

Source-2011 U of I Federal Tax Workbook

Provisions Expiring in 2012

IRC Section	Expiring Provision	Expiration Date
1(f)(8)	Increase the size of 15% rate bracket for married filers to double that of unmarried filers	Dec. 31, 2012
1(h), 55(b), 57(a)(7), 1445(e)(1), 7518(g)(6)(A)	Reduced capital gain rates for individuals	Dec. 31, 2012
1(h)(11), 163(d)(4)(B), 854(a) and (b), and 857(c)	Dividends of individuals taxed at capital gain rates	Dec. 31, 2012
1(i)	10% individual income tax rate	Dec. 31, 2012
1(i)(2)	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	Dec. 31, 2012
21(a)(2) and 21(c)	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	Dec. 31, 2012
23 and 137	Adoption credit and adoption assistance exclusion-increase to \$10,000 for maximum credit and maximum exclusion, special needs adoptions deemed to have \$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	Dec. 31, 2012
24(a) and (b)(3)	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 purposed of benefit or assistance programs financed in whole or in part with federal funds	Dec. 31, 2012
24(d)	Refundable child tax credit floor amount at \$3,000	Dec. 31, 2012
25A(i)	American opportunity credit	Dec. 31, 2012
32(b)(2), (c)(2)(A)(i), (h), and 6213(g)(2)	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	Dec. 31, 2012
32(b)(3)(A)	EIC credit percentage of 45% for three or more qualifying children	Dec. 31, 2012
32(b)(3)(B)	Phaseout threshold for marriage penalty relief	Dec. 31, 2012
45F	Credit for employer-provided child care	Dec. 31, 2012
53(e)	Credit for prior-year minimum tax liability made refundable after period of years	Dec. 31, 2012
63(c)(2)(A)	Increase the standard deduction for married filers to double that of unmarried filers	Dec. 31, 2012
68(g)	Repeal of overall limitation on itemized deductions (Pease limitation)	Dec. 31, 2012

Source-2011 U of I Federal Tax Workbook

Provisions Expiring in 2012

IRC Section	Expiring Provision	Expiration Date
108(a)(1)(E)	Discharge of indebtedness on principal residence excluded from gross income of individuals	Dec. 31, 2012
127(c)(1)	Employer-provided educational assistance-expansion to graduate education and making the exclusion permanent	Dec. 31, 2012
151(d)(3)(F)	Repeal of the personal exemptions phaseouts (PEP) for high-income taxpayers	Dec. 31, 2012
168(k)(1) and (2)	Additional first-year (bonus) depreciation for 50% of basis of qualified property	Dec. 31, 2012
168(k)(4)	Election to accelerate AMT credits in lieu of additional first-year (bonus) depreciation	Dec. 31, 2012
179(b)(1) and (2), (c)(2), and (d)(1)(A)(ii)	Increase dollar limitations for expensing to \$125,000/500,000 (indexed)	Dec. 31, 2012
221	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	Dec. 31, 2012
530(b)(1), (b)(2), (b)(4), (c)(1), (d)(2)	Coverdell education savings accounts-increase maximum annual contribution from \$500 to \$2,000, expanded 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	Dec. 31, 2012
531 and 541	Reduced rates under accumulated earnings tax and personal holding company tax	Dec. 31, 2012
2001 and 2502	Reduced the maximum estate and gift tax rate to 35%	Dec. 31, 2012
2001(b)(2), 2001(g), and 2505(a)	Modified estate and gift taxes to reflect differences in credit resulting from different tax rates	Dec. 31, 2012
2010	Increase estate and gift tax exemption to \$5 million (indexed for inflation in years after 2011)	Dec. 31, 2012
2010	"Portability" rules permitting a surviving spouse to use the unused estate and gift tax exemptions of the last deceased spouse	Dec. 31, 2012
2011, 2053, 2058, 2102, 2106, and 2604)	Estate tax deduction for state death taxes paid	Dec. 31, 2012
2031(c)(2) and (c)(8)(A)(i)	Expanded and clarified estate tax conservation easement rules	Dec. 31, 2012
2632(c) and 2642(a)(3), (b)(1), and (b)(2)(A)	Modified GSTT rules regarding deemed allocations of exemption to certain transfers in trust, severing of trusts, valuation, and relief for late elections	Dec. 31, 2012
6166(b)(1)(B)(ii), (b)(1)(C)(ii), (b)(8)(B), (b)(9)(B)(iii)(I), and (b)(10)	Modified estate tax installment payment rules	Dec. 31, 2012