

2023 Key Financial Data



2023 Tax Rate Schedule

Taxable Income (\$)	Base amount of tax (\$)		Marginal tax rate (%)	Of the amount over (\$)
SINGLE				
0 to 11,000		+	10	
11,001 to 44,725	1,100	+	12	11,000
44,726 to 95,375	5,147	+	22	44,725
95,376 to 182,100	16,290	+	24	95,375
182,101 to 231,250	37,104	+	32	182,100
231,251 to 578,125	52,832	+	35	231,250
Over 578,126	174,238	+	37	578,125
MARRIED FILING JOINTLY AND SURVIVING SPOUSES				
0 to 22,000		+	10	
22,001 to 89,450	2,200	+	12	22,000
89,451 to 190,750	10,294	+	22	89,450
190,751 to 364,200	32,580	+	24	190,750
364,201 to 462,500	74,208	+	32	364,200
462,501 to 693,750	105,664	+	35	462,500
Over 693,751	186,602	+	37	693,750
HEAD OF HOUSEHOLD				
0 to 15,700		+	10	
15,701 to 59,850	1,570	+	12	15,700
59,851 to 95,350	6,868	+	22	59,850
95,351 to 182,100	14,678	+	24	95,350
182,101 to 231,250	35,498	+	32	182,100
231,251 to 578,100	51,226	+	35	231,250
Over 578,101	172,624	+	37	578,100
MARRIED FILING SEPARATELY				
0 to 11,000		+	10	
11,001 to 44,725	1,100	+	12	11,000
44,726 to 95,375	5,147	+	22	44,725
95,376 to 182,100	16,290	+	24	95,375
182,101 to 231,250	37,104	+	32	182,100
231,251 to 346,875	52,832	+	35	231,250
Over 346,876	93,301	+	37	346,875
TRUSTS & ESTATES				
0 to 2,900		+	10	
2,901 to 10,550	290	+	24	2,900
10,551 to 14,450	2,126	+	35	10,550
Over 14,451	3,491	+	37	14,450

Standard Deductions & Personal Exemption

Filing status	Standard deduction
MFJ and surviving spouses	\$27,700
Single	\$13,850
Married filing separately	\$13,850
Head of household	\$20,800
Dependent filing own tax return	higher of \$1,250 or \$400 + earned income
ADDITIONAL DEDUCTIONS FOR NON-ITEMIZERS	
Blind or over 65	Add \$1,500
Blind or over 65 and unmarried or not a surviving spouse	Add \$1,850

Capital Gains & Qualified Dividends

APPLICABLE FOR SINGLE	
If taxable income is below \$44,625	0%
If taxable income is between \$44,626 and \$492,300	15%
If taxable income is above \$492,301	20%
APPLICABLE FOR MARRIED FILING JOINTLY RETURNS	
If taxable income is below \$89,250	0%
If taxable income is between \$89,251 and \$553,850	15%
If taxable income is above \$553,851	20%

3.8% Net Investment Income Tax

APPLICABLE TO TAXPAYERS WHOSE MAGI EXCEEDS THE FOLLOWING THRESHOLDS:	
Married filing jointly	\$250,000
Single	\$200,000
Married filing separately	\$125,000

0.9% Additional Medicare Tax

APPLICABLE TO TAXPAYERS IF WAGES, COMPENSATION AND SELF-EMPLOYMENT INCOME EXCEEDS THE FOLLOWING THRESHOLDS:	
Married filing jointly	\$250,000
Single	\$200,000
Married filing separately	\$125,000

FICA Tax

	Withheld	Maximum tax payable
SS TAX PAID ON WAGES UP TO \$160,200		
Employer pays	6.2%	\$9,932
Employee pays	6.2%	\$9,932
Self-employed pays	12.4%	\$19,865
MEDICARE TAX PAID ON ALL WAGES		
Employer pays	1.45%	No max
Employee pays	1.45% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)	No max
Self-employed pays	2.90%	No max

Exemption Amounts for Alternative Minimum Tax

Married filing jointly and surviving spouses	\$126,500
Single	\$81,300
Married filing separately	\$63,250
Estates and trusts	\$28,400
28% TAX RATE APPLIES TO INCOME OVER:	
Married filing separately	\$110,350
All others	\$220,700
EXEMPTION AMOUNTS PHASE OUT AT:	
Married filing jointly and surviving spouses	\$1,156,300
Single and married filing separately	\$578,150
Trusts & Estates	\$94,600

Education Credits & Deductions

	Maximum credit/deduction	Income phase-outs begin at MAGI of:
American Opportunity Tax Credit & Hope Credit	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime Learning Credit	\$2,000 credit	\$160,000 joint \$80,000 all others



