

## **NEWS YOU CAN USE-2017 TAX FACTS**

### **MILEAGE RATES FOR 2017:**

<b>BUSINESS:</b>	53.5 cents/mile
<b>MEDICAL/MOVING:</b>	17 cents/mile
<b>CHARITABLE:</b>	14 cents/mile

Kiddie Tax exclusion amount remains at \$1050 for 2017

- Social Security wage base will be \$127,200 for 2017; Social security checks will go up .3% in 2017
- Maximum wage earnings between ages 62 and 66 is increased to \$16,920 before repayment of social security benefits starts.

### **2017 BASIC STANDARD DEDUCTIONS:**

<b>MFJ/SURVIVING SPOUSE:</b>	\$12,700	<b>HEAD OF HOUSEHOLD:</b>	\$9,350
<b>SINGLE:</b>	\$6,350	<b>MFS:</b>	\$6,350

**ADDITIONAL DEDUCTION FOR BLIND/OVER AGE 65 TAXPAYERS: \$1,250.00(MFJ) OR \$1,550(SINGLE)**

### **2017 AMT EXEMPTION AMOUNTS:**

<b>MFJ/SURVIVING SPOUSE:</b>	\$84,500	<b>MARRIED FILING SEPARATE:</b>	\$42,250
<b>UNMARRIED INDIVIDUALS:</b>	\$54,300	<b>ESTATES AND TRUSTS:</b>	\$24,100

### **2017 PERSONAL EXEMPTION AMOUNT: \$4050**

### **BASIC PERSONAL INCOME TAX BRACKET AMOUNTS-2017**

#### **MFJ OR SURVIVING SPOUSES**

-0-	-	\$18,650	10%
\$18,651	-	\$75,900	15%
\$75,901	-	\$153,100	25%
\$153,101	-	\$233,350	28%
\$233,351	-	\$416,700	33%
\$416,701	-	\$470,700	35%
OVER \$470,700			39.6%

#### **UNMARRIED INDIVIDUALS**

-0-	-	\$9,325	10%
\$9,326	-	\$37,950	15%
\$37,951	-	\$91,900	25%
\$91,901	-	\$191,650	28%
\$191,651	-	\$416,700	33%
\$416,751	-	\$418,400	35%
OVER \$418,401			39.6%

#### **HEAD OF HOUSEHOLD**

-0-	-	\$13,350	10%
\$13,351	-	\$50,800	15%
\$50,801	-	\$131,200	25%
\$131,201	-	\$212,500	28%
\$212,501	-	\$416,700	33%
\$416,701	-	\$444,550	35%
OVER \$444,550			39.6%

#### **MARRIED FILING SEPARATELY**

-0-	-	\$9,325	10%
\$9,326	-	\$37,950	15%
\$37,951	-	\$76,550	25%
\$76,551	-	\$116,675	28%
\$116,676	-	\$208,350	33%
\$208,351	-	\$235,350	35%
OVER \$235,350			39.6%

**2017 RETIREMENT PLAN CHANGES:**

Maximum 401(k), 403(b), Thrift Savings Plan, and 457(e) (15) contributions remained constant at \$18,000.00. 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 increase to \$54,000 for defined contribution plans(Keogh plans, profit sharing plans, etc). Retirement plan contributions can be based on \$270,000 of salary.

