

2016 Tax Facts At-A-Glance

Income Taxes

2015				2016			
If taxable income is:				If taxable income is:			
Over	But Not Over	The Tax Is	Of the Amount Over	Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:				Married Filing Jointly:			
\$0	\$18,450	\$0+10%	\$0	\$0	\$18,550	\$0+10%	\$0
18,450	74,900	1,845 + 15%	18,450	18,550	75,300	1,855 + 15%	18,550
74,900	151,200	10,312.50 + 25%	74,900	75,300	151,900	10,367.50 + 25%	75,300
151,200	230,450	29,387.50 + 28%	151,200	151,900	231,450	29,517.50 + 28%	151,900
230,450	411,500	51,577.50 + 33%	230,450	231,450	413,350	51,791.50 + 33%	231,450
411,500	464,850	111,324 + 35%	411,500	413,350	466,950	111,818.50 + 35%	413,350
464,850		129,996.50 + 39.6%	464,850	466,950		130,578.50 + 39.6%	466,950
Single:				Single:			
\$0	\$9,225	\$0 + 10%	\$0	\$0	\$9,275	\$0+10%	\$0
9,225	37,450	922.50 + 15%	9,225	9,275	37,650	927.50 + 15%	9,275
37,450	90,750	5,156.25 + 25%	37,450	37,650	91,150	5,183.75 + 25%	37,650
90,750	189,300	18,481.25 + 28%	90,750	91,150	190,150	18,558.75 + 28%	91,150
189,300	411,500	46,075.25 + 33%	189,300	190,150	413,350	46,278.75 + 33%	190,150
411,500	413,200	119,401.25 + 35%	411,500	413,350	415,050	119,934.75 + 35%	413,350
413,200		119,996.25 + 39.6%	413,200	415,050		120,529.75 + 39.6%	415,050
Standard Deductions		2015	2016	Education Incentives		2015	2016
Married Filing Jointly		\$12,600	\$12,600	American Opportunity Tax Credit		\$2,500	\$2,500
Head of Household		9,250	9,300	Phase-outs for American Opportunity Tax Credit:			
Single		6,300	6,300	Married Filing Jointly		\$160,000-180,000	\$160,000-180,000
Additional (Age 65 or older or blind):				Single		80,000-90,000	80,000-90,000
Married		1,250	1,250	Phase-outs for exclusion of U.S. savings bond income:			
Unmarried & not surviving spouse		1,550	1,550	Married Filing Jointly		\$115,750 or above	\$116,300 or above
AGI itemized deduction phase-out:				Single		77,200 or above	77,550 or above
Single		\$258,250 or over	\$259,400 or over	Phase-outs for Coverdell Education Savings Accounts:			
Head of Household		284,050 or over	285,350 or over	<i>Maximum contributions of \$2,000 phase-out range</i>			
Married Filing Jointly		309,900 or over	311,300 or over	Married Filing Jointly		\$190,000-220,000	\$190,000-220,000
Married Filing Separately		154,950 or over	155,650 or over	Single		95,000-110,000	95,000-110,000
Personal Exemptions		2015	2016	Net Investment Income Tax		2015 & 2016	
Personal exemption		\$4,000	\$4,050	3.8%		Over threshold amount of:	
Phase-out range:				Married Filing Jointly		\$250,000	
Single		\$258,250-380,750	\$259,400-381,900	Married Filing Separately		125,000	
Head of Household		284,050-406,550	285,350-407,850	Single		200,000	
Married Filing Jointly		309,900-432,400	311,300-433,800	Capital Gains Tax & Qualified Dividends 2015 & 2016			
Married Filing Separately		154,950-216,200	155,650-216,900	Rates on dividends and gains for assets held at least 12 months:			
Kiddie Tax		2015	2016	15% income tax bracket or below		0%	
(under age 18 with unearned income)				25% income tax bracket through 35% tax bracket		15%	
First (No Tax)		\$1,050	\$1,050	39.6% income tax bracket or above		20%	
Next (Child's Rate)		1,050	1,050	An additional 3.8% Medicare tax may apply over certain income thresholds.			
Amounts Over (Parents' Rate)		2,100	2,100	Corporations (for all tax years since 1993)			
Depreciation Expense		2015	2016	If taxable income is:			
Election to expense asset under section 179		\$25,000	\$25,000*	Over	But Not Over	The Tax Is	Of the Amount Over
Bonus depreciation		Not available	Not available*	\$0	\$50,000	\$0 + 15%	\$0
Mileage Rates (per mile)		2015	2016	50,000	75,000	7,500 + 25%	50,000
Business		\$0.575	\$0.575	75,000	100,000	13,750 + 34%	75,000
Charity		0.14	0.14	100,000	335,000	22,250 + 39%	100,000
Medical		0.23	0.23	335,000	10,000,000	113,900 + 34%	335,000
AMT Exemptions		2015	2016	10,000,000	15,000,000	3,400,000 + 35%	10,000,000
Single		\$53,600	\$53,900	15,000,000	18,333,333	5,150,000 + 38%	15,000,000
Married Filing Jointly		83,400	83,800	18,333,333	and over	6,416,667 + 35%	18,333,333

