

## RETIREMENT BENEFIT LIMITS

Benefit	Limit
Contributions to 401(k), 403(b), 457(b)(2), 457(c)(1) and SARSEP plans	\$ 18,000
Contributions to defined contribution plans	\$ 53,000
Contributions to SIMPLEs	\$ 12,500
Contributions to IRAs	\$ 5,500
Catch-up contributions to 401(k), 403(b), 457(b)(2), 457(c)(1) and SARSEP plans	\$ 6,000
Catch-up contributions to SIMPLEs	\$ 3,000
Catch-up contributions to IRAs	\$ 1,000
Compensation for benefit purposes for qualified plans and SEPs	\$265,000
Highly compensated employee threshold	\$120,000
Annual benefit for defined benefit plans	\$210,000

## LONG-TERM CARE INSURANCE

Age	Premium deduction limit
40 and under	\$ 380
41 to 50	\$ 710
51 to 60	\$1,430
61 to 70	\$3,800
Over 70	\$4,750

## EARNINGS THRESHOLDS FOR PHASEOUT OF SOCIAL SECURITY BENEFITS

Retirement age status	Earnings limit
Before Full Retirement Age (FRA)	\$15,720 per year
Pre-FRA in year you reach FRA	\$3,490 per month
FRA and after	None

## ESTATE AND TRUST INCOME TAX RATES

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 2,500	15%	\$ 0
\$2,501 – \$ 5,900	\$ 375.00 + 25%	\$ 2,500
\$5,901 – \$ 9,050	\$1,225.00 + 28%	\$ 5,900
\$9,051 – \$12,300	\$2,107.00 + 33%	\$ 9,050
Over \$12,300	\$3,179.50 + 39.6%	\$12,300

## GIFT AND ESTATE TAX EXEMPTIONS AND RATES

Year	Exemption	Top rate
2014	\$5,340,000	40%
2015	\$5,430,000	40%

A surviving spouse may be able to use the deceased spouse's unused estate tax exemption. The annual gift tax exclusion is \$14,000 per recipient (\$28,000 if spouses elect "split-gift" treatment).

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## CORPORATE INCOME TAX RATES

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 50,000	15%	\$ 0
\$ 50,001 – \$ 75,000	\$ 7,500 + 25%	\$ 50,000
\$ 75,001 – \$ 100,000	\$ 13,750 + 34%	\$ 75,000
\$ 100,001 – \$ 335,000	\$ 22,250 + 39%	\$ 100,000
\$ 335,001 – \$10,000,000	\$ 113,900 + 34%	\$ 335,000
\$10,000,001 – \$15,000,000	\$3,400,000 + 35%	\$10,000,000
\$15,000,001 – \$18,333,333	\$5,150,000 + 38%	\$15,000,000
Over \$18,333,333	\$ 0 + 35%	\$ 0

Personal service corporations are taxed at a flat 35% rate.

## SECTION 179 EXPENSING

	2014	2015 <sup>1</sup>
Expensing limit	\$ 500,000	\$ 25,000
Phaseout threshold	\$2 million	\$200,000

<sup>1</sup> Congress might revive higher levels or make other changes. Check with your tax advisor for the latest information.

## BONUS DEPRECIATION

2014	2015 <sup>1</sup>
50%	0%

<sup>1</sup> Congress might revive 50% bonus depreciation or make other changes. Check with your tax advisor for the latest information.

