

# Underwriters Brokerage Service

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## Key Numbers 2018

Tax reference numbers at a glance.



### Income Tax (2018 tax rate tables)

Taxable income	Tax due	plus	% of income*
<b>Single</b>			
Up to \$9,525	\$0	+	10%
\$9,525 to \$38,700	\$952.50	+	12%
\$38,700 to \$82,500	\$4,453.50	+	22%
\$82,500 to \$157,500	\$14,089.50	+	24%
\$157,500 to \$200,000	\$32,089.50	+	32%
\$200,000 to \$500,000	\$45,689.50	+	35%
Over \$500,000	\$150,689.50	+	37%

<b>Married filing jointly</b>			
Up to \$19,050	\$0	+	10%
\$19,050 to \$77,400	\$1,905.00	+	12%
\$77,400 to \$165,000	\$8,907.00	+	22%
\$165,000 to \$315,000	\$28,179.00	+	24%
\$315,000 to \$400,000	\$64,179.00	+	32%
\$400,000 to \$600,000	\$91,379.00	+	35%
Over \$600,000	\$161,379.00	+	37%

<b>Married filing separately</b>			
Up to \$9,525	\$0	+	10%
\$9,525 to \$38,700	\$952.50	+	12%
\$38,700 to \$82,500	\$4,453.50	+	22%
\$82,500 to \$157,500	\$14,089.50	+	24%
\$157,500 to \$200,000	\$32,089.50	+	32%
\$200,000 to \$300,000	\$45,689.50	+	35%
Over \$300,000	\$80,689.50	+	37%

<b>Head of household</b>			
Up to \$13,600	\$0	+	10%
\$13,600 to \$51,800	\$1,360.00	+	12%
\$51,800 to \$82,500	\$5,944.00	+	22%
\$82,500 to \$157,500	\$12,698.00	+	24%
\$157,500 to \$200,000	\$30,698.00	+	32%
\$200,000 to \$500,000	\$44,298.00	+	35%
Over \$500,000	\$149,298.00	+	37%

\*The percentage applies to each dollar of taxable income within the range until the next income threshold is reached.



### Standard Deduction

Single	\$12,000	<b>Additional deduction for blind or aged (over age 65)</b>	
Married filing jointly	\$24,000		
Married filing separately	\$12,000		
Head of household	\$18,000		
Dependent*	\$1,050*	Single or head of household	\$1,600
		Married filing jointly or separately	\$1,300

\* Dependent standard deduction is the greater of \$1,050 or \$350 plus earned income.



### Alternative Minimum Tax (AMT)

	Maximum exemption amount	Exemption phaseout threshold
Single or head of household	\$70,300	\$500,000
Married filing jointly	\$109,400	\$1,000,000
Married filing separately	\$54,700	\$500,000
	26% rate applies to AMT income up to \$191,500*	
	28% rate applies to AMT income over \$191,500*	

\*\$95,750 if married filing separately.



### Education Credits and Deductions

	MAGI phaseout ranges	
	Single or head of household	Married filing jointly
Lifetime Learning credit (\$2,000 max)	\$57,000 to \$67,000	\$114,000 to \$134,000
American Opportunity credit (\$2,500 max)	\$80,000 to \$90,000	\$160,000 to \$180,000
Education loan interest deduction (\$2,500 max)	\$65,000 to \$80,000	\$135,000 to \$165,000
U.S. Savings bond interest exclusion for higher-education expenses	\$79,700 to \$94,700	\$119,550 to \$149,550



### Estate Planning

Annual gift tax exclusion	\$15,000
Noncitizen spouse annual gift tax exclusion	\$152,000
Top gift, estate, and GST tax rate	40%
Gift tax and estate tax applicable exclusion amount	\$11,200,000 + DSUEA*
Generation-skipping transfer (GST) tax exemption	\$11,200,000**

\* Basic exclusion amount plus deceased spousal unused exclusion amount (exclusion is portable); may be adjusted by the IRS.

\*\*The GST tax exemption is not portable; may be adjusted by the IRS.

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Page 1 of 2, see disclaimer on final page



## Retirement Planning

### Employee contribution limits to employer plans\*

401(k) plans, 403(b) plans, 457(b) plans, and SAR-SEPs (includes Roth contributions to these plans)	\$18,500
Annual catch-up contribution (age 50+)	\$6,000
SIMPLE 401(k) and SIMPLE IRA plans	\$12,500
Annual catch-up contribution (age 50+)	\$3,000

### IRA contribution limits\*\*

Traditional and Roth IRAs (combined)	\$5,500
Annual catch-up contribution (age 50+)	\$1,000

\* Lesser of these limits or 100% of participant's compensation.

\*\* Lesser of these limits or 100% of earned income.

### MAGI phaseout limits for deductible contributions to a traditional IRA (affects taxpayers covered by an employer-sponsored retirement plan)

Single or head of household	\$63,000 to \$73,000
Married filing jointly when the spouse who makes the contribution is covered by a workplace plan	\$101,000 to \$121,000
Married filing jointly when the spouse who makes the contribution is not covered by a workplace plan but the other spouse is covered	\$189,000 to \$199,000
Married filing separately	Up to \$10,000

### MAGI phaseout limits to contribute to a Roth IRA

Single or head of household	\$120,000 to \$135,000
Married filing jointly	\$189,000 to \$199,000
Married filing separately	Up to \$10,000



## Investment Taxes

Single filer	Married filing jointly	Married filing separately	Head of household	Tax rate
<b>Long-term capital gain &amp; qualified dividend tax (taxable income thresholds)</b>				
Up to \$38,600	Up to \$77,200	Up to \$38,600	Up to \$51,700	0%
\$38,601 up to \$425,800	\$77,201 up to \$479,000	\$38,601 up to \$239,500	\$51,701 up to \$452,400	15%
More than \$425,800	More than \$479,000	More than \$239,500	More than \$452,400	20%
<b>Net investment income tax (MAGI thresholds)</b>				
Over \$200,000	Over \$250,000	Over \$125,000	Over \$200,000	3.8%*

\*The 3.8% net investment income tax (also referred to as the unearned income Medicare contribution tax) applies to the lesser of (a) net investment income or (b) modified adjusted gross income (MAGI) exceeding the above thresholds. It does not apply to municipal bond interest or qualified retirement plan/IRA withdrawals.

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## Social Security/Medicare

### Tax rate on earnings

<b>FICA tax – Employee</b>	
Social Security (OASDI) portion	6.2%
Medicare (HI) portion	1.45%*
<b>FICA tax – Employer (OASDI &amp; HI)</b>	
7.65%	
<b>FICA tax – Self-employed</b>	
Social Security (OASDI) portion	12.4%
Medicare (HI) portion	2.9%*
Additional employee Medicare payroll tax/self-employment tax on earnings in excess of specific limits*	0.9%*

### Maximum taxable earnings

Social Security (OASDI only)	\$128,400
Medicare (HI only)	No limit

\* Additional Medicare tax is assessed on earnings in excess of \$200,000 (single filer), \$250,000 (married filing jointly), or \$125,000 (married filing separately).



## Standard Mileage Rates

Business purposes	54.5¢ per mile
Medical purposes	18¢ per mile
Charitable purposes	14¢ per mile
Moving purposes	18¢ per mile