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| **Changes from 2014 to 2015** |  |  |
| **Tax Rate Items** | **2014** | **2015** |
| Top marginal income tax bracket | 39.6% | 39.6% |
| Surtax on investment income (> $2000,000, $250,000 joint) | 3.8% | 3.8% |
| Surtax on earned income (> $2000,000, $250,000 joint) | 0.9% | 0.9% |
| Top long-term capital gain / dividends bracket | 20% | 20% |
| Top federal estate tax bracket | 40% | 40% |
| Employee portion of FICA tax | 6.2% | 6.2% |
| Surtax on estate & trust income (on income excess of top bracket) | 3.8% | 3.8% |
| Medical expenses itemized deduction threshold | 10% | 10% |
| **Limit and Phase out Items [single, (joint)]** | **2014** | **2015** |
| Itemized deduction / personal exemption phase out | $254,200 ($305,050) | $258,250 ($309,900) |
| Estate tax exemption | $5,340,000 | $5,430,000 |
| Gift tax annual exclusion | $14,000 | $14,000 |
| IRA distributions direct to charity (over age 70.5) | $100,000 | $100,000 |
| Roth IRA contribution phase out threshold | $114,000 ($181,000) | $116,000 ($183,000) |
| Roth IRA contribution limit | $5,500 | $6,000 |
| AMT exemption | $52,800 ($82,100) | $53,600 ($83,400) |
| Qualified plan deferral limit (401K, 403b) | $17,500 | $18,000 |

\*Applies only if distribution was made in December 2014 & contributor made to charity before 2/1/2015

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| **Retirement Plan Contribution Limits** | | |  |
| **Plan** |  |  | **Limit** |
| Defined contribution plans | |  | $53,000 |
| 401(k) (Roth/Traditional), 403(b) | |  | $18,000 |
| Catch-up provision for individuals 50+ | | | $6,000 |
| SIMPLE plans |  |  | $12,500 |
| SIMPLE plans - catch-up provision for individuals 50+ | | | $3,000 |
| **Estates and Trusts** |  |  |  |
|  | **Income** |  | **Rate** |
|  | < $2,500 |  | 15% |
|  | $2,501 to $5,900 |  | 25% |
|  | $5,901 to $9,050 |  | 28% |
|  | $9,051to $12,300 |  | 33% |
|  | > $12,300\* |  | 39.6% |
| **Options** |  |  |  |
| **Put/Call Action** |  | **Taxable Amount** | **Tax Treatment (long/short)** |
| Option expires worthless | | Premium | Short |
| Option is closed |  | Net gain/loss of closing | Short |
| Option assigned |  | Premium + strike price - basis | Short or long\*\* |

\*Investment income > $11,951 subject to additional 3.8% surtax

\*\*Security held > 1 year is long term gain/loss, security held < 1 year is short term gain/loss



