

ESSENTIAL FINANCIAL FIGURES

KEY INFORMATION AND FINANCIAL DATA FOR 2021

Important Dates & Deadlines

DATE	IMPORTANCE
APR 15	First installment of estimated taxes due for 2021. ¹
MAY 17*	"Tax Day" – deadline to file Form 1040 or request extension. ¹
MAY 17	2020 contribution deadline for Roth IRAs, traditional IRAs. ²
MAY 17	2020 contribution deadline for Health Savings Accounts (HSAs). ²
MAY 17	2020 contribution deadline for SEPs, Keoghs. ³
MAY 17	Deadline to establish a 2020 SEP plan. ³
MAY 17	Deadline to correct excess IRA and/or qualified plan contributions. ⁴
JUN 15	Second installment of estimated taxes due for 2021. ¹
SEP 15	Third installment of estimated taxes due for 2021. ¹
SEP 15	Deadline to establish/fund a 2020 Solo 401(k) for S-corps, partnerships. ⁵
OCT 15	Deadline to file Form 1040 for those who requested extension. ¹
OCT 15	Deadline to re-characterize ineligible IRA contributions made for TY 2020. ⁵
OCT 15	Deadline to establish/fund a 2020 Solo 401(k) for C-corps, sole proprietors. ⁵
DEC 31	Deadline for IRA/qualified plan RMDs. ⁶
DEC 31	2021 employee contribution deadline for 401(k) plans. ⁷
DEC 31	Deadline to settle a capital loss or gain transaction. ⁸

*Texas, Oklahoma, and Louisiana severe winter storm victims have until June 15, 2021, to file various individual and business federal tax returns and make tax payments.

Alternative Minimum Tax Exemptions¹⁰

FILING STATUS	EXEMPTION AMOUNT	EXEMPTION AMOUNT PHASES OUT AT	28% TAX RULE APPLIES FOR INCOME OVER
Single	\$73,600	\$523,600	\$199,900
Married Filing Jointly	\$114,600	\$1,047,200	\$199,900
Married Filing Separately	\$57,300	\$523,600	\$99,950
Qualifying Widow(er)s	\$114,600	\$1,047,200	\$199,900
Trusts and Estates	\$25,700	\$85,650	\$199,900

Federal Income Tax Brackets and Rates⁸

RATE	SINGLE	MARRIED JOINT	HEAD OF HOUSEHOLD
10%	\$0 - \$9,950	\$0 - \$19,900	\$0 - \$14,200
12%	\$9,951 - \$40,525	\$19,901 - \$81,050	\$14,201 - \$54,200
22%	\$40,526 - \$86,375	\$81,051 - \$172,750	\$54,201 - \$86,350
24%	\$86,376 - \$164,925	\$172,751 - \$329,850	\$86,351 - \$164,900
32%	\$164,926 - \$209,425	\$329,851 - \$418,850	\$164,901 - \$209,400
35%	\$209,426 - \$523,600	\$418,851 - \$628,300	\$209,401 - \$523,600
37%	\$523,601 and up	\$628,301 and up	\$523,601 and up

Standard Deductions⁹

FILING STATUS	STANDARD DEDUCTION
Single	\$12,550
Head of Household	\$18,800
Married Filing Jointly	\$25,100

ADDITIONAL DEDUCTIONS: Age: If you are age 65 or older or blind, you may increase your standard deduction by \$1,650 if you file Single or Head of Household. If you are Married Filing Jointly and you OR your spouse is 65 or older, you may increase your standard deduction by \$1,300. If BOTH you and your spouse are 65 or older, you may increase your standard deduction by \$2,600.

Qualified Dividends and Long-Term Capital Gains¹⁰

BRACKET	SINGLE	MARRIED FILING JOINTLY
0%	\$0-\$40,000	\$0-\$80,000
15%	\$40,401-\$445,850	\$80,801-\$501,600
20%	\$445,851 and up	\$501,601 and up

BRACKET	MARRIED FILING SEPARATELY	HEAD OF HOUSEHOLD
0%	\$0-\$40,000	\$0-\$54,100
15%	\$40,401-\$250,800	\$54,101-\$473,750
20%	\$250,801 and up	\$473,751 and up

3.8% Net Investment Income Tax (NIIT)¹¹

FILING STATUS	THRESHOLD AMOUNT
Single	\$200,000
Head of Household*	\$200,000
Married Filing Jointly	\$250,000
Married Filing Separately	\$125,000
Qualifying Widow(er)s**	\$250,000

* With Qualifying Person
 ** With Dependent Child

Education Tax Benefits^{10,12,13}

BENEFIT	INCOME PHASE-OUTS BEGIN AT
Education Savings Bond Program ¹⁰	Cash in bonds tax-free (limited to amount of qualified expenses) \$83,200 Modified Adjusted Gross Income (MAGI) ^{***} (\$124,800 MAGI for joint filers)
American Opportunity Tax Credit ^{12,13}	Credit of \$2,500 (max) per eligible student* \$80,000 MAGI ^{***} (\$160,000 MAGI for joint filers)
Lifetime Learning Credit ^{12,13}	Credit of up to \$2,000** \$80,000 MAGI ^{***} (\$160,000 MAGI for joint filers)
Coverdell Savings Account ¹²	Tax-Free earnings for qualified education expenses (contribute up to \$2,000 annually) \$95,000 MAGI ^{***} (\$190,000 MAGI for joint filers)

* 40% of this credit is potentially refundable.

** The amount of the credit is 20% of the first \$10,000 of qualified education expenses.

*** Your tax credit for both the AOTC and LLC is reduced when your MAGI falls between \$80-90K (Single Filers) and \$160-180K (MFJ).

