



# 2023 TAX INFORMATION



## Income Tax Rates<sup>1</sup>

### SINGLE FILERS

Taxable Income	Tax Rate
\$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 and up	37%

### HEAD OF HOUSEHOLD

Taxable Income	Tax Rate
\$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 and up	37%

### MARRIED FILING JOINTLY OR QUALIFYING WIDOW

Taxable Income	Tax Rate
\$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 and up	37%

### TRUSTS AND ESTATES

Taxable Income	Tax Rate
\$0 - \$2,900	10%
\$2,901 - \$10,550	24%
\$10,551 - \$14,450	35%
\$14,451	37%

<https://www.irs.gov/newsroom/irs-provides-tax-inflation-adjustments-for-tax-year-2023>

<https://www.kiplinger.com/taxes/income-tax-brackets-and-rates-for-2023>

<https://www.forbes.com/sites/janetnovack/2022/10/18/irs-sets-higher-2023-tax-brackets-standard-deductions-and-other-inflation-adjustments/?sh=4f8211f71386>

## Standard Deductions

Filing Status	2023 Standard Deduction	Head of Household	Additional Deductions
Single; Married Filing Separately	\$13,850	\$20,800	Blind or over age 65
Married Filing Jointly	\$27,700		Blind or over age 65 and single or head of household

<https://www.irs.gov/newsroom/irs-provides-tax-inflation-adjustments-for-tax-year-2023>

<https://www.kiplinger.com/taxes/2023-standard-deduction-amounts>

## Capital Gains and Qualified Dividend Rates

Long-Term Capital Gains Rate	Single Filers Taxable Income	Married Separate Filers Taxable Income	Married Joint Filers Taxable Income	Head of Household Filers Taxable Income
0%	\$0 - \$44,625	\$0 - \$44,625	\$0 - \$89,250	Up to \$59,750
15%	\$44,625 - \$492,300	\$44,625 - \$276,900	\$82,250 - \$553,850	\$59,750 - \$523,050
20%	\$492,300 and up	\$276,900 and up	\$553,850 and up	\$523,050 and up

<https://www.kiplinger.com/taxes/capital-gains-tax-rate-thresholds-2023>

## Child Tax Credit

Per child 17 and under	\$2,000*
Per non-qualifying dependent	\$500*

\*Amounts could differ depending on Adjusted Gross Income (AGI).

[https://apps.irs.gov/app/vita/content/globalmedia/4491\\_child\\_tax\\_credit.pdf](https://apps.irs.gov/app/vita/content/globalmedia/4491_child_tax_credit.pdf)

## IRA Contributions

Traditional or Roth Contribution Limit	\$6,500
Catch-up for Ages 50 and older	\$1,000

### PHASE-OUT RANGE FOR DEDUCTIBLE TRADITIONAL IRA CONTRIBUTIONS

Married filing jointly & covered by a workplace plan	\$116,000 - \$136,000
Single/Head of household	\$73,000 - \$83,000
Married filing separately	\$0 - \$10,000
Non-covered participant with a covered-participant spouse	\$218,000 - \$228,000

## PHASE-OUT FOR ROTH CONTRIBUTIONS

<b>Married filing jointly</b>	\$218,000 - \$228,000
<b>Single/Head of household</b>	\$138,000 - \$153,000
<b>Married filing separately</b>	\$0 - \$10,000

<https://www.irs.gov/newsroom/401k-limit-increases-to-22500-for-2023-ira-limit-rises-to-6500>

## SEP AND SIMPLE IRA CONTRIBUTION LIMITS

<b>Maximum Percentage of Compensation for SEP IRA Contributions</b>	25%
<b>Maximum Annual SEP IRA Contribution</b>	\$66,000
<b>Minimum SEP Compensation for Plan Participation</b>	\$750
<b>Maximum Annual SIMPLE IRA Contribution</b>	\$15,500
<b>SIMPLE IRA 50+ Catch-Up Contribution</b>	\$3,500

<https://www.nerdwallet.com/article/investing/what-is-a-sep-ira#:~:text=Eligible%20participants%20are%20employees%20who,2022%20or%20%24750%20in%202023.>

## Qualified Plans

<b>Elective employee deferral</b>	\$22,500
<b>Catch-up for ages 50 or older</b>	\$7,500
<b>Maximum annual contributions for a defined contribution plan</b>	\$66,000
<b>Maximum annual benefit in a defined benefit plan</b>	\$265,000
<b>Maximum compensation considered</b>	\$330,000

<https://www.irs.gov/newsroom/401k-limit-increases-to-22500-for-2023-ira-limit-rises-to-6500>

<https://www.nbcnews.com/business/consumer/401k-contribution-limits-2023-retirement-accounts-irs-taxes-rcna53696>

<https://www.mwe.com/insights/irs-announces-2023-employee-benefit-plan-limits/>

## Gift and Estate Tax

<b>Annual Gift exclusion</b>	\$17,000
<b>Unified Credit amount</b>	\$12,920,000
<b>Gift to a non-U.S. citizen spouse</b>	\$175,000
<b>Highest estate tax bracket</b>	40%

<https://www.forbes.com/sites/janetnovack/2022/10/18/new-higher-estate-and-gift-tax-limits-for-2023-couples-can-pass-on-extra-172-million-tax-free/?sh=1854ebb67dd8><https://www.jdsupra.com/legalnews/irs-announces-increased-gift-and-estate-2522344/>

## Health Savings Accounts

<b>Contribution Limits – Single/Family</b>	\$3,850/\$7,750
<b>Catch-Up Contributions – 55 and older</b>	\$1,000
<b>Minimum Deductible – Single/Family</b>	1,500/\$3,000
<b>Maximum Out-of-Pocket – Single/Family</b>	\$7,500/\$15,000

<https://www.mwe.com/insights/irs-announces-2023-employee-benefit-plan-limits/>

***Let's talk about it. Reach out today to start the conversation.***

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