

Helpful TAX GUIDELINES FOR 2024



ESTATE & LEGACY PLANNING

2024 INCOME TAX RATE SCHEDULE			
IF TAXABLE INCOME IS:			
Over	But Not Over	The Tax Is	Of The Amount Over
MARRIED FILING JOINTLY			
\$0	\$23,200	\$0 + 10%	\$0
\$23,200	\$94,300	\$2,320 + 12%	\$23,200
\$94,300	\$201,050	\$10,852 + 22%	\$94,300
\$201,050	\$383,900	\$34,337 + 24%	\$201,050
\$383,900	\$487,450	\$78,221 + 32%	\$383,900
\$487,450	\$731,200	\$111,357 + 35%	\$487,450
\$731,200	And Over	\$196,669.50 + 37%	\$731,200
SINGLE			
\$0	\$11,600	\$0 + 10%	\$0
\$11,600	\$47,150	\$1,160 + 12%	\$11,600
\$47,150	\$100,525	\$5,426 + 22%	\$47,150
\$100,525	\$191,950	\$17,168.50 + 24%	\$100,525
\$191,950	\$243,725	\$39,110.50 + 32%	\$191,950
\$243,725	\$609,350	\$55,678.50 + 35%	\$243,725
\$609,350	And Over	\$183,647.25 + 37%	\$609,350
ESTATES AND TRUSTS			
\$0	\$3,100	\$0 + 10%	\$0
\$3,100	\$11,150	\$310 + 24%	\$3,100
\$11,150	\$15,200	\$2,242 + 35%	\$11,150
\$15,200	And Over	\$3,659.50 + 37%	\$15,200

2023 INCOME TAX RATE SCHEDULE			
IF TAXABLE INCOME IS:			
Over	But Not Over	The Tax Is	Of The Amount Over
MARRIED FILING JOINTLY			
\$0	\$22,000	\$0 + 10%	\$0
\$22,000	\$89,450	\$2,200 + 12%	\$22,000
\$89,450	\$190,750	\$10,294 + 22%	\$89,450
\$190,750	\$364,200	\$32,580 + 24%	\$190,750
\$364,200	\$462,500	\$74,208 + 32%	\$364,200
\$462,500	\$693,750	\$105,664 + 35%	\$462,500
\$693,750	And Over	\$186,601.50 + 37%	\$693,750
SINGLE			
\$0	\$11,000	\$0 + 10%	\$0
\$11,000	\$44,725	\$1,100 + 12%	\$11,000
\$44,725	\$95,375	\$5,147 + 22%	\$44,725
\$95,375	\$182,100	\$16,290 + 24%	\$95,375
\$182,100	\$231,250	\$37,104 + 32%	\$182,100
\$231,250	\$578,125	\$52,832 + 35%	\$231,250
\$578,125	And Over	\$174,238.25 + 37%	\$578,125
ESTATES AND TRUSTS			
\$0	\$2,900	\$0 + 10%	\$0
\$2,900	\$10,550	\$290 + 24%	\$2,900
\$10,550	\$14,450	\$2,126 + 35%	\$10,550
\$14,450	And Over	\$3,491 + 37%	\$14,450

STANDARD DEDUCTIONS	2024	2023
Married Filing Jointly	\$29,200	\$27,700
Head of Household	\$21,900	\$20,800
Single/Married Filing Separately	\$14,600	\$13,850
Additional (Age 65/older, or blind)		
Married Filing Jointly	\$1,550	\$1,500
Single, not surviving spouse	\$1,950	\$1,850

KIDDIE (UNDER AGE 18 WITH UNEARNED INCOME)	2024	2023
First (No Tax)	\$1,300	\$1,250
Next (Child's Rate)	\$1,300	\$1,250
Amounts Over (Parent's tax rate)	\$2,600	\$2,500

