

2017 Medical Savings Accounts (MSA)

2017 Annual Deductible Range

Self-Only Coverage	\$ 2,250 - \$ 3,350
Family Coverage	\$ 4,500 - \$ 6,750

Maximum Out of Pocket

Self-Only Coverage	\$ 4,500
Family Coverage	\$ 8,250

Health Savings Account (HSA)

2017 Maximum Annual Contribution Limits

Self-Only Coverage	\$ 3,400
Family Coverage	\$ 6,750

2017 Minimum Deductible

Self-Only Coverage	\$ 1,300
Family Coverage	\$ 2,600

2017 Maximum Out of Pocket

Self-Only Coverage	\$ 6,550
Family Coverage	\$ 13,100

Additional Over Age 55 - 65

2017 and after	\$ 1,000
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Adoption Credit

Maximum credit for a child with special needs	\$ 13,570
Other adoptions, qualified expenses	Up to \$ 13,570
Phaseout range, modified adjusted gross income	\$ 203,540 - \$ 243,540

Section 179 Expense

Expense limit	\$ 510,000
Phaseout threshold	\$ 2,030,000

FICA (SS & Medicare) Wage Base

Social Security wage base	\$ 127,200
Maximum Social Security tax	\$ 7,886
Medicare Wage Base	No ceiling
Maximum Medicare Wage tax	No ceiling

STANDARD DEDUCTIONS

IF Your Filing Status Is...	Base Amount	Additional Amount for Blindness or Over Age 65
Single	\$ 6,350	\$1,550
Married Filing Jointly	\$ 12,700	\$1,250
Married Filing Separately	\$ 6,350	\$1,250
Head of Household	\$ 9,350	\$1,550
Qualifying Widow(er) with Dependent Child	\$ 12,700	\$1,250
Dependent of Another	\$1,050 or Earned Income + \$350	\$1,250 or \$1,550 if single or HOH

MACRS RECOVERY PERIODS

Type of Property	MACRS Recovery Period	
	General Depreciation System	Alternative Depreciation System
Computers and their peripheral equipment	5 years	5 years
Office machinery, such as: Typewriters Calculators Copiers	5 years	6 years
Automobiles	5 years	5 years
Light trucks	5 years	5 years
Appliances, such as: Stoves Refrigerators	5 years	9 years
Carpets	5 years	9 years
Furniture used in rental property	5 years	9 years
Office furniture and equipment, such as: Desks Files	7 years	10 years
Any property that does not have a class life and that has not been designated by law as being in any other class	7 years	12 years
Roads	15 years	20 years
Shrubbery	15 years	20 years
Fences	15 years	20 years
Residential rental property (buildings or structures) and structural components such as furnaces, water pipes, venting, etc.	27.5 years	40 years
Nonresidential real property	39 years	40 years

Additions and improvements, such as a new roof

The same recovery period as that of the property to which the addition or improvement is made, determined as if the property were placed in service at the same time as the addition or improvement.

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2017 FILING REQUIREMENTS FOR MOST TAXPAYERS

IF Your Filing Status Is...	AND at the end of 2017 you were...	THEN file a return if your gross income was at least...
Single	Under 65 65 or older	\$10,400 \$11,950
Married Filing Jointly	Under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$20,800 \$22,050 \$23,300
Married Filing Separately	Any age	\$ 4,050
Head of Household	Under 65 65 or older	\$13,400 \$14,950
Qualifying Widow(er) with Dependent Child	Under 65 65 or older	\$16,750 \$18,000

2017 FILING REQUIREMENTS FOR DEPENDENTS

If the taxpayer's parents (or someone else) can claim him or her as a dependent, use this chart to see if you must file a return. In this chart, unearned income includes taxable interest, ordinary dividends, and capital gain distributions. Earned income includes wages, tips, and taxable scholarship and fellowship grants. Gross income is the total of your unearned and earned income.

Single dependents. Were you either age 65 or older or blind?

