



Taxes at a Glance

February 2017

This is our 21st annual TAXES AT A GLANCE, a quick reference for several income tax amounts—rates, limitations, percents, minimums and maximums, phase-outs and more—including changes from many recent tax acts. We caution against using this information as the sole source of answers to your tax questions. Please call us for more information and further explanations. See also our website (www.jvtr.com) for other useful information and for updates to this document.

	2017	2016	2015	2014	2013
Tax Rates on Taxable Income—Individuals					
Beginning of the 1st bracket:	10%	10%	10%	10%	10%
MFJ, S, HH, MFS	\$0	\$0	\$0	\$0	\$0
Beginning of the 2nd bracket:	15%	15%	15%	15%	15%
Joint or qualifying widow(er) (MFJ)	\$18,650	\$18,550	\$18,450	\$18,150	\$17,850
Single (S)	\$9,325	\$9,275	\$9,225	\$9,075	\$8,925
Head of household (HH)	\$13,350	\$13,250	\$13,150	\$12,950	\$12,750
Married filing separately (MFS)	\$9,325	\$9,275	\$9,225	\$9,075	\$8,925
Beginning of the 3rd bracket:	25%	25%	25%	25%	25%
Joint or qualifying widow(er)	\$75,900	\$75,300	\$74,900	\$73,800	\$72,500
Single	\$37,950	\$37,650	\$37,450	\$36,900	\$36,250
Head of household	\$50,800	\$50,400	\$50,200	\$49,400	\$48,600
Married filing separately	\$37,950	\$37,650	\$37,450	\$36,900	\$36,250
Beginning of the 4th bracket:	28%	28%	28%	28%	28%
Joint or qualifying widow(er)	\$153,100	\$151,900	\$151,200	\$148,850	\$146,400
Single	\$91,900	\$91,150	\$90,750	\$89,350	\$87,850
Head of household	\$131,200	\$130,150	\$129,600	\$127,550	\$125,450
Married filing separately	\$76,550	\$75,950	\$75,600	\$74,425	\$73,200
Beginning of the 5th bracket:	33%	33%	33%	33%	33%
Joint or qualifying widow(er)	\$233,350	\$231,450	\$230,450	\$226,850	\$223,050
Single	\$191,650	\$190,150	\$189,300	\$186,350	\$183,250
Head of household	\$212,500	\$210,800	\$209,850	\$206,600	\$203,150
Married filing separately	\$116,675	\$115,725	\$115,225	\$113,425	\$111,525
Beginning of the 6th bracket:	35%	35%	35%	35%	35%
MFJ, S, HH	\$416,700	\$413,350	\$411,500	\$405,100	\$398,350
Married filing separately	\$208,350	\$206,675	\$205,750	\$202,550	\$199,175
Beginning of the 7th bracket:	39.6%	39.6%	39.6%	39.6%	39.6%
Joint or qualifying widow(er)	\$470,700	\$466,950	\$464,850	\$457,600	\$450,000
Single	\$418,400	\$415,050	\$413,200	\$406,750	\$400,000
Head of household	\$444,550	\$441,000	\$439,000	\$432,200	\$425,000
Married filing separately	\$235,350	\$233,475	\$232,425	\$228,800	\$225,000
Medicare Surtax (Taxation in the Tax Return)	3.8%	3.8%	3.8%	3.8%	3.8%
Medicare surtax rate on net investment income on the lesser of net investment income or AGI in excess of:					
For joint or qualifying widow(er)	\$250,000	Same	Same	Same	Same
For single, head of household	\$200,000	Same	Same	Same	Same
For married filing separately	\$125,000	Same	Same	Same	Same



