

2022 Federal Tax Key Facts and Figures

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INCOME TAXES

| 2021 | | | |
|-----------------------------------|-------------------|------------------|--------------------|
| If Taxable Income Is: | | | |
| Over | But Not More Than | The Tax Is | Of the Amount Over |
| Married Filing Jointly: | | | |
| \$0 | \$19,900 | \$0 + 10% | \$0 |
| 19,900 | 81,050 | 1,990.00 + 12% | 19,900 |
| 81,050 | 172,750 | 9,328.00 + 22% | 81,050 |
| 172,750 | 329,850 | 29,502.00 + 24% | 172,750 |
| 329,850 | 418,850 | 67,206.00 + 32% | 329,850 |
| 418,850 | 628,300 | 95,686.00 + 35% | 418,850 |
| 628,300 | | 168,993.50 + 37% | 628,300 |
| Married Filing Separately: | | | |
| \$0 | \$9,950 | \$0 + 10% | \$0 |
| 9,950 | 40,525 | 995.00 + 12% | 9,950 |
| 40,525 | 86,375 | 4,664.00 + 22% | 40,525 |
| 86,375 | 164,925 | 14,751.00 + 24% | 86,375 |
| 164,925 | 209,425 | 33,603.00 + 32% | 164,925 |
| 209,425 | 314,150 | 47,843.00 + 35% | 209,425 |
| 314,150 | | 84,496.75 + 37% | 314,150 |
| Head of Household: | | | |
| \$0 | \$14,200 | \$0 + 10% | \$0 |
| 14,200 | 54,200 | 1,420.00 + 12% | 14,200 |
| 54,200 | 86,350 | 6,220.00 + 22% | 54,200 |
| 86,350 | 164,900 | 13,293.00 + 24% | 86,350 |
| 164,900 | 209,400 | 32,145.00 + 32% | 164,900 |
| 209,400 | 523,600 | 46,385.00 + 35% | 209,400 |
| 523,600 | | 156,355.00 + 37% | 523,600 |
| Single: | | | |
| \$0 | \$9,950 | \$0 + 10% | \$0 |
| 9,950 | 40,525 | 995.00 + 12% | 9,950 |
| 40,525 | 86,375 | 4,664.00 + 22% | 40,525 |
| 86,375 | 164,925 | 14,751.00 + 24% | 86,375 |
| 164,925 | 209,425 | 33,603.00 + 32% | 164,925 |
| 209,425 | 523,600 | 47,843.00 + 35% | 209,425 |
| 523,600 | | 157,804.25 + 37% | 523,600 |
| Estates and Trusts: | | | |
| \$0 | \$2,650 | \$0 + 10% | \$0 |
| 2,650 | 9,550 | 265.00 + 24% | 2,650 |
| 9,550 | 13,050 | 1,921.00 + 35% | 9,550 |
| 13,050 | | 3,146.00 + 37% | 13,050 |

| 2022 | | | |
|-----------------------------------|-------------------|------------------|--------------------|
| If Taxable Income Is: | | | |
| Over | But Not More Than | The Tax Is | Of the Amount Over |
| Married Filing Jointly: | | | |
| \$0 | \$20,550 | \$0 + 10% | \$0 |
| 20,550 | 83,550 | 2,055.00 + 12% | 20,550 |
| 83,550 | 178,150 | 9,615.00 + 22% | 83,550 |
| 178,150 | 340,100 | 30,427.00 + 24% | 178,150 |
| 340,100 | 431,900 | 69,295.00 + 32% | 340,100 |
| 431,900 | 647,850 | 98,671.00 + 35% | 431,900 |
| 647,850 | | 174,253.50 + 37% | 647,850 |
| Married Filing Separately: | | | |
| \$0 | \$10,275 | \$0 + 10% | \$0 |
| 10,275 | 41,775 | 1,027.50 + 12% | 10,275 |
| 41,775 | 89,075 | 4,807.50 + 22% | 41,775 |
| 89,075 | 170,050 | 15,213.50 + 24% | 89,075 |
| 170,050 | 215,950 | 34,647.50 + 32% | 170,050 |
| 215,950 | 323,925 | 49,335.50 + 35% | 215,950 |
| 323,925 | | 87,126.75 + 37% | 323,925 |
| Head of Household: | | | |
| \$0 | \$14,650 | \$0 + 10% | \$0 |
| 14,650 | 55,900 | 1,465.00 + 12% | 14,650 |
| 55,900 | 89,050 | 6,415.00 + 22% | 55,900 |
| 89,050 | 170,050 | 13,708.00 + 24% | 89,050 |
| 170,050 | 215,950 | 33,148.00 + 32% | 170,050 |
| 215,950 | 539,900 | 47,836.00 + 35% | 215,950 |
| 539,900 | | 161,218.50 + 37% | 539,900 |
| Single: | | | |
| \$0 | \$10,275 | \$0 + 10% | \$0 |
| 10,275 | 41,775 | 1,027.50 + 12% | 10,275 |
| 41,775 | 89,075 | 4,807.50 + 22% | 41,775 |
| 89,075 | 170,050 | 15,213.50 + 24% | 89,075 |
| 170,050 | 215,950 | 34,647.50 + 32% | 170,050 |
| 215,950 | 539,900 | 49,335.50 + 35% | 215,950 |
| 539,900 | | 162,718.00 + 37% | 539,900 |
| Estates and Trusts: | | | |
| \$0 | \$2,750 | \$0 + 10% | \$0 |
| 2,750 | 9,850 | 275.00 + 24% | 2,750 |
| 9,850 | 13,450 | 1,979.00 + 35% | 9,850 |
| 13,450 | | 3,239.00 + 37% | 13,450 |

