

# WINDES

AUDIT | TAX | ADVISORY

## Fast Tax Facts

Welcome to our annual at-a-glance compilation of federal and state tax information. User-friendly tax rate schedules, facts, figures and assorted data

### 2023 Tax Data Schedule

	2023 Federal	2023 California		2023 Federal	2023 California
<b>Standard Deductions</b>			<b>California Young Child Tax Credit</b>		
Single	\$13,850	\$5,363	For children younger than 6 years old on the last day of the tax year		
Married Filing Jointly, Surviving Spouse	27,700	10,726	AGI phaseout \$25,775 - \$30,932 with a max credit of		
Married Filing Separately	13,850	5,363			\$117
Head of Household	20,800	10,726	<b>California Renter's Credit</b>		
Additional for Age 65 and Older or Blind—Married	1,500		Married Filing Jointly, Head of Household, Surviving Spouse if AGI is below \$101,492		
Additional for Age 65 and Older or Blind—Unmarried (per individual for each situation, age or blind)	1,850		Single or Married Filing Separately if AGI is below \$50,746		
Taxpayer Claimed as a Dependent:	1,250				\$60
<b>Personal or Dependent Exemption</b>			<b>IRC Section 179 Deduction</b>		
Suspended for tax years 2018-2025			Sec. 179 Purchase Phaseout		
				\$1,160,000	\$25,000
				\$2,890,000	\$200,000
<b>Maximum Child Tax Credit (qualifying child under age 16)</b>			<b>Beginning of Personal Exemption Phase-out Range—Based on Federal AGI</b>		
Single/Head of Household/Married Filing Separate	\$2,000		Single	N/A	\$237,035
AGI Phaseout: \$200,000 - 240,000			Married Filing Jointly, Surviving Spouse	N/A	474,075
Married Filing Jointly	2,000		Married Filing Separately	N/A	237,075
AGI Phaseout: \$400,000 - 440,000			Head of Household	N/A	355,558
<b>Refundable Portion of Child Tax Credit</b>	1,600		<b>Beginning of Itemized Deduction Phase-out Range—Based on Federal AGI</b>		
<b>"Kiddie Tax" Unearned Income Exemption</b>	1,250		Single	Limitation on	\$237,035
<b>California Exemption Credits</b>			Married Filing Jointly, Surviving Spouse	federal itemized	474,075
Single, Married Filing Separately, Head of Household		\$144	Married Filing Separately	deductions is	237,035
Married Filing Jointly, Surviving Spouse		288	Head of Household	suspended for tax	355,558
Dependent		446	Rate Reduced over federal AGI limits	years 2018-2025	6%
Blind or Age 65 and Older		144	<b>Schedule A Medical Deduction</b>		
<b>Senior Head of Household Credit</b>			Based on federal AGI		
2% of California taxable income, with maximum credit of California AGI threshold of \$89,931		\$1,748		75%	75%
<b>California Joint Custody Head of Household Credit and Dependent Parent Credit</b>			<b>Schedule A State &amp; Local Tax Deduction Max</b>		
30% of net tax with maximum credit of		\$573	Married Filing Separately	\$5,000	N/A
			All others	10,000	N/A
			<b>Schedule A Mortgage Interest Cap</b>		
				Only ded. on debt up to \$750,000*	Only ded. on debt up to \$1,000,000

\*loans entered into before 12/15/17 are not subject to this limitation.

