

CFP BOARD

CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

Provided Tax Tables

These tax tables are provided in the exam booklets for the March 2012 CFP® Certification Examination.

Important Note: The Temporary Payroll Tax Cut Continuation Act of 2011 will be tested on the March 2012 CFP® Certification Examination.

CFP Board's standard policy is that the CFP® Certification Examination tests current tax law, and the tax tables and other indexed numbers provided to examinees with the exam booklets will reflect current year tax law, with the exception of any recent tax law changes signed into law six months or less prior to the exam administration date. For example, a tax law signed into law in January would not be eligible for testing on the March exam but would be eligible for testing on the July exam and thereafter.

Due to the potential confusion surrounding the Temporary Payroll Tax Cut Continuation Act of 2011 which was enacted in December 2011 and extends the payroll tax rate that was in effect in 2011, CFP Board's Council on Examinations determined that a clarification to the current policy is appropriate. Examinees should assume that the Act which temporarily extends payroll tax cut for employees through Feb. 29, 2012 continues to be in effect for the purposes of the March 2012 exam.

SCHEDULE X: Single

<u>2012</u>					
Taxable Income Over	But Not Over	Pay	+	% on Excess	of the amount over--
\$ 0--	\$ 8,700	\$ 0		10%	\$ 0
8,700--	35,350	870.00		15	8,700
35,350--	85,650	4,867.50		25	35,350
85,650--	178,650	17,442.50		28	85,650
178,650--	388,350	43,482.50		33	178,650
388,350--	.....	112,683.50		35	388,350

SCHEDULE Y-1: Married Filing Jointly and Surviving Spouse

<u>2012</u>					
Taxable Income Over	But Not Over	Pay	+	% on Excess	of the amount over--
\$ 0--	\$ 17,400	\$ 0		10%	\$ 0
17,400--	70,700	1,740.00		15	17,400
70,700--	142,700	9,735.00		25	70,700
142,700--	217,450	27,735.00		28	142,700
217,450--	388,350	48,665.00		33	217,450
388,350--	.....	105,062.00		35	388,350

SCHEDULE Y-2: Married Filing Separately

<u>2012</u>					
Taxable Income Over	But Not Over	Pay	+	% on Excess	of the amount over--
\$ 0--	\$ 8,700	\$ 0		10%	\$ 0
8,700--	35,350	870.00		15	8,700
35,350--	71,350	4,867.50		25	35,350
71,350--	108,725	13,867.50		28	71,350
108,725--	194,175	24,332.50		33	108,725
194,175--	.....	52,531.00		35	194,175

SCHEDULE Z: Head of Household

<u>2012</u>					
Taxable Income Over	But Not Over	Pay	+	% on Excess	of the amount over--
\$ 0--	\$ 12,400	\$ 0		10%	\$ 0
12,400--	47,350	1,240.00		15	12,400
47,350--	122,300	6,482.50		25	47,350
122,300--	198,050	25,220.00		28	122,300
198,050--	388,350	46,430.00		33	198,050
388,350--	.....	109,229.00		35	388,350

TAX RATES

CORPORATE INCOME TAX RATES

<u>2012</u>					
Taxable Income Over	But Not Over	Pay	+	% on Excess	of the amount over--
\$ 0--	\$ 50,000	\$ 0		15%	\$ 0
50,000--	75,000	7,500		25	50,000
75,000--	100,000	13,750		34	75,000
100,000--	335,000	22,250		39	100,000
335,000--	10,000,000	113,900		34	335,000
10,000,000--	15,000,000	3,400,000		35	10,000,000
15,000,000--	18,333,333	5,150,000		38	15,000,000
18,333,333--	.....			35	0

Note: Taxable income of certain personal service corporations is taxed at a flat rate of 35%.

