

Inflation Adjusted Amounts for 2017

Cross References

- Rev. Proc. 2016-55
- IRS Notice 2016-62

Each year, a number of provisions in the Internal Revenue Code (IRC) are adjusted for inflation. The IRS recently released the inflation adjusted amounts for 2017. The following chart highlights a number of these adjustments, as they compare to the 2016 and 2015 amounts. A more complete list will appear in Tab 1 of the *1040 Edition/Deluxe Edition of TheTaxBook*.

Tax Provision	2017	2016	2015
Standard deduction – MFJ	\$12,700	\$12,600	\$12,600
Standard deduction – Single	\$6,350	\$6,300	\$6,300
Standard deduction – HOH	\$9,350	\$9,300	\$9,250
Personal exemption	\$4,050	\$4,050	\$4,000
Personal exemption phaseout for MFJ begins at:	\$313,800	\$311,300	\$309,900
Personal exemption phaseout for Single begins at:	\$261,500	\$259,400	\$258,250
Personal exemption phaseout for HOH begins at:	\$287,650	\$285,350	\$284,050
Top 39.6% bracket for MFJ begins at:	\$470,700	\$466,950	\$464,850
Top 39.6% bracket for Single begins at:	\$418,400	\$415,050	\$413,200
Top 39.6% bracket for HOH begins at:	\$444,550	\$441,000	\$439,000
Itemized deduction phaseout for MFJ begins at:	\$313,800	\$311,300	\$309,900
Itemized deduction phaseout for Single begins at:	\$261,500	\$259,400	\$258,250
Itemized deduction phaseout for HOH begins at:	\$287,650	\$285,350	\$284,050
Maximum EIC for 3 or more qualifying children	\$6,318	\$6,269	\$6,242
Maximum EIC for 2 qualifying children	\$5,616	\$5,572	\$5,548
Maximum EIC for 1 qualifying child	\$3,400	\$3,373	\$3,359
Maximum EIC for no qualifying children	\$510	\$506	\$503
Section 179 expense limit	\$510,000	\$500,000	\$500,000
Section 179 investment limit	\$2,030,000	\$2,010,000	\$2,000,000
Estates basic exclusion amount	\$5,490,000	\$5,450,000	\$5,430,000
Annual exclusion for gifts	\$14,000	\$14,000	\$14,000
Defined contribution plan contribution limit	\$54,000	\$53,000	\$53,000
401(k) elective deferral limit for under age 50	\$18,000	\$18,000	\$18,000
401(k) elective deferral limit for age 50 and older	\$24,000	\$24,000	\$24,000
SIMPLE elective deferral limit for under age 50	\$12,500	\$12,500	\$12,500
SIMPLE elective deferral limit for age 50 and older	\$15,500	\$15,500	\$15,500
IRA deduction limit for under age 50	\$5,500	\$5,500	\$5,500
IRA deduction limit for age 50 and older	\$6,500	\$6,500	\$6,500
Key employee definition for top-heavy plans	\$175,000	\$170,000	\$170,000
Highly compensated employee definition	\$120,000	\$120,000	\$120,000
Qualified plan compensation limit	\$270,000	\$265,000	\$265,000