

2014 TAX SUMMARY

November 2013

Individual Income Tax	2013 Law	Scheduled 2014 Law
General Overview	<ul style="list-style-type: none"> With the passage of the American Taxpayer Relief Act of 2012 (ATRA), lower rates with special treatment of qualified dividends and capital gains, with exceptions for high-income taxpayers New 3.8% Medicare surtax on Net Investment Income AMT thresholds increased and permanently indexed for inflation 	<ul style="list-style-type: none"> The rates established by the American Taxpayer Relief Act of 2012 (ATRA) continue, with brackets indexed for inflation 3.8% Medicare surtax on Net Investment Income AMT thresholds adjusted for inflation
Ordinary Income Tax Rates	10%, 15%, 25%, 28%, 33%, 35% and 39.6% on taxable income over \$400,000 for singles and \$450,000 for married filing jointly	10%, 15%, 25%, 28%, 33%, 35% and 39.6% on taxable income over \$406,750 for singles and \$457,600 for married* filing jointly
Tax Rates of Estates and Trusts	15%, 25%, 28%, 33% and 39.6% on taxable income in excess of \$11,950	15%, 25%, 28%, 33% and 39.6% on taxable income in excess of \$12,150
Qualified Dividends	0%, 15% and 20% on taxable income over \$400,000 for singles and \$450,000 for married filing jointly	0%, 15% and 20% on taxable income over \$406,750 for singles and \$457,600 for married filing jointly
Long-term Capital Gains	<ul style="list-style-type: none"> 0%, 15% and 20% on taxable income over \$400,000 for singles and \$450,000 for married filing jointly Other special purpose rates (e.g., collectibles 28%) 	<ul style="list-style-type: none"> 0%, 15% and 20% on taxable income over \$406,750 for singles and \$457,600 for married filing jointly Other special purpose rates (e.g., collectibles 28%)
AMT Thresholds	Retroactively increased for 2012 and permanently indexed for inflation thereafter	Permanently indexed for inflation
<ul style="list-style-type: none"> Married Joint / Surviving Spouse 	\$80,800	\$82,100
<ul style="list-style-type: none"> Married Separate 	\$40,400	\$41,050
<ul style="list-style-type: none"> Single / Head of Household 	\$51,900	\$52,800

* Following the Supreme Court's decision in *United States v. Windsor* and pursuant to Revenue Ruling 2013-17 from the U.S. Department of Treasury and the Internal Revenue Service, for federal tax purposes "married" applies to valid same-sex marriages, regardless of the state in which the couple resides, but does not extend to civil unions.



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Itemized Deductions & Personal Exemptions	Phase-out personal exemptions (\$3,900) and up to 80% of itemized deductions for high-income taxpayers (beginning of phaseout AGI \$250,000 for singles and \$300,000 for married filing jointly)	Phase-out personal exemptions (\$3,950) and up to 80% of itemized deductions for high-income taxpayers (beginning of phaseout AGI \$254,200 for singles and \$305,050 for married filing jointly)
Standard Deduction	\$6,100 for singles and \$12,200 for married filing jointly	\$6,200 for singles and \$12,400 for married filing jointly
Medicare Contribution Tax	3.8% Medicare contribution tax; individual threshold amount MAGI \$200,000 for singles, \$250,000 for married filing jointly; estate and trust threshold amount taxable income \$11,950	3.8% Medicare contribution tax; individual threshold amount MAGI \$200,000 for singles, \$250,000 for married filing jointly; estate and trust threshold amount taxable income \$12,150
Gift, Estate, GST Tax		
Gift Tax Annual Exemption	\$14,000	\$14,000
Marginal Transfer Tax Rates		
• Gift	40%	40%
• Estate	40%	40%
• GST	40%	40%
Exclusions / Exemption	\$5,000,000 adjusted for inflation	
• Gift	\$5,250,000	\$5,340,000
• Estate	\$5,250,000 with portability	\$5,340,000 with portability
• GST	\$5,250,000	\$5,340,000



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