

# 2023 Key Financial Data



## 2023 Tax Rate Schedule

Taxable Income (\$)	Base amount of tax (\$)		Marginal tax rate (%)	Of the amount over (\$)
<b>SINGLE</b>				
0 to 11,000		+	10	
11,001 to 44,725	1,100	+	12	11,000
44,726 to 95,375	5,147	+	22	44,725
95,376 to 182,100	16,290	+	24	95,375
182,101 to 231,250	37,104	+	32	182,100
231,251 to 578,125	52,832	+	35	231,250
Over 578,126	174,238	+	37	578,125
<b>MARRIED FILING JOINTLY AND SURVIVING SPOUSES</b>				
0 to 22,000		+	10	
22,001 to 89,450	2,200	+	12	22,000
89,451 to 190,750	10,294	+	22	89,450
190,751 to 364,200	32,580	+	24	190,750
364,201 to 462,500	74,208	+	32	364,200
462,501 to 693,750	105,664	+	35	462,500
Over 693,751	186,602	+	37	693,750
<b>HEAD OF HOUSEHOLD</b>				
0 to 15,700		+	10	
15,701 to 59,850	1,570	+	12	15,700
59,851 to 95,350	6,868	+	22	59,850
95,351 to 182,100	14,678	+	24	95,350
182,101 to 231,250	35,498	+	32	182,100
231,251 to 578,100	51,226	+	35	231,250
Over 578,101	172,624	+	37	578,100
<b>MARRIED FILING SEPARATELY</b>				
0 to 11,000		+	10	
11,001 to 44,725	1,100	+	12	11,000
44,726 to 95,375	5,147	+	22	44,725
95,376 to 182,100	16,290	+	24	95,375
182,101 to 231,250	37,104	+	32	182,100
231,251 to 346,875	52,832	+	35	231,250
Over 346,876	93,301	+	37	346,875
<b>TRUSTS &amp; ESTATES</b>				
0 to 2,900		+	10	
2,901 to 10,550	290	+	24	2,900
10,551 to 14,450	2,126	+	35	10,550
Over 14,451	3,491	+	37	14,450

## Standard Deductions & Personal Exemption

Filing status	Standard deduction
MFJ and surviving spouses	\$27,700
Single	\$13,850
Married filing separately	\$13,850
Head of household	\$20,800
Dependent filing own tax return	higher of \$1,250 or \$400 + earned income
<b>ADDITIONAL DEDUCTIONS FOR NON-ITEMIZERS</b>	
Blind or over 65	Add \$1,500
Blind or over 65 and unmarried or not a surviving spouse	Add \$1,850

## Capital Gains & Qualified Dividends

<b>APPLICABLE FOR SINGLE</b>	
If taxable income is below \$44,625	0%
If taxable income is between \$44,626 and \$492,300	15%
If taxable income is above \$492,301	20%
<b>APPLICABLE FOR MARRIED FILING JOINTLY RETURNS</b>	
If taxable income is below \$89,250	0%
If taxable income is between \$89,251 and \$553,850	15%
If taxable income is above \$553,851	20%

## 3.8% Net Investment Income Tax

<b>APPLICABLE TO TAXPAYERS WHOSE MAGI EXCEEDS THE FOLLOWING THRESHOLDS:</b>	
Married filing jointly	\$250,000
Single	\$200,000
Married filing separately	\$125,000

## 0.9% Additional Medicare Tax

<b>APPLICABLE TO TAXPAYERS IF WAGES, COMPENSATION AND SELF-EMPLOYMENT INCOME EXCEEDS THE FOLLOWING THRESHOLDS:</b>	
Married filing jointly	\$250,000
Single	\$200,000
Married filing separately	\$125,000

## FICA Tax

	Withheld	Maximum tax payable
<b>SS TAX PAID ON WAGES UP TO \$160,200</b>		
Employer pays	6.2%	\$9,932
Employee pays	6.2%	\$9,932
Self-employed pays	12.4%	\$19,865
<b>MEDICARE TAX PAID ON ALL WAGES</b>		
Employer pays	1.45%	No max
Employee pays	1.45% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)	No max
Self-employed pays	2.90%	No max

## Exemption Amounts for Alternative Minimum Tax

Married filing jointly and surviving spouses	\$126,500
Single	\$81,300
Married filing separately	\$63,250
Estates and trusts	\$28,400
<b>28% TAX RATE APPLIES TO INCOME OVER:</b>	
Married filing separately	\$110,350
All others	\$220,700
<b>EXEMPTION AMOUNTS PHASE OUT AT:</b>	
Married filing jointly and surviving spouses	\$1,156,300
Single and married filing separately	\$578,150
Trusts & Estates	\$94,600

## Education Credits & Deductions

	Maximum credit/deduction	Income phase-outs begin at MAGI of:
American Opportunity Tax Credit & Hope Credit	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime Learning Credit	\$2,000 credit	\$160,000 joint \$80,000 all others



## Gift & Estate Tax Exclusions & Credits

Maximum estate, gift and GST tax rate	40%
Estate, gift and GST exclusions	\$12,920,000
Gift tax annual exclusion	\$17,000
Exclusion on gifts to non-citizen spouse	\$175,000

