

# e-Pocket TAX TABLES

2017 and 2018

## Quick Links:

[2017 Income and Payroll Tax Rates](#)

[2018 Income and Payroll Tax Rates](#)

[Corporate Tax Rates](#)

[Alternative Minimum Tax](#)

[Kiddie Tax](#)

[Income Taxation of Social Security Benefits](#)

[Personal Exemption](#)

[Standard Deduction](#)

[Itemized Deductions 2017](#)

[Itemized Deductions 2018](#)

[Capital Gains and Dividends](#)

[Deductions for Contributions to Public Charities](#)

[Dollar Limits for Qualified Retirement Plans](#)

[Individual Retirement Accounts](#)

[Required Minimum Distributions: Uniform Life Table](#)

[Required Minimum Distributions: Single Life Expectancy Table](#)

[Estate and Gift Taxes](#)



# 2017 INCOME AND PAYROLL TAX RATES

## SINGLE TAXPAYER RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 9,325	\$ 0	10%	\$ 0
9,325	37,950	932.50	15%	9,325
37,950	91,900	5,226.25	25%	37,950
91,900	191,650	18,713.75	28%	91,900
191,650	416,700	46,643.75	33%	191,650
416,700	418,400	120,910.25	35%	416,700
418,400	—	121,505.25	39.6%	418,400

## MARRIED FILING JOINTLY RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 18,650	\$ 0	10%	\$ 0
18,650	75,900	1,865.00	15%	18,650
75,900	153,100	10,452.50	25%	75,900
153,100	233,350	29,752.50	28%	153,100
233,350	416,700	52,222.50	33%	233,350
416,700	470,700	112,728.00	35%	416,700
470,700	—	131,628.00	39.6%	470,700

## HEAD OF HOUSEHOLD RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 13,350	\$ 0	10%	\$ 0
13,350	50,800	1,335.00	15%	13,350
50,800	131,200	6,952.50	25%	50,800
131,200	212,500	27,052.50	28%	131,200
212,500	416,700	49,816.50	33%	212,500
416,700	444,550	117,202.50	35%	416,700
444,550	—	126,950.00	39.6%	444,550

## MARRIED FILING SEPARATELY RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 9,325	\$ 0	10%	\$ 0
9,325	37,950	932.50	15%	9,325
37,950	76,550	5,226.25	25%	37,950
76,550	116,675	14,876.25	28%	76,550
116,675	208,350	26,111.25	33%	116,675
208,350	235,350	56,364.00	35%	208,350
235,350	—	65,814.00	39.6%	235,350

## TRUSTS AND ESTATES RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 2,550	\$ 0	15%	\$ 0
2,550	6,000	382.50	25%	2,550
6,000	9,150	1,245.00	28%	6,000
9,150	12,500	2,127.00	33%	9,150
12,500	—	3,232.50	39.6%	12,500

## SOCIAL SECURITY PAYROLL TAX

	Maximum Taxable Wage Base	Tax Rate	Maximum Tax
Employee	\$127,200	6.2%	\$ 7,886.40
Self-Employed	127,200	12.4%	15,772.80

## MEDICARE PART A PAYROLL TAX

	Taxable Wage Base	Tax Rate	Maximum Tax
Employee	Initial \$250,000 (joint filer)	1.45%	\$3,625.00
	Initial \$125,000 (married filing separately)	1.45%	\$1,812.50
	Initial \$200,000 (all others)	1.45%	\$2,900.00
	Wages over \$250,000 (joint filers)	2.35%	(no maximum)
	Wages over \$125,000 (married filing separately)	2.35%	(no maximum)
	Wages over \$200,000 (all others)	2.35%	(no maximum)
Employer	All wages	1.45%	
Self-Employed	Initial \$250,000 (joint filer)	2.9%	\$7,250.00
	Initial \$125,000 (married filing separately)	2.9%	\$3,625.00
	Initial \$200,000 (all others)	2.9%	\$5,800.00
	Wages over \$250,000 (joint filers)	3.8%	(no maximum)
	Wages over \$125,000 (married filing separately)	3.8%	(no maximum)
	Wages over \$200,000 (all others)	3.8%	(no maximum)

