

Key Financial Data for FY 2023/24



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2023 Federal Tax Rate Schedule					
Taxable income (\$)	Base amount of tax (\$)		Marginal tax rate	Of the amount over (\$)	LT Capital Gains Rate
Single					
0 to 11,000		+	10.0		0%
11,001 to 44,725	1100.00	+	12.0	11,000.00	<\$44,625 -> 0% >\$44,626 -> 15%
44,726 to 95,375	5,147.00	+	22.0	44,725.00	15%
95,376 to 182,100	16,290.00	+	24.0	95,375.00	15%
182,101 to 231,250	37,104.00	+	32.0	182,100.00	15%
231,251 to 578,125	52,832.00	+	35.0	231,250.00	<\$492,300 -> 15% >\$492,301 -> 20%
Over 578,125	174,238.25	+	37.0	231,250.00	20%
Married filing jointly and surviving spouses					
0 to 22,000		+	10.0		0%
22,001 to 89,450	2,200.00	+	12.0	22,000	<\$89,250 -> 0% >\$89,251 -> 15%
89,451 to 190,750	10,294.00	+	22.0	89,450	15%
190,751 to 364,200	32,580.00	+	24.0	190,750	15%
364,201 to 462,500	74,208.00	+	32.0	364,200	15%
462,501 to 693,750	105,664.00	+	35.0	462,500	<\$523,050 -> 15% >\$523,051 -> 20%
Over 693,750	186,601.50	+	37.0	693,750	20%
Estates and trusts					
0 to 2,900		+	10.0		0%
2,901 to 10,550	275.00	+	24.0	2,750	<\$2,800 -> 0% >\$2,801 -> 15%
10,551 to 14,450	1,979.00	+	35.0	9,850	15%
Over 13,450	3,239.00	+	37.0	13,450	<\$13,700 -> 15% >\$13,701 -> 20%
Tax Deadlines					
January 17 – 4th installment of the previous year's estimated taxes due					
April 18 – Tax filing deadline, or request extension to Oct. 16. 1st 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 – 2nd installment of estimated taxes due					
September 15 – 3rd 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 for 2023; 4) establish and fund a solo 401(k) for 2022; 5) complete 2023 contributions to employer-sponsored 401(k) plans; 6) correct excess contributions to IRAs and qualified plans to avoid penalty					

* Greater of \$1,250 or \$400 plus the individual's earned income.

** Indexed for inflation and scheduled to sunset at the end of 2025.

† \$10,000 lifetime 529 distribution can be applied to student loan debt.

2023 Standard Deductions & Personal Exemption			
Filing status	Standard deduction	Personal exemption	Phaseouts begin at AGI:
Married, filing jointly and qualifying widow(er)s	\$27,700	Personal exemptions have been eliminated. They are, however, expected to return after December 31, 2025.	
Single or married, filing separately	\$13,850		
Head of Household	\$20,800		
Dependent filing tax return	Add \$1,850		
*Greater of \$1,150 or \$400 plus the individual's earned income.			
Additional Deductions for Non-itemizers			
Blind or over 65 (Single or HOH)	Add \$1,500		
Blind or over 65 (all other filing statuses)	Add \$1,400		
3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over			
Married, filing jointly			\$250,000
Single			\$200,000
Married, filing separately			\$125,000
Gift and Estate Tax Exclusions and Credits			
Maximum estate, gift & GST rates			40%
Estate, gift & GST exclusions			\$12,920,000
Gift tax annual exclusion			\$17,000
Exclusion on gifts to non-citizen spouse			\$175,000
Retirement Plan Contribution Limits			
Annual compensation used to determine contribution limits			\$330,000
Defined-contribution plans, basic limit			\$66,000
Defined-benefit plans, basic limit			\$265,000
401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals			\$22,500
Catch-up provision for individuals 50 and over, 401(k), 403(b), 457(b), Roth 401(k) plans			\$7,500
SIMPLE plans, elective deferral limit			\$15,500
SIMPLE plans, catch-up contribution for individuals >50			\$3,500

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2023 State Taxes: Minnesota		
Single		
Percent (%)	Lower Income Limit (\$)	Upper Income Limit (\$)
5.35	0	30,070
6.80	3,071	98,760
7.85	98,761	183,340
9.85	183,341	
Married Filing Jointly		
Percent (%)	Lower Income Limit (\$)	Upper Income Limit (\$)
5.35	0	43,950
6.80	43,951	174,610
7.85	174,611	304,970
9.85	304,971	
2023 State Taxes: California		
Single		
Percent (%)	Lower Income Limit (\$)	Upper Income Limit (\$)
1.0	0	10,099
2.0	10,100	23,942
4.0	23,943	37,788
6.0	37,789	52,455
8.0	52,456	66,295
9.3	66,296	338,639
10.3	338,640	406,364
11.3	406,365	677,275
12.3	677,276	
Married Filing Jointly		
Percent (%)	Lower Income Limit (\$)	Upper Income Limit (\$)
1.0	0	20,198
2.0	20,199	47,884
4.0	47,885	75,576
6.0	75,577	104,910
8.0	104,911	132,590
9.3	132,591	677,278
10.3	677,279	812,728
11.3	812,729	1,354,550
12.3	1,354,551	

*Excluding additional 1% mental health services tax on any portion of taxable income exceeding \$1 million.

