

Key	IRAs & Retirement Plan Contributions	Key
	Retirement Plan Distributions	
	Tax Rates	
	Misc. Deductions & Exemptions	
	Estate / Gift Tax Rates & Exclusions Social Security	



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IRA Contributions		
	2021	2022
Traditional & Roth	\$6,000	\$6,000
Catch-up Contribution (Age 50 and older)	\$1,000	\$1,000

Traditional IRA Deduction Phase Outs		
	2021	2022
Single or Head of HH	\$66,000 - \$76,000	\$68,000 - \$78,000
Married Filing Joint	\$105,000 - \$125,000	\$109,000 - \$129,000
Married Filing Separate	\$0-\$10,000	\$0-\$10,000

Active participants (active participant in a qualified plan)

Non-active participants full contribution is deductible (if married, neither spouse active)

Spousal contributions - If one spouse is an active participant, deductibility for non-active spouse phases out: \$204,000- \$214,000

Roth IRAs		
Roth IRA contribution phase outs		
	2021	2022
Single or Head of HH	\$125,000 - \$140,000	\$129,000 - \$144,000
Married Filing Joint	\$198,000-\$208,000	\$204,000-\$214,000
Married Filing Separate	\$0-\$10,000	\$0-\$10,000

IRS Guidance Publications	
Contributions to IRAs	Publication 590-A
Distributions from IRAs	Publication 590-B
Employer Sponsored Retirement Plan (SEP, SIMPLE, and Qualified Plans)	Publication 560

This information is a general discussion of the relevant and projected federal tax laws for 2022 provided to promote ideas that may benefit a taxpayer. It is not intended for, nor can it be used by any taxpayer for the purpose of avoiding federal tax penalties. Taxpayers should seek the advice of their own advisors regarding any tax and legal issues specific to their situation.

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RMD	
RMD Formula = $\frac{\text{Prior Year 12/31 Account Balance}}{\text{Life Expectancy}}$	
Life Expectancy = distribution period for age you will turn in the distribution year	

Employer Plan / IRA Distributions

Uniform Life Expectancy Table (ULET)					
Age	Distribution Period	%	Age	Distribution Period	%
70	29.1	3.44	93	10.1	9.91
71	28.2	3.55	94	9.5	10.53
72*	27.4	3.65	95	8.9	11.24
73	26.5	3.78	96	8.4	11.91
74	25.5	3.93	97	7.8	12.83
75	24.6	4.07	98	7.3	13.7
76	23.7	4.22	99	6.8	14.71
77	22.9	4.37	100	6.4	15.63
78	22	4.55	101	6	16.67
79	21.1	4.75	102	5.6	17.86
80	20.2	4.96	103	5.2	19.24
81	19.4	5.16	104	4.9	20.41
82	18.5	5.41	105	4.6	21.74
83	17.7	5.65	106	4.3	23.26
84	16.8	5.96	107	4.1	24.4
85	16	6.25	108	3.9	25.65
86	15.2	6.58	109	3.7	27.03
87	14.4	6.95	110	3.5	28.58
88	13.7	7.3	111	3.4	29.42
89	12.9	7.76	112	3.3	30.31
90	12.2	8.2	113	3.1	32.26
91	11.5	8.7	114	3	33.34
92	10.8	9.26	115+	2.9	34.49

* If you reach age 70 1/2 in 2020 or later you must take your first RMD by April 1 of the year after you reach 72. Everyone who turned 70 1/2 in 2019, continues under old rules.

Employer Retirement Plans

	2021	2022
Elective Deferrals 401k, 403b, 457	\$19,500	\$20,500
Catch-Up 401(k), 403(b), 457 (Age 50 & older)	\$6,500	\$6,500
Defined Contribution Plan Limit	\$58,000	\$61,000
Highly Compensated Employee	\$130,000	\$135,000
Maximum Includable Compensation	\$290,000	\$305,000
Annual Benefit Limit	\$230,000	\$245,000
Key Employee	\$185,000	\$200,000
SEP IRA Annual Addition Limit	\$58,000	\$61,000
Simple IRA Limit	\$13,500	\$14,000
Simple IRA Catch-up	\$3,000	\$3,000

2022 Health Savings Account Deduction/Contribution Limits

	Minimum Deductible	Maximum Out-of-Pocket	Deduction/Contribution Limit	55+ Catch-up
Single	\$1,400	\$7,050	\$3,650	\$1,000
Family	\$2,800	\$14,100	\$7,300	\$1,000

