

# Key Numbers 2020

Tax reference at a glance.

## Income Tax (2020 tax rate tables)

Single		Married filing jointly	
Taxable Income	% of income*	Taxable Income	% of income*
\$0 - \$9,875	10%	\$0 - \$19,750	10%
\$9,875 - \$40,125	12%	\$19,750 - \$80,250	12%
\$40,125 - \$85,525	22%	\$80,250 - \$171,050	22%
\$85,525 - \$163,300	24%	\$171,050 - \$326,600	24%
\$163,300 - \$207,350	32%	\$326,600 - \$414,700	32%
\$207,350 - \$518,400	35%	\$414,700 - \$622,050	35%
Over \$518,400	37%	Over \$622,050	37%

Head of household		Married filing separately	
Taxable Income	% of income*	Taxable Income	% of income*
\$0 - \$14,100	10%	\$0 - \$9,875	10%
\$14,100 - \$53,700	12%	\$9,875 - \$40,125	12%
\$53,700 - \$85,500	22%	\$40,125 - \$85,525	22%
\$85,500 - \$163,300	24%	\$85,525 - \$163,300	24%
\$163,300 - \$207,350	32%	\$163,300 - \$207,350	32%
\$207,350 - \$518,400	35%	\$207,350 - \$311,025	35%
Over \$518,400	37%	Over \$311,025	37%

Estates and Trusts			
\$0 - \$2,600	\$2,600 - \$9,450	\$9,450 - \$12,950	Over \$12,950
10%*	24%*	35%*	37%*

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

## Investment Taxes

Single filer	Married filing jointly	Married filing separately	Head of household	Estates and Trusts	Tax rates
Long-term capital gain & qualified dividend tax (taxable income thresholds)					
Up to \$40,000	Up to \$80,000	Up to \$40,000	Up to \$53,600	Up to \$2,650	0%
\$40,000 up to \$441,450	\$80,000 up to \$496,600	\$40,000 up to \$248,300	\$53,600 up to \$469,050	\$2,650 up to \$13,150	15%
More than \$441,450	More than \$496,600	More than \$248,300	More than \$469,050	More than \$13,150	20%
Collectibles					28%

The tax is assessed on the lesser of the amount of income over the threshold or the amount of net investment income.

## Education Credits and Deductions

	Single or head of HH	Married filing jointly
Student loan interest deduction	\$59,000 to \$69,000	\$118,000 to \$138,000
American Opportunity Tax Credit (Hope Scholarship)		
Maximum \$2,500	\$80,000 to \$90,000	\$160,000 to \$180,000
Lifetime learning credit	\$70,000 to \$85,000	\$140,000 to \$170,000

## Standard Deduction

Single	\$12,400
Married filing jointly	\$24,800
Head of household	\$18,650
Married filing separately	\$12,400
Dependent*	\$1,100*
Additional deduction for blind or aged (over age 65)	
Single or head of household	\$1,650
Married filing jointly or separately	\$1,300

\* Dependent standard deduction is the greater of \$1,100 or \$350 plus earned income.

3.8% Medicare surtax thresholds	
Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000
Estates and trusts	\$12,950

The tax is assessed on the lesser of the amount of income over the threshold or the amount of net investment income.

## Retirement Planning

IRA	
IRA contributions (under age 50)	\$6,000
IRA contributions (50 and older)	\$7,000
Single or HOH phase-out	\$65,000 - \$75,000
Married, filing jointly	\$104,000 - \$124,000
Married, filing separately	\$0 - \$10,000
Spousal IRA	\$196,000 - \$206,000
Phase-out of Roth IRA contribution eligibility	
Single phase-out	\$124,000 - \$139,000
Married, filing jointly	\$196,000 - \$206,000
Married, filing separately	\$0 - \$10,000
SEP	
SEP contribution (limit \$57,000)	Up to 25% of compensation
Minimum compensation participant	\$600
SIMPLE Elective Deferral	
Under age 50	\$13,500
50 and older	\$16,500
Individual 401(k)	
Employer contribution	Up to 25% of compensation
Employee salary deferral (under age 50)	\$19,500
Employee salary deferral (50 and older)	\$26,000
Total employer and employee	\$57,000 (\$63,000 age 50 and older)
Other qualified plans	
401(k), 403(b), government 457(b), and SARSEP elective deferral (under age 50)	\$19,500
401(k), 403(b), government 457(b), and SARSEP elective deferral (50 and older)	\$26,000
Limit on additions to defined contribution plans	\$57,000
Annual benefit limit on defined benefit plans	\$230,000
Highly compensated employee makes	\$130,000
Maximum compensation taken into account for qualified plans	\$285,000
HSA contribution individual coverage	\$3,550
HSA contribution family coverage	\$7,100

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## Federal Gift and Estate Tax

Federal gift and estate tax rates	
Gift tax annual exclusion	\$15,000
Annual exclusion for gift to non-citizen spouse	\$157,000
Highest estate and gift tax rate	40%
Unified estate and gift tax credit amount	\$11,580,000
Generation-skipping transfer tax exclusion	\$11,580,000

Unused credit can pass to the surviving spouse if decedent spouse elects on Form 706.

## Social Security/Medicare

Maximum earnings (during working years) subject to payroll tax*	\$137,700
Social Security payroll tax	
Employees pay	7.65%
Self-employed	15.30%
Additional 0.9% high-income payroll tax for wages in excess of	
Single or HOH	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000
Income (in retirement) causing Social Security benefits to be taxable	
Single or HOH	
Up to 50% taxable	\$25,000 MAGI
Up to 85% taxable	\$34,000 MAGI
Married, filing jointly	
Up to 50% taxable	\$32,000 MAGI
Up to 85% taxable	\$44,000 MAGI

Max earnings (from a job) between age 62 and full (normal) Social Security retirement age (FRA) before Social Security benefits are reduced above \$18,240. For individuals who reach FRA in 2020: \$48,600 up until first of month of birthday. Thereafter unlimited.\*

\*"2020 Social Security Changes," Fact Sheet, Social Security Administration

## Long Term Care

Long term care	
Maximum premium amount allowed as a medical expense (deductible to extent all medical expenses exceed 7.5% AGI)	
Age 40 or less	\$430
Age 40 - 50	\$810
Age 50 - 60	\$1,630
Age 60 - 70	\$4,350
More than age 70	\$5,430