# 2018 INCOME AND PAYROLL TAX RATES

## SINGLE TAXPAYER RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 9,525	\$ 0	10%	\$ 0
9,525	38,700	952.50	12%	9,525
38,700	82,500	4,453.50	22%	38,700
82,500	157,500	14,089.50	24%	82,500
157,500	200,000	32,089.50	32%	157,500
200,000	500,000	45,689.50	35%	200,000
500,000	—	150,689.50	37%	500,000

## MARRIED FILING JOINTLY RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 19,050	\$ 0	10%	\$ 0
19,050	77,400	1,905.00	12%	19,050
77,400	165,000	8,907.00	22%	77,400
165,000	315,000	28,179.00	24%	165,000
315,000	400,000	64,179.00	32%	315,000
400,000	600,000	91,379.00	35%	400,000
600,000	—	161,379.00	37%	600,000

## HEAD OF HOUSEHOLD RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 13,600	\$ 0	10%	\$ 0
13,600	51,800	1,360.00	12%	13,600
51,800	82,500	5,944.00	22%	51,800
82,500	157,500	12,698.00	24%	82,500
157,500	200,000	30,698.00	32%	157,500
200,000	500,000	44,298.00	35%	200,000
500,000	—	149,298.00	37%	500,000

## MARRIED FILING SEPARATELY RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 9,525	\$ 0	10%	\$ 0
9,525	38,700	952.50	12%	9,525
38,700	82,500	4,453.50	22%	38,700
82,500	157,500	14,089.50	24%	82,500
157,500	200,000	32,089.50	32%	157,500
200,000	300,000	45,689.50	35%	200,000
300,000	—	80,689.50	37%	300,000

## TRUSTS AND ESTATES RATES

Taxable Income		Tax before Credits		
Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 2,550	\$ 0	10%	\$ 0
2,550	9,150	255.00	24%	2,550
9,150	12,500	1,839.00	35%	9,150
12,500	—	3,011.50	37%	12,500

## SOCIAL SECURITY PAYROLL TAX

	Maximum Taxable Wage Base	Tax Rate	Maximum Tax
Employee	\$128,400	6.2%	\$ 7,961
Self-Employed	128,400	12.4%	15,922

## MEDICARE PART A PAYROLL TAX

	Taxable Wage Base	Tax Rate	Maximum Tax
Employee	Initial \$250,000 (joint filer)	1.45%	\$3,625.00
	Initial \$125,000 (married filing separately)	1.45%	\$1,812.50
	Initial \$200,000 (all others)	1.45%	\$2,900.00
	Wages over \$250,000 (joint filers)	2.35%	(no maximum)
	Wages over \$125,000 (married filing separately)	2.35%	(no maximum)
	Wages over \$200,000 (all others)	2.35%	(no maximum)
Employer	All wages	1.45%	
Self-Employed	Initial \$250,000 (joint filer)	2.9%	\$7,250.00
	Initial \$125,000 (married filing separately)	2.9%	\$3,625.00
	Initial \$200,000 (all others)	2.9%	\$5,800.00
	Wages over \$250,000 (joint filers)	3.8%	(no maximum)
	Wages over \$125,000 (married filing separately)	3.8%	(no maximum)
	Wages over \$200,000 (all others)	3.8%	(no maximum)

## CORPORATE TAX RATES

For 2017, if taxable income is:

Over	But not over	Flat amount	+	Of excess over
\$ 0	\$ 50,000	\$ 0	15%	\$ 0
50,000	75,000	7,500	25%	50,000
75,000	100,000	13,750	34%	75,000
100,000	335,000	22,250	39%	100,000
335,000	10,000,000	113,900	34%	335,000
10,000,000	15,000,000	3,400,000	35%	10,000,000
15,000,000	18,333,333	5,150,000	38%	15,000,000
18,333,333		6,416,667	35%	18,333,333

For 2018, all taxable income is taxed at a flat rate of 21%.

