

2022 Tax Rates



Underwrite. Over deliver.

2022 INCOME TAX RATE SCHEDULE			
IF TAXABLE INCOME IS:			
Over	But Not Over	The Tax Is	Of The Amount Over
MARRIED FILING JOINTLY			
\$0	\$20,550	\$0 + 10%	\$0
\$20,550	\$83,550	\$2,055 + 12%	\$20,550
\$83,550	\$178,150	\$9,615 + 22%	\$83,550
\$178,150	\$340,100	\$30,427 + 24%	\$178,150
\$340,100	\$431,900	\$69,295 + 32%	\$340,100
\$431,900	\$647,850	\$98,671 + 35%	\$431,900
\$647,850	And Over	\$174,253.50 + 37%	\$647,850
SINGLE			
\$0	\$10,275	\$0 + 10%	\$0
\$10,275	\$41,775	\$1,027.50 + 12%	\$10,275
\$41,775	\$89,075	\$4,807.50 + 22%	\$41,775
\$89,075	\$170,050	\$15,213.50 + 24%	\$89,075
\$170,050	\$215,950	\$34,647.50 + 32%	\$170,050
\$215,950	\$539,900	\$49,335.50 + 35%	\$215,950
\$539,900	And Over	\$162,718 + 37%	\$539,900
ESTATES AND TRUSTS			
\$0	\$2,750	\$0 + 10%	\$0
\$2,750	\$9,850	\$275 + 24%	\$2,750
\$9,850	\$13,450	\$1,979 + 35%	\$9,850
\$13,450	And Over	\$3,239 + 37%	\$13,450

2021 INCOME TAX RATE SCHEDULE			
IF TAXABLE INCOME IS:			
Over	But Not Over	The Tax Is	Of The Amount Over
MARRIED FILING JOINTLY			
\$0	\$19,900	\$0 + 10%	\$0
\$19,900	\$81,050	\$1,990 + 12%	\$19,900
\$81,050	\$172,750	\$9,328 + 22%	\$81,050
\$172,750	\$329,850	\$29,502 + 24%	\$172,750
\$329,850	\$418,850	\$67,206 + 32%	\$329,850
\$418,850	\$628,300	\$95,686 + 35%	\$418,850
\$628,300	And Over	\$168,993.50 + 37%	\$628,300
SINGLE			
\$0	\$9,950	\$0 + 10%	\$0
\$9,950	\$40,525	\$995 + 12%	\$9,950
\$40,525	\$86,375	\$4,664 + 22%	\$40,525
\$86,375	\$164,925	\$14,751 + 24%	\$86,375
\$164,925	\$209,425	\$33,603 + 32%	\$164,925
\$209,425	\$523,600	\$47,843 + 35%	\$209,425
\$523,600	And Over	\$157,804.25 + 37%	\$523,600
ESTATES AND TRUSTS			
\$0	\$2,650	\$0 + 10%	\$0
\$2,650	\$9,550	\$265 + 24%	\$2,650
\$9,550	\$13,050	\$1,921 + 35%	\$9,550
\$13,050	And Over	\$3,146 + 37%	\$13,050

STANDARD DEDUCTIONS	2022	2021
Married Filing Jointly	\$25,900	\$25,100
Head of Household	\$19,400	\$18,800
Single/Married Filing Separately	\$12,950	\$12,550
Additional (Age 65/older, or blind)		
Married Filing Jointly	\$1,400	\$1,350
Single, not surviving spouse	\$1,750	\$1,700

KIDDIE (UNDER AGE 18 WITH UNEARNED INCOME)	2022	2021
First (No Tax)	\$1,150	\$1,100
Next (Child's Rate)	\$1,150	\$1,100
Amounts Over (Parent's tax rate)	\$2,300	\$2,200

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 2021 AND 2022
21% of Taxable Income

QUALIFIED BUSINESS INCOME THRESHOLD 2022	
Married Filing Jointly	\$340,100
Single	\$170,050

EDUCATION INCENTIVES 2022	
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	2022
Taxable income under \$83,350	0%
Taxable income between \$83,350 – \$517,200	15%
Taxable income over \$517,200	20%
SINGLE	2022
Taxable income under \$41,675	0%
Taxable income between \$41,675 – \$459,750	15%
Taxable income over \$459,750	20%

ESTATE TAX	
2021	– \$11,700,000 exemption; 40% tax rate
2022	– \$12,060,000 exemption; 40% tax rate

