

## Key Numbers for 2022

Presented by Jeffrey J. Crossland

<b>Individual Income Tax</b>	
<b>Unmarried Individual (Other than Surviving Spouse and Head of Household)</b>	
<b>If taxable income is:</b>	<b>The tax rate of taxable income is:</b>
\$10,275 or less	10% of the taxable income
\$10,276–\$41,775	\$1,027.50 plus 12% of the excess over \$10,275
\$41,776–\$89,075	\$4,807.50 plus 22% of the excess over \$41,775
\$89,076–\$170,050	\$15,213.50 plus 24% of the excess over \$89,075
\$170,051–\$215,950	\$34,647.50 plus 32% of the excess over \$170,050
\$215,951–\$539,900	\$49,335.50 plus 35% of the excess over \$215,950
\$539,901 or greater	\$162,718 plus 37% of the excess over \$539,900
<b>Married Individual Filing Jointly and Surviving Spouse</b>	
\$20,550 or less	10% of the taxable income
\$20,551–\$83,550	\$2,055 plus 12% of the excess over \$20,550
\$83,551–\$178,150	\$9,615 plus 22% of the excess over \$83,550
\$178,151–\$340,100	\$30,427 plus 24% of the excess over \$178,150
\$340,101–\$431,900	\$69,295 plus 32% of the excess over \$340,100
\$431,901–\$647,850	\$98,671 plus 35% of the excess over \$431,900
\$647,851 or greater	\$174,253.50 plus 37% of the excess over \$647,850
<b>Married Individual Filing Separately</b>	
<b>If taxable income is:</b>	<b>The tax rate of taxable income is:</b>
\$10,275 or less	10% of the taxable income
\$10,276–\$41,775	\$1,027.50 plus 12% of the excess over \$10,275
\$41,776–\$89,075	\$4,807.50 plus 22% of the excess over \$41,775
\$89,076–\$170,050	\$15,213.50 plus 24% of the excess over \$89,075
\$170,051–\$215,950	\$34,647.50 plus 32% of the excess over \$170,050
\$215,951–\$323,925	\$49,335.50 plus 35% of the excess over \$215,950
\$323,926 or greater	\$87,126.75 plus 37% of the excess over \$323,925
<b>Head of Household</b>	
<b>If taxable income is:</b>	<b>The tax rate of taxable income is:</b>
\$14,650 or less	10% of the taxable income
\$14,651–\$55,900	\$1,465 plus 12% of the excess over \$14,650
\$55,901–\$89,050	\$6,415 plus 22% of the excess over \$55,900
\$89,051–\$170,050	\$13,708 plus 24% of the excess over \$89,050
\$170,051–\$215,950	\$32,145 plus 32% of the excess over \$170,050
\$215,951–\$539,900	\$46,385 plus 35% of the excess over \$215,950
\$539,901 or greater	\$161,218.50 plus 37% of the excess over \$539,900

<b>Trusts and Estates</b>	
<b>If taxable income is:</b>	<b>The tax is:</b>
\$2,750 or less	10% of the taxable income
\$2,751–\$9,850	\$275 plus 24% of the excess over \$2,750
\$9,851–\$13,450	\$1,979 plus 35% of the excess over \$9,850
\$13,451 or greater	\$3,239 plus 37% of the excess over \$13,450

### **Qualified Business Income**

For taxable years beginning in 2021, the threshold amount under Section 199A(e)(2) is \$340,100 for married individuals filing jointly and \$170,050 for married individuals filing separately, unmarried individuals, and heads of households.

[The Tax Cuts and Jobs Act](#) (TCJA) reduced the U.S. federal corporate income tax rate from 35 percent to 21 percent.

<b>Standard Deductions</b>			
Married Filing Jointly and Surviving Spouse	\$25,900	Married Filing Separately	\$12,950
Single	\$12,950	Head of Household	\$19,400

<b>Kiddie Tax</b>
Applies to unearned income exceeding \$2,300 for children younger than 18 (and full-time students ages 19–24 whose earned income does not exceed half of their support for the year).
The TCJA modified the tax rates and brackets to calculate the tax on unearned income. The SECURE Act of 2019, however, rolled back the kiddie tax to pre-2018 rules. Therefore, net unearned income over the threshold amount of \$2,300 for 2022 is taxed using the parents' tax rates.

