

'17 Tax

REFERENCE SHEET

The Western and Southern Life Insurance Company
Western-Southern Life Assurance Company
400 Broadway • Cincinnati, Ohio 45202
www.WSLife.com

Tax Brackets for 2017

Taxable income (i.e., income minus deductions and exemptions) between:

Married, Joint	
\$0–\$18,650	10%
\$18,651–\$75,900	15%
\$75,901–\$153,100	25%
\$153,101–\$233,350	28%
\$233,351–\$416,700	33%
\$416,701–\$470,700	35%
over \$470,700	39.6%

Single	
\$0–\$9,325	10%
\$9,326–\$37,950	15%
\$37,951–\$91,900	25%
\$91,901–\$191,650	28%
\$191,651–\$416,700	33%
\$416,701–\$418,400	35%
over \$418,400	39.6%

Married, Separate	
\$0–\$9,325	10%
\$9,326–\$37,950	15%
\$37,951–\$76,550	25%
\$76,551–\$116,675	28%
\$116,676–\$208,350	33%
\$208,351–\$235,350	35%
over \$235,350	39.6%

Head of Household	
\$0–\$13,350	10%
\$13,351–\$50,800	15%
\$50,801–\$131,200	25%
\$131,201–\$212,500	28%
\$212,501–\$416,700	33%
\$416,701–\$444,550	35%
over \$444,550	39.6%

Estates and Trusts	
\$0–\$2,550	15%
\$2,551–\$6,000	25%
\$6,001–\$9,150	28%
\$9,151–\$12,500	33%
over \$12,500	39.6%

Corporations	
\$0–\$50,000	15%
\$50,001–\$75,000	25%
\$75,001–\$100,000	34%
\$100,001–\$335,000	39%
\$335,001–\$18,333,333	34–38%
over \$18,333,333	35%

Standard Deduction

Married, joint	\$12,700
Single	\$6,350
Married, separate	\$6,350
Head of household	\$9,350
Blind or over 65: add \$1,250 if married, \$1,550 if single or head of household	

Itemized Deduction/ Personal Exemption Phaseout Begins

Married, joint	\$313,800
Single	\$261,500
Married, separate	\$156,900
Head of household	\$287,650

Personal Exemption \$4,050

Kiddie Tax Exemption \$2,100

Alternative Minimum Tax Exemption Amount

Married, joint	\$84,500
Single, HOH ¹	\$54,300
Married, separate	\$42,250

Long-term Capital Gains and Qualified Dividend Rates

10% and 15% brackets	0%
25%, 28%, 33% and 35% brackets	15%
39.6% bracket	20%
Capital gains on collectibles	28%
Unrecaptured 1250 depreciation	25%

IRA & Pension Plan Limits

IRA contribution	
Under age 50	\$5,500
Age 50 and over	\$6,500
Phaseout for deducting IRA contribution	
Married, joint	\$99,000–\$119,000 AGI
Single, HOH ³	\$62,000–\$72,000 AGI
Married, separate	\$0–\$10,000 AGI
Phaseout for deducting spousal IRA ⁴	
	\$186,000–\$196,000 AGI

Phaseout of Roth contribution eligibility	
Married, joint	\$186,000–\$196,000 MAGI
Single, HOH ³	\$118,000–\$133,000 MAGI
Married, separate	\$0–\$10,000 MAGI

SEP contribution	
Up to 25% of compensation, limit	\$54,000

Compensation to participate in SEP	\$600
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SIMPLE elective deferral	
Under age 50	\$12,500
Age 50 and over	\$15,500

401(k), 403(b) ⁵ , 457 and SARSEP elective deferral under age 50	\$18,000
401(k), 403(b) ⁵ , 457 ⁶ and SARSEP elective deferral age 50 and over	\$24,000

Annual defined contribution limit	\$54,000
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Annual defined benefit limit	\$215,000
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Highly compensated employee	\$120,000
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Key employee in top heavy plans	\$175,000
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Annual compensation taken into account for qualified plans	\$270,000
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Retirement Tax Credit: A percent tax credit for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction or exclusion, if	
Married, joint	Below \$62,000 MAGI
Head of household	Below \$46,500 MAGI
Single; Married, separate	Below \$31,000 MAGI

Gift and Estate Tax

Gift tax annual exclusion	\$14,000
Estate and gift tax rate	40%
Estate tax exemption	\$5,490,000
Lifetime gift exemption	\$5,490,000
GST exemption	\$5,490,000
Annual exclusion for gifts to noncitizen spouse	\$149,000

Additional Medicare Tax Where Income Exceeds \$200,000 (\$250,000 married, joint)

Additional tax on excess of earned income ²	0.9%
Additional tax on Net Investment Income ³	3.8%

Health Care

Eligible Long-Term Care	Deduction Limit
Age 40 or less	\$410
Ages 41 to 50	\$770
Ages 51 to 60	\$1,530
Ages 61 to 70	\$4,090
Ages over 70	\$5,110

Per Diem Limitation for LTC Benefits

\$360

Affordable Care Act: Monthly penalty for failure to maintain minimum essential coverage: One-twelfth of greater of a) flat dollar amount or b) percentage of income.

2014	\$ 95	1.0%
2015	\$325	2.0%
2016	\$695	2.5%
2017	\$695	2.5%

Household maximum is 3 times the flat dollar amount. • Income is household income reduced by standard deductions and personal exemptions.

1. Head of Household.
2. Total Employee Medicare Tax is 1.45% + 0.9% = 2.35%.
3. Including interest, dividends, capital gains, and annuity distributions.
4. Assumes individual or spouse also participates in an employer-sponsored retirement plan.
5. Special increased limit may apply to certain 403(b) contributors with 15 or more years of service.
6. In last 3 years prior to year of retirement, 457 plan participant may be able to double elective deferral if needed to catch up on prior missed contributions, but if they do, they cannot use catch-up.

