

NEWS YOU CAN USE-2022 TAX FACTS

MILEAGE RATES FOR 2022

BUSINESS:	58.5 cents/mile updated to 62.5 cents as of July 1st
MEDICAL/MOVING:	18 cents/mile
CHARITABLE:	14 cents/mile

- Kiddie Tax standard deduction amount is \$1,150.00. However, parents can elect to report their child's income on their return if the child's unearned income is between \$1,150 and \$11,500.
- Income subject to Social Security tax for 2022 is capped \$147,000 (6.2% employee tax rate)
- Social Security checks went up 5.9% for 2022
- Maximum wage earnings between ages 62 and 66 is increased to \$19,560 before repayment of social security benefits starts.
- Base Medicare premiums for 2022: \$170.10 per month.

2022 BASIC STANDARD DEDUCTIONS

MFJ/SURVIVING SPOUSE:	\$25,900
HEAD OF HOUSEHOLD:	\$19,400
SINGLE/MFS:	\$12,950

ADDITIONAL DEDUCTION FOR BLIND/OVER AGE 65 TAXPAYERS: \$1,400.00(MFJ) OR \$1,750(SINGLE)
PERSONAL EXEMPTION AMOUNT FOR GROSS INCOME TEST: \$4,400.00

2022 AMT EXEMPTION AMOUNTS

MFJ/SURVIVING SPOUSE:	\$118,100
UNMARRIED INDIVIDUALS:	\$ 75,900
MARRIED FILING SEPARATE:	\$ 59,050
ESTATES/TRUST:	\$ 26,500
AMT tax rate:	26% on \$199,900(\$99,950 if MFS)
AMT tax rate:	28% on amounts exceeding above amounts

2022 LONG TERM CAPITAL GAINS TAX RATES

<u>FILING STATUS</u>	<u>-0 % RATE</u>	<u>15% RATE</u>	<u>20% RATE</u>
<i>MARRIED/JOINT, SS</i>	<i>UP TO \$83,350</i>	<i>\$83,351 TO \$517,200</i>	<i>OVER \$517,200</i>
<i>SINGLE</i>	<i>UP TO \$41,675</i>	<i>\$41,675 TO \$459,750</i>	<i>OVER \$459,750</i>
<i>HEAD HOUSEHOLD</i>	<i>UP TO \$55,499</i>	<i>\$55,800 TO \$488,500</i>	<i>OVER \$488,500</i>
<i>MARRIED SEPARATE</i>	<i>UP TO \$41,674</i>	<i>\$41,675 TO \$258,600</i>	<i>OVER \$258,600</i>
<i>ESTATES/TRUST</i>	<i>UP TO \$2,800</i>	<i>\$2,800 TO \$13,700</i>	<i>OVER \$13,700</i>

Keep in mind that the 23.8% Net Investment Income Tax is still relevant. The income thresholds start at \$250,000 for MJF and QW taxpayers. The single, and HOH threshold is \$200,000. MFS is \$125,000.

This tax is subject a modified AGI calculation.

QUALIFIED BUSINESS INCOME DEDUCTION (SECTION 199A) PHASE OUT

MARRIED FILING JOINT:	\$340,100
ALL OTHER FILERS:	\$170,050

SPECIAL NEEDS ADOPTION CREDIT: \$14,890.00. The credit begins to phase out when MAGI exceeds \$223,410.

Credit is entirely phased out when MAGI reaches \$263,410.00.

FOREIGN EARNED INCOME EXCLUSION AMOUNT 2022: \$112,000

FEDERAL ESTATE TAX EXCLUSION 2022: \$12,060,000-AND IT IS STILL PORTABLE!

