

# SUMMARY OF IMPORTANT TAX DATA™ FOR TY 2020

[2021 in italics; CA shaded]

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## Federal & CA Tax Rate Schedules

Filing Status	10%	12%	22%	24%	26% AMT only	28% AMT only	32%	35% NOTE: Marriage Penalty	37% NOTE: Marriage Penalty
Single	<9,875 (9,950)	<40,125 (40,525)	<85,525 (86,375)	<163,300 (164,925)	N/A	N/A	<207,350 (209,425)	<518,400 (523,600)	>518,400 (523,600)
MFJ	<19,750 (19,900)	<80,250 (81,050)	<171,050 (172,750)	<326,600 (329,850)	N/A	N/A	<414,700 (418,850)	>622,050 (628,300)	>622,050 (628,300)
Alt Min Tax	N/A	N/A	N/A	N/A	<197.9K (<199.9)	>197.9 K (>199.9)	N/A	N/A	N/A

Medicare Surtaxes on incomes > \$200K (S); \$250K (MFJ): Earned Income (0.9%) and/or Net Investment Income (3.8%)

Filing Status	1%	2%	4%	6%	7% AMT only	8%	9.3%	10.3%	11.3%	12.3%
Single	<8,932	<21,175	<33,421	<46,394	<280,424	<58,634	<299,508	<359,407	<599,012	>599,012
MFJ	<17,864	<42,350	<66,842	<92,788	<373,899	<117,268	<599,016	<718,814	<1,198,024	>1,198,024

PLUS: CA Mental Health Surtax of 1% on income >\$1 million (all filing statuses)

## Capital Gains Rates CA: Capital Gains taxed at Ordinary Rates & NO Qlfd. Dividend

Taxable Income	STCG 1 year Taxed at ordinary rates	LTCG > 1 year & Qualified Dividends	§ 1250 Deprec. Recapture	Collectibles & § 1202 Sm Bus Stk
<40,000 (S) <80,000 (MFJ)	See above	0%	25%	28%
<441,450 (S) <496,600 (MFJ)	See above	15%	25%	28%
>441,450 (S) >496,600 (MFJ)	See above	20%	25%	28%

CG Rate applies to **Qualified Dividends** held >60 days during 120-day period beginning 60 days before ex-dividend date, incl. some preferred & foreign stocks; excluding REIT, S-Corp & Mutual Fund STCGs—Capital losses cannot offset dividends [PERMANENT] CA does not conform.

## Exemptions & Deductions

Filing Status	Filing Requirements	Standard Deduction	Personal Exemption	AMT Exemption
Single max. state/local tax = \$10K int lmt'd on NEW mtgs <750K NO Misc or Unreimb Empl xpns	12,400 (12,550) CA: 18,496	12,400 (12,550) CA: 4,601	0 CA: 124	72,900 (73,600) CA: 74,780
Married Joint max. state/local tax = \$10K	24,800 (25,100) CA: 36,996	24,800 (25,100) CA: 9,202	0 CA: 248	113,400 (114,600) CA: 99,707
Senior or Blind (Single)	14,050 (14,250) CA: 24,692	1,650 (1,700)	N/A CA: 124	N/A
Senior or Blind (Married Joint)	26,100 (26,500) CA: 43,196	1,300 (1,400)	N/A CA: 124	N/A
Child (<age 19;24 if FT stdt) [Taxed at trust rates BUT repealed by SECURE for TY20 & TY18/19if elc'd] OR may rpt on parents' 1040 if only int/div <11K Form 8814	2,200 (2,200) CA: 1,100	1,100 (1,100)	0	N/A

## Federal (& State) Phase-out Ranges

Fil. Stat	Pers. Xmpn. & Item. Ded.	AMT Xmpn	§199A 20% deductn for Qlfd Bus Inc (QBI) Specfd Svc Trade/Biz gets NO ded >threhd	Child Cred 2,000 (1400 rfrndbl OR 500 qlfd dep)	EIC 6,660 max 3,027 CA [Form 8867 chklst req'd]	IRA (deductible) [See contrbt'n limits @ page 2]	Saver's Cred 10-50% 2,000	ROTH [no limits on conversions; no rechrctzn to Trdntl after conversion]	Amer Opp 2,500 Under-Grad only	Lifetime Learning 2,000	Educ. Svgs 2000	Stdnt Loan 2,500	Tuit & Fees 2-4K (xp > 20)
S	N/A 203,341	518.4-810K 280,424	163.3-213.3K (164.9-214.9)	200K (200)	8,790 (0)- 50,954 (3)* *can use TY19 inc if grtr benft	65-75K (66-76)	19-5- 32.5K (19.75-33)	124-139K (125-140)	80-90K	59-69K (80-90)	95- 110K	70-85K (70-85)	65- 80K
MFJ	N/A 406,687	1.0368- 1.4904M 373,899	326.6-426.6K (329.8-429.8)	400K (400)	14,680 (0)- 56,844 (3)*	104-124K (105-125)	39-65K (39.5-66)	196-206K (198-208)	160- 180K	118-138K (160-180)	190- 220K	140-170K (140-170)	130- 160K

