

# 2019 Tax Reference Guide

## Federal Income Taxes

### MARRIED FILING JOINTLY & SURVIVING SPOUSES

| Taxable Income        | Tax Rate |
|-----------------------|----------|
| \$0 — \$19,400        | 10.0%    |
| \$19,400 — \$78,950   | 12.0%    |
| \$78,950 — \$168,400  | 22.0%    |
| \$168,400 — \$321,450 | 24.0%    |
| \$321,450 — \$408,200 | 32.0%    |
| \$408,200 — \$612,350 | 35.0%    |
| Over \$612,350        | 37.0%    |

### SINGLE FILERS

| Taxable Income        | Tax Rate |
|-----------------------|----------|
| \$0 — \$9,700         | 10.0%    |
| \$9,700 — \$39,475    | 12.0%    |
| \$39,475 — \$84,200   | 22.0%    |
| \$84,200 — \$160,725  | 24.0%    |
| \$160,725 — \$204,100 | 32.0%    |
| \$204,100 — \$510,300 | 35.0%    |
| Over \$510,300        | 37.0%    |

### HEAD OF HOUSEHOLD

| Taxable Income        | Tax Rate |
|-----------------------|----------|
| \$0 — \$13,850        | 10.0%    |
| \$13,850 — \$52,850   | 12.0%    |
| \$52,850 — \$84,200   | 22.0%    |
| \$84,200 — \$160,700  | 24.0%    |
| \$160,700 — \$204,100 | 32.0%    |
| \$204,100 — \$510,300 | 35.0%    |
| Over \$510,300        | 37.0%    |

### MARRIED FILING SEPARATELY

| Taxable Income        | Tax Rate |
|-----------------------|----------|
| \$0 — \$9,700         | 10.0%    |
| \$9,700 — \$39,475    | 12.0%    |
| \$39,475 — \$84,200   | 22.0%    |
| \$84,200 — \$160,725  | 24.0%    |
| \$160,725 — \$204,100 | 32.0%    |
| \$204,100 — \$306,175 | 35.0%    |
| Over \$306,175        | 37.0%    |

### TRUSTS AND ESTATES

| Taxable Income     | Tax Rate |
|--------------------|----------|
| \$0 — \$2,600      | 10.0%    |
| \$2,600 — \$9,300  | 24.0%    |
| \$9,300 — \$12,750 | 35.0%    |
| Over \$12,750      | 37.0%    |

## Standard Deductions

|                           | 2019     | 2018     |
|---------------------------|----------|----------|
| Single                    | \$12,200 | \$12,000 |
| Married filing jointly    | \$24,400 | \$24,000 |
| Married filing separately | \$12,200 | \$12,000 |
| Head of household         | \$18,350 | \$18,000 |
| Personal exemption        | \$0      | \$0      |

## 2019 Additional Standard Deduction

| Over 65, Blind or Disabled | Amount  |
|----------------------------|---------|
| Unmarried                  | \$1,650 |
| Married                    | \$1,300 |

## Capital Gains & Dividends

### CAPITAL GAINS & DIVIDENDS

| Income Tax Bracket: | Rate: |
|---------------------|-------|
| 0 - 12%             | 0%    |
| 22% - 35%           | 15%   |
| 37%                 | 20%   |

### UNEARNED INCOME MEDICARE CONTRIBUTION TAX

3.8% surtax applied to lower of Net Investment Income or MAGI over threshold

| Filing Status                       | MAGI                    | Rate: |
|-------------------------------------|-------------------------|-------|
| Single / Head of Household          | \$200,000+              | 3.8%  |
| Married Filing Jointly / Separately | \$250,000+ / \$125,000+ | 3.8%  |
| Trusts & Estates                    | \$12,500                | 3.8%  |

## Gift & Estate Tax

|                            | 2019         | 2018         |
|----------------------------|--------------|--------------|
| Annual gift tax exclusion  | \$15,000     | \$15,000     |
| Unified credit exemption   | \$11,400,000 | \$11,180,000 |
| Gift to non-citizen spouse | \$155,000    | \$152,000    |
| Highest estate tax bracket | 40%          | 40%          |

## Alternative Minimum Tax Exemptions

| Filing Status             | Exemption Amount |
|---------------------------|------------------|
| Single                    | \$71,700         |
| Married Filing Jointly    | \$111,700        |
| Married Filing Separately | \$55,850         |

## Alternative Minimum Exemption Phase Outs

| Income Phase out of Exemptions | Income      |
|--------------------------------|-------------|
| Single                         | \$510,300   |
| Married Filing Jointly         | \$1,020,600 |
| Married Filing Separately      | \$510,300   |

## Tax Credit

|                         |   |
|-------------------------|---|
| Child Credit of \$2,000 | under the age of 17   |
|                         | Married income under \$400,000                              |
|                         | All others income under \$200,000                           |
| Dependent Credit \$500  | qualifying dependents that are not a qualifying child above |

