

## 2015 Reference Sheet

### Statute of Limitations – 3 years from date of original return.

Standard Deduction		
<b>Basic Amount</b>	MFJ & Surviving Spouse	\$12,600
	Head of Household	\$9,250
	Single & MFS	\$6,300
<b>Additional Amt &gt;65 and Blind</b>	MFJ & Surviving Spouse	\$1,250
	Others	\$1,550
<b>Dependent Standard Ded</b>	Base Amount	\$1,000
	Additional Amount	\$350

MFJ = Married Filing Joint  
S = Single

SS = Surviving Spouse  
MFS = Married Filing Separate

HH = Head of Household

Must file Return if & Health Care Filing Threshold	Gross Income Exceeds
S under 65	\$10,300
S 65 or over	\$11,850
HH under 65	\$13,250
HH 65 or over	\$14,800
MFJ both under 65	\$20,800
MFJ one 65 or over	\$22,050
MFJ both 65 or over	\$23,300
MFS any age	\$4,000
SS with children under 65	\$16,600
SS with children 65 or over	\$17,850

Personal Exemption Phase Out	\$4,000
Single	\$258,250
Head of Household	\$284,050
Married Filing Separately	\$154,950
Married Filing Jointly	\$309,900
Qualifying Widow(er)	\$309,900

### 2015 Health Care Penalty

Starting 2014, the government started to penalize taxpayers on their income tax returns if they did not have health care coverage. It was 1% of your income above the filing threshold or \$95 per person, whichever was greater. This year's penalty is 2% of your gross income above the filing threshold or \$325 per person, whichever is greater,

2015 Tax Brackets				
Filing Status	Single	HH	MFJ & SS	MFS
10%	\$1 - \$9,225	\$1 - \$13,150	\$1 - \$18,450	\$1 - \$9,225
15%	\$9,226 - \$37,450	\$13,151 - \$50,200	\$18,451 - \$74,900	\$9,226 - \$37,450
25%	\$37,451 - \$90,750	\$50,201 - \$129,600	\$74,901 - \$151,200	\$37,451 - \$75,600
28%	\$90,751 - \$189,300	\$129,601 - \$209,850	\$151,201 - \$230,450	\$75,601 - \$115,225
33%	\$189,301 - \$411,500	\$209,851 - \$411,500	\$230,451 - \$411,500	\$115,226 - \$205,750
35%	\$411,501 - \$413,200	\$411,501 - \$439,000	\$411,501 - \$464,850	\$205,751 - \$232,425
39.6%	Over \$413,200	Over \$439,000	Over \$464,850	Over \$232,425

### Capital Gains and Dividends Tax Rates

Ordinary Income Bracket	Long-Term
To the extent bracket is 10% or 15%	0%
To the extent bracket is 25%, 28%, 33%, or 35%	15%
to the extent taxable income exceeds 39.6% bracket threshold (\$464,850 Joint, \$439,000 HH, \$413,200,000 Single, \$232,425 MFS)	20%
Recaptured Sec 1250 Gain	25%
Qualified Small Business Stock - 50% of Gain	Max 28% (AMT Pref)
Collectibles	28%

### Payroll Withholding Rates

FICA (SS)	6.2%	Maximum	\$118,500
Medicare	1.45%	No Max Wage	

### Estimated Tax Rule

Owe over \$1000, 90% of expected 2015 tax or 110% of 2014 tax if AGI (Adjusted Gross Income) exceeds \$150,000 MFJ, \$75,00 Single, MFS and HH.

### Simple Home Office Deduction

Typically it is \$5 per square feet up to 300 square feet. Maximum Deduction is \$1,500.

