

## Federal Tax Data Sheet (2001–2003)

This Federal Tax Data Sheet is reprinted from *Practitioners Tax Action Bulletins*, our twice-monthly tax update service.

	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b>Standard Deductions</b>			
Joint or Qualifying Widow(er)	\$ 7,950	\$ 7,850	\$ 7,600
Single	4,750	4,700	4,550
Head of Household	7,000	6,900	6,650
Married Filing Separately	3,975	3,925	3,800
Additional for Elderly/Blind—Married	950	900	900
Additional for Elderly/Blind—Unmarried	1,150	1,150	1,100
Taxpayer Claimed as Dependent	750	750	750
<b>Personal/Dependent Exemption</b>	\$ 3,050	\$ 3,000	\$ 2,900
<b>Unearned Income without Kiddie Tax</b>	\$ 1,500	\$ 1,500	\$ 1,500
<b>Beginning of 15% Bracket</b>			
Joint or Qualifying Widow(er)	\$ 12,000	\$ 12,000	\$ 0 <sup>3</sup>
Single	6,000	6,000	0 or 6,000 <sup>3</sup>
Head of Household	10,000	10,000	0 <sup>3</sup>
Married Filing Separately	6,000	6,000	0 <sup>3</sup>
Estates and			

Nongrantor Trusts	0	0	0
<b>Beginning of 27% / 27.5% Bracket</b>	<b><u>27%</u></b>	<b><u>27%</u></b>	<b><u>27.5%</u></b>
Joint or Qualifying Widow(er)	\$ 47,450	\$ 46,700	\$ 45,200
Single	28,400	27,950	27,050
Head of Household	38,050	37,450	36,250
Married Filing Separately	23,725	23,350	22,600
Estates and Nongrantor Trusts	1,900	1,850	1,800

<b>Beginning of 30% / 30.5% Bracket</b>	<b><u>30%</u></b>	<b><u>30%</u></b>	<b><u>30.5%</u></b>
Joint or Qualifying Widow(er)	\$ 114,650	\$ 112,850	\$ 109,250
Single	68,800	67,700	65,550
Head of Household	98,250	96,700	93,650
Married Filing Separately	57,325	56,425	54,625
Estates and Nongrantor Trusts	4,500	4,400	4,250

<b>Beginning of 35% / 35.5% Bracket</b>	<b><u>35%</u></b>	<b><u>35%</u></b>	<b><u>35.5%</u></b>
Joint or Qualifying Widow(er)	\$ 174,700	\$ 171,950	\$ 166,500
Single	143,500	141,250	136,750
Head of Household	159,100	156,600	151,650
Married Filing Separately	87,350	85,975	83,250
Estates and Nongrantor Trusts	6,850	6,750	6,500

<b>Beginning of 38.6% / 39.1% Bracket</b>	<b><u>38.6%</u></b>	<b><u>38.6%</u></b>	<b><u>39.1%</u></b>
Joint, Single, Head of Household	\$ 311,950	\$ 307,050	\$ 297,350
Married Filing Separately	155,975	153,525	148,675
Estates and Nongrantor Trusts	9,350	9,200	8,900

**Beginning/Ending of  
Personal Exemption  
Phase-out Range—  
Based on AGI**

	<u>2003</u>	<u>2002</u>	<u>2001</u>
Joint or Qualifying Widow(er)	\$ 209,250/331,750	\$ 206,000/328,500	\$ 199,450/321,950
Single	139,500/262,000	137,300/259,800	132,950/255,450
Head of Household	174,400/296,900	171,650/294,150	166,200/288,700
Married Filing Separately	104,625/165,875	103,000/164,250	99,725/160,975

**Beginning of  
Itemized Deduction  
Phase-out Range—  
Based on AGI**

Joint, Single, Head of Household	\$ 139,500	\$ 137,300	\$ 132,950
Married Filing Separately	69,750	68,650	66,475

**Gift and Estate Tax**

Unified Credit Equivalent	\$ 1,000,000	\$ 1,000,000	\$ 675,000
Gift Tax Annual Exclusion	11,000	11,000	10,000

**FICA/SE Tax Max  
Earnings**

	\$ 87,000	\$ 84,900	\$ 80,400
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**Auto Standard  
Mileage Allowances**

Business	.36	.365	.345
Charity Work	.14	.14	.14
Medical/Moving	.12	.13	.12

**Luxury (Non-  
electric) Auto  
Depreciation Limits**

First year	\$ 3,060/7,660 <sup>1,4</sup>	\$ 3,060/7,660 <sup>4</sup>	\$ 3,060/7,660 <sup>4</sup>
Second Year	4,900 <sup>1</sup>	4,900	4,900
Third Year	2,950 <sup>1</sup>	2,950	2,950
Fourth Year and Thereafter	1,775 <sup>1</sup>	1,775	1,775

**Qualified  
Transportation  
Fringe**

Vehicle/Transit Pass Limit	\$ 100	\$ 100	\$ 65
Qualified Parking Limit	190	185	180
<b>Max Deductible 401 (k) and 403(b) Employee Contribution<sup>5</sup></b>			
	\$12,000/\$14,000	\$11,000/\$12,000	\$ 10,500
<b>Self-employed Health Insurance Deduction</b>			
	100%	70%	60%
<b>Section 179 Deduction</b>			
	\$ 25,000 <sup>7</sup>	\$ 24,000	\$ 24,000
<b>Earnings Ceiling for Social Security</b>			
Below Age 65 <sup>6</sup>	\$ 11,520	\$ 11,280	\$ 10,680
Age 65 and Above	Unlimited	Unlimited	Unlimited
<b>Estimated Tax Payments (AGI &gt; \$150,000)</b>			
	110%	112%	110%

<sup>1</sup> These are estimated amounts. The official numbers are not yet available.

<sup>2</sup> If an individual who can be claimed as a dependent on another's return has earned income, the standard deduction is the greater of \$750 or \$250 plus the earned income (but no more than the standard deduction).

<sup>3</sup> For 2001, most taxpayers' lowest tax bracket is 15%. However, dependents may use the 10% bracket (up to \$6,000 of income) on their 2001 returns because they didn't benefit from an advance payment check or rate reduction credit.

<sup>4</sup> New (but not used) vehicles acquired after 9/10/01 and before 9/11/04 (and not subject to a written binding contract for acquisition in effect prior to 9/11/01) qualify for the higher luxury automobile depreciation limit in the year placed in service, if placed in service by 1/1/05.

<sup>5</sup> Limit will be different for certain employees because of the discrimination rules, % of salary limitations, etc. In addition, the higher of the two limits in 2002 and 2003 applies only to those age 50 or older.

<sup>6</sup> In the year a person reaches full retirement age (which is currently age 65), \$1 in benefits is deducted for each \$3 earned above the now repealed age 65–69 earnings limit (which is \$30,720 in 2003). However, only earnings before the month in which full retirement age is reached are considered. Thus, for example, someone who earned \$33,720 in January through July 2003, before turning age 65 in August 2003, would lose \$1,000 in benefits for 2003.

<sup>7</sup> For taxpayers placing Qualified New York Liberty Zone (QNYLZ) property into service, the Section 179

deduction limit is increased by the lesser of \$35,000 or the cost of the QNYLZ property.

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