

# DESK REFERENCE

TAX YEAR 2022

How you prepare for tax season can influence how smoothly your season goes. Here are some important steps your office can take.

## Preseason Checklist

**Complete your continuing professional education.** Visit [DrakeCPE.com](https://www.drakesoftware.com/cpe) to understand current-year tax law changes and earn CPE to renew your professional licenses.

**Register for or renew your PTIN.** A PTIN is required for all tax return preparers who are compensated for preparing or assisting in the preparation of a tax return. Visit [IRS.gov/Tax-Professionals/PTIN-Requirements-for-Tax-Return-Preparers](https://www.irs.gov/Tax-Professionals/PTIN-Requirements-for-Tax-Return-Preparers) to register, renew, and learn more about PTINs.

**Order tax preparation software.** Look for a software package that includes everything you need and trust. Visit [DrakeSoftware.com/Purchase](https://www.drakesoftware.com/purchase) for more information about Drake Tax®.

**Verify your office equipment meets system requirements.** Verify that your hard drive has enough available space and your network is operational. Check the compatibility of your printers and scanners.

**Install and test your tax software.** Choose software that is delivered prior to tax season to give you plenty of time to test and become familiar with the program.

**Purchase office supplies.** Don't forget toner, paper, pens, and folders.

**Test printers.** Test any new setup features included in your software. Make sure bar codes are printed correctly and that you understand how to choose which forms are printed and how to print sets.

**Send organizers or letters.** Make sure clients bring the correct information to their appointments. Sending organizers is easier than ever with DrakePortals®, and producing professional letters takes just a few clicks in Drake Tax.

**Educate yourself on tax law changes.** This desk reference is a great introduction to tax law changes. Online research, the IRS website, and state tax departments are excellent resources as well.

**Begin preseason scheduling.** This will give you a jump-start on tax season and help early-filer clients schedule an appointment as soon as possible.

**Train your staff.** Make sure everyone understands their duties and is familiar with the software. Once tax season hits, you may not have time to review.

**Update your filing system.** If you are considering going paperless, make sure you are familiar with the steps you need to take. If you prefer paper, now is the time to shred any unnecessary paperwork to free up space.

**Establish billing amounts.** Configuring pricing in your software now will save you a lot of time later.

**Determine incentives.** If you plan to offer rebates or other incentives, make sure the process is well thought out. This will eliminate kinks in the midst of your busy season.

**Sign up with a bank if you plan to offer bank products.** Signing up now helps you avoid delays when it is time to process that first bank product. You may need to complete an application with your software vendor, too.

**Get an EFIN.** Make sure you have an active EFIN as soon as possible to avoid delays during tax season. To check the status or apply for an EFIN, access your e-Services account at [IRS.gov/Tax-Professionals](https://www.irs.gov/Tax-Professionals).

## Drake Software Resources

Drake Software offers a wealth of resources to ensure you have the tools and information needed to succeed every filing season. From online tutorials to integrated tax research products, the answers you need are at your fingertips.

**Download written guides.** All written guides can be conveniently accessed at [Support.DrakeSoftware.com](https://www.drakesoftware.com/support). Find the basics of installation, setup, and data entry in the Quick Start Guide and convenient keyboard shortcuts in the Quick Reference Guide.

**Watch online tutorials and complete software training.** Learn the basics of Drake Software products by reviewing our [Video Tutorial Library](https://www.drakesoftware.com/video-tutorial-library), or have expert instructors teach you how to get the most out of Drake Tax at [Classroom Training events](https://www.drakesoftware.com/classroom-training-events).

**Access award-winning tax research.** Drake Tax features integration with TheTaxBook®, the tax research product that has received the highest rating from CPA Practice Advisor readers since 2013. Get a special discount by adding TheTaxBook WebLibrary to your Drake Tax order; current customers can [order through the Drake Support site](https://www.drakesoftware.com/order-through-the-drake-support-site).

**Get help when you need it.** Drake Software Support has [consistently been awarded the highest rating by customers in tax-industry surveys](https://www.drakesoftware.com/customer-service). Contact customer service representatives by phone, email, or chat, and access resources like product manuals, user forums, and the Drake Software™ Knowledge Base on the Drake Support site.

