

2014 Federal Tax Key Facts and Figures

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Income Taxes

2013				2014			
If Taxable Income Is:				If Taxable Income Is:			
Over	But Not More Than	The Tax Is	Of the Amount Over	Over	But Not More Than	The Tax Is	Of the Amount Over
Married Filing Jointly:				Married Filing Jointly:			
\$0	\$17,850	\$0 + 10%	\$0	\$0	\$18,150	\$0 + 10%	\$0
17,850	72,500	1,785.00 + 15%	17,850	18,150	73,800	1,815.00 + 15%	18,150
72,500	146,400	9,982.50 + 25%	72,500	73,800	148,850	10,162.50 + 25%	73,800
146,400	223,050	28,457.50 + 28%	146,400	148,850	226,850	28,925.00 + 28%	148,850
223,050	398,350	49,919.50 + 33%	223,050	226,850	405,100	50,765.00 + 33%	226,850
398,350	450,000	107,768.50 + 35%	398,350	405,100	457,600	109,587.50 + 35%	405,100
450,000		125,846.00 + 39.6%	450,000	457,600		127,962.50 + 39.6%	457,600
Married Filing Separately:				Married Filing Separately:			
\$0	\$8,925	\$0 + 10%	\$0	\$0	\$9,075	\$0 + 10%	\$0
8,925	36,250	892.50 + 15%	8,925	9,075	36,900	907.50 + 15%	9,075
36,250	73,200	4,991.25 + 25%	36,250	36,900	74,425	5,081.25 + 25%	36,900
73,200	111,525	14,228.75 + 28%	73,200	74,425	113,425	14,462.50 + 28%	74,425
111,525	199,175	24,959.75 + 33%	111,525	113,425	202,550	25,382.50 + 33%	113,425
199,175	225,000	53,884.25 + 35%	199,175	202,550	228,800	54,793.75 + 35%	202,550
225,000		62,923.00 + 39.6%	225,000	228,800		63,981.25 + 39.6%	228,800
Head of Household:				Head of Household:			
\$0	\$12,750	\$0 + 10%	\$0	\$0	\$12,950	\$0 + 10%	\$0
12,750	48,600	1,275.00 + 15%	12,750	12,950	49,400	1,295.00 + 15%	12,950
48,600	125,450	6,652.50 + 25%	48,600	49,400	127,550	6,762.50 + 25%	49,400
125,450	203,150	25,865.00 + 28%	125,450	127,550	206,600	26,300.00 + 28%	127,550
203,150	398,350	47,621.00 + 33%	203,150	206,600	405,100	48,434.00 + 33%	206,600
398,350	425,000	112,037.00 + 35%	398,350	405,100	432,200	113,939.00 + 35%	405,100
425,000		121,364.50 + 39.6%	425,000	432,200		123,424.00 + 39.6%	432,200
Single:				Single:			
\$0	\$8,925	\$0 + 10%	\$0	\$0	\$9,075	\$0 + 10%	\$0
8,925	36,250	892.50 + 15%	8,925	9,075	36,900	907.50 + 15%	9,075
36,250	87,850	4,991.25 + 25%	36,250	36,900	89,350	5,081.25 + 25%	36,900
87,850	183,250	17,891.25 + 28%	87,850	89,350	186,350	18,193.75 + 28%	89,350
183,250	398,350	44,603.25 + 33%	183,250	186,350	405,100	45,353.75 + 33%	186,350
398,350	400,000	115,586.25 + 35%	398,350	405,100	406,750	117,541.25 + 35%	405,100
400,000		116,163.75 + 39.6%	400,000	406,750		118,118.75 + 39.6%	406,750
Estates and Trusts:				Estates and Trusts:			
\$0	\$2,450	\$0 + 15%	\$0	\$0	\$2,500	\$0 + 15%	\$0
2,450	5,700	367.50 + 25%	2,450	2,500	5,800	375.00 + 25%	2,500
5,700	8,750	1,180.00 + 28%	5,700	5,800	12,150	2,068.00 + 33%	5,800
8,750	11,950	2,034.00 + 33%	8,750	12,150		3,140.50 + 39.6%	12,150
11,950		3,090.00 + 39.6%	11,950				

Other Tax Rates

Capital Gains and Qual. Dividends 2013 & 2014	Short Term	Long Term	Qual. Div.
10%, 15% brackets	ordinary rates	0%	0%
25% – 35% brackets*	ordinary rates	15%	15%
39.6% bracket*	ordinary rates	20%	20%

* Additional 3.8% tax imposed on net investment income of higher-income taxpayers.

