



Alphons H. Weinheimer

JANUARY, 2021

Certified Public Accountant

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PERSONAL FEDERAL TAX UPDATE 2019-2021

	2021	2020	2019
STANDARD DEDUCTIONS			
Joint or Surviving Spouse	25,100	24,800	24,400
Single (Limit applies to dependent with earned income)*	12,550	12,400	12,200
Head of Household	18,800	18,650	18,350
Married Filing Separately	12,550	12,400	12,200
Additional For Elderly / Blind – Married	1,350	1,300	1,300
Additional for Elderly / Blind – Unmarried	1,700	1,650	1,650
Taxpayer Claimed as Dependent (with only unearned income)	1,100	1,100	1,100
PERSONAL / DEPENDENT EXEMPTION	None	None	None
To qualify for qualifying relative credit or head-of-household status, dependent's earnings must be under \$4,350 in 2021 and 2020			
EARNINGS SUBJECT TO SOCIAL SECURITY TAX (no limit on Medicare tax)	142,800	137,700	132,900
EARNINGS CEILING FOR RECEIVING 100% OF SOCIAL SECURITY BENEFITS (ages 62-66) (it's more for you in year of full retirement))	18,960	18,240	17,640
IRA CONTRIBUTION MAX (By April 15th)	6,000	6,000	6,000
50(+) Year Old (By Year End)	1,000	1,000	1,000
Total for the Older	7,000	7,000	7,000
ESTATE TAX			
Lifetime Exclusion (plus spouse's unused if applicable)	11,700,000	11,580,000	11,400,000
GIFT TAX			
Exclusion (up to the Estate Tax Lifetime exclusion)	11,700,000	11,580,000	11,400,000
Annual Exclusion in addition to the above			
(One to One)	15,000	15,000	15,000
(Married Couple to Married Couple)	60,000	60,000	60,000
(Gift Tax Return Can Also Be Filed Without Payment by Using Part Of The Lifetime Exclusion)			
Gifts to spouses who are not US Citizens	159,000	157,000	155,000
Additional Medicare Tax of 0.9% on earned income over:			
Married Filing Jointly	250,000	250,000	250,000
Single or Head of Household	200,000	200,000	200,000
Additional Medicare Tax of 3.8% on investment income over:			
Married Filing Jointly	250,000	250,000	250,000
Single or Head of Household	200,000	200,000	200,000

* Dependent can use earned income and additional \$350 up to the \$12,550 for 2021

(see over)

CPA

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ORDINARY FEDERAL INCOME TAX RATES SCHEDULES TAXABLE INCOME

	MARRIED FILING JOINTLY *	2021	2020	2019
10%	Up to taxable income of	19,900	19,750	19,400
12%	Over 10% level but up to	81,050	80,250	78,950
22%	Over 12% level but up to	172,750	171,050	168,400
24%	Over 22% level but up to	329,850	326,600	321,450
32%	Over 24% level but up to	418,850	414,700	408,200
35%	Over 32% level but up to	628,300	622,050	612,350
37%	Above the 35% level			

* (& SURVIVING SPOUSE IN YEAR OF SPOUSE'S DEATH)

	SINGLES	2021	2020	2019
10%	Up to taxable income of	9,950	9,875	9,700
12%	Over 10% level but up to	40,525	40,125	39,475
22%	Over 12% level but up to	86,375	85,525	84,200
24%	Over 22% level but up to	164,925	163,300	160,725
32%	Over 24% level but up to	209,425	207,350	204,100
35%	Over 32% level but up to	523,600	518,400	510,300
37%	Above the 35% level			

	HEAD OF HOUSEHOLD	2021	2020	2019
10%	Up to taxable income of	14,200	14,100	13,850
12%	Over 10% level but up to	54,200	53,700	52,850
22%	Over 12% level but up to	86,350	85,500	84,200
24%	Over 22% level but up to	164,900	163,300	160,700
32%	Over 24% level but up to	209,400	207,350	204,100
35%	Over 32% level but up to	523,600	518,400	510,300
37%	Above the 35% level			

ORDINARY FEDERAL INCOME TAX RATES SCHEDULES (Continued)

	MARRIED FILING SEPARATELY	2021	2020	2019
10%	Up to taxable income of	9,950	9,875	9,700
12%	Over 10% level but up to	40,525	40,125	39,475
22%	Over 12% level but up to	86,375	85,525	84,200
24%	Over 22% level but up to	164,925	163,300	160,725
32%	Over 24% level but up to	209,425	207,350	204,100
35%	Over 32% level but up to	314,150	311,025	306,175
37%	Above the 35% level			

ESTATE AND TRUSTS

Ordinary Rates

CAPITAL GAINS 2021	CAPITAL GAIN RATES	ESTATES & TRUSTS	2021	2020	2019
2,700	0%	10%	2,650	2,600	2,600
13,250	15%	24%	9,550	9,450	9,300
13,250	15%	35%	13,050	12,950	12,750
	20%	37% (over 35% level)			

**CAPITAL GAINS AND QUALIFIED DIVIDENDS RATE
TAXABLE INCOME (including the capital gain and Qualified Dividends) up to**

			2021	2020	2019
Married Filing Jointly	0%	up to	80,800	80,000	78,750
Unmarried and Married Filing Separately	0%	up to	40,400	40,000	39,375
Head of Household	0%	up to	54,100	53,600	52,750
Married Filing Jointly	15%	up to	501,600	496,600	488,850
Single	15%	up to	445,850	441,450	434,550
Head of Household	15%	up to	473,750	469,050	461,700
Married Filing Separately	15%	up to	250,800	248,300	244,425

20% *Above the 15% taxable household income
 28% Collectibles
 25% Depreciable Real Estate to extent of Gain
 and Depreciation Allowable

* People in this percentage bracket and above will also have the 3.8% medicare tax in addition.

Exemption amount is zero for the calculation of taxable income, but is still used in 2019 at \$4,200 and in 2020 and 2021 at \$4,300 for qualifying relatives and eligibility for head-of-household status