

2020

Retirement and tax reference guide

Retirement

IRA and Roth contribution limits

Under Age 50	\$6,000
Age 50 and over	\$7,000

Deductibility of IRA contribution (phaseouts)

MAGI

Covered by retirement plan

Single and HoH	\$65,000 - \$75,000
MFJ	\$104,000 - \$124,000
MFS	\$0 - \$10,000

Not covered by retirement plan

No Spouse Covered	Unlimited
Spouse Covered	\$196,000 - \$206,000

Roth contribution eligibility

MAGI

Single and HOH	\$124,000 - \$139,000
MFJ	\$196,000 - \$206,000
MFS	\$0 - \$10,000

SEP contribution

Up to 25% of compensation	Max \$57,000
Compensation requiring a SEP contribution	\$600

SIMPLE elective deferral

Under 50	\$13,500
Age 50 and over	\$16,500

401(k), 403(b), 457 and SARSEP

Under 50	\$19,500
Age 50 and over	\$25,500

Defined contribution \$415 limit

\$57,000

Defined benefit \$415 limit

\$230,000

Highly compensated employee

\$130,000

Compensation limit

\$285,000

Qualifying longevity annuity contract dollar limit

\$135,000

2020 Tax brackets

Single

Marginal tax rate

\$0 - \$9,875	10%
\$9,876 - \$40,125	12%
\$40,126 - \$85,525	22%
\$85,526 - \$163,300	24%
\$163,301 - \$207,350	32%
\$207,351 - \$518,400	35%
\$518,401+	37%

Married filing jointly (MFJ)

Marginal tax rate

\$0 - \$19,750	10%
\$19,751 - \$80,250	12%
\$80,251 - \$171,050	22%
\$171,051 - \$326,600	24%
\$326,601 - \$414,700	32%
\$414,701 - \$622,050	35%
\$622,051+	37%

Married filing separately (MFS)

Marginal tax rate

\$0 - \$9,875	10%
\$9,876 - \$40,125	12%
\$40,126 - \$85,525	22%
\$85,526 - \$163,300	24%
\$163,301 - \$207,350	32%
\$207,351 - \$311,025	35%
\$311,026+	37%

Head of household (HOH)

Marginal tax rate

\$0 - \$14,100	10%
\$14,101 - \$53,700	12%
\$53,701 - \$85,500	22%
\$85,501 - \$163,300	24%
\$163,301 - \$207,350	32%
\$207,351 - \$518,400	35%
\$518,401+	37%

Estate and Trust

Top marginal tax rate

\$12,951+	37%
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Long-term capital gains/ qualified dividend rates

	0%	15%	20%
Single	\$40,000	\$441,450	\$441,451+
Married filing jointly	\$80,000	\$496,600	\$496,601+
Married filing separately	\$40,000	\$248,300	\$248,301+
Head of household	\$53,600	\$469,050	\$469,051+
Estate and Trust	\$2,650	\$13,150	\$13,151+

Social Security schedules

Tax rates on Social Security benefits

	50% if over ¹	85% if over ¹
Single	\$25,000	\$34,000
MFJ	\$32,000	\$44,000

¹Applicable if total of one-half of benefits and all other income is more than listed MAGI amount or if married filing separately and lived with spouse at any time during the year.

Social Security benefit reductions (based on earnings)

Benefit reduced \$1 for every \$2 of earnings above maximum	\$18,240
In the year of full retirement age (benefit reduced \$1 for every \$3) for months prior to full retirement	\$48,600
At full retirement age	No reduction

Maximum compensation subject to FICA taxes

OASDI (Social Security) maximum	\$137,700
HI (Medicare) maximum	No limit

Education

Coverdell contributions \$2,000

Phaseout for contribution

Single	\$95,000 - \$110,000
MFJ	\$190,000 - \$220,000

529 Plan contributions \$15,000/year before gift tax

Accelerate 5 years of gifting into 1 year	\$75,000
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Uniform lifetime table

This table is used for calculating lifetime Required Minimum Distributions (RMDs) from qualified retirement plans and Traditional IRAs for account holders whose spouse is not more than 10 years younger.

Age	Distribution period	Age	Distribution period
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115+	1.9

Federal estate, gift and generation skipping transfer tax

Max tax rate	Tax exclusion
40%	\$11.58M

Health savings account

Individual coverage ²	\$3,550
Family coverage ²	\$7,100

²Persons 55 and older can contribute up to \$1000 extra to their HSA



Not FDIC or NCUA insured

May lose value • Not a deposit • No bank or credit union guarantee
Not insured by any Federal government agency