2023 Tax Guide

moneywise
FINANCIAL ADVISORS

INCOME TAXES

Single Filers

Tax Rate	Taxable Income Bracket	Tax Owed
10%	$0 to $11,000	10% of taxable income
12%	$11,001 to $44,725	$1,100 plus 12% of the amount over $11,000
22%	$44,726 to $95,375	$5,147 plus 22% of the amount over $44,725
24%	$95,376 to $182,100	$16,290 plus 24% of the amount over $95,375
32%	$182,101 to $231,250	$37,104 plus 32% of the amount over $182,100
35%	$231,251 to $578,125	$52,832 plus 35% of the amount over $231,250
37%	$578,126 or more	$174,238.25 plus 37% of the amount over $578,125

Married Filing Jointly

Tax Rate	Taxable Income Bracket	Tax Owed
10%	$0 to $22,000	10% of taxable income
12%	$22,001 to $89,450	$2,200 plus 12% of the amount over $22,000
22%	$89,451 to $190,750	$10,294 plus 22% of the amount over $89,450
24%	$190,751 to $364,200	$32,580 plus 24% of the amount over $190,750
32%	$364,201 to $462,500	$74,208 plus 32% of the amount over $364,200
35%	$462,501 to $693,750	$105,664 plus 35% of the amount over $462,500
37%	$693,751 or more	$186,601.50 + 37% of the amount over $693,750

Head of Household

Tax Rate	Taxable Income Bracket	Tax Owed
10%	$0 to $15,700	10% of taxable income
12%	$15,701 to $59,850	$1,570 plus 12% of the amount over $15,700
22%	$59,851 to $95,350	$6,868 plus 22% of the amount over $59,850
24%	$95,351 to $182,100	$14,678 plus 24% of the amount over $95,350
32%	$182,101 to $231,250	$35,498 plus 32% of the amount over $182,100
35%	$231,251 to $578,100	$51,226 plus 35% of the amount over $231,250
37%	$578,101 or more	$172,623.50 plus 37% of the amount over $578,100

Married Filing Separately

Tax Rate	Taxable Income Bracket	Tax Owed
10%	$0 to $11,000	10% of taxable income
12%	$11,001 to $44,725	$1,100 plus 12% of the amount over $11,000
22%	$44,726 to $95,375	$5,147 plus 22% of the amount over $44,725
24%	$95,376 to $182,100	$16,290 plus 24% of the amount over $95,375
32%	$182,101 to $231,250	$37,104 plus 32% of the amount over $182,100
35%	$231,251 to $346,875	$52,832 plus 35% of the amount over $231,250
37%	$346,876 or more	$93,300.75 plus 37% of the amount over $346,875

STANDARD DEDUCTIONS

Single	$13,850
Married Filing Jointly	$27,700
Married Filing Separately	$13,850
Head of Household	$20,800
Additional (age 65/older or blind)	
Single or Head of Household	$1,850
Married	$1,500

IRAs

IRA maximum contribution limit	$6,500
IRA age 50+ catch-up contribution	$1,000
Phase-out range for contributions to Roth IRAs (MAGI)	
Single/Head of Household	$138,000 to $153,000
Married Filing Jointly	$218,000 to $228,000
Married Filing Separately	$0 to $10,000
Phase-out range for deductible contributions to traditional IRAs (MAGI)	
Single	$73,000 to $83,000
Married Filing Jointly (contribution to active-participant's IRA)	$116,000 to $136,000
Married Filing Jointly (contribution to non-active-participant's IRA)	$218,000 to $228,000
Married Filing Separately	$0 to $10,000

HEALTH SAVINGS ACCOUNTS (HSAs 2023)

HSA contribution limit (employer + employee)	
Self-only	$3,850
Family	$7,750
Catch-up contributions (age 55+)	$1,000
HDHP minimum deductibles	
Self-only	$1,500
Family	$3,000
HDHP maximum out-of-pocket amounts	
Self-only	$7,500
Family	$15,000

