

Reference Material

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Corrections were made to this material through January of 2012. No subsequent modifications were made.

INFLATION ADJUSTED ITEMS AND OTHER USEFUL INFORMATION

	2010	2011
Standard Deductions		
Joint or Qualifying Widow(er)	\$ 11,400	\$ 11,600
Single	5,700	5,800
Head of Household	8,400	8,500
Married Filing Separately	5,700	5,800
Additional for Elderly/Blind — MFJ, MFS, QW	1,100	1,150
Additional for Elderly/Blind — Single, HoH	1,400	1,450
Taxpayer Claimed as Dependent	950	950
Personal and Dependent Exemption Deduction	3,650	3,700
Long-Term Care Premium Limitations		
Age 40 or less	330	340
Age more than 40 but not more than 50	620	640
Age more than 50 but not more than 60	1,230	1,270
Age more than 60 but not more than 70	3,290	3,390
Age more than 70	4,110	4,240
Child’s Unearned Income Without Kiddie Tax	1,900	1,900
Beginning/Ending of Personal Exemption Phaseout Range — Based on AGI		
Joint or Qualifying Widow(er)	N/A	N/A
Single	N/A	N/A
Head of Household	N/A	N/A
Married Filing Separately	N/A	N/A
IRC §179 Deduction Limit	500,000	500,000
IRC §179 Asset Limitation	2,000,000	2,000,000

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	2010	2011
Beginning/Ending of Itemized Deduction Phaseout Range — Based on AGI		
Joint, Single, Head of Household	N/A	N/A
Married Filing Separately	N/A	N/A
FICA/SE Tax Information		
OASDI Tax Maximum Earnings	106,800	106,800
FICA (OASDI and HI) Tax Rate (Employee)	7.65%	5.65%
SE Tax Rate	15.30%	13.30%
Self-Employed Health Insurance Deduction	100%	100%
Estimated Tax Payments (AGI ≤ \$150,000)		
Prior Year Tax % or	100%	100%
Current Year Tax %	90%	90%
Earnings Ceiling for Social Security		
Under full retirement age	14,160	14,160
The year full retirement age is reached	37,680	37,680
The month full retirement age is reached, and above	Unlimited	Unlimited
Earnings Required to Earn One Quarter of Social Security Coverage	1,120	1,120
Gift Tax Applicable Exclusion Amount	1,000,000	5,000,000
Estate Tax Applicable Exclusion Amount	5,000,000	5,000,000
Maximum Gift	13,000	13,000
Capital Gain Rates (Maximum for Noncorporate Taxpayers)		
Adjusted Net Capital Gain (Assets held more than 12 months)	15%	15%
For those in 15% bracket	0%	0%
For those in >15% bracket	15%	15%
For Recapture Gain on Real Estate	25%	25%
For Most Collectibles	28%	28%
Adoption Credit		
Special Needs Child	13,170	13,360
Other Children	13,170	13,360
Phaseout Amount	182,520 / 222,520	185,210 / 225,210

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	2010	2011
Lifetime Learning Credits		
Phaseout — Single, HoH, QW	50,000– 60,000	51,000– 61,000
Phaseout — MFJ	100,000–120,000	102,000–122,000
Hope/American Opportunity Credit		
Phaseout — Single, HoH, QW	80,000– 90,000	80,000– 90,000
Phaseout — MFJ	160,000–180,000	160,000–180,000
Earned Income Tax Credit		
One child		
Minimum earned income for maximum EITC	8,970	9,100
Maximum Amount of Credit	3,050	3,094
Phaseout Amount (single and head of household)	16,450 / 35,535	16,690 / 36,052
Phaseout Amount (married filing jointly)	21,460 / 40,545	21,770 / 41,132
Two Children		
Minimum earned income for maximum EITC	12,590	12,780
Maximum Amount of Credit	5,036	5,112
Phaseout Amount (single and head of household)	16,450 / 40,363	16,690 / 40,964
Phaseout Amount (married filing jointly)	21,460 / 45,373	21,770 / 46,044
Three or More Children		
Minimum earned income for maximum EITC	12,590	12,780
Maximum Amount of Credit	5,666	5,751
Phaseout Amount (single and ehad of household)	16,450 / 43,352	16,690 / 43,998
Phaseout Amount (married filing jointly)	21,460 / 48,362	21,770 / 49,078
No children		
Minimum earned income for maximum EITC	5,980	6,070
Maximum Amount of Credit	457	464
Phaseout Amount (single and head of household)	7,480 / 13,460	7,590 / 13,660
Phaseout Amount (married filing jointly)	12,490 / 18,470	12,670 / 18,740
Child Tax Credit	1,000	1,000

