

2023 Annual Limits Relating to Financial Planning



AMERICAN RETIREMENT
& Investment Strategies, LLC

Traditional and Roth IRAs

Traditional, MyRA, and Roth IRA Contribution Limits	\$6,500
Traditional, MyRA, and Roth IRA Catch-up Contributions, Age 50+	\$1,000
IRA Deduction Phase-out for Active Participants	
Single	\$73,000 - \$83,000
Married Filing Jointly	\$116,000 - \$136,000
IRA Deduction Phase-out for Spousal Contributions	
Married Filing Jointly	\$218,000 - \$228,000
Roth IRA Contribution Phase-out	
Single	\$138,000 - \$153,000
Married Filing Jointly	\$218,000 - \$228,000

Employer Retirement Plans

Elective deferrals for 401(k), 403(b), 457 and SAR-SEPs	\$22,500
401(k), 403(b), 457 and SAR-SEP Catch-Up Contribution	\$7,500
Defined Contribution Plan Limit	\$66,000
SEP IRA Contribution	\$66,000 or up to 25%
Maximum Annual Defined Benefit Limit	\$265,000
SIMPLE IRA and SIMPLE 401 (k) Contribution	\$15,500
SIMPLE IRA and SIMPLE 401 (k) Catch-Up Contribution	\$3,500
SIMPLE Maximum Compensation (14,000 / 3%)	\$516,666
Maximum Includable Compensation	\$330,000
Highly Compensated Employee	\$150,000
Key Employee	> \$215,000
SEP Minimum Earnings Limit	\$750
IRS Mileage Rate (Business / Medical, Moving / Charitable purpose)	\$.655 / \$.22 / \$.14 per mile
Savers Credit (MAGI) [Maximum Credit is \$2,000 for couples, \$1,000 per individual]	
Joint (Max income \$73,000)	\$0 - \$43.5K 50% Phase out (\$47.5K) 20%, (\$73K) 10%
Single (Max income \$36,500)	\$0 - \$21,751 50% Phase out (\$23,750) 20%, (\$36.5k) 10%

Education Funding Incentives

Coverdell Education Savings Account Annual Contribution Limit (Per Beneficiary)	\$2,000
Single	\$95,000 - \$110,000
Married filing jointly	\$190,000 - \$220,000
Phase outs of American Opportunity Tax Credit (Can be claimed for up to 4 years)	\$2,500 (\$2k 100%, next \$2k 25%)
Single	\$80,001 - \$89,999
Married filing jointly	\$160,001 - \$179,999
Phase out of exclusion for EE & I bonds (MAGI)	
Single	\$91,850 - \$106,850
Married filing jointly	\$137,800 - \$167,800
Phase outs of Lifetime Learning Tax Credits (20% of qualified expenses up to \$10k) Max. Credit \$2,000/return (Cannot take both credits in same year)	
Single	\$80,001 - \$89,999
Married filing jointly	\$160,001 - \$179,999
Phase outs of Deductibility of Student Loan Interest (Maximum \$2,500)	
Married Filing Jointly	\$155,000 - \$185,000
Others	\$75,000 - \$90,000

*Compliments of your Financial Advisors – Joseph Grella CFP® and William D’Annibale
For Information Purposes Only, seek tax advice from an independent tax advisor*

Federal Estate and Gift Taxes

Annual Gift Tax Exclusion	\$17,000
Estate Tax Exclusion, Generation-Skipping Tax Exclusion, and Gift Tax Exclusion	\$12,920,000
Top Estate, Gift and GST Tax Rate	40% (Estate & Trusts Bene.)

Federal Income Taxes

Standard Deduction	
Single or Married filing separately	\$13,850
Married filing jointly	\$27,700
Head of Household	\$20,800
Elderly or blind additional deduction	
Single / Married filing jointly	\$1,850 / \$1,500
Kiddie Tax Standard Deduction (Under Age 19 or 24 if a full-time student)	\$1,250 tax free, Next \$1,250 is kid's Rate
Capital Gains Tax	
< \$44,625 (single) < \$89,250 (joint)	STG Ordinary Rate, LTG 0%
\$44,626 <> \$492,300 (single) \$89,251 <> \$553,850 (joint)	STG Ordinary Rate, LTG 15%,
\$492,300 + (single) \$53,850 + (joint)	STG Ordinary Rate, LTG 20%
Medicare Surtax	3.8% Income over \$200k (s)/\$250k (mfj)
Adoption Credit (maximum)	\$15,950 Phase-out \$239,230 - \$279,230
Qualified Business Income \$364,200 - \$464,200 (MFJ) \$182,100 - \$232,100 (Single)	
AMT Exemption Married Filing Jointly \$126,500 Single \$81,300	

Social Security

Taxable Wage Base (Soc. Sec. Maximum)	\$160,200
Social Security Tax Rate	
Old-Age, Survivors and Disability Insurance	12.40% Self-employed, 6.2% Employees
Hospital Insurance	2.9% Self-employed, 1.45% Employees
Medicare Surtax	0.9% Employees Income over \$200k (s) /\$250k (mfj)
Earnings limitations for Social Security Benefits	
Before Normal Retirement Age (\$1 in benefits withheld for every \$2 in earnings over limit)	\$21,240 (\$1,770/mn)
The Year the Individual Reaches Full Retirement Age (\$1 for every \$3 over limit)	\$56,260 (\$4,688/mn)
Income (in retirement) causing SS benefits to be taxed :	
Married Filing Jointly (50% / 85% Taxable)	\$32k MAGI / \$44k MAGI
Single (50% / 85%)	\$25k MAGI / \$34k MAGI
Cost of Living Adjustment Medicare Part B Premium	8.7% \$164.90/mn
Quarter of Coverage	\$1,640
Maximum benefit retiring at age 66	\$3,627/month [est. avg. bene. \$1,696]

Long Term Care Insurance & Health Savings Account (HSA)

Per Diem Daily Limit	\$420
Premium as a deductible medical expense limitation (Per person)	
Age 40 or under	\$480
Age 41 - 50	\$890
Age 51 - 60	\$1,790
Age 61 - 70	\$4,770
Age 71 or older	\$5,960
HSA Contribution Maximum (Age 55 to 64 there is a catch-up of \$1000 - per married individual)	\$3,850 (Single) \$7,750 (Family)
Deductible at least \$1,500 for Single, or \$3,000 for Family	

Compliments of your Financial Advisors –

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