

2018 Federal Tax Key Facts and Figures

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INCOME TAXES

2017			
If Taxable Income Is:			
Over	But Not More Than	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$0	\$18,650	\$0 + 10%	\$0
18,650	75,900	1,865.00 + 15%	18,650
75,900	153,100	10,452.50 + 25%	75,900
153,100	233,350	29,752.50 + 28%	153,100
233,350	416,700	52,222.50 + 33%	233,350
416,700	470,700	112,728.00 + 35%	416,700
470,700		131,628.00 + 39.6%	470,700
Married Filing Separately:			
\$0	\$9,325	\$0 + 10%	\$0
9,325	37,950	932.50 + 15%	9,325
37,950	76,550	5,226.25 + 25%	37,950
76,550	116,675	14,876.25 + 28%	76,550
116,675	208,350	26,111.25 + 33%	116,675
208,350	235,350	56,364.00 + 35%	208,350
235,350		65,814.00 + 39.6%	235,350
Head of Household:			
\$0	\$13,350	\$0 + 10%	\$0
13,350	50,800	1,335.00 + 15%	13,350
50,800	131,200	6,952.50 + 25%	50,800
131,200	212,500	27,052.50 + 28%	131,200
212,500	416,700	49,816.50 + 33%	212,500
416,700	444,550	117,202.50 + 35%	416,700
444,550		126,950.00 + 39.6%	444,550
Single:			
\$0	\$9,325	\$0 + 10%	\$0
9,325	37,950	932.50 + 15%	9,325
37,950	91,900	5,226.25 + 25%	37,950
91,900	191,650	18,713.75 + 28%	91,900
191,650	416,700	46,643.75 + 33%	191,650
416,700	418,400	120,910.25 + 35%	416,700
418,400		121,505.25 + 39.6%	418,400
Estates and Trusts:			
\$0	\$2,550	\$0 + 15%	\$0
2,550	6,000	382.50 + 25%	2,550
6,000	9,150	1,245.00 + 28%	6,000
9,150	12,500	2,127.00 + 33%	9,150
12,500		3,232.50 + 39.6%	12,500

2018			
If Taxable Income Is:			
Over	But Not More Than	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$0	\$19,050	\$0.00 + 10%	\$0
19,050	77,400	1,905.00 + 12%	19,050
77,400	165,000	8,907.00 + 22%	77,400
165,000	315,000	28,179.00 + 24%	165,000
315,000	400,000	64,179.00 + 32%	315,000
400,000	600,000	91,379.00 + 35%	400,000
600,000		161,379.00 + 37%	600,000
Married Filing Separately:			
\$0	\$9,525	\$0.00 + 10%	\$0
9,525	38,700	952.50 + 12%	9,525
38,700	82,500	4,453.50 + 22%	38,700
82,500	157,500	14,089.50 + 24%	82,500
157,500	200,000	32,089.50 + 32%	157,500
200,000	300,000	45,689.50 + 35%	200,000
300,000		80,689.50 + 37%	300,000
Head of Household:			
\$0	\$13,600	\$0.00 + 10%	\$0
13,600	51,800	1,360.00 + 12%	13,600
51,800	82,500	5,944.00 + 22%	51,800
82,500	157,500	12,698.00 + 24%	82,500
157,500	200,000	30,698.00 + 32%	157,500
200,000	500,000	44,298.00 + 35%	200,000
500,000		149,298.00 + 37%	500,000
Single:			
\$0	\$9,525	\$0.00 + 10%	\$0
9,525	38,700	952.50 + 12%	9,525
38,700	82,500	4,453.50 + 22%	38,700
82,500	157,500	14,089.50 + 24%	82,500
157,500	200,000	32,089.50 + 32%	157,500
200,000	500,000	45,689.50 + 35%	200,000
500,000		150,689.50 + 37%	500,000
Estates and Trusts:			
\$0	\$2,550	\$0.00 + 10%	\$0
2,550	9,150	255.00 + 24%	2,550
9,150	12,500	1,839.00 + 35%	9,150
12,500		3,011.50 + 37%	12,500

OTHER TAX RATES

2017 - Long-Term Capital Gains and Qualified Dividends Rates for Taxpayers in the Specified Brackets*			
	0%	15%	20%
10%, 15% brackets			
25% - 35% brackets			
39.6% bracket			

2018 - Long-Term Capital Gains and Qualified Dividends Rates for Taxpayers with Taxable Income in the Specified Ranges*			
	0%	15%	20%
MFJ/SS	\$0 - \$77,199	\$77,200 - \$478,999	\$479,000 and up
MFS	\$0 - \$38,599	\$38,600 - \$239,499	\$239,500 and up
HoH	\$0 - \$51,699	\$51,700 - \$452,399	\$452,400 and up
Single	\$0 - \$38,599	\$38,600 - \$425,799	\$425,800 and up
E&T	\$0 - \$2,599	\$2,600 - \$12,699	\$12,700 and up

Short-term gain taxed at ordinary rates.
 * Additional 3.8% tax imposed on the lesser of the individual's Net Investment Income or the excess of the individual's MAGI over certain thresholds (\$250,000 for married couples filing jointly or surviving spouse, \$125,000 for married couples filing separately, and \$200,000 for all other taxpayers).