**Daycare Provider
Standard Meal Allowance for 2011 Returns
July 1, 2011 through June 30, 2012**

	48 States	Alaska	Hawaii
Breakfast	\$1.24	\$1.97	\$1.44
Lunch/Dinner	2.32	3.76	2.71
Snack	.69	1.12	.81

**Daycare Provider
Standard Meal Allowance for 2011 Returns
July 1, 2010 through June 30, 2011**

	48 States	Alaska	Hawaii
Breakfast	\$1.19	\$1.89	\$1.38
Lunch/Dinner	2.22	3.60	2.60
Snack	.66	1.07	.77

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Child Tax Credit AGI Phaseout — 2011

Filing Status	Beginning Phaseout
MFJ	\$110,000
Single, HoH, QW	75,000
MFS	55,000

M&IE (Meals-and-Incidental-Expense-Only) Rates for Transportation Workers for Travel Away from Home

Locality	On or Before Sep. 30, 2009	Oct. 1, 2009–Sep. 30, 2010	Oct. 1, 2010–Sep. 30, 2011
CONUS (continental U.S.)	\$52	\$59	\$59
OCONUS (outside the continental U.S.)	58	65	65

High and Low Per Diem Reimbursements

	On or Before Sep. 30, 2009	Oct. 1, 2009–Sep. 30, 2010	Oct. 1, 2010–Sep. 30, 2011 ¹
High cost areas	\$256 (\$58 for M&IE)	\$258 (\$65 for M&IE)	\$233 (\$65 for M&IE)
Basic/low cost areas	\$158 (\$45 for M&IE)	\$163 (\$52 for M&IE)	\$160 (\$52 for M&IE)

¹ The IRS is discontinuing the high-low substantiation method in 2011. See IRS Announcement 2011-42, 2011-32 IRB 1 (Jul. 19, 2011).

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DEPRECIATION LIMITS FOR LUXURY VEHICLES²

Tax Year	Used Passenger Vehicles	New Passenger Vehicles	Used Trucks and Vans	New Trucks and Vans	Used Electric Vehicles	New Electric Vehicles
Placed in service in 2011						
1	\$3,060	\$3,060 ^a	\$3,260	\$3,260 ^a	b	b
2	4,900	4,900	5,200	5,200		
3	2,950	2,950	3,150	3,150		
4	1,775	1,775	1,875	1,875		
Placed in service in 2010						
1	\$3,060	\$3,060 ^a	\$3,160	\$3,160 ^a	b	b
2	4,900	4,900	5,100	5,100		
3	2,950	2,950	3,050	3,050		
4	1,775	1,775	1,875	1,875		
Placed in service in 2009						
1	\$2,960	\$ 2,960 ^a	\$ 3,060	\$ 3,060 ^a		
2	4,800	4,800	4,900	4,900	b	b
3	2,850	2,850	2,950	2,950		
4	1,775	1,775	1,775	1,775		
Placed in service in 2008						
1	\$2,960	\$ 2,960 ^a	\$ 3,160	\$ 3,160 ^a		
2	4,800	4,800	5,100	5,100	b	b
3	2,850	2,850	3,050	3,050		
4 or more	1,775	1,775	1,875	1,875		
Placed in service in 2007						
1	\$3,060	\$ 3,060	\$ 3,260	\$ 3,260		
2	4,900	4,900	5,200	5,200	b	b
3	2,850	2,850	3,050	3,050		
4 or more	1,775	1,775	1,875	1,875		
Placed in service in 2006						
1	\$2,960	\$ 2,960	\$3,260	\$ 3,260	\$ 8,980	\$ 8,980
2	4,800	4,800	5,200	5,200	14,400	14,400
3	2,850	2,850	3,150	3,150	8,650	8,650
4 or more	1,775	1,775	1,875	1,875	5,225	5,225
Placed in service in 2005						
1	\$2,960	\$ 2,960	\$3,260	\$ 3,260	\$ 8,880	\$ 8,880
2	4,700	4,700	5,200	5,200	14,200	14,200
3	2,850	2,850	3,150	3,150	8,450	8,450
4 or more	1,675	1,675	1,875	1,875	5,125	5,125

^a For 2008–2011, bonus depreciation is available for new vehicles placed in service. The maximum first-year depreciation for new passenger vehicles is \$10,960 for 2008 and 2009 and \$11,060 for 2010 and 2011. The maximum first-year depreciation for new trucks and vans is \$11,160 for 2008, \$11,060 for 2009, \$11,160 for 2010, and \$11,260 for 2011.

^b New and used electric vehicles placed in service after December 31, 2006 do not have special depreciation limits; use the appropriate column to the left.

² Rev. Procs. 2006-18, 2007-11, 2009-24, 2010-18, and 2011-12.

