

## Tax Brackets for 2023

Taxable income (i.e., income minus deductions and exemptions) between:

### Married, Joint<sup>1</sup>

\$0 - \$22,000	10%
\$22,001 - \$89,450	12%
\$89,451 - \$190,750	22%
\$190,751 - \$364,200	24%
\$364,201 - \$462,500	32%
\$462,501 - \$693,750	35%
Over \$693,750	37%

Capital gains/qualified dividends

\$0 - \$89,250	0%
\$89,251 - \$553,850	15%
Over \$553,850	20%

### Single<sup>1</sup>

\$0 - \$11,000	10%
\$11,001 - \$44,725	12%
\$44,726 - \$95,375	22%
\$95,376 - \$182,100	24%
\$182,101 - \$231,250	32%
\$231,251 - \$578,125	35%
Over \$578,125	37%

Capital gains/qualifications dividends

\$0 - \$44,625	0%
\$44,626 - \$492,300	15%
Over \$492,300	20%

### Married, Separate<sup>1</sup>

\$0 - \$11,000	10%
\$11,001 - \$44,725	12%
\$44,726 - \$95,375	22%
\$95,376 - \$182,100	24%
\$182,101 - \$231,250	32%
\$231,251 - \$346,875	35%
Over \$346,875	37%

Capital gains/qualifications dividends

\$0 - \$44,625	0%
\$44,626 - \$276,900	15%
Over \$276,900	20%

## Head of Household<sup>1</sup>

\$0 - \$15,700	10%
\$15,701 - \$59,850	12%
\$59,851 - \$95,350	22%
\$95,351 - \$182,100	24%
\$182,101 - \$231,250	32%
\$231,251 - \$578,100	35%
over \$578,100	37%

Capital gains/qualification dividends

\$0 - \$59,750	0%
\$59,751 - \$523,050	15%
Over \$523,050	20%

## Estates and Trusts<sup>1</sup>

\$0 - \$2,900	10%
\$2,901 - \$10,550	24%
\$10,551 - \$14,450	35%
over \$14,450	37%

Capital gains/qualification dividends

\$0 - \$3,000	0%
\$3,001 - \$14,650	15%
Over \$14,650	20%

## Corporate Tax Rate

	21%
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## Standard Deduction<sup>1</sup>

Married, joint	\$27,700
Single	\$13,850
Married, separate	\$13,850
Head of Household	\$20,800

Blind or over 65: add \$1,500 if married; \$1,850 if single or head of household

## Child/Dependent Tax Credit<sup>1,2</sup>

Child \$2,000 per child up to \$1,600 refundable	\$83,350
Qualifying Dependent per dependent, nonrefundable	\$500

## Mortgage Interest Deduction<sup>2</sup>

On acquisition or home improvement indebtedness up to \$750,000 incurred after 12/15/2017 for first or second home.

## State and Local Tax Deduction Limit<sup>3</sup>

State and local income and property tax deduction  
\$10,000  
\$5,000 if married filing separately

## IRA & Pension Plan Limits<sup>4</sup>

### IRA contribution

Under age 50	\$6,500
Age 50 and over	\$7,500

### Phaseout for deducting IRA contribution<sup>4</sup>

Married, joint	\$116,000 - \$136,000 AGI
Single, HOH <sup>a</sup>	\$73,000 - \$83,000 AGI
Married, separate	\$0 - \$10,000 AGI

### Phaseout for deducting spousal IRA<sup>b,4</sup>

\$218,000 - \$228,000 AGI
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### Phaseout of Roth contribution eligibility<sup>4</sup>

Married, joint	\$218,000 - \$228,000 MAGI
Single, HOH <sup>a</sup>	\$138,000 - \$153,000 MAGI
Married, separate	\$0 - \$10,000 MAGI

### SEP contribution<sup>4,5</sup>

Up to 25% of compensation, limit	\$66,000
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### Compensation to participate in SEP<sup>4</sup>

\$750
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### SIMPLE elective deferral<sup>4</sup>