## ALTERNATIVE MINIMUM TAX

Taxpayers are subject to an "alternative minimum tax" (AMT) instead of the regular income tax when they have substantial "preference income." This is income that is treated favorably under the regular income tax. Basically, the taxpayer must pay whichever tax is higher—the regular tax or the AMT.

Filing Status	2017 Exemption	2018 Exemption
Single or head of household	\$54,300	\$70,300
Married filing jointly	\$84,500	\$109,400
Married filing separately	\$42,250	\$54,700

The exemption amounts are phased out for higher-income taxpayers. The income thresholds are:

Married filing jointly - \$1,000,000  
All other taxpayers - \$500,000

AMT Income in Excess of Exemption 2017 / 2018	AMT Rate
First \$187,800 / \$191,500*	26%
Above \$187,800 / \$191,500	28%

\*\$93,900 / \$95,750 for married persons filing separately

## KIDDIE TAX (UNDER AGE 19 WITH UNEARNED INCOME)

2017 Income Taxation		
First	\$1,050	No Tax
Next	\$1,050	Child's Bracket
Amounts Over	\$2,100	Parent's Bracket

In 2018, the "kiddie tax" on net unearned income is determined based on the ordinary and capital gains tax rates that apply to trusts and estates. See the Trusts and Estates Chart on page 3. The kiddie tax applies to:

a) a child under age 18; b) a child age 18 whose earned income does not exceed one-half of his or her support; or c) a child age 19-23 whose earned income does not exceed one-half of his or her support, and who is a full-time student. Furthermore, the child does not file a joint income tax return and has at least one living parent at the end of the tax year.

## INCOME TAXATION OF SOCIAL SECURITY BENEFITS

Retired taxpayers with incomes over certain threshold amounts are subject to income tax on their Social Security retirement benefits. The special tax base for determining whether a taxpayer's benefits are subject to tax equals one-half of Social Security benefits, plus all other income, including tax-exempt income.

Filing Status	Tax Base	% of Benefits Taxed
Single or head of household	\$25,000 - \$34,000	50%
	Over \$34,000	85%
Married filing jointly	\$32,000 - \$44,000	50%
	Over \$44,000	85%
Married filing separately	Depends on whether the spouses live together during the tax year	

For example, a married couple filing jointly has an adjusted gross income of \$30,000, tax-exempt interest of \$3,000, and receives \$24,000 in Social Security benefits. The special tax base for the couple equals \$45,000, and \$6,850 of the Social Security benefits are taxable (.50 x \$12,000 = \$6,000; .85 of \$1,000 = \$850; total \$6,850).

## PERSONAL EXEMPTION

**Amount** - The personal exemption amount that a taxpayer may claim for himself or herself and each dependent is set at \$4,050 in 2017. For example, in 2017, a married couple with two dependent children files a joint tax return and claims four personal exemptions for a total of \$16,200. A taxpayer (usually a child) cannot claim a personal exemption if he or she can be claimed as a dependent by another (usually a parent).

**Reduction of Personal Exemption Amount** - Personal exemptions claimed in 2017 must be reduced by 2% for each \$2,500 (\$1,250 for married filing separately) or fraction thereof of AGI in excess of a certain amount. For 2017, the threshold AGI amounts are \$313,800 for married persons filing jointly, \$287,650 for heads of households, \$261,500 for singles, and \$156,900 for married persons filing separately.