- No. You must file a return if any of the following apply:
 - Your unearned income was over \$1,050
 - Your earned income was over \$6,350
 - Your gross income was more than the larger of:
 - \$1,050
 - Your earned income (up to \$6,000) plus \$350
- Yes. You must file a return if any of the following apply:
 - Your unearned income was over \$2,600 (\$4,150 if 65 or older and blind)
 - Your earned income was over \$7,900 (\$9,450 if 65 or older and blind)
 - Your gross income was more than:
 - The larger of:
 - \$ 2,600 (\$4,150 if 65 or older and blind)
 - Your earned income (up to \$6,000) plus \$1,900 (\$3,450 if 65 or older and blind)



Married dependents. Were you either age 65 or older or blind?

- No. You must file a return if any of the following apply:
 - Your unearned income was over \$1,050
 - Your earned income was over \$6,350
 - Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions
 - Your gross income was more than the larger of:
 - \$1,050
 - Your earned income (up to \$6,000) plus \$350
- Yes. You must file a return if any of the following apply:
 - Your unearned income was over \$2,300 (\$3,550 if 65 or older and blind)
 - Your earned income was over \$7,600 (\$8,850 if 65 or older and blind)
 - Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions
 - Your gross income was more than:
 - The larger of:
 - \$2,300, or \$3,550 if 65 or older and blind
 - Your earned income (up to \$6,000) plus \$1,600 (\$2,850 if 65 or older and blind)

OTHER SITUATIONS WHEN YOU MUST FILE A 2017 RETURN

You must file a return if any of the six conditions below apply for 2017.

1. You owe any special taxes, including any of the following.
 - a. Alternative minimum tax.
 - b. Additional tax on a qualified plan, including an individual retirement arrangement (IRA), or other tax-favored account. But if you are filing a return only because you owe this tax, you can file Form 5329 by itself.
 - c. Household employment taxes. But if you are filing a return only because you owe this tax, you can file Schedule H by itself.
 - d. Social Security and Medicare tax on tips you did not report to your employer or on wages you received from an employer who did not withhold these taxes.
 - e. Recapture of first-time homebuyer credit. See the instructions for line 60b.
 - f. Write-in taxes, including uncollected Social Security and Medicare or RRTA tax on tips you reported to your employer or on group-term life insurance and additional taxes on health savings accounts. See the instructions for line 62.
 - g. Recapture taxes. See the instructions for lines 44, 60b, and line 62.
2. You (or your spouse, if filing jointly) received HSA, Archer MSA, or Medicare Advantage MSA distributions.
3. You had net earnings from self-employment of at least \$400.
4. You had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer Social and Medicare taxes.
5. Advance payments of the premium tax credit were made for you, your spouse, or a dependent who enrolled in coverage through the Health Insurance Marketplace. You should have received Forms 1095-A showing the amount of the advance payments, if any.
6. Advance payments of the health coverage tax credit were made for you, your spouse, or a dependent. You or whoever enrolled you should have received Forms 1099-H showing the amount of the advance payments.

Student Loan Interest Deduction

Maximum interest deduction \$ 2,500

Modified Adjusted Gross Income Phaseout:

Married Filing Jointly \$135,000 to \$165,000

Single/HOH \$ 65,000 to \$ 80,000

Qualifying Child

A qualifying child for purposes of the child tax credit must be all of the following:

- Claimed as your dependent on line 6c of Form 1040 or Form 1040A
- Under age 17 at the end of 2017
- Your:
 - Son, daughter, adopted child, stepchild, or a descendant of any of them (for example, your grandchild)
 - Brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, your niece or nephew) whom you cared for as you would your own child
 - Foster child (any child placed with you by an authorized placement agency whom you cared for as you would your own child)
- A U.S. citizen or resident alien

Adopted child An adopted child is always treated as your own child. An adopted child includes a child placed with you by an authorized placement agency for legal adoption even if the adoption is not final.

