

NEWS YOU CAN USE-2024 TAX FACTS

(FROM REV PROC 2023-34, DATED NOVEMBER 27, 2023)

MILEAGE RATES FOR 2024

BUSINESS:	67 cents/mile
MEDICAL/MOVING:	21 cents/mile
CHARITABLE:	14 cents/mile

- Kiddie Tax standard deduction amount is \$1,300.00. However, parents can elect to report their child's income on their return if the child's unearned income is between \$1,300 and \$13,000.
- Income subject to Social Security tax for 2024 is capped \$168,600 (6.2% employee tax rate)
- Social Security checks went up 3.2% for 2024
- Maximum wage earnings between ages 62 and 66 is increased to \$22,320 before repayment of social security benefits starts.
- Base Medicare premiums for 2024: \$174.70 per month.

2024 BASIC STANDARD DEDUCTIONS

MFJ/SURVIVING SPOUSE:	\$29,200
HEAD OF HOUSEHOLD:	\$21,900
SINGLE/MFS:	\$14,600

ADDITIONAL DEDUCTIONS FOR BLIND/OVER AGE 65 TAXPAYERS: \$1,550.00(MFJ) OR \$1,950(SINGLE)

PERSONAL EXEMPTION AMOUNT FOR GROSS INCOME TEST: \$5,050.00

2024 AMT EXEMPTION AMOUNTS

MFJ/SURVIVING SPOUSE:	\$133,300
UNMARRIED INDIVIDUALS:	\$ 85,700
MARRIED FILING SEPARATE:	\$ 66,650
ESTATES/TRUST:	\$ 29,900
AMT TAX RATE:	26% on amt income up to \$232,599(\$116,599 if MFS)
AMT TAX RATE:	28% on amounts exceeding above amounts

2024 LONG TERM CAPITAL GAINS TAX RATES

2024 LONG TERM CAPITAL GAINS TAX RATES

<u>FILING STATUS</u>	<u>0 % RATE(MAX)</u>	<u>15% RATE(MAX)</u>
<i>MARRIED FILING JOINT & SURVIVING SPOUSE</i>	\$ 94,050.00	\$ 583,750.00
<i>MARRIED SEPARATE</i>	\$ 47,025.00	\$ 291,850.00
<i>HEAD HOUSEHOLD</i>	\$ 63,000.00	\$ 551,350.00
<i>ALL OTHER INDIVIDUALS(SINGLE)</i>	\$ 47,025.00	\$ 518,900.00
<i>ESTATES/TRUST</i>	\$ 3,150.00	\$ 15,450.00

Keep in mind that the 3.8% Net Investment Income Tax is still relevant. The income thresholds start at \$250,000 for MFJ 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 PHASE OUTS 2024

MARRIED FILING JOINT: \$383,900

ALL OTHER FILERS: \$191,950

SPECIAL NEEDS ADOPTION CREDIT: \$16,810.00. The credit begins to phase out when MAGI exceeds \$252,150.00. Credit is entirely phased out when MAGI reaches \$292,150.00.

FOREIGN EARNED INCOME EXCLUSION AMOUNT FOR 2024: \$126,500

FEDERAL ESTATE TAX EXCLUSION 2024: \$13,610,000-AND IT IS STILL PORTABLE!

ANNUAL GIFT TAX EXCLUSION: 2024: \$18,000

2024 RETIREMENT PLAN CHANGES

- Effective January 1, 2024, the limitation on the annual benefit under a defined benefit plan under § 415(b)(1)(A) is increased to \$275,000
- Maximum 401(k), 403(b), Thrift Savings Plan, and 457(e) (15) contributions: \$23,000.00. Individuals age 50 or older can contribute up to a total of \$30,000.00.
- SIMPLE IRA maximum contributions are \$16,000. If a participant is age 50 or older, up to \$19,000 can be contributed.
- The maximum annual IRA contribution increases to \$7,000 plus \$1000 for anyone age 50 or older.
- Dollar ceilings on retirement plans increase to \$69,000 for defined contribution plans (Keogh plans, profit sharing plans, etc). Or a maximum of \$73,500 if over age 50.
- Retirement plan contributions can be based on up to \$345,000 of salary.

