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2022 Key Numbers





Individual Income Tax Planning

Adoption credit

| Adoption credit | 2021 | 2022 |
|---------------------------------|-----------|-----------|
| Maximum credit | \$14,440 | \$14,890 |
| Phaseout threshold amount | \$216,660 | \$223,410 |
| Completed phaseout amount after | \$256,660 | \$263,410 |

Alternative Minimum Tax (AMT)

| Maximum AMT exemption amount | 2021 | 2022 |
|--|-----------|-----------|
| Married filing jointly or surviving spouse | \$114,600 | \$118,100 |
| Single or head of household | \$73,600 | \$75,900 |
| Married filing separately | \$57,300 | \$59,050 |

| AMT income exemption phaseout threshold | 2021 | 2022 |
|--|-------------|-------------|
| Married filing jointly or surviving spouse | \$1,047,200 | \$1,079,800 |
| Single or head of household | \$523,600 | \$539,900 |
| Married filing separately | \$523,600 | \$539,900 |

| AMT tax rate (26% rate applies to AMTI at or below amount; 28% applies to AMTI above amount) | 2021 | 2022 |
|--|-----------|-----------|
| All taxpayers except married filing separately | \$199,900 | \$206,100 |
| Married filing separately | \$99,950 | \$103,050 |

Charitable deductions

| Use of auto | 2021 | 2022 |
|----------------------------------|--------|--------|
| Deductible standard mileage rate | \$0.14 | \$0.14 |

| Charitable fundraising "insubstantial benefit" limitation | 2021 | 2022 |
|---|---------|---------|
| Low-cost article (re: unrelated business income) | \$11.30 | \$11.70 |

| Gifts to donor in return for contribution | 2021 | 2022 |
|--|-------------|-------------|
| Token gift maximum cost ¹ | \$11.30 | \$11.70 |
| Minimum contribution amount ¹ | \$56.50 | \$58.50 |
| 2% threshold amount ² | \$113 | \$117 |

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

² 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

| Amount of credit | 2021 | 2022 |
|---|--|-------------|
| Maximum credit per qualifying child | \$3,000 (\$3,600 for children under age 6) | \$2,000 |
| Nonrefundable credit for dependents who are not qualifying children | \$500 | \$500 |

| Phaseout -- credit reduced by \$50 for each \$1,000 or fraction thereof of MAGI over (but not to be reduced below \$2,000): | 2021 | 2022 |
|--|-------------|-------------|
| Married filing jointly or surviving spouse | \$150,000 | N/A |
| Head of household | \$112,500 | N/A |
| Single or married filing separately | \$75,000 | N/A |

| Phaseout -- any remaining credit reduced by \$50 for each \$1,000 or fraction thereof of MAGI over: | 2021 | 2022 |
|--|-------------|-------------|
| Married filing jointly | \$400,000 | \$400,000 |
| All other filing status | \$200,000 | \$200,000 |

| Refundability -- up to specified percentage of earned income in excess of specified amount¹ | 2021 | 2022 |
|---|-------------------------------|-------------|
| Percentage | N/A | 15% |
| Amount | N/A | \$2,500 |
| Maximum refundable amount of credit | Fully refundable ¹ | \$1,500 |

¹ For 2021, generally fully refundable; partially refundable if no principal place of abode in U.S. for one-half of year.

Classroom expenses of elementary and secondary school teachers

| Classroom expense deduction | 2021 | 2022 |
|----------------------------------|-------|-------|
| Maximum above-the-line deduction | \$250 | \$300 |

Earned income tax credit (EITC)

| Investment income limit | 2021 | 2022 |
|---|----------|----------|
| Excessive investment income limit ("disqualified income limit") | \$10,000 | \$10,300 |

| Maximum amount of EITC per number of children | 2021 | 2022 |
|---|---------|---------|
| 0 children | \$1,502 | \$560 |
| 1 child | \$3,618 | \$3,733 |
| 2 children | \$5,980 | \$6,164 |
| 3 or more children | \$6,728 | \$6,935 |

| 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) | 2021 | 2022 |
|---|----------|----------|
| 0 children | \$9,820 | \$7,320 |
| 1 child | \$10,640 | \$10,980 |
| 2 or more children | \$14,950 | \$15,410 |

| Threshold phaseout amount for joint filers per number of children | 2021 | 2022 |
|---|----------|----------|
| 0 children | \$17,560 | \$15,290 |
| 1 child | \$25,470 | \$26,260 |
| 2 children | \$25,470 | \$26,260 |
| 3 or more children | \$25,470 | \$26,260 |

| Threshold phaseout amount for other filers per number of children | 2021 | 2022 |
|---|----------|----------|
| 0 children | \$11,610 | \$9,160 |
| 1 child | \$19,520 | \$20,130 |
| 2 children | \$19,520 | \$20,130 |
| 3 or more children | \$19,520 | \$20,130 |

| Completed phaseout amount for joint filers per number of children | 2021 | 2022 |
|---|----------|----------|
| 0 children | \$27,380 | \$22,610 |
| 1 child | \$48,108 | \$49,622 |
| 2 children | \$53,865 | \$55,529 |
| 3 or more children | \$57,414 | \$59,187 |

| Completed phaseout amount for other filers per number of children | 2021 | 2022 |
|---|----------|----------|
| 0 children | \$21,430 | \$16,480 |
| 1 child | \$42,158 | \$43,492 |
| 2 children | \$47,915 | \$49,399 |
| 3 or more children | \$51,464 | \$53,057 |

