

Tax Rates

This quick reference guide will help you stay informed of changes to federal tax rates and limits. This sheet only applies to federal tax laws for the year 2010 and not to state tax laws. Information is current as of January 1, 2010.

2010 Federal Income Tax Rates	
Taxable income (i.e., income minus deductions and exemptions) between:	
Filing status	Tax Rate
Married, Filing Jointly	
\$0 - \$16,750	10%
\$16,751 - \$68,000	15%
\$68,001 - \$137,300	25%
\$137,301 - \$209,250	28%
\$209,251 - \$373,650	33%
\$373,651 +	35%
Single	
\$0 - \$8,375	10%
\$8,376 - \$34,000	15%
\$34,001 - \$82,400	25%
\$82,401 - \$171,850	28%
\$171,851 - \$373,650	33%
\$373,651 +	35%
Married, Filing Separately	
\$0 - \$8,375	10%
\$8,376 - \$34,000	15%
\$34,001 - \$68,650	25%
\$68,651 - \$104,625	28%
\$104,626 - \$186,825	33%
\$186,826 +	35%
Single, Head of Household (HOH)	
\$0 - \$11,950	10%
\$11,951 - \$45,550	15%
\$45,551 - \$117,650	25%
\$117,651 - \$190,550	28%
\$190,551 - \$373,650	33%
\$373,651 +	35%
Estates and Trusts	
\$0 - \$2,300	15%
\$2,301 - \$5,350	25%
\$5,351 - \$8,200	28%
\$8,201 - \$11,200	33%
\$11,201 +	35%
Corporations	
\$0 - \$50,000	15%
\$50,001 - \$75,000	25%
\$75,001 - \$10,000,000	34%
\$10,000,000 +	35%
Standard Deductions ¹	
Filing status	Deduction
Married, filing jointly	\$11,400
Single	\$5,700
Married, filing separately	\$5,700
Head of household	\$8,400

¹ Blind over 65: add \$1,100 if married, \$1,400 if single or head of household

Exemptions	
Personal exemption	\$3,650
Net unearned income not subject to the "Kiddie Tax"	\$1,900
Alternative Minimum Tax Exemption:	
Filing status	Exemption
Married, filing jointly	\$45,000
Single, HOH	\$33,750
Married, filing separately	\$22,500

Long-term Capital Gains and Dividend Rates	
10% and 15% bracket	0%
Higher brackets	15%
Capital gains on collectibles	28%
Unrecaptured 1250 depreciation	25%

Estate Planning ²	
Gift tax annual exclusion	\$13,000
Annual exclusion: Non-U.S. spouse	\$134,000
Gift tax unified credit:	\$330,800
Shelters	\$1,000,000
Estate tax unified credit	\$1,455,800
Shelters	\$3,500,000
Top estate, gift, GST rate	45%
GST exemption	\$3,500,000

² Rate and exemption amounts are for 2009. These items are repealed for 2010, but congress may reinstate.

Social Security	
Maximum earnings (during work years) subject to FICA tax	\$106,800
Income³ (In Retirement) Causing Social Security Benefits to Be Taxable:	
Filing status	Modified Adjusted Gross Income
Married, filing jointly	
50% taxable	\$32,000
85% taxable	\$44,000
Single	
50% taxable	\$25,000
85% taxable	\$34,000

³ Income is most income including muni bond interest but only 1/2 of Social Security.

Retirement Plan Limits	
IRA Contribution Limit:	
Under age 50	\$5,000
Age 50 and over "catch-up"	\$1,000
IRA Contribution – Income Phaseout Ranges:	
Filing status	Adjusted Gross Income
Married, filing jointly (active spouse)	\$89,000 - \$109,000
Married, filing jointly (non-active spouse)	\$167,000 - \$177,000
Married, filing separately	\$0 - \$10,000
Single, HOH	\$56,000 - \$66,000
Non-active participant	Unlimited
Roth IRA Contribution – Income Phaseout Ranges:	
Filing status	Modified Adjusted Gross Income
Married, filing jointly	\$167,000 - \$177,000
Married, filing separately	\$0 - \$10,000
Single, HOH	\$105,000 - \$120,000

SEP Contribution Limit:	
Up to 25% of compensation, limit \$49,000	
SIMPLE Elective Deferral Limit:	
Under age 50	\$11,500
Age 50 and over "catch-up"	\$2,500

401(k), 403(b)⁴, 457⁵ and SARSEP Elective Deferral Limits:	
Under age 50	\$16,500
Age 50 and over "catch-up"	\$5,500

⁴ Special increased limit may apply to certain 403(b) contributors with 15 or more years of services.

