



# Key Information for the 2020 Tax Year

Contact your tax advisor for details on how these rates affect your financial plans.



## Filing Rates

Individual Tax Rate	Filing Status			
	Married Filing Jointly (MFJ)	Single	Married Filing Separately	Head of Household
10%	Up to \$19,750	Up to \$9,875	Up to \$9,875	Up to \$14,100
12%	\$19,751–\$80,250	\$9,876 –\$40,125	\$9,876–\$40,125	\$14,101 –\$53,700
22%	\$80,251 –\$171,050	\$40,126–\$85,525	\$40,126–\$85,525	\$53,701 –\$85,500
24%	\$171,051–\$326,600	\$85,526–\$163,300	\$85,526–\$163,300	\$85,501–\$163,300
32%	\$326,601–\$414,700	\$163,301–\$207,350	\$163,301–\$207,350	\$163,301 –\$207,350
35%	\$414,701–\$622,050	\$207,351–\$518,400	\$207,351 –\$311,025	\$207,351 –\$518,400
37%	More than \$622,050	More than \$518,400	More than \$311,025	More than \$518,400

## Standard Deduction

Standard deduction — single and married filing separately	\$12,400
Additional deduction age 65 or older — single	\$1,650
Standard deduction — married filing jointly	\$24,800
Additional deduction age 65 or older — married filing jointly and married filing separately	\$1,300
Standard deduction — head of household	\$18,650
Additional deduction age 65 or older — head of household	\$1,650

Note: The personal exemption was suspended by the *Tax Cuts and Jobs Act of 2017* for the tax years 2018 to 2025.

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## Retirement Plans

Maximum annual benefit for defined benefit plan	Up to \$230,000
Defined contribution annual addition	\$57,000
Defined contribution compensation limit	\$285,000
401(k) maximum exclusion	\$19,500
401(k) catch-up contribution (for individuals 50 or older)	\$6,500
Simple contribution limit	\$13,500
Simple catch-up contribution (for individuals 50 or older)	\$3,000
IRA contribution limitation (in general)	\$6,000
IRA catch-up contribution (for individuals 50 or older)	\$1,000

## Payroll Taxes

Social Security (self-employed) combined rate (OASDI + Medicare)	$(6.2\% + 1.45\%) \times 2 = 15.3\%$
Social Security (employee) rate (OASDI + Medicare)	$(6.2\% + 1.45\%) = 7.65\%$
OASDI contribution base	\$137,700
Medicare contribution base	Unlimited
Additional Medicare payroll tax on earnings more than \$200,000 (single) and \$250,000 (MFJ)	0.9%
FUTA wage base	\$7,000
FUTA rate	6%

## Social Security

Maximum earned income while receiving Social Security	Under full retirement age	\$18,240
	In the year you reach full retirement age	\$48,600
	Full retirement age	No limit

## Education Phase-Outs

American Opportunity Credit (formerly Hope Credit)	MFJ: \$160,000 – \$180,000 Other filers: \$80,000 – \$90,000
Lifetime Learning Credit	MFJ: \$118,000 – \$138,000 Other Filers: \$59,000 – \$69,000
Student loan interest deduction	MFJ: \$140,000 – \$170,000 Single: \$70,000 – \$85,000

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### Health Savings Accounts

HSA contribution limit (single insurance coverage)	\$3,550
HSA contribution limit (family insurance coverage)	\$7,100
HSA catch-up contribution (age 55 or older)	\$1,000

### 179 Limitation, Gift and Estate Tax Exclusions, and Kiddie Tax

Section 179 limitation	\$1,040,000
Annual gift tax exclusion	\$15,000
Estate tax exclusion amount	\$11,580,000

### Travel

High cost per diem travel rate within continental United States (high/low method)	\$297
Low cost per diem travel rate within continental United States (high/low method)	\$200

### Mileage Rates

Business	\$0.575
Charitable	\$0.14
Medical/Moving	\$0.17

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