

2018 Tax Facts At-A-Glance

925 E Rand Rd., #208 , Arlington Hts, IL 60004 (847) 368-8850 www.HJainCo.com

Income Taxes

2017				2018							
	But Not		Of the		But Not		Of the				
Over	Over	The Tax Is	Amount Over	Over	Over	The Tax Is	Amount Over				
Married Filing Jointly:				Married Filing Joi	ntly:						
\$o	\$18,650	\$0+10%	\$ 0	\$o	\$19,050	\$0+10%	\$0				
18,650	75,900	1,865 + 15%	18,650	19,050	77,400	1,905+12%	19,05				
75,900	153,100	10,452.50 + 25%	75,900	77,400	****		77,400				
153,100	233,350	29,752.50 + 28%	153,100	165,000	315,000	28,179+24%	165,00				
233,350	416,700	52,222.50 + 33%	233,350	315,000			315,000				
416,700	470,700	112,728 + 35%	416,700	400,000	600,000	91,379+35%	400,000				
470,700		131,628 + 39.6%	470,700	600,000		161,379+37%	600,000				
Single:				Single:							
\$o	\$9,325	\$0+10%	\$ 0	\$o	\$9,525	\$0+10%	\$0				
9,325	37,950	932.50 + 15%	9,325	9,525	38,700	952.50+12%	9,52				
37,950	91,900	5,226.25 + 25%	37,950	38,700	82,500	4,453.50+22%	38,700				
91,900	191,650	18,713.75 + 28%	91,900	82,500	157,500	14,089.50+24%	82,500				
191,650	416,700	46,643.75 + 33%	191,650	157,500	200,000	32,089.50+32%	157,500				
416,700	418,400	120,910.25 + 35%	416,700	200,000	500,000	45,689.50+35%	200,000				
418,400		121,505.25 + 39.6%	418,400	500,000		150,689.50+37%	500,000				
Standard Deductions		2017	2018	Education Inc	entives	2017	2018				
Married Filing Jointly		\$12,700	\$24,000	American Opport		\$2,500	\$2,500				
Head of Household		\$9,350			nerican Opportunity Tax Cre	· · · -	Ψ = ,300				
Single		\$6,350		Married Filing Joi		\$160,000-180,000	\$160,000-180,000				
Additional (Age 65 or Olde	r or Blind):	φο,σσ	Ψ12,000	Single	iitiy	80,000-90,000	80,000-90,000				
Married Filing Jointly \$1,250			\$1,300	Phase-outs for Exclusion of U.S. Savings Bond Income:							
Unmarried & Not Surviving	g Spouse	\$1,550		Married Filing Joi	=	\$117,250 or above	\$119,550 or above				
AGI Itemized Deduction Phase-out:		Ψ1,000	ψ1,000	Single	iitij	78,150 or above	79,700 or above				
Single		\$261,500 or over	N/A	_	verdell Education Savings A	, , -	7,7,7 = = = = = = = = = = = = = = = = =				
Head of Household		287,650 or over	•		utions of \$2,000 phase-out						
Married Filing Jointly		313,800 or over		Married Filing Joi	-	\$190,000-220,000	\$190,000-220,000				
Married Filing Separately		156,900 or over		Single	iitiy	95,000-110,000	95,000-110,000				
					t Incomo Toy						
Personal Exemptions		2017	2018	Net Investmer	it income rax		2017 & 2018				
Personal Exemption		\$4,050	None	3.8% Married Filing Joi	nth	Over thr	reshold amount of:				
Phase-out range: Single		\$261,500-384,000	N/A	Married Filing Se	-		\$250,000 125,000				
Head of Household		287,650-410,150		Single	articly		200,000				
Married Filing Jointly		313,800-436,300		_	Гах & Qualified Divide	nds	2018				
Married Filing Separately		156,900-218,150		_	income thresholds:						
Child Tax Credit		2017	2018	Rate	Married Filing Jointly	Single	Head of Household				
	Income			0%	0 ,	_					
(Under Age 18 With Unearned Credit per Qualifying Child		\$1,000	\$2,000		Up to \$77,200	Up to \$38,600	Up to \$51,700				
Credit per Qualifying Depende		\$1,000 N/A	\$2,000 \$500	15% 20%	\$77,200-\$479,000 Over \$479,000	\$38,600-\$425,800 Over \$425,800	\$51,700-\$452,400 Over \$452,400				
Depreciation Expense		2017	2018	AMT Exemption		2017	2018				
Election to Expense Under Sec		\$510,000		Married Filing Joi		\$84,500	\$109,400				
Bonus Depreciation	1011 1/9	\$510,000 50%		Phase-out Thresh		ъ64,500 N/A	\$109,400 \$1,000,000				
Mileage Rates (Per Mile))	2017	2018		ли	\$54,300	\$1,000,000 \$70,300				
Business		•		Phase-out Thresh	4d	Ψ34,300 N/A					
		\$0.535			ли 	IN/A	\$500,000				
Charity Medical		0.14 0.17		Corporations Flat Rate			2018 21%				
Pass-Through Entitie	s	0.1/	0.18	1 Iat Nate			2018				
Tass Imough Bittie											

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 \$315,000 (for joint filers) or \$157,500 (for single filers).

