

Comparison of Tax Rates and Provisions for Individuals

The following table shows the comparison of tax rates and credits for individuals between 2012 and 2014 based on The American Taxpayer Relief Act of 2012.

IFI = To be indexed for inflation. IRS will release this information in January of 2014.

	2012			2013			2014
	Rate	Single	MFJ	Rate	Single	MFJ	
Rates for Ordinary Income				39.6%	Over \$400,000	Over \$450,000	2013 amounts IFI
	35.0%	Over \$388,350	Over \$388,350	35.0%	Up to \$400,000	Up to \$450,000	
	33.0%	Up to \$388,350	Up to \$388,350	33.0%	Up to \$398,350	Up to \$398,350	
	28.0%	Up to \$178,650	Up to \$217,450	28.0%	Up to \$183,250	Up to \$223,050	
	25.0%	Up to \$ 85,650	Up to \$142,700	25.0%	Up to \$ 87,850	Up to \$146,400	
	15.0%	Up to \$ 35,350	Up to \$ 70,700	15.0%	Up to \$ 36,250	Up to \$ 72,500	
	10.0%	Up to \$ 8,700	Up to \$ 17,400	10.0%	Up to \$ 8,925	Up to \$ 17,850	
Rates for Investment Income (Exclusive of Surtax on Investment Income - See Below)							
Long-Term Capital Gains & Qualified Dividends				20.0%	Over \$400,000	Over \$450,000	2013 amounts IFI
	15.0%	Over \$ 35,350	Over \$ 70,700	15.0%	Up to \$400,000	Up to \$450,000	
	0.0%	Up to \$ 35,350	Up to \$ 70,700	0.0%	Up to \$ 36,250	Up to \$ 72,500	
High-Income Tax Increases Enacted in Patient Protection and Affordable Care Act							
Surtax on Investment Income	No provision			3.8% surtax on investment income of single taxpayers with AGI over \$200,000 (\$250,000 for joint filers) Note: this tax does not apply to income derived from an active trade or business Note: limitation amounts are not indexed for inflation			
Increase in Medicare Hospital Insurance (HI) Tax Wage Base for Wages and Self-Employed (SE)	No provision			0.9% increase in employee portion of HI wage base of single taxpayers with AGI over \$200,000 (\$250,000 for joint filers) Note: no AGI adjustment for 50% of this part of SE tax, unlike other payroll taxes Note: limitation amounts are not indexed for inflation			
"Employee" Share of Payroll Tax							
Social Security	4.2% on first \$110,100 of wages			6.2% on first \$113,700 of wages			2013 amounts IFI
Medicare				1.45% on all wages			
Child Tax Credit				\$1,000 (Permanent)			
Marriage Penalty Relief							
Standard Deduction	\$5,950 Single; \$11,900 MFJ			\$6,100 Single; MFJ \$12,200			2013 amounts IFI
Itemized Deduction & Personal Exemption Limitations	Repeal of limitations on personal exemptions (PEP) and itemized deductions (Pease)			PEP and Pease Limitations restored			
				Certain itemized deductions will be limited for single taxpayers with AGI over \$250,000 (\$300,000 for joint filers)			2013 limitations IFI
				Personal exemptions phase out for single taxpayers with AGI between \$150,000 - \$211,250 (\$300,000 - \$422,500 for joint filers)			2013 phase out IFI
Personal Exemption	\$3,800			\$3,900 subject to limitations (see above)			2013 amount IFI subject to limitations (see above)
AMT Exemption	\$50,60 Single; \$78,750 MFJ			\$51,900 Single; \$80,800 MFJ			2013 amounts IFI
Estate & Gift Tax							
<i>Estate and Gift Tax Regimen Permanently Reunified</i>							
Top Rate	35.0%			40.0%			
Exemption	\$5,120,000			\$5,250,000			2013 amount IFI
Miscellaneous Provisions							
State & Local General Sales Taxes	Allowed to elect to take an itemized deduction for state and local general sales taxes in lieu of the itemized deduction permitted for state and local income taxes			Provision expires			
Educator Expenses	\$250 above-the-line deduction for teachers and other school professionals			Provision expires			
Qualified Tuition & Related Expenses	Above-the-line deduction allowed for qualified education expenses			Provision expires			
Mortgage Insurance Premiums (PMI)	Allowed to claim an itemized deduction for the cost of PMI on a qualified personal residence			Provision expires			
Monthly Exclusion for Employer-Provided Transit & Vanpool Benefits	\$240			\$245			\$125

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