

CORPORATE INCOME TAX RATE

Tax years beginning January 1, 2018 — Flat rate of 21%

Blended corporate rate (by day) for fiscal years beginning in 2017 and ending in 2018

STANDARD MILEAGE RATES

Business use of auto	\$0.58 per mile
Charitable contribution	\$0.14 per mile
Medical	\$0.20 per mile
Moving - Military	\$0.20 per mile

STANDARD DEDUCTIONS

Single and married filing separately	\$12,200
Married filing jointly or surviving spouse	\$24,400
Head of household	\$18,350

PERSONAL EXEMPTION

Repealed through December 31, 2025

PHASEOUTS OF PERSONAL EXEMPTIONS AND ITEMIZED DEDUCTIONS

Repealed through December 31, 2025

SOCIAL SECURITY EARNINGS LIMITS FOR RETIRED WORKERS

Retirement age	Earnings limit
Prior to retirement age	\$17,640
Year of retirement	\$46,920
At or over retirement age	None

SELF-EMPLOYMENT TAX

Tax rate for self-employment income is 15.3% on first \$132,900 and 2.9% thereafter.

KIDDIE TAX

Unearned income in excess of \$2,100 is taxed according to the brackets applicable to estates and trusts. Earned income in excess of \$6,350 is taxed at the rates for single individuals. Applies to unmarried children younger than 18, to children age 18 whose earned income is not more than half their support, and to children older than 18 but younger than 24 who are full-time students and whose earned income is not more than half their support.

ESTATE AND TRUST INCOME TAX RATE

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$2,600	10%	-	-
\$2,600	\$9,300	\$260	24%	\$2,600
\$9,300	\$12,750	\$1,868	35%	\$9,300
\$12,750	-	\$3,076	37%	\$12,750

Applicable exclusion amount for estate, gift, and generation-skipping transfer (GST) tax

\$11,400,000

Maximum estate, gift, and GST tax rate

40%

Gift tax annual exclusion

\$15,000

Portability [Deceased Spouse Unused Exemption (DSUE)] and Step-Up/-Down Basis to Date of Death Value Apply

SINGLE FILING

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$9,700	10%	-	-
\$9,700	\$39,475	\$970	12%	\$9,700
\$39,475	\$84,200	\$4,543	22%	\$39,475
\$84,200	\$160,725	\$14,383	24%	\$84,200
\$160,725	\$204,100	\$32,749	32%	\$160,725
\$204,100	\$510,300	\$46,629	35%	\$204,100
\$510,300	-	\$153,799	37%	\$510,300

MARRIED FILING JOINTLY OR SURVIVING SPOUSE

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$19,400	10%	-	-
\$19,400	\$78,950	\$1,940	12%	\$19,400
\$78,950	\$168,400	\$9,086	22%	\$78,950
\$168,400	\$321,450	\$28,765	24%	\$168,400
\$321,450	\$408,200	\$65,497	32%	\$321,450
\$408,200	\$612,350	\$93,257	35%	\$408,200
\$612,350	-	\$164,710	37%	\$612,350

MARRIED FILING SEPARATELY

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$9,700	10%	-	-
\$9,700	\$39,475	\$970	12%	\$9,700
\$39,475	\$84,200	\$4,453	22%	\$39,475
\$84,200	\$160,725	\$14,383	24%	\$84,200
\$160,725	\$204,100	\$32,749	32%	\$160,725
\$204,100	\$306,175	\$46,629	35%	\$204,100
\$306,175	-	\$82,355	37%	\$306,175

HEAD OF HOUSEHOLD

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$13,850	10%	-	-
\$13,850	\$52,850	\$1,385	12%	\$13,850
\$52,850	\$84,200	\$6,065	22%	\$52,850
\$84,200	\$160,700	\$12,962	24%	\$84,200
\$160,700	\$204,100	\$31,322	32%	\$160,700
\$204,100	\$510,300	\$45,210	35%	\$204,100
\$510,300	-	\$152,380	37%	\$510,300