## 2023 FEDERAL TAX RATE SCHEDULE

	2023 Federal	2023 California
<b>Schedule A Miscellaneous Deduction</b>	Suspended for tax	
Based on federal AGI	years 2018-2025	2%
<b>Alternative Minimum Tax (AMT) Rate</b>		
AMTI Less Exemption up to \$220,700	26%	
AMTI Less Exemption over \$220,700 (\$110,350 if Married Filing Separately)	28%	
AMTI Less Exemption		7%
<b>AMT Exemption Amounts</b>		
Married Filing Jointly, Surviving Spouse	\$126,500	\$116,229
Single, Head of Household	81,300	87,171
Married Filing Separately	63,250	58,111
Estate or Trust	28,400	58,111
<b>AMT Exemption Phase-out</b>		
Married Filing Jointly, Surviving Spouse	\$1,156,300	\$435,855
Single, Head of Household	578,150	326,891
Married Filing Separately	578,150	217,924
Estate or Trust	94,600	217,924
<b>199A Overview</b>	20% of Qualified	Federal Only
Maximum Deduction	Business Income*	
*Subject to wage and property limitations if AGI is above:		
Married Filing Jointly	\$364,200	
Married Filing Separately	182,100	
All Others	182,100	
<b>Self-Employed Health Insurance Premiums</b>		
Adjustment for AGI, percentage of total qualifying health insurance premiums	100%	100%
<b>Auto Standard Mileage Allowances (January 1 - June 30, 2023)</b>		
Business	.655	.655
Charity work—general	.14	.14
Medical or moving	.22	.22
<b>(July 1 - December 31, 2022)</b>		
Business	.625	.625
Charity work—general	.14	.14
Medical or moving	.22	.22
<b>U.S. Savings Bond Interest Exclusion Phase-out Based on Modified AGI</b>		
Joint Return, Surviving Spouse	\$137,800 - 167,800	
All Others	91,850 - 106,850	
<b>California SDI</b>		
Federal tax deduction*		\$153,164
Rate		0.9%
Maximum Tax		1,378.48
*Amounts paid to a voluntary program in lieu of the state programs are not deductible, but may be a credit on California return.		

Taxable Income Is Over	But Not Over	Pay	+% Over	Of The Amount
<b>Single</b>				
\$0	\$11,000	\$0	10%	\$0
11,000	44,725	1,100.00	12%	11,000
44,725	95,375	5,147.00	22%	44,725
95,375	182,100	16,290.00	24%	95,375
182,100	231,250	37,104.00	32%	182,100
231,250	578,125	52,832.00	35%	231,250
578,125	and more	174,238.25	37%	578,125
<b>Head of Household</b>				
\$0	\$15,700	\$0	10%	\$0
15,700	59,850	1,570.00	12%	15,700
59,850	95,350	6,868.00	22%	59,850
95,350	182,100	14,678.00	24%	95,350
182,100	231,250	35,498.00	32%	182,100
231,250	578,100	51,226.00	35%	231,250
578,100	and more	172,623.50	37%	578,100
<b>Married Filing Jointly or Surviving Spouse</b>				
\$0	\$22,000	\$0	10%	\$0
22,000	89,450	2,200.00	12%	22,000
89,450	190,750	10,294.00	22%	89,450
190,750	364,200	32,580.00	24%	190,750
364,200	462,500	74,208.00	32%	364,200
462,500	693,750	105,664.00	35%	462,500
693,750	and more	174,253.50	37%	693,750
<b>Married Filing Separately</b>				
\$0	\$11,000	\$0	10%	\$0
11,000	44,725	1,100.00	12%	11,000
44,725	95,375	5,147.00	22%	44,725
95,375	182,100	16,290.00	24%	95,375
182,100	231,250	37,104.00	32%	182,100
231,250	346,875	52,382.00	35%	231,250
346,875	and more	93,300.75	37%	346,875
<b>Estate or Nongrantor Trust</b>				
\$0	\$2,900	\$0	10%	\$0
2,900	10,550	290.00	24%	2,900
10,550	14,450	2,126.00	35%	10,550
14,450	and more	3,491.00	37%	14,450

## 2023 STATE TAX RATE SCHEDULE

Taxable Income Is Over	But Not Over	Pay	+%	Of The Amount Over
<b>Single, Married Filing Separately, or Fiduciary Return</b>				
\$0	\$10,412	\$0	1.00%	\$0
10,412	24,684	104.12	2.00%	10,412
24,684	38,959	389.56	4.00%	24,684
38,959	54,081	960.56	6.00%	38,959
54,081	68,350	1,867.88	8.00%	54,081
68,350	349,137	3,009.40	9.30%	68,350

## 2023 STATE TAX RATE SCHEDULE

Taxable Income Is Over	But Not Over	Pay	+%	Of The Amount Over
349,137	418,961	29,122.58	10.30%	349,137
418,961	698,271	36,314.46	11.30%	418,961
698,271	and more	67,876.49	12.30%	698,271

An additional 1% surcharge applies to taxable income in excess of \$1 million.

