



## **Navigate Financial**

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# 2019 Key Numbers

These tables are provided for your benefit; we hope you find them useful. Thank you for doing business with us!



# Individual Income Tax Planning

## Adoption credit

Adoption credit	2018	2019
Maximum credit	\$13,810	\$14,080
Phaseout threshold amount	\$207,140	\$211,160
Completed phaseout amount after	\$247,140	\$251,160

## Alternative Minimum Tax (AMT)

Maximum AMT exemption amount	2018	2019
Married filing jointly or surviving spouse	\$109,400	\$111,700
Single or head of household	\$70,300	\$71,700
Married filing separately	\$54,700	\$55,850

AMT income exemption phaseout threshold	2018	2019
Married filing jointly or surviving spouse	\$1,000,000	\$1,020,600
Single or head of household	\$500,000	\$510,300
Married filing separately	\$500,000	\$510,300

AMT tax rate (26% rate applies to AMTI at or below amount; 28% applies to AMTI above amount)	2018	2019
All taxpayers except married filing separately	\$191,100	\$194,800
Married filing separately	\$95,550	\$97,400

## Charitable deductions

Use of auto	2018	2019
Deductible standard mileage rate	\$0.14	\$0.14

Charitable fundraising "insubstantial benefit" limitation	2018	2019
Low-cost article (re: unrelated business income)	\$10.80	\$11.10

<b>Gifts to donor in return for contribution</b>	<b>2018</b>	<b>2019</b>
Token gift maximum cost <sup>1</sup>	\$10.80	\$11.10
Minimum contribution amount <sup>1</sup>	\$54	\$55.50
2% threshold amount <sup>2</sup>	\$108	\$111

<sup>1</sup> Contribution is fully deductible if minimum contribution amount is met and cost of token gift does not exceed maximum

<sup>2</sup> Charitable contribution is fully deductible if the benefit received by the donor doesn't exceed the lesser of the threshold amount or 2% of the amount of the contribution

### Child tax credit

<b>Amount of credit</b>	<b>2018</b>	<b>2019</b>
Maximum credit per qualifying child	\$2,000	\$2,000
Nonrefundable credit for dependents who are not qualifying children	\$500	\$500

<b>Phaseout -- credit reduced by \$50 for each \$1,000 or fraction thereof of MAGI over:</b>	<b>2018</b>	<b>2019</b>
Single	\$200,000	\$200,000
Married Filing Jointly	\$400,000	\$400,000
Married Filing Separately	\$200,000	\$200,000

<b>Refundability -- up to specified percentage of earned income in excess of specified amount</b>	<b>2018</b>	<b>2019</b>
Percentage	15%	15%
Amount	\$2,500	\$2,500
Maximum refundable amount of credit	\$1,400	\$1,400

### Classroom expenses of elementary and secondary school teachers

<b>Classroom expense deduction</b>	<b>2018</b>	<b>2019</b>
Maximum above-the-line deduction	\$250	\$250

## Earned income tax credit (EITC)

Investment income limit	2018	2019
Excessive investment income limit ("disqualified income limit")	\$3,500	\$3,600

Maximum amount of EITC per number of children	2018	2019
0 children	\$519	\$529
1 child	\$3,461	\$3,526
2 children	\$5,716	\$5,828
3 or more children	\$6,431	\$6,557

Maximum amount of earned income on which EITC is based (earned income over this amount but under the threshold phaseout amount will not change the amount of the credit received)	2018	2019
0 children	\$6,780	\$6,920
1 child	\$10,180	\$10,370
2 or more children	\$14,290	\$14,570

Threshold phaseout amount for joint filers per number of children	2018	2019
0 children	\$14,170	\$14,450
1 child	\$24,350	\$24,820
2 children	\$24,350	\$24,820
3 or more children	\$24,350	\$24,820

Threshold phaseout amount for other filers per number of children	2018	2019
0 children	\$8,490	\$8,650
1 child	\$18,660	\$19,030
2 children	\$18,660	\$19,030
3 or more children	\$18,660	\$19,030

Completed phaseout amount for joint filers per number of children	2018	2019
0 children	\$20,950	\$21,370
1 child	\$46,010	\$46,884
2 children	\$51,492	\$52,493
3 or more children	\$54,884	\$55,952

Completed phaseout amount for other filers per number of children	2018	2019
0 children	\$15,270	\$15,570
1 child	\$40,320	\$41,094
2 children	\$45,802	\$46,703
3 or more children	\$49,194	\$50,162

## Expatriation

Covered expatriate	2018	2019
An individual with "average annual net income tax" of more than this amount for the five taxable years ending before his or her loss of citizenship is a covered expatriate for the purposes of IRC §877A(g)(1)	\$165,000	\$168,000
IRC §877A(3) exclusion amount	\$711,000	\$725,000