## Estate/Trust Tax Rates

Taxable Income	Tax Rate
0 - 2,600 (2,650)	10 (10)
2,601 - 9,450 (9,550)	24 (24)
9,451 - 12,950 (13,050)	35 (35)
>12,951 (13,051)	37 (37)
AMT Exemption	\$25,400 (25,700)

## CA Probate Fees

Estate Size	Fee (Atty & Exectr each earn)
\$0 - 100K	4%
\$100 - 200K	3%
\$200 - 800K	2%
\$800K - 9M	1%
\$9M - 15M	0.5%
>\$15M	Set by Court

## Corporate Tax Rate

Taxable Inc	Tax Rate
0 - unlimited	21* *Flat tax effctv 1/1/18 [new rate profitable > \$90K]

C-Corp: 800 min fee\* OR 8.84% of tax inc  
S-Corp: 800 min fee OR 1.5% of tax inc  
LLC: 900 fee + ann tax if total inc > \$250K  
Corp. AMT: 6.65%  
\* 1st yr xmptn for LLC/LLP estblshd 2021-23

## Taxable Equivalent Yields

CA: GNMA's & FNMA's are taxable

Tax Rate	2% Cpn	4% Cpn
10%	2.22	4.44
12%	2.27	4.55
22%	2.56	5.13
24%	2.63	5.26
32%	2.94	5.88
32%	3.08	6.15
37%	3.17	6.35

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**Social Security & Payroll Tax for 2021**

Type	Maximums
Social Security Tax	6.2% on \$142.8K
Medicare Tax	1.45% on ALL earnings + 0.9% if inc > 200K(S)/250K (MFJ)
Medicare B Premiums	Base = \$148.50/mo + surchrg
Medicare Prem Surchrg* [*appeal if life-chng event]	If '19 inc >88K (S), 176K (M), + \$59.40 – 356.40/mo [B] and 12.20 – 76.40/mo [D]
Income when SS taxable	18,969 if < full retirement age
CA Minimum Wage (per hour)	13 sm emplyr/14 lg (\$15 in LA > 7/1/20)
CA Disability (SDI)	1.2% on 128,298 (mx 1,539.58)

**Tax on SS Benefits\* w/ Excess Income**

\* COLA incrs for 2021 = 1.3% CA: SS benefits not taxable

Filing Status	0% Taxed	50% Taxed	85% Taxed
Single	<25K	25-32K	>32K
Married Jt	>32K	32-44K	>44K

**Retirement Account Limits**

Type	Max. Contributions
IRA, incl spsl & ROTH	6,000; 7,000 if >50 (6000; 7000)
SEP, KEOGH, Def Contrib	57K (58)
SIMPLE	13.5K; 16.5K if >50 (13.5; 16.5)
401(k), 403(b) & 457	19.5K; 26K if >50 (19.5K; 26)
KEOGH/Def Contrib.	57K (58)
Defined Benefit (comp. limit)	285K (290)

**Penalties & Fees**

Type	Maximums
No Health Insur Shr'd Rspnsblty (FED repealed > TY'18)	BUT @ CA begin TY'20... Grtr of \$750/adlt + 375/dpndt (max \$2,250) OR 2.5% of xcs hshld inc (1/12 mnthly)
Due Diligence	\$530 for HOH, EIC, AOTC & CTC
Xcs MSA W/drwl	20% CA: 12.5%
Early IRA W/drwl	10% (if age <59½) CA: 2.5%
Xcs Accumulation	50% (unless "reas. cause" ☐ Form 5329) NOTE: age incrd to 72 in 2020 CA conforms
IRA Rollover Wvr	\$10K [Rev Proc 2016-8: only 1 rlovr for all IRAs/fiscal yr]
Late Filing	5% /mo (max 25%; min \$435) [unls 1 <sup>st</sup> time penlty wvr] CA: \$135
Late Payment	0.5% per mo. (max. 25%) [unls 1 <sup>st</sup> time penlty wvr]
Underpayment Penalty Waiver	if <1K due or >110% pd if AGI>150K CA: if tax due > 500
EFT Failure	1% of amt that should've been e-paid
Rqst Installment Plan	\$225 (\$107 if using direct debit)
OIC Min Pymt	≥ 20% for lump-sum OR install (\$205 fee)
CA's CDTFA	10% of unpaid Use Tax
Worker Mis-classifctn	\$5K - \$15K/violtn if willful NOTE: CA presumes employee unless 3-factor test satisfd
Frivolous Return	\$5,000
FinCEN 114 (FBAR) ☐ 6 mos. auto xtn	\$12,921 BUT... if willful: 50% of highest balance + criminal
1099 & W-2 Reprting	\$270; \$550 if intentional disregard \$100/1099 or W-2
8971 Basis Reporting by Estate	Due 30 days after 706 ☐ failure to file penalties = \$50 – \$270 per 8971