Expatriation

| Covered expatriate | 2021 | 2022 |
|---|-----------|-----------|
| 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) | \$172,000 | \$178,000 |
| IRC §877A(3) exclusion amount | \$744,000 | \$767,000 |

Foreign earned income

| Amount excluded from income | 2021 | 2022 |
|-----------------------------|-----------|-----------|
| Exclusion amount | \$108,700 | \$112,000 |

Itemized deductions

| Phaseout threshold | 2021 | 2022 |
|---------------------------|------|------|
| 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 | 2021 | 2022 |
|--|---------|---------|
| Amount exempt from tax | \$1,100 | \$1,150 |
| Additional amount taxed at child's rate | \$1,100 | \$1,150 |
| Unearned income over this amount generally taxed at parents' tax rates | \$2,200 | \$2,300 |

| Parent's election | 2021 | 2022 |
|---|--------------------|--------------------|
| Election to include child's income on parent's return -- child's gross income requirement | \$1,100 - \$11,000 | \$1,150 - \$11,500 |

| AMT | 2021 | 2022 |
|---|---|---|
| AMT exemption for child subject to kiddie tax | Lesser of \$7,950 + child's earned income or \$73,600 | Lesser of \$8,200 + child's earned income or \$75,900 |

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

| Payroll tax | 2021 | 2022 |
|---|-------|-------|
| Additional Medicare payroll tax (and self-employment tax) percentage rate | 0.90% | 0.90% |

| Applies to wages/self-employment income exceeding | 2021 | 2022 |
|---|-----------|-----------|
| Individuals | \$200,000 | \$200,000 |
| Married filing jointly | \$250,000 | \$250,000 |
| Married filing separately | \$125,000 | \$125,000 |

| Tax on unearned income | 2021 | 2022 |
|--|-------|-------|
| Unearned income Medicare contribution tax rate | 3.80% | 3.80% |

| Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding | 2021 | 2022 |
|--|-----------|-----------|
| Individuals | \$200,000 | \$200,000 |
| Married filing jointly | \$250,000 | \$250,000 |
| Married filing separately | \$125,000 | \$125,000 |

Nanny tax

| Compensation threshold | 2021 | 2022 |
|--------------------------------------|---------|---------|
| Domestic employee coverage threshold | \$2,300 | \$2,400 |

Personal exemption amount

| Amount | 2021 | 2022 |
|---------------------------|------|------|
| Personal exemption amount | N/A | N/A |

| Married filing jointly | 2021 | 2022 |
|---------------------------------|------|------|
| Phaseout threshold amount | N/A | N/A |
| Completed phaseout amount after | N/A | N/A |

| Head of household | 2021 | 2022 |
|---------------------------------|------|------|
| Phaseout threshold amount | N/A | N/A |
| Completed phaseout amount after | N/A | N/A |

| Unmarried | 2021 | 2022 |
|---------------------------------|------|------|
| Phaseout threshold amount | N/A | N/A |
| Completed phaseout amount after | N/A | N/A |

| Married filing separately | 2021 | 2022 |
|---------------------------------|------|------|
| Phaseout threshold amount | N/A | N/A |
| Completed phaseout amount after | N/A | N/A |

"Saver's Credit"

| Elective Deferrals and IRA or ABL Contributions by Certain Individuals | 2021 | 2022 |
|---|-------------|-------------|
| Maximum credit amount | \$1,000 | \$1,000 |

| Applicable percentage of 50% applies to AGI | 2021 | 2022 |
|--|----------------|----------------|
| Joint Return | \$0 - \$39,500 | \$0 - \$41,000 |
| Head of Household | \$0 - \$29,625 | \$0 - \$30,750 |
| Other | \$0 - \$19,750 | \$0 - \$20,500 |

| Applicable percentage of 20% applies to AGI | 2021 | 2022 |
|--|---------------------|---------------------|
| Joint Return | \$39,501 - \$43,000 | \$41,001 - \$44,000 |
| Head of Household | \$29,626 - \$32,250 | \$30,751 - \$33,000 |
| Other | \$19,751 - \$21,500 | \$20,501 - \$22,000 |

| Applicable percentage of 10% applies to AGI | 2021 | 2022 |
|--|---------------------|---------------------|
| Joint Return | \$43,001 - \$66,000 | \$44,001 - \$68,000 |
| Head of Household | \$32,251 - \$49,500 | \$33,001 - \$51,000 |
| Other | \$21,501 - \$33,000 | \$22,001 - \$34,000 |

| Applicable percentage of 0% applies to AGI | 2021 | 2022 |
|---|---------------|---------------|
| Joint Return | Over \$66,000 | Over \$68,000 |
| Head of Household | Over \$49,500 | Over \$51,000 |
| Other | Over \$33,000 | Over \$34,000 |

