

BUSINESS

Depreciation

36-Month Assets (Straight-Line)

Most software

3-Year Assets (200% DB)

Dies, molds, small tools, certain horses, tractor units

5-Year Assets (200% DB)

Autos, computers, office machinery, taxis, buses, trucks, cattle, private aircraft, appliances, carpeting, furniture

7-Year Assets (200% DB)

Most manufacturing equipment, office furniture, printing equipment, oil and gas production equipment

7-Year Assets (150% DB)

Farm equipment

15-Year Assets (150% DB)

Land improvements, retail fuel outlets, leasehold property, restaurant property

27.5-Year Assets (Straight-Line)

Rental houses, apartments, low-income housing, furnaces, water pipes, venting

39-Year Assets (Straight-Line)

Nonresidential buildings

Personal Property Depreciation

Percent of Original Depreciable Basis under 200% DB

Method

(Not applicable for mid-quarter convention)

Recovery Year	3-Year Class	5-Year Class	7-Year Class
1	33.33	20.00	14.29
2	44.45	32.00	24.49
3	14.81	19.20	17.49
4	7.41	11.52	12.49
5		11.52	8.93
6		5.76	8.92
7			8.93
8			4.46

Section 179 Expense

	2017	2016
Maximum expense election	\$ 510,000	\$ 500,000
Phaseout threshold	\$ 2,030,000	\$ 2,010,000

CORPORATE INCOME TAX RATES

Regular Tax

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 50,000	15%	\$ 0
\$ 50,001 – \$ 75,000	\$ 7,500 + 25%	\$ 50,000
\$ 75,001 – \$ 100,000	\$ 13,750 + 34%	\$ 75,000
\$ 100,001 – \$ 335,000	\$ 22,250 + 39%	\$ 100,000
\$ 335,001 – \$ 10,000,000	\$ 113,900 + 34%	\$ 335,000
\$ 10,000,001 – \$ 15,000,000	\$ 3,400,000 + 35%	\$ 10,000,000
\$ 15,000,001 – \$ 18,333,333	\$ 5,150,000 + 38%	\$ 15,000,000
\$ 18,333,334 and above	a flat 35%	

Personal Service Corporations — 35% flat tax rate.

Capital Gains Tax Rate — Same as regular rate.

ESTATE AND GIFT TAXES

Estate Taxes

	2017	2016
Estate tax exemption	\$ 5,490,000	\$ 5,450,000
Unified estate tax credit	\$ 2,141,800	\$ 2,125,800
Top estate tax rate	40%	40%

Gift Taxes

	2017	2016
Lifetime gift tax exemption	\$ 5,490,000	\$ 5,450,000
Annual gift tax exclusion		
Gifts per person	\$ 14,000	\$ 14,000
Joint gifts by spouse	\$ 28,000	\$ 28,000
Top gift tax rate	40%	40%

LONG-TERM CARE INSURANCE

If you are:

You may deduct this much of your annual premiums

	2017	2016
Over 70	\$ 5,110	\$ 4,870
61 to 70	\$ 4,090	\$ 3,900
51 to 60	\$ 1,530	\$ 1,460
41 to 50	\$ 770	\$ 730
40 and under	\$ 410	\$ 390

CAPITAL GAINS — 2017 & 2016

Holding Period	Top Capital Gains Rate	
	2017	2016
12 months or less	39.6% ¹	39.6% ¹
More than 12 months	20% ^{1,2}	20% ^{1,2}
Depreciation recapture on real estate	25%	25%
Collectibles and certain small business stock	28%	28%

¹ Capital gain rates may be subject to an additional 3.8% Medicare tax.

² Rate for taxpayers in the top income tax bracket. (Middle income tax brackets pay 15%.)

COVERDELL ESAS — 2017 & 2016

	2017	2016
• Contribution limit	\$ 2,000 per beneficiary	\$ 2,000 per beneficiary
• AGI phaseouts: [*]		
Joint filers	\$ 190,000 – \$ 220,000	\$ 190,000 – \$ 220,000
Individual filers	\$ 95,000 – \$ 110,000	\$ 95,000 – \$ 110,000

^{*} Phaseout applies to the contributor, not the beneficiary.

