



Information accurate as of December 15, 2023

# 2024 tax planning tables at-a-glance

## Capital gains and losses and dividends

| Long-term capital gain rate (longer than one year) |                 |                      |                  |
|--|-----------------|----------------------|------------------|
|  | 0% <sup>1</sup> | 15%                  | 20% <sup>1</sup> |
| Single   | \$0 – \$47,025  | \$47,026 – \$518,900 | \$518,901 +      |
| Married filing jointly and surviving spouse        | \$0 – \$94,050  | \$94,051 – \$583,750 | \$583,751 +      |
| Head of household                                  | \$0 – \$63,000  | \$63,001 – \$551,350 | \$551,351 +      |
| Married filing separately                          | \$0 – \$47,025  | \$47,026 – \$291,850 | \$291,851 +      |
| Trusts and estates                                 | \$0 – \$3,150   | \$3,151 – \$15,450   | \$15,451 +       |

<sup>1</sup>Determine your capital gain bracket(s) by adding your net long-term capital gains and/or qualified dividends to your other taxable income net of deductions. Multiple tax rates may apply since rates are progressive.

For example, assume a joint filer has net taxable income of \$100,000 which includes \$20,000 in net long-term capital gain. The first \$14,050 of the gain falls within the 0% rate threshold of \$94,050 and will be taxed at 0%; while the remaining \$5,950 of long-term capital gain is above the \$94,050 threshold and will be taxed at 15%.

| Short-term capital gain rate (one year or less) | Taxed at ordinary income tax rate.  |
|---|---|
| Dividends                                       | Qualified dividends are taxed at the long-term capital gain rates. Nonqualified dividends are taxed at ordinary income tax rates. |

Higher rates apply to collectibles and unrecaptured §1250 gain. Consult your tax advisor about how they apply to your situation.

## Netting capital gains and losses

1. Net short-term gains and short-term losses.
2. Net long-term gains and long-term losses.
3. Net short-term against long-term.
4. Deduct up to \$3,000 of excess losses against ordinary income per year.
5. Carry over any remaining losses to future tax years

## 2024 income tax rate schedules<sup>2</sup>

### Married taxpayer filing jointly/surviving spouse

| If taxable income is: | The tax is:                                 |
|-----------------------|---|
| \$0 – \$23,200        | 10% of the taxable income                   |
| \$23,200 – \$94,300   | \$2,320.00 + 12% of excess over \$23,200    |
| \$94,300 – \$201,050  | \$10,852.00 + 22% of excess over \$94,300   |
| \$201,050 – \$383,900 | \$34,337.00 + 24% of excess over \$201,050  |
| \$383,900 – \$487,450 | \$78,221.00 + 32% of excess over \$383,900  |
| \$487,450 – \$731,200 | \$111,357.00 + 35% of excess over \$487,450 |
| \$731,200 or more     | \$196,669.50 + 37% of excess over \$731,200 |

### Single taxpayer

| If taxable income is: | The tax is:                                 |
|-----------------------|---|
| \$0 – \$11,600        | 10% of the taxable income                   |
| \$11,600 – \$47,150   | \$1,160.00 + 12% of excess over \$11,600    |
| \$47,150 – \$100,525  | \$5,426.00 + 22% of excess over \$47,150    |
| \$100,525 – \$191,950 | \$17,168.50 + 24% of excess over \$100,525  |
| \$191,950 – \$243,725 | \$39,110.50 + 32% of excess over \$191,950  |
| \$243,725 – \$609,350 | \$55,678.50 + 35% of excess over \$243,725  |
| \$609,350 or more     | \$183,647.25 + 37% of excess over \$609,350 |

### Head of household

| If taxable income is: | The tax is:                                 |
|-----------------------|---|
| \$0 – \$16,550        | 10% of the taxable income                   |
| \$16,550 – \$63,100   | \$1,655.00 + 12% of excess over \$16,550    |
| \$63,100 – \$100,500  | \$7,241.00 + 22% of excess over \$63,100    |
| \$100,500 – \$191,950 | \$15,469.00 + 24% of excess over \$100,500  |
| \$191,950 – \$243,700 | \$37,417.00 + 32% of excess over \$191,950  |
| \$243,700 – \$609,350 | \$53,977.00 + 35% of excess over \$243,700  |
| \$609,350 or more     | \$181,954.50 + 37% of excess over \$609,350 |

