

# KEY FINANCIAL DATA

# 2016

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| 2016 Tax Rate Schedule                              |                         |      |                   |                         |
|-----------------------------------------------------|-------------------------|------|-------------------|-------------------------|
| Taxable income (\$)                                 | Base amount of tax (\$) | Plus | Marginal tax rate | Of the amount over (\$) |
| <b>Single</b>                                       |                         |      |                   |                         |
| 0 to 9,275                                          |                         | +    | 10.0              |                         |
| 9,276 to 37,650                                     | 927.50                  | +    | 15.0              | 9,275.00                |
| 37,651 to 91,150                                    | 5,183.75                | +    | 25.0              | 37,650.00               |
| 91,151 to 190,150                                   | 18,558.75               | +    | 28.0              | 91,150.00               |
| 190,151 to 413,350                                  | 46,278.75               | +    | 33.0              | 190,150.00              |
| 413,351 to 415,050                                  | 119,934.75              | +    | 35.0              | 413,350.00              |
| Over 415,050                                        | 120,529.75              | +    | 39.6              | 415,050.00              |
| <b>Married filing jointly and surviving spouses</b> |                         |      |                   |                         |
| 0 to 18,550                                         |                         | +    | 10.0              |                         |
| 18,551 to 75,300                                    | 1,855.00                | +    | 15.0              | 18,550.00               |
| 75,301 to 151,900                                   | 10,367.50               | +    | 25.0              | 75,300.00               |
| 151,901 to 231,450                                  | 29,517.50               | +    | 28.0              | 151,900.00              |
| 231,451 to 413,350                                  | 51,791.50               | +    | 33.0              | 231,450.00              |
| 413,351 to 466,950                                  | 111,818.50              | +    | 35.0              | 413,350.00              |
| Over 466,950                                        | 130,578.50              | +    | 39.6              | 466,950.00              |
| <b>Head of household</b>                            |                         |      |                   |                         |
| 0 to 13,250                                         |                         | +    | 10.0              |                         |
| 13,251 to 50,400                                    | 1,325.00                | +    | 15.0              | 13,250.00               |
| 50,401 to 130,150                                   | 6,897.50                | +    | 25.0              | 50,400.00               |
| 130,151 to 210,800                                  | 26,835.00               | +    | 28.0              | 130,150.00              |
| 210,801 to 413,350                                  | 49,417.00               | +    | 33.0              | 210,800.00              |
| 413,351 to 441,000                                  | 116,258.50              | +    | 35.0              | 413,350.00              |
| Over 441,000                                        | 125,936.00              | +    | 39.6              | 441,000.00              |
| <b>Married filing separately</b>                    |                         |      |                   |                         |
| 0 to 9,275                                          |                         | +    | 10.0              |                         |
| 9,276 to 37,650                                     | 927.50                  | +    | 15.0              | 9,275.00                |
| 37,651 to 75,950                                    | 5,183.75                | +    | 25.0              | 37,650.00               |
| 75,951 to 115,725                                   | 14,758.75               | +    | 28.0              | 75,950.00               |
| 115,726 to 206,675                                  | 25,895.75               | +    | 33.0              | 115,725.00              |
| 206,676 to 233,475                                  | 55,909.25               | +    | 35.0              | 206,675.00              |
| Over 233,475                                        | 65,289.25               | +    | 39.6              | 233,475.00              |
| <b>Estates and trusts</b>                           |                         |      |                   |                         |
| 0 to 2,550                                          |                         | +    | 15.0              |                         |
| 2,551 to 5,950                                      | 382.50                  | +    | 25.0              | 2,550.00                |
| 5,951 to 9,050                                      | 1,232.50                | +    | 28.0              | 5,950.00                |
| 9,051 to 12,400                                     | 2,100.50                | +    | 33.0              | 9,050.00                |
| Over 12,400                                         | 3,206.00                | +    | 39.6              | 12,400.00               |

