





# Tax Law Changes for 2012

- FICA wage base** increases to \$110,100 in 2012 from \$106,800. 
- Congress Extended the reduction in **Social Security surtax** of 2% to February, 2012. Employee portion of Social Security and Medicare tax rates will be calculated at 5.65%.



- Contribution to **Qualified Retirement Plans** goes up to \$50,000 from \$49,000. 
- Maximum annual benefit for **Defined Benefit Plans** went up to \$200,000 in 2012 from \$195,000 in 2011.
- Contribution limit for 401(K)s and 403(B)s will increase to \$17,000 in 2012 from \$16,500 in 2011. 
- Deduction for **Section 179 Depreciation** went down to

\$139,000 for 2012 which is a significant drop from \$500,000 in 2011. Bonus depreciation drops down to 50% in 2012 from 100% in 2011. 

- Standard mileage rates** for 2012 are as follows:  
55.5 cents per mile for business miles driven.  
23 cents per mile for medical and moving miles driven.  
14 cents per mile for charitable services performed.



### Some helpful information in response to your frequently asked questions:

- If you are required to pay estimated tax payments the due dates for these payments are as follows:  
First payment due: April 15  
Second payment due: June 15  
Third payment due: September 15  
Fourth payment due: January 15 of the subsequent year
- Tax refunds generally take between two and six weeks to receive depending on when in the filing season you file your taxes. You may expedite receipt of your tax refund by electronically filing your tax return and requesting that your refund be directly deposited into your bank account.
- We recommend that you keep your tax records for a minimum of ten years.

## Get Ready for :



Here are a few of the items you will need to bring with you for your tax appointment (if applicable):

- Forms W-2, Wage and Tax Statement
- Forms 1099, Statements of Interest, Dividends, Gross Proceeds, and Pension Distributions
- Forms 1098, Mortgage Interest Statements
- Forms K-1, Statement of Income/Loss, Partnerships, S Corporations, Trusts
- Record of Charitable Contributions
- Record of Real Estate Taxes
- Record of Business Deductions
- Record of Child Care Expenses
- Estimated Tax Payments
- Record of Energy Related Home Improvements

