

## BUSINESS

### Depreciation

#### 36-Month Assets (Straight-Line)

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, oil and gas production equipment

#### 7-Year Assets (150% DB)

Farm equipment

#### 15-Year Assets (150% DB)

Land improvements, retail fuel outlets, leasehold property, restaurant property

#### 27.5-Year Assets (Straight-Line)

Rental houses, apartments, low-income housing

#### 39-Year Assets (Straight-Line)

Nonresidential buildings

### Personal Property Depreciation

#### Percent of Original Depreciable Basis under 200% DB

##### Method

(Not applicable for mid-quarter convention)

| Recovery Year | 3-Year Class | 5-Year Class | 7-Year Class |
|---------------|--------------|--------------|--------------|
| 1             | 33.33        | 20.00        | 14.29        |
| 2             | 44.45        | 32.00        | 24.49        |
| 3             | 14.81        | 19.20        | 17.49        |
| 4             | 7.41         | 11.52        | 12.49        |
| 5             |              | 11.52        | 8.93         |
| 6             |              | 5.76         | 8.92         |
| 7             |              |              | 8.93         |
| 8             |              |              | 4.46         |

### Section 179 Expense

|                          | 2015       | 2014         |
|--------------------------|------------|--------------|
| Maximum expense election | \$ 25,000  | \$ 500,000   |
| Phaseout threshold       | \$ 200,000 | \$ 2,000,000 |

## CORPORATE INCOME TAX RATES

### Regular Tax

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 50,000              | 15%                | \$ 0            |
| \$ 50,001 – \$ 75,000         | \$ 7,500 + 25%     | \$ 50,000       |
| \$ 75,001 – \$ 100,000        | \$ 13,750 + 34%    | \$ 75,000       |
| \$ 100,001 – \$ 335,000       | \$ 22,250 + 39%    | \$ 100,000      |
| \$ 335,001 – \$ 10,000,000    | \$ 113,900 + 34%   | \$ 335,000      |
| \$ 10,000,001 – \$ 15,000,000 | \$ 3,400,000 + 35% | \$ 10,000,000   |
| \$ 15,000,001 – \$ 18,333,333 | \$ 5,150,000 + 38% | \$ 15,000,000   |
| \$ 18,333,334 and above       | a flat 35%         |                 |

Personal Service Corporations — 35% flat tax rate.

Capital Gains Tax Rate — Same as regular rate.

## ESTATE AND GIFT TAXES

### Estate Taxes

|                       | 2015         | 2014         |
|-----------------------|--------------|--------------|
| Estate tax exemption  | \$ 5,430,000 | \$ 5,340,000 |
| Unified credit amount | \$ 2,117,800 | \$ 2,081,800 |
| Top estate tax rate   | 40%          | 40%          |

### Gift Taxes

|                             | 2015         | 2014         |
|-----------------------------|--------------|--------------|
| Lifetime gift tax exemption | \$ 5,430,000 | \$ 5,340,000 |
| Annual gift tax exclusion   |              |              |
| Gifts per person            | \$ 14,000    | \$ 14,000    |
| Joint gifts by spouse       | \$ 28,000    | \$ 28,000    |
| Top gift tax rate           | 40%          | 40%          |

## LONG-TERM CARE INSURANCE

#### If you are:

#### You may deduct this much of your annual premiums

|              | 2015     | 2014     |
|--------------|----------|----------|
| Over 70      | \$ 4,750 | \$ 4,660 |
| 61 to 70     | \$ 3,800 | \$ 3,720 |
| 51 to 60     | \$ 1,430 | \$ 1,400 |
| 41 to 50     | \$ 710   | \$ 700   |
| 40 and under | \$ 380   | \$ 370   |

## CAPITAL GAINS — 2015 & 2014

#### Holding Period

#### Top Capital Gains Rate

|   | 2015               | 2014               |
|---|--------------------|--------------------|
| 12 months or less                             | 39.6% <sup>1</sup> | 39.6% <sup>1</sup> |
| More than 12 months                           | 20% <sup>1,2</sup> | 20% <sup>1,2</sup> |
| Depreciation recapture on real estate         | 25%                | 25%                |
| Collectibles and certain small business stock | 28%                | 28%                |

<sup>1</sup> Capital gain rates may be subject to an additional 3.8% Medicare tax.