Taxes at a Glance

	2017	2016	2015	2014	2013
Tax Rates on Taxable Income—Trusts and Estates					
Beginning of the 1st bracket	15%	15%	15%	15%	15%
	\$0	\$0	\$0	\$0	\$0
Beginning of the 2nd bracket	25%	25%	25%	25%	25%
	\$2,550	\$2,550	\$2,500	\$2,500	\$2,450
Beginning of the 3rd bracket	28%	28%	28%	28%	28%
	\$6,000	\$5,950	\$5,900	\$5,800	\$5,700
Beginning of the 4th bracket	33%	33%	33%	33%	33%
	\$9,150	\$9,050	\$9,050	\$8,900	\$8,750
Beginning of the 5th bracket	39.6%	39.6%	39.6%	39.6%	39.6%
	\$12,500	\$12,400	\$12,300	\$12,150	\$11,950
Tax Rates on Taxable Income—Corporations					
Beginning of the 15% bracket	\$0	Same	Same	Same	Same
Beginning of the 25% bracket	\$50,000	Same	Same	Same	Same
Beginning of the first 34% bracket	\$75,000	Same	Same	Same	Same
Beginning of the 39% bracket*	\$100,000	Same	Same	Same	Same
Beginning of the second 34% bracket	\$335,000	Same	Same	Same	Same
Beginning of the first 35% bracket	\$10,000,000	Same	Same	Same	Same
Beginning of the 38% bracket*	\$15,000,000	Same	Same	Same	Same
Beginning of the second 35% bracket	\$18,333,333	Same	Same	Same	Same
Flat tax rate for personal service corporations	35%	Same	Same	Same	Same
*To repay lower rate bracket benefits					
Maximum Tax Rates on L-T Capital Gains					
Individual:					
On sale of most long-term capital gain assets	0% 15% 20%	0% 15% 20%	0% 15% 20%	0% or 15%	0% or 15%
(Actual rate depends on taxable income)					
On sale of trade or business use real estate	25%	Same	Same	Same	Same
(Limited to amount of depreciation claimed)					
On sale of collectibles	28%	Same	Same	Same	Same
Corporate: (No special rate for capital gains)	See tax rates	Same	Same	Same	Same
Estate and Gift					
Gift:					
Annual gift "exclusion," per donee	\$14,000	\$14,000	\$14,000	\$14,000	\$13,000
Annual gift "exclusion" with spousal gift splitting	\$28,000	\$28,000	\$28,000	\$28,000	\$26,000
Lifetime gift exclusion amount, per donor	\$5,490,000	\$5,450,000	\$5,430,000	\$5,340,000	\$5,250,000
Estate:					
Estate "exclusion" amount, per decedent	\$5,490,000	\$5,450,000	\$5,430,000	\$5,340,000	\$5,250,000
Range of taxable estate and gift tax rates	18% to 40%	Same	Same	Same	Same
Beginning taxable amount for highest tax rate	\$1,000,000	Same	Same	Same	Same



