

# Tax Facts and Figures



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## 2022 Federal Tax Rate Schedules

### Single Taxable Income

\$ 0 to 10,275	× 10.0%	minus	\$ 0.00	= Tax
10,276 to 41,775	× 12.0%	minus	205.50	= Tax
41,776 to 89,075	× 22.0%	minus	4,383.00	= Tax
89,076 to 170,050	× 24.0%	minus	6,164.50	= Tax
170,051 to 215,950	× 32.0%	minus	19,768.50	= Tax
215,951 to 539,900	× 35.0%	minus	26,247.00	= Tax
539,901 and over	× 37.0%	minus	37,045.00	= Tax

### MFJ or QW Taxable Income

\$ 0 to 20,550	× 10.0%	minus	\$ 0.00	= Tax
20,551 to 83,550	× 12.0%	minus	411.00	= Tax
83,551 to 178,150	× 22.0%	minus	8,766.00	= Tax
178,151 to 340,100	× 24.0%	minus	12,329.00	= Tax
340,101 to 431,900	× 32.0%	minus	39,537.00	= Tax
431,901 to 647,850	× 35.0%	minus	52,494.00	= Tax
647,851 and over	× 37.0%	minus	65,451.00	= Tax

### MFS Taxable Income

\$ 0 to 10,275	× 10.0%	minus	\$ 0.00	= Tax
10,276 to 41,775	× 12.0%	minus	205.50	= Tax
41,776 to 89,075	× 22.0%	minus	4,383.00	= Tax
89,076 to 170,050	× 24.0%	minus	6,164.50	= Tax
170,051 to 215,950	× 32.0%	minus	19,768.50	= Tax
215,951 to 323,925	× 35.0%	minus	26,247.00	= Tax
323,926 and over	× 37.0%	minus	32,725.50	= Tax

### HOH Taxable Income

\$ 0 to 14,650	× 10.0%	minus	\$ 0.00	= Tax
14,651 to 55,900	× 12.0%	minus	293.00	= Tax
55,901 to 89,050	× 22.0%	minus	5,883.00	= Tax
89,051 to 170,050	× 24.0%	minus	7,664.00	= Tax
170,051 to 215,950	× 32.0%	minus	21,268.00	= Tax
215,951 to 539,900	× 35.0%	minus	27,746.50	= Tax
539,901 and over	× 37.0%	minus	38,544.50	= Tax

## Additional Medicare Tax

0.9% additional tax on wage income above threshold

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

## 2022 Qualifying Relative Limit

The qualifying relative income limit is..... \$4,400

## 2022 Standard Deduction

The basic standard deduction for 2022 is:

Single or MFS.....	\$12,950
MFJ or QW.....	\$25,900
HOH.....	\$19,400

**Age 65 and/or blind.** The additional amounts for age 65 or older and/or blind, per person, per event in 2022 are:

MFJ, QW, or MFS .....	\$1,400
Single or HOH.....	\$1,750

**Dependent.** The standard deduction in 2022 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,150, or earned income plus \$400.

## Child Tax Credit and Credit for Other Dependents

<b>Child Tax Credit</b>	\$2,000 per qualifying child.
<b>\$2,000 Child Tax Credit phaseout begins</b>	MFJ.....\$400,000 Single, HOH, MFS.....\$200,000
<b>Credit for Other Dependents</b>	\$500 per dependent (not a qualifying child).

## Social Security Highlights

Employee's portion of FICA	2022	2021	2020
Maximum earnings subject to Social Security tax (Medicare no limit)	\$147,000	\$142,800	\$137,700
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$9,114.00	\$8,853.60	\$8,537.40

\*Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



# Tax Facts and Figures

## Business Expenses

2022 Standard Mileage Rate Per Mile	
Business	
Before 7/1	58.5¢
After 6/30	62.5¢
Medical and moving*	
Before 7/1	18.0¢
After 6/30	22.0¢
Charitable	14.0¢
Depreciation	26.0¢
Section 179 Expense Limits	
Regular 179 limits	\$1,080,000
SUV limits	\$27,200
Investment phaseout begins	\$2,700,000

2022 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)	\$280
Parking benefits (per month)	\$280

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

## 2022 Retirement Plan Limits

401(k)/403(b) Deferral Limits	
Under age 50	\$20,500
Age 50 and over	\$27,000
IRA Contribution Limits	
Under age 50	\$6,000
Age 50 and over	\$7,000
IRA Deduction Phaseout Range if Covered by Employer Plan	
MFJ	\$109,000–\$129,000
Single, HOH	\$68,000–\$78,000
MFS	\$0–\$10,000
Spouse not covered	\$204,000–\$214,000

Roth IRA Phaseout Range	
MFJ	\$204,000–\$214,000
Single, HOH	\$129,000–\$144,000
MFS	\$0–\$10,000
SIMPLE Deferral Limits	
Under age 50	\$14,000
Age 50 and over	\$17,000
Qualified Retirement Plans	
Profit sharing/SEP limits	.25%/\$61,000
Defined benefit plan limits	\$245,000
Compensation limits	\$305,000

## 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	\$145,000–\$175,000
Single, HOH phaseout	\$70,000–\$85,000
Maximum deduction	\$2,500 per return
U.S. Savings Bonds Interest Exclusion	
MFJ phaseout	\$128,650–\$158,650
Single, HOH phaseout	\$85,000–\$100,800

## 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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## 2022 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
<b>Taxable Income</b>		
Single	0%	\$0 to \$41,675
MFJ/QW		\$0 to \$83,350
MFS		\$0 to \$41,675
HOH		\$0 to \$55,800
Estates and Trusts		\$0 to \$2,800
<b>Taxable Income</b>		
Single	15%	\$41,676 to \$459,750
MFJ/QW		\$83,351 to \$517,200
MFS		\$41,676 to \$258,600
HOH		\$55,801 to \$488,500
Estates and Trusts		\$2,801 to \$13,700
<b>Taxable Income</b>		
Single	20%	\$459,751 and over
MFJ/QW		\$517,201 and over
MFS		\$258,601 and over
HOH		\$488,501 and over
Estates and Trusts		\$13,701 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

## 2022 Qualified Business Income Deduction Thresholds

MFJ: \$340,100	MFS: \$170,050	Single, HOH, QW: \$170,050
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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 72.
- 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.