



Key Financial & Tax Planning Data

2020 TAX RATE SCHEDULE

Taxable income	Base amount of tax	Plus	Marginal tax rate	Of the amount over
Single				
\$0 to \$9,875	\$0	+	10%	—
\$9,876 to \$40,125	\$987.50	+	12%	\$9,875.00
\$40,126 to \$85,525	\$4,617.50	+	22%	\$40,125.00
\$85,526 to \$163,300	\$14,605.50	+	24%	\$85,525.00
\$163,301 to \$207,350	\$33,217.50	+	32%	\$163,300.00
\$207,351 to \$518,400	\$47,367.50	+	35%	\$207,350.00
Over \$518,400	\$156,235.00	+	37%	\$518,400.00
Married filing jointly and surviving spouses				
\$0 to \$19,750	\$0	+	10%	—
\$19,751 to \$80,250	\$1,975.00	+	12%	\$19,750.00
\$80,251 to \$171,050	\$9,235.00	+	22%	\$80,250.00
\$171,051 to \$326,600	\$29,211.00	+	24%	\$171,050.00
\$326,601 to \$414,700	\$66,543.00	+	32%	\$326,600.00
\$414,701 to \$622,050	\$94,735.00	+	35%	\$414,700.00
Over \$622,050	\$167,307.50	+	37%	\$622,050.00
Head of household				
\$0 to \$14,100	\$0	+	10%	—
\$14,101 to \$53,700	\$1,410.00	+	12%	\$14,100.00
\$53,701 to \$85,500	\$6,162.00	+	22%	\$53,700.00
\$85,501 to \$163,300	\$13,158.00	+	24%	\$85,500.00
\$163,301 to \$207,350	\$31,830.00	+	32%	\$163,300.00
\$207,351 to \$518,400	\$45,926.00	+	35%	\$207,350.00
Over \$518,400	\$154,793.50	+	37%	\$518,400.00
Married filing separately				
\$0 to \$9,875	\$0	+	10%	—
\$9,876 to \$40,125	\$987.50	+	12%	\$9,875.00
\$40,126 to \$85,525	\$4,617.50	+	22%	\$40,125.00
\$85,526 to \$163,300	\$14,605.50	+	24%	\$85,525.00
\$163,301 to \$207,350	\$33,271.50	+	32%	\$163,300.00
\$207,351 to \$311,025	\$47,367.50	+	35%	\$207,350.00
Over \$311,025	\$83,653.75	+	37%	\$311,025.00
Estates and trusts				
\$0 to \$2,600	\$0	+	10%	—
\$2,601 to \$9,450	\$260.00	+	24%	\$2,600.00
\$9,451 to \$12,950	\$1,904.00	+	35%	\$9,450.00
Over \$12,950	\$3,129.00	+	37%	\$12,950.00

STANDARD DEDUCTIONS & PERSONAL EXEMPTION

Filing status	Standard deduction	Personal exemption	Phaseouts begin at AGI of:
Married, filing jointly and qualifying widow(er)s	\$24,800	Eliminated in 2019 but expected to return after December 31, 2025.	
Single or married, filing separately	\$12,400		
Head of household	\$18,650		
Dependent filing own tax return	\$1,100*		
Additional deductions for non-itemizers			
Blind or over 65			Add \$1,300
Blind or over 65 and unmarried and not a surviving spouse			Add \$1,650

For informational purposes only. Sources: IRS.gov, Social Security Administration and Centers for Medicare & Medicaid Services. Information obtained on 1/31/2020. Information is subject to change.

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TAX RATES ON LONG-TERM CAPITAL GAINS AND QUALIFIED DIVIDENDS

If taxable income falls at or below \$40,000 (single/married filing separately), \$80,000 (joint), \$53,600 (head of household), \$2,650 (es-tates)	0%
If taxable income falls above \$40,000 (single/married filing separately), \$80,000 (joint), \$53,600 (head of household), \$2,650 (estates)	15%
If income falls above \$441,450 (single), \$248,300 (married filing separately), \$496,600 (joint), \$469,050 (head of household), \$13,150 (estates)	20%

3.8% TAX ON LESSER OF NET INVESTMENT INCOME OR EXCESS OF MAGI OVER

Married filing jointly	\$250,000
Single	\$200,000
Married filing separately	\$125,000

EXEMPTION AMOUNTS FOR ALTERNATIVE MINIMUM TAX**

Married filing jointly or surviving spouses	\$113,400
Single	\$72,900
Married filing separately	\$56,700
Estates and trusts	\$25,400
28% tax rate applies to income over:	
Married filing separately	\$98,950
All others	\$197,900
Exemption amounts phase out at:	
Married, filing jointly or surviving spouses	\$1,036,800
Single and married filing separately	\$518,400
Estates and trusts	\$84,800

GIFT AND ESTATE TAX EXCLUSIONS AND CREDITS

Maximum estate, gift & GST rates	40%
Estate, gift & GST exclusions	\$11,580,000
Gift tax annual exclusion	\$15,000
Exclusion on gifts to non-citizen spouse	\$157,000

*Greater of \$1,100 or \$350 plus the individual's earned income.

**Indexed for inflation and scheduled to expire at the end of 2025.

EDUCATION CREDITS, DEDUCTIONS AND DISTRIBUTIONS		
Credit/Deduction/Account	Maximum credit/deduction/distribution	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime learning credit	\$2,000 credit	\$118,000 joint \$59,000 all others
Savings bond interest tax-free if used for education	Deduction limited to amount of qualified expenses	\$123,550 joint \$82,350 all others
Coverdell	\$2,000 maximum; not deductible	\$190,000 joint \$95,000 all others
529 plan (K-12)	\$10,000 distribution	None
529 plan (Higher Ed.)†	Distribution limited to amount of qualified expenses	None

†\$10,000 lifetime 529 distribution can be applied to student loan debt.

