

# 2017 Annual Limits Relating to Financial Planning



AMERICAN RETIREMENT  
& Investment Strategies, LLC

## Traditional and Roth IRAs

|  |                       |
|--|-----------------------|
| Traditional, MyRA, and Roth IRA Contribution Limits    | \$5,500               |
| Traditional, MyRA, and Roth IRA Catch-up Contributions | \$1,000               |
| IRA Deduction Phase-out for Active Participants        |                       |
| Single   | \$62,000 - \$72,000   |
| Married Filing Jointly                                 | \$99,000 - \$119,000  |
| IRA Deduction Phase-out for Spousal Contributions      |                       |
| Married Filing Jointly                                 | \$186,000 - \$196,000 |
| Roth IRA Contribution Phase-out                        |                       |
| Single   | \$118,000 - \$133,000 |
| Married Filing Jointly                                 | \$186,000 - \$196,000 |

## Employer Retirement Plans

|  |  |
|--|--|
| Elective deferrals for 401(k), 403(b), 457 and SAR-SEPs                              | \$18,000   |
| 401(k), 403(b), 457 and SAR-SEP Catch-Up Contribution                                | \$6,000  |
| Defined Contribution Plan Limit  | \$54,000   |
| SEP IRA Contribution   | \$54,000 up to 25%                                       |
| Maximum Annual Defined Benefit Limit   | \$215,000  |
| SIMPLE IRA and SIMPLE 401 (k) Contribution   | \$12,500   |
| SIMPLE IRA and SIMPLE 401 (k) Catch-Up Contribution                                  | \$3,000  |
| SIMPLE Maximum Compensation (12,500 / 3%)  | \$416,667  |
| Maximum Includable Compensation  | \$270,000  |
| Highly Compensated Employee  | \$120,000  |
| Key Employee   | > \$170,000  |
| SEP Minimum Earnings Limit   | \$600  |
| IRS Mileage Rate (Business / Medical, Moving / Charitable purpose)                   | \$.535 / \$.17 / \$.14 per mile                          |
| Savers Credit (MAGI) [Maximum Credit is \$2,000 for couples, \$1,000 per individual] |  |
| Joint (Max income \$61,500)  | \$0 - \$37,001 K 50% Phase out 20%, 10% (up to \$61.5k)  |
| Single (Max income \$30,750)   | \$0 - \$18,501 K 50% Phase out 20%, 10% (up to \$30.75k) |

## Education Funding Incentives

|  |                                    |
|--|------------------------------------|
| Coverdell Education Savings Account Annual Contribution Limit (Per Beneficiary)      | \$2,000                            |
| Single   | \$95,000 - \$110,000               |
| Married filing jointly   | \$190,000 - \$220,000              |
| Phase outs of American Opportunity Tax Credit (Can be claimed for up to 4 years)     | \$2,500 (\$2k 100%, next \$2k 25%) |
| Single   | \$80,000 - \$90,000                |
| Married filing jointly   | \$160,000 - \$180,000              |
| Phase out of exclusion for EE bonds (MAGI)   |                                    |
| Single   | \$78,150 - \$93,150                |
| Married filing jointly   | \$117,250 - \$147,250              |
| Phase outs of Lifetime Learning Tax Credits ( 20% of qualified expenses up to \$10k) |                                    |
| Max. Credit \$2,000/return (Cannot take both credits in same year)                   |                                    |
| Single   | \$56,000 - \$66,000                |
| Married filing jointly   | \$112,000-\$131,000                |
| Phase outs of Deductibility of Student Loan Interest (Maximum \$2,500)               |                                    |
| Married Filing Jointly   | \$135,000 - \$165,000              |
| Others   | \$65,000 - \$80,000                |

*Compliments of your Financial Advisors – Joseph Grella CFP® and William D’Annibale  
For Information Purposes Only, seek tax advice from an independent tax advisor*

## Federal Estate and Gift Taxes

|   |                             |
|---|-----------------------------|
| Annual Gift Tax Exclusion   | \$14,000                    |
| Estate Tax Exclusion, Generation-Skipping Tax Exclusion, and Gift Tax Exclusion | \$5,490,000                 |
| Top Estate, Gift and GST Tax Rate   | 40% (Estate & Trusts Bene.) |

## Federal Income Taxes

|   |   |
|---|---|
| Personal exemption  | \$4,050   |
| Phase out of personal exemption   | 2% for every \$2,500 over same thresholds as deductions     |
| Standard Deduction  |   |
| Single or Married filing separately                                       | \$6,350   |
| Married filing jointly  | \$12,700  |
| Elderly or blind additional deduction                                     |   |
| Single / Married filing jointly   | \$1,550 / \$1,250   |
| Phase out of Itemized Deductions (Single/MFJ)                             | 3% over \$261,500 (single) or \$313,800 (married) up to 80% |
| Kiddie Tax Standard Deduction (Under Age 19 or 24 if a full time student) | \$1,050, Next \$1,050 is Parent's Rate                      |
| Capital Gains Tax   |   |
| 10% and 15% Brackets  | STG Ordinary Rate, LTG 0%                                   |
| 25% to 35% Brackets   | STG Ordinary Rate, LTG 15%                                  |
| 39.6% Bracket   | STG Ordinary Rate, LTG 20%                                  |
| Medicare Surtax   | 3.8% Income over \$200k (s)/\$250k (mfj)                    |
| Adoption Credit (maximum)   | \$13,570 Phase-out \$203,540 - \$243,540                    |
| AMT Exemption   |   |
| Married Filing Jointly  | \$84,500  |
| Single  | \$54,300  |

## Social Security

|   |  |
|---|--|
| Taxable Wage Base (Soc. Sec. Maximum)   | \$127,200  |
| Social Security Tax Rate  |  |
| Old-Age, Survivors and Disability Insurance   | 12.40% Self-employed, 6.2% Employees               |
| Hospital Insurance  | 2.9% Self-employed, 1.45% Employees                |
| Medicare Surtax   | 0.9% Employees Income over \$200k (s)/\$250k (mfj) |
| Earnings limitations for Social Security Benefits   |  |
| Before Normal Retirement Age (\$1 in benefits withheld for every \$2 in earnings over limit)        | \$16,920 (\$1,410/mn)                              |
| The Year the Individual Reaches Full Retirement Age (\$1 for every \$3 over limit)                  | \$44,880 (\$3,740/mn)                              |
| Income (in retirement) causing SS benefits to be taxed : Married Filing Jointly (50% / 85% Taxable) | \$32K MAGI / \$44k MAGI                            |
| Single (50% / 85%)  | \$25K MAGI / \$34k MAGI                            |
| Cost of Living Adjustment   | 0.3%   |
| Quarter of Coverage   | \$1,300  |
| Maximum benefit retiring at age 66  | \$2,687/month [est. avg. benefit \$1404]           |

## Long Term Care Insurance & Health Savings Account (HSA)

|  |                                   |
|--|-----------------------------------|
| Per Diem Daily Limit   | \$360                             |
| Premium as a deductible medical expense limitation (Per person)                                |                                   |
| Age 40 or under  | \$410                             |
| Age 41 - 50  | \$770                             |
| Age 51 - 60  | \$1,530                           |
| Age 61 - 70  | \$4,090                           |
| Age 71 or older  | \$5,110                           |
| HSA Contribution Maximum (Age 55 to 64 there is a catch-up of \$1000 - per married individual) | \$3,400 (Single) \$6,750 (Family) |

Compliments of your Financial Advisors –

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