

KEY FINANCIAL DATA

2020

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2020 Tax Rate Schedule

Taxable income (\$)	Base amount of tax (\$)	Plus	Marginal tax rate	Of the amount over (\$)
Single				
0 to 9,875		+	10.0	
9,876 to 40,125	987.50	+	12.0	9,875.00
40,126 to 85,525	4,617.50	+	22.0	40,125.00
85,526 to 163,300	14,605.50	+	24.0	85,525.00
163,301 to 207,350	33,217.50	+	32.0	163,300.00
207,351 to 518,400	47,367.50	+	35.0	207,350.00
Over 518,400	156,235.00	+	37.0	518,400.00
Married filing jointly and surviving spouses				
0 to 19,750		+	10.0	
19,751 to 80,250	1,975.00	+	12.0	19,750.00
80,251 to 171,050	9,235.00	+	22.0	80,250.00
171,051 to 326,600	29,211.00	+	24.0	171,050.00
326,601 to 414,700	66,543.00	+	32.0	326,600.00
414,701 to 622,050	94,735.00	+	35.0	414,700.00
Over 622,050	167,307.50	+	37.0	622,050.00
Head of household				
0 to 14,100		+	10.0	
14,101 to 53,700	1,410.00	+	12.0	14,100.00
53,701 to 85,500	6,162.00	+	22.0	53,700.00
85,501 to 163,300	13,158.00	+	24.0	85,500.00
163,301 to 207,350	31,830.00	+	32.0	163,300.00
207,351 to 518,400	45,926.00	+	35.0	207,350.00
Over 518,400	154,793.50	+	37.0	518,400.00
Married filing separately				
0 to 9,875		+	10.0	
9,876 to 40,125	987.50	+	12.0	9,875.00
40,126 to 85,525	4,617.50	+	22.0	40,125.00
85,526 to 163,300	14,605.50	+	24.0	85,525.00
163,301 to 207,350	33,271.50	+	32.0	163,300.00
207,351 to 311,025	47,367.50	+	35.0	207,350.00
Over 311,025	83,653.75	+	37.0	311,025.00
Estates and trusts				
0 to 2,600		+	10.0	
2,601 to 9,450	260.00	+	24.0	2,600.00
9,451 to 12,950	1,904.00	+	35.0	9,450.00
Over 12,950	3,129.00	+	37.0	12,950.00

Standard Deductions & Child Tax Credit

Filing status	Standard deduction
Married, filing jointly and qualifying widow(er)s	\$24,800
Single or married, filing separately	\$12,400
Head of household	\$18,650
Dependent filing own tax return	\$1,100*
Additional deductions for non-itemizers	
Blind or over 65	Add \$1,300
Blind or over 65, unmarried & not a surviving spouse	Add \$1,650
Child Tax Credit	
Credit per child under 17	\$2,000 (\$1,400 refundable)
Income phaseouts begin at AGI of:	\$400,000 joint, \$200,000 all other

Tax Rates on Long-Term Capital Gains and Qualified Dividends

If taxable income falls below \$40,000 (single/married-filing separately), \$80,000 (joint), \$53,600 (head of household), \$2,650 (estates)	0%
If taxable income falls at or above \$40,000 (single/married-filing separately), \$80,000 (joint), \$53,600 (head of household), \$2,650 (estates)	15%
If income falls at or above \$441,450 (single), \$248,300 (married-filing separately), \$496,600 (joint), \$469,050 (head of household), \$13,150 (estates)	20%

3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over

Married, filing jointly	\$250,000
Single	\$200,000
Married, filing separately	\$125,000

Exemption Amounts for Alternative Minimum Tax**

Married, filing jointly or surviving spouses	\$113,400
Single	\$72,900
Married, filing separately	\$56,700
Estates and trusts	\$25,400

28% tax rate applies to income over:

Married, filing separately	\$98,950
All others	\$197,900

Exemption amounts phase out at:

Married, filing jointly or surviving spouses	\$1,036,800
Single and married, filing separately	\$518,400
Estates and trusts	\$84,800

Gift and Estate Tax Exclusions and Credits

Maximum estate, gift & GST rates	40%
Estate, gift & GST exclusions	\$11,580,000
Gift tax annual exclusion	\$15,000
Exclusion on gifts to non-citizen spouse	\$157,000

Education Credits, Deductions, and Distributions

Credit/Deduction/Account	Maximum credit/deduction/distribution	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime learning credit	\$2,000 credit	\$118,000 joint \$59,000 all others
Savings bond interest tax-free if used for education	Deduction limited to amount of qualified expenses	\$123,550 joint \$82,350 all others
Coverdell	\$2,000 maximum; not deductible	\$190,000 joint \$95,000 all others
529 plan (K-12)	\$10,000 distribution	None
529 plan (Higher Ed.) †	Distribution limited to amount of qualified expenses	None

Tax Deadlines

January 15 – 4th installment of the previous year's estimated taxes due
 April 15 – Tax filing deadline, or request extension to Oct. 15. 1st installment of 2020 taxes due. Last day to file amended return for 2016. Last day to contribute to: Roth or traditional IRA for 2019; HSA for 2019; Keogh or SEP for 2019 (unless tax filing deadline has been extended).
 June 15 – 2nd installment of estimated taxes due
 September 15 – 3rd installment of estimated taxes due
 October 15 – Tax returns due for those who requested an extension. Last day to contribute to SEP or Keogh for 2019 if extension was filed.
 December 31 – Last day to: 1) pay expenses for itemized deductions; 2) complete transactions for capital gains or losses; 3) establish a Keogh plan for 2020; 4) establish and fund a solo 401(k) for 2020; 5) complete 2020 contributions to employer-sponsored 401(k) plans; 6) correct excess contributions to IRAs and qualified plans to avoid penalty.

