

Tax Inflation Numbers 2018 & 2019

Standard Deduction

Filing Status	2018	2019
Single	12,000	12,200
MFJ/QW	24,000	24,400
HOH	18,000	18,350
MFS	12,000	12,200

Additional Standard Deduction (Age 65 or older or Blind)

Filing Status	2018	2019
Single	1,600	1,650
MFJ/QW	1,300	1,300
HOH	1,600	1,650
MFS	1,300	1,300

2018 Standard Deduction Dependent = Greater of Earned Income + \$350 or \$1, 100.**

Phase out of Itemized Deductions

Effective 2018, the phase-out of the itemized deductions provision is suspended for tax years 2017 through 2025.

2019 Kiddie Tax Threshold** = \$2,200

** Starting in 2018, the parent's tax rate is no longer used to calculate kiddie tax. Instead, taxable income attributable to net unearned income is taxed according to the tax brackets applicable to trusts and estates, with respect to both ordinary income and income taxed at the preferential net long-term capital gain rates.

Personal/Dependent Exemption = \$4,150

Effective 2018, the deduction for personal exemptions is suspended for tax years 2018 through 2025, the indexed number will continue to be used to determine qualified family dependent status.

Phase out of Personal/Dependent Exemptions

Effective 2018, the phase-out of the Personal/Dependent Exemption provision is no longer applicable because the deduction of personal/depended exemptions is suspended for tax years 2018 through 2025.

Child Tax Credit

	2018	2019
Maximum Credit	2,000	2,000
Refundability %	15%*	15%
Of earned income in excess of	2,500	2,500

* Starting 2018, the refundable portion cannot exceed \$1,400 per qualifying child.

MAGI Phaseout Threshold for Child Tax Credit

	2018	2019
Single	200,000	200,000
MFJ/ QW	400,000	400,000
MFS	200,000	200,000

Qualifying Dependent (other than Qualifying Child) Credit for 2019 is \$500 nonrefundable.

Adoption Credit

	2018	2019
Credit	13,810	14,080
MAGI Phaseout	207,140 – 247,140	211,160 – 251,160

Earned Income Credit 2018

ITEM	ONE	TWO	THREE	NONE
Earned Income Amount	10,180	14,290	14,290	6,780
Maximum Amount of Credit	3,461	5,716	6,431	519
Threshold Phaseout (S/HOH/QW)	18,660	18,660	18,660	8,490
Completed Phaseout (S/HOH/QW)	40,320	45,802	49,194	15,270
Threshold Phaseout (MFJ)	24,350	24,350	24,350	14,170
Completed Phaseout (MFJ)	46,010	51,492	54,884	20,950

Earned Income Credit 2019

ITEM	ONE	TWO	THREE	NONE
Earned Income Amount	10,370	14,570	14,570	6,920
Maximum Amount of Credit	3,526	5,828	6,557	529
Threshold Phaseout (S/HOH/QW)	19,030	19,030	19,030	8,650
Completed Phaseout (S/HOH/QW)	41,094	46,703	50,162	15,570
Threshold Phaseout (MFJ)	24,820	24,820	24,820	14,450
Completed Phaseout (MFJ)	46,884	52,493	55,952	21,370

Section 179 Expensing

	2018	2019
Expense Limit	1,000,000	1,020,000
Phaseout	2,500,000	2,550,000

Mileage Rate (per mile)

	2018	2019
Business	.545	.58
Charitable	.14	.14
Moving*	.18	.20
Medical	.18	.20

* Effective 2018, the moving expense deduction and the exclusion from income provision is allowed only to members of the Armed Forces (or their spouse or dependents) on active duty that move pursuant to a military order and incident to a permanent change of station.

Employer Provided Education Assistance

2018	2019
5,250	5,250

Qualified Transportation - monthly

	2018	2019
Commuter Vehicle and Transit Pass	260	265*
Qualified Parking	260	265*
Bicycle	Suspended 2017 – 2025	Suspended 2017 – 2025

*The qualified transportation fringe benefit, including the parking and transit passes are no longer deductible to the Employer. Employers may continue to give the benefit and lose the deduction, or they may include it in Employee's taxable income.

