

Rates, Due Dates & IRS Limits

Prime rate and CPI-U

Prime rate: 3.25% (effective Dec. 16, 2008)

March 2011 CPI-U¹ 2.7%.

1. Covers all goods/services purchased by urban consumers.

2. Goods costing \$1,000 in Mar. 2010 cost \$1,027 in Mar. 2011.

April 2011 CPI-U Available May 13, 2011

For the latest CPI-U and general information 202-691-6994

For other CPI indices and more details 202-691-7000

200% GDS nonfarm MACRS property rates

| | <u>5-year property*</u> | <u>7-year property**</u> |
|--------|-------------------------|--------------------------|
| Year 1 | 20.00% | 14.29% |
| Year 2 | 32.00 | 24.49 |
| Year 3 | 19.20 | 17.49 |
| Year 4 | 11.52 | 12.49 |
| Year 5 | 11.52 | 8.93 |
| Year 6 | 5.76 | 8.92 |
| Year 7 | | 8.93 |
| Year 8 | | 4.46 |

* Autos, trucks, computers/peripherals, typewriters, calculators, etc.

** Furniture and fixtures, desks, files, etc.

IRS depreciation. limits for vehicles placed in service after Sep. 8, 2010 and before Jan. 1, 2012.

| | <u>Autos (cars)</u> | | <u>Light SUVs, pickups/vans*</u> | |
|------------------------------|--------------------------------|-------------------------|----------------------------------|-------------------------|
| | <u>With bonus depreciation</u> | <u>No bonus or used</u> | <u>With bonus depreciation</u> | <u>No bonus or used</u> |
| 1 st year | \$11,060 | \$3,060 | \$11,260 | \$3,260 |
| 2 nd year | <i>Consult</i> | 4,900 | <i>Consult</i> | 5,200 |
| 3 rd year | <i>your tax</i> | 2,950 | <i>your tax</i> | 3,150 |
| 4 th yr and after | <i>advisor</i> | 1,775 | <i>advisor</i> | 1,875 |

* 6,000 lbs. or less, built on truck chassis, and not specially modified.

Latest changes in federal per diems within the U.S.

www.irs.gov/publications/p1542/ar01.html#d0e22

Latest changes in per diems outside the U.S.

aoprals.state.gov/content.asp?content_id=184&menu_id=78

Payroll rates and bases

| | <u>2010</u> | <u>2011</u> |
|------------------------------|-------------|-------------|
| Soc. Sec. and Medicare rates | 6.20%/1.45% | 4.20%/1.45% |
| Social Security wage limit | \$106,800 | \$106,800 |
| Medicare wage limit | Unlimited | Unlimited |
| FUTA-taxable wage base | \$7,000 | \$7,000 |
| FUTA rate | 6.2% | 6.2% |
| FUTA maximum credit | 5.4% | 5.4% |
| Minimum FUTA deposit rate | 0.8% | 0.8% |

Standard mileage rates

| | <u>2010</u> | <u>2011</u> |
|-----------------|-------------|-------------|
| Business* | 50¢/mile | 51¢/mile |
| Relocation | 16.5¢/mile | 19¢/mile |
| Medical | 16.5¢/mile | 19¢/mile |
| Charitable rate | 14¢/mile | 14¢/mile |

* Can be used only if taxpayer owns/leases a passenger auto, van, pickup, or panel truck not for hire (e.g., as a taxi) that was not depreciated under ACRS, MACRS or Sec. 179 in earlier years.

Qualified retirement plan limits

| | <u>2010-2011</u> |
|---|------------------|
| Pretax contributions for 401(k) and SEP plans and 403(b) annuities | \$ 16,500 |
| Workers aged 50 or over (catch-up) | \$ 5,500 |
| Sec. 415(b)(1)(A) defined benefit plan annual benefit ceiling | \$195,000 |
| Combined employer/employee pay-in limits for all defined contrib. plans | \$ 49,000 |
| Annual compensation limit under Sec. 401(a)(17) and Sec. 404(1) | \$245,000 |
| Sec. 408(k)(3)(C) IRA, SEP or SIMPLE plan limits | \$245,000 |
| SIMPLE pretax contribution limit | \$ 11,500 |
| Workers aged 50 or over (catch-up) | \$ 2,500 |

Key phone numbers

| | |
|--------------------------------|--------------|
| ✓ IRS forms and publications | 800-829-3676 |
| ✓ Retiree benefit status check | 800-772-1213 |

Applicable Federal Rates (AFR) for April 2011

Under IRC §1274, if your firm extends a loan due more than 6 months after a customer purchased or exchanged an item and there is no stated interest rate, the IRS imputes one. The IRS-imputed interest rates for April are as follows:

| | <u>Annual</u> | <u>Semiannual</u> | <u>Quarterly</u> | <u>Monthly</u> |
|---|---------------|-------------------|------------------|----------------|
| <u>Short-term: 3 years or less</u> | 0.55% | 0.55% | 0.55% | 0.55% |
| <u>Mid-term: Over 3 but not more than 9 years</u> | 2.49% | 2.47% | 2.46% | 2.46% |
| <u>Long-term: Over 9 years</u> | 4.25% | 4.21% | 4.19% | 4.17% |

Tax Calendar

| <u>Due date</u> | <u>Day of week</u> | <u>Deposit FICA and FITW for wages paid for the period from</u> | <u>Due date</u> | <u>Day of week</u> | <u>Deposit FICA and FITW for wages paid for the period from</u> |
|-----------------|--------------------|---|-----------------|--------------------|---|
| May 16 | Mon. | Monthly due date for April liabilities | June 2 | Thur. | May 25-27 Fri. |
| May 18 | Wed | May 11-13 Fri. | June 3 | Fri. | May 28-31 Tues. |
| May 20 | Fri. | May 14-17 Tues. | June 8 | Wed. | June 1- 3 Fri. |
| May 25 | Wed. | May 18-20 Fri. | June 10 | Fri. | Form 4070 due from tipped employees |
| May 27 | Fri. | May 21-24 Tues. | June 10 | Fri. | June 4-7 Tues. |
| May 30 | Mon. | Memorial Day—bank Holiday. | | | |

• For 2011: No penalty if deposit delayed to next business day due to state holiday. For 2012, applies only to legal federal holiday.