

# Tax Facts: 2024 Tax Year

If the uncertainty surrounding the current state of the economy has left you looking for answers for the 2024 tax year, you may need some guidance for a course of action for your financial planning. The following tables present various tax facts regarding potential tax exposure you might be subject to. Contact a financial professional for help with your tax planning.

Income tax 2024*- Single filing	
\$0 to \$11,600	10%
\$11,601 to \$47,150	\$1,160 + 12%
\$47,151 to \$100,525	\$5,426 + 22%
\$100,526 to \$191,950	\$17,168.50 + 24%
\$191,951 to \$243,725	\$39,110.50 + 32%
\$243,726 to \$609,350	\$55,678.50 + 35%
\$609,351+	\$183,647.25 + 37%

Income tax 2024* - Married filing	
\$0 to \$23,200	10%
\$23,201 to \$94,300	\$2,320 + 12%
\$94,301 to \$201,050	\$10,852 + 22%
\$201,051 to \$383,900	\$34,337 + 24%
\$383,901 to \$487,450	\$78,221 + 32%
\$487,451 to \$731,200	\$111,357 + 35%
\$731,201+	\$196,669.50 + 37%

Actual blended tax range by income (Married filing jointly)		
Taxable income	Income tax bracket	Actual tax range (Blended) <sup>†</sup>
\$0 to \$23,200	10%	0%–0.0%
\$23,201 to \$94,300	12%	0.0%–7.8%
\$94,301 to \$201,050	22%	7.8%–13.9%
\$201,051 to \$383,900	24%	13.9%–18.5%
\$383,901 to \$487,450	32%	18.5%–20.9%
\$487,451 to \$731,200	35%	20.9%–25.5%
\$731,201+	37%	25.5%–37%

Source: IRS, Rev. Proc. 2023-34, 2023.

\* These figures do not account for the standard deduction or any itemized deductions.

<sup>†</sup> Figures for Actual Tax Range (Blended) column are calculated by Jackson. They are based on taxable dollars and account for the 2024 standard deduction for married filing jointly. They do not account for any other itemized deductions.

<sup>‡</sup> Gifts above \$18,000/year reduce an individual's \$13,610,000 lifetime gift exclusion.

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Capital gains tax - Single filing		
Taxable income	1 year or less	Greater than 1 year
\$0 to \$47,025	Ordinary income	0%
\$47,026 to \$518,900	Ordinary income	15%
\$518,901+	Ordinary income	20%

Capital gains tax - Married filing		
Taxable income	1 year or less	Greater than 1 year
\$0 to \$94,050	Ordinary income	0%
\$94,051 to \$583,750	Ordinary income	15%
\$583,751+	Ordinary income	20%

Standard deductions	
Married:	\$29,200
Single:	\$14,600

Net investment tax		
	Threshold	Tax rate
Married:	\$250,000	3.8%
Single:	\$200,000	3.8%

Sources: IRS, Rev. Proc. 2023-34, 2023 IRS, "Questions and Answers on Net Investment Income Tax," October 23, 2023.

Estate tax exclusion		
2023	\$12,920,000	40% tax rate
2024	\$13,610,000	40% tax rate
2024 gift tax exclusion:	\$18,000/year	\$13,610,000/lifetime <sup>‡</sup>
2024 generation skipping tax:	\$13,610,000	40% tax rate

Estate and trust tax rates		
\$0	\$3,100	10%
\$3,101	\$11,150	\$310 + 24%
\$11,151	\$15,200	\$2,242 + 35%
\$15,201+	-	\$3,659.50 + 37%

Social Security tax		
Modified AGI	Up to 50% taxable	Up to 85% taxable
Married:	\$32,000 to \$44,000	\$44,000+
Single:	\$25,000 to \$34,000	\$34,000+
FICA taxable cap:	\$168,600	

Sources: IRS, "What's New - Estate and Gift Tax," June 13, 2023; IRS, 2023-34, 2023; Social Security Administration, "Benefits Planner: Income Taxes and Your Social Security Benefit," 2022; Social Security Administration, "Fact Sheet, Social Security, 2024 Social Security Changes," 2023.

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401(k)		
	Maximum deferral	50+ catch-up
401(k)-403(b)-457:	\$23,000	\$7,500
SIMPLE:	\$16,000	\$3,500
SEP (salary reduction):	\$69K/25% of compensation	
Total defined contribution plan cap	\$69,000	\$7,500
Solo 401(k):	\$69,000	\$7,500
Traditional IRA	\$7,000	\$1,000
Roth	\$7,000	\$1,000

Defined Benefit Plans		
Maximum compensation:	\$275,000	

Traditional IRA			
Deduction phase-outs	IRA owner (and spouse) not covered by employer retirement plan	IRA owner covered by employer retirement plan	Spouse covered by employer retirement plan but IRA owner not covered
Married:	No income limit	\$123,000 - \$143,000	\$230,000 - \$240,000
Single:	No income limit	\$77,000 - \$87,000	N/A

Roth IRA		
Contribution phase-outs	Modified adjusted gross income	
Married:	\$230,000 - \$240,000	-
Single:	\$146,000 - \$161,000	-
Conversion limit:	N/A	-

Sources: IRS, "COLA Increases for Dollar Limitations on Benefits and Contributions," November 7, 2023; IRS, "SEP Plans FAQs," August 29, 2023; IRS Notice 2023-75, "2024 Limitations Adjusted as Provided in Section 415 (d), etc.," 2023.

Those participating in a solo 401(k) can contribute income as both an employer and an employee. As an employee, the maximum deferral amount one can contribute is \$23,000, and as an employer the maximum amount one can contribute is \$46,000, for a total contribution of \$69,000 for 2024.

**Please contact your financial professional or visit [jackson.com/taxdeferral](https://jackson.com/taxdeferral) for more information.**

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