

Joshua B Crutcher, CPA

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Comprehensive Key Numbers

The Entrepreneur's CPA

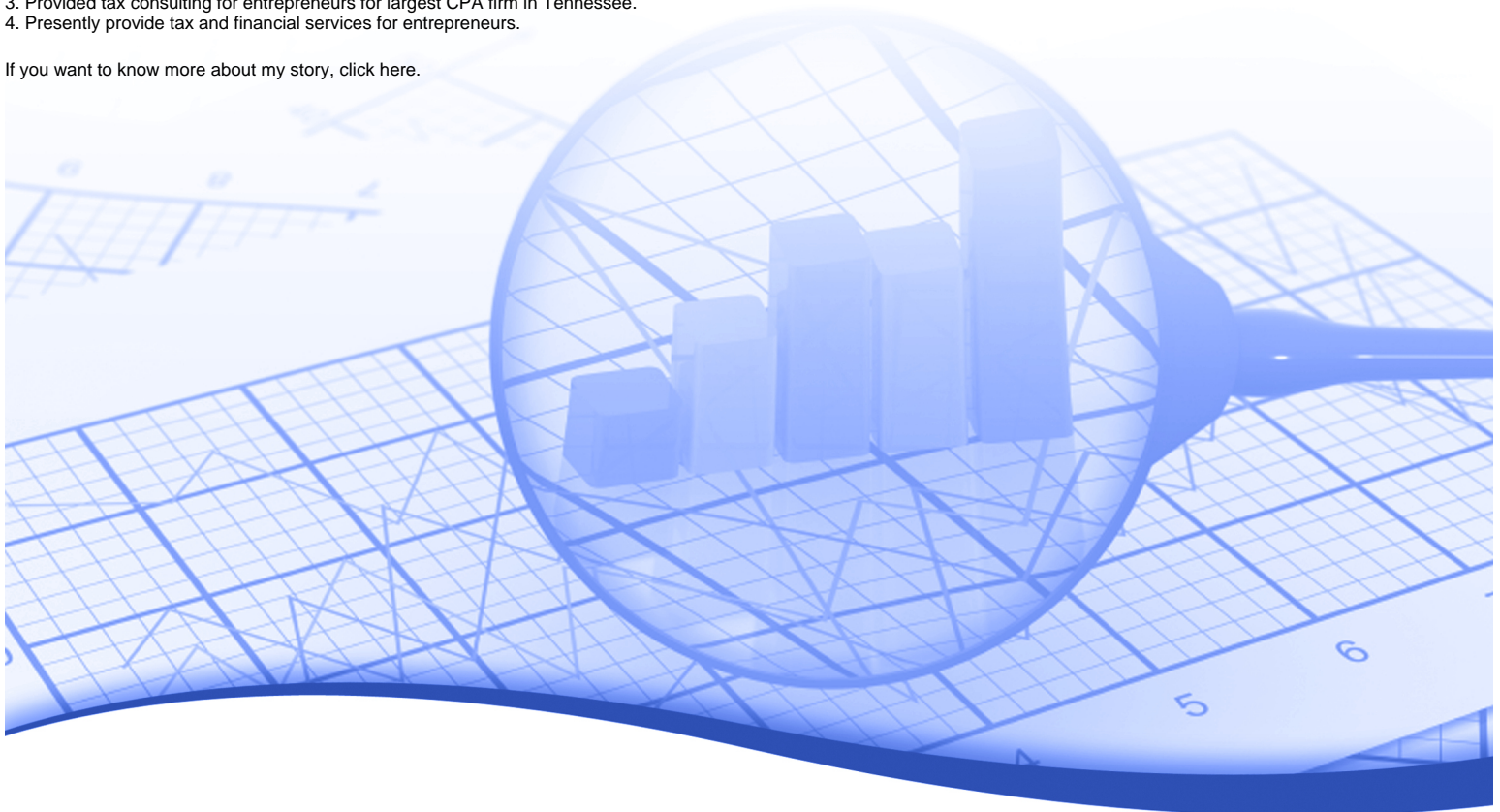
The short of it is that my career path is well over 10 years in the making. Knowing the direction I wanted to go has always been fairly obvious to me. I have always wanted to help people become organized and educated with their finances. Simple.

"I have no desire to build a life to retire from... I want to build a life from which I don't want to retire!"

My fascination with finance began when I actually had to make it on my own. My first gig out of school was an internship-type role where I was earning \$10/hr. My apartment costs me \$350 per month including utilities – a real beauty! I learned to make it. I got hired full-time. Opened my 401k. My journey in finance had begun. The short version:

1. Earned my MBA emphasizing in finance.
2. Earned CPA designation.
3. Provided tax consulting for entrepreneurs for largest CPA firm in Tennessee.
4. Presently provide tax and financial services for entrepreneurs.

If you want to know more about my story, [click here](#).