Standard deductions

| Amounts | 2021 | 2022 |
|--|----------------------------------|----------------------------------|
| Married filing jointly or surviving spouse | \$25,100 | \$25,900 |
| Head of household | \$18,800 | \$19,400 |
| Unmarried | \$12,550 | \$12,950 |
| Married filing separately | \$12,550 | \$12,950 |
| Dependent--Standard deduction cannot exceed the greater of: | \$1,100 or \$350 + earned income | \$1,150 or \$400 + earned income |
| Additional deduction for aged or blind (single or head of household) | \$1,700 | \$1,750 |
| Additional deduction for aged or blind (all other filing statuses) | \$1,350 | \$1,400 |

Standard mileage rates

| Applicable rates | 2021 | 2022 |
|--|--------|---------|
| Use of auto for business purposes (cents per mile) | \$0.56 | \$0.585 |
| Use of auto for medical purposes (cents per mile) | \$0.16 | \$0.18 |
| Use of auto for moving purposes (cents per mile) | \$0.16 | \$0.18 |

2022

| | | | |
|-----|-----|-----|-----|
| JAN | FEB | MAR | APR |
| MAY | JUN | JUL | AUG |
| SEP | OCT | NOV | DEC |

2022 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

Single taxpayers

| If taxable income is: | Your tax is: |
|-----------------------------|---|
| Not over \$10,275 | 10% of taxable income |
| Over \$10,275 to \$41,775 | \$1,027.50 + 12% of the excess over \$10,275 |
| Over \$41,775 to \$89,075 | \$4,807.50 + 22% of the excess over \$41,775 |
| Over \$89,075 to \$170,050 | \$15,213.50 + 24% of the excess over \$89,075 |
| Over \$170,050 to \$215,950 | \$34,647.50 + 32% of the excess over \$170,050 |
| Over \$215,950 to \$539,900 | \$49,335.50 plus 35% of the excess over \$215,950 |
| Over \$539,900 | \$162,718 plus 37% of the excess over \$539,900 |

Married filing jointly and surviving spouses

| If taxable income is: | Your tax is: |
|-----------------------------|--|
| Not over \$20,550 | 10% of taxable income |
| Over \$20,550 to \$83,550 | \$2,055 + 12% of the excess over \$20,550 |
| Over \$83,550 to \$178,150 | \$9,615 plus 22% of the excess over \$83,550 |
| Over \$178,150 to \$340,100 | \$30,427 plus 24% of the excess over \$178,150 |
| Over \$340,100 to \$431,900 | \$69,295 plus 32% of the excess over \$340,100 |
| Over \$431,900 to \$647,850 | \$98,671 plus 35% of the excess over \$431,900 |
| Over \$647,850 | \$174,253.50 plus 37% of the excess over \$647,850 |

Married individuals filing separately

| If taxable income is: | Your tax is: |
|-----------------------------|---|
| Not over \$10,275 | 10% of taxable income |
| Over \$10,275 to \$41,775 | \$1,027.50 + 12% of the excess over \$10,275 |
| Over \$41,775 to \$89,075 | \$4,807.50 plus 22% of the excess over \$41,775 |
| Over \$89,075 to \$170,050 | \$15,213.50 plus 24% of the excess over \$89,075 |
| Over \$170,050 to \$215,950 | \$34,647.50 plus 32% of the excess over \$170,050 |
| Over \$215,950 to \$323,925 | \$49,335.50 plus 35% of the excess over \$215,950 |
| Over \$323,925 | \$87,126.75 plus 37% of the excess over \$323,925 |

2021

| | | | |
|-----|-----|-----|-----|
| JAN | FEB | MAR | APR |
| MAY | JUN | JUL | AUG |
| SEP | OCT | NOV | DEC |

Heads of household

| If taxable income is: | Your tax is: |
|-----------------------------|--|
| Not over \$14,650 | 10% of taxable income |
| Over \$14,650 to \$55,900 | \$1,465 + 12% of the excess over \$14,650 |
| Over \$55,900 to \$89,050 | \$6,415 plus 22% of the excess over \$55,900 |
| Over \$89,050 to \$170,050 | \$13,708 plus 24% of the excess over \$89,050 |
| Over \$170,050 to \$215,950 | \$33,148 plus 32% of the excess over \$170,050 |
| Over \$215,950 to \$539,900 | \$47,836 plus 35% of the excess over \$215,950 |
| Over \$539,900 | \$161,218.50 plus 37% of the excess over \$539,900 |

