

## Federal Income Taxes

Over	But not over	Tax +	% on excess	Of the amount over
<b>Single Filers</b>				
\$0	\$11,000	\$0.00	10%	\$0
\$11,000	\$44,725	\$1,100.00	12%	\$11,000
\$44,725	\$95,375	\$5,147.00	22%	\$44,725
\$95,375	\$182,100	\$16,290.00	24%	\$95,375
\$182,100	\$231,250	\$37,104.00	32%	\$182,100
\$231,250	\$578,125	\$52,832.00	35%	\$231,250
\$578,125	∞	\$174,238.25	37%	\$578,125
<b>Married Filing Jointly &amp; Surviving Spouses</b>				
\$0	\$22,000	\$0.00	10%	\$0
\$22,000	\$89,450	\$2,200.00	12%	\$22,000
\$89,450	\$190,750	\$10,294.00	22%	\$89,450
\$190,750	\$364,200	\$32,580.00	24%	\$190,750
\$364,200	\$462,500	\$74,208.00	32%	\$364,200
\$462,500	\$693,750	\$105,664.00	35%	\$462,500
\$693,750	∞	\$186,601.50	37%	\$693,750
<b>Head of Household</b>				
\$0	\$15,700	\$0.00	10%	\$0
\$15,700	\$59,850	\$1,570.00	12%	\$15,700
\$59,850	\$95,350	\$6,868.00	22%	\$59,850
\$95,350	\$182,100	\$14,678.00	24%	\$95,350
\$182,100	\$231,250	\$35,498.00	32%	\$182,100
\$231,250	\$578,100	\$51,226.00	35%	\$231,250
\$578,100	∞	\$172,623.50	37%	\$578,100
<b>Married Filing Separately</b>				
\$0	\$11,000	\$0.00	10%	\$0
\$11,000	\$44,725	\$1,100.00	12%	\$11,000
\$44,725	\$95,375	\$5,147.00	22%	\$44,725
\$95,375	\$182,100	\$16,290.00	24%	\$95,375
\$182,100	\$231,250	\$37,104.00	32%	\$182,100
\$231,250	\$346,875	\$52,832.00	35%	\$231,250
\$346,875	∞	\$93,300.75	37%	\$346,875
<b>Trusts &amp; Estates</b>				
\$0	\$2,900	\$0.00	10%	\$0
\$2,900	\$10,550	\$290	24%	\$2,900
\$10,550	\$14,450	\$2,126	35%	\$10,550
\$14,450	∞	\$3,491	37%	\$14,450

## Taxes for Gifts & Estates

	2023	2022
Annual Gift Tax Exclusion	\$17,000	\$16,000
Unified Credit Amount	\$12,920,000	\$12,060,000
Gift to Non-Citizen Spouse	\$175,000	\$164,000
Highest Estate Tax Bracket	40%	40%

## States with Estate & Inheritance Tax

States with State Estate Tax	CT, DC, HI, IL, MA, MD, ME, MN, NY, OR, RI, VT, WA
States with Inheritance Tax	IA, KY, NE, PA, NJ, MD
Community Property State	AK*, AZ, CA, ID, LA, NM, NV, TX, WA, WI * Opt-in community property state

## Tax on Capital Gains & Qualified Dividends

Single Filers	Married Filing Jointly & Qualifying Widow(er)	Tax Rate	
\$0 - \$44,625	\$0 - \$89,250	0%	
Over \$44,625 but not over \$492,300	Over \$89,250 but not over \$553,850	15%	
Over \$492,300	Over \$553,850	20%	
Married Filing Separately	Head of Household	Trusts & Estates	Tax Rate
\$0 - \$44,625	\$0 - \$59,750	\$0 - \$3,000	0%
Over \$44,625 but not over \$276,900	Over \$59,750 but not over \$523,050	Over \$3,000 but not over \$14,650	15%
Over \$276,900	Over \$523,050	Over \$14,650	20%

## Medicare Tax on Net Investment Income

Additional 3.8% Tax on Net Investment Income

Married Filing Jointly	MAGI above \$250,000
Married Filing Separately	MAGI above \$125,000
Single / Head of Household	MAGI above \$200,000
Trusts & Estates	MAGI above \$12,500