STANDARD MILEAGE RATES

Use	2017	2016
Business	53.5¢ per mile	54¢ per mile
Moving	17¢ per mile	19¢ per mile
Medical	17¢ per mile	19¢ per mile
Charitable	14¢ per mile	14¢ per mile

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2017 INDIVIDUAL INCOME TAX RATES*

Regular Tax — Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 18,650	.....10%	\$ 0
\$ 18,651 – \$ 75,900	\$ 1,865 + 15%	\$ 18,650
\$ 75,901 – \$ 153,100	\$ 10,453 + 25%	\$ 75,900
\$ 153,101 – \$ 233,350	\$ 29,753 + 28%	\$ 153,100
\$ 233,351 – \$ 416,700	\$ 52,223 + 33%	\$ 233,350
\$ 416,701 – \$ 470,700	\$ 112,728 + 35%	\$ 416,700
\$ 470,701 and above	\$ 131,628 + 39.6%	\$ 470,700

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 9,325	.....10%	\$ 0
\$ 9,326 – \$ 37,950	\$ 933 + 15%	\$ 9,325
\$ 37,951 – \$ 76,550	\$ 5,227 + 25%	\$ 37,950
\$ 76,551 – \$ 116,675	\$ 14,877 + 28%	\$ 76,550
\$ 116,676 – \$ 208,350	\$ 26,112 + 33%	\$ 116,675
\$ 208,351 – \$ 235,350	\$ 56,364 + 35%	\$ 208,350
\$ 235,351 and above	\$ 65,814 + 39.6%	\$ 235,350

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 9,325	.....10%	\$ 0
\$ 9,326 – \$ 37,950	\$ 933 + 15%	\$ 9,325
\$ 37,951 – \$ 91,900	\$ 5,227 + 25%	\$ 37,950
\$ 91,901 – \$ 191,650	\$ 18,714 + 28%	\$ 91,900
\$ 191,651 – \$ 416,700	\$ 46,644 + 33%	\$ 191,650
\$ 416,701 – \$ 418,400	\$ 120,911 + 35%	\$ 416,700
\$ 418,401 and above	\$ 121,506 + 39.6%	\$ 418,400

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 13,350	.....10%	\$ 0
\$ 13,351 – \$ 50,800	\$ 1,335 + 15%	\$ 13,350
\$ 50,801 – \$ 131,200	\$ 6,953 + 25%	\$ 50,800
\$ 131,201 – \$ 212,500	\$ 27,053 + 28%	\$ 131,200
\$ 212,501 – \$ 416,700	\$ 49,817 + 33%	\$ 212,500
\$ 416,701 – \$ 444,550	\$ 117,203 + 35%	\$ 416,700
\$ 444,551 and above	\$ 126,950 + 39.6%	\$ 444,550

2017 Qualified Dividend Income 15%* (0% for lower tax brackets)

*Individuals in the top tax bracket will pay 23.8% (20% plus a 3.8% Medicare surtax).
Note: Tax amounts have been rounded up to nearest dollar.

PERSONAL EXEMPTIONS

	2017	2016
Deduction for each taxpayer, spouse, and dependent	\$ 4,050	\$ 4,050
There is an AGI phaseout beginning at:		
Married, filing jointly	\$ 313,800	\$ 311,300
Married, filing separately	\$ 156,900	\$ 155,650
Single	\$ 261,500	\$ 259,400
Head of household	\$ 287,650	\$ 285,350

2016 INDIVIDUAL INCOME TAX RATES*

Regular Tax — Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 18,550	.....10%	\$ 0
\$ 18,551 – \$ 75,300	\$ 1,855 + 15%	\$ 18,550
\$ 75,301 – \$ 151,900	\$ 10,368 + 25%	\$ 75,300
\$ 151,901 – \$ 231,450	\$ 29,518 + 28%	\$ 151,900
\$ 231,451 – \$ 413,350	\$ 51,792 + 33%	\$ 231,450
\$ 413,351 – \$ 466,950	\$ 111,819 + 35%	\$ 413,350
\$ 466,951 and above	\$ 130,579 + 39.6%	\$ 466,950

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 9,275	.....10%	\$ 0
\$ 9,276 – \$ 37,650	\$ 928 + 15%	\$ 9,275
\$ 37,651 – \$ 75,950	\$ 5,184 + 25%	\$ 37,650
\$ 75,951 – \$ 115,725	\$ 14,759 + 28%	\$ 75,950
\$ 115,726 – \$ 206,675	\$ 25,896 + 33%	\$ 115,725
\$ 206,676 – \$ 233,475	\$ 55,909 + 35%	\$ 206,675
\$ 233,476 and above	\$ 65,289 + 39.6%	\$ 233,475