Trusts and estates

| If taxable income is: | Your tax is: |
|--------------------------|---|
| Not over \$2,750 | 10% of taxable income |
| Over \$2,750 to \$9,850 | \$275 + 24% of the excess over \$2,750 |
| Over \$9,850 to \$13,450 | \$1,979 + 35% of the excess over \$9,850 |
| Over \$13,450 | \$3,239 + 37% of the excess over \$13,450 |

2021 Federal Income Tax Rate Schedules (Individuals, Trusts, and Estates)

Single taxpayers

| If taxable income is: | Your tax is: |
|-----------------------------|--|
| Not over \$9,950 | 10% of taxable income |
| Over \$9,950 to \$40,525 | \$995 + 12% of the excess over \$9,950 |
| Over \$40,525 to \$86,375 | \$4,664 + 22% of the excess over \$40,525 |
| Over \$86,375 to \$164,925 | \$14,751 + 24% of the excess over \$86,375 |
| Over \$164,925 to \$209,425 | \$33,603 + 32% of the excess over \$164,925 |
| Over \$209,425 to \$523,600 | \$47,843 plus 35% of the excess over \$209,425 |
| Over \$523,600 | \$157,804.25 plus 37% of the excess over \$523,600 |

Married filing jointly and surviving spouses

| If taxable income is: | Your tax is: |
|-----------------------------|--|
| Not over \$19,900 | 10% of taxable income |
| Over \$19,900 to \$81,050 | \$1,990 + 12% of the excess over \$19,900 |
| Over \$81,050 to \$172,750 | \$9,328 plus 22% of the excess over \$81,050 |
| Over \$172,750 to \$329,850 | \$29,502 plus 24% of the excess over \$172,750 |
| Over \$329,850 to \$418,850 | \$67,206 plus 32% of the excess over \$329,850 |
| Over \$418,850 to \$628,300 | \$95,686 plus 35% of the excess over \$418,850 |

| | |
|----------------|--|
| Over \$628,300 | \$168,993.50 plus 37% of the excess over \$628,300 |
|----------------|--|

Married individuals filing separately

| If taxable income is: | Your tax is: |
|-----------------------------|---|
| Not over \$9,950 | 10% of taxable income |
| Over \$9,950 to \$40,525 | \$995 + 12% of the excess over \$9,950 |
| Over \$40,525 to \$86,375 | \$4,664 plus 22% of the excess over \$40,525 |
| Over \$86,375 to \$164,925 | \$14,751 plus 24% of the excess over \$86,375 |
| Over \$164,925 to \$209,425 | \$33,603 plus 32% of the excess over \$164,925 |
| Over \$209,425 to \$314,150 | \$47,843 plus 35% of the excess over \$209,425 |
| Over \$314,150 | \$84,496.75 plus 37% of the excess over \$314,150 |

Heads of household

| If taxable income is: | Your tax is: |
|-----------------------------|---|
| Not over \$14,200 | 10% of taxable income |
| Over \$14,200 to \$54,200 | \$1,420 + 12% of the excess over \$14,200 |
| Over \$54,200 to \$86,350 | \$6,220 plus 22% of the excess over \$54,200 |
| Over \$86,350 to \$164,900 | \$13,293 plus 24% of the excess over \$86,350 |
| Over \$164,900 to \$209,400 | \$32,145 plus 32% of the excess over \$164,900 |
| Over \$209,400 to \$523,600 | \$46,385 plus 35% of the excess over \$209,400 |
| Over \$523,600 | \$156,355 plus 37% of the excess over \$523,600 |

Trusts and estates

| If taxable income is: | Your tax is: |
|--------------------------|---|
| Not over \$2,650 | 10% of taxable income |
| Over \$2,650 to \$9,550 | \$265 + 24% of the excess over \$2,650 |
| Over \$9,550 to \$13,050 | \$1,921 + 35% of the excess over \$9,550 |
| Over \$13,050 | \$3,146 + 37% of the excess over \$13,050 |



Business Planning

Adoption Assistance Programs

| Adoption assistance | 2021 | 2022 |
|--|-----------|-----------|
| Maximum amount that can be excluded from employee's gross income | \$14,440 | \$14,890 |
| Phaseout threshold amount | \$216,660 | \$223,410 |
| Completed phaseout amount after | \$256,660 | \$263,410 |

Earnings subject to FICA taxes (taxable wage base)

| FICA tax | 2021 | 2022 |
|--|---------------------|---------------------|
| Maximum annual earnings subject to Social Security taxes | \$142,800 | \$147,000 |
| Social Security and Medicare combined tax rate | 15.30% ¹ | 15.30% ¹ |
| OASDI portion (Social Security) | 12.40% | 12.40% |
| Hospital Insurance portion (Medicare) | 2.90% ¹ | 2.90% ¹ |

