KEY FINANCIAL DATA 2018†

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Legacy Wealth Management

2018 Tax Rate Schedule

Taxable income ($)	Base amount of tax ($)	Plus	Marginal tax rate	Of the amount over ($)
Single				
0 to 9,525		+	10.0	
9,526 to 38,700	952.50	+	12.0	9,525.00
38,701 to 82,500	4,453.50	+	22.0	38,700.00
82,501 to 157,500	14,089.50	+	24.0	82,500.00
157,501 to 200,000	32,089.50	+	32.0	157,500.00
200,001 to 500,000	45,689.50	+	35.0	200,000.00
Over 500,000	150,689.50	+	37.0	500,000.00
Married filing jointly and surviving spouses				
0 to 19,050		+	10.0	
19,051 to 77,400	1,905.00	+	12.0	19,050.00
77,401 to 165,000	8,907.00	+	22.0	77,400.00
165,001 to 315,000	28,179.00	+	24.0	165,000.00
315,001 to 400,000	64,179.00	+	32.0	315,000.00
400,001 to 600,000	91,379.00	+	35.0	400,000.00
Over 600,000	161,379.00	+	37.0	600,000.00
Head of household				
0 to 13,600		+	10.0	
13,601 to 51,800	1,360.00	+	12.0	13,600.00
51,801 to 82,500	5,944.00	+	22.0	51,800.00
82,501 to 157,500	12,698.00	+	24.0	82,500.00
157,501 to 200,000	30,698.00	+	32.0	157,500.00
200,001 to 500,000	44,298.00	+	35.0	200,000.00
Over 500,000	149,298.00	+	37.0	500,000.00
Married filing separately				
0 to 9,525		+	10.0	
9,526 to 38,700	952.50	+	12.0	9,525.00
38,701 to 82,500	4,453.50	+	22.0	38,700.00
82,501 to 157,500	14,089.50	+	24.0	82,500.00
157,501 to 200,000	32,089.50	+	32.0	157,500.00
200,001 to 300,000	45,689.50	+	35.0	200,000.00
Over 300,000	80,689.50	+	37.0	300,000.00
Estates and trusts				
0 to 2,550		+	10.0	
2,551 to 9,150	255.00	+	24.0	2,550.00
9,151 to 12,500	1,839.00	+	35.0	9,150.00
Over 12,500	3,011.50	+	37.0	12,500.00

Standard Deductions & Personal Exemption

Filing status	Standard deduction	Personal exemption	Phaseouts begin at AGI of:
Married, filing jointly and qualifying widow(er)s	$24,000	Eliminated for 2018 but expected to return after December 31, 2025.	
Single or married, filing separately	$12,000		
Head of household	$18,000		
Dependent filing own tax return	$1,050*		
Additional deductions for non-itemizers			
Blind or over 65			Add $1,300
Blind or over 65 and unmarried and not a surviving spouse			Add $1,600

Tax Rates on Long-Term Capital Gains and Qualified Dividends

If taxable income falls below $38,600 (single/married-filing separately), $77,200 (joint), $51,700 (head of household), $2,600 (estates)	0%
If taxable income falls at or above $38,600 (single/married-filing separately), $77,200 (joint), $51,700 (head of household), $2,600 (estates)	15%
If income falls at or above $425,800 (single), $239,500 (married-filing separately), $479,000 (joint), $452,400 (head of household), $12,700 (estates)	20%

3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over

Married, filing jointly	$250,000
Single	$200,000
Married, filing separately	$125,000

Exemption Amounts for Alternative Minimum Tax**

Married, filing jointly or surviving spouses	$109,400
Single	$70,300
Married, filing separately	$54,700
Estates and trusts	$24,600
28% tax rate applies to income over:	
Married, filing separately	$95,750
All others	$191,500
Exemption amounts phase out at:	
Married, filing jointly or surviving spouses	$1,000,000
Single and married, filing separately	$500,000
Estates and trusts	$82,050

Gift and Estate Tax Exclusions and Credits

Maximum estate, gift & GST rates	40%
Estate, gift & GST exclusions	$11,210,000
Gift tax annual exclusion	$15,000
Exclusion on gifts to non-citizen spouse	$152,000

Education Credits, Deductions, and Distributions

Credit/Deduction/ Account	Maximum credit/ deduction/ distribution	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope	$2,500 credit	$160,000 joint $80,000 all others
Lifetime learning credit	$2,000 credit	$114,000 joint $57,000 all others
Savings bond interest tax-free if used for education	Deduction limited to amount of qualified expenses	$119,550 joint $79,700 all others
Coverdell	$2,000 maximum; not deductible	$190,000 joint $95,000 all others
529 plan (K-12)	$10,000 distribution	None
529 plan (Higher Ed.)	Distribution limited to amount of qualified expenses	None

Tax Deadlines

January 16 – 4th installment of the previous year's estimated taxes due

April 17 – Tax filing deadline, or request extension to Oct. 15. 1st installment of 2018 taxes due. Last day to file amended return for 2014. Last day to contribute to: Roth or traditional IRA for 2017; HSA for 2017; Keogh or SEP for 2017 (unless tax filing deadline has been extended).

