

# 2022 Tax REFERENCE GUIDE

## Tax Brackets for 2022

Taxable income (i.e., income minus deductions and credits) between:

### Married, Joint & Surviving Spouses

	Marginal Tax Rates
\$0–\$20,550	10%
\$20,551–\$83,550	12%
\$83,551–\$178,150	22%
\$178,151–\$340,100	24%
\$340,101–\$431,900	32%
\$431,901–\$647,850	35%
over \$647,850	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$83,350	0%
\$83,351–\$517,200	15%
over \$517,200	20%

### Single

\$0–\$10,275	10%
\$10,276–\$41,775	12%
\$41,776–\$89,075	22%
\$89,076–\$170,050	24%
\$170,051–\$215,950	32%
\$215,951–\$539,900	35%
over \$539,900	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$41,675	0%
\$41,676–\$459,750	15%
over \$459,750	20%

### Married, Separate

\$0–\$10,275	10%
\$10,276–\$41,775	12%
\$41,776–\$89,075	22%
\$89,076–\$170,050	24%
\$170,051–\$215,950	32%
\$215,951–\$323,925	35%
over \$323,925	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$41,675	0%
\$41,676–\$258,600	15%
over \$258,600	20%

### Head of Household (HOH)

\$0–\$14,650	10%
\$14,651–\$55,900	12%
\$55,901–\$89,050	22%
\$89,051–\$170,050	24%
\$170,051–\$215,950	32%
\$215,951–\$539,900	35%
over \$539,900	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$55,800	0%
\$55,801–\$488,500	15%
over \$488,500	20%

### Estates and Trusts

\$0–\$2,750	10%
\$2,751–\$9,850	24%
\$9,851–\$13,450	35%
over \$13,450	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$2,800	0%
\$2,701–\$13,700	15%
over \$13,700	20%

### Corporate Tax Rate

21%

## Standard Deduction

Married, joint	\$25,900
Single; married, separate	\$12,950
HOH	\$19,400
Blind or over 65: add \$1,400 if married, \$1,750 if single or HOH	

## Child/Dependent Tax Credit

Child	\$2,000 per child up to \$1,500 refundable
Qualifying dependent	\$500 per dependent, nonrefundable

## Mortgage Interest Deduction

On acquisition indebtedness up to \$750,000 for 1st and 2nd homes  
No deduction for home equity indebtedness

## State and Local Tax Deduction Limit

State and local income and property tax deduction \$10,000

## Alternative Minimum Tax Exemption Amount

Married, joint	\$118,100
Single, HOH	\$75,900
Married, separate	\$59,050

## IRA and Pension Plan Limits

IRA contribution	
Under age 50	\$6,000
Age 50 and over	\$7,000

Phaseout for deducting IRA contribution <sup>1</sup>	
Married, joint	\$109,000–\$129,000 MAGI
Single, HOH	\$68,000–\$78,000 MAGI
Married, separate	\$0–\$10,000 MAGI

Phaseout for deducting spousal IRA<sup>1</sup>  
\$204,000–\$214,000 MAGI

Phaseout of Roth contribution eligibility	
Married, joint	\$204,000–\$214,000 MAGI
Single, HOH	\$129,000–\$144,000 MAGI
Married, separate	\$0–\$10,000 MAGI

SEP contribution	
Up to 25% of compensation, limit	\$61,000
Compensation to participate in SEP	\$650
SIMPLE elective deferral	
Under age 50	\$14,000
Age 50 and over	\$17,000

401(k), 403(b) <sup>2</sup> , 457 <sup>3</sup> and SARSEP elective deferral	
Under age 50	\$20,500
Age 50 and over	\$27,000

Annual defined contribution limit	\$61,000
Annual defined benefit limit	\$245,000
Highly compensated employee	\$135,000
Key Employee in top heavy plans	\$200,000

Annual compensation taken into account for qualified plans \$305,000

**Retirement Tax Credit:** A percent tax credit for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction or exclusion, if

Married, joint	Below \$68,000 AGI
HOH	Below \$51,000 AGI
Single; married, separate	Below \$34,000 AGI

