



2014 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

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RETIREMENT PLANS	
Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$17,500
Catch-up contribution	\$5,500
Defined contribution (§415(c)(1)(A))	\$52,000
Defined benefit (§415(b)(1)(A))	\$210,000
SIMPLE plan	\$12,000
SIMPLE catch-up contribution	\$2,500
Maximum includible compensation	\$260,000
Highly compensated employee	
Look back to 2013	\$115,000
Look back to 2014	\$115,000
Key employee (top-heavy plan)	>\$170,000
SEP participation limit	\$550
IRA or Roth IRA contribution limit	\$5,500
IRA or Roth IRA catch-up	\$1,000
IRA deduction phaseout for active participants	
Single	\$60,000-\$70,000
Married filing jointly	\$96,000-\$116,000
Married filing separately	\$0-\$10,000
Spousal IRA	\$181,000-\$191,000
Roth IRA phaseout	
Single	\$114,000-\$129,000
Married filing jointly	\$181,000-\$191,000

SOCIAL SECURITY	
SS wage base	\$117,000
FICA tax rate—employee ³	7.65%
SECA tax rate—self-employed	15.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$15,480
Persons reaching FRA (\$1 for \$3)	\$41,400
(Applies only to earnings for months prior to attaining FRA)	
Social Security cost-of-living adjustment	1.5%
Quarter of coverage	\$1,200
Maximum benefit: worker retiring at FRA ^{*SEE FRA BELOW}	\$2,642
Estimated average monthly benefit	\$1,294

SOCIAL SECURITY FRA			
Year of Birth	Social Security FRA	Year of Birth	Social Security FRA
1941	65 and 8 months	1957	66 and 6 months
1942	65 and 10 months	1958	66 and 8 months
1943–54	66	1959	66 and 10 months
1955	66 and 2 months	1960 and later	67
1956	66 and 4 months		

ESTATE AND GIFT TAX	
Annual gift tax exclusion	\$14,000
Estate tax basic exclusion	\$5,340,000
Gift tax basic exclusion	\$5,340,000
Generation skipping exemption	\$5,340,000
Maximum estate tax rate ⁴	40%

MEDICARE	
Monthly premium:	
Part A ¹	\$426.00
Part B ^{*SEE FIGURE 1}	\$104.90
Part A:	
First 60 days—patient pays a deductible	\$1,216
Next 30 days—patient pays per day	\$304
Next 60 days (lifetime reserve days) patient pays per day	\$608
Skilled nursing benefits	
First 20 days—patient pays per day	-0-
Next 80 days—patient pays per day	\$152
Over 100 days—patient pays per day	All costs
Part B:	
Deductible	\$147
Coinsurance ²	20%
Part D (Prescription Standard Benefit Model):	
Deductible	\$310
25% coinsurance on next	\$2,540
Out-of-pocket (OOP) Threshold	\$4,550
Beneficiary then pays coinsurance amount for additional covered expenses.	

2014 MEDICARE PART B PREMIUM RATES:		
YOU PAY	If your yearly Income is:	
	SINGLE	MARRIED COUPLE
\$104.90 Base Prem	\$85,000 or less	\$170,000 or less
\$146.90	\$85,001–\$107,000	\$170,001–\$214,000
\$209.80	\$107,001–\$160,000	\$214,001–\$320,000
\$272.70	\$160,001–\$213,000	\$320,001–\$426,000
\$335.70	Above \$213,000	Above \$426,000
YOU PAY	If you are married but you file a separate tax return from your spouse and your yearly income is:	
\$104.90	\$85,000 or less	
\$272.70	\$85,001–\$129,000	
\$335.70	Above \$129,000	

FIGURE - I

- The Part A premium of \$426 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30-39 quarters, the Part A Premium is \$234 per month.
- 40% is the coinsurance for mental healthcare.
- The FICA tax rate is comprised of two separate payroll taxes: Employer and employee portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI); For self-employed individuals, the SECA is 12.40% for OASDI and 2.90% for HI. These numbers reflect the expiration of the payroll tax cut. Beginning in 2013, taxpayers pay an additional 0.9% HI if self-employment income or wages exceed \$250,000 married filing jointly, \$125,000 married filing separately, or \$200,000 single.
- A deceased spouse's unused credit amount is portable to a surviving spouse.

Previous years may be found at: www.cffpinfo.com/annualLimits.html

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STANDARD MILEAGE RATES	
Business use	56¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical or moving use	23.5¢ per mile

MISCELLANEOUS ITEMS	
PBGC maximum monthly benefit (at age 65)	\$4,943.18
Archer Medical Savings Account	
Single high deductible	\$2,200
Family high deductible	\$4,350
Single out-of-pocket maximum	\$4,350
Family out-of-pocket maximum	\$8,000
LTC per diem limit	\$330
LTC premium as medical expense limitation	
Age 40 or under	\$370
Age 41-50	\$700
Age 51-60	\$1,400
Age 61-70	\$3,720
Age 71 or older	\$4,660
Qualified Transportation Fringes (monthly)	
Commuter highway vehicle/transit pass	\$130
Qualified parking	\$250

