

# 2019 Tax Facts

## ORDINARY TAX RATES AND BRACKETS

	Taxable Income	Pay	% on excess	Of the amount over:
<b>Single</b>	\$0 - \$9,700	\$0	10%	\$0
	9,700 – 39,475	970	12	9,700
	39,475 – 84,200	4,543	22	39,475
	84,200 – 160,725	14,382.50	24	84,200
	160,725 – 204,100	32,748.50	32	160,725
	204,100 – 510,300	46,628.50	35	204,100
	510,300+	153,798.50	37	510,300
<b>Married Filing Jointly</b>	\$0 - \$19,400	\$0	10%	\$0
	19,400 – 78,950	1,940	12	19,400
	78,950 – 168,400	9,086	22	78,950
	168,400 – 321,450	28,765	24	168,400
	321,450 – 408,200	65,497	32	321,450
	408,200 – 612,350	93,257	35	408,200
	612,350+	164,709.50	37	612,350
<b>Married Filing Separately</b>	\$0 - \$9,700	\$0	10%	\$0
	9,700 – 39,475	970	12	9,700
	39,475 – 84,200	4,543	22	39,475
	84,200 – 160,725	14,382.50	24	84,200
	160,725 – 204,100	32,748.50	32	160,725
	204,100 – 306,175	46,628.50	35	204,100
	306,175+	82,354.75	37	306,175
<b>Head of Household</b>	\$0 - \$13,850	\$0	10%	\$0
	13,850 – 52,850	1,385	12	13,850
	52,850 – 84,200	6,065	22	52,850
	84,200 – 160,700	12,962	24	84,200
	160,700 – 204,100	31,322	32	160,700
	204,100 – 510,300	45,210	35	204,100
	510,300+	152,380	37	510,300
<b>Estates and Non-Grantor Trusts</b>	\$0 - \$2,600	\$0	10%	\$0
	2,600 – 9,300	260	24	2,600
	9,300 – 12,750	1,868	35	9,300
	12,750+	3,075.50	37	12,750

- The tax rate on long-term capital gains and qualified dividends for individuals, estates and grantor trusts is also based on a bracketed system:

Long-Term Capital Gain Tax Rate	Single	Married Filing Joint	Married Filing Separately	Head of Household	Estates & Non-Grantor Trusts
0%	\$0 – 39,375	\$0 – 78,750	\$0 – 39,375	\$0 – 52,750	\$0 – 2,650
15%	\$39,375 – 434,550	\$78,750 – 488,850	\$39,375 – 244,425	\$52,750 – 461,700	\$2,650 – 12,950
20%	\$434,550+	\$488,850+	\$244,425+	\$461,700+	\$12,950+

- In addition, married taxpayers with Modified AGI over \$250,000 (singles over \$200,000) and estates/non-grantor trusts in the top tax bracket are subject to an additional 3.8% tax on Net Investment Income.

**STANDARD DEDUCTION / PERSONAL EXEMPTIONS**

		2019	2018	2017
<b>Single</b>		\$12,200	\$12,000	\$6,350
<b>Married, filing jointly</b>		\$24,400	\$24,000	\$12,700
<b>Married, filing separately</b>		\$12,200	\$12,000	\$6,350
<b>Head of Household</b>		\$18,350	\$18,000	\$9,350
<b>Additional deduction for aged or blind – married</b>		\$1,300	\$1,300	\$1,250
<b>Additional deduction for aged or blind – single</b>		\$1,650	\$1,600	\$1,550
<b>Personal Exemption</b>				
		\$0	\$0	\$4,050
<b>AGI where itemized deduction/personal exemption phase-outs begin</b>	<b>Single</b>	N/A	N/A	\$261,500
	<b>Married Filing Joint</b>	N/A	N/A	\$313,800
	<b>Married Filing Separate</b>	N/A	N/A	\$156,900
	<b>Head of Household</b>	N/A	N/A	\$287,650

- Personal exemptions and the phaseout of itemized deductions are both repealed as of 2018, but are scheduled to be reinstated after 2025.

**KIDDIE TAX**

	2019	2018	2017
<b>Standard Deduction for dependent with no earned income</b>	\$1,100	\$1,050	\$1,050
<b>Maximum net unearned income taxed at child's rate (using the tax rates &amp; brackets for a single filer)</b>	\$1,100	\$1,050	\$1,050
<b>Floor beyond which additional unearned income is taxed at the parent's tax rate</b>	N/A	N/A	\$2,100
<b>Floor beyond which additional unearned income is taxed at the trust tax rates</b>	\$2,200	\$2,100	N/A

- The standard deduction for a dependent is the greater of (i) \$1,100 or (ii) the sum of \$350 and the individual's earned income.

**ALTERNATIVE MINIMUM TAX**

	2019 Taxable Income	Pay	Plus % on excess	Of the amount over:
<b>Single, Head of Household, Married Filing Joint, Trusts</b>	\$0 - \$194,800		26%	\$0
	\$194,800 and above	\$50,648	28%	\$194,800
<b>Married Filing Separate</b>	\$0 - \$97,400		26%	\$0
	\$97,400 and above	\$25,324	28%	\$97,400

- For AMT purposes, long-term capital gains and qualified dividends are taxed at either 15% or 20%, using the same income thresholds as for regular tax.