**2020 Standard Mileage Rates**

Type	Cents/Mile
Business	57.5 (56)
Charity—all other	14 (14)
Medical	17 (16)
Moving (NO fed mvng xpns xcpt actv duty mltry)	17 (16)

**Important Dates** (all dates in 2021 unless specified)

Filing Dates (XTNs)	Estimated Taxes	Stat of Lmnts
<b>1040:</b> 4/15 (10/15) <b>1065:</b> 3/15 (9/15; 10/15) <b>1120S:</b> 3/15 (9/15) <b>1120:</b> 4/15 (10/15) <b>1041:</b> 4/15 (9/30; 10/15) <b>990:</b> 5/15 (11/15) <b>FBAR:</b> 4/15 (10/15)	<b>1:</b> 4/15 (30%) <b>3:</b> 9/15 (0%) <b>2:</b> 6/15 (40%) <b>4:</b> 1/17/22 (30%) * Increase ES if Shared Resp. penalties anticipated  Pay by 12/31 if itemize unless SALT or AMT MUST e-pay if ES >20K or tot tax >80K	3yrs Audit 10yrs Clctns  4yrs Audit 20yrs Clctns

**Miscellaneous Exclusions and Limitations**

Type	Amount
Qualifying Child (use to determine elig for credits)	Related, live-in > ½ yr, < ½ own support, < age 19 (<24 if FT stdt), <13 for Dep Care, <17 for Child Cred
Gift Tax Exclusion	15,000 (15,000); xcs taxed at 40% max \$11.58M (11.7) life xclsn; 157K (159) to non-citizen sps
Estate Tax Exclusion Basis rptg req'd on Form 8971	\$11.58M (11.7M; revrts to 5M @TY'26); max rate 40% xcs Spousal Excln portable (must file w/ 2yrs > DOD)
Expat Tax Exemption	737K (744K) "covered" if avg ann tax > 171K (172K)
Foreign Earned Inc	107,600 (108,700)—15,064 housing exclsn (15,218)
Tax Preference Items ☐ no med. adj	xcs deprec, state tax, pers xmptns, misc item ded, CGs, pass loss, NOL, ISO (pvt actvty iss'd 09/10 xmpt)
Nanny Tax (need EIN)	File if >2,200 (2300) wages/yr \$750/qtr (must e-file)
\$179 Deductn	1.04 million (\$1.05 million) CA: 25,000
Educators	\$250 for classrm mtrls (incl PPE) CA: does not conform
Per Diems <a href="http://www.gsa.gov">www.gsa.gov</a>	140-226 (138-221 >10/1/19) lodge; 60-71 (60-71) meal
Use of Pers. Residence	NO rental income reported if < 15 days rental
Home Office Deduction	Actl Xpns OR Safe Harbor (\$5/ft² to \$1500, not indxd)
Like-kind Xchgs §1031 ☐ file FTB 3840 annually	id rplcmnt prop @ 45 dy & buy @ 180 dy aftr sell old ltd to real ppty > TY17 & hold 5yr for \$250K xclsn if cnvtrtd to 1°
§121 Exclsn on Sale of Second Home	Non-qlfd Amt = (# yrs used as 1° since 2008 ☐ Total yrs owned) x Realized Gain CA conforms
Mrtg Forgiveness Debt Relief (xp. 12/31/25)	1° res loans < \$1M (S), \$2M (MFJ) (\$375K/\$750K) File 1040X for retroactv elctn to TY'18
Nonbus Energy Crdt §25C (xp. 12/31/21)	10% on qlfd. efficiency improvements; lifetime limit \$500 (\$200 for windows) CA does not conform
Residential Energy Credit IRC §25D (solar/wind)	26% of cost if instll'd by 12/31/20; 22% ('21) BUT lost under AMT CA does not conform
Qlfd Plug-in Veh Crdt §30D (xp. 12/31/21)	2,500 – 7,500; check <a href="http://irs.gov">IRS website</a> for eligible vehicles CA: Clean Vehicle Rebate up to \$7K
CA Renter's Credit	60 if AGI < 42,932 (S), 120 if AGI > 85,864 (MFJ)
CA Prpty Tax Postponemnt	Senior, <\$345K inc, 40% eqty (apply by 2/10/21)
Medical Expenses @ Schedule A (permanent)	Amts. > 7.5% of AGI; \$0 med marijuana CA: 7.5% of AGI
ACA Prem Credit Eligibility	12,760 + 4,480/prsn (max 400% FPL = 51,040/prsn)
LT Care Insur Premiums	430(450)<age 40; 5430(5640)>age 70; incl as SE Hlth Prem
Health Savings (HSA) – max. contribution CA: add invst inc; sbtrct tbl dstrbtns	3,550 self/7,100 family (3,600/7,200) + \$1K catch-up Min Dedctble: 1,400 self/2,800 family (1,400/2,800) Max Out-of-Pocket: 6,900 s/13,800 f (7,000/14,000)
Archer Med Savings (MSA)	Min/Max Ded = 2,350/3,550 self; 4,750/7,100 family Max. Out-of-Pocket = 4,750 self; 8,650 family
Qlfd Char Dist	direct transfer from IRA if age >70½—max \$100K
Net Operating Loss 5-yr carry-back for NOLs in '18-'20 NO state carry-back > 2018	unltd carry-fwd [must carry-back unless elect to forego] Sched C loss >\$255/510K (259/518) is N/D, becomes NOL (effctv '21-'25) CA: starts with TYs '19 & '20 CA: NOLs suspended for TYs '20-'23 if inc > \$1 million