2014 TAX RATE SCHEDULES				
If Taxable Income Is		Then the Gross Tax Payable Is:		
Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
SINGLE TAXPAYERS (other than surviving spouses and heads of households)				
\$0	\$9,075	----- 10% of taxable income -----		
9,075	36,900	\$907.50	15%	\$9,075
36,900	89,350	5,081.25	25%	36,900
89,350	186,350	18,193.75	28%	89,350
186,350	405,100	45,353.75	33%	186,350
405,100	406,750	117,541.25	35%	405,100
406,750	--	118,118.75	39.6%	406,750

HEADS OF HOUSEHOLDS				
\$0	\$12,950	----- 10% of taxable income -----		
12,950	49,400	\$1,295.00	15%	\$12,950
49,400	127,550	6,762.50	25%	49,400
127,550	206,600	26,300.00	28%	127,550
206,600	405,100	48,434.00	33%	206,600
405,100	432,200	113,939.00	35%	405,100
432,200	--	123,424.00	39.6%	432,200

MARRIED INDIVIDUALS (and surviving spouses) FILING JOINT RETURNS				
\$0	\$18,150	----- 10% of taxable income -----		
18,150	73,800	\$1,815.00	15%	\$18,150
73,800	148,850	10,162.50	25%	73,800
148,850	226,850	28,925.00	28%	148,850
226,850	405,100	50,765.00	33%	226,850
405,100	457,600	109,587.50	35%	405,100
457,600	--	127,962.50	39.6%	457,600

MARRIED INDIVIDUALS FILING SEPARATE RETURNS				
\$0	\$9,075	----- 10% of taxable income -----		
9,075	36,900	\$907.50	15%	\$9,075
36,900	74,425	5,081.25	25%	36,900
74,425	113,425	14,462.50	28%	74,425
113,425	202,550	25,382.50	33%	113,425
202,550	228,800	54,793.75	35%	202,550
228,800	--	63,981.25	39.6%	228,800

FIDUCIARY (estates and trusts) TAXPAYERS				
\$0	\$2,500	----- 15% of taxable income -----		
2,500	5,800	\$375.00	25%	\$2,500
5,800	8,900	1,200.00	28%	5,800
8,900	12,150	2,068.00	33%	8,900
12,150	--	3,140.50	39.6%	12,150

SAVER'S CREDIT			
Based on up to \$2000 in deferrals	50% Credit	20% Credit	10% Credit
Joint filers	\$0-\$36,000	\$36,001-\$39,000	\$39,001-\$60,000
Heads of households	\$0-\$27,000	\$27,001-\$29,250	\$29,251-\$45,000
All other filers	\$0-\$18,000	\$18,001-\$19,500	\$19,501-\$30,000

HEALTH SAVINGS ACCOUNT	
Minimum Deductible Amount	
Single	\$1,250
Family	\$2,500
Maximum Out-of-Pocket Amount	
Single	\$6,350
Family	\$12,700
HSA Statutory Contribution Maximum	
Single	\$3,300
Family	\$6,550
Catch-Up Contributions (age 55 or older)	\$1,000

EDUCATION	
EE bonds for education—exclusion phaseout	
Single	\$76,000-\$91,000
Married filing jointly	\$113,950-\$143,950
Coverdell Education Savings Account (\$2,000 limit) phaseout	
Single	\$95,000-\$110,000
Married filing jointly	\$190,000-\$220,000
Lifetime Learning Credit—20% of qualified expenses up to \$10,000	
Single	\$54,000-\$64,000
Married filing jointly	\$108,000-\$128,000
American Opportunity tax credit—Maximum of \$2,500	
100% up to \$2,000 of qualified expenses	
25% on next \$2,000—phaseout:	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
Education loan deduction (\$2,500) phaseout	
Unmarried	\$65,000-\$80,000
Married filing jointly	\$130,000-\$160,000
\$4,000 higher education expense deduction (expired, likely to be reinstated)	
Unmarried AGI cutoff	\$65,000
Married filing jointly AGI cutoff	\$130,000
\$2,000 higher education expense deduction (expired, likely to be reinstated)	
Unmarried AGI cutoff	\$80,000
Married filing jointly AGI cutoff	\$160,000

INCOME TAX EXEMPTIONS, DEDUCTIONS, & CREDITS	
Personal exemption	\$3,950
Personal exemption & itemized deduction phaseouts	
Single	\$254,200
Head of household	\$279,650
Married filing jointly	\$305,050
Standard deduction	
Single	\$6,200
Married filing jointly	\$12,400
Head of household	\$9,100
Married filing separately	\$6,200
Kiddie tax limited standard deduction	\$1,000
Individual eligible to be claimed as dependent—greater of \$1,000 or earned income plus \$350, not to exceed full standard deduction of \$6,200.	
Elderly or blind additional deduction	
Single	\$1,550
Married	\$1,200
Section 179	
Maximum election	\$25,000
Phaseout begins	\$200,000
Adoption credit (nonrefundable)	
Maximum	\$13,190
Phaseout	\$197,880-\$237,880

ALTERNATIVE MINIMUM TAX (AMT)	Exemption	Phaseout
Single	\$52,800	\$117,300
Married filing jointly	\$82,100	\$156,500
Married filing separately	\$41,050	\$78,250
Trusts and estates	\$23,500	\$78,250

AMT RATES	
26% up to \$182,500 of AMT base	
28% over \$182,500 of AMT base	



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