

# 2024 Tax Reference Guide

## Appletree Financial Network

Your solution for individual life, disability, long term care insurance and life settlements. We're here every day and have the experience to guide you through a wide range of options for your client's insurance needs.

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### Employer plan/IRA contributions

Employer plans	2023	2024
Elective deferral for 401(k), 403(b), 457	\$22,500	\$23,000
Catch-up contributions for 401(k), 403(b), 457	\$7,500	\$7,500
Defined contribution plan limit	\$66,000	\$69,000
SEP IRA annual addition limit	\$66,000	\$69,000
SIMPLE IRA & 401(k) limit	\$15,500	\$16,000
SIMPLE IRA & 401(k) catch-up	\$3,500	\$3,500
Max includible compensation	\$330,000	\$345,000
Annual benefit limit	\$265,000	\$275,000
Highly compensated employee	\$150,000	\$155,000
Key employee	\$215,000	\$220,000
SEP minimum earnings limit	\$750	\$750

### Traditional and Roth IRA contributions

	2023	2024
Traditional and Roth IRA contribution limit	\$6,500	\$7,000
Catch-up contribution	\$1,000	\$1,000

### Traditional IRA deduction phaseouts

	2023	2024
Single or H of H	\$73,000-83,000	\$77,000-87,000
MFJ	\$116,000-136,000	\$123,000-143,000
MFS	\$0-10,000	\$0-10,000
Spousal contributions	\$218,000-228,000	\$230,000-240,000

### Roth IRA contribution phaseouts

	2023	2024
Single or H of H	\$138,000-153,000	\$146,000-161,000
MFJ	\$218,000-228,000	\$230,000-240,000
MFS	\$0-10,000	\$0-10,000

### Employer plan/IRA distributions

#### Uniform life expectancy table (ULET)

Age	Period	%	Age	Period	%
72	27.4	3.65%	95	8.9	11.24%
73	26.5	3.77%	96	8.4	11.90%
74	25.5	3.92%	97	7.8	12.82%
75	24.6	4.07%	98	7.3	13.70%
76	23.7	4.22%	99	6.8	14.71%
77	22.9	4.37%	100	6.4	15.63%
78	22	4.55%	101	6	16.67%
79	21.1	4.74%	102	5.6	17.86%
80	20.2	4.95%	103	5.2	19.23%
81	19.4	5.15%	104	4.9	20.41%
82	18.5	5.41%	105	4.6	21.74%
83	17.7	5.65%	106	4.3	23.26%
84	16.8	5.95%	107	4.1	24.39%
85	16	6.25%	108	3.9	25.64%
86	15.2	6.58%	109	3.7	27.03%
87	14.4	6.94%	110	3.5	28.57%
88	13.7	7.30%	111	3.4	29.41%
89	12.9	7.75%	112	3.3	30.30%
90	12.2	8.20%	113	3.1	32.26%
91	11.5	8.70%	114	3	33.33%
92	10.8	9.26%	115	2.9	34.48%
93	10.1	9.90%	116	2.8	35.71%
94	9.5	10.53%	117	2.7	37.04%

Use ULET for calculating RMDs during account holder's life.

$$\text{RMD formula} = \frac{\text{Prior year 12/31 account balance}}{\text{Life expectancy}^1}$$

<sup>1</sup>Life expectancy = distribution period for age you will turn in the distribution year

### Required distribution options after death

Beneficiary		
Spouse	Treat as your own or Inherited IRA/Life Expectancy	
Non-spouse	10-year rule with exceptions for: disabled, chronically ill, minor child, individuals not more than 10 years younger than deceased	
None	Death prior to required beginning date (RBD)	Death on or after RBD
	5-year rule	Life expectancy of account holder

Plans may require faster payout than RMD rules require

### Early retirement—Exceptions to the 10% penalty for distributions prior to age 59½

	NQ annuity	Qualified plans	IRAs
Death	X	X	X
Disability	X	X	X
Substantially equal pmts. (72t)	X	X	X
Medical Exp. (limited to ded. amt.)		X	X
College, birth, adoption exp.			X
Health ins. prem. for unemployed			X
Qualified first-time homebuyer/reservist/hurricane			X
Age 55 and separated from service/QDRO		X	
Immediate annuity	X		

