

This worksheet relates to the law for the tax filing due 4/15/2021 & 4/15/2022

The 2022 numbers have no affect on your 2021 tax return that is due 4/15/22

<https://www.irs.gov/pub/irs-dft/i1040gi--dft.pdf>

<--- Instructions

***Many of these tax revisions are set to expire for individuals after of 12/31/2025

None of this is to be taken as legal or tax advice.

Please take time to read and do your own research.

This information is provided only for educational purposes

Rates	Revised Brackets Income levels and Filing Status		
	Single	Head of household	Married Filing Joint
Married filing separate is the same up to 32% bracket as a Single Filer			
10%	0 - \$10,275	\$0 - \$14,650	0 - \$20,550
12%	10,272 - \$41,775	14,650 - \$55,900	20,550 - 83,550
22%	41,775 - \$89,075	55,900 - \$89,050	83,550 - 178,150
24%	89,075 - \$170,050	89,050 - 170,050	178,150 - 340,100
32%	170,050 - \$215,950	170,050 - \$215,950	340,100 - 431,900
35%	215,950 - \$539,900	215,950 - \$539,900	431,900 - 647,850
37%	Over \$539,900	Over \$539,900	Over \$647,850

<https://www.irs.gov/pub/irs-drop/rp-21-45.pdf>

Rates	Individual Long-Term Capital Gain Rates for Stocks & Qualified Dividends Income levels and Filing Status - Schedule B / D		
	Single & Married filing separate	Head of household	Married Filing Joint
<i>There are revised rates for other filing statuses as well</i>			
0%	\$41,675	\$54,100	\$83,350
15%	(Single) \$459,750(MFS) \$258,600	\$488,500	\$517,200
20%	Income > than amounts above	Income > than amounts above	Income > than amounts above

Note Estates and Trusts hit max rate at \$13,200

Standard Deduction			
Year	Single & Married Filing Separate	Head of Household	Married Filing Joint
2021	12,550	18,800	25,100
2022	12,950	19,400	25,900
Additional deductions for Elderly and Blind			
Unmarried			
Elderly or blind		1,700	1,750
Elderly and blind		3,400	3,500
Married			
Elderly or blind		1,350	1,400
Elderly and blind		2,700	2,800

Medical expenses - Schedule A (itemized deductions)			
Year	Threshold	Details	However....
2021	7.5% of AGI	At any age	Expenses must exceed 7.5% of AGI before they become deductible.
2022	7.5% of AGI	At any age	

**Medical mileage rate is about 17 cents per mille. Information not available at the time of creating this spreadsheet

Child Tax Credit - Tax Form 8112			
Year	Credit Amount <i>Up To</i>	Refundable Amount <i>Up To</i>	Other Non-child dependents
2021	3,000 to \$3,600 (If under age 6)	Fully refundable for 2021	500
2022	2,000	1,500	500

Savers Credit (Tax Credit of 50%, 20%, 10% or 0% of Retirement plan related contributions)			
	Single & Married Filing Separate	Head of Household	Married Filing Joint
2021 AGI Limits	0% at \$33,000	0% at \$49,500	0% at \$66,000
2022 AGI Limits	0% at \$34,000	0% at \$51,000	0% at \$68,000

<https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-savings-contributions-savers-credit>

See Savers credit video here: <https://youtu.be/IRcUW-mifY8>

State and Local Taxes - Schedule A (itemized deductions)		
Year	Amount	Details
2017	All amounts deductible	Includes state income taxes, property taxes, etc.
2022	Limited to \$10,000	

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Mortgage Interest Deductions - Schedule A (itemized deductions)		
Year	Amount	Details
2017	Interest deductible for mortgage acquisition debt up \$1,000,000	Mortgage existing before 2018 will not be effected.
2017	Home Equity Loan Interest	Deductible
2021	Interest deductible for mortgage acquisition debt up \$750,000	For mortgage acquired starting in 2018. May be exceptions if you are already in a binding contract before December 15th, 2017.
If Home equity loan is used to expand or improve your residence it may be tax deductible. See IRS website for rules.		
2021	Home Equity Loan Interest	Typically No longer Deductible. May be exceptions if you are already in a binding contract before December 15th, 2017.

Miscellaneous itemized deductions that are subject to 2% floor are repealed
Unreimbursed employee expenses - job travel, union dues, job education, etc.
Legal fees
Tax Preparation fees
Investment fees, safe deposit box, etc.

