

Tax Reference Guide

RETIREMENT PLANS

Elective deferrals 401(k), 403(b), 457 and SARSEPs	\$20,500
Catch-up contribution	\$6,500
Defined contribution (§415(c)(1)(A))	\$61,000
Defined benefit (§415(b)(1)(A))	\$230,000
SIMPLE plan	\$13,500
SIMPLE catch-up contribution	\$3,000
Maximum includible compensation	\$305,000
Highly compensated employee:	\$135,000
Look back to 2021	\$130,000
Look back to 2020	\$130,000
Key employee (top-heavy plan)	\$200,000
SEP contribution	
Up to 25% compensation, \$61,000 limit	
SEP participation limit	\$650
IRA or Roth IRA contribution limit	\$6,000
IRA or Roth IRA catch-up (age 50 and over)	\$1,000
IRA deduction phaseout for active participants:	
Single	\$65,000 - 75,000
Married filing jointly	\$104,000 - 124,000
Married filing separately	\$0 - 10,000
Non-active participant married to active participant	\$196,000 - 206,000
Roth IRA phaseout:	
Single	\$124,000 - 139,000
Married filing jointly	\$196,000 - 206,000

SOCIAL SECURITY

SS wage base	\$147,000
FICA tax rate-employee ³	7.65%
SECA tax rate-self-employed	15.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$19,560/yr
Persons reaching FRA (\$1 for \$3)	\$51,960/yr
<i>(Applies only to earnings for months prior to attaining FRA)</i>	
Social Security cost-of-living adjustment	5.9%
Quarter of coverage	\$1,510
Maximum benefit: worker retiring at FRA *See SS FRA below	\$3,345/mo
Estimated average monthly benefit, after 1.3% COLA	\$1,657

SOCIAL SECURITY FRA (FULL RETIREMENT AGE)

Year of Birth	Social Security FRA	Percent Reduced at Age 62 ⁴
1943-1954	66	25%
1955	66 and 2 months	25.83%
1956	66 and 4 months	26.67%
1957	66 and 6 months	27.50%
1958	66 and 8 months	28.33%
1959	66 and 10 months	29.17%
1960 and later	67	30%

ESTATE AND GIFT TAX

Annual gift tax exclusion	\$16,000
Estate and gift tax basic exclusion	\$12,060,000
Generation skipping exemption	\$12,060,000
Maximum estate tax rate ⁵	40%

MEDICARE

Monthly premium:

Part A ¹	\$499
Part B ²	\$170.10

Part A:

First 60 days - patient pays a deductible	\$1,556
Next 30 days - patient pays per day	\$389
Next 60 days (lifetime reserve days) patient pays per day	\$778

Skilled nursing benefits:

First 20 days-patient pays per day	\$0
Next 80 days-patient pays per day	\$194.50
Over 100 days-patient pays per day	All costs

Part B:

Deductible	\$233
Coinsurance	20%

Part D (Prescription Standard Benefit Model):

Deductible	\$480
25% coinsurance on next	\$4,430
Out-of-pocket (OOP) threshold	\$7,050

Beneficiary then pays coinsurance amount for additional covered expenses

2021 MEDICARE PART B PREMIUM RATES:

YOU PAY	If your 2019 income was:	
	Single	Married Couple
Premium		
\$170.10	\$91,000 or less	\$182,000 or less
\$238.10	\$91,001 - 114,000	\$182,001 - 228,000
\$340.20	\$114,001 - 142,000	\$228,001 - 284,000
\$442.30	\$142,001 - 170,000	\$284,001 - 340,000
\$544.30	\$170,001 - 499,999	\$340,001 - 749,999

YOU PAY	Adjustment Amount	If you are married filing separately and your 2018 income was:
\$148.50	\$0	\$88,000 or less
\$475.20	\$326.70	\$88,001 - 412,000
\$504.90	\$356.40	Above \$412,000

FIGURE 1

Footnotes

- The Part A premium of \$499 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30-39 quarters, the Part A premium is \$274 per month.
- Beneficiaries not subject to the "hold harmless" provision includes persons not receiving Social Security, those who enroll in Part B for the first time in 2022, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. See **Premium rates (Figure 1)**
- The FICA tax rate is comprised of two separate payroll taxes: Employer portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI); Employee portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI). For self-employed, the SECA is 12.40% for OASDI and 2.90% for HI.
- You must be at least 62 for the entire month to receive benefits.
- A deceased spouse's unused credit amount is portable to a surviving spouse.

STANDARD MILEAGE RATES

Business use	58.5¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical or moving use	18¢ per mile

MISCELLANEOUS ITEMS

PBGC maximum monthly benefit (at age 65)	\$6,204.55
LTC per diem limit	\$390
LTC premium as medical expense limitation:	
Age 40 or younger	\$450
Age 41-50	\$850
Age 51-60	\$1,690
Age 61-70	\$4,510
Age 71 or older	\$5,640
Qualified transportation fringes (monthly):	
Commuter highway vehicle/transit pass	\$280
Qualified parking	\$280
Qualified Longevity Annuity Contract	\$145,000
Health Care Flexible Spending Account	\$2,850/year

2022 TAX RATE SCHEDULES

If taxable income is:		Then the gross tax payable is:		
Over	But Not Over	Amount	Plus	Of Amount Over

Single taxpayers (other than surviving spouses and heads of households)