ESTATES AND NONGRANTOR TRUSTS INCOME TAX RATES

<u>2012</u>					
Taxable Income Over	But Not Over	Pay	+	% on Excess	of the amount over--
\$ 0--	\$ 2,400	\$ 0		15%	\$ 0
2,400--	5,600	360.00		25	2,400
5,600--	8,500	1,160.00		28	5,600
8,500--	11,650	1,972.00		33	8,500
11,650--	.....	3,011.50		35	11,650

STANDARD DEDUCTION AND PERSONAL EXEMPTION FOR 2012

Standard Deduction*:

Single	\$ 5,950
Married filing jointly/ Qualifying widow(er)	11,900
Married filing separately	5,950
Head of household	8,700
Dependent	950**

*increased by \$1,150 for a married taxpayer age 65 or older or blind (\$2,300 if both 65 and blind; by \$1,450 for a single taxpayer age 65 or older or blind (\$2,900 if both 65 and blind)

**or \$300 plus earned income, if greater

Personal Exemption: \$3,800

COVERDELL EDUCATION SAVINGS ACCOUNTS

(Education IRAs)

Modified AGI Phase-Out Range for Contributions to Coverdell Education Savings Accounts:

Married Filing Jointly	\$190,000-	\$220,000
Single	\$95,000-	\$110,000

AMERICAN OPPORTUNITY CREDIT AND LIFETIME LEARNING CREDIT

American Opportunity Credit - Up to 100% of first \$2,000 and 25% of the next \$2,000 of qualified education expenses paid for a maximum of \$2,500 total, subject to MAGI phase-out beginning at \$80,000 if Single, \$160,000 if Married Filing Jointly.

Lifetime Learning Credit - Up to 20% of the first \$10,000 of qualified education expenses paid, subject to MAGI phase-outs beginning at \$52,000 if Single, \$104,000 if Married Filing Jointly.

Modified AGI Phase-Outs for American Opportunity Credit:

2012

Married Filing Jointly	\$160,000 - 180,000
Others	\$80,000 - 90,000

Modified AGI Phase-Outs for Lifetime Learning Credit:

2012

Married Filing Jointly	\$104,000 - 124,000
Others	\$52,000 - 62,000

CHILD TAX CREDIT

Modified AGI Beginning Phase-Out Range for Child Tax Credit (Phase-out complete when MAGI exceeds applicable threshold by \$20,000 per child):

Married Filing Jointly	\$110,000
Single/Head of Household	\$ 75,000
Married Filing Separately	\$ 55,000

TAX RATES

GIFT/ESTATE TAX RATE SCHEDULE FOR 2012			
Column A	Column B	Column C	Column D
<i>Taxable amount over</i>	<i>Taxable amount not over</i>	<i>Tax on amount in column A</i>	<i>Rate of tax on excess over amount in column A Percent</i>
\$ 0	\$ 10,000	\$ 0	18
10,000	20,000	1,800	20
20,000	40,000	3,800	22
40,000	60,000	8,200	24
60,000	80,000	13,000	26
80,000	100,000	18,200	28
100,000	150,000	23,800	30
150,000	250,000	38,800	32
250,000	500,000	70,800	34
500,000		155,800	35

Applicable Exclusion/Credit Amount for Estate Tax

Year	Applicable Exclusion	Applicable Credit
2006-2008	2,000,000	780,800
2009	3,500,000	1,455,800
2010	5,000,000	1,730,800*
2011	5,000,000	1,730,800
2012	5,120,000	1,772,800

*For deaths occurring in 2010, the decedent's heirs will have the choice of applying the federal estate tax or making use of the "modified carryover basis regime."

Applicable Exclusion/Credit Amount (Gift Tax)

Year	Applicable Exclusion	Applicable Credit
2006-2009	1,000,000	345,800
2010	1,000,000	330,800
2011	5,000,000	1,730,800
2012	5,120,000	1,772,800

Alternate Minimum Tax Exemption for 2012**

Single	33,750
Married Filing Jointly	45,000

**The Alternative Minimum Tax (AMT) Exemption for 2012 is currently lower than the exemption amounts for 2011. Congress has not yet approved an increase in AMT Exemptions for 2012.