2016 Numbers

Individual Income Tax Planning	2014	2015	2016
Adoption credit			
*Maximum credit	\$13,190	\$13,400	\$13,460
Phaseout threshold amount	\$197,880	\$201,010	\$201,920
Completed phaseout amount after	\$237,880	\$241,010	\$241,920
Alternative Minimum Tax (AMT)			
*Maximum AMT exemption amount			
Married filing jointly or surviving spouse	\$82,100	\$83,400	\$83,800
Single or head of household	\$52,800	\$53,600	\$53,900
Married filing separately	\$41,050	\$41,700	\$41,900
*AMT income exemption phaseout threshold			
Married filing jointly or surviving spouse	\$156,500	\$158,900	\$159,700
Single or head of household	\$117,300	\$119,200	\$119,700
Married filing separately	\$78,250	\$79,450	\$79,850
*AMT tax rate of 26% applies to AMTI at or below (28% for AMTI above this amount):			
All taxpayers except married filing separately	\$182,500	\$185,400	\$186,300
Married filing separately	\$91,250	\$92,700	\$93,150
Charitable deductions:			
*Use of auto for charitable purposes (deductible standard mileage rate)	\$0.14	\$0.14	\$0.14
Charitable fundraising contributions "insubstantial benefit" limitations:			
*Low-cost article (re: unrelated business income)	\$10.40	\$10.50	\$10.60
*Other insubstantial benefits (re: gifts to donor in return for contribution). Contribution is fully deductible if minimum contribution amount is met and cost of token gift does not exceed maximum.			
Token gift maximum cost	\$10.40	\$10.50	\$10.60
Minimum contribution amount	\$52.00	\$52.50	\$53.00
*Charitable contribution is fully deductible if the benefit received by the donor doesn't exceed the lesser of the threshold amount or 2% of the amount of the contribution.			
Threshold amount	\$104	\$105	\$106
Child tax credit			
*Maximum credit per qualifying child	\$1,000	\$1,000	\$1,000
*Phaseout -- credit reduced by \$50 for each \$1,000 or fraction thereof of MAGI over:			
Single	\$75,000	\$75,000	\$75,000
Married filing jointly	\$110,000	\$110,000	\$110,000
Married filing separately	\$55,000	\$55,000	\$55,000
*Refundability -- up to specified percentage of earned income in excess of specified amount			
Percentage	15%	15%	15%
Amount	\$3,000	\$3,000	\$3,000
Classroom expenses of elementary and secondary school teachers (maximum above-the-line deduction)	\$250	\$250	\$250 ¹



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Individual Income Tax Planning	2014	2015	2016
Earned income tax credit (EITC):			
*Excessive investment income limit ("disqualified income limit")	\$3,350	\$3,400	\$3,400
*Maximum amount of EITC per number of children			
0 children	\$496	\$503	\$506
1 child	\$3,305	\$3,359	\$3,373
2 children	\$5,460	\$5,548	\$5,572
3 or more children	\$6,143	\$6,242	\$6,269
*Maximum amount of earned income on which EITC is based (earned income over this amount but under the threshold phaseout amount will not change the amount of the credit received)			
0 children	\$6,480	\$6,580	\$6,610
1 child	\$9,720	\$9,880	\$9,920
2 or more children	\$13,650	\$13,870	\$13,930
*Threshold phaseout amount for joint filers per number of children			
0 children	\$13,540	\$13,750	\$13,820
1 child	\$23,260	\$23,630	\$23,740
2 children	\$23,260	\$23,630	\$23,740
3 or more children	\$23,260	\$23,630	\$23,740
*Threshold phaseout amount for other filers per number of children			
0 children	\$8,110	\$8,240	\$8,270
1 child	\$17,830	\$18,110	\$18,190
2 children	\$17,830	\$18,110	\$18,190
3 or more children	\$17,830	\$18,110	\$18,190
*Completed phaseout amount for joint filers per number of children			
0 children	\$20,020	\$20,330	\$20,430
1 child	\$43,941	\$44,651	\$44,846
2 children	\$49,186	\$49,974	\$50,198
3 or more children	\$52,427	\$53,267	\$53,505
*Completed phaseout amount for other filers per number of children			
0 children	\$14,590	\$14,820	\$14,880
1 child	\$38,511	\$39,131	\$39,296
2 children	\$43,756	\$44,454	\$44,648
3 or more children	\$46,997	\$47,747	\$47,955
Expatriation			
*An individual with "average annual net income tax" of more than this amount for the five taxable years ending before his or her loss of citizenship is a covered expatriate for purposes of IRC §877A(g)(1).	\$157,000	\$160,000	\$161,000
*IRC §877A(3) exclusion amount	\$680,000	\$690,000	\$693,000
Foreign earned income exclusion:	\$99,200	\$100,800	\$101,300
Itemized deductions phaseout threshold:			
*Married filing jointly	\$305,050	\$309,900	\$311,300
*Head of household	\$279,650	\$284,050	\$285,350
*Unmarried	\$254,200	\$258,250	\$259,400
*Married filing separately	\$152,525	\$154,950	\$155,650



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Individual Income Tax Planning	2014	2015	2016
Kiddie tax:			
*Unearned income limit			
Amount exempt from tax	\$1,000	\$1,050	\$1,050
Additional amount taxed at child's rate	\$1,000	\$1,050	\$1,050
Unearned income over this amount taxed at parent's rate	\$2,000	\$2,100	\$2,100
*Election to include child's income on parent's return -- child's gross income requirement	\$1,000 - \$10,000	\$1,050 - \$10,500	\$1,050 - \$10,500
*AMT exemption for child subject to kiddie tax:	Lesser of \$7,250 + child's earned income or \$52,800	Lesser of \$7,400 + child's earned income or \$53,600	Lesser of \$7,400 + child's earned income or \$53,900
Medicare tax (additional payroll tax and unearned income contribution tax):			
* Additional Medicare payroll tax (and self-employment tax)	0.90%	0.90%	0.90%
Applies to wages/self-employment income exceeding:			
Individuals	\$200,000	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000	\$250,000
Married filing separately	\$125,000	\$125,000	\$125,000
* Unearned income Medicare contribution tax	3.80%	3.80%	3.80%
Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding:			
Individuals	\$200,000	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000	\$250,000
Married filing separately	\$125,000	\$125,000	\$125,000
Nanny tax (domestic employee coverage threshold)	\$1,900	\$1,900	\$2,000
Personal exemption amount:	\$3,950	\$4,000	\$4,050
*Married filing jointly			
Phaseout threshold amount	\$305,050	\$309,900	\$311,300
Completed phaseout amount after	\$427,550	\$432,400	\$433,800
*Head of household			
Phaseout threshold amount	\$279,650	\$284,050	\$285,350
Completed phaseout amount after	\$402,150	\$406,550	\$407,850
*Unmarried			
Phaseout threshold amount	\$254,200	\$258,250	\$259,400
Completed phaseout amount after	\$376,700	\$380,750	\$381,900
*Married filing separately			
Phaseout threshold amount	\$152,525	\$154,950	\$155,650
Completed phaseout amount after	\$213,775	\$216,200	\$216,900



