

# 2022 Tax Facts

## ORDINARY TAX RATES AND BRACKETS

	Taxable Income	Pay	% on excess	Of the amount over:
<b>Single</b>	\$0 - 10,275	\$0	10%	\$0
	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 - 539,900	49,335.50	35	215,950
	539,901+	162,718	37	539,900
<b>Married Filing Jointly</b>	\$0 - \$20,550	\$0	10%	\$0
	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
<b>Married Filing Separately</b>	\$0 - \$10,275	\$0	10%	\$0
	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
<b>Head of Household</b>	\$0 - \$14,650	\$0	10%	\$0
	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
<b>Estates and Non-Grantor Trusts</b>	\$0 - \$2,750	\$0	10%	\$0
	2,751 - 9,850	275	24	2,750
	9,851 - 13,450	1,979	35	9,850
	13,451+	3,239	37	13,450

- The tax rate on long-term capital gains and qualified dividends is also based on a bracketed system using taxable income:

Long-Term Capital Gain Tax Rate	Single	Married Filing Joint	Married Filing Separately	Head of Household	Estates & Non-Grantor Trusts
<b>0%</b>	\$0 - 41,675	\$0 - 83,350	\$0 - 41,675	\$0 - 55,800	\$0 - 2,800
<b>15%</b>	41,676 - 459,750	83,351 - 517,200	41,676 - 258,600	55,801 - 488,500	2,801 - 13,700
<b>20%</b>	459,751+	517,201+	258,601+	488,501+	13,701+

- In addition, married taxpayers with Modified AGI over \$250,000 (\$200,000 if Single; \$125,000 if Married Filing Separately) 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**

		2022	2021	2020
<b>Single</b>		\$12,950	\$12,550	\$12,400
<b>Married, filing jointly</b>		25,900	25,100	24,800
<b>Married, filing separately</b>		12,950	12,550	12,400
<b>Head of Household</b>		19,400	18,800	18,650
<b>Additional deduction for aged or blind – married</b>		1,400	1,350	1,300
<b>Additional deduction for aged or blind – single</b>		1,750	1,700	1,650
<b>Personal Exemption</b>		0	0	0
<b>AGI where itemized deduction/personal exemption phase-outs begin</b>	<b>Single</b>	N/A	N/A	N/A
	<b>Married Filing Joint</b>	N/A	N/A	N/A
	<b>Married Filing Separate</b>	N/A	N/A	N/A
	<b>Head of Household</b>	N/A	N/A	N/A

- Personal exemptions and the phaseout of itemized deductions are both repealed as of 2018 but are scheduled to be reinstated after 2025.

**KIDDIE TAX**

	2022	2021	2020
<b>Standard Deduction for dependent with no earned income</b>	\$1,150	\$1,100	\$1,100
<b>Maximum net unearned income taxed at child's rate (using the tax rates &amp; brackets for a single filer)</b>	1,150	1,100	1,100
<b>Floor beyond which additional unearned income is taxed at the parent's tax rate</b>	2,300	2,200	2,200
<b>Floor beyond which additional unearned income is taxed at the trust tax rates</b>	N/A	N/A	N/A

- The standard deduction for a dependent is the greater of (i) \$1,150 or (ii) the sum of \$400 and the individual's earned income.

**ALTERNATIVE MINIMUM TAX**

	2022 Taxable Income	Pay	Plus % on excess	Of the amount over:
<b>Single, Head of Household, Married Filing Joint, Trusts</b>	\$0 - 206,100		26%	\$0
	206,101 and above	\$53,586	28%	206,100
<b>Married Filing Separate</b>	0 - 103,050		26%	0
	103,051 and above	\$26,793	28%	103,050

- 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	2022	2021	2020
<b>Single</b>	\$75,900	\$73,600	\$72,900
<b>Married Filing Joint</b>	118,100	114,600	113,400
<b>Married Filing Separate</b>	59,050	57,300	56,700
<b>Head of Household</b>	75,900	73,600	72,900

- For 2022, the AMT Exemption begins to phase for married couples with Alternative Minimum Taxable Income above \$1,079,800 and above \$539,900 for all other taxpayers. The amount of exemption lost equals 25% of AMTI over the applicable threshold.