Foreign Earned Income Exclusion

2018	2019
103,900	105,900

1244 Loss limit

	2018	2019
Single	50,000	50,000
MFJ	100,000	100,000

Rental Real Estate Individual Exception (\$25,000)

2018	2019
100,000	100,000

Failure to File Minimum

2018	2019
210	215

AMT Exemption Amounts

Filing Status	2018	2019
Single/HOH	70,300	71,700
MFJ/QW	109,400	111,700
MFS	54,700	55,850
Estate & Trusts	24,600	25,000

Phaseout of AMT Exemption Amounts

Filing Status	2018	2019
Single/HOH	500,000 – 781,200	510,300 – 797,100
MFJ/QW	1,000,000 – 1,437,600	1,020,600 – 1,467,400
MFS	500,000 – 718,800	510,300 – 733,700

Reduction is \$1 for every \$4 over AMTI

AMT 28% Rate Starts at (26% applies for amounts below)

Filing Status	2018	2019
All others	191,100	194,800
MFS	95,550	97,400

Trust & Estate Income Tax Rates 2018

Over	But not over	Pay	%	Of amount over
0	2,550		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

Trust & Estate Income Tax Rates 2019

Over	But not over	Pay	%	Of amount over
0	2,600		10	0
2,600	9,300	260.00	24	2,600
9,300	12,750	1,868.00	35	9,300
12,750		3,075.50	37	12,750

Income Tax Rates 2018
Single

Over	But not over	Pay	%	Of amount over
0	9,525		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

Married Filing Joint/Qualifying Widow

Over	But not over	Pay	%	Of amount over
0	19,050		10	0
19,050	77,400	1,905	12	19,050
77,400	165,000	8,907	22	77,400
165,000	315,000	28,179	24	165,000
315,000	400,000	64,179	32	315,000
400,000	600,000	91,379	35	400,000
600,000		161,379	37	600,000

Head of House Hold

Over	But not over	pay	%	Of amount over
0	13,600		10	0
13,600	51,800	1,360	12	13,600
51,800	82,500	5,944	22	51,850
82,500	157,500	12,698	24	82,500
157,500	200,000	30,698	32	157,500
200,000	500,000	44,298	35	200,000
500,000		149,298	37	500,000

Married Filing Separate

Over	But not over	pay	%	Of amount over
0	9,525		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

Income Tax Rates 2019
Single

Over	But not over	Pay	%	Of amount over
0	9,700		10	0
9,700	39,475	970.00	12	9,700
39,475	84,200	4,543.00	22	39,475
84,200	160,725	14,382.50	24	84,200
160,725	204,100	32,748.50	32	160,725
204,100	510,300	46,628.50	35	204,100
510,300		153,798.50	37	510,300

Married Filing Joint/Qualifying Widow

Over	But not over	Pay	%	Of amount over
0	19,400		10	0
19,400	78,950	1,940.00	12	19,400
78,950	168,400	9,086.00	22	78,950
168,400	321,450	28,765.00	24	168,400
321,450	408,200	65,497.00	32	321,450
408,200	612,350	93,257.00	35	408,200
612,350		164,709.50	37	612,350

Head of House Hold

Over	But not over	pay	%	Of amount over
0	13,850		10	0
13,850	52,850	1,385	12	13,850
52,850	84,200	6,065	22	52,850
84,200	160,700	12,962	24	84,200
160,700	204,100	31,322	32	160,700
204,100	510,300	45,210	35	204,100
510,300		152,380	37	510,300

Married Filing Separate

Over	But not over	pay	%	Of amount over
0	9,700		10	0
9,700	39,475	970.00	12	9,700
39,475	84,200	4,543.00	22	39,475
84,200	160,725	14,382.50	24	84,200
160,725	204,100	32,748.50	32	160,725
204,100	306,175	46,628.50	35	204,100
306,175		82,354.75	37	306,175