**SPECIAL NEEDS ADOPTION CREDIT: \$13,570**

**FOREIGN EARNED INCOME EXCLUSION AMOUNT 2017: \$102,100**

**2017 UNIFIED CREDIT AGAINST ESTATE TAX: BASIC EXCLUSION AMOUNT IS \$5,490,000**

**ANNUAL GIFT TAX EXCLUSION: 2017: \$14,000**

**2017 PHASEOUT AMOUNTS**

FILING STATUS	TUITION/FEE DEDUCTION	STUDENT LOAN INTEREST DEDUCTION	LIFETIME LEARNING CREDIT	AMERICAN OPPORTUNITY TAX CREDIT	CHILD TAX CREDIT	SAVERS CREDIT	ITEMIZED DEDUCTIONS
MFJ	\$130,000/\$165,000	\$130,000/\$160,000	\$110,000/\$1,000	\$160,000/\$180,000	\$110,000	\$60,000	\$309,900
QW	\$65,000/\$80,000	\$65,000/\$80,000	\$55,000/\$,000	\$80,000/\$90,000	\$75,000	\$45,000	\$258,250
SINGLE	\$65,000/\$80,000	\$65,000/\$80,000	\$55,000/\$,000	\$80,000/\$90,000	\$75,000	\$30,000	\$258,250
HOH	\$65,000/\$80,000	\$65,000/\$80,000	\$55,000/\$,000	\$80,000/\$90,000	\$75,000	\$45,000	\$284,050
MFS	DO NOT QUALIFY	DO NOT QUALIFY	DO NOT QUALIFY	DO NOT QUALIFY	\$55,000	\$30,000	\$258,250
FILING STATUS	TRADITIONAL IRA CONTRIBUTIONS	ROTH IRA CONTRIBUTIONS	PERSONAL EXEMPTION PHASEOUT	ADOPTION CREDIT *			
MFJ (1)	\$98,000/\$118,000			\$197,880/\$237,880			
MFJ (2)	\$183,000/\$191,000						
MFJ		\$183,000/\$193,000	\$309,000/\$432,000				
SINGLE & HOH	\$61,000/\$71,000	\$116,000/\$132,000	\$258,250/\$380,750				
HOH	\$61,000/\$71,000	\$116,000/\$132,000	\$284,050/\$406,550				
MFS	\$0/\$10,000	\$0/\$10,000	\$309,000/\$432,400				
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 - 2017:**

Single: \$ 5,009.00 Married Filing Separate: \$ 5,009.00  
Married Filing Jointly: \$10,010.00 Head of Household: \$10,010.00

**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 \$528/\$1056 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 15<sup>TH</sup>, 2015 for credit on the 2014 tax return.

<b>2017 Minimum Deductibles</b>		<b>2017 Maximum Out-of-Pocket</b>	
Individual	\$1,300	Individual	\$6,550
Family	\$2,600	Family	\$13,100

**2017 Maximum Annual Contribution Limits**

- Individual \$3,400
- Family \$6,750
- "Catch-up" amount for 55+ account holders is \$1,000 (unchanged)

Maximum employee salary reductions to health flexible spending arrangements is \$2600.

**ALL AMOUNTS IN YELLOW ARE FINAL AS OF JANUARY 2017**

Sec 101 of Protecting American from Tax Hikes Act(PATH Act) of 2015-earned income threshold of \$3000 used in determined the refundable portion of the child tax credit under SS 24

For taxable years beginning after 2016 the penalty for not maintaining minimum essential insurance coverage is adjusted for inflation.



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**BASIC ESTATE AND TRUST TAX BRACKET AMOUNTS-2017**

**TAXABLE INCOME IS: THE TAX PERCENTAGE IS:**

Not over \$2550	15%
\$2551.00 to \$6,000.00	25%
6,001.00 to \$9150.00	28%
\$9151.00 to \$12,500.00	33%
Over \$12,500.00	39.6%

**SECTION 179 ELECTION TO EXPENSE CERTAIN DEPRECIABLE ASSETS IN 2017 IS \$510,000; This number phases out as depreciable asset cost rises to \$2,030,000.**

**Eligible Long-Term Care Premiums.** For taxable years beginning in 2017, the limitations under § 213(d)(10), regarding eligible long-term care premiums includible in the term "medical care," are as follows:

**Attained Age Before the Close of the Taxable Year Limitation on Premiums**

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

**MEDICAL SAVINGS ACCOUNTS**

Self Only Coverage 2017 limits:	must have annual deductible no less than:	\$2,250.00
	no higher than:	\$3,350.00
Requires annual out of pocket expenses not to exceed:		\$4,500.00

Family Coverage 2017 limits:	must have annual deductible no less than:	\$4,500.00
	no higher than:	\$6,750.00
Requires annual out of pocket expenses not to exceed:		\$8,250.00

**Requirement to Maintain Minimum Essential Coverage.** For calendar year 2017, the applicable dollar amount used to determine the penalty under § 5000A(c) for failure to maintain minimum essential coverage is \$695.

**QSEHRA-qualified small employer health reimbursement arrangements**-signed into law on 12/14/16; via the CURES act. This allows certain small employers the ability to reimburse employees for health insurance premiums directly, with creating a taxable event for them. Limitations are \$4950 per single individual coverage and \$10,000 for family health premium reimbursement. These are maximums. Other limitations apply and the law is effective 1/1/17.