

Key Numbers for 2019

| Individual Income Tax | |
|---|--|
| Unmarried Individual (Other than Surviving Spouse and Head of Household) | |
| If taxable income is: | The tax rate of taxable income is: |
| \$9,700 and under | 10% of the taxable income |
| Over \$9,700 but not over \$39,475 | \$970 plus 12% of the excess over \$9,700 |
| Over \$39,475 but not over \$84,200 | \$4,543 plus 22% of the excess over \$39,475 |
| Over \$84,200 but not over \$160,725 | \$14,382.50 plus 24% of the excess over \$84,200 |
| Over \$160,725 but not over \$204,100 | \$32,748.50 plus 32% of the excess over \$160,725 |
| Over \$204,100 but not over \$510,300 | \$46,628.50 plus 35% of the excess over \$204,100 |
| Over \$510,300 | \$153,798.50 plus 37% of the excess over \$510,300 |
| Married Individual Filing Jointly and Surviving Spouse | |
| \$19,400 and under | 10% of the taxable income |
| Over \$19,400 but not over \$78,950 | \$1,940 plus 12% of the excess over \$19,400 |
| Over \$78,950 but not over \$168,400 | \$9,086 plus 22% of the excess over \$78,950 |
| Over \$168,400 but not over \$321,450 | \$28,765 plus 24% of the excess over \$168,400 |
| Over \$321,450 but not over \$408,200 | \$65,497 plus 32% of the excess over \$321,450 |
| Over \$408,200 but not over \$612,350 | \$93,257 plus 35% of the excess over \$408,200 |
| Over \$612,350 | \$164,709.50 plus 37% of the excess over \$612,350 |
| Married Individual Filing Separately | |
| If taxable income is: | The tax rate of taxable income is: |
| \$9,700 and under | 10% of the taxable income |
| Over \$9,700 but not over \$39,475 | \$970 plus 12% of the excess over \$9,700 |
| Over \$39,475 but not over \$84,200 | \$4,543 plus 22% of the excess over \$39,475 |
| Over \$84,200 but not over \$160,725 | \$14,382.50 plus 24% of the excess over \$84,200 |
| Over \$160,725 but not over \$204,100 | \$32,748.50 plus 32% of the excess over \$160,725 |
| Over \$204,100 but not over \$ 306,175 | \$46,628.50 plus 35% of the excess over \$204,100 |
| Over \$306,175 | \$82,354.75 plus 37% of the excess over \$306,175 |
| Head of Household | |
| If taxable income is: | The tax rate of taxable income is: |
| \$13,850 and under | 10% of the taxable income |
| Over \$13,850 but not over \$52,850 | \$1,385 plus 12% of the excess over \$13,850 |
| Over \$52,850 but not over \$84,200 | \$6,065 plus 22% of the excess over \$52,850 |
| Over \$84,200 but not over \$160,700 | \$12,962 plus 24% of the excess over \$84,200 |
| Over \$160,700 but not over \$204,100 | \$31,322 plus 32% of the excess over \$160,700 |
| Over \$204,100 but not over \$510,300 | \$45,210 plus 35% of the excess over \$204,100 |
| Over \$510,300 | \$152,380 plus 37% of the excess over \$510,300 |

| Trusts and Estates | |
|------------------------------------|---|
| If taxable income is: | The tax is: |
| \$2,600 and under | 10% of the taxable income |
| Over \$2,600 but not over \$9,300 | \$260 plus 24% of the excess over \$2,600 |
| Over \$9,300 but not over \$12,750 | \$1,868 plus 35% of the excess over \$9,300 |
| Over \$12,750 | \$3,075.50 plus 37% of the excess over \$12,750 |

Qualified Business Income. For taxable years beginning in 2019, the threshold amount under § 199A(e)(2) is \$321,400 for married individuals filing jointly, \$160,725 for married individuals filing separately, and \$160,700 for unmarried individuals and heads of households.

