

# 2023 TAX REFERENCE GUIDE



## Federal Income Taxes

### MARRIED FILING JOINTLY & SURVIVING SPOUSES

Taxable Income	Tax Rate
\$0 - \$22,000	10.0%
\$22,001 - \$89,450	12.0%
\$89,451 - \$190,750	22.0%
\$190,751 - \$364,200	24.0%
\$364,201 - \$462,500	32.0%
\$462,501 - \$693,750	35.0%
\$693,751 +	37.0%

### HEAD OF HOUSEHOLD

Taxable Income	Tax Rate
\$0 - \$15,700	10.0%
\$15,701 - \$59,850	12.0%
\$59,851 - \$95,350	22.0%
\$95,351 - \$182,100	24.0%
\$182,101 - \$231,250	32.0%
\$231,251 - \$578,100	35.0%
\$578,101 +	37.0%

### SINGLE FILERS

Taxable Income	Tax Rate
\$0 - \$11,000	10.0%
\$11,001 - \$44,725	12.0%
\$44,726 - \$95,375	22.0%
\$95,376 - \$182,100	24.0%
\$182,101 - \$231,250	32.0%
\$231,251 - \$578,125	35.0%
\$578,126 +	37.0%

### MARRIED FILING SEPARATELY

Taxable Income	Tax Rate
\$0 - \$11,000	10.0%
\$11,001 - \$44,725	12.0%
\$44,726 - \$95,375	22.0%
\$95,376 - \$182,100	24.0%
\$182,101 - \$231,250	32.0%
\$231,251 - \$346,875	35.0%
\$346,875 +	37.0%

### TRUSTS AND ESTATES

Taxable Income	Tax Rate
\$0 - \$2,900	10.0%
\$2,901 - \$10,550	24.0%
\$10,551 - \$14,450	35.0%
\$14,451 +	37.0%

## Standard Deductions

Filing Status	2022	2023
Single	\$12,950	\$13,850
65+/Blind	\$1,750	\$1,850
Married Filing Jointly	\$25,900	\$27,700
65+/Blind	\$1,400	\$1,500
Married Filing Separately	\$12,950	\$13,850
Head of Household	\$19,400	\$20,800
Personal Exemption	\$0	\$0

## Capital Gains Tax Rate Thresholds

Capital Gains Tax Rate	0%	15%	20%
<b>Taxable Income (Married Filing Jointly)</b>	Up to \$89,250	\$89,251 to \$553,850	Over \$553,850
<b>Taxable Income (Head of Household)</b>	Up to \$59,750	\$59,751 to \$523,050	Over \$523,050
<b>Taxable Income (Single)</b>	Up to \$44,625	\$44,626 to \$492,300	Over \$492,300
<b>Taxable Income (Married Filing Separately)</b>	Up to \$44,625	\$44,626 to \$276,900	Over \$276,900

## Gift & Estate Tax

	2022	2023
Annual Gift Tax Exclusion	\$16,000	\$17,000
Unified Credit Exemption	\$12,060,000	\$12,920,000
Gift to Non-Citizen Spouse	\$164,000	\$175,000
Highest Estate Tax Bracket	40%	40%
States with Separate Estate Tax	CT, DC, HI, IL, MA, MD, ME, MN, NY, OR, RI, VT, WA	
States with Inheritance Tax	IA, KY, MD, NE, NJ, PA	
Community Property States	AK*, AZ, CA, ID, LA, NM, NV, TX, WA, WI	

\*Opt-in community property state

## Retirement

### Traditional IRA & Roth IRA

IRA-ROTH IRA CONTRIBUTION LIMIT	2022	2023
Contribution Limit	\$6,000	\$6,500
50+ Catch-Up	\$1,000	\$1,000

### TRADITIONAL IRA DEDUCTIBILITY PHASE-OUT BASED ON MAGI

Participants in Employer Plans	2022	2023
Married Filing Jointly	\$109,000 - \$129,000	\$116,000 - \$136,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000
Single or Head of Household	\$68,000 - \$78,000	\$73,000 - \$83,000
Nonparticipant Married to a Participant	\$204,000 - \$214,000	\$218,000 - \$228,000
Neither Spouse a Participant	Fully Deductible	Fully Deductible

### ROTH IRA PHASE-OUT BASED ON MAGI

	2022	2023
Married Filing Jointly	\$204,000 - \$214,000	\$218,000 - \$228,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000
All others	\$129,000 - \$144,000	\$138,000 - \$153,000

## Qualified Plans

	2022	2023
401(k), 403(b), 457	\$20,500	\$22,500
Salary Deferral		
50+ Catch-up	\$6,500	\$7,500
SIMPLE Salary Deferral	\$14,000	\$15,500
50+ Catch-up	\$3,000	\$3,500
Maximum Annual Additions in a Defined Contribution Plan	\$61,000	\$66,000
Maximum Annual Benefit in Defined Benefit Plan	\$245,000	\$265,000
Maximum Compensation Considered	\$305,000	\$330,000
Highly Compensated Employee	\$135,000	\$150,000
Maximum QLAC	\$145,000	\$155,000

Special catch-up rules apply to certain 403(b) contributors with 15 or more years of service and governmental 457(b) participants in the last 3 yrs before retirement.

