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2020 Tax Facts At-A-Glance

Income Taxes

2019				2020			
If taxable income is:				If taxable income is:			
Over	But Not Over	The Tax Is	Of the Amount Over	Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:				Married Filing Jointly:			
\$0	\$19,400	\$0+10%	\$0	\$0	\$19,750	\$0+10%	\$0
19,400	78,950	1,940+12%	19,400	19,750	80,250	1,975+12%	19,750
78,950	168,400	9,086+22%	78,950	80,250	171,050	9,235+22%	80,250
168,400	321,450	28,765+24%	168,400	171,050	326,600	29,211+24%	171,050
321,450	408,200	65,497+32%	321,450	326,600	414,700	66,543+32%	326,600
408,200	612,350	93,257+35%	408,200	414,700	622,050	94,735+35%	414,700
612,350		164,709.50+37%	612,350	622,050		167,307.50+37%	622,050
Single:				Single:			
\$0	\$9,700	\$0+10%	\$0	\$0	\$9,875	\$0+10%	\$0
9,700	39,475	970+12%	9,700	9,875	40,125	987.50+12%	9,875
39,475	84,200	4,543+22%	39,475	40,125	85,525	4,617.50+22%	40,125
84,200	160,725	14,382.50+24%	84,200	85,525	163,300	14,605.50+24%	85,525
160,725	204,100	32,748.50+32%	160,725	163,300	207,350	33,271.50+32%	163,300
204,100	510,300	46,628.50+35%	204,100	207,350	518,400	47,367.50+35%	207,350
510,300		153,798.50+37%	510,300	518,400		156,235+37%	518,400
Standard Deductions				Education Incentives			
Married Filing Jointly				American Opportunity Tax Credit			
				\$2,500			
Head of Household				Phase-outs for American Opportunity Tax Credit:			
				Married Filing Jointly			
				\$160,000-180,000			
Single				Single			
				80,000-90,000			
Additional (Age 65 or Older or Blind):				Phase-outs for Exclusion of U.S. Savings Bond Income:			
Married Filing Jointly				Married Filing Jointly			
\$1,300				\$121,600-151,600			
Unmarried & Not Surviving Spouse				Single			
\$1,650				81,100-96,100			
AGI Itemized Deduction Phase-out:				Phase-outs for Coverdell Education Savings Accounts:			
Single				Married Filing Jointly			
N/A				N/A			
Head of Household				Single			
N/A				N/A			
Married Filing Jointly				Married Filing Jointly			
N/A				\$190,000-220,000			
Married Filing Separately				Single			
N/A				95,000-110,000			
Personal Exemption				Net Investment Income Tax			
None				3.8%			
Phase-out range:				Over threshold amount of:			
Single				Married Filing Jointly			
N/A				\$250,000			
Head of Household				Married Filing Separately			
N/A				125,000			
Married Filing Jointly				Single			
N/A				200,000			
Married Filing Separately				Capital Gains Tax & Qualified Dividends			
N/A				2020			
				Maximum taxable income thresholds:			
Child Tax Credit				Rate			
2019				Married Filing Jointly			
2020				Single			
(Under Age 18 With Unearned Income)				Head of Household			
				0%			
Credit per Qualifying Child				Up to \$80,000			
\$2,000				Up to \$40,000			
Credit per Qualifying Dependent				Up to \$53,600			
\$500				\$53,600-\$469,050			
				Over \$469,050			
Depreciation Expense				AMT Exemptions			
2019				2019			
2020				2020			
Election to Expense Under Section 179				Married Filing Jointly			
\$1,020,000				\$111,700			
Bonus Depreciation				Phase-out Threshold			
100%				\$1,020,600			
				\$1,036,800			
Mileage Rates (Per Mile)				Single			
2019				Phase-out Threshold			
2020				\$71,700			
Business				\$510,300			
0.58				\$518,400			
Charity				Corporations			
0.14				2019			
Medical				2020			
0.2				Flat Rate			
				21%			
				21%			
Pass-Through Entities				2020			

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

- 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 \$326,600 (for joint filers) or \$163,300 (for single filers) for 2020. Those thresholds were \$321,400 (for joint filers) or \$160,700 (for single filers) for 2019.