⁵ In last 3 years prior to year of retirement, 457 plan participant may be able to double elective deferral if needed to catch-up on prior missed contributions, but if they do, they cannot use catch-up.

Annual Defined Contribution Limit	\$49,000
Annual Defined Benefit Limit	\$195,000
Highly Compensated Employee Makes	\$110,000
Key Employees in Top Heavy Plan Makes	\$160,000
Annual Compensation Taken Into Account for Qualified Plans	\$245,000
Retirement Tax Credit – A percentage of tax credit for an IRA, 401(k), 403(b), or 457 plan contribution, in addition to deduction or exclusion, if:	
Filing status	Modified Adjusted Gross Income
Married, filing jointly	Below \$55,500
Head of household	Below \$41,625
Single	Below \$27,750
Married, filing separately	Below \$27,750



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Required Minimum Distribution (RMD) Table

Use this table to calculate RMDs from IRAs and qualified plans during the owner's life. Do not use this table if the owner has a spousal beneficiary more than 10 years younger. Instead, use the Joint Life Table from IRS Publication 590. Calculate RMD by dividing the account balance at the end of the prior year by the RMD factor for the current year.

Uniform Lifetime		Single Life Expectancy			
Age	Factor	Age	Factor	Age	Factor
70	27.4	9	73.8	55	29.6
71	26.5	10	72.8	56	28.7
72	25.6	11	71.8	57	27.9
73	24.7	12	70.8	58	27.0
74	23.8	13	69.9	59	26.1
75	22.9	14	68.9	60	25.2
76	22.0	15	67.9	61	24.4
77	21.2	16	66.9	62	23.5
78	20.3	17	66.0	63	22.7
79	19.5	18	65.0	64	21.8
80	18.7	19	64.0	65	21.0
81	17.9	20	63.0	66	20.2
82	17.1	21	62.1	67	19.4
83	16.3	22	61.1	68	18.6
84	15.5	23	60.1	69	17.8
85	14.8	24	59.1	70	17.0
86	14.1	25	58.2	71	16.3
87	13.4	26	57.2	72	15.5
88	12.7	27	56.2	73	14.8
89	12.0	28	55.3	74	14.1
90	11.4	29	54.3	75	13.4
91	10.8	30	53.3	76	12.7
92	10.2	31	52.4	77	12.1
93	9.6	32	51.4	78	11.4
94	9.1	33	50.4	79	10.8
95	8.6	34	49.4	80	10.2
96	8.1	35	48.5	81	9.7
97	7.6	36	47.5	82	9.1
98	7.1	37	46.5	83	8.6
99	6.7	38	45.6	84	8.1
100	6.3	39	44.6	85	7.6
101	5.9	40	43.6	86	7.1
102	5.5	41	42.7	87	6.7
103	5.2	42	41.7	88	6.3
104	4.9	43	40.7	89	5.9
105	4.5	44	39.8	90	5.5
106	4.2	45	39.8	91	5.2
107	3.9	46	37.9	92	4.9
108	3.7	47	37.0	93	4.6
109	3.4	48	36.0	94	4.3
110	3.1	49	35.1	95	4.1
111	2.9	50	34.2	96	3.8
112	2.6	51	33.3	97	3.6
113	2.4	52	32.3	98	3.4
114	2.1	53	31.4	99	3.1
115	1.9	54	30.5	100	2.9

Questions:

Contact the West Coast
Life Sales Desk at
(877) 778-3500, option 2



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