

THE HOLLANDER GROUP

Working to Build Wealth and Secure Futures



2019 Planning Guide

Medicare is Often Referred to by its "Parts"

PART A	Covers part of the cost of hospitalization and is free of a monthly premium for those eligible.
PART B	Covers part of the cost of doctor visits and other health care services. Medicare charges a monthly premium for Part B unless special assistance for the poor is provided.
PART C	Covers part of the cost of prescription drugs and is offered through private insurers.

In addition to Medicare, you may also want additional or alternative insurance offered through private insurers.

Supplemental Insurance	Often referred to as Medigap and designed to cover the costs Medicare does not, such as some deductibles, co-payments and coinsurance.
Medicare Advantage Plans	Sometimes referred to as Medicare Part C. They are responsible for delivering all coverage of Parts A and B. Most also offer Part D prescription drug coverage.

Medicare Monthly Premiums

Part A	\$0 / \$240.00 / \$437.00*
*Free if greater than or equal to 40 quarters; \$240.00 if 30-39 quarters; \$437.00 if < 30 quarters	
Part B	\$135.50 - \$460.50

Social Security Age

If you were born in:	Your full retirement age is:
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 Social Security Retirement Benefit

\$2,861	if you reach FRA in 2019
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Maximum Social Security Income Base

\$132,900



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The Hollander Group is committed to working with you and your family while guiding you through the wealth management process. There is nothing automatic about prosperity. It requires a strategic vision, a well-thought-out plan, and years of deliberate and steady asset growth. As we work to structure, implement and evolve your personal wealth management plan, our partnership with your tax and legal professionals can prove invaluable.

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

LTCG Rates Based on Taxable Income

Filing Status	0% rate	15% rate	20% rate
Single	under \$39,350	\$39,350-\$434,500	over \$434,500
Head of household	under \$52,750	\$52,750-\$461,700	over \$461,700
Married filing jointly	under \$78,750	\$78,750-\$488,850	over \$488,850
Estates and trusts	under \$2,650	\$2,650-\$12,950	Over \$12,950

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2019 Planning Guide

	2018 top rate 40%	2019 top rate 40%
Federal Estate, Gift, and GS Tax Exclusion.....	\$11,180,000	\$11,400,000*
Lifetime Gift Exclusion.....	\$11,180,000	\$11,400,000*

*Indexed annually for inflation / Sunsets to prior law 12/31/2025

Gift Tax Exclusion.....\$15,000.....\$15,000
This is the amount an individual may gift to another individual without reporting it on a gift tax return. Married couples may gift \$30,000. A spouse may gift up to \$155,000 (up from \$152,000) to a non-citizen spouse.

	2018	2019
Retirement Plan Contribution Limits		
Annual compensation used to determine contribution for most plans.....	\$275,000	\$280,000
Defined-contribution plans, basic limit.....	\$55,000	\$56,000
Defined-benefit plans, basic limit.....	\$220,000	\$225,000
401(k) plans, 403(b) plans, 457(b) plans, elective deferrals.....	\$18,500	\$19,000
Catch-up provision for individuals 50 & over, 401(k), 403(b), 457(b).....	\$6,000	\$6,000
SIMPLE plans, elective deferral limit.....	\$12,500	\$13,000
SIMPLE plans, catch-up contribution for individuals 50 & over.....	\$3,000	\$3,000
Roth 401(k) (if plan permits).....	\$18,500	\$19,000
Roth 401(k) catch-up contribution for individuals 50 & over.....	\$6,000	\$6,000
SEP.....	\$55,000	\$56,000*

*or the lesser of 25% employee's compensation

	2018	2019
Individual Retirement Accounts		
Maximum contribution for traditional and Roth IRAs.....	\$5,500	\$6,000
Catch-up contribution for individuals 50 and over.....	\$1,000	\$1,000

	2018	2019
Standard Deduction		
Married filing jointly and qualifying widow(er)s.....	\$24,000	\$24,400
Single or married filing separately.....	\$12,000	\$12,200
Head of household.....	\$18,000	\$18,350
Additional deduction for seniors or blind (single or HOH).....	\$1,600	\$1,650
Additional deduction for seniors or blind (all other filing statuses).....	\$1,300	\$1,300

	2018	2019
Medicare Surtax		
3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over		
Single, head of household.....	\$200,000	\$250,000
Married filing jointly, qualifying widow(er).....	\$250,000	\$250,000
Married filing separately.....	\$125,000	\$125,000

Tax on Social Security Benefits
The income thresholds that determine whether or not Social Security benefits are taxable are not indexed for inflation and therefore remain the same every year. The formula is based on "combined income", also called "provisional income", which includes modified adjusted gross income (MAGI), plus on-half of the Social Security benefit, plus tax-exempt interest.

