

# 2022 Annual Limits Relating to Financial Planning



AMERICAN RETIREMENT  
& Investment Strategies, LLC

## Traditional and Roth IRAs

Traditional, MyRA, and Roth IRA Contribution Limits	\$6,000
Traditional, MyRA, and Roth IRA Catch-up Contributions, Age 50+	\$1,000
IRA Deduction Phase-out for Active Participants	
Single	\$68,000 - \$78,000
Married Filing Jointly	\$109,000 - \$129,000
IRA Deduction Phase-out for Spousal Contributions	
Married Filing Jointly	\$204,000 - \$214,000
Roth IRA Contribution Phase-out	
Single	\$129,000 - \$144,000
Married Filing Jointly	\$204,000 - \$214,000

## Employer Retirement Plans

Elective deferrals for 401(k), 403(b), 457 and SAR-SEPs	\$20,500
401(k), 403(b), 457 and SAR-SEP Catch-Up Contribution	\$6,500
Defined Contribution Plan Limit	\$61,000
SEP IRA Contribution	\$61,000 or up to 25%
Maximum Annual Defined Benefit Limit	\$245,000
SIMPLE IRA and SIMPLE 401 (k) Contribution	\$14,000
SIMPLE IRA and SIMPLE 401 (k) Catch-Up Contribution	\$3,000
SIMPLE Maximum Compensation (14,000 / 3%)	\$466,666
Maximum Includable Compensation	\$305,000
Highly Compensated Employee	\$135,000
Key Employee	> \$200,000
SEP Minimum Earnings Limit	\$650
IRS Mileage Rate (Business / Medical, Moving / Charitable purpose)	\$.585 / \$.18 / \$.14 per mile
Savers Credit (MAGI) [Maximum Credit is \$2,000 for couples, \$1,000 per individual]	
Joint (Max income \$68,000)	\$0 - \$41K 50% Phase out (\$44K) 20%, (\$66K) 10% (up to \$68K)
Single (Max income \$34,000)	\$0 - \$20,500 50% Phase out (\$22k) 20%, (\$33k) 10%(up to \$34K)

## Education Funding Incentives

Coverdell Education Savings Account Annual Contribution Limit (Per Beneficiary)	\$2,000
Single	\$95,000 - \$110,000
Married filing jointly	\$190,000 - \$220,000
Phase outs of American Opportunity Tax Credit (Can be claimed for up to 4 years)	\$2,500 (\$2k 100%, next \$2k 25%)
Single	\$80,001 - \$89,999
Married filing jointly	\$160,001 - \$179,999
Phase out of exclusion for EE bonds (MAGI)	
Single	\$85,800 - \$100,800
Married filing jointly	\$128,650 - \$158,650
Phase outs of Lifetime Learning Tax Credits (20% of qualified expenses up to \$10k) Max. Credit \$2,000/return (Cannot take both credits in same year)	
Single	\$80,001 - \$89,999
Married filing jointly	\$160,001 - \$179,999
Phase outs of Deductibility of Student Loan Interest (Maximum \$2,500)	
Married Filing Jointly	\$145,000 - \$175,000
Others	\$70,000 - \$85,000

*Compliments of your Financial Advisors – Joseph Grella CFP® and William D’Annibale  
For Information Purposes Only, seek tax advice from an independent tax advisor*

## Federal Estate and Gift Taxes

Annual Gift Tax Exclusion	\$16,000
Estate Tax Exclusion, Generation-Skipping Tax Exclusion, and Gift Tax Exclusion	\$12,060,000
Top Estate, Gift and GST Tax Rate	40% (Estate & Trusts Bene.)

## Federal Income Taxes

Standard Deduction	
Single or Married filing separately	\$12,950
Married filing jointly	\$25,900
Head of Household	\$19,400
Elderly or blind additional deduction	
Single / Married filing jointly	\$1,750 / \$1,400
Kiddie Tax Standard Deduction (Under Age 19 or 24 if a full-time student)	\$1,150 tax free, Next \$1,150 is kid's Rate
Capital Gains Tax	
< \$41,675 (single)    <\$83,350 (joint)	STG Ordinary Rate, LTG 0%
\$41,676 <> \$459,750 (single)    \$83,350 <> \$517,200 (joint)	STG Ordinary Rate, LTG 15%,
\$459,750 + (single)    \$517,200 + (joint)	STG Ordinary Rate, LTG 20%
Medicare Surtax	3.8% Income over \$200k (s)/\$250k (mfj)
Adoption Credit (maximum)	\$14,890 Phase-out \$223,410 - \$263,410
Qualified Business Income	\$340,100 (MFJ)    \$170,050 (Single)
AMT Exemption	Married Filing Jointly \$118,100    Single \$75,900

## Social Security

Taxable Wage Base (Soc. Sec. Maximum)	\$147,000
Social Security Tax Rate	
Old-Age, Survivors and Disability Insurance	12.40% Self-employed, 6.2% Employees
Hospital Insurance	2.9% Self-employed, 1.45% Employees
Medicare Surtax	0.9% Employees Income over \$200k (s)/\$250k (mfj)
Earnings limitations for Social Security Benefits	
Before Normal Retirement Age (\$1 in benefits withheld for every \$2 in earnings over limit)	\$19,560 (\$1,630/mn)
The Year the Individual Reaches Full Retirement Age (\$1 for every \$3 over limit)	\$51,960 (\$4,330/mn)
Income (in retirement) causing SS benefits to be taxed :	
Married Filing Jointly (50% / 85% Taxable)	\$32k MAGI /    \$44k MAGI
Single (50% / 85%)	\$25K MAGI /    \$34k MAGI
Cost of Living Adjustment    Medicare Part B Premium	5.9%    \$170.10/mn
Quarter of Coverage	\$1,510
Maximum benefit retiring at age 66	\$3,345/month [est. avg. bene. \$1,657]

## Long Term Care Insurance & Health Savings Account (HSA)

Per Diem Daily Limit	\$390
Premium as a deductible medical expense limitation (Per person)	
Age 40 or under	\$450
Age 41 - 50	\$850
Age 51 - 60	\$1,690
Age 61 - 70	\$4,510
Age 71 or older	\$5,640
HSA Contribution Maximum (Age 55 to 64 there is a catch-up of \$1000 - per married individual)	\$3,600 (Single) \$7,200 (Family)
Deductible at least \$1,400 for Single, or \$2,800 for Family	

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