Gift & Estate Tax Exclusions & Credits

Maximum estate, gift and GST tax rate	40%
Estate, gift and GST exclusions	\$12,920,000
Gift tax annual exclusion	\$17,000
Exclusion on gifts to non-citizen spouse	\$175,000



2023 Key Financial Data



RETIREMENT

Health Savings Accounts (HSA) & High Deductible Health Plans	
CONTRIBUTION LIMIT (EMPLOYER + EMPLOYEE)	
Individual	\$3,850
Family	\$7,750
Catch-up contribution (age 55+)	\$1,000
HDHP MINIMUM ANNUAL DEDUCTIBLE	
Individual	\$1,500
Family	\$3,000
HDHP MAX OUT-OF-POCKET AMOUNTS	
Individual	\$7,500
Family	\$15,000

Uniform Lifetime Table			
Current age	Distribution period	Current age	Distribution period
72	27.4	87	14.4
73	26.5	88	13.7
74	25.5	89	12.9
75	24.6	90	12.2
76	23.7	91	11.5
77	22.9	92	10.8
78	22.0	93	10.1
79	21.1	94	9.5
80	20.2	95	8.9
81	19.4	96	8.4
82	18.5	97	7.8
83	17.7	98	7.3
84	16.8	99	6.8
85	16.0	100	6.4
86	15.2	101	6.0

Medicare Premiums & Deductibles	
Part B standard premium	\$164.90/mo
Part B deductible	\$226/yr
Part A (inpatient services) deductible	\$1,600/benefit period
Part A coinsurance for days 1-60 of hospitalization	\$0/day
Part A coinsurance for days 61-90 of hospitalization	\$400/day
Part A coinsurance for more than 90 days of hospitalization (capped by 60 lifetime reserve days)	\$800/day
Beyond lifetime reserve days	All costs

Deductibility of Long-Term Care Premiums on Qualified Policies	
Attained age before close of tax year	Amount of LTC premiums that qualify as medical expenses in 2023
40 or under	\$480
41 to 50	\$890
51 to 60	\$1,790
61 to 70	\$4,770
Over 70	\$5,960

Social Security		
BENEFITS		
Full retirement age (FRA) If born 1943 - 1954 If born 1960 or later		Age 66 Age 67
Maximum monthly benefit	\$3,627/mo if FRA is in 2023	
Retirement earnings exempt amount	\$21,240/yr under FRA \$56,520/yr reaching FRA No limit after FRA	
TAX ON SOCIAL SECURITY BENEFITS		
Filing status	AGI plus provisional income	Amount of SS subject to tax
Married filing jointly	Under \$32,000	\$0
	\$32,000-\$44,000	Up to 50%
	Over \$44,000	Up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000	\$0
	\$25,000-\$34,000	Up to 50%
	Over \$34,000	Up to 85%
Married filing separately and living with spouse	Over \$0	Up to 85%

Retirement Plan Contribution Limits		
	2022	2023
Annual compensation used to determine contribution for most plans	\$305,000	\$330,000
Defined-contribution plans, basic limit	\$61,000	\$66,000
Defined-benefit plans, basic limit	\$245,000	\$265,000
401(k), 403(b), 457(b) plans elective deferrals	\$20,500	\$22,500
Catch-up provision for individuals 50 and over: 401(k), 403(b), 457(b) plans	\$6,500	\$7,500
SIMPLE plan elective deferral limit	\$14,000	\$15,500
SIMPLE plan catch-up contribution for individuals 50 and over	\$3,000	\$3,500

Individual Retirement Accounts			
IRA type	Cont. limit	Catch-up 50+	Income limits
Traditional nondeductible	\$6,500	\$1,000	None
Traditional deductible	\$6,500	\$1,000	If covered by plan: \$116,000-\$136,000 joint \$73,000-\$83,000 single, HOH \$0-\$10,000 married filing separate If one spouse is covered by a plan: \$218,000-\$228,000 joint
Roth	\$6,500	\$1,000	\$218,000-\$228,000 joint \$138,000-\$153,000 single, HOH \$0-\$10,000 married filing separate and active plan participant
Roth conversion			No income limit

Medicare Premiums for High-Income Taxpayers			
MAGI single (\$)	MAGI joint (\$)	Part B premium (\$)	Part D income adjustment (\$)
97,000 or less	194,000 or less	164.90	0
97,001-123,000	194,001-246,000	230.80	12.20
123,001-153,000	246,001-306,000	329.70	31.50
153,001-183,000	306,001-366,000	428.60	50.70
183,001-500,000	366,001-750,000	527.50	70.00
Above 500,000	Above 750,000	560.50	76.40

