

Provisions Expiring in 2012

<u>Expiring Provisions</u>	<u>Expiration Date</u>
Temporary payroll tax credit 2% reduced FICA - extended 2 months	February 29, 2012
Increase the size of 15% rate bracket for married filers to double that of unmarried filers	December 31, 2012
Reduced capital gains rates for individuals	December 31, 2012
Dividends of individuals taxed at capital gain rates	December 31, 2012
10% individual income tax rates	December 31, 2012
Reduced individual income tax rates - size of 15% rate bracket modified to reflect 10% rate, and 28%, 31%, 36% and 39.6% rates are reduced to 25%, 28%, 33%, and 35% respectively	December 31, 2012
Dependent care credit - increase of dollar limit on creditable expenses from \$2,400 to \$3,000 (\$4,800 to \$6,000 for two or more children), increase of applicable credit percentage from 30 to 35%, increase of beginning point of phaseout range from \$10,000 to \$15,000	December 31, 2012
Adoption credit and adoption assistance exclusion - increase to \$10,000 for maximum credit and maximum exclusion, special needs adoptions deemed to have \$10,000 eligible expenses for purposes of credit and exclusion, increase the beginning and ending points of phaseout range for credit and exclusion, allow the credit against AMT.	December 31, 2012
Child tax credit - increase from \$500 to \$1,000 expand eligibility for refundable portion of the credit, AMT relief, provide that child tax credit not treated as income or resources for purposes of benefit or assistance programs financed in whole or in part with federal funds.	December 31, 2012
Refundable child tax credit floor amount at \$3,000	December 31, 2012
American opportunity credit	December 31, 2012

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Earned income credit - (EIC) - increase in the beginning point of the phaseout range for joint returns, modify EIC treatment of amounts not includible in income, repeal reduction of EIC for AMT liability, expand math error authority	December 31, 2012
EIC credit percentage of 45% for three or more qualifying childrent	December 31, 2012
Phaseout threshold for marriage penalty relief	December 31, 2012
Credit for employer-provided child care	December 31, 2012
Credit for prior-year minimum tax liability made refundable after period of years	December 31, 2012
Increase the standard deduction for married filers to double that of unmarried filers	December 31, 2012
Repeal of overall limitation on itemized deductions (Pease limitation)	December 31, 2012
Discharge of indebtness on principal residence excluded from gross income of individuals	December 31, 2012
Employer-provided educational assistance - expansion to graduate education and making the exclusion permanent	December 31, 2012
Repeal of the personal exemption phaseout (PEP) for high-income taxpayers	December 31, 2012
Additional first-year (bonus) depreciation for 50% of basis of qualified property	December 31, 2012
Election to accelerate AMT credits in lieu of additional first-year (bonus) depreciation	December 31, 2012
Increase dollar limitation for expensing to \$125,000/%500,000 (indexed)	December 31, 2012

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Student loan interest deduction - increase and index phaseout ranges for inflation, repeal the limit on the number of months that interest payments are deductible, repeal the rule that voluntary payments of interest are not deductible	December 31, 2012
Coverdell education savings accounts - increase maximum annual contribution from \$500 to \$2,000, expand definition of qualified education expenses, increase the size of the phaseout range for married filers to double that of unmarried filers, provision of special needs beneficiary rules, contributions by corporations and other entities, and contributions until April 15th, permitted	December 31, 2012
Reduced rates under accumulated earnings tax and personal holding company tax	December 31, 2012
Reduced the maximum estate and gift tax rate to 35%	December 31, 2012
Modified estate and gift taxes to reflect differences in credit resulting from different tax rates	December 31, 2012
Increase estate and gift tax exemption to \$5 million (indexed for inflation in years after 2011)	December 31, 2012
"Portability" rules permitting a surviving spouse to use the unused estate and gift tax exemptions of the last deceased spouse	December 31, 2012
Estate tax deduction for state death taxes paid	December 31, 2012
Expand and clarified estate tax conservation easement rules	December 31, 2012
Modified GSTT rules regarding deemed allocations of exemption to certain transfers in trust, severing of trusts, valuation, and relief for late elections	December 31, 2012
Modified estate tax installment payment rules	December 31, 2012