

TAXES FOR 2020-2021

INDIVIDUAL INCOME TAX RATES

REGULAR TAX

| | Base Taxable Income | Tax On Base | % on Excess Over Base |
|--------------|---------------------|-------------|-----------------------|
| 2020 | | | |
| Joint Return | \$0 | \$ 0 | 10% |
| | 19,751 | 1,975 | 12% |
| | 80,251 | 9,235 | 22% |
| | 171,051 | 29,211 | 24% |
| | 326,601 | 66,543 | 32% |
| | 414,701 | 94,735 | 35% |
| | 622,051 | 167,308 | 37% |
| Single | \$0 | \$ 0 | 10% |
| | 9,876 | 988 | 12% |
| | 40,126 | 4,618 | 22% |
| | 85,526 | 14,606 | 24% |
| | 163,301 | 33,272 | 32% |
| | 207,351 | 47,368 | 35% |
| | 518,401 | 156,235 | 37% |
| 2021 | | | |
| Joint Return | \$0 | \$ 0 | 10% |
| | 19,901 | 1,990 | 12% |
| | 81,051 | 9,328 | 22% |
| | 172,751 | 29,502 | 24% |
| | 329,851 | 67,206 | 32% |
| | 418,851 | 95,686 | 35% |
| | 628,301 | 168,993 | 37% |
| Single | \$0 | \$ 0 | 10% |
| | 9,950 | 995 | 12% |
| | 40,525 | 4,664 | 22% |
| | 86,375 | 14,751 | 24% |
| | 164,925 | 33,603 | 32% |
| | 209,425 | 47,843 | 35% |
| | 523,600 | 157,804 | 37% |

STANDARD DEDUCTION

| | 2020 | 2021 |
|--------------------------------|----------|----------|
| Joint Filers | \$24,800 | \$25,100 |
| Single Dependents | 12,400 | 12,550 |
| | 18,650 | 18,800 |
| Additional – blind or elderly: | | |
| Single | 1,650 | 1,700 |
| Married (each) | 1,300 | 1,350 |

*Taxpayer is allowed to deduct the greater of standard deduction or itemized deductions.

PERSONAL EXEMPTIONS

2018 and forward Repealed

LONG TERM CAPITAL GAIN RATES

| Sales & Qualifying Dividend Rates: | | 2020 | | |
|------------------------------------|----------------------|----------|---------|------------|
| Single | Married Filing Joint | Cap Gain | Sur Tax | Total Rate |
| \$0-40,000 | \$0 -80,000 | 0% | 0% | 0% |
| 40,001-200,000 | \$80,001-250,000 | 15% | 0% | 15% |
| \$200,001-441,450 | \$250,001-496,600 | 15% | 3.8% | 18.8% |
| \$441,451+ | \$496,601+ | 20% | 3.8% | 23.8% |

ESTATE AND GIFT TAX RATES

| Year | Top Estate Tax Rate | Exemption Amount |
|------|---------------------|------------------|
| 2017 | 40% | \$5.49 million |
| 2018 | 40% | \$11.18 million |
| 2019 | 40% | \$11.40 million |
| 2020 | 40% | \$11.58million |

ANNUAL GIFT TAX EXCLUSION

| | 2020 | 2021 |
|------------------------|----------|----------|
| Gifts per donee | \$15,000 | \$15,000 |
| Joint gifts by spouses | \$30,000 | \$30,000 |

CORPORATE INCOME TAX RATES

REGULAR TAX

Corporate Tax Rates are now a flat 21%

EMPLOYMENT TAX RATES

FICA TAXES

| | 2019 | 2020 | Rate | Self Employed Rate |
|-----------------|-----------|-----------|-------|--------------------|
| | Wage Base | Wage Base | | |
| Social Security | \$137,700 | \$142,800 | 6.20% | 12.40% |
| Medicare | No limit | No limit | 1.45% | 2.90% |

If you are under full retirement age for the entire year and are drawing social security benefits the amount of gross earned income \$18,240 for 2020 and \$18,960 for 2021 without any reduction to benefits.