

## **Tax Facts and Figures**



Single Taxable Income	Tax
\$ 0 to 10,275 \times 10.0% minus \$ 0.00 = 10,276 to 41,775 \times 12.0% minus 205.50 = 41,776 to 89,075 \times 22.0% minus 4,383.00 = 89,076 to 170,050 \times 24.0% minus 6,164.50 = 170,051 to 215,950 \times 32.0% minus 19,768.50 = 215,951 to 539,900 \times 350,900 minus 26,247.00 = 539,901 and over \times 37.0% minus 37,045.00 = \text{MFJ or QW Taxable Income} \$\$\$\$ 0 to 20,550 \times 10.0% minus \$ 0.00 = 20,551 to 83,550 \times 12.0% minus 411.00 = 83,551 to 178,150 \times 22.0% minus 8,766.00 = 178,151 to 340,100 \times 24.0% minus 12,329.00 = 340,101 to 431,900 \times 32.0% minus 39,537.00 =	Tax
10,276         to         41,775         x         12.0%         minus         205.50         =           41,776         to         89,075         x         22.0%         minus         4,383.00         =           89,076         to         170,050         x         24.0%         minus         6,164.50         =           170,051         to         215,950         x         32.0%         minus         19,768.50         =           215,951         to         539,900         x         35.0%         minus         26,247.00         =           539,901         and over         x         37.0%         minus         37,045.00         =           MFJ or QW Taxable Income           \$         0         to         20,550         x         10.0%         minus         \$         0.00         =           20,551         to         83,550         x         12.0%         minus         411.00         =           83,551         to         178,150         x         22.0%         minus         8,766.00         =           178,151         to         340,100         x         24.0%         minus         39,537.00 <t< th=""><th>Tax Tax Tax Tax Tax Tax Tax Tax Tax Tax</th></t<>	Tax
41,776 to 89,075 × 22.0% minus 4,383.00 = 89,076 to 170,050 × 24.0% minus 6,164.50 = 170,051 to 215,950 × 32.0% minus 19,768.50 = 215,951 to 539,900 × 35.0% minus 26,247.00 = 539,901 and over × 37.0% minus 37,045.00 =  MFJ or QW Taxable Income  \$ 0 to 20,550 × 10.0% minus \$ 0.00 = 20,551 to 83,550 × 12.0% minus 411.00 = 83,551 to 178,150 × 22.0% minus 8,766.00 = 178,151 to 340,100 × 24.0% minus 12,329.00 = 340,101 to 431,900 × 32.0% minus 39,537.00 =	Tax Tax Tax Tax Tax Tax Tax Tax
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215,951 to 539,900 × 35.0% minus 26,247.00 = 539,901 and over × 37.0% minus 37,045.00 =   MFJ or QW Taxable Income  \$ 0 to 20,550 × 10.0% minus \$ 0.00 = 20,551 to 83,550 × 12.0% minus 411.00 = 83,551 to 178,150 × 22.0% minus 8,766.00 = 178,151 to 340,100 × 24.0% minus 12,329.00 = 340,101 to 431,900 × 32.0% minus 39,537.00 =	Tax Tax Tax Tax Tax
539,901         and over         ×         37.0%         minus         37,045.00         =           MFJ or QW Taxable Income           \$ 0 to         20,550         ×         10.0%         minus         \$ 0.00         =           20,551 to         83,550         ×         12.0%         minus         411.00         =           83,551 to         178,150         ×         22.0%         minus         8,766.00         =           178,151 to         340,100         ×         24.0%         minus         12,329.00         =           340,101 to         431,900         ×         32.0%         minus         39,537.00         =	Tax Tax Tax Tax
MFJ or QW Taxable Income           \$ 0 to 20,550 × 10.0% minus         \$ 0.00 =           20,551 to 83,550 × 12.0% minus         411.00 =           83,551 to 178,150 × 22.0% minus         8,766.00 =           178,151 to 340,100 × 24.0% minus         12,329.00 =           340,101 to 431,900 × 32.0% minus         39,537.00 =	Tax Tax Tax
\$ 0 to 20,550 \times 10.0\% minus \$ 0.00 = 20,551 to 83,550 \times 12.0\% minus 411.00 = 83,551 to 178,150 \times 22.0\% minus 8,766.00 = 178,151 to 340,100 \times 24.0\% minus 12,329.00 = 340,101 to 431,900 \times 32.0\% minus 39,537.00 =	Tax Tax
20,551 to 83,550 × 12.0% minus 411.00 = 83,551 to 178,150 × 22.0% minus 8,766.00 = 178,151 to 340,100 × 24.0% minus 12,329.00 = 340,101 to 431,900 × 32.0% minus 39,537.00 =	Tax Tax
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340,101 to 431,900 × 32.0% minus 39,537.00 =	Tax
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421 001 to 647 050 25 00/ minus 52 404 00	Tax
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647,851 and over × 37.0% minus 65,451.00 =	Tax
MFS Taxable Income	
$0 to 10,275 \times 10.0\% minus  0.00 =$	Tax
10,276 to 41,775 × 12.0% minus 205.50 =	Tax
41,776 to 89,075 × 22.0% minus 4,383.00 =	Tax
89,076 to 170,050 × 24.0% minus 6,164.50 =	Tax
170,051 to 215,950 × 32.0% minus 19,768.50 =	Tax
215,951 to 323,925 × 35.0% minus 26,247.00 =	Tax
$323,926$ and over $\times$ $37.0\%$ minus $32,725.50 =$	Tax
HOH Taxable Income	
$0 to 14,650 \times 10.0\% minus $ 0.00 =	Tax
14,651 to 55,900 × 12.0% minus 293.00 =	Tax
55,901 to 89,050 × 22.0% minus 5,883.00 =	Tax
89,051 to 170,050 × 24.0% minus 7,664.00 =	Tax
170,051 to 215,950 × 32.0% minus 21,268.00 =	Tax
215,951 to 539,900 × 35.0% minus 27,746.50 =	Tax
$539,901$ and over $\times$ $37.0\%$ minus $38,544.50 =$	Tax

