



Tax Facts and Figures

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.

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

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Business Expenses

2017 Standard Mileage Rate Per Mile		2017 Standard Deduction for Meals—High Low Method (Per Day)	
Business	53.5¢	High cost localities	\$68
Medical and moving	17.0¢	All other localities	\$57
Charitable	14.0¢	Transportation workers	\$63
Depreciation	25.0¢		
Section 179 Expense Limits		Qualified Transportation Benefits	
Regular 179 limits	\$510,000	Commuter benefits	
SUV limits	\$25,000	(per month)	\$255
Investment phaseout begins	\$2,030,000	Parking benefits (per month)	\$255

2017 Retirement Plan Limits

401(k)/403(b) Deferral Limits		Roth IRA Phaseout Range	
Under age 50	\$18,000	MFJ	186,000–196,000
Age 50 and over	\$24,000	Single, HOH	118,000–133,000
		MFS	0–10,000
IRA Contribution Limits		SIMPLE Deferral Limits	
Under age 50	\$5,500	Under age 50	\$12,500
Age 50 and over	\$6,500	Age 50 and over	\$15,500
IRA Deduction Phaseout Range for Active Participation in Employer Plan		Qualified Retirement Plans	
MFJ	99,000–119,000	Profit sharing/SEP limits	25%/\$54,000
Single, HOH	62,000–72,000	Defined benefit plan limits	\$215,000
MFS	0–10,000	Compensation limits	\$270,000
Spouse not active participant	186,000–196,000		

Education Tax Benefits Phaseouts

American Opportunity Credit/ Hope Credit		Student Loan Interest Deduction Phaseout Range	
MFJ phaseout range	160,000–180,000	MFJ	135,000–165,000
Single and HOH phaseout	80,000–90,000	Single and HOH	65,000–80,000
Hope credit 100% of the first	\$2,000	Maximum deduction is	\$2,500
A.O. credit 25% of the next	\$2,000		
Lifetime Learning Credit		U.S. Savings Bonds Exemption Phaseout Range	
MFJ phaseout range	112,000–132,000	MFJ	117,250–147,250
Single and HOH phaseout	56,000–66,000	Single and HOH	78,150–93,150
Lifetime learning credit 20% of first	\$10,000	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.