

## NUMBERS UNLIMITED - 2016

2016 Federal Income Tax Rates - on Taxable Income (Parenthesis after bracket indicates base tax amount plus percentage on amount over lower limit for that bracket)							
Marginal Rate	Single (S)	Married Filing Jointly (MFJ)	Head of Household (HoH)	Married Filing Separately (MFS)	Estates and Trusts	Long Term Capital Gains **	Qualified Dividends**
10%	\$0 - \$9,275	\$0 - \$18,550	\$0 - \$13,250	\$0 - \$9,275	n/a	0%	0%
15%	\$9,275 - \$37,650 (\$927.5 + 15%)	\$18,550 - \$75,300 (\$1,855 + 15%)	\$13,250 - \$50,400 (\$1,325 + 15%)	\$9,275 - \$37,650 (\$927.50 + 15%)	\$0-2,550 (\$0 + 15%)	0%	0%
25%	\$37,650 - \$91,150 (\$5,183.75 + 25%)	\$75,300 - \$151,900 (\$10,367.50 + 25%)	\$50,400 - \$130,150 (\$6,897.50 + 25%)	\$37,650 - \$75,950 (\$5,183.75 + 25%)	\$2,550-\$5,950 (\$382.50 + 25%)	15%	15%
28%	\$91,150 - \$190,150 (\$18,558.75 + 28%)	\$151,900 - \$231,450 (\$29,517.50 + 28%)	\$130,150 - \$210,800 (\$26,835 + 28%)	\$75,950 - \$115,725 (\$14,758.75 + 28%)	\$5,950-\$9,050 (\$1,232.50 + 28%)	15%	15%
33%	\$190,150 - \$413,350 (\$46,278.75 + 33%)	\$231,450 - \$413,350 (\$51,791.50 + 33%)	\$210,800 - \$413,350 (\$49,417 + 33%)	\$115,725 - \$206,675 (\$25,895.75 + 33%)	\$9,050-\$12,400 (\$2,100.50 + 33%)	15%*	15%*
35%	\$413,350 - \$415,050 (\$119,934.75 + 35%)	\$413,350 - \$466,950 (\$111,818.50 + 35%)	\$413,350 - \$441,000 (\$116,258.50 + 35%)	\$206,675 - \$233,475 (\$55,909.25 + 35%)	n/a	15%*	15%*
39.6%	\$415,050 and up (\$120,529.75 + 39.6%)	\$466,950 and up (\$130,578.50 + 39.6%)	\$441,000 and up (\$125,936 + 39.6%)	\$233,475 and up (\$65,289.25 + 39.6%)	\$12,400 and up (\$3,206 + 39.6%)	20%*	20%*

\* 3.8% Medicare tax on investment income will also be imposed for single taxpayers with MAGI above \$200,000 and married filing jointly with MAGI >\$250,000 (MFS >\$125,000).

\*\* Short term capital gains (investments held less than one year) and non-qualified dividends are taxed at your marginal income tax rate.

Standard Deductions & Exemptions	Single	Married Filing Jointly	Head of Household	Married Filing Separately	Estates & Trusts
Personal/Dependent Exemption (pp)	\$4,050	\$4,050	\$4,050	\$4,050	
Exemption Phase Out (AGI)	\$259,400 - \$381,900	\$311,300 - \$433,800	\$285,350 - \$407,850	\$155,650 - \$216,900	
Standard Deduction <sup>1,2</sup>	\$6,300	\$12,600	\$9,300	\$6,300	
Itemized Deduction Phase Out <sup>3</sup>	\$259,400	\$311,300	\$259,400	\$155,650	
AMT Exemption Amount	\$53,900	\$83,800	\$53,900	\$41,900	\$23,900
AMT 26% tax rate	<\$186,300	<\$186,300	<\$186,300	<\$93,150	
AMT 28% tax rate	>\$186,300	>\$186,300	>\$186,300	>\$93,150	
"Kiddie Tax" Rule	first \$1,050 offset, next \$1,050 taxed at child's tax rate, any unearned income over \$2,100 is taxed at parent's marginal rate				
Child Tax Credit	\$1,000 credit per child, reduced \$50 per \$1,000 of MAGI over \$110,000 (MFJ) or \$75,000 (Single/HoH)				

<sup>1</sup> For blind or filers over age 65, there is an additional deduction of \$1,250 (per person) if married, or \$1,550 if Single/HoH

<sup>2</sup> Dependents may deduct the greater of \$1,050 or the dependents earned income plus \$350, not to exceed the standard deduction for their filing status.

<sup>3</sup> Any deduction over the phase out limit is reduced by 3% of AGI over phaseout, but you cannot lose more than 80% of the affected itemized deduction.

Deductions subject to phase-out include Mortgage Interest, State Property Taxes, Employee Job Expenses and Charitable Contributions, among others.

