

Key Numbers for 2023

Tax Bracket

Taxable Income Between:

Single

\$0–\$11,000	10%
\$11,001–\$44,725	12%
\$44,726–\$95,375	22%
\$95,376–\$182,100	24%
\$182,101–\$231,250	32%
\$231,251–\$578,125	35%
\$578,126+	37%

Married, Filing Separately

\$0–\$11,000	10%
\$11,001–\$44,725	12%
\$44,726–\$95,375	22%
\$95,376–\$182,100	24%
\$182,101–\$231,250	32%
\$231,251–\$346,875	35%
\$346,876+	37%

Head of Household

\$0–\$15,700	10%
\$15,701–\$59,850	12%
\$59,851–\$95,350	22%
\$95,351–\$182,100	24%
\$182,101–\$231,250	32%
\$231,251–\$578,100	35%
\$578,101+	37%

Married, Filing Jointly

\$0–\$22,000	10%
\$22,001–\$89,450	12%
\$89,451–\$190,750	22%
\$190,751–\$364,200	24%
\$364,201–\$462,500	32%
\$462,501–\$693,750	35%
\$693,751+	37%

Estates and Trusts

\$0–\$2,900	10%
\$2,901–\$10,550	24%
\$10,551–\$14,450	35%
\$14,451+	37%

Income Tax

Long-Term Capital Gains and Qualified Dividend Tax
Taxable Income Thresholds

Single

\$44,626–\$492,300	15%
\$492,301+	20%

Married, Filing Separately

\$44,676–\$276,900	15%
\$276,901+	20%

Head of Household

\$59,751–\$523,050	15%
\$523,051+	20%

Married, Filing Jointly

\$89,251–\$553,850	15%
\$553,851+	20%

Estates and Trusts

\$3,001–\$14,650	15%
\$14,651+	20%

Standard Deduction

Single	\$13,850
Married, Filing Separately	\$13,850
Head of Household	\$20,800
Married, Filing Jointly	\$27,700

Dependent: greater of \$1,250 or \$400 plus earned income
Blind or over 65: additional deduction of \$1,500 if married; \$1,850 if single or head of household
Kiddie Tax: \$2,500; taxed at parents' highest marginal rate

Medicare Tax

Additional Medicare Payroll Tax (Applies to an individual's wages/self-employment income exceeding threshold, listed in next section)	0.90%
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Unearned Income Medicare Tax (Applies to lesser of net investment income or MAGI exceeding threshold, listed in next section)	3.80%
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Medicare Tax Thresholds

Single	\$200,000
Married, Filing Separately	\$125,000
Married, Filing Jointly	\$250,000
Estates and Trusts	\$13,450

Capital Loss Limitation

Single	\$3,000
Married, Filing Separately	\$1,500
Married, Filing Jointly	\$3,000

Alternative Minimum Tax (AMT)

Single or Head of Household

Maximum Exemption	\$81,300
Exemption Phaseout Threshold	\$578,150

Married, Filing Separately

Maximum Exemption	\$63,250
Exemption Phaseout Threshold	\$578,150

Married, Filing Jointly

Maximum Exemption	\$126,500
Exemption Phaseout Threshold	\$1,156,300

Trust and Estate

Exemption	\$28,400
Phaseout	\$94,600



NAVIGATE FINANCIAL
Charting Your Journey

Nancy LaPointe, CFP®, ChFC®, CLU, CASL, RICP®, | Navigate Financial

3663 College St SE | Suite B | Lacey, WA 98503 | 360.628.8175 | 360.338.0450 | www.navigatefinancialnw.com | nancy@navigatefinancialnw.com

Nancy J. LaPointe uses the trade name/DBA Navigate Financial. She can be reached at 360.628.8175 and 3663 College St SE, Ste B, Lacey, WA 98503. All securities and advisory services are offered through Commonwealth Financial Network®, Member FINRA/SIPC, a Registered Investment Adviser. Financial planning services offered by Navigate Financial, a WA Registered Investment Adviser, are separate and unrelated to Commonwealth. Fixed insurance products and services are separate from and not offered through Commonwealth Financial Network®.

Estate, Gift, and Generation Skipping Tax

Annual Gift Exclusion	\$17,000
Highest Transfer Tax Rate	40%
Estate Tax Exclusion	\$12,920,000 ¹
Gift Tax Exclusion	\$12,920,000 ¹
Generation-Skipping Transfer Tax Exemption	\$12,920,000 ²
Non-Citizen Gifting Limit	\$175,000

Education

529 Plan Contributions

Annual Gift Exclusion Value	\$17,000 per year
Accelerate Five Years of Gifting into One Year Per Individual/Couple	\$85,000/\$170,000

American Opportunity Education Tax Credit

Maximum Credit	\$2,500
Phaseout—Single	\$80,000–\$90,000
Phaseout—Married, Filing Jointly	\$160,000–\$180,000

Lifetime Learning Credits

Maximum Credit	\$2,000
Phaseout—Single	\$80,000–\$90,000
Phaseout—Married, Filing Jointly	\$160,000–\$180,000

Student Loan Interest

Deduction Limit	\$2,500
Phaseout for Interest Deduction	
Single	\$75,000–\$90,000
Married, Filing Jointly	\$155,000–\$185,000

Retirement

Traditional IRA and Roth IRA Contributions

Under age 50	\$6,500
Age 50 and over	\$7,500

Phaseout

Traditional IRA Deductibility (MAGI)

Contribution for qualified plan participant (fully deductible if not a participant)

Single or Head of Household	\$73,000–\$83,000
Married, Filing Separately	\$0–\$10,000
Married, Filing Jointly	\$116,000–\$136,000
Spousal IRA	\$218,000–\$228,000

Roth Contribution Eligibility (MAGI)

Single	\$138,000–\$153,000
Married, Filing Separately	\$0–\$10,000
Married, Filing Jointly	\$218,000–\$228,000

SEP Contribution

Lesser of \$66,000 or 25% of compensation. Minimum compensation to participate in SEP is \$750.

