

# '15 Tax

Columbus Life Insurance Company  
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## Tax Brackets for 2015

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

Married, Joint	
\$0-\$18,450	10%
\$18,451-\$74,900	15%
\$74,901-\$151,200	25%
\$151,201-\$230,450	28%
\$230,451-\$411,500	33%
\$411,501-\$464,850	35%
over \$464,850	39.6%

Single	
\$0-\$9,225	10%
\$9,226-\$37,450	15%
\$37,451-\$90,750	25%
\$90,751-\$189,300	28%
\$189,301-\$411,500	33%
\$411,501-\$413,200	35%
over \$413,200	39.6%

Married, Separate	
\$0-\$9,225	10%
\$9,226-\$37,450	15%
\$37,451-\$75,600	25%
\$75,601-\$115,225	28%
\$115,226-\$205,750	33%
\$205,751-\$232,425	35%
over \$232,425	39.6%

Head of Household	
\$0-\$13,150	10%
\$13,151-\$50,200	15%
\$50,201-\$129,600	25%
\$129,601-\$209,850	28%
\$209,851-\$411,500	33%
\$411,501-\$439,000	35%
over \$439,000	39.6%

Estates and Trusts	
\$0-\$2,500	15%
\$2,501-\$5,900	25%
\$5,901-\$9,050	28%
\$9,051-\$12,300	33%
over \$12,300	39.6%

Corporations	
\$0-\$50,000	15%
\$50,001-\$75,000	25%
\$75,001-\$100,000	34%
\$100,001-\$335,000	39%
\$335,001-\$18,333,333	34-38%
over \$18,333,333	35%

## Standard Deduction

Married, joint	\$12,600
Single	\$6,300
Married, separate	\$6,300
Head of household	\$9,250
Blind or over 65: add \$1,250 if married, \$1,550 if single or head of household	

## Itemized Deduction/Personal Exemption Phaseout Begins

Married, joint	\$309,900
Single	\$258,250
Married, separate	\$154,950
Head of household	\$284,050

## Personal Exemption \$4,000

## Kiddie Tax Exemption \$2,100

## Alternative Minimum Tax Exemption Amount

Married, joint	\$83,400
Single, HOH <sup>3</sup>	\$53,600
Married, separate	\$41,700

## Long-term Capital Gains and Qualified Dividend Rates

10% and 15% brackets	0%
25%, 28%, 33% and 35% brackets	15%
39.6% bracket	20%
Capital gains on collectibles	28%
Unrecaptured 1250 depreciation	25%

## IRA & Pension Plan Limits

IRA contribution	
Under age 50	\$5,500
Age 50 and over	\$6,500
Phaseout for deducting IRA contribution	
Married, joint	\$98,000-\$118,000 AGI
Single, HOH <sup>3</sup>	\$61,000-\$71,000 AGI
Married, separate	\$0-\$10,000 AGI
Phaseout for deducting spousal IRA	
	\$183,000-\$193,000 AGI

Phaseout of Roth contribution eligibility	
Married, joint	\$183,000-\$193,000 MAGI
Single, HOH <sup>3</sup>	\$116,000-\$131,000 MAGI
Married, separate	\$0-\$10,000 MAGI

SEP contribution	
Up to 25% of compensation, limit \$53,000	
Compensation to participate in SEP	\$600

SIMPLE elective deferral	
Under age 50	\$12,500
Age 50 and over	\$15,500

401(k), 403(b) <sup>4</sup> , 457 and SARSEP elective deferral under age 50	\$18,000
401(k), 403(b) <sup>4</sup> , 457 <sup>5</sup> and SARSEP elective deferral age 50 and over	\$24,000

Annual defined contribution limit	\$53,000
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Annual defined benefit limit	\$210,000
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Highly compensated employee	\$120,000
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Key Employee in top heavy plans	\$170,000
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Annual compensation taken into account for qualified plans	\$265,000
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Retirement Tax Credit: A percent tax credit for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction or exclusion, if	
Married, joint	Below \$61,000 MAGI
Head of household	Below \$45,750 MAGI
Single; Married, separate	Below \$30,500 MAGI

## Gift and Estate Tax

Gift tax annual exclusion	\$14,000
Estate and gift tax rate	40%
Estate tax exemption	\$5,430,000
Lifetime gift exemption	\$5,430,000
GST exemption	\$5,430,000
Annual exclusion for gifts to noncitizen spouse	\$147,000

## Additional Medicare Tax Where Income Exceeds \$200,000 (\$250,000 married, joint)

Additional tax on excess of earned income <sup>1</sup>	0.9%
Additional tax on Net Investment Income <sup>2</sup>	3.8%

## Health Care

Eligible Long-Term Care	Deduction Limit
Age 40 or less	\$380
Ages 41 to 50	\$710
Ages 51 to 60	\$1,430
Ages 61 to 70	\$3,800
Ages over 70	\$4,750

## Per Diem Limitation for LTC Benefits

\$330

**Affordable Care Act:** Monthly penalty for failure to maintain minimum essential coverage: One-twelfth of greater of a) flat dollar amount or b) percentage of income.

2014	\$ 95	1.0%
2015	\$325	2.0%
2016	\$695	2.5%

Household maximum is 3 times the flat dollar amount. • Income is household income reduced by standard deductions and personal exemptions.

- Total Employee Medicare Tax is 1.45% + 0.9% = 2.35%
- Including interest, dividends, capital gains, and annuity distributions
- Head of Household
- Special increased limit may apply to certain 403(b) contributors with 15 or more years of service.
- In last 3 years prior to year of retirement, 457 plan participant may be able to double elective deferral if needed to catch-up on prior missed contributions, but if they do, they cannot use catch-up.