AMT Personal Exemption	2019	2018	2017
<b>Single</b>	\$71,700	\$70,300	\$54,300
<b>Married Filing Joint</b>	\$111,700	\$109,400	\$84,500
<b>Married Filing Separate</b>	\$55,850	\$54,700	\$42,250
<b>Head of Household</b>	\$71,700	\$70,300	\$54,300

- For 2019, the AMT Exemption begins to phase for married couples with Alternative Minimum Taxable Income above \$1,020,600, and above \$510,300 for all other taxpayers. The amount of exemption lost equals 25% of AMTI over the applicable threshold.

**RETIREMENT PLAN CONTRIBUTION LIMITS**

Traditional & Roth IRAs	2019	2018	2017
IRA and Roth IRA regular contributions	\$6,000	\$5,500	\$5,500
IRA and Roth IRA catch-up contributions	\$1,000	\$1,000	\$1,000
AGI phaseout range for IRA deduction - single	\$64,000- \$74,000	\$63,000- \$73,000	\$62,000- \$72,000
AGI phaseout range for IRA deduction - married	\$103,000- \$123,000	\$101,000- \$121,000	\$99,000- \$119,000
Roth IRA contribution AGI range – single	\$122,000- \$137,000	\$120,000 - \$135,000	\$118,000 - \$133,000
Roth IRA contribution AGI range – married	\$193,000- \$203,000	\$189,000 - 199,000	\$186,000 - 196,000

- Catch-up contributions to IRAs and Roth IRAs are available to taxpayers age 50 and older by 12/31/19.
- For those not covered by an employer retirement plan but whose spouse is covered, the IRA deduction is phased out for MAGI between \$193,000 and \$203,000 for 2019 (\$189,000 and \$199,000 for 2018).

Employer Plans	2019	2018	2017
401(k), 403(b) regular contributions	\$19,000	\$18,500	\$18,000
401(k), 403(b) catch-up contributions	\$6,000	\$6,000	\$6,000
Profit Sharing or MPP	\$56,000	\$55,000	\$54,000
Individual 401(k) (Salary Deferral + Profit Sharing)	\$56,000	\$55,000	\$54,000
Individual 401(k) (Salary Deferral + Profit Sharing) Including Age 50+ Catch-up	\$62,000	\$61,000	\$60,000
SIMPLE IRA regular contributions	\$13,000	\$12,500	\$12,500
SIMPLE IRA catch-up contributions	\$3,000	\$3,000	\$3,000
SEP plan contributions	\$56,000	\$55,000	\$54,000
Total Defined Contribution plan contributions	\$56,000	\$55,000	\$54,000
Maximum compensation for plan benefit	\$280,000	\$275,000	\$270,000

**SOCIAL SECURITY TAXES AND BENEFITS**

	2019	2018	2017
Maximum wages subject to FICA tax	\$132,900	\$128,400	\$127,200
Maximum earned income before reduction in SS benefits (up to full retirement age)	\$17,640	\$17,040	\$16,920
Maximum SS benefit, retiring at full retirement age	\$2,861/mo	\$2,788/mo	\$2,687/mo

- Earned income above threshold, for taxpayers younger than full retirement age, results in reduced Social Security benefits. Benefit amount is reduced by \$1 for every \$2 over the threshold.

Taxability of Benefits	Single, Head of Household, Married Filing Separate	Married Filing Joint	Taxable Portion of Benefits
Income Level	\$0 - \$25,000	\$0 - \$32,000	0%
	\$25,000 - \$34,000	\$32,000 - \$44,000	50%
	Over \$34,000	Over \$44,000	85%

- Income for purposes of this test includes:
  1. All income included on lines 1, 2b, 3b, 4b and Schedule 1 of the 2018 Form 1040
  2. Any tax-exempt interest included on line 2a of Form 1040
  3. Half the gross Social Security benefit itself

## HEALTH SAVINGS ACCOUNTS

	2019	2018	2017
<b>Contribution Limit – Single Coverage</b>	\$3,500	\$3,450	\$3,400
<b>Contribution Limit – Family Coverage</b>	\$7,000	\$6,900	\$6,750
<b>Catch-up Contribution</b>	\$1,000	\$1,000	\$1,000
<b>Minimum Deductible – Single</b>	\$1,350	\$1,350	\$1,300
<b>Minimum Deductible – Family</b>	\$2,700	\$2,700	\$2,600

- Catch-up contributions to HSAs are available to account holders age 55 and older by 12/31/19.
- The Minimum Deductible shown above is the minimum amount allowed for the plan to be considered a High Deductible Plan
- Out of pocket expenses under the plan can't exceed \$6,750 for singles, \$13,500 for a family.

## ESTATE PLANNING

Decedents Dying In:	Lifetime Exemption Amount	Tax Rate
<b>2009</b>	\$3,500,000	45%
<b>2010</b>	\$5 million, but estates may elect no estate tax, with capital gain tax on appreciation above \$1.3 million	35%
<b>2011</b>	\$5,000,000	35%
<b>2012</b>	\$5,120,000	35%
<b>2013</b>	\$5,250,000	40%
<b>2014</b>	\$5,340,000	40%
<b>2015</b>	\$5,430,000	40%
<b>2016</b>	\$5,450,000	40%
<b>2017</b>	\$5,490,000	40%
<b>2018</b>	\$11,180,000	40%
<b>2019</b>	\$11,400,000	40%

- Individuals may use the full \$11,400,000 million exemption to make lifetime gifts without incurring gift tax (married couples up to \$22,800,000). The 40% gift tax rate will apply to gifts above the exemption amount.

	2019	2018	2017
<b>Annual Gift Tax exclusion</b>	\$15,000	\$15,000	\$14,000

- The annual exclusion is indexed annually for inflation, but increases are only made in \$1,000 increments.