**Elimination** - Beginning in 2018, personal exemptions are no longer allowed.

## STANDARD DEDUCTION

**Amount** - The standard deduction is a flat amount that a taxpayer may deduct in lieu of itemizing deductions. The standard deduction amount for each taxpayer category is:

Taxpayer Status	2017	2018
Single	\$6,350	\$12,000
Married filing jointly	\$12,700	\$24,000
Head of household	\$9,350	\$18,000
Married filing separately	\$6,350	\$12,000

**Age 65 or Blind** - Taxpayers who are age 65 or over, or who are blind, may take an additional standard deduction (provided they do not itemize). In 2017, the additional standard deduction amount is \$1,250 if married or \$1,550 if the person is unmarried or not a surviving spouse. In 2018, the additional standard deduction amount is \$1,300 if married or \$1,600 if the person is unmarried or not a surviving spouse.

**Dependents** - Taxpayers (usually children) who are claimed as dependents on another's (usually parents') tax return may only take a limited standard deduction. In 2017, the deduction amount cannot exceed the greater of (1) \$1,050 or (2) \$350 plus earned income (up to the regular standard deduction amount).

In 2018, this deduction is not allowed. Instead, the child tax credit is increased to \$2,000 per child under age 18. A \$500 credit is allowed for other dependents. The \$2,000 child credit is refundable up to \$1,400, but the \$500 credit for other dependents is nonrefundable.

## ITEMIZED DEDUCTIONS - 2017

**Interest Expense** - Most personal interest paid is not deductible, with certain important exceptions:

Deductible	Not Deductible
1. Mortgage interest on one or two residences up to \$1,000,000 of indebtedness	1. Auto loan interest
2. Points on home mortgages	2. Credit card interest
3. Home equity loan interest up to \$100,000 of indebtedness	3. Most other consumer loan interest
4. Business interest	4. Prepaid interest other than points on home mortgages
5. Investment interest up to net investment income	

**State and Local Taxes** - Itemizers may deduct either state and local income taxes, or state and local sales taxes. Also, itemizers may deduct state and local real property taxes and personal property taxes. However, tax-payers may not deduct state and local taxes in calculating the AMT unless they are deductible in computing adjusted gross income ("above the line" deductions, not itemized).

**Medical and Dental Expenses** - Expenses paid for nearly all medical, dental and vision care during the year, and not reimbursed by insurance or other means, are deductible by itemizers to the extent that the total of such expenses exceeds 7.5% of AGI in 2017.

**Losses** - Individuals can deduct three basic types of losses: 1) business losses incurred in the taxpayer's unincorporated business, 2) investment losses if the investment was originally motivated by profit, and 3) casualty and theft losses, but each separate loss is reduced by \$100, and the total of such losses is only deductible to the extent it exceeds 10% of AGI in 2017.

**Reduction of Itemized Deductions** - Itemized deductions claimed in 2017 must be reduced by 3% of AGI in excess of a certain amount based upon the taxpayer's income tax filing status, and the maximum reduction is 80%. The AGI threshold amounts for 2017 are \$313,800 for married persons filing jointly, \$287,650 for heads of households, \$261,500 for singles, and \$156,900 for married persons filing separately.

## ITEMIZED DEDUCTIONS - 2018

**Interest Expense** - Most personal interest paid is not deductible, with certain important exceptions:

Deductible	Not Deductible
1. Mortgage interest on one or two residences up to \$750,000 of indebtedness (applies only to new mortgages taken out after December 15, 2017; older mortgages remained tied to the \$1,000,000 cap)	1. Auto loan interest
2. Points on home mortgages	2. Credit card interest
3. Business interest	3. Home equity loan interest
4. Investment interest up to net investment income	4. Most other consumer loan interest
	5. Prepaid interest other than points on home mortgages

**Beginning in 2018, all miscellaneous deductions subject to the 2% floor under IRC §67 are repealed.**

**State and Local Taxes** - Itemizers may deduct either state and local income taxes, or state and local sales taxes. Also, itemizers may deduct state and local real property taxes and personal property taxes. The combined deduction for state property and income taxes is capped at \$10,000 in 2018. Taxpayers may not deduct state and local taxes in calculating the AMT unless they are deductible in computing adjusted gross income ("above-the-line" deductions, not itemized).

