

2019 Tax Guide

Retirement Plan Contribution Limits				
Annual compensation used to determine contribution for most plans			\$280,000	
Defined contribution plans			\$56,000	
Defined benefit plans			\$225,000	
401(k), 403(b), 457(b) plans			\$19,000	
Catch-up provision for individuals 50+			\$6,000	
SIMPLE plans			\$13,000	
SIMPLE plans - catch-up provision for individuals 50+			\$3,000	
Roth 401(k)			\$19,000	
Roth 401(k) - catch-up provision for individuals 50+			\$6,000	
Maximum ESOP balance subject to 5 year distribution period			\$1,130,000	
Individual Retirement Accounts				
IRA type	Contribution limit	Catch-up at 50+	Phaseouts (AGI)	
Non-deductible	\$6,000	\$1,000	None	
Deductible	\$6,000	\$1,000	Covered by qualified plan:	
			\$103,000 to \$123,000	joint
			\$64,000 to \$74,000	single, HOH
			\$0 to \$10,000	MFS
			If one spouse covered by a plan:	
Roth	\$6,000	\$1,000	\$193,000 to \$203,000	joint
			\$193,000 to \$203,000	joint
			\$122,000 to \$137,000	single, HOH
			\$0 to \$10,000	MFS
			Roth conversion	No Income Limit
Medicare Premiums & Deductibles				
Part B premium			\$135.50*	
Part B deductible			\$185	
Part A (inpatient services) deductible < 61 days of hospitalization			\$1,364 per benefit period	
Part A deductible 61 - 90 days of hospitalization			\$341 per day	
Part A deductible > 90 days of hospitalization			\$682 per day	
Part B / Part D Premiums for High-Income Taxpayers				
MAGI single	MAGI joint	Part B premium	Part D premium	
< \$85,001	< \$170,001	\$135.50*	\$0.00	
85,001 to \$107,000	\$170,001 to \$214,000	\$189.60	\$12.40	
\$107,001 to \$133,500	\$214,001 to \$267,000	\$270.90	\$31.90	
\$133,501 to \$160,000	\$267,001 to \$320,000	\$352.20	\$51.40	
\$160,001 to \$499,999	\$320,001 to \$749,999	\$433.40	\$70.90	
> \$500,000	> \$750,000	\$460.50	\$77.40	

*Most individuals will pay less; however, individuals who are not protected by the Social Security "hold harmless" provision will pay \$135.50.

Social Security			
Benefits			
Full retirement age (FRA) if born between 1943 & 1954		66	
Maximum monthly benefit		\$2,861	
Retirement earnings exempt amounts	\$17,640	Under FRA	
	\$46,920	During yr. reach FRA	
	NA	After FRA	
Tax (FICA)		% withheld	Maximum tax payable
SS tax paid on income < \$132,900			
Employer pays		6.20%	\$8,240
Employee pays		6.20%	\$8,240
Self-employed pays		12.40%	\$16,480
Medicare tax paid on all income*			
Employer pays		1.45%	No maximum
Employee pays		1.45%	No maximum
Self-employed pays		2.90%	No maximum
*Additional 0.9% for wages exceeding \$200,000 (single) and \$250,000 (joint).			
Social Security Taxes			
Filing status	AGI + provisional income*	Taxable portion	
Married filing jointly	< \$32,000	0%	
	\$32,000 to \$44,000	up to 50%	
	> \$44,000	up to 85%	
Single, HOH, MFS and living apart from spouse	< \$25,000	0%	
	\$25,000 to \$34,000	up to 50%	
	> \$34,000	up to 85%	
Married filing separately & living with spouse	> \$0	up to 85%	
*Provisional income = tax-exempt interest + 50% of SS benefit			
Deductibility of Long-Term Care Premiums on Qualified Policies			
Attained age before close of tax yr.	Amount of LTC premiums that qualify as medical expenses		
40 or less	\$420		
41 to 50	\$790		
51 to 60	\$1,580		
61 to 70	\$4,220		
> 70	\$5,270		
Health Savings Accounts			
Annual limit	Max. deductible contribution	Deductible/Co-pay limits	Minimum annual deductible
Individuals	\$3,500	\$6,750	\$1,350
Families	\$7,000	\$13,500	\$2,700
Catch-up for 55+	\$1,000		