| Standard Deductions & Personal Exemption                 |                    |                    |                            |
|----------------------------------------------------------|--------------------|--------------------|----------------------------|
| Filing status                                            | Standard deduction | Personal exemption | Phaseouts begin at AGI of: |
| Married, filing jointly and qualifying widow(er)s        | \$12,600           | \$4,050            | \$311,300                  |
| Single                                                   | \$6,300            | \$4,050            | \$259,400                  |
| Married, filing separately                               | \$6,300            | \$4,050            | \$155,650                  |
| Head of household                                        | \$9,300            | \$4,050            | \$285,350                  |
| Dependent filing own tax return                          | \$1,050**          | None               |                            |
| Additional deductions for non-itemizers                  |                    |                    |                            |
| Blind or over 65                                         |                    |                    | Add \$1,250                |
| Blind or over 65 and unmarried or not a surviving spouse |                    |                    | Add \$1,550                |

| Tax Rates on Long-Term Capital Gains and Qualified Dividends                     |     |
|----------------------------------------------------------------------------------|-----|
| If taxable income falls below the 25% tax bracket                                | 0%  |
| If taxable income falls at or above the 25% tax bracket but below the 39.6% rate | 15% |
| If income falls in the 39.6% tax bracket                                         | 20% |

| 3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over |           |
|--------------------------------------------------------------------|-----------|
| Married, filing jointly                                            | \$250,000 |
| Single                                                             | \$200,000 |
| Married, filing separately                                         | \$125,000 |

| Exemption Amounts for Alternative Minimum Tax     |           |
|---------------------------------------------------|-----------|
| Married, filing jointly or surviving spouses      | \$83,800  |
| Single                                            | \$53,900  |
| Married, filing separately                        | \$41,900  |
| Estates and trusts                                | \$23,900  |
| 28% tax rate applies to income over:              |           |
| Married, filing separately                        | \$93,150  |
| All others                                        | \$186,300 |
| Exemption amounts phase out at:                   |           |
| Married, filing jointly or surviving spouses      | \$159,700 |
| Single                                            | \$119,700 |
| Married, filing separately and estates and trusts | \$79,850  |

| Gift and Estate Tax Exclusions and Credits |             |
|--------------------------------------------|-------------|
| Maximum estate, gift & GST rates           | 40%         |
| Estate, gift & GST exclusions              | \$5,450,000 |
| Gift tax annual exclusion                  | \$14,000    |
| Exclusion on gifts to non-citizen spouse   | \$148,000   |

| Education Credits & Deductions                       |                                                   |                                        |
|------------------------------------------------------|---------------------------------------------------|----------------------------------------|
| Credit/Deduction/Account                             | Maximum credit/deduction                          | Income phaseouts begin at AGI of:      |
| American Opportunity Tax Credit/Hope                 | \$2,500 credit                                    | \$160,000 joint<br>\$80,000 all others |
| Lifetime learning credit                             | \$2,000 credit                                    | \$111,000 joint<br>\$55,000 all others |
| Savings bond interest tax-free if used for education | Deduction limited to amount of qualified expenses | \$116,300 joint<br>\$77,550 all others |
| Coverdell                                            | \$2,000 maximum; not deductible                   | \$190,000 joint<br>\$95,000 all others |

| Tax Deadlines                                                                                                                                                                                                                                                                                                                                                |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| January 15 – 4th installment of the previous year's estimated taxes due                                                                                                                                                                                                                                                                                      |  |
| April 18 (April 19 in ME & MA) – Tax filing deadline, or request extension to Oct. 17. 1st installment of 2016 taxes due. Last day to file amended return for 2012. Last day to contribute to: Roth or traditional IRA for 2015; HSA for 2015; Keogh or SEP for 2015 (unless tax filing deadline has been extended).                                         |  |
| June 15 – 2nd installment of estimated taxes due                                                                                                                                                                                                                                                                                                             |  |
| September 15 – 3rd installment of estimated taxes due                                                                                                                                                                                                                                                                                                        |  |
| October 17 – Tax returns due for those who requested an extension. Last day to recharacterize a converted IRA from 2015 if extension was filed or tax return was filed by April 18; last day to contribute to SEP or Keogh for 2015 if extension was filed.                                                                                                  |  |
| December 31 – Last day to: 1) pay expenses for itemized deductions; 2) complete transactions for capital gains or losses; 3) establish a Keogh plan for 2016; 4) establish and fund a solo 401(k) for 2016; 5) complete 2016 contributions to employer-sponsored 401(k) plans; 6) correct excess contributions to IRAs and qualified plans to avoid penalty. |  |

