

MAKE TAX TIME LESS TAXING

2020 TAX FACTS AT A GLANCE

2020 INCOME TAX RATE SCHEDULE			
IF TAXABLE INCOME IS:			
Over	But Not Over	The Tax Is	Of The Amount Over
MARRIED FILING JOINTLY			
\$0	\$19,750	\$0 + 10%	\$0
\$19,750	\$80,250	\$1,975 + 12%	\$19,750
\$80,250	\$171,050	\$9,235 + 22%	\$80,250
\$171,050	\$326,600	\$29,211 + 24%	\$171,050
\$326,600	\$414,700	\$66,543 + 32%	\$326,600
\$414,700	\$622,050	\$94,735 + 35%	\$414,700
\$622,050	And Over	\$167,307.50 + 37%	\$622,050
SINGLE			
\$0	\$9,875	\$0 + 10%	\$0
\$9,875	\$40,125	\$987.50 + 12%	\$9,875
\$40,125	\$85,525	\$4,617.50 + 22%	\$40,125
\$85,525	\$163,300	\$14,605.50 + 24%	\$85,525
\$163,300	\$207,350	\$33,271.50 + 32%	\$163,300
\$207,350	\$518,400	\$47,367.50 + 35%	\$207,350
\$518,400	And Over	\$156,235 + 37%	\$518,400
ESTATES AND TRUSTS			
\$0	\$2,600	\$0 + 10%	\$0
\$2,600	\$9,450	\$260 + 24%	\$2,600
\$9,450	\$12,950	\$1,904 + 35%	\$9,450
\$12,950	And Over	\$3,129 + 37%	\$12,950

STANDARD DEDUCTIONS	2020	2019
Married Filing Jointly	\$24,800	\$24,400
Head of Household	\$18,650	\$18,350
Single/Married Filing Separately	\$12,400	\$12,200
Additional (Age 65/older, or blind)		
Married Filing Jointly	\$1,300	\$1,300
Single, not surviving spouse	\$1,650	\$1,650

KIDDIE (UNDER AGE 18 WITH UNEARNED INCOME)	2020	2019
First (No Tax)	\$1,100	\$1,100
Next (Child's Rate)	\$1,100	\$1,100
Amounts Over (Estate and Trust Rates)	\$2,200	\$2,200

CHILD TAX CREDIT
\$2,000 per child under age 17 (and \$500 for dependents who aren't a qualifying child; i.e. college aged or parents claimed as dependents): phases-out \$50 for each \$1,000 of modified AGI over \$400,000 (Married Filing Jointly), \$200,000 (for all other taxpayers)

CORPORATE TAXES 2019 AND 2020
21% of Taxable Income

QUALIFIED BUSINESS INCOME THRESHOLD 2020	
Married Filing Jointly	\$326,600
Single	\$163,300

2019 INCOME TAX RATE SCHEDULE			
IF TAXABLE INCOME IS:			
Over	But Not Over	The Tax Is	Of The Amount Over
MARRIED FILING JOINTLY			
\$0	\$19,400	\$0 + 10%	\$0
\$19,400	\$78,950	\$1,940 + 12%	\$19,400
\$78,950	\$168,400	\$9,086 + 22%	\$78,950
\$168,400	\$321,450	\$28,765 + 24%	\$168,400
\$321,450	\$408,200	\$65,497 + 32%	\$321,450
\$408,200	\$612,350	\$93,257 + 35%	\$408,200
\$612,350	And Over	\$164,709.50 + 37%	\$612,350
SINGLE			
\$0	\$9,700	\$0 + 10%	\$0
\$9,700	\$39,475	\$970 + 12%	\$9,700
\$39,475	\$84,200	\$4,543 + 22%	\$39,475
\$84,200	\$160,725	\$14,382.50 + 24%	\$84,200
\$160,725	\$204,100	\$32,748.50 + 32%	\$160,725
\$204,100	\$510,300	\$46,628.50 + 35%	\$204,100
\$510,300	And Over	\$153,798.50 + 37%	\$510,300
ESTATES AND TRUSTS			
\$0	\$2,600	\$0 + 10%	\$0
\$2,600	\$9,300	\$260 + 24%	\$2,600
\$9,300	\$12,750	\$1,868 + 35%	\$9,300
\$12,750	And Over	\$3,075.50 + 37%	\$12,750

