

2023 Key Facts and Figures

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INCOME TAXES

2023	2023				2022
If Taxable Income Is:				come Is:	If Taxable In
But Not More	0	Of the Amount	The Toute	But Not More	0
Over Than		Over	The Tax Is	Than	Over
Married Filing Jointly		ćo	ćo . 100/	-	Married Fili
\$0 \$22,000	•	\$0	\$0 + 10%	\$20,550	\$0
22,000 89,450	· ·	20,550	2,055.00 + 12%	83,550	20,550
89,450 190,750	,	83,550	9,615.00 + 22%	178,150	83,550
190,750 364,200		178,150	30,427.00 + 24%	340,100	178,150
364,200 462,500	,	340,100	69,295.00 + 32%	431,900	340,100
500 693,750			98,671.00 + 35%	647,850	431,900
	_	647,850	174,253.50 + 37%		647,850
ling Separa				ng Separate	
\$11,000		\$0	\$0 + 10%	\$10,275	\$0
44,725		10,275	1,027.50 + 12%	41,775	10,275
95,375		41,775	4,807.50 + 22%	89,075	41,775
82,100	1	89,075	15,213.50 + 24%	170,050	89,075
1,250	231	170,050	34,647.50 + 32%	215,950	170,050
375	346,8	215,950 23	49,335.50 + 35%	323,925	215,950
		323,925	87,126.75 + 37%		323,925
l:	ouseholo			usehold:	Head of Ho
)	\$15,700	\$0	\$0 + 10%	\$14,650	\$0
•	59,850	14,650	1,465.00 + 12%	55,900	14,650
	95,350	55,900	6,415.00 + 22%	89,050	55,900
	182,100	89,050	13,708.00 + 24%	170,050	89,050
	231,250	170,050 18	33,148.00 + 32%	215,950	170,050
	578,100	215,950 23	47,836.00 + 35%	539,900	215,950
		539,900 57	161,218.50 + 37%		539,900
		Sir			Single:
	\$11,000	\$0	\$0 + 10%	\$10,275	\$0
	44,725	10,275	1,027.50 + 12%	41,775	10,275
	95,375	41,775	4,807.50 + 22%	89,075	41,775
	182,100	89,075	15,213.50 + 24%	170,050	89,075
	231,250	170,050 18	34,647.50 + 32%	215,950	170,050
	578,125	215,950 23	49,335.50 + 35%	539,900	215,950
		539,900 57	162,718.00 + 37%		539,900
	d Trusts	Es		Trusts:	Estates and
	\$2,900	\$0	\$0 + 10%	\$2,750	\$0
	10,550	2,750	275.00 + 24%	9,850	2,750
	14,450	9,850	1,979.00 + 35%	13,450	9,850
		13,450	3,239.00 + 37%		13,450

EDUCATION INCENTIVES

Tuition Deduction – "Above-the-line" deduction for qualified tuition and related expenses repealed for tax years after 2020.

Student Loan Interest Deduction – "Above-the-line" deduction up to \$2,500 (2022 and 2023); no time limit on deductibility period; subject to income limitations.

Education Credits – American Opportunity Credit is up to \$2,500 in 2022 and 2023 per student for first four years of higher education expenses paid. Lifetime Learning Credit is 20% of tuition paid up to \$2,000 per return for 2022 and 2023. Both credits are subject to income limitations and cannot be used in conjunction with each other for the same student.

Section 529 Plans (Qualified Tuition Programs) – Distributions used for qualified higher education expenses are income tax free. Contributions are potentially subject to gift tax, but are eligible for the per-donee annual exclusion (\$16,000 for 2022; \$17,000 for 2023). Donor can elect to treat up to \$80,000 of the contribution in 2022 (\$85,000 in 2023) as if it had been made ratably over a 5-year period.

Coverdell Education Savings Accounts (Education IRAs) – Contribution limit is \$2,000 in 2022 and 2023; subject to income limitations.