\*\* Greater of \$1,050 or \$350 plus the individual's earned income.

| Retirement Plan Contribution Limits                                                       |           |
|-------------------------------------------------------------------------------------------|-----------|
| Annual compensation used to determine contribution for most plans                         | \$265,000 |
| Defined-contribution plans, basic limit                                                   | \$53,000  |
| Defined-benefit plans, basic limit                                                        | \$210,000 |
| 401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals                              | \$18,000  |
| Catch-up provision for individuals 50 and over, 401(k), 403(b), 457(b), Roth 401(k) plans | \$6,000   |
| SIMPLE plans, elective deferral limit                                                     | \$12,500  |
| SIMPLE plans, catch-up contribution for individuals 50 and over                           | \$3,000   |

| Individual Retirement Accounts |                         |                    |                                                                                                                                                                                                        |
|--------------------------------|-------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| IRA type                       | Contribu-<br>tion limit | Catch-up<br>at 50+ | Income limits                                                                                                                                                                                          |
| Traditional nondeductible      | \$5,500                 | \$1,000            | None                                                                                                                                                                                                   |
| Traditional deductible         | \$5,500                 | \$1,000            | If covered by a plan:<br>\$98,000 - \$118,000 joint<br>\$61,000 - \$71,000 single, HOH<br>0 - \$10,000 married filing separately<br>If one spouse is covered by a plan:<br>\$184,000 - \$194,000 joint |
| Roth                           | \$5,500                 | \$1,000            | \$184,000 - \$194,000 joint<br>\$117,000 - \$132,000 single & HOH 0 -<br>\$10,000 married filing separately                                                                                            |
| MyRA                           | \$5,500                 | \$1,000            | <\$132,000 single<br><\$194,000 joint                                                                                                                                                                  |
| Roth conversion                |                         |                    | No income limit                                                                                                                                                                                        |

| Health Savings Accounts   |                                 |                                          |                           |
|---------------------------|---------------------------------|------------------------------------------|---------------------------|
| Annual limit              | Maximum deductible contribution | Expense limits (deductibles and co-pays) | Minimum annual deductible |
| Individuals               | \$3,350                         | \$6,550                                  | \$1,300                   |
| Families                  | \$6,750                         | \$13,100                                 | \$2,600                   |
| Catch-up for 55 and older | \$1,000                         |                                          |                           |

| Deductibility of Long-Term Care Premiums on Qualified Policies |                                                                 |
|----------------------------------------------------------------|-----------------------------------------------------------------|
| Attained age before close of tax year                          | Amount of LTC premiums that qualify as medical expenses in 2016 |
| 40 or less                                                     | \$390                                                           |
| 41 to 50                                                       | \$730                                                           |
| 51 to 60                                                       | \$1,460                                                         |
| 61 to 70                                                       | \$3,900                                                         |
| Over 70                                                        | \$4,870                                                         |

| Medicare Deductibles                                                        |            |
|-----------------------------------------------------------------------------|------------|
| Part B deductible                                                           | \$166.00   |
| Part A (inpatient services) deductible for first 60 days of hospitalization | \$1,288.00 |
| Part A deductible for days 61-90 of hospitalization                         | \$322/day  |
| Part A deductible for more than 90 days of hospitalization                  | \$644/day  |