ANNUAL GIFT TAX EXCLUSION: 2022: \$16,000

2022 RETIREMENT PLAN CHANGES

- Effective January 1, 2022, the limitation on the annual benefit under a defined benefit plan under § 415(b)(1)(A) is increased to \$245,000
- Maximum 401(k), 403(b), Thrift Savings Plan, and 457(e) (15) contributions: \$20,500.00. Individuals age 50 or older can contribute an additional \$6,000 for a total of \$26,500.00.
- SIMPLE IRA maximum contributions are \$14,000. If a participant is age 50 or older, then an additional \$3,000 can be contributed.
- The maximum annual IRA contribution stays at \$6,000 plus \$1000 for anyone age 50 or older.
- Dollar ceilings on retirement plans increase to \$61,000 for defined contribution plans (Keogh plans, profit sharing plans, etc).
- Retirement plan contributions can be based on up to \$305,000 of salary.

FEDERAL HEALTH CARE ISSUES:

Health Care Premium Credits are still available, but at higher income thresholds. The 2022 Federal Poverty Level starts at \$13,590 for single taxpayers. For a family of four the base income level starts at \$27,750 Alaska and Hawaii are higher.

ARCHER MSA AMOUNTS 2022

<u>2022 Minimum Deductible</u>	<u>Maximum Deductible</u>	<u>Max Out-of-Pocket</u>
Self Only \$2,450	\$3,700	\$4,950
Family \$4,950	\$7,400	\$9,050

Maximum employee salary reductions to health flexible spending arrangements (cafeteria plans) is \$2,850. Maximum carryover of unused contribution is \$570.00

HEALTH SAVINGS ACCOUNTS AMOUNTS 2022

<u>2022 Minimum HDHP Deductible</u>	<u>Out-of-Pocket</u>
Self Only: \$1,400.00	\$7,050.00
Family Plan \$2,800.00	\$14,100.00

2022 Maximum Annual Contribution Limits

Individual	\$3,650	Family \$7,300
"Catch-up" amount for 55+ account holders is \$1,000 (unchanged)		

Eligible Long-Term Care Premiums. For taxable years beginning in 2022, the limitations under § 213(d)(10), regarding eligible long-term care premiums includible in the term "medical care," are as follows:

Attained Age Before the Close of the Taxable Year Limitation on Premiums

40 or less	\$ 450
Over 40 but not over 50	\$ 850
Over 50 but not over 60	\$1,690
Over 60 but not over 70	\$4,510
Over 70	\$5,640

QSEHRA-qualified small employer health reimbursement arrangements-signed into law on 12/14/16; via the CURES act. This allows certain small employers the ability to reimburse employees for health insurance premiums directly, without creating a taxable event for them. Limitations are \$5,450 per single individual coverage and \$11,050 for family health premium reimbursement. These are maximums for calendar year 2022

SECTION 179 ELECTION TO EXPENSE DEPRECIABLE ASSETS IS \$1,080,000 IN 2022.

This number phases out as depreciable asset cost rises to \$2,700,000

2022 FEDERAL TAX TABLES

MARRIED FILING JOINT TAX RATE TABLE-FEDERAL 2022

	TAXABLE INCOME	MARGINAL TAX RATE IS	UP TO MAX TAX OF	TOTAL FEDERAL INCOME TAX
IF TAXABLE INCOME IS NOT OVER	\$ 20,550.00	10.00%	\$ 2,055.00	\$ 2,055.00
IF TAXABLE INCOME IS BETWEEN	\$ 20,551.00			
AND	\$ 83,550.00	12.00%	\$ 7,559.88	\$ 9,614.88
IF TAXABLE INCOME IS BETWEEN	\$ 83,551.00	22.00%		
AND	\$ 178,150.00		\$ 20,811.78	\$ 30,426.66
IF TAXABLE INCOME IS BETWEEN	\$ 178,151.00	24.00%		
AND	\$ 340,100.00		\$ 38,867.76	\$ 69,294.42
IF TAXABLE INCOME IS BETWEEN	\$ 340,101.00	32.00%		
AND	\$ 431,900.00		\$ 29,375.68	\$ 98,670.10
IF TAXABLE INCOME IS BETWEEN	\$ 431,901.00	35.00%		
AND	\$ 647,850.00		\$ 75,582.15	\$ 174,252.25
IF TAXABLE INCOME IS OVER	\$ 647,851.00	37.00%		TO INFINITY

