

2020 QUICK TAX FACTS

HEADS OF HOUSEHOLDS & MARRIED FILING SEPARATE

STIFEL

HEADS OF HOUSEHOLDS

Taxable Income		Tax Rate	Ordinary Tax Calculation
Minimum	Maximum		
--	\$14,100	10%	10% of taxable income
\$14,101	\$53,700	12%	\$1,410 + 12% of the amount over \$14,100
\$53,701	\$85,500	22%	\$6,162 + 22% of the amount over \$53,700
\$85,501	\$163,300	24%	\$13,158 + 24% of the amount over \$85,500
\$163,301	\$207,350	32%	\$31,830 + 32% of the amount over \$163,300
\$207,351	\$518,400	35%	\$45,926 + 35% of the amount over \$207,350
\$518,401	--	37%	\$154,793.50 + 37% of the amount over \$518,400

CAPITAL GAINS AND DIVIDENDS

Short-term capital gains are gains from property held one year or less. These gains are taxed at ordinary income tax rates (above).

Long-term capital gains are gains from property held longer than one year. These gains are taxed at 0%, 15%, or 20% (below).

Tax Rate	Heads of Households		Married Filing Separate	
	Taxable Income			
	Minimum	Maximum	Minimum	Maximum
0%	--	\$53,600	--	\$40,000
15%	\$53,601	\$469,050	\$40,001	\$248,300
20%	\$469,051	--	\$248,301	--

Remember: Qualified dividends are taxed at long-term capital gains rates, and non-qualified dividends are taxed at ordinary income tax rates.

STANDARD DEDUCTIONS

Filing Status	Standard Deduction
Heads of Households.....	\$18,650
Married Filing Separate.....	\$12,400
Dependents*.....	\$1,100 – \$12,400

*\$1,100 or earned income plus \$350, not to exceed \$12,400.

ADDITIONAL STANDARD DEDUCTIONS

Filing Status	Standard Deduction
Single, age 65 or older or blind.....	\$1,650
Single, age 65 or older and blind.....	\$3,300
Married, age 65 or older or blind.....	\$1,300
Married, age 65 or older and blind.....	\$2,600

Remember: Taxpayers can deduct the greater of their (a) applicable standard deduction or (b) total itemized deductions. Itemized deductions include unreimbursed medical and dental expenses in excess of 7.5% of AGI, state and local taxes paid (capped at \$10,000 for heads of households and \$5,000 for married individuals filing separately), interest paid, gifts to charity, and other miscellaneous items.

MARRIED FILING SEPARATE

Taxable Income		Tax Rate	Ordinary Tax Calculation
Minimum	Maximum		
--	\$9,875	10%	10% of taxable income
\$9,876	\$40,125	12%	\$987.50 + 12% of the amount over \$9,875
\$40,126	\$85,525	22%	\$4,617.50 + 22% of the amount over \$40,125
\$85,526	\$163,300	24%	\$14,605.50 + 24% of the amount over \$85,525
\$163,301	\$207,350	32%	\$33,271.50 + 32% of the amount over \$163,300
\$207,351	\$311,025	35%	\$47,367.50 + 35% of the amount over \$207,350
\$311,026	--	37%	\$83,653.75 + 37% of the amount over \$311,025

CONTRIBUTION LIMITS

Elective Deferral (401(k), 403(b) & 457)	\$19,500
Catch-Up Contributions (401(k) & 403(b))	\$6,500
SIMPLE IRA Deferral	\$13,500
Catch-Up Contribution (SIMPLE IRA)	\$3,000
SEP IRA Contribution	\$57,000
Traditional IRA/Roth IRA Contribution	\$6,000
Traditional IRA/Roth IRA Catch-Up Contribution	\$1,000

Traditional IRA	Deductibility Phaseout	
	Modified Adjusted Gross Income (MAGI)	
	Heads of Households*	Married Filing Separate**
Full Deduction	< \$65,000	Not Eligible
Partial Deduction	\$65,000 – \$75,000	< \$10,000
No Deduction	> \$75,000	> \$10,000

*If the individual is not covered by an employer-sponsored plan, the contribution is fully deductible regardless of MAGI.

**If neither spouse is covered by an employer-sponsored plan, contributions are fully deductible regardless of MAGI. Use Heads of Households phaseout limits if individual did not live with spouse at any time during the year.

Roth IRA	Contribution Phaseout	
	Modified Adjusted Gross Income (MAGI)	
	Heads of Households	Married Filing Separate*
Full Contribution	< \$124,000	Not Eligible
Partial Contribution	\$124,000 – \$139,000	< \$10,000
No Contribution	> \$139,000	> \$10,000

*If Married Filing Separate and did not live with spouse at any time during the year, use Heads of Households phaseout limits.

AFFORDABLE CARE ACT TAXES

Net Investment Income Tax

Individuals owe additional tax if they have net investment income and also have modified AGI over the applicable threshold (below).

The additional **3.8%** tax is imposed on the lesser of (a) net investment income or (b) the excess modified AGI over the relevant threshold amount.

Additional Medicare Tax

Individuals owe an additional **0.9%** tax on earned income over the applicable threshold (below).

Filing Status	Threshold Amount
Heads of Households.....	\$200,000
Married Filing Separate.....	\$125,000