## Business Income Taxes

C Corporations	
Taxable Net Income	21% Tax Rate
S Corporations & LLCs	
Taxable K-1 Pass-Through Income to Shareholders	Individual Tax Rates
<ul style="list-style-type: none"> <li>"Qualified Business Income" is eligible for a 20% K-1 deduction (ie. 37% bracket 29.6% net marginal rate)</li> <li>Generally, "Specified Service Businesses are not eligible for a 20% K-1 Deduction unless entire taxable income (including K-1 pass-through profits) falls below certain thresholds.</li> </ul>	

## FICA Tax Rates

	Self-Employed	Employee
Social Security (OASDI)	12.40%	6.20%
Medicare (HI only)	2.90%	1.45%
Additional Medicare Tax	0.90%	0.90%

## Additional Medicare Tax of 0.9% on earned income:

Married-Jointly	MAGI above \$250,000
Married-Separately	MAGI above \$125,000
Single / Head of Household	MAGI above \$200,000

## Deductions for Public Charitable Contributions

Type of Property Contributed	Deemed Amount of Contribution	Percentage Limitation <sup>1</sup>
Cash	Actual dollar amount	60%
Appreciated ordinary income property <sup>2</sup> or appreciated short-term capital gain property <sup>3</sup>	Donor's tax basis	50%
Appreciated long-term capital gain property <sup>4</sup>		
(a) General rule	Fair market value	30%
(b) Election made to reduce amount of contribution	Donor's tax basis	50%
(c) Tangible personal property put to unrelated use by donee charity	Donor's tax basis	50%

<sup>1</sup> The applicable "percentage limitation" applies to the donor's contribution base, which is the donor's adjusted gross income (AGI) determined without regard to any net operating loss carryback. The limitation is applied on an annual basis. Any deductible contributions that exceed the current year's limitations may be carried over and deducted in the five succeeding tax years, subject to the percentage limitations in those years.

<sup>2</sup> "Ordinary income property" property that would produce ordinary income if sold by the individual.

<sup>3</sup> "Short-term capital gain property" property that would produce short-term capital gain if sold by the individual.

<sup>4</sup> "Long-term capital gain property" property that would produce long-term capital gain if sold by the individual.

## Education & Health & Deductions

### 529 Plan Contributions (2023)

529 Plan Contributions per Individual	\$17,000
529 Plan Contributions per Couple	\$85,000
Accelerate 5 years of gifting into 1 year per individual	\$85,000
Per Couple	\$170,000

### Student Loan Interest Deduction

Phase-Out	2023	2022
Single Return	\$75,000 - \$90,000	\$70,000 - \$85,000
Joint Return	\$155,000 - 185,000	\$45,000 - \$175,000

The maximum deduction for student loan interest is \$2,500.

### American Opportunity Tax Credit (2023)

Maximum Credit	\$2,500
Phase-Out - Single	\$80,000 - \$90,000
Phase-Out - Joint	\$160,000 - \$180,000

### Lifetime Learning Credit (2023)

Maximum Credit	\$2,000
Phase-Out - Single	\$80,000 - \$90,000
Phase-Out - Joint	\$160,000 - \$180,000

### Phase-Out of U.S. Savings Bond Income (2023)

Phase-Out - Single	\$91,850 - \$106,850
Phase-Out - Joint	\$137,800 - \$167,800

### Coverdell Education Savings Account (2023)

Maximum Credit	\$2,000
Phase-Out - Single	\$95,000 - \$110,000
Phase-Out - Joint	\$190,000 - \$220,000

### Health Savings Accounts (Contribution Limits)

	2023	2022
Single	\$3,850	\$3,650
Family	\$7,750	\$7,300
Age 55+ Catch-up	\$1,000	\$1,000

### High Deductible Health Plans

Minimum Deductible - Single	\$1,500	\$1,400
Minimum Deductible - Family	\$3,000	\$2,800
Maximum Out of Pocket - Single	\$7,500	\$7,050
Maximum Out of Pocket - Family	\$15,000	\$14,100

### Deduction for Long-Term Care Insurance Premiums (2023)

Age	40 or Less	41 - 50	51 - 60	61 - 70	Over 70
2023	\$480	\$890	\$1,790	\$4,770	\$5,960
2022	\$450	\$850	\$1,690	\$4,520	\$5,640

### Child Tax Credit

- \$2,000 per "qualifying child" (who has not attained age 17 during the year); phased out as modified AGI exceeds \$400,000 (married/filing jointly) or \$200,000 (all other); \$1,600 per child is refundable
- \$500 nonrefundable credit for qualified dependents other than qualifying children (with some modified AGI phaseouts)

### Kiddie Tax

Earned income is taxed at single tax bracket rates.  
Unearned income in excess of \$2,500, taxed at child's parents rates.