TOP INDIVIDUAL STATE RATES

California: 13.3%	Montana: 6.9%
Colorado: 4.63%	New Hampshire: 5%
Idaho: 6.925%	Utah: 4.95%
Illinois: 4.95%	Virginia: 5.75%
Maine: 7.15%	Wisconsin: 7.65%
Minnesota: 9.85%	

MAXIMUM RATE APPLICABLE TO (NONCORPORATE) NET CAPITAL GAIN AND QUALIFIED DIVIDENDS

Capital asset	Holding period	Tax rate	Filing status	Below taxable income threshold
Short-term capital gains	One year or less	Ordinary income tax rates	-	-
Long-term capital gains	More than one year	0%	MFJ or surviving spouse	\$78,750
			Head of household	\$52,750
			Single or MFS	\$39,375
			Estate and trust	\$2,650
Long-term capital gains	More than one year	15%	MFJ or surviving spouse	\$488,850
			Head of household	\$461,700
			Single	\$434,550
			MFS	\$244,425
			Estate and trust	\$12,950
Long-term capital gains	More than one year	20%	Greater than 15% thresholds	-
1250	More than one year	25%	If taxpayer is in the lower tax rate, the rate will apply	-
Collectible	More than one year	28%	-	-
1202 small business stock	More than five years	28%	-	-

3.8% Medicare tax on net investment income

Tax imposed on lesser of "net investment income" or MAGI > \$250,000 (MFJ), \$125,000 (MFS), or \$200,000 (Single)

Medicare tax on high-income earners Additional 0.9% tax on wages greater than:

Single or head of household	\$200,000
Married filing jointly or surviving spouse	\$250,000
Married filing separately	\$125,000

RETIREMENT PLAN LIMITS

Deferral limits for plans

§401(k), 403(b), and 457 plans	\$19,000
SIMPLE	\$13,000

Catch-up contributions for participants age 50 or older

Other than SIMPLE plans	\$6,000
SIMPLE plans	\$3,000

Other limitations and thresholds

Qualified plans — annual compensation limit	\$280,000
Defined benefit — maximum annual benefit	\$225,000
Defined contribution — maximum annual addition	\$56,000
"Key employee" in top-heavy plan	\$180,000
"Highly compensated employee" threshold	\$125,000
SEP compensation threshold for participation	\$600

Definition of "control employee" for fringe benefit valuation

Reg. §1.61-21(f)(5)(i)	\$110,000
Reg. §1.61-21(f)(5)(iii)	\$225,000

INDIVIDUAL RETIREMENT ACCOUNTS

Traditional IRAs and Roth IRAs

Contribution limit	\$6,000
Catch-up contribution (age 50 or older)	\$1,000

Phaseout rules based on MAGI ranges

Traditional IRA deductions phaseout	
Single, head of household — Active participant	\$64,000 - \$74,000
Married filing separately — Any spouse participates	\$0 - \$10,000
Married filing jointly — Nonparticipating spouse	\$193,000 - \$203,000
Married filing jointly — Participating spouse	\$103,000 - \$123,000
Roth IRA contribution eligibility	
Married filing jointly	\$193,000 - \$203,000
Single, head of household	\$122,000 - \$137,000
Married filing separately — Any spouse participates	\$0 - \$10,000

HEALTH SAVINGS ACCOUNT

Plan minimum deductible (self/family)	\$1,350/\$2,700
Contribution maximum (self/family)	\$3,500/\$7,000
Catch-up contribution (age 55 or older)	\$1,000
Plan out-of-pocket limit (self/family)	\$6,750/\$13,500

In the year a participant enrolls in Medicare or changes to a plan that is not HSA eligible, contribution is prorated based on the number of months the participant has qualifying coverage prior to the month of Medicare enrollment.

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