 2006-49; Rev. Proc. 2007-70]

	2007	2008
Business	48.5 cents per mile	50.5 cents per mile
Charitable	14.0 cents per mile	14.0 cents per mile
Medical and Moving	20.0 cents per mile	19.0 cents per mile



# 2007/2008 Corporate Tax Rate Schedule

and all taxable years  
beginning on or after  
Jan 1, 1993

[Source: Code Section 11(b); Form 1120 Instructions]

## If Taxable Income Is:

## The Tax Is:

Not over \$50,000		15% of the taxable income
Over \$50,000	but not over \$75,000	\$7,500 plus 25% of the amount over \$50,000
Over \$75,000	but not over \$100,000	\$13,750 plus 34% of the amount over \$75,000
Over \$100,000	but not over \$335,000	\$22,250 plus 39% of the amount over \$100,000
Over \$335,000	but not over \$10,000,000	\$113,900 plus 34% of the amount over \$335,000
Over \$10,000,000	but not over \$15,000,000	\$3,400,000 plus 35% of the amount over \$10,000,000
Over \$15,000,000	but not over \$18,333,333	\$5,150,000 plus 38% of the amount over \$15,000,000
Over \$18,333,333		35% of the taxable income

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

# 2007

Individual Tax Rate Schedules

## Married Individuals Filing Joint Returns and Surviving Spouses

Code Section 1(a)

[Source: Rev. Proc. 2006-53]

If Taxable Income Is:		The Tax Is:	
Not over \$15,650		10% of the taxable income	
Over \$15,650	but not over \$63,700	\$1,565.00 plus	15% of the excess over \$15,650
Over \$63,700	but not over \$128,500	\$8,772.50 plus	25% of the excess over \$63,700
Over \$128,500	but not over \$195,850	\$24,972.50 plus	28% of the excess over \$128,500
Over \$195,850	but not over \$349,700	\$43,830.50 plus	33% of the excess over \$195,850
Over \$349,700		\$94,601.00 plus	35% of the excess over \$349,700

# 2008

Individual Tax Rate Schedules

## Married Individuals Filing Joint Returns and Surviving Spouses

Code Section 1(a)

[Source: Rev. Proc. 2007-66]

If Taxable Income Is:		The Tax Is:	
Not over \$16,050		10% of the taxable income	
Over \$16,050	but not over \$65,100	\$1,605.00 plus	15% of the excess over \$16,050
Over \$65,100	but not over \$131,450	\$8,962.50 plus	25% of the excess over \$65,100
Over \$131,450	but not over \$200,300	\$25,550.00 plus	28% of the excess over \$131,450
Over \$200,300	but not over \$357,700	\$44,828.00 plus	33% of the excess over \$200,300
Over \$357,700		\$96,770.00 plus	35% of the excess over \$357,700

# 2007 Individual Tax Rate Schedules

## Heads of Households

Code Section 1(b)

[Source: Rev. Proc. 2006-53]

### If Taxable Income Is:

### The Tax Is:

Not over \$11,200

10% of the taxable income

Over \$11,200 but not over \$42,650

\$1,120.00 plus 15% of the excess over \$11,200

Over \$42,650 but not over \$110,100

\$5,837.50 plus 25% of the excess over \$42,650

Over \$110,100 but not over \$178,350

\$22,700.00 plus 28% of the excess over \$110,100

Over \$178,350 but not over \$349,700

\$41,810.00 plus 33% of the excess over \$178,350

Over \$349,700

\$98,355.50 plus 35% of the excess over \$349,700

# 2008

Individual Tax Rate Schedules

## Heads of Households

Code Section 1(b)

[Source: Rev. Proc. 2007-66]

**If Taxable Income Is:**

**The Tax Is:**

Not over \$11,450

10% of the taxable income

Over \$11,450 but not over \$43,650

\$1,145.00 plus 15% of the excess over \$11,450

Over \$43,650 but not over \$112,650

\$5,975.00 plus 25% of the excess over \$43,650

Over \$112,650 but not over \$182,400

\$23,225.00 plus 28% of the excess over \$112,650

Over \$182,400 but not over \$357,700

\$42,755.00 plus 33% of the excess over \$182,400

Over \$357,700

\$100,604.00 plus 35% of the excess over \$357,700

# 2007

Individual Tax Rate Schedules

## Unmarried Individuals (Other than Surviving Spouses and Heads of Households)

Code Section 1(c)

