

2018 Tax Reference Guide

TAX BRACKETS FOR 2018 *Taxable income (i.e. income minus deductions and exemptions) between:*

Married, Joint

\$0-\$19,050	10%
\$19,051-\$77,400	12%
\$77,401-\$165,000	22%
\$165,001-\$315,000	24%
\$315,001-\$400,000	32%
\$400,001-\$600,000	35%
over \$600,000	37%
Capital gains/qualified dividends	
\$0-\$77,199	0%
\$77,200-\$478,999	15%
\$479,000 and over	20%

Single

\$0-\$9,525	10%
\$9,526-\$38,700	12%
\$38,701-\$82,500	22%
\$82,501-\$157,500	24%
\$157,501-\$200,000	32%
\$200,001-\$500,000	35%
over \$500,000	37%
Capital gains/qualified dividends	
\$0-\$38,599	0%
\$38,600-\$425,799	15%
\$425,800 and over	20%

Married, Separate

\$0-\$9,525	10%
\$9,526-\$38,700	12%
\$38,701-\$82,500	22%
\$82,501-\$157,500	24%
\$157,501-\$200,000	32%
\$200,001-\$300,000	35%
over \$300,000	37%
Capital gains/qualified dividends	
\$0-\$38,599	0%
\$38,600-\$239,499	15%
\$239,500 and over	20%

Head of Household

\$0-\$13,600	10%
\$13,601-\$51,800	12%
\$51,801-\$82,500	22%
\$82,501-\$157,500	24%
\$157,501-\$200,000	32%
\$200,001-\$500,000	35%
over \$500,000	37%
Capital gains/qualified dividends	
\$0-\$51,699	0%
\$51,700-\$452,399	15%
\$452,400 and over	20%

Estates and Trusts

\$0-\$2,550	10%
\$2,551-\$9,150	24%
\$9,151-\$12,500	35%
over \$12,500	37%
Capital gains/qualified dividends	
\$0-\$2,599	0%
\$2,600-\$12,699	15%
\$12,700 and over	20%

Corporate Tax Rate

21%

Standard Deduction

▶ Married, joint	\$24,000
▶ Single	\$12,000
▶ Head of household	\$18,000

Blind or over 65: add \$1,300 if married, \$1,600 if single or head of household.

Additional Medicare Tax Where Income Exceeds \$200,000 (\$250,000 married, joint)

▶ Add'l tax on excess of earned income ¹	0.9%
▶ Add'l tax on Net Investment Income ²	3.8%

Alternative Minimum Tax Exemption Amount

▶ Married, joint	\$109,400
▶ Single, HOH ³	\$70,300
▶ Married, separate	\$54,700

Mortgage Interest Deduction

On acquisition indebtedness up to \$750,000 for 1st and 2nd homes
No deduction for home equity indebtedness

State and Local Tax Deduction Limit

State and local income and property tax deduction \$10,000

Traditional/Roth IRA & Pension Plan Limits

▶ IRA contribution	
– Under age 50	\$5,500
– Age 50 and over	\$6,500
▶ Phaseout for deducting IRA contribution	
– Married, joint	\$101,000-\$121,000 AGI
– Single, HOH ³	\$63,000-\$73,000 AGI
– Married, separate	\$0-\$10,000 AGI
– Phaseout for deducting spousal IRA	\$189,000-\$199,000 AGI
▶ Phaseout of Roth contribution eligibility	
– Married, joint	\$189,000-\$199,000 MAGI
– Single, HOH ³	\$120,000-\$135,000 MAGI
– Married, separate	\$0-\$10,000 MAGI
▶ SEP contribution: Up to 25% of compensation, limit \$55,000	
▶ Compensation to participate in SEP	\$600
▶ SIMPLE elective deferral	
– Under age 50	\$12,500
– Age 50 and over	\$15,500
▶ 401(k), 403(b) ⁴ , 457 and SARSEP elective deferral under age 50	\$18,500
▶ 401(k), 403(b) ⁴ , 457 and SARSEP elective deferral age 50 and over ⁵	\$24,500
▶ Annual defined contribution limit	\$55,000
▶ Annual defined benefit limit	\$220,000
▶ Highly compensated employee	\$120,000
▶ Key Employee in top heavy plans makes	\$175,000
▶ Annual compensation taken into account for qualified plans	\$275,000
▶ Retirement Tax Credit: A percent tax credit for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction or exclusion, if	
– Married, joint	Below \$63,000 MAGI
– Single, HOH ³	Below \$47,250 MAGI
– Single; Married, separate	Below \$31,500 MAGI