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SAVER'S CREDIT PHASEOUT — 2011

Credit Rate	AGI Phaseout		
	MFJ	HoH	Single, MFS, QW
50%	\$ 0–34,000	\$ 0–25,500	\$ 0–17,000
20%	34,001–36,500	25,501–27,375	17,001–18,250
10%	36,501–56,500	27,376–42,375	18,251–28,250
0%	Over \$56,500	Over \$42,375	Over \$28,250

QUALIFIED RETIREMENT PLAN LIMITATIONS

	2010	2011
Contributions/Deferrals		
Maximum deductible employee annual retirement contribution (401(k), 403(b), 457, SARSEP, Thrift Savings Plans)	\$ 16,500	\$ 16,500
Catch-up contributions (age 50 or over)	5,500	5,500
Maximum annual deferral under SIMPLE	11,500	11,500
Catch-up deferral (age 50 or over)	2,500	2,500
Maximum traditional and Roth IRA annual contributions (the annual limit is lesser of 100% of taxable compensation or listed amount)	5,000	5,000
Catch-up contributions (age 50 or over)	1,000	1,000
Maximum employer contribution to SEP IRA (the annual limit is lesser of 25% of compensation or listed amount)	49,000	49,000
Income limitations		
Maximum annual benefit for a defined benefit plan (based on annual compensation, the annual limits may be less) ^a	195,000	195,000
Maximum annual contribution to all defined contribution plans (the annual limit is lesser of 100% of compensation or listed amount)	49,000	49,000
Earnings threshold for highly-compensated employees	110,000	110,000
Earnings threshold for key employee in top-heavy plan	160,000	160,000

^a Treas. Reg. §1.415(b)-1 and IRC §415(b)

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UNIFORM LIFETIME TABLE/SINGLE LIFE EXPECTANCY TABLE

This chart combines the *Uniform Lifetime Table* and the *Single Life Expectancy Table* found in IRS Pub. 590, *Individual Retirement Arrangements*.

Age	Single Life	Uniform Life	Age	Single Life	Uniform Life	Age	Single Life	Uniform Life	Age	Single Life	Uniform Life
10	72.8	86.2	34	49.4	62.3	58	27.0	38.7	82	9.1	17.1
11	71.8	85.2	35	48.5	61.4	59	26.1	37.8	83	8.6	16.3
12	70.8	84.2	36	47.5	60.4	60	25.2	36.8	84	8.1	15.5
13	69.9	83.2	37	46.5	59.4	61	24.4	35.8	85	7.6	14.8
14	68.9	82.2	38	45.6	58.4	62	23.5	34.9	86	7.1	14.1
15	67.9	81.2	39	44.6	57.4	63	22.7	33.9	87	6.7	13.4
16	66.9	80.2	40	43.6	56.4	64	21.8	33.0	88	6.3	12.7
17	66.0	79.2	41	42.7	55.4	65	21.0	32.0	89	5.9	12.0
18	65.0	78.2	42	41.7	54.4	66	20.2	31.1	90	5.5	11.4
19	64.0	77.3	43	40.7	53.4	67	19.4	30.2	91	5.2	10.8
20	63.0	76.3	44	39.8	52.4	68	18.6	29.2	92	4.9	10.2
21	62.1	75.3	45	38.8	51.5	69	17.8	28.3	93	4.6	9.6
22	61.1	74.3	46	37.9	50.5	70	17.0	27.4	94	4.3	9.1
23	60.1	73.3	47	37.0	49.5	71	16.3	26.5	95	4.1	8.6
24	59.1	72.3	48	36.0	48.5	72	15.5	25.6	96	3.8	8.1
25	58.2	71.3	49	35.1	47.5	73	14.8	24.7	97	3.6	7.6
26	57.2	70.3	50	34.2	46.5	74	14.1	23.8	98	3.4	7.1
27	56.2	69.3	51	33.3	45.5	75	13.4	22.9	99	3.1	6.7
28	55.3	68.3	52	32.3	44.6	76	12.7	22.0	100	2.9	6.3
29	54.3	67.3	53	31.4	43.6	77	12.1	21.2	101	2.7	5.9
30	53.3	66.3	54	30.5	42.6	78	11.4	20.3	102	2.5	5.5
31	52.4	65.3	55	29.6	41.6	79	10.8	19.5	103	2.3	5.2
32	51.4	64.3	56	28.7	40.7	80	10.2	18.7	104	2.1	4.9
33	50.4	63.3	57	27.9	39.7	81	9.7	17.9	105	1.9	4.5

Column 1: Age refers to either the owner while living or the beneficiary after owner's death.

Column 2: Single Life is used for a beneficiary.

Column 3: Uniform Life is used by owner before death.