Kiddie Tax

- Under age 19 (or certain full-time students under age 24) with unearned income consisting solely of interest, dividends and CGD; and child's gross income is less than \$10,000 in 2013 and 2014 – use Form 8814 with parent's return.
- If child files own return – use Form 8615 with child's return to calculate tax at parent's marginal rate.

	2013	2014	
First	\$1,000	\$1,000	No Tax
Next	\$1,000	\$1,000	Taxed at child's marginal rate
Amount Over	\$2,000	\$2,000	Taxed at parent's marginal rate

AMT Rates for Individuals

	AMTI Threshold 2013	AMTI Threshold 2014	AMT Rate
Single, MFJ, HoH	\$0 - \$179,500	\$0 - \$182,500	26%
	\$179,501 or more	\$182,501 or more	28%
MFS	\$0 - \$89,750	\$0 - \$91,250	26%
	\$89,751 or more	\$91,251 or more	28%
AMT Exemption			
	2013	2014	
Single, HoH	\$51,900	\$52,800	
MFJ	\$80,800	\$82,100	
MFS	\$40,400	\$41,050	

Social Security

Maximum Compensation Subject to FICA

	2013	2014
OASDI Maximum	\$113,700	\$117,000
HI Maximum	No Limit	No Limit

- OASDI tax rate – 2013 & 2014: 12.4% self-employed, 6.2% employees
- HI tax rate* – 2013 & 2014: 2.9% self-employed, 1.45% employees

* Additional 0.9% tax imposed on certain higher-income taxpayers.

Maximum Amount of Earnings to Still Receive Full Benefits

	2013	2014
Under full retirement age	\$15,120	\$15,480

MAGI Amounts for Benefits to Be Taxable

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

Education Incentives

Tuition Deduction – “Above-the-line” deduction up to \$4,000 for qualifying tuition and related expenses is available for 2013. Absent legislation, no deduction is available in 2014.

Student Loan Interest Deduction – “Above-the-line” deduction up to \$2,500 (2013 and 2014); no time limit on deductibility period; subject to income limitations.

Education Credits – American Opportunity (modified Hope) Credit is up to \$2,500 in 2013 and 2014 per student for first four years of higher education expenses paid. Lifetime Learning Credit is 20% of tuition paid up to \$2,000 per return for 2013 and 2014. Both credits are subject to income limitations and cannot be used in conjunction with each other.

Section 529 Plans (Qualified Tuition Programs) – Distributions used for qualified higher education expenses are income tax free. Contributions are potentially subject to gift tax, but are eligible for the per-donee annual exclusion (\$14,000 for 2013 and 2014). Donor can elect to treat up to \$70,000 of the contribution in 2013 and 2014 as if it had been made ratably over a 5-year period.

Coverdell Education Savings Accounts (Education IRAs) – Contribution limit is \$2,000 in 2013 and 2014; subject to income limitations.

Mileage Rates

Purpose	2013	2014
Business	56.5¢ per mile	56¢ per mile
Medical	24¢ per mile	23.5¢ per mile
Charitable	14¢ per mile	14¢ per mile
Moving	24¢ per mile	23.5¢ per mile

Deductions and Exemptions

Standard Deductions

	Annual	Add'l Age 65 or Older or Blind	
Married Filing Jointly/ Surviving Spouse	2013	\$12,200	\$1,200
	2014	\$12,400	\$1,200
Married Filing Separately	2013	\$6,100	\$1,200
	2014	\$6,200	\$1,200
Head of Household	2013	\$8,950	\$1,500
	2014	\$9,100	\$1,550
Single	2013	\$6,100	\$1,500
	2014	\$6,200	\$1,550

Phaseout of Itemized Deductions

	AGI Threshold	
	2013	2014
MFJ/SS	\$300,000	\$305,050
MFS	\$150,000	\$152,525
HoH	\$275,000	\$279,650
Single	\$250,000	\$254,200

Personal Exemptions

	Exemption	AGI Threshold/ Upper Limit	
Married Filing Jointly/ Surviving Spouse	2013	\$3,900	\$300,000/\$422,500
	2014	\$3,950	\$305,050/\$427,550
Married Filing Separately	2013	\$3,900	\$150,000/\$211,250
	2014	\$3,950	\$152,525/\$213,775
Head of Household	2013	\$3,900	\$275,000/\$397,500
	2014	\$3,950	\$279,650/\$402,150
Single	2013	\$3,900	\$250,000/\$372,500
	2014	\$3,950	\$254,200/\$376,700

Code Sec. 179 Expense Allowance

	2013	2014
Dollar limitation	\$500,000	\$25,000
Investment limitation	\$2 million	\$200,000

Estate and Gift Taxes

	2013	2014
Annual Gift Tax Exclusion	\$14,000	\$14,000
for Noncitizen Spouses	\$143,000	\$145,000
Estate Tax Exclusion	\$5,250,000	\$5,340,000
Gift Tax Exclusion	\$5,250,000	\$5,340,000
Applicable Credit	\$2,045,800	\$2,081,800
GST Tax Exemption	\$5,250,000	\$5,340,000

Credits and Exclusions

Child Tax Credit	2013	2014
	\$1,000	\$1,000

Phases out \$50 for each \$1,000 MAGI over \$110,000 (married filing jointly), \$75,000 (single) or \$55,000 (married filing separately).

