

Quickfinder®
Handbook

2019 Key Amounts	
Standard Deduction	Earned Income Credit (Maximum)
MFJ or QW ¹ \$ 24,400	No children \$ 529
Single ² 12,200	1 child 3,526
HOH ² 18,350	2 children 5,828
MFS ¹ 12,200	>2 children 6,557
Dependent ² 1,100 ³	Investment income limit 3,600
Kiddie Tax Threshold	IRA Contribution Limits
\$2,200	< age 50 \$ 6,000
Gift Tax Annual Exclusion	≥ age 50 7,000
\$15,000	
Estate and Gift Tax Exclusion	Elective Deferral Limits
\$11,400,000 ⁴	SIMPLE IRA Plan
Personal Exemption	< age 50 \$ 13,000
\$0	≥ age 50 16,000
Standard Mileage Rates	401(k), 403(b), and 457 Plans
Business 58¢	< age 50 \$ 19,000
Medical/moving 20¢	≥ age 50 25,000
Charitable 14¢	
Profit-Sharing Plan/SEP	
Contribution limit \$ 56,000	
Compensation limit ⁵ 280,000	
Health Savings Accounts (HSAs)	
Self-only coverage	Contribution (deduction) limit \$ 3,500
	Plan minimum deductible 1,350
	Plan out-of-pocket limit 6,750
Family coverage	Contribution (deduction) limit \$ 7,000
	Plan minimum deductible 2,700
	Plan out-of-pocket limit 13,500
Additional contribution amount if age 55 or older \$ 1,000	

¹ Add \$1,300 for age 65 or older or blind, each.
² Add \$1,650 for age 65 or older or blind, each.
³ If greater, amount of earned income plus \$350 (but not to exceed \$12,200).
⁴ Plus the amount of any deceased spousal unused exclusion and/or any restored exclusion related to lifetime gifts to a same-sex spouse.
⁵ For computing employer contributions.

2019 Quick Tax Method					
MFJ or QW Taxable Income					
\$ 0 - \$ 19,400	x	10%	minus	\$ 0.00	= Tax
19,401 - 78,950	x	12	minus	388.00	= Tax
78,951 - 168,400	x	22	minus	8,283.00	= Tax
168,401 - 321,450	x	24	minus	11,651.00	= Tax
321,451 - 408,200	x	32	minus	37,367.00	= Tax
408,201 - 612,350	x	35	minus	49,613.00	= Tax
612,351 and over	x	37	minus	61,860.00	= Tax
Single Taxable Income					
\$ 0 - \$ 9,700	x	10%	minus	\$ 0.00	= Tax
9,701 - 39,475	x	12	minus	194.00	= Tax
39,476 - 84,200	x	22	minus	4,141.50	= Tax
84,201 - 160,725	x	24	minus	5,825.50	= Tax
160,726 - 204,100	x	32	minus	18,683.50	= Tax
204,101 - 510,300	x	35	minus	24,806.50	= Tax
510,301 and over	x	37	minus	35,012.50	= Tax
HOH Taxable Income					
\$ 0 - \$ 13,850	x	10%	minus	\$ 0.00	= Tax
13,851 - 52,850	x	12	minus	277.00	= Tax
52,851 - 84,200	x	22	minus	5,562.00	= Tax
84,201 - 160,700	x	24	minus	7,246.00	= Tax
160,701 - 204,100	x	32	minus	20,102.00	= Tax
204,101 - 510,300	x	35	minus	26,225.00	= Tax
510,301 and over	x	37	minus	36,431.00	= Tax
MFS Taxable Income					
\$ 0 - \$ 9,700	x	10%	minus	\$ 0.00	= Tax
9,701 - 39,475	x	12	minus	194.00	= Tax
39,476 - 84,200	x	22	minus	4,141.50	= Tax
84,201 - 160,725	x	24	minus	5,825.50	= Tax
160,726 - 204,100	x	32	minus	18,683.50	= Tax
204,101 - 306,175	x	35	minus	24,806.50	= Tax
306,176 and over	x	37	minus	30,930.00	= Tax

Note: Assumes taxable income is all ordinary income. High-income taxpayers may also be subject to the 3.8% tax on net investment income and/or the 0.9% additional Medicare tax on earned income. **Caution:** IRS Tax Tables must be used for taxable income under \$100,000. To calculate the exact tax using the Quick Tax Method for taxable income under \$100,000, round taxable income to the nearest \$25 or \$75 increment before using the formula. Round \$50 or \$100 increments up.