2019 Tax Guide

2019 Tax Rate Schedule						
Taxable income		Base amount of tax		Marginal tax rate		Of the amount over
Single						
<	\$9,700	\$0.00	+	10.0%		\$0
\$9,701	to \$39,475	\$970.00	+	12.0%		\$9,700
\$39,476	to \$84,200	\$4,543.00	+	22.0%		\$39,475
\$84,201	to \$160,725	\$14,382.50	+	24.0%		\$84,200
\$160,726	to \$204,100	\$32,748.50	+	32.0%		\$160,725
\$204,101	to \$510,300	\$46,628.50	+	35.0%		\$204,100
>	\$510,300	\$153,798.50	+	37.0%		\$510,300
Married filing jointly & surviving spouses						
<	\$19,400	\$0.00	+	10.0%		\$0
\$19,401	to \$78,950	\$1,940.00	+	12.0%		\$19,400
\$78,951	to \$168,400	\$9,086.00	+	22.0%		\$78,950
\$168,401	to \$321,450	\$28,765.00	+	24.0%		\$168,400
\$321,451	to \$408,200	\$65,497.00	+	32.0%		\$321,450
\$408,201	to \$612,350	\$93,257.00	+	35.0%		\$408,200
>	\$612,350	\$164,709.50	+	37.0%		\$612,350
Head of household						
<	\$13,850	\$0.00	+	10.0%		\$0
\$13,851	to \$52,850	\$1,385.00	+	12.0%		\$13,850
\$52,851	to \$84,200	\$6,065.00	+	22.0%		\$52,850
\$84,201	to \$160,700	\$12,962.00	+	24.0%		\$84,200
\$160,701	to \$204,100	\$31,322.00	+	32.0%		\$160,700
\$204,101	to \$510,300	\$45,210.00	+	35.0%		\$204,100
>	\$510,300	\$152,380.00	+	37.0%		\$510,300
Married filing separately						
<	\$9,700	\$0.00	+	10.0%		\$0
\$9,701	to \$39,475	\$970.00	+	12.0%		\$9,700
\$39,476	to \$84,200	\$4,543.00	+	22.0%		\$39,475
\$84,201	to \$160,725	\$14,382.50	+	24.0%		\$84,200
\$160,726	to \$204,100	\$32,748.50	+	32.0%		\$160,725
\$204,101	to \$306,175	\$46,628.50	+	35.0%		\$204,100
>	\$306,175	\$82,354.75		37.0%		\$306,175
Estates and trusts						
<	\$2,600	\$0.00	+	10.0%		\$0
\$2,601	to \$9,300	\$260.00	+	24.0%		\$2,600
\$9,301	to \$12,750	\$1,868.00	+	35.0%		\$9,300
>	\$12,500	\$3,075.50	+	37.0%		\$12,750

Standard Deductions & Personal Exemption			
Standard Deduction		Personal exemption	
Filing Status	Deduction	Exemption	Phaseouts
Married filing joint	\$24,400	NA	NA
Single	\$12,200	NA	NA
Married filing separate	\$12,200	NA	NA
Head of household	\$18,350	NA	NA
Additional deductions for non-itemizers			
Blind or > 65	\$1,300		
Blind or > 65 and single	\$1,650		
Gift & Estate Tax			
Maximum estate tax rate		40%	
Estate/Gift tax exclusion		\$11,400,000	
Gift tax annual exclusion		\$15,000	
AMT Exemptions & Phaseouts			
Filing status	Exemption	Income phaseout threshold	
Married filing jointly & qualifying widow(er)	\$111,700	\$1,020,600	
Single & HOH	\$71,700	\$510,300	
Married filing separately	\$55,850	\$510,300	
Capital Gains Tax Rates			
Assets held less than 1 yr.		Marginal income rate	
		0% for joint below \$78,750 and single below \$39,375.	
Assets held longer than 1 yr.		15% for joint at or above \$78,751 and single at or above \$39,376.	
		20% for joint at or above \$488,851 and single at or above \$434,551.	
Unrecaptured Sec. 1250 gains		25%	
Collectibles		28%	
Education Credits / Deductions / Distributions			
Credit / Deduction / Account	Maximum credit / deduction / distribution	Income phaseouts begin at AGI:	
American Opportunity Tax Credit	\$2,500	\$160,000 to \$180,000	joint
		\$80,000 to \$90,000	all others
Lifetime Learning Credit	\$2,000	\$116,000 to \$136,000	joint
		\$58,000 to \$68,000	all others
Student loan interest deduction	\$2,500	\$140,000 to \$170,000	joint
		\$70,000 to \$85,000	all others
Savings bond interest deduction	limited to amount of qualified expenses	\$121,600 to \$151,600	joint
		\$81,100 to \$96,100	all others
Coverdell	\$2,000 maximum contribution (non-deductible)	\$190,000 to \$220,000	joint
		\$95,000 to \$110,000	all others
529 Plan (K-12)	\$10,000 distribution	None	joint
		None	all others
Kiddie Tax			
Dependent children < age 19 (< 24 for full-time students) pay federal income tax at trust and estate income tax rates on investment income > \$2,200.			