¹ 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 | 2021 | 2022 |
|---|------|------|
| Deduction for health insurance premiums paid by self-employed persons | 100% | 100% |

Qualified transportation fringe benefits

| Qualified transportation fringe benefits | 2021 | 2022 |
|---|-------|-------|
| Commuter vehicles and transit pass monthly exclusion amount | \$270 | \$280 |
| Qualified parking monthly exclusion amount | \$270 | \$280 |
| Qualified bicycle commuting reimbursement fringe benefit (monthly amount) | N/A | N/A |

Section 179 expensing

| Section 179 expensing | 2021 | 2022 |
|--|-------------|-------------|
| Maximum amount that may be deducted under IRC Section 179 | \$1,050,000 | \$1,080,000 |
| Deduction reduced by the amount by which the cost of §179 property placed in service during the year exceeds this amount | \$2,620,000 | \$2,700,000 |

Small business tax credit for providing health-care coverage

| Amount of credit | 2021 | 2022 |
|---------------------------|------|------|
| Maximum credit percentage | 50% | 50% |

| Partial credit | 2021 | 2022 |
|---|----------|----------|
| Number of full-time equivalent employees (FTEs) fewer than: | 25 | 25 |
| Maximum average annual wages less than: | \$55,600 | \$57,400 |

| Full credit | 2021 | 2022 |
|---|----------|----------|
| Number of full-time equivalent employees (FTEs) no more than: | 10 | 10 |
| Maximum average annual wages less than or equal to: | \$27,800 | \$28,700 |

Special additional first-year depreciation allowance

| Bonus depreciation | 2021 | 2022 |
|--|------|------|
| "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 | 2021 | 2022 |
|-----------------------------------|--------|---------|
| Use of auto for business purposes | \$0.56 | \$0.585 |



Education Planning

American Opportunity and Lifetime Learning Credits

| Education credits | 2021 | 2022 |
|-------------------------------------|---------|---------|
| Maximum American Opportunity credit | \$2,500 | \$2,500 |
| Maximum Lifetime Learning credit | \$2,000 | \$2,000 |

| MAGI phaseout range for American Opportunity credit | 2021 | 2022 |
|---|-----------|-----------|
| 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 |

| MAGI phaseout range for Lifetime Learning credit | 2021 | 2022 |
|---|-----------|-----------|
| 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 |

Coverdell education savings accounts

| Coverdell ESAs | 2021 | 2022 |
|---------------------------|---------|---------|
| Annual contribution limit | \$2,000 | \$2,000 |

| MAGI phaseout range for Coverdell education savings accounts | 2021 | 2022 |
|--|-----------|-----------|
| 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 | 2021 | 2022 |
|---------------------------|------|------|
| Maximum deduction | N/A | N/A |

| MAGI maximum for full \$4,000 deduction | 2021 | 2022 |
|---|------|------|
| Single | N/A | N/A |
| Married filing jointly | N/A | N/A |

| MAGI range for \$2,000 deduction | 2021 | 2022 |
|---|------|------|
| 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 |

Deduction for student loan interest

| Education loan interest deduction | 2021 | 2022 |
|--|---------|---------|
| Maximum deduction for interest paid on qualified education loans | \$2,500 | \$2,500 |

| MAGI phaseout range | 2021 | 2022 |
|---|-----------|-----------|
| Single--phaseout threshold amount | \$70,000 | \$70,000 |
| Single--completed phaseout amount after | \$85,000 | \$85,000 |
| Married filing jointly--phaseout threshold amount | \$140,000 | \$145,000 |
| Married filing jointly--completed phaseout amount after | \$170,000 | \$175,000 |

Gift tax exclusion

| Gift tax | 2021 | 2022 |
|--|-----------|-----------|
| Annual gift tax exclusion--single individual | \$15,000 | \$16,000 |
| Annual gift tax exclusion--joint gift | \$30,000 | \$32,000 |
| Lump-sum gift to 529 plan--single individual | \$75,000 | \$80,000 |
| Lump-sum gift to 529 plan--joint gift | \$150,000 | \$160,000 |

Kiddie tax

| Kiddie tax | 2021 | 2022 |
|---|---------|---------|
| Children's unearned income over this amount generally taxed at parents' tax rates | \$2,200 | \$2,300 |

U.S. savings bonds interest exclusion for college expenses

| Joint returns | 2021 | 2022 |
|--------------------------------------|-----------|-----------|
| Phaseout threshold for joint returns | \$124,800 | \$128,650 |
| Completed phaseout amount after | \$154,800 | \$158,650 |

| Other returns | 2021 | 2022 |
|--------------------------------------|----------|-----------|
| Phaseout threshold for other returns | \$83,200 | \$85,800 |
| Completed phaseout amount after | \$98,200 | \$100,800 |