*Proposed legislation as of this date would increase \$179 to \$500,000 and bonus depreciation 50%

2016 Tax Facts At-A-Glance

Estate & Gift Taxes

Scheduled Gift & Estate Tax Changes

Year	Gift Tax Top Rate	Top Estate Tax Rate	Estate Tax Exemption
2006	46%	46%	2,000,000
2007	45%	45%	2,000,000
2008	45%	45%	2,000,000
2009	45%	45%	3,500,000
2010	35%	0%	0
2011	35%	35%	5,000,000
2012	35%	35%	5,120,000
2013	40%	40%	5,250,000
2014	40%	40%	5,340,000
2015	40%	40%	5,430,000
2016	40%	40%	5,450,000

Gift Tax	2015	2016
Annual Gift Tax Exclusion	\$14,000	\$14,000
Gift Tax Exemption	\$5,430,000	\$5,450,000
Generation Skipping Transfer Tax Exemption	\$5,430,000	\$5,450,000

Qualified Plans

	2015	2016
IRA maximum contribution limit	\$5,500	\$5,500
IRA age 50+ catch-up contribution	1,000	1,000
SEP plan participant maximum percentage of compensation	25%	25%
SEP plan participant maximum dollar allocation limit	53,000	53,000
SEP minimum compensation amount	600	600
Simple IRA employee contribution		
SIMPLE IRA catch-up - age 50 or older	3,000	3,000
Maximum elective deferral to SIMPLE plan	12,500	12,500
403(b) TSA elective employee deferral		
403(b) TSA catch-up - age 50 or older	6,000	6,000
403(b) TSA catch-up - 15 or more years of service with current employer	3,000	3,000
Defined contribution maximum employer percentage deduction limit (of eligible payroll)	25%	25%
Defined contribution plan annual addition limit	53,000	53,000
Maximum elective deferral to retirement plans [e.g., 401(k), 403(b) & 457]	18,000	18,000
401(k) age 50+ catch-up contribution	6,000	6,000
Annual includable compensation limit	265,000	265,000
Highly compensated employee compensation limit	120,000	120,000
Annual retirement benefit limit under defined benefit plan (not to exceed 100% of compensation)	210,000	210,000

IRAs

Phase-out range for deductible contributions to traditional IRAs

Married Filing Jointly:

Both spouses as participants in qualified plan

\$ 98,000 - 118,000

\$ 98,000 - 118,000

One spouse as participant in qualified plan

183,000 - 193,000

184,000 - 194,000

Single/Head of Household

61,000 - 71,000

61,000 - 71,000

Phase-out range for contributions to Roth IRAs

Married Filing Jointly

\$ 183,000 - 193,000

\$ 184,000 - 194,000

Single/Head of Household

116,000 - 131,000

117,000 - 132,000

Social Security

	2015	2016
Full retirement age	67 (1960 or later)	67 (1960 or later)
Portion of benefit paid at age 62	70%	70%
Maximum earnings before Social Security benefits are reduced		
Before full retirement age (lose \$1 for every \$2 of earnings)	\$15,720	\$15,720
Year of full retirement age	\$41,880	\$41,880
After full retirement	No limit	No limit
Maximum compensation subject to FICA taxes		
OASDI (Social Security) max	\$118,500	\$118,500
HI (Medicare) max	No limit	No limit
2016 OASDI tax rate	12.4%	self-employed
	6.2%	employees
2016 HI tax rate	2.9%*	self-employed
	1.45%*	employees

*Higher Medicare rate is effective for single with income over \$200,000 & married with income over \$250,000

2016 Required Minimum Distributions must be taken by age 70 1/2

2016 Required Minimum Distribution Table

Age	Factor	Age	Factor	Age	Factor
70	27.4	81	17.9	92	10.2
71	26.5	82	17.1	93	9.6
72	25.6	83	16.3	94	9.1
73	24.7	84	15.5	95	8.6
74	23.8	85	14.8	96	8.1
75	22.9	86	14.1	97	7.6
76	22.0	87	13.4	98	7.1
77	21.2	88	12.7	99	6.7
78	20.3	89	12.0	100	6.3
79	19.5	90	11.4	101	5.9
80	18.7	91	10.8	102	5.5



DOWNEY & COMPANY, LLP

222 Forbes Road, Braintree, MA 02184

800-849-6022

www.DowneyCoCPA.com

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This information has been obtained from publicly available sources and is believed to be accurate as of December 2015.