

# Essential FINANCIAL FIGURES

KEY INFORMATION AND FINANCIAL DATA FOR 2021

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## Important Dates & Deadlines

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

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

## Alternative Minimum Tax Exemptions<sup>10</sup>

Filing Status	Exemption Amount	Exemption Amount Phases Out At	28% Tax Rule Applies For Income Over
<b>Single</b>	\$73,600	\$523,600	\$199,900
<b>Married filing jointly</b>	\$114,600	\$1,047,200	\$199,900
<b>Married filing separately</b>	\$57,300	\$523,600	\$99,950
<b>Qualifying widow(er)s</b>	\$114,600	\$1,047,200	\$199,900
<b>Trusts and estates</b>	\$25,700	\$85,650	\$199,900

## Education Tax Benefits<sup>10,12,13</sup>

	Benefit	Income Phase-Outs Begin at
<b>Education Savings Bond Program<sup>10</sup></b>	Cash in bonds tax-free (limited to amount of qualified expenses)	\$83,200 Modified Adjusted Gross Income (MAGI <sup>***</sup> ) (\$124,800 MAGI for joint filers)
<b>American Opportunity Tax Credit<sup>12,13</sup></b>	Credit of \$2,500 (max) per eligible student*	\$80,000 MAGI <sup>***</sup> (\$160,000 MAGI for joint filers)
<b>Lifetime Learning Credit<sup>12,13</sup></b>	Credit of up to \$2,000**	\$80,000 MAGI <sup>***</sup> (\$160,000 MAGI for joint filers)
<b>Coverdell Savings Account<sup>12</sup></b>	Tax-Free earnings for qualified education expenses (contribute up to \$2,000 annually)	\$95,000 MAGI <sup>***</sup> (\$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).

## Federal Income Tax Brackets and Rates<sup>8</sup>

Rate	Single	Married Joint	Head of Household
<b>10%</b>	\$0 - \$9,950	\$0 - \$19,900	\$0 - \$14,200
<b>12%</b>	\$9,951 - \$40,525	\$19,901 - \$81,050	\$14,201 - \$54,200
<b>22%</b>	\$40,526 - \$86,375	\$81,051 - \$172,750	\$54,201 - \$86,350
<b>24%</b>	\$86,376 - \$164,925	\$172,751 - \$329,850	\$86,351 - \$164,900
<b>32%</b>	\$164,926 - \$209,425	\$329,851 - \$418,850	\$164,901 - \$209,400
<b>35%</b>	\$209,426 - \$523,600	\$418,851 - \$628,300	\$209,401 - \$523,600
<b>37%</b>	\$523,601 and up	\$628,301 and up	\$523,601 and up

## Standard Deductions<sup>9</sup>

Filing Status	Standard Deduction
<b>Single</b>	\$12,550
<b>Head of Household</b>	\$18,800
<b>Married Filing Jointly</b>	\$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 you and your spouse are BOTH 65 or older, you may increase your standard deduction by \$2,600.

## Qualified Dividends and Long-Term Capital Gains<sup>10</sup>

Bracket	Single	Married Filing Jointly
0%	\$0 - \$40,400	\$0 - \$80,800
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 - \$40,400	\$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)<sup>11</sup>

Filing Status	Threshold Amount
Single	\$200,000
Head of Household*	\$200,000
Married Filing Jointly	\$250,000
Married Filing Jointly	\$125,000
Qualifying Widow(er)s**	\$250,000

\* With Qualifying Person

\*\* With Dependent Child

## Estate Tax Rates<sup>14</sup>

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, Exemptions<sup>10</sup>

	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 Security<sup>15</sup>

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 Benefits<sup>16</sup>

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<sup>17,18</sup>

	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 Deductions<sup>8</sup>

	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 Costs<sup>19</sup>

	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 & Coinsurance<sup>19</sup>

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

## Health Savings Accounts, High Deductible Health Plans<sup>20</sup>

	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 Limits<sup>10</sup>

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		

\*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.

Data collected as available by January 27, 2021

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