Protection Planning

Eligible long-term care premium deduction limits:

| LTC premium deduction limits | 2021 | 2022 |
|------------------------------|---------|---------|
| Age 40 or under | \$450 | \$450 |
| Age 41-50 | \$850 | \$850 |
| Age 51-60 | \$1,690 | \$1,690 |
| Age 61-70 | \$4,520 | \$4,510 |
| Over age 70 | \$5,640 | \$5,640 |

Per diem limit:

| LTC periodic payments | 2021 | 2022 |
|---|-------|-------|
| Periodic payments for qualified long-term care insurance/certain life insurance | \$400 | \$390 |

Archer Medical Savings Accounts

| High deductible health plan--self-only coverage | 2021 | 2022 |
|--|---------|---------|
| Annual deductible--minimum | \$2,400 | \$2,450 |
| Annual deductible--maximum | \$3,600 | \$3,700 |
| Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed | \$4,800 | \$4,950 |

| High deductible health plan--family coverage | 2021 | 2022 |
|--|---------|---------|
| Annual deductible--minimum | \$4,800 | \$4,950 |
| Annual deductible--maximum | \$7,150 | \$7,400 |
| Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed | \$8,750 | \$9,050 |

Flexible spending account (FSA) for health care

| Health care FSAs | 2021 | 2022 |
|---------------------------------------|---------|---------|
| Maximum salary reduction contribution | \$2,750 | \$2,850 |

Health Savings Accounts (HSAs)

| Annual contribution limit | 2021 | 2022 |
|---------------------------|---------|---------|
| Self-only coverage | \$3,600 | \$3,650 |
| Family coverage | \$7,200 | \$7,300 |

| High deductible health plan--self-only coverage | 2021 | 2022 |
|--|---------|---------|
| Annual deductible--minimum | \$1,400 | \$1,400 |
| Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed | \$7,000 | \$7,050 |

| High deductible health plan--family coverage | 2021 | 2022 |
|--|----------|----------|
| Annual deductible--minimum | \$2,800 | \$2,800 |
| Annual out-of-pocket expenses required to be paid (other than for premiums) can't exceed | \$14,000 | \$14,100 |

| Catch-up contributions | 2021 | 2022 |
|--|---------|---------|
| Annual catch-up contribution limit for individuals age 55 or older | \$1,000 | \$1,000 |



Estate Planning

| Key indexed figures | 2021 | 2022 |
|---|-----------------------------------|-----------------------------------|
| Annual gift exclusion: | \$15,000 | \$16,000 |
| Gift and estate tax applicable exclusion amount: | \$11,700,000 + DSUEA ¹ | \$12,060,000 + DSUEA ¹ |
| Noncitizen spouse annual gift exclusion: | \$159,000 | \$164,000 |
| Generation-skipping transfer (GST) tax exemption: | \$11,700,000 ² | \$12,060,000 ² |
| Special use valuation limit (qualified real property in decedent's gross estate): | \$1,190,000 | \$1,230,000 |

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

² The GST tax exemption is not portable

2021 and 2022 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 |
| Credit shelter amount \$11,700,000 in 2021 and \$12,060,000 in 2022 | Unified credit amount \$4,625,800 in 2021 and \$4,769,800 in 2022 | | |



Government Benefits

Social Security

| Social Security Cost-of-living adjustment (COLA) | 2021 | 2022 |
|--|-------|-------|
| For Social Security and Supplemental Security Income (SSI) beneficiaries | 1.30% | 5.90% |

| Tax rate--employee | 2021 | 2022 |
|--|--------------------|--------------------|
| FICA tax -- Employee | 7.65% | 7.65% |
| Social Security (OASDI) portion of tax | 6.20% | 6.20% |
| Medicare (HI) portion of tax | 1.45% ¹ | 1.45% ¹ |

| Tax rate--self-employed | 2021 | 2022 |
|--|--------------------|--------------------|
| Self-Employed | 15.30% | 15.30% |
| Social Security (OASDI) portion of tax | 12.40% | 12.40% |
| Medicare (HI) portion of tax | 2.90% ¹ | 2.90% ¹ |

¹ 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 | 2021 | 2022 |
|------------------------------|-----------|-----------|
| Social Security (OASDI only) | \$142,800 | \$147,000 |
| Medicare (HI only) | No limit | No limit |

| Quarter of coverage | 2021 | 2022 |
|---------------------|---------|---------|
| Earnings required | \$1,470 | \$1,510 |

| Retirement earnings test--exempt amounts--Under full retirement age--Benefits reduced by \$1 for each \$2 earned above: | 2021 | 2022 |
|---|----------|----------|
| Yearly figure | \$18,960 | \$19,560 |
| Monthly figure | \$1,580 | \$1,630 |

| 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): | 2021 | 2022 |
|---|-------------|-------------|
| Yearly figure | \$50,520 | \$51,960 |
| Monthly figure | \$4,210 | \$4,330 |

| Retirement earnings test--exempt amounts--Beginning the month individual attains full retirement age | 2021 | 2022 |
|---|----------------------|----------------------|
| | No limit on earnings | No limit on earnings |

