

2022 Tax Facts

ORDINARY TAX RATES AND BRACKETS

	Taxable Income	Pay	% on excess	Of the amount over:
Single	\$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
Married Filing Jointly	\$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
Married Filing Separately	\$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
Head of Household	\$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
Estates and Non-Grantor Trusts	\$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
0%	\$0 - 41,675	\$0 - 83,350	\$0 - 41,675	\$0 - 55,800	\$0 - 2,800
15%	41,676 - 459,750	83,351 - 517,200	41,676 - 258,600	55,801 - 488,500	2,801 - 13,700
20%	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
Single		\$12,950	\$12,550	\$12,400
Married, filing jointly		25,900	25,100	24,800
Married, filing separately		12,950	12,550	12,400
Head of Household		19,400	18,800	18,650
Additional deduction for aged or blind – married		1,400	1,350	1,300
Additional deduction for aged or blind – single		1,750	1,700	1,650
Personal Exemption		0	0	0
AGI where itemized deduction/personal exemption phase-outs begin	Single	N/A	N/A	N/A
	Married Filing Joint	N/A	N/A	N/A
	Married Filing Separate	N/A	N/A	N/A
	Head of Household	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
Standard Deduction for dependent with no earned income	\$1,150	\$1,100	\$1,100
Maximum net unearned income taxed at child's rate (using the tax rates & brackets for a single filer)	1,150	1,100	1,100
Floor beyond which additional unearned income is taxed at the parent's tax rate	2,300	2,200	2,200
Floor beyond which additional unearned income is taxed at the trust tax rates	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:
Single, Head of Household, Married Filing Joint, Trusts	\$0 - 206,100		26%	\$0
	206,101 and above	\$57,708	28%	206,100
Married Filing Separate	0 - 103,050		26%	0
	103,051 and above	\$28,854	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
Single	\$75,900	\$73,600	\$72,900
Married Filing Joint	118,100	114,600	113,400
Married Filing Separate	59,050	57,300	56,700
Head of Household	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, 4d, 6 and 7a of the 2021 Form 1040
 2. Any tax-exempt interest included on line 2a of Form 1040
 3. Half the gross Social Security benefit itself (Line 5a)

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
Contribution Limit – Single Coverage	\$3,650	\$3,600	\$3,550
Contribution Limit – Family Coverage	7,300	7,200	7,100
Catch-up Contribution	1,000	1,000	1,000
Minimum Deductible – Single	1,400	1,400	1,400
Minimum Deductible – Family	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
2010	\$5 million, but estates may elect no estate tax, with capital gain tax on appreciation above \$1.3 million	35%
2011	5,000,000	35%
2012	5,120,000	35%
2013	5,250,000	40%
2014	5,340,000	40%
2015	5,430,000	40%
2016	5,450,000	40%
2017	5,490,000	40%
2018	11,180,000	40%
2019	11,400,000	40%
2020	11,580,000	40%
2021	11,700,000	40%
2022	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
Annual Gift Tax exclusion	\$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.