Taxes at a Glance

	2017	2016	2015	2014	2013
Federal Estimated Tax Safe Harbors — Individuals					
General rule - % of current year tax	90%	Same	Same	Same	Same
Excep based on % of PY tax, AGI<=\$150,000	100%	Same	Same	Same	Same
Excep based on % of PY tax, AGI>\$150,000	110%	Same	Same	Same	Same
Excep based on % of PY tax, MFS AGI>\$75,000	110%	Same	Same	Same	Same
Exemptions — Individuals, Estates and Trusts					
Personal and dependent (maximum per each)	\$4,050	\$4,050	\$4,000	\$3,950	\$3,900
Estate	\$600	Same	Same	Same	Same
Simple trust	\$300	Same	Same	Same	Same
Complex trust	\$100	Same	Same	Same	Same
Phase-out of personal exemption ("PEP limit"):					
Joint and surviving spouse, starting at AGI of	\$313,800	\$311,300	\$309,900	\$305,050	\$300,000
Single, starting at AGI of	\$261,500	\$259,400	\$258,250	\$254,200	\$250,000
Head of household, starting at AGI of	\$287,650	\$285,350	\$284,050	\$279,650	\$275,000
Married filing separately, starting at AGI of	\$156,900	\$155,650	\$154,950	\$152,525	\$150,000
Phase-out percent (for each \$2,500 unit of AGI in excess of the above amounts)	2%	Same	Same	Same	Same
Itemized Deduction Limits — Individuals					
Medical ded AGI threshold % if under age 65	10%	Same	Same	Same	Same
Medical ded AGI threshold % if over age 65	10%	7.5%	7.5%	7.5%	7.5%
Misc itemized deduction AGI threshold %	2%	Same	Same	Same	Same
Phase-out of "excess" itemized deductions ("Pease limit") start at these AGI amounts:					
Joint	\$313,800	\$311,300	\$309,900	\$305,050	\$300,000
Single	\$261,500	\$259,400	\$258,250	\$254,200	\$250,000
Head of household	\$287,650	\$285,350	\$284,050	\$279,650	\$275,000
Married filing separately	\$156,900	\$155,650	\$154,950	\$152,525	\$150,000
Phase-out % (for AGI in excess of above)	3%	Same	Same	Same	Same
Standard Deductions—Individuals					
Joint (MFJ) or qualifying widow(er)	\$12,700	\$12,600	\$12,600	\$12,400	\$12,200
Single (S)	\$6,350	\$6,300	\$6,300	\$6,200	\$6,100
Head of household (HH)	\$9,350	\$9,300	\$9,250	\$9,100	\$8,950
Married filing separately (MFS)	\$6,350	\$6,300	\$6,300	\$6,200	\$6,100
Additional for elderly and blind-married	\$1,250	\$1,250	\$1,250	\$1,200	\$1,200
Additional for elderly and blind-unmarried	\$1,550	\$1,550	\$1,550	\$1,550	\$1,500
Taxpayer claimed as a dependent	\$1,050	\$1,050	\$1,050	\$1,000	\$1,000



Taxes at a Glance

	2017	2016	2015	2014	2013
Alternative Minimum Tax—Individuals					
AMT “Exemptions” (like a Standard Deduction):					
Joint or qualifying widower	\$84,500	\$83,800	\$83,400	\$82,100	\$80,800
Single and head of household	\$54,300	\$53,900	\$53,600	\$52,800	\$51,900
Married filing separately (1/2 of the above)	\$42,250	\$41,900	\$41,700	\$41,050	\$40,400
Estates and trusts	\$24,100	\$23,900	\$23,800	\$23,500	\$23,100
AMT tax rates (same as for “regular” tax):					
On qualifying dividends	0% 15% 20%	0% 15% 20%	0% 15% 20%	0% 15% 20%	0% or 15%
On qualifying L-T capital gains	0% 15% 20%	0% 15% 20%	0% 15% 20%	0% 15% 20%	0% or 15%
(Actual rate depends on taxable income)					
On AMTI, less exemption, up to and including:	26%	26%	26%	26%	26%
MFJ, S, HH	\$187,800	\$186,300	\$185,400	\$182,500	\$179,500
MFS	\$93,900	\$93,150	\$92,700	\$91,250	\$89,750
On AMTI, less exemption, in excess of:	28%	28%	28%	28%	28%
MFJ, S, HH	\$187,800	\$186,300	\$185,400	\$182,500	\$179,500
MFS	\$93,900	\$93,150	\$92,700	\$91,250	\$89,750
Pension Amounts, Limitations and Other					
Maximum IRA contribution	\$5,500	\$5,500	\$5,500	\$5,500	\$5,000
Additional “catch-up” contribution if 50 yrs old	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Maximum allowable SIMPLE plan deferral	\$12,500	\$12,500	\$12,500	\$12,000	\$12,000
Additional “catch-up” contribution if 50 yrs old	\$3,000	\$3,000	\$3,000	\$2,500	\$2,500
Maximum allowable 401(k) and 403(b) deferral	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500
Additional “catch-up” contribution if 50 yrs old	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500
Maximum allowable 457 plan deferral	\$18,000	\$18,000	\$18,000	\$17,500	\$17,500
Additional “catch-up” contribution if 50 yrs old	\$6,000	\$6,000	\$6,000	\$5,500	\$5,500
Maximum DC plan annual compensation	\$270,000	\$265,000	\$265,000	\$260,000	\$255,000
Max annual % addition to DC plan account	100%	Same	Same	Same	Same
Max annual \$\$ addition to DC plan account	\$54,000	\$53,000	\$53,000	\$52,000	\$51,000
Maximum annual benefit from DB plan	\$215,000	\$210,000	\$210,000	\$210,000	\$205,000
Definition of “highly compensated” employee	\$120,000	\$120,000	\$120,000	\$115,000	\$115,000
Definition of “key” employee, top heavy plan - officers with compensation of more than	\$175,000	\$170,000	\$170,000	\$170,000	\$165,000
Minimum age for no penalty IRA withdrawal	59 1/2	Same	Same	Same	Same



