

TRADITIONAL AND ROTH IRAs

Contribution Limits

	2006 - 2007	2008 - 2011
Regular	\$4,000	\$5,000
Catch-up*	\$1,000	\$1,000

* Only taxpayers age 50 and over are eligible to make catch-up contributions

Roth Contribution Phase-out

MAGI phase-out range for contributions to Roth IRAs in 2011

- ▶ Married filing jointly: \$169,000 – \$179,000 ▶ Single: \$107,000 – \$122,000
- ▶ Married filing separately: \$0 – \$10,000

Annual income limit for determining ability to convert traditional IRA to Roth IRA is \$100,000 in 2009; no limit in 2010 and subsequent years.

Traditional IRA Deductibility Rules

Filing Status	Covered by Employer's Retirement Plan?	Modified AGI 2010	Modified AGI 2011	Deductibility
SINGLE	No	Any amount	Any amount	Full deduction
		\$56,000 or less	\$56,000	Full deduction
	Yes	\$56,001-\$65,999	\$56,001-\$65,999	Partial deduction
		\$66,000 or more	\$66,000 or more	No deduction
MARRIED FILING JOINTLY	Neither Spouse Covered	Any amount	Any amount	Full deduction
		\$89,000 or less	\$90,000 or less	Full deduction
	Both Spouses Covered	\$89,001-\$108,999	\$90,001-\$109,999	Partial deduction
		\$109,000 or more	\$110,000	No deduction
	One Spouse Covered — For Covered Spouse	\$89,000 or less	\$90,000	Full deduction
		\$89,001-\$108,999	\$90,001-\$109,999	Partial deduction
	One Spouse Covered — For Non-covered Spouse	\$109,000 or more	\$110,000	No deduction
		\$167,000 or less	\$169,000	Full deduction
\$167,001-\$176,999	\$169,001-\$178,999	Partial deduction		
\$177,000 or more	\$179,000	No deduction		

QUALIFIED PLANS

	2010	2011
Maximum elective deferral to retirement plans, (e.g., 401(k), 403(b) and 457 plans, and SARSEPs)	\$16,500	\$16,500
Maximum elective deferral to SIMPLE 401(k) plans	\$11,500	\$11,500
Limit on annual additions to SEP plans	\$49,000	\$49,000
Annual compensation threshold requiring SEP contribution	\$550	\$550
Limit on annual additions to defined contribution plans	\$49,000	\$49,000
Maximum annual compensation taken into account for contributions	\$245,000	\$245,000
Annual benefit limit under defined benefit plans	\$195,000	\$195,000
Threshold amount for definition of highly compensated employee	\$110,000	\$110,000
Threshold amount for definition of key employee/officer in top-heavy plans	\$160,000	\$160,000

Catch-up Contribution Limits for Other Qualified Plan Types

	2008	2009	2010	2011
401(k), 403(b)				
SAR-SEP and 457 Plans	\$5,000	\$5,500	\$5,500	\$5,500
SIMPLE Plans	\$2,500	\$2,500	\$2,500	\$2,500

Uniform Lifetime Table

Current Age	Distribution Period	Current Age	Distribution Period
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115 and older	1.9

2011 EASY REFERENCE TAX GUIDE

2011 ESTATE AND GIFT TAX RATES*

If Taxable Estate/Gift Is

Over	But Not Over	The Tax Is:	Of The Amount Over
\$0	10,000	\$0 + 18%	\$0
10,000	20,000	\$1,800 + 20%	10,000
20,000	40,000	\$3,800 + 22%	20,000
40,000	60,000	\$8,200 + 24%	40,000
60,000	80,000	\$13,000 + 26%	60,000
80,000	100,000	\$18,200 + 28%	80,000
100,000	150,000	\$23,800 + 30%	100,000
150,000	250,000	\$38,800 + 32%	150,000
250,000	500,000	\$70,800 + 34%	250,000
500,000	—	\$155,800 + 35%	500,000

Subtract Applicable Credit Below from Calculated Tax

Estate Tax	Exclusion Amount	Federal Credit	Gift Tax Exclusion
2006-2008	2,000,000	780,800*	1,000,000
2009	3,500,000	1,455,800*	1,000,000
2010	Estate tax repealed, gift tax remains**		1,000,000
2011*	5,000,000	1,730,800	5,000,000

*Federal credit for gift taxes limited to \$345,800 ^Gift tax rate is 35% for 2010.

**Estates of decedents dying in 2010 can elect to apply 2011 rates and exclusions and step up in basis in lieu of no estate tax and modified step up in basis.