<b>AMT</b>		
	<b>Exemption</b>	<b>Phaseout</b>
Married Individual Filing Jointly and Surviving Spouse	\$118,100	\$1,079,800
Single	\$75,900	\$539,900
Married Individual Filing Separately	\$59,050	\$539,900
Trusts and Estates	\$26,500	\$88,300

<b>Long-Term Capital Gains and Qualified Dividend Tax</b>			
<b>Capital Gains Tax Rate</b>	<b>Unmarried</b>	<b>Married Filing Jointly</b>	
20%*	\$459,751 or greater	\$517,201 or greater	
15%*	\$41,676–\$459,750	\$83,351–\$517,200	
0%	\$0–\$41,675	\$0–\$83,350	
<b>* Additional 3.8 percent unearned income Medicare contribution tax applies to the lesser of net investment income or modified adjusted gross income (MAGI) above the following thresholds:</b>			
Married Filing Jointly	\$250,000	Married Filing Separately	\$125,000
Single	\$200,000	Head of Household	\$200,000

**Health Savings Account (HSA) Maximum Contribution Limits**

Self-Only Coverage	If younger than 55: \$3,650 If ages 55–65: \$4,650
Family Coverage	If younger than 55: \$7,300 If ages 55–65: \$8,300

**Retirement Plan Limits**

401(k), SARSEP, Section 457(b), 403(b) Elective Deferral Limit	\$20,500
Age 50+ Catch-Up for 401(k), SARSEP, 457(b), 403(b)	\$6,500
SIMPLE Elective Deferral Limit	\$14,000
Age 50+ Catch-Up for SIMPLE IRA	\$3,000
Traditional and Roth IRA Contributions	\$6,000
Age 50+ Catch-Up for IRA and Roth IRA	\$1,000
Section 415 Limit (Defined Contribution Plan)	\$61,000
Defined Benefit Plan Benefit Limit	\$245,000
Annual Compensation Limit for QRP, SEP, and 403(b)	\$305,000
Highly Compensated Definition	\$135,000
Control Employee	\$120,000
Key Employee in Top-Heavy Plan Definition	\$200,000

**IRA Deduction Phaseout for Active Participants**

<b>Filing Status</b>	<b>Starting at:</b>	<b>Fully Phased Out at:</b>
Single or Head of Household	\$68,000	\$78,000
Married Filing Jointly or Qualifying Widow(er)	\$109,000	\$129,000
Married Filing Jointly and Spouse Is Active Participant in an Employer Plan	\$204,000	\$214,000
Married Filing Separately and Either Spouse Is Active Participant in an Employer Plan	\$0	\$10,000

**Roth Contribution Income Limits**

<b>Filing Status</b>	<b>Starting at:</b>	<b>Fully Phased Out at:</b>
Single	\$129,000	\$144,000
Married Filing Jointly	\$204,000	\$214,000
Married Filing Separately	\$0	\$10,000

**Business Health Insurance**

Health Insurance Premium Deduction for Self-Employed	100%
Limit on Employee Health Insurance Credit for Small Employers	\$28,700

Education Planning	
U.S. Savings Bond Income Exclusion Phaseout	Modified AGI \$128,650–\$158,650 (joint) Modified AGI \$85,800–\$100,800 (others)
Coverdell Education Savings Account (Education IRAs) Annual Contribution Limit	\$2,000
Coverdell Education Savings Account Phaseout	Modified AGI \$190,000–\$220,000 (joint) Modified AGI \$95,000–\$110,000 (others)
\$2,500 American Opportunity Tax (HOPE) Credit Phaseout	Modified AGI \$160,000–\$180,000 (joint) Modified AGI \$80,000–\$90,000 (others)
\$2,000 Lifetime Learning Credit Phaseout	Modified AGI \$160,000–\$180,000 (joint) Modified AGI \$80,000–\$90,000 (others)
Phaseout of \$2,500 Interest Deduction on Education Loans	Modified AGI \$145,000–\$175,000 (joint) Modified AGI \$70,000–\$85,000 (others)