June 15 – 2nd installment of estimated taxes due

September 17 – 3rd installment of estimated taxes due

October 15 – Tax returns due for those who requested an extension. Last day to contribute to SEP or Keogh for 2017 if extension was filed.

December 31 – Last day to: 1) pay expenses for itemized deductions; 2) complete transactions for capital gains or losses; 3) establish a Keogh plan for 2018; 4) establish and fund a solo 401(k) for 2018; 5) complete 2018 contributions to employer-sponsored 401(k) plans; 6) correct excess contributions to IRAs and qualified plans to avoid penalty.

† Tax Cut and Jobs Act (based on current understanding of law, Jan. 1, 2018)
* Greater of $1,050 or $350 plus the individual's earned income.
** Indexed for inflation and scheduled to sunset at the end of 2025.

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Retirement Plan Contribution Limits

Annual compensation used to determine contribution for most plans	$275,000
Defined-contribution plans, basic limit	$55,000
Defined-benefit plans, basic limit	$220,000
401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals	$18,500
Catch-up provision for individuals 50 and over, 401(k), 403(b), 457(b), Roth 401(k) plans	$6,000
SIMPLE plans, elective deferral limit	$12,500
SIMPLE plans, catch-up contribution for individuals 50 and over	$3,000

Individual Retirement Accounts

IRA type	Contribution limit	Catch-up at 50+	Income limits
Traditional nondeductible	$5,500	$1,000	None
Traditional deductible	$5,500	$1,000	If covered by a plan: $101,000 - $121,000 joint $63,000 - $73,000 single, HOH 0 - $10,000 married filing separately If one spouse is covered by a plan: $189,000 - $199,000 joint
Roth	$5,500	$1,000	$189,000 - $199,000 joint $120,000 - $135,000 single & HOH 0 - $10,000 married filing separately
Roth conversion			No income limit

Health Savings Accounts

Annual limit	Maximum deductible contribution	Expense limits (deductibles and co-pays)	Minimum annual deductible
Individuals	$3,450	$6,650	$1,350
Families	$6,900	$13,300	$2,700
Catch-up for 55 and older	$1,000		

Deductibility of Long-Term Care Premiums on Qualified Policies

Attained age before close of tax year	Amount of LTC premiums that qualify as medical expenses in 2018
40 or less	$420
41 to 50	$780
51 to 60	$1,560
61 to 70	$4,160
Over 70	$5,200

Medicare Deductibles

Part B deductible	$183.00
Part A (inpatient services) deductible for first 60 days of hospitalization	$1,340.00
Part A deductible for days 61-90 of hospitalization	$335/day
Part A deductible for more than 90 days of hospitalization	$670/day

Social Security

Benefits

Full retirement age (FRA) if born between 1943 and 1954	66
Estimated maximum monthly benefit	$2,788
Retirement earnings exempt amounts	$17,040 under FRA $45,360 during year reach FRA No limit after FRA

Tax on Social Security benefits: income brackets

Filing status	Provisional income*	Amount of Social Security subject to tax
Married filing jointly	Under $32,000 $32,000-$44,000 Over $44,000	0 up to 50% up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under $25,000 $25,000-$34,000 Over $34,000	0 up to 50% up to 85%
Married filing separately and living with spouse	Over 0	up to 85%

Tax (FICA)

SS tax paid on income up to $128,400	% withheld	Maximum tax payable
Employer pays	6.2%	$7,960.80
Employee pays	6.2%	$7,960.80
Self-employed pays	12.4%	$15,921.60

Medicare tax

Employer pays	1.45%	varies per income
Employee pays	1.45% plus 0.9% on income over $200,000 (single) or $250,000 (joint)	varies per income
Self-employed pays	2.90% plus 0.9% on income over $200,000 (single) or $250,000 (joint)	varies per income

*Provisional income = adjusted gross income (not incl. Social Security) + tax-exempt interest + 50% of Social Security benefit

Medicare Premiums

2016 MAGI single	2016 MAGI joint	Part B Premium	Part D income adjustment
$85,000 or less	$170,000 or less	$134.00**	$0
85,001-107,000	170,001-214,000	$187.50	$13.00
107,001-133,500	214,001-267,000	$267.90	$33.60
133,501-160,000	267,001-320,000	$348.30	$54.20
Above 160,000	Above 320,000	$428.60	$74.80

** Average of $130.00 if held harmless

Uniform Lifetime Table (partial)

Age of IRA owner or plan participant	Life expectancy (in years)	Age of IRA owner or plan participant	Life expectancy (in years)
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

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