GIFT AND ESTATE TAX

▶ Gift tax annual exclusion	\$15,000
▶ Estate and gift tax rate	40%
▶ Estate tax exemption	\$11,200,000
▶ Lifetime gift exemption	\$11,200,000
▶ GST exemption	\$11,200,000
▶ Annual exclusion for gifts to noncitizen spouse	\$152,000

SOCIAL SECURITY

▶ Maximum earnings (during work years) subject to FICA tax	\$128,400
▶ Income ⁶ (in retirement) causing Social Security benefits to be taxable	
▶ Married, joint	
– 50% taxable	\$32,000 - \$44,000 MAGI
– 85% taxable	Over \$44,000 MAGI
▶ Single	
– 50% taxable	\$25,000 - \$34,000 MAGI
– 85% taxable	Over \$34,000 MAGI

Loss of Social Security retirement benefits: In years prior to full retirement age, \$1 in benefits will be lost for every \$2 of earnings in excess of \$17,040. In the year of full retirement age, \$1 in benefits will be lost for every \$3 of earnings in excess of \$45,360 (applies only to months of earnings prior to full retirement age). There is no limit on earnings beginning the month an individual attains full retirement age.

- Total Employee Medicare Tax is 1.45% + 0.9% = 2.35%
- Including interest, dividends, capital gains, and annuity distributions
- Head of Household
- Special increased limit may apply to certain 403(b) contributors with 15 or more years of service.
- In last 3 years prior to year of retirement, 457 plan participant may be able to double elective deferral if needed to catch-up on prior missed contributions, but if they do, they cannot use catch-up.
- Income is most income including muni bond interest but only 1/2 of Social Security.

Source: Information presented herein this reference guide is made available as a self-help, educational tool. It should not be construed as tax, legal or investment advice. Information contained on this reference guide should only serve as a general guideline, consult a qualified tax advisor regarding specific circumstances. Note the data provided is subject to legislative and regulatory changes and is current as of 12/21/17.



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Uniform Lifetime Table

This table is used for calculating Minimum Required Distribution from IRAs. However, if the beneficiary is the spouse who is more than 10 years younger, use Joint Life Expectancy Table.

Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
70	27.4	86	14.1	102	5.5
71	26.5	87	13.4	103	5.2
72	25.6	88	12.7	104	4.9
73	24.7	89	12.0	105	4.5
74	23.8	90	11.4	106	4.2
75	22.9	91	10.8	107	3.9
76	22.0	92	10.2	108	3.7
77	21.2	93	9.6	109	3.4
78	20.3	94	9.1	110	3.1
79	19.5	95	8.6	111	2.9
80	18.7	96	8.1	112	2.6
81	17.9	97	7.6	113	2.4
82	17.1	98	7.1	114	2.1
83	16.3	99	6.7	115+	1.9
84	15.5	100	6.3		
85	14.8	101	5.9		

SINGLE LIFE EXPECTANCY FOR USE BY BENEFICIARIES

Age	Multiple	Age	Multiple	Age	Multiple
15	67.9	44	39.8	73	14.8
16	66.9	45	38.8	74	14.1
17	66.0	46	37.9	75	13.4
18	65.0	47	37.0	76	12.7
19	64.0	48	36.0	77	12.1
20	63.0	49	35.1	78	11.4
21	62.1	50	34.2	79	10.8
22	61.1	51	33.3	80	10.2
23	60.1	52	32.3	81	9.7
24	59.1	53	31.4	82	9.1
25	58.2	54	30.5	83	8.6
26	57.2	55	29.6	84	8.1
27	56.2	56	28.7	85	7.6
28	55.3	57	27.9	86	7.1
29	54.3	58	27.0	87	6.7
30	53.3	59	26.1	88	6.3
31	52.4	60	25.2	89	5.9
32	51.4	61	24.4	90	5.5
33	50.4	62	23.5	91	5.2
34	49.4	63	22.7	92	4.9
35	48.5	64	21.8	93	4.6
36	47.5	65	21.0	94	4.3
37	46.5	66	20.2	95	4.1
38	45.6	67	19.4	96	3.8
39	44.6	68	18.6	97	3.6
40	43.6	69	17.8	98	3.4
41	42.7	70	17.0	99	3.1
42	41.7	71	16.3	100	2.9
43	40.7	72	15.5	101	2.7