



EASY REFERENCE TAX GUIDE 2024

2024 ESTATE AND GIFT TAX RATES

The top tax rate applicable to estates and living gifts will be subject to a maximum tax rate of 40%.

Estate Tax	Exclusion Amount	Federal Credit	Gift Tax Exclusion
2024	\$13,610,000 ¹	\$5,389,800 ¹	\$13,610,000 ¹

States with Estate or Inheritance Taxes

CT, DC, HI, IL, IA,² KY, ME, MD, MA, MN, NE, NJ, NY, OR, PA, RI, VT, WA.

Other Estate and Gift Planning Items

	2024
Annual gift tax exclusion	\$18,000
Annual gift tax exclusion for non-U.S. citizen spouses	\$185,000
Generation-skipping tax (GST) exemption	\$13,610,000 ¹
IRC §6166 2% limit for deferred estate tax payments	\$1,850,000
Special use valuation for qualified real property	\$1,390,000

INVESTMENT AND INSURANCE PRODUCTS ARE:

- NOT FDIC INSURED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, ANY BANK OR ITS AFFILIATES
- SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED



Prudential

TRADITIONAL AND ROTH IRAS

Traditional and Roth Contribution Limits

	2024
Regular	\$7,000
Catch-Up**	\$1,000

**Only taxpayers age 50 and over are eligible to make catch-up contributions.

Roth Contribution Phaseout

MAGI phaseout range for contributions to Roth IRAs in 2024		
<ul style="list-style-type: none"> • Married filing jointly: \$230,000 – \$240,000 	<ul style="list-style-type: none"> • Married filing separately: \$0 – \$10,000 	<ul style="list-style-type: none"> • Single/HOH: \$146,000 – \$161,000

Roth contributions are now allowed for SIMPLE and SEP IRAs.

No annual income limit for determining ability to convert traditional IRA to Roth IRA.
10% Saver's Credit AGI Limits: \$76,500 (MFJ); \$38,250 (S, MFS); \$57,375 (HOH).

Traditional IRA Deductibility Rules⁴

Filing Status	Covered by Employer's Retirement Plan?	Modified AGI 2024	2024 Deductibility
Single	No	Any amount	Full deduction
		\$77,000 or less	Full deduction
	Yes	\$77,001 – \$86,999	Partial deduction
		\$87,000 or more	No deduction
Married Filing Jointly	Neither Spouse Covered	Any amount	Full deduction
	Both Spouses Covered	\$123,000 or less	Full deduction
		\$123,001 – \$142,999	Partial deduction
		\$143,000 or more	No deduction
	One Spouse Covered for Covered Spouse	\$123,000 or less	Full deduction
		\$123,001 – \$142,999	Partial deduction
		\$143,000 or more	No deduction
		\$230,000 or less	Full deduction
		\$230,001 – \$239,999	Partial deduction
	\$240,000 or more	No deduction	

QUALIFIED PLANS

	2024
Maximum elective deferral to retirement plans (e.g., 401(k), 403(b), and 457 plans, and SARSEPs)	\$23,000
Maximum elective deferral to SIMPLE 401(k) plans	\$16,000 ⁵
Limit on annual additions to SEP plans	\$69,000
Annual compensation threshold requiring SEP contribution	\$750
Limit on annual additions to defined contribution plans	\$69,000
Maximum annual compensation taken into account for contributions	\$345,000
Annual benefit limit under defined benefit plans	\$275,000
Threshold amount for definition of highly compensated employee	\$155,000
Threshold amount for definition of key employee/officer in top-heavy plans	\$220,000

Catch-Up Contribution Limits for Other Qualified Plan Types

	2024
401(k), 403(b), SARSEP, and 457 Plans	\$7,500
SIMPLE Plans	\$3,500 ⁵

PERSONAL TAX ITEMS

Standard Deductions	Annual	Add'l Age 65 or Older, or Blind
Married, Filing Jointly	\$29,200	\$1,550
Head of Household	\$21,900	\$1,950
Single/Married Filing Separately	\$14,600	\$1,950 (S) / \$1,550 (MFS)

Dependents—\$1,300 or \$450 plus earned income, if greater. Tax return is generally not required if income is less than the standard deduction.

Qual. Dividends and Long-Term Capital Gains >= 12-Month Holding Period		
Tax	Single	Married Filing Jointly
0%	\$0 – \$47,025	\$0 – \$94,050
15%	\$47,026 – \$518,900	\$94,051 – \$583,750
20%	above \$518,900	above \$583,750

Short-term capital gains at ordinary rates, less than 12-month holding period.