Kidnapped child A kidnapped child is treated as a qualifying child for the child tax credit if both of the following statements are true:

- The child is presumed by law enforcement authorities to have been kidnapped by someone who is not a member of your family or the child's family
- The child qualified as your dependent for the part of the year before the kidnapping

This treatment applies for all years until the child is returned; however, the last year this treatment can apply is the earlier of:

- The year there is a determination that the child is dead
- The year the child would have reached age 16

DOMESTIC PRODUCTION ACTIVITIES DEDUCTION

The deduction rate for 2017 is 9%

Deduction reduced by 3% if the taxpayer has any oil related qualified production activities income

KIDDIE TAX

2017 Age limit up to 18; certain dependents under 24

2017 Unearned income limitation \$2,100

DEPENDENT CARE CREDIT LIMITATIONS

To determine the amount of your credit, multiply your work-related expenses (after applying the earned income and dollar limits) by a percentage. This percentage depends on your adjusted gross income shown on Form 1040, line 38, or Form 1040NR, line 37. The following table shows the percentage to use based on adjusted gross income. The maximum eligible to be multiplied by these percentages is \$3,000 per child, maximum of \$6,000 per return.

IF your adjusted gross income is:

Over	But Not Over	The the Percentage Is:
\$ 0	\$15,000	35%
15,000	17,000	34%
17,000	19,000	33%
19,000	21,000	32%
21,000	23,000	31%
23,000	25,000	30%
25,000	27,000	29%
27,000	29,000	28%
29,000	31,000	27%
31,000	33,000	26%
33,000	35,000	25%
35,000	37,000	24%
37,000	39,000	23%
39,000	41,000	22%
41,000	43,000	21%
43,000	No Limit	20%

COMPARISON OF EDUCATION CREDITS

Lifetime Learning Credit	American Opportunity
Up to \$2,000 credit per return.	Up to \$2,500/Up to 40% is refundable
Maximum lifetime learning rate is 20%	100% of first \$2,000 plus 25% of next \$2,000
Available for all years of post-secondary education and for courses to acquire or improve job skills	Available for four years of college and ONLY if the student had not completed the first 4 years of postsecondary education before 2017
Available for an unlimited number of years	Available ONLY for 4 tax years per eligible student (including any years Hope credit was claimed)
Student must be pursuing a program leading to a degree or other recognized education credential	AGI Phaseout between \$80,000 - \$90,000 (160K - 180K)
Available for one or more courses	Student must be enrolled at least half time for at least one academic period beginning during 2017 (or the first 3 months of 2018 if the qualified expenses were paid in 2017)
Felony drug conviction rule does not apply	As of the end of 2017, the student had not been convicted of a felony for possession or distributing a controlled substance.

EDUCATION CREDITS PHASEOUT

Lifetime Learning adjusted gross income phaseout:	Refundable American Opportunity
Married Filing Jointly \$112,000 to \$132,000	\$160,000 to \$180,000
All other filing statuses \$ 56,000 to \$ 66,000	\$ 80,000 to \$ 90,000

SOCIAL SECURITY PAYBACK

At full retirement age or older	No limit on earnings
Under full retirement age	\$1 in benefits will be deducted for each \$2 you earn above \$16,920
In the year you reach full retirement age	Your benefits will be reduced \$1 for every \$3 you earn above \$44,880

* For people born in 1943 through 1954, the full retirement age is 66.

The full retirement age increases gradually each year until it reaches age 67 for people born in 1960 or later.

EARNED INCOME CREDIT

Single, Head of Household, and Qualifying Widow(er)	Earned Income Ranges to Receive the Maximum EIC		Maximum EIC Amount	EIC Eliminated When Maximum Earnings Reach These Amounts
	AT LEAST	BUT LESS THAN		
With No Children	\$ 6,670	\$ 8,340	\$ 510	\$15,010
With One Child	\$10,000	\$18,340	\$3,400	\$39,617
With Two Children	\$14,040	\$18,340	\$5,616	\$45,007
With Three or More Children	\$14,040	\$18,340	\$6,318	\$48,340

Married Filing Jointly	Earned Income Ranges to Receive the Maximum EIC		Maximum EIC Amount	EIC Eliminated When Maximum Earnings Reach These Amounts
	AT LEAST	BUT LESS THAN		
With No Children	\$ 6,670	\$13,930	\$ 510	\$20,600
With One Child	\$10,000	\$23,930	\$3,400	\$45,207
With Two Children	\$14,040	\$23,930	\$5,616	\$50,597
With Three or More Children	\$14,040	\$23,930	\$6,318	\$53,930

The maximum amount of investment income you can have and still receive EIC has increased to \$3,450.