### Married taxpayer filing separately

| If taxable income is: | The tax is:                                |
|-----------------------|--|
| \$0 – \$11,600        | 10% of the taxable income                  |
| \$11,600 – \$47,150   | \$1,160.00 + 12% of excess over \$11,600   |
| \$47,150 – \$100,525  | \$5,426.00 + 22% of excess over \$47,150   |
| \$100,525 – \$191,950 | \$17,168.50 + 24% of excess over \$100,525 |
| \$191,950 – \$243,725 | \$39,110.50 + 32% of excess over \$191,950 |
| \$243,725 – \$365,600 | \$55,678.50 + 35% of excess over \$243,725 |
| \$365,600 or more     | \$98,334.75 + 37% of excess over \$365,600 |

<sup>2</sup> Taxable income is income after all deductions (including either itemized or standard deduction).

## Standard deductions

| Married/joint | Single   | Head of household | Married/separate | Dependents |
|---------------|----------|-------------------|------------------|------------|
| \$29,200      | \$14,600 | \$21,900          | \$14,600         | \$1,300    |

For dependents with earned income, the deduction is the greater of \$1,300 or earned income + \$450 (up to \$14,600).

## Additional standard deductions

|                                      |                      |
|--------------------------------------|----------------------|
| Married, age 65 or older or blind    | \$1,550 <sup>3</sup> |
| Married, age 65 or older and blind   | \$3,100 <sup>3</sup> |
| Unmarried, age 65 or older or blind  | \$1,950              |
| Unmarried, age 65 or older and blind | \$3,900              |

<sup>3</sup> per person

## Federal trust and estate income tax rate schedule

| If taxable income is: | The tax is:                              |
|-----------------------|--|
| \$0 – \$3,100         | 10% of the taxable income                |
| \$3,100 – \$11,150    | \$310.00 + 24% of excess over \$3,100    |
| \$11,150 – \$15,200   | \$2,242.00 + 35% of excess over \$11,150 |
| \$15,200 or more      | \$3,659.50 + 37% of excess over \$15,200 |

This is an abbreviated version of the tax planning tables. For the complete version, contact your advisor. Wells Fargo Advisors Financial Network is not a legal or tax advisor.

# Retirement accounts

## Traditional and Roth IRA

| Maximum contribution (per individual if under age 50) | Maximum contribution (per individual if age 50 or older within a particular tax year) |
|---|---|
|---|---|

The lesser of \$7,000 or total compensation for the year

The lesser of \$8,000 or total compensation for the year

Contributions must be made no later than the tax-filing deadline, regardless of tax extensions.

### Traditional IRA deductibility limits

- Full deduction if you and if married your spouse, are not covered<sup>4</sup> by a workplace retirement plan (WRP), such as a 401(k), 403(b), SEP IRA, or SIMPLE IRA regardless of income.
- Individual covered<sup>4</sup> by a WRP, deductions are phased out based upon marital status and Modified Adjusted Gross Income (MAGI):

| Married/joint         | Single /HH <sup>5</sup> | Deduction |
|-----------------------|-------------------------|-----------|
| Up to \$123,000       | Up to \$77,000          | Full      |
| \$123,000 – \$143,000 | \$77,000 – \$87,000     | Partial   |
| \$143,000 or more     | \$87,000 or more        | None      |

- If your spouse is covered<sup>4</sup> by a WRP, but you are not, your deductions are phased out based upon MAGI:

| Married/joint         | Married/separate <sup>6</sup> | Deduction |
|-----------------------|-------------------------------|-----------|
| Up to \$230,000       | N/A                           | Full      |
| \$230,000 – \$240,000 | Up to \$10,000                | Partial   |
| \$240,000 or more     | \$10,000 or more              | None      |

### Roth IRA contribution phase-out limits

- Contributions are subject to the following MAGI limits:

| Married/joint         | Married/separate <sup>6</sup> | Single /HH <sup>5</sup> | Contribution |
|-----------------------|-------------------------------|-------------------------|--------------|
| Up to \$230,000       | N/A                           | Up to \$146,000         | Full         |
| \$230,000 – \$240,000 | Up to \$10,000                | \$146,000 – \$161,000   | Partial      |
| \$240,000 or more     | \$10,000 or more              | \$161,000 or more       | None         |

<sup>4</sup> The “Retirement Plan” box in Box 13 of your W-2 tax form should be checked if you were covered by a WRP.