OTHER TAX RATES

| Long-Term Capital Gains and Qualified Dividends Tax Rates for Taxpayers with Taxable Income in the Specified Ranges* | | | |
|--|----------------|----------------------|----------------|
| 2021 | 0% | 15% | 20% |
| MFJ/SS | \$0 - \$80,800 | \$80,801 - \$501,600 | over \$501,600 |
| MFS | \$0 - \$40,400 | \$40,401 - \$250,800 | over \$250,800 |
| HoH | \$0 - \$54,100 | \$54,101 - \$473,750 | over \$473,750 |
| Single | \$0 - \$40,400 | \$40,401 - \$445,850 | over \$445,850 |
| E&T | \$0 - \$2,700 | \$2,701 - \$13,250 | over \$13,250 |
| 2022 | 0% | 15% | 20% |
| MFJ/SS | \$0 - \$83,350 | \$83,351 - \$517,200 | over \$517,200 |
| MFS | \$0 - \$41,675 | \$41,676 - \$258,600 | over \$258,600 |
| HoH | \$0 - \$55,800 | \$55,801 - \$488,500 | over \$488,500 |
| Single | \$0 - \$41,675 | \$41,676 - \$459,750 | over \$459,750 |
| E&T | \$0 - \$2,800 | \$2,801 - \$13,700 | over \$13,700 |

* Short-term gain taxed at ordinary rates.
* Additional 3.8% tax imposed on the lesser of the individual's Net Investment Income or the excess of the individual's MAGI over certain thresholds (\$250,000 for married couples filing jointly or surviving spouse, \$125,000 for married couples filing separately, and \$200,000 for all other taxpayers).

Kiddie Tax

- Under age 19 (or certain full-time students under age 24) with unearned income consisting solely of interest, dividends and CGD; and child's gross income is less than \$11,000 in 2021 or \$11,500 in 2022 – use Form 8814 with parent's return.
- If child files own return – use Form 8615 with child's return to calculate tax at parent's marginal rate.

| | 2021 | 2022 | |
|-------------|---------|---------|---------------------------------|
| First | \$1,100 | \$1,150 | No Tax |
| Next | \$1,100 | \$1,150 | Taxed at child's marginal rate |
| Amount Over | \$2,200 | \$2,300 | Taxed at parent's marginal rate |

AMT Rates for Individuals

| | 2021 | AMTI Threshold | 2022 | AMT Rate |
|------------------|-------------------|-------------------|-----------|-----------|
| Single, MFJ, HoH | \$0 - \$199,900 | \$0 - \$206,100 | | 26% |
| | \$199,901 or more | \$206,101 or more | | 28% |
| MFS | \$0 - \$99,950 | \$0 - \$103,050 | | 26% |
| | \$99,951 or more | \$103,051 or more | | 28% |
| | AMT Exemption | | 2021 | 2022 |
| Single, HoH | | | \$73,600 | \$75,900 |
| MFJ, SS | | | \$114,600 | \$118,100 |
| MFS | | | \$57,300 | \$59,050 |