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OTHER RATES FOR VEHICLES

	Jan. 1–Feb. 28 2009	Mar. 1–Dec. 31 2009	2010	Jan. 1–Jun. 30 2011	Jul. 1–Dec. 31 2011
Auto Standard Mileage Allowance					
Business	\$0.55	\$0.55	\$0.50	\$0.51	\$0.555
Charity work	0.14	0.14	0.14	0.14	0.14
Medical/moving	0.24	0.24	0.165	0.19	0.235
Qualified Transportation Fringe (expressed as monthly limits)					
Vehicle/transit pass limit	\$ 120	\$ 230	\$ 230	\$ 230	\$ 230
Qualified parking limit	230	230	230	230	230
Qualified bicycle limit	20	20	20	20	20

TAX RATES FOR 2011

Tax Rate Schedule Single Taxpayers For Tax Years Beginning in 2011

If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
\$ 0	\$ 8,500	10.0%	\$ 0
8,500	34,500	850.00 + 15.0%	8,500
34,500	83,600	4,750.00 + 25.0%	34,500
83,600	174,400	17,025.00 + 28.0%	83,600
174,400	379,150	42,449.00 + 33.0%	174,400
379,150		110,016.50 + 35.0%	379,150

Tax Rate Schedule Married Individuals Filing Joint Returns and Surviving Spouses For Tax Years Beginning in 2011

If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
\$ 0	\$ 17,000	10.0%	\$ 0
17,000	69,000	1,700.00 + 15.0%	17,000
69,000	139,350	9,500.00 + 25.0%	69,000
139,350	212,300	27,087.50 + 28.0%	139,350
212,300	379,150	47,513.50 + 33.0%	212,300
379,150		102,574.00 + 35.0%	379,150

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Tax Rate Schedule Married Individuals Filing Separate Returns For Tax Years Beginning in 2011

If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
\$ 0	\$ 8,500	10.0%	\$ 0
8,500	34,500	850.00 + 15.0%	8,500
34,500	69,675	4,750.00 + 25.0%	34,500
69,675	106,150	13,543.75 + 28.0%	69,675
106,150	189,575	23,756.75 + 33.0%	106,150
189,575		51,287.00 + 35.0%	189,575

Tax Rate Schedule Head of Household For Tax Years Beginning in 2011

If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
\$ 0	\$ 12,150	10.0%	\$ 0
12,150	46,250	1,215.00 + 15.0%	12,150
46,250	119,400	6,330.00 + 25.0%	46,250
119,400	193,350	24,617.50 + 28.0%	119,400
193,350	379,150	45,323.50 + 33.0%	193,350
379,150		106,637.50 + 35.0%	379,150

Tax Rate Schedule Trusts and Estates For Tax Years Beginning in 2011

If Taxable Income Is			
Over	But Not Over	The Tax Is	Of the Amount Over
\$ 0	\$2,300	15.0%	\$ 0
2,300	5,450	345.00 + 25.0%	2,300
5,450	8,300	1,132.50 + 28.0%	5,450
8,300	11,350	1,930.50 + 33.0%	8,300
11,350		2,937.00 + 35.0%	11,350

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Tax Rate Schedule Corporate For Tax Years Beginning in 2011

If Taxable Income Is		The Tax Is		Of the Amount
Over	But Not Over			Over
\$ 0	\$ 50,000	15.0%		\$ 0
50,000	75,000	7,500.00 +	25.0%	50,000
75,000	100,000	13,750.00 +	34.0%	75,000
100,000	335,000	22,250.00 +	39.0%	100,000
335,000	10,000,000	113,900.00 +	34.0%	335,000
10,000,000	15,000,000	3,400,000.00 +	35.0%	10,000,000
15,000,000	18,333,333	5,150,000.00 +	38.0%	15,000,000
18,333,333		6,416,667.00 +	35.0%	18,333,333

FEDERAL LAND BANK INTEREST RATES FOR VALUING FARMLAND UNDER SPECIAL USE VALUATION RULES OF IRC §2032A³

Farm Credit Bank District in Which Property is Located	Interest Rates		
	2009	2010	2011
AgFirst, FCB	7.63%	7.48%	6.97%
AgriBank, FCB	6.50%	6.41%	6.12%
CoBank, ACB	6.17%	6.07%	5.78%
Texas, FCB	6.59%	6.45%	6.04%
U.S. AgBank, FCB	6.23%	6.15%	5.88%
Farm Credit System Bank	Location of Property		
AgFirst, FCB	Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, Pennsylvania, South Carolina, Virginia, West Virginia		
AgriBank, FCB	Arkansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, Wisconsin, Wyoming		
CoBank, ACB	Alaska, Connecticut, Idaho, Maine, Massachusetts, Montana, New Hampshire, New Jersey, New York, Oregon, Rhode Island, Vermont, Washington		
Texas, FCB	Alabama, Louisiana, Mississippi, Texas		
U.S. AgBank, FCB	Arizona, California, Colorado, Hawaii, Kansas, New Mexico, Nevada, Oklahoma, Utah		

³ Rev. Rul. 2009-21, 2009-30 IRB 162; Rev. Rul. 2011-17, 2011-33 IRB 160.