EDUCATION INCENTIVES 2020	
AMERICAN OPPORTUNITY TAX CREDIT (FORMERLY HOPE CREDIT)	
100% of first \$2,000 qualified expenses	\$2,000
25% of next \$2,000 qualified expenses	\$500
PHASE-OUTS FOR AMERICAN OPPORTUNITY TAX CREDIT	
Married Filing Jointly	\$160,000 - \$180,000
Others	\$80,000 - \$90,000
LIFETIME LEARNING CREDIT	
20% of Expenses	up to \$2,000
PHASE-OUTS FOR LIFETIME LEARNING CREDITS	
Married Filing Jointly	\$118,000 - \$138,000
Others	\$59,000 - \$69,000

CAPITAL GAINS AND QUALIFIED DIVIDENDS TAXES	
RATES ON QUALIFIED DIVIDENDS AND GAINS FOR ASSETS HELD AT LEAST 12 MONTHS	
MARRIED FILING JOINTLY	2020
Taxable income under \$80,000	0%
Taxable income between \$80,000 - \$496,600	15%
Taxable income over \$496,600	20%
SINGLE	2020
Taxable income under \$40,000	0%
Taxable income between \$40,000 - \$441,450	15%
Taxable income over \$441,450	20%

Not insured by FDIC or any federal government agency. May lose value. Not a deposit or guaranteed by any bank.

ESTATE TAX	
2019 - \$11,400,000 exemption; 40% tax rate	
2020 - \$11,580,000 exemption; 40% tax rate	

GENERATION-SKIPPING TRANSFER TAX	GIFT TAXES
2019 - \$11,400,000 exemption; 40% tax rate	2019 - Annual Gift Tax Exclusion; \$15,000
2020 - \$11,580,000 exemption; 40% tax rate	2020 - Annual Gift Tax Exclusion; \$15,000
	2019 - \$11,400,000 exemption; 40% tax rate
	2020 - \$11,580,000 exemption; 40% tax rate

IRAS	2020	2019
TRADITIONAL OR ROTH IRA CONTRIBUTION	\$6,000	\$6,000
IRA Catch-Up - Age 50 or Older	\$1,000	\$1,000
PHASE-OUT RANGE FOR DEDUCTIBLE CONTRIBUTIONS TO TRADITIONAL IRAS		
Married Filing Jointly	\$104,000 - \$124,000	\$103,000 - \$123,000
Single/Head of Household	\$65,000 - \$75,000	\$64,000 - \$74,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000
PHASE-OUT RANGE FOR NON-COVERED PARTICIPANT WHO HAS A COVERED-PARTICIPANT SPOUSE		
	\$196,000 - \$206,000	\$193,000 - \$203,000
PHASE-OUT RANGE FOR CONTRIBUTIONS TO ROTH IRAS		
Married Filing Jointly	\$196,000 - \$206,000	\$193,000 - \$203,000
Single/Head of Household	\$124,000 - \$139,000	\$122,000 - \$137,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000

