



## 2022 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

Compiled by the faculty of the College for Financial Planning

RETIREMENT PLANS	
Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$20,500
Catch-up contribution	\$6,500
Defined contribution (§415(c)(1)(A))	\$61,000
Defined benefit (§415(b)(1)(A))	\$245,000
SIMPLE plan	\$14,000
SIMPLE catch-up contribution	\$3,000
Maximum includible compensation	\$305,000
Highly compensated employee	
Lookback to 2021	\$130,000
Lookback to 2022	\$135,000
Key employee (top-heavy plan)	>\$200,000
SEP participation limit	\$650
IRA or Roth IRA contribution limit	\$6,000
IRA or Roth IRA catch-up	\$1,000
IRA deduction phaseout for active participants	
Single	\$68,000-\$78,000
Married filing jointly	\$109,000-\$129,000
Married filing separately	\$0-\$10,000
Non-active participant married to active participant	\$204,000-\$214,000
Roth IRA phaseout	
Single	\$129,000-\$144,000
Married filing jointly	\$204,000-\$214,000

SOCIAL SECURITY	
SS wage base	\$147,000
FICA tax rate—employee <sup>3</sup>	7.65%
SECA tax rate—self-employed	15.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$19,560
Persons reaching FRA (\$1 for \$3)	\$51,960
(Applies only to earnings for months prior to attaining FRA)	
Social Security cost-of-living adjustment	5.9%
Quarter of coverage	\$1,510
Maximum benefit: worker retiring at FRA	\$3,345
Estimated average monthly benefit	\$1,657

SOCIAL SECURITY FRA			
Year of Birth	Social Security FRA	Year of Birth	Social Security FRA
1943–54	66	1958	66 and 8 months
1955	66 and 2 months	1959	66 and 10 months
1956	66 and 4 months	1960 and later	67
1957	66 and 6 months		

ESTATE AND GIFT TAX	
Annual gift tax exclusion	\$16,000
Estate and gift tax basic exclusion	\$12,060,000
Applicable credit amount	\$4,769,800
Generation skipping exemption	\$12,060,000
Maximum estate tax rate <sup>4</sup>	40%

MEDICARE	
Monthly premium:	
Part A <sup>1</sup>	\$499
Part B <sup>2</sup>	\$170.10
Part A:	
First 60 days—patient pays a deductible	\$1,556
Next 30 days—patient pays per day	\$389
Next 60 days (lifetime reserve days) patient pays per day	\$778
Skilled nursing benefits	
First 20 days—patient pays per day	-0-
Next 80 days—patient pays per day	\$194.50
Over 100 days—patient pays per day	All costs
Part B:	
Deductible	\$233
Coinsurance	20%
Part D (Prescription Standard Benefit Model):	
Deductible	\$480
25% coinsurance on next	\$4,430
Out-of-pocket (OOP) threshold	\$7,050
Beneficiary then pays coinsurance amount for additional covered expenses.	

2022 MEDICARE PART B PREMIUM RATES:			
YOU PAY		If your 2020 income was:	
Premium	PART D Surcharge	SINGLE	MARRIED COUPLE
\$122.29 Hold Harmless		\$91,000 or less	\$182,000 or less
\$157.26 not Hold Harmless		\$91,000 or less	\$182,000 or less
\$238.10	\$12.40	\$91,001–\$114,000	\$182,001–\$228,000
\$340.20	\$32.10	\$114,001–\$142,000	\$228,001–\$284,000
\$442.30	\$51.70	\$142,001–\$170,000	\$284,001–\$340,000
\$544.30	\$71.30	\$170,001–\$500,000	\$340,001–\$750,000
\$578.30	\$77.90	Above \$500,000	Above \$750,000
YOU PAY	PART D Surcharge	If you are married filing separately and your 2020 income was:	
\$144.60		\$91,000 or less	
\$544.30	\$71.30	\$91,001–\$409,000	
\$578.30	\$77.90	Above \$409,000	

FIGURE 1

- The Part A premium of \$499 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30-39 quarters, the Part A Premium is \$259 per month.
- Beneficiaries not subject to the "hold harmless" provision includes persons not receiving Social Security, those who enroll in Part B for the first time in 2022, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. See Premium rates (Figure 1)
- The FICA tax rate is comprised of two separate payroll taxes: Employer portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI); Employee portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI). For self-employed, the SECA is 12.40% for OASDI and 2.90% for HI.
- A deceased spouse's unused credit amount is portable to a surviving spouse.

