

Wealth Management

FINANCIAL PLANNING LIMITS AND TAX RATE SCHEDULES

Addressing the complexities of financial planning can be difficult. To help, Janus Henderson has created a guide to assist with:

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2022 Tax Rate Schedules

If Taxable Income Is:		Then the Gross Tax Payable Is:		
Over	But Not Over	Amount	Plus (Percent)	Of the Amount Over
SINGLE TAXPAYERS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS)				
\$0	\$10,275	\$0	10%	\$0
\$10,275	\$41,775	\$1,027.50	12%	\$10,275
\$41,775	\$89,075	\$4,807.50	22%	\$41,775
\$89,075	\$170,050	\$15,213.50	24%	\$89,075
\$170,050	\$215,950	\$34,647.50	32%	\$170,050
\$215,950	\$539,900	\$49,335.50	35%	\$215,950
\$539,900		\$162,718	37%	\$539,900
MARRIED INDIVIDUALS (AND SURVIVING SPOUSES) FILING JOINT RETURN				
\$0	\$20,550	\$0	10%	\$0
\$20,550	\$83,550	\$2,055	12%	\$20,550
\$83,550	\$178,150	\$9,615	22%	\$83,550
\$178,150	\$340,100	\$30,427	24%	\$178,150
\$340,100	\$431,900	\$69,295	32%	\$340,100
\$431,900	\$647,850	\$98,671	35%	\$431,900
\$647,850		\$174,253.50	37%	\$647,850
HEADS OF HOUSEHOLDS				
\$0	\$14,650	\$0	10%	\$0
\$14,650	\$55,900	\$1,465	12%	\$14,650
\$55,900	\$89,050	\$6,415	22%	\$55,900
\$89,050	\$170,050	\$13,708	24%	\$89,050
\$170,050	\$215,950	\$33,148	32%	\$170,050
\$215,950	\$539,900	\$47,836	35%	\$215,950
\$539,900		\$161,218.50	37%	\$539,900
MARRIED INDIVIDUALS FILING SEPARATE RETURNS				
\$0	\$10,275	\$0	10%	\$0
\$10,275	\$41,775	\$1,027.50	12%	\$10,275
\$41,775	\$89,075	\$4,807.50	22%	\$41,775
\$89,075	\$170,050	\$15,213.50	24%	\$89,075
\$170,050	\$215,950	\$34,647.50	32%	\$170,050
\$215,950	\$323,925	\$49,335.50	35%	\$215,950
\$323,925		\$87,126.75	37%	\$323,925
FIDUCIARY (ESTATES AND TRUSTS) TAXPAYERS				
\$0	\$2,750	\$0	10%	\$0
\$2,750	\$9,850	\$275	24%	\$2,750
\$9,850	\$13,450	\$1,979	35%	\$9,850
\$13,450		\$3,239	37%	\$13,450

FINANCIAL PLANNING LIMITS AND TAX RATE SCHEDULES

Income Tax Exemptions & Deductions	2022	2021	2020
STANDARD DEDUCTIONS			
Single	\$12,950	\$12,550	\$12,400
Married filing jointly	\$25,900	\$25,100	\$24,800
Head of household	\$19,400	\$18,800	\$18,650
Married filing separately	\$12,950	\$12,550	\$12,400
ELDERLY AND BLIND DEDUCTIONS			
Single	\$1,750	\$1,700	\$1,650
Married	\$1,400	\$1,350	\$1,300
KIDDIE TAX			
Amount exempt from tax	First \$1,150	First \$1,100	First \$1,100
Amount taxed at child's rate	Next \$1,150	Next \$1,100	Next \$1,100
Unearned income over \$2,100	Taxed at the parent's marginal rate	Taxed at the parent's marginal rate	Taxed at applicable trust and estate rates
ADOPTION CREDIT			
Maximum credit	\$14,890	\$14,400	\$14,300
Phaseout amounts	\$223,140-\$263,410	\$216,660-\$256,660	\$214,520-\$254,520
AMT EXEMPTION			
Single	\$75,900	\$73,600	\$72,900
Married filing jointly	\$118,100	\$114,600	\$113,400
AMT EXEMPTION PHASEOUT			
Single	\$539,900-\$843,500	\$523,600-\$818,000	\$518,400-\$810,00
Married filing jointly	\$1,079,800-\$1,552,200	\$1,047,200-\$1,505,600	\$1,036,800-\$1,490,400
CHILD TAX CREDIT			
Maximum Total Credit	\$2,000	Children 6-17 years old: \$3,000 Children up to 5 years old: \$3,600	\$2,000
Refundable portion	\$1,400	Fully refundable	\$1,400
ORIGINAL \$2,000 CHILD TAX CREDIT PHASEOUT			
Single	\$200,000-\$240,000	\$200,000-\$240,000	\$200,000-\$240,000
Married	\$400,000-\$440,000	\$400,000-\$440,000	\$400,000-\$440,000
ADDITIONAL \$1,000/\$1,600 CHILD TAX CREDIT PHASEOUT			
Single	N/A	Begins at \$75,000	NA
Married	N/A	Begins at \$150,000	NA
CREDIT FOR OTHER DEPENDENTS	\$500	\$500	\$500