Other Estate and Gift Tax Planning Items

	2010	2011
Annual gift tax exclusion	\$13,000	\$13,000
Annual gift tax exclusion for non U.S. citizen spouses	\$134,000	\$136,000
Generation skipping tax (GST) exemption	\$3,500,000	\$5,000,000
IRC § 6166 2% limit for deferred estate tax payments	\$1,340,000	\$1,360,000
Special use valuation for qualified real property	\$1,000,000	\$1,000,000

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INCOME TAX COMPARISON

2010

If Taxable Income Is

Over	But Not Over	The Tax Is	Of The Amount Over
Married Filing Jointly and Surviving Spouses			
\$0	16,750	\$0 + 10%	\$0
16,750	68,000	\$1,675 + 15%	16,750
68,000	137,300	\$9,363 + 25%	68,000
137,300	209,250	\$26,688 + 28%	137,300
209,250	373,650	\$46,834 + 33%	209,250
373,650	—	\$101,086 + 35%	373,650

Over	But Not Over	The Tax Is	Of The Amount Over
Single			
\$0	8,375	\$0 + 10%	\$0
8,375	34,000	\$838 + 15%	8,375
34,000	82,400	\$4,681 + 25%	34,000
82,400	171,850	\$16,781 + 28%	82,400
171,850	373,650	\$41,827 + 33%	171,850
373,650	—	\$108,421 + 35%	373,650

Over	But Not Over	The Tax Is	Of The Amount Over
Married Filing Separately			
\$0	8,375	\$0 + 10%	\$0
8,375	34,000	\$838 + 15%	8,375
34,000	68,650	\$4,681 + 25%	34,000
68,650	104,625	\$13,344 + 28%	68,650
104,625	186,825	\$23,417 + 33%	104,625
186,825	—	\$50,543 + 35%	186,825

Over	But Not Over	The Tax Is	Of The Amount Over
Head of Household			
\$0	11,950	\$0 + 10%	\$0
11,950	45,550	\$1,195 + 15%	11,950
45,550	117,650	\$6,235 + 25%	45,550
117,650	190,550	\$24,260 + 28%	117,650
190,550	373,650	\$44,672 + 33%	190,550
373,650	—	\$105,095 + 35%	373,650

Over	But Not Over	The Tax Is	Of The Amount Over
Estates and Trusts			
\$0	2,300	\$0 + 15%	\$0
2,300	5,350	\$345 + 25%	2,300
5,350	8,200	\$1,108 + 28%	5,350
8,200	11,200	\$1,906 + 33%	8,200
11,200	—	\$2,896 + 35%	11,200

Personal Exemptions			
		Exemption	Phase-out Range
Married Filing Jointly	2010	\$3,650	Not Applicable
	2011	\$3,700	Not Applicable
Single	2010	\$3,650	Not Applicable
	2011	\$3,700	Not Applicable

Child Tax Credit
\$1,000 per child phases out \$50 for each \$1,000 of modified AGI over \$110,000 (married filing jointly) or \$75,000 (single)

		Standard Deductions	
		Annual	Add'l Age 65 or Older, or Blind
Married Filing Jointly	2011	\$11,600	\$1,150
Head of Household	2011	\$8,500	\$1,450
Single or Married Filing Separately	2011	\$5,800	\$1,450

Capital Gains Tax (2010 & 2011)			
Taxpayer in:	Short Term <12 Months	Long Term >12 Months	
10, 15% Brackets	Ordinary Rate	0%	
Other Brackets	Ordinary Rate	15%	

2011

If Taxable Income Is

Over	But Not Over	The Tax Is	Of The Amount Over
Married Filing Jointly and Surviving Spouses			
\$0	17,000	\$0 + 10%	\$0
17,000	69,000	\$1,700 + 15%	17,000
69,000	139,350	\$9,500 + 25%	69,000
139,350	212,300	\$27,088 + 28%	139,350
212,300	379,150	\$47,514 + 33%	212,300
379,150	—	\$102,574 + 35%	379,150

Over	But Not Over	The Tax Is	Of The Amount Over
Single			
\$0	8,500	\$0 + 10%	\$0
8,500	34,500	\$850 + 15%	8,500
34,500	83,600	\$4,750 + 25%	34,500
83,600	174,400	\$17,025 + 28%	83,600
174,400	379,150	\$42,449 + 33%	174,400
379,150	—	\$110,017 + 35%	379,150

Over	But Not Over	The Tax Is	Of The Amount Over
Married Filing Separately			
\$0	8,500	\$0 + 10%	\$0
8,500	34,500	\$850 + 15%	8,500
34,500	69,675	\$4,750 + 25%	34,500
69,675	106,150	\$13,544 + 28%	69,675
106,150	189,575	\$23,757 + 33%	106,150
189,575	—	\$51,287 + 35%	189,575

