

Tax Planning Reference Guide for 2018

RATES	SINGLE	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD	MARRIED FILING SEPARATELY	ESTATES AND TRUSTS
10%	\$0 to \$9,525	\$0 to \$19,050	\$0 to \$13,600	\$0 to \$9,525	\$0 to \$2,550
12%	\$9,526 to \$38,700	\$19,051 to \$77,400	\$13,601 to \$51,800	\$9,526 to \$38,700	-
22%	\$38,701 to \$82,500	\$77,401 to \$165,000	\$51,801 to \$82,500	\$38,701 to \$82,500	-
24%	\$82,501 to \$157,500	\$165,001 to \$315,000	\$82,501 to \$157,500	\$82,501 to \$157,500	\$2,551 to \$9,150
32%	\$157,501 to \$200,000	\$315,001 to \$400,000	\$157,501 to \$200,000	\$157,501 to \$200,000	-
35%	\$200,001 to \$500,000	\$400,001 to \$600,000	\$200,001 to \$500,000	\$200,001 to \$300,000	\$9,151 to \$12,500
37%	\$500,001+	\$600,001+	\$500,001+	\$300,001+	\$12,501+

TAX ON LONG-TERM CAPITAL GAINS AND QUALIFIED DIVIDENDS

RATES	SINGLE	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD	MARRIED FILING SEPARATELY
0% tax rate	\$0 to \$38,600	\$0 to \$77,200	\$0 to \$51,700	\$0 to \$38,600
15% tax rate	\$38,601 to \$425,800	\$77,201 to \$479,000	\$51,701 to \$452,400	\$38,601 to \$239,500
20% tax rate	\$425,801+	\$479,001+	\$452,401+	\$239,501+
Maximum capital gains rate on collectibles	28%			
Maximum capital gains rate on unrecaptured section 1250 gains	25%			

3.8% MEDICARE SURTAX (applied to the lesser of net investment income or excess over MAGI¹)

Single	\$200,000
Married filing jointly	\$250,000
Married filing separately	\$125,000

Net investment income:

- Such as: interest, dividends, non-qualified annuity income, passive business income and rent
- Capital gains: portfolio investments, taxable gain from sale of primary residence

3.8% Medicare surtax for trusts (lesser of):

- Undistributed net investment income for tax year
- Excess of AGI (adjusted gross income) above \$12,500

ESTATE AND GIFT TAX

Estate, gift and generation-skipping transfer tax exclusion	\$11,200,000
Annual gift exclusion	\$15,000
Top federal estate, gift and generation-skipping transfer tax rates	40%

RETIREMENT PLAN LIMITS

DEFINED CONTRIBUTION PLAN

Maximum elective deferral: 401(k), 403(b), Roth 401(k)	\$18,500
Catch-up contribution for 401(k) and 403(b) (50 years of age or older)	\$6,000
Total maximum annual addition to defined contribution plan	\$55,000
Maximum elective deferral: SIMPLE 401(k) or SIMPLE IRA	\$12,500
Catch-up contribution for SIMPLE plans (50 years of age or older)	\$3,000
Limit on annual contribution to a SEP (or 25% of compensation)	\$55,000
Maximum annual compensation considered	\$275,000

DEFINED BENEFIT PLAN

Annual benefit limit under plan	\$220,000
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INDIVIDUAL RETIREMENT ACCOUNT CONTRIBUTION LIMITS

Traditional and Roth IRA	\$5,500
Catch-up (50 years of age and older)	\$1,000

IMPORTANT 2018 TAX PLANNING DATES

JANUARY 16

- Fourth installment of 2017 tax due

MARCH 15

- Partnership tax returns due
- Partnership extension requests due

APRIL 17

- Individual income tax returns due
- Individual extension requests due
- Corporate tax returns due (for calendar year taxation)
- Gift tax returns due
- Deadline to make 2017 IRA contributions
- First installment of 2018 estimated tax due (individuals)

MAY 15

- Deadline for nonprofit organizations to file information returns (if close of tax year is December 31)

JUNE 15

- Second installment of 2018 tax due (individuals)
- Individual income tax return due for U.S. citizens living and working abroad (with automatic extension)

SEPTEMBER 17

- Third installment of 2018 estimated tax due (individuals)
- Deadline for partnership tax returns (with extension)
- Deadline for SEP contributions (with extension) if partnership

OCTOBER 15

- Deadline for individual tax returns (with extension)
- Deadline for corporate calendar-year tax returns (with extension)

DECEMBER 31

- Deadlines for current-year gifts and Roth IRA conversions
- Last day to take required minimum distribution (RMD) if not the first RMD. The first payment can be delayed until April 1 following the year you turn 70½.

Sources: HR1 - Tax Cuts and Jobs Act Conference Report, IRS Rev. Proc. 2017-58, IRS Publication 509, IRS Publication 590-A and 590-B, IRS Publication 560, IRS Instructions for form 709, IRS Instructions for form 990, www.irs.gov. The information on this page is for informational purposes only and is not intended to provide or should not be relied upon for legal, tax, accounting or investment advice. Please consult a qualified tax advisor regarding your specific circumstances. Factual information has been taken from sources we believe to be reliable, but its accuracy, completeness or interpretation cannot be guaranteed. ¹MAGI (modified adjusted gross income) for the purposes of retirement accounts: adjusted gross income with certain deductions added back such as: student loan interest, tuition and fees, foreign earned income exclusion, etc. Information is current as of January 1, 2018, and is subject to change without notice. © 2018 Capital Group Private Client Services.