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# COLUMBUS LIFE INSURANCE COMPANY 2015 TAX REFERENCE SHEET

## Education

Coverdell Education Savings Account \$2,000  
 Coverdell contribution eligibility phaseout  
 Married, joint \$190,000–\$220,000  
 All others \$95,000–\$110,000

Student loan interest deduction limit \$2,500  
 Interest deduction is phased out  
 Married, joint \$130,000–\$160,000 MAGI  
 All others \$65,000–\$80,000 MAGI

Phaseout of Lifetime Learning Credits  
 Married, joint \$110,000–\$130,000  
 All others \$55,000–\$65,000

Tax-free savings bonds interest phased out  
 Married, joint \$115,750–\$145,750 MAGI  
 All others \$77,200–\$92,200 MAGI

## Social Security<sup>6</sup>

Maximum Wage Base \$118,500  
 Amount Needed to Earn One Credit \$1,220  
 Amount Needed to Earn Four Credits \$4,880  
 Full Retirement Age 66 years, zero months  
 Social Security Tax Rates  
 Employee 7.65%  
 Employer 7.65%  
 Self-Employed 15.30%  
 Maximum Monthly Retirement Benefit at Full Retirement Age \$2,663  
 Family Maximum \$3,994  
 Cost of Living Adjustment 1.7%

Maximum earnings (during work years) subject to tax \$118,500

Income<sup>7</sup> (in retirement) causing Social Security benefits to be taxable  
 Married, joint  
 50% taxable \$32,000 MAGI  
 85% taxable \$44,000 MAGI  
 Single  
 50% taxable \$25,000 MAGI  
 85% taxable \$34,000 MAGI

Loss of Social Security retirement benefits:  
 In years prior to full retirement age, \$1 in benefits will be lost for every \$2 of earnings in excess of \$15,720. In the year of full retirement age, \$1 in benefits will be lost for every \$3 of earnings in excess of \$41,880 (applies only to months of earnings prior to full retirement age). There is no limit on earnings beginning the month an individual attains full retirement age.

## Average Monthly Benefit (December 2013)

Average Monthly Retirement Benefit Men \$1,451  
 Women \$1,134

Average Monthly Survivor Benefit Men \$1,084  
 Women \$1,248

Source: *Fast Facts and Figures about Social Security, 2014.*

## Uniform Lifetime Table

Use to calculate Minimum Required Distributions from IRAs and qualified plans **during** owner's life. If owner has spousal beneficiary more than 10 years younger, use instead Joint Life Table from IRS Pub. 590.

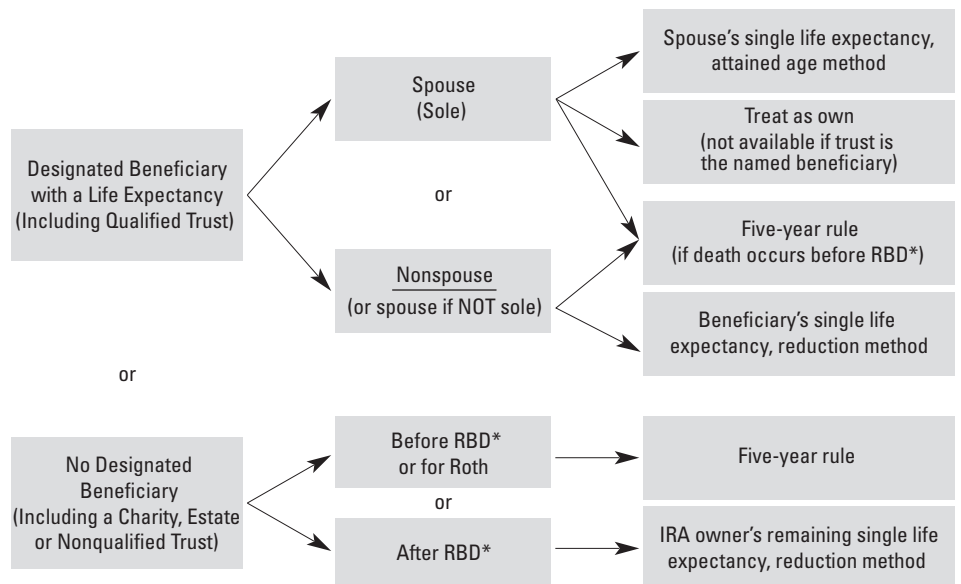
Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8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

## Single Life Table

Use to calculate Minimum Required Distributions from IRAs and qualified plans **after** owner's death. See IRS Pub. 590 for complete table of ages 0 through 111+.

Age	Life Expectancy	Age	Life Expectancy
39	44.6	63	22.7
40	43.6	64	21.8
41	42.7	65	21.0
42	41.7	66	20.2
43	40.7	67	19.4
44	39.8	68	18.6
45	38.8	69	17.8
46	37.9	70	17.0
47	37.0	71	16.3
48	36.0	72	15.5
49	35.1	73	14.8
50	34.2	74	14.1
51	33.3	75	13.4
52	32.3	76	12.7
53	31.4	77	12.1
54	30.5	78	11.4
55	29.6	79	10.8
56	28.7	80	10.2
57	27.9	81	9.7
58	27.0	82	9.1
59	26.1	83	8.6
60	25.2	84	8.1
61	24.4	85	7.6
62	23.5	86	7.1

## IRA Beneficiary Options



\*RBD defined as "Required Beginning Date" (April 1 following the year a Traditional IRA or Simple IRA holder reached age 70½).

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6. Source: Social Security Administration, www.ssa.gov, 11/06/2014.

7. Income is most income including muni bond interest but only 1/2 of Social Security.