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 9,275	.....10%	\$ 0
\$ 9,276 – \$ 37,650	\$ 928 + 15%	\$ 9,275
\$ 37,651 – \$ 91,150	\$ 5,184 + 25%	\$ 37,650
\$ 91,151 – \$ 190,150	\$ 18,559 + 28%	\$ 91,150
\$ 190,151 – \$ 413,350	\$ 46,279 + 33%	\$ 190,150
\$ 413,351 – \$ 415,050	\$ 119,935 + 35%	\$ 413,350
\$ 415,051 and above	\$ 120,530 + 39.6%	\$ 415,050

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 – \$ 13,250	.....10%	\$ 0
\$ 13,251 – \$ 50,400	\$ 1,325 + 15%	\$ 13,250
\$ 50,401 – \$ 130,150	\$ 6,898 + 25%	\$ 50,400
\$ 130,151 – \$ 210,800	\$ 26,835 + 28%	\$ 130,150
\$ 210,801 – \$ 413,350	\$ 49,417 + 33%	\$ 210,800
\$ 413,351 – \$ 441,000	\$ 116,259 + 35%	\$ 413,350
\$ 441,001 and above	\$ 125,936 + 39.6%	\$ 441,000

2016 Qualified Dividend Income 15%* (0% for lower tax brackets)

*Individuals in the top tax bracket will pay 23.8% (20% plus a 3.8% Medicare surtax).
Note: Tax amounts have been rounded up to nearest dollar.

STANDARD DEDUCTION

	2017*	2016
Married, filing jointly	\$ 12,700	\$ 12,600
Married, filing separately	\$ 6,350	\$ 6,300
Single	\$ 6,350	\$ 6,300
Head of household	\$ 9,350	\$ 9,300
Additional — blind or elderly		
Single	\$ 1,550	\$ 1,550
Married	\$ 1,250	\$ 1,250

* Deduct the greater of standard or itemized deductions.

RETIREMENT PLANS

Indexed Contribution & Benefit Limits for Qualified Plans

Type of Plan	2017	2016
Individual Retirement Accounts (IRAs)*	\$ 5,500	\$ 5,500
Section 401(k) plans or SAR-SEPs*	\$ 18,000	\$ 18,000
Section 403(b) plans*	\$ 18,000	\$ 18,000
Section 408(p)(2)(E) SIMPLE contributions*	\$ 12,500	\$ 12,500
Section 457(b)(2) limit*	\$ 18,000	\$ 18,000
Section 415 limit for:		
Defined contribution plans†	\$ 54,000	\$ 53,000
Defined benefit plans	\$ 215,000	\$ 210,000
Highly compensated employees Section 414(q)	\$ 120,000	\$ 120,000
FICA taxable wage base		
Social Security	\$ 127,200	\$ 118,500
Medicare (tax rate 1.45% for employees; 2.90% for self-employed)**	No limit	No limit

* Age 50 additional contributions

401(k) type plans	\$ 6,000	\$ 6,000
SIMPLEs	\$ 3,000	\$ 3,000
IRAs	\$ 1,000	\$ 1,000

† The Section 415 compensation limit for defined contribution plans is \$270,000.

** An additional tax rate of 0.9% on wages in excess of \$200,000 may apply.

Roth IRAs

AGI limit for maximum contributions:	2017	2016
Joint filers	\$ 186,000	\$ 184,000
Individual filers	\$ 118,000	\$ 117,000

The income limit on converting traditional IRAs to Roth IRAs was eliminated in 2010.

SOCIAL SECURITY

Annual Earned Income Limit	2017	2016
Under full retirement age	\$ 16,920	\$ 15,720
Full retirement age	No Limit	No Limit

For people reaching full retirement age in 2017, the limit is \$44,880 for months prior to attainment. Beginning the month in which they turn full retirement age, there is no limit.

HEALTH SAVINGS ACCOUNTS

Contribution Limits	2017	2016
Individual, self-only	\$ 3,400	\$ 3,350
Family Coverage	\$ 6,750	\$ 6,750
Catch-up for those age 55 and older	\$ 1,000	\$ 1,000

For 2017, the minimum deductible for a high-deductible health plan (HDHP) is \$1,300 for self-only coverage and \$2,600 for family coverage. The maximum out-of-pocket limit is \$6,550 for self-only coverage and \$13,100 for family plans.

ALTERNATIVE MINIMUM TAX

AMT Exemptions	2017	2016
Married, filing jointly	\$ 84,500	\$ 83,800
Married, filing separately	\$ 42,250	\$ 41,900
Single	\$ 54,300	\$ 53,900
Head of household	\$ 54,300	\$ 53,900