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Individual Income Tax Planning	2014	2015	2016
"Saver's Credit" (Elective Deferrals and IRA Contributions by Certain Individuals)			
*Maximum credit amount	\$1,000	\$1,000	\$1,000
*Applicable percentage of 50% applies to AGI			
Joint return	\$0 - \$36,000	\$0 - \$36,500	\$0 - \$37,000
Head of household	\$0 - \$27,000	\$0 - \$27,375	\$0 - \$27,750
Other	\$0 - \$18,000	\$0 - \$18,250	\$0 - \$18,500
*Applicable percentage of 20% applies to AGI			
Joint return	\$36,001 - \$39,000	\$36,501 - \$39,500	\$37,001 - \$40,000
Head of household	\$27,001 - \$29,250	\$27,376 - \$29,625	\$27,751 - \$30,000
Other	\$18,001 - \$19,500	\$18,251 - \$19,750	\$18,501 - \$20,000
*Applicable percentage of 10% applies to AGI			
Joint return	\$39,001 - \$60,000	\$39,501 - \$61,000	\$40,001 - \$61,500
Head of household	\$29,251 - \$45,000	\$29,626 - \$45,750	\$30,001 - \$46,125
Other	\$19,501 - \$30,000	\$19,751 - \$30,500	\$20,001 - \$30,750
*Applicable percentage of 0% applies to AGI			
Joint return	Over \$60,000	Over \$61,000	Over \$61,500
Head of household	Over \$45,000	Over \$45,750	Over \$46,125
Other	Over \$30,000	Over \$30,500	Over \$30,750
Standard deductions			
*Married filing jointly or surviving spouse	\$12,400	\$12,600	\$12,600
*Head of household	\$9,100	\$9,250	\$9,300
*Unmarried	\$6,200	\$6,300	\$6,300
*Married filing separately	\$6,200	\$6,300	\$6,300
*Dependent	Greater of \$1,000, or \$350 + earned income	Greater of \$1,050 or \$350 + earned income	Greater of \$1,050 or \$350 + earned income
*Additional deduction for aged or blind (single or head of household)	\$1,550	\$1,550	\$1,550
*Additional deduction for aged or blind (all other filing statuses)	\$1,200	\$1,250	\$1,250
Standard mileage rates:			
*Use of auto for business purposes (cents per mile)	\$0.560	\$0.575	\$0.54
*Use of auto for medical purposes (cents per mile)	\$0.235	\$0.23	\$0.19
*Use of auto for moving purposes (cents per mile)	\$0.235	\$0.23	\$0.19

¹ Indexed for inflation



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2016 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

Single Individuals

If taxable income is:	Your tax is:
Not over \$9,275	10% of taxable income
Over \$9,275 to \$37,650	\$927.50 + 15% of the excess over \$9,275
Over \$37,650 to \$91,150	\$5,183.75 + 25% of the excess over \$37,650
Over \$91,150 to \$190,150	\$18,558.75 + 28% of the excess over \$91,150
Over \$190,150 to \$413,350	\$46,278.75 + 33% of the excess over \$190,150
Over \$413,350 to \$415,050	\$119,934.75 + 35% of the excess over \$413,350
Over \$415,050	\$120,529.75 + 39.6% of the excess over \$415,050

Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$18,550	10% of taxable income
Over \$18,550 to \$75,300	\$1,855 + 15% of the excess over \$18,550
Over \$75,300 to \$151,900	\$10,367.50 + 25% of the excess over \$75,300
Over \$151,900 to \$231,450	\$29,517.50 + 28% of the excess over \$151,900
Over \$231,450 to \$413,350	\$51,791.50 + 33% of the excess over \$231,450
Over \$413,350 to \$466,950	\$111,818.50 + 35% of the excess over \$413,350
Over \$466,950	\$130,578.50 + 39.6% of the excess over \$466,950

Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$9,275	10% of taxable income
Over \$9,275 to \$37,650	\$927.50 + 15% of the excess over \$9,275
Over \$37,650 to \$75,950	\$5,183.75 + 25% of the excess over \$37,650
Over \$75,950 to \$115,725	\$14,758.75 + 28% of the excess over \$75,950
Over \$115,725 to \$206,675	\$25,895.75 + 33% of the excess over \$115,725
Over \$206,675 to \$233,475	\$55,909.25 + 35% of the excess over \$206,675
Over \$233,475	\$65,289.25 + 39.6% of the excess over \$233,475

Heads of household

If taxable income is:	Your tax is:
Not over \$13,250	10% of taxable income
Over \$13,250 to \$50,400	\$1,325 + 15% of the excess over \$13,250
Over \$50,400 to \$130,150	\$6,897.50 + 25% of the excess over \$50,400
Over \$130,150 to \$210,800	\$26,835 + 28% of the excess over \$130,150
Over \$210,800 to \$413,350	\$49,417 + 33% of the excess over \$210,800
Over \$413,350 to \$441,000	\$116,258.50 + 35% of the excess over \$413,350
Over \$441,000	\$125,936 + 39.6% of the excess over \$441,000

Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,550	15% of taxable income
Over \$2,550 to \$5,950	\$382.50 + 25% of the excess over \$2,550
Over \$5,950 to \$9,050	\$1,232.50 + 28% of the excess over \$5,950
Over \$9,050 to \$12,400	\$2,100.50 + 33% of the excess over \$9,050
Over \$12,400	\$3,206 + 39.6% of the excess over \$12,400



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2015 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

Single Individuals

If taxable income is:	Your tax is:
Not over \$9,225	10% of taxable income
Over \$9,225 to \$37,450	\$922.50 + 15% of the excess over \$9,225
Over \$37,450 to \$90,750	\$5,156.25 + 25% of the excess over \$37,450
Over \$90,750 to \$189,300	\$18,481.25 + 28% of the excess over \$90,750
Over \$189,300 to \$411,500	\$46,075.25 + 33% of the excess over \$189,300
Over \$411,500 to \$413,200	\$119,401.25 + 35% of the excess over \$411,500
Over \$413,200	\$119,996.25 + 39.6% of the excess over \$413,200

Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$18,450	10% of taxable income
Over \$18,450 to \$74,900	\$1,845 + 15% of the excess over \$18,450
Over \$74,900 to \$151,200	\$10,312.50 + 25% of the excess over \$74,900
Over \$151,200 to \$230,450	\$29,387.50 + 28% of the excess over \$151,200
Over \$230,450 to \$411,500	\$51,577.50 + 33% of the excess over \$230,450
Over \$411,500 to \$464,850	\$111,324 + 35% of the excess over \$411,500
Over \$464,850	\$129,996.50 + 39.6% of the excess over \$464,850

Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$9,225	10% of taxable income
Over \$9,225 to \$37,450	\$922.50 + 15% of the excess over \$9,225
Over \$37,450 to \$75,600	\$5,156.25 + 25% of the excess over \$37,450
Over \$75,600 to \$115,225	\$14,693.75 + 28% of the excess over \$75,600
Over \$115,225 to \$205,750	\$25,788.75 + 33% of the excess over \$115,225
Over \$205,750 to \$232,425	\$55,662 + 35% of the excess over \$205,750
Over \$232,425	\$64,998.25 + 39.6% of the excess over \$232,425

Heads of household

If taxable income is:	Your tax is:
Not over \$13,150	10% of taxable income
Over \$13,150 to \$50,200	\$1,315 + 15% of the excess over \$13,150
Over \$50,200 to \$129,600	\$6,872.50 + 25% of the excess over \$50,200
Over \$129,600 to \$209,850	\$26,722.50 + 28% of the excess over \$129,600
Over \$209,850 to \$411,500	\$49,192.50 + 33% of the excess over \$209,850
Over \$411,500 to \$439,000	\$115,737 + 35% of the excess over \$411,500
Over \$439,000	\$125,362 + 39.6% of the excess over \$439,000

Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,500	15% of taxable income
Over \$2,500 to \$5,900	\$375 + 25% of the excess over \$2,500
Over \$5,900 to \$9,050	\$1,225 + 28% of the excess over \$5,900
Over \$9,050 to \$12,300	\$2,107 + 33% of the excess over \$9,050
Over \$12,300	\$3,179.50 + 39.6% of the excess over \$12,300



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2014 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

Single Individuals

If taxable income is:	Your tax is:
Not over \$9,075	10% of taxable income
Over \$9,075 to \$36,900	\$907.50 + 15% of the excess over \$9,075
Over \$36,900 to \$89,350	\$5,081.25 + 25% of the excess over \$36,900
Over \$89,350 to \$186,350	\$18,193.75 + 28% of the excess over \$89,350
Over \$186,350 to \$405,100	\$45,353.75 + 33% of the excess over \$186,350
Over \$405,100 to \$406,750	\$117,541.25 + 35% of the excess over \$405,100
Over \$406,750	\$118,118.75 + 39.6% of the excess over \$406,750

Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$18,150	10% of taxable income
Over \$18,150 to \$73,800	\$1,815 + 15% of the excess over \$18,150
Over \$73,800 to \$148,850	\$10,162.50 + 25% of the excess over \$73,800
Over \$148,850 to \$226,850	\$28,925 + 28% of the excess over \$148,850
Over \$226,850 to \$405,100	\$50,765 + 33% of the excess over \$226,850
Over \$405,100 to \$457,600	\$109,587.50 + 35% of the excess over \$405,100
Over \$457,600	\$127,962.50 + 39.6% of the excess over \$457,600

Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$9,075	10% of taxable income
Over \$9,075 to \$36,900	\$907.50 + 15% of the excess over \$9,075
Over \$36,900 to \$74,425	\$5,081.25 + 25% of the excess over \$36,900
Over \$74,425 to \$113,425	\$14,462.50 + 28% of the excess over \$74,425
Over \$113,425 to \$202,550	\$25,382.50 + 33% of the excess over \$113,425
Over \$202,550 to \$228,800	\$54,793.75 + 35% of the excess over \$202,550
Over \$228,800	\$63,981.25 + 39.6% of the excess over \$228,800

Heads of household

If taxable income is:	Your tax is:
Not over \$12,950	10% of taxable income
Over \$12,950 to \$49,400	\$1,295 + 15% of the excess over \$12,950
Over \$49,400 to \$127,550	\$6,762.50 + 25% of the excess over \$49,400
Over \$127,550 to \$206,600	\$26,300 + 28% of the excess over \$127,550
Over \$206,600 to \$405,100	\$48,434 + 33% of the excess over \$206,600
Over \$405,100 to \$432,200	\$113,939 + 35% of the excess over \$405,100
Over \$432,200	\$123,424 + 39.6% of the excess over \$432,200

Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,500	15% of taxable income
Over \$2,500 to \$5,800	\$375 + 25% of the excess over \$2,500
Over \$5,800 to \$8,900	\$1,200 + 28% of the excess over \$5,800
Over \$8,900 to \$12,150	\$2,068 + 33% of the excess over \$8,900
Over \$12,150	\$3,140.50 + 39.6% of the excess over \$12,150