Estate Tax Rates¹⁴

AMOUNT OF TAXABLE ESTATE	ESTATE TAX AMOUNT	PLUS THIS % ON AMOUNT IN EXCESS OF LOWER LIMIT
\$0 - \$10,000	\$0	18%
\$10,000 - \$20,000	\$1,800	20%
\$20,001 - \$40,000	\$3,800	22%
\$40,001 - \$60,000	\$8,200	24%
\$60,001 - \$80,000	\$13,000	26%
\$80,001 - \$100,000	\$18,200	28%
\$100,001 - \$150,000	\$23,800	30%
\$150,001 - \$250,000	\$38,800	32%
\$250,001 - \$500,000	\$70,800	34%
\$500,001 - \$750,000	\$155,800	37%
\$750,001 - \$1,000,000	\$248,300	39%
\$1,000,001+	\$345,800	40%

Estate and Gift Tax Exclusions, Exemptions¹⁰

	AMOUNT
Unified Estate and Gift Tax Exclusion	\$11,700,000
Generation-Skipping Transfer (GST) Tax Exemption	\$11,700,000
Annual Exclusion Amount (AEA) for Gifts	\$15,000
AEA for Gifts to non-U.S. Citizen Spouse	\$159,000

Social Security¹⁵

Full Retirement Age (Depending on Year Born)	66/67
Maximum Possible Monthly Benefit (at FRA)	\$3,148
Retirement Earnings Exempt Amounts Based on Normal Retirement Age (NRA)	\$18,960 Under NRA \$50,250 Yr NRA Reached (No limit after NRA)

Social Security Taxable Benefits¹⁶

FILING STATUS	PROVISIONAL INCOME*	S.S. AMOUNT SUBJECT TO TAX
Single, HOH, Qualifying Widow(er)**	\$0-\$25,000	\$0
	\$25,001-\$34,000	Up to 50%
	\$34,001+	Up to 85%
Married Filing Jointly	\$0-\$32,000	\$0
	\$32,001-\$44,000	Up to 50%
	\$44,001+	Up to 85%
Married Filing Separately (Living Together)	\$0+	Up to 85%

* Provisional income is derived by adding the individual's Adjusted Gross Income, tax-free interest, 50% of Social Security benefits, and any other tax-free benefits.
** Also married filing separately and living apart from spouse.

Retirement Plan Contribution Limits^{17,18}

	CONTRIBUTION LIMIT	CATCH-UP CONTRIBUTION** LIMIT
401(k), 403(b), 457, Thrift Savings Plan†	\$19,500	\$6,500
IRA and Roth IRA contributions	\$6,000	\$1,000
SIMPLE IRA	\$13,500	\$3,000
Solo 401(k)	\$58,000	\$6,500
Simplified Employee Pension	\$58,000	\$6,500***

*Not including employer contributions.

**For plan participants who will be age 50 or older in 2020.

*** Only applies for employees permitted to make traditional IRA contributions to their SEP-IRA accounts.

AGI Limits & IRA Contribution Deductions⁸

	LIMIT OR PHASE-OUTS FOR INDIVIDUAL FILERS	LIMIT OR PHASE-OUTS FOR MARRIED (JOINT) FILERS
Traditional IRA	\$66,000-\$76,000	\$105,000-\$125,000**
Roth IRA	\$125,000-\$140,000	\$198,000-\$208,000
Retirement Savers Credit***	\$33,500 (\$49,500 if HOH)	\$66,000

*If one spouse has a workplace account and the other doesn't, the other can claim the full deduction on their IRA contribution until the couple's income exceeds \$198,000.

**If the contributing spouse has access to a retirement plan.

*** The amount of this non-refundable credit is 50%, 20% or 10% of up to \$2,000 of qualified retirement savings contributions, depending on your adjusted gross income and filing status.

Medicare Costs¹⁹

	PREMIUM
Part A	\$471*
Part B	\$148.50**
Part C	Varies by plan
Part D	Varies by plan/income

*If applicable. You usually pay no Part A coverage premium if you or your spouse paid Medicare taxes while working.

**Or higher, determined by income.

Deductibles & Coinsurance¹⁹

	AMOUNT
Part A Deductible (per benefit period)	\$1,408
Coinsurance, Days 1-60	\$0
Coinsurance, Days 61-90	\$371*
Coinsurance, Days 91+	\$742**
Part B Deductible (per year)	\$203***

*Per day of benefit period. | **Per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime). | ***After deductible is met, you typically pay 20% of the Medicare-approved amount for most doctor services.

Health Savings Accounts, High Deductible Health Plans²⁰

	INDIVIDUAL	FAMILY	CATCH-UP CONTRIBUTION*
HSA Contribution Limit	\$3,600	\$7,200	\$1,000
HDHP Minimum Deductible	\$1,400	\$2,800	NA
HDHP Max. Out-of-Pocket Amount	\$7,000	\$14,000	NA
ACA Out-of-Pocket Limit for HDHPs	\$8,550	\$17,100	NA

* Age 55 or older

Extended Care Coverage Deductibility Limits¹⁰

AGE (REACHED PRIOR TO CLOSE OF TAX YEAR)	MAX. DEDUCTION FOR YEAR*	AGE (REACHED PRIOR TO CLOSE OF TAX YEAR)	MAX. DEDUCTION FOR YEAR*
Up to 40	\$450	60 - 70	\$4,520
40 - 50	\$850	70+	\$5,640
50 - 60	\$1,690		

Data collected as available by January 27, 2021

*Premiums for "qualified" extended care policies are tax-deductible to the extent that they, along with other unreimbursed medical expenses (including Medicare premiums), exceed 10% of the insured's adjusted gross income.



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