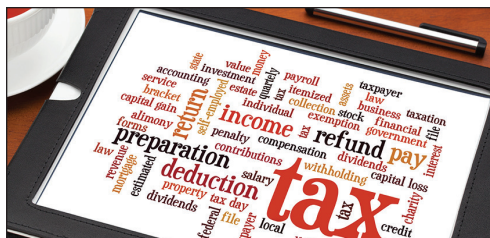


# Tax Facts and Figures

2016



**LB Janes**  
Accounting & Tax  
Services for You and  
Your Business

**LB Janes CPA, PLLC**

404 North 3rd Street

Suite 101

Wilmington, NC 28401

**(919) 345-6417**

[janescpa@gmail.com](mailto:janescpa@gmail.com)

## 2015 Federal Tax Rate Schedule

### Single Taxable Income

\$ 0 to 9,225	× 10.0%	minus	\$ 0.00	= Tax
9,226 to 37,450	× 15.0%	minus	461.25	= Tax
37,451 to 90,750	× 25.0%	minus	4,206.25	= Tax
90,751 to 189,300	× 28.0%	minus	6,928.75	= Tax
189,301 to 411,500	× 33.0%	minus	16,393.75	= Tax
411,501 to 413,200	× 35.0%	minus	24,623.75	= Tax
413,201 and over	× 39.6%	minus	43,630.95	= Tax

### MFJ or QW Taxable Income

\$ 0 to 18,450	× 10.0%	minus	\$ 0.00	= Tax
18,451 to 74,900	× 15.0%	minus	922.50	= Tax
74,901 to 151,200	× 25.0%	minus	8,412.50	= Tax
151,201 to 230,450	× 28.0%	minus	12,948.50	= Tax
230,451 to 411,500	× 33.0%	minus	24,471.00	= Tax
411,501 to 464,850	× 35.0%	minus	32,701.00	= Tax
464,851 and over	× 39.6%	minus	54,084.10	= Tax

### MFS Taxable Income

\$ 0 to 9,225	× 10.0%	minus	\$ 0.00	= Tax
9,226 to 37,450	× 15.0%	minus	461.25	= Tax
37,451 to 75,600	× 25.0%	minus	4,206.25	= Tax
75,601 to 115,225	× 28.0%	minus	6,474.25	= Tax
115,226 to 205,750	× 33.0%	minus	12,235.50	= Tax
205,751 to 232,425	× 35.0%	minus	16,350.50	= Tax
232,426 and over	× 39.6%	minus	27,042.05	= Tax

### HOH Taxable Income

\$ 0 to 13,150	× 10.0%	minus	\$ 0.00	= Tax
13,151 to 50,200	× 15.0%	minus	657.50	= Tax
50,201 to 129,600	× 25.0%	minus	5,677.50	= Tax
129,601 to 209,850	× 28.0%	minus	9,565.50	= Tax
209,851 to 411,500	× 33.0%	minus	20,058.00	= Tax
411,501 to 439,000	× 35.0%	minus	28,288.00	= Tax
439,001 and over	× 39.6%	minus	48,482.00	= Tax

## 2015 Personal Exemptions

The personal exemption per person is ..... \$4,000

Personal exemptions phaseout with the following AGI amounts:

	<i>AGI Beginning of Phaseout</i>	<i>AGI Completed Phaseout</i>
MFJ and QW.....	\$309,900	\$432,400
HOH.....	\$284,050	\$406,550
Single.....	\$258,250	\$380,750
MFS.....	\$154,950	\$216,200

## 2015 Standard Deduction

The basic standard deduction for 2015 is:

Single or MFS .....	\$6,300
MFJ or QW.....	\$12,600
HOH.....	\$9,250

**Age 65 and/or blind.** The additional amounts for age 65 or older and/or blind, per person, per event in 2015 are:

MFJ, QW, or MFS.....	\$1,250
Single or HOH .....	\$1,550

**Dependent.** The standard deduction in 2015 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,050, or earned income plus \$350.

## 2015 Itemized Deduction Phaseout

Itemized deductions begin to phase out when modified AGI reaches:

MFJ, QW .....	\$309,900
HOH.....	\$284,050
Single.....	\$258,250
MFS.....	\$154,950



# Tax Facts and Figures

## Social Security Highlights

Employee's portion of FICA	2015	2014	2013
Maximum earnings subject to Social Security tax (Medicare no limit)	\$118,500	\$117,000	\$113,700
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$7,347.00	\$7,254.00	\$7,049.40

\* Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.

