

Other Taxes

0.9% Additional Medicare Tax on Wages Income

Threshold Amounts

Filing Status	S, HOH, QW	MFJ	MFS
Threshold Amount	\$200,000	\$250,000	\$125,000

3.8% Net Investment Income Tax

Threshold Amounts (NIIT)

Filing Status	S, HOH	MFJ, QW	MFS
Threshold Amount	\$200,000	\$250,000	\$125,000

Business Expenses

2017 Standard Mileage Rate Per Mile

Business	53.5¢
Medical and moving	17.0¢
Charitable	14.0¢
Depreciation	25.0¢

2017 Standard Deduction for Meals—High Low Method (Per Day)

High cost localities	\$68
All other localities	\$57
Transportation workers	\$63

Section 179 Expense Limits

Regular 179 limits	\$510,000
SUV limits	\$25,000
Investment phaseout begins	\$2,030,000

Qualified Transportation Benefits

Commuter benefits (per month)	\$255
Parking benefits (per month)	\$255

2017 Retirement Plan Limits

401(k)/403(b) Deferral Limits

Under age 50	\$18,000
Age 50 and over	\$24,000

IRA Contribution Limits

Under age 50	\$5,500
Age 50 and over	\$6,500

IRA Deduction Phaseout Range for Active Participation in Employer Plan

MFJ	99,000–119,000
Single, HOH	62,000–72,000
MFS	0–10,000
Spouse not active participant	186,000–196,000

Roth IRA Phaseout Range

MFJ	186,000–196,000
Single, HOH	118,000–133,000
MFS	0–10,000

SIMPLE Deferral Limits

Under age 50	\$12,500
Age 50 and over	\$15,500

Qualified Retirement Plans

Profit sharing/SEP limits	25%/\$54,000
Defined benefit plan limits	\$215,000
Compensation limits	\$270,000

Education Tax Benefits Phaseouts

American Opportunity Credit/ Hope Credit

MFJ phaseout range	160,000–180,000
Single and HOH phaseout	80,000–90,000
Hope credit 100% of the first	\$2,000
A.O. credit 25% of the next	\$2,000

Lifetime Learning Credit

MFJ phaseout range	112,000–132,000
Single and HOH phaseout	56,000–66,000
Lifetime learning credit 20% of first	\$10,000

Student Loan Interest Deduction Phaseout Range

MFJ	135,000–165,000
Single and HOH	65,000–80,000
Maximum deduction is	\$2,500

U.S. Savings Bonds Exemption Phaseout Range

MFJ	117,250–147,250
Single and HOH	78,150–93,150

Education Savings Accounts Phaseout Range

MFJ	190,000–220,000
All others	95,000–110,000

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 70½.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.

This brochure contains general information for taxpayers and should not be relied upon as the only source of authority. Taxpayers should seek professional tax advice for more information.

Tax Facts and Figures



Tax Office

TAX OFFICE
123 TAX PREP LANE
TAX CITY, MN 55555



Tax Facts and Figures

2017 Federal Tax Rate Schedules

Single Taxable Income

\$ 0 to 9,325	× 10.0%	minus \$ 0.00	= Tax
9,326 to 37,950	× 15.0%	minus 466.25	= Tax
37,951 to 91,900	× 25.0%	minus 4,261.25	= Tax
91,901 to 191,650	× 28.0%	minus 7,018.25	= Tax
191,651 to 416,700	× 33.0%	minus 16,600.75	= Tax
416,701 to 418,400	× 35.0%	minus 24,934.75	= Tax
418,401 and over	× 39.6%	minus 44,181.15	= Tax

MFJ or QW Taxable Income

\$ 0 to 18,650	× 10.0%	minus \$ 0.00	= Tax
18,651 to 75,900	× 15.0%	minus 932.50	= Tax
75,901 to 153,100	× 25.0%	minus 8,522.50	= Tax
153,101 to 233,350	× 28.0%	minus 13,115.50	= Tax
233,351 to 416,700	× 33.0%	minus 24,783.00	= Tax
416,701 to 470,700	× 35.0%	minus 33,117.00	= Tax
470,701 and over	× 39.6%	minus 54,769.20	= Tax

MFS Taxable Income

\$ 0 to 9,325	× 10.0%	minus \$ 0.00	= Tax
9,326 to 37,950	× 15.0%	minus 466.25	= Tax
37,951 to 76,550	× 25.0%	minus 4,261.25	= Tax
76,551 to 116,675	× 28.0%	minus 6,557.75	= Tax
116,676 to 208,350	× 33.0%	minus 12,391.50	= Tax
208,351 to 235,350	× 35.0%	minus 16,558.50	= Tax
235,351 and over	× 39.6%	minus 27,384.60	= Tax

HOH Taxable Income

\$ 0 to 13,350	× 10.0%	minus \$ 0.00	= Tax
13,351 to 50,800	× 15.0%	minus 667.50	= Tax
50,801 to 131,200	× 25.0%	minus 5,747.50	= Tax
131,201 to 212,500	× 28.0%	minus 9,683.50	= Tax
212,501 to 416,700	× 33.0%	minus 20,308.50	= Tax
416,701 to 444,550	× 35.0%	minus 28,642.50	= Tax
444,551 and over	× 39.6%	minus 49,091.80	= Tax

2017 Personal Exemptions

The personal exemption per person is \$4,050

Personal exemptions phaseout with the following AGI amounts:

	AGI Beginning of Phaseout	AGI Completed Phaseout
MFJ and QW.....	\$313,800.....	\$436,300
HOH.....	\$287,650.....	\$410,150
Single.....	\$261,500.....	\$384,000
MFS.....	\$156,900.....	\$218,150

2017 Standard Deduction

The basic standard deduction for 2017 is:

Single or MFS.....	\$6,350
MFJ or QW.....	\$12,700
HOH.....	\$9,350

Age 65 and/or blind. The additional amounts for age 65 or older and/or blind, per person, per event in 2017 are:

MFJ, QW, or MFS.....	\$1,250
Single or HOH.....	\$1,550

Dependent. The standard deduction in 2017 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,050, or earned income plus \$350.

2017 Itemized Deduction Phaseout

Itemized deductions begin to phase out when modified AGI reaches:

MFJ, QW.....	\$313,800
HOH.....	\$287,650
Single.....	\$261,500
MFS.....	\$156,900

Social Security Highlights

Employee's portion of FICA	2017	2016	2015
Maximum earnings subject to Social Security tax (Medicare no limit)	\$127,200	\$118,500	\$118,500
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$7,886.40	\$7,347.00	\$7,347.00

* Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.

2017 Tax Rates: Capital Gain and Dividend Income

If income is...	Maximum %	If asset is held...
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain for taxpayers subject to the top tax rate of 39.6%	20%	More than 1 year
Long-term capital gain for taxpayers subject to a regular tax rate of 25% or higher, up to the rate below the top rate	15%	More than 1 year
Long-term capital gain for taxpayers subject to a regular tax rate of 10% or 15%	0%	More than 1 year
Qualified dividend income for taxpayers subject to the top tax rate of 39.6%	20%	More than 1 year
Qualified dividend income for taxpayers subject to a regular tax rate of 25% or higher, up to the rate below the top rate	15%	More than 60 days
Qualified dividend income for taxpayers subject to a regular tax rate of 10% or 15%	0%	More than 60 days
Ordinary dividend income	39.6%	60 days or less
Short-term capital gain	39.6%	1 year or less

Note: Add 3.8% to the above rates for the net investment income tax for income above \$250,000 MFJ, \$125,000 MFS, and \$200,000 all other filing statuses.