Maximum qualified longevity annuity contract (QLAC) premium \$145,000

## Gift and Estate Tax

Gift tax annual exclusion	\$16,000
Estate and gift tax rate	40%
Estate tax exemption	\$12,060,000
Lifetime gift exemption	\$12,060,000
GST exemption	\$12,060,000
Annual exclusion for gifts to noncitizen spouse	\$164,000

## Additional Medicare Tax Where Income Exceeds \$200,000 (\$250,000 married, joint)

Additional tax on excess of earned income <sup>4</sup>	0.9%
Additional tax on Net Investment Income <sup>5</sup>	3.8%

## Health Care

Eligible Long-Term Care	Deduction Limit
Age 40 or less	\$450
Ages 41 to 50	\$850
Ages 51 to 60	\$1,690
Ages 61 to 70	\$4,510
Ages over 70	\$5,640

## Per Diem Limitation for LTC Benefits

\$390

## 199A Qualified Business Income Thresholds

Married, joint	\$340,100
All others	\$170,050

- 1 Applicability depends on the type of IRA, which persons participate in an employer-sponsored plan, the type of employer-sponsored plan offered, and MAGI.
- 2 Special increased limit may apply to certain 403(b) contributors with 15 or more years of service.
- 3 In last 3 years prior to year of retirement, 457(b) plan participant may be able to double elective deferral if needed to catch up on prior missed contributions, but if they do, they cannot use catch up.
- 4 Total Employee Medicare Tax is 1.45% + 0.9% = 2.35%.
- 5 Including interest, dividends, capital gains and annuity distributions.



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**Education**

Coverdell Education Savings Account	\$2,000
Coverdell contribution eligibility phaseout	
Married, joint	\$190,000–\$220,000
All others	\$95,000–\$110,000

Student loan interest deduction limit	\$2,500
Interest deduction is phased out	
Married, joint	\$145,000–\$175,000 MAGI
All others	\$70,000–\$85,000 MAGI

Phaseout of Lifetime Learning Credits	
Married, joint	\$160,000–\$180,000
All others	\$80,000–\$90,000

Tax-free savings bonds interest phased out	
Married, joint	\$128,650–\$158,650 MAGI
All others	\$85,800–\$100,800 MAGI

**Social Security<sup>6</sup>**

Maximum taxable earnings base	\$147,000
Amount Needed to Earn	
One Credit	\$1,510

Amount Needed to Earn	
Four Credits	\$6,040

Social Security and Medicare Tax Rates	
Employee	7.65%
Employer	7.65%
Self-Employed	15.30%

Maximum Monthly Retirement Benefit at Full Retirement Age <sup>7</sup>	\$3,345
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Cost of Living Adjustment	5.9%
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Income <sup>8</sup> (in retirement) causing Social Security benefits to be taxable	
Married, joint	
50% taxable	\$32,000 MAGI
85% taxable	\$44,000 MAGI
Single	
50% taxable	\$25,000 MAGI
85% taxable	\$34,000 MAGI

**Reduction of Social Security retirement benefits:**

In years prior to full retirement age, \$1 in benefits will be reduced for every \$2 of earnings in excess of \$19,560. In the year of full retirement age, \$1 in benefits will be reduced for every \$3 of earnings in excess of \$51,960 (applies only to months of earnings prior to full retirement age). There is no limit on earnings beginning the month an individual attains full retirement age.

**Average Monthly Benefit (December 2020)**

Average Monthly Retirement Benefit	
Men	\$1,714
Women	\$1,378

Average Monthly Survivor Benefit	
Men	\$1,292
Women	\$1,462

Source: *Fast Facts and Figures about Social Security, 2021*

6 Source: www.ssa.gov/news/cola, 12/17/21.

7 In 2022, for those turning age 62, full retirement age is 67 years.

8 Income is most income including muni bond interest but only 1/2 of Social Security.

**Uniform Lifetime Table**

Use to calculate Required Minimum Distributions\* from IRAs and qualified plans during owner's life. If owner has spousal beneficiary more than 10 years younger, use instead Joint Life Table from IRS Pub. 590.

