

Tax Facts and Figures

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20	2021 Federal Tax Rate Schedules									
Si	ngle Tax	able	Income							
\$	0	to	9,950	×	10.0%	minus	\$	0.00	=	Tax
	9,951	to	40,525	×	12.0%	minus		199.00	=	Tax
	40,526	to	86,375	×	22.0%	minus	4	4,251.50	=	Tax
	86,376	to	164,925	×	24.0%	minus	Į	5,979.00	=	Tax
	164,926	to	209,425	×	32.0%	minus	19	9,173.00	=	Tax
	209,426	to	523,600	×	35.0%	minus	2!	5,455.75	=	Tax
	523,601	and	d over	×	37.0%	minus	3!	5,927.75	=	Tax
M	FJ or QW	/ Tax	able Incor	ne						
\$	0	to	19,900	×	10.0%	minus	\$	0.00	=	Tax
	19,901	to	81,050	×	12.0%	minus		398.00	=	Tax
	81,051	to	172,750	×	22.0%	minus	8	3,503.00	=	Tax
	172,751	to	329,850	×	24.0%	minus	11	1,958.00	=	Tax
	329,851	to	418,850	×	32.0%	minus	38	3,346.00	=	Tax
	418,851	to	628,300	×	35.0%	minus	50	0,911.50	=	Tax
	628,301	and	d over	×	37.0%	minus	63	3,477.50	=	Tax
M	MFS Taxable Income									
\$	0	to	9,950	×	10.0%	minus	\$	0.00	=	Tax
	9,951	to	40,525	×	12.0%	minus		199.00	=	Tax
	40,526	to	86,375	×	22.0%	minus	4	1,251.50	=	Tax
	86,376	to	164,925	×	24.0%	minus	į	5,979.00	=	Tax
	164,926	to	209,425	×	32.0%	minus	19	9,173.00	=	Tax
	209,426	to	314,150	×	35.0%	minus	25	5,455.75	=	Tax
	314,151	and	d over	×	37.0%	minus	3	1,738.75	=	Tax
НС)H Taxab	le In	come							
\$	0	to	14,200	×	10.0%	minus	\$	0.00	=	Tax
	14,201	to	54,200	×	12.0%	minus		284.00	=	Tax
	54,201	to	86,350	×	22.0%	minus	į	5,704.00	=	Tax
	86,351	to	164,900	×	24.0%	minus	7	7,431.00	=	Tax
	164,901	to	209,400	×	32.0%	minus	20	0,623.00	=	Tax
	209,401	to	523,600	×	35.0%	minus	26	5,905.00	=	Tax
_	523,601	and	d over	×	37.0%	minus	37	7,377.00	=	Tax

Additional Medicare Tax

 $\it 0.9\%$ additional tax on wage income above threshold

Filing status	Single, HOH, QW	MFJ	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

2021 Personal Exemptions

The personal exemption deduction per person is \$0 The qualifying relative income limit is \$4,300

The phaseout of the personal exemption deduction is suspended for tax years 2018 through 2025.

2021 Standard Deduction

The basic standard deduction for 2021 is:	
Single or MFS	\$12,550
MFJ or QW	\$25,100
HOH	\$18,800

Age 65 and/or blind. The additional amounts for age 65 or older and/or blind, per person, per event in 2021 are:

MFJ, QW, or MFS	\$1,350
Single or HOH	\$1,700

Dependent. The standard deduction in 2021 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,100, or earned income plus \$350.

Child Tax Credit and Credit for Other Dependents

Child Tax Credit	\$2,000 per qualifying child.
Maximum refundable portion of Child Tax Credit	\$1,400 per qualifying child.
Child Tax Credit phaseout begins	MFJ\$400,000 Single, HOH, MFS\$200,000
Credit for Other Dependents	\$500 per dependent (not a qualifying child)

Social Security Highlights

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Employee's portion of FICA	2021	2020	2019
Maximum earnings subject to Social Security tax (Medicare no limit)	\$142,800	\$137,700	\$132,900
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$8,853.60	\$8,537.40	\$8,239.80

^{*}Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



Tax Facts and Figures

Business Expenses

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2021 Standard Mileage Rate Per Mile Business	2021 Standard Deduction for Meals— High Low Method (Per Day)
Medical and moving*16.0¢	High cost localities\$71
Charitable14.0¢	All other localities\$60
Depreciation26.0¢	Transportation workers\$66
Section 179 Expense Limits	Qualified Transportation Benefits
Regular 179 limits\$1,050,000	(exclusion from income allowed, but
SUV limits\$26,200	no employer deduction)
Investment phaseout	Commuter benefits (per month)\$270
begins\$2,620,000	Parking benefits (per month)\$270

^{*}The moving expense deduction is available only to active duty military servicemembers pursuant to a permanent change of station (PCS) order.