| Social Security disability thresholds | 2021 | 2022 |
|---|-------------|-------------|
| Substantial gainful activity (SGA) for the sighted (monthly figure) | \$1,310 | \$1,350 |
| Substantial gainful activity for the blind (monthly figure) | \$2,190 | \$2,260 |
| Trial work period (TWP) (monthly figure) | \$940 | \$970 |

| SSI federal payment standard | 2021 | 2022 |
|-------------------------------------|-------------|-------------|
| Individual (monthly figure) | \$794 | \$841 |
| Couple (monthly figure) | \$1,191 | \$1,261 |

| SSI resource limits | 2021 | 2022 |
|----------------------------|-------------|-------------|
| Individual | \$2,000 | \$2,000 |
| Couple | \$3,000 | \$3,000 |

| SSI student exclusion limits | 2021 | 2022 |
|-------------------------------------|-------------|-------------|
| Monthly limit | \$1,930 | \$2,040 |
| Annual limit | \$7,770 | \$8,230 |

| Maximum Social Security benefit | 2021 | 2022 |
|---|-------------|-------------|
| Worker retiring at full retirement age (monthly figure) | \$3,148 | \$3,345 |

| Formula for Monthly Primary Insurance Amount (PIA) | 2021 | 2022 |
|--|-------------------|---------------------|
| (90% of first X of AIME + 32% of the AIME over X and through Y + 15% of AIME over Y) | X=\$996 Y=\$6,002 | X=\$1,024 Y=\$6,172 |

Medicare

| Medicare monthly premium amounts--Part A (hospital insurance) premium | 2021 | 2022 |
|--|-------------|-------------|
| 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 \$471 | Up to \$499 |

| Medicare monthly premium amounts--Part B (medical insurance) monthly premium--for beneficiaries who file an individual income tax return with income that is: | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Less than or equal to \$91,000 | \$148.50 ² | \$170.10 ² |
| \$91,001 - \$114,000 | \$207.90 | \$238.10 |
| \$114,001 - \$142,000 | \$297.00 | \$340.20 |
| \$142,001 - \$170,000 | \$386.10 | \$442.30 |
| \$170,001 - \$499,999 | \$475.20 | \$544.30 |
| \$500,000 and above | \$504.90 | \$578.30 |

| Medicare monthly premium amounts--Part B (medical insurance) monthly premium--for beneficiaries who file a joint income tax return with income that is: | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Less than or equal to \$182,000 | \$148.50 ² | \$170.10 ² |
| \$182,001 - \$228,000 | \$207.90 | \$238.10 |
| \$228,001 - \$284,000 | \$297.00 | \$340.20 |
| \$284,001 - \$340,000 | \$386.10 | \$442.30 |
| \$340,001 - \$749,999 | \$475.20 | \$544.30 |
| \$750,000 and above | \$504.90 | \$578.30 |

| 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: | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Less than or equal to \$91,000 | \$148.50 ² | \$170.10 ² |
| \$91,001 - \$408,999 | \$475.20 | \$544.30 |
| \$409,000 and above | \$504.90 | \$578.30 |

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

| Original Medicare plan deductible and coinsurance amounts--Part A (hospital insurance) | 2021 | 2022 |
|---|-------------|-------------|
| Deductible per benefit period | \$1,484 | \$1,556 |
| Coinsurance per day for 61st to 90th day of each benefit period | \$371 | \$389 |
| Coinsurance per day for 91st to 150th day for each lifetime reserve day (total of 60 lifetime reserve days--nonrenewable) | \$742 | \$778 |

| Original Medicare plan deductible and coinsurance amounts | 2021 | 2022 |
|---|-------------|-------------|
| Skilled nursing facility coinsurance per day for 21st to 100th day of each benefit period | \$185.50 | \$194.50 |

| Original Medicare plan deductible and coinsurance amounts--Part B (medical insurance) annual deductible | 2021 | 2022 |
|--|-------------|-------------|
| Individual pays 20 percent of the Medicare-approved amount for services after deductible is met | \$203 | \$233 |

Medicaid

| Income threshold | 2021 | 2022 |
|--|---------|-------|
| Monthly income threshold for income-cap states ("300 percent cap limit") | \$2,382 | 2,523 |

| Monthly maintenance needs allowance for at-home spouse | 2021 | 2022 |
|--|------------|------------|
| Minimum ³ | \$2,155.00 | \$2,177.50 |
| Maximum | \$3,259.50 | TBD |

| Community spousal resource allowance | 2021 | 2022 |
|--------------------------------------|--------------|------|
| Minimum | \$26,076.00 | TBD |
| Maximum | \$130,380.00 | TBD |