[The Tax Cuts and Jobs Act](#) (TCJA) reduced the U.S. federal corporate income tax rate from 35 percent to 21 percent.

| Standard Deductions | | | |
|---|----------|---------------------------|----------|
| Married Filing Jointly and Surviving Spouse | \$24,400 | Married Filing Separately | \$12,200 |
| Single | \$12,200 | Head of Household | \$18,350 |

| Kiddie Tax | |
|---|---|
| Applies to unearned income more than \$2,200 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 Tax Cuts and Jobs Act of 2017 modified the tax rates and brackets to figure the tax on unearned income. This tax rate is no longer affected by the tax situation of parents; all net unearned income over a threshold amount of \$2,200 for 2019 is taxed using the same brackets and rates for estates and trusts. These rates are shown in the following chart. | |
| If taxable income is: | The tax is: |
| \$2,600 and under | 10% of the taxable income |
| Over \$2,600 but not over \$9,300 | \$260 plus 24% of the excess over \$2,600 |
| Over \$9,300 but not over \$12,750 | \$1,868 plus 35% of the excess over \$9,300 |
| Over \$12,750 | \$3,075.50 plus 37% of the excess over \$12,750 |

| AMT | | |
|--|-----------|-------------|
| | Exemption | Phaseout |
| Married Individual Filing Jointly and Surviving Spouse | \$111,700 | \$1,020,600 |
| Single | \$71,700 | \$510,300 |
| Married Individual Filing Separately | \$55,850 | \$510,300 |
| Trusts and Estates | \$25,000 | \$83,500 |

| Long-Term Capital Gains and Qualified Dividend Tax | | |
|--|--------------------|------------------------|
| Capital Gains Tax Rate | Unmarried | Married Filing Jointly |
| 20%* | \$434,550+ | \$488,850+ |
| 15%* | \$39,375–\$434,550 | \$78,750–\$488,850 |
| 0% | \$0–\$39,375 | \$0–\$78,750 |
| *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 Account (HSA) Maximum Contribution Limits

| | |
|--------------------|--|
| Self-Only Coverage | If younger than age 55: \$3,500; if age 55–65: \$4,500 |
| Family Coverage | If younger than age 55: \$7,000; if age 55–65: \$8,000 |

Retirement Plan Limits

| | |
|--|-----------|
| 401(k), SAR-SEP, Sec. 457(b), 403(b) Elective Deferral Limit | \$19,000 |
| Age 50+ Catch-Up for 401(k), SARSEP, 457(b), 403(b) | \$6,000 |
| SIMPLE Elective Deferral Limit | \$13,000 |
| Age 50+ Catch-Up for SIMPLE IRA | \$3,000 |
| Traditional and Roth IRA Contributions | \$6,000 |
| Age 50+ Catch-Up for IRA and Roth IRA | \$1,000 |
| Section 415 Limit (Defined Contribution Plan) | \$56,000 |
| Defined Benefit Plan Benefit Limit | \$225,000 |
| Annual Compensation Limit for QRP, SEP, and 403(b) | \$280,000 |
| Highly Compensated Definition | \$125,000 |
| Control Employee | \$110,000 |
| Key Employee in Top-Heavy Plan Definition | \$180,000 |

IRA Deduction Phaseout for Active Participants

| Filing Status | Starting at: | Fully Phased Out at: |
|---|--------------|----------------------|
| Single or Head of Household | \$64,000 | \$74,000 |
| Married Filing Jointly or Qualifying Widow(er) | \$103,000 | \$123,000 |
| Married Filing Jointly and Spouse Is Active Participant in an Employer Plan | \$193,000 | \$203,000 |
| 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 | \$122,000 | \$137,000 |
| Married Filing Jointly | \$193,000 | \$203,000 |
| 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 | \$27,100 |

