

2020 TAX REFERENCE GUIDE

440 Mamaroneck Avenue, Suite 506, Harrison, NY 10528
 (914) 825-8630
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2020 TAX BRACKETS

SINGLE	
0 - 9,875	10%
9,876 - 40,125	12%
40,126 - 85,525	22%
85,526 - 163,300	24%
163,301 - 207,350	32%
207,351 - 518,400	35%
518,401 or more	37%

HEAD OF HOUSEHOLD	
0-14,100	10%
14,101 - 53,700	12%
53,701 - 85,500	22%
85,501 - 163,300	24%
163,301 - 207,350	32%
207,351 - 518,400	35%
518,401 or more	37%

MARRIED, FILING JOINTLY	
0 - 19,750	10%
19,751-80,250	12%
80,251 - 171,050	22%
171,051 - 326,600	24%
326,601 - 414,700	32%
414,701 - 622,050	35%
622,051 or more	37%

MARRIED FILING SEPARATELY	
0 - 9,875	10%
9,876 - 40,125	12%
40,126 - 85,525	22%
85,526 - 163,300	24%
163,301 - 207,350	32%
207,351 - 311,025	34%
311,026 or more	37%

LONG-TERM CAPITAL GAINS RATE	
If taxable income falls below \$40,000 (single/married-filing separately), \$80,000 (joint), \$53,600 (head of household), \$2,650 (estates)	0%
If taxable income falls at or above \$40,001 (single/married-filing separately), \$80,001 (joint), \$53,601 (head of household), \$2,651 (estates)	15%
If taxable income falls at or above \$441,451 (single/married-filing separately), \$496,601 (joint), \$469,051 (head of household), \$13,151 (estates)	20%
Collectibles (coins, art, antiques)	28%
Unrecaptured gain on real estate	25%

STANDARD DEDUCTIONS	
Married, Filing Jointly & Surviving Spouse	24,800
Head of Household	18,650
Single & Married, Filing Separately	12,400
Blind or Over 65 - Married	1,300
Blind or Over 65 - Single	1,650

ALTERNATIVE MINIMUM TAX (AMT) EXEMPTIONS	AMOUNT	PHASE OUT
Married, Filing Jointly & Surviving Spouse	113,400	1,036,800
Single & Head of Household	72,900	518,400
Married, Filing Separately	56,700	518,400
Estates and Trusts	25,400	84,800

ITEMIZED DEDUCTIONS	
Medical Expenses	Excess of 10% AGI
State & Local Tax Deductions	10,000
Mortgage Interest Deduction Limit	Up to 750,000 indebtedness
Mortgage Interest Deduction Limit (made prior to 12/15/2017)	Up to 1,000,000 indebtedness

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MILEAGE DEDUCTIONS	
Business Mileage Rate	\$0.575
Medical & Moving Mileage Rate	\$0.17
Charitable Mileage Rate	\$0.14

ESTATES, TRUSTS & KIDDIE TAX	
0 - 2,600	10%
2,601 - 9,450	24%
9,451 - 12,950	35%
12,951 or more	37%
Estate Exemption Amount	\$600
Simple Trust Exemption Amount	\$300
Complex Trust Exemption Amount	\$100
Kiddie Tax Exemption Amount	\$1,100

ESTATE & GIFT TAXES	
Estate Tax Exclusion Amount (per individual)	\$11.58M
Gift Tax Exclusion Amount	\$15,000
Max. Transfer Tax Rate	40%

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RETIREMENT PLANS	
IRA and Roth Contributions	
Under age 50	6,000
Age 50 and over	7,000
401(k) and 403(b)	
Under age 50	19,500
Age 50 and over	26,000
SEP Contribution	
Up to 25% of compensation, limit	57,000
SIMPLE Elective Deferral	
Under age 50	13,500
Age 50 and over	16,500
Phase-Out for deducting IRA (MAGI Limit)	
Contribution (qualified plan participant)	
Married, Filing Jointly	104,000 - 124,000
Single	65,000 - 75,000
Spousal IRA	196,000 - 206,000
Phase-Out of Roth Contribution Eligibility (AGI Limit)	
Married, Filing Jointly	196,000 - 206,000
Single	124,000 - 139,000
Health Saving Account Maximum Contributions	
Single	3,550
Family	7,100
Catch-up Provision	1,000

AFFORDABLE CARE ACT TAX PROVISIONS	
Net Investment Income Tax (aka Medicare Surtax)	
Individual filers will pay an additional 3.8% on Net Investment Income (NII) above certain "Modified Adjusted Gross Income" thresholds (see table below).	
Additional Medicare Tax (aka Hospital Insurance Tax)	
An additional 0.9% Medicare Tax will apply to wages and compensation, as well as self-employment income above certain "earned income" thresholds (see table below).	
Filing Status	Threshold
Married, Filing Jointly & Qualifying Widow(er) w/dependent child	250,000
Married, Filing Separately	125,000
Single & Head of Household	200,000

All wages that are currently subject to Medicare Tax are subject to Additional Medicare Tax if they are paid in excess of the applicable threshold for an individual's filing status.

QUALIFIED BUSINESS INCOME DEDUCTION			
Flow Through S-Corp, Partnership and Sole Proprietorship			
Deduction Type	Phase-Out?	Taxable Income Maximum	Limit
Non-Service, up to 20% of qualified business income	No	163,300 - 213,300 (single & head of household) 163,300 - 213,300 (married, filing separately) 326,600 - 426,600 (joint)	Up to 20% on qualified business income
Non-Service, up to 20% of qualified business income	No	163,300 - 213,300 (single & head of household) 163,300 - 213,300 (married, filing separately) 326,600 - 426,600 (joint)	Greater of 50% of allocable wages or 25% of allocable wages and 2.5% of unadjusted basis
Service, up to 20% of qualified business income	No	163,300 - 213,300 (single & head of household) 163,300 - 213,300 (married, filing separately) 326,600 - 426,600 (joint)	Greater of 50% of allocable wages or 25% of allocable wages and 2.5% of unadjusted basis
Service, up to 20% of qualified business income	Phase-out ends: 415,000 (joint) 207,500 (other)	163,300 - 213,300 (single & head of household) 163,300 - 213,300 (married, filing separately) 326,600 - 426,600 (joint)	Greater of 50% of allocable wages or 25% of allocable wages and 2.5% of unadjusted basis

EDUCATION	
529 Plan Contributions (annual exclusion)	15,000
Accelerate 5 years of gifting into 1 year	
Individual	75,000
Joint	150,000
American Opportunity Credit	Up to 2,500
Lifetime Learning Credit (Phased out above \$118k AGI)	2,000*
Coverdell Education Savings Contribution	2,500
Student Loan Interest Deduction	Up to 2,500

* Up to 20% of qualified expenses of the first \$10,000

CHILD TAX CREDIT	
Child Tax Credit	2,000
Qualifying Dependent Tax Credit (per dependent)	500
Phase-Out Range (Single)	200,000 of MAGI
Phase-Out Range (Married, Filing Jointly)	400,000 of MAGI
Maximum Refundable Amount	1,400