



You Should Know

2014 Tax Data You Should Know

Many limitations and thresholds which are related to taxation change from year to year; some do not. Below is a listing of the 2014 numbers for some key tax matters.

Estate, Gift, and Generation-Skipping Transfer (GST) Taxes

Top Estate, Gift, & GST Tax Rate	40%
Annual Gift Tax Exclusion	\$14,000
Annual Gift Tax Exclusion for Non-U.S. Spouse	\$145,000
Estate & Gift Tax Exemption	\$5,340,000
GST Tax Exemption	\$5,340,000

Qualified Retirement Plan Limits

Defined Benefit Plans Maximum Annual Benefit	\$210,000
Defined Contribution Plans Maximum Annual Contribution	\$52,000
Elective Deferral Limit for 401(k), 403(b), 457(b), TSP	\$17,500
"Catch-up" Contribution Allowed for Persons Over Age 50 at Year End in 401(k), 403(b), 457, TSP	\$5,500
Elective Deferral Limit for SIMPLE IRAs and SIMPLE 401(k) Plans	\$12,000
Catch-up for SIMPLE IRAs and SIMPLE 401(k) Plans (age 50 or older)	\$2,500
Key Employee – Threshold Compensation for Officer	\$170,000
Minimum Compensation Amount for SEPs	\$550
Maximum Annual Compensation Taken into Account for Qualified Plans under IRC § 401(a)(17)/404(l)	\$260,000
Highly Compensated Employee: Compensation Threshold	\$115,000
ESOP Additional Year Threshold / 5 Year Distribution Threshold	\$210,000 / \$1,050,000
Contribution Limit for IRAs (Traditional and Roth Combined)	\$5,500
Catch-up for IRAs (Traditional and Roth Combined)	\$1,000

Eligible Long-Term Care Insurance

(per diem limit on tax-free benefit = \$330)

Attained Age in 2014	Limitation on Deductible Premiums
40 or less	\$370
41 to 50	\$700
51 to 60	\$1,400
61 to 70	\$3,720
More than 70	\$4,660



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Income Tax Rates

Ordinary Income Tax Rates	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
Long Term Capital Gains & Qualified Dividend Income	0% (if in 10% & 15% ordinary income tax brackets) 15% 20% (if in 39.6% ordinary income tax bracket)
Net Investment Income Tax (Medicare Contribution Tax)	3.8% (lesser of net investment income or excess of modified adjusted gross income over \$200,000 [single] or \$250,000 [joint])

Income Tax Exemptions

Personal and Dependent Deductions	\$3,950 each*
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*Exemptions are phased out by 2% for each \$2,500, or portion thereof, above specified income thresholds (\$254,200 single; \$305,050 joint).

Income Tax Standard Deductions

Joint Returns and Surviving Spouses	\$12,400
Heads of Household	\$9,100
Single Taxpayers	\$6,200
Married Filing Separately	\$6,200
Persons Claimed as Dependent on Another Tax Return	\$1,000 (or \$350 plus earned income, if greater)
Age 65 and Older or Blind - Single or Head of Household	Additional \$1,550 each
Age 65 and Older or Blind - All Other Taxpayers	Additional \$1,200 each

"Kiddie" Tax

(children under age 18; children under age 19 with earned income less than ½ of support;
dependent full-time students under age 24 with earned income less than ½ of support)

Exemption	\$2,000*
AMT exemption	\$7,250 plus child's earned income

*First \$1,000 of unearned income offset by standard deduction; next \$1,000 of unearned income tax at child's rate. Amounts over \$2,000 (unearned income) are taxed at the parent's rate.

Social Security

Earnings Base	\$117,000
Rate of tax	6.2%
Rate of tax on Self-Employed	12.4%



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Medicare

Earnings Base	(base unlimited)
Rate of tax	1.45% (2.9% for self-employed)
(for taxpayers with wages or self-employment income of \$200,000 or less [single], or \$250,000 or less [joint])	employer match (no employer match for self-employed)
Rate of tax, including 0.9% Medicare surtax on wages or self-employment income over \$200,000 [single] or \$250,000 [joint]	2.35% (3.8% self-employed) (no employer match for self-employed) (no employer match for Medicare surtax)

Health Savings Account

Coverage	Minimum Deductible	Maximum Contribution	Maximum Out-of-Pocket
Self-Only	\$1,250	\$3,300	\$6,350
Family	\$2,500	\$6,550	\$12,700
Over 55 - additional contribution		\$1,000	

Archer Medical Savings Account

Coverage	Minimum Deductible	Maximum Deductible	Maximum Out-of-Pocket
Self-Only (HDHP)	\$2,200	\$3,250	\$4,350
Family (HDHP)	\$4,350	\$6,550	\$8,000

Please consult with GARRETT WHEELER, your Guardian Financial Representative if you have any questions concerning this document.

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