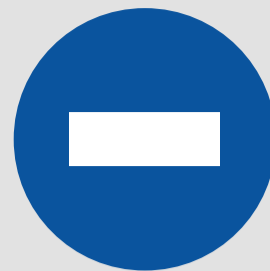


# Standard vs Itemized Deductions






## ONE OR THE OTHER, NOT BOTH

### Standard Deduction

- The simple deduction method
- Reduces taxable income by a specific dollar amount
- No Schedule A required

#### Amounts for 2015 Tax Year

	Single and Married Filing Separately	<b>\$6,300</b>
	Head of Household	<b>\$9,250</b>
	Married Filing Jointly and Qualifying Widow(er)	<b>\$12,600</b>

OR

### Itemized Deductions

- Requires you to report amounts paid for qualified deductions
- Reduces taxable income by the sum of your qualified deductions (some items are limited)
- Is advantageous when the total is more than your standard deduction amount
- Requires you to complete Schedule A

#### Common Deductions

-  Home Mortgage Interest
-  Real Estate Taxes
-  Personal Property Taxes (e.g. vehicle taxes)
-  Gifts to Charity (cash and non-cash)
-  Medical and Dental Expenses

#### Limits

**10% Limit** Medical and Dental Expenses – deduct only the amount greater than 10% of your adjusted gross income (or 7.5% if over age 65)

**2% Limit** Job Expenses and Certain Miscellaneous Deductions – deduct only the amount greater than 2% of your adjusted gross income

**Overall Limit** Some deductions are subject to the overall limit on itemized deductions, which is based on your adjusted gross income:

Married Filing Jointly or Qualifying Widow(er)	<b>&gt; \$305,050</b>
Head of Household	<b>&gt; \$279,650</b>
Single	<b>&gt; \$254,200</b>
Married Filing Separately	<b>&gt; \$152,525</b>

#### Deductions Subject to the Overall Limit

- Taxes paid
- Interest paid
- Gifts to charity
- Job expenses and certain miscellaneous deductions
- Other miscellaneous deductions (excluding gambling and casualty or theft losses)

