

# 2019 Federal Tax Key Facts and Figures

## INCOME TAXES

2018				2019			
If Taxable Income Is:				If Taxable Income Is:			
Over	But Not More Than	The Tax Is	Of the Amount Over	Over	But Not More Than	The Tax Is	Of the Amount Over
<b>Married Filing Jointly:</b>				<b>Married Filing Jointly:</b>			
\$0	\$19,050	\$0 + 10%	\$0	\$0	\$19,400	\$0 + 10%	\$0
19,050	77,400	1,905.00 + 12%	19,050	19,400	78,950	1,940.00 + 12%	19,400
77,400	165,000	8,907.00 + 22%	77,400	78,950	168,400	9,086.00 + 22%	78,950
165,000	315,000	28,179.00 + 24%	165,000	168,400	321,450	28,765.00 + 24%	168,400
315,000	400,000	64,179.00 + 32%	315,000	321,450	408,200	65,497.00 + 32%	321,450
400,000	600,000	91,379.00 + 35%	400,000	408,200	612,350	93,257.00 + 35%	408,200
600,000		161,379.00 + 37%	600,000	612,350		164,709.50 + 37%	612,350
<b>Married Filing Separately:</b>				<b>Married Filing Separately:</b>			
\$0	\$9,525	\$0 + 10%	\$0	\$0	\$9,700	\$0 + 10%	\$0
9,525	38,700	952.50 + 12%	9,525	9,700	39,475	970.00 + 12%	9,700
38,700	82,500	4,453.50 + 22%	38,700	39,475	84,200	4,543.00 + 22%	39,475
82,500	157,500	14,089.50 + 24%	82,500	84,200	160,725	14,382.50 + 24%	84,200
157,500	200,000	32,089.50 + 32%	157,500	160,725	204,100	32,748.50 + 32%	160,725
200,000	300,000	45,689.50 + 35%	200,000	204,100	306,175	46,628.50 + 35%	204,100
300,000		80,689.50 + 37%	300,000	306,175		82,354.75 + 37%	306,175
<b>Head of Household:</b>				<b>Head of Household:</b>			
\$0	\$13,600	\$0 + 10%	\$0	\$0	\$13,850	\$0 + 10%	\$0
13,600	51,800	1,360.00 + 12%	13,600	13,850	52,850	1,385.00 + 12%	13,850
51,800	82,500	5,944.00 + 22%	51,800	52,850	84,200	6,065.00 + 22%	52,850
82,500	157,500	12,698.00 + 24%	82,500	84,200	160,700	12,962.00 + 24%	84,200
157,500	200,000	30,698.00 + 32%	157,500	160,700	204,100	31,322.00 + 32%	160,700
200,000	500,000	44,298.00 + 35%	200,000	204,100	510,300	45,210.00 + 35%	204,100
500,000		149,298.00 + 37%	500,000	510,300		152,380.00 + 37%	510,300
<b>Single:</b>				<b>Single:</b>			
\$0	\$9,525	\$0 + 10%	\$0	\$0	\$9,700	\$0 + 10%	\$0
9,525	38,700	952.50 + 12%	9,525	9,700	39,475	970.00 + 12%	9,700
38,700	82,500	4,453.50 + 22%	38,700	39,475	84,200	4,543.00 + 22%	39,475
82,500	157,500	14,089.50 + 24%	82,500	84,200	160,725	14,382.50 + 24%	84,200
157,500	200,000	32,089.50 + 32%	157,500	160,725	204,100	32,748.50 + 32%	160,725
200,000	500,000	45,689.50 + 35%	200,000	204,100	510,300	46,628.50 + 35%	204,100
500,000		150,689.50 + 37%	500,000	510,300		153,798.50 + 37%	510,300
<b>Estates and Trusts:</b>				<b>Estates and Trusts:</b>			
\$0	\$2,550	\$0 + 10%	\$0	\$0	\$2,600	\$0 + 10%	\$0
2,550	9,150	255.00 + 24%	2,550	2,600	9,300	260.00 + 24%	2,600
9,150	12,500	1,839.00 + 35%	9,150	9,300	12,750	1,868.00 + 35%	9,300
12,500		3,011.50 + 37%	12,500	12,750		3,075.50 + 37%	12,750

## EDUCATION INCENTIVES

**Tuition and Fees Deduction** – Absent legislation, no deduction available in 2018 or 2019.

**Student Loan Interest Deduction** – “Above-the-line” deduction up to \$2,500 (2018 and 2019); no time limit on deductibility period; subject to income limitations.

