

# 2024 Key federal tax rates and amounts

## 2024 Federal income tax brackets and rates

Married filing jointly	Single <sup>1</sup>	Trusts and estates <sup>2</sup>	Income tax rates <sup>3</sup>
\$0 to \$23,200	\$0 to \$11,600	\$0 to \$3,100	10%
\$23,201 to \$94,300	\$11,601 to \$47,150	---	12%
\$94,301 to \$201,050	\$47,151 to \$100,525	---	22%
\$201,051 to \$383,900	\$100,526 to \$191,950	\$3,101 to \$11,150	24%
\$383,901 to \$487,450	\$191,951 to \$243,725	---	32%
\$487,451 to \$731,200	\$243,726 to \$609,350	\$11,151 to \$15,200	35%
Over \$731,200	Over \$609,350	Over \$15,200	37%

<sup>1</sup> Single taxpayers are unmarried individuals *other than* surviving spouses and heads of households.

<sup>2</sup> Trusts and estates do not have a 12%, 22%, or 32% bracket.

<sup>3</sup> These rates are imposed on *taxable income*, meaning income remaining after applicable exclusions and deductions are claimed. Note that each rate applies only to the income falling within that bracket. All indexed income tax amounts for 2024 are set forth in Rev. Proc. 2023-34, 2023-48 IRB 1287.

## 2024 Capital gains rates<sup>4</sup>

Married filing jointly	Single	Trusts and estates	Long-term capital gains
\$0 to \$94,050	\$0 to \$47,025	\$0 to \$3,150	0%
\$94,051 to \$583,750	\$47,026 to \$518,900	\$3,151 to \$15,450	15%
Over \$583,750	Over \$518,900	Over \$15,450	20%

<sup>4</sup> Qualified dividends are taxed in the same manner as long-term capital gains.

## 2023 Federal income tax brackets and rates

Married filing jointly	Single <sup>1</sup>	Trusts and estates <sup>2</sup>	Income tax rates <sup>3</sup>
\$0 to \$22,000	\$0 to \$11,000	\$0 to \$2,900	10%
\$22,001 to \$89,450	\$11,001 to \$44,725	---	12%
\$89,451 to \$190,750	\$44,726 to \$95,375	---	22%
\$190,751 to \$364,200	\$95,376 to \$182,100	\$2,901 to \$10,550	24%
\$364,201 to \$462,500	\$182,101 to \$231,250	---	32%
\$462,501 to \$693,750	\$231,251 to \$578,125	\$10,551 to \$14,450	35%
Over \$693,750	Over \$578,15	Over \$14,450	37%

## Federal C corporation income tax rates

Taxable corporate income	Income tax rate <sup>5</sup>
All taxable income of C corporations	21%

<sup>5</sup> IRC Sec. 11(b).

## Federal income tax deduction for owners of passthrough businesses<sup>6</sup>

Passthrough business owner's taxable income level in 2024	Specified service business	Nonservice business
Owner with taxable income <b>below threshold</b> (\$383,900 married filing jointly, \$191,950 single)	20% deduction	20% deduction
Owner with taxable income <b>in phaseout range</b> (\$383,900 - \$483,900 married filing jointly, \$191,950 - \$241,950 single)	Entire deduction is phased out	Part or all of deduction is phased out
Owner with taxable income <b>exceeding phaseout range</b> (\$483,900 married filing jointly, \$241,950 single)	No deduction	Partial deduction possible if not fully phased out

<sup>6</sup> IRC Section 199A provides a deduction at the personal level for certain passthrough business owners, depending on their personal adjusted gross income and the type of business they own.

## Federal net investment income tax (3.8% Medicare surtax)

### Individual taxpayers

In the case of an individual taxpayer, the tax is equal to 3.8% of the **lesser** of (1) the net investment income (as defined in IRC Section 1411 and IRS regulations) or (2) the excess (if any) of the modified adjusted gross income (MAGI)<sup>7</sup> over the threshold amount. For individual taxpayers, the appropriate threshold amount *is not* indexed for inflation.

Filing status	Threshold amount
Married filing jointly	\$250,000
Married filing separately	\$125,000
Single or head of household	\$200,000
Qualifying widow(er) with dependent child	\$250,000

<sup>7</sup> MAGI means adjusted gross income (AGI) without the effect of Section 911 (exclusion of income and deductions for U.S. citizens living abroad).

### Estate and trust taxpayers

In the case of an estate or trust taxpayer, the tax is equal to 3.8% of the **lesser** of (1) the undistributed net investment income or (2) the excess (if any) of the AGI over the dollar amount at which the highest tax bracket for estates and trusts begins for such taxable year. The estate and trust tax threshold *is* indexed for inflation.