**Read the latest tax news.** Stay up to date with IRS announcements and industry developments and download helpful infographics on [Taxing Subjects, the Drake Software blog](https://www.drakesoftware.com/taxing-subjects).

**Expand client services.** Bank partners provide [financial service products](https://www.drakesoftware.com/financial-service-products) that help you serve the unbanked and provide payment options, like prepaid debit cards, direct deposit, and printed checks. Protection Plus offers [ID theft restoration and audit assistance services](https://www.drakesoftware.com/id-theft-restoration-and-audit-assistance-services).

Visit [DrakeSoftware.com](https://www.drakesoftware.com) for the most up-to-date version of the Desk Reference Guide.

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# DUE DILIGENCE REQUIREMENTS FOR TAX RETURN PREPARERS



Paid preparers who file EITC, CTC/ACTC/ODC, AOTC, or HOH returns — or claims for refunds for clients — must meet due diligence requirements. Those who fail to do so can be assessed a \$560 penalty per Rev. Proc. 2021-45 for each failure.

Requirement	As a paid tax return preparer, you must:
<p><b>Knowledge</b></p>	<ul style="list-style-type: none"> <li>• Have no knowledge that any information used to determine a client’s eligibility for refundable credit, or the amount, is incorrect.</li> <li>• Be aware that all information given by the client, or known by you, is not absolute and that additional inquiries must be made if a reasonable and well-informed tax return preparer, knowledgeable in the law, would conclude the information is incomplete, inconsistent, or incorrect.</li> <li>• Know the law, and use your knowledge of the law, to ensure you are asking your client the right questions to gather all relevant information.</li> <li>• Document any additional questions you ask at the time of the interview, as well as your client’s answers.</li> </ul> <p>The Treasury Regulations give application examples of the knowledge requirement. Find the <a href="#">regulations and requirements for tax return preparer due diligence</a> on the Government Printing Office site.</p>
<p><b>Complete and Submit Form 8867</b></p>	<ul style="list-style-type: none"> <li>• Complete Form 8867, Paid Preparer’s Due Diligence Checklist, for each EITC, CTC/ACTC/ODC, AOTC, or HOH claim you prepare.</li> <li>• Complete the compliance checklist with due diligence requirements and information provided by your clients.</li> <li>• Submit the completed Form 8867 to the IRS with every electronic return you prepare claiming the EITC, CTC/ACTC/ODC, AOTC, or HOH.</li> <li>• Attach the completed Form 8867 to every paper return or claim for refund you prepare for the EITC, CTC/ACTC/ODC, AOTC, or HOH, and stress to your client the importance of sending it with the return or claim for refund to the IRS.</li> </ul>
<p><b>Keep Records</b></p>	<ul style="list-style-type: none"> <li>• Keep a copy of the Form 8867 and the worksheets used to determine credits.</li> <li>• Keep a record of all additional questions you ask each client (and their answers) that would help you comply with due diligence requirements.</li> <li>• Keep copies of any documents your client gives you that you used to determine eligibility for, or the amount of, the credits.</li> <li>• Keep a record of how, when, and from whom you obtained the information used to complete the return.</li> <li>• Keep your records in either paper or electronic format, and make sure you can produce these records if the IRS asks for them.</li> <li>• Keep these records for three years from the latest date of the following that apply:             <ul style="list-style-type: none"> <li>- The original due date of the tax return. (This does not include any extension of time for filing.)</li> <li>- If you electronically file the return or claim for refund and sign it as the return preparer, the date the tax return or claim for refund is filed.</li> <li>- If the return or claim for refund is not filed electronically and you sign it as the return preparer, the date you present the tax return or claim for refund to your client for signature.</li> <li>- If you prepare part of the return or claim for refund and another preparer completes and signs the return or claim for refund, you must keep the part of the return you were responsible for completing for three years from the date you submit it to the signing tax return preparer.</li> </ul> </li> <li>• Keep these records in either paper or electronic format in a secure place to protect your client’s personal information.</li> </ul>