FEDERAL HEALTH CARE ISSUES:

Health Care Premium Credits are still available, but at higher income thresholds. The 2023 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 2024

Minimum Deductible	Maximum Deductible	Max Out-of-Pocket
Self Only \$2,800	\$4,150	\$5,500
Family \$5,550	\$8,350	\$10,200

Maximum employee salary reductions to health flexible spending arrangements (cafeteria plans) is \$3,050. Maximum carryover of unused contribution is \$610.00

IRS REVENUE PROCEDURE 2023-23

HEALTH SAVINGS ACCOUNT CONTRIBUTION AMOUNTS 2024

2024 Minimum HDHP Deductible	Out-of-Pocket
Self Only \$1,600.00	\$8,050.00
Family Plan \$3,200.00	\$16,100.00

2024 Maximum Annual Contribution Limits

Individual \$4,150 Family \$8,300

"Catch-up" amount for 55+ account holders is \$1,000 (unchanged)

Eligible Long-Term Care Premiums. For taxable years beginning in 2024, the limitations under § 213(d)(10), regarding eligible long-term care premiums includible in the term "medical care," are as follows:

LONG TERM CARE PREMIUMS DEDUCTIBLE IN 2024 - SCHEDULE A

Attained Age Before the Close of the Taxable Year	Limitation on Premiums
40 or less	\$470
More than 40 but not more than 50	\$880
More than 50 but not more than 60	\$1,760
More than 60 but not more than 70	\$4,710
More than 70	\$5,880

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. For 2024 the annual limitations are \$6,150 per single individual coverage and \$12,450 for family health premium reimbursement.

SECTION 179 ELECTION TO EXPENSE DEPRECIABLE ASSETS IS \$1,220,000 IN 2024. This number phases out as depreciable asset cost rises to \$3,050,000

2024 PERSONAL INCOME TAX TABLES

2024 MARRIED FILING JOINT TAX RATE TABLE-FEDERAL PER IRS REV PROC 2023-48

	TAXABLE INCOME	TAX RATE IS:	\$ AMT OF TAX	TOTAL FEDERAL TAX
IF TAXABLE INCOME IS NOT OVER	\$ 23,200.00	10.00%	\$ 2,320.00	\$ 2,320.00
IF TAXABLE INCOME IS BETWEEN	\$ 23,201.00			
AND	\$ 94,300.00	12.00%	\$ 8,531.88	\$ 10,851.88
IF TAXABLE INCOME IS BETWEEN	\$ 94,301.00	22.00%		
AND	\$ 201,050.00		\$ 23,484.78	\$ 34,336.66
IF TAXABLE INCOME IS BETWEEN	\$ 201,051.00	24.00%		
AND	\$ 383,900.00		\$ 43,883.76	\$ 78,220.42
IF TAXABLE INCOME IS BETWEEN	\$ 383,901.00	32.00%		
AND	\$ 487,450.00		\$ 33,135.68	\$ 111,356.10
IF TAXABLE INCOME IS BETWEEN	\$ 487,451.00	35.00%		
AND	\$ 731,200.00		\$ 85,312.15	\$ 196,668.25
IF TAXABLE INCOME IS OVER	\$ 731,201.00	37.00%		TO INFINITI

2024 HEAD OF HOUSEHOLD TAX RATE TABLE-FEDERAL

	TAXABLE INCOME	TAX RATE IS:	\$ AMT OF TAX	TOTAL FEDERAL TAX
IF TAXABLE INCOME IS NOT OVER	\$ 16,550.00	10.00%	\$ 1,655.00	\$ 1,655.00
IF TAXABLE INCOME IS BETWEEN	\$ 16,551.00			
AND	\$ 63,100.00	12.00%	\$ 5,585.88	\$ 7,240.88
IF TAXABLE INCOME IS BETWEEN	\$ 63,101.00			
AND	\$ 100,500.00	22.00%	\$ 8,227.78	\$ 15,468.66
IF TAXABLE INCOME IS BETWEEN	\$ 100,501.00			
AND	\$ 191,950.00	24.00%	\$ 21,947.76	\$ 37,416.42
IF TAXABLE INCOME IS BETWEEN	\$ 191,951.00			
AND	\$ 243,700.00	32.00%	\$ 16,559.68	\$ 53,976.10
IF TAXABLE INCOME IS BETWEEN	\$ 243,701.00			
AND	\$ 609,350.00	35.00%	\$ 127,977.15	\$ 181,953.25
IF TAXABLE INCOME IS OVER	\$ 609,350.00	37.00%		TO INFINITI

