

2016 Tax Rates

This quick reference guide will help you stay informed of changes to federal tax rates and limits. This sheet only applies to federal tax laws for the year 2016 and not to state tax laws. Information is current as of December 14, 2015.

2016 Federal Income Tax Rates

Taxable income (i.e., income minus deductions and exemptions) between:

Single (not a surviving spouse or HOH)

If Taxable Income Is:	The Tax Is:
Not over \$9,275	10% of taxable income
\$9,276 – \$37,650	\$927.50 + 15% of excess over \$9,275
\$37,651 – \$91,150	\$5,183.75 + 25% of excess over \$37,650
\$91,151 – \$190,150	\$18,558.75 + 28% of excess over \$91,150
\$190,151 – \$413,350	\$46,278.75 + 33% of excess over \$190,150
\$413,351 – \$415,050	\$119,934.75 + 35% of excess over \$413,350
over \$415,050	\$120,529.75 + 39.6% of excess over \$413,050

Married, Filing Jointly (and surviving spouse)

If Taxable Income Is:	The Tax Is:
Not over \$18,550	10% of taxable income
\$18,551 – \$75,300	\$1,855 + 15% of excess over \$18,550
\$75,301 – \$151,900	\$10,367.50 + 25% of excess over \$75,300
\$151,901 – \$231,450	\$29,517.50 + 28% of excess over \$151,900
\$231,451 – \$413,350	\$51,791.50 + 33% of excess over \$231,450
\$413,351 – \$466,950	\$111,818.50 + 35% of excess over \$413,350
Over \$466,950	\$130,578.50 + 39.6% of excess over \$466,950

Married, Filing Separately

If Taxable Income Is:	The Tax Is:
Not over \$9,275	10% of taxable income
\$9,276 – \$37,650	\$927.50 + 15% of excess over \$9,275
\$37,651 – \$75,950	\$5,183.75 + 25% of excess over \$37,650
\$75,951 – \$115,725	\$14,758.75 + 28% of excess over \$75,950
\$115,726 – \$206,675	\$25,895.75 + 33% of excess over \$115,725
\$206,676 – \$233,475	\$55,909.25 + 35% of excess over \$206,675
Over \$233,475	\$65,289.25 + 39.6% of excess over \$233,475

Head of Household (HOH)

If Taxable Income Is:	The Tax Is:
Not over \$13,250	10% of taxable income
\$13,251 – \$50,400	\$1,325 + 15% of excess over \$13,250
\$50,401 – \$130,150	\$6,897.50 + 25% of excess over \$50,400
\$130,151 – \$210,800	\$26,835 + 28% of excess over \$130,150
\$210,801 – \$413,350	\$49,417 + 33% of excess over \$210,800
\$413,351 – \$441,000	\$116,258.50 + 35% of excess over \$413,350
Over \$441,000	\$125,936 + 39.6% of excess over \$441,000

Estates and Trusts

If Taxable Income Is:	The Tax Is:
Not over \$2,550	15% of the taxable income
\$2,551 – \$5,950	\$382.50 + 25% of excess over \$2,550
\$5,951 – \$9,050	\$1,232.50 + 28% of excess over \$5,950
\$9,051 – \$12,400	\$2,100.50 + 33% of excess over \$9,050
Over \$12,400	\$3,206 + 39.6% of excess over \$12,400

Corporations Federal Income Tax

If Taxable Income Is:	The Tax Is:
Not over \$50,000	15%
\$50,000 – \$75,000	25%
\$75,001 – \$100,000	34%
\$100,001 – \$335,000	39%
\$335,001 – \$10M	34%
\$10,000,001 – \$15M	35%
\$15,000,001 – \$18.33M	38%
Over \$18,333,333	35%

Standard Deductions

Filing Status	Deduction
Single (not a Surviving Spouse)	\$6,300
Married, filing jointly and Surviving Spouses	\$12,600
Married, filing separately	\$6,300
Head of Household	\$9,300
Itemized Deduction Phaseout:	
Single (not a Surviving Spouse)	\$259,400
Married, filing jointly or a Surviving Spouse	\$311,300
Married, filing separately	\$155,650
Head of Household	\$285,350

2016 Extra standard deduction for aged (65 or older) or blind: \$1,500 (single or HOH), or \$1,250 per eligible spouse (married people filing jointly).
Itemized Deductions are reduced by 3% for each \$2,500 of AGI over \$259,400 single, \$311,300 married, \$285,350 HOH, \$155,650 married, filing single; total reduction cannot exceed 80% of itemizations.

Exemptions

Personal Exemption	\$4,050
Alternative Minimum Tax Exemption:	
Filing Status	
Joint Returns or Surviving Spouses	\$83,800
Unmarried Individuals (other than Surviving Spouses)	\$53,900
Married Individuals, Filing Separate	\$41,900
Estates and Trusts	\$23,900
"Kiddie Tax"	\$1,050

For taxable years beginning in 2016, the amount in § 1(g)(4)(A)(ii)(I), which is used to reduce the net unearned income reported on the child's return that is subject to the "kiddie tax," is \$1,050.

Capital Gains/Dividend Tax Rates

If you fall under the 2016 tax brackets of 10% or 15% tax brackets you pay	0%
25/28/33/35% tax brackets you pay	15%
39.6% tax bracket you pay	20%
Medicare surtax of 3.8% on net investment income above MAGI of \$200,000 single/\$250,000 married	

Estate Planning

Gift tax annual exclusion	\$14,000
Annual exclusion: Non-U.S. spouse	\$148,000
Estate, Gift and GST Tax Exemption	\$5,450,000
Top estate, gift, GST rate	40%

Social Security

Maximum earnings (during work year) subject to FICA tax	\$118,500
Visit www.myprotective.com/socialsecurity for calculation of taxable benefits in retirement.	

