



## 2011 Tax Update

Roth IRAs					IRAs															
<p><b>AGI Phase-Out Range for Contributions to Roth IRAs:</b></p> <p><b>Married Filing Jointly:</b> \$169,000-\$179,000      <b>Single:</b> \$107,000-\$122,000</p> <p><b>Roth IRA conversion rules:</b></p> <p><b>2010* and later:</b> Unlimited Modified AGI and any tax filing status</p> <p>* 2010 only, conversion can spread income over 2011 and 2012</p>					<p style="text-align: center;"><b>Contribution Limits – Traditional and Roth</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">2006-2007</th> <th style="text-align: center;">2008-2010</th> <th style="text-align: center;">2011</th> </tr> </thead> <tbody> <tr> <td><b>Regular</b></td> <td style="text-align: center;">\$4,000</td> <td style="text-align: center;">\$5,000</td> <td style="text-align: center;">\$5,000</td> </tr> <tr> <td><b>Catch-Up *</b></td> <td style="text-align: center;">\$1,000</td> <td style="text-align: center;">\$1,000</td> <td style="text-align: center;">\$1,000</td> </tr> </tbody> </table> <p style="font-size: small;">* Only taxpayers age 50 and over are eligible</p>					2006-2007	2008-2010	2011	<b>Regular</b>	\$4,000	\$5,000	\$5,000	<b>Catch-Up *</b>	\$1,000	\$1,000	\$1,000
	2006-2007	2008-2010	2011																	
<b>Regular</b>	\$4,000	\$5,000	\$5,000																	
<b>Catch-Up *</b>	\$1,000	\$1,000	\$1,000																	
<b>Traditional IRA Deductibility Rules</b>					<b>Uniform Lifetime Table</b>															
					For calculating Required Minimum Distributions (RMDs) from Qualified Plans and Traditional IRAs															
Filing Status	Covered by Employer's Retirement Plan?	Modified AGI		Deductibility	Current Age	Distrib. Period	Current Age	Distrib. Period												
		2010	2011																	
Single	No	Any amount		Full deduction	70	27.4	85	14.8												
	Yes	\$55,999 or less		Full deduction	71	26.5	86	14.1												
		\$56,000 - \$65,999		Partial deduction	72	25.6	87	13.4												
		\$66,000 or more		No deduction	73	24.7	88	12.7												
Married Filing Jointly	Neither Spouse Covered	Any amount		Full deduction	74	23.8	89	12.0												
	Both Spouses Covered	\$88,999 or less		Full deduction	75	22.9	90	11.4												
		\$89,000 - \$108,999		Partial deduction	76	22.0	91	10.8												
		\$109,000 or more		No deduction	77	21.2	92	10.2												
	One Spouse Covered – For Covered Spouse	\$88,999 or less		Full deduction	78	20.3	93	9.6												
		\$89,000 - \$108,999		Partial deduction	79	19.5	94	9.1												
		\$109,000 or more		No deduction	80	18.7	95	8.6												
	One Spouse Covered – For Non-Covered Spouse	\$166,999 or less		Full deduction	81	17.9	96	8.1												
		\$167,000 - \$176,999		Partial deduction	82	17.1	97	7.6												
		\$177,000 or more		No deduction	83	16.3	98	7.1												
					84	15.5	99	6.7												
<b>Catch-Up Contribution Limits for Other Qualified Plan Types</b>					<b>Saver's Tax Credit—Contributions to Employer Plans &amp; IRAs</b>															
					Maximum Credit \$1,000 per taxpayer - AGI limits below															
					<b>Married File Jointly</b>			<b>Single</b>		<b>Credit</b>										
<b>401(k), 403(b), SARSEP &amp; 457 Plans</b>					2007	2008	2009	2010	2011											
					\$5,000	\$5,000	\$5,500	\$5,500	\$5,500											
<b>SIMPLE IRA &amp; SIMPLE 401(k) Plans</b>					\$2,500	\$2,500	\$2,500	\$2,500	\$2,500											
<b>Education Incentives</b>					\$0 - \$34,000      \$0 - \$17,000      50% of contribution															
<b>Coverdell Education Savings Accounts (Education IRAs) – Contribution Limit \$2,000</b>					\$34,001 - \$36,500      \$17,001 - \$18,250      20% of contribution															
<b>Modified AGI Phase-Out Range for Contributions to Coverdell Education Savings Accounts:</b>					\$36,501 - \$56,500      \$18,251 - \$28,250      10% of contribution															
<b>Married Filing Jointly</b>					\$190,000 - \$220,000		Single		\$95,000 - \$110,000											
<b>Qualified Tuition Programs – Section 529 Plans</b>					Over \$56,500      Over \$28,250      Not Available															
<b>Distributions for qualified higher education expense are income tax free</b>					<b>Health Savings Accounts – HSAs</b>															
<b>Hope Learning Credits</b>					An "eligible individual" is defined as (1) one covered by a high deductible health plan (HDHP), (an annual deductible of \$1,200 for single coverage and \$2,400 for family coverage where the maximum out of pocket cannot exceed \$5,950 for single coverage and \$11,900 for family coverage), (2) is not covered by any other health insurance except for some permitted coverages, (3) is not eligible for and enrolled in Medicare, and (4) cannot be claimed as a dependent on someone else's income tax return.															
<b>Hope Credit – Up to \$2,500 per student, for first four years of higher education tuition paid</b>					<b>Contribution Limits:</b>															
<b>Modified AGI Phase-Outs:</b>					2010		2011													
<b>Married Filing Jointly</b>					\$160,000 – \$180,000		\$160,000 – \$180,000													
<b>Others</b>					\$80,000 – \$90,000		\$80,000 – \$90,000													
<b>Lifetime Learning Credits</b>					Single		2010		2011											
<b>Lifetime Learning Credit—Up to 20% of tuition paid (max. credit is \$2,000); calc'd per taxpayer</b>					2010		2011													
<b>Married Filing Jointly</b>					\$100,000 – \$120,000		\$102,000 – \$122,000													
<b>Others</b>					\$50,000 – \$60,000		\$51,000 – \$61,000													
<b>Exclusion of U.S. Savings Bond Income</b>					Family															
<b>Modified AGI Phase-Outs:</b>					2010		2011													
<b>Married Filing Jointly</b>					\$105,100 – \$135,100		\$106,650 – \$136,650													
<b>Others</b>					\$70,100 – \$85,100		\$71,100 – \$86,100													
<b>Student Loan Interest Deduction – Maximum Deduction \$2,500</b>					\$3,000      \$3,050															
<b>Modified AGI Phase-Outs:</b>					2010		2011													
<b>Married Filing Jointly</b>					\$120,000 – \$150,000		\$120,000 – \$150,000													
<b>Single</b>					\$60,000 – \$75,000		\$60,000 – \$75,000													
<b>Deductibility Period</b>					No time limit		No time limit													

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