³ 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 | 2021 | 2022 |
|--|--|--|
| 401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ¹ [Includes Roth 401(k) and Roth 403(b) contributions] | Lesser of \$19,500 or 100% of participant's compensation | Lesser of \$20,500 or 100% of participant's compensation |
| SIMPLE 401(k) plans and SIMPLE IRA plans ¹ | Lesser of \$13,500 or 100% of participant's compensation | Lesser of \$14,000 or 100% of participant's compensation |

¹ 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 | 2021 | 2022 |
|-------------------------|--|--|
| Traditional IRAs | Lesser of \$6,000 or 100% of earned income | Lesser of \$6,000 or 100% of earned income |
| Roth IRAs | Lesser of \$6,000 or 100% of earned income | Lesser of \$6,000 or 100% of earned income |

| Additional "catch-up" limits (individuals age 50 or older) | 2021 | 2022 |
|---|---------|---------|
| 401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs ² | \$6,500 | \$6,500 |
| SIMPLE 401(k) plans and SIMPLE IRA plans | \$3,000 | \$3,000 |
| IRAs (traditional and Roth) | \$1,000 | \$1,000 |

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

Employer contribution/benefit³ limits

| Defined benefit plan limits | 2021 | 2022 |
|---|---|---|
| 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 \$230,000 or 100% of average compensation for highest three consecutive years | Lesser of \$245,000 or 100% of average compensation for highest three consecutive years |

| Defined contribution plan limits [qualified plans, 403(b) plans, SEP, and SIMPLE plans] | 2021 | 2022 |
|---|--|--|
| Annual addition limit per participant (<i>employer contributions; employee pre-tax, after-tax, and Roth contributions; and forfeitures</i>) (<i>does not apply to SIMPLE IRA plans</i>) | Lesser of \$58,000 or 100% (25% for SEP) of participant's compensation | Lesser of \$61,000 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 pre-tax and Roth contributions; 100% for SIMPLE plans | 25% of total compensation of employees covered under the plan (20% if self employed) plus any employee pre-tax and Roth contributions; 100% for SIMPLE plans |

³ 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 | 2021 | 2022 |
|--|--|--|
| Maximum compensation per participant that can be used to calculate tax-deductible employer contribution (qualified plans and SEPs) | \$290,000 | \$305,000 |
| Compensation threshold used to determine a highly compensated employee | \$130,000 (when 2021 is the look-back year) | \$135,000 (when 2022 is the look-back year) |
| Compensation threshold used to determine a key employee in a top-heavy plan | \$1 for more-than-5% owners, \$185,000 for officers, \$150,000 for more-than-1% owners | "\$1 for more-than-5% owners \$200,000 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 | \$650 | \$650 |

| 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: | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Single | \$66,000 - \$76,000 | \$68,000 - \$78,000 |
| Married filing jointly | \$105,000 - \$125,000 | \$109,000 - \$129,000 |
| Married filing separately | \$0 - \$10,000 | \$0 - \$10,000 |

| 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: | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Joint return with a spouse who is covered by an employer-sponsored retirement plan | \$198,000 - \$208,000 | \$204,000 - \$214,000 |

| Roth IRA compensation limits — Income phase-out range for determining ability to fund Roth IRA for taxpayers filing as: | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Single | \$125,000 - \$140,000 | \$129,000 - \$144,000 |
| Married filing jointly | \$198,000 - \$208,000 | \$204,000 - \$214,000 |
| 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) | 2021 | 2022 |
|---|----------------|----------------|
| Single | Up to \$40,400 | Up to \$41,675 |
| Married filing jointly | Up to \$80,800 | Up to \$83,350 |
| Married filing separately | Up to \$40,400 | Up to \$41,675 |
| Head of household | Up to \$54,100 | Up to \$55,800 |

| 15% rate applies (taxable income thresholds) | 2021 | 2022 |
|--|-----------------------|-----------------------|
| Single | \$40,400 to \$445,850 | \$41,675 to \$459,750 |
| Married filing jointly | \$80,800 to \$501,600 | \$83,350 to \$517,200 |
| Married filing separately | \$40,400 to \$250,800 | \$41,675 to \$258,600 |
| Head of household | \$54,100 to \$473,750 | \$55,800 to \$488,500 |

| 20% rate applies (taxable income thresholds) | 2021 | 2022 |
|--|----------------|----------------|
| Single | Over \$445,850 | Over \$459,750 |
| Married filing jointly | Over \$501,600 | Over \$517,200 |
| Married filing separately | Over \$250,800 | Over \$258,600 |
| Head of household | Over \$473,750 | Over \$488,500 |

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

| Amount of tax | 2021 | 2022 |
|----------------|-------|-------|
| Tax percentage | 3.80% | 3.80% |

| Applies to lesser of (a) net investment income or (b) modified adjusted gross income exceeding: | 2021 | 2022 |
|---|-----------|-----------|
| Individuals | \$200,000 | \$200,000 |
| Married filing jointly | \$250,000 | \$250,000 |
| Married filing separately | \$125,000 | \$125,000 |

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