Under age 50	\$15,500
Age 50 and over	\$19,000

### 401(k), 403(b)c, 457d and SARSEP elective deferral under age 50<sup>4</sup>

\$22,500
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### 401(k), 403(b)c, 457d and SARSEP elective deferral age 50 and over<sup>4</sup>

\$30,000
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### Annual defined contribution limit<sup>4</sup>

\$66,000
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### Annual defined benefit limit<sup>4</sup>

\$265,000
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### Highly compensated employee<sup>4</sup>

\$150,000
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### Key employee in top-heavy plan<sup>4</sup>

\$215,000
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### Annual compensation taken into account for qualified plans<sup>4</sup>

\$330,000
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### Retirement Tax Credit<sup>6</sup>

A percentage tax credit for an IRA, 401(k), 403(b)c or 457d plan contribution, in addition to deduction or exclusion, if

Married, joint	Below \$73,000 MAGI
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Head of Household	Below \$54,750 MAGI
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Single; Married, separate	Below \$36,500 MAGI
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### Maximum qualified longevity annuity contract (QLAC) premium<sup>4</sup>

\$155,000
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## Alternative Minimum Tax Exemption Amount<sup>1</sup>

Married, joint	\$126,500
Single, HOH <sup>a</sup>	\$81,300
Married, separate	\$63,250
Estates and Trusts	\$28,400

## Gift and Estate Tax<sup>1</sup>

Gift tax annual exclusion	\$17,000
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Estate and gift tax rate	40%
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Estate tax exemption	\$12,920,000
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Lifetime gift exemption	\$12,920,000
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GST exemption	\$12,920,000
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Annual exclusion for gifts to noncitizen spouse	\$175,000
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## Additional Medicare Tax Where Income Exceeds \$200,000 (\$250,000 married, joint)<sup>7</sup>

Additional tax on excess of earned income <sup>e</sup>	0.9%
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Additional tax on net investment income <sup>f</sup>	3.8%
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### Key

- a. Head of household.
- b. Assumes individual or spouse also participates in an employer-sponsored retirement plan.
- c. Special increased limit may apply to certain 403(b) contributions with 15 or more years of service.
- d. In last three years prior to year of retirement, 457 plan participant may be able to double elective deferral if needed to catch up on prior missed contributions, but if they do, they cannot use catch-up.
- e. Total employee Medicare tax is 1.45% + 0.9% = 2.35%
- f. Including interest, dividends, capital gains and annuity distributions.

## Health Care

### Eligible Long-Term Care Deduction Limit<sup>1</sup>

Age 40 or younger	\$480
Ages 41 to 50	\$890
Ages 51 to 60	\$1,790
Ages 61 to 70	\$4,770
Ages over 70	\$5,960

**Per Diem Limitation for LTC Benefits<sup>1</sup>** \$420

**Affordable Care Act:** The Tax Cuts and Jobs Act eliminated the individual mandate penalty.<sup>2</sup>

## Education

Coverdell Education Savings Account<sup>8</sup> \$2,000

Coverdell contribution eligibility phaseout  
 Married, joint \$190,000 - \$220,000  
 All others \$95,000 - \$110,000

Student loan interest deduction limit<sup>1</sup> \$2,500  
 Interest deduction is phased out  
 Married, joint \$155,000 - \$185,000 MAGI  
 All others \$75,000 - \$90,000 MAGI

Phaseout of Lifetime Learning Credits<sup>1,9</sup>  
 Married, joint \$160,000 - \$180,000  
 All others \$80,000 - \$90,000

Tax-free savings bonds interest phaseout  
 Married, joint \$137,800 - \$167,800 MAGI  
 All others \$91,850 - \$106,850 MAGI

## Social Security

Maximum wage base<sup>10</sup> \$160,200  
 Amount needed to earn one credit<sup>10,11</sup> \$1,640  
 Amount needed to earn four credits<sup>11</sup> \$6,560  
 Social Security Tax Rates<sup>10</sup>  
 Employee 7.65%  
 Employer 7.65%  
 Self-Employed 15.30%  
 Maximum monthly retirement<sup>10</sup>  
 Benefit at full retirement age \$3,627  
 Cost of Living Adjustment 8.7%

### Income (in retirement) causing Social Security benefits to be taxable<sup>12</sup>

Married, joint  
 Up to 50% taxable \$32,000 MAGI  
 Up to 85% taxable \$44,000 MAGI  
 Single  
 Up to 50% taxable \$25,000 MAGI  
 Up to 85% taxable \$34,000 MAGI

Income is most income including municipal bond interest but only 1/2 of Social Security.

