

DOWNEY & COMPANY, LLP

222 Forbes Road, Braintree, MA 02184 800.849.6022 www.DowneyCoCPA.com

2019 Tax Facts At-A-Glance

2019

		owneyCoCPA.com		Income Taxes					
	201	8		2019					
If taxable income is:				If taxable income i					
If tuxuble income is.	But Not		Of the	II tuxuble income i	But Not		Of the		
Over	Over	The Tax Is	Amount Over	Over	Over	The Tax Is	Amount Over		
Married Filing Jointly:	0.01	1110 1411 10		Married Filing Joi		1110 1411 15	Thirduit 0 voi		
\$0	\$19,050	\$0+10%	\$o	\$0	\$19,400	\$0+10%	\$o		
19,050	77,400	1,905+12%	19,050	19,400	78,950	1,940+12%	40 19,400		
77,400	165,000	8,907+22%	77,400	78,950	168,400	9,086+22%	78,950		
165,000	315,000	28,179+24%	165,000	168,400	321,450	28,765+24%	168,400		
315,000	400,000	64,179+32%	315,000	321,450	408,200	65,497+32%	321,450		
400,000	600,000	91,379+35%	400,000	408,200	612,350	93,257+35%	408,200		
600,000	000,000	161,379+37%	600,000	612,350	012,330	164,709.50+37%	612,350		
Single:		101,3/9/3/70	000,000	Single:		104,/09.00+3//0	012,330		
\$0	\$9,525	\$0+10%	\$o	\$0	\$9,700	\$0+10%	\$ 0		
9,525	9,5 2 5 38,700	952.50+12%	9,525	9,700	39,475	970+12%	9,700		
38,700	30,700 82,500	4,453.50+22%	9,525 38,700		39,475 84,200	4,543+22%			
82,500	157,500	4,453.50+22%	30,700 82,500	39,475 84,200	160,725	4,543+22% 14,382.50+24%	39,475 84,200		
		32,089.50+32%							
157,500	200,000	45,689.50+35%	157,500	160,725	204,100	32,748.50+32% 46,628.50+35%	160,725		
200,000	500,000	10, , , , , , , , , , , , , , , , , , ,	200,000	204,100	510,300		204,100		
500,000 Standard Deductio	20	150,689.50+37%	500,000	510,300 Education Inco	ntivos	153,798.50+37%	510,300		
	115	2018	2019	Education Inco		2018	2019		
Married Filing Jointly		\$24,000		American Opportu	-	\$2,500	\$2,500		
Head of Household		\$18,000	\$18,350		erican Opportunity Ta				
Single		\$12,000	\$12,200	Married Filing Jointly	У	\$160,000-180,000	\$160,000-180,000		
Additional (Age 65 or O	lder or Blind			Single		80,000-90,000	80,000-90,000		
Married Filing Jointly		\$1,300	\$1,300		clusion of U.S. Savings				
Unmarried & Not Surviving	-	\$1,600	\$1,650	Married Filing Jointly	У	\$119,550 or above	\$121,600-151,600		
AGI Itemized Deduction	n Phase-out:			Single		79,700 or above	81,100-96,100		
Single		N/A			verdell Education Savin	-			
Head of Household		N/A			ons of \$2,000 phase-out r	range:			
Married Filing Jointly		N/A	-	Married Filing Jointly	У	\$190,000-220,000	\$190,000-220,000		
Married Filing Separately		N/A	N/A	Single		95,000-110,000	95,000-110,000		
				Net Investment Income Tax			2018 & 2019		
Personal Exemption		None	None	3.8%		Over thr	eshold amount of:		
Phase-out range:				Married Filing Jointly			\$250,000		
Single		N/A		Married Filing Separa	ately		125,000		
Head of Household		N/A		Single		• 1 1	200,000		
Married Filing Jointly		N/A			Γax & Qualified Di	vidends	2019		
Married Filing Separately		N/A	,	Maximum taxable in	come thresholds:				
Child Tax Credit		2018	2019	Rate	Married Filing Jointly	Single	Head of Household		
(Under Age 18 With Unearn	ned Income)			0%	Up to \$78,750	Up to \$39,375	Up to \$52,750		
Credit per Qualifying Ch	nild	\$2,000	\$2,000	15%	\$78,750-\$488,850	\$39,375-\$434,550	\$52,750-\$461,700		
Credit per Qualifying Deper		\$500	\$500	20%	Over \$488,850	Over \$434,550	Over \$461,700		
Depreciation Expendent	nse	2018	2019	AMT Exemption		2018	2019		
Election to Expense Under Section	ion 179	\$1,000,000	\$1,020,000	Married Filing Joi	ntly	\$109,400	\$111,700		
Bonus Depreciation		100%		Phase-out Threshold		\$1,000,000	\$1,020,600		
Mileage Rates (Per M	lile)	2018	2019	Single		\$70,300	\$71,700		
Puginoga		0.545	0.58	Phase-out Threshold		\$500,000	\$510,300		
Business			- U -						
Charity		0.14	•	Corporations		2018	2019		

Pass-Through Entities

Qualified businesses income deduction (subject to various restrictions) is the lesser of:

 \cdot 20% of qualified business income, or

50% of W-2 wages paid (alternative method of 25% of W-2 wages plus 2.5% of unadjusted basis on qualified property)

Qualified business income deduction cannot be claimed by taxpayers in most service businesses with taxable income in excess of \$321,400 (for joint filers)

or \$160,700 (for single filers) for 2019. Those thresholds were \$315,000 (for joint filers) or \$157,500 (for single filers) for 2018.