OTHER TAX RATES

Long-Term Capital Gains and Qualified Dividends Tax Rates for Taxpayers with Taxable Income in the Specified Ranges*				
2022	0%	15%	20%	
MFJ/SS	\$0 - \$83,350	\$83,351 - \$517,200	over \$517,200	
MFS	\$0 - \$41,675	\$41,676 - \$258,600	over \$258,600	
НоН	\$0 - \$55,800	\$55,801 - \$488,500	over \$488,500	
Single	\$0 - \$41,675	\$41,676 - \$459,750	over \$459,750	
E&T	\$0 - \$2,800	\$2,801 - \$13,700	over \$13,700	
2023	0%	15%	20%	
MFJ/SS	\$0 - \$89,250	\$89,251 - \$553,850	over \$553,850	
MFS	\$0 - \$44,625	\$44,626 - \$276,900	over \$276,900	
НоН	\$0 - \$59,750	\$59,751 - \$523,050	over \$523,050	
Single	\$0 - \$44,625	\$44,626 - \$492,300	over \$492,300	
E&T	\$0 - \$3,000	\$3,001 - \$14,650	over \$14,650	

- · Short-term gain taxed at ordinary rates.
- * Additional 3.8% tax imposed on the lesser of the individual's Net Investment Income or the excess of the individual's MAGI over certain thresholds (\$250,000 for married couples filing jointly or surviving spouse, \$125,000 for married couples filing separately, and \$200,000 for all other taxpayers).

Kiddie Tax

- Under age 19 (or certain full-time students under age 24) with unearned income consisting solely of interest, dividends and CGD; and child's gross income is less than \$11,500 in 2022 or \$12,500 in 2023 – use Form 8814 with parent's return.
- If child files own return use Form 8615 with child's return to calculate tax at parent's marginal rate.

	2022	2023	
First	\$1,150	\$1,250	No Tax
Next	\$1,150	\$1,250	Taxed at child's marginal rate
Amount Over	\$2,300	\$2,500	Taxed at parent's marginal rate

AMT Rates for Individuals

		MTI Threshold	
	AI	AMT	
	2022	2023	Rate
Single, MFJ, HoH	\$0 - \$206,100	\$0 - \$220,700	26%
Single, Mrj, non	\$206,101 or more	\$220,701 or more	28%
MFS	\$0 - \$103,050	\$0 - \$110,350	26%
MFS	\$103,051 or more	\$110,351 or more	28%
	AI	MT Exemption	
	2022	2023	
Single, HoH	\$75,900	\$81,300	
MFJ, SS	\$118,100	\$126,500	
	450.050	450.050	

SOCIAL SECURITY

Maximum Compensation Subject to FICA		
	2022	2023
OASDI Maximum	\$147,000	\$160,200
HI Maximum	No Limit	No Limit

- OASDI tax rate 2022 & 2023: 12.4% self-employed, 6.2% employees
- HI tax rate* 2022 & 2023: 2.9% self-employed, 1.45% employees
- * Additional 0.9% tax imposed on employment wages for certain higher-income taxpayers (income of more than \$250,000 for married couples filing jointly or surviving spouse, \$125,000 for married couples filing separately, and \$200,000 for all other taxpayers)

Maximum Amount of Earnings to Still Receive Full Benefits

	2022	2023
Under full retirement age	\$19,560	\$21,240
MAGI Amounts for Benefits to Be	e Taxable	
	50% Taxable	85% Taxable
Married Filing Jointly	\$32,000	\$44,000
Single, HOH, MFS Living Apart	\$25,000	\$34,000

DEDUCTIONS

Standard Deduction

	Year	Annual	Add'l Age 65 or Older or Blind
Married Filing Jointly/	2022	\$25,900	\$1,400
Surviving Spouse	2023	\$27,700	\$1,500
Married Filing	2022	\$12,950	\$1,400
Separately	2023	\$13,850	\$1,500
Head of	2022	\$19,400	\$1,750
Household	2023	\$20,800	\$1,850
Cinala	2022	\$12,950	\$1,750
Single	2023	\$13,850	\$1,850

Phaseout of Itemized Deductions Does Not Apply in 2022 or 2023

Code Sec. 179 Expense Allowance

	2022	2023
Dollar limitation	\$1,080,000	\$1,160,000
Investment limitation	\$2,700,000	\$2,890,000

Qualified Business Income Deduction Phase-In Thresholds

	Taxable Income Phase-In		
	2022	2023	
MFJ	\$340,100 - \$440,100	\$364,200 - \$464,200	
MFS	\$170,050 - \$220,050	\$182,100 - \$232,100	
All Others	\$170,050 - \$220,050	\$182,100 - \$232,100	

ESTATE & GIFT TAXES

	2022	2023
Annual Gift Tax Exclusion	\$16,000	\$17,000
for Noncitizen Spouses	\$164,000	\$175,000
Estate Tax Exclusion	\$12,060,000	\$12,920,000
Applicable Credit	\$4,769,800	\$5,113,800
Gift Tax Exclusion	\$12,060,000	\$12,920,000
Generation-Skipping Transfer Tax Exemption	\$12,060,000	\$12,920,000