#### **Additional Medicare Tax**

0.9% additional tax on wage income above threshold

Filing status	Single, HOH, QW	MFJ	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

## 2022 Qualifying Relative Limit

The qualifying relative income limit is......\$4,400

#### **2022 Standard Deduction**

The basic standard deduction for 2022 is:	
Single or MFS	\$12,950
MFJ or QW	\$25,900
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**Age 65 and/or blind.** The additional amounts for age 65 or older and/or blind, per person, per event in 2022 are:

MFJ, QW, or MFS	\$1,400
Single or HOH	\$1,750

**Dependent.** The standard deduction in 2022 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,150, or earned income plus \$400.

## **Child Tax Credit and Credit for Other Dependents**

Child Tax Credit	\$2,000 per qualifying child.	
\$2,000 Child Tax Credit phaseout begins	MFJ\$400,000 Single, HOH, MFS\$200,000	
Cradit for Other Dependents	\$500 per dependent (not a qualifying child)	

#### **Social Security Highlights**

Employee's portion of FICA	2022	2021	2020
Maximum earnings subject to Social Security tax (Medicare no limit)	\$147,000	\$142,800	\$137,700
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$9,114.00	\$8,853.60	\$8,537.40

<sup>\*</sup>Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



# Tax Facts and Figures

#### **Business Expenses**

2022 Standard Mileage Rate Per Mile Business	2022 Standard Deduction for Meals—High Low Method		
Before 7/1 58.5¢ After 6/30	(Per Day) High cost localities\$74 All other localities\$64 Transportation workers\$69		
After 6/30       22.0¢         Charitable       14.0¢         Depreciation       26.0¢	Qualified Transportation Benefits (exclusion from income allowed, but no employer deduction)		
Section 179 Expense Limits           Regular 179 limits         \$1,080,000           SUV limits         \$27,200           Investment phaseout begins         \$2,700,000	Commuter benefits (per month)\$280 Parking benefits (per month)\$280		

<sup>\*</sup>The moving expense deduction is available only to active duty military servicemembers pursuant to a permanent change of station (PCS) order.