2021 Retirement Plan Limits

2021 Hetirement Fun Limits				
401(k)/403(b) Deferral Limits	Roth IRA Phaseout Range			
Under age 50\$19,500	MFJ\$198,000-\$208,000			
Age 50 and over\$26,000	Single, HOH \$125,000 – \$140,000			
IRA Contribution Limits	MFS\$0-\$10,000			
Under age 50\$6,000	SIMPLE Deferral Limits			
Age 50 and over \$7,000	Under age 50\$13,500			
IRA Deduction Phaseout Range if	Age 50 and over\$16,500			
Covered by Employer Plan	Qualified Retirement Plans			
MFJ\$105,000-\$125,000	Profit sharing/SEP limits . 25%/\$58,000			
Single, HOH\$66,000-\$76,000	Defined benefit plan limits \$230,000			
MFS\$0-\$10,000	Compensation limits \$290,000			
Spouse not covered				
\$198,000-\$208,000				

Education Tax Benefits

Ludcation Tax Delicits	
American Opportunity Credit	Education Savings Account (ESA)
MFJ phaseout \$160,000-\$180,000	MFJ phaseout\$190,000-\$220,000
Single, HOH	All others\$95,000-\$110,000
phaseout\$80,000-\$90,000	Annual contribution limit: \$2,000 per beneficiary
Maximum credit: \$2,500 per student	Student Loan Interest Deduction
Up to 40% (\$1,000) may be refundable	MFJ phaseout\$140,000-\$170,000
Lifetime Learning Credit	Single, HOH phaseout \$70,000-\$85,000
MFJ phaseout \$160,000–\$180,000	Maximum deduction: \$2,500 per return
Single, HOH phaseout\$80,000–\$90,000 Maximum credit: \$2,000 per return	U.S. Savings Bonds Interest Exclusion MFJ phaseout\$124,800—\$154,800 Single, HOH phaseout\$83,200—\$98,200

Qualified Tuition Plans (529 plans)

- Distributions for qualifying expenses for college students or apprentices are not taxable.
- Distributions up to \$10,000 per student are allowed for tuition expenses for a public, private, or religious elementary or secondary school.
- Cumulative distributions up to \$10,000 per beneficiary and sibling for qualified education debt.

This brochure contains general information for taxpayers and should not be relied upon as the only source of authority.

Taxpayers should seek professional tax advice for more information.

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2021 Tax Rates: Capital Gain and Dividend Income

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If income is	Maximum tax rate %	If asset is held
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days
Taxable Income Single \$0 to \$40,400 MFJ/QW \$0 to \$80,800 MFS \$0 to \$40,400 HOH \$0 to \$54,100 Estates and trusts \$0 to \$2,700	0%	
Taxable Income Single \$40,401 to \$445,850 MFJ/QW \$80,801 to \$501,600 MFS \$40,401 to \$250,800 HOH \$54,101 to \$473,750 Estates and Trusts \$2,701 to \$13,250	15%	
Taxable Income Single \$445,851 and over MFJ/QW \$501,601 and over MFS \$250,801 and over HOH \$473,751 and over Estates and Trusts \$13,251 and over	20%	
Short-term capital gain	37%	1 year or less
Ordinary dividend income	37%	60 days or less

Net Investment Income Tax (NIIT)

3.8% additional tax on investment income if MAGI above threshold amount

Filing status	Single, HOH	MFJ, QW	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

2021 Qualified Business Income Deduction Thresholds

MFJ: \$329,800 MFS: \$164,925 Si	nale, HOH, QW: \$164,900
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Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 72.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.