### Medical AGI (Adjusted Gross Income) Deduction Threshold Increased

Under the age of 65	10%
Age 65 before the close of the year	7.5%
Alternative Minimum Tax Threshold	10%

### Traditional IRA

#### Contribution Limits

Under Age 50	\$5,500
Age 50 and Over	\$6,500

### ROTH IRA

#### Contribution Limits

Under Age 50	\$5,500
Age 50 and Over	\$6,500

### Contribution Phase-out

#### AGI Range

Joint Filers	\$183,000 - \$193,000
MFS	\$0 - \$10,000
All Others	\$116,000 - \$131,000

IRA = Individual Retirement Account

Phase Out AGI Thresholds	
Single & HH	\$61,000- \$71,000
MFJ & SS	\$98,000- \$118,000
MFS	Less than \$10,000

## Retirement Plan Limits

SEP = Simplified Employee Pension  
TSA = Tax Sheltered Annuity

SARSEP = Salary Reduction SEP  
401(k) = Retirement Savings Plan sponsored by Employer

SEP Contribution Limit		\$53,000
SARSEP Cont. Limit	Under Age 50	\$18,000
	Age 50 and Over	\$24,000
Defined Benefit Plan - Max Benefit		\$210,000
Defined Contribution Plan	Contribution Limit	\$53,000
	Max Compensation Considered	\$265,000
401 (k) & TSA Deferral Limits	Under Age 50	\$18,000
	Age 50 and Over	\$24,000
Simple Plan	Under Age 50	\$12,500
	Age 50 and Over	\$15,500

## American Opportunity Tax Credit

Cost of tuition, books, and supplies up to \$2,500 per student. 100% credit of first \$2,000 then 25% of next \$2,000. 40% is refundable up to \$6,500.00 per student. Student may only claim this credit for 4 tax years of post-secondary undergraduate school or other recognized education credential. Student must be enrolled at least half time.

American Opportunity Tax MAGI Range	
Single, HH, & SS	\$80,00 - \$90,000
MFJ	\$160,000 - \$180,000
MFS	Not Allowed

MAGI = Modified Adjusted Gross Income

## Lifetime Learning Credit

Cost of tuition, books, supplies, and courses up to \$2,000 per tax return. This is available for all years of post-secondary education and/or courses to acquire or improve job skills. Credit can be used for one or more courses.

Lifetime Learning Tax MAGI Range	
Single, HH, & SS	\$55,000 - \$65,000
MFJ	\$110,000 - \$130,000
MFS	Not Allowed

## Student Loan Interest

One can claim up to \$2,500 of paid student loan interest.

Student Loan Interest Tax MAGI Range	
Single, HH, & SS	\$65,000 - \$80,000
MFJ	\$130,000 - \$160,000
MFS	Not Allowed

**Self Employed (SE) Tax-** The Medicare component of the SE tax rate will be 2.9% up to the income threshold and 3.8% (2.9 + 0.9) on amounts in excess of the threshold.

**Additional Medicare Income Thresholds:**

MFJ	\$250,000
MFS	\$125,000
All others	\$200,000

**General Tax Credits**

Child Tax Credit	\$1,000
Retirement Saving Credit	\$2,000
Earned Income Credit (EIC)	See Chart

2015 Saver's Credit - up to \$2,000 (\$4,000 if MFJ)			
Credit Rate	MFJ	HH	S, MFS, SS
50% of your contribution	AGI not more than \$36,500	AGI not more than \$27,375	AGI not more than \$18,250
20% of your contribution	\$36,501 - \$39,500	\$27,376 - \$29,625	\$18,251 - \$19,750
10% of your contribution	\$39,501 - \$60,000	\$29,626 - \$45,750	\$19,751 - \$30,500
0% of your contribution	more than \$61,000	more than \$45,750	more than \$30,500

**Dependent Care Credit**

Indexed between 20% and 35% up to \$3,000 for the first child and up to \$6,000 if more than one child. The 20% applies to AGI of \$43,000.

**Adoption Credit:** The inflation-adjusted max adoption credit and employer-assistance exclusion for 2014 is a maximum amount of \$13,190 per child. The credit begins to phase out when Modified AGI exceeds \$197,880 and is phased out completely when Modified AGI is \$237,880. This credit has a carry forward option.