Education	
Tuition and Fee Deduction has returned. Due to the "Secure Act"	
Student loan interest	Up to \$2,500 deduction paid for student loan interest If income is less than \$70,000 if single or \$140,000 if Married Fil
American Opportunity Credit	Up to \$2,500 tax credit or Max refund up to \$1,000 if income less than \$90,000 (single) or \$180,000 (Married filing join
Lifetime Learning credit	Up to \$2,000 tax credit if income less than \$90,000 (single) or \$180,000 (Married filing jointly)

<https://www.irs.gov/credits-deductions/individuals/aotc>

401(K) 403(b) 457 plans		
2021	2022	Age
\$19,500	\$20,500	50 and younger
\$26,000	\$27,000	50 and up

For 2020 contributions deadline is 4/15/2021

IRA & Roth IRA Annual Maximum Contribution Limits			
2021		2022	Age
	\$6,000	\$6,000	50 and younger
	\$7,000	\$7,000	50 and up

Traditional IRA AGI Phase-out \$68,000 - \$78,000
 Traditional IRA AGI Phase-out 109,000 - \$129,000
 Roth IRA AGI Phase-out \$129,000 - \$144,000
 Roth IRA AGI Phase-out \$204,000 - \$214,000

Social Security (Cost of Living Adjustment)	
2021	2022
1.3%	5.90%

Alimony - Rules take effect in 2019
The spouse who pays alimony is no longer allowed an income adjustment. the recipient who receives alimony no longer has to claim it as income.
If taxpayer had an approved court ordered alimony agreement prior to the end of 12/31/18 (Alimony still deductible)

Gift Tax Annual Exclusion		
Year		Exclusion amount
2021	\$	15,000
2022	\$	16,000

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Federal Estate Tax		
	Exemption Amount - Single	Exemption Amount - Married
2022	12,060,000	24,120,000

Alternative Minimum Tax		
	Exemption Amount - Single	Exemption Amount - Married
2022	75,900	118,100

Alternative Minimum Tax - Phase Out Amount		
	Phaseout- Single	Phaseout - Married
2022	539,900	1,079,800

Affordable Care Act
Repeals shared responsibility requirement for full-coverage health insurance. Penalties will no longer be assessed starting in 2019

Other things to mention
Casualty theft losses - No longer applies unless federally declared disaster
Moving reimbursement and moving deduction - suspended for most people except armed forces
Charitable deductions - Still in play. New higher AGI threshold of 60% instead of 50%

Health Savings Accounts		
	Single	Family
Contribution limits	\$3,650	\$7,300
Catch-up for 55 and up	\$1,000	\$1,000 per qualifying spouse
Minimum health Insurance deductible	\$1,400	\$2,800
Max out of pocket	\$7,050	\$14,100

Adjustment to gross Income

Adoption Tax Credit				
Year		Maximum Credit		Maximum exclusion
2021	\$		14,440	\$ 14,400
2022	\$		14,890	\$ 14,890

Form 8839

Earned Income Credit (Income ceiling/plateau amounts 2022)			
Qualifying children	Credit percentage	Income amounts	
0	7.65%	\$7,320	
1	34%	\$10,980	
2	40%	\$15,410	
3 +	45%	\$15,410	

Form 8862

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Net Operating Losses
Limited to 80% (Remainder carries forward)

Standard mileage rate - Schedule C / E / F
2021 56 cents per mile
2022 58.5 cents per mile

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Section 199A Deduction		
Eligible Entities	Eligible Taxpayers	Key Facts re: 199A
Partnerships	Individuals	20% deduction on qualified business income
S-Corporations	Trusts	Cannot Generate NOL
Sole Proprietorships	Estates	No deduction allowed against SE Tax
AG Cooperatives		
Income Limitations - 199A		
Filing Status	Full 20% 199A Deduction	No 199A Deduction
Single & HOH	Taxable income < \$170,050	Taxable Income > \$220,050
Married Filing Joint	Taxable income < \$340,100	Taxable Income > \$440,100

W-2 and Unadjusted Basis Limitations (Phase-In)	
Limit is greater of	50% of W-2 Wages OR 25% of W-2 wages + 2.5% of unadjusted basis
Phase In occurs	When taxable income exceeds \$340,100 (MFJ) or \$170,050 Single

Tax Penalties

RMD Penalty	50% of required minimum distribution	
Failure to file penalty	4.5% PER MONTH	Up to max of 25%
Failure to pay penalty	.5% PER MONTH	Up to max of 25%

***Note special limitations may apply for Specified Services Businesses which includes any trade or business involving the performance of services. Examples: Health, Law, Accounting, Consulting, Financial Services (including investing and investment management or trading)

My current & complete tax video playlist can be found here:

<https://www.irs.gov/pub/irs-dft/i1040gi--dft.pdf>

2021 Filing Requirements

Chart A—For Most People

IF your filing status is . . .	AND at the end of 2021 you were* . . .	THEN file a return if your gross income** was at least . . .
Single	under 65	\$12,550
	65 or older	14,250
Married filing jointly***	under 65 (both spouses)	\$25,100
	65 or older (one spouse)	26,450
	65 or older (both spouses)	27,800
Married filing separately	any age	\$5
Head of household	under 65	\$18,800
	65 or older	20,500
Qualifying widow(er)	under 65	\$25,100
	65 or older	26,450

