



Contents

| | |
|---|---|
| Capital Gains | 3 |
| Standard Deduction | 3 |
| Other Deductions | 3 |
| Alternative Minimum Tax | 4 |
| Adoption Assistance Program/ Adoption credit | 4 |
| Healthcare and Benefits | 4 |
| International Taxation | 5 |
| Depreciation | 5 |
| Estate, gift & GST taxes | 5 |

2023 Projections for Inflation-Adjusted Tax Brackets and Other Amounts

► TAX RATES

2023 Tax Rate Tables – Code Sec. 1(j)(2)

Each year Wolters Kluwer provides projected inflation-adjusted tax brackets, standard deduction, personal exemption and other tax amounts.

| | If Taxable Income Is: | | The Tax Is | Of the Amount Over |
|---------------------------|-----------------------|-------------------|------------------|--------------------|
| | Over | But Not More Than | | |
| Married Filing Jointly | \$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 | | 186,601.50 + 37% | 693,750 |
| Married Filing Separately | \$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 | | 93,300.75 + 37% | 346,875 |
| Head of Household | \$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 | | 172,623.50 + 37% | 578,100 |
| Single | \$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 | | 174,238.25 + 37% | 578,125 |
| Estates and Trusts | \$0 | \$2,900 | \$0 + 10% | \$0 |
| | 2,900 | 10,550 | 290 + 24% | 2,900 |
| | 10,550 | 14,450 | 2,126 + 35% | 10,550 |
| | 14,450 | | 3,491 + 37% | 14,450 |

2023 Unearned Income of Minor Children Taxed at Parent’s Rate (the “kiddie tax”) – Code Sec. 1(j)(4)

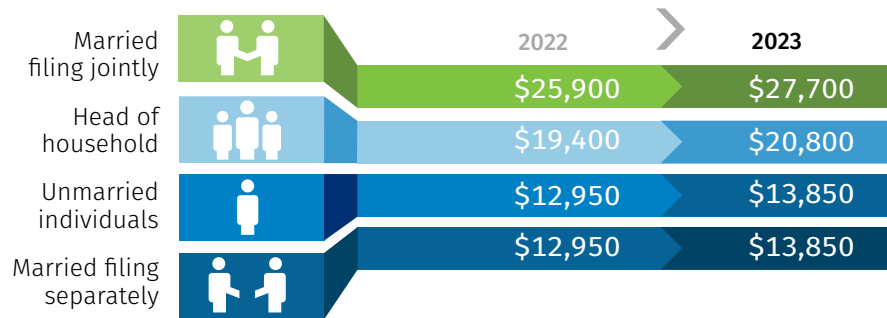
| | 2022 | 2023 | |
|-------------|---------|---------|---------------------------------|
| First | \$1,150 | \$1,250 | No tax |
| Next | \$1,150 | \$1,250 | Taxed at child’s marginal rate |
| Amount Over | \$2,300 | \$2,500 | Taxed at parent’s marginal rate |

▶ CAPITAL GAINS

2023 – Long-Term Capital Gains and Qualified Dividends Rates for Taxpayers with Taxable Income in the Specified Ranges - Code Sec. 1(j)(5)

| | 0% | 15% | 20% |
|--------------------------------|---------------------|---------------------------|----------------|
| Married filing jointly..... | \$0 – \$89,250..... | \$89,251 – \$553,850..... | over \$553,850 |
| Married filing separately..... | \$0 – \$44,625..... | \$44,626 – \$276,900..... | over \$276,900 |
| Head of household | \$0 – \$59,750..... | \$59,751 – \$523,050..... | over \$523,050 |
| Unmarried..... | \$0 – \$44,625..... | \$44,626 – \$492,300..... | over \$492,300 |
| Estates and trusts..... | \$0 – \$3,000..... | \$3,001 – \$14,650..... | over \$14,650 |

▶ STANDARD DEDUCTION



▶ OTHER DEDUCTIONS

| | 2022 | 2023 |
|---|--------------|---------|
| Minors | | |
| “Kiddie” Amount..... | \$1,150..... | \$1,250 |
| Kiddie Optional Amount + Earned Income..... | \$400..... | \$400 |
| Additional Standard Deductions | | |
| Additional Amount for Aged or Blind | \$1,400..... | \$1,500 |
| Additional Amount for Aged/Blind and Unmarried (and not a surviving spouse)..... | \$1,750..... | \$1,850 |