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Investment Planning	2014	2015	2016
Tax on long-term capital gains			
Taxpayers in top (39.6%) tax bracket	20%	20%	20%
Taxpayers in 25%, 28%, 33%, and 35% tax rate brackets	15%	15%	15%
Taxpayers in tax rate bracket 15% or less	0%	0%	0%
Tax on dividends			
*Maximum tax rate on dividends received by an individual shareholder from domestic and qualified foreign corporations			
Taxpayers in top (39.6%) tax bracket	20%	20%	20%
Taxpayers in 25%, 28%, 33%, and 35% tax rate brackets	15%	15%	15%
Taxpayers in tax rate bracket 15% or less	0%	0%	0%
Unearned income Medicare contribution tax ("net investment income tax")			
*Tax percentage	3.80%	3.80%	3.80%
*Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding:			
Individuals	\$200,000	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000	\$250,000
Married filing separately	\$125,000	\$125,000	\$125,000



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Education Planning	2014	2015	2016
Coverdell education savings accounts:			
*Annual contribution limit	\$2,000	\$2,000	\$2,000
*MAGI phaseout range for Coverdell education savings accounts			
Single--phaseout threshold amount	\$95,000	\$95,000	\$95,000
Single--completed phaseout amount after	\$110,000	\$110,000	\$110,000
Married filing jointly--phaseout threshold amount	\$190,000	\$190,000	\$190,000
Married filing jointly--completed phaseout threshold amount	\$220,000	\$220,000	\$220,000
Deduction for qualified higher education expenses			
*Maximum deduction	\$4,000	\$4,000	\$4,000
*MAGI maximum for full \$4,000 deduction			
Single	\$65,000	\$65,000	\$65,000
Married filing jointly	\$130,000	\$130,000	\$130,000
*Reduced deduction available	\$2,000	\$2,000	\$2,000
*MAGI range for \$2,000 deduction			
Single--MAGI greater than this amount:	\$65,000	\$65,000	\$65,000
Single--MAGI does not exceed this amount:	\$80,000	\$80,000	\$80,000
Married filing jointly--MAGI greater than this amount:	\$130,000	\$130,000	\$130,000
Married filing jointly--MAGI does not exceed this amount:	\$160,000	\$160,000	\$160,000
Education loans--interest deduction			
*Maximum deduction for interest paid on qualified education loans	\$2,500	\$2,500	\$2,500
*MAGI phaseout range			
Single--phaseout threshold amount	\$65,000	\$65,000	\$65,000
Single--completed phaseout amount after	\$80,000	\$80,000	\$80,000
Married filing jointly--phaseout threshold amount	\$130,000	\$130,000	\$130,000
Married filing jointly--completed phaseout threshold amount	\$160,000	\$160,000	\$160,000
Gift tax exclusion			
Annual gift tax exclusion--single individual	\$14,000	\$14,000	\$14,000
Annual gift tax exclusion--joint gift	\$28,000	\$28,000	\$28,000
Lump-sum gift to 529 plan--single individual	\$70,000	\$70,000	\$70,000
Lump-sum gift to 529 plan--joint gift	\$140,000	\$140,000	\$140,000
American Opportunity and Lifetime Learning credits			
*Maximum Lifetime Learning credit	\$2,000	\$2,000	\$2,000
*Maximum American Opportunity credit	\$2,500	\$2,500	\$2,500
*MAGI phaseout range for Lifetime Learning Credit			
Single--phaseout threshold amount	\$54,000	\$55,000	\$55,000
Single--completed phaseout amount after	\$64,000	\$65,000	\$65,000
Married filing jointly--phaseout threshold amount	\$108,000	\$110,000	\$111,000
Married filing jointly--completed phaseout threshold amount	\$128,000	\$130,000	\$131,000
*MAGI phaseout range for American Opportunity credit			
Single--phaseout threshold amount	\$80,000	\$80,000	\$80,000
Single--completed phaseout amount after	\$90,000	\$90,000	\$90,000
Married filing jointly--phaseout threshold amount	\$160,000	\$160,000	\$160,000
Married filing jointly--completed phaseout threshold amount	\$180,000	\$180,000	\$180,000
Kiddie tax			
Children pay federal income tax at their parents' rate on any investment income over	\$2,000	\$2,100	\$2,100



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Education Planning	2014	2015	2016
U.S. savings bonds--interest exclusion for higher education expenses:			
*Joint returns			
Phaseout threshold for joint returns	\$113,950	\$115,750	\$116,300
Completed phaseout amount after	\$143,950	\$145,750	\$146,300
*Other returns			
Phaseout threshold for other returns	\$76,000	\$77,200	\$77,550
Completed phaseout amount after	\$91,000	\$92,200	\$92,550