Life Expectancy

IRS Life Expectancy Tables

Age	Single	Joint	Age	Single	Joint
50	36.2	42.3	71	18	22.5
51	35.3	41.3	72	17.2	21.6
52	34.3	40.3	73	16.4	20.7
53	33.4	39.4	74	15.6	19.8
54	32.5	38.4	75	14.8	18.9
55	31.6	37.4	76	14.1	18.1
56	30.6	36.5	77	13.3	17.2
57	29.8	35.5	78	12.6	16.4
58	28.9	34.5	79	11.9	15.6
59	28	33.6	80	11.2	14.7
60	27.1	32.6	81	10.5	14
61	26.2	31.7	82	9.9	13.2
62	25.4	30.8	83	9.3	12.4
63	24.5	29.8	84	8.7	11.7
64	23.7	28.9	85	8.1	11
65	22.9	28	86	7.6	10.4
66	22	27	87	7.1	9.7
67	21.2	26.1	88	6.6	9.1
68	20.4	25.2	89	6.1	8.5
69	19.6	24.3	90	5.7	8
70	18.8	23.4			

Joint = Joint life expectancy of male and female of the same age

Required Distribution Options After Death

Designated Beneficiary	Death Prior to RBD	Death on or After RBD
Spouse	Treat as Own Life Expectancy 5-Year Rule	Treat as Own Life Expectancy
Non-Spouse	Life Expectancy 5-Year Rule	Life Expectancy
Non-Spouse (After 12/31/19)	10-Year Rule	10-Year Rule

RBD = Required Beginning Date for RMD's
Plans may require faster payout than RMD rules require

Exceptions to the 10% penalty for distributions prior to age 59 1/2

	NQ Annuity	Qual Plans	IRAs
Death	X	X	X
Disability	X	X	X
SEPP 72(i)	X	X	X
Medical Expenses (> 7.5% AGI)		X	X
Birth or Adoption of Child		X	X
College Expenses			X
Health Ins. Prem. for Unemployed			X
Qual. First Time Homebuyer / Reservist			X
Age 55: Separated From Service/QDRO		X	

Standard Deduction

Filing Status	2021	2022
Single	\$12,550	\$12,950
Married Filing Joint	\$25,100	\$25,900
Head of Household	\$18,800	\$19,400
Married filing Separate	\$12,550	\$12,950
Additional \$1400 if >65 or blind. Additional \$1,750 if unmarried.		

2022 Misc. Exemption & Deductions

Personal Exemption	Eliminated
Mortgage Interest Deduction	Debt Limit: \$750,000
Medical Expenses	Deductible If > 7.5% AGI
Moving Expenses	Only For Military
Miscellaneous Deductions	No longer deductible
Income Phaseout for Itemizing	No phase-out

Long Term Care Insurance Deduction

Exceeding 10% of the AGI		
Age	2021	2022
< 40	\$450	\$450
41-50	\$850	\$850
51-60	\$1,690	\$1,690
61-70	\$4,520	\$4,510
> 70	\$5,640	\$5,640

FICA/Social Security & Medicare

	Social Security	Medicare	FICA Tax (total)
Employee portion	6.2%	1.45%	7.65%
Employer portion	6.2%	1.45%	7.65%
Totals	12.4%	2.9%	15.3%
Self-employed	12.4%	2.9%	15.3%
Totals	12.4%	2.9%	15.3%

Earned Income Subject to Tax

Year	Max Earned Income Subject to Social Security Tax
2019	\$132,900
2020	\$137,700
2021	\$142,800
2022	\$147,000

Capital Gain/Dividend Rates

	Single:	MFJ:	HoH:	MFS:	Over
< \$41,675	<\$41,675	\$47,676 - \$459,750			
<\$83,350		\$83,351 - \$517,200			
<\$55,800			\$55,801 - \$488,500		
<\$41,675				\$47,676 - \$258,600	
ST <12 mo.	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary
LT >12 mo.	0%	15%	20%	20%	20%
Qualified Dividends	0%	15%	20%	20%	20%

Medicare Tax & Net Investment Income Tax (NIIT)

	Single	Married Filing Joint (MFJ)	Head of Household (Hoh)	Married Filing Separate Returns (MFS)	Qualifying widow(er) with dependent child
Medicare Tax - 0.9% & NIIT - 3.8% on the lesser of net investment income or MAGI over the following thresholds:					
Single	\$200,000				
Married Filing Joint (MFJ)		\$250,000			
Head of Household (Hoh)			\$200,000		
Married Filing Separate Returns (MFS)				\$125,000	
Qualifying widow(er) with dependent child					\$250,000

