

Income Taxes

Single Life Table

Use to calculate Required Minimum Distributions⁹ from IRA's and qualified plans after owner's death. See IRS Pub. 590 for complete table of ages 0 through 111+

Age	Multiple	Age	Multiple
39	44.6	64	21.8
40	43.6	65	21.0
41	42.7	66	20.2
42	41.7	67	19.4
43	40.7	68	18.6
44	39.8	69	17.8
45	38.8	70	17.0
46	37.9	71	16.3
47	37.0	72	15.5
48	36.0	73	14.8
49	35.1	74	14.1
50	34.2	75	13.4
51	33.3	76	12.7
52	32.3	77	12.1
53	31.4	78	11.4
54	30.5	79	10.8
55	29.6	80	10.2
56	28.7	81	9.7
57	27.9	82	9.1
58	27.0	83	8.6
59	26.1	84	8.1
60	25.2	85	7.6
61	24.4	86	7.1
62	23.5	87	6.7
63	22.7	88	6.3

S.S./Medicare Payroll Tax and Benefits 2019 2020

Max. Taxable Wage Base for S.S.	\$132,900	\$137,700
Employee Tax Rate	6.2%	6.2%
Self-Employed Tax Rate	12.4%	12.4%

Medicare Payroll Tax

Employee Tax Rate (Initial/Over)	1.45% / 2.35%	1.45% / 2.35%
Self-Employed Tax Rate (Initial/Over)	2.90% / 3.80%	2.90% / 3.80%

Additional .9% Medicare Payroll Tax - Taxable Wage Base Thresholds

Married Filing Jointly	\$250,000	\$250,000
Single / Head of Household	200,000	200,000
Married Filing Separately	125,000	125,000

Taxable Portion of S.S. Benefits (Up to 85% taxable if provisional income is more than)

Married Filing Jointly	\$44,000	\$44,000
Single	34,000	34,000

Maximum Earned Income Before S.S. Benefits are Reduced

Under Full Retirement Age	\$17,640	\$18,240
(Lose \$1 for every \$2 of earnings)	1,470/month	1,520/month

Cap Gains¹ & Dividends 2019 2020

	Rate	2019	2020
Married Filing Jointly	0%	\$0-78,750	\$0-80,000
	15%	78,751-488,850	80,001-496,600
	20%	Over 488,850	Over 496,600
Single	0%	\$0-39,375	\$0-40,000
	15%	39,376-434,550	40,001-441,450
	20%	Over 434,550	Over 441,450

¹Assets held at least 12 months and qualified dividends

Child Tax Credits 2019 2020

Amount Per Child Under Age 17	\$2,000	\$2,000
Phase-Out \$50 for each \$1,000 of Modified AGI Over:		
Married Filing Jointly	\$400,000	\$400,000
Single / Married Filing Separately	200,000	200,000

⁹ RBD defined as "Required Beginning Date" (April 1 following the year a traditional IRA or SIMPLE IRA holder reached age 72). Change in RBD for RMDs made pursuant to the terms of the SECURE Act, effective 1/1/20.

2020

If Taxable Income Is:

Over	But Not Over	The Tax Is	Of Excess Over
Married Filing Jointly			
\$0	\$19,750	\$0.00 + 10%	\$0
19,750	80,250	1,975.00 + 12%	19,750
80,250	171,050	9,235.00 + 22%	80,250
171,050	326,600	29,211.00 + 24%	171,050
326,600	414,700	66,543.00 + 32%	326,600
414,700	622,050	94,735.00 + 35%	414,700
622,050	And Over	167,307.50 + 37%	622,050
Single			
\$0	9,875	\$0.00 + 10%	\$0
9,875	40,125	987.50 + 12%	9,875
40,125	85,525	4,617.50 + 22%	40,125
85,525	163,300	14,605.50 + 24%	85,525
163,300	207,350	33,271.50 + 32%	163,300
207,350	518,400	47,367.50 + 35%	207,350
518,400	And Over	156,235.00 + 37%	518,400
Estates and Trusts			
\$0	\$2,600	\$0.00 + 10%	\$0
2,600	9,450	260.00 + 24%	2,600
9,450	12,950	1,904.00 + 35%	9,450
12,950	And Over	3,129.00 + 37%	12,950

Estate and Gift Taxes 2019 2020

Top Estate Tax Rate	40%	40%
Annual Gift Tax Exclusion, per donee	\$15,000	\$15,000
Annual Gift Tax Exclusion, Non-citizen Spouse	155,000	157,000
Estate & Gift Tax Applicable Exclusion Amount²	11,400,000	11,580,000

²Sunsets December 31, 2025.