\$0	\$10,275	----- 10% of taxable income -----		
\$10,276	\$41,775	\$1,027.50	12%	\$10,275
\$41,776	\$89,075	\$4,807.50	22%	\$41,775
\$89,075.6	\$170,050	\$15,213.50	24%	\$89,075
\$170,051	\$215,950	\$34,647.50	32%	\$170,050
\$215,951	\$539,900	\$49,335.50	35%	\$215,950
\$539,901	--	\$162,718	37%	\$539,900

HEADS OF HOUSEHOLDS

\$0	\$14,650	----- 10% of taxable income -----		
\$14,651	\$55,900	\$1,465	12%	\$14,650
\$55,901	\$89,050	\$6,415	22%	\$55,900
\$89,051	\$170,050	\$13,708	24%	\$89,050
\$170,051	\$215,950	\$33,148	32%	\$170,050
\$215,951	\$539,900	\$47,836	35%	\$215,950
\$539,901	--	\$161,218.50	37%	\$539,900

MARRIED INDIVIDUALS (AND SURVIVING SPOUSES) FILING JOINT RETURNS

\$0	\$20,550	----- 10% of taxable income -----		
\$20,551	\$83,550	\$2,055	12%	\$20,550
\$83,551	\$178,150	\$9,615	22%	\$83,550
\$178,151	\$340,100	\$30,427	24%	\$178,150
\$340,101	\$431,900	\$69,295	32%	\$340,100
\$431,901	\$647,850	\$98,671	35%	\$431,900
\$647,851	--	\$174,253.50	37%	\$647,850

MARRIED INDIVIDUALS FILING SEPARATE RETURNS

\$0	\$10,275	----- 10% of taxable income -----		
\$10,276	\$41,775	\$1,027.50	12%	\$10,275
\$41,776	\$89,075	\$4,807.50	22%	\$41,775
\$89,076	\$170,050	\$15,213.50	24%	\$89,075
\$170,051	\$215,950	\$34,647.50	32%	\$170,050
\$215,951	\$323,925	\$49,335.50	35%	\$215,950
\$323,926	--	\$87,126.75	37%	\$323,925

FIDUCIARY (ESTATES AND TRUSTS) TAXPAYERS

\$0	\$2,750	----- 10% of taxable income -----		
\$2,750	\$9,850	\$275	24%	\$2,750
\$9,850	\$13,450	\$1,979	35%	\$9,850
\$13,450	--	\$3,239	37%	\$13,450

LTCG RATES BASED ON TAXABLE INCOME

Filing Status	0% rate	15% rate	20% rate
Single	under \$41,675	\$41,676-459,750	\$459,750+
Married filing separately	under \$41,675	\$41,676-258,600	\$258,600+
Married filing jointly	under \$83,350	\$83,351-517,200	\$517,200+
Head of household	under \$55,800	\$55,801-488,500	\$488,500+

HEALTH SAVINGS ACCOUNT

Minimum deductible amount:	
Single	\$1,400
Family	\$2,800
Maximum out-of-pocket amount:	
Single	\$7,050
Family	\$14,100
HSA statutory contribution maximum:	
Single	\$3,600
Family	\$7,300
Catch-up contributions (age 55 or older)	\$1,000

EDUCATION

EE bonds for education - exclusion phaseout:	
Single	\$85,800 - 100,800
Married filing jointly	\$128,650 - 158,650
Coverdell Education Savings Account (\$2,000 limit) phaseout:	
Single	\$95,000 - 110,000
Married filing jointly	\$190,000 - 220,000
Lifetime Learning credit - maximum of \$2,000 of qualified expenses up to \$10,000:	
Single	\$80,000
Married filing jointly	\$160,000
American Opportunity tax credit - maximum of \$2,500:	
100% up to \$2,000 of qualified expenses	
25% on next \$2,000 - phaseout:	
Single	\$80,000 - 90,000
Married filing jointly	\$160,000 - 180,000
Education loan deduction (\$2,500) phaseout:	
Unmarried	\$70,000 - 85,000
Married filing jointly	\$145,000 - 175,000

INCOME TAX EXEMPTIONS, DEDUCTIONS AND CREDITS

Personal exemption	\$0
Standard deduction:	
Single	\$12,950
Married filing jointly	\$25,900
Head of household	\$19,400
Married filing separately	\$12,950
Kiddie tax limited standard deduction	\$1,150
Individual eligible to be claimed as dependent - greater of \$1,150 or earned income plus \$400, not to exceed full standard deduction of \$11,500.	
Elderly or blind additional deduction:	
Single	\$1,750
Married	\$1,400
Section 179:	
Maximum election	\$1,080,000
Phaseout begins	\$2,700,000
Adoption credit (nonrefundable):	
Maximum	\$14,890
Phaseout	\$223,410-263,410
Medicare Contribution tax and additional Medicare Tax	
Single	\$200,000
Head of Household	\$200,000
Married filing jointly	\$250,000
Child tax credit	TBD

ALTERNATIVE MIN TAX (AMT)

	Exemption	Phaseout
Single	\$75,900	\$539,900
Married filing jointly	\$118,100	\$1,079,800
Married filing separately	\$59,050	\$539,900
Trusts and estates	\$26,500	\$88,300

AMT RATES

26% up to \$206,100 of AMT base
28% over \$206,100 of AMT base