



2023 TAX PLANNING GUIDE

www.copperledger.com

info@copperledger.com

2023 Tax Brackets

Married, filing jointly (%)	
Up to \$22,000	10%
\$22,001 to \$89,450	12%
\$89,451 to \$190,750	22%
\$190,751 to \$364,200	24%
\$364,201 to \$462,500	32%
\$462,501 to \$693,750	35%
Over \$693,750	37%
Single (%)	
Up to \$11,000	10%
\$11,001 to \$44,725	12%
\$44,726 to \$95,375	22%
\$95,376 to \$182,100	24%
\$182,101 to \$234,250	32%
\$234,251 to \$578,125	35%
Over \$578,125	37%
Married, filing separately (%)	
Up to \$11,000	10%
\$11,001 to \$44,725	12%
\$44,726 to \$95,375	22%
\$95,376 to \$182,100	24%
\$182,101 to \$231,250	32%
\$231,251 to \$346,875	35%
Over \$346,875	37%
Head of household (%)	
Up to \$15,750	10%
\$15,751 to \$59,850	12%
\$59,851 to \$95,350	22%
\$95,351 to \$182,100	24%
\$182,101 to \$231,250	32%
\$231,251 to \$578,100	35%
Over \$578,100	37%
Estates and trusts (%)	
Up to \$2,900	10%
\$2,901 to \$10,550	24%
\$10,551 to \$14,450	35%
Over \$14,450	37%

Long-term capital gains/qualified dividends rates

0% rate when taxable income is below:	
Married, filing jointly	\$89,250
Single	\$44,625
Married, filing separately	\$44,625
Head of household	\$59,750
Estates and trusts	\$3,000
15% rate when taxable income is below:	
Married, filing jointly	\$89,250
Single	\$44,625
Married, filing separately	\$44,625
Head of household	\$59,750
Estates and trusts	\$3,000

20% rate applies to higher taxable income amounts; 28% rate generally applies to capital gains on collectibles

Capital loss limit	
Married, filing jointly	\$3,000
Single	\$3,000
Married, filing separately	\$1,500

If your capital loss exceeds your capital gains

Standard deduction	
Married, filing jointly	\$27,700
Single	\$13,850
Married, filing separately	\$13,850
Head of household	\$20,800

Blind or over 65: additional \$1,500 if married; \$1,850 if single or head of household

Estate and gift tax	
Transfer tax rate (maximum)	40%
Estate tax exemption	\$12,920,000
Gift tax exemption	\$12,920,000
Generation-skipping transfer exemption	\$12,920,000
Annual gift tax exclusion	\$17,000

Retirement

IRA and Roth IRA contributions	
Under age 50	\$6,500
Aged 50 and over	\$7,500
Phaseout for deducting IRA contributions	
Married, filing jointly	\$116,000-\$136,000 MAGI ¹
Married, filing jointly ²	\$218,000-\$228,000 MAGI ¹
Single or head of household	\$73,000-\$83,000 MAGI ¹
Phaseout of Roth contribution eligibility	
Married, filing jointly	\$218,000-\$228,000 MAGI ¹
Single	\$138,000-\$153,000 MAGI ¹
Married, filing separately	\$0-\$10,000 MAGI ¹
SEP contribution	
Up to 25% of compensation	Limit \$66,000
To participate in SEP	\$750
SIMPLE elective deferral	
Under age 50	\$15,000
Aged 50 and over	\$19,000
Qualified plan contributions	
401(k), 403(b), 457 and SARSEP	\$22,500
Aged 50 and over	\$30,000
Limit on additions to defined contribution plan	\$66,000
Benefit limit on defined benefit plan	\$265,000
Highly compensated employee makes	\$150,000
Annual compensation taken into account for qualified plans	\$330,000

Kiddie tax	
Earned income is taxed at single tax bracket rates.	
Unearned income in excess of \$2,500 is taxed at the rates of the child's parents.	

Education

529 education savings plans	
529 plan contributions, per individual	\$17,000 per year before gift tax
529 plan contributions, per couple	\$34,000 per year before gift tax
Accelerate 5 years of gifting into 1 year per individual	\$85,000
Per couple	\$170,000
Lifetime learning credits	
Maximum credit	\$2,000
Phaseout - single	\$80,000-\$90,000 MAGI ¹
Phaseout - joint	\$160,000-\$180,000 MAGI ¹
American opportunity tax credit	
Maximum credit	\$2,500
Phaseout - single	\$80,000-\$90,000 MAGI ¹
Phaseout - joint	\$160,000-\$180,000 MAGI ¹
Coverdell education savings account	
Contribution	\$2,000
Phaseout - single	\$95,000-\$110,000 MAGI ¹
Phaseout - joint	\$190,000-\$220,000 MAGI ¹
Student loan interest	
Deduction limit	\$2,500
Phaseout - single	\$75,000-\$90,000 MAGI ¹
Phaseout - joint	\$155,000-\$185,000 MAGI ¹
Phaseout of tax-free savings bond interest	
Married, filing jointly	\$137,800-\$167,800 MAGI ¹
Single	\$91,850-\$106,850 MAGI ¹

¹ Modified adjusted gross income
² Phaseout occurs when an IRA contributor isn't a participant in a qualified plan but the spouse is.