CHILD TAX CREDIT
 \$2,000 per child under age 17 (and \$500 for dependents who aren't a qualifying child; i.e. college aged or parents claimed as dependents); phases out \$50 for each \$1,000 of modified AGI over \$400,000 (Married Filing Jointly), \$200,000 (for all other taxpayers)

CORPORATE TAXES 2023 AND 2024
 21% of Taxable Income

QUALIFIED BUSINESS INCOME THRESHOLD 2024		
FILING STATUS	THRESHOLD AMOUNT	PHASE-IN RANGE AMOUNT
Married Filing Jointly	\$383,900	\$483,900
All Other Returns	\$191,950	\$241,950

EDUCATION INCENTIVES 2024	
AMERICAN OPPORTUNITY TAX CREDIT (FORMERLY HOPE CREDIT)	
100% of first \$2,000 qualified expenses	\$2,000
25% of next \$2,000 qualified expenses	\$500
PHASE-OUTS FOR AMERICAN OPPORTUNITY TAX CREDIT	
Married Filing Jointly	\$160,000 – \$180,000
Others	\$80,000 – \$90,000
LIFETIME LEARNING CREDIT	
20% of Expenses	up to \$2,000
PHASE-OUTS FOR LIFETIME LEARNING CREDITS	
Married Filing Jointly	\$160,000 – \$180,000
Others	\$80,000 – \$90,000

CAPITAL GAINS AND QUALIFIED DIVIDENDS TAXES	
RATES ON QUALIFIED DIVIDENDS AND GAINS FOR ASSETS HELD AT LEAST 12 MONTHS	
MARRIED FILING JOINTLY	
Taxable income under \$94,050	0%
Taxable income between \$94,050 – \$583,750	15%
Taxable income over \$583,750	20%
SINGLE	
2024	
Taxable income under \$47,025	0%
Taxable income between \$47,025 – \$518,900	15%
Taxable income over \$518,900	20%

ESTATE TAX	
2023	– \$12,920,000 exemption; 40% tax rate
2024	– \$13,610,000 exemption; 40% tax rate

GENERATION-SKIPPING TRANSFER TAX	GIFT TAXES
2023 – \$12,920,000 exemption; 40% tax rate	2023 – Annual Gift Tax Exclusion; \$17,000
2024 – \$13,610,000 exemption; 40% tax rate	2024 – Annual Gift Tax Exclusion; \$18,000
	2023 – \$12,920,000 exemption; 40% tax rate
	2024 – \$13,610,000 exemption; 40% tax rate

IRAS	2024	2023
TRADITIONAL OR ROTH IRA CONTRIBUTION	\$7,000	\$6,500
IRA Catch-Up – Age 50 or Older	\$1,000	\$1,000
PHASE-OUT RANGE FOR DEDUCTIBLE CONTRIBUTIONS TO TRADITIONAL IRAS		
Married Filing Jointly	\$123,000 – \$143,000	\$116,000 – \$136,000
Single/Head of Household	\$77,000 – \$87,000	\$73,000 – \$83,000
Married Filing Separately	\$0 – \$10,000	\$0 – \$10,000
PHASE-OUT RANGE FOR NON-COVERED PARTICIPANT WHO HAS A COVERED-PARTICIPANT SPOUSE		
	\$230,000 – \$240,000	\$218,000 – \$228,000
PHASE-OUT RANGE FOR CONTRIBUTIONS TO ROTH IRAS		
Married Filing Jointly	\$230,000 – \$240,000	\$218,000 – \$228,000
Single/Head of Household	\$146,000 – \$161,000	\$138,000 – \$153,000
Married Filing Separately	\$0 – \$10,000	\$0 – \$10,000

