

2021 TAX QUICK REFERENCE GUIDE

FEDERAL TAXES

2021 Tax Rate Schedules

Single Taxpayers

If taxable income is...		Then taxes payable will equal...		
Over	Not over	Amount	Plus (%)	Of amount over
\$0	\$9,950	\$0	10%	\$0
\$9,950	\$40,525	\$995.00	12%	\$9,950
\$40,525	\$86,375	\$4,664.00	22%	\$40,525
\$86,375	\$164,925	\$14,751.00	24%	\$86,375
\$164,925	\$209,425	\$33,603.00	32%	\$164,925
\$209,425	\$523,600	\$47,843.00	35%	\$209,425
\$523,600	--	\$157,804.25	37%	\$523,600

Married Filing Jointly

If taxable income is...		Then taxes payable will equal...		
Over	Not over	Amount	Plus (%)	Of amount over
\$0	\$19,900	\$0	10%	\$0
\$19,900	\$81,050	\$1,990.00	12%	\$19,900
\$81,050	\$172,750	\$9,328.00	22%	\$81,050
\$172,750	\$329,850	\$29,502.00	24%	\$172,750
\$329,850	\$418,850	\$67,206.00	32%	\$329,850
\$418,850	\$628,300	\$95,686.00	35%	\$418,850
\$628,300	--	\$168,993.50	37%	\$628,300

Married Filing Separately

If taxable income is...		Then taxes payable will equal...		
Over	Not over	Amount	Plus (%)	Of amount over
\$0	\$9,950	\$0	10%	\$0
\$9,950	\$40,525	\$995.00	12%	\$9,950
\$40,525	\$86,375	\$4,664.00	22%	\$40,525
\$86,375	\$164,925	\$14,751.00	24%	\$86,375
\$164,925	\$209,425	\$33,603.00	32%	\$164,925
\$209,425	\$314,150	\$47,843.00	35%	\$209,425
\$314,150	--	\$84,496.75	37%	\$314,150

Head of Household

If taxable income is...		Then taxes payable will equal...		
Over	Not over	Amount	Plus (%)	Of amount over
\$0	\$14,200	\$0	10%	\$0
\$14,200	\$54,200	\$1,420.00	12%	\$14,200
\$54,200	\$86,350	\$6,220.00	22%	\$54,200
\$86,350	\$164,900	\$13,293.00	24%	\$86,350
\$164,900	\$209,400	\$32,145.00	32%	\$164,900
\$209,400	\$523,600	\$46,385.00	35%	\$209,400
\$523,600	--	\$156,355.00	37%	\$523,600

2021 Tax Rate Schedules (Cont'd)

Trusts & Estates

If taxable income is...		Then taxes payable will equal...		
Over	Not over	Amount	Plus (%)	Of amt over
\$0	\$2,650	\$0	10%	\$0
\$2,650	\$9,550	\$265.00	24%	\$2,650
\$9,550	\$13,050	\$1,921.00	35%	\$9,550
\$13,050	--	\$3,146.00	37%	\$13,050

Deductions, AMT, & Credits

Filing Status:	Single	MFJ	MFS	HoH
<i>Standard Deduction</i>				
Regular	\$12,550	\$25,100	\$12,550	\$18,800
+ Elderly/Blind	\$1,700	\$1,350	\$1,350	\$1,700

Alternative Minimum Tax

AGI Threshold	\$73,600	\$114,600	\$57,300	\$73,600
26% rate on first \$199,900 of AMTI in excess of exemption amount (\$99,950 MFS)				
28% on any AMTI over this amount				

Qualified Business Income (QBI) Deduction

20% of QBI from Sole Proprietor, Partnership, S-Corp, Trust, or Estate				
Filing Status:	Single	MFJ	MFS	HoH
If income exceeds...	\$164,900	\$329,800	\$164,925	\$164,900

Deduction is limited to 50% of the owners's share of W-2 wages paid by the business
No deduction is allowed against earned income in a specified service trade or biz (SSTB)

