

2024 CLARITY REFERENCE GUIDE

Federal Income Tax Rates

SINGLE FILERS

Taxable Income	Tiered Rate
\$0 to \$11,600	10%
\$11,601 to \$47,150	12%
\$47,151 to \$100,525	22%
\$100,526 to \$191,950	24%
\$191,951 to \$243,725	32%
\$243,726 to \$609,350	35%
Over \$609,351	37%

MARRIED FILING JOINTLY

Taxable Income	Tiered Rate
\$0 to \$23,220	10%
\$23,221 to \$94,300	12%
\$94,301 to \$201,050	22%
\$201,051 to \$383,900	24%
\$383,901 to \$487,450	32%
\$487,451 to \$731,200	35%
Over \$731,201	37%

MARRIED FILING SEPARATELY

Taxable Income	Tiered Rate
\$0 to \$11,600	10%
\$11,601 to \$47,150	12%
\$47,151 to \$100,525	22%
\$100,526 to \$191,950	24%
\$191,951 to \$243,725	32%
\$243,726 to \$365,600	35%
Over \$365,601	37%

HEAD OF HOUSEHOLD

Taxable Income	Tiered Rate
\$0 to \$16,550	10%
\$16,551 to \$63,100	12%
\$63,101 to \$100,500	22%
\$100,501 to \$191,950	24%
\$191,951 to \$243,700	32%
\$243,701 to \$609,350	35%
Over \$609,351	37%

Standard Deductions

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

ADDITIONAL DEDUCTIONS FOR AGE 65 AND OVER OR BLIND DEDUCTION

Single or Head of Household	\$1,950
Married Filing Jointly	\$1,550

Itemized Deductions

MEDICAL EXPENSES DEDUCTION

Income Threshold

Year 2024	7.5% of AGI
-----------	-------------

PROPERTY, STATE, LOCAL, AND SALES TAX DEDUCTIONS

Deduction Capped Combined Limit

Property, State, and Local Taxes	\$10,000
----------------------------------	----------

-OR-

Property and Sales Taxes	\$10,000
--------------------------	----------

Exception: If the taxes are paid towards carrying on a trade of a business, the \$10,000 capped amount does not apply

MORTGAGE INTEREST DEDUCTION

Mortgage Before 12.15.2017	\$1,000,000
Mortgage On or After 12.15.2017	\$750,000

Alternative Minimum Tax (AMT)

Filing Status	Exemption	Phaseout
Single	\$85,700	\$609,350
Head of Household	\$85,700	\$609,350
Married Filing Jointly	\$133,300	\$1,218,700
Married Filing Separately	\$66,650	\$609,350

Social Security and Medicare

TAXABLE WAGE RATES

Social Security	\$168,600
Medicare	No Income Limit

TAX RATES

Benefit	Employee	Self-Employed
Social Security	6.20%	12.40%
Medicare	1.45%	2.90%
Combined	7.65%	15.30%

Additional Medicare Tax Rate: 1.1% of employee's income if their income is above a certain level (applied to both employment and self-employment income):

Single & Head of Household	\$200,000
Married Filing Jointly	\$250,000

FULL RETIREMENT AGE (FRA)

Birth Year	Age
1943 – 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and Later	67

Dividends and Capital Gains

QUALIFIED DIVIDENDS & LONG-TERM GAINS

Single Filer	Tax Rate
\$0	0%
\$47,025	15%
Over \$518,900	20%

Married Filing Jointly	Tax Rate
\$0	0%
\$94,051	15%
Over \$583,750	20%

Head of Household	Tax Rate
\$0	0%
\$63,001	15%
Over \$551,350	20%

ORDINARY DIVIDENDS & SHORT-TERM GAINS

Taxed at Ordinary Income Tax Rates

Net Investment Income (NII) Tax

The NII Tax is 3.8% on the lesser of their net investment income or the amount by which modified AGI exceeds the statutory threshold amount based on their filing status.