### Life expectancy

#### IRS life expectancy tables

Age	Single	Joint	Age	Single	Joint
50	36.2	42.3	71	18	22.5
51	35.3	41.3	72	17.2	21.6
52	34.3	40.3	73	16.4	20.7
53	33.4	39.4	74	15.6	19.8
54	32.5	38.4	75	14.8	18.9
55	31.6	37.4	76	14.1	18.1
56	30.6	36.5	77	13.3	17.2
57	29.8	35.5	78	12.6	16.4
58	28.9	34.5	79	11.9	15.6
59	28	33.6	80	11.2	14.7
60	27.1	32.6	81	10.5	14
61	26.2	31.7	82	9.9	13.2
62	25.4	30.8	83	9.3	12.4
63	24.5	29.8	84	8.7	11.7
64	23.7	28.9	85	8.1	11
65	22.9	28	86	7.6	10.4
66	22	27	87	7.1	9.7
67	21.2	26.1	88	6.6	9.1
68	20.4	25.2	89	6.1	8.5
69	19.6	24.3	90	5.7	8
70	18.8	23.4			

Joint = Joint life expectancy of male and female of the same age

### Long-term care

#### Long-term care insurance deduction

##### Attained age before the close of the taxable year

Maximum deduction for	2023	2024
40 or less	\$480	\$470
More than 40 but not more than 50	\$890	\$880
More than 50 but not more than 60	\$1,790	\$1,760
More than 60 but not more than 70	\$4,770	\$4,710
More than 70	\$5,960	\$5,880

#### Net investment income tax

3.8% on the lesser of net investment income or MAGI over the following thresholds:

Single	\$200,000
MFJ	\$250,000
HoH	\$200,000
MFS	\$125,000

## 2023 income tax rates

Taxable income over	Not over	Tax is	Plus	Of amount over
<b>Single</b>				
\$0	\$11,000	\$0	10%	\$0
\$11,000	\$44,725	\$1,100	12%	\$11,000
\$44,725	\$95,375	\$5,147	22%	\$44,725
\$95,375	\$182,100	\$16,290	24%	\$95,375
\$182,100	\$231,250	\$37,104	32%	\$182,100
\$231,250	\$578,125	\$52,832	35%	\$231,250
\$578,125		\$174,238	37%	\$578,125

### Married filing joint (MFJ)

\$0	\$22,000	\$0	10%	\$0
\$22,000	\$89,450	\$2,200	12%	\$22,000
\$89,450	\$190,750	\$10,294	22%	\$89,450
\$190,750	\$364,200	\$32,580	24%	\$190,750
\$364,200	\$462,500	\$74,208	32%	\$364,200
\$462,500	\$693,750	\$105,664	35%	\$462,500
\$693,750		\$186,602	37%	\$693,750

### Head of households (H of H)

\$0	\$15,700	\$0	10%	\$0
\$15,700	\$59,850	\$1,570	12%	\$15,700
\$59,850	\$95,350	\$6,868	22%	\$59,850
\$95,350	\$182,100	\$14,678	24%	\$95,350
\$182,100	\$231,250	\$35,498	32%	\$182,100
\$231,250	\$578,100	\$51,226	35%	\$231,250
\$578,100		\$172,624	37%	\$578,100

### Married filing separate returns (MFS)

\$0	\$11,000	\$0	10%	\$0
\$11,000	\$44,725	\$1,100	12%	\$11,000
\$44,725	\$95,375	\$5,147	22%	\$44,725
\$95,375	\$182,100	\$16,290	24%	\$95,375
\$182,100	\$231,250	\$37,104	32%	\$182,100
\$231,250	\$346,875	\$52,832	35%	\$231,250
\$346,875		\$93,301	37%	\$346,875

### Estate and trusts

\$0	\$2,750	\$0	10%	\$0
\$2,750	\$9,850	\$275	24%	\$2,750
\$9,850	\$13,450	\$1,979	35%	\$9,850
\$13,450		\$3,239	37%	\$13,450

## 2024 income tax rates

Taxable income over	Not over	Tax is	Plus	Of amount over
<b>Single</b>				
\$0	\$11,600	\$0	10%	\$0
\$11,600	\$47,150	\$1,160	12%	\$11,600
\$47,150	\$100,525	\$5,426	22%	\$47,150
\$100,525	\$191,950	\$17,169	24%	\$100,525
\$191,950	\$243,725	\$39,111	32%	\$191,950
\$243,725	\$609,350	\$55,679	35%	\$243,725
\$609,350		\$183,647	37%	\$609,350