EARNED INCOME CREDIT IN A NUTSHELL

First, you must meet all the rules in this column.

Second, you must meet the rule in one of these columns, whichever applies.

Third, you must meet the rule in this column.

PART A Rules for Everyone	PART B Rules if You Have a Qualifying Child	PART C Rules if You Do Not Have a Qualifying Child	PART D Figuring and Claiming the EIC
<ol style="list-style-type: none"> Your adjusted gross income (AGI) must be less than \$48,340 (\$53,930 if Married Filing Jointly) if you have three or more qualifying children. \$45,007 (\$50,597 if Married Filing Jointly) if you have two qualifying children. \$39,617 (\$45,207 if Married Filing Jointly) if you have one qualifying child. \$15,010 (\$20,600 for Married Filing Jointly) if you do not have a qualifying child. You must have a valid Social Security Number. Your filing status cannot be "Married Filing Separately." You must be a U.S. citizen, resident alien all year, or non-resident alien filing married filing jointly. You cannot file Form 2555 or Form 2555-EZ (relating to foreign earned income). Your investment income must be \$3,450 or less. You must have earned income. 	<ol style="list-style-type: none"> Your child must meet the relationship, age, and residency tests. Your qualifying child cannot be used by more than one person to claim the EIC. You cannot be a qualifying child of another person. 	<ol style="list-style-type: none"> You must be at least 25 but under age 65. You cannot be the dependent of another person. You cannot be a qualifying child of another person. You must have lived in the United States more than half of the year. 	<ol style="list-style-type: none"> Your earned income must be less than \$48,340 (\$53,930 if Married Filing Jointly) if you have three or more qualifying children. \$45,007 (\$50,597 if Married Filing Jointly) if you have two qualifying children. \$39,617 (\$45,207 if Married Filing Jointly) if you have one qualifying child. \$15,010 (\$20,600 for Married Filing Jointly) if you do not have a qualifying child.

EXEMPTION AMOUNTS

Personal and Dependent	\$4,050
Estate Amount*	\$600
Simple Trust *	\$300
Complex Trust *	\$100

* Exemption not allowed in final year.



FOREIGN EARNED INCOME

2017 Maximum exclusion \$102,100

GIFT TAX

2017 Exclusion \$ 14,000
2017 Exclusion for gift to spouse who is not a U.S. citizen \$149,000

401(K) CONTRIBUTION LIMITS

2017 Maximum deferral \$18,000
2017 Catch Up Contributions for taxpayers 50 and over \$ 24,000

LONG-TERM CAPITAL GAINS AND QUALIFYING DIVIDENDS

Single up to	\$ 37,950	0%
Single	\$ 37,950 - \$418,400	15%
Single over	\$ 418,400	20%
Married up to	\$ 75,900	0%
Married	\$ 75,900 - \$470,700	15%
Married over	\$ 470,700	20%
HOH up to	\$ 50,800	0%
HOH	\$ 50,800 - \$444,550	15%
HOH over	\$444,550+	20%

SAVINGS BOND/HIGHER EDUCATION EXPENSE EXCLUSION

Modified adjusted gross income phaseout range:
Married Filing Jointly \$117,250 - \$147,250
All other filing status \$ 78,150 - \$ 93,150

QUALIFIED TRANSPORTATION FRINGE BENEFIT EXCLUSION

Commuter highway vehicle and transit pass \$255
Qualified parking \$255

LONG-TERM CARE PREMIUMS

Maximum premium (per person)	
Age 40 or under	\$410
Age 41 to 50	\$770
Age 51 to 60	\$1,530
Age 61 to 70	\$4,090
Age 71 or over	\$5,110

ALTERNATIVE MINIMUM TAX

First \$187,800 (\$93,900 Married Filing Separately) of Alternative Minimum Taxable Income 26%
Over \$187,800 of Alternative Minimum Taxable Income 28%

Exemptions:

Married Filing Jointly or Qualifying Widow(er) \$84,500
Married Filing Separately \$42,250
Single or Head of Household \$54,300
Trusts and Estates \$24,100

Exemption Phaseout:

25% of amount AMTI exceeds:

Filing Status	AMTI Begin Phaseout	AMTI Fully Phaseout
MFJ/Qualifying Widow(er)	\$160,900	\$498,900
Married Filing Separately	\$ 80,450	\$249,450
Single/HOH	\$120,700	\$337,900
Estates and Trusts	\$ 80,450	\$176,850



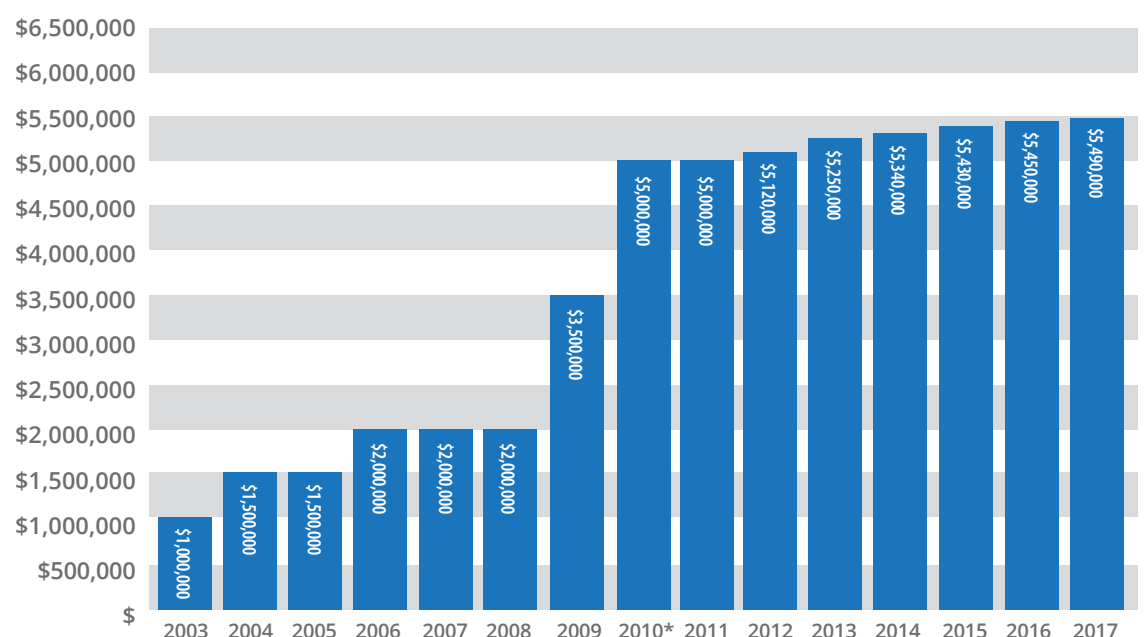
WHERE TO DEDUCT YOUR INTEREST EXPENSE

IF you have...	THEN deduct it on...	AND for more info go to...
Deductible student loan interest	Form 1040, line 33 or Form 1040A, line 18	Publication 970
Deductible home mortgage interest and points reported on Form 1098	Schedule A (Form 1040), line 10	Publication 936
Deductible home mortgage interest not reported on Form 1098	Schedule A (Form 1040), line 11	Publication 936
Deductible points not reported on Form 1098	Schedule A (Form 1040), line 12	Publication 936
Deductible investment interest (other than interest incurred to produce rents or royalties)	Schedule A (Form 1040), line 14	Publication 550
Deductible business interest (non-farm)	Schedule C or C-EZ (Form 1040)	Publication 535
Deductible farm business interest	Schedule F (Form 1040)	Publications 225 and 535
Deductible interest incurred	Schedule E (Form 1040)	Publications 527 and 535
Personal interest	Not deductible	

2017 STANDARD MILEAGE RATES

Business mileage 53.5¢ / mile
Charitable mileage 14¢ / mile
Medical/Moving mileage 17¢ / mile

ESTATE EXEMPTION



*2010 5,000,000 (or N/A if elected to file 8939)

