

2022 tax rate quick guide

WIPFLI

Corporate income tax rate

Flat rate of 21%

Standard mileage rates

Business use of auto	\$0.585 per mile
Charitable contribution	\$0.14 per mile
Medical	\$0.18 per mile
Moving - Military	\$0.18 per mile

Standard deductions

Single and married filing separately	\$12,950
Married filing jointly or surviving spouse	\$25,900
Head of household	\$19,400
If married and age 63 or greater or blind, then add	\$1,400
If unmarried and age 63 or greater or blind, then add	\$1,750

Personal exemption

Repealed through December 31, 2025

Social Security earnings limits for retired workers

Retirement age	Earnings limit
Prior to retirement age	\$19,560
Year of retirement	\$51,960
At or over retirement age	None

Self-employment tax

Tax rate for self-employment income is 12.4% on first \$147,000 and 2.9% thereafter.

Gift, estate and trust tax rates

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$2,750	10%	-	-
\$2,750	\$9,850	\$275	24%	\$2,750
\$9,850	\$13,450	\$1,979	35%	\$9,850
\$13,450	-	\$3,239	37%	\$13,450

Applicable exclusion amount for estate, gift and generation-skipping transfer (GST) tax \$12,060,000

Maximum estate, gift and GST tax rate 40%

Gift tax annual exclusion \$16,000

Portability (Deceased Spouse Unused Exemption [DSUE]) and step-up/-down basis to date of death value apply

Single filing

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$10,275	10%	-	-
\$10,275	\$41,775	\$1,027.50	12%	\$10,275
\$41,775	\$89,075	\$4,807.50	22%	\$41,775
\$89,075	\$170,050	\$15,213.50	24%	\$89,075
\$170,050	\$215,950	\$34,647.50	32%	\$170,050
\$215,950	\$539,900	\$49,335.50	35%	\$215,950
\$539,900	-	\$162,718	37%	\$539,900

Married filing jointly or surviving spouse

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$20,550	10%	-	-
\$20,550	\$83,550	\$2,055	12%	\$20,550
\$83,550	\$178,150	\$9,615	22%	\$83,550
\$178,150	\$340,100	\$30,427	24%	\$178,150
\$340,100	\$431,900	\$69,295	32%	\$340,100
\$431,900	\$647,850	\$98,671	35%	\$431,900
\$647,850	-	\$174,253.50	37%	\$647,850

Married filing separately

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$10,275	10%	-	-
\$10,275	\$41,775	\$1,027.50	12%	\$10,275
\$41,775	\$89,075	\$4,807.50	22%	\$41,775
\$89,075	\$170,050	\$15,213.50	24%	\$89,075
\$170,050	\$215,950	\$34,647.50	32%	\$170,050
\$215,950	\$323,925	\$49,335.50	35%	\$215,950
\$323,925	-	\$87,126.75	37%	\$323,925

Head of household

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$14,650	10%	-	-
\$14,650	\$55,900	\$1,465	12%	\$14,650
\$55,900	\$89,050	\$6,415	22%	\$55,900
\$89,050	\$170,050	\$13,708	24%	\$89,050
\$170,050	\$215,950	\$33,148	32%	\$170,050
\$215,950	\$539,900	\$47,836	35%	\$215,950
\$539,900	-	\$161,218.50	37%	\$539,900

Top individual rates in selected states

Arizona	2.98%	Missouri	5.4%
California	12.3% (13.3% for California-source income exceeding \$1 million)	Montana	6.75%
Colorado	4.55%	New Hampshire	5% (the Interest and Dividends Tax, or I&D Tax)
Georgia	5.75%	Pennsylvania	3.07%
Idaho	6.5%	Utah	4.95%
Illinois	4.95%	Virginia	5.75%
Maine	7.15%	Washington	7% (Capital Gains Tax)
Minnesota	9.85%	Wisconsin	7.65%

Maximum rate applicable to noncorporate net capital gain and qualified dividends

Capital asset	Holding period	Tax rate	Filing status	Below taxable income threshold
Short-term capital gains	One year or less	Ordinary income tax rates	-	-
Long-term capital gains	More than one year	0%	MFJ or surviving spouse	\$83,350
			Head of household	\$55,800
			Single or MFS	\$41,675
			Estate and trust	\$2,800
Long-term capital gains	More than one year	15%	MFJ or surviving spouse	\$517,200
			Head of household	\$488,500
			Single	\$459,750
			MFS	\$258,600
Long-term capital gains	More than one year	20%	Estate and trust	\$13,700
			Greater than 15% thresholds	
1250 recapture	More than one year	25%	If taxpayer is in a lower tax bracket, the lower rate applies	-
Collectible	More than one year	28%	If taxpayer is in a lower tax bracket, the lower rate applies	-

3.8% Medicare tax on net investment income

Tax imposed on lesser of "net investment income" or MAGI > \$250,000 (MFJ), \$125,000 (MFS) or \$200,000 (Single)

Medicare tax on high-income earners Additional 0.9% tax on wages greater than:

Single or head of household	\$200,000
Married filing jointly or surviving spouse	\$250,000
Married filing separately	\$125,000

Retirement plan limits

Deferral limits for plans

§401(k), 403(b) and 457 plans	\$20,500
SIMPLE	\$14,000

Catch-up contributions for participants age 50 or older

Other than SIMPLE plans	\$6,500
SIMPLE plans	\$3,000

Other limitations and thresholds

Qualified plans — annual compensation limit	\$305,000
Defined benefit — maximum annual benefit	\$245,000
Defined contribution — maximum annual addition	\$61,000
"Key employee" in top-heavy plan	\$200,000
"Highly compensated employee" threshold	\$135,000
SEP compensation threshold for participation	\$650

Individual retirement accounts

Traditional IRAs and Roth IRAs

Contribution limit	\$6,000
Catch-up contribution (age 50 or older)	\$1,000

Phaseout rules based on MAGI ranges

Traditional IRA deductions phaseout	
Single, head of household — Active participant	\$68,000 - \$78,000
Married filing separately — Any spouse participates	\$0 - \$10,000
Married filing jointly — Nonparticipating spouse	\$204,000 - \$214,000
Married filing jointly — Participating spouse	\$109,000 - \$129,000

Roth IRA contribution eligibility

Married filing jointly	\$204,000 - \$214,000
Single, head of household	\$129,000 - \$144,000
Married filing separately — Any spouse participates	\$0 - \$10,000

Health savings account

Plan minimum deductible (self/family)	\$1,400/\$2,800
Contribution maximum (self/family)	\$3,650/\$7,300
Catch-up contribution (age 55 or older)	\$1,000
Plan out-of-pocket limit (self/family)	\$7,050/\$14,100

In the year a participant enrolls in Medicare or changes to a plan that is not HSA eligible, contribution is prorated based on the number of months the participant has qualifying coverage prior to the month of Medicare enrollment.

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