HEAD OF HOUSEHOLD TAX RATE TABLE-FEDERAL 2022

	TAXABLE INCOME	MARGINAL TAX RATE IS	UP TO MAX TAX OF	TOTAL FEDERAL INCOME TAX
IF TAXABLE INCOME IS NOT OVER	\$ 14,650.00	10.00%	\$ 1,465.00	\$ 1,465.00
IF TAXABLE INCOME IS BETWEEN	\$ 14,651.00			
AND	\$ 55,900.00	12.00%	\$ 4,949.88	\$ 6,414.88
IF TAXABLE INCOME IS BETWEEN	\$ 55,901.00	22.00%		
AND	\$ 89,050.00		\$ 7,292.78	\$ 13,707.66
IF TAXABLE INCOME IS BETWEEN	\$ 89,051.00	24.00%		
AND	\$ 170,050.00		\$ 19,439.76	\$ 33,147.42
IF TAXABLE INCOME IS BETWEEN	\$ 170,051.00	32.00%		
AND	\$ 215,950.00		\$ 14,687.68	\$ 47,835.10
IF TAXABLE INCOME IS BETWEEN	\$ 215,951.00	35.00%		
AND	\$ 539,900.00		\$ 113,382.15	\$ 161,217.25
IF TAXABLE INCOME IS OVER	\$ 539,901.00	37.00%		TO INFINITY

SINGLE AND MARRIED FILING SEPARATE TAX RATE TABLE-FEDERAL 2022

	TAXABLE INCOME	MARGINAL TAX RATE IS	UP TO MAX TAX OF	TOTAL FEDERAL INCOME TAX
IF TAXABLE INCOME IS NOT OVER	\$ 10,275.00	10.00%	\$ 1,027.50	\$ 1,027.50
IF TAXABLE INCOME IS BETWEEN	\$ 10,276.00			
AND	\$ 41,775.00	12.00%	\$ 3,779.88	\$ 4,807.38
IF TAXABLE INCOME IS BETWEEN	\$ 41,776.00	22.00%		
AND	\$ 89,075.00		\$ 10,405.78	\$ 15,213.16
IF TAXABLE INCOME IS BETWEEN	\$ 89,076.00	24.00%		
AND	\$ 170,050.00		\$ 19,433.76	\$ 34,646.92
IF TAXABLE INCOME IS BETWEEN	\$ 170,051.00	32.00%		
AND	\$ 215,950.00		\$ 14,687.68	\$ 49,334.60
IF TAXABLE INCOME IS BETWEEN	\$ 215,951.00	35.00%		
AND	\$ 323,926.00		\$ 37,791.25	\$ 87,125.85
IF TAXABLE INCOME IS OVER	\$ 323,926.00	37.00%		TO INFINITY

ESTATE AND TRUST TAX RATE TABLE-FEDERAL 2022

	TAXABLE INCOME	MARGINAL TAX RATE IS	UP TO MAX TAX OF	TOTAL FEDERAL INCOME TAX
IF TAXABLE INCOME IS NOT OVER	\$ 2,750.00	10.00%	\$ 275.00	\$ 275.00
IF TAXABLE INCOME IS BETWEEN	\$ 2,751.00			
AND	\$ 9,850.00	24.00%	\$ 1,703.76	\$ 1,978.76
IF TAXABLE INCOME IS BETWEEN	\$ 9,851.00	35.00%		
AND	\$ 13,450.00		\$ 1,259.65	\$ 3,238.41
IF TAXABLE INCOME IS OVER	\$ 13,450.00	37.00%		TO INFINITY

