

# 2016 TAX FACTS AT A GLANCE



## 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%

Not insured by the FDIC or any federal government agency. May lose value. Not a deposit of or guaranteed by any bank, bank affiliate, or credit union.

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
<b>Phase-Out Range for Deductible Contributions to Traditional IRAs</b>		
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
<b>Phase-Out Range for Non-Active Participant Who Has An Active-Participant Spouse</b>		
	\$184,000 – \$194,000	\$183,000 – \$193,000
<b>Phase-Out Range for Contributions to Roth IRAs</b>		
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		
<b>Maximum Earnings Before Social Security Benefits Are Reduced</b>		
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	
<b>Maximum Compensation Subject to FICA Taxes</b>		
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>		
<b>Base Amount of Modified AGI Causing SS Benefits to Be Taxable</b>		
	<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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