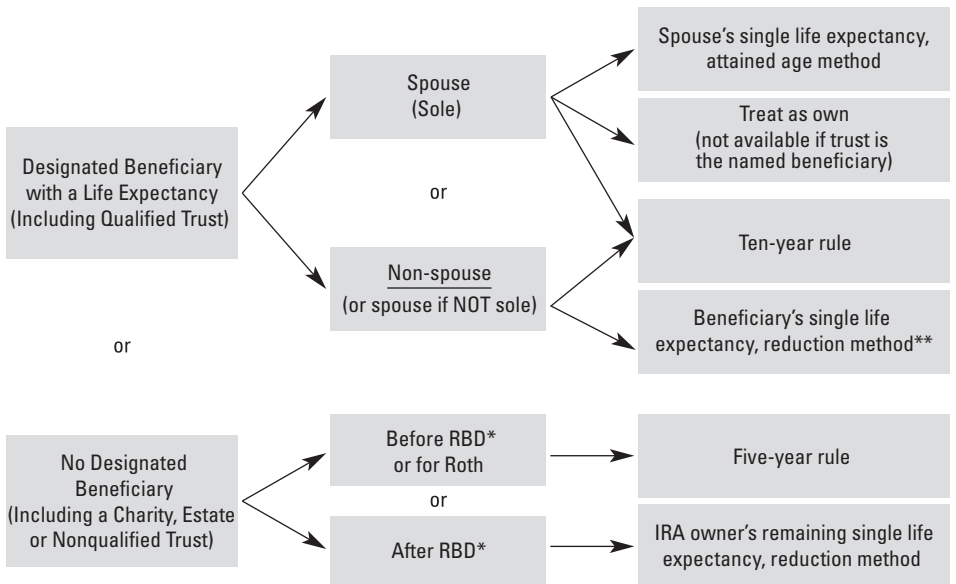
Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
72	27.4	95	8.9
73	26.5	96	8.4
74	25.5	97	7.8
75	24.6	98	7.3
76	23.7	99	6.8
77	22.9	100	6.4
78	22.0	101	6.0
79	21.1	102	5.6
80	20.2	103	5.2
81	19.4	104	4.9
82	18.5	105	4.6
83	17.7	106	4.3
84	16.8	107	4.1
85	16.0	108	3.9
86	15.2	109	3.7
87	14.4	110	3.5
88	13.7	111	3.4
89	12.9	112	3.3
90	12.2	113	3.1
91	11.5	114	3.0
92	10.8	115	2.9
93	10.1	116	2.8
94	9.5	117	2.7

**Single Life Table**

Use to calculate Required Minimum Distributions\* from IRAs and qualified plans after owner's death. See IRS Pub. 590 for complete table of ages 0 through 111+.

Age	Life Expectancy	Age	Life Expectancy
39	46.7	63	24.5
40	45.7	64	23.7
41	44.8	65	22.9
42	43.8	66	22.0
43	42.9	67	21.2
44	41.9	68	20.4
45	41.0	69	19.6
46	40.0	70	18.8
47	39.0	71	18.0
48	38.1	72	17.2
49	37.1	73	16.4
50	36.2	74	15.6
51	35.3	75	14.8
52	34.3	76	14.1
53	33.4	77	13.3
54	32.5	78	12.6
55	31.6	79	11.9
56	30.6	80	11.2
57	29.8	81	10.5
58	28.9	82	9.9
59	28.0	83	9.3
60	27.1	84	8.7
61	26.2	85	8.1
62	25.4	86	7.6

**IRA Beneficiary Options**



\*RBD defined as "Required Beginning Date" (April 1 following the year a Traditional IRA or SIMPLE IRA holder reached age 72). Change in required beginning date (RBD) for required minimum distributions (RMDs) made pursuant to the terms of the SECURE Act, effective 1/1/2020.

\*\* Method only available if the non-spouse beneficiary is the minor child of the deceased IRA owner (until the child's age of majority), disabled, chronically ill or not more than 10 years younger than the deceased IRA owner.



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