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| **2015 Retirement Plan Contribution Limits** | |  |  |  |
| Annual compensation used to determine contribution for most plans | | | | $265,000 |
| Defined contribution plans |  |  |  | $53,000 |
| Defined benefit plans |  |  |  | $210,000 |
| 401(k), 403(b), 457(b) plans |  |  |  | $18,000 |
| Catch-up provision for individuals 50+ | |  |  | $6,000 |
| SIMPLE plans |  |  |  | $12,500 |
| SIMPLE plans - catch-up provision for individuals 50+ | | |  | $3,000 |
| Roth 401(k) |  |  |  | $18,000 |
| Roth 401(k) - catch-up provision for individuals 50+ | |  |  | $6,000 |
| Maximum ESOP balance subject to 5 year distribution period | | |  | $1,070,000 |
| **Individual Retirement Accounts** |  |  |  |  |
| **IRA Type** | **Contribution Limit** | **Catch0up at 50+** | **Phase outs** |  |
| Non-deductible | $5,500 | $1,000 | None |  |
|  |  |  | Covered by qualified plan: | |
|  |  |  | $98,000 to $118,000 | joint |
| Deductible | $5,500 | $1,000 | $61,000 to $71,000 | single, HOH |
|  |  |  | $0 to $10,000 | MFS |
|  |  |  | If spouse covered by a plan: | |
|  |  |  | $183,000 to $193,000 | joint |
|  |  |  | $183,000 to $193,000 | joint |
| Roth | $5,500 | $1,000 | $116,000 to $131,000 | single, HOH |
|  |  |  | $0 to $10,000 | MFS |
| Roth conversion |  |  | None |  |
| **Medicare Premiums & Deductibles** |  |  |  |  |
| Part B premium |  |  | $104.90 |  |
| Part B deductible |  |  | $147 |  |
| Part A (inpatient services) deductible <61 days of hospitalization |  |  | $1,260 | per benefit period |
| Part A deductible 61 - 90 days of hospitalization | |  | $315 | per day |
| Part A deductible >90 days of hospitalization | |  | $630 | per day |
| **Part B Premiums for High-Income Taxpayers** | |  |  |  |
| **MA GI single** | **MA GI joint** | | **Part B premium** | |
| < $85,001 | < $170,001 | | $104.90 |  |
| $85,001 to $107,000 | $170,001 to $214,000 | | $146.90 |  |
| $107,001 to $160,000 | $214,001 to $320,000 | | $209.80 |  |
| $160,001 to $214,000 | $320,001 to $428,000 | | $272.70 |  |
| >$214,000 | > $428,000 | | $335.70 |  |



