

## Retirement & Social Security

### RETIREMENT EARNINGS

Under full retirement age	\$19,560
Full retirement age reached	No limit

*If full retirement age is reached in 2022, the limit is \$19,560 for months prior to attainment.*

### SOCIAL SECURITY

2022 Taxable Wage Base	\$147,000
2023 Taxable Wage Base	\$160,200

### RETIREMENT PLANS

Individual Retirement Account (IRA)	\$6,000
- Age 50+ Additional Contribution	\$1,000
401(k) Plans	\$20,500
- Age 50+ Additional Contribution	\$6,500

## Investments

### Capital gain and dividend tax rates

<b>Short-term capital gain rates</b> (capital asset held one year or less):	same as ordinary income, rates up to 37%
--	--

### General long-term capital gain rates

(capital asset held more than one year):

#### Taxpayers

in the 10% and 12% tax brackets	0%
in the 22%, 24%, 32% and 35% tax brackets	15%
in the 37% tax bracket	20%

### Maximum long-term capital gain rate

from the sale of real estate with unrecaptured depreciation (often referred to as unrecaptured Section 1250 property)	25%
---	-----

### Long-term capital gain rate for collectibles and certain small business stock

	28%
--	-----

### Qualified dividend income tax rates for taxpayers:

in the 10% and 12% tax brackets	0%
in the 22%, 24%, 32% and 35% tax brackets	15%
in the 37% tax bracket	20%

## Estate and Gift Taxes

For 2022, the top estate and gift tax rate is 37%. Estate tax and lifetime gift exemption amount is \$12,060,000. The annual gift tax exclusion is \$16,000 of an individual gift.

For 2023, the exemption amount increased to \$12,920,000, with \$17,000 as the annual exclusion.

## College Savings Incentives

### SECTION 529 PLANS

No federal tax need to be paid on the income earned on amounts accumulated in a state-sponsored Section 529 plan. When withdrawals are made and used for qualified education expenses (college or up to \$10,000 of elementary or secondary school expenses), they won't be taxed either.

### COVERDELL EDUCATION SAVINGS ACCOUNTS (CESAs)

You can contribute up to \$2,000 a year per child to a CESA. Earnings grow tax-free as long as withdrawals are used for qualified education expenses. Eligibility to contribute the full amount phases out between a modified adjusted gross income (MAGI) of \$95,000 and \$110,000 (singles), between \$190,000 and \$220,000 (married filing jointly).

### AMERICAN OPPORTUNITY TAX CREDIT

The maximum American Opportunity Tax Credit is 100% of the first \$2,000 and 25% for the next \$2,000 of qualified tuition and related expenses. The credit phases out at MAGI of \$160,000-\$180,000 for marrieds filing jointly (\$80,000-\$90,000 for singles).

### LIFETIME LEARNING CREDIT

20% of first \$10,000 of qualified tuition and related expenses (max. \$2,000) per tax return. The credit phaseout at modified adjusted gross income ranges from \$80,000-\$90,000 (single, head of household) and \$160,000-\$180,000 (married filing jointly).

### US SAVINGS BONDS INCOME EXCLUSION

For 2022 the income from certain US Savings Bonds used to pay qualified higher-education expenses may be excluded from tax. Eligibility for the exclusion phases out from \$128,650 to \$158,650 for marrieds filing jointly, \$85,800 and \$100,800 for all other returns.

### INTEREST DEDUCTION FOR EDUCATION LOANS

A tax deduction is available for up to \$2,500 in qualified education loan interest. Eligibility for the deduction phases out between MAGI of more than \$70,000 and \$85,000 (singles), between \$145,000 and \$175,000 (marrieds filing jointly).