**If you were born on January 1, 1957, you are considered to be age 65 at the end of 2021. (If your spouse died in 2021 or if you are preparing a return for someone who died in 2021, see Pub. 501.)*

***Gross income means all income you received in the form of money, goods, property, and services that isn't exempt from tax, including any income from sources outside the United States or from the sale of your main home (even if you can exclude part or all of it). Don't include any social security benefits unless (a) you are married filing a separate return and you lived with your spouse at any time in 2021, or (b) one-half of your social security benefits plus your other gross income and any tax-exempt interest is more than \$25,000 (\$32,000 if married filing jointly). If (a) or (b) applies, see the instructions for lines 6a and 6b to figure the taxable part of social security benefits you must include in gross income. Gross income includes gains, but not losses, reported on Form 8949 or Schedule D. Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, don't reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.*

****If you didn't live with your spouse at the end of 2021 (or on the date your spouse died) and your gross income was at least \$5, you must file a return regardless of your age.*

Chart B—For Children and Other Dependents (See Who Qualifies as Your Dependent, later.)

If your parent (or someone else) can claim you as a dependent, use this chart to see if you must file a return.

In this chart, **unearned income** includes taxable interest, ordinary dividends, and capital gain distributions. It also includes unemployment compensation, taxable social security benefits, pensions, annuities, and distributions of unearned income from a trust. **Earned income** includes salaries, wages, tips, professional fees, and taxable scholarship and fellowship grants. **Gross income** is the total of your unearned and earned income.

Single dependents. Were you **either** age 65 or older **or** blind?

No. You must file a return if **any** of the following apply.

- Your unearned income was over \$1,100.
- Your earned income was over \$12,550.
- Your gross income was more than the **larger** of—
 - \$1,100, or
 - Your earned income (up to \$12,200) plus \$350.

Yes. You must file a return if **any** of the following apply.

- Your unearned income was over \$2,800 (\$4,500 if 65 or older **and** blind).
- Your earned income was over \$14,250 (\$15,950 if 65 or older **and** blind).
- Your gross income was more than the **larger** of—
 - \$2,800 (\$4,500 if 65 or older **and** blind), or
 - Your earned income (up to \$12,200) plus \$2,050 (\$3,750 if 65 or older **and** blind).

Married dependents. Were you **either** age 65 or older **or** blind?

No. You must file a return if **any** of the following apply.

- Your unearned income was over \$1,100.
- Your earned income was over \$12,550.
- Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions.
- Your gross income was more than the **larger** of—
 - \$1,100, or
 - Your earned income (up to \$12,200) plus \$350.

- Yes.** You must file a return if **any** of the following apply.
- Your unearned income was over \$2,450 (\$3,800 if 65 or older **and** blind).
 - Your earned income was over \$13,900 (\$15,250 if 65 or older **and** blind).
 - Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions.
 - Your gross income was more than the **larger** of—
 - \$2,450 (\$3,800 if 65 or older **and** blind), or
 - Your earned income (up to \$12,200) plus \$1,700 (\$3,050 if 65 or older **and** blind).

Chart C—Other Situations When You Must File

You must file a return if any of the seven conditions below apply for 2021.	
1.	You owe any special taxes, including any of the following. <ol style="list-style-type: none"> a. Alternative minimum tax. b. Additional tax on a qualified plan, including an individual retirement arrangement (IRA), or other tax-favored account. But if you are filing a return only because you owe this tax, you can file Form 5329 by itself. c. Household employment taxes. But if you are filing a return only because you owe this tax, you can file Schedule H by itself. d. Social security and Medicare tax on tips you didn't report to your employer or on wages you received from an employer who didn't withhold these taxes. e. Write-in taxes, including uncollected social security and Medicare or RRTA tax on tips you reported to your employer or on group-term life insurance and additional taxes on health savings accounts. See the instructions for Schedule 2, line 8. f. Recapture taxes. See the instructions for line 16 and Schedule 2, lines 10 through 18.
2.	You (or your spouse if filing jointly) received health savings account, Archer MSA, or Medicare Advantage MSA distributions.
3.	You had net earnings from self-employment of at least \$400.
4.	You had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer social security and Medicare taxes.
5.	Advance payments of the premium tax credit were made for you, your spouse, or a dependent who enrolled in coverage through the Marketplace. You or whoever enrolled you should have received Form(s) 1095-A showing the amount of the advance payments.
6.	Advance payments of the health coverage tax credit were made for you, your spouse, or a dependent. You or whoever enrolled you should have received Form(s) 1099-H showing the amount of the advance payments.
7.	You are required to include amounts in income under section 965 or you have a net tax liability under section 965 that you are paying in installments under section 965(h) or deferred by making an election under section 965(i).