**Medical and Dental Expenses** - Expenses paid for nearly all medical, dental and vision care during the year, and not reimbursed by insurance or other means, are deductible by itemizers to the extent that the total of such expenses exceeds 7.5% of AGI.

**Losses** - Individuals can deduct two basic types of losses: 1) business losses incurred in the taxpayer's unincorporated business, or 2) investment losses if the investment was originally motivated by profit. Beginning in 2018, casualty and theft losses are not deductible except for declared national disasters.

**Reduction of Itemized Deductions (Pease Limitation)** - Repealed

## DEDUCTION FOR QUALIFIED BUSINESS INCOME

In 2017, owners of pass-through entities (sole proprietorships, S corporations, limited liability companies (LLCs) or partnerships) are generally taxed on business income directly at their individual income tax rates (with applicable individual standard deductions).

In 2018, owners of pass-through entities are taxed on business income at their individual income tax rates, but may claim a 20% deduction of their share of the business taxes—even if they elect to use the standard deduction instead of itemizing. A number of "specified service trades or businesses" do not qualify for the deduction.

## CAPITAL GAINS AND DIVIDENDS

**Maximum Tax Rate on Long-Term Capital Gains and Most Corporate Dividends** - In 2017, the tax rate is 15% for most individual taxpayers, but 0% for taxpayers in the lower two tax brackets and 20% for taxpayers in the top 39.6% bracket. In 2018, the same three tax rates are applied, but at thresholds which do not coincide with particular tax brackets:

- The 0% rate applies to single filers with income up to \$38,600 (\$77,200 for joint filers).
- The 15% rate applies to single filers with income from \$38,601 to \$425,800 (\$77,201 to \$479,000 for joint filers).
- The 20% rate applies to single filers with income above \$425,800 (\$479,000 for joint filers).

**Holding Period** - The long-term rate generally applies to gains on the sale of capital assets held for more than one year.

**Short-Term Capital Gains** - Net short-term capital gains (on sales of capital assets held for one year or less) are taxed at ordinary income rates.

**Collectibles** - Long-term capital gain from the sale of collectibles is taxed at a top rate of 28%.

## CAPITAL GAINS AND DIVIDENDS (cont.)

**Capital Losses** - After capital gains and losses are netted against one another, any remaining net capital loss may be used to offset ordinary income up to \$3,000 per year. Any excess net capital loss may be carried over and used in future years.

**Sale of a Principal Residence** - A seller of any age who has owned and used real property as a principal residence for at least two of the last five years can exclude from gross income up to \$250,000 (\$500,000 if married filing jointly) of gain realized on a sale.

**Additional Tax on High-Income Taxpayers** - In 2017 and 2018, individuals with more than \$200,000 in income (\$250,000 for a married couple filing jointly), who also have investment income, will pay an additional tax of 3.8% on net investment income or the excess of modified adjusted gross income over the threshold amount (whichever amount is less). Investment income is defined as the sum of gross income from items such as interest, dividends, annuities, royalties, and rents, as well as net gain attributable to the disposition of property (i.e., capital gains).

## DEDUCTION FOR CONTRIBUTIONS TO PUBLIC CHARITIES

Type of Property Contributed	Deemed Amount of Contribution	Percentage Limitation <sup>1</sup> 2017	Percentage Limitation <sup>1</sup> 2018
Cash	Actual dollar amount	50%	60%
Appreciated ordinary income property <sup>2</sup> or appreciated short-term capital gain property <sup>3</sup>	Donor's tax basis	50%	50%
Appreciated long-term capital gain property <sup>4</sup>			
(a) General rule	Fair market value	30%	30%
(b) Election made to reduce amount of contribution	Donor's tax basis	50%	50%
(c) Tangible personal property put to unrelated use by donee charity	Donor's tax basis	50%	50%

1 The applicable "percentage limitation" applies to the donor's contribution base, which is the donor's adjusted gross income (AGI) determined without regard to any net operating loss carryback. The limitation is applied on an annual basis. Any deductible contributions that exceed the current year's limitations may be carried over and deducted in the five succeeding tax years, subject to the percentage limitations in those years.

