



## **2017 vs. 2018 Key Facts and Figures**

**Note: We highlighted the information that changed between 2017 and 2018 with a box.**

**\* Updated March 7, 2018 to reflect recalculated inflation adjusted numbers released in Rev. Proc. 2018-18 based on the changed inflation measure from CPI-U to C-CPI-U (chained CPI) under the Tax Cuts and Jobs Act of 2017, and to reflect retroactive changes to 2017 numbers based on the Bipartisan Budget Act of 2018.**

<b>Personal Exemption</b>	<b>2017</b>	<b>2018</b>
Personal exemption amount per person	4,050	N/A
<i>Phaseout of 2% for every \$2,500 (\$1,250 MFS) or fraction thereof that AGI exceeds the following amounts</i>		
Single	\$261,500	N/A
Married filing jointly or surviving spouse	\$313,800	N/A
Married filing separately	\$156,900	N/A
Head of household	\$287,650	N/A

<b>Standard Deductions</b>	<b>2017</b>	<b>2018</b>
Single	6,350	12,000
Married filing jointly or surviving spouse	12,700	24,000
Married filing separately	6,350	12,000
Head of household	9,350	18,000
Dependent on another taxpayer's return	Greater of \$1,050 or earned income + \$350	Greater of \$1,050 or earned income + \$350
<i>Additional standard deduction amount if age 65 or older or blind</i>		
Married (per person)	1,250	1,300
Unmarried	1,550	1,600

<b>Phaseout of Itemized Deductions</b>	<b>2017</b>	<b>2018</b>
<i>Phaseout of 3% of the amount by which AGI exceeds the threshold:</i>		
Single	\$261,500	N/A
Married filing jointly or surviving spouse	\$313,800	N/A
Married filing separately	\$156,900	N/A
Head of household	\$287,650	N/A

<b>Employment Taxes</b>	<b>2017</b>	<b>2018</b>
<i>Social Security tax rate</i>		
Employer's portion	6.2%	6.2%
Employee's portion	6.2%	6.2%
Total for self-employed individual	12.4%	12.4%
Maximum amount of earnings subject to Social Security taxes	\$127,200	\$128,400
<i>Medicare tax rate</i>		
Employer's portion	1.45%	1.45%
Employee's portion (on all net self-employment income)	1.45%	1.45%
Total for self-employed individual (on all net self-employment income)	2.9%	2.9%
Employee's additional Medicare surtax on earnings above \$200,000 (\$250,000 MFJ, \$125,000 MFS)	.9%	.9%
Maximum amount of earnings subject to Medicare taxes	Unlimited	Unlimited
<i>Total employment taxes</i>		
Employer's portion	7.65%	7.65%
Employee's portion	7.65%	7.65%
Total for self-employed individual	15.3%	15.3%
Percentage of self-employed earnings subject to SE taxes	92.35%	92.35%
Percentage of SE taxes deducted above-the-line	50%	50%

<b>Kiddie Tax</b>	<b>2017</b>	<b>2018</b>
Amount of unearned income not subject to tax due to standard deduction	1,050	TCJA is unclear regarding these thresholds. Waiting for IRS guidance.
Amount of unearned income taxed at child's rate	1,050	
Unearned income above these amounts taxed at	parents' marginal tax rate	
Earned income of a child under age 19 (24 if a student)		Taxed as single
Unearned income of a child under age 19 (24 if a student)		Taxed using Trust & Estate ordinary income rates and LTCG rate breakpoints

<b>Child Tax Credit</b>	<b>2017</b>	<b>2018</b>
Child tax credit per child under age 17	1,000	2,000
Tax credit per qualifying dependent, other than a child under age 17	N/A	500
<i>Phaseout of \$50 for every \$1,000 or fraction thereof that AGI exceeds the following amounts (completely phased out if AGI exceeds threshold by \$20,000 per child):</i>		
Single	75,000	200,000
Married filing jointly or surviving spouse	110,000	400,000
Married filing separately	55,000	200,000
Head of household	75,000	200,000