2019 Tax Guide

Individual Tax Rates															
Single					Joint										
Taxable Income	Ordinary Income	Capital Gains and Dividends	Affordable Health Care Act		Taxable Income	Ordinary Income	Capital Gains and Dividends	Affordable Health Care Act							
			Earned Income	Investment Income**				Earned Income	Investment Income**						
\$0 to \$9,700	10%	0%	0%	0%	\$0 to \$19,400	10%	0%	0%	0%						
\$9,701 to \$39,375	12%				\$19,401 to \$78,750	12%									
\$39,376 to \$39,475	22%	\$78,751 to \$78,950			22%	0%	0%								
\$39,476 to \$84,200															
\$84,201 to \$160,725										24%	\$168,401 to \$250,000	24%	15%		
\$160,726 to \$200,000										32%					
\$200,001 to \$204,100		0.9%	3.8%*	\$321,451 to \$408,200	32%		0.9%	3.8%*							
\$204,101 to \$434,550				35%	\$408,201 to \$488,850				35%						
\$434,551 to \$510,300	20%			\$488,851 to \$612,350	20%										
> \$510,300						37%			> \$612,350	37%					

*3.8% tax is only imposed on adjusted gross income (AGI) in excess of the \$200,000 (\$250,000 joint) threshold

** Investment income for purposes of 3.8% tax = dividends, interest, capital gains, non-qualified annuity distributions, royalties, rents, and passive income (not qualified retirement distributions)

Select Tax Items		
Tax Limits		2019
Gift tax annual exclusion		\$15,000
Estate tax exemption		\$11,400,000 + DSUEA*
Top federal estate tax bracket		40%
IRA distributions direct to charity (over age 70.5)		\$100,000
IRA / Roth IRA contribution limit		\$6,000
IRA / Roth IRA catch-up provisions for individuals 50+		\$1,000
Health Savings Account contribution limit [Individual, (Family)]		\$3,500, (\$7,000)
Health Savings Account catch-up provisions for individuals 55+		\$1,000
Phaseout Items		Single Joint
Itemized deduction phaseout		N/A N/A
Personal exemption phaseout		N/A N/A
Deductible IRA contribution phaseout (qualified plan)		\$64,000 to \$74,000 \$103,000 to \$123,000
*If one spouse covered by a plan		\$193,000 to \$203,000
Roth IRA contribution phaseout		\$122,000 to \$137,000 \$193,000 to \$203,000
AMT exemption		\$71,700 \$111,700
Part B / Part D Premiums begin to increase with MAGI over		\$85,000 \$170,000

*Basic exclusion amount plus deceased spousal unused exclusion amount (DSUEA) -- exclusion is portable for 2011 onward

Retirement Plan Contribution Limits		
Plan	Limit	
Defined contribution plans	\$56,000	
401(k) (Roth/Traditional), 403(b), 457(b) plans	\$19,000	
Catch-up provision for individuals 50+	\$6,000	
SIMPLE plans	\$13,000	
SIMPLE plans - catch-up provision for individuals 50+	\$3,000	
Estates and Trusts		
Income	Rate	
< \$2,600	10%	
\$2,601 to \$9,300	24%	
\$9,301 to \$12,750	35%	
> \$12,750*	37%	
Short (Sold) Options		
Put/Call Action	Taxable Amount	How taxed (long/short)
Option expires worthless	Premium	Short
Option is closed	Net gain/loss of closing	Short
Call option assigned	Premium + strike price - security basis	Short or long**

*Investment income > \$12,750 subject to additional 3.8% surtax

**Underlying security held > 1 year is long term gain/loss, security held < 1 year is short term gain/loss