<sup>2</sup> Rate for taxpayers in the top income tax bracket.

## COVERDELL ESAs — 2015 & 2014

|                      | 2015                     | 2014                     |
|----------------------|--------------------------|--------------------------|
| • Contribution limit | \$ 2,000 per beneficiary | \$ 2,000 per beneficiary |
| • AGI phaseouts:*    |                          |                          |
| Joint filers         | \$ 190,000 – \$ 220,000  | \$ 190,000 – \$ 220,000  |
| Individual filers    | \$ 95,000 – \$ 110,000   | \$ 95,000 – \$ 110,000   |

\* Phaseout applies to the contributor, not the beneficiary.

## STANDARD MILEAGE RATES

| Use        | 2015           | 2014           |
|------------|----------------|----------------|
| Business   | 57.5¢ per mile | 56¢ per mile   |
| Moving     | 23¢ per mile   | 23.5¢ per mile |
| Medical    | 23¢ per mile   | 23.5¢ per mile |
| Charitable | 14¢ per mile   | 14¢ per mile   |

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## 2015 Tax Pocket Guide

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**Individual - Business - Retirement**

**Capital Gains - Estate and Gift**

**Plan Administration - Investment Management**

## 2015 INDIVIDUAL INCOME TAX RATES\*

### Regular Tax — Married, Filing Jointly or Surviving Spouse

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 18,450              | ..... 10%          | \$ 0            |
| \$ 18,450 – \$ 74,900         | \$ 1,845 + 15%     | \$ 18,450       |
| \$ 74,900 – \$ 151,200        | \$ 10,313 + 25%    | \$ 74,900       |
| \$ 151,200 – \$ 230,450       | \$ 29,388 + 28%    | \$ 151,200      |
| \$ 230,450 – \$ 411,500       | \$ 51,578 + 33%    | \$ 230,450      |
| \$ 411,500 – \$ 464,850       | \$ 111,324 + 35%   | \$ 411,500      |
| \$ 464,850 and above          | \$ 129,997 + 39.6% | \$ 464,850      |

### Married, Filing Separately

| If Taxable Income Is Between: | Your Tax Is:      | Of Amount Over: |
|-------------------------------|-------------------|-----------------|
| \$ 0 – \$ 9,225               | ..... 10%         | \$ 0            |
| \$ 9,225 – \$ 37,450          | \$ 923 + 15%      | \$ 9,225        |
| \$ 37,450 – \$ 75,600         | \$ 5,156 + 25%    | \$ 37,450       |
| \$ 75,600 – \$ 115,225        | \$ 14,694 + 28%   | \$ 75,600       |
| \$ 115,225 – \$ 205,750       | \$ 25,789 + 33%   | \$ 115,225      |
| \$ 205,750 – \$ 232,425       | \$ 55,662 + 35%   | \$ 205,750      |
| \$ 232,425 and above          | \$ 64,989 + 39.6% | \$ 232,425      |

### Single

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 9,225               | ..... 10%          | \$ 0            |
| \$ 9,225 – \$ 37,450          | \$ 923 + 15%       | \$ 9,225        |
| \$ 37,450 – \$ 90,750         | \$ 5,156 + 25%     | \$ 37,450       |
| \$ 90,750 – \$ 189,300        | \$ 18,481 + 28%    | \$ 90,750       |
| \$ 189,300 – \$ 411,500       | \$ 46,075 + 33%    | \$ 189,300      |
| \$ 411,500 – \$ 413,200       | \$ 119,401 + 35%   | \$ 411,500      |
| \$ 413,200 and above          | \$ 119,996 + 39.6% | \$ 413,200      |

### Head of Household

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 13,150              | ..... 10%          | \$ 0            |
| \$ 13,150 – \$ 50,200         | \$ 1,315 + 15%     | \$ 13,150       |
| \$ 50,200 – \$ 129,600        | \$ 6,873 + 25%     | \$ 50,200       |
| \$ 129,600 – \$ 209,850       | \$ 26,723 + 28%    | \$ 129,600      |
| \$ 209,850 – \$ 411,500       | \$ 49,193 + 33%    | \$ 209,850      |
| \$ 411,500 – \$ 439,000       | \$ 115,737 + 35%   | \$ 411,500      |
| \$ 439,000 and above          | \$ 125,362 + 39.6% | \$ 439,000      |

### 2015 Qualified Dividend Income 15%\* (0% for lower tax brackets)

\*Individuals in the top tax bracket will pay 23.8% (20% plus a 3.8% Medicare surtax).  
Note: Tax amounts have been rounded up to nearest dollar.

