



Tax Schedule 2016

CHECKS & BALANCES
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Scheduled Estate and Gift Tax Changes

Year	Top Estate Tax Rate	Estate Tax Exemption	Applicable Credit	Gift Tax Lifetime Exemption	Gift Tax Applicable Credit Amount	Top Gift Tax Rate
2007	45%	2 Million	780,800	1 Million	345,800	45%
2008	45%	2 Million	780,800	1 Million	345,800	45%
2009	45%	3.5 Million	1,455,800	1 Million	345,800	45%
2010*	35%	5 Million	1,730,800	1 Million	345,800	35%
2011	35%	5 Million	1,730,800	5 Million	1,730,800	35%
2012	35%	5.12 Million	1,772,800	5.12 Million	1,772,800	35%
2013	40%	5.25 Million	2,045,800	5.25 Million	2,045,800	40%
2014	40%	5.34 Million	2,081,800	5.34 Million	2,081,800	40%
2015	40%	5.43 Million	2,117,800	5.43 Million	2,117,800	40%
2016	40%	5.45 Million	2,125,800	5.45 Million	2,125,800	40%

*The Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 is retroactive. 2010 decedents are subject to estate taxes and get the benefit of a \$5 million exemption. However, executors of the estate of 2010 decedents get the option of electing back into the estate tax repeal. In other words, executors may choose: 1) application of the new law; or 2) no estate tax but application of the modified carried over basis regime (carryover basis with \$1.3 million and \$3 million basis adjustments).

Gift Tax 2016

Annual Gift Tax Exclusion:

Individual donor may gift \$14,000 per donee

Individual may gift to non-U.S. citizen spouse \$148,000

Generation-Skipping Transfer Tax Exemption: \$5,450,000

Social Security

	2015	2016
Full Retirement Age*	66 years, 6 months	66 years, 6 months
Portion of Benefit Paid at Age 62*	72.50%	72.50%
Income subject to social security tax (OASDI)	118,500	118,500

*Assumes born in 1957

Maximum Earnings Before Social Security Benefits Are Reduced

	2015	2016
Before Full Retirement Age (lose \$1 for every \$2 of earnings)	15,720	15,720
Year of Full Retirement Age	41,880	41,880
After Full Retirement	No Limit	No Limit

FICA Limits

Maximum Compensation Subject to FICA Taxes

OASDI (Social Security) maximum	118,500	118,500
HI (Medicare) maximum	No Limit	No Limit

2015 & 2016 FICA Rates	Self-Employed	Employee
OASDI (Social Security)		12.4%
HI (Medicare)		2.9%
Additional Medicare Tax*		0.9%

*Beginning in 2013, the additional Medicare tax applies to wages and self-employment income above the following thresholds:

Filing Status	Wages or Self-Employment income above the threshold
Married Filing Jointly	Amounts over \$250,000
Married Filing Separately	Amounts over \$125,000
All Other Taxpayers	Amounts over \$200,000

Education Incentives

	2015	2016
Phase-Outs for American Opportunity Credit/ Hope Scholarship Credit		
Married Filing Jointly	\$ 160,000 – \$ 180,000	\$ 160,000 – \$ 180,000
Others	80,000 – \$ 90,000	80,000 – \$ 90,000
Phase-Outs for Lifetime Learning Credits		
Married Filing Jointly	\$ 110,000 – \$ 130,000	\$ 110,000 – \$ 130,000
Others	\$ 55,000 – \$ 65,000	\$ 55,000 – \$ 65,000
Phase-Outs for Exclusion of U.S. Savings Bond Income		
Married Filing Jointly	\$ 115,750 – \$ 145,750	\$ 116,300 – \$ 146,300
Others	\$ 77,200 – \$ 92,200	\$ 77,550 – \$ 92,550
	Maximum contribution of \$2,000	Maximum contribution of \$2,000
Phase-Outs for Coverdell Education Savings Accounts		
Married Filing Jointly	190,000 – \$ 220,000	\$ 190,000 – \$ 220,000
Others	\$ 95,000 – \$ 110,000	\$ 95,000 – \$ 110,000

