2019 Tax Pocket Guide

Business

Depreciation	
36-Month Assets (Straight-Line)	Most software
3-Year Assets (200% DB)	Dies, molds, small tools, certain horses, tractor units
5-Year Assets (200% DB)	Autos, computers, office machinery, taxis, buses, trucks, cattle, private aircraft, appliances, carpeting, furniture, farm equipment
7-Year Assets (200% DB)	Most manufacturing equipment, office furniture, printing equipment, oil and gas production equipment
15-Year Assets (150% DB)	Land improvements other than buildings, retail fuel outlets
27.5-Year Assets (Straight-Line)	Rental houses, apartments, low-income housing
39-Year Assets (Straight-Line)	Nonresidential buildings

Personal Property Depreciation

Dongolation

Percent of Original Depreciable Basis under 200% DB Method ambia a ha a fau maid au ntion)

(Not applicable for mid-quarter convention
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Recovery Year	3-Year Class	5-Year Class	7-Year Class
1	33.33	20.00	14.29
2	44.45	32.00	24.49
3	14.81	19.20	17.49
4	7.41	11.52	12.49
5		11.52	8.93
6		5.76	8.92
7			8.93
8			4.46

Section 179 Expense

	2019	2018
Maximum expense election	\$1,020,000	\$1,000,000
Phaseout threshold	\$2,550,000	\$2,500,000

Capital Gains — 2019 & 2018 **Holding Period Top Capital Gains Rate**

-	2019	2018	
12 months or less	37% ¹	37% ¹	
More than 12 months	20%1,2	20%1,2	
Depreciation recapture on real estate	25%	25%	
Collectibles and certain			
small business stock	28%	28%	

¹ Capital gain rates may be subject to an additional 3.8% Medicare tax.

² Rate for taxpayers in the top income tax bracket. (Middle income tax brackets pay 15%.)



Corporate Income Tax Rates

2018 and 2019 Tax Year

- For tax years beginning after 12/31/17, the C Corporation Federal tax rate is a flat 21%.
- · Owners of business entities, which are not taxed as C Corporations, are eligible for a 20% Qualified Business Income (QBI) deduction.
- · The deduction for QBI may be limited and/or subject to phase-out, depending on the taxable income of the individual, as well as such factors as the type of business, amount of wages paid by the business, and amount of capital assets owned by the business.
- For income above \$315,000, the legislation phases in limits on what otherwise would be an effective marginal rate of not more than 29.6%.
- Personal Service Corporations 21% flat tax rate.
- Capital Gains Tax Rate for C Corporations Same as regular rate.

Regular Tax - 2017 Tax Year

If Taxable Income	Your Tax Is:	Of Amount
Is Between:		Over:
\$ 0 - \$ 50,00	0	\$ 0
\$ 50,001 - \$ 75,00	0 \$ 7,500 + 25%	\$ 50,000
\$ 75,001 - \$ 100,00	0 \$ 13,750 + 34%	\$ 75,000
\$ 100,001 - \$ 335,00	0 \$ 22,250 + 39%	\$ 100,000
\$ 335,001 - \$10,000,00	0 \$ 113,900 + 34%	\$ 335,000
\$10,000,001 - \$15,000,00	3,400,000 + 35%	\$10,000,000
\$15,000,001 - \$18,333,33	3 \$5,150,000 + 38%	\$15,000,000
\$18,333,334 and above	a flat 35%	

Personal Service Corporations - 35% flat tax rate Capital Gains Tax Rate - Same as regular rate.

Estate and	l Gi	ift Taxe	es	
Estate Taxes	2	2019		2018
Estate tax exemption Unified estate tax credit Top estate tax rate		,400,000 ,505,800 40%		1,180,000 4,417,800 40%
Gift Taxes	2	2019		2018
Lifetime gift tax exemption Annual gift tax exclusion	\$11	,400,000	\$1	1,180,000
Gifts per person	\$	15,000	\$	15,000
Joint gifts by spouse	\$	30,000	\$	30,000
Top gift tax rate		40%		40%
Standard	De	ductior	ı	
		2019		2018
Married, filing jointly	\$	24,400	\$	24,000
Married, filing separately	\$	12,200	\$	12,000
Single	\$	12,200	\$	12,000
Head of household	\$	18,350	\$	18,000
Additional – blind or elderly				
Single	\$	1,650	\$	1,600
Married	\$	1,300	\$	1,300

*Many itemized deductions were eliminated or restricted starting in 2018.

Alternative Minimum Tax			
AMT Exemptions	2019	2018	
Married, filing jointly	\$111,700	\$109,400	
Married, filing separately	\$ 55,850	\$ 54,700	
Single	\$ 71,700	\$ 70,300	
Head of household	\$ 71,700	\$ 70,300	

Coverdell ESAs — 2019 & 2018

	2019	2018		
 Contribution limit 	\$ 2,000 per beneficiary	\$ 2,000 per beneficiary		
 AGI phaseouts:* 				
Joint filers	\$190,000 - \$220,000	\$190,000 - \$220,000		
Individual filers	\$ 95,000 - \$ 110,000	\$ 95,000 - \$ 110,000		
* Phaseout applies to the contributor, not the beneficiary.				

