

2020 Tax Reference Guide

Roth IRAs

AGI Phase-Out Range for Contributions to Roth IRAs:

Married Filing Jointly: \$196,000 - \$206,000

Single: \$124,000 - \$139,000

Roth IRA conversion rules:

Unlimited Modified AGI Any tax filing status

Traditional IRA Deductibility Rules

Filing Status	Covered by Employer's Retirement Plan?	Modified AGI		Deductibility
		2019	2020	
Single	No	Any amount	Any amount	Full deduction
	Yes	\$64,000 or less	\$65,000 or less	Full deduction
		\$64,001 - \$74,000	\$65,001 - \$75,000	Partial deduction
		\$74,001 or more	\$75,001 or more	No deduction
Married Filing Jointly	Neither Spouse Covered	Any amount	Any amount	Full deduction
	Both Spouses Covered	\$103,000 or less	\$104,000 or less	Full deduction
		\$103,001 - \$123,000	\$104,001 - \$124,000	Partial deduction
		\$123,001 or more	\$124,001 or more	No deduction
	One Spouse Covered	\$193,000 or less	\$196,000 or less	Full deduction
	\$193,001 - \$203,000	\$196,001 - \$206,000	Partial deduction	
		\$203,001 or more	\$206,001 or more	No deduction

Health Savings Accounts - HSAs

An "eligible individual" is defined as:

(1) One covered by a high deductible health plan (HDHP), (an annual deductible of \$1,400 for single coverage and \$2,800 for family coverage where the maximum out of pocket cannot exceed \$6,900 for single coverage and \$13,800 for family coverage),

(2) is not covered by any other health insurance except for some permitted coverages,

(3) is not eligible for and enrolled in Medicare, and

(4) cannot be claimed as a dependent on someone else's income tax return.

Contribution Limits:

	2019	2020
Single < 55	\$3,500	\$3,550
Single > 55	\$4,500	\$4,550
Family < 55	\$7,000	\$7,100
Family > 55	\$8,000	\$8,100

IRAs

Contribution Limits - Traditional and Roth

	2019	2020
Regular	\$6,000	\$6,000
Catch-Up*	\$1,000	\$1,000

*Only taxpayers age 50 and over are eligible

Catch-Up Contribution Limits for Other Qualified Plan Types

(catch-up for age 50 and older)

	2019	2020
401(k), 403(b), SARSEP & 457 Plan	\$6,000	\$6,500
SIMPLE IRA & SIMPLE 401(k) Plan	\$3,000	\$3,000

Qualified Plans

	2019	2020
Maximum elective deferral to retirement plans, e.g. 401(k), 403(b)	\$19,000	\$19,500
Maximum elective deferral to SIMPLE IRA and SIMPLE 401(k)	\$13,000	\$13,500
Maximum elective deferral to 457 plans of tax-exempt employers	\$19,000	\$19,500
Limit on annual additions to SEP IRA plans	\$56,000	\$57,000
Annual compensation threshold requiring SEP IRA contribution	\$600	\$600
Limit on annual additions to defined contribution plans	\$56,000	\$57,000
Maximum annual compensation taken into account for contributions	\$280,000	\$285,000
Annual benefit limit under defined benefit plans	\$225,000	\$230,000
Threshold amount for definition of highly compensated employee	\$125,000	\$130,000
Threshold amount for definition of key employee in top-heavy plans	\$180,000	\$185,000
Pension Benefit Guaranty Corp. monthly pension amt. (age 65, single life)	\$5,607.95	\$5,812.50

Uniform Lifetime Table

For calculating Required Minimum Distributions (RMDs) from Qualified Plans and Traditional IRAs

Current Age	Distrib. Period	Current Age	Distrib. Period
70	27.4	85	14.8
71	26.5	86	14.1
72	25.6	87	13.4
73	24.7	88	12.7
74	23.8	89	12.0
75	22.9	90	11.4
76	22.0	91	10.8
77	21.2	92	10.2
78	20.3	93	9.6
79	19.5	94	9.1
80	18.7	95	8.6
81	17.9	96	8.1
82	17.1	97	7.6
83	16.3	98	7.1
84	15.5	99	6.7