## Foreign earned income

Amount excluded from income	2018	2019
Exclusion amount	\$103,900	\$105,900

## Itemized deductions

Phaseout threshold	2018	2019
Married filing jointly	N/A	N/A
Head of household	N/A	N/A
Unmarried	N/A	N/A
Married filing separately	N/A	N/A

## Kiddie tax

Unearned income limit	2018	2019
Amount exempt from tax	\$1,050	\$1,100
Additional amount taxed at child's rate	\$1,050	\$1,100
Unearned income over this amount taxed at trust and estate income tax rates	\$2,100	\$2,200

<b>Parent's election</b>	<b>2018</b>	<b>2019</b>
Election to include child's income on parent's return -- child's gross income requirement	\$1,050 - \$10,500	\$1,100 - \$11,000

<b>AMT</b>	<b>2018</b>	<b>2019</b>
AMT exemption for child subject to kiddie tax	Lesser of \$7,600 + child's earned income or \$70,300	Lesser of \$7,750 + child's earned income or \$71,700

### **Medicare tax (additional payroll tax and unearned income contribution tax)**

<b>Payroll tax</b>	<b>2018</b>	<b>2019</b>
Additional Medicare payroll tax (and self-employment tax) percentage rate	0.90%	0.90%

<b>Applies to wages/self-employment income exceeding</b>	<b>2018</b>	<b>2019</b>
Individuals	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000
Married filing separately	\$125,000	\$125,000

<b>Tax on unearned income</b>	<b>2018</b>	<b>2019</b>
Unearned income Medicare contribution tax rate	3.80%	3.80%

<b>Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding</b>	<b>2018</b>	<b>2019</b>
Individuals	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000
Married filing separately	\$125,000	\$125,000

### **Nanny tax**

<b>Compensation threshold</b>	<b>2018</b>	<b>2019</b>
Domestic employee coverage threshold	\$2,100	\$2,100

## Personal exemption amount

Amount	2018	2019
Personal exemption amount	N/A	N/A

Married filing jointly	2018	2019
Phaseout threshold amount	N/A	N/A
Completed phaseout amount after	N/A	N/A

Head of household	2018	2019
Phaseout threshold amount	N/A	N/A
Completed phaseout amount after	N/A	N/A

Unmarried	2018	2019
Phaseout threshold amount	N/A	N/A
Completed phaseout amount after	N/A	N/A

Married filing separately	2018	2019
Phaseout threshold amount	N/A	N/A
Completed phaseout amount after	N/A	N/A

## "Saver's Credit"

Elective Deferrals and IRA or ABLER Contributions by Certain Individuals	2018	2019
Maximum credit amount	\$1,000	\$1,000

Applicable percentage of 50% applies to AGI	2018	2019
Joint Return	\$0 - \$38,000	\$0 - \$38,500
Head of Household	\$0 - \$28,500	\$0 - \$28,875
Other	\$0 - \$19,000	\$0 - \$19,250

Applicable percentage of 20% applies to AGI	2018	2019
Joint Return	\$38,001 - \$41,000	\$38,501 - \$41,500
Head of Household	\$28,501 - \$30,750	\$28,876 - \$31,125
Other	\$19,001 - \$20,500	\$19,251 - \$20,750

Applicable percentage of 10% applies to AGI	2018	2019
Joint Return	\$41,001 - \$63,000	\$41,501 - \$64,000
Head of Household	\$30,751 - \$47,250	\$31,126 - \$48,000
Other	\$20,501 - \$31,500	\$20,751 - \$32,000

Applicable percentage of 0% applies to AGI	2018	2019
Joint Return	Over \$63,000	Over \$64,000
Head of Household	Over \$47,250	Over \$48,000
Other	Over \$31,500	Over \$32,000

### Standard deductions

Amounts	2018	2019
Married filing jointly or surviving spouse	\$24,000	\$24,400
Head of household	\$18,000	\$18,350
Unmarried	\$12,000	\$12,200
Married filing separately	\$12,000	\$12,200
Dependent--Standard deduction cannot exceed the greater of:	\$1,050 or \$350 + earned income	\$1,100 or \$350 + earned income
Additional deduction for aged or blind (single or head of household)	\$1,600	\$1,650
Additional deduction for aged or blind (all other filing statuses)	\$1,300	\$1,300

### Standard mileage rates

Applicable rates	2018	2019
Use of auto for business purposes (cents per mile)	\$0.545	\$0.58
Use of auto for medical purposes (cents per mile)	\$0.18	\$0.20
Use of auto for moving purposes (cents per mile)	\$0.18	\$0.20



# 2019

JANUARY	FEBRUARY	MARCH
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OCTOBER	NOVEMBER	DECEMBER
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## 2019 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

