

| ESTATE AND GIFT TAX | | |
|---------------------|--------------|--------------|
| | 2022 | 2023 |
| Estate tax: | | |
| Exclusion amount | \$12,060,000 | \$12,920,000 |
| Maximum tax rate | 40% | 40% |
| Gift tax: | | |
| Exemption | \$12,060,000 | \$12,920,000 |
| Annual exclusion | 16,000 | 17,000 |

| CORPORATE INCOME TAX RATES | | |
|----------------------------|--|---------------|
| REGULAR TAX | | |
| 2022 & 2023 | | Flat Rate 21% |

| NET OPERATING LOSSES | | |
|----------------------------------|------------|------------|
| LIMITATION ON CARRYFORWARD: | | |
| | 2022 | 2023 |
| Taxable income limitation of NOL | 80% | 80% |
| Period of Carryover | Indefinite | Indefinite |

| LIMITATION ON CARRYBACK: | | |
|--------------------------|-------------|-------------|
| Period of Carryback | Not allowed | Not allowed |

| MICHIGAN TAXPAYERS | | |
|---|--|-----------|
| CORPORATE INCOME TAX (CIT) | | |
| Tax rate | | 6.00% |
| Filing threshold (apportioned gross receipts) | | \$350,000 |

| INDIVIDUAL INCOME TAX | | |
|-----------------------|---------|---------|
| | 2022 | 2023 |
| Tax rate | 4.25% | 4.25% |
| Personal exemption | \$5,000 | \$5,300 |

| PER DIEM RATES* | | |
|-------------------------------|--------------------|-------------------|
| | High Cost Locality | Low Cost Locality |
| Meals and incidental expenses | \$74 | \$64 |
| Lodging | 223 | 140 |
| Total | \$297 | \$204 |

*Using the simplified method of determination.

| SECTION 199A DEDUCTION | | |
|---|--|--|
| Maximum qualified business income deduction: 20% | | |
| Limitation: | | |
| 1. 50% of W-2 wages, or | | |
| 2. 25% of W-2 wages + 2.5% of qualified property. | | |

| | | |
|--|-------------------|-------------------|
| | 2022 | 2023 |
| Phase-in of W-2 wages and qualified property limitations: | | |
| Joint return (taxable income) | \$340,100/440,100 | \$364,200/464,200 |
| Single (taxable income) | 170,050/220,050 | 182,100/232,100 |
| Phase-out for specified service trade or businesses: | | |
| Joint return (taxable income) | \$340,100/440,100 | \$364,200/464,200 |
| Single (taxable income) | 170,050/220,050 | 170,050/220,050 |

| EMPLOYMENT TAX RATES | | |
|--|-----------|-----------|
| SOCIAL SECURITY AND MEDICARE TAXES | | |
| | 2022 | 2023 |
| Social Security wage base | \$147,000 | \$160,200 |
| Social Security tax rate: | | |
| Employee | 6.20% | 6.20% |
| Employer | 6.20% | 6.20% |
| Medicare tax rate: | | |
| Employee | 1.45% | 1.45% |
| Employer | 1.45% | 1.45% |
| Total Social Security and Medicare taxes: | | |
| Employee | 7.65% | 7.65% |
| Employer | 7.65% | 7.65% |
| Total | 15.30% | 15.30% |
| Additional 0.9% Medicare tax on wages and self-employment income in excess of: | | |
| Joint return | \$250,000 | \$250,000 |
| Single | 200,000 | 200,000 |

| DEPRECIATION | | |
|----------------------------|--------------|-------------|
| BONUS DEPRECIATION | | |
| Bonus depreciation rate | 2022 100% | 2023 80% |
| SECTION 179 DEDUCTION | | |
| | 2022 | 2023 |
| Deduction limit* | \$1,080,000 | \$1,160,000 |
| Qualifying property limit* | 2,700,000 | 2,890,000 |
| SUV deduction limit* | 27,000 | 28,900 |

*Permanent and is indexed for inflation beginning in 2019

| LUXURY AUTO MAXIMUM DEDUCTION | | |
|-------------------------------------|----------|----------|
| | 2022 | 2023 |
| First year | \$11,200 | \$12,200 |
| First year, with bonus depreciation | 19,200 | 20,200 |
| Second year | 18,000 | 19,500 |
| Third year | 10,800 | 11,700 |
| Fourth year and thereafter | 6,460 | 6,960 |

| AUTO STANDARD MILEAGE ALLOWANCES | | | |
|----------------------------------|----------|----------------|------------|
| | Business | Medical/Moving | Charitable |
| 2022 (1/1 - 6/30) | 58.5¢ | 18.0¢ | 14.0¢ |
| 2022 (7/1 - 12/31) | 62.5¢ | 22.0¢ | 14.0¢ |
| 2023 | 65.5¢ | 22.0¢ | 14.0¢ |



