

## MARRIED FILING JOINT & SURVIVING SPOUSES

Taxable Income		Tax Rate	Ordinary Tax Calculation
Minimum	Maximum		
--	\$20,550	10%	10% of taxable income
\$20,551	\$83,550	12%	\$2,055 + 12% of the amount over \$20,550
\$83,551	\$178,150	22%	\$9,615 + 22% of the amount over \$83,550
\$178,151	\$340,100	24%	\$30,427 + 24% of the amount over \$178,150
\$340,101	\$431,900	32%	\$69,295 + 32% of the amount over \$340,100
\$431,901	\$647,850	35%	\$98,671 + 35% of the amount over \$431,900
\$647,851	--	37%	\$174,253.50 + 37% of the amount over \$647,850

## CAPITAL GAINS AND DIVIDENDS

**Short-term capital gains** are gains from property held one year or less. These gains are taxed at ordinary income tax rates (above).

**Long-term capital gains** are gains from property held longer than one year. These gains are taxed at 0%, 15%, or 20% (below).

Tax Rate	Married Filing Joint & Surviving Spouses		Single	
	Taxable Income			
	Minimum	Maximum	Minimum	Maximum
0%	--	\$83,350	--	\$41,675
15%	\$83,351	\$517,200	\$41,676	\$459,750
20%	\$517,201	--	\$459,751	--

**Remember:** Qualified dividends are taxed at long-term capital gains rates, and non-qualified dividends are taxed at ordinary income tax rates.

## STANDARD DEDUCTIONS

Filing Status	Standard Deduction
Married Filing Joint & Surviving Spouses	\$25,900
Single	\$12,950
Dependents*	\$1,150 - \$12,950

\*The greater of (a) \$1,150 or (b) earned income plus \$400, not to exceed the standard deduction amount for a single taxpayer.

## ADDITIONAL STANDARD DEDUCTIONS

Filing Status	Standard Deduction
Married, age 65 or older or blind*	\$1,400
Married, age 65 or older and blind*	\$2,800
Single, age 65 or older or blind	\$1,750
Single, age 65 or older and blind	\$3,500

\*Per person

**Remember:** Taxpayers can deduct the greater of their (a) applicable standard deduction or (b) total itemized deductions. Itemized deductions include unreimbursed medical and dental expenses in excess of 7.5% of AGI, state and local taxes paid, interest paid, gifts to charity, and other miscellaneous items.

Information regarding Head of Household and Married Filing Separate filing statuses is available upon request.

## SINGLE

Taxable Income		Tax Rate	Ordinary Tax Calculation
Minimum	Maximum		
--	\$10,275	10%	10% of taxable income
\$10,276	\$41,775	12%	\$1,027.50 + 12% of the amount over \$10,275
\$41,776	\$89,075	22%	\$4,807.50 + 22% of the amount over \$41,775
\$89,076	\$170,050	24%	\$15,213.50 + 24% of the amount over \$89,075
\$170,051	\$215,950	32%	\$34,647.50 + 32% of the amount over \$170,050
\$215,951	\$539,900	35%	\$49,335.50 + 35% of the amount over \$215,950
\$539,901	--	37%	\$162,718 + 37% of the amount over \$539,900

## CONTRIBUTION LIMITS

Elective Deferral (401(k), 403(b) & 457)	\$20,500
Catch-Up Contributions (401(k), 403(b) & 457)	\$6,500
SIMPLE IRA Deferral	\$14,000
Catch-Up Contribution (SIMPLE IRA)	\$3,000
SEP IRA Contribution	Lesser of 25% of net earnings or \$61,000
Traditional IRA/Roth IRA Contribution	\$6,000
Traditional IRA/Roth IRA Catch-Up Contribution	\$1,000

\*Catch-up contributions are allowed for taxpayers age 50 or older.

Traditional IRA	Deductibility Phaseout	
	Modified Adjusted Gross Income (MAGI)	
	Married Filing Joint*	Single**
Full Deduction	< \$109,000	< \$68,000
Partial Deduction	\$109,000 - \$129,000	\$68,000 - \$78,000
No Deduction	> \$129,000	> \$78,000

\*If one spouse is covered by an employer-sponsored plan, the phaseout range for a deductible contribution by the non-covered spouse is \$204,000 - \$214,000. If neither spouse is covered, contributions are fully deductible regardless of MAGI.

\*\*If the individual is not covered by an employer-sponsored plan, the contribution is fully deductible regardless of MAGI.