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INTEREST RATES FOR NONCORPORATE OVERPAYMENTS AND UNDERPAYMENTS OF TAX 2001–2011

Calendar Quarter Beginning	Rate on Overpayments	Rate on Underpayments
10/1/2011	3%	3%
7/1/2011	4%	4%
4/1/2011	4%	4%
1/1/2011	3%	3%
10/1/2010	4%	4%
7/1/2010	4%	4%
4/1/2010	4%	4%
1/1/2010	4%	4%
10/1/2009	4%	4%
7/1/2009	4%	4%
4/1/2009	4%	4%
1/1/2009	5%	5%
10/1/2008	6%	6%
7/1/2008	5%	5%
4/1/2008	6%	6%
1/1/2008	7%	7%
10/1/2007	8%	8%
7/1/2007	8%	8%
4/1/2007	8%	8%
1/1/2007	8%	8%
10/1/2006	8%	8%
7/1/2006	8%	8%
4/1/2006	7%	7%
1/1/2006	7%	7%
10/1/2005	7%	7%
7/1/2005	6%	6%
4/1/2005	6%	6%
1/1/2005	5%	5%
10/1/2004	5%	5%
7/1/2004	4%	4%
4/4/2004	5%	5%
1/1/2004	4%	4%
10/1/2003	4%	4%
7/1/2003	5%	5%
4/1/2003	5%	5%
1/1/2003	5%	5%
10/1/2002	6%	6%
7/1/2002	6%	6%
4/1/2002	6%	6%
1/1/2002	6%	6%
10/1/2001	7%	7%
7/1/2001	7%	7%
4/1/2001	8%	8%
1/1/2001	9%	9%

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INTEREST RATES ON CORPORATE OVERPAYMENTS AND UNDERPAYMENTS OF TAX 2007–2011

Calendar Quarter Beginning	Rate on Overpayments	Rate on Underpayments
Oct. 1, 2011	2%	3%
Jul. 1, 2011	3%	4%
Apr. 1, 2011	3%	4%
Jan. 1, 2011	2%	3%
Oct. 1, 2010	3%	4%
Jul. 1, 2010	3%	4%
Apr. 1, 2010	3%	4%
Jan. 1, 2010	3%	4%
Oct. 1, 2009	3%	4%
Jul. 1, 2009	3%	4%
Apr. 1, 2009	3%	4%
Jan. 1, 2009	4%	5%
Oct. 1, 2008	5%	6%
Jul. 1, 2008	4%	5%
Apr. 1, 2008	5%	6%
Jan. 1, 2008	6%	7%
Oct. 1, 2007	7%	8%
Jul. 1, 2007	7%	8%
Apr. 1, 2007	7%	8%
Jan. 1, 2007	7%	8%

INTEREST RATES ON LARGE CORPORATE OVERPAYMENTS AND UNDERPAYMENTS OF TAX 2007–2011

Calendar Quarter Beginning	Rate on Overpayments	Rate on Underpayments
Oct. 1, 2011	0.5%	5%
Jul. 1, 2011	1.5%	6%
Apr. 1, 2011	1.5%	6%
Jan. 1, 2011	0.5%	5%
Oct. 1, 2010	1.5%	6%
Jul. 1, 2010	1.5%	6%
Apr. 1, 2010	1.5%	6%
Jan. 1, 2010	1.5%	6%
Oct. 1, 2009	1.5%	6%
Jul. 1, 2009	1.5%	6%
Apr. 1, 2009	1.5%	6%
Jan. 1, 2009	2.5%	7%
Oct. 1, 2008	3.5%	8%
Jul. 1, 2008	2.5%	7%
Apr. 1, 2008	3.5%	8%
Jan. 1, 2008	4.5%	9%
Oct. 1, 2007	5.5%	10%
Jul. 1, 2007	5.5%	10%
Apr. 1, 2007	5.5%	10%
Jan. 1, 2007	5.5%	10%

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APPLICABLE FEDERAL RATES FOR OCTOBER 2009 THROUGH SEPTEMBER 2011

For the newest AFR tables, go to www.irs.gov/app/picklist/list/federalRates.html .

