

# 2016 TAX FACTS



2016 Income Tax Rate Schedule			
If Taxable Income Is:			
Over	But Not Over	The Tax Is	Of The Amount Over
<b>Married Filing Jointly</b>			
\$0	\$18,550	\$0 + 10%	\$0
\$18,550	\$75,300	\$1,855 + 15%	\$18,550
\$75,300	\$151,900	\$10,367.50 + 25%	\$75,300
\$151,900	\$231,450	\$29,517.50 + 28%	\$151,900
\$231,450	\$413,350	\$51,791.50 + 33%	\$231,450
\$413,350	\$466,950	\$111,818.50 + 35%	\$413,350
\$466,950	And Over	\$130,578.50 + 39.6%	\$466,950
<b>Single</b>			
\$0	\$9,275	\$0 + 10%	\$0
\$9,275	\$37,650	\$927.50 + 15%	\$9,275
\$37,650	\$91,150	\$5,183.75 + 25%	\$37,650
\$91,150	\$190,150	\$18,558.75 + 28%	\$91,150
\$190,150	\$413,350	\$46,278.75 + 33%	\$190,150
\$413,350	\$415,050	\$119,934.75 + 35%	\$413,350
\$415,050	And Over	\$120,529.75 + 39.6%	\$415,050
<b>Estates and Trusts</b>			
\$0	\$2,550	\$0 + 15%	\$0
\$2,550	\$5,950	\$382.50 + 25%	\$2,550
\$5,950	\$9,050	\$1,232.50 + 28%	\$5,950
\$9,050	\$12,400	\$2,100.50 + 33%	\$9,050
\$12,400	And Over	\$3,206 + 39.6%	\$12,400

Education Incentives 2015 and 2016	
<b>American Opportunity Tax Credit (formerly Hope Credit)</b>	
100% of first \$2,000 qualified expenses	\$2,000
25% of next \$2,000 qualified expenses	\$500
<b>Phase-Outs for American Opportunity Tax Credit</b>	
Married Filing Jointly	\$160,000 – \$180,000
Others	\$80,000 – \$90,000
<b>Lifetime Learning Credit</b>	
20% of Expenses	up to \$2,000
<b>Phase-Outs for Lifetime Learning Credits</b>	
Married Filing Jointly	\$110,000 – \$130,000
Others	\$55,000 – \$65,000

Corporate Taxes 2015 and 2016			
If Taxable Income Is:			
Over	But Not Over	The Tax Is	Of The Amount Over
\$0	\$50,000	\$0 + 15%	\$0
\$50,000	\$75,000	\$7,500 + 25%	\$50,000
\$75,000	\$100,000	\$13,750 + 34%	\$75,000
\$100,000	\$335,000	\$22,250 + 39%	\$100,000
\$335,000	\$10,000,000	\$113,900 + 34%	\$335,000
\$10,000,000	\$15,000,000	\$3,400,000 + 35%	\$10,000,000
\$15,000,000	\$18,333,333	\$5,150,000 + 38%	\$15,000,000
\$18,333,333	And Over	\$6,416,667 + 35%	\$18,333,333

2015 Income Tax Rate Schedule			
If Taxable Income Is:			
Over	But Not Over	The Tax Is	Of The Amount Over
<b>Married Filing Jointly</b>			
\$0	\$18,450	\$0 + 10%	\$0
\$18,450	\$74,900	\$1,845 + 15%	\$18,450
\$74,900	\$151,200	\$10,312.50 + 25%	\$74,900
\$151,200	\$230,450	\$29,387.50 + 28%	\$151,200
\$230,450	\$411,500	\$51,577.50 + 33%	\$230,450
\$411,500	\$464,850	\$111,324 + 35%	\$411,500
\$464,850	And Over	\$129,996.50 + 39.6%	\$464,850
<b>Single</b>			
\$0	\$9,225	\$0 + 10%	\$0
\$9,225	\$37,450	\$922.50 + 15%	\$9,225
\$37,450	\$90,750	\$5,156.25 + 25%	\$37,450
\$90,750	\$189,300	\$18,481.25 + 28%	\$90,750
\$189,300	\$411,500	\$46,075.25 + 33%	\$189,300
\$411,500	\$413,200	\$119,401.25 + 35%	\$411,500
\$413,200	And Over	\$119,996.25 + 39.6%	\$413,200
<b>Estates and Trusts</b>			
\$0	\$2,500	\$0 + 15%	\$0
\$2,500	\$5,900	\$375 + 25%	\$2,500
\$5,900	\$9,050	\$1,225 + 28%	\$5,900
\$9,050	\$12,300	\$2,107 + 33%	\$9,050
\$12,300	And Over	\$3,179.50 + 39.6%	\$12,300

Standard Deductions	2016	2015
<b>Married Filing Jointly</b>	\$12,600	\$12,600
<b>Head of Household</b>	\$9,300	\$9,250
<b>Single/Married Filing Separately</b>	\$6,300	\$6,300
<b>Additional (Age 65/older, or blind)</b>		
Married Filing Jointly	\$1,250	\$1,250
Single, not surviving spouse	\$1,550	\$1,550

Personal Exemptions	2016	2015
Personal Exemption	\$4,050	\$4,000

Kiddie (under age 18 with unearned income)	2016	2015
First (No Tax)	\$1,050	\$1,050
Next (Child's Rate)	\$1,050	\$1,050
Amounts Over (Parent's Rate)	\$2,100	\$2,100

Child Tax Credit
\$1,000 per child under age 17: phases-out \$50 for each \$1,000 of AGI over \$110,000 (Married Filing Jointly), \$75,000 (single), or \$55,000 (Married Filing Separately).

