

Tax Facts and Figures

20	18 Fed	era	I Tax Ra	ate	Sched	ules				
Si	ngle Tax	able	Income							
\$	0	to	9,525	×	10.0%	minus	\$	0.00	=	Tax
	9,526	to	38,700	×	12.0%	minus		190.50	=	Tax
	38,701	to	82,500	×	22.0%	minus		4,060.50	=	Tax
	82,501	to	157,500	×	24.0%	minus		5,710.50	=	Tax
	157,501	to	200,000	×	32.0%	minus	1	8,310.50	=	Tax
	200,001	to	500,000	×	35.0%	minus	2	24,310.50	=	Tax
	500,001	and	dover	×	37.0%	minus	3	34,310.50	=	Tax
M	FJ or QW	/ Tax	able Incoi	ne						
\$	0	to	19,050	×	10.0%	minus	\$	0.00	=	Tax
	19,051	to	77,400	×	12.0%	minus		381.00	=	Tax
	77,401	to	165,000	×	22.0%	minus		8,121.00	=	Tax
	165,001	to	315,000	×	24.0%	minus	1	1,421.00	=	Tax
	315,001	to	400,000	×	32.0%	minus	3	36,621.00	=	Tax
	400,001	to	600,000	×	35.0%	minus	7	18,621.00	=	Tax
	600,001	and	dover	×	37.0%	minus	6	60,621.00	=	Tax
M	FS Taxab	le In	come							
\$	0	to	9,525	×	10.0%	minus	\$	0.00	=	Tax
	9,526	to	38,700	×	12.0%	minus		190.50	=	Tax
	38,701	to	82,500	×	22.0%	minus		4,060.50	=	Tax
	82,501	to	157,500	×	24.0%	minus		5,710.50	=	Tax
	157,501	to	200,000	×	32.0%	minus	1	8,310.50	=	Tax
	200,001	to	300,000	×	35.0%	minus	2	24,310.50	=	Tax
	300,001	and	dover	×	37.0%	minus	3	30,310.50	=	Tax
Н	OH Taxab	ole In	come							
\$	0	to	13,600	×	10.0%	minus	\$	0.00	=	Tax
	13,601	to	51,800	×	12.0%	minus		272.00	=	Tax
	51,801	to	82,500	×	22.0%	minus		5,452.00	=	Tax
	82,501	to	157,500	×	24.0%	minus		7,102.00	=	Tax
	157,501	to	200,000	×	32.0%	minus	1	9,702.00	=	Tax
	200,001	to	500,000	×	35.0%	minus	2	25,702.00	=	Tax
	500,001	and	dover	×	37.0%	minus	3	35,702.00	=	Tax
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Additional Medicare Tax

0.9% additional tax on wage income above threshold

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Filing status	Single, HOH, QW	MFJ	MFS	_
Threshold amount	\$200,000	\$250,000	\$125,000	_

2018 Personal Exemptions

The personal exemption deduction per person is......\$0

2018 Standard Deduction

The basic standard deduction for 2018 is:	
Single or MFS	\$12,000
MFJ or QW	\$24,000
HOH	\$18,000

Age 65 and/or blind. The additional amounts for age 65 or older and/or blind, per person, per event in 2018 are:

MFJ, QW, or MFS	\$1,300
Single or HOH	\$1,600

Dependent. The standard deduction in 2018 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,050, or earned income plus \$350.

Note: The standard deduction for a dependent and the additional standard deductions for the aged and blind may change slightly when the IRS revises its 2018 inflation-adjusted amounts to follow the chained-CPI inflation rates.

Child Tax Credit and Family Tax Credit

Child Tax Credit	\$2,000 per qualifying child.
Maximum refundable portion of Child Tax Credit	\$1,400 per qualifying child.
Child Tax Credit phaseout	MFJ\$400,000
begins	Single, HOH, MFS\$200,000
Family Tax Credit	\$500 per dependent (not a qualifying child).

