



PELLETIER CHASE & ASSOCIATES, LLC
Certified Public Accountants and Business Advisors

2017 U.S. ESTATE AND TRUST RATES

Base Taxable Income	Tax On Base	% On Excess Over Base
\$ 0	\$ 0.00	15.0%
2,550	382.50	25.0%
6,000	1,245.00	28.0%
9,150	2,127.00	33.0%
12,500	3,232.50	39.6%

2017 Estate and Gift Tax Rate Exclusions

The Federal Estate tax exclusion for 2017 is \$5,490,000.
 The Maine Estate tax exclusion for 2017 is \$5,490,000.

2017 Annual Gift Tax Exclusion per Donee

Gifts per person - \$14,000
 Joint gifts by spouses - \$28,000

2017 RETIREMENT PLAN CONTRIBUTION LIMITS

Individual Limitations

401(K) Contributions \$18,000
 Catch-up contributions for age 50 and over - \$6,000

Profit Sharing and Money Purchase Plans
 100% of comp ≤ \$270,000 up to \$54,000
 Catch-up contributions for age 50 and over - \$6,000

Simplified Employee Pension (SEP) Plans
 25% of comp ≤ \$270,000 up to \$54,000
 Catch-up contributions for age 50 and over - \$6,000

Simple Plan Contributions \$12,500
 Catch-up contributions for age 50 and over - \$3,000

Employer Plan Limitations

	% Of Compensation*
Profit Sharing or SEP Plan	25%
Money Purchase Plan	25%

*Or net self-employment income after SECA tax deduction and plan contribution.

Individual Retirement Accounts

Contribution Limits - lesser of \$5,500* or compensation/earned income
 Catch-up contributions for age 50 and over - \$1,000

2017 RETIREMENT DEDUCTION LIMITS

Not a Participant in Another Plan - lesser of \$5,500* or compensation/earned income

Active in Another Plan

Joint AGI	Deduction Is	Single AGI
\$0 - \$99,000	\$5,500* max.	\$0 - \$62,000
99,000 - 119,000	phased out	62,000 - 72,000

Contribution must be made before the original due date of the tax return.

*Plus up to \$5,500 for nonworking spouse.

2017 ESTIMATED TAX PAYMENTS

Estimated tax for 2017 must be paid if both of the following apply:

1. Taxpayer expects to owe at least \$1,000 in tax for 2017, after subtracting the credit for taxes withheld, and
2. Taxpayer expects withholding and credits to be less than the small of:
 - a. 90% of the tax to be shown on the taxpayer's 2017 tax return or
 - b. 100% (110% if taxpayer's 2016 AGI exceeded \$150,000) of the tax shown on the taxpayer's 2016 tax return.

Due dates (for calendar year-end individuals)

Installment	Due Date
First	April 18, 2017
Second	June 15, 2017
Third	September 15, 2017
Fourth	January 17, 2018

This publication is distributed with the understanding that we are not rendering legal, accounting or other advice and assumes no liability in connection with its use. *This publication reflects tax laws in effect as of November 11, 2016.*

2017 POCKET TAX GUIDE

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2017 U.S. INDIVIDUAL INCOME TAX RATES

Married Taxpayers Filing Jointly or Surviving Spouse

Base Taxable Income	Tax On Base	% On Excess Over Base
\$ 0	\$ 0.00	10.0%
18,650	1,865.00	15.0%
75,900	10,452.50	25.0%
153,100	29,752.50	28.0%
233,350	52,222.50	33.0%
416,700	112,728.00	35.0%
470,700	131,628.00	39.6%

Single

Base Taxable Income	Tax On Base	% On Excess Over Base
\$ 0	\$ 0.00	10.0%
9,325	932.50	15.0%
37,950	5,226.25	25.0%
91,900	18,713.75	28.0%
191,650	46,643.75	33.0%
416,700	120,910.75	35.0%
418,400	121,505.75	39.6%

Head of Household

Base Taxable Income	Tax On Base	% On Excess Over Base
\$ 0	\$ 0.00	10.0%
13,350	1,335.00	15.0%
50,800	6,952.50	25.0%
131,200	27,052.50	28.0%
212,500	49,316.50	33.0%
416,700	117,202.50	35.0%
444,550	126,950.00	39.6%

Federal Standard Deduction*

2017

Joint return	\$12,700
Single	6,350
Head of Household	9,350
Married filing separately	6,350
Additional - blind or elderly	
Single	1,550
Married	1,250

* You are allowed to deduct the greater of your standard deduction or your itemized deductions.

2017 U.S. INDIVIDUAL INCOME TAX RATES

(Continued)

Long-Term Capital Gains Rates for Individuals

The maximum tax rate on net capital gains for 2017 is 20%. This applies to gains on property held more than 12 months. The reduction in the maximum tax rate on capital gains does not apply to the sale of collectibles, on which the maximum tax rate remains at 28%, or the sale of rental real estate, on which the maximum tax rate is 25%.

The tax rate on qualified dividends is a maximum rate of 20%.

Federal Personal Exemptions

Deduction for each taxpayer, spouse, and dependent \$4,050

HEALTH SAVINGS ACCOUNTS (HSA) CAPS

Individual	\$3,400
Family	\$6,750

*Catch-up contribution for age 55 and over - \$1,000

2017 EDUCATION TAX CONSIDERATIONS

American Opportunity Credit

100% of the first \$2,000 of qualified education expenses; 25% of qualified expenses between \$2,000 and \$4,000 (maximum credit \$2,500). This credit is available for the first four years of a student's post-secondary education, subject to phase-out rules.

Phase-out begins at modified adjusted gross income of \$160,000 for joint return; \$56,000 for all others.

Lifetime Learning Credit

20% of the first \$10,000 of qualified education expenses per qualified student; eligible for only one credit (Hope or Lifetime Learning) per student, subject to phase-out.

Phase-out begins at modified adjusted gross income of \$112,000 for joint return and \$56,000 for all others.

Interest on Education Loans

Maximum interest deduction - \$2,500

Modified adjusted gross income phase-out for married and joint status is \$135,000 - \$165,000. Phase-out for all other filing statuses is \$65,000 - \$80,000.

SOCIAL SECURITY INCOME

Maximum Annual Earned Income Limit - 2017

Under Normal Retirement Age (NRA)	\$16,920
During year NRA is attained	44,880
Above NRA	No limit

2017 SOCIAL SECURITY TAX

	Tax Base	Rate	Maximum Tax
Social Security	\$127,200	6.20%	\$7,886.40
Medicare	No Limit	<u>1.45</u> 7.65%	N/A

2017 SELF-EMPLOYMENT TAX RATES*

	Tax Base	Rate	Maximum Tax
Social Security	\$127,200	12.4%	\$15,772.80
Medicare	No Limit	<u>2.9</u> 15.3%	N/A

*Rates in effect on November 11, 2016

2017 STANDARD MILEAGE DEDUCTIONS*

Use	Per Mile
Business	53.5 cents
Charitable	14.0 cents
Medical	17.0 cents
Moving	17.0 cents

2017 SECTION 179 EXPENSE DEDUCTION

Maximum	\$510,000
Phase-out	\$2,030,000