## 2022 MEDICAL SAVINGS ACCOUNTS (MSA)

### 2022 Annual Deductible Range

Self-only coverage	\$ 2,450 - \$ 3,700
Family coverage	\$ 4,950 - \$ 7,400

### Maximum Out-of-Pocket

Self-only coverage	\$ 4,950
Family coverage	\$ 9,050

## HEALTH SAVINGS ACCOUNT (HSA)

### 2022 Maximum Annual Contribution Limits

Self-only coverage	\$ 3,650
Family coverage	\$ 7,300

### 2022 Minimum Deductible

Self-only coverage	\$ 1,400
Family coverage	\$ 2,800

### 2022 Maximum Out-of-Pocket

Self-only coverage	\$ 7,050
Family coverage	\$ 14,100

### Additional Over Age 55 - 65

2022 and after	\$ 1,000
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## ADOPTION CREDIT

Maximum credit for a child with special needs	\$ 14,890
Other adoptions and qualified expenses	Up to \$ 14,890
Modified adjusted gross income phaseout range	\$ 223,410 - \$ 263,410

## BONUS DEPRECIATION

### Assets Placed in Service

2022	100%
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## SECTION 179 EXPENSE

Expense limit	\$ 1,080,000
Phaseout threshold	\$ 2,700,000

## FICA (SS & MEDICARE) WAGE BASE

Social Security wage base	\$ 147,000
Maximum Social Security tax	\$ 9,114
Medicare wage base	No ceiling
Maximum Medicare wage tax	No ceiling

## STANDARD DEDUCTIONS

If the taxpayer's filing status is...	Base Amount	Additional Amount if Blind or Over Age 65
Single	\$ 12,950	\$1,750
Married Filing Jointly	\$ 25,900	\$1,400
Married Filing Separately	\$ 12,950	\$1,400
Head of Household	\$ 19,400	\$1,750
Qualifying Surviving Spouse	\$ 25,900	\$1,400
Dependent of Another	\$1,150 (or earned income + \$400)	\$1,400 (\$1,750 if Single or HOH)

## MACRS RECOVERY PERIODS

Type of Property	MACRS Recovery Period	
	General Depreciation System	Alternative Depreciation System
Computers and their peripheral equipment	5 years	5 years
Office machinery, such as: Scanners Calculators Copiers	5 years	6 years
Automobiles	5 years	5 years
Light trucks	5 years	5 years
Appliances, such as: Stoves Refrigerators	5 years	9 years
Carpets	5 years	9 years
Furniture used in rental property	5 years	9 years
Office furniture and equipment, such as: Desks Tables	7 years	10 years
Any property that does not have a class life and that has not been designated by law as being in any other class	7 years	12 years
Roads	15 years	20 years
Shrubbery	15 years	20 years
Fences	15 years	20 years
Residential rental property (buildings or structures) and structural components such as furnaces, water pipes, venting, etc.	27.5 years	30 years
Nonresidential real property	39 years	40 years

Additions and improvements, such as a new roof

The same recovery period as that of the property to which the addition or improvement is made, determined as if the property were placed in service at the same time as the addition or improvement.

See [IRS Publication 946, "How To Depreciate Property,"](#) for more information.

## Compliments of Drake Software

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# 2022 FILING REQUIREMENTS FOR MOST TAXPAYERS

If the taxpayer's filing status is...	AND at the end of 2022 the taxpayer was...	THEN file a return if the taxpayer's gross income was at least...
Single	Under 65 65 or older	\$12,950 \$14,700
Married Filing Jointly	Under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$25,900 \$27,300 \$28,700
Married Filing Separately	Any age	\$ 5
Head of Household	Under 65 65 or older	\$19,400 \$21,150
Qualifying Surviving Spouse	Under 65 65 or older	\$25,900 \$27,300

## 2022 FILING REQUIREMENTS FOR DEPENDENTS

If either the taxpayer's parents or someone else can claim him or her as a dependent, use this chart to see if the taxpayer must file a return. In this chart, unearned income includes taxable interest, ordinary dividends, and capital gain distributions. Earned income includes wages and tips, as well as taxable scholarships and fellowship grants. Gross income is the total of unearned and earned income.