**RETIREMENT PLAN CONTRIBUTION LIMITS**

Traditional & Roth IRAs	2022	2021	2020
IRA and Roth IRA regular contributions	\$6,000	\$6,000	\$6,000
IRA and Roth IRA catch-up contributions	1,000	1,000	1,000
MAGI phaseout range for IRA deduction - single	68,000-78,000	66,000-76,000	65,000-75,000
MAGI phaseout range for IRA deduction - married	109,000-129,000	105,000-125,000	104,000-124,000
Roth IRA contribution MAGI range – single	129,000-144,000	125,000-140,000	124,000-139,000
Roth IRA contribution MAGI range – married	204,000-214,000	198,000-208,000	196,000-206,000

- Catch-up contributions to IRAs and employer plans are available to taxpayers age 50 and older by 12/31/22.
- MAGI is defined as Adjusted Gross Income minus income from Roth conversions plus any deductions taken for: IRA contributions, student loan interest, excluded foreign income, half of SE tax, excluded interest from savings bonds used for education, and excluded employer-provided adoption benefits.
- For those not covered by an employer retirement plan but whose spouse is covered, the IRA deduction is phased out for MAGI between \$204,000 and \$214,000 for 2022 (\$198,000 and \$208,000 for 2021).

Employer Plans	2022	2021	2020
401(k), 403(b) regular contributions	\$20,500	\$19,500	\$19,500
401(k), 403(b) catch-up contributions	6,500	6,500	6,500
Profit Sharing or MPP	61,000	58,000	57,000
Individual 401(k) (Salary Deferral + Profit Sharing)	61,000	58,000	57,000
Individual 401(k) (Salary Deferral + Profit Sharing) Including Age 50+ Catch-up	67,500	64,500	63,500
SIMPLE IRA regular contributions	14,000	13,500	13,500
SIMPLE IRA catch-up contributions	3,000	3,000	3,000
SEP plan contributions	61,000	58,000	57,000
Total Defined Contribution plan contributions	61,000	58,000	57,000
Maximum compensation for plan benefit	305,000	290,000	285,000

**SOCIAL SECURITY TAXES AND BENEFITS**

	2022	2021	2020
Maximum wages subject to FICA tax	\$147,000	\$142,800	\$137,700
Maximum earned income before reduction in SS benefits (up to full retirement age)	19,560	18,960	18,240
Maximum SS benefit, retiring at full retirement age	3,345/mo	3,148/mo	3,011/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 \$19,560 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	Up to 50%
	Over 34,000	Over 44,000	Up to 85%

- Income for purposes of this test includes:
  1. All income included on lines 1, 2b, 3b, 4b, 5b, 7 and 8 of the 2022 Form 1040
  2. Any tax-exempt interest included on line 2a of Form 1040
  3. Half the gross Social Security benefit itself (Line 6a)

**MEDICARE INCOME-RELATED MONTHLY ADJUSTMENT AMOUNT (IRMAA)**

Taxpayers with a modified adjusted gross income (MAGI) above a certain amount may be required to pay an Income Related Monthly Adjustment Amount (IRMAA) in addition to their Part B or Part D premium. Medicare will use the MAGI reported on the taxpayer's 2020 tax return in determining their 2022 IRMAA.

2020 Modified Adjusted Gross Income (AGI + Tax-Exempt Income)			Premium Adjustment	
Single	Married Filing Joint	Married Filing Separately	Part B	Part D
≤ \$91,000	≤ \$182,000	≤ \$91,000	\$0	\$0
91,001 - 114,000	182,001 - 228,000	n/a	68	12.40
114,001 - 142,000	228,001 - 284,000	n/a	170.10	32.10
142,001 - 170,000	284,001 - 340,000	n/a	272.20	51.70
170,001 - 499,999	340,001 - 749,999	91,001 - 408,999	374.20	71.30
≥ 500,000	≥ 750,000	≥ 409,000	408.20	77.90

**HEALTH SAVINGS ACCOUNTS**

	2022	2021	2020
<b>Contribution Limit – Single Coverage</b>	\$3,650	\$3,600	\$3,550
<b>Contribution Limit – Family Coverage</b>	7,300	7,200	7,100
<b>Catch-up Contribution</b>	1,000	1,000	1,000
<b>Minimum Deductible – Single</b>	1,400	1,400	1,400
<b>Minimum Deductible – Family</b>	2,800	2,800	2,800

- Catch-up contributions to HSAs are available to account holders age 55 and older by 12/31/21.
- 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 \$7,050 for singles, \$14,100 for a family.

**ESTATE PLANNING**

Decedents Dying In:	Lifetime Exemption Amount	Tax Rate
<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%
<b>2020</b>	11,580,000	40%
<b>2021</b>	11,700,000	40%
<b>2022</b>	12,060,000	40%

- Individuals may use the full \$12,060,000 million exemption to make lifetime gifts without incurring gift tax (married couples up to \$24,120,000). The 40% gift tax rate applies to gifts above the exemption amount.

	2022	2021	2020
<b>Annual Gift Tax exclusion</b>	\$16,000	\$15,000	\$15,000

- The annual exclusion is indexed for inflation, but increases are only made in \$1,000 increments. Adjustments typically occur every few years.