

2017 U.S. TAX AND RETIREMENT INFORMATION

2017 INCOME TAX BRACKETS

Single	
\$0 - \$9,325	10%
\$9,325 - \$37,950	15%
\$37,950 - \$91,900	25%
\$91,900 - \$191,650	28%
\$191,650 - \$416,700	33%
\$416,700 - \$418,400	35%
over \$418,400	39.6%

Married Filing Jointly

\$0 - \$18,650	10%
\$18,650 - \$75,900	15%
\$75,900 - \$153,100	25%
\$153,100 - \$233,350	28%
\$233,350 - \$416,700	33%
\$416,700 - \$470,700	35%
over \$470,700	39.6%

Married Filing Separately

\$0 - \$9,325	10%
\$9,325 - \$37,950	15%
\$37,950 - \$76,550	25%
\$76,550 - \$116,675	28%
\$116,675 - \$208,350	33%
\$208,350 - \$235,350	35%
over \$235,350	39.6%

Head of Household

\$0 - \$13,350	10%
\$13,350 - \$50,800	15%
\$50,800 - \$131,200	25%
\$131,200 - \$212,500	28%
\$212,500 - \$416,700	33%
\$416,700 - \$444,550	35%
over \$444,550	39.6%

KEY TAX RULES

Kiddie Tax	Tax Rate
Unearned income < \$1,050	0%
Unearned Income > \$1,050 < \$2,100	Child's tax rate
Unearned Income > \$2,100	Generally, the parent's tax rate

The Kiddie Tax rules apply to unearned income of the following:

- A child under age 18 at the end of each tax year
- An 18-year-old whose earned income does not exceed one-half of his or her support
- A 19-to-23-year-old full-time student whose earned income does not exceed one-half of his or her support

Child Tax Credit

\$1,000 per child; phased out \$50 for each \$1,000 of modified AGI (rounded up to the next \$1,000 increment) over \$110,000 (married/filing jointly) or \$75,000 (single).

STANDARD DEDUCTIONS

	Annual	Additional age 65+ or blind
Married/Filing Jointly	\$12,700	\$1,250
Single	\$6,350	\$1,550
Head of Household	\$9,350	\$1,550

PERSONAL EXEMPTIONS

	Exemption
Per Person	\$4,050

Personal exemptions phase out beginning with AGI over \$261,500 (single) or \$313,800 (married/filing jointly)

LIMITATIONS ON ITEMIZED DEDUCTIONS

AGI Threshold	Reduction is lesser of:	
Single - \$261,500	3% of AGI minus Threshold	80% of Allowable Itemized Deductions
Married Filing Jointly - \$313,800		
Head of Household - \$287,650		
Married Filing Separately - \$156,900		

CAPITAL GAINS TAX

Tax Bracket	Short-term (< 12 months)	Long-term (>12 months)
10%, 15%	Ordinary rate	0%
25%, 28%, 33%, 35%	Ordinary rate	15%
39.6%	Ordinary rate	20%

ALTERNATIVE MINIMUM TAX (AMT)

Filing Status	Exemption Amount	Threshold Phaseout
Single Filers and Head of Household	\$54,300	\$120,700
Married Filing Jointly and Surviving Spouses	\$84,500	\$160,900
Married Filing Separately	\$42,250	\$80,450

AMT tax rate: 26% rate applies to AMTI at or below amount; 28% applies to AMTI above amount:

- All taxpayers (except married filing separately): up to \$187,800
- Married filing separately: \$93,900

TAX ON QUALIFIED DIVIDENDS

10%, 15% brackets	0%
25%, 28%, 33%, 35% brackets	15%
39.6% brackets	20%

3.8% SURTAX ON UNEARNED INCOME

The 3.8% surtax on "unearned income" applies to individuals, trusts and estates. "Unearned income" is defined as investment income such as income from interest, dividends, annuities, royalties, capital gains and other passive income.

Two conditions must be met for the 3.8% surtax to apply. First, the taxpayer must have investment income, and second, the taxpayer's modified adjusted gross income (MAGI) must exceed the limits below, which are not indexed for inflation:

- \$250,000 for taxpayers filing jointly
- \$125,000 for taxpayers filing married filing separately
- \$200,000 for other taxpayers

For purposes of the 3.8% surtax, the MAGI limitation is simply the taxpayer's adjusted gross income (AGI) plus any excluded net foreign income. In general terms, AGI is the number at the bottom of the first page of a taxpayer's 1040 (line 37).