Foreign Income	2013	2014
Foreign earned income exclusion	\$97,600	\$99,200

Maximum foreign housing exclusion of qualified housing expenses (\$29,280 - \$15,616) (\$29,760 - \$15,872)

Individual Estimated Taxes

Individuals can base federal estimated tax payments on:

- 90% of current tax,
- 100% of prior year's tax, or
- 110% of prior year's tax if prior year's AGI is > \$150,000 (> \$75,000 for Married Filing Separately)
 - Annualization exception
 - No penalty if tax < \$1,000 or no tax liability in preceding tax year

IRAs

CONTRIBUTION LIMITS - TRADITIONAL AND ROTH

	2013	2014
Regular	\$5,500	\$5,500
Catch-up*	\$1,000	\$1,000

*Individuals who will be at least age 50 by the end of the year can make catch-up contributions.

ROTH IRAs

MAGI Phaseout Range for Contributions to Roth IRAs	2013	2014
Married Filing Jointly	\$178,000 – \$188,000	\$181,000 – \$191,000
Single, Head of Household	\$112,000 – \$127,000	\$114,000 – \$129,000
Married Filing Separately	\$0 – \$10,000	\$0 – \$10,000

TRADITIONAL IRA DEDUCTIBILITY RULES

Filing Status	Covered by Qualified Retirement Plan?	Modified AGI		Deductibility
		2013	2014	
Single, HoH	No	Any amount	Any amount	Full Deduction
	Yes	\$59,000 or less \$59,001 - \$68,999 \$69,000 or more	\$60,000 or less \$60,001 - \$69,999 \$70,000 or more	Full Deduction Partial Deduction No Deduction
Married Filing Jointly	Neither spouse	Any amount	Any amount	Full Deduction
	Both spouses covered	\$95,000 or less \$95,001 - \$114,999 \$115,000 or more	\$96,000 or less \$96,001 - \$115,999 \$116,000 or more	Full Deduction Partial Deduction No Deduction
	One spouse covered: for covered spouse	\$95,000 or less \$95,001 - \$114,999 \$115,000 or more	\$96,000 or less \$96,001 - \$115,999 \$116,000 or more	Full Deduction Partial Deduction No Deduction
	One spouse covered: for non-covered spouse	\$178,000 or less \$178,001 - \$187,999 \$188,000 or more	\$181,000 or less \$181,001 - \$190,999 \$191,000 or more	Full Deduction Partial Deduction No Deduction
Married Filing Separately, lived together for any part of the year (if spouses lived separately throughout year, treated as single)	Neither spouse	Any amount	Any amount	Full deduction
	Both spouses covered	\$9,999 or less \$10,000 or more	\$9,999 or less \$10,000 or more	Partial deduction No deduction
	One spouse covered: for covered spouse	\$9,999 or less \$10,000 or more	\$9,999 or less \$10,000 or more	Partial deduction No deduction
	One spouse covered: for non-covered spouse	\$9,999 or less \$10,000 or more	\$9,999 or less \$10,000 or more	Partial deduction No deduction

Qualified Plans

	2013	2014
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b))	\$17,500	\$17,500
Maximum elective deferral to SIMPLE IRA plans	\$12,000	\$12,000
Maximum elective deferral to 457 plans or exempt employers	\$17,500	\$17,500
Limit on annual additions to Keogh plans and SEP-IRAs	\$51,000	\$52,000
Limit on annual additions to defined contribution plans	\$51,000	\$52,000
Maximum annual compensation taken into account for contributions	\$255,000	\$260,000
Annual benefit limit under defined benefit plans	\$205,000	\$210,000
Threshold amount for definition of highly compensated employee	\$115,000	\$115,000
Threshold amount for definition of key employee in top-heavy plans	\$165,000	\$170,000
Catch-up Contribution Limits*		
401(k), 403(b), SARSEP and 457 plans	\$5,500	\$5,500
SIMPLE plans	\$2,500	\$2,500

* Individuals who will be at least age 50 by the end of the year can make catch-up contributions.



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