### Single dependents. Was the taxpayer either age 65 or older or blind?

- No. The taxpayer must file a return if any of the following apply:
  - The taxpayer's unearned income was over \$1,150
  - The taxpayer's earned income was over \$12,950
  - The taxpayer's gross income was more than the larger of:
    - \$1,150
    - The taxpayer's earned income (up to \$12,550) plus \$400
- Yes. The taxpayer must file a return if any of the following apply:
  - The taxpayer's unearned income was over \$2,900 (\$4,650 if 65 or older and blind)
  - The taxpayer's earned income was over \$14,700 (\$16,450 if 65 or older and blind)
  - The taxpayer's gross income was more than the larger of:
    - \$2,900 (\$4,650 if 65 or older and blind)
    - The taxpayer's earned income (up to \$12,550 plus \$2,150 [\$3,900 if 65 or older and blind])



### Married dependents. Was the taxpayer either age 65 or older or blind?

- No. The taxpayer must file a return if any of the following apply:
  - The taxpayer's unearned income was over \$1,150
  - The taxpayer's earned income was over \$12,950
  - The taxpayer's gross income was at least \$5 and his or her spouse files a separate return and itemizes deductions
  - The taxpayer's gross income was more than the larger of:
    - \$1,150
    - The taxpayer's earned income (up to \$12,550) plus \$400
- Yes. The taxpayer must file a return if any of the following apply:
  - The taxpayer's unearned income was over \$2,550 (\$3,950 if 65 or older and blind)
  - The taxpayer's earned income was over \$14,350 (\$15,750 if 65 or older and blind)
  - The taxpayer's gross income was at least \$5 and his or her spouse files a separate return and itemizes deductions
  - The taxpayer's gross income was more than the larger of:
    - \$2,550 (\$3,950 if 65 or older and blind)
    - The taxpayer's earned income (up to \$12,550) plus \$1,800 (\$3,200 if 65 or older and blind)

## OTHER SITUATIONS WHEN THE TAXPAYER MUST FILE A 2022 RETURN

### The taxpayer must file a return if any of the following conditions apply for 2022.

- The taxpayer owes any special taxes, including any of the following:
  - Alternative minimum tax;
  - Additional tax on a qualified plan, including an individual retirement arrangement (IRA) or other tax-favored account—but if the taxpayer is filing a return only because he or she owes this tax, the taxpayer can file Form 5329 by itself;
  - Household employment taxes—but if the taxpayer is filing a return only because he or she owes this tax, the taxpayer can file Schedule H by itself;
  - Social Security and Medicare tax on tips the taxpayer did not report to his or her employer or on wages the taxpayer received from an employer who did not withhold these taxes;
  - Repayment of the First-Time Homebuyer Credit (see instructions for Form 1040 [or 1040-SR], Schedule 2, Part II);
  - Write-in taxes, including uncollected Social Security and Medicare tax, RRTA tax on tips the taxpayer reported to his or her employer, tax on group-term life insurance, or additional taxes on Health Savings Accounts (see instructions for Form 1040 [or 1040-SR], Schedule 2, line 17);
  - Recapture taxes (see instructions for Form 1040 [or 1040-SR], Schedule 2, Part II).
- The taxpayer (or his or her spouse, if filing jointly) received HSA, Archer MSA, or Medicare Advantage MSA distributions.
- The taxpayer had net earnings from self-employment of at least \$400.
- The taxpayer had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer Social Security and Medicare taxes.
- The taxpayer had advance payments of the Premium Tax Credit made for him or her, his or her spouse, or a dependent who enrolled in coverage through the Health Insurance Marketplace. The taxpayer should have received Form 1095-A showing the amount of the advance payments, if any.
- The taxpayer had advance payments of the Health Coverage Tax Credit made for him or her, his or her spouse, or a dependent. The taxpayer, or whomever enrolled him or her, should have received Form 1099-H showing the amount of the advance payments.
- The taxpayer is required to file Form 965-A.

## STUDENT LOAN INTEREST DEDUCTION

Maximum interest deduction	\$ 2,500
<b>Modified Adjusted Gross Income Phaseout:</b>	
Married Filing Jointly	\$145,000 - \$175,000
Single/HOH	\$ 70,000 - \$ 85,000

## QUALIFYING CHILD FOR CHILD TAX CREDIT

A qualifying child for the purposes of the Child Tax Credit must be all of the following:

- A U.S. citizen or resident alien
- An SSN holder
- Claimed as the taxpayer's dependent on Form 1040 or 1040-SR
- Under age 17 at the end of 2022
- The taxpayer's:
  - Son, daughter, adopted child, stepchild, or descendant of any of them (for example, the taxpayer's grandchild)
  - Brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, the taxpayer's niece or nephew) for whom the taxpayer cared for as he or she would his or her own child

### Adopted Child

An adopted child is always treated as the taxpayer's own child. An adopted child includes a child placed with the taxpayer by an authorized placement agency for legal adoption even if the adoption is not final.