Retirement Plan Limits

IRA Contribution Limit: (traditional or Roth)	
Under age 50	\$5,500
Age 50 and over "catch-up"	\$1,000
Deductible IRA phase-outs	
For taxpayers who are covered by a workplace retirement plan and who have an AGI of:	
Filing status	Adjusted Gross Income
Single, or HOH	\$61,000 – \$71,000
Married, filing jointly (active spouse)	\$98,000 – \$118,000
Married, filing jointly (non-active spouse)	\$184,000 – 194,000
Married, filing separate	\$0 – \$10,000

Roth IRA phase-outs	
Filing status	Modified Adjusted Gross Income
Married, filing jointly	\$184,000 – \$194,000
Married, filing separately	\$0 – \$10,000
Single, or HOH	\$117,000 – \$132,000

SIMPLE ELECTIVE DEFERRAL LIMIT: SIMPLE IRA and SIMPLE	
Under age 50	\$12,500
Age 50 and over "catch-up"	\$3,000

401(k), 403(b), 457 and SAR-SEP Plans – Deferral Limits:	
Under age 50	\$18,000
Age 50 and over "catch-up"	\$6,000

Qualified LTC Benefit Payments	
\$340 per diem/\$10,200 monthly	
Defined Contribution Plan Limit	
\$53,000 of 100% of compensation maximum contribution	
Defined Benefit Plan Limit	\$210,000

SEP Contribution	
For 2016, contribution to an employee's SEP-IRA cannot exceed the lesser of 25% of the employee's compensation or \$53,000	
Highly Compensated Employee Limit	\$120,000
Maximum Compensation for Qualified Plans	\$265,000

Retirement Tax Credit – A percentage of tax credit for an IRA, 401(k), 403(b), or 457 plan contribution, in addition to deduction or exclusion, if:	
Filing Status	Modified Adjusted Gross Income
Married, filing jointly	Below \$61,500
Head of Household	Below \$46,125
Single or Married, filing separately	Below \$30,750

Required Minimum Distribution (RMD) Table

Use the Uniform Lifetime table to calculate RMDs from IRAs and qualified plans during the owner's life. Do not use this table if the owner has a spouse who is the sole beneficiary and is more than 10 years younger. Instead, use the Joint Life Table from IRS Publication 590. Use the Single Life Expectancy table for an inherited IRA. Calculate RMD by dividing the account balance at the end of the prior year by the RMD factor for the current year.

Uniform Lifetime		Uniform Lifetime		Single Life Expectancy				Single Life Expectancy			
Age	Factor	Age	Factor	Age	Factor	Age	Factor	Age	Factor	Age	Factor
70	27.4	93	9.6	9	73.8	55	29.6	32	51.4	78	11.4
71	26.5	94	9.1	10	72.8	56	28.7	33	50.4	79	10.8
72	25.6	95	8.6	11	71.8	57	27.9	34	49.4	80	10.2
73	24.7	96	8.1	12	70.8	58	27.0	35	48.5	81	9.7
74	23.8	97	7.6	13	69.9	59	26.1	36	47.5	82	9.1
75	22.9	98	7.1	14	68.9	60	25.2	37	46.5	83	8.6
76	22.0	99	6.7	15	67.9	61	24.4	38	45.6	84	8.1
77	21.2	100	6.3	16	66.9	62	23.5	39	44.6	85	7.6
78	20.3	101	5.9	17	66.0	63	22.7	40	43.6	86	7.1
79	19.5	102	5.5	18	65.0	64	21.8	41	42.7	87	6.7
80	18.7	103	5.2	19	64.0	65	21.0	42	41.7	88	6.3
81	17.9	104	4.9	20	63.0	66	20.2	43	40.7	89	5.9
82	17.1	105	4.5	21	62.1	67	19.4	44	39.8	90	5.5
83	16.3	106	4.2	22	61.1	68	18.6	45	38.8	91	5.2
84	15.5	107	3.9	23	60.1	69	17.8	46	37.9	92	4.9
85	14.8	108	3.7	24	59.1	70	17.0	47	37.0	93	4.6
86	14.1	109	3.4	25	58.2	71	16.3	48	36.0	94	4.3
87	13.4	110	3.1	26	57.2	72	15.5	49	35.1	95	4.1
88	12.7	111	2.9	27	56.2	73	14.8	50	34.2	96	3.8
89	12.0	112	2.6	28	55.3	74	14.1	51	33.3	97	3.6
90	11.4	113	2.4	29	54.3	75	13.4	52	32.3	98	3.4
91	10.8	114	2.1	30	53.3	76	12.7	53	31.4	99	3.1
92	10.2	115	1.9	31	52.4	77	12.1	54	30.5	100	2.9

QUESTIONS: Contact the Protective Life Sales Desk at 877.778.3500 or brokerage.sales.support@protective.com

Source: www.irs.gov

Neither Protective Life nor its representatives offer legal or tax advice. Investors should consult their attorney or tax advisor regarding their individual situations before making any tax-related decisions. This information is subject to legislative change, and is not intended to be nor can it be used by any taxpayer for the purposes of avoiding tax penalties.

Protective and Protective Life refer to Protective Life Insurance Company (PLICO) and its affiliates, including Protective Life & Annuity Insurance Company (PLAICO). Insurance products are issued by PLICO in all except New York and in New York by PLAICO. Both companies are located in Birmingham, AL. Each company is solely responsible for the financial obligations accruing under the products it issues.



Not a Deposit	Not Insured By Any Federal Government Agency
No Bank or Credit Union Guarantee	Not FDIC/NCUA Insured May Lose Value