

INCOME TAX

	If taxable income is		The tax is	Of the amount over
	over	but not over		
Married Filing Jointly and Surviving Spouses	\$ 0	\$ 22,000	\$ 0.00 + 10%	\$ 0
	22,000	89,450	2,200 + 12%	22,000
	89,450	190,750	10,294 + 22%	89,450
	190,750	364,200	32,580 + 24%	190,750
	364,200	462,500	74,208 + 32%	364,200
	462,500	693,750	105,664 + 35%	462,500
	693,750	-	186,601.50 + 37%	693,750
Single	\$ 0	\$ 11,000	\$ 0.00 + 10%	\$ 0
	11,000	44,725	1,100 + 12%	11,000
	44,725	95,375	5,147 + 22%	44,725
	95,375	182,100	16,290 + 24%	95,375
	182,100	231,250	37,104 + 32%	182,100
	231,250	578,125	52,832 + 35%	231,250
	578,125	-	174,238.25 + 37%	578,125
Estates and trusts	\$ 0	\$ 2,900	\$ 0.00 + 10%	\$ 0
	2,900	10,550	290.00 + 24%	2,900
	10,550	14,450	2,126 + 35%	10,550
	14,500	-	3,491 + 37%	14,500

CORPORATE TAX

For 2023, corporations are taxed at a new 15% minimum rate with top rate 28%.

STANDARD MILEAGE RATES (Cents per mile)

	2023	2022	2021
Business	65.5	62.5/58.5	56.0
Charitable Use	14.0	14.0	14.0
Medical/Moving	22.0	22.0/18.0	16.0

Under the annual lease valuation method for computing the value of the personal use if an employer-provided automobile, you must include the cost of the gasoline at the rate of 5.5 cents per mile.

CAPITAL GAINS TAX / TAX ON QUALIFIED DIVIDENDS

Long-Term Capital Gains Rate*	Single	Married/Filing Jointly	Head of Household	Married/Filing Separately
0%	Up to \$44,625	Up to \$89,250	Up to \$59,750	Up to \$44,625
15%	\$44,626 - \$492,300	\$89,251 - \$553,850	\$59,751 - \$523,050	\$44,626 - \$276,900
20%	Over \$492,301	Over \$553,851	Over \$523,051	Over \$276,901

*Also applies to tax on qualified dividends.

Additional 3.8% federal net investment income tax applies to individuals on the lesser of net investment income or modified AGI in excess of \$200,000 (single) or \$250,000 (married/filing jointly and qualifying widow(er)s). Also applies to any trust or estate on the lesser of undistributed net income or AGI in excess of the dollar amount at which the estate/trust pays income taxes at the highest rate. Additional 0.9% (2.35% in total, 1.45% plus .09%) Medicare tax applies to income or modified AGI in excess of \$200,000 (single) or \$250,000 (married/filing jointly and qualifying widow(er)s).

KIDDIE TAX

\$0 to \$1,250	0%
Earned income > \$1,250 ≤ \$2,500	Child's tax rate
Unearned income > \$2,500	Parent's marginal tax rate

If a child's earned income represents not more than one half of support needs, the kiddie tax generally also applies to earned income of children who have not attained age 19 by the close of the year, and children who are full-time students and have not attained age 24 as of the close of the year.

CHILD TAX CREDIT

\$2,000 per credit; phases out \$50 for each \$1,000 of modified AGI (rounded up to the next \$1,000 increment) over \$400,000 (married/filing jointly) or \$200,000 (single). \$1,500 refundable credit for qualifying child / \$500 nonrefundable credit for nonchild dependents. For a child to qualify, they must be under 17.

STANDARD DEDUCTIONS

Married Filing Joint Return and Surviving Spouse	\$ 27,700
Head of Household	\$ 20,800
Single and Married Filing Separately	\$ 13,850
Dependent Standard Deduction (Min.)	\$ 1,250
Additional Amount for Age or Blind	\$ 1,500
Additional Amount for Age or Blind (Single, not Surviving Spouse)	\$ 1,850

MAXIMUM QUALIFIED LONG TERM CARE INSURANCE PREMIUMS ELIGIBLE FOR DEDUCTION

Age	40 or less	>40, ≤ 50	>50, ≤ 60	> 60, ≤ 70	Over 70
2023	\$480	\$890	\$1,790	\$4,770	\$5,960

Qualified LTC contract per diem limit: \$420

EMPLOYER RETIREMENT PLAN LIMITS

Maximum elective deferral to retirement plans, e.g. 401(k), 403(b)	\$ 22,500
Catch-up contribution limit for 401(k), 403(b), and 457 plans	\$ 7,500
Maximum elective deferral to SIMPLE IRA plans	\$ 15,500
Catch-up contribution limit for SIMPLE plans	\$ 3,500
Maximum elective deferral to 457 plans of govt and tax-exempt employers	\$ 22,500
Limit on annual additions to defined contribution plans	\$ 66,000
Annual compensation threshold requiring SEP contribution	\$ 750
Limit on annual additions to SEP plans	\$ 66,000
Maximum annual compensation taken into account for contributors	\$ 330,000
Annual benefit limit under defined benefit plans	\$ 265,000
Limitation used in definition of highly compensated employee	\$ 150,000
Health flexible spending account maximum salary reduction contribution	\$ 3,050