Taxes at a Glance

	2017	2016	2015	2014	2013
Required Minimum Distributions					
Minimum distributions from IRAs, 401(k)s, PS plans must begin no later than April 1 of the year following the year of attaining age 70½					
Minimum distribution factors for these ages:	70 = 27.4	75 = 22.9	80 = 18.7	85 = 14.8	90 = 11.4
(This is the "Uniform Table," which may not be used in some circumstances. Divide the beginning of the year balance in the account by the appropriate factor for the age that year)	71 = 26.5	76 = 22.0	81 = 17.9	86 = 14.1	91 = 10.8
	72 = 25.6	77 = 21.2	82 = 17.1	87 = 13.4	92 = 10.2
	73 = 24.7	78 = 20.3	83 = 16.3	88 = 12.7	93 = 9.6
	74 = 23.8	79 = 19.5	84 = 15.5	89 = 12.0	94 = 9.1
FICA and FUTA Limits and Amounts					
Employee and employer shares of FICA:					
Annual social security (SS) wage maximum	\$127,200	\$118,500	\$118,500	\$117,000	\$113,700
Social security withholding percent	6.2%	Same	Same	Same	Same
Annual Medicare wage maximum	No cap	Same	Same	Same	Same
Medicare withholding percent	1.45%	Same	Same	Same	Same
Self-employed (SE) share of FICA:					
Annual SE earnings max subject to SS tax	\$127,200	\$118,500	\$118,500	\$117,000	\$113,700
SE social security tax percent	12.4%	Same	Same	Same	Same
Annual SE earnings cap subject to Medicare	No cap	Same	Same	Same	Same
SE Medicare tax percent	2.9%	Same	Same	Same	Same
Percent of SE tax deductible by a self-employed taxpayer	50%	Same	Same	Same	Same
Percent of SE health insur deduction by a self-employed taxpayer (limited to net profit)	100%	Same	Same	Same	Same
Maximum wages subject to FUTA tax	\$7,000	Same	Same	Same	Same
Medicare Surtax (Withholding Requirement):					
Rate on wages, salaries, SE income	0.9%	Same	Same	Same	Same
Additional Medicare withholding required by employer for annual wages in excess of	\$200,000	Same	Same	Same	Same
(See page 1 for details of taxation)					
Social Security Benefits and Taxation					
Annual earnings at which benefits begin to be cut prior to "Full Retirement Age" (FRA):					
Under FRA (reduction of \$1 for every \$2)	\$16,920	\$15,720	\$15,720	\$15,480	\$15,120
In year of FRA (reduction of \$1 for every \$3)	\$44,880	\$41,880	\$41,880	\$41,400	\$40,080
FRA and older (no reduction)	No limit	Same	Same	Same	Same



Taxes at a Glance

FRA and % reduction in SS benefit if born in 1937 or earlier: Age 65 has .555% reduction per month for # mos. pre-age 65.