Standard Deductions 2019 2020

Married Filing Jointly	\$24,400	\$24,800
Head of Household	18,350	18,650
Single/Married Filing Separately	12,200	12,400
Additional (Age 65/older, or blind)		
Married (for each qualifying taxpayer)	1,300	1,300
Single, not surviving spouse	1,650	1,650

Qualified Business Income Thresholds³ 2019 2020

Married Filing Jointly	\$321,400	\$326,600
Married Filing Separately	160,725	163,300
Single/Head of Household	160,700	163,300

³Beginning in 2018, owners of pass-through entities are taxed on business income at their individual income tax rates, but may claim a 20% deduction of their share of the business income—even if they elect to use the standard deduction instead of itemizing. A number of "specified service trades or businesses" do not qualify for the deduction, subject to the above thresholds on qualified business income.

(The deduction may be limited or eliminated where taxable income is above the thresholds, depending on type of business, owner's compensation, and depreciable business property.)

Alternative Minimum Tax 2019 2020

Married Filing Jointly Exemption	\$111,700	\$113,400
Married Filing Separately Exemption	55,850	56,700
Single/Head of Household Exemption	71,700	72,900
Phased Out Thresholds:		
Married Filing Jointly	1,020,600	1,036,800
All Others	510,300	518,400
AMT Rate (Income in Excess of Exemption)		
26%	\$194,800	\$197,900
28%	Over 194,800	Over 197,900
Married Filing Separately		
26%	\$97,400	\$98,950
28%	Over 97,400	Over 98,950

2020 Tax Facts At-a-Glance

Retirement Plans and Education Savings

Qualified Retirement Plans	2019	2020
SEP Plan Participant Max % of Comp⁴	25%	25%
SEP Per Participant Max \$ Allocation Limit	\$56,000	\$57,000
SEP Minimum Compensation	600	600
⁴ 20% if self employed		
SIMPLE IRA Employee Contribution	\$13,000	\$13,500
SIMPLE IRA Catch-Up – Age 50+	3,000	3,000
401(k) / 457 Plan Elective Employee Deferral	19,000	19,500
401(k) / 457 Plan Catch-Up – Age 50+	6,000	6,500
403(b) TSA Elective Employee Deferral	19,000	19,500
403(b) TSA Catch-Up – Age 50+	6,000	6,500
403(b) TSA Catch-Up – 15+ Yrs w/ Current Employer	3,000	3,000
Defined Contribution Plan		
Max \$ Limit Per Participant	\$56,000	\$57,000
Max Deduction % of Eligible Payroll	25%	25%
Defined Benefit Plan Maximum Benefit	225,000	230,000
Covered Compensation Limit	280,000	285,000
Highly Compensated Employee	125,000	130,000