SOCIAL SECURITY

| Maximum Compensation Subject to FICA | | |
|--|-------------|-------------|
| | 2021 | 2022 |
| OASDI Maximum | \$142,800 | \$147,000 |
| HI Maximum | No Limit | No Limit |
| • OASDI tax rate – 2021 & 2022: 12.4% self-employed, 6.2% employees • HI tax rate* – 2021 & 2022: 2.9% self-employed, 1.45% employees * Additional 0.9% tax imposed on employment wages for certain higher-income taxpayers (income of more than \$250,000 for married couples filing jointly or surviving spouse, \$125,000 for married couples filing separately, and \$200,000 for all other taxpayers) | | |
| Maximum Amount of Earnings to Still Receive Full Benefits | | |
| | 2021 | 2022 |
| Under full retirement age | \$18,960 | \$19,560 |
| MAGI Amounts for Benefits to Be Taxable | | |
| | 50% Taxable | 85% Taxable |
| Married Filing Jointly | \$32,000 | \$44,000 |
| Single, HOH, MFS Living Apart | \$25,000 | \$34,000 |

CURRENT AS OF JANUARY 4, 2022

EDUCATION INCENTIVES

Tuition Deduction – “Above-the-line” deduction for qualified tuition and related expenses repealed for tax years after 2020.

Student Loan Interest Deduction – “Above-the-line” deduction up to \$2,500 (2021 and 2022); no time limit on deductibility period; subject to income limitations.

Education Credits – American Opportunity Credit is up to \$2,500 in 2021 and 2022 per student for first four years of higher education expenses paid. Lifetime Learning Credit is 20% of tuition paid up to \$2,000 per return for 2021 and 2022. Both credits are subject to income limitations and cannot be used in conjunction with each other for the same student.

Section 529 Plans (Qualified Tuition Programs) – Distributions used for qualified higher education expenses are income tax free. Contributions are potentially subject to gift tax, but are eligible for the per-donee annual exclusion (\$15,000 for 2021; \$16,000 for 2022). Donor can elect to treat up to \$75,000 of the contribution in 2021 (\$80,000 in 2022) as if it had been made ratably over a 5-year period.

Coverdell Education Savings Accounts (Education IRAs) – Contribution limit is \$2,000 in 2021 and 2022; subject to income limitations.

DEDUCTIONS & EXEMPTIONS

| Standard Deduction | | | |
|--|-------------------------|-----------------------|--------------------------------|
| | Year | Annual | Add'l Age 65 or Older or Blind |
| Married Filing Jointly/ Surviving Spouse | 2021 | \$25,100 | \$1,350 |
| | 2022 | \$25,900 | \$1,400 |
| Married Filing Separately | 2021 | \$12,550 | \$1,350 |
| | 2022 | \$12,950 | \$1,400 |
| Head of Household | 2021 | \$18,800 | \$1,700 |
| | 2022 | \$19,400 | \$1,750 |
| Single | 2021 | \$12,550 | \$1,700 |
| | 2022 | \$12,950 | \$1,750 |
| Phaseout of Itemized Deductions Does Not Apply in 2021 or 2022 | | | |
| Code Sec. 179 Expense Allowance | | | |
| | 2021 | 2022 | |
| Dollar limitation | \$1,050,000 | \$1,080,000 | |
| Investment limitation | \$2,620,000 | \$2,700,000 | |
| Qualified Business Income Deduction Phase-In Thresholds | | | |
| | Taxable Income Phase-In | | |
| | 2021 | 2022 | |
| MFJ | \$329,800 - \$429,800 | \$340,100 - \$440,100 | |
| MFS | \$164,925 - \$214,925 | \$170,050 - \$220,050 | |
| All Others | \$164,900 - \$214,900 | \$170,050 - \$220,050 | |

ESTATE & GIFT TAXES

| | 2021 | 2022 |
|--|--------------|--------------|
| Annual Gift Tax Exclusion | \$15,000 | \$16,000 |
| for Noncitizen Spouses | \$159,000 | \$164,000 |
| Estate Tax Exclusion | \$11,700,000 | \$12,060,000 |
| Applicable Credit | \$4,625,800 | \$4,769,800 |
| Gift Tax Exclusion | \$11,700,000 | \$12,060,000 |
| Generation-Skipping Transfer Tax Exemption | \$11,700,000 | \$12,060,000 |

CREDITS & EXCLUSIONS

| Child Tax Credit | | |
|---|-----------------------------------|-----------------------------------|
| | 2021 | 2022 |
| Credit Amount | \$3,000* | \$2,000 |
| Refundable Amount | \$3,000* | \$1,500 |
| * \$3,600 in the case of a child under age 6. Additional \$1,000 (or \$1,600, as applicable) amount for 2021 phases out \$50 for every \$1,000 AGI over \$150,000 (MFJ/SS), \$112,500 (HOH), \$75,000 (all others) \$2,000 credit amount for 2021 and 2022 phases out \$50 for every \$1,000 AGI over \$400,000 (MFJ), \$200,000 (all others) | | |
| Foreign Income | | |
| | 2021 | 2022 |
| Foreign earned income exclusion | \$108,700 | \$112,000 |
| Maximum foreign housing exclusion of qualified housing expenses | \$15,218 (\$32,610 - \$17,392) | \$15,680 (\$33,600 - \$17,920) |