Full retirement ages (years + months) and monthly % reductions (pre-FRA) in the Social Security benefit for these years are:

1938	65+2 / .548%	1955	66+2 / .516%
1939	65+4 / .541%	1956	66+4 / .512%
1940	65+6 / .535%	1957	66+6 / .509%
1941	65+8 / .530%	1958	66+8 / .505%
1942	65+10 / .525%	1959	66+10 / .502%
1943-1954	66+0 / .520%	1960 + after	67+0 / .500%

2017 2016 2015 2014 2013

Annual "base amount" (as defined) at which Social Security benefits begin to be taxed:

MFJ, at up to 50% taxable	\$32,000	Same	Same	Same	Same
MFJ, at up to 85% taxable	\$44,000	Same	Same	Same	Same
Single, at up to 50% taxable	\$25,000	Same	Same	Same	Same
Single, at up to 85% taxable	\$34,000	Same	Same	Same	Same

Long-Term Care Premiums

Annual amount deductible as medical expense (and then subject to the AGI limitation):

Age 40 or less, per person	\$410	\$390	\$380	\$370	\$360
Age 41 to 50, per person	\$770	\$730	\$710	\$700	\$680
Age 51 to 60, per person	\$1,530	\$1,460	\$1,430	\$1,400	\$1,360
Age 61 to 70, per person	\$4,090	\$3,900	\$3,800	\$3,720	\$3,640
Over 70, per person	\$5,110	\$4,870	\$4,750	\$4,660	\$4,550

Medicare Part B Premiums / Deductibles

Monthly Medicare Part B premiums

Base monthly premium	\$134.00	\$121.80	\$104.90	\$104.90	\$104.90
"Hold harmless" amount (if no SS COLA)	\$109.00	\$104.90	\$104.90	\$104.90	\$104.90

For 2017 (for marrieds) - monthly Medicare Part B premiums (including the IRMAA) if 2015 "modified" AGI is:

Between \$170,001 and \$214,000	\$187.50	See Prior "Glance"	See Prior "Glance"	See Prior "Glance"	See Prior "Glance"
Between \$214,001 and \$320,000	\$267.90				
Between \$320,001 and \$428,000	\$348.30				
Over \$428,000	\$428.60				
Annual Medicare Part B deductible	\$183.00	\$166.00	\$147.00	\$147.00	\$147.00

Health Savings Account

Plan deductible must be at least:

Self coverage	\$1,300	\$1,300	\$1,300	\$1,250	\$1,250
Family coverage	\$2,600	\$2,600	\$2,600	\$2,500	\$2,500

Maximum contributions:

Self coverage	\$3,400	\$3,350	\$3,350	\$3,300	\$3,250
Family coverage	\$6,750	\$6,750	\$6,650	\$6,550	\$6,400
Additional "catch-up" contr if >= 55 yrs old	\$1,000	Same	Same	Same	Same

Out of pocket limits:

Self coverage	\$6,550	\$6,550	\$6,450	\$6,350	\$6,250
Family coverage	\$13,100	\$13,100	\$12,900	\$12,700	\$12,500
Is unused balance at end of year forfeited?	No	Same	Same	Same	Same



