

2024 FEDERAL TAX & BENEFIT REFERENCE GUIDE



2060 N Humboldt Ave. Suite 275
Milwaukee, WI 53212
hammelandcompany.com • (414) 837-3617

Federal Income Tax

Single Filers

| | |
|-----------------------|-------|
| \$0 – \$11,600 | 10.0% |
| \$11,600 – \$47,150 | 12.0% |
| \$47,150 – \$100,525 | 22.0% |
| \$100,525 – \$191,950 | 24.0% |
| \$191,950 – \$243,725 | 32.0% |
| \$243,725 – \$609,350 | 35.0% |
| > \$609,350 | 37.0% |

Married Filing Jointly

| | |
|-----------------------|-------|
| \$0 – \$23,200 | 10.0% |
| \$23,200 – \$94,300 | 12.0% |
| \$94,300 – \$201,050 | 22.0% |
| \$201,050 – \$383,900 | 24.0% |
| \$383,900 – \$487,450 | 32.0% |
| \$487,450 – \$731,200 | 35.0% |
| > \$731,200 | 37.0% |

Married Filing Separately

| | |
|-----------------------|-------|
| \$0 – \$11,600 | 10.0% |
| \$11,600 – \$47,150 | 12.0% |
| \$47,150 – \$100,525 | 22.0% |
| \$100,525 – \$191,950 | 24.0% |
| \$191,950 – \$243,725 | 32.0% |
| \$243,725 – \$365,500 | 35.0% |
| > \$365,500 | 37.0% |

Head of Household

| | |
|-----------------------|-------|
| \$0 – \$16,500 | 10.0% |
| \$16,500 – \$63,100 | 12.0% |
| \$63,100 – \$100,500 | 22.0% |
| \$100,500 – \$191,950 | 24.0% |
| \$191,950 – \$243,700 | 32.0% |
| \$243,700 – \$609,350 | 35.0% |
| > \$609,350 | 37.0% |

Trusts and Estates

| | |
|---------------------|-------|
| \$0 – \$3,100 | 10.0% |
| \$3,100 – \$11,150 | 24.0% |
| \$11,150 – \$15,200 | 35.0% |
| > \$15,200 | 37.0% |

Standard Deductions

| | |
|--|--------------------|
| Single | \$14,600 |
| Married filing jointly | \$29,200 |
| Married filing separately | \$12,950 |
| Head of household | \$21,900 |
| 65 or older or blind | \$1,550 if married |
| 65 or older and blind | \$3,100 if married |
| (additional standard deduction amount) | |
| \$1,950 if single and not a surviving spouse | |

| | |
|--|--|
| Personal exemption | \$0 |
| Qualifying dependents other than qualifying children | \$1,300 credit/dependent or sum of \$450 and earned income |

Capital Gain & Dividend Rates (Long-Term*)

| Single | | Married Filing Jointly | |
|----------------------|-----|------------------------|-----|
| \$0 – \$47,024 | 0% | \$0 – \$94,049 | 0% |
| \$47,025 – \$518,899 | 15% | \$94,050 – \$583,749 | 15% |
| ≥ \$518,900 | 20% | ≥ \$583,750 | 20% |
| Collectibles | 28% | | |

Head of Household Married Filing Separately

| | | | |
|----------------------|-----|----------------------|-----|
| \$0 – \$62,999 | 0% | \$0 – \$47,025 | 0% |
| \$63,000 – \$551,349 | 15% | \$47,026 – \$291,849 | 15% |
| ≥ \$551,350 | 20% | ≥ \$291,850 | 20% |

*Short-term gains are taxed as ordinary income.

Gift & Estate Tax

| | |
|--|--------------|
| Annual gift tax exclusion | \$18,000 |
| Unified estate and gift tax credit amount | \$13,610,000 |
| Annual exclusion for gift to noncitizen spouse | \$185,000 |
| Highest estate and gift tax rate | 40% |

States with separate estate tax: CT, DC, HI, IL, MA, MD, ME, MN, NY, OR, RI, VT, WA

States with inheritance tax: IA, KY, NE, PA, MD, NJ

Community property states: AK*, AZ, CA, ID, LA, NM, NV, TX, WA, WI

*Opt-in community property state

Net Investment Income Tax (3.8% Medicare Surtax Thresholds)

Tax Filing Status

| | |
|---------------------------|-----------|
| Single/Head of household | \$200,000 |
| Married filing jointly | \$250,000 |
| Married filing separately | \$125,000 |
| Trusts and estates | \$15,200 |

Education

529 Plan Contributions

| | |
|--|-----------|
| \$16,000 per year per child before gift tax* | |
| Accelerate 5 years of gifting into 1 year: | |
| Per individual | \$80,000 |
| Per couple | \$160,000 |