### Deduction for Mortgage Interest

- Deduction on interest for qualifying mortgages up to \$750,000 (\$375,000 if married/filing separately); homes under agreement before 12/15/17 for purchase prior to 1/1/18 (provided purchase occurred by 4/1/18) grandfathered under previous \$1,000,000 (\$500,000 if married/filing separately) limits
- Interest on home equity lines of credit (HELOC) deductible in certain cases where proceeds are utilized to acquire or improve a residence

## Deductions

### Standard Deductions

	2023	2022
Single / Married Filing Separately	\$13,850	\$12,950
Married Filing Jointly	\$27,700	\$25,900
Head of Household	\$20,800	\$19,400

### Additional Deduction for Blind or Aged (over age 65)

Single or Head of Household	\$13,850	\$12,950
Married Filing Jointly or Separately	\$27,700	\$25,900

### Deduction for State & Local Taxes

Individuals may deduct state and local income (or sales) taxes and real and personal property taxes up to \$10,000 (\$5,000 if married filing separately) in the aggregate.

### AMT Exemptions

Single	\$81,300
Married Filing Jointly & Qualifying Widow(er)s	\$126,500

- Phases out beginning with alternative minimum taxable income over \$1,156,300 (married/filing jointly and qualifying widow(er)s) or \$578,150 (single filers); AMT ordinary income rate increases from 26% to 28% for alternative minimum taxable income over \$220,700 (single; married/filing jointly; and qualifying widow(er)s).

## Social Security

### Taxable Wage Base

	2023	2022
Social Security (OASDI)	\$160,200	\$147,000
Medicare (HI only)	No Limit	No Limit
Quarter of Coverage	\$1,510	\$1,470

### Retirement Earning Test

<b>Under full retirement age:</b>	\$21,240/\$1,770 (yr./mo.)	\$19,560/\$1,630 (yr./mo.)
<b>Year reaching full retirement age:</b>	\$56,520/\$4,710 (yr./mo.)	\$51,960/\$4,330 (yr./mo.)

Note: One dollar in benefits will be withheld for every \$2 in earnings above the limit  
Note: Applies only to earnings for months prior to attaining full retirement age.  
One dollar in benefits will be withheld for every \$3 in earnings above the limit

### Age to Receive Full Benefits

Year of birth	Full retirement age	% reduced at age 62
1943 - 1954	66	25.00%
1955	66 and 2 months	25.83%
1956	66 and 4 months	26.67%
1957	66 and 6 months	27.50%
1958	66 and 8 months	28.33%
1959	66 and 10 months	29.17%
1960	67	30.00%

### Delayed Retirement Credits

Year of Birth	Yearly Rate of Increase
1943 or later	8.00%

Accrues when you reach full retirement age until you start receiving benefits or reach age 70.

### Taxability of Benefits (Based on Provisional Income)

	Individual	Married Filing Jointly
Not taxable	Less than \$25,000	Less than \$32,000
Up to 50% taxable	\$25,000 - \$34,000	\$32,000 - \$44,000
Up to 85% taxable	Greater than \$34,000	Greater than \$44,000

Married Filing Separately, Up to 85% of benefits are taxable

$$\text{Provisional Income} = \text{Adjusted Gross Income} + \text{Nontaxable Income} + \frac{1}{2} \text{Social Security Benefit}$$

## Retirement Plans

### IRA & Roth IRA Annual Contribution Limit

	2023	2022
Contribution Limit	\$6,500	\$6,000
50+ Catch-up	\$1,000	\$1,000

### Traditional IRA Deductibility Phase-Out (Based on MAGI)

Participants in Employers Plans	2023	2022
Married Filing Jointly or Qualifying Widow(er)	\$116,000 - \$136,000	\$109,000 - \$129,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000
Single or Head of Household	\$73,000 - \$83,000	\$68,000 - \$78,000
Nonparticipant married to participant		
Married Filing Jointly	\$218,000 - \$228,000	\$204,000 - \$214,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000

