

IRS RELEASES INFLATION-ADJUSTED TAX NUMBERS FOR 2015

Certain tax numbers are adjusted by the IRS for inflation each year. Here are some of the 2015 tax numbers you will need to use as you get started with this year's tax planning.

- The standard mileage rate for business driving increases to 57.5¢ per mile for 2015. The rate for medical and moving mileage decreases from 23.5¢ per mile to 23¢ per mile. The general rate for charitable driving remains at 14¢ per mile.
- The maximum earnings subject to social security tax in 2015 increases to \$118,500. The earnings limit for those under full retirement age is \$15,720. For those at full retirement age, there is no earnings limit.
- The "nanny tax" threshold remains at \$1,900 for 2015. If you pay household workers this amount or more during the year, you are responsible for payroll taxes.
- The "kiddie tax" threshold for 2015 increases to \$2,100. If your child under age 19 (under age 24 for students) has more than \$2,100 of unearned income this year (e.g., dividends and interest income), the excess could be taxed at your highest rate.
- The maximum individual retirement account (IRA) contribution you can make in 2015 remains at \$5,500 if you're under age 50 and at \$6,500 if you are 50 or older.
- The maximum amount of wages employees can put into a 401(k) plan increases to \$18,000. The 2015 maximum allowed for SIMPLE plans increases to \$12,500. If you are 50 or older, you can contribute up to \$24,000 to a 401(k) and \$15,500 to a SIMPLE plan.
- For 2015, the maximum amount that can be contributed to a health savings account (HSA) increases to \$3,350 for individuals and \$6,650 for families. Those 55 and older can contribute an additional \$1,000.
- The alternative minimum tax exemption for 2015 is \$53,600 for singles and \$83,400 for couples filing joint returns.

If you are interested in tax planning strategies, see <http://mangoldcpa.com/tax-services.asp> and call our office. To receive tips for financial management and taxes, follow The Mangold Group, CPAs on LinkedIn and Twitter and "like" the firm on Facebook on the icons in the letterhead above. Additional resources are available for you at <http://mangoldcpa.com/news-references.asp>. We add current tax tips each month in the Technical Briefs section. Tax calculators under the Tools section can help plan savings, college funding, home purchase, investments, loans, mortgage, retirement, and estate planning.