## 2015 Tax Rates: Capital Gain and Dividend Income

If income is...	Maximum %	If asset is held...
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain for taxpayers subject to the top tax rate of 39.6%	20%	More than 1 year
Long-term capital gain for taxpayers subject to a regular tax rate of 25% or higher, up to the rate below the top rate	15%	More than 1 year
Long-term capital gain for taxpayers subject to a regular tax rate of 10% or 15%	0%	More than 1 year
Qualified dividend income for taxpayers subject to the top tax rate of 39.6%	20%	More than 1 year
Qualified dividend income for taxpayers subject to a regular tax rate of 25% or higher, up to the rate below the top rate	15%	More than 60 days
Qualified dividend income for taxpayers subject to a regular tax rate of 10% or 15%	0%	More than 60 days
Ordinary dividend income	39.6%	60 days or less
Short-term capital gain	39.6%	1 year or less

Note: Add 3.8% to the above rates for the net investment income tax for income above \$250,000 MFJ, \$125,000 MFS, and \$200,000 all other filing statuses.

## Other Taxes

### 0.9% Additional Medicare Tax on Wages Income Threshold Amounts

Filing Status	S, HOH, QW	MFJ	MFS
Threshold Amount	\$200,000	\$250,000	\$125,000

### 3.8% Net Investment Income Tax Threshold Amounts (NIIT)

Filing Status	S, HOH	MFJ, QW	MFS
Threshold Amount	\$200,000	\$250,000	\$125,000

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## Business Expenses

<b>2015 Standard Mileage Rate Per Mile</b>	<b>2015 Standard Deduction for Meals—High Low Method (Per Day)</b>
Business.....57.5¢	High cost localities.....\$65
Medical and moving.....23.0¢	All other localities.....\$52
Charitable.....14.0¢	Transportation workers.....\$59
Depreciation.....24.0¢	
<b>Section 179 Expense Limits</b>	<b>Qualified Transportation Benefits</b>
Regular 179 limits.....\$25,000*	Commuter benefits
SUV limits.....\$25,000	(per month).....\$130
Investment phaseout begins.....\$200,000	Parking benefits (per month).....\$250

\* May be increased by extender legislation.

## 2015 Retirement Plan Limits

<b>401(k)/403(b) Deferral Limits</b>	<b>Roth IRA Phaseout Range</b>
Under age 50.....\$18,000	MFJ.....183,000–193,000
Age 50 and over.....\$24,000	Single, HOH.....116,000–131,000
<b>IRA Contribution Limits</b>	MFS.....0–10,000
Under age 50.....\$5,500	<b>SIMPLE Deferral Limits</b>
Age 50 and over.....\$6,500	Under age 50.....\$12,500
<b>IRA Deduction Phaseout Range for Active Participation in Employer Plan</b>	Age 50 and over.....\$15,500
MFJ.....98,000–118,000	<b>Qualified Retirement Plans</b>
Single, HOH.....61,000–71,000	Profit sharing/SEP
MFS.....0–10,000	limits.....25%/\$53,000
Spouse not active	Defined benefit plan
participant.....183,000–193,000	limits.....\$210,000
	Compensation limits.....\$265,000

## Education Tax Benefits Phaseouts

<b>American Opportunity Credit/ Hope Credit</b>	<b>Student Loan Interest Deduction Phaseout Range</b>
MFJ phaseout	MFJ.....130,000–160,000
range.....160,000–180,000	Single and HOH.....65,000–80,000
Single and HOH	Maximum deduction is.....\$2,500
phaseout.....80,000–90,000	<b>U.S. Savings Bonds Exemption Phaseout Range</b>
Hope credit 100% of the first.....\$2,000	MFJ.....115,750–145,750
A.O. credit 25% of the next.....\$2,000	Single and HOH.....77,200–92,200
<b>Lifetime Learning Credit</b>	<b>Education Savings Accounts Phaseout Range</b>
MFJ phaseout range..110,000–130,000	MFJ.....190,000–220,000
Single and HOH	All others.....95,000–110,000
phaseout.....55,000–65,000	
Lifetime learning credit	
20% of first.....\$10,000	

## Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 70½.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.