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## RETIREMENT

Health Savings Accounts (HSA) & High Deductible Health Plans	
CONTRIBUTION LIMIT (EMPLOYER + EMPLOYEE)	
Individual	\$3,850
Family	\$7,750
Catch-up contribution (age 55+)	\$1,000
HDHP MINIMUM ANNUAL DEDUCTIBLE	
Individual	\$1,500
Family	\$3,000
HDHP MAX OUT-OF-POCKET AMOUNTS	
Individual	\$7,500
Family	\$15,000

### Uniform Lifetime Table

Current age	Distribution period	Current age	Distribution period
72	27.4	87	14.4
73	26.5	88	13.7
74	25.5	89	12.9
75	24.6	90	12.2
76	23.7	91	11.5
77	22.9	92	10.8
78	22.0	93	10.1
79	21.1	94	9.5
80	20.2	95	8.9
81	19.4	96	8.4
82	18.5	97	7.8
83	17.7	98	7.3
84	16.8	99	6.8
85	16.0	100	6.4
86	15.2	101	6.0

### Medicare Premiums & Deductibles

Part B standard premium	\$164.90/mo
Part B deductible	\$226/yr
Part A (inpatient services) deductible	\$1,600/benefit period
Part A coinsurance for days 1-60 of hospitalization	\$0/day
Part A coinsurance for days 61-90 of hospitalization	\$400/day
Part A coinsurance for more than 90 days of hospitalization (capped by 60 lifetime reserve days)	\$800/day
Beyond lifetime reserve days	All costs

### Deductibility of Long-Term Care Premiums on Qualified Policies

Attained age before close of tax year	Amount of LTC premiums that qualify as medical expenses in 2023
40 or under	\$480
41 to 50	\$890
51 to 60	\$1,790
61 to 70	\$4,770
Over 70	\$5,960

### Social Security

#### BENEFITS

Full retirement age (FRA) If born 1943 - 1954 If born 1960 or later	Age 66 Age 67
Maximum monthly benefit	\$3,627/mo if FRA is in 2023
Retirement earnings exempt amount	\$21,240/yr under FRA \$56,520/yr reaching FRA No limit after FRA

#### TAX ON SOCIAL SECURITY BENEFITS

Filing status	AGI plus provisional income	Amount of SS subject to tax
Married filing jointly	Under \$32,000	\$0
	\$32,000-\$44,000	Up to 50%
	Over \$44,000	Up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000	\$0
	\$25,000-\$34,000	Up to 50%
	Over \$34,000	Up to 85%
Married filing separately and living with spouse	Over \$0	Up to 85%

### Retirement Plan Contribution Limits

	2022	2023
Annual compensation used to determine contribution for most plans	\$305,000	\$330,000
Defined-contribution plans, basic limit	\$61,000	\$66,000
Defined-benefit plans, basic limit	\$245,000	\$265,000
401(k), 403(b), 457(b) plans elective deferrals	\$20,500	\$22,500
Catch-up provision for individuals 50 and over: 401(k), 403(b), 457(b) plans	\$6,500	\$7,500
SIMPLE plan elective deferral limit	\$14,000	\$15,500
SIMPLE plan catch-up contribution for individuals 50 and over	\$3,000	\$3,500

### Individual Retirement Accounts

IRA type	Cont. limit	Catch-up 50+	Income limits
Traditional nondeductible	\$6,500	\$1,000	None
Traditional deductible	\$6,500	\$1,000	If covered by plan: \$116,000-\$136,000 joint \$73,000-\$83,000 single, HOH \$0-\$10,000 married filing separate If one spouse is covered by a plan: \$218,000-\$228,000 joint
Roth	\$6,500	\$1,000	\$218,000-\$228,000 joint \$138,000-\$153,000 single, HOH \$0-\$10,000 married filing separate and active plan participant
Roth conversion			No income limit

### Medicare Premiums for High-Income Taxpayers

MAGI single (\$)	MAGI joint (\$)	Part B premium (\$)	Part D income adjustment (\$)
97,000 or less	194,000 or less	164.90	0
97,001-123,000	194,001-246,000	230.80	12.20
123,001-153,000	246,001-306,000	329.70	31.50
153,001-183,000	306,001-366,000	428.60	50.70
183,001-500,000	366,001-750,000	527.50	70.00
Above 500,000	Above 750,000	560.50	76.40

### TAX DEADLINES

- January 17** - Fourth installment of the previous year's estimated taxes due
- April 18** - Tax filing deadline, or request extension to October 16. First installment of 2023 taxes due. Last day to file amended return for 2019. Last day to contribute to: Roth or traditional IRA for 2022; HSA for 2022; Keogh or SEP for 2022 (unless tax filing deadline has been extended)
- June 15** - Second installment of estimated taxes due
- September 15** - Third installment of estimated taxes due
- October 16** - Tax returns due for those who requested an extension. Last day to contribute to SEP or Keogh for 2022 if extension was filed
- December 31** - Last day to: 1) pay expenses for itemized deductions; 2) complete transactions for capital gains or losses; 3) establish a Keogh plan or solo 401(k) plan for 2023; 4) complete 2023 contributions to employer-sponsored 401(k) plans.

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