### Earnings Limit and Benefit Reduction:<sup>10</sup>

In years prior to full retirement age, \$1 in benefits will be withheld for every \$2 of earnings in excess of \$21,240.  
 In the year of full retirement age, \$1 in benefits will be withheld for every \$3 of earnings in excess of \$56,520 (applies only to months of earnings prior to full retirement age).  
 There is no limit on earnings beginning the month an individual attains full retirement age.

### Average monthly benefit (December 2021)<sup>13</sup>

Average monthly retirement benefit  
 Men \$1,838  
 Women \$1,484  
 Average monthly survivor benefit  
 Men \$1,379  
 Women \$1,563

## Uniform Lifetime Table<sup>14</sup>

\*Below table effective as of Jan. 1, 2022. Use to calculate required minimum distributions from IRAs and qualified plans during owner's life. Do not use this table if owner has spousal beneficiary more than 10 years younger. Instead use Joint Life Table from IRS Pub. 590.

Taxpayer's Age	% of acct.	Life Expectancy
72	3.65	27.4
73	3.77	26.5
74	3.92	25.5
75	4.07	24.6
76	4.22	23.7
77	4.37	22.9
78	4.55	22.0
79	4.74	21.1
80	4.95	20.2
81	5.15	19.4
82	5.41	18.5
83	5.65	17.7
84	5.95	16.8
85	6.25	16.0
86	6.58	15.2
87	6.94	14.4
88	7.30	13.7
89	7.75	12.9
90	8.20	12.2
91	8.70	11.5
92	9.26	10.8
93	9.90	10.1
94	10.53	9.5
95	11.24	8.9
96	11.90	8.4
97	12.82	7.8
98	13.70	7.3
99	14.71	6.8
100	15.63	6.4
101	16.67	6.0
102	17.86	5.6
103	19.23	5.2
104	20.41	4.9
105	21.74	4.6
106	23.26	4.3
107	24.39	4.1
108	25.64	3.9
109	27.03	3.7
110	28.57	3.5
111	29.41	3.4
112	30.30	3.3
113	32.26	3.1
114	33.33	3.0
115+	34.48	2.9

## Single Life Table After IRA Owner's Death<sup>14</sup>

\*Below table effective as of Jan. 1, 2022. Use to calculate required minimum distributions from IRAs and qualified plans after owner's death. See IRS Pub. 590 for complete table of ages 0 through 111+.

Taxpayer's Age	% of acct.	Life Expectancy
39	2.14	46.7
40	2.19	45.7
41	2.23	44.8
42	2.28	43.8
43	2.33	42.9
44	2.39	41.9
45	2.44	41.0
46	2.50	40.0
47	2.56	39.0
48	2.62	38.1
49	2.70	37.1
50	2.76	36.2
51	2.83	35.3
52	2.92	34.3
53	2.99	33.4
54	3.08	32.5
55	3.16	31.6
56	3.27	30.6
57	3.36	29.8
58	3.46	28.9
59	3.57	28.0
60	3.69	27.1
61	3.82	26.2
62	3.94	25.4
63	4.08	24.5
64	4.22	23.7
65	4.37	22.9
66	4.55	22.0
67	4.72	21.2
68	4.90	20.4
69	5.10	19.6
70	5.32	18.8
71	5.56	18.0
72	5.81	17.2
73	6.10	16.4
74	6.41	15.6
75	6.76	14.8
76	7.09	14.1
77	7.52	13.3
78	7.94	12.6
79	8.40	11.9
80	8.93	11.2
81	9.52	10.5
82	10.10	9.9
83	10.75	9.3
84	11.49	8.7
85	12.35	8.1
86	13.16	7.6

## Sources

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