### Roth IRA Phase-Out Based on MAGI

	2023	2022
Married Filing Jointly or Qualifying Widow(er)	\$218,000 - \$228,000	\$204,000 - \$214,000
Married Filing Separately and Lived w/ Spouse	\$0 - \$10,000	\$0 - \$10,000
Single or Head of Household, or Married Filing Separately and Lived Apart from Spouse	\$138,000 - \$153,000	\$129,000 - \$144,000

## Uniform Lifetime Table

Age	Life Expectancy Factor	% Account	Age	Life Expectancy Factor	% Account
72*	27.4	3.65	87	14.4	6.95
73	26.5	3.78	88	13.7	7.30
74	25.5	3.93	89	12.9	7.76
75	24.6	4.07	90	12.2	8.20
76	23.7	4.22	91	11.5	8.70
77	22.9	4.37	92	10.8	9.26
78	22.0	4.55	93	10.1	9.91
79	21.1	4.74	94	9.5	10.53
80	20.2	4.96	95	8.9	11.24
81	19.4	5.16	96	8.4	11.91
82	18.5	5.41	97	7.8	12.83
83	17.7	5.65	98	7.3	13.70
84	16.8	5.96	99	6.8	14.71
85	16.0	6.25	100	6.4	15.63
86	15.2	6.58	101	6.0	16.67

\*SECURE 2.0 ACT increased RMD age from 72 to 73 starting January 1, 2023

### Qualified Plans

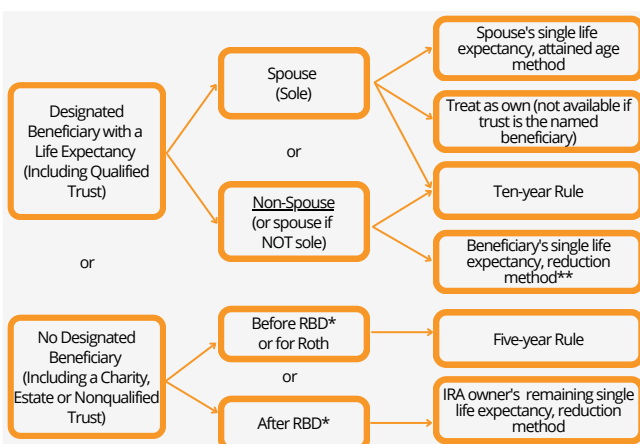
	2023	2022
401(k), 403(b), 457(b) salary deferral <sup>1</sup>	\$22,500	\$20,500
50+ Catch-up	\$7,500	\$6,500
SIMPLE IRA salary deferral amount	\$15,500	\$14,000
SIMPLE salary deferral 50+ Catch-up	\$3,500	\$3,000
Maximum annual additions in a defined contribution plan	\$66,000	\$61,000
Maximum annual benefit in defined benefit plan	\$265,000	\$245,000
Maximum compensation considered	\$330,000	\$305,000
Highly compensated employee	\$150,000	\$135,000
Key employee - Officer	\$215,000	\$200,000

<sup>1</sup> Special catch-up rules applies to certain 403(b) contributors with 15 or more years of service and governmental 457(b) participants in the last 3 years before retirement.

### SEP IRA & Simple IRA Contribution Limits

	2023	2022
Maximum annual additions to a SEP IRA	\$66,000	\$61,000
Maximum compensation considered for a SEP IRA	\$330,000	\$305,000
SIMPLE IRA salary deferral amount	\$15,500	\$14,000
50+ Catch-up	\$3,500	\$3,000

## IRA Beneficiary Options



\*RBD defined as "Required Beginning Date" (April 1 following the year a Traditional IRA or SIMPLE IRA holder reached age 72). Change in required beginning date (RBD) for required minimum distributions (RMDs) made pursuant to the terms of the SECURE Act, effective 1/1/2020.

\*\* Method only available if the non-spouse beneficiary is the minor child of the deceased IRA owner (until the child's age of majority), disabled, chronically ill or not more than 10 years younger than the deceased IRA owner.