

2023 Federal Tax Information

The professionals of Provenance Wealth Advisors provide a comprehensive approach to income, estate, financial and business planning. We take pride in helping clients navigate complex financial and risk environments.



2023 Tax Rate Schedule				
Taxable Income (\$)	Base amount of tax (\$)	Plus	Marginal tax rate	Of the amount over (\$)
Single				
0 to 11,000		+	10.0	
11,000 to 44,725	1,100.00	+	12.0	11,000
44,726 to 95,375	5,147.00	+	22.0	44,725
95,376 to 182,100	16,290.00	+	24.0	95,375
182,101 to 231,250	37,104.00	+	32.0	182,100
231,251 to 578,125	52,832.00	+	35.0	231,250
Over 578,125	174,238.25	+	37.0	346,875
Married Filing Jointly and Surviving Spouses				
0 to 22,000		+	10.0	
22,000 to 89,450	2,200.00	+	12.0	22,000
89,451 to 190,750	10,294.00	+	22.0	89,450
190,751 to 364,200	32,580.00	+	24.0	190,750
364,201 to 462,500	74,208.00	+	32.0	364,200
462,501 to 693,750	105,664.00	+	35.0	462,500
Over 693,750	186,601.50	+	37.0	693,750
Head of Household				
0 to 15,700		+	10.0	
15,701 to 59,850	1,570.00	+	12.0	15,700
59,851 to 95,350	6,868.00	+	22.0	59,850
95,351 to 182,100	14,678.00	+	24.0	95,350
182,101 to 231,250	35,498.00	+	32.0	182,100
231,251 to 578,100	51,226.00	+	35.0	231,250
Over 578,100	172,623.50	+	37.0	578,100
Married Filing Separately				
0 to 11,000		+	10.0	
11,001 to 44,725	1,100.00	+	12.0	11,000
44,726 to 95,375	5,147.00	+	22.0	44,725
95,376 to 182,100	16,290.00	+	24.0	95,375
182,101 to 231,250	37,104.00	+	32.0	182,100
231,251 to 346,875	52,832.00	+	35.0	231,250
Over 346,875	93,300.75	+	37.0	346,875
Estates, Trusts and Children under 19 with net unearned income				
0 to 2,900		+	10.0	
2,901 to 10,550	290	+	24.0	2,900
10,551 to 14,450	2,126	+	35.0	10,550
Over 14,450	3,491	+	37.0	14,450

Standard Deductions and Children Tax Credit	
Filing status	Standard deduction
Married, filing jointly and qualifying widow(er)s	27,700
Single or married, filing separately	13,850
Head of household	20,800
Dependent filing own tax return	1,250*
Additional Deductions for Non-Itemizers	
Blind or over 65	Add \$1,500
Blind or over 65 and unmarried and not a surviving spouse	Add \$1,850
Child Tax Credit	
Credit per child under 17	\$2,000 (\$1,600 refundable)
Income phaseouts begin at AGI of:	\$400,000 joint, \$200,000 all other

Tax Rates on Long-Term Care Capital Gains and Qualified Dividends	
If taxable income falls below \$44,625 (single/married-filing separately), \$89,250 (joint), \$59,750 (head of household), \$3,000 (estates)	0%
If taxable income falls at or above \$44,625 (single/married-filing separately), \$89,250 (joint), \$59,750 (head of household), \$3,000 (estates)	15%
If income falls at or above \$492,300 (single), \$276,900 (married-filing separately), \$553,850 (joint), \$523,050 (head of household), \$14,650 (estates)	20%

3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over	
Married, filing jointly	\$250,000
Single	\$200,000
Married, filing separately	\$125,000
Exemption Amounts for Alternative Minimum Tax**	
Married, filing jointly or surviving spouses	\$126,500
Single	\$81,300
Married, filing separately	\$63,250
Estates and trusts	\$28,400
28% tax rate applies to income over:	
Married, filing separately	\$110,350
All others	\$220,700
Exemption amounts phase out at:	
Married, filing jointly or surviving spouses	\$1,156,300
Single and married, filing separately	\$578,150
Estate and Trusts	\$94,600

Gift and Estate Tax Exclusions and Credits	
Maximum estate, gift and GST rates	40%
Estate, gift and GST exclusions	\$12,920,000
Gift tax annual exclusion	\$17,000
Exclusion on gifts to non-citizen spouse	\$175,000

Education Credits, Deductions and Distributions		
Credit/Deduction/Account	Maximum credit/deduction/distribution	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime learning credit	\$2,000 credit	\$160,000 joint \$80,000 all others
Savings bond interest tax-free if used for education	Deduction limited to amount of qualified expenses	\$137,800 joint \$80,000 all others
Coverdell	\$2,000 maximum; not deductible	\$190,000 joint \$95,000 all others
529 plan (K-12)	\$10,000 distribution	None
529 plan (Higher ed.) †	Distribution limited to amount of qualified expenses	None

Tax Deadlines
January 17 – Fourth installment of the previous year's estimated taxes due
April 18 – Tax filing deadline, or request extension to Oct. 16. First installment of 2023 taxes due. Last day to file amended return for 2019. Last day to contribute to: Roth or traditional IRA for 2022, HSA for 2022, Keogh or SEP for 2022 (unless tax filing deadline has been extended).
June 15 – Second installment of estimated taxes due
September 15 – Third installment of estimated taxes due
October 16 – Tax returns due for those who requested an extension. Last day to contribute to SEP or Keogh for 2022 if extension was filed.
December 31 – Last day to: 1) pay expenses for itemized deductions; 2) complete transactions for capital gains or losses, 3) establish a Keogh plan for 2023, 4) establish and fund a solo 401(k) for 2022, 5) complete 2023 contributions to employer-sponsored 401(k) plans, 6) correct excess contributions to IRAs and qualified plans to avoid penalty.

