

Tax Brackets for 2024

Single

\$0 – \$11,600	10%
\$11,601 – \$47,150	12%
\$47,151 – \$100,525	22%
\$100,526 – \$191,950	24%
\$191,951 – \$243,725	32%
\$243,726 – \$609,350	35%
over \$609,351	37%

Married, Filing Jointly

\$0 – \$23,220	10%
\$23,221 – \$94,300	12%
\$94,301 – \$201,050	22%
\$201,051 – \$383,900	24%
\$383,901 – \$487,450	32%
\$487,451 – \$731,200	35%
over \$731,201	37%

Married, Filing Separately

\$0 – \$11,600	10%
\$11,601 – \$47,150	12%
\$47,151 – \$100,525	22%
\$100,526 – \$191,950	24%
\$191,951 – \$243,725	32%
\$243,726 – \$365,600	35%
over \$365,601	37%

Head of Household

\$0 – \$16,550	10%
\$16,551 – \$63,100	12%
\$63,101 – \$100,500	22%
\$100,501 – \$191,950	24%
\$191,951 – \$243,700	32%
\$243,701 – \$609,350	35%
over \$609,351	37%

Estates and Trusts

\$0 – \$3,100	10%
\$3,101 – \$11,150	24%
\$11,151 – \$15,200	35%
over \$15,201	37%
Corporate Tax Rate	21%

Estate Tax

Transfer Tax rate	40%
Estate Tax Exemption	\$13.61m
Gift Tax Exemption	\$13.61m
Generation-skipping transfer Exemption	\$13.61m
Gift Tax Exclusion	\$18,000

Long-Term Capital Gains/Qualified Dividend Rates

0.0% Rate when Taxable Income is Below:

Married, Filing Jointly	\$94,050
Married, Filing Separately	\$47,025
Head of Household	\$63,000
Single	\$47,025
Estate and Trust	\$3,150

15% Rate when Taxable Income is Below:

Married, Filing Jointly	\$583,750
Married, Filing Separately	\$291,850
Head of Household	\$551,350
Single	\$518,900
Estate and Trust	\$15,450

20% rate applies to higher taxable income amounts.

Standard Deduction

Married, Filing Jointly	\$29,200
Single or Married, Filing Separately	\$14,600
Head of Household	\$21,900

Blind or over 65 add \$1,550 if married; add \$1,950 if single or head of Household. If both blind and over 65 the deduction amount is doubled.

Capital Loss Limit

Single or Married, Filing Jointly	\$3,000
Married, Filing Separately	\$1,500

If your capital loss exceeds your capital gains.

Retirement

IRA and Roth Contributions

Under age 50	\$7,000
Aged 50 and older	\$8,000

Phaseout for deducting IRA Contribution (qualified plan participant)

Married, Filing Jointly	\$123,000 – \$143,000 MAGI
Single or Head of Household	\$77,000 – \$87,000 MAGI
Married, Filing Separately	\$0 – \$10,000 MAGI
Spousal IRA	\$230,000 – \$240,000 MAGI

Phaseout of Roth contribution eligibility

Married, Filing Jointly	\$230,000 – \$240,000 MAGI
Single or Head of Household	\$146,000 – \$161,000 MAGI
Married, Filing Separately	\$0 – \$10,000 MAGI

Retirement (continued)

SEP Contribution

Up to 25% of compensation limit	\$69,000
To participate in SEP	\$750
Max Compensation used	\$345,000

SIMPLE Elective Deferral

Under age 50	\$16,000
Aged 50 and over	\$19,500

Qualified Plan Contributions

401(k), 403(b), 457 and SARSEP	\$23,000
Aged 50 and older	\$30,500
Annual benefit limit on defined contribution plans	\$69,000
Annual benefit limit on defined benefit plans	\$275,000
Highly compensated employee makes	\$155,000
Annual compensation taken into account for qualified plans	\$345,000

Education

Kiddie Tax earned income is Taxed at single Tax bracket rates

529 Plan Contributions:

Per Individual	\$18,000 per yr. before a gift Tax
per Couple	\$36,000 per yr. before a gift Tax

529 Plan Contributions — Accelerate 5 Years of Gifting into 1 Year:

Per Individual	\$90,000
Per Couple	\$180,000

Lifetime Learning Credits – Phaseout

Married, Filing Jointly	\$160,000 – \$180,000
Single	\$80,000 – \$90,000

Coverdell Education Savings Account

Contribution	\$2,000
Phaseout – Married, Filing Jointly	\$190,000 – \$220,000
Phaseout – All Others	\$95,000 – \$110,000

Student Loan Interest

Deduction Limit	\$2,500
Phaseout – Married, Filing Jointly	\$165,000 – \$195,000 MAGI
Phaseout – All Others	\$80,000 – \$95,000 MAGI

Phaseout of Tax-free Savings Bonds Interest

Married, Filing Jointly	\$145,200 – \$175,200 MAGI
All Others	\$96,800 – \$111,800 MAGI

Noteworthy Changes: The Setting Every Community Up for Retirement Enhancement Act (SECURE Act)

The SECURE Act became law on December 20, 2019. This law included several important changes to the Qualified Plan and IRA landscape. Some of the changes are relatively small, while other changes may have a much larger impact on one's finances.

Inherited IRAs and Qualified Accounts:

Prior to the SECURE Act a person who inherited an IRA or other qualified account was able to "stretch" out required payments over their life expectancy. The SECURE Act changed those rules, and now, for non-eligible beneficiaries, Inherited IRAs must now be paid out over 10 years. There are notable exceptions to this new rule. These new inherited IRA rules do not apply for the following beneficiaries:

1. Spouse of the deceased
2. A beneficiary who has a disability or chronic illness
3. A beneficiary who is not more than 10 years younger than the deceased IRA owner
4. Minor Children: A minor child who inherits an IRA will take required minimum distributions based on the minor child's life expectancy until they reach the age of majority. At that point, the 10-year distribution period will begin.

These rules went into effect on January 1, 2020. If you inherited an IRA prior to January 1, 2020 and have

been taking required distributions based on your life expectancy, you may continue to do so.

Required Minimum Distribution (RMDs) Start Dates

The age for beginning RMDs was increased from age 72 to age 73 beginning January 1, 2023 under Secure Act 2.0.

Contributions to IRAs

The age restriction for IRA contributions was removed. Now, you can contribute to an IRA at any age (assuming you meet other requirements).

Penalty free Distributions Upon the Birth or Adoption of a Child

Allows an IRA owner or defined contribution plan participant to withdraw up to \$5,000 penalty free upon the birth or adoption of a child. This is effective for distributions beginning January 1, 2020.

Portability of Lifetime Income Investment

A plan participant may elect to take a distribution of a lifetime income investment (typically, an annuity within a qualified plan) prior to a distributable event if the investment will no longer be allowed under the plan. The distribution must either be made as a direct rollover to an IRA or other retirement plan or the annuity must be distributed.

Required Minimum Distributions

The Uniform Lifetime Table can be used by all IRA owners, at age 72 years, unless their sole beneficiary for the entire year is a spouse who is more than 10 years younger. Then the regular Joint Life Expectancy Table is used (see IRS Pub. 590), which could reduce the required minimum distribution even further.

Uniform Lifetime Table

Age of Account Owner	Divisor						
72	27.4	78	22.0	84	16.8	90	12.2
73	26.5	79	21.1	85	16.0	91	11.5
74	25.5	80	20.2	86	15.2	92	10.8
75	24.6	81	19.4	87	14.4	93	10.1
76	23.7	82	18.5	88	13.7		
77	22.9	83	17.7	89	12.9		

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