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| **2015 Social Security** |  |  |  |  |  |  |
| **Benefits** |  |  |  |  |  |  |
| Full retirement age (FRA) if born between 1943 & 1954 | | |  |  | 66 |  |
| Maximum monthly benefit |  |  | $2,663 |  |  |  |
|  |  |  | $15,720 |  | under FRA |  |
| Retirement earnings exempt amounts |  |  | $41,880 |  | during year reach FRA | |
|  |  |  | No limit after FRA | |  |  |
| **Tax (FICA)** |  | **% Withheld** | | **Maximum tax payable** | | |
| SS tax period | < $118,500 |  |  |  |  |  |
| Employer pays |  | 6.20% |  |  | $7,347 |  |
| Employee pays |  | 6.20% |  |  | $7,347 |  |
| Self-employed pays |  | 12.40% |  |  | $14,694 |  |
| Medicare tax paid on all income | |  |  |  |  |  |
| Employer pays |  | 1.45% |  |  | No maximum |  |
| Employee pays |  | 1.45% |  |  | No maximum |  |
| Self-employed pays |  | 2.90% |  |  | No maximum |  |
| **Social Security Taxes** |  |  |  |  |  |  |
| **Filing status** | **A GI + provisional income** | | |  | **Taxable portion** | |
|  |  | < $32,000 | |  | 0% |  |
| Married filing jointly |  | $32,001 to $44,000 |  |  | 50% |  |
|  |  | > $44,000 | |  | 85% |  |
|  |  | < $25,000 | |  | 0% |  |
| Single, HOH, MFS, and living apart from spouse |  | $25,001 to 34,000 |  |  | 50% |  |
|  |  | > $34,000 | |  | 85% |  |
| Married filing separately & living with spouse |  | > $0 |  |  | 85% |  |
| \*Provisional income = tax-exempt interest + 50% of SS benefit | | | |  |  |  |
| **Deductibility of Long-Term Care Premiums on Qualified Policies** | | | |  |  |  |
| **Attained age before close of tax year** | **Amount of LTC premium that qualify as medical expenses** | | | | |  |
| 40 or less |  |  | $380 |  |  |  |
| 41 to 50 |  |  | $710 |  |  |  |
| 51 to 60 |  |  | $1,430 |  |  |  |
| 61 to 70 |  |  | $3,800 |  |  |  |
| > 70 |  |  | $4,750 |  |  |  |
| **Heath Savings Accounts** |  |  |  |  |  |  |
| **Annual Limit** | **Max. Deductible Contribution** |  | **Deductible/Co-pay limits** |  | **Min. annual deductible** |  |
| Individuals | $3,350 |  | $6,450 |  | $1,300 |  |
| Families | $6,650 |  | $12,900 |  | $2,600 |  |
| Catch-up for 55+ | $1,000 |  |  |  |  |  |
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| **2015 Tax Rate Schedule** | | |  |  |  |  |  |
|  | **Taxable income** |  | **Base amount of tax** |  | **Marginal tax rate** |  | **Of the amount over** |
| **Single** |  |  |  |  |  |  |  |
|  | < | $9,225 | $0.00 | + | 10.0% |  | $0 |
| $9,225 | to | $37,450 | $922.50 | + | 15.0% |  | $9,225 |
| $37,450 | to | $90,750 | $5,156.25 | + | 25.0% |  | $37,450 |
| $90,750 | to | $189,300 | $18,481.25 | + | 28.0% |  | $90,750 |
| $189,300 | to | $411,500 | $46,075.25 | + | 33.0% |  | $189,300 |
| $411,500 | to | $413,200 | $119,401.25 | + | 35.0% |  | $411,500 |
|  | > | $413,200 | $119,996.25 | + | 39.6% |  | $413,200 |
| **Married filing jointly & surviving spouses** | | | |  |  |  |  |
|  | < | $18,450 | $0.00 | + | 10.0% |  | $0 |
| $18,450 | to | $74,900 | $1,845.00 | + | 15.0% |  | $18,450 |
| $74,900 | to | $151,200 | $10,312.50 | + | 25.0% |  | $74,900 |
| $151,200 | to | $230,450 | $29,387.50 | + | 28.0% |  | $151,200 |
| $230,450 | to | $411,500 | $51,577.50 | + | 33.0% |  | $230,450 |
| $411,500 | to | $464,850 | $111,324.00 | + | 35.0% |  | $411,500 |
|  | > | $464,850 | $129,996.50 | + | 39.6% |  | $464,850 |
| **Head of household** | |  |  |  |  |  |  |
|  | < | $13,150 | $0.00 | + | 10.0% |  | $0 |
| $13,150 | to | $50,200 | $1,315.00 | + | 15.0% |  | $13,150 |
| $50,200 | to | $129,600 | $6,872.50 | + | 25.0% |  | $50,200 |
| $129,600 | to | $209,850 | $26,722.50 | + | 28.0% |  | $129,600 |
| $209,850 | to | $411,500 | $49,192.50 | + | 33.0% |  | $209,850 |
| $411,500 | to | $439,000 | $115,737.00 | + | 35.0% |  | $411,500 |
|  | > | $439,000 | $125,362.00 | + | 39.6% |  | $439,000 |
| **Married filing separately** | | |  |  |  |  |  |
|  | < | $9,225 | $0.00 | + | 10.0% |  | $0 |
| $9,225 | to | $37,450 | $922.50 | + | 15.0% |  | $9,225 |
| $37,450 | to | $75,600 | $5,156.25 | + | 25.0% |  | $37,450 |
| $75,600 | to | $115,225 | $14,693.75 | + | 28.0% |  | $75,600 |
| $115,225 | to | $205,750 | $25,788.75 | + | 33.0% |  | $115,225 |
| $205,750 | to | $232,425 | $55,662.00 | + | 35.0% |  | $205,750 |
|  | > | $232,425 | $64,989.25 | + | 39.6% |  | $232,425 |
| **Estates and trusts** | |  |  |  |  |  |  |
|  | < | $2,500 | $0.00 | + | 15.0% |  | $0 |
| $2,500 | to | $5,900 | $375.00 | + | 25.0% |  | $2,500 |
| $5,900 | to | $9,050 | $1,225.00 | + | 28.0% |  | $5,900 |
| $9,050 | to | $12,300 | $2,107.00 | + | 33.0% |  | $9,050 |
|  | > | $12,300 | $3,179.50 | + | 39.6% |  | $12,300 |