2022 Alternative Minimum Tax (AMT) Exemptions

	Individuals	Married Filing Jointly & Surviving Spouse	Married Filing Separately	Trusts & Estates
Exemption	\$75,900	\$118,100	\$59,050	\$26,500

2022 Income Tax Rates for Trusts & Estates

Taxable Income	Tax is	Plus	Of Amount Over	
Over \$0	Not Over			
\$0	\$2,750	\$0	10%	0
\$2,751	\$9,850	\$275	24%	\$2,750
\$9,851	\$13,450	\$1,979	35%	\$9,850
\$13,451	-	\$3,239	37%	\$13,050

Social Security

Full Retirement Age (FRA)

Year of Birth	Full Retirement Age	Number of Reduction Months	Percent of Reduction
1943-1954	66	48	25.00%
1955	66 and 2 months	50	25.83%
1956	66 and 4 months	52	26.67%
1957	66 and 6 months	54	27.50%
1958	66 and 8 months	56	28.33%
1959	66 and 10 months	58	29.17%
1960 or later	67	60	30.00%

Max SS Benefit Per Month	2021	2022
	\$3,895	\$4,195

Early Retirement Reduction

Starting Age for Benefits	Percent benefit reduction for those born 1943-1954
62	25.0%
63	20.0%
64	13.3%
65	6.7%
66	0%

* 5/9 of 1%: Benefits are reduced by 5/9 of 1% per month, up to a maximum of 36 months, depending on how many months remain until the taxpayer reaches FRA.

* 5/12 of 1%: If a taxpayer is more than 36 months from FRA, the reduction above is applied and for the remaining months until retirement the benefits are reduced to 5/12 of 1%.

Earnings Cap

Retirement Profile	2021	2022
Under full retirement age*	\$18,960	\$19,560
Retires in year when reaches FRA	\$50,520	\$51,960

Full retirement age No cap No cap
* For workers under full retirement age, \$1 in benefits will be withheld for every \$2 in earnings above the cap.

* In the year you reach full retirement age, \$1 in benefits will be withheld for every \$3 in earnings above the cap

Delayed Retirement

Benefits increase two-thirds of 1 percent a month, or 8 percent a year, for a taxpayer born in 1942 or later.

Survivor Benefits*

Age of Survivor	Percentage of Benefit
60	71.5%
61	76.3%
62	81.0%
63	85.8%
64	90.5%
65	95.3%

*Based on a FRA of 66

Social Security & Divorce

Benefits for Divorced Spouses*

Ex-spouse must be at least age 62 before applying, but does not have to wait until the other spouse applies for benefits.

Social Security & Divorce Cont.

- must have been married at least ten years
- must have been divorced at least two years

*does not reduce primary ex-spouse's benefit

Reduction for Divorced Spouses Claiming Early

Step 1: Reduce the primary worker's benefit by 50% to get the *base amount*.

Step 2: Determine how many months early the claim is being filed.

Step 3: Calculate the reduction in the spousal benefit

Step 4: Reduce spousal benefit by the percentage calculated in step 3

$$25/36 \text{ of } 1\% \times 36 \text{ months} = 25\%$$

$$5/12 \text{ of } 1\% \times 12 \text{ months} = 5\%$$

$$\text{Total Reduction} = 30\%$$

*Based on a FRA of 66

Taxation of Social Security Benefits

Combined Income

Adjusted gross income (AGI, line 37 on Form 1040)
+ Nontaxable interest
+ Half of Social Security benefits
= Combined Income

Filing Status	Combined Income	Percent of Income Subject to Taxes
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Single, Head of Household, Qualifying Widow	\$25,000 - \$34,000	Up to 50% of Social Security Benefits
	More than \$34,000	Up to 85% of Social Security Benefits
Married Filing Joint	\$32,000 - \$44,000	Up to 50% of Social Security Benefits
	More than \$44,000	Up to 85% of Social Security Benefits

Medicare Premiums

The standard Part B premium for 2021 is \$148.50. If you're single and filing an individual tax return, or married and filed a joint tax return, the following chart applies:

Modified Adjusted Gross Income (MAGI)	Part B Monthly Premium	R _x Coverage Premium
---------------------------------------	------------------------	---------------------------------

2022		
Ind.: \$91,000 or less	\$170.10	Plan Premium
Married: \$182,000 or less		
Ind.: \$91,001 - \$114,000	Standard Premium + \$68	\$12.40 + your plan premium
Married: \$182,001 - \$228,000		
Ind. - \$114,001 - \$142,000	Standard Premium + \$170.10	\$32.10 + your plan premium
Married - \$228,001 - \$284,000		
Ind. - \$142,001 - \$170,000	Standard Premium + \$272.20	\$51.70 + your plan premium
Married - \$284,001 - \$340,000		
Ind. - \$170,001 - \$499,999	Standard Premium + \$374.2	\$71.30 + your plan premium
Married - \$340,001 - \$749,999		

Medicare Premiums Cont.

