

IRAs & Qualified Plans

Contribution Limits

IRA or Roth IRA contribution limit	\$5,500
IRA or Roth IRA catch-up (age 50 or older)	\$1,000

Traditional IRA deduction phaseout

Participants in a retirement plan	
Single	\$62,000 - \$72,000
Married filing jointly	\$99,000 - \$119,000
Married filing separately	\$0 - \$10,000
Spousal IRA	\$186,000 - \$196,000

Roth IRA phaseout

Single	\$118,000 - \$133,000
Married filing jointly	\$186,000 - \$196,000

Qualified Plans

Elective deferrals to 401(k), 403(b), 457, and SARSEPs	\$18,000
Catch-up contribution (age 50 or older)	\$6,000
Defined contribution plan limit (Section 415(c)(1)(A))	\$54,000
Defined benefit plan limit (Section 415(b)(1)(A))	\$215,000

Simple IRA & SEP IRA

Simple IRA & SEP IRA

SIMPLE Plan contribution limit	\$12,500
Catch-up contribution (age 50 or older)	\$3,000
Maximum compensation limit for retirement plans	\$270,000
Key employee (top-heavy plans)	Above \$175,000
Highly compensated employee	\$120,000

Health Savings Account

Minimum Deductible Amount

Single	\$1,300
Family	\$2,600

Maximum Out-of-Pocket Amount

Single	\$6,550
Family	\$13,100

HSA Contribution Limit

Single	\$3,400
Family	\$6,750
Catch-up contribution (age 55 or older)	\$1,000

Education

Coverdell Education Savings Accounts

Contribution limit	\$2,000
Single phaseout	\$95,000 - \$110,000
Married filing jointly phaseout	\$190,000 - \$220,000

Lifetime Learning Credit – 20% of qualified expenses

Expense limit	\$10,000
Single phaseout begins at	\$56,000
Married filing jointly phaseout begins at	\$112,000

American Opportunity Tax Credit – up to \$2,500 of undergraduate expenses

Single phaseout	\$80,000 - \$90,000
Married filing jointly phaseout	\$160,000 - \$180,000

Capital Gains & Qualified Dividends

Long-term capital gains and qualified dividends: Tax Rate

If income tax bracket is 10% or 15%	0%
If income tax bracket is 25%, 28%, 33%, or 35%	15%
If income tax bracket is 39.6%	20%

(Short-term capital gains are taxed at income tax rates)

Medicare contribution tax on investment income	3.8%
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Tax is applied to the lower of net investment income or modified adjusted gross income (MAGI) over certain thresholds (\$250,000 joint filers/\$200,000 single filer).

Income Tax Rate Schedules

If Taxable Income is: Then the Gross Tax Payable is:

Over	But not over	Amount	Plus %	Of the amount over
Single Taxpayers				
\$0	\$9,325	----- 10% of taxable income -----		
\$9,325	\$37,950	\$932.50	15%	\$9,325
\$37,950	\$91,900	\$5,226.25	25%	\$37,950
\$91,900	\$191,650	\$18,713.75	28%	\$91,900
\$191,650	\$416,700	\$46,643.75	33%	\$191,650
\$416,700	\$418,400	\$120,910.25	35%	\$416,700
\$418,400	-	\$121,505.25	39.6%	\$418,400

Married Filing Jointly

\$0	\$18,650	----- 10% of taxable income -----		
\$18,650	\$75,900	\$1,865.00	15%	\$18,650
\$75,900	\$153,100	\$10,452.50	25%	\$75,300
\$153,100	\$233,350	\$29,752.50	28%	\$153,100
\$233,350	\$416,700	\$52,222.50	33%	\$233,350
\$416,700	\$470,700	\$112,728.00	35%	\$416,700
\$470,700	-	\$131,628.00	39.6%	\$470,700

The income tax brackets for Married Filing Separately are half of the amounts for Married Filing Jointly. The brackets for Heads of Households generally fall between the brackets for single and joint filers.

Trusts & Estates

\$0	\$2,550	----- 15% of taxable income -----		
\$2,550	\$6,000	\$382.50	25%	\$2,550
\$6,000	\$9,150	\$1,245.00	28%	\$6,000
\$9,150	\$12,500	\$2,127.00	33%	\$9,150
\$12,500	-	\$3,232.50	39.6%	\$12,500

Income Tax Exemptions, Deductions, and Credits

Personal Exemption \$4,050

Single	\$6,350
Married filing jointly	\$12,700
Head of household	\$9,350
Married filing separately	\$6,350
Kiddie tax limited deduction	\$1,050

Personal exemption and itemized deduction phaseouts

Single	\$261,500 - \$384,000
Head of Household	\$287,350 - \$410,150
Married filing jointly	\$313,800 - \$436,300

Elderly (over age 65) or blind additional deduction

Single	\$1,550
Married	\$1,250

Estate and Gift Tax

	2017
Individual estate tax exclusion (Federal) (Any unused amount can transfer to a surviving spouse)	\$5,490,000
Maximum estate tax rate	40%
Gift tax exclusion	\$5,490,000
Generation-skipping exclusion	\$5,490,000
Annual gift tax exclusion (per recipient)	\$14,000
Lump sum accelerated gift to a 529 plan (5-year rule)	\$70,000