**Education Credits** – American Opportunity Credit is up to \$2,500 in 2018 and 2019 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 2018 and 2019. 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 (\$15,000 for 2018; \$15,000 for 2019). Donor can elect to treat up to \$75,000 of the contribution in 2018 (\$75,000 in 2019) as if it had been made ratably over a 5-year period.

**Coverdell Education Savings Accounts (Education IRAs)** – Contribution limit is \$2,000 in 2018 and 2019; subject to income limitations.

## OTHER TAX RATES

Long-Term Capital Gains and Qualified Dividends Tax Rates for Taxpayers with Taxable Income in the Specified Ranges*			
2018	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
2019	0%	15%	20%
MFJ/SS	\$0 - \$78,749	\$78,750 - \$488,849	\$488,850 and up
MFS	\$0 - \$39,374	\$39,375 - \$244,424	\$244,425 and up
HoH	\$0 - \$52,749	\$52,750 - \$461,699	\$461,700 and up
Single	\$0 - \$39,374	\$39,375 - \$434,549	\$434,550 and up
E&T	\$0 - \$2,649	\$2,650 - \$12,949	\$12,950 and up

\* 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			
<ul style="list-style-type: none"> <li>Under age 19 (or certain full-time students under age 24) with unearned income consisting solely of interest, dividends and CGD; and child's gross income is less than \$10,500 in 2018 or \$11,000 in 2019 – use Form 8814 with parent's return.</li> <li>If child files own return – use Form 8615 with child's return to calculate tax at estates and trusts tax rate.</li> </ul>			

	2018	2019	
First	\$1,050	\$1,100	No Tax
Next	\$1,050	\$1,100	Taxed at child's marginal rate
Amount Over	\$2,100	\$2,200	Taxed at estates and trusts tax rate

AMT Rates for Individuals			
	2018	2019	AMT Rate
Single, MFJ, HoH	\$0 - \$191,100	\$0 - \$194,800	26%
	\$191,101 or more	\$194,801 or more	28%
MFS	\$0 - \$95,550	\$0 - \$97,400	26%
	\$95,551 or more	\$97,401 or more	28%

AMT Exemption		
	2018	2019
Single, HoH	\$70,300	\$71,700
MFJ, SS	\$109,400	\$111,700
MFS	\$54,700	\$55,850

## SOCIAL SECURITY

Maximum Compensation Subject to FICA

	2018	2019
OASDI Maximum	\$128,400	\$132,900
HI Maximum	No Limit	No Limit

\* OASDI tax rate – 2018 & 2019: 12.4% self-employed, 6.2% employees  
\* HI tax rate\* – 2018 & 2019: 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 taxpayers)

Maximum Amount of Earnings to Still Receive Full Benefits

	2018	2019
Under full retirement age	\$17,040	\$17,640

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

## DEDUCTIONS & EXEMPTIONS

Standard Deductions			
	Year	Annual	Add'l Age 65 or Older or Blind
Married Filing Jointly/ Surviving Spouse	2018	\$24,000	\$1,300
	2019	\$24,400	\$1,300
Married Filing Separately	2018	\$12,000	\$1,300
	2019	\$12,200	\$1,300
Head of Household	2018	\$18,000	\$1,600
	2019	\$18,350	\$1,650
Single	2018	\$12,000	\$1,600
	2019	\$12,200	\$1,650
Phaseout of Itemized Deductions Does Not Apply in 2018 or 2019			
Code Sec. 179 Expense Allowance			
	2018	2019	
Dollar limitation	\$1,000,000	\$1,020,000	
Investment limitation	\$2,500,000	\$2,550,000	
Qualified Business Income Deduction Phase-In Thresholds			
	Taxable Income Phase-In		
	2018	2019	
MFJ	\$315,000 - \$415,000	\$321,400 - \$421,400	
MFS	\$157,500 - \$207,500	\$160,725 - \$210,725	
All Others	\$157,500 - \$207,500	\$160,700 - \$210,700	