2 "Ordinary income property" is property that would produce ordinary income if sold by the individual.

3 "Short-term capital gain property" is property that would produce short-term capital gain if sold by the individual.

4 "Long-term capital gain property" is property that would produce long-term capital gain if sold by the individual.

## DOLLAR LIMITS FOR QUALIFIED RETIREMENT PLANS

	2017	2018
<b>Defined Contribution Plans</b> - Annual additions limit for defined contribution plans [IRC Sec. 415(c)]	\$54,000	\$55,000
<b>Defined Benefit Plans</b> - Annual benefit limit for defined benefit plans [IRC Sec. 415(b)]	\$215,000	\$220,000
<b>401(k)</b> - Annual limit on deferrals [IRC Sec. 402(g)]	\$18,000	\$18,500
Plus: age 50+ catch-up	\$6,000	\$6,000
<b>403(b)</b> - Annual limit on deferrals [IRC Sec. 402(g)]	\$18,000	\$18,500
Plus: age 50+ catch-up	\$6,000	\$6,000
<b>Salary Reduction SEPs (SARSEPs)</b> - Annual limit on elective deferral [IRC Sec. 402(g)]	\$18,000	\$18,500
Plus: age 50+ catch-up	\$6,000	\$6,000
<b>Annual Limit On Elective Deferrals to 457 Plans</b> - [IRC Sec. 457(b)(2)(c)(1)]	\$18,000	\$18,500
Plus: age 50+ catch-up	\$6,000	\$6,000
<b>Maximum Annual Compensation</b> - Amount of employee compensation that may be taken into account by plan formula (QRPs, 403(b), SEPs) [IRC Sec. 401(a)(17)]	\$270,000	\$275,000
<b>Nondiscrimination Rules</b> - For "highly compensated employees" [IRC Sec. 414(q)(1)]	\$120,000	\$120,000
<b>Annual Compensation Subject to SEP Discrimination Rules</b> - [IRC Sec. 408(k)(3)(c)]	\$270,000	\$275,000
<b>Compensation Threshold for SEP Participation</b> - [IRC Sec. 408(k)(2)(c)]	\$600	\$600
<b>Annual Limit on Elective Deferrals to SIMPLE Plans</b> - [IRC Sec. 408(p)]	\$12,500	\$12,500
Plus: age 50+ catch-up	\$3,000	\$3,000

## INDIVIDUAL RETIREMENT ACCOUNTS

### Traditional IRA

**Contribution Limit** - In 2017 and 2018, the lesser of \$5,500 (\$6,500 for taxpayers age 50+) or earned income.

### Deduction Limit on Qualified Retirement Plan Participants

- Taxpayers who do not participate in qualified retirement plans can deduct contributions to an IRA.
- Taxpayers who do participate in qualified retirement plans may be subject to a reduced deduction based on modified adjusted gross income (MAGI).
- In 2017, the MAGI phase-out of the deduction for single taxpayers begins at \$62,000 and the deduction is lost at \$72,000. The MAGI phase-out of the deduction for married taxpayers filing jointly begins at \$99,000 and the deduction is lost at \$119,000. In 2018, the MAGI phase-out of the deduction for single taxpayers begins at \$63,000 and the deduction is lost at \$73,000. The MAGI phase-out of the deduction for married taxpayers filing jointly begins at \$101,000 and the deduction is lost at \$121,000.



## INDIVIDUAL RETIREMENT ACCOUNTS

### Roth IRA

**Contribution Limit** - In 2017 and 2018, the lesser of \$5,500 (\$6,500 for taxpayers age 50+) or earned income.

**Contribution Limit Based on Modified Adjusted Gross Income** - In 2017 and 2018, the amount taxpayers can contribute to a Roth IRA is subject to a MAGI phase-out.