[Source: Rev. Proc. 2006-53]

If Taxable Income Is:

The Tax Is:

Not over \$7,825

10% of the taxable income

Over \$7,825 but not over \$31,850

\$782.50 plus 15% of the excess over \$7,825

Over \$31,850 but not over \$77,100

\$4,386.25 plus 25% of the excess over \$31,850

Over \$77,100 but not over \$160,850

\$15,698.75 plus 28% of the excess over \$77,100

Over \$160,850 but not over \$349,700

\$39,148.75 plus 33% of the excess over \$160,850

Over \$349,700

\$101,469.25 plus 35% of the excess over \$349,700

# 2008

Individual Tax Rate Schedules

## Unmarried Individuals (Other than Surviving Spouses and Heads of Households)

Code Section 1(c)

[Source: Rev. Proc. 2007-66]

If Taxable Income Is:

The Tax Is:

Not over \$8,025

10% of the taxable income

Over \$8,025 but not over \$32,550

\$802.50 plus 15% of the excess over \$8,025

Over \$32,550 but not over \$78,850

\$4,481.25 plus 25% of the excess over \$32,550

Over \$78,850 but not over \$164,550

\$16,056.25 plus 28% of the excess over \$78,850

Over \$164,550 but not over \$357,700

\$40,052.25 plus 33% of the excess over \$164,550

Over \$357,700

\$103,791.75 plus 35% of the excess over \$357,700

# 2007

Individual Tax Rate Schedules

## Married Individuals Filing Separate Returns

Code Section 1(d)

[Source: Rev. Proc. 2006-53]

If Taxable Income Is:

The Tax Is:

Not over \$7,825

10% of the taxable income

Over \$7,825 but not over \$31,850

\$782.50 plus 15% of the excess over \$7,825

Over \$31,850 but not over \$64,250

\$4,386.25 plus 25% of the excess over \$31,850

Over \$64,250 but not over \$97,925

\$12,486.25 plus 28% of the excess over \$64,250

Over \$97,925 but not over \$174,850

\$21,915.25 plus 33% of the excess over \$97,925

Over \$174,850

\$47,300.50 plus 35% of the excess over \$174,850

# 2008

Individual Tax Rate Schedules

## Married Individuals Filing Separate Returns

Code Section 1(d)

[Source: Rev. Proc. 2007-66]

If Taxable Income Is:

The Tax Is:

Not over \$8,025

10% of the taxable income

Over \$8,025 but not over \$32,550

\$802.50 plus 15% of the excess over \$8,025

Over \$32,550 but not over \$65,725

\$4,481.25 plus 25% of the excess over \$32,550

Over \$65,725 but not over \$100,150

\$12,775.00 plus 28% of the excess over \$65,725

Over \$100,150 but not over \$178,850

\$21,414.00 plus 33% of the excess over \$100,150

Over \$178,850

\$48,385.00 plus 35% of the excess over \$178,850

## Standard Deduction Tables

[Source: Rev. Proc. 2006-53; Rev. Proc. 2007-66]

	2007	2008
Married Filing Jointly and Surviving Spouses	\$10,700	\$10,900
Heads of Households	\$7,850	\$8,000
Single	\$5,350	\$5,450
Married Filing Separate	\$5,350	\$5,450
Additional amount for Aged and Blind	\$1,050 for each	\$1,050 for each
Additional amount for Aged and Blind if unmarried and not a surviving spouse	\$1,300 for each	\$1,350 for each

## Personal Exemption and Phaseout Amounts

[Source: Rev. Rev. Proc. 2006-53; Proc. 2007-66]