Capital Gain/Qualified Dividend & NII Tax Rates

Capital Gains & Qualified Dividend Tax Brackets

Single	MFJ	MFS	HOH	Tax Rate
\$0	\$0	\$0	\$0	0%
\$40,400	\$80,800	\$40,400	\$54,100	15%
\$445,850	\$501,600	\$250,800	\$473,750	20%

Rates do not apply to Collectibles or Section 1250 Gains

Net Investment Income (NII) Tax

AGI Threshold	\$200,000	\$250,000	\$125,000	\$200,000
3.8% rate on the lesser of: (1) net investment income; or (2) excess amount by which AGI exceeds thresholds				
Note: thresholds not indexed for inflation				

Federal & Gift Taxes

Unified Exemption*	\$11,700,000
Relative Credit	\$4,625,800
Top Tax Rate	40%
Annual Gift Tax Exclusion	\$15,000
GSTT Exemption	\$11,700,000



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Retirement Planning

Retirement Plan Contribution Limits & IRA Deductibility

Plan Type	Limit	Traditional IRA Deduction Phaseouts for Active Participants*		
		Filing Status	Lower Limit	Upper Limit
Qualified Company Retirement Plans	\$19,500			
Catch-Up (50 and over)	\$6,500	Single	\$66,000	\$76,000
<i>Additional catch-up contributions exist for certain 403(b) & 457 participants</i>		MFJ	\$105,000	\$125,000
		MFS	\$0	\$10,000
SEP IRAs	\$58,000	HoH	\$66,000	\$76,000
<i>Allowable Compensation % for W-2</i>	25%	<i>If one spouse is an active participant and the other is not...</i>		
<i>Allowable Compensation % for 1099</i>	20%	MFJ	\$198,000	\$208,000
Roth IRA Contribution Limitations				
		Filing Status	Lower Limit	Upper Limit
SIMPLE IRAs	\$13,500	Single	\$125,000	\$140,000
Catch-Up (50 and over)	\$3,000	MFJ	\$198,000	\$208,000
		MFS	\$0	\$10,000
IRAs	\$6,000	HoH	\$125,000	\$140,000
Catch-Up (50 and over)	\$1,000			
Overall Retirement Plan Contribution Limits				
HSAs		Annual deferrals to defined contribution (DC) plans are limited to the lesser of:		
Individual Family	\$3,600 \$7,200	-100% of compensation; or		
Catch-Up	\$1,000	-\$58,000 plus catch-up (if eligible)		
Education Plans				
529 College Savings Plans	\$15,000	Annual funded benefits to defined benefit (DB) plans are limited to the lesser of:		
Front-Loading Option (5-Years)	\$75,000	-100% of avg of highest 3 consecutive years of comp; or		
<i>If using front-loading option, must wait 5 years to utilize again</i>		-\$230,000		
Coverdell ESAs	\$2,000	Maximum annual comp. that can be considered for purposes of calculating retirement plan contributions is \$290,000		
<i>Contributions subject phaseouts; not tax-deductible</i>				

Social Security

Social Security Taxability			Excess Earnings Penalty
Base Amounts	50% Taxable	85% Taxable	
Single	\$25,000	\$34,000	If individual is <u>under</u> full retirement age (FRA), benefits are reduced by \$1 for every \$2 of earnings in excess of \$18,960
Married Filing Jointly	\$32,000	\$44,000	If individual reaches full retirement age (FRA), benefits are reduced by \$1 for every \$3 of earnings in excess of \$50,520
Married Filing Separately	--	--	<i>Only earnings from months prior to reaching FRA reduce benefits</i>
Head of Household	\$25,000	\$34,000	
<i>If income plus half of Social Security benefits are....</i>			Taxation of Compensation
Greater than 85% of base amount = 85% taxable			6.20% OASDI tax limited to \$142,800 of compensation
Between 50% and 85% of base amount = 50% taxable			1.45% Medicare tax has no compensation limit
Less than 50% of base amount = not taxable			0.90% Additional Medicare Tax applies to wages above:
Age-Based Benefit Reduction			-\$200,000 Single
Reminder that for retiree, spouse, and widow(er), benefits are reduced based on months prior to Full Retirement Age (FRA)			-\$250,000 Married Filing Jointly
			-\$125,000 Married Filing Separately

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