

# The Bluewater Group at Morgan Stanley

Morgan Stanley

## Tax Tables 2024 Edition

### 2024 Tax Rate Schedule

TAXABLE INCOME (\$)		BASE AMOUNT OF TAX (\$)	PLUS	MARGINAL TAX RATE (%)	OF THE AMOUNT OVER (\$)
OVER	NOT OVER				
<b>SINGLE</b>					
\$0	\$11,600	\$0	+	10.0	\$0
\$11,600	\$47,150	\$1,160.00	+	12.0	\$11,600
\$47,150	\$100,525	\$5,426.00	+	22.0	\$47,150
\$100,525	\$191,950	\$17,168.50	+	24.0	\$100,525
\$191,950	\$243,725	\$39,110.50	+	32.0	\$191,950
\$243,725	\$609,350	\$55,678.50	+	35.0	\$243,725
\$609,350		\$183,647.25	+	37.0	\$609,350
<b>HEAD OF HOUSEHOLD</b>					
\$0	\$16,550	\$0	+	10.0	\$0
\$16,550	\$63,100	\$1,655.00	+	12.0	\$16,550
\$63,100	\$100,500	\$7,241.00	+	22.0	\$63,100
\$100,500	\$191,950	\$15,469.00	+	24.0	\$100,500
\$191,950	\$243,700	\$37,417.00	+	32.0	\$191,950
\$243,700	\$609,350	\$53,977.00	+	35.0	\$243,700
\$609,350		\$181,954.50	+	37.0	\$609,350
<b>MARRIED FILING JOINTLY AND SURVIVING SPOUSES</b>					
\$0	\$23,200	\$0	+	10.0	\$0
\$23,200	\$94,300	\$2,320.00	+	12.0	\$23,200
\$94,300	\$201,050	\$10,852.00	+	22.0	\$94,300
\$201,050	\$383,900	\$34,337.00	+	24.0	\$201,050
\$383,900	\$487,450	\$78,221.00	+	32.0	\$383,900
\$487,450	\$731,200	\$111,357.00	+	35.0	\$487,450
\$731,200		\$196,669.50	+	37.0	\$731,200
<b>MARRIED FILING SEPARATELY</b>					
\$0	\$11,600	\$0	+	10.0	\$0
\$11,600	\$47,150	\$1,160.00	+	12.0	\$11,600
\$47,150	\$100,525	\$5,426.00	+	22.0	\$47,150
\$100,525	\$191,950	\$17,168.50	+	24.0	\$100,525
\$191,950	\$243,725	\$39,110.50	+	32.0	\$191,950
\$243,725	\$365,600	\$55,678.50	+	35.0	\$243,725
\$365,600		\$98,334.75	+	37.0	\$365,600
<b>ESTATES AND TRUSTS</b>					
\$0	\$3,100	\$0	+	10.0	\$0
\$3,100	\$11,150	\$310	+	24.0	\$3,100
\$11,150	\$15,200	\$2,242	+	35.0	\$11,150
\$15,200		\$3,659.50	+	37.0	\$15,200

**Kiddie Tax:** All net unearned income over a threshold amount of \$2,600 for 2024 is taxed using the marginal tax and rates of the child's parents.

### Tax Rates on Long-Term Capital Gains & Qualified Dividends

LTCG TAX	TAXABLE INCOME				
	SINGLE FILERS	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD	MARRIED FILING SEPARATELY	ESTATES & TRUSTS <sup>(1)</sup>
0%	\$47,025 or less	\$94,050 or less	\$63,000 or less	\$47,025 or less	\$3,150 or less
15%	More than \$47,025 and less than \$518,900	More than \$94,050 and less than \$583,750	More than \$63,000 and less than \$551,350	More than \$47,025 and less than \$291,850	More than \$3,150 and less than \$15,450
20%	\$518,900 or more	\$583,750 or more	\$551,350 or more	\$291,850 or more	\$15,450 or more

1. Estates and irrevocable trusts that do not distribute capital gains are subject to these rates.

### Net Investment Income Tax

For individuals, 3.8% tax on the lesser of: (1) Net Investment Income, or (2) MAGI in excess of \$200,000 for single filers, or head of households, \$250,000 for married couples filing jointly, and \$125,000 for married couples filing separately.<sup>(2)</sup>

2. A different calculation applies to trust and estates.

### Standard Deductions for Non-Itemizers

FILING STATUS	STANDARD DEDUCTION	PERSONAL EXEMPTION	PHASEOUTS BEGIN AT AGI OF:
Single	\$14,600	N/A	N/A
Head of household	\$21,900	N/A	N/A
Married, filing jointly and surviving spouses	\$29,200	N/A	N/A
Married, filing separately	\$14,600	N/A	N/A
Dependent filing own tax return	\$1,300 <sup>(3)</sup>	N/A	N/A

### ADDITIONAL DEDUCTIONS FOR NON-ITEMIZERS

Blind or over 65 Married Filing Jointly	Add \$1,550
Blind or over 65 and unmarried and not a surviving spouse	Add \$1,950

