

KEY NUMBERS 2018 (REVISED FOR THE TAX CUTS AND JOBS ACT)



Individual Income Tax	
Unmarried Individual (Other than Surviving Spouse and Head of Household)*	
If taxable income is:	The tax rate of taxable income is:
\$0–\$9,525	10%
\$9,525–\$38,700	12%
\$38,700–\$82,500	22%
\$82,500–\$157,500	24%
\$157,500–\$200,000	32%
\$200,000–\$500,000	35%
\$500,000+	37%
Married Filing Jointly and Surviving Spouse*	
If taxable income is:	The tax rate of taxable income is:
\$0–\$19,050	10%
\$19,050–\$77,400	12%
\$77,400–\$165,000	22%
\$165,000–\$315,000	24%
\$315,000–\$400,000	32%
\$400,000–\$600,000	35%
\$600,000+	37%
Married Filing Separately*	
If taxable income is:	The tax rate of taxable income is:
\$0–\$9,525	10%
\$9,525–\$38,700	12%
\$38,700–\$82,500	22%
\$82,500–\$157,500	24%
\$157,500–\$200,000	32%
\$200,000–\$300,000	35%
\$300,000+	37%
Head of Household*	
If taxable income is:	The tax rate of taxable income is:
\$0–\$13,600	10%
\$13,600–\$51,800	12%
\$51,800–\$82,500	22%
\$82,500–\$157,500	24%
\$157,500–\$200,000	32%
\$200,000–\$500,000	35%
\$500,000+	37%

***Please note:** The specific tax estimates are based on the information in the **Conference Report** accompanying the Tax Cuts and Jobs Act of 2017. Further IRS guidance will be forthcoming in 2018.

Trusts and Estates*	
If taxable income is:	The tax is:
\$0–\$2,550	10% of taxable income
\$2,550–\$9,150	\$255, plus 24% of the excess more than \$2,550
\$9,150–\$12,500	\$1,839, plus 35% of the excess more than \$9,150
\$12,500+	\$3,011.50, plus 37% of the excess more than \$12,500

***Please note:** The specific tax estimates are based on the information in the **Conference Report** accompanying the Tax Cuts and Jobs Act of 2017. Further IRS guidance will be forthcoming in 2018.

Standard Deductions			
Married Filing Jointly and Surviving Spouse	\$24,000	Married Filing Separately	\$12,000
Single	\$12,000	Head of Household	\$18,000

Kiddie Tax
Applies to unearned income more than \$2,100 for children younger than 18 (and full-time students between ages 19 and 24 whose earned income does not exceed half of their support for the year). The first \$1,050 is tax free, and the next \$1,050 is taxed at the child's rate. Unearned income more than \$2,100 will be taxed at new tax rates comparable to trust tax rates (not at parents' tax rate).

AMT		
	Exemption	Phaseout
Married Filing Jointly and Surviving Spouse	\$109,400	\$1,000,000
Single	\$70,300	\$500,000

Long-Term Capital Gains and Qualified Dividend Tax			
Capital Gains Tax Rate	Single	Married Filing Jointly	
20%*	\$425,800+	\$479,000+	
15%*	\$38,600–\$425,800	\$77,200–\$479,000	
0%	\$0–\$38,600	\$0–\$77,200	
*Additional 3.8% unearned income Medicare contribution tax applies to the lesser of net investment income or MAGI above the following thresholds:			
Married Filing Jointly	\$250,000	Married Filing Separately	\$125,000
Single	\$200,000	Head of Household	\$200,000

Health Savings Accounts (HSA) Maximum Contribution Limits

Self-Only Coverage	If younger than age 55: \$3,450; if age 55–65: \$4,450
Family Coverage	If younger than age 55: \$6,900; if age 55–65: \$7,900

Retirement Plan Limits

401(k), SAR-SEP, Sec. 457(b), 403(b) Elective Deferral Limit	\$18,500
Age 50+ Catch-Up for 401(k), SAR-SEP, 457(b), 403(b)	\$6,000
SIMPLE Elective Deferral Limit	\$12,500
Age 50+ Catch-Up for SIMPLE IRA	\$3,000
Traditional and Roth IRA Contributions	\$5,500
Age 50+ Catch-Up for IRA and Roth IRA	\$1,000
Section 415 Limit (Defined Contribution Plan)	\$55,000
Defined Benefit Plan Benefit Limit	\$220,000
Annual Compensation Limit for QRP, SEP, and 403(b)	\$275,000
Highly Compensated Definition	\$120,000
Control Employee	\$110,000
Key Employee in Top-Heavy Plan Definition	\$175,000

IRA Deduction Phaseout for Active Participants

Filing Status	Starting at	Fully Phased Out at
Single or Head of Household	\$63,000	\$73,000
Married Filing Jointly or Qualifying Widow(er)	\$101,000	\$121,000
Married Filing Jointly and Spouse Is Active Participant in an Employer Plan	\$189,000	\$199,000
Married Filing Separately and Either Spouse Is Active Participant in an Employer Plan	\$0	\$10,000

Roth Contribution Income Limits

Filing Status	Starting at	Fully Phased Out at
Single	\$120,000	\$135,000
Married Filing Jointly	\$189,000	\$199,000
Married Filing Separately	\$0	\$10,000