## PERSONAL EXEMPTIONS

|  | 2015       | 2014       |
|--|------------|------------|
| Deduction for each taxpayer, spouse, and dependent | \$ 4,000   | \$ 3,950   |
| There is an AGI phaseout beginning at:             |            |            |
| Married, filing jointly                            | \$ 309,900 | \$ 305,050 |
| Married, filing separately                         | \$ 154,950 | \$ 152,525 |
| Single   | \$ 258,250 | \$ 254,200 |
| Head of household                                  | \$ 284,050 | \$ 279,650 |

## 2014 INDIVIDUAL INCOME TAX RATES\*

### Regular Tax — Married, Filing Jointly or Surviving Spouse

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 18,150              | ..... 10%          | \$ 0            |
| \$ 18,150 – \$ 73,800         | \$ 1,815 + 15%     | \$ 18,150       |
| \$ 73,800 – \$ 148,850        | \$ 10,162 + 25%    | \$ 73,800       |
| \$ 148,850 – \$ 226,850       | \$ 28,925 + 28%    | \$ 148,850      |
| \$ 226,850 – \$ 405,100       | \$ 50,765 + 33%    | \$ 226,850      |
| \$ 405,100 – \$ 457,600       | \$ 109,587 + 35%   | \$ 405,100      |
| \$ 457,600 and above          | \$ 127,962 + 39.6% | \$ 457,600      |

### Married, Filing Separately

| If Taxable Income Is Between: | Your Tax Is:      | Of Amount Over: |
|-------------------------------|-------------------|-----------------|
| \$ 0 – \$ 9,075               | ..... 10%         | \$ 0            |
| \$ 9,075 – \$ 36,900          | \$ 907 + 15%      | \$ 9,075        |
| \$ 36,900 – \$ 74,425         | \$ 5,081 + 25%    | \$ 36,900       |
| \$ 74,425 – \$ 113,425        | \$ 14,462 + 28%   | \$ 74,425       |
| \$ 113,425 – \$ 202,550       | \$ 25,382 + 33%   | \$ 113,425      |
| \$ 202,550 – \$ 228,800       | \$ 54,793 + 35%   | \$ 202,550      |
| \$ 228,800 and above          | \$ 63,981 + 39.6% | \$ 228,800      |

### Single

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 9,075               | ..... 10%          | \$ 0            |
| \$ 9,075 – \$ 36,900          | \$ 907 + 15%       | \$ 9,075        |
| \$ 36,900 – \$ 89,350         | \$ 5,081 + 25%     | \$ 36,900       |
| \$ 89,350 – \$ 186,350        | \$ 18,193 + 28%    | \$ 89,350       |
| \$ 186,350 – \$ 405,100       | \$ 45,353 + 33%    | \$ 186,350      |
| \$ 405,100 – \$ 406,750       | \$ 117,541 + 35%   | \$ 405,100      |
| \$ 406,750 and above          | \$ 118,118 + 39.6% | \$ 406,750      |

### Head of Household

| If Taxable Income Is Between: | Your Tax Is:       | Of Amount Over: |
|-------------------------------|--------------------|-----------------|
| \$ 0 – \$ 12,950              | ..... 10%          | \$ 0            |
| \$ 12,950 – \$ 49,400         | \$ 1,295 + 15%     | \$ 12,950       |
| \$ 49,400 – \$ 127,550        | \$ 6,762 + 25%     | \$ 49,400       |
| \$ 127,550 – \$ 206,600       | \$ 26,300 + 28%    | \$ 127,550      |
| \$ 206,600 – \$ 405,100       | \$ 48,434 + 33%    | \$ 206,600      |
| \$ 405,100 – \$ 432,200       | \$ 113,939 + 35%   | \$ 405,100      |
| \$ 432,200 and above          | \$ 123,424 + 39.6% | \$ 432,200      |

### 2014 Qualified Dividend Income 15%\* (0% for lower tax brackets)

\*Individuals in the top tax bracket will pay 23.8% (20% plus a 3.8% Medicare surtax).