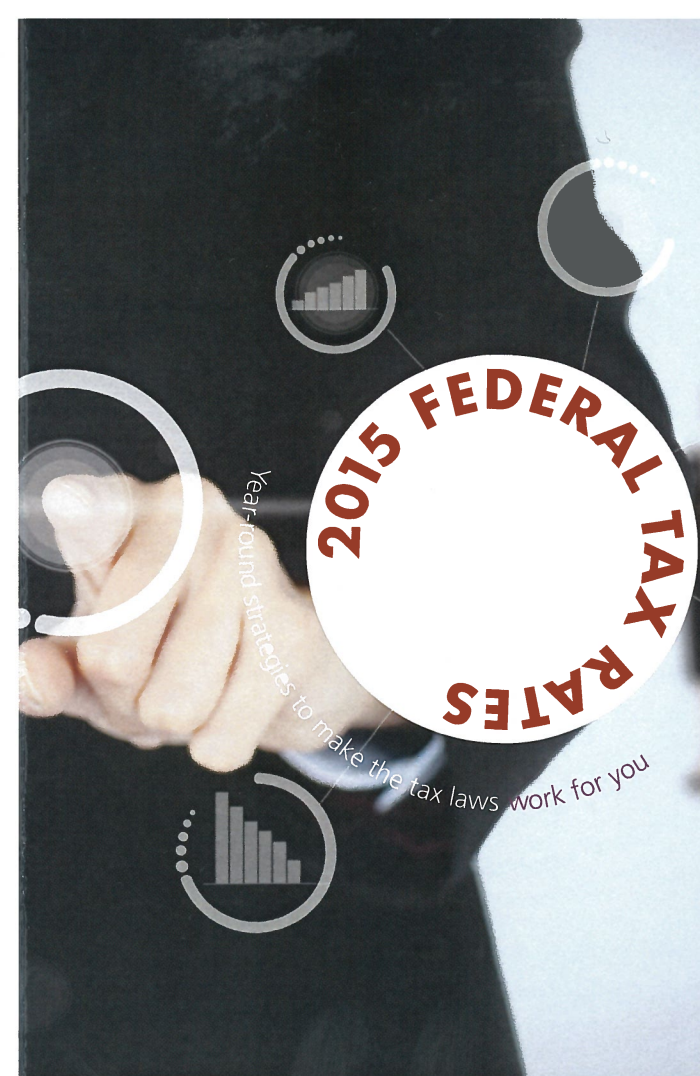
## DEPRECIATION CLASSES AND METHODS

Class	Method	Examples
36-month	Straight-line	Software
3-year	200% DB <sup>1</sup>	Dies, molds, small tools
5-year	200% DB <sup>1</sup>	Vehicles, computers, office equipment
7-year	200% DB <sup>1</sup>	Manufacturing equipment, office furniture
7-year	150% DB <sup>1</sup>	Farm equipment
27.5-year	Straight-line	Rental residential buildings
39-year	Straight-line	Nonresidential buildings

<sup>1</sup> Declining-balance.

## MACRS DEPRECIATION RATES (with half-year convention)

Year	Asset class		
	3-year	5-year	7-year
1	33.33%	20.00%	14.29%
2	44.45%	32.00%	24.49%
3	14.81%	19.20%	17.49%
4	7.41%	11.52%	12.49%
5	—	11.52%	8.93%
6	—	5.76%	8.92%
7	—	—	8.93%
8	—	—	4.46%



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CERTIFIED PUBLIC ACCOUNTANTS

Cyclorama Building  
369 Franklin Street  
Buffalo, New York 14202  
www.LumsdenCPA.com  
716-856-3300

## INDIVIDUAL INCOME TAX RATES<sup>1</sup>

### Single

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 9,225	10%	\$ 0
\$ 9,226 – \$ 37,450	\$ 922.50 + 15%	\$ 9,225
\$ 37,451 – \$ 90,750	\$ 5,156.25 + 25%	\$ 37,450
\$ 90,751 – \$ 189,300	\$ 18,481.25 + 28%	\$ 90,750
\$ 189,301 – \$ 411,500	\$ 46,075.25 + 33%	\$ 189,300
\$ 411,501 – \$ 413,200	\$ 119,401.25 + 35%	\$ 411,500
Over \$ 413,200	\$ 119,996.25 + 39.6%	\$ 413,200

### Head of household

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 13,150	10%	\$ 0
\$ 13,151 – \$ 50,200	\$ 1,315.00 + 15%	\$ 13,150
\$ 50,201 – \$ 129,600	\$ 6,872.50 + 25%	\$ 50,200
\$ 129,601 – \$ 209,850	\$ 26,722.50 + 28%	\$ 129,600
\$ 209,851 – \$ 411,500	\$ 49,192.50 + 33%	\$ 209,850
\$ 411,501 – \$ 439,000	\$ 115,737.00 + 35%	\$ 411,500
Over \$ 439,000	\$ 125,362.00 + 39.6%	\$ 439,000

### Married filing jointly or surviving spouse

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 18,450	10%	\$ 0
\$ 18,451 – \$ 74,900	\$ 1,845.00 + 15%	\$ 18,450
\$ 74,901 – \$ 151,200	\$ 10,312.50 + 25%	\$ 74,900
\$ 151,201 – \$ 230,450	\$ 29,387.50 + 28%	\$ 151,200
\$ 230,451 – \$ 411,500	\$ 51,577.50 + 33%	\$ 230,450
\$ 411,501 – \$ 464,850	\$ 111,324.00 + 35%	\$ 411,500
Over \$ 464,850	\$ 129,996.50 + 39.6%	\$ 464,850