#### **2022 Retirement Plan Limits**

401(k)/403(b) Deferral Limits	Roth IRA Phaseout Range
Under age 50\$20,500	MFJ\$204,000-\$214,000
Age 50 and over\$27,000	Single, HOH \$129,000 - \$144,000
IRA Contribution Limits	MFS\$0-\$10,000
Under age 50\$6,000	SIMPLE Deferral Limits
Age 50 and over \$7,000	Under age 50\$14,000
IRA Deduction Phaseout Range if	Age 50 and over\$17,000
Covered by Employer Plan	Qualified Retirement Plans
MFJ\$109,000-\$129,000	Profit sharing/SEP limits . 25%/\$61,000
Single, HOH\$68,000-\$78,000	Defined benefit plan limits \$245,000
MFS\$0-\$10,000	Compensation limits \$305,000
Spouse not covered	
\$204,000-\$214,000	

#### **Education Tax Benefits**

American Opportunity Credit	Education Savings Account (ESA)
MFJ phaseout\$160,000-\$180,000	MFJ phaseout\$190,000-\$220,000
Single, HOH	All others\$95,000-\$110,000
phaseout \$80,000–\$90,000	Annual contribution limit: \$2,000 per beneficiary
Maximum credit: \$2,500 per student Up to 40% (\$1,000) may be refundable	Student Loan Interest Deduction MFJ phaseout\$145,000-\$175,00
Lifetime Learning Credit	Single, HOH phaseout \$70,000-\$85,000
MFJ phaseout \$160,000-\$180,000 Single, HOH phaseout \$80,000-\$90,000 Maximum credit: \$2,000 per return	Maximum deduction: \$2,500 per return
	U.S. Savings Bonds Interest Exclusion MFJ phaseout\$128,650—\$158,650 Single, HOH phaseout \$85,000—\$100,800

#### **Qualified Tuition Plans (529 plans)**

- Distributions for qualifying expenses for college students or apprentices are not taxable.
- Distributions up to \$10,000 per student are allowed for tuition expenses for a public, private, or religious elementary or secondary school.
- Cumulative distributions up to \$10,000 per beneficiary and sibling for qualified education debt.

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Taxpayers should seek professional tax advice for more information.

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#### 2022 Tax Rates: Capital Gain and Dividend Income

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If income is	Maximum tax rate %	If asset is held
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days
Taxable Income         Single       \$0 to \$41,675         MFJ/QW       \$0 to \$83,350         MFS       \$0 to \$41,675         HOH       \$0 to \$55,800         Estates and Trusts       \$0 to \$2,800	0%	
Taxable Income         Single       \$41,676 to \$459,750         MFJ/QW       \$83,351 to \$517,200         MFS       \$41,676 to \$258,600         HOH       \$55,801 to \$488,500         Estates and Trusts       \$2,801 to \$13,700	15%	
Taxable Income           Single         \$459,751 and over           MFJ/QW         \$517,201 and over           MFS         \$258,601 and over           HOH         \$488,501 and over           Estates and Trusts         \$13,701 and over	20%	
Short-term capital gain	37%	1 year or less
Ordinary dividend income	37%	60 days or less

#### Net Investment Income Tax (NIIT)

#### 3.8% additional tax on investment income if MAGI above threshold amount

Filing status	Single, HOH	MFJ, QW	MFS	
Threshold amount	\$200,000	\$250,000	\$125,000	

#### **2022 Qualified Business Income Deduction Thresholds**

MFJ: \$340,100 MFS: \$170,050	Single, HOH, QW: \$170,050
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## **Contact Us**

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 72.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.