ACA Surtax 3.8% on Net Investment Income: Single \$200,000, MFJ \$250,000

Alternative Minimum Tax (Flat Rate 26%)	Exemption	28% Above	Phaseout Begins
Single	\$85,700	\$232,600	\$609,350
Married, Filing Jointly	\$133,300	\$232,600	\$1,218,700
Married, Filing Separately	\$66,650	\$116,300	\$609,350
Estates and Trusts	\$29,900	\$232,600	\$99,700

Kiddie Tax ¹ (more than \$1,300 and less than \$13,000) ⁶	
Earned Income	Taxed according to unmarried taxpayers (brackets and rates)
Unearned Income	Taxed according to parents' personal brackets and rates

Child's tax is unaffected by tax situation of child's parents.

Child Credit ¹	Credit	Refundable
Child, under age 16	\$2,000	\$1,700
Other dependents	\$500	\$0

MAGI Threshold: \$400,000 (MFJ), \$200,000 (S). Phaseout begins after exceeding threshold.

Health Savings Account (HSA) Contribution Limit	2024
Individuals	\$4,150
Families	\$8,300

Catch-up contribution limits for taxpayers 55 and older: \$1,000

Medicare Premiums – Modified AGI in 2022 was		Your Monthly	
Single	Married	Part B Premium is	Part D IRMAA*
\$103,000 or less	\$206,000 or less	\$174.70	\$0
\$103,001 – \$129,000	\$206,001 – \$258,000	\$244.60	\$12.90
\$129,001 – \$161,000	\$258,001 – \$322,000	\$349.40	\$33.30
\$161,001 – \$193,000	\$322,001 – \$386,000	\$454.20	\$53.80
\$193,001 – \$499,999	\$386,001 – \$749,999	\$559.00	\$74.20
\$500,000 or over	\$750,000 or over	\$594.00	\$81.00

*Part D premium determined by vendor. IRMAA surcharge added to vendor premium.

Maximum Qualified LTC Premium Eligible for Deduction

Age	40 or less	41 – 50	51 – 60	61 – 70	Over 70
Amount	\$470	\$880	\$1,760	\$4,710	\$5,880

Qualified LTC contract per diem limit: \$410

Personal Tax Items¹

- Personal exemptions and limitation on itemized deductions repealed
- Medical expenses deductible above 7.5% AGI
- State, local, real estate taxes limited to \$10,000
- Mortgage interest limited to \$750,000, home equity loans excluded
- Casualty losses only allowed for federal disaster areas
- Theft losses, moving, and miscellaneous expenses subject to 2% floor repealed
- Re-characterization of Roth conversion repealed

INCOME TAX

2024

If Taxable Income Is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married, Filing Jointly, and Surviving Spouses			
\$0	\$23,200	+ 10%	\$0
\$23,200	\$94,300	\$2,320 + 12%	\$23,200
\$94,300	\$201,050	\$10,852 + 22%	\$94,300
\$201,050	\$383,900	\$34,337 + 24%	\$201,050
\$383,900	\$487,450	\$78,221 + 32%	\$383,900
\$487,450	\$731,200	\$111,357 + 35%	\$487,450
\$731,200	—	\$196,669.50 + 37%	\$731,200
Unmarried Individual			
\$0	\$11,600	+ 10%	\$0
\$11,600	\$47,150	\$1,160 + 12%	\$11,600
\$47,150	\$100,525	\$5,426 + 22%	\$47,150
\$100,525	\$191,950	\$17,168.50 + 24%	\$100,525
\$191,950	\$243,725	\$39,110.50 + 32%	\$191,950
\$243,725	\$609,350	\$55,678.50 + 35%	\$243,725
\$609,350	—	\$183,647.25 + 37%	\$609,350
Married Individual Filing Separately			
\$0	\$11,600	+ 10%	\$0
\$11,600	\$47,150	\$1,160 + 12%	\$11,600
\$47,150	\$100,525	\$5,426 + 22%	\$47,150
\$100,525	\$191,950	\$17,168.50 + 24%	\$100,525
\$191,950	\$243,725	\$39,110.50 + 32%	\$191,950
\$243,725	\$365,600	\$55,678.50 + 35%	\$243,725
\$365,600	—	\$98,334.75 + 37%	\$365,600
Head of Household			
\$0	\$16,550	+ 10%	\$0
\$16,550	\$63,100	\$1,655 + 12%	\$16,550
\$63,100	\$100,500	\$7,241 + 22%	\$63,100
\$100,500	\$191,950	\$15,469 + 24%	\$100,500
\$191,950	\$243,700	\$37,417 + 32%	\$191,950
\$243,700	\$609,350	\$53,977 + 35%	\$243,700
\$609,350	—	\$181,954.50 + 37%	\$609,350
Estates and Trusts (Maximum 15% long-term capital gain \$15,450)			
\$0	\$3,100	+ 10%	\$0
\$3,100	\$11,150	\$310 + 24%	\$3,100
\$11,150	\$15,200	\$2,242 + 35%	\$11,150
\$15,200	—	\$3,659.50 + 37%	\$15,200

