

RETIREMENT/HSA PLAN CONTRIBUTION LIMITS

Individual and Company Limitations

	2017	2016
General Deferral Limits:		
401(k)/403(b)/457(b)/SARSEP	\$18,000	\$18,000
SIMPLE IRA/SIMPLE 401(k)	12,500	12,500
IRA*/Roth IRA** (combined)	5,500	5,500
HSA (family)	6,750	6,750
HSA (single)	3,400	3,350

Catch Up Contribution for Taxpayers

Age 50 and Over:

401(k)/403(b)/457(b)/SARSEP	\$6,000	\$6,000
SIMPLE IRA	3,000	3,000
IRA/Roth IRA (combined)	1,000	1,000

Age 55 and Over:

HSA contributions	\$1,000	\$1,000
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Compensation Limit for

Benefit Calculations	\$270,000	\$265,000
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Defined Contribution Plan Limits (Qualified Plans, SEPs, and Simple Plans):

Per Participant: 100% of compensation up to \$54,000 for 2017 (25% for SEPs).

Maximum tax-deductible employer contribution: 25% of eligible compensation.

* For 2017, deduction may be limited if taxpayer is a participant in another plan and earns over \$62,000 (single) or \$99,000 (married filing joint). For 2016, the earning limitations are \$61,000 (single) and \$98,000 (married filing joint).

** For 2017, contribution may be limited if income is over \$118,000 (single) or \$186,000 (married filing joint). For 2016, contribution may be limited if income is over \$117,000 (single) or \$184,000 (married filing joint).

NOTE: In general, individual contributions must be made before due date of tax return, not including extensions.

ESTATE, GIFT AND TRUST TAX

Exclusions and Tax Rates

Type	2017		2016	
	Basic Exclusion	Highest Rate	Basic Exclusion	Highest Rate
Estate and gift*	\$5,490,000	40%	\$5,450,000	40%
Gifts per donee	14,000	40%	14,000	40%

* Basic exclusion also includes deceased spousal unused exclusion amount.

Trust Income Tax Rates

	2017	2016
Highest tax rate*	39.6%	39.6%

* For 2017, undistributed trust net investment income in excess of \$12,500 is subject to an additional 3.8% Medicare contribution tax. For 2016, undistributed trust net investment income in excess of \$12,400 is subject to an additional 3.8% Medicare contribution tax.

EMPLOYMENT TAX RATES

FICA Taxes

	2017		2016	
	Wage Base	Rate	Wage Base	Rate
Social Security	\$127,200	6.20%	\$118,500	6.20%
Medicare*	no limit	1.45%	no limit	1.45%

* For 2017 and 2016, an additional 0.9% medicare/hospital insurance tax is withheld on wages exceeding \$200,000.

Self-Employment Tax

	2017		2016	
	Wage Base	Rate	Wage Base	Rate
Social Security	\$127,200	12.40%	\$118,500	12.40%
Medicare*	no limit	2.9%	no limit	2.9%

* For 2017 and 2016, an additional 0.9% medicare/hospital insurance tax is withheld on wages exceeding \$200,000.

Unemployment Tax

	2017	
	Wage Base	Rate
Federal	\$7,000	6.0%*
Michigan	9,000	2.7%**

* Subject to maximum 5.4% credit.

** Initial rate for non-construction payers.

SECTION 179 DEDUCTION & "BONUS" DEPRECIATION

	2017	2016
Section 179 (new or used)*	\$510,000	\$500,000
"Bonus" Depreciation (new)	50%	50%

* Amount is phased-out when total eligible capital acquisitions exceed \$2,030,000 and \$2,000,000 for 2017 and 2016, respectively.

STANDARD MILEAGE DEDUCTIONS

Per Mile

	2017	2016
Business	53.5¢	54¢
Charitable	14¢	14¢
Medical/Moving	17¢	19¢

PER DIEM RATES

Meals and incidental expenses	\$59
Lodging	109

Reflects standard rates for Grand Rapids, MI through September 2017.

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2017 Pocket Tax Guide

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INDIVIDUAL INCOME TAX RATES

Regular Tax

2017 If Taxable Income Is:	The Tax Is:
Married Filing Joint/Surviving Spouses	
\$1 - \$18,650	10% of taxable income
\$18,651 - \$75,900	\$1,865 plus 15% of the excess over \$18,650
\$75,901 - \$153,100	\$10,452.50 plus 25% of the excess over \$75,900
\$153,101 - \$233,350	\$29,752.50 plus 28% of the excess over \$153,100
\$233,351 - \$416,700	\$52,222.50 plus 33% of the excess over \$233,350
\$416,701 - \$470,700	\$112,728 plus 35% of the excess over \$416,700
Over \$470,700	\$131,628 plus 39.6% of the excess over \$470,700
Single	
\$1 - \$9,325	10% of taxable income
\$9,326 - \$37,950	\$932.50 plus 15% of the excess over \$9,325
\$37,951 - \$91,900	\$5,226.25 plus 25% of the excess over \$37,950
\$91,901 - \$191,650	\$18,713.75 plus 28% of the excess over \$91,900
\$191,651 - \$416,700	\$46,643.75 plus 33% of the excess over \$191,650
\$416,701 - \$418,400	\$120,910.25 plus 35% of the excess over \$416,700
Over \$418,400	\$121,505.25 plus 39.6% of excess over \$418,400
Head of Household	
\$1 - \$13,350	10% of taxable income
\$13,351 - \$50,800	\$1,335 plus 15% of the excess over \$13,350
\$50,801 - \$131,200	\$6,952.50 plus 25% of the excess over \$50,800
\$131,201 - \$212,500	\$27,052.50 plus 28% of the excess over \$131,200
\$212,501 - \$416,700	\$49,816.50 plus 33% of the excess over \$212,500
\$416,701 - \$444,550	\$117,202.50 plus 35% of the excess over \$416,700
Over \$444,550	\$126,950 plus 39.6% of the excess over \$444,550