2018 Tax Facts At-A-Glance

Estate & Gift Taxes

	& Gift Taxes											
Schedu	iled Gift & E	state Tax Chang	es			Social Secur	ity			2017		2018
						Full Retiremen	_		67	(1960 or Later) (67 (1960 or Later)
	Gift Tax	Top Estate	Estate T		Portion of Benefit Paid							
Year	Top Rate	Tax Rate	Exempti		at Age 62:				70%	ś	70%	
2008	45%	45%	\$2,000,		Maximum Earnings Before							
2009	45%	45%	3,500,0		Social Security Benefits Are							
2010	35%	0%	0		Reduced:							
2011	35%	35%	5,000,0		Before Full Retirement Age (Los							
2012	35%	35%	5,120,0		\$1 for Every \$2 of Earnings)				\$16,920		\$17,040	
2013	40%	40%	5,250,0		Year of Full Retirement Age				\$44,880		\$45,360	
2014	40%	40%	5,340,0		After Full Retirement				No limi	Ĭ.	No limit	
2015	40%	40% 40%	5,430,0		Maximum Compensation Subject							
	40% 40%	40%	5,450,0		to FICA Taxes:				\$127,200		\$128,700	
2017	40%	40%	5,490,0 11,200,0			OASDI (Social Security) Max HI (Medicare) Max				No limi	+	No limit
Gift Ta	•	40%		2018		2018 OASDI Tax Rate						
	A Gift Tax Exclusi		2017			2016 OASDI 18	ax Nau	=		-		Self-employed
		.011	\$14,000	\$15,000						6.2%		Employees
	Exemption		\$5,490,000	\$11,200,000	2018 HI Tax Rate				2.9%		Self-employed	
Exempti	on Skipping Tr	ansier Tax	\$5,490,000	\$11,200,000			·			1.45%		Employees
	ed Plans		\$5,490,000	\$11,200,000	2017	*Higher Medicare rate is ef		Require				
_	imum Contrib	ution Limit						t be Takeı				10115
					\$5,500		Mus	t de Takei	I Dy A	ge /0 1/2		
_	e 50+ Catch-uj		of Common action		1,000 25%	*	0.01	8 Requir	od Mi	nimum		
	SEP Plan Participant Maximum Percentage of Compensation					_		ribution				
SEP Plan Participant Maximum Dollar Allocation Limit					54,000 600			Factor	Age	Factor A	do E	actor
SEP Minimum Compensation Amount Simple IRA Employee Contribution:					000	600	Age 70		81	17.9	92	10.2
SIMPLE IRA Catch-up - Age 50 or Older					3,000	3,000	71	27.4 26.5	82	17.1	93	9.6
Maximum Elective Deferral to SIMPLE Plan					12,500		72	25.6	83	16.3	94	9.0
403(b) TSA Elective Employee Deferral					18,000		73	24.7	84	15.5	95	8.6
403(b) TSA Catch-up - Age 50 or Older					6,000		74	23.8	85	14.8	96	8.1
403(b) TSA Catch-up - 15 or More Years of Service With Current Employer					3,000	3,000	75	22.9	86	14.1	97	7.6
		Maximum Em	_	=	σ,		76	22.0	87	13.4	98	7.1
	f Eligible Payro				25%	25%	77	21.2	88	12.7	99	6.7
Define	d Contribution	Plan Annual Additio	on Limit		54,000		78	20.3	89	12.0	100	6.3
Maximu	m Elective De	ferral to Retiremen	nt Plans [e.g.,				79	19.5	90	11.4	101	5.9
401(k), 4	.03(b) & 457]				18,000	18,500	80	18.7	91	10.8	102	5.5
401(k)	Age 50+ Catch	-up Contribution			6,000	6,000						
Annual I	ncludable Com	pensation Limit			270,000	275,000				4.5		
Highly C	ompensated E	mployee Compensati	ion Limit Annual R	etirement	120,000	120,000						
Benefit I	imit Under De	fined Benefit Plan (1	Not to Exceed 100%	of								
Compens	sation)				215,000	220,000						
IRAs						20	017			2	2018	
	it Range for De d Filing Jointly	eductible Contribution:	ons to Traditional I	RAs:								
Both Spouses as Participants in Qualified Plan					\$00.000) - 110	000		\$101.0	00 - 10	21.000	
One Spouse as Participant in Qualified Plan					\$99,000 - 119,000			\$101,000 - 121,000 189,000 - 199,000				
Single/Head of Household					186,000 - 196,000 62,000 - 72,000			63,000 - 73,000				
			ID A a .			02,00	·U - /2,	000		03,00	,o - /3	,000
	_	ntributions to Roth	INAS.			φ 4 06 ~ ~	0 101			φ ₄ Ωο =	00 31	20.000
Married Filing Jointly						\$ 186,000 - 196,000				\$189,000 - 199,000		



Single/Head of Household

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118,000 - 133,000

120,000 - 135,000