

# 2022 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

## 2022 Tax Rate Schedule

Taxable Income (\$)	Base Amount of Tax (\$)	Plus	Rate on Excess (%) (also called marginal tax rate or tax bracket)	Of the Amount Over (\$)
<b>SINGLE</b>				
0 to 10,275		+	10	
10,276 to 41,775	1,027.50	+	12	10,275
41,776 to 89,075	4,807.50	+	22	41,775
89,076 to 170,050	15,213.50	+	24	89,075
170,051 to 215,950	34,647.50	+	32	170,050
215,951 to 539,900	49,335.50	+	35	215,950
Over 539,900	162,718.00	+	37	539,900
<b>MARRIED FILING JOINTLY AND SURVIVING SPOUSES</b>				
0 to 20,550		+	10	
20,551 to 83,550	2,055.00	+	12	20,550
83,551 to 178,150	9,615.00	+	22	83,550
178,151 to 340,100	30,427.00	+	24	178,150
340,101 to 431,900	69,295.00	+	32	340,100
431,901 to 647,850	98,671.00	+	35	431,900
Over 647,850	174,253.50	+	37	647,850
<b>HEAD OF HOUSEHOLD</b>				
0 to 14,650		+	10	
14,651 to 55,900	1,465.00	+	12	14,650
55,901 to 89,050	6,415.00	+	22	55,900
89,051 to 170,050	13,708.00	+	24	89,050
170,051 to 215,950	33,148.00	+	32	170,050
215,951 to 539,900	47,836.00	+	35	215,950
Over 539,900	161,218.50	+	37	539,900
<b>MARRIED FILING SEPARATELY</b>				
0 to 10,275		+	10	
10,276 to 41,775	1,027.50	+	12	10,275
41,776 to 89,075	4,807.50	+	22	41,775
89,076 to 170,050	15,213.50	+	24	89,075
170,051 to 215,950	34,647.50	+	32	170,050
215,951 to 323,925	49,335.50	+	35	215,950
Over 323,925	87,126.75	+	37	323,925
<b>ESTATES AND TRUSTS</b>				
0 to 2,750		+	10	
2,751 to 9,850	275.00	+	24	2,750
9,851 to 13,450	1,979.00	+	35	9,850
Over 13,450	3,239.00	+	37	13,450

## Gift and Estate Tax Exclusions and Credits

Maximum estate, gift & GST rates	40%
Estate, gift & GST exclusions	\$12,060,000
Gift tax annual exclusion	\$16,000
Exclusion on gifts to non-citizen spouse	\$164,000

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## Standard Deductions & Child Tax Credit

Filing Status	Standard Deduction
Married, filing jointly or qualifying widow(er)s	\$25,900
Single or married, filing separately	\$12,950
Head of household	\$19,400
Dependent filing own tax return	\$1,150*
<b>ADDITIONAL DEDUCTIONS FOR NON-ITEMIZERS</b>	
Blind, or older than 65	Add \$1,400
Blind, or older than 65, and also unmarried and not a surviving spouse	Add \$1,750
<b>CHILD TAX CREDIT</b>	
Credit per child under 17	\$2,000 (\$1,500 refundable)
Income phaseouts begin at AGI of:	\$400,000 joint, \$200,000 all other

\*Greater of \$1,150 or \$400 plus the individual's earned income.

## Tax Rates on Long-Term Capital Gains and Qualified Dividends

If taxable income falls below \$41,675 (single/married-filing separately), \$83,350 (joint), \$55,800 (head of household), \$2,800 (estates and trusts)	0%
If taxable income falls at or above \$41,675 (single/married-filing separately), \$83,350 (joint), \$55,800 (head of household), \$2,800 (estates and trusts)	15%
If income falls at or above \$459,750 (single), \$258,600 (married-filing separately), \$517,200 (joint), \$488,500 (head of household), \$13,700 (estates and trusts)	20%

## 3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over

Married, filing jointly	\$250,000
Single	\$200,000
Married, filing separately	\$125,000

## Exemption Amounts for AMT\*\*

Married, filing jointly or surviving spouses	\$118,100
Single	\$75,900
Married, filing separately	\$59,050
Estates and Trusts	\$26,500

## 28% Tax Rate Applies to Income Over:

Married, filing separately	\$103,050
All others	\$206,100

## Exemption Amounts Phase Out at:

Married, filing jointly or surviving spouses	\$1,079,800
Single and married, filing separately	\$539,900
Estates and trusts	\$88,300

\*\*Indexed for inflation and scheduled to sunset at the end of 2025.