Year	Highest tax bracket
2024	\$15,200
2023	\$14,450

## Individual income tax—inflation-adjusted amounts

		2023	2024
Social Security wage base		\$160,200	\$168,600
Personal exemption		Repealed for tax years beginning after 2017 <sup>8</sup>	
Standard deduction <sup>9</sup>	Single	\$13,850	\$14,600
	Married filing jointly	\$27,700	\$29,200
	Head of household	\$20,800	\$21,900
	Married filing separately	\$13,850	\$14,600

<sup>8</sup>The repeal of the personal exemption also resulted in the elimination of the personal exemption phaseout. In addition, TCJA repealed the former itemized deduction phaseout. The changes made by TCJA are scheduled to sunset December 31, 2025.

<sup>9</sup>The standard deduction was increased by TCJA, in part as a result of the repeal of the personal exemption and certain itemized deductions.

## Social security benefit reduction

Special rules govern the coordination of Social Security retirement benefits with income earned before, or in the year of, normal retirement age. Benefits may be reduced depending upon the retiree's age and whether current earned income exceeds the exemption amounts.

Retirement Age	Reduction	Exemption <sup>10</sup>	
		2023	2024
Less than Full Retirement Age	\$1 for every \$2 above	\$21,240	\$22,320
Year of reaching Full Retirement Age	\$1 for every \$3 above	\$56,520	\$59,520

<sup>10</sup>The Social Security earnings exemptions generally increase annually with increases in the national average wage index. <https://www.ssa.gov/oact/cola/rtea.html>

## Individual alternative minimum tax (AMT)

In 2024, the AMT applies to taxpayers with alternative minimum taxable income (AMTI) exceeding the exemption amounts below. The rates for all individual taxpayers (except married individuals filing separately) are 26% on the first \$232,600 of AMTI above the exemption amount and 28% on AMTI exceeding the \$232,600 threshold. For married taxpayers filing separately, the threshold for the 28% rate is \$116,300. The taxpayer must pay the greater of AMT or regular income tax. (For 2023, these thresholds were \$220,700 and \$110,350, respectively.) The AMT phases out at AMTI levels shown below.

AMT exemption amount <sup>11</sup>	2023	2024
Single and head of household	\$81,300	\$85,700
Married filing jointly (or surviving spouses)	\$126,500	\$133,300
Married filing separately	\$63,250	\$66,650
Estates and trusts	\$28,400	\$29,900

AMT exemption phase-out and maximum thresholds <sup>11</sup>	2023	2024
Single and head of household	\$578,150 - \$903,350	\$609,350 - \$952,150
Married filing jointly (or surviving spouses)	\$1,156,300 - \$1,662,300	\$1,218,700 - \$1,751,900
Married filing separately	\$578,150 - \$831,150	\$609,350 - \$875,950
Estates and trusts	\$94,600 - \$208,200	\$99,700 - \$219,300

<sup>11</sup>The AMT exemption is reduced by 25% of AMTI until fully phased out.

## Corporate minimum tax (CMT)

The Inflation Reduction Act of 2022 (“IRA”) generally imposes a 15% corporate minimum tax (CMT) on corporations (excluding S corporations, regulated investment companies, and real estate investment trusts). The tax applies to companies with adjusted financial statement income (“AFSI,” generally “book income”) exceeding \$1 billion in at least one year that ends after 2021. AFSI is based on an average over the current and two previous years that began after 2021.

## Qualified plans and IRAs

### Inflation-adjusted amounts

	2023	2024 <sup>12</sup>
Maximum annual benefit for defined benefit plans; IRC Sec. 415(b)(1)(A)	\$265,000	\$275,000
Annual contribution limit for defined contribution plans; IRC Sec. 415(c)(1)(A)	Lesser of \$66,000 or 100% of compensation	Lesser of \$69,000 or 100% of compensation
Maximum annual compensation limit for IRC Sec. 401(a)(17)	\$330,000	\$345,000
Highly compensated employee for IRC Sec. 414(q)(1)(B)	\$150,000	\$155,000
Key employee in top-heavy plans for IRC Sec. 416(i)(1)(a)(i)	\$215,000	\$220,000
The SEP compensation threshold for IRC Sec. 408(K)(2)(C)	\$750	\$750

<sup>12</sup> Notice 2023-75, 2023-47 IRB 1256.

### Contribution limits for IRAs and employee deferrals

The following schedule shows the indexed contribution limits for IRAs and for employee elective deferrals.

Year	IRAs/Roth IRAs <sup>13</sup>	401(k), 403(b) and 457(b) plans <sup>14</sup>	SIMPLE IRAs and SIMPLE 401(k) plans
2024	\$7,000	\$23,000	\$16,000
2023	\$6,500	\$22,500	\$15,500

<sup>13</sup> The SECURE Act of 2019 repealed the age 70½ limit for making contributions to a traditional IRA in 2020 and later years.