INDIVIDUAL ESTIMATED TAXES

| | |
|--|--|
| Individuals can base federal estimated tax payments on: | |
| 1) | 90% of current tax, |
| 2) | 100% of prior year's tax, or |
| 3) | 110% of prior year's tax if prior year's AGI is > \$150,000 (> \$75,000 for Married Filing Separately) |
| • Annualization exception | |
| • No penalty if tax less withholding < \$1,000 or no tax liability in preceding tax year | |

IRAS

| Contribution Limits - Traditional and Roth | | | | |
|---|--|---|---|---|
| | | 2021 | 2022 | |
| Regular | | \$6,000 | \$6,000 | |
| Catch-up* | | \$1,000 | \$1,000 | |
| *Individuals who will be at least age 50 by the end of the year can make catch-up contributions. | | | | |
| Roth IRAs | | | | |
| MAGI Phaseout Ranges for Contributions to Roth IRAs | | 2021 | 2022 | |
| Married Filing Jointly | | \$198,000 – \$208,000 | \$204,000 – \$214,000 | |
| Single, Head of Household | | \$125,000 – \$140,000 | \$129,000 – \$144,000 | |
| Married Filing Separately | | \$0 – \$10,000 | \$0 – \$10,000 | |
| Traditional IRA Deductibility Rules | | | | |
| Modified AGI | | | | |
| Filing Status | Covered by Qualified Retirement Plan? | 2021 | 2022 | Deductibility |
| Single, HoH | No | Any amount | Any amount | Full deduction |
| | Yes | \$66,000 or less \$66,001 – \$75,999 \$76,000 or more | \$68,000 or less \$68,001 – \$77,999 \$78,000 or more | Full deduction Partial deduction No deduction |
| Married Filing Jointly | Neither spouse | Any amount | Any amount | Full deduction |
| | Both spouses covered | \$105,000 or less \$105,001 – \$124,999 \$125,000 or more | \$109,000 or less \$109,001 – \$128,999 \$129,000 or more | Full deduction Partial deduction No deduction |
| | One spouse covered: for covered spouse | \$105,000 or less \$105,001 – \$124,999 \$125,000 or more | \$109,000 or less \$109,001 – \$128,999 \$129,000 or more | Full deduction Partial deduction No deduction |
| | One spouse covered: for non-covered spouse | \$198,000 or less \$198,001 – \$207,999 \$208,000 or more | \$204,000 or less \$204,001 – \$213,999 \$214,000 or more | Full deduction Partial deduction No deduction |
| Married Filing Separately, lived together for any part of the year (if spouses lived separately throughout year, treated as Single) | Neither spouse | Any amount | Any amount | Full deduction |
| | Both spouses covered | \$9,999 or less | \$9,999 or less | Partial deduction |
| | | \$10,000 or more | \$10,000 or more | No deduction |
| | One spouse covered: for covered spouse | \$9,999 or less | \$9,999 or less | Partial deduction |
| | | \$10,000 or more | \$10,000 or more | No deduction |
| One spouse covered: for non-covered spouse | \$9,999 or less | \$9,999 or less | Partial deduction | |
| | | \$10,000 or more | \$10,000 or more | No deduction |

QUALIFIED PLANS

| | 2021 | 2022 |
|---|-----------|-----------|
| Maximum elective deferral to retirement plans (e.g., 401(k), 403(b)) | \$19,500 | \$20,500 |
| Maximum elective deferral to SIMPLE IRAs | \$13,500 | \$14,000 |
| Maximum elective deferral to 457 plans or exempt employers | \$19,500 | \$20,500 |
| Limit on annual additions to Keogh plans and SEP-IRAs | \$58,000 | \$61,000 |
| Limit on annual additions to defined contribution plans | \$58,000 | \$61,000 |
| Maximum annual compensation taken into account for contributions | \$290,000 | \$305,000 |
| Annual benefit limit under defined benefit plans | \$230,000 | \$245,000 |
| Threshold amount for definition of highly compensated employee | \$130,000 | \$135,000 |
| Threshold amount for definition of key employee in top-heavy plans | \$185,000 | \$200,000 |
| Catch-up Contribution Limits* | | |
| 401(k), 403(b), SARSEP and 457 plans | \$6,500 | \$6,500 |
| SIMPLE plans | \$3,000 | \$3,000 |
| * Individuals who will be at least age 50 by the end of the year can make catch-up contributions. | | |