	2007	2008
Personal Exemption Amount	\$3,400	\$3,500

Code Section 151(d)(3) phaseout of the tax benefit of the personal exemptions is calculated by reducing the total amount of the personal exemptions by 2 percent for each \$2,500 increment (or portion thereof) of adjusted gross income in excess of a threshold phaseout amount adjusted for inflation. Under Code Section 151(d)(3)(E), for 2007, the reduction amount is multiplied by 2/3; therefore, the phase-out will not reduce the exemption amount below \$1,133 for 2007. For 2008, the reduction amount is multiplied by 1/3; therefore, the phase-out will not reduce the exemption amount below \$2,333 for 2008. These amounts are as follows:

Type of Taxpayer	Tax years beginning in <b>2007</b>		Tax years beginning in <b>2008</b>	
	AGI Phaseout Begins:	AGI Maximum Phaseout:	AGI Phaseout Begins:	AGI Maximum Phaseout:
Married Individuals Filing Joint Returns And Surviving Spouses Code Section 1(a)	\$234,600	\$357,100	\$239,950	\$362,450
Heads of Households Code Section 1(b)	\$195,500	\$318,000	\$199,950	\$322,450
Unmarried Individuals (Other Than Surviving Spouses And Heads Of Households) Code Section 1(c)	\$156,400	\$278,900	\$159,950	\$282,450
Married Individuals Filing Separate Returns Code Section 1(d)	\$117,300	\$178,550	\$119,975	\$181,225

# Capital Gains

[Source: Code Section 1(h)(1)]

	2005-10		2011
Rate for Non-corporate Taxpayers above 15% income tax bracket	15%		20%
	2005-07	2008-10	2011
Rate for Non-corporate Taxpayers in 10% or 15% income tax bracket	5%	0%	10%

# Dividends Taxed as Net Capital Gain

[Source: Code Section 1(h)(11)]

	2005-10		2011
Rate for Non-corporate Taxpayers above 15% income tax bracket	15%		*
	2005-07	2008-10	2011
Rate for Non-corporate Taxpayers in 10% or 15% income tax bracket	5%	0%	*

\* After 2010, dividends will be taxed as ordinary income.

# 2007

## Estates and Trusts Tax Rate Schedules

Code Section 1(e)

[Source: Rev. Proc. 2006-53]

If Taxable Income Is:	The Tax Is:
Not Over \$2,150	15% of the taxable income
Over \$2,150 but not over \$5,000	\$322.50 plus 25% of the excess over \$2,150
Over \$5,000 but not over \$7,650	\$1,035.00 plus 28% of the excess over \$5,000
Over \$7,650 but not over \$10,450	\$1,777.00 plus 33% of the excess over \$7,650
Over \$10,450	\$2,701.00 plus 35% of the excess over \$10,050

# 2008 Estates and Trusts Tax Rate Schedules

Code Section 1(e)

[Source: Rev. Proc. 2007-66]

If Taxable Income Is:	The Tax Is:
Not Over \$2,200	15% of the taxable income
Over \$2,200 but not over \$5,150	\$330.00 plus 25% of the excess over \$2,220
Over \$5,150 but not over \$7,850	\$1,067.50 plus 28% of the excess over \$5,150
Over \$7,850 but not over \$10,700	\$1,823.50 plus 33% of the excess over \$7,850
Over \$10,700	\$2,764.00 plus 35% of the excess over \$10,700

# Estate and Gift Tax Rates for Decedents Dying in 2007/2008

[Source: Code Section 2001(c)]

**Note:**

In 2007-2009, the top rate is reduced to 45%.

In 2010, the estate tax is repealed and the top gift tax rate is reduced to 35%.

Note that gifts and estates are not taxed in the lower brackets because of the use of the "applicable exclusion amount."