### Single taxpayers

If taxable income is:	Your tax is:
Not over \$9,700	10% of taxable income
Over \$9,700 to \$39,475	\$970 + 12% of the excess over \$9,700
Over \$39,475 to \$84,200	\$4,543 + 22% of the excess over \$39,475
Over \$84,200 to \$160,725	\$14,382.50 + 24% of the excess over \$84,200
Over \$160,725 to \$204,100	\$32,748.50 + 32% of the excess over \$160,725
Over \$204,100 to \$510,300	\$46,628.50 + 35% of the excess over \$204,100
Over \$510,300	\$153,798.50 + 37% of the excess over \$510,300

### Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$19,400	10% of taxable income
Over \$19,400 to \$78,950	\$1,940 + 12% of the excess over \$19,400
Over \$78,950 to \$168,400	\$9,086 + 22% of the excess over \$78,950
Over \$168,400 to \$321,450	\$28,765 + 24% of the excess over \$168,400
Over \$321,450 to \$408,200	\$65,497 + 32% of the excess over \$321,450
Over \$408,200 to \$612,350	\$93,257 + 35% of the excess over \$408,200
Over \$612,350	\$164,709.50 + 37% of the excess over \$612,350

### Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$9,700	10% of taxable income
Over \$9,700 to \$39,475	\$970 + 12% of the excess over \$9,700
Over \$39,475 to \$84,200	\$4,543 + 22% of the excess over \$39,475
Over \$84,200 to \$160,725	\$14,382.50 + 24% of the excess over \$84,200
Over \$160,725 to \$204,100	\$32,748.50 + 32% of the excess over \$160,725
Over \$204,100 to \$306,175	\$46,628.50 + 35% of the excess over \$204,100
Over \$306,175	\$82,354.75 + 37% of the excess over \$306,175

## Heads of household

If taxable income is:	Your tax is:
Not over \$13,850	10% of taxable income
Over \$13,850 to \$52,850	\$1,385 + 12% of the excess over \$13,850
Over \$52,850 to \$84,200	\$6,065 + 22% of the excess over \$52,850
Over \$84,200 to \$160,700	\$12,962 + 24% of the excess over \$84,200
Over \$160,700 to \$204,100	\$31,322 + 32% of the excess over \$160,700
Over \$204,100 to \$510,300	\$45,210 + 35% of the excess over \$204,100
Over \$510,300	\$152,380 + 37% of the excess over \$510,300

## Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,600	10% of taxable income
Over \$2,600 to \$9,300	\$260 + 24% of the excess over \$2,600
Over \$9,300 to \$12,750	\$1,868 + 35% of the excess over \$9,300
Over \$12,750	\$3,075.50 + 37% of the excess over \$12,750

# 2018

JANUARY	FEBRUARY	MARCH
S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
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JULY	AUGUST	SEPTEMBER
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## 2018 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

### Single taxpayers

If taxable income is:	Your tax is:
Not over \$9,525	10% of taxable income
Over \$9,525 to \$38,700	\$952.50 + 12% of the excess over \$9,525
Over \$38,700 to \$82,500	\$4,453.50 + 22% of the excess over \$38,700
Over \$82,500 to \$157,500	\$14,089.50 + 24% of the excess over \$82,500
Over \$157,500 to \$200,000	\$32,089.50 + 32% of the excess over \$157,500
Over \$200,000 to \$500,000	\$45,689.50 + 35% of the excess over \$200,000
Over \$500,000	\$150,689.50 + 37% of the excess over \$500,000

### Married filing jointly and surviving spouses

If taxable income is:	Your tax is:
Not over \$19,050	10% of taxable income
Over \$19,050 to \$77,400	\$1,905 + 12% of the excess over \$19,050
Over \$77,400 to \$165,000	\$8,907 + 22% of the excess over \$77,400
Over \$165,000 to \$315,000	\$28,179 + 24% of the excess over \$165,000
Over \$315,000 to \$400,000	\$64,179 + 32% of the excess over \$315,000
Over \$400,000 to \$600,000	\$91,379 + 35% of the excess over \$400,000
Over \$600,000	\$161,379 + 37% of the excess over \$600,000

## Married individuals filing separately

If taxable income is:	Your tax is:
Not over \$9,525	10% of taxable income
Over \$9,525 to \$38,700	\$952.50 + 12% of the excess over \$9,525
Over \$38,700 to \$82,500	\$4,453.50 + 22% of the excess over \$38,700
Over \$82,500 to \$157,500	\$14,089.50 + 24% of the excess over \$82,500
Over \$157,500 to \$200,000	\$32,089.50 + 32% of the excess over \$157,500
Over \$200,000 to \$300,000	\$45,689.50 + 35% of the excess over \$200,000
Over \$300,000	\$80,689.50 + 37% of the excess over \$300,000