Retirement Plans (Annual Maximums Unless Otherwise Noted)	Defined Contribution Plans - Max. Employer Deductible Contributions*
Elective deferrals 401(k), 403(b), 457, and SARSEPs	SEP IRA
Catch-up contribution (age 50+)	Lesser of 25% of compensation or \$53,000
	SIMPLE IRA
	Either 3% match or 2% non-elective contribution
	Profit Sharing/
	Lesser of 25% of compensation or \$53,000
Defined Contribution - Annual Contribution Limit	Money Purchase
Defined Benefit - Annual Benefit Limit	401(k)
	25% of compensation; combined employer & employee max of \$53,000 (not including catch-ups)
SIMPLE Plan	403(b)
SIMPLE catch-up contribution (age 50+)	100% of compensation; combined employer & employee max of \$53,000 (not including catch-ups)
	Gov. 457(b)
	\$18,000 max, including employee salary deferral
Maximum Includible Compensation for Contributions	* Maximum compensation amount for qualified plans & SEP IRAs: \$265,000
Highly Compensated Employee threshold (gross comp.)	<b>Gift &amp; Estate Taxes</b>
Key Employee threshold (top-heavy plan, gross comp.)	Federal Gift, Estate and Generation-Skipping Tax Exemption
SEP compensation minimum for plan participation	\$5,450,000
	Gift Tax Annual Exclusion
	\$14,000
	Non-Citizen Spouse Lifetime Estate/Gift Exemption
	\$148,000
IRA or Roth IRA contribution limit	WA State Estate Exemption (must file return if > \$2 mil)
IRA or Roth IRA catch-up (age 50+)	\$2,079,000
	<b>Payroll Taxes &amp; Social Security</b>
IRA deduction phaseout for active participants (MAGI)	OASDI (Social Security) Tax Wage Base <sup>1</sup>
Single/HoH	\$118,500
Married Filing Jointly	Social Security Employee tax/Employer tax
Married Filing Separately	6.20%/6.20%
Spousal IRA/Non-Active Participant Spouse*	Medicare Employee Tax/Employer Tax
	1.45%/1.45%
	Maximum Benefit at FRA for those Age 62 in 2016
	\$2,639/mo
	2016 Social Security Benefit COLA
	0.00%
	If under FRA, forfeit \$1 for every \$2 in earned income over:
	\$15,720
	In FRA year but under FRA, forfeit \$1 for every \$3 in earned income over \$41,880
Roth IRA phaseout (MAGI)**	<b>Provisional Income<sup>2</sup> (in retirement) causing SS benefits to be taxable:</b>
Single/HoH	Single - 50% Taxable / 80% Taxable
Married Filing Jointly/Qualifying Widow(er)	\$25,000 - \$34,000 / >\$34,000
Married Filing Separately	MFJ - 50% Taxable / 80% Taxable
	\$32,000 - \$44,000 / >\$44,000

\*Spousal IRA allows non-working spouse filing jointly to contribute to an IRA

\*\*For 2016, there are no income limits for ROTH conversions. Additionally,

Traditional 401(k) assets can now be converted to a ROTH 401(k).

MAGI = (AGI) + (Deductions for IRA Contribution) + (Deductions for Student Loan Int. or Tuition) + (Interest from EE Bonds Used for Higher Ed.)

+ (Excluded Foreign Income) + (Employer-Paid Adoption Expenses) - (Taxable Income from ROTH Conversions; only for ROTH eligibility MAGI)

This material is intended to serve as a reference guide only. No warranty is made as to the accuracy of the information. It is not intended to provide specific advice or recommendations for any individual. Federal tax laws and investment regulations are complex and subject to change. Please consult a qualified professional for advice on your specific situation.



