



Tax Facts and Figures

Business Expenses

2023 Standard Mileage Rate Per Mile Business	65.5¢
Medical and moving*	22.0¢
Charitable	14.0¢
Depreciation	28.0¢

Section 179 Expense Limits

Regular 179 limits	\$1,160,000
SUV limits	\$28,900
Investment phaseout begins	\$2,890,000

2023 Standard Deduction for Meals—High Low Method (Per Day)

High cost localities	\$74
All other localities	\$64
Transportation workers	\$69

Qualified Transportation Benefits (exclusion from income allowed, but no employer deduction)

Commuter benefits (per month)	\$300
Parking benefits (per month)	\$300

*The moving expense deduction is available only to active duty military servicemembers pursuant to a permanent change of station (PCS) order.

2023 Retirement Plan Limits

401(k)/403(b) Deferral Limits

Under age 50	\$22,500
Age 50 and over	\$30,000

IRA Contribution Limits

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

IRA Deduction Phaseout Range if Covered by Employer Plan

MFJ	\$116,000–\$136,000
Spouse not covered	\$218,000–\$228,000
Single, HOH	\$73,000–\$83,000
MFS	\$0–\$10,000

Roth IRA Phaseout Range

MFJ	\$218,000–\$228,000
Single, HOH	\$138,000–\$153,000
MFS	\$0–\$10,000

SIMPLE Deferral Limits

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

Qualified Retirement Plans

Profit sharing/SEP limits	25%/66,000
Defined benefit plan limits	\$265,000
Compensation limits	\$330,000

Education Tax Benefits

American Opportunity Credit

MFJ phaseout	\$160,000–\$180,000
Single, HOH phaseout	\$80,000–\$90,000
Maximum credit	\$2,500 per student
Up to 40% (\$1,000) may be refundable	

Lifetime Learning Credit

MFJ phaseout	\$160,000–\$180,000
Single, HOH phaseout	\$80,000–\$90,000
Maximum credit	\$2,000 per return

Education Savings Account (ESA)

MFJ phaseout	\$190,000–\$220,000
All others	\$95,000–\$110,000
Annual contribution limit	\$2,000 per beneficiary

Student Loan Interest Deduction

MFJ phaseout	\$155,000–\$185,000
Single, HOH phaseout	\$75,000–\$90,000
Maximum deduction	\$2,500 per return

U.S. Savings Bonds Interest Exclusion

MFJ phaseout	\$137,800–\$167,800
Single, HOH phaseout	\$91,850–\$106,850

Qualified Tuition Plans (529 plans)

- Distributions for qualifying expenses for college students or apprentices are not taxable.
- Distributions up to \$10,000 per student are allowed for tuition expenses for a public, private, or religious elementary or secondary school.
- Cumulative distributions up to \$10,000 per beneficiary and sibling for qualified education debt.

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2023 Tax Rates: Capital Gain and Dividend Income

If income is...	Maximum tax rate %	If asset is held...
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days
Taxable Income		
Single	0%	\$0 to \$44,625
MFJ/QSS		\$0 to \$89,250
MFS		\$0 to \$44,625
HOH		\$0 to \$59,750
Estates and Trusts		\$0 to \$3,000
Taxable Income		
Single	15%	\$44,626 to \$492,300
MFJ/QSS		\$89,251 to \$553,850
MFS		\$44,626 to \$276,900
HOH		\$59,751 to \$523,050
Estates and Trusts		\$3,001 to \$14,650
Taxable Income		
Single	20%	\$492,301 and over
MFJ/QSS		\$553,851 and over
MFS		\$276,901 and over
HOH		\$523,051 and over
Estates and Trusts		\$14,651 and over
Short-term capital gain	37%	1 year or less
Ordinary dividend income	37%	60 days or less

Net Investment Income Tax (NIIT)

3.8% additional tax on investment income if MAGI above threshold amount

Filing status	Single, HOH	MFJ, QW	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

2023 Qualified Business Income Deduction Thresholds

MFJ: \$364,200	MFS: \$182,100	Single, HOH, QSS: \$182,100
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Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 73.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.