| Education Planning | |
|--|--|
| U.S. Savings Bond Income Exclusion Phaseout | Modified AGI \$121,600 to \$151,600 (joint) Modified AGI \$81,100 to \$96,100 (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 \$116,000 (joint) Modified AGI in excess of \$58,000 (others) |
| Phaseout of \$2,500 Interest Deduction on Education Loans | Modified AGI \$140,000 to \$170,000 (joint) Modified AGI \$70,000 to \$85,000 (others) |
| 2018–2019 Tuition and Fees Increase at a 4-Year College | Public College: 2.5% in-state student; 2.4% out-of-state student Private College: 3.3% |
| 2018–2019 Room and Board Increase at a 4-Year College | Public College: 3.1% in-state student; 3.1% out-of-state student Private College: 3.2% |
| 2018–2019 Total Average Yearly Cost at a 4-Year College | \$21,370 public in-state; \$37,430 public out-of-state; \$48,510 private |

| Federal Estate and Gift Tax | |
|--|--------------|
| Annual Gift Tax Exclusion per Donee | \$15,000 |
| Annual Gift Exclusion to Non-U.S.-Citizen Spouse | \$155,000 |
| Estate Tax Exemption | \$11,400,000 |
| Lifetime Gift Tax Exemption | \$11,400,000 |
| Generation-Skipping Transfer Tax Exemption | \$11,400,000 |
| Special Use (Section 2032A) Valuation Reduction | \$1,160,000 |

| Long-Term Care Premium Deductions | |
|---|---------|
| Qualified LTC Insurance Deductions: Subject to 10% of AGI Medical Expense Floor | |
| Age | Limit |
| 40 and younger | \$420 |
| 41–50 | \$790 |
| 51–60 | \$1,580 |
| 61–70 | \$4,220 |
| 71 and older | \$5,270 |

Please note: Indemnity policy benefit payments that exceed the higher of the cost of long-term care or \$370 per day will be taxed as income.

| 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 | 2.8% |
| Maximum Monthly Benefit at Full Retirement | \$2,861/month |
| Retirement Earnings Exempt Amount Under FRA | \$17,640; \$1 withheld for every \$2 earned more than this amount |
| Retirement Earnings Exempt Amount Year of FRA | \$46,920; \$1 withheld for every \$3 earned more than this amount |

| Medicare | |
|--|--|
| Medicare Part A (if applicable) Monthly Premium | \$437 for fewer than 30 quarters of coverage \$240 for between 30 and 39 quarters of coverage |
| Medicare Part A Deductible and Coinsurance | \$1,364 for 1–60 days An additional \$341 for 61–90 days \$682 for 91–150 days All costs > 150 days |
| Medicare Part A Deductible for Skilled Nursing Facility in a Benefit Period | \$170.50 per day during (21–100 days) |
| Medicare Part B Deductible | \$185 per year |

| Medicare Premium | | | |
|--|--|---------------------|------------------------|
| | | Individual Filer | Married Filing Jointly |
| Medicare Part B Monthly Premium *Some Medicare beneficiaries may pay less if certain conditions are met. | \$135.50* | \$0–\$85,000 | \$0–\$170,000 |
| | \$189.60 | \$85,001–\$107,000 | \$170,001–\$214,000 |
| | \$270.90 | \$107,001–\$133,500 | \$214,001–\$267,000 |
| | \$352.20 | \$133,501–\$160,000 | \$267,001–\$320,000 |
| | \$433.40 | \$160,001–\$500,000 | \$320,001–\$750,000 |
| | \$460.50 | \$500,000+ | \$750,000+ |
| Medicare Part D Deductible | The amount paid for Part D deductibles, copayments, and/or coinsurance varies by plan. | | |
| Medicare Part D Monthly Premium Surcharge | (no surcharge) | \$0–\$85,000 | \$0–\$170,000 |
| | \$12.40 + plan premium | \$85,001–\$107,000 | \$170,001–\$214,000 |
| | \$31.90 + plan premium | \$107,001–\$133,500 | \$214,001–\$267,000 |
| | \$51.40 + plan premium | \$133,501–\$160,000 | \$267,001–\$320,000 |
| | \$70.90 + plan premium | \$160,001–\$500,000 | \$320,001–\$750,000 |
| | \$77.40 + plan premium | \$500,000+ | \$750,000+ |

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 | \$132,900 | |
| Medicare Tax | 1.45% | 2.9% |
| Additional Medicare Tax | 0.9% on Earnings Higher than 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.

© 2018 Commonwealth Financial Network®