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Income Taxes

2019			
If Taxable Income is:			
Over	But Not >	The Tax Is	Of the Amount >
Married Filing Jointly			
\$0	\$19,400	\$0+10%	\$0
19,401	78,950	1,940+12%	19,400
78,951	168,400	9,086+22%	78,950
168,401	321,450	28,765+24%	168,400
321,451	408,200	65,497+32%	321,450
408,201	612,350	93,257+35%	408,200
612,350+	-----	164,709.50+37%	612,350
Single			
\$0	\$9,700	\$0+10%	\$0
9,701	39,475	970 + 12%	9,700
39,476	84,200	4,543 + 22%	39,475
84,201	160,725	14,382.50 + 24%	84,200
160,726	204,100	32,748.50 +32%	160,725
204,101	510,300	46,628.50 + 35%	204,100
510,301+	-----	153,798.50 + 37%	510,300
Estates & Trusts			
\$0	\$2,600	\$0+10%	\$0
2,601	9,300	260+24%	2,600
9,301	12,750	1,868 +35%	9,300
12,750+	-----	3,075.50 + 37%	12,750
Corporations			
All C-Corporations pay a flat 21%			

2020			
If Taxable Income is:			
Over	But Not >	The Tax Is	Of the Amount >
Married Filing Jointly			
\$0	\$19,750	\$0+10%	\$0
19,751	80,250	1,975+12%	19,750
80,251	171,050	9,235+22%	80,250
171,051	326,600	29,211+24%	171,050
326,601	414,700	66,543+32%	326,600
414,701	622,050	94,735+35%	414,700
622,050+	-----	167,307.50+37%	622,050
Single			
\$0	\$9,875	\$0+10%	\$0
9,876	40,125	987.50 + 12%	9,875
40,126	85,525	4,617.50 + 22%	40,125
85,526	163,300	14,605.50 + 24%	85,525
163,301	207,350	33,271.50 +32%	163,300
207,351	518,400	47,367.50 + 35%	207,350
518,400+	-----	156,235 + 37%	518,400
Estates & Trusts			
\$0	\$2,600	\$0+10%	\$0
2,601	9,450	260+24%	2,600
9,451	12,950	1,904 +35%	9,450
12,950+	-----	3,129 + 37%	12,950
Corporations			
All C-Corporations pay a flat 21%			

Estate & Gift Taxes

For Death / Gifts Occurring in 2020	
	Exclusion Amount
2018	\$11.2 million
2019	\$11.4 million
2020	\$11.58 million
Annual Gift Tax Exclusion: \$15,000	
Gift Tax Exemption: \$11.58 million	
GSTT Exemption: \$11.58 million	

Social Security

Base Amount of Modified Adjusted Gross Income Causing Social Security Benefits to be Taxable:

	50% Taxable	85% Taxable
Married Filing Jointly	\$32,000	\$44,000
Single	\$25,000	\$34,000

Maximum Earnings Before Social Security Benefits are Reduced:
Assumes full retirement age is 66

Under age 66 (lose \$1 for every \$2)	\$18,240
Full retirement age and over	No limit

Maximum Compensation Subject to FICA Taxes:

Social Security Maximum	\$137,700
Medicare Maximum	No limit

*Social Security tax rate: 12.4% self-employed; 6.2% employees
*Medicare tax rate: 2.9% self-employed; 1.45% employees

Capital Gains and Qualified Dividends

Single	Married Filing Jointly	Tax Rate
\$0 - \$40,000	\$0 - \$80,000	0%
\$40,001 - \$441,450	\$80,001 - \$496,600	15%
\$441,450+	\$496,600+	20%

Standard Deductions

		Annual	Additional Age 65 or Older, or Blind
Married Filing Jointly	2019	\$24,400	\$1,300
	2020	\$24,800	\$1,300
Single	2019	\$12,200	\$1,650
	2020	\$12,400	\$1,650

Child Tax Credit

\$2,000 per child; phases out \$50 for each \$1,000 of AGI over \$400,000-married filing joint, or \$200,000-single.

Kiddie Tax

Unearned income <19 (<24 & full time student)

	2019	2020	
First	\$1,100	\$1,100	No Tax
Next	\$1,100	\$1,100	10% Tax
Over	\$2,200	\$2,200	Parents' Tax Rate

Personal Exemptions

Personal Exemptions were repealed in 2018.

Health Care Bill - Medicare Surtaxes

Wage Income	0.9%*
Net Investment Income	3.8%**
*For most wage income. See IRS Code section 469.	
**For most "unearned income." See IRS Code section 4191.	
Married Filing Jointly	\$250,000
Single	\$200,000

Limit on Itemized Deductions

"Pease Limitation" was repealed in 2018.

Saver's Tax Credit

*Contributions to Employer Plans & IRAs
Maximum Credit \$1,000 or \$2,000 MFJ*

Married Filing Jointly	Single	Credit
\$0 - \$39,000	\$0 - \$19,500	50% of contribution
\$39,001 - \$42,500	\$19,501 - \$21,250	20% of contribution
\$42,501 - \$65,000	\$21,251 - \$32,500	10% of contribution
Over \$65,000	Over \$32,500	Not Available

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