TRADITIONAL IRAs

Maximum annual contribution (must be under age 70 ½)

Lesser of earned income or \$6,500

Up to \$6,500 contribution can also be made for nonworking spouse

Catch-up contributions (Taxpayers age 50 and older): \$1,000

TRADITIONAL IRA DEDUCTIBILITY TABLE

Filing Status	Covered by employer's retirement plan	Modified AGI 2022	Modified AGI 2023	Deductibility
Single	No	Any amount	Any amount	Up to contribution limit
	Yes	\$68,000 or less	\$73,000 or less	Up to contribution limit
	Yes	\$68,000-\$78,000	\$73,000-\$83,000	Partial
	Yes	\$78,000 or more	\$83,000 or more	None
Married Jointly or Separately	Spouse NOT covered	Any amount	Any amount	Up to contribution limit
	Both spouses covered	\$109,000 or less	\$116,000 or less	Up to contribution limit
Married/ Jointly		\$109,000-\$129,000	\$116,000-\$136,000	Partial
		\$129,000 or more	\$136,000 or more	None
	Yes, but spouse is covered	\$204,000 or less	\$218,000 or less	Up to contribution limit
Married/ Jointly		\$204,000-\$214,000	\$218,000-\$228,000	Partial
		\$214,000 or more	\$228,000 or more	None
	No, spouse is NOT covered	Any amount	Any amount	Up to contribution limit
Married/ Jointly		Any amount	Any amount	Partial
		Any amount	Any amount	None

ROTH IRA

Maximum annual contribution

Lesser of earned income or \$6,500

Up to \$6,500 contribution can also be made for nonworking spouse

Catch-up contributions (Taxpayers 50 and over): \$1,000

Contribution eligibility

Modified AGI is not more than \$153,000 (single) or \$228,000 (married/filing jointly); phaseouts apply if Modified AGI is \$138,000 - \$153,000 (single) or \$218,000 - \$228,000 (married/filing jointly)

Deductibility

Contributions to Roth IRAs are not deductible

MAXIMUM EARNINGS BEFORE SOCIAL SECURITY BENEFITS ARE REDUCED

Under full retirement age (\$1 withheld for every \$2 above limit) \$21,240

Full retirement age and over No limit*

*Interim annual limit of \$56,520 applies for months prior to attaining full retirement age during year individual reach full retirement age (\$1 withheld for every \$3 above limit).

MAXIMUM COMPENSATION SUBJECT TO FICA TAXES

OASDI (Social Security) maximum \$160,200

HI (Medicare) maximum No limit

OASDI and HI tax rate: 12.4% OASDI and 2.9% HI (15.3% combined) for self-employed; 6.2% and 1.45% (7.65% combined) for employees. An additional 0.9% (2.35% in total) HI tax applies on individuals with wages or self employment income in excess of \$200,000 (single and qualifying window(er)s) or \$250,000 (married/filing jointly).

DEATH/GIFTS OCCURRING IN 2023

Annual gift tax exclusion (2023): Individual, \$17,000; Married electing split gifts, \$34,000.

Combined lifetime gift tax and gross estate tax exemption \$12.92 million (or \$25.840 for married couples).

MODIFIED AGI PHASEOUTS FOR AMERICAN OPPORTUNITY TAX CREDIT

Married/Filing jointly \$160,000-\$180,000

Others \$80,000 - \$90,000

MODIFIED AGI PHASEOUTS FOR LIFETIME LEARNING CREDIT

Married/Filing jointly \$160,000-\$180,000

Others \$80,000 - \$90,000

MODIFIED AGI PHASEOUTS FOR EXCLUSION OF U.S. SAVINGS BOND INCOME USED FOR HIGHER EDUCATION EXPENSES

Married/Filing jointly \$137,800 - \$167,800

Others \$91,850 - \$106,850

MODIFIED AGI PHASEOUTS FOR CONTRIBUTIONS TO COVERDELL EDUCATION SAVINGS ACCOUNTS (Maximum contribution: \$2,000 per beneficiary, per year)

Married/Filing jointly \$190,000 - \$220,000

Others \$95,000 - \$110,000

2023 AMT EXEMPTIONS

	Exemption
Single	\$ 81,300
Married/Filing jointly and qualifying window(er)s	\$ 126,500
Estates and trusts	\$ 28,400

BASE AMOUNT OF MODIFIED AGI CAUSING SOCIAL SECURITY BENEFITS TO BE TAXABLE

	50% taxable	85% taxable
Married/Filing jointly	\$ 32,000	\$ 44,000
Single	\$ 25,000	\$ 34,000

Phases out beginning with alternative minimum taxable income over \$578,150 (single) or \$1,156,300 (married/filing jointly and qualifying widow(er)s) or \$94,600 (estates and trusts).



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If you require further information on other rates and limits, please contact our tax professionals at: 866.464.2839 (toll free) or 202.331.9880. We can also be reached by email at info@calibrecpa.com