## UNEARNED INCOME MEDICARE CONTRIBUTION TAX

3.8% Surtax Applied to Lower of Net Investment Income or Magi Over Threshold

Filing Status	MAGI	Rate
Single/Head of Household	\$200,000+	3.8%
Married Filing Jointly	\$250,000+	3.8%
Married Filing Separately	\$125,000+	3.8%

## Uniform Lifetime Table

Age	Divisor Balance	% Account	Age	Divisor Balance	% Account
70	29.1	3.44	86	15.2	6.58
71	28.2	3.55	87	14.4	6.95
72	27.4	3.65	88	13.7	7.30
73	26.5	3.78	89	12.9	7.76
74	25.5	3.93	90	12.2	8.20
75	24.6	4.07	91	11.5	8.70
76	23.7	4.22	92	10.8	9.26
77	22.9	4.37	93	10.1	9.91
78	22.0	4.55	94	9.5	10.53
79	21.1	4.74	95	8.9	11.24
80	20.2	4.96	96	8.4	11.91
81	19.4	5.16	97	7.8	12.83
82	18.5	5.41	98	7.3	13.70
83	17.7	5.65	99	6.8	14.71
84	16.8	5.96	100	6.4	15.63
85	16.0	6.25	101	6.0	16.67

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## Social Security

TAXABLE WAGE BASE		
	2022	2023
Social Security (OASDI Only)	\$147,000	\$160,200
Medicare (HI only)	No Limit	No Limit

RETIREMENT EARNING TEST		
	2022	2023
Under Full Retirement Age	\$19,560/yr (\$1,630/mo)	\$21,240/yr (\$1,770/mo)

*Note: \$1 in benefits will be withheld for every \$2 in earnings above the limit.*

Year Reaching Full Retirement Age	\$51,960/yr(\$4330/mo)	\$56,520 /yr (\$4,710/mo)
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*Note: Applies only to earnings for months prior to attaining full retirement age.*  
*Note: \$1 in benefits will be withheld for every \$3 in earnings above the limit.*

TAXABILITY OF BENEFITS (Based on Provisional Income and Filing Status)		
	Individual	Married Filing Jointly
Not Taxable	Less than \$25,000	Less than \$32,000
Up to 50% Taxable	\$25,000-\$34,000	\$32,000-\$44,000
Up to 85% Taxable	\$34,001+	\$44,001+

*Married Filing Separately*  
Up to 85% of Benefits are Taxable

Provisional Income = Adjusted Gross Income + Nontaxable Income + 1/2 Social security benefits.

AGE TO RECEIVE FULL BENEFITS		
Year of Birth	Full Retirement Age	% Reduced at Age 62
1943-1954	66	25.00%
1955	66 & 2 Months	25.83%
1956	66 & 4 Months	26.67%
1957	66 & 6 Months	27.50%
1958	66 & 8 Months	28.33%
1959	66 & 10 Months	29.17%
1960 & Later	67	30.00%

DELAYED RETIREMENT CREDITS	
Year of Birth	Yearly Rate of Increase
1943 or Later	8.0%

*Accrues when you reach full retirement age until you start receiving benefits or reach age 70.*

## FICA Tax Rates

	Self-Employed	Employee
OASDI (Social Security)	12.4%	6.2%
HI (Medicare)	2.9%	1.45%
Additional Medicare Tax*	0.9%	0.9%

*\*Beginning in 2013, the additional Medicare tax applied to wages and self-employment income above the following thresholds:*

Married-Jointly	>\$250,000
Married-Separately	>\$125,000
Others	>\$200,000

## Long Term Care Insurance

MAX QUALIFIED LTC PREMIUM ELIGIBLE FOR DEDUCTIONS: S Corp Owners - LLC Owners					
Age	40 or Less	41-50	51-60	61-70	Over 70
2023	\$480	\$890	\$1,790	\$4,770	\$5,960
2022	\$450	\$850	\$1,690	\$4,510	\$5,640

*Qualified LTC Contract per diem limit: \$420 (\$390 in 2022)*

## Health Savings Accounts

	2022	2023
<b>CONTRIBUTION LIMITS</b>		
Single/Family	\$3,650/\$7,300	\$3,850/\$7,750
Age 55+ Catch-Up	\$1,000	\$1,000
<b>HIGH DEDUCTIBLE HEALTH PLANS</b>		
Minimum Deductible Single/Family	\$1,400/\$2,800	\$1,500/\$3,000
Maximum Out of Pocket Single/Family	\$7,050/\$14,100	\$7,500/\$15,000

## Education

### Maximum Deduction for Student Loan Interest

THE MAXIMUM DEDUCTION FOR STUDENT LOAN INTEREST IS \$2,500. THE DEDUCTION IS PHASED OUT AS FOLLOWS:

	2022	2023
Phase-Out on Joint Return	\$145,000-\$175,000	\$155,000-\$185,000
Phase-Out on All Others	\$70,000-\$85,000	\$75,000 - \$90,000

## Education Incentives

2023

Phase-Outs for American Opportunity Credit/Hope Scholarship Credit /Lifetime Learning Credits	
Married Filing Jointly	\$160,000 - \$180,000
Others	\$80,000 - \$90,000
Phase-Outs for Exclusion of U.S. Savings Bond Income	
Married Filing Jointly	\$137,800 - \$167,800
Others	\$91,850 - \$106,850
529 Plan Contributions Accelerated 5 Years of Gifting into 1 year (Per Child)	
Per Individual	\$85,000
Per Couple	\$170,000

## Business Income Taxes

<b>C Corporations</b>	
Taxable Net Income	21% Tax Rate
<b>S Corporations and LLCs</b>	
Taxable K-1 Pass-Through Income	Individual Tax Rate
<b>QBI Income Deduction Threshold</b>	
Unmarried	\$182,100
Married Filing Jointly	\$364,200

*"Qualified business income" is eligible for a 20% K-1 deduction (i.e. 37% bracket = 29.6% marginal rate)*  
*Generally, "Specified Service Businesses" are NOT eligible for a 20% K-1 deduction unless entire taxable income (including K-1 pass-through profits) falls below certain thresholds*

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