## CHILD TAX CREDIT

Credit amount	\$2,000
Refundable portion	\$1,500

## QUALIFYING DEPENDENT FOR OTHER DEPENDENT CREDIT

A qualifying dependent for the Other Dependent Credit must be all of the following:

- A U.S. citizen, U.S. national, or U.S. resident alien
- An SSN, ITIN, or ATIN holder
- Claimed as the taxpayer's dependent on Form 1040 or 1040-SR

Credit Amount	\$500
Refundable Portion	\$-0-

## DEPENDENT CARE CREDIT LIMITATIONS

To determine the amount of the credit, multiply the taxpayer's work-related expenses (after applying the earned income and dollar limits) by one of the following percentages. This percentage depends on the taxpayer's adjusted gross income shown on Form 1040, 1040-SR, or 1040-NR, line 11. The following table shows the percentage to use based on adjusted gross income. The maximum eligible to be multiplied by these percentages is \$3,000 per child or \$6,000 per return.

If the taxpayer's adjusted gross income is:

Over	But Not Over	Percentage
0	15,000	35%
15,000	17,000	34%
17,000	19,000	33%
19,000	21,000	32%
21,000	23,000	31%
23,000	25,000	30%
25,000	27,000	29%
27,000	29,000	28%
29,000	31,000	27%
31,000	33,000	26%
33,000	35,000	25%
35,000	37,000	24%
37,000	39,000	23%
39,000	41,000	22%
41,000	43,000	21%
43,000	No limit	20%

## COMPARISON OF EDUCATION CREDITS

Lifetime Learning	American Opportunity
Up to \$2,000 per return	Up to \$2,500; up to 40% is refundable
Maximum rate is 20%	100% of first \$2,000 plus 25% of next \$2,000
Available for all years of post-secondary education and for courses to acquire or improve job skills	Available for four years of college and ONLY if the student had not completed the first four years of postsecondary education before 2022
Available for an unlimited number of years	Available ONLY for four tax years per eligible student (including any years the Hope Credit was claimed)
Student does not need to be pursuing a program leading to a degree or other recognized education credential	AGI phaseout between \$80,000 - \$90,000 (\$160K - \$180K MFJ)
Available for one or more courses	Student must be enrolled at least half time for at least one academic period beginning during 2022 (or the first three months of 2023 if the qualified expenses were paid in 2022)
Felony drug conviction rule does not apply	As of the end of 2022, the student had not been convicted of a felony for possession or distribution of a controlled substance

## EDUCATION CREDITS PHASEOUT

Lifetime Learning Adjusted Gross Income	Refundable American Opportunity
Married Filing Jointly	\$160,000 - \$180,000
All other filing statuses	\$ 80,000 - \$ 90,000

## SOCIAL SECURITY PAYBACK

At full retirement age or older	No limit on earnings
Under full retirement age	\$1 in benefits deducted for every \$2 taxpayer earns above \$19,560
In the year you reach full retirement age	Benefits reduced by \$1 for every \$3 taxpayer earns above \$51,960

For people born from 1943-1954, the full retirement age is 66.

The full retirement age increases each year until it reaches age 67 for people born in 1960 or later.

# EARNED INCOME CREDIT

Single, Married Filing Separately (if qualified), Head of Household, and Qualifying Surviving Spouse	Earned Income Ranges to Receive the Maximum EIC		Maximum EIC	EIC Eliminated When Earned Income Reaches
	AT LEAST	BUT LESS THAN		
No Children	\$7,320	\$9,160	\$560	\$16,480
One Child	\$10,980	\$20,130	\$3,733	\$43,492
Two Children	\$15,410	\$20,130	\$6,164	\$49,399
Three or More Children	\$15,410	\$20,130	\$6,935	\$53,057

Married Filing Jointly	Earned Income Ranges to Receive the Maximum EIC		Maximum EIC	EIC Eliminated When Earned Income Reaches
	AT LEAST	BUT LESS THAN		
No Children	\$7,320	\$15,290	\$560	\$22,610
One Child	\$10,980	\$26,260	\$3,733	\$49,622
Two Children	\$15,410	\$26,260	\$6,164	\$55,529
Three or More Children	\$15,410	\$26,260	\$6,935	\$59,187

The maximum amount of investment income the taxpayer can have and still receive EIC has increased to \$10,300.