TAX RATE SCHEDULES Single

TAXABLE INCOME:

Over	But not over
\$ 0	\$ 9,325
9,325	37,950
37,950	91,900
91,900	191,650
191,650	416,700
416,700	418,400
418,400	-

TAX:

Tax	+	On amt over
\$.00	10%	\$ 0
932.50	15%	9,325
5,226.25	25%	37,950
18,713.75	28%	91,900
46,643.75	33%	191,650
120,910.25	35%	416,700
121,505.25	39.6%	418,400

TAX RATE SCHEDULES Head of Household

TAXABLE INCOME:

Over	But not over
\$ 0	\$ 13,350
13,350	50,800
50,800	131,200
131,200	212,500
212,500	416,700
416,700	444,550
444,550	-

TAX:

Tax	+	On amt over
\$.00	10%	\$ 0
1,335.00	15%	13,350
6,952.50	25%	50,800
27,052.50	28%	131,200
49,816.50	33%	212,500
117,202.50	35%	416,700
126,950.00	39.6%	444,550

TAX RATE SCHEDULES Married Filing Separately

TAXABLE INCOME:

Over	But not over
\$ 0	\$ 9,325
9,325	37,950
37,950	76,550
76,550	116,675
116,675	208,350
208,350	235,350
235,350	-

TAX:

Tax	+	On amt over
\$.00	10%	\$ 0
932.50	15%	9,325
5,226.25	25%	37,950
14,876.25	28%	76,550
26,111.25	33%	116,675
56,364.00	35%	208,350
65,814.00	39.6%	235,350

TAX RATE SCHEDULES Married Filing Jointly or Qualifying Widow(er)

TAXABLE INCOME:

Over	But not over
\$ 0	\$ 18,650
18,650	75,900
75,900	153,100
153,100	233,350
233,350	416,700
416,700	470,700
470,700	-

TAX:

Tax	+	On amt over
\$.00	10%	\$ 0
1,865.00	15%	18,650
10,452.50	25%	75,900
29,752.50	28%	153,100
52,222.50	33%	233,350
112,728.00	35%	416,700
131,628.00	39.6%	470,700

2017 CORPORATE TAX RATES

TAXABLE INCOME:

Over	But not over
\$ 0	\$ 50,000
50,000	75,000
75,000	100,000
100,000	335,000
335,000	10,000,000
10,000,000	15,000,000
15,000,000	18,333,333
18,333,333	-

TAX:

Tax	+	On amt over
\$ 0	15%	\$ 0
7,500	25%	50,000
13,750	34%	75,000
22,250	39%	100,000
113,900	34%	335,000
3,400,000	35%	10,000,000
5,150,000	38%	15,000,000
-	35%	0

A qualified personal service corporation is taxed at a flat rate of 35% on taxable income.

2017 ESTATE AND TRUST TAX RATES

TAXABLE INCOME:

Over	But not over
\$ 0	\$ 2,550
2,550	6,000
6,000	9,150
9,150	12,500
12,500	-

TAX:

Tax	+	On amt over
\$.00	15%	\$ 0
382.50	25%	2,550
1,245.00	28%	6,000
2,127.00	33%	9,150
3,232.50	39.6%	12,500

TRADITIONAL IRA LIMITS

IRA Contribution Limits

Regular Contributions

2017 Maximum Contribution\$5,500

"Catch Up" Contributions for Taxpayers 50 and over

2017 Catch up\$6,500

PHASEOUT OF IRA DEDUCTIONS

Filing Status	AGI Begin Phaseout	AGI Fully Phased Out
Single (or Married Filing Separately and lived apart from spouse for all of 2017)	\$62,000	\$ 72,000
Married Filing Jointly	\$99,000 <small>(\$186,000 if spouse is not covered by a pension plan)</small>	\$119,000 <small>(\$196,000 if spouse is not covered by a pension plan)</small>
Married Filing Separately	\$ 0	\$ 10,000
Head of Household	\$62,000	\$ 72,000
Qualifying Widow(er)	\$99,000	\$119,000



Drake e-Training Center Website

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- Interactive tax courses
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