

TAXES

This page offers information regarding personal taxes. The information here is for quick reference only. Please consult your professional tax preparer if you have questions about your personal tax situation.

2019 Income Tax Brackets

Taxable Income = Taxable income items - minus all Deductions and Exemptions.

Tax Rate = Income Tax rates are progressive. For instance, if your filing status is Married Filing Jointly and you had \$168,400 in taxable income, the first \$19,400 would be taxed at 10%, from \$19,401 to \$78,950 would be taxed at 12%, and from \$78,951 to \$168,400 would be taxed at 22%. [Total of \$28,764 in taxes on \$168,400 in taxable income for a combined or effective rate of 17.08%]

Married Filing Jointly

Taxable Income	Tax Rate
\$0 - \$19,400	10%
\$19,401 - \$78,950	12%
\$78,951 - \$168,400	22%
\$168,401 - \$321,450	24%
\$321,451 - \$408,200	32%
\$408,201 - \$612,350	35%
Over \$612,350	37%

Single

Taxable Income	Tax Rate
\$0 - \$9,700	10%
\$9,701 - \$39,475	12%
\$39,476 - \$84,200	22%
\$84,201 - \$160,725	24%
\$160,726 - \$204,100	32%
\$204,101 - \$510,300	35%
Over \$510,300	37%

Head of Household

Taxable Income	Tax Rate
\$0 - \$13,850	10%
\$13,851 - \$52,850	12%
\$52,851 - \$84,200	22%
\$84,201 - \$160,700	24%
\$160,701 - \$204,100	32%
\$204,101 - \$510,300	35%
Over \$510,300	37%

Married Filing Separately

Taxable Income	Tax Rate
\$0 - \$9,700	10%
\$9,701 - \$39,475	12%
\$39,476 - \$84,200	22%
\$84,201 - \$160,725	24%
\$160,726 - \$204,100	32%
\$204,101 - \$510,300	35%
Over \$510,300	37%

IRA and Retirement Plan Contribution Limits for 2019

Plan Type	Under Age 50	Age 50 an Over
Traditional IRA	\$6,000	\$7,000
Roth IRA	\$6,000	\$7,000
SIMPLE IRA	\$13,000	\$16,000
SEP-IRA	\$56,000	\$56,000
401(k), 403(b), and most 457 plans	\$19,000	\$25,000

2019 Standard Deduction and Gift Tax Exclusion

Tax Item	2019 Amount
Standard Deductions:	
- Married Filing Jointly	- \$24,400
- Single	- \$12,200
- Head of Household	- \$18,350
- Married Filing Separately	- \$12,200
Gift Tax Exclusion	\$15,000

2019 Social Security Tidbits

Payroll Deductions: Maximum earnings subject to Social Security Payroll Tax = \$132,900

Loss of Social Security Benefits due to Earnings: Prior to “full retirement age”, \$1 in benefit is lost for every \$2 earned over \$18,240 (2020). In the year of full retirement age, \$1 in benefit is lost for every \$3 earned over \$48,600(2020). Beginning in the month of full retirement age is reached, benefits are not reduced regardless of earnings.

Taxability of Social Security Income: Taxation of Social Security retirement benefits is based on what the IRS calls Modified Adjusted Gross Income (MAGI).

- Joint Filers: If your MAGI is below \$32,000, none of your Social Security benefits are taxable; if your MAGI is between \$32,00 and \$44,000, 50% of your Social Security benefits are taxable; if your MAGI exceeds \$44,000, 85% of your Social Security benefits are taxable.

- Single Filers: If your MAGI is below \$25,000, none of your Social Security benefits are taxable; if your MAGI is between \$25,00 and \$34,000, 50% of your Social Security benefits are taxable; if your MAGI exceeds \$34,000, 85% of your Social Security benefits are taxable.

If you are Married Filing a Separate return, you are likely to pay income tax on 85% of you Social Security benefits.