Business Health Insurance

Health Insurance Premium Deduction for Self-Employed	100%
Limit on Employee Health Insurance Credit for Small Employers	\$26,700

Education Planning	
U.S. Savings Bond Income Exclusion Phaseout	Modified AGI \$119,500 to \$149,550 (joint) Modified AGI \$79,700 to \$94,700 (others)
Coverdell Education Savings Account (Education IRAs) Annual Contribution Limit	\$2,000
Coverdell Education Savings Account Phaseout	Modified AGI \$190,000 to \$220,000 (joint) Modified AGI \$95,000 to \$110,000 (others)
\$2,500 American Opportunity Tax (HOPE) Credit Phaseout	Modified AGI \$160,000 to \$180,000 (joint) Modified AGI \$80,000 to \$90,000 (others)
\$2,000 Lifetime Learning Credit Phaseout	Modified AGI in excess of \$114,000 (joint) Modified AGI in excess of \$57,000 (others)
Phaseout of \$2,500 Interest Deduction on Education Loans	Modified AGI \$135,000 to \$165,000 (joint) Modified AGI \$65,000 to \$80,000 (others)
2017-2018 Tuition and Fees Increase at a 4-Year College	Public College: 3.1% in-state student; 3.2% out-of-state student Private College: 3.6%
2017-2018 Room and Board Increase at a 4-Year College	Public College: 3.1% in-state student; 3.1% out-of-state student Private College: 3%
2017-2018 Total Average Yearly Cost at a 4-Year College	\$20,770 public in-state \$36,420 public out-of-state \$46,950 private

Federal Estate and Gift Tax	
Annual Gift Tax Exclusion per Donee	\$15,000
Annual Gift Exclusion to Non-U.S.-Citizen Spouse	\$152,000
Estate Tax Exemption	\$11,200,000
Lifetime Gift Tax Exemption	\$11,200,000
Generation-Skipping Transfer Tax Exemption	\$11,200,000
Special Use (Section 2032A) Valuation Reduction	\$1,140,000

Long-Term Care Premium Deductions	
Qualified LTC Insurance Deductions: Subject to 10% of AGI Medical Expense Floor	
Age	Limit
40 or under	\$420
41-50	\$780
51-60	\$1,560
61-70	\$4,160
71 and over	\$5,200

Please note: Indemnity policy benefit payments that exceed the higher of the cost of long-term care or \$360 per day will be taxed as income.

KEY NUMBERS 2018 *continued*

Medicaid	
Community Spouse Resource Allowance	\$24,720 minimum; \$123,600 maximum
Monthly Maintenance Allowance	\$2,030 minimum; \$3,090 maximum
Home Equity Limit	\$572,000 (state can opt to increase to \$858,000)
"Income Cap" State Income Limit	\$2,250

Social Security	
CPI Increase in Benefits	2%
Maximum Monthly Benefit at Full Retirement	\$2,788/month
Retirement Earnings Exempt Amount Under FRA	\$17,040; \$1 withheld for every \$2 earned above this amount
Retirement Earnings Exempt Amount Year of FRA	\$45,360; \$1 withheld for every \$3 earned above this amount

Medicare	
Medicare Part A (if applicable) Monthly Premium	\$413 for fewer than 30 quarters of coverage \$226 for between 30 and 39 quarters of coverage
Medicare Part A Deductible and Coinsurance	\$1,340 for 1–60 days An additional \$335 for 61–90 days \$670 for 91–150 days All costs > 150 days
Medicare Part A Deductible for Skilled Nursing Facility in a Benefit Period	\$167.50 per day (21–100 days)
Medicare Part B Deductible	\$183 per year

Medicare Premium			
		Individual Filer	Married Filing Jointly
Medicare Part B Monthly Premium	\$134.00*	\$0–\$85,000	\$0–\$170,000
	\$187.50	\$85,001–\$107,000	\$170,001–\$214,000
	\$267.90	\$107,001–\$133,500	\$214,001–\$267,000
	\$348.30	\$133,501–\$160,000	\$267,001–\$320,000
	\$428.60	\$160,000+	\$320,000+
Medicare Part D Deductible	No more than \$405		
Medicare Part D Monthly Premium Surcharge	(no surcharge)	\$0–\$85,000	\$0–\$170,000
	\$13.00	\$85,001–\$107,000	\$170,001–\$214,000
	\$33.60	\$107,001–\$133,500	\$214,001–\$267,000
	\$54.20	\$133,501–\$160,000	\$267,001–\$320,000
	\$74.80	\$160,000+	\$320,000+

***Please note:** Medicare premiums are based on MAGI from two years prior to the current premium year.

Payroll Taxes		
	Employee	Self-Employed
Social Security Tax	6.2%	12.4%
Social Security Wage Base	\$128,700	
Medicare Tax	1.45%	2.9%
Additional Medicare Tax	0.9% on earnings above the following thresholds:	
Single or Head of Household	\$200,000	
Married Filing Jointly	\$250,000	
Married Filing Separately	\$125,000	

This material has been provided for general informational purposes only and does not constitute either tax or legal advice. Although we go to great lengths to make sure our information is accurate and useful, we recommend you consult a tax preparer, professional tax advisor, or lawyer.