

# 2023 TAX PLANNING TABLES AT-A-GLANCE

## Capital gains and losses and dividends

### Long-term capital gain rate (longer than one year)

	0%*	15%*	20%*
Single	\$0 – \$44,625	\$44,626 – \$492,300	\$492,301 +
Married filing jointly and surviving spouse	\$0 – 89,250	\$89,251 – \$553,850	\$553,851 +
Head of household	\$0 – \$59,750	\$59,751 – \$523,050	\$523,051 +
Married filing separately	\$0 – \$44,625	\$44,626 – \$276,900	\$276,901 +
Trusts and estates	\$0 – \$3,000	\$3,001 – \$14,650	\$14,651 +

\* Determine your capital gain bracket by adding your net long-term capital gains and/or qualified dividends to your other taxable income net of deductions.

For example, assume a joint filer has net taxable income of \$100,000 which includes \$20,000 in net long-term capital gain. The first \$9,250 of the gain falls within the 0% rate threshold of \$89,250 and will be taxed at 0%; while the remaining \$10,750 of long-term capital gain is above the \$89,250 threshold and will be taxed at 15%.

### Short-term capital gain rate (one year or less)

Short-term capital gain rate (one year or less)	Taxed at ordinary income tax rate.
<b>Dividends</b>	Qualified dividends are taxed at the long-term capital gain rates. Nonqualified dividends are taxed at ordinary income tax rates.

Higher rates apply to collectibles and unrecaptured §1250 gain. Consult your tax advisor about how they apply to your situation.

## Netting capital gains and losses

1. Net short-term gains and short-term losses.
2. Net long-term gains and long-term losses.
3. Net short-term against long-term.
4. Deduct up to \$3,000 of excess losses against ordinary income per year.
5. Carry over any remaining losses to future tax years

## 2023 income tax rate schedules\*

### Married taxpayer filing jointly/surviving spouse

If taxable income is:	The tax is:
\$ 0 – \$ 22,000	10% of the taxable income
\$ 22,000 – \$ 89,450	\$ 2,200.00 + 12% of excess over \$ 22,000
\$ 89,450 – \$ 190,750	\$ 10,294.00 + 22% of excess over \$ 89,450
\$ 190,750 – \$ 364,200	\$ 32,580.00 + 24% of excess over \$ 190,750
\$ 364,200 – \$ 462,500	\$ 74,208.00 + 32% of excess over \$ 364,200
\$ 462,500 – \$ 693,750	\$ 105,664.00 + 35% of excess over \$ 462,500
\$ 693,750 or more	\$ 186,601.50 + 37% of excess over \$ 693,750

### Single taxpayer

If taxable income is:	The tax is:
\$ 0 – \$ 11,000	10% of the taxable income
\$ 11,000 – \$ 44,725	\$ 1,100.00 + 12% of excess over \$ 11,000
\$ 44,725 – \$ 95,375	\$ 5,147.00 + 22% of excess over \$ 44,725
\$ 95,375 – \$ 182,100	\$ 16,290.00 + 24% of excess over \$ 95,375
\$ 182,100 – \$ 231,250	\$ 37,104.00 + 32% of excess over \$ 182,100
\$ 231,250 – \$ 578,125	\$ 52,832.00 + 35% of excess over \$ 231,250
\$ 578,125 or more	\$ 174,238.25 + 37% of excess over \$ 578,125

### Head of household

If taxable income is:	The tax is:
\$ 0 – \$ 15,700	10% of the taxable income
\$ 15,700 – \$ 59,850	\$ 1,570.00 + 12% of excess over \$ 15,700
\$ 59,850 – \$ 95,350	\$ 6,868.00 + 22% of excess over \$ 59,850
\$ 95,350 – \$ 182,100	\$ 14,678.00 + 24% of excess over \$ 95,350
\$ 182,100 – \$ 231,250	\$ 35,498.00 + 32% of excess over \$ 182,100
\$ 231,250 – \$ 578,100	\$ 51,226.00 + 35% of excess over \$ 231,250
\$ 578,100 or more	\$ 172,623.50 + 37% of excess over \$ 578,100

### Married taxpayer filing separately

If taxable income is:	The tax is:
\$ 0 – \$ 11,000	10% of the taxable income
\$ 11,000 – \$ 44,725	\$ 1,100.00 + 12% of excess over \$ 11,000
\$ 44,725 – \$ 95,375	\$ 5,147.00 + 22% of excess over \$ 44,725
\$ 95,375 – \$ 182,100	\$ 16,290.00 + 24% of excess over \$ 95,375
\$ 182,100 – \$ 231,250	\$ 37,104.00 + 32% of excess over \$ 182,100
\$ 231,250 – \$ 346,875	\$ 52,832.00 + 35% of excess over \$ 231,250
\$ 346,875 or more	\$ 93,300.75 + 37% of excess over \$ 346,875

\* Taxable income is income after all deductions (including either itemized or standard deduction).

## Standard deductions

Married/joint	Single	Head of household	Married/separate	Dependents
\$27,700	\$13,850	\$20,800	\$13,850	\$1,250

For dependents with earned income, the deduction is the greater of \$1,250 or earned income + \$400 (up to \$13,850).