## STANDARD DEDUCTION

|                               | 2015*     | 2014      |
|-------------------------------|-----------|-----------|
| Married, filing jointly       | \$ 12,600 | \$ 12,400 |
| Married, filing separately    | \$ 6,300  | \$ 6,200  |
| Single                        | \$ 6,300  | \$ 6,200  |
| Head of household             | \$ 9,250  | \$ 9,100  |
| Additional — blind or elderly |           |           |
| Single                        | \$ 1,550  | \$ 1,550  |
| Married                       | \$ 1,250  | \$ 1,200  |

\* Deduct the greater of standard or itemized deductions.

## RETIREMENT PLANS

### Indexed Contribution & Benefit Limits for Qualified Plans

| Type of Plan   | 2015       | 2014       |
|--|------------|------------|
| Individual Retirement Accounts (IRAs)*                             | \$ 5,500   | \$ 5,500   |
| Section 401 (k) plans or SAR-SEPs*                                 | \$ 18,000  | \$ 17,500  |
| Section 403 (b) plans*   | \$ 18,000  | \$ 17,500  |
| Section 408 (p) (2) (E) SIMPLE contributions*                      | \$ 12,500  | \$ 12,000  |
| Section 457 (b) (2) limit*   | \$ 18,000  | \$ 17,500  |
| Section 415 limit for:   |            |            |
| Defined contribution plans†  | \$ 53,000  | \$ 52,000  |
| Defined benefit plans  | \$ 210,000 | \$ 210,000 |
| Highly compensated employees Section 414 (q)                       | \$ 120,000 | \$ 115,000 |
| FICA taxable wage base   |            |            |
| Social Security  | \$ 118,500 | \$ 117,000 |
| Medicare (tax rate 1.45% for employees; 2.90% for self-employed)** | No limit   | No limit   |
| * Age 50 additional contributions                                  |            |            |
| 401 (k) type plans   | \$ 6,000   | \$ 5,500   |
| SIMPLEs  | \$ 3,000   | \$ 2,500   |
| IRAs   | \$ 1,000   | \$ 1,000   |

† The Section 415 compensation limit for defined contribution plans is \$265,000.

\*\* An additional tax rate of 0.9% on wages in excess of \$200,000 may apply.

### Roth IRAs

| AGI limit for maximum contributions: | 2015       | 2014       |
|--------------------------------------|------------|------------|
| Joint filers                         | \$ 183,000 | \$ 181,000 |
| Individual filers                    | \$ 116,000 | \$ 114,000 |

The income limit on converting traditional IRAs to Roth IRAs was eliminated in 2010.

## SOCIAL SECURITY

| Annual Earned Income Limit | 2015      | 2014      |
|----------------------------|-----------|-----------|
| Under full retirement age  | \$ 15,720 | \$ 15,480 |
| Full retirement age        | No Limit  | No Limit  |

For people reaching full retirement age in 2015, the limit is \$41,880 for months prior to attainment. Beginning the month in which they turn full retirement age, there is no limit.

## HEALTH SAVINGS ACCOUNTS

| Contribution Limits                 | 2015     | 2014     |
|-------------------------------------|----------|----------|
| Individual, self-only               | \$ 3,350 | \$ 3,300 |
| Family Coverage                     | \$ 6,650 | \$ 6,550 |
| Catch-up for those age 55 and older | \$ 1,000 | \$ 1,000 |

For 2015, the minimum deductible for a high-deductible health plan (HDHP) is \$1,300 for self-only coverage and \$2,600 for family coverage. The maximum out-of-pocket limit is \$6,450 for self-only coverage and \$12,900 for family plans.

## ALTERNATIVE MINIMUM TAX

| AMT Exemptions             | 2015      | 2014      |
|----------------------------|-----------|-----------|
| Married, filing jointly    | \$ 83,400 | \$ 82,100 |
| Married, filing separately | \$ 41,700 | \$ 41,050 |
| Single                     | \$ 53,600 | \$ 52,800 |
| Head of household          | \$ 53,600 | \$ 52,800 |