2019 Tax Facts At-A-Glance

Estate & Gift Taxes Scheduled Gift & Estate Tax Changes

	Gift Tax	Top Estate	Estate Tax				
Year	Top Rate	Tax Rate	Exemption				
2009	45%	45%	3,500,000				
2010	35%	0%	0				
2011	35%	35%	5,000,000				
2012	35%	35%	5,120,000				
2013	40%	40%	5,250,000				
2014	40%	40%	5,340,000				
2015	40%	40%	5,430,000				
2016	40%	40%	5,450,000				
2017	40%	40%	5,490,000				
2018	40%	40%	11,200,000				
2019	40%	40%	11,400,000				
Gift Ta	ax		2018	2019			
Annual	Gift Tax Exclu	ision	\$15,000	\$15,000			
Gift Tax Exemption			\$11,200,000	\$11,400,000			
Generat	tion Skipping	Transfer Tax					
Exempt	ion		\$11,200,000	\$11,400,000			
Qualif	ied Plans						
IRA Ma	ximum Contri	ibution Limit					

Social Security	2018	2019				
Full Retirement Age	67 (1960 or Later)	67 (1960 or Later)				
Portion of Benefit Paid						
at Age 62:	70%	70%				
Maximum Earnings Before						
Social Security Benefits Are						
Reduced:						
Before Full Retirement Age (Lose						
\$1 for Every \$2 of Earnings)	\$17,040	\$17,640				
Year of Full Retirement Age	\$45,360	\$46,920				
After Full Retirement	No limit	No limit				
Maximum Compensation Su	Maximum Compensation Subject					
to FICA Taxes:						
OASDI (Social Security) Max	\$128,400	\$132,900				
HI (Medicare) Max	No limit	No limit				
2019 OASDI Tax Rate	12.4%	Self-employed				
	6.2%	Employees				
2019 HI Tax Rate	2.9%*	Self-employed				
	1.45%*	Employees				
*Higher Medicare rate is effective for single with income over \$200,000 & married with income over \$250,000						

Qualified Plans	2018	2019	2019 Required Minimum Distribution					
IRA Maximum Contribution Limit	\$5,500	\$6,000	Must be Taken by Age 70 1/2					
IRA Age 50+ Catch-up Contribution	1,000	1,000						
SEP Plan Participant Maximum Percentage of Compensation	25%	25%	2019 Required Minimum					
SEP Plan Participant Maximum Dollar Allocation Limit	55,000	56,000	Distribution Table					
SEP Minimum Compensation Amount	600	600	Age	Factor	Age	Factor	Age	Factor
Simple IRA Employee Contribution:			70	27.4	81	17.9	92	10.2
SIMPLE IRA Catch-up - Age 50 or Older	3,000	3,000	71	26.5	82	17.1	93	9.6
Maximum Elective Deferral to SIMPLE Plan	12,500	13,000	72	25.6	83	16.3	94	9.1
403(b) TSA Elective Employee Deferral	18,500	19,000	73	24.7	84	15.5	95	8.6
403(b) TSA Catch-up - Age 50 or Older	6,000	6,000	74	23.8	85	14.8	96	8.1
403(b) TSA Catch-up - 15 or More Years of Service With Current Employer	3,000	3,000	75	22.9	86	14.1	97	7.6
Defined Contribution Maximum Employer Percentage Deduction			76	22.0	87	13.4	98	7.1
Limit (of Eligible Payroll)	25%	25%	77	21.2	88	12.7	99	6.7
Defined Contribution Plan Annual Addition Limit	55,000	56,000	78	20.3	89	12.0	100	6.3
Maximum Elective Deferral to Retirement Plans			79	19.5	90	11.4	101	5.9
[e.g., 401(k), 403(b) & 457]	18,500	19,000	80	18.7	91	10.8	102	5.5
401(k) Age 50+ Catch-up Contribution	6,000	6,000						
Annual Includable Compensation Limit	275,000	280,000						
Highly Compensated Employee Compensation Limit	120,000	125,000			-	\times		
Annual Retirement Benefit Limit Under Defined Benefit Plan					1			
(Not to Exceed 100% of Compensation)	220,000	225,000						
IRAs		2018			2019			
Phase-out Range for Deductible Contributions to Traditional IRAs: Married Filing Jointly:								
Both Spouses as Participants in Qualified Plan		\$101,000 - 121,000			\$103,000 - 123,000			
One Spouse as Participant in Qualified Plan		189,000 - 199,000			193,000 - 203,000			
		- /						

Single/Head of Household

Direct Design for Contributions to

Phase-out Range for Contributions to Roth IRAs:

Married Filing Jointly

Single/Head of Household



DOWNEY & COMPANY, LLP

222 Forbes Road, Braintree, MA 02184 800-849-6022

64,000 - 74,000

\$193,000 - 203,000

122,000 - 137,000

63,000 - 73,000

\$189,000 - 199,000

120,000 - 135,000

www.DowneyCoCPA.com

This material is provided for informational purposes only and should not be construed as tax advice.

This information has been obtained from publicly available sources and is believed to be accurate as of January 2019.