2019 AGI Phase-Out Amounts/Ranges									
Filing Status	Tuition and Fees Deduction ¹	Student Loan Interest Deduction	Education Savings Bond Interest Exclusion	Lifetime Learning Credit	American Opportunity Credit	Education Savings Account (ESA)			
MFJ	\$130,000 / \$160,000	\$140,000 - \$170,000	\$121,600 - \$151,600	\$116,000 - \$136,000	\$160,000 - \$180,000	\$190,000 - \$220,000			
QW	65,000 / 80,000	70,000 - 85,000	121,600 - 151,600	58,000 - 68,000	80,000 - 90,000	95,000 - 110,000			
Single	65,000 / 80,000	70,000 - 85,000	81,100 - 96,100	58,000 - 68,000	80,000 - 90,000	95,000 - 110,000			
HOH	65,000 / 80,000	70,000 - 85,000	81,100 - 96,100	58,000 - 68,000	80,000 - 90,000	95,000 - 110,000			
MFS	Do Not Qualify	Do Not Qualify	Do Not Qualify	Do Not Qualify	Do Not Qualify	95,000 - 110,000			
	Child Tax Credit ²	Saver's Credit ³	Earned Income Credit ³		Traditional IRA Deduction ⁴	Roth IRA Contribution	Passive Loss in Active Rental Real Estate		
			No Child	1 Child	2 Children	>2 Children			
MFJ	\$400,000	\$ 64,000	\$ 21,370	\$ 46,884	\$ 52,493	\$ 55,952	\$103,000 - \$123,000	\$193,000 - \$203,000	\$100,000 - \$150,000
QW	200,000	32,000	15,570	41,094	46,703	50,162	103,000 - 123,000	193,000 - 203,000	100,000 - 150,000
Single	200,000	32,000	15,570	41,094	46,703	50,162	64,000 - 74,000	122,000 - 137,000	100,000 - 150,000
HOH	200,000	48,000	15,570	41,094	46,703	50,162	64,000 - 74,000	122,000 - 137,000	100,000 - 150,000
MFS	200,000	32,000	Do Not Qualify				0 ⁵ - 10,000	0 ⁵ - 10,000	50,000 - 75,000

¹ **Expired Provision Alert:** The tuition and fees deduction expired at the end of 2017. It is not available unless Congress enacts legislation extending it.
² Amount at which phase-out begins.
³ Amount at which phase-out is complete.
⁴ Phase-out that applies if taxpayer is covered by an employer retirement plan. For MFJ, phase-out range for non-covered spouse is \$193,000-\$203,000.
⁵ Married individuals filing MFS who live apart at all times during the year are treated as single.

U.S. Design Patent No. D811,476

1040 Quickfinder® Handbook

© 2019 Thomson Reuters/Tax & Accounting. Thomson Reuters, Checkpoint, Quickfinder, and the Kinesis logo are trademarks of Thomson Reuters and its affiliated companies.

The Quickfinder cover design is patented by Thomson Reuters and its affiliated companies (U.S. Design Patent No. D811,476).

ISSN 1945-3035

ISBN 978-0-7646-8441-8

P.O. Box 115008

Carrollton, TX 75011-5008

Phone 800-510-8997 • Fax 888-286-9070

tax.thomsonreuters.com



The 1040 Quickfinder® Handbook is published by Thomson Reuters. Reproduction is prohibited without written permission of the publisher. Not assignable without consent.

The 1040 Quickfinder® Handbook is to be used as a first-source, quick reference to basic tax principles used in preparing individual income tax returns. The focus of this handbook is to present often-needed reference information in a concise, easy-to-use format. The summaries, highlights, tax tips, and other information included herein are intended to apply to the average individual taxpayer only. Information included is general in nature and we acknowledge the existence of many exceptions in the area of income tax. The information this handbook contains has been carefully compiled from sources believed to be reliable, but its accuracy is not guaranteed. The author/publisher is not engaged in rendering legal, accounting, or other advice and will not be held liable for any actions or suit based on this handbook. For further information regarding a specific situation, see applicable IRS publications, rulings, regulations, court cases, and Code sections. This handbook is not intended to be used as your only reference source.