HEALTH ACCOUNTS

Health flexible spending account maximum	\$2,600
Health savings account maximum - self coverage only	\$3,400
Health savings account maximum - family coverage	\$6,750
Annual catch-up for age 55 and older	\$1,000

FICA

OASDI (Social Security) Maximum	12.4%
HI (Medicare) Maximum	2.9%
• 12.4% OASDI and 2.9% HI (15.3% combined for self-employed)	
• 6.2% and 1.45% for (7.65% combined for employees)	
• An additional 0.9% HI tax applies on individuals with wages or self-employment income in excess of \$200,000 (single and qualifying widow(er)s), \$250,000 (married/filing jointly), or \$125,000 (married/filing separately).	

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SOCIAL SECURITY

Annual Figures		
Maximum earnings subject to FICA	\$127,200	Unlimited earnings subject to HI/Medicare
2017 Cost-of-living adjustments	0.3%	
Taxation of Benefits		
Provisional income (MAGI plus 1/2 of SS benefits plus tax free income) determines the amount of SS benefits that are taxable		
Married Filing Jointly	\$32,000 - \$44,000	
Single and Head of Household	\$25,000 - \$34,000	
Benefits Withholding - The Earned Income Test		
Full year prior to retirement age	\$1/\$2 of earnings above annual limit (\$16,920)	
Year you reach to retirement age	\$1/\$3 of earnings above annual limit (\$44,880)	
Month of retirement age and beyond	No limit on earnings. Future benefits increased base on amount of benefits withheld.	

RETIREMENT

Traditional and Roth IRA Contribution Limits

Under age 50	\$5,500
Age 50 and over	\$6,500

Deductibility of IRA Contribution (Phaseouts) MAGI

Covered by Retirement Plan	
Single	\$62,000 - \$72,000
Married Filing Jointly	\$99,000 - \$119,000
Not Covered by Retirement Plan	
Single or Married Filing Jointly	Unlimited
Spouse Covered	\$186,000 - \$196,000

Roth IRA Contribution Eligibility

Single	\$118,000 - \$133,000
Married Filing Jointly	\$186,000 - \$196,000
Married Filing Separately	\$10,000

SEP Contribution

Up to 25% of compensation	maximum \$54,000
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SIMPLE Elective Deferral

Under age 50	\$12,500
Age 50 and over	\$15,500

401(k), 403(b), 457 and SARSEP

Under age 50	\$18,000
Age 50 and over	\$24,000

Defined Contribution §415 Limit

Defined Benefit §415 Limit	\$215,000
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Highly Compensated Employee

Compensation Limit	\$270,000
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TRUST AND ESTATE PLANNING

Trust and Estate Income Tax Rates

If Taxable Income is:	Your Tax is:
\$0 - \$2,550	15% of taxable income
\$2,550 - \$6,000	\$382.50 + 25% of the excess over \$2,550
\$6,000 - \$9,150	\$1,245 + 28% of the excess over \$6,000
\$9,150 - \$12,500	\$2,127 + 33% of the excess over \$9,150
Over \$12,500	\$3,232.50 + 39.6% of the excess over \$12,500

2017 ESTATE, GIFT AND GENERATION SKIPPING TAX

Annual Gift Tax Exclusion	\$14,000
Non-Citizen Spouse Annual Exclusion	\$149,000
Gift and Estate Tax Applicable Exclusion Amount	\$5,490,000
Generation Skipping Tax Exemption Amount	\$5,490,000

ESTATE AND GIFT TAX RATES

Taxable Gift/Estate		Percentage Of Amount		
Over	Not Over	Pay	Plus	Above
\$0	\$10,000	\$0	18%	\$0
10,000	20,000	1,800	20%	10,000
20,000	40,000	3,800	22%	20,000
40,000	60,000	8,200	24%	40,000
60,000	80,000	13,000	26%	60,000
80,000	100,000	18,200	28%	80,000
100,000	150,000	23,800	30%	100,000
150,000	250,000	38,800	32%	150,000
250,000	500,000	70,800	34%	250,000
500,000	750,000	155,800	37%	500,000
750,000	1,000,000	248,300	39%	750,000
\$1,000,000		\$345,800	40%	\$1,000,000

EDUCATION

Coverdell Contributions	\$2,000
Phaseout for Contribution	
Single	\$95,000 - \$110,000
Married Filing Jointly	\$190,000 - \$220,000
529 Plan Contributions	
\$14,000/year before gift tax	
Accelerates 5 years of gifting into 1 year for individual gift.	\$70,000
Accelerates 5 years of gifting into 1 year for joint gift.	\$140,000

CITIZENS ABROAD

Foreign earned income exclusion: \$10,000

Foreign housing exclusion base amount: \$16,000

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