Capital Gains and Qualified Dividends Taxes	2016	2015
<b>Rates on Qualified Dividends and Gains for Assets Held at Least 12 Months</b>		
15% Bracket or Below	0 %	0%
25%, 28%, 33%, 35% Bracket	15%	15%
39.6% Bracket	20%	20%

Estate Tax	
2015 - \$5,430,000 exemption; 40% tax rate	
2016 - \$5,450,000 exemption; 40% tax rate	

Generation-Skipping Transfer Tax	Gift Taxes
2015 - \$5,430,000 exemption; 40% tax rate	2015 - Annual Gift Tax Exclusion; \$14,000
2016 - \$5,450,000 exemption; 40% tax rate	2016 - Annual Gift Tax Exclusion; \$14,000
	2015 - \$5,430,000 exemption; 40% tax rate
	2016 - \$5,450,000 exemption; 40% tax rate

IRAs	2016	2015
<b>Traditional or Roth IRA Contribution</b>	\$5,500	\$5,500
IRA Catch-Up - Age 50 or Older	\$1,000	\$1,000

Phase-Out Range for Deductible Contributions to Traditional IRAs		
Married Filing Jointly	\$98,000 - \$118,000	\$98,000 - \$118,000
Single/Head of Household	\$61,000 - \$71,000	\$61,000 - \$71,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000

Phase-Out Range for Non-Active Participant Who Has An Active-Participant Spouse		
	\$184,000 - \$194,000	\$183,000 - \$193,000

Phase-Out Range for Contributions to Roth IRAs		
Married Filing Jointly	\$184,000 - \$194,000	\$183,000 - \$193,000
Single/Head of Household	\$117,000 - \$132,000	\$116,000 - \$131,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000

Qualified Retirement Plans (Maximum Limits) 2015 and 2016	
<b>SEP Plan Participant Maximum Percentage of Compensation</b>	25%
SEP Plan Per Participant Maximum Dollar Allocation Limit	\$53,000
SEP Minimum Compensation	\$600
<b>SIMPLE IRA and SIMPLE 401(k) plans—Employee Contribution</b>	\$12,500
SIMPLE IRA Catch-Up—Age 50 or Older	\$3,000
<b>401(k) Plan/457 Plan/Existing SAR-SEP Plan—Elective Employee Deferral</b>	\$18,000
401(k) Plan, 457 Plan Catch-Up—Age 50 or Older	\$6,000
<b>403(b) TSA—Elective Employee Deferral</b>	\$18,000
403(b) TSA Catch-Up—Age 50 or Older	\$6,000
403(b) TSA Catch-Up—15 or More Years of Service With Current Employer	\$3,000
<b>Defined Contribution Plan Per Participant—Maximum Dollar Allocation Limit</b>	\$53,000
<b>Defined Contribution Maximum Employer Percentage Deduction Limit (of eligible payroll)</b>	25%
<b>Defined Benefit Plan Maximum Benefit</b>	\$210,000
<b>Covered Compensation Limit</b>	\$265,000
<b>Highly Compensated Employee</b>	\$120,000

Social Security 2016		
Full Retirement Age	66 years	
Portion of Benefit Paid at Age 62	75%	
Maximum Monthly Benefit for Workers Retiring at Full Retirement Age: \$2,639		
Maximum Earnings Before Social Security Benefits Are Reduced		
Under Full Retirement Age	\$15,720	
(Lose \$1 for Every \$2 of Earnings)	\$1,310/month	
For Months Before Reaching Full Retirement Age in Given Year: \$41,880		
(Lose \$1 for Every \$3 of Earnings)	\$3,490/month	
Full Retirement Age	No Limit	
Maximum Compensation Subject to FICA Taxes		
OASDI (Social Security) Maximum	\$118,500	
HI (Medicare) Maximum	No Limit	
<ul style="list-style-type: none"> <li>• <b>OASDI Tax Rate:</b> 12.4% self-employed, 6.2% employee and employer</li> <li>• <b>HI Tax Rate:</b> 2.9% self-employed, 1.45% employee and employer</li> </ul>		
Base Amount of Modified AGI Causing SS Benefits to Be Taxable		
<b>2015 and 2016</b>		
	<b>(50% Taxable)</b>	<b>(85% Taxable)</b>
Single	\$25,000 - \$34,000	\$34,000+
Married Filing Jointly	\$32,000 - \$44,000	\$44,000+

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

\*A different table (Joint Life and Lost Survivor) may be used if the sole beneficiary is the owner's spouse who is more than 10 years younger than the owner.

†This table is used for calculating required minimum distributions during the owner's lifetime.

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