



Summary of TRA 2010

Temporary extension to income tax provisions through 2012

1. Temporary extension through 2012 of individual tax brackets (10%, 25%, 33%, 35% and capital gain and dividend rates);
2. Temporary repeal through 2012 of personal exemption phase-out for individuals with adjusted gross income above a certain level;
3. Temporary extension through 2012 of current child tax credit;
4. Temporary extension through 2012 of marriage penalty relief through 2012;
5. Temporary extension through 2012 of increased adoption tax credit and the adoption assistance programs exclusion;
6. Temporary extension through 2012 of employer expenses for child care assistance;
7. Temporary extension through 2012 of third-child earned income credit;
8. Temporary extension through 2012 of the following educational benefits:
 - Expanded Coverdell accounts;
 - Expanded exclusion for employer-provided educational assistance;
 - Expanded student loan interest deduction; and
 - Exclusion from income of amounts received under certain scholarship programs.
9. Temporary increase of Alternative Minimum Tax (AMT) relief as follows:
 - 2010 - \$ 47,500 (individual) & \$ 72,500 (joint);



Estate Planning Fact Sheet

- 2011 - \$ 48,450 (individual) & \$ 74,450 (joint).

Non-refundable personal credits can be used against AMT

Estate, Gift and GST Tax Relief

1. Special rule for 2010

- Unless personal representative opts out, estates entitled to \$ 5,000,000 estate exemption, 35% estate tax rate and stepped-up basis to date of death value;
- Personal representative can elect to pay no estate tax but with appreciated assets in estate receiving a modified carry over basis (\$ 1.3 million for non-spousal beneficiaries; \$ 3 million for spousal beneficiaries); and
- GST Tax – zero per cent for year.

2. 2011 & 2012

- Estate, Gift and GST Tax – unified exemption of \$ 5,000,000 and top rate of 35%; and
- Personal representative can elect to transfer any unused exemption to the surviving spouse.