

Tax Facts and Figures

Sound Tax Service 717 Katlian St 747-6045



2017 Fed	era	l Tax Ra	ate	Sched	ules				
Single Tax	cable	e 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	an	d over	×	39.6%	minus	44,	181.15	=	Tax
MFJ or QV	V Ta	xable Inc	ome						
\$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	an	d over	×	39.6%	minus	54,	769.20	=	Tax
MFS Taxa	ble l	ncome							
\$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	an	d over	×	39.6%	minus	27,	384.60	=	Tax
HOH Taxa	ble l	ncome							
\$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	an	d 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:

r ersonar exemptio	ins phaseour with the followin	iy Adi allounts.	
	AGI Beginning		
	of Phaseout	Phaseout	
MFJ and QW	\$313,800	\$436,300	
НОН	\$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 MFJ or QW HOH	\$12,700
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Age 65 and/or blind. The additional amounts for age 6	5 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 claimed as a dependent by another taxpayer cannot exc	

2017 Itemized Deduction Phaseout

\$1,050, or earned income plus \$350.

Itemized deductions begin to phase out when modified AGI reache	es:
MFJ, QW\$31	3,800
HOH\$28	7,650
Single\$26	1,500
MFS\$15	3,900



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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 %	lf 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 Med	icare Tax on Wa	ges Income Thre	shold 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)

Threshold Amount\$200,000\$250,000\$125	ng Status	S, HOH	MFJ, QW.	MFS
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Business Expenses

2017 Standard Mileage Rate Per Mile	2017 Standard Deduction for Meals—
Business53.5¢	High Low Method (Per Day)
Medical and moving17.0¢	High cost localities\$68
Charitable14.0¢	All other localities\$57
Depreciation25.0¢	Transportation workers\$63
Section 179 Expense Limits	Qualified Transportation Benefits
Regular 179 limits\$510,000	Commuter benefits
SUV limits\$25,000	(per month)\$255
Investment phaseout	Parking benefits (per month)\$255
begins\$2,030,000	

2017 Retirement Plan Limits

401(k)/403(b) Deferral Limits	Roth IRA Phaseout Range
Under age 50\$18,000	MFJ186,000–196,000
Age 50 and over\$24,000	Single, HOH 118,000–133,000
IRA Contribution Limits	MFS0–10,000
Under age 50 \$5,500	SIMPLE Deferral Limits
Age 50 and over \$6,500	Under age 50\$12,500
IRA Deduction Phaseout Range for	Age 50 and over\$15,500
Active Participation in Employer Plan	Qualified Retirement Plans
MFJ	Profit sharing/SEP
Single, HOH62,000–72,000	limits 25%/\$54,000
MFS 0–10,000	Defined benefit plan
Spouse not active	limits\$215,000
participant 186,000–196,000	Compensation limits\$270,000

Education Tax Benefits Phaseouts

American Opportunity Credit/ Hope Credit	Student Loan Interest Deduction Phaseout Range
MFJ phaseout range	MFJ
phaseout	U.S. Savings Bonds Exemption Phaseout Range MFJ117,250–147,250
Lifetime Learning Credit MFJ phaseout range 112,000–132,000 Single and HOH phaseout	Single and HOH78,150–93,150 Education Savings Accounts Phaseout Range
Lifetime learning credit 20% of first\$10,000	MFJ

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.