

2007 INDIVIDUAL TAX RATE SCHEDULES

MARRIED TAXPAYERS - JOINT OR SURVIVING SPOUSE

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 15,650	\$ 0	+10%
15,650	63,700	1,565.00	+15%
63,700	128,500	8,772.50	+25%
128,500	195,850	24,972.50	+28%
195,850	349,700	43,830.50	+33%
349,700	—	94,601.00	+35%

SINGLE TAXPAYERS

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 7,825	\$ 0	+10%
7,825	31,850	782.50	+15%
31,850	77,100	4,386.25	+25%
77,100	160,850	15,698.75	+28%
160,850	349,700	39,148.75	+33%
349,700	—	101,469.25	+35%

2008 INDIVIDUAL TAX RATE SCHEDULES

MARRIED TAXPAYERS - JOINT OR SURVIVING SPOUSE

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 16,050	\$ 0	+10%
16,050	65,100	1,605.00	+15%
65,100	131,450	8,962.50	+25%
131,450	200,300	25,550.00	+28%
200,300	357,700	44,828.00	+33%
357,700	—	96,770.00	+35%

SINGLE TAXPAYERS

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 8,025	\$ 0	+10%
8,025	32,550	802.50	+15%
32,550	78,850	4,481.25	+25%
78,850	164,550	16,056.25	+28%
164,550	357,700	40,052.25	+33%
357,700	—	103,791.75	+35%

ESTIMATED TAX PAYMENTS - 2008

To avoid possible underpayment penalties, you are required to pay through withholding or estimated tax payments, the lesser of:

- 100% of prior year tax liability.** Individual taxpayers having adjusted gross income of less than \$150,000 are permitted to use 100% of last year's liability to satisfy current liability for estimated taxes.
- For estimated tax installments due after 2007, the safe harbor percentage (if prior year AGI exceeds \$150,000) is 110% of prior year tax.

Estimated tax payments for individuals are due by:
 April 15, 2008 September 15, 2008
 June 16, 2008 January 15, 2009

INDIVIDUALS

STANDARD DEDUCTION* - 2007

Joint Return	\$10,700	Blind or Elderly (per condition)	
Single	\$5,350	Single/Head of House	\$1,300
Head of Household	\$7,850	Married	\$1,050

* You may deduct the greater of your standard deduction or your itemized deductions.

REDUCTION OF ITEMIZED DEDUCTIONS*

Itemized deductions are reduced by 2% if 2007 AGI is more than:
 \$156,400 - For all returns other than married filing separately
 \$ 78,200 - Married filing separately

* Reduction limited to standard deduction or 53 1/3% of deductions

PERSONAL EXEMPTIONS

Deduction for each taxpayer, spouse and dependent for 2007 is \$3,400.

REDUCTION OF PERSONAL EXEMPTIONS*

Personal exemptions are reduced by 2% if 2007 AGI is more than:
 \$156,400 - Single \$234,600 - Married - Joint
 \$195,500 - Head of Household \$117,300 - Married - Separate

* Reduction limited to 2/3 of the total exemption amount

INDIVIDUAL RETIREMENT ACCOUNTS - Not in another plan & with earnings - \$4,000 max. for 2007 and \$5,000 for 2008 - \$1,000 more if at least 50 years old (*same limits for a non-working spouse*). AGI limits are gradually being increased. To help with tax planning, these limits are for active participants in another plan **during 2008**.

Married AGI	Deduction	Single AGI
\$ 0 - \$ 85,000	\$5,000/\$6,000 max.	\$ 0 - \$53,000
\$85,001 - \$105,000	Partial	\$53,001 - \$63,000
≥ \$105,000	None	≥ \$63,000

ROTH RETIREMENT ACCOUNTS - Contributions are not deductible and are reduced by the amount of contributions made to all other IRAs. Allowable contribution phases out ratably as follows:

	2007	2008
Married - Joint - AGI	\$156,000 - \$166,000	\$159,000 - \$169,000
Married - Separate - AGI	\$0 - \$ 10,000	\$0 - \$ 10,000
All others - AGI	\$99,000 - \$114,000	\$101,000 - \$116,000

SOCIAL SECURITY TAXES

	Wage Base	FICA Tax Rate	Self-Employment Tax Rate
2007	\$ 97,500	6.20%	12.40%
	Unlimited	1.45%	2.90%
2008	\$102,000	6.20%	12.40%
	Unlimited	1.45%	2.90%

Self-employed can deduct 1/2 of their Social Security taxes as an adjustment on their 1040.

SOCIAL SECURITY ALLOWABLE EARNINGS Definition of Full Retirement Age (FRA)

Year of Birth	Below FRA	Year of FRA	After FRA
1942			65 and 10 months
1943-1954			66
2007	\$12,960	\$34,440	Unlimited
2008	\$13,560	\$36,120	Unlimited

Social Security is reduced based on earnings in excess of limitation above.

Earnings	\$2	\$3	n/a
Reduction	\$1	\$1	n/a

BUSINESSES

PAYROLL TAX DEPOSIT DUE DATES EFFECTIVE JANUARY 1, 2008

Employer Classification	Day Incurred	Due Date
Monthly Depositors (\$50,000 or less reported over 12 months ending 6/30/07)**	All during month	15th of following month*
Semi-Weekly Depositors (over \$50,000 but less than \$100,000 over 12 months ending 6/30/07)	Wed, Thurs or Fri Sat, Sun, Mon or Tues	Following Wed* Following Fri*

One Day Depositors Any day of month Next banking day

* \$100,000 cumulative

during monthly or

semi-weekly period

* Extended for Banking Holidays

** Automatic move to semi-monthly if \$100,000+ cumulative rule applies

CORPORATE INCOME TAX RATES

TAXABLE INCOME	YOUR TAX IS	OF AMT OVER
\$ 0 - 50,000	0 + 15%	\$ 0
50,001 - 75,000	7,500 + 25%	50,000
75,001 - 100,000	13,750 + 34%	75,000
100,001 - 335,000	22,250 + 39%	100,000
335,001 - 10,000,000	113,900 + 34%	335,000
10,000,001 - 15,000,000	3,400,000 + 35%	10,000,000
15,000,001 - 18,333,333	5,150,000 + 38%	15,000,000
18,333,334	---- a flat 35%	----

PERSONAL SERVICE CORPORATIONS

35% flat tax rate

DEPRECIATION

2007 expensing election on qualified assets subject to limitations based on income and assets purchased \$125,000
 SUVs limitation in 2007 \$ 25,000

LUXURY VEHICLES ACQUIRED 2007

(Maximum Depreciation Deduction)

	Autos	Truck & Vans
1st year	\$3,060	\$3,260
2nd year	\$4,900	\$5,200
3rd year	\$2,850	\$3,050
Each succeeding year	\$1,775	\$1,875

(The information above is highly condensed as a reference source and should not be considered as a complete presentation of the topics addressed.)



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