If you're married and lived with your spouse at some time during the taxable year, but filed separate tax returns, the following applies:

Modified Adjusted Gross Income (MAGI)	Part B Monthly Premium	R _x Coverage Premium
---------------------------------------	------------------------	---------------------------------

2022		
Ind. - \$91,000 or less	\$170.10	Plan Premium
Ind. - \$91,000 - \$409,000	Standard Premium + \$374.20	\$71.30 + your plan premium
Ind. - \$409,000 or greater	Standard Premium + \$408.2	\$77.90 + your plan premium

2022 Personal Income Tax Rates

Taxable Income		Tax Is	Plus	Of Amount Over
Over	Not Over			

Single

\$0	\$10,275	\$0	10.0%	\$0
\$10,276	\$41,775	\$1,028	12.0%	\$10,275
\$41,776	\$89,075	\$4,807	22.0%	\$41,775
\$89,076	\$170,050	\$15,213	24.0%	\$89,075
\$170,051	\$215,950	\$34,647	32.0%	\$170,050
\$215,951	\$539,900	\$49,335	35.0%	\$215,950
\$539,901	and over	\$162,717	37.0%	\$539,900

Married Filing Joint (MFJ)

\$0	\$20,550	\$0	10.0%	\$0
\$20,551	\$83,550	\$2,055	12.0%	\$20,550
\$83,551	\$178,150	\$9,615	22.0%	\$83,550
\$178,151	\$340,100	\$30,427	24.0%	\$178,150
\$340,101	\$431,900	\$69,294	32.0%	\$340,100
\$431,901	\$647,850	\$98,670	35.0%	\$431,900
\$647,851	and over	\$174,252	37.0%	\$647,850

Head of Household (HofH)

\$0	\$14,650	\$0	10.0%	\$0
\$14,651	\$55,900	\$1,465	12.0%	\$14,650
\$55,901	\$89,050	\$6,415	22.0%	\$55,900
\$89,051	\$170,050	\$13,708	24.0%	\$89,050
\$170,051	\$215,950	\$33,147	32.0%	\$170,050
\$215,951	\$539,000	\$47,835	35.0%	\$215,950
\$539,001	and over	\$160,902	37.0%	\$539,000

Married Filing Separate Returns (MFS)

\$0	\$10,275	\$0	10.0%	\$0
\$10,276	\$41,775	\$1,028	12.0%	\$10,275
\$41,776	\$89,075	\$4,807	22.0%	\$41,775
\$89,076	\$170,050	\$15,213	24.0%	\$89,075
\$170,051	\$215,950	\$34,647	32.0%	\$170,050
\$215,951	\$323,925	\$49,335	35.0%	\$215,950
\$323,926	and over	\$87,126	37.0%	\$323,925

Estate Tax Exclusion Rates

	Exclusion Equivalent	Top Estate Tax Rate
2013	\$5,255,000	35%
2014	\$5,340,000	35%
2015	\$5,430,000	40%
2016	\$5,450,000	40%
2017	\$5,490,000	40%
2018	\$11,120,000	40%
2019	\$11,400,000	40%
2020	\$11,580,000	40%
2021	\$11,700,000	40%
2022	\$12,060,000	40%

Subtract applicable credit from tax calculated above

2022 Gift Tax and GST Tax

	Per Person	Per Couple
Annual gift tax exclusion	\$16,000	\$32,000
Unified estate and gift tax credit	\$12,060,000	\$24,120,000

GST Exclusion: \$24,120,000

2022 Taxable Estates & Gifts

Over	Not Over	Tax on Column 1	Rate on Excess
\$0	\$10,000	\$0	18%
\$10,000	\$20,000	\$1,800	20%
\$20,000	\$40,000	\$3,800	22%
\$40,000	\$60,000	\$8,200	24%
\$60,000	\$80,000	\$13,000	26%
\$80,000	\$100,000	\$18,200	28%
\$100,000	\$150,000	\$23,800	30%
\$150,000	\$250,000	\$38,800	32%
\$250,000	\$500,000	\$70,800	34%
\$500,000	\$750,000	\$155,800	37%
\$750,000	\$1,000,000	\$248,300	39%
\$1,000,000	and over	\$345,800	40%

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