SIMPLE Elective Deferral

Under age 50	\$15,500
Age 50 and over	\$19,000

401(k), 402(g), 403(b), 457, and SARSEP

Under age 50	\$22,500
Age 50 and over	\$30,000

Limit on Additions to Defined Contribution Plan \$66,000

Annual Benefit Limit on Defined Benefit Plan \$265,000

Highly Compensated Employee Earns \$150,000

Annual Compensation Taken into Account for Qualified Plans \$330,000

Business Health Insurance

Health Insurance Premium Deduction for Self-Employed	100%
Limit on Employee Health Insurance Credit for Small Employers	\$30,700

Long-Term Care Premium Deductions

Qualified LTC Insurance Deductions
Subject to 10 Percent of AGI Medical Expense Floor

40 and younger	\$480
41 - 50	\$890
51 - 60	\$1,790
61 - 70	\$4,770
71 and older	\$5,960

Please note: Indemnity policy benefit payments that exceed the higher of the cost of long-term care or \$420 per day will be taxed as income.

Medicaid

Community Spouse Resource Allowance	\$29,724 minimum; \$148,620 maximum
Monthly Maintenance Allowance	\$2,288.75 minimum; \$3,715.50 maximum
Home Equity Limit	\$688,000 (state can opt to increase to \$1,033,000)
"Income Cap" State Income Limit	\$2,742

¹ Plus DSUEA (Deceased Spousal Unused Exclusion Amount)
² GST exemption is not portable.

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Social Security

CPI Increase in Benefits	8.7%
Maximum Monthly Benefit at Full Retirement	\$3,627 month
Retirement Earnings Exempt Amount Under FRA	\$21,240; \$1 withheld for every \$2 earned more than this amount
Retirement Earnings Exempt Amount Year of FRA	\$56,520; \$1 withheld for every \$3 earned more than this amount

Medicare

Medicare Part A (if applicable) Monthly Premium	\$506 for fewer than 30 quarters of coverage \$278 for between 30 and 39 quarters of coverage
Medicare Part A Deductible and Coinsurance	\$1,600 for 1–60 days +\$400 for 61–90 days +\$800 for 91–150 days All cost for +150 days
Medicare Part A Deductible for Skilled Nursing Facility in a Benefit Period	\$200 per day during 21–100 days
Medicare Part B Deductible	\$226 per year

Medicare Premium

	Monthly Premium Amount	Individual Tax Filing MAGI	Joint Tax Filing MAGI
Medicare Part B Monthly Premium	\$164.90 \$230.80	\$0–\$97,000 \$97,001–\$123,000	\$0–\$194,000 \$194,001–\$246,000
Some Medicare beneficiaries may pay less if certain conditions are met.	\$329.70	\$123,001–\$153,000	\$246,001–\$306,000
	\$428.60	\$153,001–\$183,000	\$306,001–\$366,000
	\$527.50	\$183,001–\$499,999	\$366,001–\$749,999
	\$560.50	\$500,000 or greater	\$750,000 or greater
Medicare Part D Deductible	The amount paid for Part D deductibles, copayments, and/or coinsurance varies by plan.		
Medicare Part D Monthly Premium Surcharge	(no surcharge)	\$0–\$97,000	\$0–\$194,000
	\$12.20 + plan premium	\$97,001–\$123,000	\$194,001–\$246,000
	\$31.50 + plan premium	\$123,001–\$153,000	\$246,001–\$306,000
	\$50.70 + plan premium	\$153,001–\$183,000	\$306,001–\$366,000
	\$70.00 + plan premium	\$183,001–\$499,999	\$366,001–\$749,999
	\$76.40 + plan premium	\$500,000 or greater	\$750,000 or greater

Please note: Medicare premiums are based on MAGI from two years prior to the current premium year. These 2023 Medicare premium costs and thresholds are based upon 2021 MAGI.

Payroll Taxes

	Employee	Self-Employed
Medicare Tax	6.2%	12.4%
Social Security Tax	1.45%	2.9%
Social Security Wage Base	\$160,200	\$160,200
Additional Medicare Tax	0.9% on Earnings Higher than the Following Thresholds:	
Medicare Tax	\$200,000	\$200,000
Social Security Tax	\$250,000	\$250,000
Social Security Wage Base	\$125,000	\$125,000

This material has been provided for general informational purposes only and does not constitute either tax or legal advice. Although we go to great lengths to make sure our information is accurate and useful, we recommend you consult a tax preparer, professional tax advisor, or lawyer.

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