Taxes at a Glance

	2017	2016	2015	2014	2013
Flexible Spending Accounts					
Health care spending account:					
Maximum deferral imposed by tax code	\$2,600	\$2,550	\$2,550	\$2,500	\$2,500
Is maximum deferral set by sponsor?	No, by IRS	Same	Same	Same	Same
Is unused balance at end of year forfeited?	\$500 max c/o	\$500 max c/o	\$500 max c/o	\$500 max c/o	Yes
Dependent care spending account:					
Maximum deferral imposed by tax code	\$5,000	Same	Same	Same	Same
Is maximum deferral usually set by sponsor?	Yes	Same	Same	Same	Same
Is unused balance at end of year forfeited?	Yes	Same	Same	Same	Same
Miscellaneous—Individuals					
Max child and dependent care credit (1 child)	\$1,050	Same	Same	Same	Same
Max child and dep care credit (2+ children)	\$2,100	Same	Same	Same	Same
Child tax credit per child under 17	\$1,000	Same	Same	Same	Same
Max adoption credit, for each child adopted	\$13,570	\$13,460	\$13,400	\$13,190	\$12,770
Hope scholarship credit, per student	See AOC	Same	Same	Same	Same
American Opportunity Credit (AOC), per student	\$2,500	Same	Same	Same	Same
Lifetime learning credit, per family	\$2,000	Same	Same	Same	Same
Age for child NOT subject to "Kiddie tax" (KT)	18	Same	Same	Same	Same
Age for full time student NOT subject to KT	24	Same	Same	Same	Same
Michigan Items					
Individual income tax flat rate for the year	4.25%	Same	Same	Same	Same
Personal exemption amount	\$4,000	\$4,000	\$4,000	\$4,000	\$3,950
Michigan Corp Income Tax (CIT)	6.00%	Same	Same	Same	Same
Max senior citizens (age 70+) subtraction for interest, dividend, and cap gain income (reduced by the "pension" subtraction below):*					
Single return	TBD	\$11,115	\$11,104	\$10,929	\$10,767
Joint return	TBD	\$22,229	\$22,207	\$21,857	\$21,534
Max subtraction for retirement, pension and certain IRA benefits:*					
Single return	TBD	\$49,861	\$49,811	\$49,027	\$48,302
Joint return	TBD	\$99,723	\$99,623	\$98,054	\$96,605
*These amounts are for individuals born before 1946. For others, these amounts have been modified or repealed.					
Automobile Items					
Annual deprec \$ cap on "luxury" autos:					
1st year (w/ bonus deprec)	\$11,160	Same	Same	Same	Same
1st year (no bonus deprec)	\$3,160	Same	Same	Same	Same
2nd year	\$5,100	Same	Same	Same	Same
3rd year	\$3,050	Same	Same	Same	Same
4th year and thereafter	\$1,875	Same	Same	Same	Same



Taxes at a Glance

	2017	2016	2015	2014	2013
Annual deprec \$ cap on light trucks and vans:					
1st year (w/ bonus deprec)	\$11,560	\$11,460	\$11,460	\$11,460	\$11,360
1st year (no bonus deprec)	\$3,560	\$3,460	\$3,460	\$3,460	\$3,360
2nd year	\$5,700	\$5,600	\$5,600	\$5,500	\$5,400
3rd year	\$3,350	\$3,350	\$3,350	\$3,350	\$3,250
4th year and thereafter	\$2,075	\$1,975	\$1,975	\$1,975	\$1,975
Mileage deductions and allowances for:					
Business (per mile)	\$0.535	\$0.54	\$0.575	\$0.56	\$0.565
Charity (per mile)	\$0.14	Same	Same	Same	Same
Medical and moving (per mile)	\$0.17	\$0.19	\$0.23	\$0.235	\$0.24
Qualified transportation exclusions:					
Parking per month	\$255	\$255	\$250	\$250	\$245
Transit passes per month	\$255	\$130	\$130	\$130	\$245
Per Diems for Business Travel					
In lieu of substantiating all expenses, these reimbursement amounts for "ordinary and necessary" employer related expenses incurred under an "accountable plan" while "away from home" in the US will not be taxable to the employee and will be deductible by the employer. (In lieu of using the CONUS tables.)					
	For lodging expenses only	For meals and incidental expenses only (M&IE)	Equals maximum per diem rate		
Effective 10-1-16 thru 9-30-17:					
"High-cost" locality	\$214	\$68	\$282		
"Low-cost" locality	\$132	\$57	\$189		
Effective 10-1-15 thru 9-30-16:					
"High-cost" locality	\$207	\$68	\$275		
"Low-cost" locality	\$128	\$57	\$185		
Effective 10-1-14 thru 9-30-15:					
"High-cost" locality	\$194	\$65	\$259		
"Low-cost" locality	\$120	\$52	\$172		
Effective 10-1-13 thru 9-30-14:					
"High-cost" locality	\$186	\$65	\$251		
"Low-cost" locality	\$118	\$52	\$170		
Effective 10-1-12 thru 9-30-13:					
"High-cost" locality	\$177	\$71	\$248		
"Low-cost" locality	\$111	\$46	\$157		
Effective 10-1-11 thru 9-30-12:					
"High-cost" locality	\$177	\$65	\$242		
"Low-cost" locality	\$111	\$52	\$163		
Self-employed persons may use the above M&IE amounts in lieu of substantiating those expenses but they must obtain actual receipts for lodging expenses.					
Depreciation Items and Tables					
Annual maximum Section 179 deprec deduction	\$510,000	\$500,000	\$500,000	\$500,000	\$500,000
Sec 179 deprec deduction reduced \$ for annual asset investments in excess of	\$2,030,000	\$2,010,000	\$2,000,000	\$2,000,000	\$2,000,000