<sup>14</sup> Some non-profit and governmental employers may choose to offer several plans, including 403(b), 401(k), and 457(b) plans. Generally, contributions to 403(b) and 401(k) plans are aggregated when applying dollar limits, while those made to 457(b) plans are not.

## Catch-up contribution limits

Individuals age 50 and older are permitted to make additional age-50 catch-up contributions and deferrals to IRAs and certain defined contribution retirement plans. The following schedule shows the amounts of these permitted contributions. Beginning in 2024, catch-up contributions for 401(k), 403(b) and 457(b) plan participants who earn more than \$145,000 annually will be subject to mandatory Roth treatment.

The catch-up limit for IRAs and Roth IRAs is subject to indexing for inflation beginning in 2024. In 2025, a higher catch-up limit will apply at ages 60 through 63 for participants in employer plans under Sections 401(k), 403(b) and 457(b).

Year	IRAs/Roth IRAs <sup>14</sup>	401(k), 403(b) and governmental 457(b) plans <sup>15</sup>	SIMPLE IRAs and SIMPLE 401(k) plans
2024	\$1,000	\$7,500	\$3,500
2023	\$1,000	\$7,500	\$3,500

<sup>15</sup> Governmental 457(b) plans may allow a "special Section 457(b) catch-up," in the three years before a participant reaches the plan's normal retirement age. This allows a participant to defer up to the lesser of: two times the annual contribution limit, or the contribution limit plus any unused amounts that were permitted in prior years of participation. However, a participant may instead take advantage of the traditional age-50 catch-up contribution outlined in the chart above, if larger, but not both.

Nongovernmental 457(b) plans also allow the participant to use the "special Section 457(b) catch-up" contribution. However, the age-50 catch-up contribution is not available. Please see BB11298, [Special Section 457\(b\) Plan Catch-up Contributions](#).

## Health savings accounts (HSAs)

**Maximum annual HSA contributions deductible in 2024: \$4,150 for individual and \$8,300 for family coverage.**<sup>16</sup> **Catch-up contributions for individuals 55 or older (but less than 65) are \$1,000** (pro rata for year). IRC Sec. 223(b)(3)(B). Deductible amounts that define high deductible plan for HSA purposes:

2024	Annual deductible	Maximum out-of-pocket expense (excluding premiums) not to exceed
Self only	Not less than \$1,600	\$8,050
Family coverage	Not less than \$3,200	\$16,100

<sup>16</sup> Rev. Proc. 2023-23, 2023-22 IRB 883.

## Long-term care<sup>17</sup>

	2023	2024
Per diem limit	\$420	\$410
<b>Deduction for eligible long-term care premiums:</b>		
Age 40 or less	\$480	\$470
Over age 40, but not more than 50	\$890	\$880
Over age 50, but not more than 60	\$1,790	\$1,760
Over age 60, but not more than 70	\$4,770	\$4,710
Over age 70	\$5,960	\$5,880

<sup>17</sup> For individuals, the deduction for eligible long-term care premiums is a medical expense deduction. The medical expense deduction is subject to a floor of 7.5%. Long-term care provided as an employee benefit may receive more favorable treatment.

## Required minimum distributions (RMDs)—Uniform Lifetime Table

Beginning in 2023, taxpayers generally must begin taking RMDs from IRAs and retirement plan accounts after age 73.<sup>18</sup> The RMD is calculated by dividing the account balance at the end of the previous year by the divisor applicable to the account owner's age at the end of the current year, found in the Uniform Lifetime Table below. An account owner with a spouse more than 10 years younger can use a different IRS table that provides for a smaller RMD. The divisors below reflect the RMD tables to be used in 2022 and later years. Different tables applied for 2021 and earlier years.

<sup>18</sup>The required beginning date for required minimum distributions was changed by the Consolidated Appropriations Act, 2023 to age 73 for individuals reaching age 72 after December 31, 2022 and age 73 before January 1, 2033. For individuals attaining age 74 after December 31, 2032, the required beginning date changes to age 75 starting January 1, 2033.

Age	Divisor	Age	Divisor	Age	Divisor	Age	Divisor	Age	Divisor
72	27.4	82	18.5	92	10.8	102	5.6	112	3.3
73	26.5	83	17.7	93	10.1	103	5.2	113	3.1
74	25.5	84	16.8	94	9.5	104	4.9	114	3.0
75	24.6	85	16.0	95	8.9	105	4.6	115	2.9
76	23.7	86	15.2	96	8.4	106	4.3	116	2.8
77	22.9	87	14.4	97	7.8	107	4.1	117	2.7
78	22.0	88	13.7	98	7.3	108	3.9	118	2.5
79	21.1	89	12.9	99	6.8	109	3.7	119	2.3
80	20.2	90	12.2	100	6.4	110	3.5	120	2.0
81	19.4	91	11.5	101	6.0	111	3.4	120+	2.0

**Example 1:** Assume Al turns 75 in 2024. Also assume his account balance on the previous Dec. 31, 2023, was \$750,000. Using this table, his life expectancy is 24.6 years. He must take a distribution of \$30,487.80 ( $\$750,000 \div 24.6$ ) for the 2024 year, no later than Dec. 31, 2024.

