

FEDERAL INCOME TAX RATES

Taxable income between:	
Single	
\$0-\$11,000	10%
\$11,001 - \$44,725	12%
\$44,726 - \$95,375	22%
\$95,376 - \$182,100	24%
\$182,101 - \$231,250	32%
\$231,251 - \$578,125	35%
Over \$578,125	37%
Married, filing jointly	
\$0 - \$22,000	10%
\$22,001 - \$89,450	12%
\$89,451 - \$190,750	22%
\$190,751 - \$364,200	24%
\$364,201 - \$462,500	32%
\$462,501 - \$693,750	35%
Over \$693,750	37%
Head of household (HOH)	
\$0 - \$15,700	10%
\$15,701 - \$59,850	12%
\$59,851 - \$95,350	22%
\$95,351 - \$182,100	24%
\$182,101 - \$231,250	32%
\$231,251-\$578,100	35%
Over \$578,100	37%
Married, filing separately	
\$0 - \$11,000	10%
\$11,001 - \$44,725	12%
\$44,726 - \$95,375	22%
\$95,376 - \$182,100	24%
\$182,101 - \$231,250	32%
\$231,251 - \$346,875	35%
Over \$346,875	37%
Estates and trusts	
\$0 - \$2,900	10%
\$2,901 - \$10,550	24%
\$10,551 - \$14,450	35%
Over \$14,450	37%
Standard deduction	
Single	\$13,850
Married, filing jointly	\$27,700
Head of household	\$20,800
Married, filing separately	\$13,850

Essential Tax Numbers 2023



Kiddie tax exemption \$2,500
A "kiddie" is under age 18; or age 18 provided child's earned income does not exceed ½ of his/her support; or ages 19-23 if full-time student and earned income does not exceed ½ of support.

Rates for long-term capital gains and qualified dividends					
	Individuals	Head of Household	Married, filing jointly	Married, filing separately	Estates and trusts
0%	\$0 - \$44,625	\$0 - \$59,750	\$0 - \$89,250	\$0 - \$44,625	\$0 - \$3,000
15%	\$44,625 - \$492,300	\$59,750 - \$523,050	\$89,250 - \$553,850	\$44,625 - \$276,900	\$2,800 - \$13,700
20%	Over \$492,000	Over \$523,050	Over \$553,850	Over \$276,900	Over \$13,700
28%	Collectibles				

3.8% Medicare surtax thresholds	
Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000
Estates and trusts	\$13,450

The tax is assessed on the lesser of the amount of income over the threshold or the amount of net investment income.

IRA	
IRA contribution (under age 50)	\$6,500
IRA contribution (50 and over)	\$7,500
Single or HOH phase-out	\$73,000 - \$83,000
Married, filing jointly	\$116,000 - \$136,000
Married, filing separately	\$0 - \$10,000
Spousal IRA	\$218,000 - \$228,000

SEP	
SEP contribution	up to 25% of compensation (limit \$66,000)
Minimum compensation participant	\$750

SIMPLE	
SIMPLE elective deferral (under age 50)	\$15,500
SIMPLE elective deferral (50 and older)	\$19,000

Other qualified plans	
401(k), 403(b), governmental 457(b), and SARSEP elective deferral (under age 50)	\$22,500
401(k), 403(b), governmental 457(b), and SARSEP elective deferral (50 and older)	\$30,000
Limit on additions to defined contributions plans	\$66,000
Annual benefit limit on defined benefit plans	\$265,000
Highly compensated employee makes	\$150,000
Maximum compensation taken into account for qualified plans	\$330,000
HSA contribution individual coverage	\$3,850
HSA contribution family coverage	\$7,750

Phase-out of Roth IRA contribution eligibility	
Single phase-out	\$138,000 - \$153,000
Married, filing jointly	\$218,000 - \$228,000
Married, filing separately	\$0 - \$10,000

Individual 401(k)	
Employer contribution	up to 25% of compensation
Employee salary deferral (under age 50)	\$22,500
Employee salary deferral (50 and older)	\$30,000
Total employer and employee	\$66,000

Federal gift and estate tax	
Gift tax annual exclusion	\$17,000
Annual exclusion for gift to noncitizen spouse	\$175,000
Highest estate and gift tax rate	40%
Unified estate and gift tax credit amount	\$12,920,000
Generation-skipping transfer tax exclusion	\$12,920,000

Social Security	
Maximum earnings (during working years) subject to payroll tax	\$160,200
Social Security payroll tax	Employees pay 7.65%
	Self-employed pay 15.30%
Additional 0.9% high-income payroll tax for wages in excess of	
Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000

Income (in retirement) causing Social Security benefits to be taxable	
Single or HOH	
Up to 50% taxable	\$25,000 MAGI
Up to 85% taxable	\$34,000 MAGI
Married, filing jointly	
Up to 50% taxable	\$32,000 MAGI
Up to 85% taxable	\$44,000 MAGI

LTC	
Maximum premium amount allowed as a medical expense (deductible to extent all medical exceed 7.5% AGI)	
Age 40 or less	\$480
More than age 40 but not more than 50	\$890
More than age 50 but not more than 60	\$1,790
More than age 60 but not more than 70	\$4,770
More than age 70	\$5,960

Education		
Student loan interest deduction		\$2,500
Phase-out:	Single	\$75,000 - \$90,000
	Married, filing jointly	\$155,000 - \$185,000
Coverdell education savings account		Maximum \$2,000
Phase-out:	Single	\$95,000 - \$110,000
	Married, filing jointly	\$190,000 - \$220,000
Lifetime learning credits		Maximum \$2,000
Phase-out:	Single or HOH	\$80,000 - \$90,000
	Married, filing jointly	\$160,000 - \$180,000

Contact your Highland Representative or call: 855.HCB.4YOU Option 1: Life, Option 2: Annuity, Option 3: Disability, Option 4: LTC. AG advisors call: 844.422.3375 Option 1: Life, Option 2: Annuity, Option 3: LTC.

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