



BUILDING AND MAINTAINING
YOUR NET WORTH

The following table provides some important federal tax information for 2019, as compared with 2018. Some of the dollar amounts remain unchanged, while some changed slightly due to inflation.

Social Security / Medicare	2019	2018
Social Security tax wage base	\$132,900	\$128,400
Medicare tax wage base	No limit	No limit
Employee portion of Social Security	6.2%	6.2%
Employee portion of Medicare	1.45%	1.45%
Individual Retirement Accounts	2019	2018
Roth IRA Individual, up to 100% of earned income	\$6,000	\$5,500
Traditional IRA Individual, up to 100% of earned Income	\$6,000	\$5,500
Roth and traditional IRA additional annual "catch-up" contributions for account owners age 50 and older	\$1,000	\$1,000
Qualified Plan Limits	2019	2018
Defined Contribution Plan limit on additions on <i>Sections 415(c)(1)(A)</i>	\$56,000	\$55,000
Defined Benefit Plan limit on benefits (<i>Section 415(b)(1)(A)</i>)	\$225,000	\$220,000
Maximum compensation used to determine contributions	\$280,000	\$275,000
401(k), SARSEP, 403(b) Deferrals (<i>Section 402(g)</i>), & 457 deferrals (<i>Section 457(b)(2)</i>)	\$19,000	\$18,500
401(k), 403(b), 457 & SARSEP additional "catch-up" contributions for employees age 50 and older	\$6,000	\$6,000
SIMPLE deferrals (<i>Section 408(p)(2)(A)</i>)	\$13,000	\$12,500
SIMPLE additional "catch-up" contributions for employees age 50 and older	\$3,000	\$3,000
Compensation defining highly compensated employee (<i>Section 414(q)(1)(B)</i>)	\$125,000	\$120,000
Compensation defining key employee (officer)	\$180,000	\$175,000
Compensation triggering Simplified Employee Pension contribution requirement (<i>Section 408(k)(2)(c)</i>)	\$600	\$600
Driving Deductions	2019	2018
Business mileage, per mile	\$0.58	\$0.545
Charitable mileage, per mile	\$0.14	\$0.14
Medical and moving, per mile	\$0.20	\$0.18

Business Equipment	2019	2018
Maximum Section 179 deduction	\$1,020,000	\$1,000,000
Phase out for Section 179	\$2,550,000	\$2,500,000
Transportation Fringe Benefit Exclusion	2019	2018
Monthly commuter highway vehicle and transit pass	\$265	\$260
Monthly qualified parking	\$265	\$260
Standard Deduction	2019	2018
Married filing jointly	\$24,400	\$24,000
Single / Married filing separately	\$12,200	\$12,000
Head of household	\$18,350	\$18,000
Domestic Employees	2019	2018
Threshold when a domestic employer must withhold and pay FICA for babysitters, house cleaners, etc.	\$2,100	\$2,100
Kiddie Tax	2019	2018
Net unearned income not subject to the "Kiddie Tax"	\$2,200	\$2,100
Estate Tax	2019	2018
Federal estate tax exemption	\$11,400,000	\$11,180,000
Maximum estate tax rate	40%	40%
Annual Gift Exclusion	2019	2018
Per recipient	\$15,000	\$15,000



For further questions or clarification on the tax figures for 2019, please contact our tax advisors!

216-566-9000 | info@barneswendling.com