Long-Term Care Insurance					
If you are:		nay deduc our annua			
		2019		2018	
Over 70	\$	5,270	\$	5,200	
61 to 70	\$	4,220	\$	4,160	
51 to 60	\$	1,580	\$	1,560	
41 to 50	\$	790	\$	780	
40 and under	\$	420	\$	420	

Personal Exemptions 2019 & 2018 2017 Deduction for each taxpayer, * spouse, and dependent \$ 4.050 There is an AGI phaseout beginning at: Married, filing jointly \$ 313,800 Married, filing separately \$ 156.900 Single \$ 261.500 Head of household \$ 287.650

* There are no personal exemption amounts for 2018 and 2019.

Standard Mileage Rates			
Use		2019	2018
Business		58¢ per mile	54.5¢ per mile
Moving		20¢ per mile*	18¢ per mile
Medical		20¢ per mile	18¢ per mile
Charitable		14¢ per mile	14¢ per mile

*For members of the U.S. Armed Forces (or their spouse or dependents).

Be sure to check out **INSIGHTS** at www.cohencpa.com for resources and information regarding technical tax and accounting topics, legislative happenings, industry updates, business insights and more.

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2019 Tax Pocket Guide

2019 Individual Income Tax Rates*

Regular Tax - Married, Filing Jointly or Surviving Spouse

If Taxable Income	Your Tax Is:	Of Amount
Is Between:		Over:
\$ 0 - \$ 19,400	10%	\$ 0
\$ 19,401 - \$ 78,950	\$ 1,940 + 12%	\$ 19,400
\$ 78,951 - \$ 168,400	\$ 9,086 + 22%	\$ 78,950
\$168,401 - \$ 321,450	\$ 28,765 + 24%	\$168,400
\$321,451 - \$408,200	\$ 65,497 + 32%	\$321,400
\$408,201 - \$612,350	\$ 93,257 + 35%	\$408,200
\$ 612,351 and above	\$164,710 + 37%	\$612,350

Married, Filing Separately

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 - \$ 9,700	10%	\$ 0
\$ 9,701 - \$ 39,475	\$ 970 + 12%	\$ 9,700
\$ 39,476 - \$ 84,200	\$ 4,543 + 22%	\$ 39,475
\$ 84,201 - \$ 160,725	\$ 14,383 + 24%	\$ 84,200
\$160,726 - \$204,100	\$ 32,749 + 32%	\$160,725
\$204,101 - \$ 306,175	\$ 46,629 + 35%	\$204,100
\$306,176 and above	\$ 82,355 + 37%	\$306,175

Single

If Taxable Income	Your Tax Is:	Of Amount
Is Between:		Over:
\$ 0 - \$ 9,700	10%	\$ 0
\$ 9,701 - \$ 39,475	\$ 970 + 12%	\$ 9,700
\$ 39,476 - \$ 84,200	\$ 4,543 + 22%	\$ 39,475
\$ 84,201 - \$ 160,725	\$ 14,383 + 24%	\$ 84,200
\$160,726 - \$204,100	\$ 32,749 + 32%	\$160,725
\$204,101 - \$ 510,300	\$ 46,629 + 35%	\$204,100
\$ 510,301 and above	\$153,799 + 37%	\$510,300

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 - \$ 13,850	10%	\$ 0
\$ 13,851 - \$ 52,850	\$ 1,385 + 12%	\$ 13,850
\$ 52,851 - \$ 84,200	\$ 6,065 + 22%	\$ 52,850
\$ 84,201 - \$ 160,700	\$ 12,962 + 24%	\$ 84,200
\$160,701 - \$204,100	\$ 31,322 + 32%	\$160,700
\$204,101 - \$ 510,300	\$ 45,210 + 35%	\$204,100
\$510,301 and above	\$152,380 + 37%	\$510,300

2019 Qualified Dividend Income 15%* (0% for lower tax brackets)

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*Individuals in the top tax bracket will pay 23.8% (20% plus a 3.8% Medicare surtax). Note: Tax amounts have been rounded up to nearest dollar.