## 2022-23 REFERENCE GUIDE

### 2022 Tax Rates

#### Retirement and Social Security

#### Affordable Care Act Taxes

#### Investments

#### College Savings Incentives

*Please note that this guide is intended for informational purposes only and does not constitute legal, accounting or other professional advice and assume no liability in connection with its use.*

2022 INCOME TAX RATES

Married individuals filing jointly or Qualifying Widow(er)

If taxable income is:	The tax is:
Not over \$22,000	10% of the taxable income
Over \$22,000 but not over \$89,450	\$2,200 plus 12% of the excess over \$22,000
Over \$89,450 but not over \$190,750	\$10,204 plus 22% of the excess over \$89,450
Over \$190,750 but not over \$364,200	\$32,580 plus 24% of the excess over \$190,750
Over \$364,200 but not over \$462,500	\$74,208 plus 32% of the excess over \$364,200
Over \$462,500 but not over \$693,750	\$105,664 plus 35% of the excess over \$462,500
Over \$693,750	\$186,601.50 plus 37% of the excess over \$693,750

Single

If taxable income is:	The tax is:
Not over \$11,000	10% of the taxable income
Over \$11,000 but not over \$44,725	\$1,100 plus 12% of the excess over \$11,000
Over \$44,725 but not over \$95,375	\$5,147 plus 22% of the excess over \$44,725
Over \$95,375 but not over \$182,100	\$16,290 plus 24% of the excess over \$95,375
Over \$182,100 but not over \$231,250	\$37,104 plus 32% of the excess over \$182,100
Over \$231,250 but not over \$578,125	\$52,832 plus 35% of the excess over \$231,250
Over \$578,125	\$174,238.25 plus 37% of the excess over \$578,125

Married filing separately

If taxable income is:	The tax is:
Not over \$11,000	10% of the taxable income
Over \$11,000 but not over \$44,725	\$1,100 plus 12% of the excess over \$11,000
Over \$44,725 but not over \$95,375	\$5,147 plus 22% of the excess over \$44,725
Over \$95,375 but not over \$182,100	\$16,290 plus 24% of the excess over \$95,375
Over \$182,100 but not over \$231,250	\$37,104 plus 32% of the excess over \$182,100
Over \$231,250 but not over \$346,875	\$52,892 plus 35% of the excess over \$231,250
Over \$346,875	\$93,300.75 plus 37% of the excess over \$346,875

Head of Household

If taxable income is:	The tax is:
Not over \$15,700	10% of the taxable income
Over \$15,700 but not over \$59,850	\$1,570 plus 12% of the excess over \$15,700
Over \$59,850 but not over \$95,350	\$6,868 plus 22% of the excess over \$59,850
Over \$95,350 but not over \$182,100	\$14,678 plus 24% of the excess over \$95,350
Over \$182,100 but not over \$231,250	\$35,498 plus 32% of the excess over \$182,100
Over \$231,250 but not over \$578,100	\$51,226 plus 35% of the excess over \$231,100
Over \$578,100	\$172,623.50 plus 37% of the excess over \$578,100

BUSINESS

Standard Mileage Rates

USE	2022	2023	
Business	62.5c per mile*	65.5c per mile	*A 0.3c increase from 58.5c rate applied during the second half of 2022
Moving	18c per mile**~	22c per mile~	**A 0.4c increase from 18c rate applied during the second half of 2022
Medical	18c per mile**	22c per mile	
Charitable	14c per mile	14c per mile	~For certain members of the US Armed Forces

STANDARD DEDUCTION

	2022	2023
Married filing jointly	\$25,900	\$27,700
Singles	\$12,950	\$13,850
Married filing separately	\$12,950	\$13,850
Head of household	\$19,400	20,800

ADDITIONAL STANDARD DEDUCTIONS

	2022	2023
At least age 65 and single	\$1,750	\$1,850
At least 65 and married	\$1,400	\$1,500
Married, both over 65	\$2,800	\$3,000
Single and blind	\$1,750	\$1,850
Married and blind	\$1,400	\$1,500

HEALTH SAVINGS ACCOUNTS

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

Affordable Care Act (ACA) Taxes

ADDITIONAL MEDICARE TAX	0.9% tax on wages and self-employment income over:
Married filing jointly	\$250,000
Singles	\$200,000
Married filing separately	\$125,000

NET INVESTMENT INCOME TAX	Additional 3.8% tax on net investment income if Modified Adjusted Gross Income exceeds:
Married filing jointly	\$250,000
Singles	\$200,000
Married filing separately	\$125,000
Head of Household	\$200,000
Qualifying Widow(er)	\$250,000

Section 179 Expense

	2023	2022
Maximum expense election	\$1,160,00	\$1,080,00
Phaseout threshold	\$2,890,000	\$2,700,000