<sup>5</sup> HH stands for Head of Household.

<sup>6</sup> Your filing status is considered single for IRA contribution purposes if you did not live with your spouse during the tax year.

## 401(k), 403(b), Gov’t 457(b) plan contribution limits

| Employee maximum deferral contributions | Catch-up contribution (if age 50 or older) |
|---|--|
|---|--|

\$23,000

\$7,500

Combined limit for designated Roth account and pretax 401(k), or 403(b) deferral contributions is \$23,000 for those younger than 50 and \$30,500 for those 50 and older within a particular tax year.

## SEP, SIMPLE IRAs, and other retirement limits

|   |          |
|---|----------|
| Maximum elective deferral to SIMPLE IRA and SIMPLE 401(k) plans | \$16,000 |
|---|----------|

Catch-up contribution for SIMPLE IRA and SIMPLE 401(k) plans (if age 50 or older)

\$3,500

|  |          |
|--|----------|
| Maximum annual defined contribution plan limit | \$69,000 |
|--|----------|

Maximum compensation for calculating qualified plan contributions

\$345,000

|                                      |           |
|--------------------------------------|-----------|
| Maximum annual defined benefit limit | \$275,000 |
|--------------------------------------|-----------|

Threshold for highly compensated employee

\$155,000

|   |           |
|---|-----------|
| Threshold for key employee in top-heavy plans | \$220,000 |
|---|-----------|

Maximum SEP contribution is lesser of limit or 25% of eligible income

\$69,000

## Uniform Life Expectancy Table

| Age | Divisor | Age | Divisor |
|-----|---------|-----|---------|
| 73  | 26.5    | 86  | 15.2    |
| 74  | 25.5    | 87  | 14.4    |
| 75  | 24.6    | 88  | 13.7    |
| 76  | 23.7    | 89  | 12.9    |
| 77  | 22.9    | 90  | 12.2    |
| 78  | 22.0    | 91  | 11.5    |
| 79  | 21.1    | 92  | 10.8    |
| 80  | 20.2    | 93  | 10.1    |
| 81  | 19.4    | 94  | 9.5     |
| 82  | 18.5    | 95  | 8.9     |
| 83  | 17.7    | 96  | 8.4     |
| 84  | 16.8    | 97  | 7.8     |
| 85  | 16.0    | 98  | 7.3     |

| Age | Divisor | Age | Divisor |
|-----|---------|-----|---------|
| 99  | 6.8     | 104 | 4.9     |
| 100 | 6.4     | 105 | 4.6     |
| 101 | 6.0     | 106 | 4.3     |
| 102 | 5.6     | 107 | 4.1     |
| 103 | 5.2     | 108 | 3.9     |

## Social Security taxation thresholds

Up to a certain percentage of an individual’s Social Security benefits is subject to taxation when his or her provisional income<sup>7</sup> exceeds certain threshold amounts:

|                           | Up to 50% taxed     | Up to 85% taxed          |
|---------------------------|---------------------|--------------------------|
| Married/joint             | \$32,000 – \$44,000 | More than \$44,000       |
| Single                    | \$25,000 – \$34,000 | More than \$34,000       |
| Married filing separately |                     | 85% taxable <sup>8</sup> |

<sup>7</sup> Provisional income generally includes modified adjusted gross income (MAGI) plus nontaxable interest and one-half of Social Security benefits.

<sup>8</sup> There is an exception to this rule if you lived apart from your spouse for the entire year. Consult your tax advisor for more information.

## Estate, gift, and generation-skipping transfer tax

**Gift tax annual exclusion**  
**\$18,000**

**Estate and gift tax — basic exclusion**  
**\$13,610,000**

**Generation-skipping transfer (GST) tax exemption**  
**\$13,610,000**

**Estate, gift, and GST tax rate**  
**40%**

## Connect with Meridian Wealth Management Group

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