QUALIFIED RETIREMENT PLANS (MAXIMUM LIMITS) 2024	
SEP PLAN PARTICIPANT MAXIMUM PERCENTAGE OF COMPENSATION	25%
SEP Participant Maximum Dollar Allocation Limit	\$69,000
SEP Minimum Compensation	\$750
SIMPLE IRA AND SIMPLE 401(k) PLANS – EMPLOYEE CONTRIBUTION	
SIMPLE IRA Catch-Up — Age 50 or Older	\$3,500
401(k) PLAN/457 PLAN/EXISTING SAR-SEP PLAN – ELECTIVE EMPLOYEE DEFERRAL	
401(k) Plan, 457 Plan Catch-Up — Age 50 or Older	\$7,500
403(b) TSA – ELECTIVE EMPLOYEE DEFERRAL	
403(b) TSA Catch-Up — Age 50 or Older	\$7,500
403(b) TSA Catch-Up — 15 or More Years of Service With Current Employer	\$3,000 maximum
DEFINED CONTRIBUTION PLAN PER PARTICIPANT — MAXIMUM DOLLAR ALLOCATION LIMIT	
	Up to \$69,000
DEFINED CONTRIBUTION MAXIMUM EMPLOYER PERCENTAGE DEDUCTION LIMIT (OF ELIGIBLE PAYROLL)	
	25%
DEFINED BENEFIT PLAN MAXIMUM BENEFIT	
	\$275,000
COVERED COMPENSATION LIMIT	
	\$345,000
HIGHLY COMPENSATED EMPLOYEE	
	\$155,000

SOCIAL SECURITY 2024			
YEAR OF BIRTH	FULL RETIREMENT AGE		
1943-1954	66		
1955	66 and 2 months		
1956	66 and 4 months		
1957	66 and 6 months		
1958	66 and 8 months		
1959	66 and 10 months		
1960 and later	67		
Maximum Monthly Benefit for Workers Retiring at Full Retirement Age: \$3,822			
MAXIMUM EARNINGS BEFORE SOCIAL SECURITY BENEFITS ARE REDUCED			
Under Full Retirement Age	\$22,320		
(Withhold \$1 for Every \$2 of Earnings) \$1,860/month			
For Months Before Reaching Full Retirement Age in Given Year: \$59,520			
(Withhold \$1 for Every \$3 of Earnings) \$4,960/month			
Full Retirement Age	No Limit		
MAXIMUM COMPENSATION SUBJECT TO FICA TAXES			
OASDI (Social Security) Maximum	\$168,600		
HI (Medicare) Maximum	No Limit		
±OASDI Tax Rate: 12.4% self-employed, 6.2% employee and employer ±HI Tax Rate: 2.9% self-employed, 1.45% employee and employer			
BASE AMOUNT OF MODIFIED AGI CAUSING SS BENEFITS TO BE TAXABLE			
2023 and 2024			
	(50% Taxable)	(85% Taxable)	
Single	\$25,000 – \$34,000	\$34,000+	
Married Filing Jointly	\$32,000 – \$44,000	\$44,000+	

REQUIRED MINIMUM DISTRIBUTIONS ^{1,2}			
AGE	FACTOR	AGE	FACTOR
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
86	15.2	102	5.6
87	14.4	103	5.2

¹A different table (Joint Life and Last Survivor) may be used if the sole beneficiary is the owner's spouse who is more than 10 years younger than the owner.

²This table is used for calculating required minimum distributions during the owner's lifetime.



JM LAW, PLLC
 8180 Greensboro Drive, Suite 1100
 McLean, Virginia 22102
 (703) 956-5738
 www.jmlegacyplanning.com

ESTATE & LEGACY
 PLANNING

DISCLAIMER: MATERIALS PREPARED BY JM LAW, PLLC ARE FOR GENERAL INFORMATIONAL PURPOSES ONLY. EDUCATIONAL MATERIAL DOES NOT CREATE AN ATTORNEY-CLIENT RELATIONSHIP AND IS NOT AN OFFER TO REPRESENT YOU. YOU SHOULD NOT ACT OR REFRAIN FROM ACTING BASED ON INFORMATION PROVIDED.