TAX DEADLINES	
December 31, 2020	Last day to: 1) Pay expenses for itemized deductions; 2) complete transactions for capital gains or losses; 3) complete 2020 contributions to employer-sponsored 401(k) plans
January 15, 2021	Fourth installment of 2020's estimated taxes due
April 15, 2021	Deadline to file taxes or request extension to Oct. 15. First installment of 2021 estimated taxes due. Last day to file amended return for 2017. Last day to contribute to Roth or traditional IRA for 2020; HSA for 2020; establish and fund an SEP or solo 401(k) for 2020 (unless tax filing has been extended)*
June 15, 2021	Second installment of estimated taxes due
September 15, 2021	Third installment of estimated taxes due
October 15, 2021	Tax returns due for those who requested an extension. Last day to contribute to SEP or solo 401(k) if extension was filed*

*Contributions to Roth or traditional IRA, HSA, SEP and solo 401(k) must be made by the earlier of the return filing date or the deadlines above.

RETIREMENT PLAN CONTRIBUTION LIMITS	
Annual compensation used to determine contribution for most plans	\$285,000
Defined-contribution plans, basic limit	\$57,000
Defined-benefit plans, basic limit	\$230,000
401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals	\$19,500
Catch-up provision for individuals 50 and over for 401(k), 403(b), 457(b), Roth 401(k) plans	\$6,500
SIMPLE plans, elective deferral limit	\$13,500
SIMPLE plans, catch-up contribution for individuals 50 and over	\$3,000

INDIVIDUAL RETIREMENT ACCOUNTS			
IRA type	Contri. limit	Catch-up at 50+	Income limits
Traditional nondeductible	\$6,000	\$1,000	None
Traditional deductible	\$6,000	\$1,000	If covered by a plan: \$104,000–\$124,000 joint \$65,000–\$75,000 single, HOH \$0–\$10,000 married filing separately If one spouse is covered by a plan: \$196,000–\$206,000 joint
Roth	\$6,000	\$1,000	\$196,000–\$206,000 joint \$124,000–\$139,000 single & HOH \$0–\$10,000 married filing separately
Roth conversion	—	—	No income limit

HEALTH SAVINGS ACCOUNTS			
Annual limit	Maximum deductible contribution	Expense limits (deductibles and co-pays)	Minimum annual deductible
Individuals	\$3,550	\$6,900	\$1,400
Families	\$7,100	\$13,800	\$2,800
Catch-up for 55 and older	\$1,000	—	—

DEDUCTIBILITY OF LONG-TERM CARE PREMIUMS ON QUALIFIED POLICIES	
Attained age before close of tax year	Amount of LTC premiums that qualify as medical expenses in 2020
40 or less	\$430
41 to 50	\$810
51 to 60	\$1,630
61 to 70	\$4,350
Over 70	\$5,430

MEDICARE DEDUCTIBLES	
Part B deductible	\$198.00
Part A (inpatient services) deductible for first 60 days of hospitalization	\$1,408.00
Part A deductible for days 61-90 of hospitalization	\$352/day
Part A deductible for more than 90 days of hospitalization	\$704/day

SOCIAL SECURITY		
Benefits		
Estimated maximum monthly benefit if reaching Full Retirement Age (FRA) of 66 in 2020	\$3,011	
Retirement earnings exempt amounts	\$18,240 under FRA \$48,600 during year FRA reached No limit after FRA	
Tax on Social Security benefits: Income brackets		
Filing status	Provisional income*	Amount of Social Security subject to tax
Married filing jointly	Under \$32,000 \$32,000–\$44,000 Over \$44,000	0% up to 50% up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000 \$25,000–\$34,000 Over \$34,000	0% up to 50% up to 85%
Married filing separately and living with spouse	Over \$0	up to 85%

*Provisional income = adjusted gross income (not incl. Social Security) + tax-exempt interest + 50% of Social Security benefit.

MEDICARE PREMIUMS*			
2020 MAGI single	2020 MAGI joint	Part B Premium	Part D Income adjustment
\$87,000 or less	\$174,000 or less	\$144.60**	\$0
\$87,001–\$109,000	\$174,001–\$218,000	\$202.40	\$12.20
\$109,001–\$136,000	\$218,001–\$272,000	\$289.20	\$31.50
\$136,001–\$163,000	\$272,001–\$326,000	\$376.00	\$50.70
\$163,001–\$500,000	\$326,001–\$750,000	\$462.70	\$70.00
Above \$500,000	Above \$750,000	\$491.60	\$76.40

*2020 premiums based on 2018 income. **Average of \$130.00 if held harmless.

UNIFORM LIFETIME TABLE (PARTIAL)			
Age of IRA owner or plan participant	Life expectancy (in years)	Age of IRA owner or plan participant	Life expectancy (in years)
70	27.4	86	14.1
71	26.5	87	13.4
72	25.6	88	12.7
73	24.7	89	12.0
74	23.8	90	11.4
75	22.9	91	10.8
76	22.0	92	10.2
77	21.2	93	9.6
78	20.3	94	9.1
79	19.5	95	8.6
80	18.7	96	8.1
81	17.9	97	7.6
82	17.1	98	7.1
83	16.3	99	6.7
84	15.5	100	6.3
85	14.8	101	5.9

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