## Heads of household

If taxable income is:	Your tax is:
Not over \$13,600	10% of taxable income
Over \$13,600 to \$51,800	\$1,360 + 12% of the excess over \$13,600
Over \$51,800 to \$82,500	\$5,944 + 22% of the excess over \$51,800
Over \$82,500 to \$157,500	\$12,698 + 24% of the excess over \$82,500
Over \$157,500 to \$200,000	\$30,698 + 32% of the excess over \$157,500
Over \$200,000 to \$500,000	\$44,298 + 35% of the excess over \$200,000
Over \$500,000	\$149,298 + 37% of the excess over \$500,000

## Trusts and estates

If taxable income is:	Your tax is:
Not over \$2,550	10% of taxable income
Over \$2,550 to \$9,150	\$255 + 24% of the excess over \$2,550
Over \$9,150 to \$12,500	\$1,839 + 35% of the excess over \$9,150
Over \$12,500	\$3,011.50 + 37% of the excess over \$12,500



## Business Planning

### Adoption Assistance Programs

Adoption assistance	2018	2019
Maximum amount that can be excluded from employee's gross income	\$13,810	\$14,080
Phaseout threshold amount	\$207,140	\$211,160
Completed phaseout amount after	\$247,140	\$251,160

### Earnings subject to FICA taxes (taxable wage base)

FICA tax	2018	2019
Maximum annual earnings subject to Social Security taxes	\$128,400	\$132,900
Social Security and Medicare combined tax rate	15.30% <sup>1</sup>	15.30% <sup>1</sup>
OASDI portion (Social Security)	12.40%	12.40%
Hospital Insurance portion (Medicare)	2.90% <sup>1</sup>	2.90% <sup>1</sup>

<sup>1</sup> An additional Medicare (HI) employee contribution rate of 0.9% (for a total employee contribution of 2.35%, and a total combined Medicare contribution rate of 3.8%) is assessed on wages exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns). For married individuals filing joint returns, the additional 0.9% tax applies to the couples combined wages (to the extent the combined wages exceed \$250,000).

### Health insurance deduction for self-employed

Health insurance premiums	2018	2019
Deduction for health insurance premiums paid by self-employed persons	100%	100%

### Qualified transportation fringe benefits

Qualified transportation fringe benefits	2018	2019
Commuter vehicles and transit pass monthly exclusion amount	\$260	\$265
Qualified parking monthly exclusion amount	\$260	\$265
Qualified bicycle commuting reimbursement fringe benefit (monthly amount)	N/A	N/A

## Section 179 expensing

Section 179 expensing	2018	2019
Maximum amount that may be deducted under IRC Section 179	\$1,000,000	\$1,020,000
Deduction reduced by the amount by which the cost of §179 property placed in service during the year exceeds this amount	\$2,500,000	\$2,550,000

## Small business tax credit for providing health-care coverage

Amount of credit	2018	2019
Maximum credit percentage	50%	50%

Partial credit	2018	2019
Number of full-time equivalent employees (FTEs) fewer than:	25	25
Maximum average annual wages less than:	\$53,200	\$54,200

Full credit	2018	2019
Number of full-time equivalent employees (FTEs) no more than:	10	10
Maximum average annual wages less than or equal to:	\$26,600	\$27,100

## Special additional first-year depreciation allowance

Bonus depreciation	2018	2019
"Bonus" depreciation for qualified property acquired and placed in service during specified time periods	100%	100%

## Standard mileage rate (per mile)

Business use of auto	2018	2019
Use of auto for business purposes	\$0.545	\$0.58

## Tax on accumulated earnings and personal holding company income

Accumulated earnings and personal holding company income	2018	2019
Maximum tax on these items	20%	20%



## Education Planning

### Coverdell education savings accounts

Coverdell ESAs	2018	2019
Annual contribution limit	\$2,000	\$2,000

MAGI phaseout range for Coverdell education savings accounts	2018	2019
Single--phaseout threshold amount	\$95,000	\$95,000
Single--completed phaseout amount after	\$110,000	\$110,000
Married filing jointly--phaseout threshold amount	\$190,000	\$190,000
Married filing jointly--completed phaseout threshold amount	\$220,000	\$220,000

### Deduction for qualified higher education expenses

Higher education expenses	2018	2019
Maximum deduction	N/A	N/A

MAGI maximum for full \$4,000 deduction	2018	2019
Single	N/A	N/A
Married filing jointly	N/A	N/A

Reduced deduction	2018	2019
Reduced deduction available	N/A	N/A

MAGI range for \$2,000 deduction	2018	2019
Single--MAGI greater than this amount:	N/A	N/A
Single--MAGI does not exceed this amount:	N/A	N/A