2024 PERSONAL INCOME TAX TABLES continued:

2024 MARRIED FILING SEPARATE TAX RATE TABLE-FEDERAL				
	TAXABLE INCOME	TAX RATE IS:	\$ AMT OF TAX	TOTAL FEDERAL TAX
IF TAXABLE INCOME IS NOT OVER	\$ 11,600.00	10.00%	\$ 1,160.00	\$ 1,160.00
IF TAXABLE INCOME IS BETWEEN	\$ 11,601.00			
AND	\$ 47,150.00	12.00%	\$ 4,265.88	\$ 5,425.88
IF TAXABLE INCOME IS BETWEEN	\$ 47,151.00			
AND	\$ 100,525.00	22.00%	\$ 11,742.28	\$ 17,168.16
IF TAXABLE INCOME IS BETWEEN	\$ 100,526.00			
AND	\$ 191,950.00	24.00%	\$ 21,941.76	\$ 39,109.92
IF TAXABLE INCOME IS BETWEEN	\$ 191,951.00			
AND	\$ 243,725.00	32.00%	\$ 16,567.68	\$ 55,677.60
IF TAXABLE INCOME IS BETWEEN	\$ 243,726.00			
AND	\$ 365,600.00	35.00%	\$ 42,655.90	\$ 98,333.50
IF TAXABLE INCOME IS OVER	\$ 365,600.00	37.00%		TO INFINITI

2024 UNMARRIED INDIVIDUALS TAX RATE TABLE-FEDERAL				
	TAXABLE INCOME	TAX RATE IS:	\$ AMT OF TAX	TOTAL FEDERAL TAX
IF TAXABLE INCOME IS NOT OVER	\$ 11,600.00	10.00%	\$ 1,160.00	\$ 1,160.00
IF TAXABLE INCOME IS BETWEEN	\$ 11,601.00			
AND	\$ 47,150.00	12.00%	\$ 4,265.88	\$ 5,425.88
IF TAXABLE INCOME IS BETWEEN	\$ 47,151.00			
AND	\$ 100,525.00	22.00%	\$ 11,742.28	\$ 17,168.16
IF TAXABLE INCOME IS BETWEEN	\$ 100,526.00			
AND	\$ 191,950.00	24.00%	\$ 21,941.76	\$ 39,109.92
IF TAXABLE INCOME IS BETWEEN	\$ 191,951.00			
AND	\$ 243,725.00	32.00%	\$ 16,567.68	\$ 55,677.60
IF TAXABLE INCOME IS BETWEEN	\$ 243,726.00			
AND	\$ 609,350.00	35.00%	\$ 127,968.40	\$ 183,646.00
IF TAXABLE INCOME IS OVER	\$ 609,350.00	37.00%		TO INFINITI

ESTATE/TRUST TAX RATE TABLE-FEDERAL				
	TAXABLE INCOME	TAX RATE IS:	\$ AMT OF TAX	TOTAL FEDERAL TAX
IF TAXABLE INCOME IS NOT OVER	\$ 3,100.00	10.00%	\$ 310.00	\$ 310.00
IF TAXABLE INCOME IS BETWEEN	\$ 3,101.00			
AND	\$ 11,150.00	24.00%	\$ 1,931.76	\$ 2,241.76
IF TAXABLE INCOME IS BETWEEN	\$ 11,151.00			
AND	\$ 15,200.00	35.00%	\$ 1,417.15	\$ 3,658.91
IF TAXABLE INCOME IS OVER	\$ 15,200.00	37.00%		TO INFINITI

STATE OF ARIZONA ISSUES

(NOTE: AZ DOES NOT RELEASE CURRENT YEAR ADJUSTMENTS UNTIL DECEMBER)

BASIC STANDARD DEDUCTIONS – 2023

Single:	\$12,950.00	Married Filing Separate:	\$12,950.00
Married Filing Jointly:	\$25,900.00	Head of Household:	\$19,400.00

CHILD TAX CREDITS IN LIEU OF DEPENDENTS EXEMPTION; CREDIT AMOUNT IS \$100 FOR DEPENDENTS UNDER AGE 17. IT IS \$25 FOR DEPENDENTS OVER AGE 17. CREDIT DOES PHASE OUT ONCE FEDERAL AGI IS GREATER THAN \$200,000.

STATE OF ARIZONA ISSUES continued

MOST COMMON ARIZONA TAX CREDITS

CREDIT NAME AND AZ FORM NUMBER 2023	SINGLE	MFJ
Extra-Curricular Tuition Credit(FORM 322)	\$ 200.00	\$ 400.00
Private Education Tuition Credit(FORM 323)	\$ 655.00	\$ 1,308.00
Certified School Tuition Organization Credit(FORM 348)	\$ 652.00	\$ 1,301.00
Qualified Charitable Organization Credit(form 321)	\$ 421.00	\$ 841.00
Qualifying Foster Care Charitable Organizations Credit(form 352)	\$ 526.00	\$ 1,051.00