

ESTATE TAX RATE

YEAR	ESTATE EXEMPTION	% ON EXCESS OVER BASE
2022	\$12,060,000	40%
2023	\$12,920,000	40%

GIFT TAX

	2022	2023
Annual gifts per person	\$16,000	\$17,000
Annual joint gifts by spouses	\$32,000	\$34,000
Gift/Estate Exemption	\$12,920,000	\$12,920,000
Max Tax Rate on Taxable Gifts	40%	40%

HEALTH SAVINGS ACCOUNTS

	2022	2022	2023	2023
	Single	Family	Single	Family
Minimum Policy Deductible				
Max Deduct./ Contribution	\$3,650	\$7,300	\$3,850	\$7,750
Age 55–64 Catch-up Contribution	\$1,000	\$1,000	\$1,000	\$1,000
Minimum Policy Deductible	\$1,500	\$3,000	\$1,500	\$3,000

TAX CREDITS

CHILD TAX CREDIT	2022/2023
Children 0–16	\$2,000/child

Amounts fully subject to phaseouts above \$400,000 (joint) and above \$200,000 (single)

For 2022, the child tax credit refundable limit is \$1,500.

For 2023, the child tax credit refundable limit is \$1,600.

	2022/2023
The American Opportunity Credit*	\$2,500
The Lifetime Learning Credit**	\$2,000
for each additional year of post-secondary education	

*2022 & 2023 subject to phaseouts between \$160,000–\$180,000 (joint) and \$80,000–\$90,000 (single).

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EQUIPMENT DEPRECIATION

	2022	2023
Section 179 Limit	\$1,080,000	\$1,160,000
Bonus Depreciation	100%	80%

RETIREMENT PLAN

CONTRIBUTION LIMITS

	2022	2023
Individual 401(k) Contributions	\$22,500	\$22,500
Age 50+ Catch-up	\$6,500	\$7,500

	2022	2023
Individual Simple Contributions	\$14,000	\$15,500
Age 50+ Catch-up	\$3,000	\$3,500

EMPLOYER QUALIFIED PLANS	2022	2023
Maximum compensation limit	\$305,000	\$330,000
Annual contribution limit for defined contribution plans	\$61,000	\$66,000

IRAS

2023 REGULAR IRA

NOT A PARTICIPANT IN ANOTHER PLAN

\$6,500 maximum deductible contribution; taxable distribution; deduction for participant and for non-working spouse.

ACTIVE PARTICIPANT IN ANOTHER PLAN

\$6,500 maximum deductible contribution; taxable distributions; subject to phaseouts between \$116,000–\$136,000 (joint) and \$73,000 – 83,000 (single).

NON-ACTIVE PARTICIPANT WHOSE SPOUSE IS ACTIVE PARTICIPANT

\$6,500 maximum deductible contribution; taxable distributions; subject to phaseouts between \$218,000–\$228,000 (joint).

AGE 50+ CATCH-UP

\$1,000 deductible contribution

2023 ROTH IRA

\$6,500 maximum nondeductible contribution; nontaxable distributions; subject to phaseouts between \$218,000 – \$229,000(joint) and \$138,000–\$153,000 (single).

AGE 50+ CATCH-UP

\$1,000 nondeductible contribution.

2022 - 2023 TAX GUIDE

ESTIMATED TAX PAYMENTS

- Taxpayers are generally required to pay in through withholding or estimated tax payments the lesser of 100% (or 110% if AGI >\$150,000) of prior-year tax liability or 90% of current-year tax liability.
- 2023 estimated tax payments for individuals are due by: April 18 | June 15 | September 15 | January 16, 2024

This publication reflects tax laws in effect as of 1/04/23. Due to the concise nature of this publication, no final conclusions should be drawn without further review and consultation with a professional.



