

**Federal income tax rates**

Taxable income between:

Single <sup>1</sup>	
\$0-\$9,325	10%
\$9,325-\$37,950	15%
\$37,950-\$91,900	25%
\$91,900-\$191,650	28%
\$191,650-\$416,700	33%
\$416,700-\$418,400	35%
Over \$418,400	39.6%
Married, filing jointly <sup>1</sup>	
\$0-\$18,650	10%
\$18,650-\$75,900	15%
\$75,900-\$153,100	25%
\$153,100-\$233,350	28%
\$233,350-\$416,700	33%
\$416,700-\$470,700	35%
Over \$470,700	39.6%
Head of household (HOH) <sup>1</sup>	
\$0-\$13,350	10%
\$13,350-\$50,800	15%
\$50,800-\$131,200	25%
\$131,200-\$212,500	28%
\$212,500-\$416,700	33%
\$416,700-\$444,550	35%
Over \$444,550	39.6%
Married, filing separately <sup>1</sup>	
\$0-\$9,325	10%
\$9,325-\$37,950	15%
\$37,950-\$76,550	25%
\$76,550-\$116,675	28%
\$116,675-\$208,350	33%
\$208,350-\$235,350	35%
Over \$235,350	39.6%
Estates and trusts <sup>1</sup>	
\$0-\$2,550	15%
\$2,550-\$6,000	25%
\$6,000-\$9,150	28%
\$9,150-\$12,500	33%
Over \$12,500	39.6%
Standard deduction <sup>1</sup>	
Single	\$6,350
Married, filing jointly	\$12,700
Head of household	\$9,350
Married, filing separately	\$6,350

Additional standard deduction for taxpayers who are age 65 or older, or who are blind: \$1,250 for married taxpayers, \$1,550 for unmarried and not a surviving spouse.

Personal exemption <sup>1</sup>		\$4,050	
Personal exemption phase-out	AGI – beginning of phase-out	AGI – completed phase-out	
Single	\$261,500	\$384,000	
Married, filing jointly	\$313,800	\$436,300	
Head of household	\$287,650	\$410,150	
Married, filing separately	\$156,900	\$218,150	
Kiddie tax exemption <sup>1</sup>		\$2,100	
A “kiddie” is up to age 18, or ages 19-23 if full-time student, provided child’s earned income does not exceed ½ of his/her support. <sup>16</sup>			
Rates for long-term capital gains and qualified dividends <sup>2</sup>		3.8% Medicare surtax thresholds <sup>3</sup>	
10% and 15% brackets	0%	Single or HOH	\$200,000
Above 15% bracket - below 39.6%	15%	Married, filing jointly	\$250,000
39.6% bracket	20%	Married, filing separately	\$125,000
Capital gains on collectibles	28%	Estates and trusts	\$12,500
The tax is assessed on the lesser of the amount of income over the threshold or the amount of net investment income.			
IRA <sup>4</sup>			
IRA contribution (under age 50)		\$5,500	
IRA contribution (50 and older) <sup>15</sup>		\$6,500	
IRA deduction phase-out (qualified plan participant)			
Single or HOH		\$62,000-\$72,000	
Married, filing jointly		\$99,000-\$119,000	
Married, filing separately		\$0-\$10,000	
Spousal IRA deduction phase-out		\$186,000-\$196,000	
Phase-out of Roth IRA contribution eligibility <sup>4</sup>			
Single		\$118,000-\$133,000	
Married, filing jointly		\$186,000-\$196,000	
Married, filing separately		\$0-\$10,000	
SEP <sup>4,11</sup>		Individual 401(k) <sup>4</sup>	
SEP contribution	up to 25% of compensation (limit \$54,000)	Employer contribution	up to 25% of compensation
Minimum compensation for SEP participant	\$600	Employee salary deferral (under 50)	\$18,000
SIMPLE <sup>4</sup>		Employee salary deferral (50 and older)	\$24,000
SIMPLE elective deferral (under age 50)	\$12,500	Total employer and employee additions <sup>12</sup>	\$54,000 (\$60,000 age 50 and older)
SIMPLE elective deferral (50 and older)	\$15,500		
Other retirement plans <sup>4</sup>			
401(k), 403(b), <sup>5</sup> governmental 457(b), <sup>6</sup> and SARSEP elective deferral (under age 50)		\$18,000	
401(k), 403(b), <sup>5</sup> governmental 457(b), <sup>6</sup> and SARSEP elective deferral (age 50 and older)		\$24,000	
Limit on additions to defined contribution plans <sup>12</sup>		\$54,000	
Annual benefit limit on defined benefit plans		\$215,000	
Highly compensated employee makes		\$120,000	
Maximum compensation taken into account for qualified plans		\$270,000	

<sup>1</sup> Rev. Proc. 2016-55.