TAX DEADLINES

- January 17** - Fourth installment of the previous year's estimated taxes due
- April 18** - Tax filing deadline, or request extension to October 16. First installment of 2023 taxes due. Last day to file amended return for 2019. Last day to contribute to: Roth or traditional IRA for 2022; HSA for 2022; Keogh or SEP for 2022 (unless tax filing deadline has been extended)
- June 15** - Second installment of estimated taxes due
- September 15** - Third installment of estimated taxes due
- October 16** - Tax returns due for those who requested an extension. Last day to contribute to SEP or Keogh for 2022 if extension was filed
- December 31** - Last day to: 1) pay expenses for itemized deductions; 2) complete transactions for capital gains or losses; 3) establish a Keogh plan or solo 401(k) plan for 2023; 4) complete 2023 contributions to employer-sponsored 401(k) plans.

Truepoint Wealth Counsel is a fee-only Registered Investment Adviser (RIA). Registration as an adviser does not connote a specific level of skill or training. More detail, including forms ADV Part 2A & Form CRS filed with the SEC, can be found at TruepointWealth.com. Neither the information, nor any opinion expressed, is to be construed as personalized investment, tax or legal advice. The accuracy and completeness of information presented from third-party sources cannot be guaranteed.



2023 IRS Contribution Limits

Individual Account Limits 2023						
	Employee	Employer	Max	Catch up (50+)	Pre/Post Tax	Income Limits
Traditional IRA	\$6,500	N/A	\$6,500 or taxable compensation	\$1,000	Pre-tax	Yes - if covered by an ER plan
Roth IRA	\$6,500	N/A	\$6,500 or taxable compensation	\$1,000	Post-tax	Yes
SEP IRA	N/A	Lesser of: 25% comp (up to \$330,000 comp) or \$66,000	Lesser of: 25% comp (up to \$330,000 comp) or \$66,000	N/A	Pre-tax	No
SARSEP (pre-1997)	Lesser of: 25% comp (\$330,000) or \$22,500	Up to Max	Lesser of: 25% comp (\$330,000) or \$66,000	\$7,500	Pre-tax	No
SIMPLE IRA	\$15,500	Either: dollar-for-dollar match up to 3% of salary or 2% of each employees salary (\$330,000)	Lesser of: 100% comp (\$330,000) or \$66,000	\$3,500	Pre-tax	No
SIMPLE 401(k)	\$15,500	Either: dollar-for-dollar match up to 3% of salary or 2% of each employees salary (\$330,000)	Lesser of: 100% comp (\$330,000) or \$66,000	\$3,500	Pre-tax	No
Solo 401(k)	\$22,500	Up to Max	Lesser of: 100% comp (\$330,000) or \$66,000	\$7,500	Pre & Post (EE Only)	No
401(k)	\$22,500	Up to Max	Lesser of: 100% comp (\$330,000) or \$66,000	\$7,500	Pre & Post	No
403(b)	\$22,500	Up to Max	Lesser of: 100% comp (\$330,000) or \$66,000	\$7,500 + special CU	Pre & Post	No
457(b)	\$22,500	Up to Max	Lesser of: 100% comp (\$330,000) or \$66,000	\$7,500 or special CU	Pre & Post	No

Combined Account Limits 2023		
Traditional IRA, Roth IRA	\$6,500	\$1,000
SEP IRA	Lesser of: 25% comp (\$330,000) or \$66,000	N/A
401(k), 403(b), SARSEP, SIMPLE IRA, SIMPLE 401(k), Solo 401(k)	\$22,500	\$7,500
457 (b)	\$22,500	\$7,500

SIMPLE IRA

The 3% ER match can be reduced to a lower percentage (no lower than 1%) for two out of every 5 years. Only non-elective contributions by ER are subject to \$330,000 compensation cap, the match is not.

SIMPLE 401(k)

All ER contributions are subject to compensation cap (\$330,000) including match.

403(b)

In addition to the age 50 catch up contribution, this plan has a 15 years of service catch up. Elective deferrals can be increased by up to \$3,000 in any taxable year (lifetime ER by ER limit of \$15,000) for EEs who have worked at the same company, school district, etc. for 15 years.

457(b)

If the plan permits, there is an additional catch up. It allows participants for 3 years prior to normal retirement age (specified in the plan) to contribute the lesser or the elective deferral limit (\$22,500) or the basic annual limit plus the amount of the basic limit not used in prior years (if not using age 50 or over catch-up).

SEP

You can contribute to the SEP IRA and the Solo 401(k) only if the plans are offered by separate companies.