## EARNED INCOME CREDIT IN A NUTSHELL

First, the taxpayer must meet all rules in column "Part A." Second, the taxpayer must meet all rules in column "Part B" or "Part C," whichever applies.

<b>PART A</b> Rules for Everyone	<b>PART B</b> Rules if the Taxpayer Has a Qualifying Child	<b>PART C</b> Rules if the Taxpayer Does Not Have a Qualifying Child
<ul style="list-style-type: none"> <li>The taxpayer's adjusted gross income (AGI) must be less than:                             <ul style="list-style-type: none"> <li>\$53,057 (\$59,187 if Married Filing Jointly) if the taxpayer has three or more qualifying children;</li> <li>\$49,399 (\$55,529 if Married Filing Jointly) if the taxpayer has two qualifying children;</li> <li>\$43,492 (\$49,622 if Married Filing Jointly) if the taxpayer has one qualifying child; or</li> <li>\$16,480 (\$22,610 if Married Filing Jointly) if the taxpayer does not have a qualifying child.</li> </ul> </li> <li>The taxpayer must have a valid Social Security Number.</li> <li>The taxpayer's filing status cannot be "Married Filing Separately" unless the taxpayer lived with a qualifying child for over half the year and meets the other qualifications in the next column.</li> <li>The taxpayer must be a U.S. citizen, full-year resident alien, or nonresident alien filing Married Filing Jointly.</li> <li>The taxpayer cannot file Form 2555 (relating to foreign earned income).</li> <li>The taxpayer's investment income must be \$10,300 or less.</li> <li>The taxpayer must have earned income.</li> </ul>	<ul style="list-style-type: none"> <li>The taxpayer's child must have a Social Security Number that is valid for employment and issued before the due date of the return (including extensions).</li> <li>The taxpayer's child must meet the relationship, age, and residency tests.</li> <li>The taxpayer's qualifying child cannot be used by more than one person to claim the EIC.</li> <li>The taxpayer cannot be a qualifying child of another taxpayer.</li> <li>If Married Filing Separately, the taxpayer must have lived apart from his or her spouse for the last six months of the year.</li> </ul> <p>OR</p> <p>The taxpayer must have lived apart from his or her spouse by the end of the year and also be legally separated according to state law under a written separation agreement or a decree of separate maintenance.</p>	<ul style="list-style-type: none"> <li>The taxpayer must be at least age 25 but under age 65.</li> <li>The taxpayer cannot be the dependent of another person.</li> <li>The taxpayer cannot be a qualifying child of another taxpayer.</li> <li>The taxpayer must have lived in the United States more than half of the year.</li> </ul>

## EXEMPTION AMOUNTS

Personal and Dependent	\$ 0
Estate Amount*	\$600
Simple Trust*	\$300
Complex Trust*	\$100

\* Exemption not allowed in final year.



## FOREIGN EARNED INCOME

2022 Maximum exclusion \$112,000

## GIFT TAX

2022 Exclusion \$16,000

2022 Exclusion for gift to spouse who is not a U.S. citizen \$164,000

## 401(K) CONTRIBUTION LIMITS

2022 Maximum deferral \$20,500

2022 Catch-up and elective-deferral contributions \$27,000

## LONG-TERM CAPITAL GAINS AND QUALIFYING DIVIDENDS

Single up to	\$ 41,675	0%
Single	\$ 41,676 - \$ 459,750	15%
Single over	\$ 459,751+	20%
Married up to	\$ 83,350	0%
Married	\$ 83,351 - \$ 517,200	15%
Married over	\$ 517,201+	20%
HOH up to	\$ 55,800	0%
HOH	\$ 55,801 - \$ 488,500	15%
HOH over	\$ 488,501+	20%
MFS up to	\$ 41,675	0%
MFS	\$ 41,676 - \$ 258,600	15%
MFS over	\$ 258,601+	20%