## ESTATE & GIFT TAXES

	2018	2019
Annual Gift Tax Exclusion	\$15,000	\$15,000
for Noncitizen Spouses	\$152,000	\$155,000
Estate Tax Exclusion	\$11,180,000	\$11,400,000
Applicable Credit	\$4,417,800	\$4,505,800
Gift Tax Exclusion	\$11,180,000	\$11,400,000
Generation-Skipping Transfer Tax Exemption	\$11,180,000	\$11,400,000

## CREDITS & EXCLUSIONS

Child Tax Credit		
	2018	2019
Credit Amount	\$2,000	\$2,000
Refundable Amount	\$1,400	\$1,400
Phases out \$50 for each \$1,000 AGI over \$400,000 (married filing jointly), \$200,000 (all other taxpayers).		
Foreign Income		
	2018	2019
Foreign earned income exclusion	\$103,900	\$105,900
Maximum foreign housing exclusion of qualified housing expenses	\$14,546 (\$31,170 - \$16,624)	\$14,826 (\$31,770 - \$16,944)

## INDIVIDUAL ESTIMATED TAXES

Individuals can base federal estimated tax payments on:

- 1) 90% of current year's tax,
- 2) 100% of prior year's tax, or
- 3) 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				
		2018	2019	
Regular		\$5,500	\$6,000	
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		2018	2019	
Married Filing Jointly		\$189,000 – \$199,000	\$193,000 – \$203,000	
Single, Head of Household		\$120,000 – \$135,000	\$122,000 – \$137,000	
Married Filing Separately		\$0 – \$10,000	\$0 – \$10,000	
Traditional IRA Deductibility Rules				
		Modified AGI		
Filing Status	Covered by Qualified Retirement Plan?	2018	2019	Deductibility
Single, HoH	No	Any amount	Any amount	Full deduction
	Yes	\$63,000 or less \$63,001 – \$72,999 \$73,000 or more	\$64,000 or less \$64,001 – \$73,999 \$74,000 or more	Full deduction Partial deduction No deduction
Married Filing Jointly	Neither spouse	Any amount	Any amount	Full deduction
	Both spouses covered	\$101,000 or less \$101,001 – \$120,999 \$121,000 or more	\$103,000 or less \$103,001 – \$122,999 \$123,000 or more	Full deduction Partial deduction No deduction
	One spouse covered: for covered spouse	\$101,000 or less \$101,001 – \$120,999 \$121,000 or more	\$103,000 or less \$103,001 – \$122,999 \$123,000 or more	Full deduction Partial deduction No deduction
	One spouse covered: for non-covered spouse	\$189,000 or less \$189,001 – \$198,999 \$199,000 or more	\$193,000 or less \$193,001 – \$202,999 \$203,000 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	\$9,999 or less	Partial deduction
		\$10,000 or more	\$10,000 or more	No deduction
	One spouse covered: for covered spouse	\$9,999 or less	\$9,999 or less	Partial deduction
		\$10,000 or more	\$10,000 or more	No deduction
One spouse covered: for non-covered spouse	\$9,999 or less	\$9,999 or less	Partial deduction	
		\$10,000 or more	\$10,000 or more	No deduction

## QUALIFIED PLANS

	2018	2019
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b))	\$18,500	\$19,000
Maximum elective deferral to SIMPLE IRAs	\$12,500	\$13,000
Maximum elective deferral to 457 plans or exempt employers	\$18,500	\$19,000
Limit on annual additions to Keogh plans and SEP-IRAs	\$55,000	\$56,000
Limit on annual additions to defined contribution plans	\$55,000	\$56,000
Maximum annual compensation taken into account for contributions	\$275,000	\$280,000
Annual benefit limit under defined benefit plans	\$220,000	\$225,000
Threshold amount for definition of highly compensated employee	\$120,000	\$125,000
Threshold amount for definition of key employee in top-heavy plans	\$175,000	\$180,000
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.		