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Retirement Planning	2014	2015	2016
Employee/individual contribution limits			
Elective deferral limits			
* 401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ¹ (includes Roth 401(k) and Roth 403(b) contributions)	Lesser of \$17,500 or 100% of participant's compensation	Lesser of \$18,000 or 100% of participant's compensation	Lesser of \$18,000 or 100% of participant's compensation
* SIMPLE 401(k) plans and SIMPLE IRA plans ¹	Lesser of \$12,000 or 100% of participant's compensation	Lesser of \$12,500 or 100% of participant's compensation	Lesser of \$12,500 or 100% of participant's compensation
IRA contribution limits			
* Traditional IRAs	Lesser of \$5,500 or 100% of earned income	Lesser of \$5,500 or 100% of earned income	Lesser of \$5,500 or 100% of earned income
* Roth IRAs	Lesser of \$5,500 or 100% of earned income	Lesser of \$5,500 or 100% of earned income	Lesser of \$5,500 or 100% of earned income
Additional "catch-up" limits (individuals age 50 or older)			
* 401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ²	\$5,500	\$6,000	\$6,000
* SIMPLE 401(k) plans and SIMPLE IRA plans	\$2,500	\$3,000	\$3,000
* IRAs (traditional and Roth)	\$1,000	\$1,000	\$1,000
Employer contribution/benefit limits³			
Defined benefit plan limits			
* Annual contribution limit per participant	No predetermined limit. Contributions based on amount needed to fund promised benefits.	No predetermined limit. Contributions based on amount needed to fund promised benefits.	No predetermined limit. Contributions based on amount needed to fund promised benefits.
* Annual benefit limit per participant	Lesser of \$210,000 or 100% of average compensation for highest three consecutive years	Lesser of \$210,000 or 100% of average compensation for highest three consecutive years	Lesser of \$210,000 or 100% of average compensation for highest three consecutive years
Defined contribution plan limits (qualified plans, 403(b) plans, SEPs, and SIMPLE plans)			
* Annual addition limit per participant (employer contributions; employee pretax, after-tax, and Roth contributions; and forfeitures) (does not apply to SIMPLE IRA plans)	Lesser of \$52,000 or 100% (25% for SEP) of participant's compensation	Lesser of \$53,000 or 100% (25% for SEP) of participant's compensation	Lesser of \$53,000 or 100% (25% for SEP) of participant's compensation
* Maximum tax-deductible employer contribution (not applicable to 403(b) plans)	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans



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Retirement Planning	2014	2015	2016
Compensation limits/thresholds			
Retirement plan compensation limits			
* Maximum compensation per participant that can be used to calculate tax-deductible employer contribution (qualified plans and SEPs)	\$260,000	\$265,000	\$265,000
* Compensation threshold used to determine a highly compensated employee	\$115,000 (when 2014 is the look-back year)	\$120,000 (when 2015 is the look-back year)	\$120,000 (when 2016 is the look-back year)
* Compensation threshold used to determine a key employee in a top-heavy plan	\$1 for more-than-5% owners \$170,000 for officers \$150,000 for more-than-1% owners	\$1 for more-than-5% owners \$170,000 for officers \$150,000 for more-than-1% owners	\$1 for more-than-5% owners \$170,000 for officers \$150,000 for more-than-1% owners
* Compensation threshold used to determine a qualifying employee under a SIMPLE plan	\$5,000	\$5,000	\$5,000
* Compensation threshold used to determine a qualifying employee under a SEP plan	\$550	\$600	\$600
Traditional deductible IRA compensation limits			
* Income phaseout range for determining deductibility of traditional IRA contributions for taxpayers:			
1. Covered by an employer-sponsored plan and filing as:			
Single	\$60,000 - \$70,000	\$61,000 - \$71,000	\$61,000 - \$71,000
Married filing jointly	\$96,000 - \$116,000	\$98,000 - \$118,000	\$98,000 - \$118,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000
2. Not covered by an employer-sponsored retirement plan, but filing joint return with a spouse who is covered by an employer-sponsored retirement plan	\$181,000 - \$191,000	\$183,000 - \$193,000	\$184,000 - \$194,000
Roth IRA compensation limits			
* Income phaseout range for determining ability to fund Roth IRA for taxpayers filing as:			
Single	\$114,000 - \$129,000	\$116,000 - \$131,000	\$117,000 - \$132,000
Married filing jointly	\$181,000 - \$191,000	\$183,000 - \$193,000	\$184,000 - \$194,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000
* Annual income limit for determining ability to convert traditional IRA to Roth IRA	N/A	N/A	N/A

¹ Must aggregate employee contributions to all 401(k), 403(b), SAR-SEP, and SIMPLE plans of all employers. Contributions to 457(b) plans are not aggregated. For SAR-SEPs, the percentage limit is 25% of compensation

² Special catch-up limits may also apply to 403(b) and 457(b) plan participants.

³ Note: For self-employed individuals, compensation generally means earned income. This means that, for qualified plans, deductible contributions for a self-employed individual are limited to 20% of net earnings from self-employment (net profits minus self-employment tax deduction), and special rules apply in calculating the annual additions limit.



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Government Benefits	2014	2015	2016
Social Security			
Social Security cost-of-living adjustment (COLA)			
* For Social Security and Supplemental Security Income (SSI) beneficiaries	1.50%	1.70%	0.00%
Tax rate			
* FICA tax -- Employee	7.65%	7.65%	7.65%
Social Security (OASDI) portion of tax	6.20%	6.20%	6.20%
Medicare (HI) portion of tax	1.45% ¹	1.45% ¹	1.45% ¹
* Self-employed	15.30%	15.30%	15.30%
Social Security (OASDI) portion of tax	12.40%	12.40%	12.40%
Medicare (HI) portion of tax	2.90% ¹	2.90% ¹	2.90% ¹
Maximum taxable earnings			
* Social Security (OASDI only)	\$117,000	\$118,500	\$118,500
* Medicare (HI only)	No limit	No limit	No limit
Quarter of coverage			
* Earnings required	\$1,200	\$1,220	\$1,260
Retirement earnings test--exempt amounts			
* Under full retirement age			
Benefits reduced by \$1 for each \$2 earned above:			
Yearly figure	\$15,480	\$15,720	\$15,720
Monthly figure	\$1,290	\$1,310	\$1,310
* Year individual reaches full retirement age			
Benefits reduced by \$1 for each \$3 earned above (applies only to earnings for months prior to attaining full retirement age):			
Yearly figure	\$41,400	\$41,880	\$41,880
Monthly figure	\$3,450	\$3,490	\$3,490
* Beginning the month individual attains full retirement age	No limit on earnings	No limit on earnings	No limit on earnings
Social Security disability thresholds			
* Substantial gainful activity (SGA) for the sighted (monthly figure)	\$1,070	\$1,090	\$1,130
* Substantial gainful activity for the blind (monthly figure)	\$1,800	\$1,820	\$1,820
* Trial work period (TWP) (monthly figure)	\$770	\$780	\$810
SSI federal payment standard			
* Individual (monthly figure)	\$721	\$733	\$733
* Couple (monthly figure)	\$1,082	\$1,100	\$1,100
SSI resource limits			
* Individual	\$2,000	\$2,000	\$2,000
* Couple	\$3,000	\$3,000	\$3,000
SSI student exclusion limits			
* Monthly limit	\$1,750	\$1,780	\$1,780
* Annual limit	\$7,060	\$7,180	\$7,180
Maximum Social Security benefit			
* Worker retiring at full retirement age (monthly figure)	\$2,642	\$2,663	\$2,639
Formula for monthly Primary Insurance Amount (PIA) (90% of first X of AIME + 32% of the AIME over X and through Y + 15% of AIME over Y)	X=\$816 Y=\$4,917	X=\$826 Y=\$4,980	X=\$856 Y=\$5,157