Single	\$200,000
Head of Household	\$200,000
Married Filing Jointly	\$250,000

Child Tax Credit

MAXIMUM CREDIT

Single/Head of Household	\$2,000 (AGI up to \$200,000)
Joint Filers	\$2,000 (AGI up to \$400,000)
Non-Child Dependent	\$600

Kiddie Tax (Up To Age 23)

UNEARNED INCOME

The first \$1,300 of a child's unearned income qualifies for the standard deduction. The next \$1,300 is taxed at the child's income rate. Income above \$2,600 is taxed at the parents' tax bracket

529 Plans

CONTRIBUTION LIMITS

Single	\$18,000 per student (5 year prepay \$90,000)
Married Filing Jointly	\$36,000 per student (5 year prepay \$180,000)

TAX FREE WITHDRAWAL LIMITS

K-12 Tuition	\$10,000 per year per student
Undergraduate and Graduate	No Limit



2160 The Alameda Suite A, San Jose, CA
408.560.3220 ClarityWealthAdvisors.com

Retirement Plans

TRADITIONAL IRA

Account Holder	Contribution Limits
Under Age 50	\$7,000
Age 50 and Over	\$8,000

Account Holder	AGI Phaseout
Single or Head of Household	\$77,000 - \$87,000
Married Filing Jointly	\$123,000 - \$143,000
Filing Jointly/IRA of Non-Participant	\$230,000 - \$240,000

ROTH IRA

Account Holder	Contribution Limits
Under Age 50	\$7,000
Age 50 and Over	\$8,000

Account Holder	AGI Phaseout
Single or Head of Household	\$146,000 - \$161,000
Married Filing Jointly	\$230,000 - \$240,000

401(k), 403(b), AND 457 PLANS

Account Holder	Contribution Limits
Under Age 50	\$23,000
Age 50 and Over	\$30,500

SEP IRA

The lesser of \$69,000 or 25% of eligible compensation (up to \$345,000 per employee).

INDIVIDUAL 401(k) PLANS (SOLO 401(k), UNI-K)

Account Holder	Contribution Limits
Under Age 50	\$69,000
Age 50 and Over	\$76,500

DEFINED BENEFIT PENSION PLANS

The lesser of \$275,000 or 100% of the participant's average compensation for his/her highest three years.

Flexible Savings Accounts (FSA)

CONTRIBUTION LIMITS

Health Care	\$3,200
Dependent Care	\$5,000
Transportation/Transit/Parking	\$315/month
Maximum Rollover	\$640

Health Savings Accounts (HSA)

CONTRIBUTION LIMITS

	Under 55	55 and Over
Individual	\$4,150	\$5,150
Family	\$8,300	\$9,300

Can only be used with an HSA-Compatible, High Deductible Health Plans

Minimum Annual Deductibles

Individual	\$1,600
Family	\$3,200

Maximum Annual Out-of-Pocket Expenses

Individual	\$8,050
Family	\$16,100

Important Deadlines

CONTRIBUTION DEADLINES FOR TRADITIONAL IRAs, ROTH IRAs, and HSAs

2023 Contributions	04.15.2024
2024 Contributions	04.15.2025
2024 Roth Conversions	12.31.2024

Gift Tax Exclusion

Annual Gift Exclusion	\$18,000 per individual
Gift to Non-U.S. Spouse	\$185,000

Estate Tax Exclusion

Individual	\$13,610,000
Married	\$27,220,000
Maximum Estate Tax Rate	40%

Note: these tax laws are scheduled to revert back to the 2017 rules after December 31, 2025. This is for informational purposes only and neither Clarity Wealth Advisors nor its employees are tax advisors. Please contact your accountant and/or financial advisor for further guidance.

IRS Uniform Lifetime Table

Account Balances as of 12/31 ÷ Life Expectancy Factor = ^{Your}RMD

From SECURE Act 2.0. One can delay Required Minimum Distribution (RMD) until age 73.

Note: Does not apply to inherited IRAs

Age	Factor
72	27.4
73	26.5
74	25.5
75	24.6
76	23.7
77	22.9
78	22.0
79	21.1
80	20.2
81	19.4
82	18.5
83	17.7
84	16.8
85	16.0
86	15.2
87	14.4
88	13.7
89	12.9
90	12.2
91	11.5
92	10.8
93	10.1
94	9.5
95	8.9
96	8.4
97	7.8
98	7.3
99	6.8
100	6.4
101	6.0
102	5.6
103	5.2