Kiddie Tax

- Under age 19 (or certain full-time students under age 24) with unearned income consisting solely of interest, dividends and capital gain distributions; and child's gross income is less than \$10,500 in 2017 or in 2018 - use Form 8814 with parent's return.
- If child files own return - use Form 8615 with child's return to calculate tax at parent's marginal rate.

	2017	2018	
First	\$1,050	\$1,050	No Tax
Next	\$1,050	\$1,050	Taxed at child's marginal rate
Amount Over	\$2,100	\$2,100	Taxed at higher rate*

* 2017 taxed at parent's marginal rate, 2018 taxed at estates and trusts rate.

AMT Rates for Individuals			
	AMTI Threshold		AMT Rate
	2017	2018	
Single, MFJ, HoH	\$0 - \$187,800	\$0 - \$191,100	26%
	\$187,801 or more	\$191,101 or more	28%
MFS	\$0 - \$93,900	\$0 - \$95,550	26%
	\$93,901 or more	\$95,551 or more	28%

AMT Exemption			
	2017	2018	
Single, HoH	\$54,300	\$70,300	
MFJ, SS	\$84,500	\$109,400	
MFS	\$42,250	\$54,700	

SOCIAL SECURITY

Maximum Compensation Subject to FICA		
	2017	2018
OASDI Maximum	\$127,200	\$128,400
HI Maximum	No Limit	No Limit

• OASDI tax rate - 2017 & 2018: 12.4% self-employed, 6.2% employees
 • HI tax rate* - 2017 & 2018: 2.9% self-employed, 1.45% employees
 *Additional 0.9% tax imposed on employment wages for certain higher-income taxpayers (income of more than \$250,000 for married couples filing jointly or surviving spouse, \$125,000 for married couples filing separately, and \$200,000 for all other individual taxpayers)

Maximum Amount of Earnings to Still Receive Full Benefits		
	2017	2018
Under full retirement age	\$16,920	\$17,040

MAGI Amounts for Benefits to Be Taxable		
	50% Taxable	85% Taxable
Married Filing Jointly	\$32,000	\$44,000
Single, HOH, MFS Living Apart	\$25,000	\$34,000

EDUCATION INCENTIVES

Tuition and Fees Deduction - "Above-the-line" deduction up to \$4,000 for qualified tuition and related expenses in 2017. Absent legislation, no deduction available in 2018.

Student Loan Interest Deduction - "Above-the-line" deduction up to \$2,500 (2017 and 2018); no time limit on deductibility period; subject to income limitations.

Education Credits - American Opportunity (modified Hope) Credit is up to \$2,500 in 2017 and 2018 per student for first four years of higher education expenses paid. Lifetime Learning Credit is 20% of tuition paid up to \$2,000 per return for 2017 and 2018. Both credits are subject to income limitations and cannot be used in conjunction with each other for the same student.

Section 529 Plans (Qualified Tuition Programs) - Distributions used for qualified higher education expenses are income tax free. Contributions are potentially subject to gift tax, but are eligible for the per-donee annual exclusion (\$14,000 for 2017; \$15,000 for 2018). Donor can elect to treat up to \$70,000 of the contribution in 2017 (\$75,000 in 2018) as if it had been made ratably over a 5-year period.

Coverdell Education Savings Accounts (Education IRAs) - Contribution limit is \$2,000 in 2017 and 2018; subject to income limitations.

DEDUCTIONS & EXEMPTIONS

Standard Deductions			
	Year	Annual	Add'l Age 65 or Older or Blind
Married Filing Jointly/ Surviving Spouse	2017	\$12,700	\$1,250
	2018	\$24,000	\$1,300
Married Filing Separately	2017	\$6,350	\$1,250
	2018	\$12,000	\$1,300
Head of Household	2017	\$9,350	\$1,550
	2018	\$18,000	\$1,600
Single	2017	\$6,350	\$1,550
	2018	\$12,000	\$1,600

Phaseout of Itemized Deductions			
	AGI Threshold		
	2017	2018	
MJ/SS	\$313,800	No phaseout applies	
MFS	\$156,900	No phaseout applies	
HoH	\$287,650	No phaseout applies	
Single	\$261,500	No phaseout applies	

Personal Exemptions			
	Year	Exemption	AGI Threshold/ Upper Limit
Married Filing Jointly/ Surviving Spouse	2017	\$4,050	\$313,800/\$436,300
	2018	Personal Exemption Repealed	
Married Filing Separately	2017	\$4,050	\$156,900/\$218,150
	2018	Personal Exemption Repealed	
Head of Household	2017	\$4,050	\$287,650/\$410,150
	2018	Personal Exemption Repealed	
Single	2017	\$4,050	\$261,500/\$384,000
	2018	Personal Exemption Repealed	