October 2009

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.75%	0.75%	0.75%	0.75%
Mid-term AFR	2.66%	2.64%	2.63%	2.63%
Long-term AFR	4.10%	4.06%	4.04%	4.03%

November 2009

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.71%	0.71%	0.71%	0.71%
Mid-term AFR	2.59%	2.57%	2.56%	2.56%
Long-term AFR	4.01%	3.97%	3.95%	3.94%

December 2009

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.69%	0.69%	0.69%	0.69%
Mid-term AFR	2.64%	2.62%	2.61%	2.61%
Long-term AFR	4.17%	4.13%	4.11%	4.09%

January 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.57%	0.57%	0.57%	0.57%
Mid-term AFR	2.45%	2.44%	2.43%	2.43%
Long-term AFR	4.11%	4.07%	4.05%	4.04%

February 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.72%	0.72%	0.72%	0.72%
Mid-term AFR	2.82%	2.80%	2.79%	2.78%
Long-term AFR	4.44%	4.39%	4.37%	4.35%

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March 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.64%	0.64%	0.64%	0.64%
Mid-term AFR	2.69%	2.67%	2.66%	2.66%
Long-term AFR	4.35%	4.30%	4.28%	4.26%

April 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.67%	0.67%	0.67%	0.67%
Mid-term AFR	2.70%	2.68%	2.67%	2.67%
Long-term AFR	4.40%	4.35%	4.33%	4.31%

May 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.79%	0.79%	0.79%	0.79%
Mid-term AFR	2.87%	2.85%	2.84%	2.83%
Long-term AFR	4.47%	4.42%	4.40%	4.38%

June 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.74%	0.74%	0.74%	0.74%
Mid-term AFR	2.72%	2.70%	2.69%	2.68%
Long-term AFR	4.30%	4.25%	4.23%	4.21%

July 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.61%	0.61%	0.61%	0.61%
Mid-term AFR	2.35%	2.34%	2.33%	2.33%
Long-term AFR	3.94%	3.90%	3.88%	3.87%

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August 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.53%	0.53%	0.53%	0.53%
Mid-term AFR	2.18%	2.17%	2.16%	2.16%
Long-term AFR	3.79%	3.75%	3.73%	3.72%

September 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.46%	0.46%	0.46%	0.46%
Mid-term AFR	1.94%	1.93%	1.93%	1.92%
Long-term AFR	3.66%	3.63%	3.61%	3.60%

October 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.41%	0.41%	0.41%	0.41%
Mid-term AFR	1.73%	1.72%	1.72%	1.71%
Long-term AFR	3.32%	3.29%	3.28%	3.27%

November 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.35%	0.35%	0.35%	0.35%
Mid-term AFR	1.59%	1.58%	1.58%	1.57%
Long-term AFR	3.35%	3.32%	3.31%	3.30%

December 2010

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.32%	0.32%	0.32%	0.32%
Mid-term AFR	1.53%	1.52%	1.52%	1.52%
Long-term AFR	3.53%	3.50%	3.48%	3.47%

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January 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.43%	0.43%	0.43%	0.43%
Mid-term AFR	1.95%	1.94%	1.94%	1.93%
Long-term AFR	3.88%	3.84%	3.82%	3.81%

February 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.51%	0.51%	0.51%	0.51%
Mid-term AFR	2.33%	2.32%	2.31%	2.31%
Long-term AFR	4.15%	4.11%	4.09%	4.08%

March 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.54%	0.54%	0.54%	0.54%
Mid-term AFR	2.44%	2.43%	2.42%	2.42%
Long-term AFR	4.30%	4.25%	4.23%	4.21%

April 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.55%	0.55%	0.55%	0.55%
Mid-term AFR	2.49%	2.47%	2.46%	2.46%
Long-term AFR	4.25%	4.21%	4.19%	4.17%

May 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.56%	0.56%	0.56%	0.56%
Mid-term AFR	2.44%	2.43%	2.42%	2.42%
Long-term AFR	4.19%	4.15%	4.13%	4.11%

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June 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.46%	0.46%	0.46%	0.46%
Mid-term AFR	2.27%	2.26%	2.25%	2.25%
Long-term AFR	4.05%	4.01%	3.99%	3.98%

July 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.37%	0.37%	0.37%	0.37%
Mid-term AFR	2.00%	1.99%	1.99%	1.98%
Long-term AFR	3.86%	3.82%	3.80%	3.79%

August 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.32%	0.32%	0.32%	0.32%
Mid-term AFR	1.90%	1.89%	1.89%	1.88%
Long-term AFR	3.86%	3.82%	3.80%	3.79%

September 2011

	Period For Compounding			
	Annual	Semiannual	Quarterly	Monthly
Short-term AFR	0.26%	0.26%	0.26%	0.26%
Mid-term AFR	1.63%	1.62%	1.62%	1.61%
Long-term AFR	3.57%	3.54%	3.52%	3.51%

IRS AUDIT TECHNIQUE GUIDES

Aerospace Industry

The IRS prepared a comprehensive audit technique guide (ATG) to assist examiners in evaluating research credit in the aerospace industry. The guide focuses on the particular unique aspects of the industry and provides examiners tools and tests to utilize in evaluating and auditing research credit.