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2023 TAX GUIDE



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INDIVIDUAL INCOME TAX RATES

| REGULAR TAX 2022 | BASE TAXABLE INCOME | TAX ON BASE | % ON EXCESS OVER BASE |
|--|---------------------|-------------------|-----------------------|
| Joint return | \$ 0 | \$ 0 | 10% |
| | 20,550 | 2,055 | 12% |
| | 83,550 | 9,615 | 22% |
| | 178,150 | 30,427 | 24% |
| | 340,100 | 69,295 | 32% |
| | 431,900 | 98,671 | 35% |
| Single | 647,850 | 174,254 | 37% |
| | \$ 0 | \$ 0 | 10% |
| | 10,275 | 1,028 | 12% |
| | 41,775 | 4,808 | 22% |
| | 89,075 | 15,214 | 24% |
| | 170,050 | 34,648 | 32% |
| Head of household | 215,950 | 49,336 | 35% |
| | 539,900 | 162,718 | 37% |
| | \$ 0 | \$ 0 | 10% |
| | 14,650 | 1,465 | 12% |
| | 55,900 | 6,415 | 22% |
| | 89,050 | 13,708 | 24% |
| 2023 | 170,050 | 33,148 | 32% |
| | 215,950 | 47,836 | 35% |
| | 539,900 | 161,219 | 37% |
| | \$ 0 | \$ 0 | 10% |
| | 22,000 | 2,200 | 12% |
| | 89,450 | 10,294 | 22% |
| Single | 190,750 | 32,580 | 24% |
| | 364,200 | 74,208 | 32% |
| | 462,500 | 105,664 | 35% |
| | 693,750 | 186,602 | 37% |
| | \$ 0 | \$ 0 | 10% |
| | 11,000 | 1,100 | 12% |
| Head of household | 44,725 | 5,147 | 22% |
| | 95,375 | 16,290 | 24% |
| | 182,100 | 37,104 | 32% |
| | 231,250 | 52,832 | 35% |
| | 578,125 | 174,238 | 37% |
| | \$ 0 | \$ 0 | 10% |
| | 15,700 | 1,570 | 12% |
| 2023 | 59,850 | 6,868 | 22% |
| | 95,350 | 14,678 | 24% |
| | 182,100 | 35,498 | 32% |
| | 231,250 | 51,226 | 35% |
| | 578,100 | 172,624 | 37% |
| LONG-TERM CAPITAL GAINS AND QUALIFIED DIVIDENDS | | | |
| 2022 *Married filing separate thresholds are one-half of these amounts | | | |
| Joint return* | Single | Head of Household | Tax Rate |
| \$0 to \$83,350 | \$0 to \$41,675 | \$0 to \$55,800 | 0% |
| 83,351 to 517,200 | 41,676 to 459,750 | 55,801 to 488,500 | 15% |
| 517,201 or more | 459,751 or more | 488,501 or more | 20% |
| 2023 | | | |
| Joint return* | Single | Head of Household | Tax Rate |
| \$0 to \$89,250 | \$0 to \$44,625 | \$0 to \$59,750 | 0% |
| 89,251 to 553,850 | 44,626 to 492,300 | 59,751 to 523,050 | 15% |
| 553,851 or more | 492,301 or more | 523,051 or more | 20% |