## Federal estate and gift tax

### Inflation-adjusted amounts

	2023	2024
Annual gift exclusion	\$17,000	\$18,000
Generation-skipping transfer tax exclusion	\$12,920,000	\$13,610,000
Special use valuation limit	\$1,310,000	\$1,390,000
Exemption for gifts to noncitizen spouse	\$175,000	\$185,000

## Indexed estate tax applicable exclusion amount

Year	Top estate tax rate	Exclusion amount
2024	40%	\$13,610,000
2023	40%	\$12,920,000
2022	40%	\$12,060,000
2021	40%	\$11,700,000
2020	40%	\$11,580,000
2019	40%	\$11,400,000
2018	40%	\$11,180,000
2017	40%	\$5,490,000
2016	40%	\$5,450,000
2015	40%	\$5,430,000
2014	40%	\$5,340,000
2013	40%	\$5,250,000
2012	35%	\$5,120,000
2011	35%	\$5,000,000
2010	0% - then retroactively 35%	Repealed, then changed to \$5,000,000 <sup>19</sup>
2005	18%-47%	\$1,500,000
2000	18% - 55%	\$675,000

<sup>19</sup> The executor of an estate for a 2010 death could elect out of the estate tax and into a modified carryover basis regime. Specific tax forms needed to be timely filed.

Estate planning requires a long-range approach. The federal estate tax applicable exclusion amount has fluctuated in recent decades from a low of \$675,000 in 2000 to its current high—and was \$1 million as recently as 2003. *The increase from \$5 million to \$10 million in the Tax Cuts and Jobs Act of 2017 is scheduled to expire December 31, 2025, effectively restoring the exemption amount to half of its then-current amount (i.e., the exemption is expected to drop to approximately \$7 million).*



## Term rates for split dollar—rates per \$1,000

Age	Table 2001	Principal OYT	Age	Table 2001	Principal OYT	Age	Table 2001	Principal OYT	Age	Table 2001	Principal OYT
0	\$0.70	-	25	\$0.71	0.44	50	\$2.30	0.88	75	\$33.05	8.71
1	0.41	-	26	0.73	0.44	51	2.52	0.93	76	36.33	9.67
2	0.27	-	27	0.76	0.43	52	2.81	0.99	77	40.17	10.69
3	0.19	-	28	0.80	0.43	53	3.20	1.05	78	44.33	11.83
4	0.13	-	29	0.83	0.43	54	3.65	1.14	79	49.23	13.12
5	0.13	-	30	0.87	0.42	55	4.15	1.23	80	54.56	14.57
6	0.14	-	31	0.90	0.42	56	4.68	1.36	81	60.51	16.14
7	0.15	-	32	0.93	0.42	57	5.20	1.49	82	66.74	17.82
8	0.16	-	33	0.96	0.42	58	5.66	1.63	83	73.07	19.67
9	0.16	-	34	0.98	0.43	59	6.06	1.76	84	80.35	21.67
10	0.16	-	35	0.99	0.43	60	6.51	1.91	85	88.76	23.82
11	0.19	-	36	1.01	0.44	61	7.11	2.06	86	99.16	26.19
12	0.24	-	37	1.04	0.45	62	7.96	2.23	87	110.40	28.70
13	0.28	-	38	1.06	0.46	63	9.08	2.45	88	121.85	31.48
14	0.33	-	39	1.07	0.48	64	10.41	2.73	89	133.40	34.65
15	0.38	-	40	1.10	0.50	65	11.90	3.09	90	144.30	38.01
16	0.52	-	41	1.13	0.52	66	13.51	3.43	91	155.80	41.52
17	0.57	-	42	1.20	0.55	67	15.20	3.80	92	168.75	44.91
18	0.59	-	43	1.29	0.59	68	16.92	4.21	93	186.44	48.38
19	0.61	-	44	1.40	0.62	69	18.70	4.68	94	206.70	63.43
20	0.62	0.62	45	1.53	0.66	70	20.62	5.21	95	228.35	90.17
21	0.62	0.60	46	1.67	0.70	71	22.72	5.78	96	250.01	131.97
22	0.64	0.56	47	1.83	0.74	72	25.07	6.39	97	265.09	142.06
23	0.66	0.52	48	1.98	0.79	73	27.57	7.07	98	270.11	153.11
24	0.68	0.48	49	2.13	0.83	74	30.18	7.86	99	281.05	164.87



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