- In 2017, the MAGI phase-out on Roth IRA contributions by single taxpayers begins at \$118,000 and no contribution is permitted if MAGI is \$133,000 or more. The MAGI phase-out on Roth IRA contributions for married taxpayers filing jointly begins at \$186,000 and no contribution is permitted if MAGI is \$196,000 or more.
- In 2018, the MAGI phase-out on Roth IRA contributions by single taxpayers begins at \$120,000 and no contribution is permitted if MAGI is \$135,000 or more. The MAGI phase-out on Roth IRA contributions for married taxpayers filing jointly begins at \$189,000 and no contribution is permitted if MAGI is \$199,000 or more.

**Deduction Limit** - There is no deduction for a contribution to a Roth IRA.

## REQUIRED MINIMUM DISTRIBUTIONS: UNIFORM LIFE TABLE

The Uniform Life Table is used to calculate lifetime required minimum distributions (RMDs) from qualified retirement plans, including 401(k) and 403(b) plans, and IRAs. To use this table, owners must be:

- Unmarried
- Married with a spouse who is not more than ten years younger
- Married with a spouse is not the sole beneficiary of the account

Married owners whose spouse is more than 10 years younger determine the appropriate life expectancy using the Joint and Last Survivor Table.

For every "distribution calendar year" (a calendar year for which a minimum distribution is required), find (1) the account balance on December 31st of the preceding year, (2) the account owner's age on his or her birthday in the distribution calendar year, and (3) the divisor that corresponds to that age in the year of the distribution for the Uniform Lifetime Table. The RMD for the distribution calendar year is (1) divided by (3).

IRAs funded with annuities may have additional benefits that need to be included when calculating RMD payments.

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

## REQUIRED MINIMUM DISTRIBUTIONS: SINGLE LIFE EXPECTANCY TABLE

The following section concerns the RMD for individuals who inherit accounts. The required beginning date (RBD) is the date on which the owner has to begin taking distributions from a qualified retirement plan (age 70½).

### When the owner dies BEFORE reaching the RBD

If the owner dies before reaching the RBD for taking required minimum distributions (RMDs), and there is a designated beneficiary, use the designated beneficiary's life expectancy as calculated by using his or her age in the year following the year of the owner's death, and reduce by one for each passing year. But, if there is no designated beneficiary, the entire interest must be paid out by the end of the year marked by the fifth anniversary of the owner's death.

### When the owner dies AFTER reaching the RBD

If there is a designated beneficiary, there are two options for taking RMDs after the owner's death:

- Use the life expectancy method using the designated beneficiary's life expectancy (as described above), or
- Use the deceased owner's remaining life expectancy at death based on his or her age in the year of death, and reduced by one for each year thereafter.

If there is no designated beneficiary, the only distribution period available is based on the deceased owner's life expectancy in the year of death, and reduced by one for each year thereafter.

### Options for the Surviving Spouse as Sole Beneficiary

The spouse may elect to treat the account as his or her own IRA.

In the event the owner dies before reaching the RBD, the spouse may defer payments until the year the deceased owner would have reached age 70½. Thereafter, RMDs are calculated based upon the spouse's life expectancy.

In the event the owner dies after the RBD, the spouse must take the deceased owner's RMD for the year of death (if the owner dies before taking the distribution). And, starting in the year after the owner's year of death, the spouse takes RMDs based on his or her life expectancy. OR, the spouse could choose to take a lump sum or distributions of varying amounts over time (as long as all funds are distributed within five years).