States with an estate tax and/or inheritance tax: CT, DE, DC, HI, IL, IA, KY, ME, MD, MA, MN, NE, NJ, NY, OR, PA, RI, VT, and WA

Alternative Minimum Tax (AMT)

Status	Exemption	Phaseout
Single	\$54,300	\$120,700
Married filing jointly	\$84,500	\$160,900
Trusts and estates	\$24,100	\$80,450

Alternative Minimum Tax Rates

26% up to \$187,800 of AMT base
28% over \$187,800 of AMT base

Social Security

Social Security wage base	\$127,200
Social Security cost-of-living adjustment	0.3%
Quarter of coverage (earning for Social Security)	\$1,300
Maximum benefit (worker retiring at FRA)	\$2,687
Estimate average monthly benefit	\$1,360

Social Security benefits are reduced if someone receives benefits and continues to work. The benefit is reduced \$1 for every \$2 or \$3 earned above the earnings limit (see below). There is no reduction at FRA.

Social Security earnings limitation

Before FRA (\$1 deducted for every \$2 earned)	\$16,920
Persons reaching FRA* (\$1 for every \$3 earned)	\$44,880

*Applies only to earnings in months prior to FRA

Social Security tax rates

FICA tax rate – employee	7.65%
SECA tax rate – self-employed	15.30%

Social Security Full Retirement Age (FRA)

Year of Birth	FRA
1943 – 54	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

Social Security benefit amounts are impacted by the age someone begins receiving benefits. Starting benefits after FRA results in a permanent increased amount, while starting before FRA causes a reduced benefit. Spouses are eligible for a spousal benefit of up to 50% of the FRA benefit. The benefit is permanently reduced if spousal benefits are received early:

Age	% of FRA Benefit
	Personal / Spousal
62	75% / 35%
63	80% / 37.5%
64	86.7% / 41.7%
65	93.3% / 45.8%
66	100% / 50%
67	108% / 50%
68	116% / 50%
69	124% / 50%
70	132% / 50%

Important Dates & Deadlines

Contribution deadlines for Traditional IRAs, Roth IRAs, and SEP IRAs

2016 Contributions	April 18, 2017
2017 Contributions	April 16, 2018
2017 Roth IRA Conversions	December 31, 2017

Required Minimum Distributions (RMDs)

Age of IRA holder:	First RMD Deadline*:
Turn 70 in first half of 2016 (before July 1)	April 1, 2017
Turn 70 in second half of 2016 (on or after July 1)	April 1, 2018
Turn 70 in first half of 2017	April 1, 2018
Turn 70 in second half of 2017	April 1, 2019

*Subsequent RMDs must be taken by December 31 of each year.

By waiting until April of the year after turning 70 ½ to take the first RMD, it is important to note that an IRA owner must then take two distributions before December 31 of that year (i.e. your prior year's RMD and the current year's RMD).

2016 Tax Form Mailing Deadlines for Custodians

Form 1099-R (Retirement Account Distributions)	January 31, 2017
Consolidated Form 1099s (Taxable Accounts)	February 15, 2017*

*Extended deadline for accounts with securities pending final tax information (REITs, WHFITs, CMOs)

Form 5498 (IRA & Retirement Account Contributions)	May 31, 2017
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2017 Estimated Tax Payments

For the period	Due date
January 1 – March 31	April 18, 2017
April 1 – May 31	June 15, 2017
June 1 – August 31	September 15, 2017
September 1 – December 31	January 15, 2018

Qualified Charitable Distributions (QCDs)

IRA holders over 70 ½ years old can make tax-free distributions directly from a Traditional IRA to eligible charitable organizations of their choosing. Donations are limited to a maximum of \$100,000 per year, per IRA holder and count towards fulfilling annual Required Minimum Distributions (RMDs).

Social Security Reminder

The Bipartisan Budget Act of 2015 included a provision that eliminated the file and suspend strategy. Giving someone the ability to file for Social Security benefits at Full Retirement Age (FRA), thereby allowing their spouse to file for spousal benefits, and then immediately suspend their own benefits (to earn delayed retirement credits). The new provision states that if an individual suspends benefits, neither they nor their spouse can receive benefits during that period.

Also eliminated was the ability to file for spousal benefits and then switch to a higher personal benefit at a later date (after earning delayed retirement credits). Under the new provision, anyone filing for a spousal benefit or their own retirement benefit is deemed to have filed for both and therefore cannot receive increased credits. Anyone reaching age 62 before the end of 2015 can continue to use this strategy (by filing a restricted application for spousal benefits).

Tax Changes on the Horizon?

President-Elect Donald Trump and the Republican Party have expressed a desire to enact tax reform, with an emphasis on lowering taxes, simplifying the tax code, and eliminating certain taxes. We will be following the potential for new tax legislation closely, summarizing new policy when it is enacted, and make adjusted to this reference guide when applicable.