QBI Deduction—Taxable Income Thresholds (2019)

Taxable income before QBI deduction			Qualified trade or business	Specified service trade or business
Single, HOH	MFS	MFJ		
\$0–160,700	\$0–160,725	\$0–321,400	20% deduction ¹	20% deduction ¹
\$160,701–210,700	\$160,726–210,725	\$321,401–421,400	Wage/investment limit phases in	Wage/investment limit and SSTB limit phase in
Over \$210,700	Over \$210,725	Over \$421,400	Subject to wage/investment limit	No deduction

¹ 20% deduction is limited to 20% of taxable income (excluding net capital gain).

Social Security Key Amounts

	2020	2019
Maximum earnings subject to tax		
Social security tax	\$ 137,700	\$ 132,900
Medicare tax	No Limit	No Limit
Maximum earnings and still receive full benefits		
Under full retirement age (FRA) at year-end	\$ 18,240	\$ 17,640
Year FRA reached (months up to FRA only)	48,600	46,920
Month FRA reached and later	No Limit	No Limit

Updates, Comments, and Suggestions

For supplemental information to the material in this handbook, or for product content questions and comments, please refer to the *Handbook Updates* or *Content Questions* section of our website: tax.thomsonreuters.com/quickfinder.

2019 Itemized Deductions

Medical expenses	Deductible ¹
State and local taxes	Deductible ²
Mortgage interest	Deductible ³
Home equity interest	Not Allowed ⁴
Investment interest	Deductible
Charitable contributions	Deductible ⁵
Casualty and theft losses	Not Allowed ⁶
Miscellaneous deductions—2% limit	Not Allowed
Overall limit on itemized deductions	Does Not Apply

¹ 10% AGI limit applies.

² Overall \$10,000 deduction limit applies (\$5,000 MFS).

³ \$750,000 debt limit for mortgages after December 15, 2017 (\$375,000 MFS).

⁴ Allowed if debt is for residence acquisition, construction, or substantial improvement.

⁵ 60% AGI limit for certain cash donations; donations for college stadium seating rights deduction disallowed.

⁶ Allowed for federally-declared disasters.

Tax Rules By Age for 2019

Age	Rule
13	Cannot claim a child care credit for children age 13 or older.
17	Cannot claim \$2,000 child tax credit for children age 17 or older.
18	<ul style="list-style-type: none"> Children working for parents' unincorporated business subject to FICA. Generally cannot contribute to an ESA for children age 18 or older. Adoption credit/exclusion generally unavailable for children age 18 or older. Qualifies for saver's credit (if not a dependent or a full-time student). Kiddie tax doesn't apply if child's earned income > than half his support.
19	<ul style="list-style-type: none"> Claiming children who are not full-time students as dependents expires. Kiddie tax generally no longer applies except to full-time students.
21	Children working for parents' unincorporated business subject to FUTA.
24	<ul style="list-style-type: none"> Claiming children who are full-time-students as dependents expires. Can purchase savings bonds and exclude income used for education. Kiddie tax no longer applies.
25	Taxpayers with no children qualify for EIC.
27	Income exclusion for health insurance coverage and self-employed health insurance deduction for coverage of children age 26 and younger expires.
30	Generally must distribute ESA when beneficiary reaches age 30.
50	<ul style="list-style-type: none"> Eligible for catch-up contributions to IRAs, SIMPLE-IRAs, and 401(k), 403(b), and 457 plans. Qualified public safety employees eligible for penalty-free withdrawals from a governmental defined benefit pension plan, if retired.
55	<ul style="list-style-type: none"> Eligible for penalty-free withdrawal from employer retirement plan (but not an IRA) if separated from service. Eligible for catch-up contributions to HSAs.
59½	<ul style="list-style-type: none"> Penalty for early withdrawal from retirement accounts expires. Roth IRA distributions are tax-free (if any Roth held for at least five years).
65	<ul style="list-style-type: none"> Non-itemizers become eligible for a higher standard deduction. Taxpayers with no children no longer qualify for EIC. HSA and MSA withdrawals not used for medical costs are taxed but no longer subject to a 20% penalty. Eligible for credit for the elderly.
70½	<ul style="list-style-type: none"> Contributions no longer allowed to traditional IRAs. RMDs from retirement plans (other than Roth IRAs) must begin.