2020 Tax Facts At-A-Glance

Estate & Gift Taxes

Scheduled Gift & Estate Tax Changes

Year	Gift Tax Top Rate	Top Estate Tax Rate	Estate Tax Exemption
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
2020	40%	40%	11,580,000

Gift Tax	2019	2020
Annual Gift Tax Exclusion	\$15,000	\$15,000
Gift Tax Exemption	\$11,400,000	\$11,580,000
Generation Skipping Transfer Tax Exemption	\$11,400,000	\$11,580,000

Qualified Plans

	2019	2020
IRA Maximum Contribution Limit	\$6,000	\$6,000
IRA Age 50+ Catch-up Contribution	1,000	1,000
SEP Plan Participant Maximum Percentage of Compensation	25%	25%
SEP Plan Participant Maximum Dollar Allocation Limit	56,000	57,000
SEP Minimum Compensation Amount	600	600
Simple IRA Employee Contribution:		
SIMPLE IRA Catch-up - Age 50 or Older	3,000	3,000
Maximum Elective Deferral to SIMPLE Plan	13,000	13,500
403(b) TSA Elective Employee Deferral	19,000	19,500
403(b) TSA Catch-up - Age 50 or Older	6,000	6,500
403(b) TSA Catch-up - 15 or More Years of Service With Current Employer	3,000	3,000
Defined Contribution Maximum Employer Percentage Deduction Limit (of Eligible Payroll)	25%	25%
Defined Contribution Plan Annual Addition Limit	56,000	57,000
Maximum Elective Deferral to Retirement Plans [e.g., 401(k), 403(b) & 457]	19,000	19,500
401(k) Age 50+ Catch-up Contribution	6,000	6,500
Annual Includable Compensation Limit	280,000	285,000
Highly Compensated Employee Compensation Limit	125,000	130,000
Annual Retirement Benefit Limit Under Defined Benefit Plan (Not to Exceed 100% of Compensation)	225,000	230,000

IRAs

Phase-out Range for Deductible Contributions to Traditional IRAs:

Married Filing Jointly:

Both Spouses as Participants in Qualified Plan

One Spouse as Participant in Qualified Plan

Single/Head of Household

Phase-out Range for Contributions to Roth IRAs:

Married Filing Jointly

Single/Head of Household

Social Security	2019	2020
Full Retirement Age	67 (1960 or Later)	67 (1960 or Later)
Portion of Benefit Paid at Age 62:	70%	75%
Maximum Earnings Before Social Security Benefits Are Reduced:		
Before Full Retirement Age (Lose \$1 for Every \$2 of Earnings)	\$17,640	\$18,240
Year of Full Retirement Age	\$46,920	\$48,600
After Full Retirement	No limit	No limit
Maximum Compensation Subject to FICA Taxes:		
OASDI (Social Security) Max	\$132,900	\$137,700
HI (Medicare) Max	No limit	No limit
2020 OASDI Tax Rate	12.4%	Self-employed 6.2%
2020 HI Tax Rate	2.9%*	Self-employed 1.45%*

*Higher Medicare rate is effective for single with income over \$200,000 & married with income over \$250,000

2020 Required Minimum Distributions Must be Taken by Age 72

2020 Required Minimum Distribution Table

Age	Factor	Age	Factor	Age	Factor
70	27.4	81	17.9	92	10.2
71	26.5	82	17.1	93	9.6
72	25.6	83	16.3	94	9.1
73	24.7	84	15.5	95	8.6
74	23.8	85	14.8	96	8.1
75	22.9	86	14.1	97	7.6
76	22.0	87	13.4	98	7.1
77	21.2	88	12.7	99	6.7
78	20.3	89	12.0	100	6.3
79	19.5	90	11.4	101	5.9
80	18.7	91	10.8	102	5.5



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This information has been obtained from publicly available sources and is believed to be accurate as of January 2020.