### Married filing joint (MFJ)

\$0	\$23,200	\$0	10%	\$0
\$23,200	\$94,300	\$2,320	12%	\$23,200
\$94,300	\$201,050	\$10,852	22%	\$94,300
\$201,050	\$383,900	\$34,337	24%	\$201,050
\$383,900	\$487,450	\$78,221	32%	\$383,900
\$487,450	\$731,200	\$111,357	35%	\$487,450
\$731,200		\$196,670	37%	\$731,200

### Head of households (H of H)

\$0	\$16,550	\$0	10%	\$0
\$16,550	\$63,100	\$1,655	12%	\$16,550
\$63,100	\$100,500	\$7,241	22%	\$63,100
\$100,500	\$191,950	\$15,469	24%	\$100,500
\$191,950	\$243,700	\$37,417	32%	\$191,950
\$243,700	\$609,350	\$53,977	35%	\$243,700
\$609,350		\$181,955	37%	\$609,350

### Married filing separate returns (MFS)

\$0	\$11,600	\$0	10%	\$0
\$11,600	\$47,150	\$1,160	12%	\$11,600
\$47,150	\$100,525	\$5,426	22%	\$47,150
\$100,525	\$191,950	\$17,169	24%	\$100,525
\$191,950	\$243,725	\$39,111	32%	\$191,950
\$243,725	\$365,600	\$55,679	35%	\$243,725
\$365,600		\$98,335	37%	\$365,600

### Estate and trusts

\$0	\$3,100	\$0	10%	\$0
\$3,100	\$11,150	\$310	24%	\$3,100
\$11,150	\$15,200	\$2,242	35%	\$11,150
\$15,200		\$3,660	37%	\$15,200

## Additional income tax information

### Standard deduction

	2023	2024	2023	2024
Single	\$13,850	\$14,600	\$1,850	\$1,950
MFJ	\$27,700	\$29,200	\$1,500	\$1,550
H of H	\$20,800	\$21,900	\$1,850	\$1,950
MFS	\$13,850	\$14,600	\$1,500	\$1,550

Add'l \$1,400 if > 65 or blind.  
This amount increases to \$1,750 if also unmarried

### Child tax credit — 2024

\$2,000

No more than \$1,700 per child is refundable.

### Capital gain/dividend rates — 2024

Varies depending on maximum taxable income level under taxpayer's filing status.

	Short term <12 mos	Ordinary rate	Ordinary rate	Ordinary rate
Long term >12 mos		0%	15%	20%
Qualified dividends		0%	15%	20%

### Gift tax and GST tax

	2023	2024
Single	\$12,920,000	\$13,610,000
Couples	\$25,840,000	\$27,220,000
GST exclusion	\$12,920,000	\$13,610,000
Annual gift tax exclusion	\$17,000	\$18,000

### Business Entities — 2024

C corporations: taxed at 21% flat rate

Pass-through entities: 20% deduction on qualified business income through these thresholds:\*

	\$0	\$191,950	\$241,950
Service business	20%	Phase to	... no deduction
Non-service business	20%	Phase to	... 20% with W-2 & capital limits

\*For individuals, 2x for Married Filing Jointly

## Estate, gift and corporate taxes

### Estate and gift tax rates — 2024

Taxable gift/estate	Over	Not over	Tax on column 1	Rate on excess
	\$0	\$10,000	\$0	18%
	\$10,000	\$20,000	\$1,800	20%
	\$20,000	\$40,000	\$3,800	22%
	\$40,000	\$60,000	\$8,200	24%
	\$60,000	\$80,000	\$13,000	26%
	\$80,000	\$100,000	\$18,200	28%
	\$100,000	\$150,000	\$23,800	30%
	\$150,000	\$250,000	\$38,800	32%
	\$250,000	\$500,000	\$70,800	34%
	\$500,000	\$750,000	\$155,800	37%
	\$750,000	\$1,000,000	\$248,300	39%
	\$1,000,000	and over	\$345,800	40%

### Exclusion equivalent and applicable credit

	Exclusion equivalent	Top estate tax rate
2017	\$5,490,000	40%
2018	\$11,180,000	40%
2019	\$11,400,000	40%
2020	\$11,580,000	40%
2021	\$11,700,000	40%
2022	\$12,060,000	40%
2023	\$12,920,000	40%
2024	\$13,610,000	40%

Subtract applicable credit from tax calculated above.

# APPLETREE FINANCIAL NETWORK

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Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Includes updates from the Tax Cuts and Jobs Act (Pub.L.115-97, H.R.1) enacted December 22, 2017.

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