### Married Filing Jointly or Surviving Spouse

\$0	\$20,824	\$0	1.00%	\$0
20,824	49,368	208.24	2.00%	20,824
49,368	77,918	779.12	4.00%	49,368
77,918	108,162	1,921.12	6.00%	77,918
108,162	136,700	3,735.76	8.00%	108,162
136,700	698,274	6,018.80	9.30%	136,700
698,274	837,922	58,245.18	10.30%	698,274
837,922	1,396,542	72,628.92	11.30%	837,922
1,396,542	and more	135,752.98	12.30%	1,396,542

An additional 1% surcharge applies to taxable income in excess of \$1 million.

### Head of Household

\$0	\$20,839	\$0	1.00%	\$0
20,839	63,644	208.39	2.00%	20,839
49,371	61,730	779.03	4.00%	49,371
63,644	78,765	1,349.95	6.00%	63,644
78,765	93,037	2,257.21	8.00%	78,765
93,037	474,824	3,398.97	9.30%	93,037
474,824	569,790	38,905.16	10.30%	474,824
569,790	949,649	48,686.66	11.30%	569,790
949,649	and more	91,610.73	12.30%	949,649

An additional 1% surcharge applies to taxable income in excess of \$1 million.

## LUXURY AUTO LIMIT

Depreciation limitations for automobiles acquired after 2017 and first placed in service during the 2023 calendar year, for which the section 168(k) additional first year depreciation deduction applies.

Year	First	Second	Third	Thereafter
2023	\$20,200	19,500	11,700	6,960

Depreciation limitations for automobiles first placed in service during the 2023 calendar year, for which the section 168(k) additional first year depreciation deduction does not apply.

Year	First	Second	Third	Thereafter
2023	\$12,200	19,500	11,700	6,960

## SOCIAL SECURITY AND MEDICARE TAXES

	2022	2023
<b>Social Security Tax</b>		
Maximum wage base	\$147,000	\$160,200
Social Security rate - employee	6.2%	6.2%
Social Security rate - employer	6.2%	6.2%
Social Security rate - self-employed	12.4%	12.4%

### Medicare Tax

Maximum wage base	Unlimited	Unlimited
Medicare rate—employee/employer	1.45%	1.45%
Medicare rate—self-employed	2.90%	2.90%
Monthly Medicare Part B Premium	\$170.10	\$164.90

### Additional Medicare Tax

An additional 0.9% Medicare tax is imposed on an employee's wages received in excess of

Married Filing Jointly	\$250,000	\$250,000
Married Filing Separately	125,000	125,000
Qualifying Widower w/ Depend.	200,000	200,000
Single/Head of Household	200,000	200,000

### Net Investment Income Tax (NIIT)

An additional 3.8% tax may be imposed on net investment income if modified AGI is in excess of

Married Filing Jointly	\$250,000	\$250,000
Married Filing Separately	125,000	125,000
Qualifying Widower w/ Depend.	250,000	250,000
Single/Head of Household	200,000	200,000

### Earned Income Ceilings for Social Security Benefits

Under full retirement age	\$19,560	\$21,240
Full retirement age	Unlimited	Unlimited