SOCIAL SECURITY 2020		
YEAR OF BIRTH	FULL RETIREMENT AGE	
1943-1954	66	
1955	66 and 2 months	
1956	66 and 4 months	
1957	66 and 6 months	
1958	66 and 8 months	
1959	66 and 10 months	
1960 and later	67	
Maximum Monthly Benefit for Workers Retiring at Full Retirement Age: \$3,011		
MAXIMUM EARNINGS BEFORE SOCIAL SECURITY BENEFITS ARE REDUCED		
Under Full Retirement Age	\$18,240	
(Lose \$1 for Every \$2 of Earnings)	\$1,520/month	
For Months Before Reaching Full Retirement Age in Given Year:	\$48,600	
(Lose \$1 for Every \$3 of Earnings)	\$4,050/month	
Full Retirement Age	No Limit	
MAXIMUM COMPENSATION SUBJECT TO FICA TAXES		
OASDI (Social Security) Maximum	\$137,700	
HI (Medicare) Maximum	No Limit	
<ul style="list-style-type: none"> OASDI Tax Rate: 12.4% self-employed, 6.2% employee and employer HI Tax Rate: 2.9% self-employed, 1.45% employee and employer 		
BASE AMOUNT OF MODIFIED AGI CAUSING SS BENEFITS TO BE TAXABLE		
2019 and 2020		
	(50% Taxable)	(85% Taxable)
Single	\$25,000 - \$34,000	\$34,000+
Married Filing Jointly	\$32,000 - \$44,000	\$44,000+

QUALIFIED RETIREMENT PLANS (MAXIMUM LIMITS) 2020	
SEP PLAN PARTICIPANT MAXIMUM PERCENTAGE OF COMPENSATION	25%
SEP Participant Maximum Dollar Allocation Limit	\$57,000
SEP Minimum Compensation	\$600
SIMPLE IRA AND SIMPLE 401(k) PLANS - EMPLOYEE CONTRIBUTION	\$13,500
SIMPLE IRA Catch-Up — Age 50 or Older	\$3,000
401(k) PLAN/457 PLAN/EXISTING SAR-SEP PLAN - ELECTIVE EMPLOYEE DEFERRAL	\$19,500
401(k) Plan, 457 Plan Catch-Up — Age 50 or Older	\$6,500
403(b) TSA - ELECTIVE EMPLOYEE DEFERRAL	\$19,500
403(b) TSA Catch-Up — Age 50 or Older	\$6,500
403(b) TSA Catch-Up — 15 or More Years of Service With Current Employer	\$3,000
DEFINED CONTRIBUTION PLAN PER PARTICIPANT — MAXIMUM DOLLAR ALLOCATION LIMIT	\$57,000
DEFINED CONTRIBUTION MAXIMUM EMPLOYER PERCENTAGE DEDUCTION LIMIT (OF ELIGIBLE PAYROLL)	25%
DEFINED BENEFIT PLAN MAXIMUM BENEFIT	\$230,000
COVERED COMPENSATION LIMIT	\$285,000
HIGHLY COMPENSATED EMPLOYEE	\$130,000

REQUIRED MINIMUM DISTRIBUTIONS ^{1,2}			
AGE	FACTOR	AGE	FACTOR
70	27.4	86	14.1
71	26.5	87	13.4
72	25.6	88	12.7
73	24.7	89	12.0
74	23.8	90	11.4
75	22.9	91	10.8
76	22.0	92	10.2
77	21.2	93	9.6
78	20.3	94	9.1
79	19.5	95	8.6
80	18.7	96	8.1
81	17.9	97	7.6
82	17.1	98	7.1
83	16.3	99	6.7
84	15.5	100	6.3
85	14.8	101	5.9

¹ A different table (Joint Life and Last Survivor) may be used if the sole beneficiary is the owner's spouse who is more than 10 years younger than the owner.

² This table is used for calculating required minimum distributions during the owner's lifetime.

Neither Transamerica nor its agents or representatives may provide tax or legal advice. Anyone to whom this material is promoted, marketed, or recommended should consult with and rely on their own independent tax and legal advisors regarding their particular situation and the concepts presented herein.

Transamerica Resources, Inc. is an Aegon company and is affiliated with various companies which include, but are not limited to, insurance companies and broker dealers. Transamerica Resources, Inc. does not offer insurance products or securities. This information provided is for educational purposes only and should not be construed as tax, legal, financial advice or guidance. Please consult your personal independent advisors for answers to your specific questions.

Securities are underwritten and distributed by Transamerica Capital, Inc., 1801 California St. Suite 5200, Denver, CO 80202. FINRA Member.



TRANSAMERICA[®]

Insurance / Investments / Retirement