Air Transportation

Overview of excise tax paid for transportation of persons or property by air

Architects and Landscape Architects

The Architects and Landscape Architects ATG provides an overview of the activities of these two professional groups and the services typically offered by each. Issues common to both groups, which may be the subject of an audit, are discussed. Detailed audit examination techniques are outlined to provide the auditor with guidance along with relevant statutory and case law for auditor reference.

Attorneys

The Attorneys Audit Techniques Guide is intended to provide guidance to the examiner who is auditing a taxpayer who is an attorney or an attorney firm and to provide tax related guidance to taxpayers and other professionals in this industry.

Business Consultants

The Business Consultants ATG now includes an income section that addresses the shifting or the assignment of income issue and the substance versus form issue an examiner may encounter when conducting an examination.

Capitalization versus Repairs

The ATG provides techniques for reviewing and examining capitalization versus repairs issues.

Cash Intensive Businesses

Businesses that have substantial cash transactions are included in the consolidated cash intensive businesses ATG. Some of these businesses include bail bonds, beauty shops, car washes, check cashing establishments, coin-operated amusements, laundromats, scrap metal, and some convenience stores. Guidance is also provided on examination of income, interview techniques, and evaluation of evidence.

Child Care Provider

The child care provider ATG is intended to provide guidance to the examiner who is auditing a taxpayer in this industry and to provide tax-related guidance to taxpayers and other professionals in this industry.

Coal Excise Tax

Provides excise tax agents with specific tools to examine issues relating to domestically produced coal.

Commercial Banking

Overview of the industry; discusses potential issues and terminology unique to banking.

Construction Industry

Overview of the industry including a glossary. Discusses types of contracts; types of contractors; methods of accounting; and joint ventures. This updated guide includes the filing locations for Rev. Proc. 92-29 elections (Chapter 7); includes contractor square footage costs (Chapter 11); and common errors in look-back interest filings (Chapter 5).

Cost Segregation

The IRS prepared a comprehensive audit techniques guide to assist examiners in evaluating cost segregation studies submitted by taxpayers in support of depreciation deductions. The guide is also beneficial for taxpayers and practitioners in preparing these studies.

Credit for Increasing Research Activities (i.e. Research Tax Credit) IRC §41

This ATG sets forth the Research Credit Technical Advisors' suggested guidelines for auditing research credit issues.

Executive Compensation — Fringe Benefits

Corporate executives often receive extraordinary fringe benefits that are not provided to other corporate employees. Any property or service that an executive receives in lieu of or in addition to regular taxable wages is a fringe benefit that may be subject to taxation.

Factoring of Receivables

This ATG focuses on a strategy in which multinational corporations use factoring of accounts receivable among related parties to avoid U.S. taxation by shifting income offshore and reducing U.S. income by deducting expenses related to the same income.

Farmers

The agriculture industry ATG focuses on developing highly-trained examiners for the agricultural market segment. The guide contains examination techniques, common and unique industry issues, business practices, industry terminology and other information to assist examiners in performing examinations.

Fishing

The Fishing ATG provides a description of both shore-based and offshore fishing operations and some geographical industry features. This ATG provides the auditor with guidance on how to determine income from the catch. Audit guidance is also provided on details such as the type of vessel, licenses issued, length of season, contracts and third party relationships. Common methods of underreporting income and employment issues within this industry are also provided.

Foreign Insurance Excise Tax

This ATG was designed to assist the examiner in conducting audits in which excise tax of foreign insurance transactions may be due.

Golden Parachutes

The IRS has prepared a comprehensive ATG to assist examiners in evaluating parachute examinations. The parachute examination can occur during the examination of either the corporation's or the individual's return.

Hardwood Timber Industry

Provides general and technical information useful to examiners in classifying, preplanning and examining returns relating to this industry.

Inland Waterways

This ATG is intended to provide assistance to the examiner who is auditing a taxpayer for which the use of the inland waterways is an issue.

IRC 162(m) Salary Deduction Limitation

Every publicly-held corporation maintains its executive compensation records differently. Likewise, every publicly-held corporation maintains different methods for compensating its executives. The examining agent must first learn the identity of the individual(s) within the corporation who are most familiar with how the executive compensation records are maintained.

IRC §183: Activities Not Engaged in For Profit

This ATG was developed to provide guidance to revenue agents and tax compliance officers in pursuing the application of IRC §183, Activities Not Engaged in for Profit (sometimes referred to as the “hobby loss rule”).

Low-Income Housing Credit — Guide for Completing Form 8823

IRC 42, The Low-Income Housing Credit (LIHC) Program, is co-administered by the IRS and state housing credit agencies. As part of their administrative responsibilities, the agencies monitor the housing project for compliance with IRC 42 requirements and report any observed noncompliance to the IRS using Form 8823, *Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition*. This ATG provides state agencies with guidelines for evaluating taxpayer compliance and reporting noncompliance to the IRS.