## RETIREMENT PLAN LIMITATIONS

	2022	2023
Maximum 401(k) or 403(b) Deferral	\$20,500	\$22,500
Maximum Defined Contribution Plan or SEP Contribution	61,000	66,000
Maximum Annual Benefit for Defined Benefit Plans	245,000	265,000
Annual Compensation Limit for Computing Plan Benefits	305,000	330,000
Annual Compensation Limit for the Definition of Highly Compensated Employee IRC Section 414(q)	135,000	150,000
Compensation Minimum for SEP plan	650	750
Maximum Contribution for SIMPLE plan	14,000	15,500
Catch-up Contribution for 401(k) or 403(b) for taxpayers age 50 and older	6,500	7,500
Catch-up Contribution for SIMPLE for taxpayers age 50 and older	3,000	3,500

### Key Employee for Top Heavy Purposes:

• Officers Earning Over	\$200,000	\$215,000
• A more-than-5-percent Owner	N/A	N/A
• A more-than-1-percent Owner Earning Over	150,000	150,000

## TRADITIONAL & ROTH IRAs

	2022	2023
Contribution Limit	\$6,000	\$6,500
Catch-up Contribution age 50 and older	1,000	1,000

### IRA Deduction Phase-out for Active Participants

Single or Head of Household	\$68,000–78,000	\$73,000–83,000
Married Filing Jointly	109,000–129,000	116,000–136,000
Married Filing Separately	0–10,000	0–10,000

### IRA Deduction Phase-out for Spousal Contributions

Married Filing Jointly	204,000–214,000	218,000–228,000
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### Roth IRA Contribution Phase-out

Single or Head of Household	\$129,000–144,000	138,000–153,000
Married Filing Jointly	204,000–214,000	218,000–228,000
Married Filing Separately	0–10,000	0–10,000

### Roth IRA Conversion Phase-out

All filing statuses	no AGI Limit	no AGI Limit
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## IRA & PENSION CREDIT

Saver's Credit Rate applied to maximum contribution of \$2,000 and based on AGI

Joint Filers	Heads of Household	All Other Filers	Credit Rate
\$0 – 43,500	\$0 – 32,625	\$0 – 21,750	50%
43,500 – 47,500	32,625 – 35,625	21,750 – 23,750	20%
47,500 – 73,000	35,625 – 54,750	23,750 – 36,500	10%
Over 73,000	Over 54,750	Over 36,500	0%

## ESTATE & GIFT TAX

Calendar Year	Estate/GST tax transfer exemption	Highest estate and gift tax rate
2022	\$12,060,000	40%
2023	\$12,920,000	40%

### Gift tax:

Annual Gift Limitation of \$17,000 for 2023

## EDUCATION-RELATED TAX BENEFITS

### Coverdell Educational Savings Accounts

Annual Contribution Limit	\$2,000
Contribution phase-out based on modified AGI	
Married Filing Jointly	\$190,000-220,000
All Others	95,000-110,000

### Student Loan Interest Deduction

Maximum interest deduction	\$2,500
Deduction phase-out based on modified AGI	
Married Filing Jointly	\$150,000-180,000
All Others	75,000-90,000

### American Opportunity Tax Credit

Maximum Credit	\$2,500
Credit phase-out based on modified AGI	
Married Filing Jointly	\$160,000-180,000
All Others	80,000-90,000

### Lifetime Learning Credit

Maximum Credit	\$2,000
Credit phase-out based on modified AGI	
Married Filing Jointly	\$160,000-180,000
All Others	80,000-90,000

## Important Phone Numbers

### Tax Practitioner Hotlines

IRS Priority Service (866) 860-4259  
FTB (916) 845-7057  
FTB Fax (916) 845-9300  
FTB e-file (916) 845-0353  
EDD (888) 745-3886  
CDTFA (800) 401-3661

### Application for Taxpayer ID Number

Federal Form SS-4 Online: [irs.gov/businesses](https://irs.gov/businesses)  
Federal Form SS-4 Fax (855) 641-6935  
EDD Form DE 1 Fax (916) 654-9211  
EDD Form DE 1 Online:  
[edd.ca.gov/payroll\\_taxes/save\\_time\\_and\\_register\\_online.htm](https://edd.ca.gov/payroll_taxes/save_time_and_register_online.htm)