2020 Quick Tax Method

At the time of publication, the IRS had not released 2020 tax bracket amounts. When they become available, the 2020 Form 1040 Quick Tax Method will be posted to the *Handbook Updates* section of our website: tax.thomsonreuters.com/quickfinder.

Key 2020 Tax Dates	2020				2021				
<p>Note: Dates are for 2019 calendar year taxpayers unless otherwise indicated.</p> <p>January 15—Individuals, Estates, and Trusts: Pay 4th installment of estimated (ES) tax. 31—Furnish Forms 1098 and 1099 to recipients and Forms W-2 to employees. File Form W-3 with Copy A of Forms W-2. File Form 1096 with Forms 1099-MISC reporting nonemployee compensation in box 7.</p> <p>February 18—Furnish Forms 1099-B and 1099-S, and Forms 1099-MISC reporting certain amounts in box 8 or 14, to recipients. 28—File Form 1096 with information returns, including Forms 1098 and certain Forms 1099. File Form 8027.</p> <p>March 16—S Corps: File Form 1120S or Form 7004 for six-month extension. 16—Partnerships: File Form 1065 or Form 7004 for six-month extension. 31—E-file Forms 1098 and 8027 and certain Forms 1099.</p> <p>April 15—Individuals: File Form 1040 or Form 4868 for six-month extension. Pay 1st installment of 2020 ES tax. 15—Corps: File Form 1120 or Form 7004 for six-month extension. Deposit 1st installment of 2020 ES tax. 15—Estates and Trusts: File Form 1041 or Form 7004 for 5½-month extension. Pay 1st installment of 2020 ES tax.</p> <p>May 15—Exempt Orgs: File Form 990/990-EZ or Form 8868 for six-month extension.</p> <p>June 15—Individuals living outside the U.S.: File Form 1040, or extend. 15—Individuals, Estates, and Trusts: Pay 2nd installment of 2020 ES tax. 15—Corps: Deposit 2nd installment of 2020 ES tax.</p> <p>July 31—Employee Benefit Plans: File Form 5500/5500-EZ or Form 5558 for 2½-month extension.</p> <p>September 15—Individuals, Estates, and Trusts: Pay 3rd installment of 2020 ES tax. 15—Partnerships: File Form 1065 if extended. 15—S Corps: File Form 1120S if extended. 15—Corps: Deposit 3rd installment of 2020 ES tax. 30—Estates and Trusts: File Form 1041 if extended.</p> <p>October 15—Individuals: File Form 1040 if extended. 15—Employee Benefit Plans: File Form 5500/5500-EZ if extended. 15—Corps: File Form 1120 if extended.</p> <p>November 16—Exempt Orgs: File Form 990/990-EZ if extended.</p> <p>December 15—Corps: Deposit 4th installment of 2020 ES tax.</p>	January	July	January	July	January	July	January	July	
	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11
	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18
	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25
	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31

Complete Your Quickfinder Library Today!

Quickfinder® Handbooks are available in print and ProView eBooks (online and offline) formats.

Tax Preparation

- 1040 Quickfinder® Handbook
- Small Business Quickfinder® Handbook
- Premium Quickfinder® Handbook
- All States Quickfinder® Handbook
- Individuals—Special Tax Situations Quickfinder® Handbook
- Depreciation Quickfinder® Handbook

Current Developments

- Quickfinder® Tax Tips Newsletter

Tax Planning and Personal Finance

- Health Care Reform Quickfinder® Handbook
- IRA and Retirement Plan Quickfinder® Handbook
- Social Security and Medicare Quickfinder® Handbook
- Tax Planning for Individuals Quickfinder® Handbook

Other Tax Resources

- Tax Tables for Individual or Business Returns

Check out Thomson Reuters Live Learning CPE Products at cl.tr.com.

Quickfinder® Handbooks—the original tax quick reference resource since 1973!