## Standard Mileage Rates

Business Use	58.5¢ per mile	Moving Use	18¢ per mile
Medical Use	18¢ per mile	Charity Use	14¢ per mile

## Retirement Plan Contribution Limits

Annual compensation used to determine contribution for most plans	\$305,000
Defined-contribution plans, basic limit	\$61,000
Defined-benefit plans, basic limit	\$245,000
401(k), 403(b), 457(b), Roth 401(k) elective deferrals	\$20,500
Catch-up for 50 and older, 401(k), 403(b), 457(b), Roth 401(k)	\$6,500
SIMPLE plans, elective deferral limit	\$14,000
SIMPLE plans, catch-up for 50 and older	\$3,000

## Individual Retirement Accounts

IRA Type	Cont. Limit	Catch-Up at 50+	Income Limits
Traditional nondeductible	\$6,000	\$1,000	None
Traditional deductible	\$6,000	\$1,000	If covered by a plan: <ul style="list-style-type: none"> <li>• \$109,000-\$129,000 joint</li> <li>• \$68,000-\$78,000 single, HOH</li> <li>• 0-\$10,000 married filing separately</li> </ul> If one spouse is covered by a plan: <ul style="list-style-type: none"> <li>• \$204,000-\$214,000 joint</li> </ul>
Roth	\$6,000	\$1,000	<ul style="list-style-type: none"> <li>• \$204,000-\$214,000 joint</li> <li>• \$129,000-\$144,000 single, HOH</li> <li>• 0-\$10,000 married filing separately</li> </ul>
Roth Conversion			No income limit

## Education Credits, Deductions, & Distributions

Credit/Deduction/Account	Max Credit/Deduction /Distribution	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime Learning Credit	\$2,000 credit	\$160,000 joint \$80,000 all others
Savings bond interest tax-free if used for education	Deduction limited to amount of qualified expenses	\$128,650 joint \$85,800 all others
Coverdell	\$2,000 maximum contribution; not deductible	\$190,000 joint \$95,000 all others
529 plan (K-12)	\$10,000 distribution	None
529 plan (Higher Ed.) <sup>1</sup>	Distribution limited to amount of qualified expenses	None

<sup>1</sup>\$10,000 lifetime 529 distribution can be applied to student loan debt.

## Medicare

### DEDUCTIBLES

Part B Deductible	\$233
Part A (inpatient services) Deductible for first 60 days of hospitalization	\$1,556
Part A Deductible for days 61-90 of hospitalization	\$389/day
Part A Deductible for more than 90 days of hospitalization	\$778 /day

### PREMIUMS

2020 MAGI Single (\$)	2020 MAGI Joint (\$)	Part B Premium	Part D Income Adjustment
91,000 or less	182,000 or less	\$170.10	\$0
91,001-114,000	182,001-228,000	\$238.10	\$12.40
114,001-142,000	228,001-284,000	\$340.20	\$32.10
142,001-170,000	284,001-340,000	\$442.30	\$51.70
170,001-500,000	340,001-750,000	\$544.30	\$71.30
Above 500,000	Above 750,000	\$578.30	\$77.90

## Social Security

BENEFITS	
Estimated maximum monthly benefit if turning full retirement age (66) in 2022	\$3,345
Retirement earnings exempt amounts	\$19,560 under FRA \$51,960 during year reach FRA No limit after FRA

### TAX (FICA)

	% Withheld	Max Tax Payable
SS tax paid on income up to \$147,000		
• Employer pays	6.2%	\$9,114
• Employee pays	6.2%	\$9,114
• Self-employed pays	12.4%	\$18,228
Medicare tax paid on all income		
• Employer pays	1.45%	varies per income
• Employee pays	1.45%	varies per income
• Self-employed pays	2.90%	varies per income
	Plus 0.9% on income Over \$200,000 single or \$250,000 joint	
	Plus 0.9% on income Over \$200,000 single or \$250,000 joint	

### TAX ON BENEFITS: INCOME BRACKETS

Filing Status	AGI Plus Provisional Income <sup>**</sup>	Amount of SS Subject to Tax
Married filing jointly	Under \$32,000	0
	\$32,001-\$44,000	up to 50%
	Over \$44,000	up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000	0
	\$25,001-\$34,000	up to 50%
	Over \$34,000	up to 85%
Married filing separately and living with spouse	Over \$0	up to 85%

<sup>\*\*</sup>Provisional income= adjusted gross income (not incl. Social Security)+ tax-exempt interest + 50% of SS benefit

## Protection Planning

### DEDUCTIBILITY OF LTC PREMIUMS ON QUALIFIED PLANS

Attained Age Before Close of Tax Year	Amount of LTC Premiums that Qualify as Med. Expenses in 2022
40 or younger	\$450
41 to 50	\$850
51 to 60	\$1,690
61 to 70	\$4,510
Older than 70	\$5,640

### HEALTH SAVINGS ACCOUNTS

Annual Limit	Maximum Deductible Contribution	Expense Limits (Deductibles & Co-Pays)	Minimum Annual Deductible
Individuals	\$3,650	\$7,050	\$1,400
Families	\$7,300	\$14,100	\$2,800
Catch-up for 55+	\$1,000		

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