

# DATAPOINTS

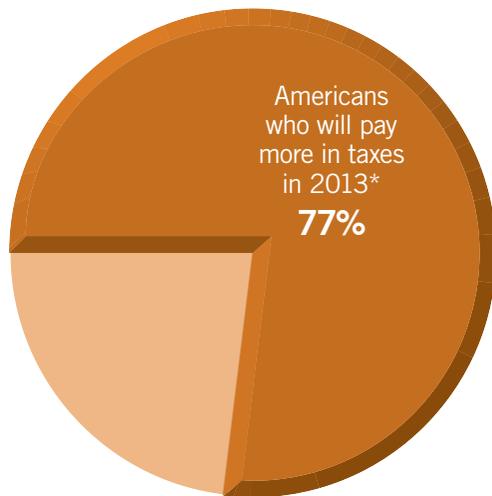
## Tax Changes Impact Retailers

WASHINGTON — Congress last week agreed to a last-minute deal to increase taxes on high earners to avoid the “fiscal cliff” of broader tax hikes and spending cuts. Under the new agreement, the tax rate for individuals with income of more than \$400,000 and couples making more than \$450,000 will increase to 39.6%, up from the current rate of 35%. Of particular concern to business owners, the rate of taxes on inherited wealth — the estate tax — will increase to 40%, from 35%, but the threshold for estates that are

exempt remains at \$5 million, rather than reverting to the previous level of \$3.5 million. In addition, the payroll tax cut for consumers was allowed to expire, which could impact spending in the near term, said Andrew Harig, director of government relations, Food Marketing Institute. “We’re waiting to see what impact that has on consumer spending,” he said.

SOURCES: WhiteHouse.gov, FMI

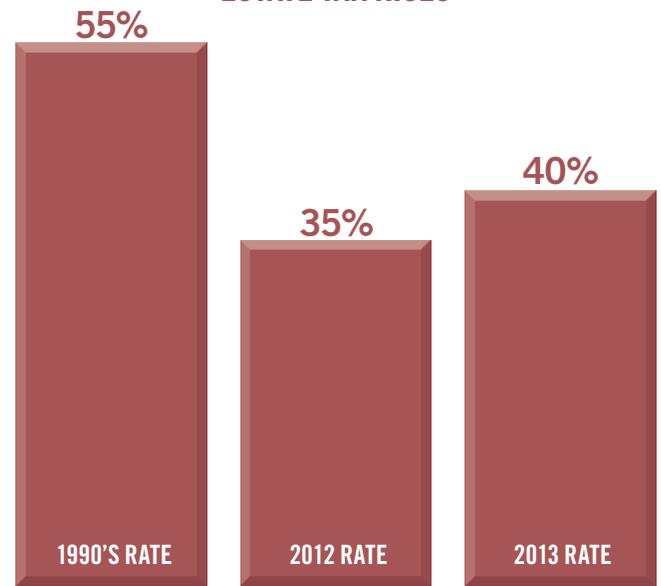
### Taxes Set to Rise for Most



SOURCE: Tax Policy Center \* Mostly due to expiration of 2% payroll tax holiday

**50%**  
Bonus depreciation for business investment extended through 2013

### ESTATE TAX RISES

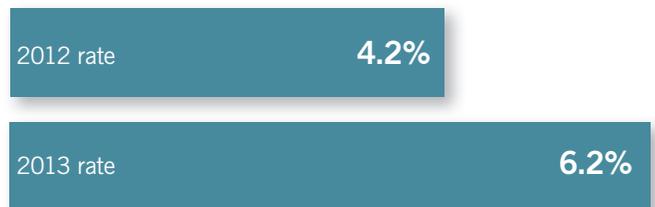


“There are a lot of people who were using that [payroll tax holiday] to get back on a more normal footing.”

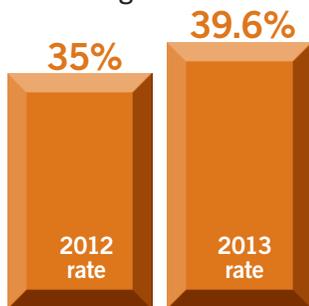
ANDREW HARIG, director of government relations, FMI

### PAYROLL TAX CUT ENDS

(Employee contribution)

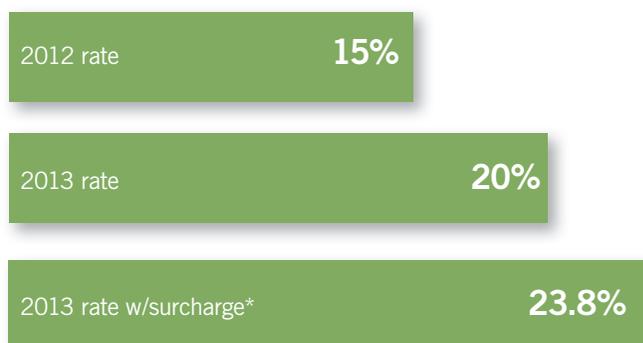


### Higher Income Tax for High Earners\*



\* Individuals earning more than \$400,000 and married couples earning more than \$450,000

### CAPITAL GAINS TAXES RISE



\* 3.8% surcharge to fund the Affordable Care Act for high-income individuals and couples

**2 million** people will have unemployment benefits extended for 1 year