▶ **ALTERNATIVE MINIMUM TAX**

Exemption Amounts for AMT – Code Sec. 55(d)(1)

| | |
|--------------------------------|-----------|
| Joint Returns/Surviving..... | \$126,500 |
| Unmarried Individuals..... | \$81,300 |
| Married Filing Separate..... | \$63,250 |
| Estates and Trusts..... | \$28,400 |
| Limit for “Kiddie” Amount..... | \$ 8,800 |

Excess AMTI above Which 28-Percent Rate Applies – Code Sec. 55(b)(1)

| | |
|------------------------------|-----------|
| Joint Returns/Surviving..... | \$220,700 |
| Married Filing Separate..... | \$110,350 |

AMT Exemption Phase Out – Code Sec. 55(d)(3)

| | |
|------------------------------|-------------|
| Joint Returns/Surviving..... | \$1,156,300 |
| Unmarried Individuals..... | \$578,150 |
| Married Filing Separate..... | \$578,150 |
| Estates and Trusts..... | \$ 94,600 |

▶ **ADOPTION ASSISTANCE PROGRAM/ADOPTION CREDIT**

Adoption Tax Credit – Code Sec. 23

Adoption Assistance Program – Code Sec. 137(b)(1)

| | Credit/Exclusion Amount | Phase Out Begins | Phase Out Complete |
|------------|-------------------------|------------------|--------------------|
| 2022 | \$14,890 | \$223,410..... | \$263,410 |
| 2023 | \$15,950 | \$239,230..... | \$279,230 |

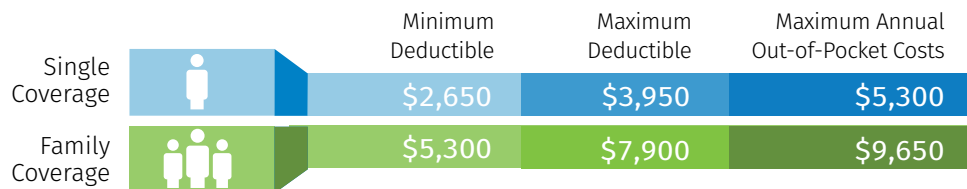
▶ **HEALTHCARE AND BENEFITS**

Employee Health Insurance Expense of Small

Employers Wage Limitation – Code Sec. 45R 2023 \$30,700

FSA Limit – Code Sec. 125 2023 \$3,050

Medical Savings Accounts – Code Sec. 220



The adjustments use the average inflation index for the 12-month period ending on August 31, 2022, published in the Chained Consumer Price Index for All Urban Consumers (C-CPI-U) by the U.S. Department of Labor on September 13, 2022.

Qualified Transportation Fringe Benefit – Code Sec. 132(f)(2)(A)

| | 2022 | 2023 |
|------------------------------------|-------|-------|
| Qualified Parking or Transit | \$280 | \$300 |

▶ INTERNATIONAL TAXATION

Foreign Earned Income Exclusion – Code Sec. 911(b)(2)

| | |
|-----------|-----------|
| 2022..... | \$112,000 |
| 2023..... | \$120,000 |

▶ DEPRECIATION

Election to Expense Certain Depreciable Assets – Code Sec. 179

| | 2022 | 2023 |
|------------------------|-------------|-------------|
| Dollar Limit..... | \$1,080,000 | \$1,160,000 |
| Investment Limit | \$2,700,000 | \$2,890,000 |

▶ ESTATE, GIFT & GST TAXES

Unified Credit Against Estate Tax (aka the Estate Tax Exemption) – Code Sec. 2010(c)(3)

| | |
|-----------|--------------|
| 2022..... | \$12,060,000 |
| 2023..... | \$12,920,000 |

Exclusion for Gifts – Code Sec. 2503

| | |
|-----------|----------|
| 2022..... | \$16,000 |
| 2023..... | \$17,000 |

Exclusion for Gifts to a Non-U.S. Citizen Spouse – Code Sec. 2523(i)(2)

| | |
|-----------|-----------|
| 2022..... | \$164,000 |
| 2023..... | \$175,000 |