**Homeowner Energy Credits:** Residential Energy Efficient Property Credit -This credit is available through 2016. This tax credit is 30 percent of the cost of alternative energy equipment installed on or in your home. Qualified equipment includes solar hot water heaters, solar electric equipment and wind turbines. There is no dollar limit on the credit for most types of property. If your credit is more than the tax you owe, you can carry forward the unused portion of this credit to next year's tax return. The home must be in the U.S. It does not have to be your main home. \$500 Lifetime Maximum Credit but any portioned used under \$500 in prior years will reduce current year's claim.

**Maximum Gift Allowance**

\$14,000 per year per person.

**Foreign 2015**

Earned Income Exclusion                      \$100,800

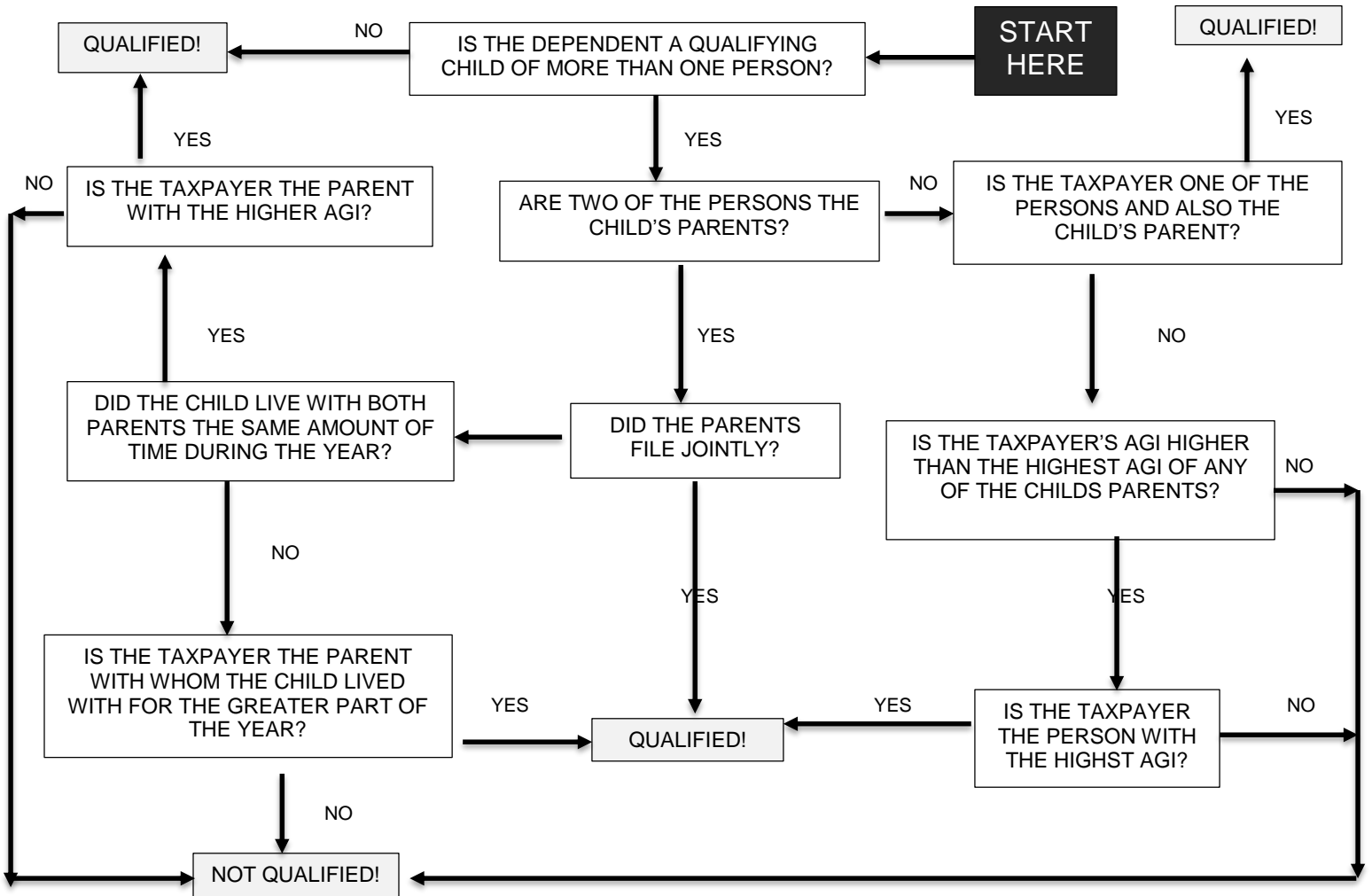
<b>2015 Alternative Minimum Tax (AMT)</b>	
Single & HH	\$53,600
MFJ & SS	\$83,400
MFS	\$41,700