GENERATION-SKIPPING TRANSFER TAX	GIFT TAXES
2021 – \$11,700,000 exemption; 40% tax rate	2021 – Annual Gift Tax Exclusion; \$15,000
2022 – \$12,060,000 exemption; 40% tax rate	2022 – Annual Gift Tax Exclusion; \$16,000
	2021 – \$11,700,000 exemption; 40% tax rate
	2022 – \$12,060,000 exemption; 40% tax rate

IRAs	2022	2021
TRADITIONAL OR ROTH IRA CONTRIBUTION	\$6,000	\$6,000
IRA Catch-Up - Age 50 or Older	\$1,000	\$1,000
PHASE-OUT RANGE FOR DEDUCTIBLE CONTRIBUTIONS TO TRADITIONAL IRAs		
Married Filing Jointly	\$109,000 – \$129,000	\$105,000 – \$125,000
Single/Head of Household	\$68,000 – \$78,000	\$66,000 – \$76,000
Married Filing Separately	\$0 – \$10,000	\$0 – \$10,000
PHASE-OUT RANGE FOR NON-COVERED PARTICIPANT WHO HAS A COVERED-PARTICIPANT SPOUSE		
	\$204,000 – \$214,000	\$198,000 – \$208,000
PHASE-OUT RANGE FOR CONTRIBUTIONS TO ROTH IRAs		
Married Filing Jointly	\$204,000 – \$214,000	\$198,000 – \$208,000
Single/Head of Household	\$129,000 – \$144,000	\$125,000 – \$140,000
Married Filing Separately	\$0 – \$10,000	\$0 – \$10,000

QUALIFIED RETIREMENT PLANS (MAXIMUM LIMITS) 2022	
SEP PLAN PARTICIPANT MAXIMUM PERCENTAGE OF COMPENSATION	25%
SEP Participant Maximum Dollar Allocation Limit	\$61,000
SEP Minimum Compensation	\$650
SIMPLE IRA AND SIMPLE 401(k) PLANS – EMPLOYEE CONTRIBUTION	\$14,000
SIMPLE IRA Catch-Up – Age 50 or Older	\$3,000
401(k) PLAN/457 PLAN/EXISTING SAR-SEP PLAN – ELECTIVE EMPLOYEE DEFERRAL	\$20,500
401(k) Plan, 457 Plan Catch-Up – Age 50 or Older	\$6,500
403(b) TSA – ELECTIVE EMPLOYEE DEFERRAL	\$20,500
403(b) TSA Catch-Up – Age 50 or Older	\$6,500
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 \$61,000
DEFINED CONTRIBUTION MAXIMUM EMPLOYER PERCENTAGE DEDUCTION LIMIT (OF ELIGIBLE PAYROLL)	25%
DEFINED BENEFIT PLAN MAXIMUM BENEFIT	\$245,000
COVERED COMPENSATION LIMIT	\$305,000
HIGHLY COMPENSATED EMPLOYEE	\$135,000

SOCIAL SECURITY 2022		
MAXIMUM COMPENSATION SUBJECT TO FICA TAXES		
OASDI (Social Security) Maximum	\$147,000	
HI (Medicare) Maximum	No Limit	
<ul style="list-style-type: none"> • 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		
2021 and 2022		
	(50% Taxable)	(85% Taxable)
Single	\$25,000 – \$34,000	\$34,000+
Married Filing Jointly	\$32,000 – \$44,000	\$44,000+

STATE ESTATE TAX	
MINNESOTA ESTATE TAX	
Amount of Minnesota Taxable Estate	Rate of Tax
Under \$3,000,000	None
\$3,000,000 – \$7,100,000	13%
\$7,100,001 – \$8,100,000	\$923,000 + 13.6% of amount over \$7,100,000
\$8,100,001 – \$9,100,000	\$1,059,000 + 14.4% of amount over \$8,100,000
\$9,100,001 – \$10,100,000	\$1,203,000 + 15.2% of amount over \$9,100,000
Over \$10,100,000	\$1,355,000 + 16% of amount over \$10,100,000
NORTH DAKOTA ESTATE TAX	
No Estate or Gift Tax	
WISCONSIN ESTATE TAX	
No Estate or Gift Tax	

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

¹ A 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.

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

The information presented is accurate to the best of our knowledge, and current as of January 2022. This reference guide applies to federal tax rates and not to state tax rates. Hallett Financial Group does not offer legal or tax advice. Investors should consult their attorney or tax advisor regarding their individual situations before making any tax-related decisions. This information is subject to legislative change, and is not intended to be nor can it be used by any taxpayer for the purposes of avoiding tax penalties.

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