Retirement Inflation Numbers

	2018	2019
Covered Comp Limit	275,000	280,000
DB Max Benefit	220,000	225,000
DC Max Contribution	55,000	56,000
Employee Deferral Limit		
• 401(k)/403(b)	18,500	19,000
• 457 Deferral Limit	18,500	19,000
• SIMPLE	12,500	13,000
• IRA Contribution Limit	5,500	6,000
Catch Up (Age 50 and older)		
• 401(k)/403(b)	6,000	6,000
• 457	6,000	6,000
• SIMPLE	3,000	3,000
• IRA	1,000	1,000
Highly Comp		
Greater than 5% owner	All	All
Compensation	120,000	125,000
Key Employee		
Greater than 5% owner	All	All
>1% owner with Comp > than	150,000	150,000
Officer with Comp > than	175,000	180,000
ESOP 5 year distribution period	1,105,000	1,130,000
Amount to determine lengthening 5 years	220,000	225,000
SEP Min Earnings	600	600
Social Security		
• Wage Base (6.2%)	128,400	132,900
• Medicare (1.45%)	All	All
• Excess Medicare tax (0.9%)*	200/250 MFJ	200/250 MFJ
• Max Monthly Benefit	2,788	2,861
• Quarter of Coverage	1,320	1,360
Disability Thresholds		
• Max Earnings – Blind monthly	1,970	2,040
• Max Earnings – Not Blind monthly	1,180	1,220
• Trial Work Period (TWP)	850	880

	2018	2019
PBGC Annual Benefit @65	65,045	67,295.40
PBGC Annual Premium		
<ul style="list-style-type: none"> • Single ER Plan – flat per person 	74	80
<ul style="list-style-type: none"> • Multi ER Plan - flat per person 	28	29
<ul style="list-style-type: none"> • Variable – per 1,000 of unfunded vested benefits 	38	43
<ul style="list-style-type: none"> <ul style="list-style-type: none"> ○ Cap per person 	523	541
Social Security Earnings Test – Yr		
<ul style="list-style-type: none"> • Under Full Retirement Age 	17,040	17,640
<ul style="list-style-type: none"> • Year of Full Retirement Age 	45,360	46,920
Cafeteria Plan – Health FSA	2,650	2,700
Saver’s Credit		
<ul style="list-style-type: none"> • MFJ 	63,000	64,000
<ul style="list-style-type: none"> • HOH 	47,250	48,000
<ul style="list-style-type: none"> • MFS/S 	31,500	32,000

* Individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes, employee’s portion only, not employer’s portion.

Traditional IRA Limitations

Taxpayer and spouse are not an active participant	Taxpayer(s) is/are an active participant in a qualified plan		Taxpayer is NOT an active participant, but taxpayer’s spouse is active
	Single/HOH	AGI Phaseout	
No AGI Limit	2018	\$63k - \$73k	
	2019	\$64k - \$74k	
	MFJ	AGI Phaseout	AGI Phaseout
	2018	\$101k - \$121k	\$189k - \$199k
	2019	\$103k - \$123k	\$193k - \$203k

Roth IRA Limitations

Filing Status	2018	2019
Single/HOH	120,000 – 135,000	122,000 – 137,000
MFJ	189,000 – 199,000	193,000 – 203,000
MFS	0 – 10,000	0 – 10,000

Estate Inflation Numbers

	2018	2019
Annual Gift Tax Exclusion	15,000	15,000
Non US Citizen annual gift exclusion	152,000	155,000
Gift/Estate Credit Amount	4,417,800	4,505,800
Gift/Estate Exclusion Amount	11,180,000	11,400,000
Max Gift & Estate Rate	40%	40%
GSTT exemption	11,180,000	11,400,000
Estate Installments	1,520,000	1,550,000
• Amount @ 2%	608,000	620,000*
Special Use Valuation	1,140,000	1,160,000

*Calculation (1,550,000 x 40%)

Tax Rates

Taxable Gifts/Estate are...	Then Tentative Gift/Estate Tax Equals...
Over \$0 but not over \$10,000	18% of such amount
Over \$10,000 but not over \$20,000	\$1,800 plus 20% of the excess of such amount over \$10,000
Over \$20,000 but not over \$40,000	\$3,800 plus 22% of the excess of such amount over \$20,000
Over \$40,000 but not over \$60,000	\$8,200 plus 24% of the excess of such amount over \$40,000
Over \$60,000 but not over \$80,000	\$13,000 plus 26% of the excess of such amount over \$60,000
Over \$80,000 but not over \$100,000	\$18,200 plus 28% of the excess of such amount over \$80,000
Over \$100,000 but not over \$150,000	\$23,800 plus 30% of the excess of such amount over \$100,000
Over \$150,000 but not over \$250,000	\$38,800 plus 32% of the excess of such amount over \$150,000
Over \$250,000 but not over \$500,000	\$70,800 plus 34% of the excess of such amount over \$250,000
Over \$500,000 but not over \$750,000	\$155,800 plus 37% of the excess of such amount over \$500,000
Over \$750,000 but not over \$1,000,000	\$248,300 plus 39% of the excess of such amount over \$750,000
Over \$1,000,000	\$345,800 plus 40% of the excess of such amount over \$1,000,000