3. For taxable years beginning in 2024, the standard deduction amount under § 63(c)(5) for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of (1) \$1,300, or (2) the sum of \$450 and the individual's earned income

### Alternative Minimum Tax

#### EXEMPTION AMOUNTS AND PHASEOUTS

	EXEMPTION AMOUNT/PHASEOUT AMOUNT BEGINS AT:
Single	\$85,700/\$609,350
Married, filing jointly or surviving spouses	\$133,300/\$1,218,700
Married, filing separately	\$66,650/\$609,350
Estates and trusts	\$29,900/\$99,700

#### AMT TAX RATES

	MARRIED FILING SEPARATELY	ALL OTHERS
26% tax rate applies to income below:	\$116,300	\$232,600
28% tax rate applies to income over:		

### Child Tax Credit

CREDIT	MAXIMUM CREDIT	INCOME PHASEOUTS BEGIN AT MAGI OF:
Child Tax Credit <sup>(4)</sup>	\$2,000 per qualifying child	\$400,000 – married filing jointly \$200,000 – all others

4. Subject to eligibility requirements

### Gift and Estate Tax Exclusions and Credits

Gift tax annual exclusion	\$18,000
Estate, gift & generation skipping transfer tax exclusion amount (per taxpayer)	\$13,610,000
Exclusion on gifts to non-citizen spouse	\$185,000
Maximum estate, gift & generation skipping transfer tax rate	40%

### Tax Deadlines (As of November 2023)

**Jan 16, 2024** – 4<sup>th</sup> installment deadline to pay 2023 estimated taxes due

**April 15, 2024** – Last day to file amended return for 2020 (subject to limited exceptions); Last day to contribute to most employer-sponsored retirement plans, including SEPs and profit-sharing plans for 2023 if the federal income tax return filing deadline for the business that maintains such plans is April 15, 2024 (unless the federal income tax return filing deadline for the business has been extended). Tax filing deadline to request an extension until Oct. 15, 2024, for businesses whose tax return deadline is April 15, 2024. 1<sup>st</sup> installment deadline to pay 2024 estimated taxes due. Last day to file federal income tax returns for individuals (unless the individual lives in Maine or Massachusetts, in which case the deadline is April 17, 2024). Tax filing deadline to request an extension until Oct. 15, 2024 for individuals whose tax return deadline is April 15, 2024. Last day to contribute to Roth or traditional IRA or HSA for 2023.

**Jun 17, 2024** – 2<sup>nd</sup> installment deadline to pay 2024 estimated taxes due.

**Sep 16, 2024** – 3<sup>rd</sup> installment deadline to pay 2024 estimated taxes due.

**Oct 15, 2024** – Last day to file federal income tax return if 6-month extension was requested by April 15, 2024 (subjected to limited exceptions). Last day to recharacterize an eligible Traditional IRA or Roth IRA contribution from 2023 if extension was filed or tax return was filed by April 15, 2024 (and certain conditions were met). Last day to contribute to most employer-sponsored retirement plans, including SEPs and profit-sharing plans for 2023 if the federal income tax return deadline for the business that maintains such plans is April 15, 2024, and federal income tax return extension was filed for such business.

**Dec 31, 2024** – Last day to: 1) pay expenses for itemized deductions for 2024; 2) complete transactions for capital gains or losses. Note: last 2023 trade date is December 29.

**Traditional IRA Deductibility Limits**

The contribution limit for Traditional IRAs is **\$7,000**; the catch up at age 50+ is **\$1,000**.

FILING STATUS <sup>(1)</sup>	MODIFIED AGI	CONTRIBUTION
Single/HOH; covered by a plan at work	\$77,000 or less	Fully Deductible
	More than \$77,000 and less than \$87,000	Partially Deductible
Married Filing Jointly; covered by a plan at work	\$87,000 or More	Not Deductible
	\$123,000 or less	Fully Deductible
Married Filing Jointly; not covered by a plan at work and spouse is covered by a plan at work	More than \$123,000 and less than \$143,000	Partially Deductible
	\$143,000 or More	Not Deductible
Married Filing Separately <sup>(2)</sup> and you or your spouse are covered by plan at work <sup>(2)</sup>	\$230,000 or less	Fully Deductible
	More than \$230,000 and less than \$240,000	Partially Deductible
	\$240,000 or More	Not Deductible
	Less than \$10,000	Partially Deductible
	\$10,000 or More	Not Deductible

1. If not covered by a plan, single, HOH and married filing jointly/separately (both spouses not covered by a plan) tax filers are able to take a full deduction on their IRA contribution without MAGI limitations.

**Roth IRAs Contribution Limits**

The contribution limit for IRAs is **\$7,000**; the catch up at age 50+ is **\$1,000**.

ALLOWABLE CONTRIBUTION	MODIFIED AGI <sup>(3)</sup>		
	SINGLE/HOH	MARRIED FILING JOINTLY	MARRIED FILING SEPARATELY <sup>(2)</sup>
Full	Less than \$146,000	Less than \$230,000	N/A
Partial	\$146,000 less than \$161,000	\$230,000 less than \$240,000	\$0 – less than \$10,000
None	\$161,000 or more	\$240,000 or more	\$10,000 or more

2. If spouses did not live together at any time during the year, Single/HOH MAGI limits apply. 3. Roth conversion income is not included in MAGI.