* Greater of \$1,100 or \$350 plus the individual's earned income.

** Indexed for inflation and scheduled to sunset at the end of 2025.

† \$10,000 lifetime 529 distribution can be applied to student loan debt.

Retirement Plan Contribution Limits	
Annual compensation used to determine contribution for most plans	\$285,000
Defined-contribution plans, basic limit	\$57,000
Defined-benefit plans, basic limit	\$230,000
401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals	\$19,500
Catch-up provision for individuals 50 and over, 401(k), 403(b), 457(b), Roth 401(k) plans	\$6,500
SIMPLE plans, elective deferral limit	\$13,500
SIMPLE plans, catch-up contribution for individuals 50 and over	\$3,000

Individual Retirement Accounts			
IRA type	Contribution limit	Catch-up at 50+	Income limits
Traditional nondeductible	\$6,000	\$1,000	None
Traditional deductible	\$6,000	\$1,000	If covered by a plan: \$104,000–\$124,000 joint \$65,000–\$75,000 single, HOH 0–\$10,000 married filing separately If one spouse is covered by a plan: \$196,000–\$206,000 joint
Roth	\$6,000	\$1,000	\$196,000–\$206,000 joint \$124,000–\$139,000 single & HOH 0–\$10,000 married filing separately
Roth conversion			No income limit

Health Savings Accounts			
Annual limit	Maximum deductible contribution	Expense limits (deductibles and co-pays)	Minimum annual deductible
Individuals	\$3,550	\$6,900	\$1,400
Families	\$7,100	\$13,800	\$2,800
Catch-up for 55 and older	\$1,000		

Deductibility of Long-Term Care Premiums on Qualified Policies	
Attained age before close of tax year	Amount of LTC premiums that qualify as medical expenses in 2020
40 or less	\$430
41 to 50	\$810
51 to 60	\$1,630
61 to 70	\$4,350
Over 70	\$5,430

Medicare Deductibles	
Part B deductible	\$198.00
Part A (inpatient services) deductible for first 60 days of hospitalization	\$1,408.00
Part A deductible for days 61-90 of hospitalization	\$352.00/day
Part A deductible for more than 90 days of hospitalization	\$704.00/day

Social Security		
Benefits		
Estimated maximum monthly benefit if turning full retirement age (66) in 2020	\$3,011	
Retirement earnings exempt amounts	\$18,240 under FRA \$48,600 during year reach FRA No limit after FRA	
Tax on Social Security benefits: income brackets		
Filing status	Provisional income*	Amount of Social Security subject to tax
Married filing jointly	Under \$32,000 \$32,000–\$44,000 Over \$44,000	0 up to 50% up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000 \$25,000–\$34,000 Over \$34,000	0 up to 50% up to 85%
Married filing separately and living with spouse	Over 0	up to 85%
Tax (FICA)		
SS tax paid on income up to \$137,700	% withheld	Maximum tax payable
Employer pays	6.2%	\$8,537.40
Employee pays	6.2%	\$8,537.40
Self-employed pays	12.4%	\$17,074.80
Medicare tax		
Employer pays	1.45%	varies per income
Employee pays	1.45% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)	varies per income
Self-employed pays	2.90% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)	varies per income

*Provisional income = adjusted gross income (not incl. Social Security) + tax-exempt interest + 50% of Social Security benefit

Weatherly's ADV and compliance disclosures are available on <http://www.weatherlyassetmgt.com/adv>. Past performance is not necessarily indicative of future results.

Medicare Premiums			
2018 MAGI single	2018 MAGI joint	Part B Premium	Part D income adjustment
\$87,000 or less	\$174,000 or less	\$144.60	\$0
87,001–109,000	174,001–218,000	\$202.40	\$12.20
109,001–136,000	218,001–272,000	\$289.20	\$31.50
136,001–163,000	272,001–326,000	\$376.00	\$50.70
163,001–500,000	326,001–750,000	\$462.70	\$70.00
Above 500,000	Above 750,000	\$491.60	\$76.40

Uniform Lifetime Table (partial)			
Age of IRA owner or plan participant	Life expectancy (in years)	Age of IRA owner or plan participant	Life expectancy (in years)
70	27.4	86	14.1
71	26.5	87	13.4
72	25.6	88	12.7
73	24.7	89	12.0
74	23.8	90	11.4
75	22.9	91	10.8
76	22.0	92	10.2
77	21.2	93	9.6
78	20.3	94	9.1
79	19.5	95	8.6
80	18.7	96	8.1
81	17.9	97	7.6
82	17.1	98	7.1
83	16.3	99	6.7
84	15.5	100	6.3
85	14.8	101	5.9

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