States With Separate Estate Tax CT, DC, DE, HI, IL, MA, MD, ME, MN, NJ, NY, OR, RI, VT, WA

States With Inheritance Tax IA, IN, KY, MD, NE, NJ, PA

Community Property States AK*, AZ, CA, ID, LA, NM, NV, TX, WA, WI

*Opt-in community property state

Corporations (for all tax years since 1993)

If Taxable Income is:

Over	But Not Over	The Tax is:	Of The Amount Over:
\$ -	\$ 50,000	\$ 0 + 15%	\$ -
\$ 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

Income Taxes							
2015		If Taxable Income is:		2015		If Taxable Income	
Over	But Not Over	The Tax is	Of the Amount Over	Over	But Not Over	The Tax is	Of the Amount Over
Married Filing Jointly:				Married Filing Jointly:			
\$ -	\$ 18,450	\$ 0 +10%	\$ -	\$ -	\$ 18,500	\$ 0 +10%	\$ -
\$ 18,450	\$ 74,900	1,845 +15%	\$ 18,450	\$ 18,550	\$ 75,300	1,855 +15%	\$ 18,550
\$ 74,900	\$ 151,200	10,312.50 +25%	\$ 74,900	\$ 75,300	\$ 151,900	10,367.50 +25%	\$ 75,300
\$ 151,200	\$ 230,450	29,387.50 +28%	\$ 151,200	\$ 151,900	\$ 231,450	29,517.50 +28%	\$ 151,900
\$ 230,450	\$ 411,500	51,577.50 +33%	\$ 230,450	\$ 231,450	\$ 413,350	51,791.50 +33%	\$ 231,450
\$ 411,500	\$ 464,850	111,324 +35%	\$ 411,500	\$ 413,350	\$ 466,950	111,818.50 +35%	\$ 413,350
\$ 464,850	And Over	129,996.50 +39.6%	\$ 464,850	\$ 466,950	And Over	130,578.50 +39.6%	\$ 466,950
Single:				Single:			
\$ -	\$ 9,225	\$ 0 +10%	\$ -	\$ -	\$ 9,275	\$ 0 +10%	\$ -
\$ 9,225	\$ 37,450	922.50 +15%	\$ 9,225	\$ 9,275	\$ 37,650	927.50 +15%	\$ 9,275
\$ 37,450	\$ 90,750	5,156.25 +25%	\$ 37,450	\$ 37,650	\$ 91,150	5,183.75 +25%	\$ 37,650
\$ 90,750	\$ 189,300	18,481.25 +28%	\$ 90,750	\$ 91,150	\$ 190,150	18,558.75 +28%	\$ 91,150
\$ 189,300	\$ 411,500	46,075.25 +33%	\$ 189,300	\$ 190,150	\$ 413,350	46,278.75 +33%	\$ 190,150
\$ 411,500	\$ 413,200	119,401.25 +35%	\$ 411,500	\$ 413,350	\$ 415,050	119,934.75 +35%	\$ 413,350
\$ 413,200	And Over	119,996.25 +39.6%	\$ 413,200	\$ 415,050	And Over	120,529.75 +39.6%	\$ 415,050
Estates and Trusts:				Estates and Trusts:			
\$ -	\$ 2,500	\$ 0 +15%	\$ -	\$ -	\$ 2,550	\$ 0 +15%	\$ -
\$ 2,500	\$ 5,900	375 +25%	\$ 2,500	\$ 2,550	\$ 5,950	382.50 +25%	\$ 2,550
\$ 5,900	\$ 9,050	1,225 +28%	\$ 5,900	\$ 5,950	\$ 9,050	1,232.50 +28%	\$ 5,950
\$ 9,050	\$ 12,300	2,107 +33%	\$ 9,050	\$ 9,050	\$ 12,400	2,100.50 +33%	\$ 9,050
\$ 12,300	And Over	3,179.50 +39.6%	\$ 12,300	\$ 12,400	And Over	3,206 +39.6%	\$ 12,400