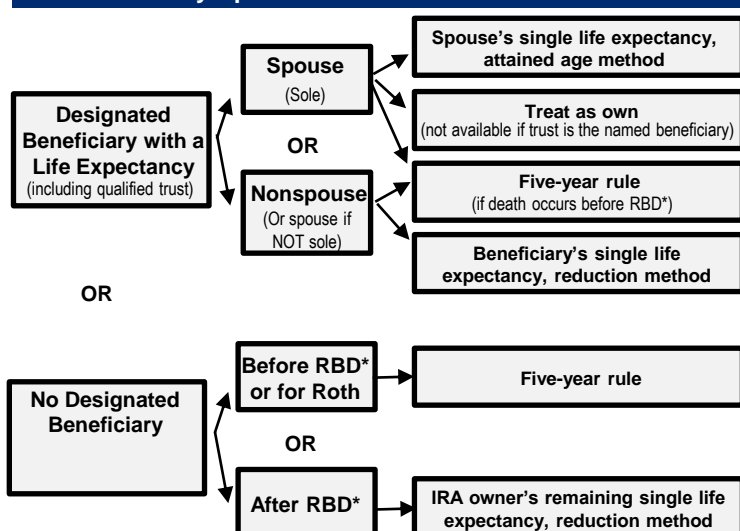
IRAs

IRAs	2019	2020
Traditional or Roth IRA Contribution	\$6,000	\$6,000
IRA Catch-Up – Age 50+	1,000	1,000
Phase-Out Range for Deductible Contributions to Traditional IRAs⁵		
Married Filing Jointly	\$103,000-123,000	\$104,000-124,000
Single/Head of Household	64,000-74,000	65,000-75,000
Married Filing Separately	0-10,000	0-10,000
⁵ For active participants in another retirement plan		
Phase-Out Range for Contributions to Roth IRAs		
Married Filing Jointly	\$193,000-203,000	\$196,000-206,000
Single/Head of Household	122,000-137,000	124,000-139,000
Married Filing Separately	0-10,000	0-10,000

Education Incentives⁶

Education Incentives ⁶	2019	2020
American Opportunity Credit (This is a modification of the Hope Credit) (100% credit for first \$2,000 of eligible expenses and 25% of additional \$2,000 of expenses)	\$2,500	\$2,500
Lifetime Learning Credit	2,000	2,000
Modified AGI Phase-Outs for:		
American Opportunity Credit		
Married Filing Jointly	\$160,000-180,000	\$160,000-180,000
Others	80,000-90,000	80,000-90,000
Lifetime Learning Credits		
Married Filing Jointly	\$116,000-136,000	\$118,000-138,000
Others	58,000-68,000	59,000-6,000
Phase-Outs for Exclusion of U.S. Savings Bond Income		
Married Filing Jointly	\$121,600-151,600	\$123,550-153,550
Others	81,100-96,100	82,350-97,350
⁶ Income Limits are based on current information as released by the IRS. (See IRS Pub 970 for complete explanation including exceptions)		

IRA Beneficiary Options



Required Minimum Distributions (Uniform Table)

Age	Factor	Age	Factor	Age	Factor	Age	Factor
70	27.4	81	17.9	92	10.2	103	5.2
71	26.5	82	17.1	93	9.6	104	4.9
72	25.6	83	16.3	94	9.1	105	4.5
73	24.7	84	15.5	95	8.6	106	4.2
74	23.8	85	14.8	96	8.1	107	3.9
75	22.9	86	14.1	97	7.6	108	3.7
76	22.0	87	13.4	98	7.1	109	3.4
77	21.2	88	12.7	99	6.7	110	3.1
78	20.3	89	12.0	100	6.3	111	2.9
79	19.5	90	11.4	101	5.9	112	2.6
80	18.7	91	10.8	102	5.5	113	2.4

Corporate Tax Rate

Corporate Tax Rate	2019	2020
Corporate Flat Tax Amount	21%	21%

SECURE Act Highlights (tax years beginning after 2019)

Delay required minimum distribution (RMD) date. Currently, plan participants and IRA owners must generally begin taking distributions at age 70½. The SECURE Act delays RMDs until age 72, for those who reach 70½ in 2020 or after.

Repeal age limitations for Traditional IRA contributions. The legislation recognizes that more Americans are living longer and working past normal retirement age. As a result, the SECURE Act will permit those working over age 70½ to contribute to a traditional IRA for tax year 2020.

Eliminate "Stretch" IRAs. To help pay for the legislation, the SECURE Act will require most beneficiaries to completely withdraw inherited IRAs and retirement plans within 10 years and pay the resulting income tax liability. The 10-year rule would not apply to some beneficiaries such as surviving spouses, disabled individuals, minors and those who are not more than 10 years younger than the account owner.

Coverdell Education Savings Acct

Coverdell Education Savings Acct	2019	2020
Maximum Contribution	\$2,000/ beneficiary	\$2,000/ beneficiary
Phase-Out Range		
Married Filing Jointly	\$190,000-220,000	\$190,000-220,000
Single	95,000-110,000	95,000-110,000



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