Married filing jointly--MAGI greater than this amount:	N/A	N/A
Married filing jointly--MAGI does not exceed this amount:	N/A	N/A

### Education loans--interest deduction

Education loan interest deduction	2018	2019
Maximum deduction for interest paid on qualified education loans	\$2,500	\$2,500

MAGI phaseout range	2018	2019
Single--phaseout threshold amount	\$65,000	\$70,000
Single--completed phaseout amount after	\$80,000	\$85,000
Married filing jointly--phaseout threshold amount	\$135,000	\$140,000
Married filing jointly--completed phaseout amount after	\$165,000	\$170,000

### Gift tax exclusion

Gift tax	2018	2019
Annual gift tax exclusion--single individual	\$15,000	\$15,000
Annual gift tax exclusion--joint gift	\$30,000	\$30,000
Lump-sum gift to 529 plan--single individual	\$75,000	\$75,000
Lump-sum gift to 529 plan--joint gift	\$150,000	\$150,000

### Kiddie tax

Kiddie tax	2018	2019
Generally, children pay federal income tax at the tax rates that apply to estates and trusts on any investment income over	\$2,100	\$2,200

## American Opportunity and Lifetime Learning Credits

Education credits	2018	2019
Maximum Lifetime Learning credit	\$2,000	\$2,000
Maximum American Opportunity credit	\$2,500	\$2,500

MAGI phaseout range for Lifetime Learning credit	2018	2019
Single--phaseout threshold amount	\$57,000	\$58,000
Single--completed phaseout amount after	\$67,000	\$68,000
Married filing jointly--phaseout threshold amount	\$114,000	\$116,000
Married filing jointly--completed phaseout amount after	\$134,000	\$136,000

MAGI phaseout range for American Opportunity credit	2018	2019
Single--phaseout threshold amount	\$80,000	\$80,000
Single--completed phaseout amount after	\$90,000	\$90,000
Married filing jointly--phaseout threshold amount	\$160,000	\$160,000
Married filing jointly--completed phaseout amount after	\$180,000	\$180,000

## U.S. savings bonds--interest exclusion for higher education expenses

Joint returns	2018	2019
Phaseout threshold for joint returns	\$119,300	\$121,600
Completed phaseout amount after	149,300	\$151,600

Other returns	2018	2019
Phaseout threshold for other returns	\$79,550	\$81,100
Completed phaseout amount after	\$94,550	\$96,100





## Protection Planning

### Eligible long-term care premium deduction limits:

LTC premium deduction limits	2018	2019
Age 40 or under	\$420	\$420
Age 41-50	\$780	\$790
Age 51-60	\$1,560	\$1,580
Age 61-70	\$4,160	\$4,220
Over age 70	\$5,200	\$5,270

### Per diem limit:

LTC periodic payments	2018	2019
Periodic payments for qualified long-term care insurance/certain life insurance	\$360	\$370

### Archer Medical Savings Accounts

High deductible health plan--self-only coverage	2018	2019
Annual deductible--minimum	\$2,300	\$2,350
Annual deductible--maximum	\$3,450	\$3,500
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$4,550	\$4,650

High deductible health plan--family coverage	2018	2019
Annual deductible--minimum	\$4,550	\$4,650
Annual deductible--maximum	\$6,850	\$7,000
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$8,400	\$8,550

## Flexible spending account (FSA) for health care

Health care FSAs	2018	2019
Maximum salary reduction contribution	\$2,650	\$2,700

## Health Savings Accounts (HSAs)

Annual contribution limit	2018	2019
Self-only coverage	\$3,450	\$3,500
Family coverage	\$6,900	\$7,000

High deductible health plan--self-only coverage	2018	2019
Annual deductible--minimum	\$1,350	\$1,350
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$6,650	\$6,750

High deductible health plan--family coverage	2018	2019
Annual deductible--minimum	\$2,700	\$2,700
Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed	\$13,300	\$13,500

Catch-up contributions	2019	2020
Annual catch-up contribution limit for individuals age 55 or older	\$1,000	\$1,000



## Estate Planning

Key indexed figures	2018	2019
Annual gift exclusion:	\$15,000	\$15,000
Gift and estate tax applicable exclusion amount:	\$11,180,000 + DSUEA <sup>1</sup>	\$11,400,000 + DSUEA <sup>1</sup>
Noncitizen spouse annual gift exclusion:	\$152,000	\$155,000
Generation-skipping transfer (GST) tax exemption:	\$11,180,000 <sup>2</sup>	\$11,400,000 <sup>2</sup>
Special use valuation limit (qualified real property in decedent's gross estate):	\$1,140,000	\$1,160,000

<sup>1</sup> Basic exclusion amount plus deceased spousal unused exclusion amount (exclusion is portable for 2011 and later years)