Roth IRA	Contribution Phaseout	
	Modified Adjusted Gross Income (MAGI)	
	Married Filing Joint	Single
Full Contribution	< \$204,000	< \$129,000
Partial Contribution	\$204,000 - \$214,000	\$129,000 - \$144,000
No Contribution	> \$214,000	> \$144,000

## AFFORDABLE CARE ACT TAXES

### Net Investment Income Tax

Individuals owe additional tax if they have net investment income and also have modified AGI over the applicable threshold (below).

The additional **3.8%** tax is imposed on the lesser of (a) net investment income or (b) excess modified AGI over the relevant threshold amount.

### Additional Medicare Tax

Individuals owe an additional **0.9%** tax on earned income over the applicable threshold (below).

Filing Status	Threshold Amount
Married Filing Joint & Surviving Spouses	\$250,000
Single	\$200,000

## ESTATES &amp; TRUSTS

Taxable Income		Tax Rate	Ordinary Tax Calculation
Minimum	Maximum		
--	\$2,750	10%	10% of taxable income
\$2,751	\$9,850	24%	\$275 + 24% of the amount over \$2,750
\$9,851	\$13,450	35%	\$1,979 + 35% of the amount over \$9,850
\$13,451	--	37%	\$3,239 + 37% of the amount over \$13,450

ESTATE, GIFT, AND GST TAX RATE: 40%

ANNUAL EXCLUSION GIFTS: \$16,000

## ESTATE &amp; GIFT TAX EXEMPTION

\$12,060,000 per person

An individual may transfer up to the amount of this exemption during life or at death without any estate or gift tax consequences. Portability allows a surviving spouse to use a deceased spouse's unused unified estate and gift tax exemption amount.

## GENERATION-SKIPPING TRANSFER TAX EXEMPTION

\$12,060,000 per person

An individual may transfer up to the amount of this exemption to grandchildren or more remote descendants without generation-skipping transfer tax consequences. Portability does not apply to the generation-skipping transfer tax exemption.

## WHEN TO FILE (NOT INCLUDING EXTENSIONS)

**Income Tax Returns for Estates and Trusts (Form 1041)** are due by the 15th day of the fourth month following the close of the tax year (calendar or fiscal).

**Estate (and GST) Tax Returns (Form 706)** are due nine months after the date of the decedent's death.

**Gift (and GST) Tax Returns (Form 709)** are due by the earlier of (a) the due date for filing the donor's estate tax return or (b) April 18, 2023.

## CAPITAL GAINS AND DIVIDENDS

**Short-term capital gains** are gains from property held one year or less. These gains are taxed at ordinary income tax rates.

**Long-term capital gains** are gains from property held longer than one year. These gains are taxed at 0%, 15%, or 20% (below)

Tax Rate	Taxable Income	
	Minimum	Maximum
0%	--	\$2,800
15%	\$2,801	\$13,700
20%	\$13,701	--

**Remember:** Qualified dividends are taxed at the long-term capital gains rates, and non-qualified dividends are taxed at the ordinary income tax rates.

## NET INVESTMENT INCOME TAX

Estates and trusts owe tax if they have undistributed net investment income and also have AGI over the dollar amount at which the highest tax bracket begins.

The additional **3.8%** tax is imposed on the lesser of (a) undistributed net investment income or (b) excess AGI over the dollar amount at which the highest tax bracket begins (\$13,701 in 2022).

## INCOME TAX EXEMPTION AMOUNTS

Estates	\$600
Simple Trusts	\$300
Complex and Other Trusts	\$100

## DEDUCTIBILITY OF STATE DEATH TAXES

State death taxes are deductible on estate tax returns under Internal Revenue Code Section 2058. The following two types of state death taxes may exist:

**Estate Tax**

This tax is imposed on the transfer of the taxable estate of a deceased person. The following states impose an estate tax: CT, DC, HI, IL, MA, MD, ME, MN, NY, OR, RI, VT, and WA.

**Inheritance Tax**

This tax is paid by a person who inherits money or property. The following states impose an inheritance tax: IA, KY, MD, NE, NJ, and PA.

*Stifel compiled this information from numerous Internal Revenue Service (IRS) sources. Additional state and local taxes may apply. Do not rely on this information when making decisions with tax consequences. Stifel does not provide legal or tax advice and will not be held liable for any actions or suits based upon the information provided above. Consult your legal or tax professional if expert assistance is required.*