

Tax Facts and Figures



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I have over 30 years of business experience as a Chief Financial Officer and Owner of a successful manufacturing business.

I am proud to be an Air Force Veteran.



2022 Federal Tax Rate Schedules

Single Taxable Income

\$ 0	to	10,275	×	10.0%	minus	\$ 0.00	=	Tax
10,276	to	41,775	×	12.0%	minus	205.50	=	Tax
41,776	to	89,075	×	22.0%	minus	4,383.00	=	Tax
89,076	to	170,050	×	24.0%	minus	6,164.50	=	Tax
170,051	to	215,950	×	32.0%	minus	19,768.50	=	Tax
215,951	to	539,900	×	35.0%	minus	26,247.00	=	Tax
539,901	and over		×	37.0%	minus	37,045.00	=	Tax

MFJ or QW Taxable Income

\$ 0	to	20,550	×	10.0%	minus	\$ 0.00	=	Tax
20,551	to	83,550	×	12.0%	minus	411.00	=	Tax
83,551	to	178,150	×	22.0%	minus	8,766.00	=	Tax
178,151	to	340,100	×	24.0%	minus	12,329.00	=	Tax
340,101	to	431,900	×	32.0%	minus	39,537.00	=	Tax
431,901	to	647,850	×	35.0%	minus	52,494.00	=	Tax
647,851	and over		×	37.0%	minus	65,451.00	=	Tax

MFS Taxable Income

\$ 0	to	10,275	×	10.0%	minus	\$ 0.00	=	Tax
10,276	to	41,775	×	12.0%	minus	205.50	=	Tax
41,776	to	89,075	×	22.0%	minus	4,383.00	=	Tax
89,076	to	170,050	×	24.0%	minus	6,164.50	=	Tax
170,051	to	215,950	×	32.0%	minus	19,768.50	=	Tax
215,951	to	323,925	×	35.0%	minus	26,247.00	=	Tax
323,926	and over		×	37.0%	minus	32,725.50	=	Tax

HOH Taxable Income

\$ 0	to	14,650	×	10.0%	minus	\$ 0.00	=	Tax
14,651	to	55,900	×	12.0%	minus	293.00	=	Tax
55,901	to	89,050	×	22.0%	minus	5,883.00	=	Tax
89,051	to	170,050	×	24.0%	minus	7,664.00	=	Tax
170,051	to	215,950	×	32.0%	minus	21,268.00	=	Tax
215,951	to	539,900	×	35.0%	minus	27,746.50	=	Tax
539,901	and over		×	37.0%	minus	38,544.50	=	Tax

Additional Medicare Tax

0.9% additional tax on wage income above threshold

Filing status	Single, HOH, QW	MFJ	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

2022 Qualifying Relative Limit

The qualifying relative income limit is..... \$4,400

2022 Standard Deduction

The basic standard deduction for 2022 is:

Single or MFS.....	\$12,950
MFJ or QW.....	\$25,900
HOH.....	\$19,400

Age 65 and/or blind. The additional amounts for age 65 or older and/or blind, per person, per event in 2022 are:

MFJ, QW, or MFS.....	\$1,400
Single or HOH.....	\$1,750

Dependent. The standard deduction in 2022 for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of \$1,150, or earned income plus \$400.

Child Tax Credit and Credit for Other Dependents

Child Tax Credit	\$2,000 per qualifying child.
\$2,000 Child Tax Credit phaseout begins	MFJ..... \$400,000 Single, HOH, MFS..... \$200,000
Credit for Other Dependents	\$500 per dependent (not a qualifying child).

Social Security Highlights

Employee's portion of FICA	2022	2021	2020
Maximum earnings subject to Social Security tax (Medicare no limit)	\$147,000	\$142,800	\$137,700
Social Security tax rate	6.20%	6.20%	6.20%
Medicare tax rate*	1.45%	1.45%	1.45%
Maximum Social Security tax	\$9,114.00	\$8,853.60	\$8,537.40

*Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



Tax Facts and Figures

Business Expenses

2022 Standard Mileage Rate Per Mile	2022 Standard Deduction for Meals—
Business.....58.5¢	High Low Method (Per Day)
Medical and moving*.....18.0¢	High cost localities.....\$74
Charitable.....14.0¢	All other localities.....\$64
Depreciation.....26.0¢	Transportation workers.....\$69
Section 179 Expense Limits	Qualified Transportation Benefits
Regular 179 limits.....\$1,080,000	(exclusion from income allowed, but
SUV limits.....\$27,200	no employer deduction)
Investment phaseout	Commuter benefits (per month)....\$280
begins.....\$2,700,000	Parking benefits (per month).....\$280

*The moving expense deduction is available only to active duty military servicemembers pursuant to a permanent change of station (PCS) order.