Education Phaseouts

Student Loan Interest Deductions

Maximum deduction for student loan interest is \$2,500. Deductions are phased out according to the following:

| | |
|--------------------------|-----------------------|
| Phase-out: Single return | \$80,000 – \$95,000 |
| Married, filing jointly | \$165,000 – \$195,000 |

American Opportunity Credit/ Hope Scholarship Credit

Maximum \$2,500 (100% of first \$2,000 + 25% of next \$2,000 of eligible expenses)

| | |
|-----------------------------------|-----------------------|
| Phase-out: Married filing jointly | \$160,000 – \$180,000 |
| Single | \$80,000 – \$90,000 |

Lifetime Learning Credits 20% of qualified expenses up to \$10,000

| | |
|------------------------|-----------------------|
| Married filing jointly | \$160,000 – \$180,000 |
| Single or HOH | \$80,000 – \$90,000 |

Coverdell Education Savings Accounts

| | |
|---------------------------------|-----------------------|
| Maximum Contribution of \$2,000 | |
| Married filing jointly | \$190,000 – \$220,000 |
| Others | \$95,000 – \$110,000 |

Retirement Plans

Traditional IRA

| | |
|--------------------|---------|
| Contribution limit | \$7,000 |
| 50+ catch-up | \$1,000 |

Trad. IRA Deductibility Phaseout (MAGI)

(Participants in employer plans)

| | |
|---|-----------------------|
| Married filing jointly | \$123,001 – \$142,999 |
| Married filing separately | \$0 – \$9,999 |
| Single/Head of household | \$77,001 – \$86,999 |
| Non-covered participant with a covered-participant spouse | \$230,001 – \$239,999 |

Roth IRA Deductibility Phaseout (MAGI)

| | |
|---------------------------|-----------------------|
| Married filing jointly | \$230,000 – \$239,999 |
| Married filing separately | \$0 – \$10,000 |
| Single/Head of household | \$146,000 – \$160,999 |

Qualified Plans

| | |
|---|-----------|
| Employee 401(k), 403(b), 457(b) salary deferral under age 50* | \$23,000 |
| 50+ catch-up | \$7,500 |
| SIMPLE salary deferral under age 50 | \$16,000 |
| 50+ catch-up | \$3,500 |
| Maximum contribution | \$69,000 |
| Covered compensation limit | \$345,000 |
| Highly compensated employee | \$155,000 |
| Maximum employer percentage deduction limit (of eligible payroll) | 25% |

*Special catch-up rules may apply to some 403(b) contributors with 15 or more years of service and governmental 457(b) participants in the last 3 years prior to retirement.

Source: <https://www.kiplinger.com/taxes/new-irs-income-tax-brackets-set>
Source: <https://smartasset.com/taxes/trust-tax-rates>

*State tax treatment may differ from federal tax treatment, so look to the laws of your state to find out how your state will treat a 529 plan gift.

2024 FEDERAL TAX & BENEFIT REFERENCE GUIDE



2060 N Humboldt Ave. Suite 275
Milwaukee, WI 53212
hammelandcompany.com • (414) 837-3617

Social Security

Taxable Wage Base

| | |
|---|-----------|
| Maximum earnings (during workings years) subject to payroll tax | \$168,600 |
| Medicare (Hospital Insurance) | No limit |

Retirement Earning Test

| | |
|-----------------------------------|----------|
| Under full retirement age | \$22,320 |
| Year reaching full retirement age | \$59,520 |

Note: \$1 in benefits will be withheld for every \$2 in earnings above the limit.
Note: Applies only to earnings for months prior to attaining full retirement age. \$1 in benefits will be withheld for every \$3 in earnings above the limit.

Taxability of Benefits

(Based on provisional income and filing status)

| | Not Taxable | MAGI Up to 50% | MAGI Up to 85% |
|---------------------------|-----------------------------------|---------------------|-------------------|
| Individual | < \$25,000 | \$25,000 – \$34,000 | > \$34,001 |
| Married filing jointly | < \$32,000 | \$32,000 – \$44,000 | > \$44,001 |
| Married filing separately | up to 85% of benefits are taxable | | |

FICA Tax Rates

| | Self-Employed | Employee |
|--------------------------|---------------|----------|
| OASDI (Social Security) | 12.40% | 6.2% |
| Medicare | 2.90% | 1.45% |
| Additional Medicare Tax* | 0.90% | 0.90% |

*Additional Medicare tax went into effect in 2013 and applies to wages, compensation, and self-employment income above a threshold amount:

| Filing Status | Threshold |
|---------------------------|------------|
| Married filing jointly | \$250,000+ |
| Married filing separately | \$125,000+ |
| Others | \$200,000+ |

Age to Receive Full Benefits

| Age When Benefits Begin | Full Retirement Age of 66 | Full Retirement Age of 67 |
|-------------------------|---------------------------|---------------------------|
| 62 | 75.0% | 70.0% |
| 63 | 80.0% | 75.0% |
| 64 | 86.7% | 80.0% |
| 65 | 93.3% | 86.7% |
| 66 | 100.0% | 93.3% |
| 67 | 100.0% | 100.0% |