Taxable Amount Over	Taxable Amount Not Over	Tax on Amount in 1st Column	Rate of Tax on Excess Over Amount in 1st Column	
			2007	2008
\$0	\$10,000	\$0	18%	18%
\$10,000	\$20,000	\$1,800	20%	20%
\$20,000	\$40,000	\$3,800	22%	22%
\$40,000	\$60,000	\$8,200	24%	24%
\$60,000	\$80,000	\$13,000	26%	26%
\$80,000	\$100,000	\$18,200	28%	28%
\$100,000	\$150,000	\$23,800	30%	30%
\$150,000	\$250,000	\$38,800	32%	32%
\$250,000	\$500,000	\$70,800	34%	34%
\$500,000	\$750,000	\$155,800	37%	37%
\$750,000	\$1,000,000	\$248,300	39%	39%
\$1,000,000	\$1,250,000	\$345,800	41%	41%
\$1,250,000	\$1,500,000	\$448,300	43%	43%
\$1,500,000	—	\$555,800	45%	45%

## Applicable Exclusion Amount for Estate Tax

[Source: Code Section 2010(c)]

Year of Transfer	Applicable Exclusion Amount
2006/2007/2008	\$2,000,000
2009	\$3,500,000

## Applicable Exclusion Amount for Gift Tax

[Source: Code Section 2505]

Year of Transfer	Applicable Exclusion Amount
2002-2009	\$1,000,000

## Gift Tax Annual Exclusion

[Source: Rev. Proc. 2001-59; Rev. Proc. 2002-70; Rev. Proc. 2003-85; Rev. Proc. 2004-71; Rev. Proc. 2005-70; Rev. Proc. 2006-53; Rev. Proc. 2007-66]

Year of Transfer	Applicable Exclusion Amount
2002-2005	\$11,000
2006-2008	\$12,000

From 1982-2001, the annual gift tax exclusion was \$10,000

# ERISA and Tax Code Pension and Retirement Plan Limits

[Source: Notice 2006-98, Notice 2007-87]

	2007	2008
Deferral Limits for Plans		
§401(k)	\$15,500	\$15,500
§403(b)	\$15,500	\$15,500
§457	\$15,500	\$15,500
SIMPLE	\$10,500	\$10,500
Catch-Up Contributions for Participants Age 50 Or Older		
Other Than SIMPLE Plans	\$5,000	\$5,000
SIMPLE Plans	\$2,500	\$2,500
Qualified Plans – Annual Compensation Limit	\$225,000	\$230,000
Defined Benefit Maximum Annual Benefit*	\$180,000	\$185,000
Defined Contribution – Maximum Annual Addition	\$45,000	\$46,000
“Key Employee” in Top-Heavy Plan	\$145,000	\$150,000
To Determine Maximum Account Balance in ESOP Subject to 5-Year Distribution Period	\$915,000	\$935,000
“Highly Compensated Employee” Threshold	\$100,000	\$105,000
SEP Compensation Threshold for Participation	\$500	\$500

Definition of “Control Employee” for Fringe Benefit Valuation

Regs. §1.61-21(f)(5)(i)	\$90,000	\$90,000
Regs. §1.61-21(f)(5)(iii)	\$180,000	\$185,000
<b>Individual Retirement Accounts</b>		
<b>Traditional IRAs</b>		
Contribution Limit	\$4,000	\$5,000
Catch Up Contribution	\$1,000	\$1,000
<b>Deductible Amount</b>		
Phase Out Begins at Modified Adjusted Gross Income		
Active Participant in Other Plan Filing Joint Return or Qualifying Widow(er)	\$83,000	\$85,000
Not Active Participant, but Active Participant Spouse	\$156,000	\$159,000
All Other Taxpayers (Except Married Filing Separately)	\$52,000	\$53,000
<b>Roth IRAs</b>		
Contribution Limit	\$4,000	\$5,000
Catch Up Contribution	\$1,000	\$1,000
Phase Out Begins at Modified Adjusted Gross Income		
Joint Return or Qualifying Widow(er)	\$156,000	\$159,000
All Other Taxpayers (Except Married Filing Separately)	\$99,000	\$101,000

\* For participants who separated from service before January 1, 2008, the limitation for defined benefit plans under Code Section 415(b)(1)(B) is computed by multiplying the participant's compensation limitation, as adjusted through 2007, by 1.0236.



1801 S. Bell Street  
Arlington, VA 22202

PRODUCT SUPPORT **800.372.1033**

EMAIL **tm@bna.com**

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