* Greater of \$1,250 or \$400 plus the individual's earned income.
 ** Indexed for inflation and scheduled to sunset at the end of 2025.
 † \$10,000 lifetime 529 distribution can be applied to student loan debt.

Federal Estate, Gift and Generation Skipping Transfer Tax	
Max Tax Rate	Tax Exclusion
40%	12.92M

Health Savings Account	
Individual Coverage ²	Family Coverage ²
\$3,850	\$7,750

²Persons 55 and older can contribute up to \$1,000 extra to their HSA.

Retirement Plan Contribution Limits	
Annual compensation used to determine contribution for most plans	330,000
Defined-contribution plans, basic limit	66,000
Defined-benefit plans, basic limit	265,000
401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals	22,500
Catch-up provision for individuals 50 and over, 401(k), 403(b), 457(b), Roth 401(k) plans	7,500
SIMPLE plans, elective deferral limit	15,500
SIMPLE plans, catch-up contribution for individuals 50 and over	3,500

Individual Retirement Accounts			
IRA Type	Contribution Limit	Catch-up at 50+	Income Limits
Traditional nondeductible	6,500	1,000	None
Traditional deductible	6,500	1,000	If covered by a plan: \$116,000 - \$136,000 joint \$73,000 - \$83,000 single, HOH
			0 - \$10,000 married filing separately
			If one spouse is covered by a plan: \$218,000 - \$228,000 joint
Roth	\$6,500	\$1,000	\$218,000 - \$228,000 joint \$138,000 - \$153,000 single & HOH
			0 - \$10,000 married filing separately
Roth conversion			No Income Limit

Long-Term Capital Gains/Qualified Dividend Rates			
	0%	15%	20%
Single	44,625	492,300	492,301+
Married Filing Jointly	89,250	553,850	553,851+
Married Filing Separately	44,625	276,900	276,901+
Head of Household	59,750	523,050	523,051+
Estate and Trust	3,000	14,650	14,651+

Social Security Schedules Taxability of Social Security Benefits		
	50% if Over ¹	85% if Over ¹
Single	25,000	34,000
MFJ	32,000	44,000

¹Applicable if total of one-half of benefits and all other income is more than listed MAGI amount or if married filing separately and lived with spouse at any time during this year.

Social Security Benefit Reductions (Based on Earnings)	
Benefit reduced \$1 for every \$2 of earnings above maximum	21,240
In the year of full retirement, benefit reduced \$1 for every \$3 – applies only to months prior to full retirement age	56,520
At full retirement age	No reduction

Maximum Compensation Subject to FICA Taxes	
OASDI (Social Security) Maximum	160,200
HI (Medicare) Maximum	No Limit

Retirement Savings Contribution Credit (Saver's Credit)			
	Married Filing Jointly	Head of Household	All other Filers
10% Tax Credit	73,000	54,750	36,500
20% Tax Credit	47,500	35,625	23,750
50% Tax Credit	43,500	32,625	21,750

Uniform Lifetime Table ¹ (for RMD purposes)	
Age	Distribution Period
72	27.4
73	26.5
74	25.5
75	24.6
76	23.7
77	22.9
78	22.0
79	21.1
80	20.2
81	19.4
82	18.5
83	17.7
84	16.8
85	16.0
86	15.2
87	14.4
88	13.7
89	12.9
90	12.2
91	11.5
92	10.8
93	10.1
94	9.5
95	8.9
96	8.4
97	7.8
98	7.3
99	6.8
100	6.4
101	6.0
102	5.6
103	5.2
104	4.9
105	4.6
106	4.3
107	4.1
108	3.9
109	3.7
110	3.5
111	3.4
112	3.3
113	3.1
114	3.0
115	2.9
116	2.8
117	2.7
118	2.5
119	2.3
120+	2.0

Social Security		
Benefits		
Estimated maximum monthly benefit if turning full retirement age (66) in 2023	\$3,627	
Retirement earnings exempt amounts	\$21,240 under Full Retirement Age \$56,250 during year reaching FRA No limit after FRA	
Tax on Social Security Benefits: Income Brackets		
Filing Status	Provisional Income*	Amount of Social Security Subject to Tax
Married filing jointly	Under \$32,000	0
	\$32,000-\$44,000 Over \$44,000	Up to 50% Up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000	0
	\$25,000-\$34,000 Over \$34,000	Up to 50% Up to 85%
Married filing separately and living with spouse	Over 0	Up to 85%
Tax (FICA)		
SS tax paid on income up to \$160,200	% Withheld	Maximum Tax Payable
Employer pays	6.2%	\$9,932.40
Employee pays	6.2%	\$9,932.40
Self-employed pays	12.4%	\$19,864.80
Medicare Tax		
Employer pays	1.45%	Varies per income
Employee pays	1.45% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)	Varies per income
Self-employed pays	2.90% plus 0.9% on income over \$200,000 (single) or \$250,000 (joint)	Varies per income

*Provisional income = adjusted gross income (not incl. Social Security) + tax-exempt interest + 50% of Social Security benefit

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