Taxes at a Glance

	2017	2016	2015	2014	2013
Maximum Sec 179 deprec deduction for an SUV with a GVWR of at least 6,000 lbs.	\$25,000	Same	Same	Same	Same
Additional "bonus" depreciation (new only):					
For qualifying assets acquired in these years	50%	Same	Same	Same	Same
MACRS deprec table (200% DB switching to SL, with "mid quarter" conventions):	Half-Year Convention	First Qtr Convention	Second Qtr Convention	Third Qtr Convention	Fourth Qtr Convention
For three year assets:					
1st year % depreciation	33.33%	58.33%	41.67%	25.00%	8.33%
2nd year % depreciation	44.45%	27.78%	38.89%	50.00%	61.11%
3rd year % depreciation	14.81%	12.35%	14.14%	16.67%	20.37%
4th year % depreciation	7.41%	1.54%	5.30%	8.33%	10.19%
For five year assets:					
1st year % depreciation	20.00	35.00	25.00	15.00	5.00
2nd year % depreciation	32.00	26.00	30.00	34.00	38.00
3rd year % depreciation	19.20	15.60	18.00	20.40	22.80
4th year % depreciation	11.52	11.01	11.37	12.24	13.68
5th year % depreciation	11.52	11.01	11.37	11.30	10.94
6th year % depreciation	5.76	1.38	4.26	7.06	9.58
For seven year assets:					
1st year % depreciation	14.29	25.00	17.85	10.71	3.57
2nd year % depreciation	24.49	21.43	23.47	25.51	27.55
3rd year % depreciation	17.49	15.31	16.76	18.22	19.68
4th year % depreciation	12.49	10.93	11.97	13.02	14.06
5th year % depreciation	8.93	8.75	8.87	9.30	10.04
6th year % depreciation	8.92	8.74	8.87	8.85	8.73
7th year % depreciation	8.93	8.75	8.87	8.86	8.73
8th year % depreciation	4.46	1.09	3.34	5.53	7.64

Asset categories:

- 36 month assets (SL): Most software.
- 3 year assets (200% DB): Dies, molds, small tools, certain horses.
- 5 year assets (200% DB): Autos, computers, typewriters, copiers, many types of equipment, private aircraft.
- 7 year assets (200% DB): Most manufacturing equipment, office furniture, printing equipment, catch-all for other property.
- 7 year assets (150% DB): Most farming equipment.
- 27.5 year assets (SL): Residential real estate rental (houses, apartments, etc.).
- 39 year assets (SL): Non-residential (commercial) real estate rental.

SL = "Straight line" depreciation method (expense evenly over the life).
 DB = "Declining balance" depreciation method (larger expense earlier in the life).

Tax disclosure

This written advice is not intended or written to be used, and cannot be used, by you or any other person or entity for the purpose of avoiding penalties that may be imposed on you by IRS under the Internal Revenue Code or by any applicable state or local law.