<sup>2</sup> The GST tax exemption is not portable

### 2018 and 2019 gift and estate tax rate schedule

Taxable Estate	Tentative Tax Equals	Plus	Of Amount Over
0 - \$10,000	\$0	18%	\$0
\$10,000 - \$20,000	\$1,800	20%	\$10,000
\$20,000 - \$40,000	\$3,800	22%	\$20,000
\$40,000 - \$60,000	\$8,200	24%	\$40,000
\$60,000 - \$80,000	\$13,000	26%	\$60,000
\$80,000 - \$100,000	\$18,200	28%	\$80,000
\$100,000 - \$150,000	\$23,800	30%	\$100,000
\$150,000 - \$250,000	\$38,800	32%	\$150,000
\$250,000 - \$500,000	\$70,800	34%	\$250,000
\$500,000 - \$750,000	\$155,800	37%	\$500,000
\$750,000 - \$1,000,000	\$248,300	39%	\$750,000
\$1,000,000 +	\$345,800	40%	\$1,000,000
<b>Credit shelter amount \$11,180,000 in 2018 and \$11,400,000 in 2019</b>	<b>Unified credit amount \$4,417,800 in 2018 and \$4,505,800 in 2019</b>		



## Government Benefits

### Social Security

Social Security Cost-of-living adjustment (COLA)	2018	2019
For Social Security and Supplemental Security Income (SSI) beneficiaries	2.00%	2.80%

Tax rate--employee	2018	2019
FICA tax -- Employee	7.65%	7.65%
Social Security (OASDI) portion of tax	6.20%	6.20%
Medicare (HI) portion of tax	1.45% <sup>1</sup>	1.45% <sup>1</sup>

Tax rate--self-employed	2018	2019
Self-Employed	15.30%	15.30%
Social Security (OASDI) portion of tax	12.40%	12.40%
Medicare (HI) portion of tax	2.90% <sup>1</sup>	2.90% <sup>1</sup>

<sup>1</sup> An additional 0.9% Medicare/hospital insurance tax (for a total employee contribution of 2.35%) is assessed on wages exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns). An additional 0.9% Medicare/hospital insurance tax (for a total Medicare portion of 3.8%) is assessed on self-employment income exceeding \$200,000 (\$250,000 for married couples filing joint returns, \$125,000 for married individuals filing separate returns).

Maximum taxable earnings	2018	2019
Social Security (OASDI only)	\$128,400	\$132,900
Medicare (HI only)	No limit	No limit

Quarter of coverage	2018	2019
Earnings required	\$1,320	\$1,360

Retirement earnings test--exempt amounts--Under full retirement age--Benefits reduced by \$1 for each \$2 earned above:	2018	2019
Yearly figure	\$17,040	\$17,640
Monthly figure	\$1,420	\$1,470

<b>Retirement earnings test--exempt amounts--Year individual reaches full retirement age--Benefits reduced by \$1 for each \$3 earned above (applies only to earnings for months prior to attaining full retirement age):</b>	<b>2018</b>	<b>2019</b>
Yearly figure	\$45,360	\$46,920
Monthly figure	\$3,780	\$3,910

<b>Retirement earnings test--exempt amounts--Beginning the month individual attains full retirement age</b>	<b>2018</b>	<b>2019</b>
	No limit on earnings	No limit on earnings

<b>Social Security disability thresholds</b>	<b>2018</b>	<b>2019</b>
Substantial gainful activity (SGA) for the sighted (monthly figure)	\$1,180	\$1,220
Substantial gainful activity for the blind (monthly figure)	\$1,970	\$2,040
Trial work period (TWP) (monthly figure)	\$850	\$880

<b>SSI federal payment standard</b>	<b>2018</b>	<b>2019</b>
Individual (monthly figure)	\$750	\$771
Couple (monthly figure)	\$1,125	\$1,157

<b>SSI resource limits</b>	<b>2018</b>	<b>2019</b>
Individual	\$2,000	\$2,000
Couple	\$3,000	\$3,000

<b>SSI student exclusion limits</b>	<b>2018</b>	<b>2019</b>
Monthly limit	\$1,820	\$1,870
Annual limit	\$7,350	\$7,550

<b>Maximum Social Security benefit</b>	<b>2018</b>	<b>2019</b>
Worker retiring at full retirement age (monthly figure)	\$2,788	\$2,861

<b>Formula for Monthly Primary Insurance Amount (PIA)</b>	<b>2018</b>	<b>2019</b>
(90% of first X of AIME + 32% of the AIME over X and through Y + 15% of AIME over Y)	X=\$895 Y=\$5,397	X=\$926 Y=\$5,583

