



2010 Limits for Benefit Plans

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Your Cheat Sheet for 2010

To reflect inflation and changes in the law, the U.S. government adjusts the limits for pension plans, Social Security, Medicare, and other benefit programs. Employers and plan participants must annually adapt their benefit plans to accommodate the new limits. This reference guide highlights the figures for 2009 and 2010. If you have any questions, please contact us at (303) 750-6200 or info@bigroupinc.com.

SOCIAL SECURITY & MEDICARE TAXES, published by the Social Security Administration

SOCIAL SECURITY	2010	2009
Payroll Tax Rate	6.2%	6.2%
Wage Base	\$106,800	\$106,800
MEDICARE	2010	2009
Payroll Tax Rate	1.45%	1.45%
Wage Base	No Limit	No Limit

*Total FICA (subject to wage base) is 7.65%.

MEDICARE DEDUCTIBLES, published by the Social Security Administration

HOSPITAL INSURANCE (PART A)*	2010	2009
Inpatient Deductible (first 60 days)	\$1,100.00	\$1,068.00
Daily coinsurance (61-90 days)	\$275.00 per day	\$267.00 per day
Daily coinsurance (91-150 days lifetime reserve)	\$550.00 per day	\$534.00 per day
Daily coinsurance, skilled nursing facility (first 20 days)	\$0.00	\$0.00
Daily coinsurance, skilled nursing facility (21-100 days)	\$137.50 per day	\$133.50 per day

* Monthly Premium for Part A is \$0.00/month for 40+ Social Security credits; \$254.00/month for 30-39 credits; \$461.00/month for 29 credits or less.

MEDICAL INSURANCE (PART B)

PREMIUM BY 2010 MODIFIED ADJUSTED GROSS INCOME			MONTHLY PREMIUM	
Single	Married	Married but file separately	2010	2009
< \$85,001	< \$170,001	<85,001	\$110.50**	\$96.40
85,001 – 107,000	170,001 – 214,000	—	\$154.70	\$134.90
107,001 – 160,000	214,001 – 320,000	—	\$221.00	\$192.70
160,001 – 213,000	320,001 – 428,000	85,001 – 129,000	\$287.30	\$250.50
> 213,000	> 428,000	> 129,000	\$353.60	\$308.30
Annual Deductible (after the deductible, patient pays 20%)			\$155.00	\$135.00

** Due to the "hold-harmless" provision, beneficiaries who had the SSA withhold their Part B premium in 2009 and have incomes of \$85,000 or less (\$170,000 or less for joint filers) will not have an increase in their Part B premium for 2010 (their premium will stay at \$96.40).

HEALTH SAVINGS ACCOUNTS (HSAs), published by the Internal Revenue Service

SINGLE	2010	2009
Annual Contribution Limit	\$3,050	\$3,000
Minimum Annual Deductible	\$1,200	\$1,150
Annual Out-of-Pocket Limit	\$5,950	\$5,800
FAMILY	2010	2009
Annual Contribution Limit	\$6,150	\$5,950
Minimum Annual Deductible	\$2,400	\$2,300
Annual Out-of-Pocket Limit	\$11,900	\$11,600
CATCH-UP CONTRIBUTION LIMITS (age 55 or older)	\$1,000	\$1,000

What is SOCIAL SECURITY NORMAL RETIREMENT AGE (SSNRA)?

Also referred to as "Full Retirement Age", the Social Security Normal Retirement Age (SSNRA) will gradually increase to age 67 in 2027. The schedule charted below shows the SSNRA by date of birth.

Year of Birth	SSNRA
1937 or prior	65 years
1938	65 years & 2 months
1939	65 years & 4 months
1940	65 years & 6 months
1941	65 years & 8 months
1942	65 years & 10 months
1943-1954	66 years
1955	66 years & 2 months
1956	66 years & 4 months
1957	66 years & 6 months
1958	66 years & 8 months
1959	66 years & 10 months
1960 or after	67 years

Allowable Expenditures on Long-Term Care Insurance from your HSA

You are able to spend your HSA money on long-term care. The limits, adjusted annually for inflation, are listed below for year 2009 and 2010.

Long-Term Care Premium Limits***		
AGE	2010	2009
≤ 40 years old	\$330	\$320
41-50 years old	\$620	\$600
51-60 years old	\$1,230	\$1,190
61-70 years old	\$3,290	\$3,180
≥ 71 years old	\$4,110	\$3,980

*** Subject to Long-Term Care Qualifications

RETIREMENT PLAN LIMITS, published by the Internal Revenue Service

	2010	2009
Annual Compensation Limit	\$245,000	\$245,000
"Key Employee" / "Officer" Definition	\$160,000	\$160,000
"Highly Compensated" Definition	\$110,000	\$110,000
BENEFITS & CONTRIBUTION LIMITS		
	2010	2009
Annual Defined Benefit Plan Basic Limit (ER/EE)	\$195,000	\$195,000
Annual Defined Contribution Plan Basic Limit (ER/EE)	\$49,000	\$49,000
401(k), 403(b) and 457(b) Plan Elective Deferrals	\$16,500	\$16,500
401(k), 403(b) and 457(b) Catch-Up Contributions (age 50 years +)	\$5,500	\$5,500
Simple IRA & Simple 401(k) Elective Deferrals	\$11,500	\$11,500
Simple IRA & Simple 401(k) Catch-Up Contributions (age 50 years +)	\$2,500	\$2,500
Traditional & Roth IRA	\$5,000	\$5,000
Traditional & Roth IRA Catch-Up Contributions (age 50 years +)	\$1,000	\$1,000