HEALTH FSA (INCLUDING LIMITED PURPOSE FSA) ACCOUNT LIMITS

Maximum contribution	$3,050
Maximum rollover amount	$610

EDUCATION TAX BENEFITS - MAGI PHASE OUTS

	Single	Married Filing Jointly
American Opportunity Tax Credit	$80,000 to $90,000	$160,000 to $180,000
Lifetime Learning Tax Credit	$80,000 to $90,000	$160,000 to $180,000
Student Loan Interest Deduction	$75,000 to $90,000	$155,000 to $185,000
Education Savings Bond Program	$91,850 to $106,850	$137,800 to $167,800
Coverdell ESA (Contributions)	$95,000 to $110,000	$190,000 to $220,000

QUALIFIED PLANS

Maximum elective deferral to retirement plans	
401(k), 403(b), & 457	$22,500
Catch-up contribution (age 50+)	$7,500
Section 415 limit for:	
Defined Contribution Plans	$66,000
Defined Benefit Plans	$265,000
Highly compensated employees	$150,000
Annual includable compensation limit	$330,000
SIMPLE IRA	$15,500
SIMPLE catch-up contribution (age 50+)	$3,500

SOCIAL SECURITY

FICA - Taxable Wage Base	$160,200
Medicare 1.45%	No Limit
Annual earned income limit	
Before Full Retirement Age (lose $1 for every $2 earnings above limit)	$21,240
Year of Full Retirement Age (lose $1 for every $3 earnings above limit)	$56,5200
After Full Retirement Age	No Limit

2023 ALTERNATIVE MINIMUM TAX EXEMPTION PHASE-OUT THRESHOLDS

Filing Status	Threshold
Unmarried Individuals	$578,150
Married Filing Jointly	$1,156,300

DEPENDENT CARE FSA CONTIBUTION LIMITS

Family	$5,000
Married Filing Separately	$2,500

CHILD TAX CREDIT PHASE-OUTS

Filing Status	MAGI	Amount: Under Age 17
Individuals	$200,000	$2,000
Head of Household	$200,000	$2,000
Married	$400,000	$2,000

QUALIFIED BUSINESS INCOME (QBI) DEDUCTION

Single/HOH/MFS	$182,100 - $232,100
Married Filing Jointly	$364,200 - $464,200

CHARITABLE CONTRIBUTION LIMITS

Charitable Contribution Limits:		Percent of Taxpayer's AGI Limit:	
Property Type	**Value**	**Public Charity**	**PNOF***
Cash	FMV	60%	30%
Ordinary Income Property	Lesser of FMV or basis	50%	30%
Long-Term Capital Gain Property			
- Intangible (stocks)	FMV or basis	30% if FMV 50% if basis	20%
- Tangible (related use)	FMV or basis	30% if FMV 50% if basis	20%
- Tangible (unrelated use)	Lesser of FMV or basis	50%	20%

*Private Non-Operating Foundation

LONG-TERM CAPITAL GAINS TAX RATES

	Taxable Income		
Filing Status	**0% RATE**	**15% RATE**	**20% RATE**
Single	Up to $44,625	$44,626 – $492,300	Over $492,300
Married Filing Jointly	Up to $89,250	$89,251 – $553,850	Over $553,850
Married Filing Separately	Up to $44,625	$44,626 – $276,900	Over $276,900
Head of Household	Up to $59,750	$59,751 – $523,050	Over $523,050

3.8% NET INVESTMENT INCOME TAX (MAGI)

Married Filing Jointly	$250,000
Single	$200,000
Married Filing Separately	$125,000

0.9% ADDITIONAL MEDICARE TAX (EARNINGS)

Married Filing Jointly	$250,000
Single	$200,000
Married Filing Separately	$125,000

MAXIMUM DEDUCTION FOR STATE AND LOCAL TAXES (SALT)

Married Filing Jointly	$10,000
Single	$10,000
Married Filing Separately	$5,000