## Business Income Taxes

|  |                      |
|--|----------------------|
| C Corporations   |                      |
| Taxable Net Income   | 21% Tax Rate         |
| S Corporations and LLCs  |                      |
| Taxable K-1 Pass-Through Income  | Individual Tax Rates |
| <i>**Qualified Business Income* is eligible for a 20% K-1 deduction (i.e. 37% bracket= 29.6% net marginal rate)</i>  |                      |
| <i>*Generally, "Specified Service Businesses" are NOT eligible for a 20% K-1 deduction unless entire taxable income (including K-1 pass-through profits) falls below certain thresholds.</i> |                      |

## RETIREMENT

### Traditional IRA & Roth IRA

|  | 2019                | 2018                |
|--|---------------------|---------------------|
| <b>IRA-ROTH IRA CONTRIBUTION LIMIT</b>                       |                     |                     |
| Contribution limit   | \$6,000             | \$5,500             |
| 50+ Catch-up   | \$1,000             | \$1,000             |
| <b>TRADITIONAL IRA DEDUCTIBILITY PHASE-OUT BASED ON MAGI</b> |                     |                     |
| Participants in employer plans                               |                     |                     |
| Married—Jointly  | \$103,000—\$123,000 | \$101,000—\$121,000 |
| Married—Separately   | \$0-\$10,000        | \$0-\$10,000        |
| All others   | \$64,000—\$74,000   | \$63,000—\$73,000   |
| Nonparticipant married to a participant                      | \$193,000—\$203,000 | \$189,000—\$199,000 |
| Neither spouse a participant                                 | Fully deductible    | Fully deductible    |
| <b>ROTH IRA PHASE-OUT BASED ON MAGI</b>                      |                     |                     |
| Married—Jointly  | \$193,000—\$203,000 | \$189,000—\$199,000 |
| Married—Separately   | \$0-\$10,000        | \$0-\$10,000        |
| All others   | \$122,000—\$137,000 | \$120,000—\$135,000 |

## Qualified Plans

|   | 2019      | 2018      |
|---|-----------|-----------|
| 401k, 403(b), 457(b) salary deferral  | \$19,000  | \$18,500  |
| 50+ Catch-up  | \$6,000   | \$6,000   |
| SIMPLE salary deferral  | \$13,000  | \$12,500  |
| 50+ Catch-up  | \$3,000   | \$3,000   |
| Maximum annual additions in a defined contribution plan   | \$56,000  | \$55,000  |
| Maximum annual benefit in defined benefit plan  | \$225,000 | \$220,000 |
| Maximum compensation considered   | \$280,000 | \$275,000 |
| Highly compensated employee   | \$125,000 | \$120,000 |
| Maximum QLAC  | \$130,000 | \$130,000 |
| <i>Special catch-up rules applies to certain 403(b) contributors with 15 or more years of service and governmental 457(b) participants in the last 3 yrs before retirement.</i> |           |           |

# 2019 Tax Reference Guide

## Social Security

|  | 2019                        | 2018                        |
|--|-----------------------------|-----------------------------|
| <b>TAXABLE WAGE BASE</b>   |                             |                             |
| Social Security (OASDI)  | \$132,900                   | \$128,400                   |
| Medicare (HI only)   | No limit                    | No limit                    |
| <b>RETIREMENT EARNING TEST</b>   |                             |                             |
| Under full retirement age  | \$17,640/yr<br>(\$1,470/mo) | \$17,040/yr<br>(\$1,420/mo) |
| <i>Note: One dollar in benefits will be withheld for every \$2 in earnings above the limit</i>   |                             |                             |
| Year reaching full retirement age  | \$46,920/yr<br>(\$3,910/mo) | \$45,360/yr<br>(\$3,780/mo) |
| <i>Note: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit</i> |                             |                             |
| <b>TAXABILITY OF BENEFITS<br/>(Based on Provisional Income and Filing Status)</b>  |                             |                             |
|  | Individual                  | Married Filed Jointly       |
| Not taxable  | Less than \$25,000          | Less than \$32,000          |
| Up to 50% taxable  | \$25,000-\$34,000           | \$32,000-\$44,000           |
| Up to 85% taxable  | Greater than \$34,000       | Greater than \$44,000       |
| Married Filed Separately   |                             |                             |
| Up to 85% of benefits are taxable  |                             |                             |
| <b>Provisional Income = Adjusted Gross Income + Nontaxable Income + 1/2 Social Security Benefits</b>   |                             |                             |

