

Federal income tax rates

Taxable income between:

Single¹

\$0-\$9,875	10%
\$9,875-\$40,125	12%
\$40,125-\$85,525	22%
\$85,525-\$163,300	24%
\$163,300-\$207,350	32%
\$207,350-\$518,400	35%
Over \$518,400	37%

Married, filing jointly¹

\$0-\$19,750	10%
\$19,750-\$80,250	12%
\$80,250-\$171,050	22%
\$171,050-\$326,600	24%
\$326,600-\$414,700	32%
\$414,700-\$622,050	35%
Over \$622,050	37%

Head of household (HOH)¹

\$0-\$14,100	10%
\$14,100-\$53,700	12%
\$53,700-\$85,500	22%
\$85,500-\$163,300	24%
\$163,300-\$207,350	32%
\$207,350-\$518,400	35%
Over \$518,400	37%

Married, filing separately¹

\$0-\$9,875	10%
\$9,875-\$40,125	12%
\$40,125-\$85,525	22%
\$85,525-\$163,300	24%
\$163,300-\$207,350	32%
\$207,350-\$311,025	35%
Over \$311,025	37%

Estates and trusts¹

\$0-\$2,600	10%
\$2,600-\$9,450	24%
\$9,450-\$12,950	35%
Over \$12,950	37%

Standard deduction¹

Single	\$12,400
Married, filing jointly	\$24,800
Head of household	\$18,650
Married, filing separately	\$12,400

Additional standard deduction for taxpayers who are age 65 or older, or who are blind: \$1,300 for married; \$1,650 for unmarried and not a surviving spouse.¹

Rates for long-term capital gains and qualified dividends^{1,2}

	Individuals	Head of Household	Married, filing jointly	Married, filing separately	Estates and trusts
0%	\$0-\$40,000	\$0-\$53,600	\$0-\$80,000	\$0-\$40,000	\$0-\$2,650
15%	\$40,000-\$441,450	\$53,600-\$469,050	\$80,000-\$496,600	\$40,000-\$248,300	\$2,650-\$13,150
20%	Over \$441,450	Over \$469,050	Over \$496,600	Over \$248,300	Over \$13,150
28%	Collectibles				

3.8% Medicare surtax thresholds³

Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000
Estates and trusts ^{1,3}	\$12,950

The tax is assessed on the lesser of the amount of income over the threshold or the amount of net investment income.

IRA⁴

IRA contribution (under age 50)	\$6,000
IRA contribution (50 and older)	\$7,000
Single or HOH phase-out	\$65,000-\$75,000
Married, filing jointly	\$104,000-\$124,000
Married, filing separately	\$0-\$10,000
Spousal IRA	\$196,000-\$206,000

Phase-out of Roth IRA contribution eligibility⁴

Single phase-out	\$124,000-\$139,000
Married, filing jointly	\$196,000-\$206,000
Married, filing separately	\$0-\$10,000

SEP^{4,11}

SEP contribution	Up to 25% of compensation (limit \$57,000)
Minimum compensation participant	\$600

SIMPLE⁴

SIMPLE elective deferral (under age 50)	\$13,500
SIMPLE elective deferral (50 and older)	\$16,500

Individual 401(k)⁴

Employer contribution	Up to 25% of compensation
Employee salary deferral (under 50)	\$19,500
Employee salary deferral (50 and older)	\$26,000
Total employer and employee	\$57,000 (\$63,500 age 50 and older)

Other qualified plans⁴

401(k), 403(b), ⁵ governmental 457(b), ⁶ and SARSEP elective deferral (under age 50)	\$19,500
401(k), 403(b), ⁵ governmental 457(b), ⁶ and SARSEP elective deferral (age 50 and older)	\$26,000
Limit on additions to defined contribution plans	\$57,000
Annual benefit limit on defined benefit plans	\$230,000
Highly compensated employee makes	\$130,000
Maximum compensation taken into account for qualified plans	\$285,000
HSA contribution individual coverage ¹²	\$3,550
HSA contribution family coverage ¹²	\$7,100

¹ Rev. Proc. 2019-44.

² IRC Sec. 1(j)(1),(2),(4),(5)(B).

³ IRC Sec. 1411.

⁴ IR-2019-179.

⁵ Additional catch-up contributions may be available for 403(b) participants with 15 or more years of service. Treas. Reg. 1.403(b).4(c)(3).

⁶ In last 3 years pre-retirement, governmental 457(b) participants may be able to increase elective deferral if needed to catch up on missed contributions. IRC Sec. 457(b)(3).

Federal gift and estate tax¹

Gift tax annual exclusion	\$15,000
Annual exclusion for gift to noncitizen spouse	\$157,000
Highest estate and gift tax rate ¹³	40%
Unified estate and gift tax credit amount ¹	\$11,580,000
Generation-skipping transfer tax exclusion ¹	\$11,580,000
Unused credit can pass to the surviving spouse if decedent spouse elects on Form 706.	

Social Security

Maximum earnings (during working years) subject to payroll tax ⁷	\$137,700
Social Security payroll tax⁷	Employees pay 7.65%
	Self-employed pay 15.30%

Additional 0.9% high-income payroll tax for wages in excess of¹⁰

Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000

Income⁸ (in retirement) causing Social Security benefits to be taxable⁹

Single or HOH	
Up to 50% taxable	\$25,000 MAGI
Up to 85% taxable	\$34,000 MAGI
Married, filing jointly	
Up to 50% taxable	\$32,000 MAGI
Up to 85% taxable	\$44,000 MAGI

Max earnings (from a job) between age 62 and full (normal) Social Security retirement age before Social Security benefits are reduced \$1 for every \$2 above \$18,240. For individuals who reach FRA in 2020, \$1 for every additional \$3 earned: \$48,600 up until first of month of birthday. Thereafter unlimited.⁷

LTC¹

Maximum premium amount allowed as a medical expense (deductible to extent all medical expenses exceed 7.5% AGI)	
Age 40 or less	\$430
More than age 40 but not more than 50	\$810
More than age 50 but not more than 60	\$1,630
More than age 60 but not more than 70	\$4,350
More than age 70	\$5,430

Education

Student loan interest deduction ¹	\$2,500
Phase-out: ¹ Single	\$70,000-\$85,000
Married, filing jointly	\$140,000-\$170,000

American Opportunity Tax Credit (Hope Scholarship Credit)¹²

Maximum \$2,500 (100% of first \$2,000 + 25% of next \$2,000 of eligible expenses)	
Phase-out: ¹² Single	\$80,000-\$90,000
Married, filing jointly	\$160,000-\$180,000
Lifetime learning credit ¹²	20% of qualified expenses up to \$10,000
Phase-out: ^{11,12} Single or HOH	\$59,000-\$69,000
Married, filing jointly	\$118,000-\$138,000

⁷ "2020 Social Security Changes," Fact Sheet, Social Security Administration

¹¹ IRC Sec. 402 (h)(2).

¹² IRC Sec. 25A (c),(i).

¹³ IRC Sec. 2001(c).

¹⁴ IRC 1(g), 63(c)(5)(A).

⁸ Most income, including municipal bond interest, but only 1/2 of Social Security benefits.

⁹ IRC Sec. 86.

¹⁰ IRC Sec. 3101(b)(2).

Information is accurate at time of printing, January 2020.

Unless otherwise noted, the source of data in the document is the Internal Revenue Code.

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