**Handy Reference Numbers**

Organization	Telephone Number	Website
Internal Revenue Service	Indiv-800/829-1040 Bus-800/829-4933 Advct-877/777-4778 e-Pay Corrections 888/353-4537 300 N Los Angeles St/6230 Van Nuys Blvd M-F 0830-1630	<a href="http://www.irs.gov">www.irs.gov</a> ; Suspicious e-mails <a href="mailto:phishing@irs.gov">phishing@irs.gov</a> ; <a href="#">Transcripts</a> ; <a href="#">Free File</a> if inc < \$69K; Online pymnts <a href="#">DirectPay</a> ; <a href="#">Refund Status</a> & <a href="#">Amended Return Status</a>
Franchise Tax Board	Genl-800/852-5711 e-File/e-Pay Help-916/845-0353 Collections-800/689-4776 Advocate-800/883-5910	<a href="http://www.ftb.ca.gov">www.ftb.ca.gov</a> Online Pymnts <a href="#">FTBWebPay.gov</a> Status <a href="#">Where's My Refund</a> Acctn Info <a href="#">MyFTB.gov</a>
Social Security	800/772-1213 SSN Verify-800/772-6270	<a href="http://www.ssa.gov">www.ssa.gov</a> [Paper stmnts sent ea 5yrs to non-web users]
Emplymnt Dev Dpt	888/745-3886 ID Theft-800/229-6297	<a href="http://www.edd.ca.gov">www.edd.ca.gov</a>
Tax & Fee Admin BOE ☐ CDTFA @ 7/1/17	800/400-7115 Advocate-888/324-2798	<a href="http://cdtfa.ca.gov/">http://cdtfa.ca.gov/</a>
LA Bus. Permit	844/663-4411	<a href="http://finance.lacity.org/">http://finance.lacity.org/</a>
DMV	(Only VLF is ded) ID Theft-866/658-5758	DMV Fee Calculator
Identity Theft	FTC-877/438-4338 IRS-800/908-4490 FTB-916/845-7088 Mdicare 800/4478477 MdiCal 800/8226222 SSA 800/2690271 Eqfx-800/5256285 TrnsUn-800/6807289 Xprn-888/3973742	<a href="http://www.consumer.ftc.gov/">http://www.consumer.ftc.gov/</a> Form 14039 <a href="#">IRS Guide to Identity Theft</a> Form 3552 <a href="#">FTB Fraud Referral</a>
Foreign Accts	IRS-866/270-0733 or Intl-313/234-6146 BSA-866/346-9478	Mandatory e-File <a href="http://bsaeiling.fincen.treas.gov">http://bsaeiling.fincen.treas.gov</a>

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