## Medicare Premiums

| 2019 MAGI Single      | 2019 MAGI Joint       | Part B Premiums |
|-----------------------|-----------------------|-----------------|
| \$85,000 or Less      | \$170,000 or Less     | 135.50          |
| \$85,000 - \$107,000  | \$170,000 - \$214,000 | 189.60          |
| \$107,000 - \$133,500 | \$214,000 - \$267,000 | 270.90          |
| \$133,500 - \$160,000 | \$267,000 - \$320,000 | 352.20          |
| \$160,000 - \$500,000 | \$320,000 - \$750,000 | 433.40          |
| Greater than \$500K   | Greater than \$750K   | 460.50          |

## FICA Tax Rates

|  | Self-Employed   | Employee |
|--|---|----------|
| OASDI (Social Security)  | 12.4%   | 6.2%     |
| HI (Medicare)  | 2.9%  | 1.45%    |
| Additional Medicare Tax*   | 0.9%  | 0.9%     |
| <i>*Beginning in 2013, the additional Medicare tax applied to wages and self-employment income above the following thresholds:</i> |   |          |
| Filing Status:   | Wages or Self-Employment Income above the MAGI threshold: |          |
| Married-Jointly  | >\$250,000  |          |
| Married-Separately   | >\$125,000  |          |
| Others   | >\$200,000  |          |

## Single Life "Inherited" Table

| Age | Life Expectancy | Age | Life Expectancy | Age | Life Expectancy |
|-----|-----------------|-----|-----------------|-----|-----------------|
| 35  | 48.5            | 52  | 32.3            | 69  | 17.8            |
| 36  | 47.5            | 53  | 31.4            | 70  | 17.0            |
| 37  | 46.5            | 54  | 30.5            | 71  | 16.3            |
| 38  | 45.6            | 55  | 29.6            | 72  | 15.5            |
| 39  | 44.6            | 56  | 28.7            | 73  | 14.8            |
| 40  | 43.6            | 57  | 27.9            | 74  | 14.1            |
| 41  | 42.7            | 58  | 27.0            | 75  | 13.4            |
| 42  | 41.7            | 59  | 26.1            | 76  | 12.7            |
| 43  | 40.7            | 60  | 25.2            | 77  | 12.1            |
| 44  | 39.8            | 61  | 24.4            | 78  | 11.4            |
| 45  | 38.8            | 62  | 23.5            | 79  | 10.8            |
| 46  | 37.9            | 63  | 22.7            | 80  | 10.2            |
| 47  | 37.0            | 64  | 21.8            | 81  | 9.7             |
| 48  | 36.0            | 65  | 21.0            | 82  | 9.1             |
| 49  | 35.1            | 66  | 20.2            | 83  | 8.6             |
| 50  | 34.2            | 67  | 19.4            | 84  | 8.1             |
| 51  | 33.3            | 68  | 18.6            | 85  | 7.6             |

## Uniform Lifetime Table

| Age | Divisor Balance | % Account | Age | Divisor Balance | % Account |
|-----|-----------------|-----------|-----|-----------------|-----------|
| 70  | 27.4            | 3.65      | 86  | 14.1            | 7.09      |
| 71  | 26.5            | 3.77      | 87  | 13.4            | 7.46      |
| 72  | 25.6            | 3.91      | 88  | 12.7            | 7.87      |
| 73  | 24.7            | 4.05      | 89  | 12.0            | 8.33      |
| 74  | 23.8            | 4.20      | 90  | 11.4            | 8.77      |
| 75  | 22.9            | 4.37      | 91  | 10.8            | 9.26      |
| 76  | 22.0            | 4.55      | 92  | 10.2            | 9.80      |
| 77  | 21.2            | 4.72      | 93  | 9.6             | 10.42     |
| 78  | 20.3            | 4.93      | 94  | 9.1             | 10.99     |
| 79  | 19.5            | 5.13      | 95  | 8.6             | 11.63     |
| 80  | 18.7            | 5.35      | 96  | 8.1             | 12.35     |
| 81  | 17.9            | 5.59      | 97  | 7.6             | 13.16     |
| 82  | 17.1            | 5.85      | 98  | 7.1             | 14.08     |
| 83  | 16.3            | 6.13      | 99  | 6.7             | 14.93     |
| 84  | 15.5            | 6.45      | 100 | 6.3             | 15.87     |
| 85  | 14.8            | 6.76      | 101 | 5.9             | 16.95     |

## Health Savings Accounts

|                                     | 2019              | 2018              |
|-------------------------------------|-------------------|-------------------|
| <b>CONTRIBUTION LIMITS</b>          |                   |                   |
| Single / Family                     | \$3,500/ \$7,000  | \$3,450/ \$6,900  |
| Age 55+ Catch-up                    | \$1,000           | \$1,000           |
| <b>HIGH DEDUCTIBLE HEALTH PLANS</b> |                   |                   |
| Minimum Deductible Single/Family    | \$1,350/ \$2,700  | \$1,350/ \$2,700  |
| Maximum out of pocket Single/Family | \$6,750/ \$13,500 | \$6,650/ \$13,300 |