Delayed Retirement Credits

Accrues starting at full retirement age, until you start receiving benefits or reach age 70

| Birth Year | Annual Rate of Increase |
|---------------|-----------------------------|
| 1943 or later | 8.00% (2/3 of 1% per month) |

Health Savings Accounts

Contribution Limits

| | |
|------------------|----------|
| Single | \$4,150 |
| Family | \$8,300 |
| Age 55+ catch-up | +\$1,000 |

High Deductible Health Plans

| | Min. Deductible | Max. Out of Pocket |
|-----------|-----------------|--------------------|
| Self-only | \$1,600 | \$8,050 |
| Family | \$3,200 | \$16,100 |

Required Minimum Distributions (RMDs)

Uniform Lifetime Table

This table is used to determine the required minimum distributions from IRAs and Qualified Plans during the owner's life in situations where the owner's spouse is either not the sole designated beneficiary or is the sole designated beneficiary but is not more than 10 years younger than the owner. (Joint Life Publication 590 if owner's spouse is more than 10 years younger.)

| Age | Divisor | Age | Divisor | Age | Divisor | Age | Divisor | Age | Divisor |
|-----|---------|-----|---------|-----|---------|-----|---------|-----|---------|
| 72 | 27.4 | 79 | 21.1 | 86 | 15.2 | 93 | 10.1 | 100 | 6.4 |
| 73 | 26.5 | 80 | 20.2 | 87 | 14.4 | 94 | 9.5 | | |
| 74 | 25.5 | 81 | 19.4 | 88 | 13.7 | 95 | 8.9 | | |
| 75 | 24.6 | 82 | 18.5 | 89 | 12.9 | 96 | 8.4 | | |
| 76 | 23.7 | 83 | 17.7 | 90 | 12.2 | 97 | 7.8 | | |
| 77 | 22.9 | 84 | 16.8 | 91 | 11.5 | 98 | 7.3 | | |
| 78 | 22.0 | 85 | 16.0 | 92 | 10.8 | 99 | 6.8 | | |

Single Life Expectancy Table

This table may be used to determine the minimum amount of withdrawal that is required each year for an individual who inherits money as a designated beneficiary of an IRA. The individual must be specifically named as the beneficiary in order to use the table. If the estate is named, or if no individual(s) is named as the beneficiary of the IRA, the heirs will not be able to stretch out the withdrawals through the use of the single life table.

| Age | Divisor | Age | Divisor | Age | Divisor | Age | Divisor | Age | Divisor |
|-----|---------|-----|---------|-----|---------|-----|---------|-----|---------|
| 39 | 46.7 | 50 | 36.2 | 61 | 26.2 | 72 | 17.2 | 83 | 9.3 |
| 40 | 45.7 | 51 | 35.3 | 62 | 25.4 | 73 | 16.4 | 84 | 8.7 |
| 41 | 44.8 | 52 | 34.3 | 63 | 24.5 | 74 | 15.6 | 85 | 8.1 |
| 42 | 43.8 | 53 | 33.4 | 64 | 23.7 | 75 | 14.8 | 86 | 7.6 |
| 43 | 42.9 | 54 | 32.5 | 65 | 22.9 | 76 | 14.1 | | |
| 44 | 41.9 | 55 | 31.6 | 66 | 22.0 | 77 | 13.3 | | |
| 45 | 41.0 | 56 | 30.6 | 67 | 21.2 | 78 | 12.6 | | |
| 46 | 40.0 | 57 | 29.8 | 68 | 20.4 | 79 | 11.9 | | |
| 47 | 39.0 | 58 | 28.9 | 69 | 19.6 | 80 | 11.2 | | |
| 48 | 38.1 | 59 | 28.0 | 70 | 18.8 | 81 | 10.5 | | |
| 49 | 37.1 | 60 | 27.1 | 71 | 18.0 | 82 | 9.9 | | |

Insurance and annuities offered through Zachariah J. Hammel, WI Insurance License #8986467

Source: <https://www.kiplinger.com/taxes/new-irs-income-tax-brackets-set>

Source: <https://smartasset.com/taxes/trust-tax-rates>

Source: <https://taxfoundation.org/data/all/federal/2024-tax-brackets/#:~:text=The%20federal%20income%20tax%20has%20seven%20tax%20rates,and%20above%2024731%2C200%20for%20married%20couples%20filing%20jointly>

*State tax treatment may differ from federal tax treatment, so look to the laws of your state to find out how your state will treat a 529 plan gift.

***State tax treatment may differ from federal tax treatment, so look to the laws of your state to find out how your state will treat a 529 plan gift.**

1. Under age 19 with net unearned income, or under age 24 if a full-time student whose earned income does not exceed half of his or her own support for the year.

1040176-0123 / 2/24-3358609