Fundamentals Inflation Numbers

Student Loan Interest Deduction (\$2,500)

	2018	2019
	MAGI Phaseout	
Single	65,000 – 80,000	70,000 – 85,000
MFJ/QW	135,000 – 165,000	140,000 -170,000

Lifetime Learning Credit

	2018	2019
	MAGI Phaseout	
Single	57,000 – 67,000	58,000 – 68,000
MFJ/QW	114,000 – 134,000	116,000 – 136,000

20% of the first \$10,000 of qualified higher education expenses

American Opportunity Credit/Hope Scholarship Credit

	2018	2019
Max Credit	2,500	2,500
	MAGI Phaseout	
Single	80,000 – 90,000	80,000 – 90,000
MFJ/QW	160,000 – 180,000	160,000 – 180,000

100% of the first \$2,000 of qualified tuition expenses plus 25% of the next \$2,000 for the first four years of post-secondary education.

US Savings Bond Interest Exclusion

	2018	2019
	MAGI Phaseout	
Single	79,550 – 94,550	81,100 – 96,100
MFJ/QW	119,300 – 149,300	121,600 – 151,600

Coverdell Education Savings Account (\$2,000)

	2018	2019
	MAGI Phaseout	
Single	95,000 – 110,000	95,000 – 110,000
MFJ/QW	190,000 – 220,000	190,000 – 220,000

Eligible Long-Term Care Premiums

Attained Age Before Year End	2018	2019
40 or less	420	420
>40 and ≤ 50	780	790
>50 and ≤ 60	1,560	1,580
>60 and ≤ 70	4,160	4,220
> 70	5,200	5,270

Archer Medical Savings Accounts

	2018	2019
Self Only Coverage		
• Deductible not less than	2,300	2,350
• And not more than	3,450	3,500
• Annual out of pocket expense does not exceed	4,550	4,650
Family Coverage		
• Deductible not less than	4,600	4,650
• And not more than	6,850	7,000
• Annual out of pocket expense does not exceed	8,400	8,550

Health Savings Accounts

	2018	2019
Self Only Coverage		
• Deductible not less than	1,350	1,350
• Annual out of pocket expense does not exceed	6,650	6,750
• Annual Contribution	3,450	3,500
Family Coverage		
• Deductible not less than	2,700	2,700
• Annual out of pocket expense does not exceed	13,300	13,500
• Annual Contribution	6,850	7,000
Catch up for 55 or older	1,000	1,000

Medicare

	2018	2019
Part A		
Deductible per benefit period (days 1-60)	1,340	1,364
Coinsurance per day (days 61 – 90)	335	341
Coinsurance per day (days 91 – 150)**Lifetime reserve days	670	682
Skilled Nursing coinsurance (days 21-100)	167.50	170.50
Hospital Insurance Premiums per month	422	437
Part B		
Deductible per year	183	185
Monthly Premium*	134	135.50

* May vary depending on income.

Social Security Maximum Family Benefit**2018**

- (a) 150 percent of the first \$1,144 of the worker's PIA, plus
- (b) 272 percent of the worker's PIA over \$1,144 through \$1,651, plus
- (c) 134 percent of the worker's PIA over \$1,651 through \$2,154, plus
- (d) 175 percent of the worker's PIA over \$2,154.

2019

- (a) 150 percent of the first \$1,184 of the worker's PIA, plus
- (b) 272 percent of the worker's PIA over \$1,184 through \$1,708, plus
- (c) 134 percent of the worker's PIA over \$1,708 through \$2,228, plus
- (d) 175 percent of the worker's PIA over \$2,228.

Social Security PIA**2018**

Sum of three separate percentages of the AIME

- (a) 90% of the first \$895
- (b) 32% of the AIME over \$895 and less than \$5,397
- (c) 15% of the AIME that exceeds \$5,397

Maximum PIA = \$2,788 at Normal Retirement Age

Calculated at age 62

2019

Sum of three separate percentages of the AIME

- (a) 90% of the first \$926
- (b) 32% of the AIME over \$926 and less than \$5,583
- (c) 15% of the AIME that exceeds \$5,583

Maximum PIA = \$2,861 at Normal Retirement Age

Calculated at age 62