A-ADVANTAGE
Tax & Financial Services

(602) 995-2100 · Fax (602) 944-1317 · www.a-advantagetax.com · tax.help@a-atax.com
2320 W Peoria Ave #A105 · Phoenix · AZ · 85029 · PO Box 47605· Phoenix · AZ · 85068

NEWS YOU CAN USE-2016 TAX FACTS

MILEAGE RATES FOR 2016:

BUSINESS:	54 cents/mile
MEDICAL/MOVING:	19 cents/mile
CHARITABLE:	14 cents/mile

- Kiddie Tax exclusion amount remains at $1050 for 2016; Kiddie tax on unearned income starts at $2100.00-then taxed at parents top tax rate.
- Social Security taxable wage base will be $118,500 for 2016;
- Maximum wage earnings prior to Full Retirement Age; $15,720 before repayment of social security benefits starts. Earnings allowable in year of FRA: $41,880.00

2016 BASIC STANDARD DEDUCTIONS:

MFJ/SURVIVING SPOUSE:	$12,600	HEAD OF HOUSEHOLD:	$9,300
SINGLE:	$6,300	MFS:	$6,300

ADDITIONAL DEDUCTION FOR BLIND/OVER AGE 65 TAXPAYERS: $1,550.00(MFJ) OR $1,250(SINGLE)

2016 AMT STANDARD DEDUCTIONS:

MFJ/SURVIVING SPOUSE:	$83,800	HEAD OF HOUSEHOLD:	$53,900
UNMARRIED INDIVIDUALS:	$53,900	MFS:	$41,900

2016 PERSONAL EXEMPTION *AMOUNT*: $4050

BASIC TAX BRACKET AMOUNTS-2016

MFJ OR SURVIVING SPOUSES

-0-	-	$18,550	10%
$18,551	-	$75,300	15%
$75,301	-	$151,900	25%
$151,901	-	$231,450	28%
$231,451	-	$413,350	33%
$413,351	-	$466,950	35%
OVER $466,951			39.6%

UNMARRIED INDIVIDUALS

-0-	-	$9,275	10%
$9,276	-	$37,650	15%
$37,651	-	$91,150	25%
$91,151	-	$190,150	28%
$190,151	-	$413,350	33%
$413,351	-	$415,050	35%
OVER $415,050			39.6%

HEAD OF HOUSEHOLD

-0-	-	$13,250	10%
$13,251	-	$50,400	15%
$50,401	-	$130,150	25%
$130,151	-	$210,800	28%
$210,801	-	$413,350	33%
$413, 351	-	$441,000	35%
OVER $441,000			39.6%

MARRIED FILING SEPARATELY

-0-	-	$9,275	10%
$9,276	-	$37,650	15%
$37,651	-	$75,950	25%
$75,951	-	$115,725	28%
$115,726	-	$206,675	33%
$206,675	-	$234,475	35%
OVER $233,475			39.6

UPDATED 1/30/2017

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2016 RETIREMENT PLAN CHANGES:

Maximum 401(k), 403(b), Thrift Savings Plan, and 457(e) (15) contributions is: $18,000. Individuals age 50 or older can contribute an additional $6,000 for a total of $24,000. SIMPLE IRA maximum contributions are $12,500. If a participant is age 50 or older, then an additional $3,000 can be contributed. The maximum annual IRA contribution is unchanged at $5,500 plus $1000 for anyone age 50 or older. Dollar ceilings on retirement plans: $53,000 for defined contribution plans(Keogh plans, profit sharing plans, etc.). Retirement plan Defined Benefit max payout calculation limited to average compensation for three highest years but not greater than $265,000.