Married filing jointly	Head of Household or Married filing separately	Amount of Social Security subject to tax
Under \$32,000	Under \$25,000	0
Between \$32,000 & \$44,000	Between \$25,000 & \$34,000	Up to 50%
Over \$44,000	Over \$34,000	Up to 85%

*and not living with spouse. MFS and living with spouse is 85% for income > \$0

How Working in 2019 may affect your Social Security Benefits

Age	Amount of Benefit Reduction
Under Full Retirement Age (FRA)	\$1 reduction for each \$2 in earnings over \$17,640.
Year of FRA	\$1 reduction for each \$3 in earnings over \$46,920 until the month you reach FRA.
FRA and Over	No reduction regardless of earnings.

Roth IRA Contribution Limits MAGI Phase Out Thresholds

	2018	2019
Single Individuals/Heads of Households	\$120,000 - \$135,000	\$122,000 - \$137,000
Married Filing Jointly	\$189,000 - \$199,000	\$193,000 - \$203,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000

Traditional IRA Phase Outs if Covered by Employer Plan

	2018	2019
Single Individuals/Heads of Households	\$63,000 - \$73,000	\$64,000 - \$74,000
Married Filing Jointly	\$101,000 - \$121,000	\$103,000 - \$123,000
Married Filing Separate	\$0 - \$10,000	\$0 - \$10,000
Spouse of Participant	\$189,000 - \$199,000	\$193,000 - \$203,000

2019 TAX RATES

Married Filing Jointly / Surviving Spouses

If Taxable Income is Over	But Not Over	Tax Is	Plus	Of the Amount Over
\$0	\$19,400	\$0	10%	\$0
\$19,401	\$78,950	\$1,940.00	12%	\$19,400.00
\$78,951	\$168,400	\$9,086.00	22%	\$78,950.00
\$168,401	\$321,450	\$28,765.00	24%	\$168,400.00
\$321,451	\$408,200	\$65,497.00	32%	\$321,450.00
\$408,201	\$612,350	\$93,257.00	35%	\$408,200.00
\$612,351		\$164,709.50	37%	\$612,350.00

Single Taxpayers

If Taxable Income is Over	But Not Over	Tax Is	Plus	Of the Amount Over
\$0	\$9,700	\$0	10%	\$0
\$9,701	\$39,475	\$970.00	12%	\$9,700.00
\$39,476	\$84,200	\$4,543.00	22%	\$39,475.00
\$84,201	\$160,725	\$14,382.50	24%	\$84,200.00
\$160,726	\$204,100	\$32,748.50	32%	\$160,725.00
\$204,101	\$510,300	\$46,628.50	35%	\$204,100.00
\$510,300		\$153,798.50	37%	\$510,300.00

Heads Of Households

If Taxable Income is Over	But Not Over	Tax Is	Plus	Of the Amount Over
\$0	\$13,850	\$0	10%	\$0
\$13,851	\$52,850	\$1,385.00	12%	\$13,850.00
\$52,851	\$84,200	\$6,065.00	22%	\$52,850.00
\$84,201	\$160,700	\$12,962.00	24%	\$84,200.00
\$160,701	\$204,100	\$31,322.00	32%	\$160,700.00
\$204,101	\$510,300	\$45,210.00	35%	\$204,100.00
\$510,301		\$152,380.00	37%	\$510,300.00

Married Taxpayers Filing Separate Returns

If Taxable Income is Over	But Not Over	Tax Is	Plus	Of the Amount Over
\$0	\$9,700	\$0	10%	\$0
\$9,701	\$39,475	\$970.00	12%	\$9,700.00
\$39,476	\$84,200	\$4,543.00	22%	\$39,475.00
\$84,201	\$160,725	\$14,382.50	24%	\$84,200.00
\$160,726	\$204,100	\$32,748.50	32%	\$160,725.00
\$204,101	\$306,175	\$46,628.50	35%	\$204,100.00
\$306,176		\$82,354.75	37%	\$306,175.00

Trusts & Estates

If Taxable Income is Over	But Not Over	Tax Is	Plus	Of the Amount Over
\$0	\$2,600	\$0	10%	\$0
\$2,601	\$9,300	\$260.00	24%	\$2,600.00
\$9,301	\$12,750	\$1,868.00	35%	\$9,300.00
\$12,751		\$3,075.50	37%	\$12,750.00

The information contained herein is not intended to be legal or tax advice. Consult a qualified tax advisor or attorney regarding specific circumstances.