Social Security Planning

	2022	2021	2020
WAGE BASE	\$147,000	\$142,800	\$137,700
FICA TAX – EMPLOYEE	7.65%	7.65%	7.65%
Social Security portion	6.20%	6.20%	6.20%
Medicare portion	1.45%	1.45%	1.45%
FICA TAX – SELF-EMPLOYED	15.30%	15.30%	15.30%
Social Security portion	12.40%	12.40%	12.40%
Medicare portion	2.90%	2.90%	2.90%
ADDITIONAL MEDICARE PAYROLL TAX	0.90%	0.90%	0.90%
Single	\$200,000	\$200,000	\$200,000
Joint	\$250,000	\$250,000	\$250,000
QUARTER OF COVERAGE	\$1,510	\$1,470	\$1,410
EARNINGS LIMITATIONS			
Under full retirement age (\$1 reduced for every \$2 earned)	\$19,560	\$18,960	\$18,240
Year of full retirement age (\$1 reduced for every \$3 earned)	\$51,960	\$50,520	\$48,600
Beginning the month of full retirement age	No limit on earnings	No limit on earnings	No limit on earnings
COST OF LIVING ADJUSTMENT	5.90%	1.30%	1.60%
MAXIMUM MONTHLY BENEFIT	\$3,345	\$3,148	\$3,011
PERCENTAGE OF SOCIAL SECURITY BENEFITS SUBJECT TO TAX			
Single filers with combined income			
less than \$25,000	0%	0%	0%
between \$25,000-\$34,000	50%	50%	50%
over \$34,000	85%	85%	85%
Joint filers with combined income			
less than \$32,000	0%	0%	0%
between \$32,000-\$44,000	50%	50%	50%
over \$44,000	85%	85%	85%

Retirement Plan Limits

	2022	2021	2020
ELECTIVE DEFERRAL LIMITS			
401(k), 403(b) and 457(b) plans	\$20,500	\$19,500	\$19,500
Catch-up contribution	\$6,500	\$6,500	\$6,500
SIMPLE IRAs	\$14,000	\$13,500	\$13,500
Catch-up contribution	\$3,000	\$3,000	\$3,000
TRADITIONAL AND ROTH IRAs CONTRIBUTION LIMITS			
Catch-up contribution	\$1,000	\$1,000	\$1,000
TRADITIONAL IRA DEDUCTION PHASEOUT FOR ACTIVE PARTICIPANTS			
Single	\$68,000-\$78,000	\$66,000-\$76,000	\$65,000-\$75,000
Married filing jointly	\$109,000-\$129,000	\$105,000-\$125,000	\$104,000-\$124,000
Married filing separately	\$0-\$10,000	\$0-\$10,000	\$0-\$10,000
Spousal IRA	\$204,000-\$214,000	\$198,000-\$208,000	\$196,000-\$206,000
ROTH IRA CONTRIBUTION PHASEOUTS			
Single	\$129,000-\$144,000	\$125,000-\$140,000	\$124,000-\$139,000
Married filing jointly	\$204,000-\$214,000	\$198,000-\$208,000	\$196,000-\$206,000
Married filing separately	\$0-\$10,000	\$0-\$10,000	\$0-\$10,000
MAXIMUM INCLUDABLE COMPENSATION	\$305,000	\$290,000	\$285,000
DEFINED BENEFIT LIMIT	\$245,000	\$230,000	\$230,000
DEFINED CONTRIBUTION LIMIT	\$61,000	\$58,000	\$57,000
HIGHLY COMPENSATED EMPLOYEES	> \$135,000	> \$130,000	> \$130,000
KEY EMPLOYEE	> \$200,000	> \$185,000	> \$185,000
SEP MINIMUM COMPENSATION LIMIT	\$650	\$650	\$600
RETIREMENT SAVER'S CREDITS (MAXIMUM)			
Single	\$1,000	\$1,000	\$1,000
Married	\$2,000	\$2,000	\$2,000
RETIREMENT SAVER'S CREDIT PHASEOUT (SINGLE)			
50%	\$0-\$20,500	\$0-\$19,750	\$0-\$19,500
20%	\$20,501-\$22,000	\$19,751-\$21,500	\$19,501-\$21,250
10%	\$22,001-\$34,000	\$21,501-\$33,000	\$21,251-\$32,500
RETIREMENT SAVER'S CREDIT PHASEOUT (MARRIED)			
50%	\$0-\$41,000	\$0-\$39,500	\$0-\$39,000
20%	\$41,001-\$44,000	\$39,501-\$43,000	\$39,001-\$42,500
10%	\$44,001-\$68,000	\$43,001-\$66,000	\$42,501-\$65,000