Contact a Financial Representative
for a free financial review.

WESTERN & SOUTHERN LIFE 2017 TAX REFERENCE SHEET

Education

Coverdell Education Savings Account \$2,000
 Coverdell contribution eligibility phaseout
 Married, joint \$190,000–\$220,000
 All others \$95,000–\$110,000

Student loan interest deduction limit \$2,500
 Interest deduction is phased out
 Married, joint \$135,000–\$165,000 MAGI
 All others \$65,000–\$80,000 MAGI

Phaseout of Lifetime Learning Credits
 Married, joint \$112,000–\$132,000
 All others \$56,000–\$66,000

Tax-free savings bonds interest phased out
 Married, joint \$117,250–\$147,250 MAGI
 All others \$78,150–\$93,150 MAGI

Social Security⁷

Maximum Wage Base \$127,200
 Amount Needed to Earn One Credit \$1,300
 Amount Needed to Earn Four Credits \$5,200
 Full Retirement Age 66 years, zero months
 Social Security Tax Rates
 Employee 7.65%
 Employer 7.65%
 Self-Employed 15.30%
 Maximum Monthly Retirement Benefit at Full Retirement Age \$2,687
 Family Maximum \$4,030
 Cost of Living Adjustment 0.3%

Maximum earnings (during work years) subject to tax \$127,200

Income⁸ (in retirement) causing Social Security benefits to be taxable
 Married, joint
 50% taxable \$32,000 MAGI
 85% taxable \$44,000 MAGI
 Single
 50% taxable \$25,000 MAGI
 85% taxable \$34,000 MAGI

Loss of Social Security retirement benefits:
 In years prior to full retirement age, \$1 in benefits will be lost for every \$2 of earnings in excess of \$16,920. In the year of full retirement age, \$1 in benefits will be lost for every \$3 of earnings in excess of \$44,880 (applies only to months of earnings prior to full retirement age). There is no limit on earnings beginning the month an individual attains full retirement age.

Average Monthly Benefit (December 2015)

Average Monthly Retirement Benefit Men \$1,500
 Women \$1,182

Average Monthly Survivor Benefit Men \$1,126
 Women \$1,291

Source: *Fast Facts and Figures about Social Security, 2016.*

Uniform Lifetime Table

Use to calculate Minimum Required Distributions from IRAs and qualified plans **during** owner's life. If owner has spousal beneficiary more than 10 years younger, use instead Joint Life Table from IRS Pub. 590.

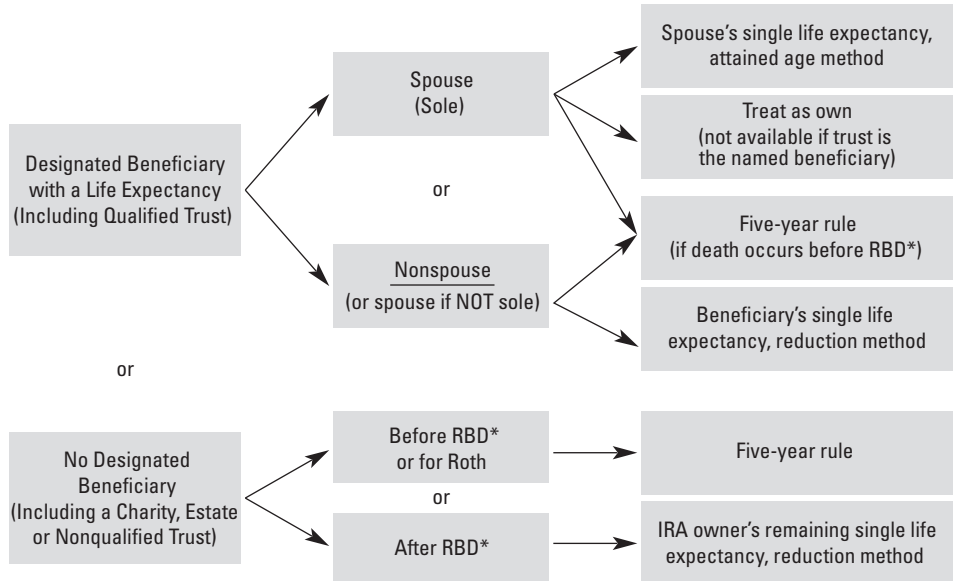
Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115+	1.9

Single Life Table

Use to calculate Minimum Required Distributions from IRAs and qualified plans after owner's death. See IRS Pub. 590 for complete table of ages 0 through 111+.

Age	Life Expectancy	Age	Life Expectancy
39	44.6	63	22.7
40	43.6	64	21.8
41	42.7	65	21.0
42	41.7	66	20.2
43	40.7	67	19.4
44	39.8	68	18.6
45	38.8	69	17.8
46	37.9	70	17.0
47	37.0	71	16.3
48	36.0	72	15.5
49	35.1	73	14.8
50	34.2	74	14.1
51	33.3	75	13.4
52	32.3	76	12.7
53	31.4	77	12.1
54	30.5	78	11.4
55	29.6	79	10.8
56	28.7	80	10.2
57	27.9	81	9.7
58	27.0	82	9.1
59	26.1	83	8.6
60	25.2	84	8.1
61	24.4	85	7.6
62	23.5	86	7.1

IRA Beneficiary Options



*RBD defined as "Required Beginning Date" (April 1 following the year a Traditional IRA or Simple IRA holder reached age 70½).

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7. Source: Social Security Administration, www.ssa.gov, 10/18/2016.

8. Income is most income including muni bond interest but only 1/2 of Social Security.