Standard Deductions	2015	2016
Married Filing Jointly	\$ 12,600	\$ 12,600
Single	\$ 6,300	\$ 6,300
Additional (Age 65/older or blind):		
Married	\$ 1,250	\$ 1,250
Unmarried and not surviving spouse	\$ 1,550	\$ 1,550

Itemized Deductions	2015	2016
Income Over Applicable Amount Triggers Itemized Deduction Limitation*		
Married Filing Jointly	\$ 309,900	\$ 311,300
Single	\$ 258,250	\$ 259,400

*Itemized deduction reduced by the lesser of (a) 3% of the adjusted gross income above the applicable amount, or (b) 80% of the amount of the itemized deductions otherwise allowable for the taxable year

Personal Exemptions	2015	2016
Personal Exemption	\$ 4,000	\$ 4,050
Phase-Out Range for	\$ 309,900 - 432,400	\$ 311,300 - 433,800
Married Filing Jointly	258,250 - 380,750	259,400 - 381,900
Single		

Kiddie Tax (under age 18 with un)	2015	2016	Tax Bracket
First	1050	1050	No Tax
Next	1050	1050	Child's Rate
Amount Over	2100	2100	Parents' Rate

Qualified Plans	2015	2016
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b), & 457)	\$ 1,800	\$ 18,000
401(k), 403(b), 457 age 50+ catch-up contribution	\$ 6,000	\$ 6,000
Maximum IRA contribution	\$ 5,500	\$ 5,500
IRA age 50+ catch-up contribution	\$ 1,000	\$ 1,000
Maximum elective deferral to SIMPLE plan	\$ 12,500	\$ 12,500
SIMPLE IRA age 50+ catch-up contribution limit	\$ 3,000	\$ 3,000
SEP minimum compensation amount	\$ 600	\$ 600
Annual includable compensation limit	\$ 285,000	\$ 265,000
Defined contribution plan annual addition limit	\$ 53,000	\$ 53,000
Highly compensated employee compensation amount	\$ 120,000	\$ 120,000
Annual retirement benefit limit under defined benefit plan (not to exceed 100% of compensation)	\$ 210,000	\$ 210,000
Definition of key employee in a top-heavy plan	\$ 170,000	\$ 170,000

IRAs	2015	2016
Phase-Out Range for Deductible Contributions to Traditional IRAs		
Married Filing Jointly		
Both spouses are participants in qualified plan	\$ 98,000 - \$ 118,000	\$ 98,000 - \$ 118,000
Spouse is participant in qualified plan	\$ 183,000 - \$ 193,000	\$ 184,000 - \$ 194,000
Single	\$ 61,000 - \$ 71,000	\$ 61,000 - \$ 71,000
Phase-Out Range for Contributions to Roth IRAs		
Married Filing Jointly		
	\$ 183,000 - \$ 193,000	\$ 184,000 - \$ 194,000
Single	\$ 116,000 - \$ 131,000	\$ 117,000 - \$ 132,000

Capital Gains Tax	2015	2016
Rate on gains for assets held:	More than 12 months	More than 12 months
15% income tax bracket or below	0%	0%
25%, 28%, 33%, 35% income tax bracket	15%	15%
39.6% income tax bracket	20%	20%

Eligible Long Term Care Premiums	2015 Max Premium Deduction	2016 Max Premium Deduction
Age		
40 and under	\$ 380	\$ 390
41 - 50	\$ 710	\$ 730
51-60	\$ 1,430	\$ 1,460
61-70	\$ 3,800	\$ 3,900
>70	\$ 4,750	\$ 4,870

HIPAA Per Diem	2015	2016
Daily Limit	\$ 330	\$ 340

Mileage Rate
 Jan. 1, 2016, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:
54 cents per mile for business miles driven, down from 57.5 cents for 2015
19 cents per mile driven for medical or moving purposes, down from 23 cents for 2015
14 cents per mile driven in service of charitable organizations