## Additional standard deductions

Married, age 65 or older or blind	\$1,500*
Married, age 65 or older and blind	\$3,000*
Unmarried, age 65 or older or blind	\$1,850
Unmarried, age 65 or older and blind	\$3,700

\*per person

## Federal trust and estate income tax rate schedule

If taxable income is:	The tax is:
\$ 0 – \$ 2,900	10% of the taxable income
\$ 2,901 – \$ 10,550	\$ 290.00 + 24% of excess over \$ 2,900
\$ 10,551 – \$ 14,450	\$ 2,126.00 + 35% of excess over \$ 10,550
\$ 14,451 or more	\$ 3,491.00 + 37% of excess over \$ 14,450

Information accurate as of December 15, 2022

This is an abbreviated version of the tax planning tables. For the complete version, contact your advisor.

Investment and Insurance products are:

<b>Not Insured by FDIC/NCUA or Any Other Government Agency</b>	<b>Not Bank/Credit Union Guaranteed</b>
<b>Not Bank/Credit Union Deposits or Obligations</b>	<b>May Lose Value</b>

## Retirement accounts

### Pretax 401(k), 403(b), 457; Roth 401(k) or 403(b)

Employee maximum deferral contributions	Catch-up contribution (if age 50 or older)
\$22,500	\$7,500

Combined limit for Roth 401(k) or Roth 403(b) and pretax traditional 401(k) or pretax 403(b) deferral contributions is \$22,500 for those younger than 50.

### Traditional and Roth IRA

Maximum contribution	Catch-up contribution (if age 50 or older)
\$6,500	\$1,000

Contributions must be made no later than the tax-filing deadline, regardless of tax extensions.

### Traditional IRA deductibility limits

If neither individual nor spouse is a participant in another plan: \$6,500<sup>1</sup> maximum deduction

If the individual is an active participant in another plan:

Married/joint MAGI <sup>2</sup>	Single MAGI <sup>2</sup>	Deduction
Up to \$116,000	Up to \$73,000	\$6,500 <sup>1,3</sup>
\$116,000 – \$136,000	\$73,000 – \$83,000	Phased out
Over \$136,000	Over \$83,000	\$0

1. If a spouse (working or nonworking) is not covered by a retirement plan but his or her spouse is covered, the spouse who is not covered is allowed full deductibility up to \$218,000 joint MAGI, phased out at \$228,000 joint MAGI.

2. Modified adjusted gross income.

3. Maximum deduction is \$7,500 if age 50 or older.

Note: Phaseout for married filing separately is \$0 – \$10,000.

### Roth IRA qualifications

- Contribution amount is limited if modified adjusted gross income (MAGI) is between:
  - \$138,000 and \$153,000 for individual returns\*
  - \$218,000 and \$228,000 for married/joint filers
  - \$0 and \$10,000 for married filing separate
- Contributions are not deductible.

\* Includes single filers, head of household, and married filing separately if you did not live with your spouse at any time during the year.

## Retirement plan limits

Maximum elective deferral to SIMPLE IRA and SIMPLE 401(k) plans	\$15,500
Catch-up contribution for SIMPLE IRA and SIMPLE 401(k) plans (if age 50 or older)	\$3,500
Maximum annual defined contribution plan limit	\$66,000
Maximum compensation for calculating qualified plan contributions	\$330,000
Maximum annual defined benefit limit	\$265,000
Threshold for highly compensated employee	\$150,000
Threshold for key employee in top-heavy plans	\$215,000
Maximum SEP contribution is lesser of limit or 25% of eligible income	\$66,000

### Uniform Lifetime/Minimum Distribution Table

Age	Life Expectancy Factor	Age	Life Expectancy Factor
72	27.4	90	12.2
73	26.5	91	11.5
74	25.5	92	10.8
75	24.6	93	10.1
76	23.7	94	9.5
77	22.9	95	8.9
78	22.0	96	8.4
79	21.1	97	7.8
80	20.2	98	7.3
81	19.4	99	6.8
82	18.5	100	6.4
83	17.7	101	6.0
84	16.8	102	5.6
85	16.0	103	5.2
86	15.2	104	4.9
87	14.4	105	4.6
88	13.7	106	4.3
89	12.9	107	4.1

## Social Security taxation thresholds

Up to a certain percentage of an individual's Social Security benefits is subject to taxation when his or her provisional income<sup>1</sup> exceeds certain threshold amounts:

	Up to 50% taxed	Up to 85% taxed
<b>Married/Joint</b>	\$32,000 – \$44,000	More than \$44,000
<b>Single</b>	\$25,000 – \$34,000	More than \$34,000
<b>Married filing separately</b>	85% taxable <sup>2</sup>	85% taxable <sup>+</sup>

- Provisional income generally includes modified adjusted gross income (MAGI) plus nontaxable interest and one-half of Social Security benefits.
- There is an exception to this rule if you lived apart from your spouse for the entire year. Consult your tax advisor for more information.

## Estate, gift, and generation-skipping transfer tax

### Gift tax annual exclusion

\$17,000

### Estate and gift tax – basic exclusion

\$12,920,000

### Generation-skipping transfer (GST) tax exemption

\$12,920,000

### Estate, gift, and GST tax rate

Maximum of 40%

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