Tax on Long-Term Capital Gains and Qualified Dividends

Tax Rate Bracket	2017	2016
15% or less	0%	0%
25%, 28%, 33%, and 35%	15%	15%
39.6%	20%	20%

Unearned Income Medicare Contribution Tax

A 3.8% Medicare contribution tax will be applied to the lesser of (a) net investment income or (b) modified adjusted gross income exceeding the following amounts:

	2017	2016
Married Filing Joint	\$250,000	\$250,000
Single	200,000	200,000
Married Filing Separate	125,000	125,000

Additional .9% Medicare Tax

An additional 0.9% tax will be applied to the employee's portion of the Medicare component of payroll taxes for wages and self-employment income in excess of the following amounts:

	2017	2016
Married Filing Joint	\$250,000	\$250,000
Single	200,000	200,000
Married Filing Separate	125,000	125,000

INDIVIDUALS

Standard Deduction

	2017	2016
Married Filing Joint/Surviving Spouse	\$12,700	\$12,600
Single/Married Filing Separate	6,350	6,300
Head of Household	9,350	9,300
Additional – Blind or Elderly		
Single or Head of Household	\$1,550	\$1,550
Married (each)	1,250	1,250

Taxpayer is allowed to deduct the greater of standard deduction or itemized deductions.

Personal Exemptions

	2017	2016
Exemption for each taxpayer, spouse, and dependent	\$4,050*	\$4,050**

* Subject to phase-out provisions when AGI exceeds \$261,500 (single), \$313,800 (married filing joint), \$287,650 (head of household), and \$156,900 (married filing separate) in 2017.

** Subject to phase-out provisions when AGI exceeds \$259,400 (single), \$311,300 (married filing joint), \$285,350 (head of household), and \$155,650 (married filing separate) in 2016.

Itemized Deductions Phase-Out

Itemized deductions are subject to phase-out provisions when AGI exceeds:

	2017	2016
Married Filing Joint	\$313,800	\$311,300
Head of Household	287,650	285,350
Single	261,500	259,400
Married Filing Separate	156,900	155,650

Estimated Tax Payments

To avoid possible underpayment penalties (if tax due with return will exceed \$1,000), taxpayer is required to deposit through withholdings and/or estimated tax payments the lesser of:

1. 100% of prior year tax liability*, or
2. 90% of current year tax liability

* "High-income" taxpayers (i.e., those whose adjusted gross income was greater than \$150,000) must pay estimates and/or withhold equal to 110% of their prior year's tax liability for 2017 and 2016.

Child Tax Credit

	2017	2016
Qualifying child under age 17 on December 31	\$1,000	\$1,000

Subject to phase-out provisions when modified AGI exceeds \$110,000 (married filing joint) and \$75,000 (single). The individual must be someone who can claim a dependency exemption for the child.

Alternative Minimum Tax (AMT)

	Exemption Amounts	
	2017*	2016**
Married Filing Joint/Surviving Spouse	\$84,500	\$83,800
Unmarried Individuals	54,300	53,900

* Subject to phase-out provisions when AMTI exceeds \$160,900 (married filing joint) and \$120,700 (unmarried individuals) in 2017.

** Subject to phase-out provisions when AMTI exceeds \$159,700 (married filing joint) and \$119,700 (unmarried individuals) in 2016.

Tuition Credits

	2017	2016
American Opportunity Credit*		
Maximum credit on qualified expenses	\$2,500	\$2,500

Lifetime Learning Credit**

Maximum credit on qualified expenses - credit equals 20% of first \$10,000 paid	\$2,000	\$2,000
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* Subject to phase-out provisions when modified AGI exceeds \$160,000 (married filing joint) and \$80,000 (single) for 2017. A portion of the credit may be refundable. The credit is available for a maximum of four years.

** Subject to phase-out provisions when modified AGI exceeds \$112,000 (married filing joint) and \$56,000 (single) for 2017. Credit is available to the extent of tax liability.

CORPORATE INCOME TAX RATES

2017 Regular Tax

Taxable Income	Rate
\$ 0 - \$ 50,000	15%
50,001 - 75,000	25%
75,001 - 100,000	34%
100,001 - 335,000	39%*
335,001 - 10,000,000	34%
10,000,001 - 15,000,000	35%
15,000,001 - 18,333,333	38%**
Over 18,333,333	35%

35% flat tax rate on taxable income of Personal Service Corporations.

* Reflects 5% surtax which phases-out benefit of 15% and 25% rates.

** 34% rate phased-out.

Alternative Minimum Tax (AMT)*

Tax rate	20%
Exemption amount	\$40,000
Phase-out base	\$150,000

* "Small corporations" with an average of \$7.5 million or less in gross receipts over the prior three years are generally exempt from this tax.

Estimated Tax Payments

To avoid possible underpayment penalties (if tax due with return will exceed \$500), taxpayer is required to pay estimated tax payments equal to the lesser of:

1. 100% of prior year tax liability*, provided a positive tax liability was shown and the prior tax year consisted of twelve months, or
2. 100% of current year tax liability.

* Not available for corporations with a taxable income of at least \$1 million in any one of three immediately preceding tax years.

MICHIGAN TAXPAYERS

Income Taxes

	2017	2016
Individual tax rate	4.25%	4.25%
Personal exemption for each taxpayer, spouse and dependent	\$4,000	\$4,000
Corporate income tax rate (C Corps only)	6.0%	6.0%