Federal Estate and Gift Tax	
Annual Gift Tax Exclusion per Donee	\$16,000
Annual Gift Exclusion to Non-U.S.-Citizen Spouse	\$164,000
Estate Tax Exemption	\$12,060,000
Lifetime Gift Tax Exemption	\$12,060,000
Generation-Skipping Transfer Tax Exemption	\$12,060,000
Special Use (Section 2032A) Valuation Reduction	\$1,230,000

Long-Term Care Premium Deductions	
Qualified LTC Insurance Deductions: Subject to 10 Percent of AGI Medical Expense Floor	
Age	Limit
40 and younger	\$450
41–50	\$850
51–60	\$1,690
61–70	\$4,510
71 and older	\$5,640

**Please note:** Indemnity policy benefit payments that exceed the higher of the cost of long-term care or \$400 per day will be taxed as income.

Medicaid	
Community Spouse Resource Allowance	\$27,480 minimum; \$137,400 maximum
Monthly Maintenance Allowance	\$2,523 minimum; \$3,435 maximum
Home Equity Limit	\$636,000 (state can opt to increase to \$955,000)
“Income Cap” State Income Limit	\$2,523

Social Security	
CPI Increase in Benefits	5.9%
Maximum Monthly Benefit at Full Retirement	\$4,194 month
Retirement Earnings Exempt Amount Under FRA	\$19,560; \$1 withheld for every \$2 earned more than this amount
Retirement Earnings Exempt Amount Year of FRA	\$51,960; \$1 withheld for every \$3 earned more than this amount

<b>Medicare</b>	
Medicare Part A (if applicable) Monthly Premium	\$471 for fewer than 30 quarters of coverage \$259 for between 30 and 39 quarters of coverage
Medicare Part A Deductible and Coinsurance	\$1,556 for 1–60 days An additional \$389 for 61–90 days \$778 for 91–150 days All costs for more than 150 days
Medicare Part A Deductible for Skilled Nursing Facility in a Benefit Period	\$194.50 per day during 21–100 days
Medicare Part B Deductible	\$233 per year

<b>Medicare Premium</b>			
		<b>Individual Filer</b>	<b>Married Filing Jointly</b>
Medicare Part B Monthly Premium Some Medicare beneficiaries may pay less if certain conditions are met.	\$170.10	\$0–\$91,000	\$0–\$182,000
	\$238.10	\$91,001–\$114,000	\$182,001–\$228,000
	\$340.20	\$114,001–\$142,000	\$228,001–\$284,000
	\$442.30	\$142,001–\$170,000	\$284,001–\$340,000
	\$544.30	\$170,001–\$499,999	\$340,001–\$749,999
	\$578.30	\$500,000 or greater	\$750,000 or greater
Medicare Part D Deductible	The amount paid for Part D deductibles, copayments, and/or coinsurance varies by plan.		
Medicare Part D Monthly Premium Surcharge	(no surcharge)	\$0–\$91,000	\$0–\$182,000
	\$12.40 + plan premium	\$91,001–\$114,000	\$182,001–\$228,000
	\$32.10 + plan premium	\$114,001–\$142,000	\$228,001–\$284,000
	\$51.70 + plan premium	\$142,001–\$170,000	\$284,001–\$340,000
	\$71.30 + plan premium	\$170,001–\$499,999	\$340,001–\$749,999
	\$77.90 + plan premium	\$500,000 or greater	\$750,000 or greater

**Please note:** Medicare premiums are based on MAGI from two years prior to the current premium year. These 2022 Medicare premium costs and thresholds are based upon 2020 MAGI.

<b>Payroll Taxes</b>		
	<b>Employee</b>	<b>Self-Employed</b>
Social Security Tax	6.2%	12.4%
Social Security Wage Base	\$147,000	
Medicare Tax	1.45%	2.9%
<b>Additional Medicare Tax</b>	<b>0.9% on Earnings Higher than the Following Thresholds:</b>	
Single or Head of Household	\$200,000	
Married Filing Jointly	\$250,000	
Married Filing Separately	\$125,000	

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