Corporations¹

- Corporations are taxed at a flat 21%
- No special personal service corporation rate
- Section 179 depreciation up to \$1,220,000. Phaseout \$3,050,000. SUV: \$30,500
- Pass-through entity tax treatment—deductible amount is the lesser of:
 - (a) 20% of the taxpayer's qualified business income, or
 - (b) the greater of: (1) 50% of the W-2 wages, or (2) the sum of 25% of the W-2 wages and 2.5% of the unadjusted basis of all qualified property
- Qualified Business Income deduction (Section 199A) phaseout for high earners in professional fields: \$383,900 – \$483,900 (MFJ); \$191,950 – \$241,950 (Others)

EDUCATION INCENTIVE

Qualified Tuition Programs (Section 529 Plans)—qualified distributions are tax-free and excluded from financial aid calculations. Expanded to include use for up to \$10,000 per year for K-12 elementary and secondary tuition, tuition for trades and apprenticeship programs, and to pay up to \$10,000 (lifetime limit) in student loan debt. Can also be rolled into 529 ABL accounts for those with special needs and may be rolled into a Roth IRA if certain requirements are met.

Lifetime Learning Credit—up to 20% of up to \$10,000 tuition paid, calculated per taxpayer. MAGI phaseout range:

- Married filing jointly \$160,000 – \$180,000
- Single \$80,000 – \$90,000

American Opportunity Tax Credit—100% on the first \$2,000 and 25% on the next \$2,000 of qualified tuition and related expenses. Up to 40% is refundable. MAGI phaseout range:

- Married filing jointly \$160,000 – \$180,000
- Single \$80,000 – \$90,000

Student Loan Interest—Maximum itemized deduction of \$2,500. MAGI phaseout range:

- Married filing jointly \$165,000 – \$195,000
- Others \$80,000 – \$95,000

SOCIAL SECURITY

Base Amount of Modified AGI Causing Social Security Benefits to Be Taxable

	50% Taxable	85% Taxable
Married, Filing Jointly	\$32,000	\$44,000
Single	\$25,000	\$34,000

Maximum Earnings Before Social Security Benefits Are Reduced

	2024
If under full retirement age, lose \$1 for every \$2 earned	\$22,320
In the year of retirement, lose \$1 for every \$3 earned in months prior to full retirement	\$59,520
At full retirement age	No Limit

Maximum Compensation Subject to FICA Taxes

	2024
OASDI (Social Security) maximum	\$168,600
HI (Medicare) maximum	No Limit

FICA tax: OASDI tax rate: 6.2% employees, 6.2% employers. HI tax rate: 1.45% employees, 1.45% employers. 15.30% self-employed.

ACA Medicare surtax: Additional 0.9% on total wages for household income over \$250,000 married filing jointly, \$125,000 married filing separately, and \$200,000 for others.

¹ Under TCJA, personal, estate, and business pass-through tax changes all sunset 12/31/2025. Corporate changes are permanent.

² In 2021, Iowa began phasing out its inheritance tax over a five-year period.

³ The Required Beginning Date for RMDs is generally April 1 of the year following the year the IRA owner reached the applicable age. The applicable age is determined based on the following:

If you were born:	Your “applicable age” is:
On or before June 30, 1949	70½
July 1, 1949 – 1950	72
1951 – 1959	73*
1960 or later	75

*Based on a recent clarification, the RMD age for those born in 1959 appears to be age 73.

⁴ As of 01/01/2020, taxpayers who have earned income will be able to contribute to a traditional IRA regardless of age. This mirrors the current rules for Roth IRA contributions.

⁵ Under Secure 2.0, 2024 the limit is increased to 110% of the amount listed for an employer with 25 or fewer employees or an employer with 26 to 100 employees if the employer either provides a 4% matching contribution or a 3% employer contribution.

⁶ The budget legislation that includes the SECURE Act repealed the Kiddie Tax on unearned income at trust/estate rates and returned it to personal tax rates.

REQUIRED MINIMUM DISTRIBUTIONS (RMDs)³**Uniform Lifetime Table**

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

SECURE 2.0 reduced the excise tax for failure to take RMDs from 50% to 25%.

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