Social Security Highlights

Employee's portion of FICA	2018	2017	2016
Maximum earnings subject to Social Security tax (Medicare no limit)	\$128,400	\$127,200	\$118,500
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$7,960.80	\$7,886.40	\$7,347.00

^{*}Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



Tax Facts and Figures

Business Expenses

2018 Standard Mileage Rate Per Mile	2018 Standard Deduction for Meals—
Business54.5¢	High Low Method (Per Day)
Medical and moving*18.0¢	High cost localities\$68
Charitable14.0¢	All other localities\$57
Depreciation25.0¢	Transportation workers\$63
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Section 179 Expense Limits	Qualified Transportation Benefits
Regular 179 limits	(exclusion from income allowed, but
•	
Regular 179 limits\$1,000,000	(exclusion from income allowed, but no employer deduction) Commuter benefits (per month)\$260
Regular 179 limits \$1,000,000 SUV limits \$25,000	(exclusion from income allowed, but no employer deduction)

^{*}The moving expense deduction is available only to active duty military servicemembers pursuant to a permanent change of station (PCS) order.

2018 Retirement Plan Limits

2018 Retirement Plan Limits			
401(k)/403(b) Deferral Limits	Roth IRA Phaseout Range		
Under age 50\$18,500	MFJ\$189,000-\$199,000		
Age 50 and over\$24,500	Single, HOH \$120,000 – \$135,000		
IRA Contribution Limits	MFS\$0-\$10,000		
Under age 50\$5,500	SIMPLE Deferral Limits		
Age 50 and over \$6,500	Under age 50\$12,500		
IRA Deduction Phaseout Range if	Age 50 and over\$15,500		
Covered by Employer Plan	Qualified Retirement Plans		
MFJ\$101,000-\$121,000	Profit sharing/SEP		
Single, HOH\$63,000-\$73,000	limits		
MFS\$0-\$10,000	Defined benefit plan limits \$220,000		
Spouse not	Compensation limits \$275,000		
covered \$ 189,000 – \$ 199,000			

Education Tax Benefits

American Opportunity Credit	Education Savings Account (ESA)
MFJ phaseout \$160,000–\$180,000	MFJ phaseout\$190,000-\$220,000
Single, HOH	All others\$95,000-\$110,000
phaseout\$80,000-\$90,000	Annual contribution limit: \$2,000 per beneficiary
Maximum credit: \$2,500 per student Up to 40% (\$1,000) may be refundable	Student Loan Interest Deduction MFJ phaseout\$135,000-\$165,000*
Lifetime Learning Credit MFJ phaseout\$114,000-\$134,000*	Single, HOH phaseout \$65,000–\$80,000* Maximum deduction: \$2,500 per return
Single, HOH phaseout\$57,000-\$67,000* Maximum credit: \$2,000 per return	U.S. Savings Bonds Interest Exclusion MFJ phaseout

Qualified Tuition Plans (529 plans)

- Distributions for qualifying expenses for college students are not taxable.
- Distributions up to \$10,000 per student are now allowed for tuition expenses for a public, private, or religious elementary or secondary school.
- * Note: Phaseout ranges may change slightly when the IRS revises its 2018 inflationadjusted amounts to follow the chained-CPI inflation rates.

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Taxpayers should seek professional tax advice for more information.

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2018 Tax Rates: Capital Gain and	Income	
If income is	Maximum tax rate %	If asset is held
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days
Taxable Income Single \$0 to \$38,600 MFJ/QW \$0 to 77,200 MFS \$0 to \$38,600 HOH \$0 to \$51,700 Estates and trusts \$0 to \$2,600 Taxable Income Single \$38,601 to \$425,800 MFJ/QW \$77,201 to \$479,000 MFS \$38,601 to \$239,500 HOH \$51,701 to \$452,400 Estates and trusts \$2,601 to \$12,700	0% 15%	
Taxable Income Single \$425,801 and over MFJ/QW \$479,001 and over MFS \$239,501 and over HOH \$452,401 and over Estates and trusts \$12,701 and over	20%	
Short-term capital gain	37%	1 year or less
Ordinary dividend income	37%	60 days or less

Net Investment Income Tax (NIIT)

3.8% additional tax on investment income if MAGI above threshold amount

Filing status	Single, HOH	MFJ, ΩW	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 70½.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- · Self-employment.
- Charitable contributions of property in excess of \$5,000.