## SAVINGS BOND/HIGHER EDUCATION EXPENSE EXCLUSION

Modified adjusted gross income phaseout range:

Married Filing Jointly \$ 128,650 - \$ 158,650  
All other filing statuses \$ 85,800 - \$ 100,800

## LONG-TERM CARE PREMIUMS

Maximum premium (per person):

Age 40 or under \$450  
Age 41 to 50 \$850  
Age 51 to 60 \$1,690  
Age 61 to 70 \$4,510  
Age 71 or over \$5,640

## ALTERNATIVE MINIMUM TAX

First \$199,900 (\$99,950 Married Filing Separately) of Alternative Minimum Taxable Income ..... 26%  
Over \$199,900 of Alternative Minimum Taxable Income ..... 28%



### Exemptions:

Married Filing Jointly or Qualifying Surviving Spouse ..... \$ 118,100  
Married Filing Separately ..... \$ 59,050  
Single or Head of Household ..... \$ 75,900  
Trusts and Estates ..... \$ 26,500

### Exemption Phaseout:

25% of amount AMTI exceeds:

Filing Status	AMTI Begin Phaseout	AMTI Fully Phased Out
MFJ/Qualifying Surviving Spouse	\$ 1,079,800	\$ 1,552,200
Married Filing Separately	\$ 539,900	\$ 776,100
Single/HOH	\$ 539,900	\$ 843,500
Estates and Trusts	\$ 88,300	\$ 188,450

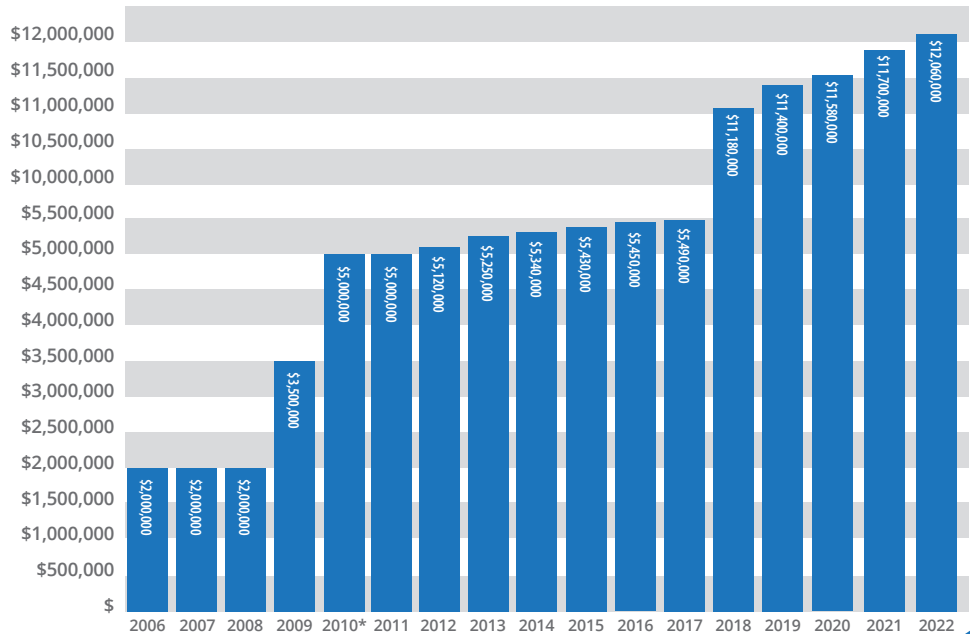
## WHERE TO DEDUCT INTEREST EXPENSE

If the taxpayer has...	THEN deduct it on...	AND for more info go to...
Deductible student loan interest	Form 1040/1040-SR, Schedule 1, line 21	<a href="#">Publication 970</a>
Deductible home mortgage interest and points reported on Form 1098	Schedule A (Form 1040/1040-SR), line 8a	<a href="#">Publication 936</a>
Deductible home mortgage interest not reported on Form 1098	Schedule A (Form 1040/1040-SR), line 8b	<a href="#">Publication 936</a>
Deductible points not reported on Form 1098	Schedule A (Form 1040/1040-SR), line 8c	<a href="#">Publication 936</a>
Deductible investment interest (other than interest incurred to produce rents or royalties)	Schedule A (Form 1040/1040-SR), line 9	<a href="#">Publication 550</a>
Deductible business interest (nonfarm)	Schedule C (Form 1040/1040-SR)	<a href="#">Publication 535</a>
Deductible farm business interest	Schedule F (Form 1040/1040-SR)	<a href="#">Publications 225 and 535</a>
Deductible interest incurred to produce rents or royalties	Schedule E (Form 1040/1040-SR)	<a href="#">Publications 527 and 535</a>
Personal interest	Not deductible	