**Other Retirement Plan Contribution Limits**

RETIREMENT PLAN TYPE	MAX. CONTRIBUTION LIMIT <sup>(4)</sup>	CATCH-UP (50+)	MAXIMUM COMPENSATION TAKEN INTO ACCOUNT
SEP IRA	The lesser of 25% of compensation or \$69,000 <sup>(5)</sup>	N/A	Employer contributions cannot take into account compensation in excess of \$345,000
SIMPLE IRA <sup>(6)</sup>	\$16,000	\$3,500	If matching contributions, up to 3% of employee compensation. If nonelective contribution (2% to 10%), employee compensation for calculation capped at \$345,000, generally subject to a maximum of \$5,000
Defined Benefit Plan	Individual benefit limited to the lesser of: 100% of average compensation in highest 3 consecutive calendar years, or \$275,000	N/A	Compensation for benefit calculation capped at \$345,000 or lower limit defined in the plan
401(k)	\$23,000	\$7,500	Employer contributions cannot take into account compensation in excess of \$345,000
403(b), 457(b), Roth 401(k)	\$23,000	\$7,500 <sup>(7)</sup>	Employer contributions cannot take into account compensation in excess of \$345,000

4. For SIMPLE IRA, 401(k), 403(b), 457(b), and Roth 401(k), limit applies to employee contributions; additional employer contributions may be made. 5. For self-employed individuals, 25% of net earnings from self-employment. 6. Effective January 1, 2024, for employers with 25 or fewer employees or that meet a higher matching or nonelective contribution threshold, higher limits for each of these amounts generally apply. 7. For certain 403(b) and 457(b) plans, special additional catch-up contributions may be permitted in specified circumstances. 457(b) plans of tax-exempt employers do not permit regular catch-up contributions.

**Health Savings Accounts<sup>(8)</sup>**

COVERAGE TYPE	MAXIMUM CONTRIBUTION
Self-Only HDHP Coverage	\$4,150
Family HDHP Coverage	\$8,300
Catch-up for 55 and older by end of calendar year	\$1,000

8. HSAs are only available for taxpayers enrolled in a qualifying high-deductible health plan (HDHP)

**Education Credits & Exclusions**

CREDIT / EXCLUSION	MAXIMUM CREDIT / EXCLUSION	INCOME PHASEOUTS AT MAGI OF:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 – \$180,000 joint \$80,000 – \$90,000 all others
Lifetime Learning Credit	\$2,000 credit	\$160,000 – \$180,000 joint \$80,000 – \$90,000 all others
Savings bond interest tax-free if used for education	Exclusion limited to amount of qualified education expenses	\$145,000– \$175,200 joint \$96,800 - \$111,800 all others

**Social Security**

FILING STATUS	PROVISIONAL INCOME <sup>(9)</sup>	% of SS SUBJECT TO TAXES
<b>TAX ON SOCIAL SECURITY BENEFITS: INCOME BRACKETS</b>		
Single, HoH, surviving spouse, married filing separately and living apart from spouse	\$25,000 or less	0
	More than \$25,000 and less than \$34,000	up to 50%
	\$34,000 or more	up to 85%
Married filing jointly	\$32,000 or less	0
	More than \$32,000 and less than \$44,000	up to 50%
Married filing separately and living with spouse	Over \$44,000	up to 85%
	More than \$0	up to 85%

9. Adjusted Gross Income + nontaxable interest + ½ of Social Security benefits

**FICA**

SS TAX PAID ON TAXABLE INCOME UP TO \$168,600	PERCENTAGE WITHHELD	MAXIMUM TAX PAYABLE
<b>Tax (FICA)</b>		
Employer pays	6.2%	\$10,453.20
Employee pays	6.2%	\$10,453.20
Self-employed pays	12.4%	\$20,906.40

**Medicare Tax**

SS TAX PAID ON INCOME	PERCENTAGE WITHHELD
Employer pays	1.45%
Employee pays	1.45% + 0.9% on wages over \$200,000 (single) or \$250,000 (joint)
Self-employed pays	2.90% + 0.9% on self-employment income over \$200,000 (single) or \$250,000 (joint)

**Social Security Benefits Reduction Before Full Retirement Age**

AGE WHEN BENEFITS BEGIN	PERCENTAGE OF SOCIAL SECURITY BENEFITS	
	FRA of 66 <sup>(10)</sup>	FRA of 67 <sup>(10)</sup>
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%

10. Full retirement age determined by year of birth

**Retirement Earnings Exempt Amounts**

Before Full Retirement Age (FRA)	\$22,320
During the year in which FRA is reached	\$59,520
After FRA	No limit after FRA

**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 2024
40 or under	\$470
Over 40 and 50 or under	\$880
Over 50 and 60 or under	\$1,760
Over 60 and 70 or under	\$4,710
Over 70	\$5,880

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