STANDARD MILEAGE RATES	
Business use	58¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical use	20¢ per mile

MISCELLANEOUS ITEMS	
PBGC maximum monthly benefit (at age 65)	\$6,205
LTC per diem limit	\$390
LTC premium as medical expense limitation	
Age 40 or under	\$450
Age 41-50	\$850
Age 51-60	\$1,690
Age 61-70	\$4,510
Age 71 or older	\$5,640
Qualified Transportation Fringes (monthly)	
Commuter highway vehicle/transit pass	\$280
Qualified parking	\$280
Qualified Longevity Annuity Contract	Max \$145,000
Health Care Flexible Spending Account	Max \$2,850
Health Care FSA Carryover Amount	Max \$570

LTCG RATES BASED ON TAXABLE INCOME			
Filing Status	0% rate	15% rate	20% rate
Single	up to \$41,675	\$41,676-\$459,750	over \$459,750
Head of household	up to \$55,800	\$55,801-\$488,500	over \$488,500
Married filing jointly	up to \$83,350	\$83,351-\$517,200	over \$517,200
Married filing separately	up to \$41,675	\$41,676-\$258,600	over \$258,600
Estates and trusts	up to \$2,800	\$2,801-\$13,700	over \$13,700

2022 TAX RATE SCHEDULES				
If Taxable Income Is		Then the Gross Tax Payable Is:		
Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
<b>SINGLE TAXPAYERS (other than surviving spouses and heads of households)</b>				
\$0	\$10,275	----- 10% of taxable income -----		
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	--	162,718	37%	539,900
<b>HEADS OF HOUSEHOLDS</b>				
\$0	\$14,650	----- 10% of taxable income -----		
14,650	55,900	\$1,465	12%	\$14,650
55,900	89,050	6,415	22%	55,900
89,050	170,050	13,708	24%	89,050
170,050	215,950	33,148	32%	170,050
215,950	539,900	47,836	35%	215,950
539,900	--	161,218.50	37%	539,900
<b>MARRIED INDIVIDUALS (and surviving spouses) FILING JOINT RETURNS</b>				
\$0	\$20,550	----- 10% of taxable income -----		
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	--	174,253.50	37%	647,850
<b>MARRIED INDIVIDUALS FILING SEPARATE RETURNS</b>				
\$0	\$10,275	----- 10% of taxable income -----		
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	323,925	49,335.50	35%	215,950
323,925	--	87,126.75	37%	323,925
<b>FIDUCIARY (estates and trusts) TAXPAYERS</b>				
\$0	\$2,750	----- 10% of taxable income -----		
2,750	9,850	\$275	24%	\$2,750
9,850	13,450	1,979	35%	9,850
13,450	--	3,239	37%	13,450

HEALTH SAVINGS ACCOUNT	
Minimum Deductible Amount	
Single	\$1,400
Family	\$2,800
Maximum Out-of-Pocket Amount	
Single	\$7,050
Family	\$14,100
HSA Statutory Contribution Maximum	
Single	\$3,650
Family	\$7,300
Catch-up contributions (age 55 or older)	\$1,000

EDUCATION	
EE bonds for education—exclusion phaseout	
Single	\$85,800-\$100,800
Married filing jointly	\$128,650-\$158,650
Coverdell Education Savings Account (\$2,000 limit) phaseout	
Single	\$95,000-\$110,000
Married filing jointly	\$190,000-\$220,000
Lifetime Learning Credit—20% of qualified expenses up to \$10,000	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
American Opportunity tax credit—maximum of \$2,500	
100% up to \$2,000 of qualified expenses	
25% on next \$2,000—phaseout:	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
Education loan deduction (\$2,500) phaseout	
Unmarried	\$70,000-\$85,000
Married filing jointly	\$145,000-\$175,000

INCOME TAX	
Standard deduction	
Single	\$12,950
Married filing jointly	\$25,900
Head of household	\$19,400
Married filing separately	\$12,950
Kiddie tax limited standard deduction	\$1,150
Individual eligible to be claimed as dependent—greater of \$1,150 or earned income plus \$400, not to exceed full standard deduction of \$12,950.	
Elderly or blind additional deduction	
Single	\$1,750
Married	\$1,400
Section 179	
Maximum election	\$1,080,000
Phaseout begins	\$2,700,000
Adoption credit (nonrefundable)	
Maximum	\$14,890
Phaseout	\$223,410-\$263,410
Medicare Contribution tax and additional Medicare tax	
Single	\$200,000
Head of household	\$200,000
Married filing jointly	\$250,000
Child tax credit	
Dependent under age 17	\$2,000
Other dependents	\$500
Phaseout (\$50 for every \$1,000 over)	
Single	\$200,000
Married filing jointly	\$400,000

ALTERNATIVE MINIMUM TAX (AMT)	Exemption	Phaseout
Single	\$75,900	\$539,900
Married filing jointly	\$118,100	\$1,079,800
Married filing separately	\$59,050	\$539,900
Trusts and estates	\$26,500	\$88,300

AMT RATES
26% up to \$206,100 of AMT base
28% over \$206,100 of AMT base



COLLEGE FOR FINANCIAL PLANNING  
A KAPLAN COMPANY