## 2022 STANDARD MILEAGE RATES

Business mileage ..... (January 1, 2022 - June 30, 2022) = \$0.585/mile .... (July 1, 2022 - December 31, 2022) = \$0.625/mile  
Charitable mileage ..... \$0.14/mile  
Medical/moving mileage ..... (January 1, 2022 - June 30, 2022) = \$0.18/mile ..... (July 1, 2022 - December 31, 2022) = \$0.22/mile

## FEDERAL ESTATE EXEMPTION



\*2010: \$5,000,000 (or N/A if elected to file Form 8939)

## TAX RATE SCHEDULE Single

### TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 10,275
10,275	41,775
41,775	89,075
89,075	170,050
170,050	215,950
215,950	539,900
539,900	-

### TAX:

Tax	+	On Amt. Over
\$ .00	10%	\$ 0
1,027.50	12%	10,275
4,807.50	22%	41,775
15,213.50	24%	89,075
34,647.50	32%	170,050
49,335.50	35%	215,950
162,718.00	37%	539,900

## IRA CONTRIBUTION LIMITS

### Regular Contributions

2022 Maximum Contribution .....\$6,000

### Catch-Up Contributions for Taxpayers 50 and Older

2022 Catch-up.....\$1,000

## PHASEOUT OF IRA DEDUCTIONS

Filing Status	AGI Begin Phaseout	AGI Fully Phased Out
Single (or Married Filing Separately and taxpayer lived apart from spouse for all of 2022)	\$ 68,000	\$ 78,000
Married Filing Jointly	\$109,000 (\$204,000 if spouse is not covered by a pension plan)	\$129,000 (\$214,000 if spouse is not covered by a pension plan)
Married Filing Separately	\$ 0	\$ 10,000
Head of Household	\$ 68,000	\$ 78,000
Qualifying Surviving Spouse	\$109,000	\$129,000

## TAX RATE SCHEDULE Head of Household

### TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 14,650
14,650	55,900
55,900	89,050
89,050	170,050
170,050	215,950
215,950	539,900
539,900	-

### TAX:

Tax	+	On Amt. Over
\$ .00	10%	\$ 0
1,465.00	12%	14,650
6,415.00	22%	55,900
13,708.00	24%	89,050
33,148.00	32%	170,050
47,836.00	35%	215,950
161,218.50	37%	539,900

## TAX RATE SCHEDULE Married Filing Separately

### TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 10,275
10,275	41,775
41,775	89,075
89,075	170,050
170,050	215,950
215,950	323,925
323,925	-

### TAX:

Tax	+	On Amt. Over
\$ .00	10%	\$ 0
1,027.50	12%	10,275
4,807.50	22%	41,775
15,213.50	24%	89,075
34,647.50	32%	170,050
49,335.50	35%	215,950
87,126.75	37%	323,925



## TAX RATE SCHEDULES Married Filing Jointly and Qualifying Surviving Spouse

### TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 20,550
20,550	83,550
83,550	178,150
178,150	340,100
340,100	431,900
431,900	647,850
647,850	-

### TAX:

Tax	+	On Amt. Over
\$ .00	10%	\$ 0
2,055.00	12%	20,550
9,615.00	22%	83,550
30,427.00	24%	178,150
69,295.00	32%	340,100
98,671.00	35%	431,900
174,253.50	37%	647,850

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## 2022 CORPORATE TAX RATES

The federal corporate income tax rate is 21%.

## 2022 ESTATE AND TRUST TAX RATES

### TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 2,750
2,750	9,850
9,850	13,450
13,450	-

### TAX:

Tax	+	On Amt. Over
\$ .00	10%	\$ 0
275.00	24%	2,750
1,979.00	35%	9,850
3,239.00	37%	13,450