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Government Benefits	2014	2015	2016
Medicare			
Medicare monthly premium amounts			
* Part A (hospital insurance) monthly premium			
Individuals with 40 or more quarters of Medicare-covered employment	\$0	\$0	\$0
Individuals with less than 40 quarters of Medicare-covered employment who are not otherwise eligible for premium-free hospital insurance	Up to \$426	Up to \$407	Up to \$411
* Part B (medical insurance) monthly premium			
For beneficiaries who file an individual income tax return with income that is:			
Less than or equal to \$85,000	\$104.90	\$104.90	\$104.90 / \$121.80 ²
\$85,001 - \$107,000	\$146.90	\$146.90	\$170.50
\$107,001 - \$160,000	\$209.80	\$209.80	\$243.60
\$160,001 - \$214,000	\$272.70	\$272.70	\$316.70
Greater than \$214,000	\$335.70	\$335.70	\$389.80
For beneficiaries who file a joint income tax return with income that is:			
Less than or equal to \$170,000	\$104.90	\$104.90	\$104.90 / \$121.80 ²
\$170,001 - \$214,000	\$146.90	\$146.90	\$170.50
\$214,001 - \$320,000	\$209.80	\$209.80	\$243.60
\$320,001 - \$428,000	\$272.70	\$272.70	\$316.70
Greater than \$428,000	\$335.70	\$335.70	\$389.80
For beneficiaries who are married, but file a separate tax return from their spouse and lived with spouse at some time during the taxable year with income that is:			
Less than or equal to \$85,000	\$104.90	\$104.90	\$104.90 / \$121.80 ²
\$85,001 - \$129,000	\$272.70	\$272.70	\$316.70
Greater than \$129,000	\$335.70	\$335.70	\$389.80
Original Medicare plan deductible and coinsurance amounts			
* Part A (hospital insurance)			
Deductible per benefit period	\$1,216	\$1,260	\$1,288
Coinsurance per day for 61st to 90th day of each benefit period	\$304	\$315	\$322
Coinsurance per day for 91st to 150th day for each lifetime reserve day (total of 60 lifetime reserve days--nonrenewable)	\$608	\$630	\$644
* Skilled nursing facility coinsurance per day for 21st to 100th day of each benefit period	\$152.00	\$157.50	\$161
* Part B (medical insurance) annual deductible			
Individual pays 20% of the Medicare-approved amount for services after deductible is met	\$147	\$147	\$166



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Government Benefits	2014	2015	2016
Medicaid			
Monthly income threshold for income-cap states ("300 percent cap limit")	\$2,163	\$2,199	\$2,199
Monthly maintenance needs allowance for at-home spouse			
* Minimum ³	\$1,938.75	\$1,966.25	\$1,991.25
* Maximum	\$2,931	\$2,980.50	\$2,980.50
Spousal resource allowance			
* Minimum	\$23,448	\$23,844	\$23,844
* Maximum	\$117,240	\$119,220	\$119,220

¹An additional 0.9% Medicare/hospital insurance tax (for a total employee contribution of 2.35%) is assessed on wages exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns). An additional 0.9% Medicare/hospital insurance tax (for a total Medicare portion of 3.8%) is assessed on self-employment income exceeding \$200,000 (\$250,000 for married couples filing joint returns,

²Most individuals will pay \$104.90; however, individuals who are not subject to the Social Security "hold harmless" provision will pay \$121.80.

³Amounts listed actually effective as of July of prior year; different amounts apply to Alaska and Hawaii.