Age	Factor	Age	Factor	Age	Factor	Age	Factor	Age	Factor	Age	Factor
0	82.4	19	64.0	38	45.6	57	27.9	76	12.7	95	4.1
1	81.6	20	63.0	39	44.6	58	27.0	77	12.1	96	3.8
2	80.6	21	62.1	40	43.6	59	26.1	78	11.4	97	3.6
3	79.7	22	61.1	41	42.7	60	25.2	79	10.8	98	3.4
4	78.7	23	60.1	42	41.7	61	24.4	80	10.2	99	3.1
5	77.7	24	59.1	43	40.7	62	23.5	81	9.7	100	2.9
6	76.7	25	58.2	44	39.8	63	22.7	82	9.1	101	2.7
7	75.8	26	57.2	45	38.8	64	21.8	83	8.6	102	2.5
8	74.8	27	56.2	46	37.9	65	21.0	84	8.1	103	2.3
9	73.8	28	55.3	47	37.0	66	20.2	85	7.6	104	2.1
10	72.8	29	54.3	48	36.0	67	19.4	86	7.1	105	1.9
11	71.8	30	53.3	49	35.1	68	18.6	87	6.7	106	1.7
12	70.8	31	52.4	50	34.2	69	17.8	88	6.3	107	1.5
13	69.9	32	51.4	51	33.3	70	17.0	89	5.9	108	1.4
14	68.9	33	50.4	52	32.3	71	16.3	90	5.5	109	1.2
15	67.9	34	49.4	53	31.4	72	15.5	91	5.2	110	1.1
16	66.9	35	48.5	54	30.5	73	14.8	92	4.9	111	1.0
17	66.0	36	47.5	55	29.6	74	14.1	93	4.6		
18	65.0	37	46.5	56	28.7	75	13.4	94	4.3		

## ESTATE & GIFT TAXES

### 2017 and 2018 Gift and Estate Unified Tax Rates:

Over	But not over	Flat amount	+%	Of excess over
\$ 0	\$ 10,000	\$ 0	18%	\$ 0
10,000	20,000	1,800	20%	10,000
20,000	40,000	3,800	22%	20,000
40,000	60,000	8,200	24%	40,000
60,000	80,000	13,000	26%	60,000
80,000	100,000	18,200	28%	80,000
100,000	150,000	23,800	30%	100,000
150,000	250,000	38,800	32%	150,000
250,000	500,000	70,800	34%	250,000
500,000	750,000	155,800	37%	500,000
750,000	1,000,000	248,300	39%	750,000
1,000,000	—————	345,800	40%	1,000,000

Estate Tax	2017	2018
Top Estate Tax Rate	40%	40%
Estate Tax Applicable Exclusion Amount	\$5,490,000	\$11,200,000

Portability: The estate executor can elect to allocate the unused portion of a decedent's estate tax applicable exclusion amount to the surviving spouse.

Gift Tax	2017	2018
Top Gift Tax Rate	40%	40%
Annual Gift Tax Exclusion	\$14,000 per donee	\$15,000 per donee
Annual Gift Tax Exclusion for a Noncitizen Spouse	\$149,000	\$152,000
Lifetime Gift Tax Applicable Exclusion Amount	\$5,490,000	\$11,200,000

# e-Pocket TAX TABLES

2017 and 2018

This writing was prepared by the Pentera Group, Inc. (“Publisher”) and is provided to you through New York Life Insurance Company’s license with the Publisher. New York Life Insurance Company and its subsidiaries and affiliates (collectively “New York Life”) are separate entities from the Publisher.

This service is designed to provide accurate and authoritative information in regard to the subject matter covered. It is provided with the understanding that neither the publisher nor any of its licensees or their distributees intend to, or are engaged in, rendering legal, accounting, or tax advice. If legal or tax advice or other expert assistance is required, the services of a competent professional should be sought.

While the publisher has been diligent in attempting to provide accurate information, the accuracy of the information cannot be guaranteed. Laws and regulations change frequently, and are subject to differing legal interpretations. Accordingly, neither the publisher nor any of its licensees or their distributees shall be liable for any loss or damage caused, or alleged to have been caused, by the use of or reliance upon this service.

The Nautilus Group® is a service of New York Life Insurance Company.

©2018 Pentera Group, Inc.  
921 E. 86th Street, Suite 100  
Indianapolis, Indiana 46240

All rights reserved