<sup>3</sup> IRC Sec. 1411.

<sup>5</sup> Additional catch-up contributions may be available for 403(b) participants with 15 or more years of service. Treas. Reg. 1.403(b).4(c)(3)

<sup>2</sup> IRC Sec. 1(h)(1).

<sup>4</sup> IR Notice 2016-62.

**Federal gift and estate tax<sup>1</sup>**

Gift tax annual exclusion	\$14,000
Annual exclusion for gift to noncitizen spouse	\$149,000
Highest estate and gift tax rate <sup>14</sup>	40%
Unified estate and gift tax credit amount	\$5,490,000
Generation-skipping transfer tax exclusion	\$5,490,000
Unused credit can pass to the surviving spouse if decedent spouse elects on Form 706.	

**Social Security**

Maximum earnings (during working years) subject to payroll tax <sup>7</sup>	\$127,200
Social Security payroll tax <sup>7</sup>	Employees pay 7.65%
	Self-employed pay 15.30%

Additional 0.9% high-income payroll tax for wages in excess of <sup>10</sup>	
Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000
Income <sup>8</sup> (in retirement) causing Social Security benefits to be taxable <sup>9</sup>	
Single or HOH	
Up to 50% taxable	\$25,000 MAGI
Up to 85% taxable	\$34,000 MAGI
Married, filing jointly	
Up to 50% taxable	\$32,000 MAGI
Up to 85% taxable	\$44,000 MAGI

Maximum earnings (from a job) between age 62 and normal Social Security retirement age before Social Security benefits are reduced \$1 for every additional \$2 earned: \$16,920. For individuals who reach FRA in 2017, \$1 for every additional \$3 earned: \$44,880 up until first of month of birthday. Thereafter unlimited.<sup>7</sup>

**LTC<sup>1</sup>**

Maximum premium amount allowed as a medical expense (deductible to extent all medical expenses exceed 10% AGI)

Age 40 or less	\$410
More than age 40 but not more than 50	\$770
More than age 50 but not more than 60	\$1,530
More than age 60 but not more than 70	\$4,090
More than age 70	\$5,110

**Education**

Student loan interest deduction <sup>1</sup>	\$2,500
Phase-out: <sup>1</sup> Single	\$65,000-\$80,000
Married, filing jointly	\$135,000-\$165,000
Hope Scholarship Credit (American Opportunity tax credit) <sup>13</sup>	100% up to \$2,000 qualified expenses, then 25% on next \$2,000, maximum \$2,500
Phase-out: <sup>13</sup> Single	\$80,000-\$90,000
Married, filing jointly	\$160,000-\$180,000
Lifetime learning credit <sup>13</sup>	20% of qualified expenses up to \$10,000
Phase-out: <sup>13</sup> Single or HOH	\$56,000-\$66,000
Married, filing jointly	\$112,000-\$132,000

<sup>6</sup> In last 3 years pre-retirement, governmental 457(b) participants may be able to increase elective deferral if needed to catch up on missed contributions. IRC Sec. 457(b)(3)

<sup>9</sup> IRC Sec. 86.

<sup>15</sup> IRC Sec. 219(b)(5)(B)

<sup>7</sup> “2017 Social Security Changes,” Fact Sheet, Social Security Administration.

<sup>10</sup> IRC Sec. 3101(b)(2).

<sup>16</sup> IRC 1(g), 152(c)(3)

<sup>11</sup> IRC Sec. 402 (h)(2).

Unless otherwise noted, the source of data in the document is the Internal Revenue Code. Information is accurate at time of printing, January 2017.

<sup>12</sup> IRC Sec. 415(c)(1)

Lesser of 10% of compensation or dollar amount.

<sup>8</sup> Most income, including municipal bond interest, but only ½ of Social Security benefits. IRC Sec. 86.

<sup>13</sup> IRC Sec. 25A (c),(i).