## Medicare

<b>Medicare monthly premium amounts--Part A (hospital insurance) premium</b>	<b>2018</b>	<b>2019</b>
Individuals with 40 or more quarters of Medicare-covered employment	\$0	\$0
Individuals with less than 40 quarters of Medicare-covered employment who are not otherwise eligible for premium-free hospital insurance	Up to \$422	Up to \$437

<b>Medicare monthly premium amounts--Part B (medical insurance) monthly premium--for beneficiaries who file an individual income tax return with income that is:</b>	<b>2018</b>	<b>2019</b>
Less than or equal to \$85,000	\$134 <sup>2</sup>	\$135.50 <sup>2</sup>
\$85,001 - \$107,000	\$187.50	\$189.60
\$107,001 - \$133,500	\$267.90	\$270.90
\$133,501 - \$160,000	\$348.30	\$352.20
\$160,001 - \$499,999	\$428.60	\$433.40
\$500,000 and above	\$428.60	\$460.50

<b>Medicare monthly premium amounts--Part B (medical insurance) monthly premium--for beneficiaries who file a joint income tax return with income that is:</b>	<b>2018</b>	<b>2019</b>
Less than or equal to \$170,000	\$134 <sup>2</sup>	\$135.50 <sup>2</sup>
\$170,001 - \$214,000	\$187.50	\$189.60
\$214,001 - \$267,000	\$267.90	\$270.90
\$267,001 - \$320,000	\$348.30	\$352.20
\$320,001 - \$749,999	\$428.60	\$433.40
\$750,000 and above	\$428.60	\$460.50

<b>Medicare monthly premium amounts--Part B (medical insurance) monthly premium--for beneficiaries who are married, but file a separate tax return from their spouse and lived with spouse at some time during the taxable year with income that is:</b>	<b>2018</b>	<b>2019</b>
Less than or equal to \$85,000	\$134 <sup>2</sup>	\$135.50 <sup>2</sup>
\$85,001 - \$414,999	\$428.60	\$433.40
\$415,000 and above	\$428.60	\$460.50

<sup>2</sup> This is the standard Part B premium amount. However, some people who get Social Security benefits will pay less than this amount.

<b>Original Medicare plan deductible and coinsurance amounts--Part A (hospital insurance)</b>	<b>2018</b>	<b>2019</b>
Deductible per benefit period	\$1,340	\$1,364
Coinsurance per day for 61st to 90th day of each benefit period	\$335	\$341
Coinsurance per day for 91st to 150th day for each lifetime reserve day (total of 60 lifetime reserve days--nonrenewable)	\$670	\$682

<b>Original Medicare plan deductible and coinsurance amounts</b>	<b>2018</b>	<b>2019</b>
Skilled nursing facility coinsurance per day for 21st to 100th day of each benefit period	\$168	\$170.50

<b>Original Medicare plan deductible and coinsurance amounts--Part B (medical insurance) annual deductible</b>	<b>2018</b>	<b>2019</b>
Individual pays 20 percent of the Medicare-approved amount for services after deductible is met	\$183	\$185

## Medicaid

Income threshold	2018	2019
Monthly income threshold for income-cap states ("300 percent cap limit")	\$2,250	\$2,313

Monthly maintenance needs allowance for at-home spouse	2018	2019
Minimum <sup>3</sup>	\$2,030.00	\$2,057.50
Maximum	\$3,090.00	\$3,160.50

Spousal resource allowance	2018	2019
Minimum	\$24,720	\$25,284
Maximum	\$123,600	\$126,420

<sup>3</sup> Amounts listed actually effective as of July of prior year; different amounts apply to Alaska and Hawaii.



## Retirement Planning

### Employee/individual contribution limits

Elective deferral limits	2018	2019
401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs <sup>1</sup> (Includes Roth 401(k) and Roth 403(b) contributions)	Lesser of \$18,500 or 100% of participant's compensation	Lesser of \$19,000 or 100% of participant's compensation
SIMPLE 401(k) plans and SIMPLE IRA plans <sup>1</sup>	Lesser of \$12,500 or 100% of participant's compensation	Lesser of \$13,000 or 100% of participant's compensation

<sup>1</sup> Must aggregate employee contributions to all 401(k), 403(b), SAR-SEP, and SIMPLE plans of all employers. 457(b) plan contributions are not aggregated. For SAR-SEPs, the percentage limit is 25% of compensation reduced by elective deferrals (effectively, a 20% maximum contribution).

IRA contribution limits	2018	2019
Traditional IRAs	Lesser of \$5,500 or 100% of earned income	Lesser of \$6,000 or 100% of earned income
Roth IRAs	Lesser of \$5,500 or 100% of earned income	Lesser of \$6,000 or 100% of earned income

Additional "catch-up" limits (individuals age 50 or older)	2018	2019
401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs <sup>2</sup>	\$6,000	\$6,000
SIMPLE 401(k) plans and SIMPLE IRA plans	\$3,000	\$3,000
IRAs (traditional and Roth)	\$1,000	\$1,000



<sup>2</sup> Special catch-up limits may also apply to 403(b) and 457(b) plan participants.