Code Sec. 179 Expense Allowance		
	2017	2018
Dollar limitation	\$510,000	\$1,000,000
Investment limitation	\$2,030,000	\$2,500,000

ESTATE & GIFT TAXES

	2017	2018
Annual Gift Tax Exclusion	\$14,000	\$15,000
for Noncitizen Spouses	\$149,000	\$152,000
Estate Tax Exclusion	\$5,490,000	\$11,180,000
Applicable Credit	\$2,141,800	\$4,417,800
Gift Tax Exclusion	\$5,490,000	\$11,180,000
Generation-Skipping Transfer Tax Exemption	\$5,490,000	\$11,180,000

CREDITS & EXCLUSIONS

Child Tax Credit		
	2017	2018
	\$1,000	\$2,000
For 2017, phases out \$50 for each \$1,000 MAGI over \$110,000 (married filing jointly), \$75,000 (single) or \$55,000 (married filing separately). For 2018, phases out \$50 for each \$1,000 MAGI over \$400,000 (married filing jointly), \$200,000 (all other taxpayers).		
Foreign Income		
	2017	2018
Foreign earned income exclusion	\$102,100	\$103,900
Maximum foreign housing exclusion of qualified housing expenses	\$14,294 (\$30,630 - \$16,336)	\$14,546 (\$31,170 - \$16,624)

INDIVIDUAL ESTIMATED TAXES

Individuals can base federal estimated tax payments on:

- 90% of current year's tax,
- 100% of prior year's tax, or
- 110% of prior year's tax if prior year's AGI is > \$150,000 (> \$75,000 for Married Filing Separately)

- Annualization exception
- No penalty if tax less withholding < \$1,000 or no tax liability in preceding tax year

IRAs

Contribution Limits - Traditional and Roth				
		2017	2018	
Regular		\$5,500	\$5,500	
Catch-up*		\$1,000	\$1,000	
*Individuals who will be at least age 50 by the end of the year can make catch-up contributions.				
Roth IRAs				
MAGI Phaseout Ranges for Contributions to Roth IRAs				
		2017	2018	
Married Filing Jointly		\$186,000 - \$196,000	\$189,000 - \$199,000	
Single, Head of Household		\$118,000 - \$133,000	\$120,000 - \$135,000	
Married Filing Separately		\$0 - \$10,000	\$0 - \$10,000	
Traditional IRA Deductibility Rules				
Filing Status	Covered by Qualified Retirement Plan?	Modified AGI		
		2017	2018	Deductibility
Single, HoH	No	Any amount	Any amount	Full Deduction
	Yes	\$62,000 or less \$62,001 - \$71,999 \$72,000 or more	\$63,000 or less \$63,001 - \$72,999 \$73,000 or more	Full Deduction Partial Deduction No Deduction
Married Filing Jointly	Neither spouse	Any amount	Any amount	Full Deduction
	Both spouses covered	\$99,000 or less \$99,001 - \$118,999 \$119,000 or more	\$101,000 or less \$101,001 - \$120,999 \$121,000 or more	Full Deduction Partial Deduction No Deduction
	One spouse covered: for covered spouse	\$99,000 or less \$99,001 - \$118,999 \$119,000 or more	\$101,000 or less \$101,001 - \$120,999 \$121,000 or more	Full Deduction Partial Deduction No Deduction
	One spouse covered: for non-covered spouse	\$186,000 or less \$186,001 - \$195,999 \$196,000 or more	\$189,000 or less \$189,001 - \$198,999 \$199,000 or more	Full Deduction Partial Deduction No Deduction
Married Filing Separately, lived together for any part of the year (if spouses lived separately throughout year, treated as Single)	Neither spouse	Any amount	Any amount	Full deduction
	Both spouses covered	\$9,999 or less \$10,000 or more	\$9,999 or less \$10,000 or more	Partial deduction No deduction
	One spouse covered: for covered spouse	\$9,999 or less \$10,000 or more	\$9,999 or less \$10,000 or more	Partial deduction No deduction
	One spouse covered: for non-covered spouse	\$9,999 or less \$10,000 or more	\$9,999 or less \$10,000 or more	Partial deduction No deduction

QUALIFIED PLANS

	2017	2018
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b))	\$18,000	\$18,500
Maximum elective deferral to SIMPLE IRA plans	\$12,500	\$12,500
Maximum elective deferral to 457 plans of exempt employers	\$18,000	\$18,500
Limit on annual additions to Keogh plans and SEP-IRAs	\$54,000	\$55,000
Limit on annual additions to defined contribution plans	\$54,000	\$55,000
Maximum annual compensation taken into account for contributions	\$270,000	\$275,000
Annual benefit limit under defined benefit plans	\$215,000	\$220,000
Threshold amount for definition of highly compensated employee	\$120,000	\$120,000
Threshold amount for definition of key employee in top-heavy plans	\$175,000	\$175,000
Catch-up Contribution Limits*		
401(k), 403(b), SARSEP and 457 plans	\$6,000	\$6,000
SIMPLE plans	\$3,000	\$3,000
*Individuals who will be at least age 50 by the end of the year can make catch-up contributions.		



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