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Uniform Life Table *		Single Life Table (For use by Beneficiaries)				Allowable IRA Distributions																																																								
Age	Divisor (Life Expectancy)	Age	Life Expectancy	Age	Life Expectancy	<i>The following chart may be used to determine inherited IRA Required Minimum Distributions. Beneficiary options vary depending upon if death occurred before or after the IRA holder reached their Required Beginning Date (RBD). Note that a beneficiary's age as of December 31 of the year of distribution is used to determine the life expectancy (LE) factor for RMDs.</i>																																																								
70.5	27.4	0	82.4	56	28.7	Beneficiary	Death Before Required Beginning Date	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>Five-year rule.</li> <li>LE payments based on own LE beginning in the year following the year the IRA owner would have turned 70 ½, recalculated each year.</li> <li>Roll over into their own IRA.</li> </ul>	Death After Required Beginning Date	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>First distribute RMD for year of the IRA holder's death based on decedent's LE. Continue RMDs based on the longer of the deceased IRA holder's LE (reduced by one each year) or their own LE (recalculated).</li> <li>Roll over the remaining assets into the spouse's IRA.</li> </ul>																																																				
71	26.5	1	81.6	57	27.9																																																									
72	25.6	2	80.6	58	27	Spouse	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>Five-year rule.</li> <li>LE payments based on single LE of beneficiary. LE factor is reduced by one for each subsequent year.</li> </ul>	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>First distribute RMD for year of the IRA holder's death based on the decedent's LE. Continue RMDs based on the longer of the deceased IRA holder's LE or the LE of the beneficiary. LE factor is reduced by one for each subsequent year.</li> </ul>																																																						
73	24.7	3	79.7	59	26.1																																																									
74	23.8	4	78.7	60	25.2																																																									
75	22.9	5	77.7	61	24.4																																																									
76	22	6	76.7	62	23.5																																																									
77	21.2	7	75.8	63	22.7																																																									
78	20.3	8	74.8	64	21.8																																																									
79	19.5	9	73.8	65	21																																																									
80	18.7	10	72.8	66	20.2																																																									
81	17.9	11	71.8	67	19.4																																																									
82	17.1	12	70.8	68	18.6																																																									
83	16.3	13	69.9	69	17.8																																																									
84	15.5	14	68.9	70	17	Non-Spouse and Multiple Beneficiaries	<ul style="list-style-type: none"> <li>LE payments based on the oldest beneficiary's LE. If the IRA is separated into individual beneficiary IRAs by 12/31 of the year following the year of the IRA owner's death, each beneficiary may use their own LE.</li> </ul>	<ul style="list-style-type: none"> <li>LE payments based on the oldest beneficiary's LE. If the IRA is separated into individual beneficiary IRAs by 12/31 of the year following the year of the IRA owner's death, each beneficiary may use their own LE.</li> </ul>																																																						
85	14.8	15	67.9	71	16.3																																																									
86	14.1	16	66.9	72	15.5																																																									
87	13.4	17	66	73	14.8																																																									
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89	12	19	64	75	13.4																																																									
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91	10.8	21	62.1	77	12.1																																																									
92	10.2	22	61.1	78	11.4																																																									
93	9.6	23	60.1	79	10.8																																																									
94	9.1	24	59.1	80	10.2																																																									
95	8.6	25	58.2	81	9.7																																																									
96	8.1	26	57.2	82	9.1	Multiple Beneficiaries Only	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>Life expectancy payments based on the oldest beneficiary of the trust. For subsequent years, this factor is reduced by one.</li> </ul>	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>After RMD in year of the IRA holder's death, subsequent RMDs will be based on the LE of the oldest beneficiary of the trust. LE factor is reduced by one for each subsequent year.</li> </ul>																																																						
97	7.6	27	56.2	83	8.6																																																									
98	7.1	28	55.3	84	8.1																																																									
99	6.7	29	54.3	85	7.6																																																									
100	6.3	30	53.3	86	7.1																																																									
101	5.9	31	52.4	87	6.7																																																									
102	5.5	32	51.4	88	6.3																																																									
103	5.2	33	50.4	89	5.9																																																									
104	4.9	34	49.4	90	5.5																																																									
105	4.5	35	48.5	91	5.2																																																									
106	4.2	36	47.5	92	4.9																																																									
107	3.9	37	46.5	93	4.6																																																									
108	3.7	38	45.6	94	4.3	Qualified Trust	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>Five-year rule.</li> <li>LE payments not available.</li> </ul>	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>RMDs to continue based on the deceased IRA holder's LE as determined in the year of death. LE factor is reduced by one for each subsequent year.</li> </ul>																																																						
109	3.4	39	44.6	95	4.1																																																									
110	3.1	40	43.6	96	3.8																																																									
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112	2.6	42	41.7	98	3.4																																																									
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		49	35.1	105	1.9																																																									
<i>For Use by: Unmarried Owners, Married Owners Whose Spouses Are Not More Than 10 Years Younger, and Married Owners Whose Spouses Are Not the Sole Beneficiaries of Their IRAs</i>		50	34.2	106	1.7	No Beneficiary Designation	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>Five-year rule.</li> <li>LE payments not available.</li> </ul>	<ul style="list-style-type: none"> <li>Total distribution.</li> <li>RMDs to continue based on the deceased IRA holder's LE as determined in the year of death. LE factor is reduced by one for each subsequent year.</li> </ul>																																																						
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<b>Charitable Income Tax Deduction - AGI Limitations</b>						<b>Federal Estate Tax Rate = 40%</b>																																																								
<b>Property Gifted</b>						<b>Professional Corporation; flat 35%</b>																																																								
<b>Public Charity</b>		<b>Private Charity</b>																																																												
Cash		30%																																																												
Ordinary income assets (i.e securities held < 1 year)		50%, limited to basis																																																												
Appreciated long-term capital gain property		FMV up to 30% or basis up to 50%																																																												
Tangible personal property held >1 year (use related)		FMV up to 30% or basis up to 50%																																																												
Tangible personal property held >1 year (use unrelated)		50%, limited to basis																																																												
Life Insurance		Replacement Value up to 30% or basis up to 50%.																																																												