### Married filing separately

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 9,225	10%	\$ 0
\$ 9,226 – \$ 37,450	\$ 922.50 + 15%	\$ 9,225
\$ 37,451 – \$ 75,600	\$ 5,156.25 + 25%	\$ 37,450
\$ 75,601 – \$ 115,225	\$ 14,693.75 + 28%	\$ 75,600
\$ 115,226 – \$ 205,750	\$ 25,788.75 + 33%	\$ 115,225
\$ 205,751 – \$ 232,425	\$ 55,662.00 + 35%	\$ 205,750
Over \$ 232,425	\$ 64,989.25 + 39.6%	\$ 232,425

<sup>1</sup> These rates generally apply to earned income, business income, interest and nonqualified dividends. Long-term capital gains rates apply to qualified dividends.

## STANDARD DEDUCTIONS

Filing status	Deduction
Single	\$ 6,300
Head of household	\$ 9,250
Married filing jointly or surviving spouse	\$ 12,600
Married filing separately	\$ 6,300

## CAPITAL GAINS TAX RATES

Type of gain	Maximum rate <sup>1</sup>
Short-term gain (assets held 12 months or less)	39.6%
Long-term gain (generally assets held more than 12 months)	15% or 20% <sup>2</sup>
Long-term gain on collectibles	28%
Long-term gain attributable to certain depreciation recapture	25%
Gain on qualified small business stock held more than 5 years	14% <sup>3</sup>
Long-term gain that would be taxed at 15% or less based on the taxpayer's ordinary-income rate	0%

<sup>1</sup> The 3.8% net investment income tax applies to net investment income to the extent that modified adjusted gross income (MAGI) exceeds \$200,000 (singles and heads of households), \$250,000 (joint filers) or \$125,000 (separate filers).

<sup>2</sup> The 20% rate applies only to those with taxable income exceeding \$413,200 (singles), \$439,000 (heads of households), \$464,850 (joint filers) or \$232,425 (separate filers).

<sup>3</sup> Effective rate based on 50% exclusion from a 28% rate.

## ALTERNATIVE MINIMUM TAX

### Single, head of household, married filing jointly or surviving spouse

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 185,400	26%	\$ 0
Over \$ 185,400	\$ 48,204 + 28%	\$ 185,400

### Married filing separately

If taxable income is ...	... tax is ...	... of amount over
\$ 0 – \$ 92,700	26%	\$ 0
Over \$ 92,700	\$ 24,102 + 28%	\$ 92,700

### Exemptions

Filing status	Exemption amount
Single or head of household	\$ 53,600
Married filing jointly	\$ 83,400
Married filing separately	\$ 41,700

### Exemption phaseouts based on AMT income

Filing status	Income range of phaseout
Single or head of household	\$ 119,200 – \$ 333,600
Married filing jointly	\$ 158,900 – \$ 492,500
Married filing separately	\$ 79,450 – \$ 246,250

## STANDARD MILEAGE RATES

Use of vehicle	Deduction per mile
Business	57.5 cents
Medical or moving	23 cents
Charitable	14 cents

## FICA RATES AND EXPANDED MEDICARE TAXES

The rate for the employee portion of Social Security tax is 6.2%, and the maximum earned income it applies to is \$118,500, while the Medicare rate is 1.45% and applies to all earned income.

Self-employed individuals pay both the employee and employer portions, but get a deduction for the employer portion.

Cash wages totaling \$1,900 or more to household employees are also subject to FICA taxes.

An additional 0.9% Medicare tax applies to FICA wages and self-employment income exceeding \$200,000 (singles and heads of households), \$250,000 (joint filers) or \$125,000 (separate filers).

## PERSONAL EXEMPTION AND ITEMIZED DEDUCTION LIMITS

Exemption amount: \$4,000

Personal exemptions and many itemized deductions are reduced if adjusted gross income (AGI) exceeds certain levels: \$258,250 (singles), \$284,050 (heads of households), \$309,900 (joint filers) and \$154,950 (separate filers).

## HEALTH SAVINGS ACCOUNTS

Limit	Individual	Family
Contribution	\$ 3,350	\$ 6,650
Catch-up contribution	\$ 1,000	\$ 1,000
Minimum high-deductible health plan (HDHP) deductible	\$ 1,300	\$ 2,600
Maximum HDHP out-of-pocket costs	\$ 6,450	\$ 12,900

## COVERDELL ESAs

Contribution limit per beneficiary: \$2,000

### Phaseouts based on contributor's MAGI

Filing status	MAGI range of phaseout
Single or head of household	\$ 95,000 – \$ 110,000
Married filing jointly	\$ 190,000 – \$ 220,000