IRA deduction. An taxpayer may be able to take an IRA deduction if covered by a retirement plan and the taxpayer's 2010 modified AGI is less than $66,000 ($109,00 if married filing jointly or qualifying widow(er)).

- *Increased standard deduction for heads of household*. The basic standard deduction amount for heads of households has increased for 2010. For all categories of taxpayers, the basic and additional standard deduction amounts remain at 2009 levels.

- *Personal casualty and theft loss limit reduced*. Each personal casualty or theft loss is limited to the excess of the loss over $100 (instead of $500).

- *Standard mileage rates*. The rate for business use of a vehicle is reduced to 50 cents a mile. The rate for use of a vehicle to get medical care or move is reduced to 16 1/2 cents a mile. The rate of 14 cents a mile for charitable use is unchanged.

- *Personal exemption and itemized deduction phaseouts*. For 2010, taxpayers with AGI above a certain amount will not lose part of their deduction for personal exemptions and itemized deductions. However, the phaseouts are scheduled to resume in 2011.

- *Qualified fuel cell motor vehicle credit reduced*. For qualified vehicles with a gross vehicle weight rating of 8,500 pounds or less that are placed in service after 2009, the credit allowed for the purchase is reduced by 50%.

- *Earned income credit*. The maximum credit is higher, and the AGI-based phaseout figures are revised.

- *First-time homebuyer credit*. This credit has been extended for purchases of a main home in the U.S. after 2008 and before May 1, 2010 (before July 1, 2010, if the taxpayer enters into a written binding contract before May 1, 2010). The credit is generally 10% of the purchase price of the home but is limited to $8,000 ($4,000 if married filing separately). Also, a smaller credit (limited to $6,500, $3,250 if married filing separately) is allowed if the taxpayer (and his spouse if married) owned and used the same main home for any period of 5 consecutive years during the 8-year period ending on the date the new main home was purchased after Nov. 6, 2009, and before May 1, 2010 (before July 1, 2010, if a written binding contract was entered into before May 1, 2010). A taxpayer can choose to claim the credit on his 2009 return for a home bought in 2010 that qualifies for the credit.

Expired tax benefits. The following tax items expired at the end of 2009 but many of them could be reinstated by Congress:

- Waiver of required minimum distribution (RMD) rules for IRAs and defined contribution plans.

- The exclusion for up-to-$2,400 of unemployment compensation.

- The up-to-$100,000 annual exclusion from gross income for taxpayers age 70 1/2; who make otherwise taxable individual retirement account (IRA) distributions that are qualified charitable distributions.

- The above-the-line deduction for educator expenses.

- The above-the-line deduction for higher-education expenses.

- The extra $3,000 IRA deduction for employees of bankrupt companies.

- Increased standard deduction for real estate taxes or net disaster loss.

- Itemized deduction or increased standard deduction for state or local sales or excise taxes on the purchase of a new motor vehicle.