CREDITS & EXCLUSIONS

Child Tax Credit

	2022	2023
Credit Amount	\$2,000	\$2,000
Refundable Amount	\$1,500	\$1,600

\$2,000 credit amount for 2022 and 2023 phases out \$50 for every \$1,000 AGI over \$400,000 (MFJ), \$200,000 (all others)

Foreign Income

	2022	2023
Foreign earned income exclusion	\$112,000	\$120,000
Maximum foreign housing exclusion of qualified housing expenses	\$15,680 (\$33,600 - \$17,920)	\$16,800 (\$36,000 - \$19,200)

INDIVIDUAL ESTIMATED TAXES

Individuals can base federal estimated tax payments on:

- 100% of prior year's tax, or 110% of prior year's tax if prior year's AGI is > \$150,000 (> \$75,000 for Married Filing Separately)
- Annualization exception

 No penalty if tax less withholding < \$1,000 or no tax liability in preceding tax year

IRAs

Contribution Limits - Traditional and Roth

	2022	2023	
Regular	\$6,000	\$6,500	
Catch-up*	\$1,000	\$1,000	
*Individuals who will be at least one FO by the and of the year one make eather in contributions			

Individuals who will be at least age 50 by the end of the year can make catch-up contributions!

Roth IRAs

MAGI Phaseout Ranges for Contributions to Roth IRAs	2022	2023
Married Filing Jointly	\$204,000 - \$214,000	\$218,000 - \$228,000
Single, Head of Household	\$129,000 - \$144,000	\$138,000 - \$153,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000

Traditional IRA Deductibility Rules

		Modified AGI			
Filing Status	Covered by Qualified Retirement Plan?	2022	2023	Deductibility	
Single, HoH	No	Any amount	Any amount	Full deduction	
	Yes	\$68,000 or less \$68,001 - \$77,999 \$78,000 or more	\$73,000 or less \$73,001 - \$82,999 \$83,000 or more	Full deduction Partial deduction No deduction	
Married Filing Jointly	Neither spouse	Any amount	Any amount	Full deduction	
	Both spouses covered	\$109,000 or less \$109,001 - \$128,999 \$129,000 or more	\$116,000 or less \$116,001 - \$135,999 \$136,000 or more	Full deduction Partial deduction No deduction	
	One spouse covered: for covered spouse	\$109,000 or less \$109,001 - \$128,999 \$129,000 or more	\$116,000 or less \$116,001 - \$135,999 \$136,000 or more	Full deduction Partial deduction No deduction	
	One spouse covered: for non-covered spouse	\$204,000 or less \$204,001 - \$213,999 \$214,000 or more	\$218,000 or less \$218,001 - \$227,999 \$228,000 or more	Full deduction Partial deduction No deduction	
Married Filing Separately, lived together for any part of the year (if spouses lived separately throughout year, treated as Single)	Neither spouse	Any amount	Any amount	Full deduction	
	Both spouses covered	\$9,999 or less	\$9,999 or less	Partial deduction	
		\$10,000 or more	\$10,000 or more	No deduction	
	One spouse covered: for covered spouse	\$9,999 or less	\$9,999 or less	Partial deduction	
		\$10,000 or more	\$10,000 or more	No deduction	
	One spouse covered: for	\$9,999 or less	\$9,999 or less	Partial deduction	
	non-covered spouse	\$10,000 or more	\$10,000 or more	No deduction	

QUALIFIED PLANS

	2022	2023		
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b))	\$20,500	\$22,500		
Maximum elective deferral to SIMPLE IRAs	\$14,000	\$15,500		
Maximum elective deferral to 457 plans or exempt employers	\$20,500	\$22,500		
Limit on annual additions to Keogh plans and SEP-IRAs	\$61,000	\$66,000		
Limit on annual additions to defined contribution plans	\$61,000	\$66,000		
Maximum annual compensation taken into account for contributions	\$305,000	\$330,000		
Annual benefit limit under defined benefit plans	\$245,000	\$265,000		
Threshold amount for definition of highly compensated employee	\$135,000	\$150,000		
Threshold amount for definition of key employee in top-heavy plans	\$200,000	\$215,000		
Catch-up Contribution Limits*				
401(k), 403(b), SARSEP and 457 plans	\$6,500	\$7,500		
SIMPLE plans	\$3,000	\$3,500		
* Individuals who will be at least age 50 by the end of the year can make catch-up contributions.				