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2022 INDIVIDUAL INCOME TAX RATES

MARRIED TAXPAYERS

Filing Jointly Or Surviving Spouses

BASE TAXABLE INCOME	TAX ON BASE	% ON EXCESS OVER BASE
\$0	\$0	10%
\$20,550	\$2,055	12%
\$83,550	\$9,615	22%
\$178,150	\$30,427	24%
\$340,100	\$69,295	32%
\$431,900	\$98,671	35%
\$647,850	\$174,253.50	37%

SINGLE

BASE TAXABLE INCOME	TAX ON BASE	% ON EXCESS OVER BASE
\$0	\$0	10%
\$10,275	\$1,027.50	12%
\$41,775	\$4,807.50	22%
\$89,075	\$15,213.50	24%
\$170,050	\$34,647.50	32%
\$215,950	\$49,355.50	35%
\$539,900	\$162,718	37%

HEAD OF HOUSEHOLD

BASE TAXABLE INCOME	TAX ON BASE	% ON EXCESS OVER BASE
\$0	\$0	10%
\$14,650	\$1,465	12%
\$55,900	\$6,415	22%
\$89,050	\$13,708	24%
\$170,050	\$33,148	32%
\$215,950	\$47,836	35%
\$539,900	\$161,218.50	37%

Also note: These income tax brackets are annually indexed to inflation. Taxable income is income after all deductions.

ADDITIONAL SURTAXES

(1) Taxpayers with AGI over \$250,000 (joint) and \$200,000 (single) are subject to an additional 3.8% surtax on lesser of: (1) Net Investment Income (interest, dividends, capital gains, rentals and passive in-come) or (2) excess of modified adjusted gross income over AGI floor.

(2) Taxpayers who earn more than \$250,000 (joint) and \$200,000 (single) are subject to an additional .9% surtax on wages or self employment income above these thresholds.

2023 CAPITAL GAINS TAX RATES

LONG-TERM CAPITAL GAINS	0% TAX RATE	15% TAX RATE	20% TAX RATE
Married filing jointly	\$89,250	\$553,850	\$553,850+
Head of household	\$59,750	\$523,050	\$523,050+
Single	\$44,625	\$492,300	\$492,300+

Special rates apply to real estate depreciation recapture, collectibles and metals.

INDIVIDUALS

STANDARD DEDUCTIONS*

	2022	2023
Married filing jointly	\$25,900	\$27,700
Single	\$12,950	\$13,850
Head of household	\$19,400	\$20,800
Married filing separately	\$12,950	\$13,850
Additional blind or elderly		
Single	\$1,750	\$1,850
Married	\$1,400	\$1,500
Taxpayer claimed as dependent is the great of, or earned income plus \$400 (2022 and 2023)	\$1,150	\$1,250

*Generally deduct the greater of standard or itemized deductions.

SOCIAL SECURITY

TAXES

EMPLOYER/EMPLOYEE	TAX RATE	WAGE BASE 2022	WAGE BASE 2023
FICA	6.20%	\$147,000	\$160,200
Medicare	1.45%	no limit	no limit
Total	7.65%		

SELF EMPLOYED	TAX RATE	WAGE BASE 2022	WAGE BASE 2023
FICA	12.40%	\$147,000	\$160,200
Medicare	2.90%	no limit	no limit
Total	15.30%		

QUARTER OF COVERAGE	2022	2023
	\$1,510	\$1,640

QUALIFIED BUSINESS INCOME DEDUCTION (QBI)

2022 QBI DEDUCTION 20%	2023 QBI DEDUCTION 20%
2022 - subject to limitations over \$340,100 (joint) & \$170,050 (single)	2023 - subject to limitations over \$364,200 (joint) & \$182,100 (single)

CORPORATE INCOME TAX

Flat Tax Rate	21%
Personal Service Corporations	21%

BUSINESS EXPENSES

BUSINESS TRAVEL MEALS

Per Diem Rates for Meals – Oct. 1, 2022 – Sept. 30, 2023

Low Cost Areas	\$64/day
High Cost Areas	\$74/day

STANDARD MILEAGE RATES

Jan-Jun/July-Dec

USE	2022	2023
Business	\$.585/mi. \$.625/mi.	\$.655/mi.
Charitable	\$.14/mi.	\$.14/mi.
Medical & Moving	\$.18/mi. / \$.22/mi.	\$.22/mi.

BENEFITS

MAXIMUM ANNUAL EARNED INCOME LIMIT	2022	2023
Ages 62 up to full retirement age	\$19,560	\$21,240
Upon reaching full retirement age	No limit	No Limit

TAXABLE BENEFITS

Part of social security received is taxable if AGI, plus tax-exempt interest, plus half of social security received exceeds these base amounts:

	50% TAXABLE	85% TAXABLE
Married filing jointly	\$32,001 – 44,000	\$44,001+
Single/Head of household	\$25,001 – 34,000	\$34,001+
Married filing separately	\$0	\$0