TRANSPORTATION & MILEAGE EXPENSES, published by the Internal Revenue Service

QUALIFIED TRANSPORTATION FRINGE BENEFIT	2010	2009
Parking	\$230.00 per month	\$230.00 per month
Transit Pass/Commuter Vehicle	\$230.00 per month	\$120.00 per month
Bicycle Commuting (effective January 1, 2009)	\$20.00 per month	\$20.00 per month
MILEAGE RATES		
	2010	2009
Business	\$0.50	\$0.55
Medical and Moving	\$0.165	\$0.24
Charitable	\$0.14	\$0.14

SAVER'S CREDIT: What is it & who can claim it?

According to the Internal Revenue Code, Section 25B, certain lower-income taxpayers may claim a nonrefundable credit for "qualified retirement savings contributions". This credit was set to expire in 2007; however, was made permanent by the Pension Protection Act.

To be eligible to claim the credit, the taxpayer must be at least 18 years old and must not be claimed as a dependent by some one else or be a full-time student.

The amount of the credit is limited to an "applicable percentage" of IRA contributions and elective deferrals up to \$2,000. The "applicable percentages" are as follows:

2010 ADJUSTED GROSS INCOME

Joint Return	Head of Household	Single/Others	Applicable %
\$0 – 33,500	\$0 – 25,125	\$0 – 16,750	50%
\$33,501 – 36,000	\$25,126 – 27,000	\$16,751 – 18,000	20%
\$36,001 – 55,500	\$27,001 – 41,625	\$18,001 – 27,750	10%
\$55,501 – ∞	\$41,626 – ∞	\$27,751 – ∞	0%

2010 STANDARD DEDUCTIONS & EXEMPTIONS

DEDUCTIONS (under age 65)*	2010	2009
Married, Filing Jointly	\$11,400	\$11,400
Head of Household	\$8,400	\$8,350
Single / Married, Filing Separately	\$5,700	\$5,700
PERSONAL EXEMPTION	\$3,650	\$3,650

*Visit the IRS website at www.irs.gov for deduction amounts for those who are age 65 and older, as well as those for blind taxpayers.

INCOME TAX RATES, published by the Internal Revenue Service

	2010			2009		
	Taxable Income	Tax Rate	Total Tax at Breakpoint	Taxable Income	Tax Rate	Total Tax at Breakpoint
Married, Filing Jointly	\$0 – \$16,750	10%	\$1,675.00	\$0 – \$16,700	10%	\$1,670.00
	\$16,751 – \$68,000	15%	\$9,362.50	\$16,701 – \$67,900	15%	\$9,350.00
	\$68,001 – \$137,300	25%	\$26,687.50	\$67,901 – \$137,050	25%	\$26,637.50
	\$137,301 – \$209,250	28%	\$46,833.50	\$137,051 – \$208,850	28%	\$46,741.50
	\$209,251 – \$373,650	33%	\$101,085.50	\$208,851 – \$372,950	33%	\$100,894.50
	\$373,651 – ∞	35%	—————	\$372,951 – ∞	35%	—————
Head of Household	\$0 – \$11,950	10%	\$1,195.00	\$0 – \$11,950	10%	\$1,195.00
	\$11,951 – \$45,550	15%	\$6,235.00	\$11,951 – \$45,500	15%	\$6,227.50
	\$45,551 – \$117,650	25%	\$24,260.00	\$45,501 – \$117,450	25%	\$24,215.00
	\$117,651 – \$190,550	28%	\$44,672.00	\$117,451 – \$190,200	28%	\$44,585.00
	\$190,551 – \$373,650	33%	\$105,095.00	\$190,201 – \$372,950	33%	\$104,892.50
	\$373,651 – ∞	35%	—————	\$372,951 – ∞	35%	—————
Single	\$0 – \$8,375	10%	\$837.50	\$0 – \$8,350	10%	\$835.00
	\$8,376 – \$34,000	15%	\$4,681.25	\$8,351 – \$33,950	15%	\$4,675.00
	\$34,001 – \$82,400	25%	\$16,781.25	\$33,951 – \$82,250	25%	\$16,750.00
	\$82,401 – \$171,850	28%	\$41,827.25	\$82,251 – \$171,550	28%	\$41,754.00
	\$171,851 – \$373,650	33%	\$108,421.25	\$171,551 – \$372,950	33%	\$108,216.00
	\$373,651 – ∞	35%	—————	\$372,951 – ∞	35%	—————

Go to www.irs.gov to get rates for married individuals filing separate returns and for estates and trusts.

PLEASE NOTE: This information should not be considered as tax or legal advice. Further counsel should be directed to your tax or legal advisor or the proper governmental regulatory agency.