SPECIAL NEEDS ADOPTION CREDIT: $13,460
FOREIGN EARNED INCOME EXCLUSION AMOUNT 2016: $101,300
2016 UNIFIED CREDIT AGAINST ESTATE TAX: BASIC EXCLUSION AMOUNT IS $5,450,000
ANNUAL GIFT TAX EXCLUSION: 2016: $14,000

2016 PHASEOUT AMOUNTS								
FILING STATUS	TUITION/FEES DEDUCTION	STUDENT LOAN INTEREST DEDUCTION	LIFETIME LEARNING CREDIT	AMERICAN OPPORTUNITY TAX CREDIT	CHILD TAX CREDIT	SAVERS CREDIT	ITEMIZED DEDUCTIONS	IRA CONTRIBUTION LIMIT
MFJ	$130,000/$160,000	$130,000/$160,000	$110,000/$1,000	$160,000/$180,000	$110,000	$61,500	$311,300	$ 5,500.00
QW	$65,000/$80,000	$65,000/$80,000	$55,000/$,000	$80,000/$90,000	$75,000	$30,750	$311,300	$ 5,500.00
SINGLE	$65,000/$80,000	$65,000/$80,000	$55,000/$,000	$80,000/$90,000	$75,000	$30,750	$259,400	$ 5,500.00
HOH	$65,000/$80,000	$65,000/$80,000	$55,000/$,000	$80,000/$90,000	$75,000	$46,125	$285,350	$ 5,500.00
MFS	DO NOT QUALIFY	DO NOT QUALIFY	DO NOT QUALIFY	DO NOT QUALIFY	$55,000	$30,750	$155,650	$ 5,500.00
FILING STATUS	TRADITIONAL IRA CONTRIBUTIONS	ROTH IRA CONTRIBUTIONS	PERSONAL EXEMPTION PHASEOUT	ADOPTION CREDIT *	2016 401(K), 403(B), & 457 CONTRIBUTION LIMIT		CATCH UP DEFERRAL *	CATCH UP DEFERRAL-IRA
MFJ (1)	$98,000/$118,000			$201,920/$241,920	$ 18,000.00		$ 6,000.00	$ 1,000.00
MFJ (2)	$184,000/$194,000				$ 18,000.00		$ 6,000.00	$ 1,000.00
MFJ		$184,000/$194,000	$311,300/$433,800		$ 18,000.00		$ 6,000.00	$ 1,000.00
SINGLE	$61,000/$71,000	$117,000/$132,000	$259,400/$381,900		$ 18,000.00		$ 6,000.00	$ 1,000.00
HOH	$61,000/$71,000	$117,000/$132,000	$285,350/$407,850		$ 18,000.00		$ 6,000.00	$ 1,000.00
MFS	$0/$10,000	$0/$10,000	$155,360/$216900		$ 18,000.00		$ 6,000.00	$ 1,000.00
MFJ (1)	MFJ and contributing spouse covered by workplace retirement account							
MFJ (2)	MFJ and contributing spouse is not covered by workplace retirement account, but spouse is covered by workplace retirement account							

STATE OF ARIZONA ISSUES:

BASIC STANDARD DEDUCTIONS - 2016:

Single:	$ 5,009.00	Married Filing Separate:	$ 5,009.00
Married Filing Jointly:	$10,189.00	Head of Household:	$10,189.00

PERSONAL EXEMPTIONS:

Single:	$2,100.00	Married Filing Joint:	$4,200.00
Married Filing Joint w/one dependent:	$6,300.00	Head of Household:	$4,200.00

DEPENDENTS EXEMPTION: $2,300.00

Extra-Curricular Tuition Credits, as well as credits for Private Education Tuition amounts are still available. The dollar values are $200/$400 for the extra-curricular credit, depending on filing status, and $545/$1090 for the private education tuition credit, depending on filing status.

Finally taxpayers may contribute to a "Certified School Tuition Organization" once they have used all available credits for the Private Education Tuition Credit Organization. Use forms 323 and 348. DONATION CAN BE MADE UP UNTIL APRIL 18TH, 2017 for credit on the 2016 tax return.

UPDATED 1/30/2017