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| **Standard Deductions & Personal Exemption** |
| **Standard Deduction Personal Exemption**  **Filing Status Deduction Exemption Phase outs\*** |
| Married filing joint $12,600 $4,000 $309,900 to $432,400 |
| Single $6,300 $4,000 $258,250 to $380,750 |
| Married filing separate $6,300 $4,000 $154,950 to $216,200 |
| Head of household $9,250 $4,000 $284,050 to $406,550 |
| **Additional Deductions for non-itemizers \*Itemized deductions are limited,** |
| Blind or > 65 $1,250 **but not completely phased out**  Blind or > 65 and single $1,550 |
| **Gifts & Estate Tax** |
| Maximum estate rate 40% |
| Estate/Gift tax exclusion $5,430,000 |
| Gift tax annual exclusion $14,000 |
| **AMT Exemptions & Phaseouts** |
| **Filing Status Exemption Income phase out threshold** |
| Married filing jointly & qualifying widow(er) $83,400 $158,900  Single & HOH $53,600 $119,200  Married filing separately $41,700 $79,450 |
| **Capital Gains Tax Rates** |
| Assets held less than 1 year Marginal income rate |
| 0% for taxpayers in the 10% or 15% brackets;  Assets held longer than 1 year 15% for taxpayers in 25-35% bracket,  20% for taxpayers in the 39.6% bracket |
| Unrecaptured Sec 1250 gains 25% |
| Collectibles 28% |
| **Education Credits & Deductions** |
| **Credit/Deduction/Account Maximum credit/deduction Income Phase outs begin at AGI:** |
| American Opportunity $2,500 $160,000 to $180,000 joint  Tax Credit $80,000 to $90,000 all others |
| Lifetime Learning $2,000 $110,000 to $130,000 joint  Credit $55,000 to $65,000 all others |
| Student Loan $2,500 $130,000 to $160,000 joint  Interest deduction $65,000 to $80,000 all others |
| Savings bond interest Limit to amount of qualified $115,750 to $145,750 joint  Deduction expenses $77,200 to $92,200 all others |
| Coverdell $2,000 maximum contribution $190,000 to $220,000 joint  (non-deductible) $95,000 to $110,000 all others |
| **Kiddie Tax** |
| Dependent children < age 19 (< 24 for full-time students) pay federal income tax at their parents' rate on investment income > $2,100. |



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| **Individual Tax Rates** |  |  |  |  |  |  |  |
|  | **Taxable Income** |  |  |  |  | **Affordable Health Care Act** | |
| **Single** |  | **Joint** | **Ordinary Income** | **Capital Gains and Dividends** | **Medicare Tax** | **Earned Income** | **Investment Income\*\*\*** |
| $0 to $9,225 |  | $0 to $18,450 | 10% | 0% |  |  |  |
| $9,226 to $37,450 |  | $18,451 to $74,900 | 15% |  |  |  |  |
| $37,451 to $90,750 |  | $74,901 to $151,200 | 25% |  |  | 0% | 0% |
| $90,751 to $189,300 |  | $151,201 to $230,450 | 28% |  | 2.9%\* |  |  |
| $189,301 to $200,000 |  | $230,451 to $250,000 | 33% | 15% |  |  |  |
| $200,001 to $411,500 |  | $250,001 to $411,500 |  |  |  |  |  |
| $411,501 to $413,200 |  | $411,501 to $464,850 | 35% |  |  | 0.9% | 3.8% |
| > $413,200 |  | > $464,850 | 39.6% | 20% |  |  |  |

\* 2.9% = 1.45% employee paid + 1.45% employer paid

\*\*3.8% tax is only imposed on income in excess of the $200,000 ($250,000 joint)

\*\*\*Investment income for purpose of 3.7$ tax = dividends, interest capital gains, non-qualified annuity distributions, royalties, rents and passive income (not qualified retirement distributions)