| Social Security                                                                                         |                                                                            |                                          |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------|
| Benefits                                                                                                |                                                                            |                                          |
| Full retirement age (FRA) if born between 1943 and 1954                                                 | 66                                                                         |                                          |
| Estimated maximum monthly benefit                                                                       | \$2,639                                                                    |                                          |
| Retirement earnings exempt amounts                                                                      | \$15,720 under FRA<br>\$41,880 during year reach FRA<br>No limit after FRA |                                          |
| Tax on Social Security benefits: income brackets                                                        |                                                                            |                                          |
| Filing status                                                                                           | Provisional income*                                                        | Amount of Social Security subject to tax |
| Married filing jointly                                                                                  | Under \$32,000<br>\$32,000-\$44,000<br>Over \$44,000                       | 0<br>up to 50%<br>up to 85%              |
| Single, head of household, qualifying widow(er), married filing separately and living apart from spouse | Under \$25,000<br>\$25,000-\$34,000<br>Over \$34,000                       | 0<br>up to 50%<br>up to 85%              |
| Married filing separately and living with spouse                                                        | Over 0                                                                     | up to 85%                                |
| Tax (FICA)                                                                                              |                                                                            |                                          |
| SS tax paid on income up to \$118,500                                                                   | % withheld                                                                 | Maximum tax payable                      |
| Employer pays                                                                                           | 6.2%                                                                       | \$7,347.00                               |
| Employee pays                                                                                           | 6.2%                                                                       | \$7,347.00                               |
| Self-employed pays                                                                                      | 12.4%                                                                      | \$14,694.00                              |
| Medicare tax                                                                                            |                                                                            |                                          |
| Employer pays                                                                                           | 1.45%                                                                      | varies per income                        |
| Employee pays                                                                                           | 1.45% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)     | varies per income                        |
| Self-employed pays                                                                                      | 2.90% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)     | varies per income                        |

\*Provisional income = adjusted gross income (not incl. Social Security) + tax exempt interest + 50% of Social Security benefit

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| Medicare Premiums |                   |                |                          |
|-------------------|-------------------|----------------|--------------------------|
| 2014 MAGI single  | 2014 MAGI joint   | Part B Premium | Part D income adjustment |
| \$85,000 or less  | \$170,000 or less | \$121.80**     | \$0                      |
| 85,001-107,000    | 170,001-214,000   | \$170.50       | \$12.70                  |
| 107,001-160,000   | 214,001-320,000   | \$243.60       | \$32.80                  |
| 160,001-214,000   | 320,001-428,000   | \$316.70       | \$52.80                  |
| Above 214,000     | Above 428,000     | \$389.80       | \$72.90                  |

\*\*\$104.90 if held harmless

| Uniform Lifetime Table (partial)     |                            |                                      |                            |
|--------------------------------------|----------------------------|--------------------------------------|----------------------------|
| Age of IRA owner or plan participant | Life expectancy (in years) | Age of IRA owner or plan participant | Life expectancy (in years) |
| 70                                   | 27.4                       | 86                                   | 14.1                       |
| 71                                   | 26.5                       | 87                                   | 13.4                       |
| 72                                   | 25.6                       | 88                                   | 12.7                       |
| 73                                   | 24.7                       | 89                                   | 12.0                       |
| 74                                   | 23.8                       | 90                                   | 11.4                       |
| 75                                   | 22.9                       | 91                                   | 10.8                       |
| 76                                   | 22.0                       | 92                                   | 10.2                       |
| 77                                   | 21.2                       | 93                                   | 9.6                        |
| 78                                   | 20.3                       | 94                                   | 9.1                        |
| 79                                   | 19.5                       | 95                                   | 8.6                        |
| 80                                   | 18.7                       | 96                                   | 8.1                        |
| 81                                   | 17.9                       | 97                                   | 7.6                        |
| 82                                   | 17.1                       | 98                                   | 7.1                        |
| 83                                   | 16.3                       | 99                                   | 6.7                        |
| 84                                   | 15.5                       | 100                                  | 6.3                        |
| 85                                   | 14.8                       | 101                                  | 5.9                        |

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