Over	But Not Over	The Tax Is	Of The Amount Over
Head of Household			
\$0	12,150	\$0 + 10%	\$0
12,150	46,250	\$1,215 + 15%	12,150
46,250	119,400	\$6,330 + 25%	46,250
119,400	193,350	\$24,618 + 28%	119,400
193,350	379,150	\$45,324 + 33%	193,350
379,150	—	\$106,638 + 35%	379,150

Over	But Not Over	The Tax Is	Of The Amount Over
Estates and Trusts			
\$0	2,300	\$0 + 15%	\$0
2,300	5,450	\$345 + 25%	2,300
5,450	8,300	\$1,133 + 28%	5,450
8,300	11,350	\$1,931 + 33%	8,300
11,350	—	\$2,937 + 35%	11,350

Alternative Minimum Tax			
	2010	2011	Tax Rate
First	\$175,000	\$175,000	26%
Amounts Over	\$175,000	\$175,000	28%
Married Filing Jointly			
	\$72,450	\$74,450	
Single			
	\$47,450	\$48,450	

Kiddie Tax			
	2010	2011	Tax Rate
First	\$950	\$950	No Tax
Next	\$950	\$950	10%
Amounts Over	\$1,900	\$1,900	Parent's Rate

Corporations (2010 & 2011)			
Taxable Income Over	Not Over	Tax Rate	
\$0	\$50,000	15%	
\$50,000	\$75,000	25%	
\$75,000	\$100,000	34%	
\$100,000	\$335,000	39%	
\$335,000	\$10,000,000	34%	
\$10,000,000	\$15,000,000	35%	
\$15,000,000	\$18,333,333	38%	
\$18,333,333	—	35%	

Qualified personal service corporations are taxed at a flat 35% of taxable income.

EDUCATION INCENTIVES

Coverdell Education Savings Accounts (Education IRAs) — Contribution Limit \$2,000

Modified Adjusted Gross Income (MAGI) phase-out range for contributions to Coverdell Education Savings Accounts

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

Qualified Tuition Programs — Section 529 Plans

Distributions after 12/31/2001 used for qualified higher education expenses are income tax-free

American Opportunity Tax Credit and Lifetime Learning Credit

American Opportunity Tax Credit – Up to \$2,500 per student for 4 years of higher education tuition paid.

Lifetime Learning Credit – Up to 20% of up to \$10,000 tuition paid, calculated per taxpayer

MAGI Phase-outs	American Opportunity Tax Credit 2011	Lifetime Learning Credit 2011
Married Filing Jointly	\$160,000-\$180,000	\$102,000 - \$122,000
Others	\$80,000-\$90,000	\$51,000 - \$61,000

Exclusion of U.S. Savings Bond Income

MAGI Phase-outs	2010	2011
Married Filing Jointly	\$105,100-\$135,100	\$106,650-\$136,650
Others	\$70,100-\$85,100	\$71,100-\$86,100

Student Loan Interest — Maximum Itemized Deduction \$2,500

AGI Phase-outs	2010	2011
Married Filing Jointly	\$120,000-\$150,000	\$120,000-\$150,000
Others	\$60,000-\$75,000	\$60,000-\$75,000
Deductibility Period	No Time Limit	No Time Limit

Itemized Deduction for Higher Education Expenses

Maximum Deduction: \$4,000 if Modified AGI is less than the following range:

Maximum Deduction: \$2,000 if Modified AGI is within the following range:

Maximum Deduction: \$0 if Modified AGI is above the following range:

▶ Married Filing Jointly: \$130,000-\$160,000 ▶ Single: \$65,000-\$80,000

▶ All Others: \$0

SOCIAL SECURITY

Base Amount of Modified AGI Causing Social Security Benefits to Be Taxable

	50% Taxable	85% Taxable
Married Filing Jointly	\$32,000	\$44,000
Single	\$25,000	\$34,000

Maximum Earnings Before Social Security Benefits Are Reduced

	2010	2011
If under full retirement age, lose \$1 for every \$2 earned in the year of retirement, lose \$1 for every \$3 earned in months prior to full retirement	\$14,160	\$14,160
At full retirement age	No Limit	No Limit

Maximum Compensation Subject to FICA Taxes

	2010	2011
OASDI (Social Security) maximum	\$106,800	\$106,800
HI (Medicare) maximum	No Limit	No Limit

OASDI tax rate: 10.4% self-employed, 4.2% employees, 6.2% employers
HI tax rate: 2.9% self-employed, 1.45% employees

LONG-TERM CARE INSURANCE

Maximum Qualified LTC Premium Eligible for Deduction

Age	40 or Less	41 - 50	51 - 60	61 - 70	Over 70
2010	\$330	\$620	\$1,230	\$3,290	\$4,110
2011	\$340	\$640	\$1,270	\$3,390	\$4,240

Qualified LTC contract per diem limit: \$300 (\$290 in 2010)