### Employer contribution/benefit<sup>3</sup> limits

Defined benefit plan limits	2018	2019
Annual contribution limit per participant	No predetermined limit. Contributions based on amount needed to fund promised benefits	No predetermined limit. Contributions based on amount needed to fund promised benefits
Annual benefit limit per participant	Lesser of \$220,000 or 100% of average compensation for highest three consecutive years	Lesser of \$225,000 or 100% of average compensation for highest three consecutive years

Defined contribution plan limits (qualified plans, 403(b) plans, SEP, and SIMPLE plans)	2018	2019
Annual addition limit per participant ( <i>employer contributions; employee pretax, after-tax, and Roth contributions; and forfeitures</i> ) ( <i>does not apply to SIMPLE IRA plans</i> )	Lesser of \$55,000 or 100% (25% for SEP) of participant's compensation	Lesser of \$56,000 or 100% (25% for SEP) of participant's compensation
Maximum tax-deductible employer contribution ( <i>not applicable to 403(b) plans</i> )	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans	25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pretax and Roth contributions; 100% for SIMPLE plans

<sup>3</sup> For self-employed individuals, compensation generally means earned income. This means that, for qualified plans, deductible contributions for a self-employed individual are limited to 20% of net earnings from self-employment (net profits minus self-employment tax deduction), and special rules apply in calculating the annual additions limit.

### Compensation limits/thresholds

Retirement plan compensation limits	2018	2019
Maximum compensation per participant that can be used to calculate tax-deductible employer contribution (qualified plans and SEPs)	\$275,000	\$280,000
Compensation threshold used to determine a highly-compensated employee	\$120,000 (when 2018 is the look-back year)	\$125,000 (when 2019 is the look-back year)
Compensation threshold used to determine a key employee in a top-heavy plan	\$1 for more-than-5% owners \$175,000 for officers \$150,000 for more-than-1% owners	\$1 for more-than-5% owners \$180,000 for officers \$150,000 for more-than-1% owners

Compensation threshold used to determine a qualifying employee under a SIMPLE plan	\$5,000	\$5,000
Compensation threshold used to determine a qualifying employee under a SEP plan	\$600	\$600

<b>Traditional deductible IRA income limits--Income phase-out range for determining deductibility of traditional IRA contributions for taxpayers covered by an employer-sponsored plan and filing as:</b>	<b>2018</b>	<b>2019</b>
Single	\$63,000 - \$73,000	\$64,000 - \$74,000
Married filing jointly	\$101,000 - \$121,000	\$103,000 - \$123,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000

<b>Traditional deductible IRA income limits--Income phase-out range for determining deductibility of traditional IRA contributions for taxpayers not covered by an employer-sponsored retirement plan but filing a:</b>	<b>2018</b>	<b>2019</b>
Joint return with a spouse who is covered by an employer-sponsored retirement plan	\$189,000 - \$199,000	\$193,000 - \$203,000

<b>Roth IRA compensation limits--Income phase-out range for determining ability to fund Roth IRA for taxpayers filing as:</b>	<b>2018</b>	<b>2019</b>
Single	\$120,000 - \$135,000	\$122,000 - \$137,000
Married filing jointly	\$189,000 - \$199,000	\$193,000 - \$203,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000



## Investment Planning

### Maximum tax on long-term capital gains and qualified dividends

0% rate applies (taxable income thresholds)	2018	2019
Single	Up to \$38,600	Up to \$39,375
Married filing jointly	Up to \$77,200	Up to \$78,750
Married filing separately	Up to \$38,600	Up to \$39,375
Head of household	Up to \$51,700	Up to \$52,750

15% rate applies (taxable income thresholds)	2018	2019
Single	\$38,601 to \$425,800	\$39,376 to \$434,550
Married filing jointly	\$77,201 to \$479,000	\$78,751 to \$488,850
Married filing separately	\$38,601 to \$239,500	\$39,376 to \$244,425
Head of household	\$51,701 to \$452,400	\$52,751 to \$461,700

20% rate applies (taxable income thresholds)	2018	2019
Single	Over \$425,800	Over \$434,550
Married filing jointly	Over \$479,000	Over \$488,850
Married filing separately	Over \$239,500	Over \$244,425
Head of household	Over \$452,400	Over \$461,700

### Unearned income Medicare contribution tax ("net investment income tax")

Amount of tax	2018	2019
Tax percentage	3.80%	3.80%

Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding:	2018	2019
Individuals	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000
Married filing separately	\$125,000	\$125,000

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