<b>Child or Dependent Care Credit</b>	<b>2017</b>	<b>2018</b>
<i>Maximum amount of qualifying expenses</i>		
One child or dependent	3,000	3,000
Two or more children or dependents	6,000	6,000
AGI amount when credit reduced to 20% level	43,000	43,000
<i>Maximum credit, assuming taxpayer's AGI at 20% level</i>		
One child or dependent	600	600
Two or more children or dependents	1,200	1,200
<b>American Opportunity Tax Credit</b>	<b>2017</b>	<b>2018</b>
<i>Credit percentage amounts</i>		
First \$2,000	100%	100%
Second \$2,000	25%	25%
Maximum credit	\$2,500	\$2,500
<i>Phaseout at the following AGI amounts:</i>		
Single	80,000 – 90,000	80,000 – 90,000
Married filing jointly or surviving spouse	160,000 – 180,000	160,000 – 180,000
Married filing separately	0	0
Head of household	80,000 – 90,000	80,000 – 90,000
<b>Lifetime Learning Credit</b>	<b>2017</b>	<b>2018</b>
<i>Credit percentage amounts</i>		
First \$10,000	20%	20%
Maximum credit	\$2,000	\$2,000
<i>Phaseout at the following AGI amounts:</i>		
Single	56,000 – 66,000	57,000 – 67,000
Married filing jointly or surviving spouse	112,000 – 132,000	114,000 – 134,000
Married filing separately	0	0
Head of household	56,000 – 66,000	57,000 – 67,000

<b>Deduction for Education Loan Interest</b>	<b>2017</b>	<b>2018</b>
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Above-the-line deduction for educational loan interest payments	2,500	2,500
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*Phaseout of educational loan interest deduction at the following AGI amounts:*

Single	65,000 – 80,000	65,000 – 80,000
Married filing jointly or surviving spouse	135,000 – 165,000	135,000 – 165,000
Married filing separately	0	0
Head of household	65,000 – 80,000	65,000 – 80,000

<b>Deduction for Tuition and Related Expenses</b>	<b>2017</b>	<b>2018</b>
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Above-the-line deduction for tuition and related expenses	\$4,000	expired
<i>AGI limitations to claim up to the full \$4,000 above-the-line deduction</i>		
Single	\$65,000	expired
Married filing jointly or surviving spouse	\$130,000	expired
Married filing separately	\$0	expired
Head of household	\$65,000	expired

*AGI limitation to claim up to \$2,000 above-the-line deduction if AGI exceeds the limits above for the \$4,000 deduction*

Single	\$80,000	expired
Married filing jointly or surviving spouse	\$160,000	expired
Married filing separately	\$0	expired
Head of household	\$80,000	expired

<b>Tax-Free Treatment on Series EE Bonds to Pay Qualified Education Expenses</b>	<b>2017</b>	<b>2018</b>
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*Phaseout of tax-free treatment on Series EE bonds at the following AGI amounts:*

Single	78,150 – 93,150	79,550 – 94,550
Married filing jointly or surviving spouse	117,250 – 147,250	119,300 – 149,300
Married filing separately	78,150 – 93,150	79,550 – 94,550
Head of household	78,150 – 93,150	79,550 – 94,550

<b>Coverdell Education Savings Accounts</b>	<b>2017</b>	<b>2018</b>
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Coverdell Education Savings Account (ESA) contribution limit	2,000	2,000
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*Phaseout of ESA contribution at the following AGI amounts:*

Single	95,000 – 110,000	95,000 – 110,000
Married filing jointly or surviving spouse	190,000 – 220,000	190,000 – 220,000
Married filing separately	95,000 – 110,000	95,000 – 110,000
Head of household	95,000 – 110,000	95,000 – 110,000

<b>Section 179 Deduction</b>	<b>2017</b>	<b>2018</b>
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Section 179 deduction amount	510,000	1,000,000
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Limit on property placed in service	2,030,000	2,500,000
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<b>Health Savings Accounts</b>	<b>2017</b>	<b>2018</b>
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*High deductible health plan minimum deductible amounts*

Single	1,300	1,350
Family	2,600	2,700

*Maximum out-of-pocket limits*

Single	6,550	6,650
Family	13,100	13,300

*Contribution Maximums*

Single	3,400	3,450
Family	6,750	6,850
Catch-up contributions (age 55 or older)	1,000	1,000

**Income Tax Rates****2017****2018**

Marginal tax rate ends at the following income levels:

<i>Single</i>				
	10%	9,325	10%	9,525
	15%	37,950	12%	38,700
	25%	91,900	22%	82,500
	28%	191,650	24%	157,500
	33%	416,700	32%	200,000
	35%	418,400	35%	500,000
	39.6%	Unlimited	37%	Unlimited
<i>Married filing jointly or surviving spouse</i>				
	10%	18,650	10%	19,050
	15%	75,900	12%	77,400
	25%	153,100	22%	165,000
	28%	233,350	24%	315,000
	33%	416,700	32%	400,000
	35%	470,700	35%	600,000
	39.6%	Unlimited	37%	Unlimited
<i>Married filing separately</i>				
	10%	9,325	10%	9,525
	15%	37,950	12%	38,700
	25%	76,550	22%	82,500
	28%	116,675	24%	157,500
	33%	208,350	32%	200,000
	35%	235,350	35%	300,000
	39.6%	Unlimited	37%	Unlimited
<i>Head of household</i>				
	10%	13,350	10%	13,600
	15%	50,800	12%	51,800
	25%	131,200	22%	82,500
	28%	212,500	24%	157,500
	33%	416,700	32%	200,000
	35%	444,550	35%	500,000
	39.6%	Unlimited	37%	Unlimited



Income Tax Rates	2017	2018
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<i>Trusts, Estates; for 2018, Kiddie Tax on Unearned Income of a Child Under Age 19 (24 if a student)</i>				
	15%	2,550	10%	2,550
	25%	6,000	24%	9,150
	28%	9,150	35%	12,500
	33%	12,500	37%	Unlimited
	39.6%	Unlimited		

Long-Term Capital Gain Rates	2017	2018
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<i>Tax rates for long-term capital gains and dividends</i>		
Taxpayers in the 39.6% bracket	20%*	
Taxpayers in the 25%, 28%, 33%, and 35% tax brackets	15%*	
Taxpayers in the 10% or 15% tax bracket	0%	
Long-term capital gain and dividend tax rate ends at the following income levels:		
<i>Single</i>		
	0%	\$ 38,600
	15%*	425,800
	20%*	Unlimited
<i>Married filing jointly or surviving spouse</i>		
	0%	\$ 77,200
	15%*	479,000
	20%*	Unlimited
<i>Married filing separately</i>		
	0%	\$ 38,600
	15%*	239,500
	20%*	Unlimited
<i>Head of household</i>		
	0%	\$ 51,700
	15%*	452,400
	20%*	Unlimited
<i>Trusts &amp; Estates</i>		
	0%	\$ 2,600
	15%*	12,700
	20%*	Unlimited

<b>Long-Term Capital Gain Rates (continued)</b>	<b>2017</b>	<b>2018</b>
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IRS Section 1250 depreciation recapture	25%	25%
Collectibles	28%	28%

\*For single taxpayers with AGI over \$200,000 (\$250,000 MFJ; \$125,000 MFS; \$12,500 Estates & Trusts) an additional 3.8% Medicare Contribution tax will apply to capital gains to the extent that Net Investment Income exceeds the threshold level.

<b>Alternative Minimum Taxes (AMT)</b>	<b>2017</b>	<b>2018</b>
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*AMT exemption amounts*

Single	54,300	70,300
Married filing jointly or surviving spouse	84,500	109,400
Married filing separately	42,250	54,700
Head of household	54,300	70,300

*Phaseout of AMT exemption of 25% of AMTI that exceeds the following amounts:*

Single	120,700	500,000
Married filing jointly or surviving spouse	160,900	1,000,000
Married filing separately	80,450	500,000
Head of household	120,700	500,000

<b>Alternative Minimum Taxes (AMT)</b>	<b>2017</b>	<b>2018</b>
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*AMT tax rates*

*Single, married filing jointly, head of household, and estates and trusts*

26% on income up to	187,800	191,100
28% on income over	187,800	191,100

*Married filing separately*

26% on income up to	93,900	95,550
28% on income over	93,900	95,550

Maximum tax rate on capital gains and dividends	20%**	20%**
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\*\*The maximum tax rates on capital gains and dividends used in computing the regular tax are used in computing the tentative minimum tax as well (15% for most taxpayers, 20% for high-income taxpayers)

Estate, Gift, and GST Taxes	2017	2018
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*Annual gift tax exclusions*

Gifts to any person	14,000	15,000
Gifts to a U.S. citizen spouse	Unlimited	Unlimited
Gifts to a noncitizen spouse	149,000	152,000

*Lifetime gifts*

Applicable exclusion amount	5,490,000	11,180,000
Applicable credit amount	2,141,800	4,417,800

