

Standard Deduction

A significant change for individuals resulting from tax reform was the near doubling of the standard deduction amounts. However, individual tax reform is temporary and is scheduled to sunset in 2026. Your advisor can assist you in adapting to the temporary changes based on your individual circumstances. Where individuals can strategically increase their itemized deductions, including by using their retirement plan contribution if they are charitably inclined, they should consider contributing.

The 2018 standard deduction is:

Filing Status	Amount
Single	\$12,000
Married filing joint return and qualifying surviving spouse with dependent child	\$24,000
Married filing separate return	\$12,000
Head of household	\$18,000

An additional \$1,300 standard deduction may be claimed by a married taxpayer who is at least 65 years old or blind for tax year 2018. In 2018, a total additional deduction of \$2,600 (\$1,600 by a single taxpayer) standard deduction can be claimed if the taxpayer is at least 65 years old and blind.

Planning Suggestion: A taxpayer benefits from itemizing deductions only if the deductions exceed the standard deduction. If your itemized deductions fluctuate from year to year, consider bunching your itemized deductions in one year and claiming the standard deduction in other years.