

2017 Individual Tax Update

2017 Tax Rates

Married Filing Joint Taxable Income		Single Taxable Income	
\$-0- to \$18,650	10%	\$-0- to \$9,325	10%
\$18,651 to \$75,900	15%	\$9,326 to \$37,950	15%
\$75,901 to \$153,100	25%	\$37,951 to \$91,900	25%
\$153,101 to \$233,350	28%	\$91,901 to \$191,650	28%
\$233,351 to \$416,700	33%	\$191,651 to \$416,700	33%
\$416,701 to \$470,700	35%	\$416,701 to \$418,400	35%
\$470,701 and over	39.6%	\$418,400 and over	39.6%

Note: Special tax rates apply for Long Term Capital Gains and Qualified Dividend Income

Taxpayers in the 10% and 15% brackets tax rate on long term capital gains and qualified dividends is -0-%

Taxpayers in the 25%,28%,33% and 35% the tax rate on long term capital gains and qualified dividends is 15%

Taxpayers in the 39.6% the tax rate on long term capital gains and qualified dividends is 20%

Kiddie Tax

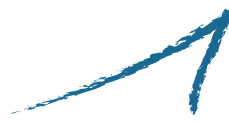
If the investment income of a dependent child is in excess of \$2,100 and the dependent child is under age 18 or the child is under age 24 and a full time student then the child's investment income is taxed at the parents highest tax rate.

Standard Deductions

Married Filing Joint	\$12,700	Single	\$6,350
Age 65 or older or blind		Age 65 or older or blind	\$1,550
Add for each	\$1,250		

2017 Personal Exemptions for Taxpayers and Dependents \$4,050 each

Note: The Exemptions are phased out MFJ starting at \$313,800 and Single \$261,500



Business Expenses

The standard mileage rate for business use of an automobile for 2017 is 53.5 cents per mile.

Note: You must have documentation to deduct the mileage.

Standard Meal & Incidental Expense Per Diem Rate for 2017:

High-cost locality \$68 Low-cost locality \$57 per out of town overnight

Depreciation: Section 179 year of purchase depreciation deduction for 2017 is \$510,000

Tax Credits

The child tax credit for dependent children under the age of 17 is \$1,000 per child and may be partially refundable. The credit is phased out for taxpayers with AGI above: MFJ \$110,000 and S \$75,000.

Education Credits have not changed for 2017: American Opportunity Credit \$2,500 phased out for AGI MFJ \$160,000 and S \$80,000. Lifetime Learning Credit \$2,000 phased out for AGI MFJ \$112,000 and S \$56,000.

Note: You can't claim both credits for the same student.

Energy Credits: Solar Energy Credits: Federal 30% of Net Installation and Panel Cost; NYS 25% with a cap of \$5,000.

Residential Energy Tax Credits for Furnace, Hot Water Heater, Windows, Insulation, etc. expired at the end of 2016 and is no longer available.

Retirement

Contribution limits for 2017 have not changed, they are:

IRA and Roth IRA Contribution Limits: \$5,500 and \$1,000 catch-up if you are age 50 or older.

Note: there are potential phase out rules and contribution limits for IRA deductions.

401(k) and 403(b) (TSA) Contribution Limits \$18,000 and \$6,000 catch-up if you are age 50 or older.

Note: 401(k) and 403(b) contributions must be either withheld from wages or contributed through and employer or business plan.