<sup>14</sup> IRC Sec. 2001(c)



# 2017 Tax Summary

The required minimum distribution (RMD) for any year is calculated as the December 31 value of the prior year (plus the actuarial present value of any additional benefit provided within the annuity contract) divided by the RMD factor from the appropriate table.<sup>2</sup>

## Uniform Lifetime Table<sup>3</sup>

### For use by:

- Unmarried IRA owners
  - Married IRA owners whose spouses are not more than 10 years younger
  - Married IRA owners whose spouses are not the sole beneficiaries of their IRAs
- (For married IRA owners whose spouses are more than 10 years younger, use Joint Life Table from Treas. Reg. 1.401(a)(9) – 9, Q&A 3)

## Single Life Expectancy Table<sup>4</sup>

### Spouse beneficiary

**IRA owner dies after Required Beginning Date (RBD):** Beginning in the year following the year of the IRA owner's death, recalculate spouse beneficiary's single life expectancy each year while spouse beneficiary survives, using spouse beneficiary's age on birthday in that calendar year. If RMD would be less, spouse beneficiary can use IRA owner's term certain life expectancy. For that, use IRA owner's age attained on the birthday in the calendar year of IRA owner's death. Reduced by one for each passing year. (Note: Spouse beneficiary could instead roll over at IRA owner's death). **Death before RBD:** Same options as above, minus using IRA owner's term certain life expectancy, plus spouse beneficiary can delay until IRA owner would have turned age 70½, or spouse can defer all distributions as long as all funds are distributed in five years.

### Nonspouse beneficiary

**Death after RBD:** Beneficiary can use beneficiary's own term certain life expectancy. For that, use the beneficiary's age attained on the birthday in the calendar year after the calendar year of IRA owner's death. Reduce by one for each passing year. If RMD would be less, beneficiary can use IRA owner's term certain life expectancy. For that, use IRA owner's attained age in the calendar year of IRA owner's death. Reduce by one for each passing year.

**Death before RBD:** Same options as above, minus using IRA owner's term certain life expectancy, or beneficiary can defer all distributions as long as all funds are distributed in five years.

### No designated beneficiary

**Death after RBD:** Inheritor can use over IRA owner's term certain life expectancy. For that, use IRA owner's age attained on the birthday in the calendar year of owner's death. Reduce by one for each passing year. **Death before RBD:** Distribute all within five years.

<sup>1</sup>Treas Reg 1.401(a)(9) – 9.

<sup>2</sup>Treas. Reg. 1.401(a)(9) – 6, Q&A 12, 1.401(a)(g) – 5

<sup>3</sup>Treas. Reg. 1.401(a)(9) – 5, Q&A 4

<sup>4</sup>Treas. Reg. 1.401(a)(9) – 5, Q&A 5

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## Uniform Lifetime Table<sup>1</sup> (for RMD purposes)

Age	Distribution period
70	27.4
71	26.5
72	25.6
73	24.7
74	23.8
75	22.9
76	22.0
77	21.2
78	20.3
79	19.5
80	18.7
81	17.9
82	17.1
83	16.3
84	15.5
85	14.8
86	14.1
87	13.4
88	12.7
89	12.0
90	11.4
91	10.8
92	10.2
93	9.6
94	9.1
95	8.6
96	8.1
97	7.6
98	7.1
99	6.7
100	6.3
101	5.9
102	5.5
103	5.2
104	4.9
105	4.5
106	4.2
107	3.9
108	3.7
109	3.4
110	3.1
111	2.9
112	2.6
113	2.4
114	2.1
115+	1.9

## Single Life Expectancy Table<sup>1</sup>

Age	Life expectancy	Age	Life expectancy
0	82.4	56	28.7
1	81.6	57	27.9
2	80.6	58	27.0
3	79.7	59	26.1
4	78.7	60	25.2
5	77.7	61	24.4
6	76.7	62	23.5
7	75.8	63	22.7
8	74.8	64	21.8
9	73.8	65	21.0
10	72.8	66	20.2
11	71.8	67	19.4
12	70.8	68	18.6
13	69.9	69	17.8
14	68.9	70	17.0
15	67.9	71	16.3
16	66.9	72	15.5
17	66.0	73	14.8
18	65.0	74	14.1
19	64.0	75	13.4
20	63.0	76	12.7
21	62.1	77	12.1
22	61.1	78	11.4
23	60.1	79	10.8
24	59.1	80	10.2
25	58.2	81	9.7
26	57.2	82	9.1
27	56.2	83	8.6
28	55.3	84	8.1
29	54.3	85	7.6
30	53.3	86	7.1
31	52.4	87	6.7
32	51.4	88	6.3
33	50.4	89	5.9
34	49.4	90	5.5
35	48.5	91	5.2
36	47.5	92	4.9
37	46.5	93	4.6
38	45.6	94	4.3
39	44.6	95	4.1
40	43.6	96	3.8
41	42.7	97	3.6
42	41.7	98	3.4
43	40.7	99	3.1
44	39.8	100	2.9
45	38.8	101	2.7
46	37.9	102	2.5
47	37.0	103	2.3
48	36.0	104	2.1
49	35.1	105	1.9
50	34.2	106	1.7
51	33.3	107	1.5
52	32.3	108	1.4
53	31.4	109	1.2
54	30.5	110	1.1
55	29.6	111+	1.0