**Modified Accelerated Cost Recovery System (MARCS) Depreciation System and Straight-Line Depreciation System\***

<b>Class</b>	<b>Typical Assets</b>	<b>Depr. Method</b>
3-year	Small tools, tractors, horses, specialized mfg. Devices.	200% Decl. Bal.
5-year	Computers, autos, light trucks, small aircraft, Construction equipment, research and development property.	200% Decl. Bal.
7-year	Office furniture, fixtures and equipment, commercial aircraft, and most machinery.	200% Decl. Bal.
10-year	Specialized heavy mfg. Machinery, mobile Homes.	200% Decl. Bal.
15-year	Billboards, service station buildings, and telephone equipment	150% Decl. Bal.
20-year	Sewer pipes, most utility property, land improvements	150% Decl. Bal.
27.5 year	Residential real estate property	Straight Line
31.5 year	Office and other non-residential real estate property	Straight Line

\*Straight-line is a system that uses the cost of the product divided by the number of years.

## Qualified Child Tie Breaker Chart



### Tie Breaker Rules

Only one person can use the same qualifying child. If a child is the qualifying child of more than one person, only one person can claim the child as a qualifying child for all of the following tax benefits.

EITC                      Dependency Exemption for the Child                      Child tax credit

- Head of Household filing status
- Credit for child and dependent care expenses
- Exclusion for dependent care benefits

The other person(s) cannot take any of the six tax benefits listed above unless he or she has a different qualifying child\* If they cannot agree on who claims the child as a qualifying child, and more than one person claims tax benefits using the same child, the tiebreaker rule explained below applies. If the other person is a spouse and they file joint return, the rules do not apply.

### Under the Tiebreaker Rule, the Child is treated as a qualifying Child only by:

- The parents, if they file a joint return
- The parent, if only one of the persons is the child's parent
- The parent with whom the child lived the longest during the tax year, if two of the persons are the child's parent and they do not file a joint return together
- The parent with the highest adjusted gross income (AGI) if the child lived with each parent for the same amount of time during the tax years, and they do not file a joint return together
- The person with the highest AGI, if no parent can claim the child as a qualifying child
- A person with the higher AGI than any parent who can claim the child as a qualifying child but does not

## Transportation Expenses Guidelines

Auto Mileage Rates	2015
Business	\$0.575
Depreciation Element	\$0.24
Moving	\$0.23
Medical	\$0.23
Charity (not inflation Adj-Statutory)	\$0.14

### Average Per Diem Rates

- |   | Federal | PA              |
|---|---------|-----------------|
| ○ Lodging                                 | \$83    | Actual Expenses |
| ○ M&IE                                    | \$46    | Actual Expenses |
| ○ Transportation Standard Meal Allowances | \$59    | Actual Expenses |
| ○ Incidental Expenses only                | \$5     | Actual Expenses |
- *Can only claim 3/4 on day you arrive and day you leave.*
  - *PA usually only lets you claim 50% of actual expenses not reimbursed by Employer.*
  - *Truck Drivers are allowed to claim 80% of actual expenses not reimbursed by Employer.*

### DOT Governed Rules on What IS Deductible or Not Deductible

- Home to main Job is NOT deductible or vice versa
- Home to Second Job is NOT deductible or vice versa
- Main Job to Second Job IS deductible or vice versa
- Main Job to Temporary Work Place IS deductible or vice versa
- Home to Temporary Work Place IS deductible or vice versa

