
What's New

This section summarizes important tax changes that took effect in 2016. Most of these changes are discussed in more detail throughout this publication.

Future developments. For the latest information about the tax law topics covered in this publication, such as legislation enacted after it was published, go to [IRS.gov/pub17](https://www.irs.gov/pub17).

Due date of return. File your tax return by April 18, 2017. The due date is April 18, instead of April 15, because of the Emancipation Day holiday in the District of Columbia—even if you do not live in the District of Columbia. See [chapter 1](https://www.irs.gov/pub17).

Service at local IRS offices by appointment. Many issues can be resolved conveniently on IRS.gov with no waiting. However, if you need help from an IRS Taxpayer Assistance Center (TAC), you need to call to schedule an appointment. Go to [IRS.gov/taclocator](https://www.irs.gov/taclocator) to find the location and telephone number of your local TAC.

Delayed refunds for returns claiming certain credits. Due to changes in the law, the IRS can't issue refunds before February 15, 2017, for returns that claim the earned income credit or the additional child tax credit. This delay applies to the entire refund, not just the portion associated with these credits. Although the IRS will begin releasing refunds for returns that claim these credits on February 15, because of the time it generally takes banking or financial systems to process deposits, it is unlikely that your refund will arrive in your bank account or on a debit card before the week of February 27 (assuming your return has no processing issues and you elect direct deposit).

If you filed your return before February 15, you can check *Where's My Refund* on IRS.gov

([IRS.gov/refunds](https://www.irs.gov/refunds)) a few days after February 15 for your projected deposit date. *Where's My Refund* and the IRS2Go phone app remain the best ways to check the status of any refund.

Delivery services. Eight delivery services have been added to the list of designated private delivery services. For the complete list, see [chapter 1](https://www.irs.gov/pub17).

Cash payment option. There is a new option for taxpayers who want to pay their taxes in cash. For details, see [chapter 1](https://www.irs.gov/pub17).

Educator expenses. You may be able to deduct certain expenses for professional development courses you have taken related to the curriculum you teach or to the students you teach. See [chapter 19](https://www.irs.gov/pub17).

Olympic and Paralympic medals and USOC prize money. If you receive Olympic and Paralympic medals and United States Olympic Committee prize money, the value of the medals and the amount of the prize money may be nontaxable. See the instructions for Form 1040, line 21, for more information.

Child tax credit and additional child tax credit may be disallowed. If you take the child tax credit or the additional child tax credit even though you aren't eligible, you may not be able to take these credits for up to 10 years. For more information, see [chapter 34](https://www.irs.gov/pub17).

American opportunity credit may be disallowed. If you take the American opportunity credit even though you aren't eligible, you may not be able to take this credit for up to 10 years. For more information, see [chapter 35](https://www.irs.gov/pub17).

Health coverage tax credit (HCTC). The HCTC is a tax credit that pays a percentage of health insurance premiums for certain eligible taxpayers and their qualifying family members. The HCTC is a separate tax credit with different eligibility rules than the premium tax

credit. You may have received monthly advance payments of the HCTC beginning in July 2016. For information on how to report these payments or on the HCTC generally, see the Instructions for Form 8885.

Get Transcript Online. The Get Transcript Online tool on IRS.gov is available again to get a copy of your tax transcripts and similar documents. To guard against fraud, you will now need to go through a two-step authentication process in order to use the online tool. For more information, go to [IRS.gov/transcripts](https://www.irs.gov/transcripts).

Electronic Filing PIN. Electronic Filing PIN, an IRS-generated PIN used to verify your signature on your self-prepared, electronic tax return, is no longer available. To validate your signature, you must use your prior-year adjusted gross income or prior-year self-select PIN. See [chapter 1](https://www.irs.gov/pub17).

Individual taxpayer identification number (ITIN) renewal. If you were assigned an ITIN before January 1, 2013, or if you have an ITIN that you haven't included on a tax return in the last 3 consecutive years, you may need to renew it. For more information, see [chapter 1](https://www.irs.gov/pub17) and the Instructions for Form W-7.

Personal exemption amount increased for certain taxpayers. Your personal exemption is increased to \$4,050. But the amount is reduced if your adjusted gross income is more than:

- \$155,650 if married filing separately,
- \$259,400 if single,
- \$285,350 if head of household, or
- \$311,300 if married filing jointly or qualifying widow(er).

See [chapter 3](https://www.irs.gov/pub17).

Limit on itemized deductions. You may not be able to deduct all

of your itemized deductions if your adjusted gross income is more than:

- \$155,650 if married filing separately,
- \$259,400 if single,
- \$285,350 if head of household, or
- \$311,300 if married filing jointly or qualifying widow(er).

See [chapter 29](https://www.irs.gov/pub17).

Standard mileage rates. The 2016 rate for business use of your vehicle is 54 cents a mile. The 2016 rate for use of your vehicle to get medical care or to move is 19 cents a mile.

Adoption credit. The adoption credit and the exclusion for employer-provided adoption benefits have both increased to \$13,460 per eligible child in 2016. The amount begins to phase out if you have modified adjusted gross income (MAGI) in excess of \$201,920 and is completely phased out if your MAGI is \$241,920 or more.

Exemption amount for alternative minimum tax (AMT). The exemption amount for the AMT has increased to \$53,900 (\$83,800 if married filing jointly or qualifying widow(er); \$41,900 if married filing separately).

Standard deduction for head of household filing status. For 2016, the standard deduction for head of household filing status has increased to \$9,300. The other standard deduction amounts are unchanged.

Secure access. To combat identity fraud, the IRS has upgraded its identity verification process for certain self-help tools on IRS.gov. To find out what types of information new users will need, go to [IRS.gov/secureaccess](https://www.irs.gov/secureaccess).

Reminders

Listed below are important reminders and other items that may help you file your 2016 tax return. Many of these items are explained in more detail later in this publication.

Enter your social security number (SSN). Enter your SSN in the space provided on your tax form. If you filed a joint return for 2015 and are filing a joint return for 2016 with the same spouse, enter your

names and SSNs in the same order as on your 2015 return. See [chapter 1](https://www.irs.gov/pub17).

Secure your tax records from identity theft. Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

For more information about identity theft and how to reduce your risk from it, see [Identity Theft](https://www.irs.gov/pub17) in chapter 1.

Taxpayer identification numbers. You must provide the taxpayer identification number for each person for whom you claim certain tax benefits. This applies even if the person was born in 2016. Generally, this number is the person's social security number (SSN). See [chapter 1](https://www.irs.gov/pub17).

Foreign source income. If you are a U.S. citizen with income from sources outside the United States (foreign income), you must report all such income on your tax return unless it is exempt by law or a tax treaty. This is true whether you live inside or outside the United States and whether or not you receive a Form W-2 or Form 1099 from the foreign payer. This applies to earned income (such as wages and tips) as well as unearned