2022 Retirement Plan Limits

401(k)/403(b) Deferral Limits	Roth IRA Phaseout Range
Under age 50.....\$20,500	MFJ.....\$204,000–\$214,000
Age 50 and over.....\$27,000	Single, HOH.....\$129,000–\$144,000
IRA Contribution Limits	MFS.....\$0–\$10,000
Under age 50.....\$6,000	SIMPLE Deferral Limits
Age 50 and over.....\$7,000	Under age 50.....\$14,000
IRA Deduction Phaseout Range if	Age 50 and over.....\$17,000
Covered by Employer Plan	Qualified Retirement Plans
MFJ.....\$109,000–\$129,000	Profit sharing/SEP limits .25%/\$61,000
Single, HOH.....\$68,000–\$78,000	Defined benefit plan limits...\$245,000
MFS.....\$0–\$10,000	Compensation limits.....\$305,000
Spouse not covered	
.....\$204,000–\$214,000	

Education Tax Benefits

American Opportunity Credit	Education Savings Account (ESA)
MFJ phaseout....\$160,000–\$180,000	MFJ phaseout.....\$190,000–\$220,000
Single, HOH	All others.....\$95,000–\$110,000
phaseout.....\$80,000–\$90,000	Annual contribution limit: \$2,000 per beneficiary
Maximum credit: \$2,500 per student	Student Loan Interest Deduction
Up to 40% (\$1,000) may be refundable	MFJ phaseout.....\$145,000–\$175,000
Lifetime Learning Credit	Single, HOH phaseout.....\$70,000–\$85,000
MFJ phaseout....\$160,000–\$180,000	Maximum deduction: \$2,500 per return
Single, HOH	U.S. Savings Bonds Interest Exclusion
phaseout.....\$80,000–\$90,000	MFJ phaseout.....\$128,650–\$158,650
Maximum credit: \$2,000 per return	Single, HOH phaseout....\$85,000–\$100,800

Qualified Tuition Plans (529 plans)

- Distributions for qualifying expenses for college students or apprentices are not taxable.
- Distributions up to \$10,000 per student are allowed for tuition expenses for a public, private, or religious elementary or secondary school.
- Cumulative distributions up to \$10,000 per beneficiary and sibling for qualified education debt.

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2022 Tax Rates: Capital Gain and Dividend Income

If income is...	Maximum tax rate %	If asset is held...
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days
Taxable Income		
Single.....\$0 to \$41,675	0%	
MFJ/QW.....\$0 to \$83,350		
MFS.....\$0 to \$41,675		
HOH.....\$0 to \$55,800		
Estates and Trusts.....\$0 to \$2,800		
Taxable Income		
Single.....\$41,676 to \$459,750	15%	
MFJ/QW.....\$83,351 to \$517,200		
MFS.....\$41,676 to \$258,600		
HOH.....\$55,801 to \$488,500		
Estates and Trusts.....\$2,801 to \$13,700		
Taxable Income		
Single.....\$459,751 and over	20%	
MFJ/QW.....\$517,201 and over		
MFS.....\$258,601 and over		
HOH.....\$488,501 and over		
Estates and Trusts.....\$13,701 and over		
Short-term capital gain	37%	1 year or less
Ordinary dividend income	37%	60 days or less

Net Investment Income Tax (NIIT)

3.8% additional tax on investment income if MAGI above threshold amount

Filing status	Single, HOH	MFJ, QW	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

2022 Qualified Business Income Deduction Thresholds

MFJ: \$340,100	MFS: \$170,050	Single, HOH, QW: \$170,050
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Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 72.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.