INDIVIDUALS

| STANDARD DEDUCTION | 2022 | 2023 |
|--|-----------------------|-----------------------|
| Standard deduction | | |
| Joint return | \$25,900 | \$27,700 |
| Single | 12,950 | 13,850 |
| Head of household | 19,400 | 20,800 |
| Additional deduction for the blind and/or elderly: | | |
| Joint return (each) | \$1,400 | \$1,500 |
| Single | 1,750 | 1,850 |
| ALTERNATIVE MINIMUM TAX (AMT) | | |
| | 2022 | 2023 |
| Tax rate: | | |
| 26% of AMT income up to: | \$206,100 | \$220,700 |
| Plus 28% of AMT income in excess of: | 206,100 | 220,700 |
| Exemption: | | |
| Joint return | \$118,100 | \$126,500 |
| Single | 75,900 | 81,300 |
| Exemption phaseout: | | |
| Joint return | \$1,079,800/1,552,200 | \$1,156,300/1,662,300 |
| Single | 539,900/843,500 | 578,150/903,350 |
| DEPENDENT TAX CREDITS | | |
| | 2022 | 2023 |
| Dependent child under age 17 | \$2,000 | \$2,000 |
| Maximum refundable portion | 1,500 | 1,600 |
| Child 17 & older or Other Dependents | 500 | 500 |
| AMERICAN OPPORTUNITY CREDIT* | | |
| | 2022 | 2023 |
| Maximum credit | \$2,500 | \$2,500 |
| Phaseout: | | |
| Joint return | \$160,000/180,000 | \$160,000/180,000 |
| Single | 80,000/90,000 | 80,000/90,000 |
| *Not allowed under married filing separately | | |
| LIFETIME LEARNING CREDIT | | |
| | 2022 | 2023 |
| Maximum credit | \$2,000 | \$2,000 |
| Phaseout: | | |
| Joint return | \$160,000/180,000 | \$160,000/180,000 |
| Single | 80,000/90,000 | 80,000/90,000 |
| STUDENT LOAN INTEREST DEDUCTION | | |
| | 2022 | 2023 |
| Maximum deduction | \$2,500 | \$2,500 |
| Phaseout: | | |
| Joint return | \$145,000/175,000 | \$155,000/185,000 |
| Single | 70,000/85,000 | 75,000/90,000 |
| ITEMIZED DEDUCTION FOR MEDICAL EXPENSES | | |
| | 2022 | 2023 |
| Percentage of AGI floor | 7.5% | 7.5% |

INDIVIDUALS

| ADDITIONAL 3.8% MEDICARE TAX ON NET INVESTMENT INCOME | | |
|--|-------------------|-------------------|
| Lesser of: 1) net investment income or 2) Modified Adjusted Gross Income (MAGI) in excess of: | | |
| Joint return | | \$250,000 |
| Single/Head of Household | | 200,000 |
| RETIREMENT PLAN CONTRIBUTION LIMITS | | |
| INDIVIDUAL AND CORPORATE LIMITATIONS | | |
| Annual deferral limits: | 2022 | 2023 |
| 401(k)/403(b) | \$20,500 | \$22,500 |
| SIMPLE Plan | 14,000 | 15,500 |
| Individual Retirement Account (IRA) | 6,000 | 6,500 |
| Roth IRA | 6,000 | 6,500 |
| Catch-up contribution for taxpayers age 50 and over: | | |
| 401(k)/403(b) | \$6,500 | \$7,500 |
| SIMPLE Plan | 3,000 | 3,500 |
| Individual Retirement Account (IRA) | 1,000 | 1,000 |
| Roth IRA | 1,000 | 1,000 |
| Traditional IRA deduction phaseout: | | |
| Unmarried and active participant | \$68,000/78,000 | \$73,000/83,000 |
| MFJ - nonparticipating spouse | 204,000/214,000 | 218,000/228,000 |
| MFJ - participating spouse | 109,000/129,000 | 116,000/136,000 |
| Roth IRA contribution eligibility: | | |
| Joint return | \$204,000/214,000 | \$218,000/228,000 |
| Single, head of household | 129,000/144,000 | 138,000/153,000 |
| Other information: | | |
| Compensation limit | \$305,000 | \$330,000 |
| HEALTH SAVINGS ACCOUNTS (HSA) | | |
| | 2022 | 2023 |
| Individual | \$3,650 | \$3,850 |
| Family | 7,300 | 7,750 |
| Catch-up contribution (age 55+) | 1,000 | 1,000 |
| FLEXIBLE SPENDING ACCOUNTS (FSA) | | |
| | 2022 | 2023 |
| Maximum Deduction | \$2,850 | \$3,050 |
| SOCIAL SECURITY BENEFITS | | |
| TAXABLE SOCIAL SECURITY BENEFITS | | |
| Provisional income* | | |
| Married | Single | % Subject to Tax |
| Over \$32,000 | Over \$25,000 | 50% |
| Over \$44,000 | Over \$34,000 | 85% |
| *Provisional income includes adjusted gross income, tax exempt interest, certain foreign source income and one-half of Social Security benefits. | | |
| MAXIMUM ANNUAL EARNED INCOME LIMIT* | | |
| | 2022 | 2023 |
| Below full retirement age | \$19,560 | \$21,240 |
| Year full retirement age reached | 51,960 | 56,520 |
| Full retirement age | no limit | no limit |
| *Earned income exceeding this limit results in reduction of Social Security benefits. | | |