Estate and Gift Tax Planning

	2022	2021	2020
ANNUAL GIFT EXCLUSION	\$16,000	\$15,000	\$15,000
ESTATE TAX APPLICABLE EXCLUSION AMOUNT	\$12,060,000	\$11,700,000	\$11,580,000
GIFT TAX EXCLUSION AMOUNT	\$12,060,000	\$11,700,000	\$11,580,000
NONCITIZEN SPOUSE ANNUAL GIFT EXCLUSION	\$164,000	\$159,000	\$157,000
GST EXEMPTION	\$12,060,000	\$11,700,000	\$11,580,000
SPECIAL USE VALUATION LIMIT (QUALIFIED REAL PROPERTY IN THE DECEDENT'S GROSS ESTATE)	\$1,230,000	\$1,190,000	\$1,180,000

Medicare and Health Care Planning	2022	2021	2020
MEDICARE PART A MONTHLY PREMIUM AMOUNTS			
40+ quarters of coverage	\$0	\$0	\$0
30-39 quarters of coverage	\$274	\$259	\$252
< 30 quarters of coverage	\$499	\$471	\$458
MEDICARE PART B MONTHLY PREMIUM AMOUNTS	\$170.10-\$578.30	\$148.50-\$504.40	\$144.60-\$491.60
Medicare Part A Hospital Insurance			
First 60 days – deductible	\$1,556	\$1,484	\$1,408
Next 30 days – per day	\$389	\$371	\$352
Next 60 days – per day	\$778	\$742	\$704
SKILLED NURSING BENEFITS			
First 20 days – per day	\$0	\$0	\$0
Next 80 days – per day	\$194.50	\$185.50	\$176
Over 100 days – per day	All	All	All
PART B DEDUCTIBLE	\$233	\$203	\$198
PART D DEDUCTIBLE	\$480	\$445	\$435
Coverage Limit	\$4,430	\$4,130	\$4,020
Out-of-Pocket Threshold	\$7,050	\$6,550	\$6,350
HEALTH SAVINGS ACCOUNT LIMITS			
Individual	\$3,650	\$3,600	\$3,550
Family	\$7,300	\$7,200	\$7,100
Catch up contribution (age 55 or older)	\$1,000	\$1,000	\$1,000
HEALTH SAVINGS ACCOUNT MINIMUM DEDUCTIBLE			
Individual	\$1,400	\$1,400	\$1,400
Family	\$2,800	\$2,800	\$2,800
HEALTH SAVINGS ACCOUNT MAXIMUM OUT-OF-POCKET			
Individual	\$7,050	\$7,000	\$6,900
Family	\$14,100	\$14,000	\$13,800
LONG-TERM CARE PER DIEM LIMIT	\$390	\$400	\$380
LONG-TERM CARE PREMIUM DEDUCTION LIMITS			
Age 40 or under	\$450	\$450	\$430
Age 41-50	\$850	\$850	\$810
Age 51-60	\$1,690	\$1,690	\$1,630
Age 61-70	\$4,520	\$4,520	\$4,350
Over age 70	\$5,640	\$5,640	\$5,430

Education Planning

	2022	2021	2020
INTEREST EXCLUSION ON EE SAVING BONDS			
Single phaseouts	\$85,800-\$100,800	\$83,200-\$98,200	\$82,350-\$97,350
Married filing jointly phaseout	\$128,650-\$158,650	\$124,800-\$154,800	\$123,550-\$153,550
COVERDELL EDUCATION SAVINGS ACCOUNT PHASEOUT			
Single phaseouts	\$95,000-\$110,000	\$95,000-\$110,000	\$95,000-\$110,000
Married filing jointly phaseouts	\$190,000-\$220,000	\$190,000-\$220,000	\$190,000-\$220,000
LIFETIME LEARNING CREDIT			
Maximum credit	\$2,000	\$2,000	\$2,000
Single phaseouts	\$80,000-\$90,000	\$80,000-\$90,000	\$59,000-\$69,000
Married filing jointly phaseout	\$160,000-\$180,000	\$160,000-\$180,000	\$118,000-\$138,000
AMERICAN OPPORTUNITY CREDIT			
Maximum credit	\$2,500	\$2,500	\$2,500
Single phaseouts	\$80,000-\$90,000	\$80,000-\$90,000	\$80,000-\$90,000
Married filing jointly phaseout	\$160,000-\$180,000	\$160,000-\$180,000	\$160,000-\$180,000
INTEREST DEDUCTION FOR EDUCATION LOANS			
Maximum deduction	\$2,500	\$2,500	\$2,500
Single phaseouts	\$70,000-\$85,000	\$70,000-\$85,000	\$70,000-\$85,000
Married filing jointly phaseout	\$145,000-\$175,000	\$140,000-\$170,000	\$140,000-\$170,000

Investment Planning

	2022	2021	2020
TOP LONG-TERM CAPITAL GAIN RATE	20%	20%	20%
TOP RATE ON QUALIFIED DIVIDENDS	20%	20%	20%
MEDICARE SURTAX ON NET INVESTMENT INCOME	3.80%	3.80%	3.80%
Single taxpayers	\$200,000	\$200,000	\$200,000
Married taxpayers	\$250,000	\$250,000	\$250,000
Estates & Trusts	\$13,450	\$13,050	\$12,950

Source: www.irs.gov

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C-1221-40848 04-15-23

166-15-15401 12-21