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2018 Individual Income Tax Rates*

Regular Tax – Married, Filing Jointly or Surviving Spouse

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 - \$ 19,050	10%	\$ 0
\$ 19,051 - \$ 77,400	\$ 1,905 + 12%	\$ 19,050
\$ 77,401 - \$ 165,000	\$ 8,907 + 22%	\$ 77,400
\$165,001 - \$315,000	\$ 28,179 + 24%	\$165,000
\$315,001 - \$ 400,000	\$ 64,179 + 32%	\$315,000
\$400,001 - \$ 600,000	\$ 91,379 + 35%	\$400,000
\$ 600,001 and above	\$161,379 + 37%	\$600,000

Married, Filing Separately

If Taxable Income	Your Tax Is:	Of Amount
Is Between:		Over:
\$ 0 - \$ 9,525	10%	\$ 0
\$ 9,526 - \$ 38,700	\$ 953 + 12%	\$ 9,525
\$ 38,701 - \$ 82,500	\$ 4,454 + 22%	\$ 38,700
\$ 82,501 - \$ 157,500	\$ 14,090 + 24%	\$ 82,500
\$ 157,501 - \$ 200,000	\$ 32,090 + 32%	\$ 157,500
\$200,001 - \$ 300,000	\$ 45,690 + 35%	\$200,000
\$300,001 and above	\$ 80,690 + 37%	\$300,000

Single

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
\$ 0 - \$ 9,525	10%	\$ 0
\$ 9,526 - \$ 38,700	\$ 953 + 12%	\$ 9,525
\$ 38,701 - \$ 82,500	\$ 4,454 + 22%	\$ 38,700
\$ 82,501 - \$ 157,500	\$ 14,090 + 24%	\$ 82,500
\$ 157,501 - \$ 200,000	\$ 32,090 + 32%	\$ 157,500
\$200,001 - \$ 500,000	\$ 45,690 + 35%	\$200,000
\$500,001 and above	\$150,690 + 37%	\$500,000

Head of Household

If Taxable Income Is Between:	Your Tax Is:	Of Amount Over:
is between:		Over:
\$ 0 - \$ 13,6	10%	\$ 0
\$ 13,601 - \$ 51,8	00 \$ 1,360 + 12%	\$ 13,600
\$ 51,801 - \$ 82,5	00 \$ 5,944 + 22%	\$ 51,800
\$ 82,501 - \$ 157,50	00 \$ 12,698 + 24%	\$ 82,500
\$ 157,501 - \$ 200,0	00 \$ 30,698 + 32%	\$ 157,500
\$200,001 - \$ 500,0	00 \$ 44,298 + 35%	\$200,000
\$ 500,001 and above	\$149,298 + 37%	\$500,000

2018 Qualified Dividend Income 15%* (0% for lower tax brackets

*Individuals in the top tax bracket will pay 23.8% (20% plus a 3.8% Medicare surtax). Note: Tax amounts have been rounded up to nearest dollar.

Retirement Plans

Indexed Contribution & Benefit Limits for Qualified Plans

Type of Plan		2019		2018
Individual Retirement Accounts (IRAs)*	\$	6,000	\$	5,500
Section 401(k) plans or SAR-SEPs*	\$	19,000	\$	18,500
Section 403(b) plans*	\$	19,000	\$	18,500
Section 408(p)(2)(E) SIMPLE contributions*	\$	13,000	\$	12,500
Section 457(b)(2) limit*	\$	19,000	\$	18,500
Section 415 limit for:				
Defined contribution plans ⁺	\$	56,000	\$	55,000
Defined benefit plans	\$ 3	225,000	\$	220,000
Highly compensated employees Section 414(q)	\$	125,000	\$	120,000
FICA taxable wage base				
Social Security	\$	132,900	\$	128,400
Medicare (tax rate 1.45% for employees;				
2.90% for self-employed)**		No limit		No limit
*Age 50 additional contributions				
401(k) type plans	\$	6,000	\$	6,000
SIMPLEs	\$	3,000	\$	3,000
IRAs	\$	1,000	\$	1,000
⁺ The Section 415 compensation limit for defined cont	ribu	tion plans is \$	\$280,0	000.

The Section 415 compensation limit for defined contribution plans is \$280,00 **An additional tax rate of 0.9% on wages in excess of \$200,000 may apply.

Roth IRAs

AGI limit for maximum contributions:	2019	2018
Joint filers	\$193,000	\$189,000
Individual filers	\$122,000	\$120,000

Traditional IRAs

AGI limit for maximum contributions:	2019	2018
Joint filers	\$123,000	\$121,000
Individual filers	\$ 74,000	\$ 73,000
The income limit on converting traditional IRAs to Roth IRAs was eliminated in 2010.		

Social SecurityAnnual Earned Income Limit20192018Under full retirement age\$ 17,640\$ 17,040Full retirement ageNo LimitNo Limit

For people reaching full retirement age in 2019, the limit is \$46,920 for months prior to attainment. Beginning the month in which they turn full retirement age, there is no limit.

Health Savings Accounts				
Contribution Limits		2019	2018	
Individual, self-only	\$	3,500	\$ 3,450	
Family Coverage	\$	7,000	\$ 6,900	
Catch-up for those age 55 and older	\$	1,000	\$ 1,000	

For 2019, the minimum deductible for a high-deductible health plan (HDHP) is \$1,350 for self-only coverage and \$2,700 for family coverage. The maximum out-of-pocket limit is \$6,750 for self-only coverage and \$13,500 for family plans.