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Business Planning	2014	2015	2016
Adoption assistance programs			
*Maximum amount that can be excluded from employee's gross income	\$13,190	\$13,400	\$13,460
Phaseout threshold amount	\$197,880	\$201,010	\$201,920
Completed phaseout amount after	\$237,880	\$241,010	\$241,920
Earnings subject to FICA taxes (taxable wage base):			
*Maximum annual earnings subject to Social Security taxes	\$117,000	\$118,500	\$118,500
*Social Security and Medicare combined tax rate	15.30% ¹	15.30% ¹	15.30% ¹
OASDI portion (Social Security)	12.40%	12.40%	12.40%
Hospital Insurance portion (Medicare)	2.90% ¹	2.90% ¹	2.90% ¹
Health insurance deduction for self-employed:			
*Deduction for health insurance premiums paid by self-employed persons	100%	100%	100%
Qualified transportation fringe benefits:			
*Commuter vehicles and transit pass monthly exclusion amount	\$250	\$250	\$255
*Qualified parking monthly exclusion amount	\$250	\$250	\$255
*Qualified bicycle commuting reimbursement fringe benefit (monthly amount)	\$20	\$20	\$20
Section 179 expensing			
*Maximum amount that may be deducted under Section 179	\$500,000	\$500,000	\$500,000 ²
*Deduction reduced by the amount by which the cost of Section 179 property placed in service during the year exceeds this amount	\$2,000,000	\$2,000,000	\$2,000,000 ²
Small business tax credit for providing health-care coverage			
*Maximum credit percentage	50%	50%	50%
*Partial credit			
Number of full-time equivalent employees (FTEs) fewer than:	25	25	25
Maximum annual average wages less than:	\$50,800	\$51,600	\$51,800
*Full credit			
Number of full-time equivalent employees (FTEs) no more than:	10	10	10
Maximum annual average wages less than or equal to:	\$25,400	\$25,800	\$25,900
Special additional first-year depreciation allowance			
**"Bonus" depreciation for qualified property acquired and placed in service during specified time periods	50%	50%	50%
Standard mileage rate (per mile):			
*Use of auto for business purposes	\$0.560	\$0.575	\$0.54
Tax on accumulated earnings and personal holding company income	20%	20%	20%

¹ An additional Medicare (HI) employee contribution rate of 0.9% (for a total employee contribution of 2.35%, and a total combined Medicare contribution rate of 3.8%) is assessed on wages exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns). For married individuals filing joint returns, the additional 0.9% tax applies to the couples combined wages (to the extent the combined wages exceed \$250,000).

² Indexed for inflation



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Estate Planning	2014	2015	2016
Annual gift exclusion:	\$14,000	\$14,000	\$14,000
Gift and estate tax basic exclusion amount:	\$5,340,000 + DSUEA ¹	\$5,430,000 + DSUEA ¹	\$5,450,000 + DSUEA ¹
Noncitizen spouse annual gift tax exclusion:	\$145,000	\$147,000	\$148,000
Generation-skipping transfer (GST) tax exemption:	\$5,340,000 ²	\$5,430,000 ²	\$5,450,000 ²
Special use valuation limit (qualified real property in decedent's gross estate):	\$1,090,000	\$1,100,000	\$1,110,000

¹ Basic exclusion amount plus deceased spousal unused exclusion amount (exclusion is portable for 2011 and later years)

² The GST tax exemption is not portable

2014, 2015, and 2016 Gift and Estate Tax Rate Schedule	Tentative Tax Equals		
Taxable Gift/Estate	Base Tax	Plus	Of Amount Over
0 - \$10,000	\$0	18%	\$0
\$10,000 - \$20,000	\$1,800	20%	\$10,000
\$20,000 - \$40,000	\$3,800	22%	\$20,000
\$40,000 - \$60,000	\$8,200	24%	\$40,000
\$60,000 - \$80,000	\$13,000	26%	\$60,000
\$80,000 - \$100,000	\$18,200	28%	\$80,000
\$100,000 - \$150,000	\$23,800	30%	\$100,000
\$150,000 - \$250,000	\$38,800	32%	\$150,000
\$250,000 - \$500,000	\$70,800	34%	\$250,000
\$500,000 - \$750,000	\$155,800	37%	\$500,000
\$750,000 - \$1,000,000	\$248,300	39%	\$750,000
\$1,000,000 +	\$345,800	40%	\$1,000,000
Credit shelter amount \$5,340,000 in 2014, \$5,430,000 in 2015, and \$5,450,000 in 2016	Unified credit amount \$2,081,800 in 2014, \$2,117,800 in 2015, and \$2,125,800 in 2016		



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Protection Planning	2014	2015	2016
Eligible long-term care premium deduction limits:			
*Age 40 or under	\$370	\$380	\$390
*Age 41-50	\$700	\$710	\$730
*Age 51-60	\$1,400	\$1,430	\$1,460
*Age 61-70	\$3,720	\$3,800	\$3,900
*Over age 70	\$4,660	\$4,750	\$4,870
Per diem limit: periodic payments for qualified long-term care insurance/certain life insurance	\$330	\$330	\$340
Archer medical savings accounts			
*High deductible health plan--self-only coverage			
Annual deductible--minimum	\$2,200	\$2,200	\$2,250
Annual deductible--maximum	\$3,250	\$3,300	\$3,350
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$4,350	\$4,450	\$4,450
*High deductible health plan--family coverage			
Annual deductible--minimum	\$4,350	\$4,450	\$4,450
Annual deductible--maximum	\$6,550	\$6,650	\$6,700
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$8,000	\$8,150	\$8,150
Flexible spending account (FSA) for health care--maximum salary reduction contribution	\$2,500	\$2,550	\$2,550
Health savings accounts (HSAs)			
*Annual contribution limit			
Self-only coverage	\$3,300	\$3,350	\$3,350
Family coverage	\$6,550	\$6,650	\$6,750
*High deductible health plan--self-only coverage			
Annual deductible--minimum	\$1,250	\$1,300	\$1,300
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$6,350	\$6,450	\$6,550
*High deductible health plan--family coverage			
Annual deductible--minimum	\$2,500	\$2,600	\$2,600
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$12,700	\$12,900	\$13,100
*Annual catch-up contribution limit for individuals age 55 or older	\$1,000	\$1,000	\$1,000



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IMPORTANT DISCLOSURES

YOU NEED TO CONTACT A TRUSTED PROFESSIONAL TO RELAY THE SPECIFICS OF YOUR CIRCUMSTANCES. The information presented here is not specific to any individual's personal circumstances.

To the extent that this material concerns tax matters, it is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding penalties that may be imposed by law. Each taxpayer should seek independent advice from a tax professional based on his or her individual circumstances.

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