Lawsuit Awards and Settlements

This ATG focuses on taxability of law suit awards and settlements.

Ministers

The ministers ATG is intended to provide guidance to the examiner who is auditing a taxpayer who is a minister and to provide tax-related guidance to taxpayers and other professionals in this industry.

New Markets Tax Credit

The New Markets Tax Credit (NMTC) Program, enacted by Congress as part of the Community Renewal Tax Relief Act of 2000, is incorporated as §45D of the Internal Revenue Code. This section permits individual and corporate taxpayers to receive a credit against federal income taxes for making Qualified Equity Investments (QEIs) in qualified community development entities (CDEs).

New Vehicle Dealership

This ATG will give you the key to a quick and competent closure of any new vehicle dealership examination which hinges on narrowing the scope of the examination to items that may prove productive.

Nonqualified Deferred Compensation

The IRS has prepared a comprehensive ATG to assist examiners in evaluating nonqualified deferred compensation. A nonqualified deferred compensation (NQDC) plan is any elective or nonelective plan, agreement, method, or arrangement between an employer and an employee (or service recipient and service provider) to pay the employee compensation some time in the future.

Obligations Not in Registered Form

Obligations Not in Registered Form D

Oil and Gas Industry

Provides information on basic operations and common terminology. Includes reference to royalty owners and an introduction to financial products.

Ozone Depleting Chemicals (ODC) Excise Tax

This ATG is used for industries involved with ozone depleting chemicals (ODC).

Partnerships

The ATG focuses on issues that fall within IRC §§701 through 761 (Subchapter K). Subchapter K deals primarily with the formation, operation, and termination of partnerships. Many issues arise during the initial or final year of the partnership.

Passive Activity Losses

Provides examiners with specific guidance on potential audit issues, issue identification and lead sheets and other job aids.

Placer Mining

Provides guidelines for the examination of taxpayers in this industry. Focuses on small mining operations represented as sole proprietorships on Schedule C, but can be adapted for partnership and corporate returns.

The Port Project

Provides examiners assistance in auditing industries related to coastal and inland waterways.

Poultry Industry

The purpose of this guide is to highlight issues that are specific to or have a large impact on the poultry industry. Most of the issues in this guide relate directly to the major companies rather than the individual farmers. However, one chapter was devoted to the issues normally found in conjunction with a poultry grower audit.

Reforestation Industry

Overview of the industry; discusses issues that may be encountered, such as employment taxes; poor accounting records; etc.

Rehabilitation Tax Credit

Provides examiners with audit aids (i.e. issue checksheet, pro forma Information Document Request, and standardized audit reports, etc.) which assist in identifying and addressing common rehab tax credit issues.

Research Credit Claims: Credit for Increasing Research Activities §41

This guide provides guidance on the handling and evaluation of research credit claims.

Retail Industry

Sections 48A and 48B - Advanced Coal and Gasification Project Credits

Section 46 provides that the amount of investment credit for purposes of §38 for any taxable year is the sum of the credits listed in §46. Section 1307(a) of the Energy Tax Incentives Act of 2005, Pub. L. 109-58, 119 Stat. 594 (August 8, 2005), amended §46 to add two new credits to that list: The qualifying advanced coal project credit, (section 48A) and the qualifying gasification project credit, (section 48B).

Split Dollar Life Insurance

Split-dollar life insurance arrangements can be a key feature of executive compensation packages. Over the years, the IRS has provided limited guidance regarding the taxation of these arrangements. Beginning in 2001, transitional guidance on the valuation of split-dollar life insurance arrangements was provided in the form of notices and proposed regulations in anticipation of final regulations.

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Sports Franchises

Focuses on major league franchises. Potential issues may include revenue (sponsorship, broadcast, season tickets), strike fund payments, stadium issues, player contracts, purchase/sale of franchise, league expansion, etc.

Stock-Based Compensation

The IRS has prepared a comprehensive ATG to assist examiners in evaluating stock-based compensation. Stock-based compensation generally consists of either the transferring of stock or the issuance of stock options to an employee or independent contractor.

Structured Settlement Factoring

Swine Farm Industry

Overview of the industry includes methods of accounting (accrual vs. cash), farm price inventory, unit livestock price, prepaid feed, income from discharge of indebtedness, selection fees, depreciation, grower issues, penalties, research credits, employment taxes, and excise taxes.

Tobacco Industry

Focuses on techniques for examining tobacco farmers, dealers and warehouse operations.

Veterinary Medicine

Overview of industry includes discussion of types of business entities (especially personal service corporation); cash vs. accrual method of accounting; and inventory vs. supplies.

Wine Industry ATG

The Wine Industry Audit Technique Guide is designed to assist examiners in their compliance reviews of both winery and vineyard operations.