*Bequests at death*

Applicable exclusion amount	5,490,000	11,180,000
Applicable credit amount	2,141,800	4,417,800

Top estate tax rate	40%	40%
Top gift tax rate	40%	40%

*Generation-skipping transfer (GST) tax*

Annual GST exclusion	14,000	15,000
Lifetime GST exemption amount	5,490,000	11,180,000
Flat GST tax rate	40%	40%
Special-use valuation limit	1,120,000	1,140,000
Section 6166 special 2% interest rate	1,490,000	1,520,000

<b>Retirement Plans</b>	<b>2017</b>	<b>2018</b>
<i>Taxpayer or employee contribution limits</i>		
IRA (combined traditional and Roth IRA limit)	5,500	5,500
401(k) plans	18,000	18,500
403(b) plans	18,000	18,500
457 plans	18,000	18,500
SIMPLE plans	12,500	12,500
<i>Catch-up contribution limits</i>		
IRA (combined traditional and Roth IRA limit)	1,000	1,000
401(k) plans	6,000	6,000
403(b) plans	6,000	6,000
457 plans	6,000	6,000
SIMPLE plans	3,000	3,000
<i>Defined-contribution plan limitations</i>		
Participating payroll	25%	25%
Maximum percentage of employee's compensation	100%	100%
Participant's contribution not to exceed	54,000	55,000
Maximum compensation to be considered	270,000	275,000
<i>Defined-benefit plan limitations</i>		
Maximum annual benefit	215,000	220,000
Maximum compensation to be considered	270,000	275,000
<i>SEP plan limitations</i>		
Maximum percentage of employee's compensation	25%	25%
Participant's contribution not to exceed	54,000	55,000
Minimum compensation needed to participate	600	600
Maximum compensation to be considered	270,000	275,000
Qualified plan definitions		
<i>Highly-compensated employee</i>		
Any employee who owns 5% or more of the company		
Any employee among the top 20% highest-paid and paid more than	120,000	120,000

<b>Retirement Plans</b>	<b>2017</b>	<b>2018</b>
<i>Key employee</i>		
Any officer earning	175,000	175,000
Any employee who owns 5% or more of the company		
Any employee who owns 1% or more of the company and makes	150,000	150,000
<i>Qualified Longevity Annuity Contract (QLAC)</i>		
Maximum premium invested	125,000	130,000

<b>IRAs</b>	<b>2017</b>	<b>2018</b>
<i>Phaseout of IRA deduction for an active participant at the following amounts:</i>		
Single	62,000 – 72,000	63,000 – 73,000
Married filing jointly or surviving spouse – for the participant spouse	99,000 – 119,000	101,000 – 121,000
Married filing jointly – for a spouse who is not themselves a participant, but the other spouse is a participant	186,000 – 196,000	189,000 – 199,000
Married filing separately	0 – 10,000	0 – 10,000
Head of household	62,000 – 72,000	63,000 – 73,000

<i>Phaseout of Roth IRA contributions at the following amounts:</i>		
Single	118,000 – 133,000	120,000 – 135,000
Married filing jointly or surviving spouse	186,000 – 196,000	189,000 – 199,000
Married filing separately	0 – 10,000	0 – 10,000
Head of household	118,000 – 133,000	120,000 – 135,000

<b>Social Security Benefits</b>	<b>2017</b>	<b>2018</b>
<i>Limit on earnings before the reduction of benefits of \$1 for every \$2 earnings above limitation (\$1 for every \$3 in the year of full retirement age)</i>		
Under full retirement age	16,920	17,040
Persons reaching full retirement age	44,880	45,360
Over full retirement age	n/a	n/a
Amount needed to earn one Social Security credit	1,300	1,320

<b>Medicare</b>	<b>2017</b>	<b>2018</b>
<i>Part A deductibles for hospital stays</i>		
Days 1-60 (total deductible for all 60 days)	1,316	1,340
Days 61-90 (deductible per day)	329	335
Days 91-150 (deductible per day)	658	670
<i>Part A deductibles for skilled nursing facility</i>		
Days 1-20	0	0
Days 21-100 (deductible per day)	164.50	167.50
<i>Part B monthly premium (monthly premiums will be higher if AGI exceeds \$85,000 for single taxpayers or \$170,000 MFJ taxpayers)</i>	134.00	134.00
<i>Part B annual deductible</i>	183	183