Education Credits & Deductions			
Credit/Deduction/Account		Maximum credit/ deduction	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope		\$2,500 credit	\$160,000 joint, \$80,000 all others
Lifetime learning credit		\$2,000 credit	\$160,000 joint, \$80,000 all others
Savings bonds (interest tax-free if used for education)		Deduction is limited to amount of qualified expenses	\$137,800 joint \$91,850 all others
Coverdell ESA		\$2,000 maximum; not deductible	\$190,000 joint \$95,000 all others
529 Plan (K-12)		\$10,000 distribution	None
530 Plan (Higher Education)		Limited to qualified expenses	None
Individual Retirement Accounts			
IRA type	Contribution Limit	Catch-up at 50+	Income limits
Traditional nondeductible	\$6,500	\$1,000	None
Traditional deductible	\$6,500	\$1,000	If covered by a plan: \$116,000 - \$136,000 joint \$73,000 - \$83,000 single, HOH 0 - \$10,000 married filing separately 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 separately and active participant in a plan
Roth conversion			None
Health Savings Accounts			
Annual limit	Maximum deductible contribution	Expense limits (deductibles & co-pays)	Minimum annual deductible
Individuals	\$3,850	\$7,500	\$1,500
Families	\$7,750	\$15,000	\$3,000
Catch-up for 55 and older	\$1,000		

Social Security		
Benefits		
Full retirement age (FRA) is 66 years old if born between 1943 and 1954		
Maximum monthly benefit	\$4,194	
Retirement earnings exempt amounts	\$21,240 under FRA \$56,250 during year reach FRA No limit after FRA	
Tax on Social Security benefits: Income Brackets		
Filing status	AGI plus provisional income*	Social Security subject to tax
Married filing jointly	Under \$32,000 \$32,000-\$44,000 Over \$44,000	0 up to 50% up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000 \$25,000-\$34,000 Over \$34,000	0 up to 50% up to 85%
Married filing separately and living with spouse	Over 0	up to 85%
Tax (FICA)		
SS tax paid on income up to \$160,200	% withheld	Maximum tax payable
Employer pays	6.20%	\$9,932.40
Employee pays	6.20%	\$9,932.40
Self-employed pays:	12.40%	\$19,864.80
Medicare tax paid on all income		
Employer pays	1.45%	varies per income
Employee pays	1.45% + 0.9% on income over \$200,000 (single) or \$250,000 (joint)	varies per income
Self-employed pays:	2.9% + 0.9% on income over \$200,000 (single) or \$250,000 (joint)	varies per income
*Provisional income = tax-exempt interest plus 50% of Social Security benefit		

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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
\$91,001-\$114,000	\$182,001-\$228,000	\$230.80	\$12.20
\$114,001-\$142,000	\$228,001-\$284,000	\$329.80	\$31.50
\$142,001-\$170,000	\$284,001-\$340,000	\$428.60	\$50.70
\$170,001-\$500,000	\$340,001-\$750,000	\$527.50	\$70.00
Over \$500,000	Over \$750,000	\$560.50	\$76.40
Medicare Premiums & Deductibles			
Part B premium			\$170.10-\$578.30^
Part B deductible			\$233.00
Part A (inpatient services) deductible for first 60 days of hospitalization			\$1,600.00
Part A deductible for days 61-90 of hospitalization			\$400/day
Part A deductible for more than 90 days of hospitalization			\$800/day
^Premiums are determined on a sliding scale and rise quickly for incomes more than \$91K			
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	
40 or less		\$480	
41 to 50		\$890	
51 to 60		\$1,790	
61 to 70		\$4,770	
Over 70		\$5,960	
Uniform Lifetime Table (partial)			
Age of IRA owner or plan participant	Life expectancy (in years)	Age of IRA owner or plan participant	Life expectancy (in years)
		86	15.2
		87	14.4
72	27.4	88	13.7
73	26.5	89	12.9
74	25.5	90	12.2
75	24.6	91	11.5
76	23.7	92	10.8
77	22.9	93	10.1
78	22.0	94	9.5
79	21.1	95	8.9
80	20.2	96	8.4
81	19.4	97	7.8
82	18.5	98	7.3
83	17.7	99	6.8
84	16.8	100	6.4
85	16.0	101	6.0