## MERCER Advisors

## 2020 INCOME TAX ESSENTIALS

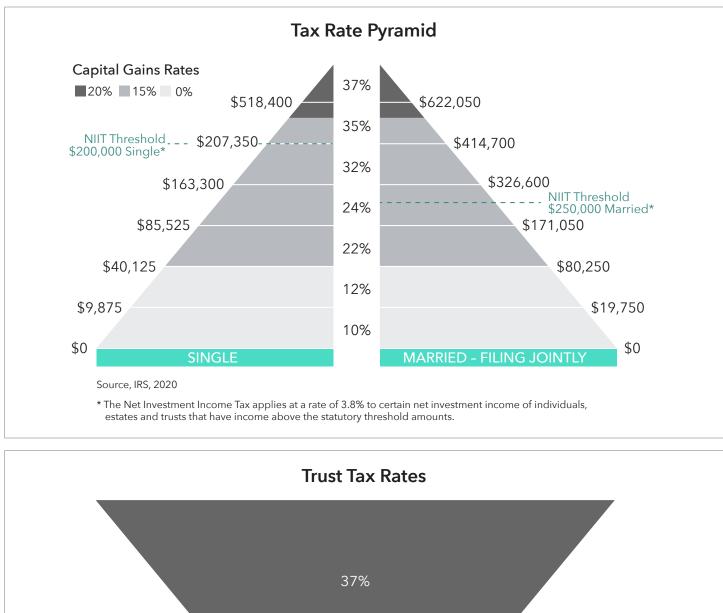
## **Tax Brackets**

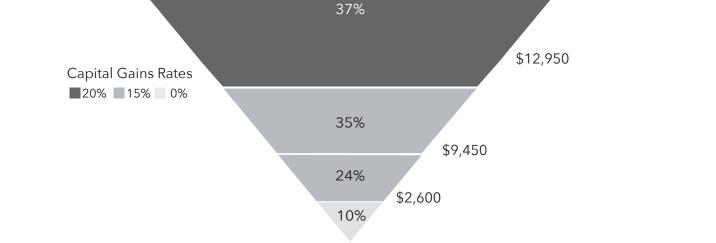
SINGLE			
Taxable income is over:	but not over:	The tax is:	of the amount over:
\$0	\$9,875	10%	\$0
\$9,875	\$40,125	\$987.50 + 12%	\$9,875
\$40,125	\$85,525	\$4,617.50 + 22%	\$40,125
\$85,525	\$163,300	\$14,605.50 + 24%	\$85,525
\$163,300	\$207,350	\$33,271.50 + 32%	\$163,300
\$207,350	\$518,400	\$47,367.50 + 35%	\$207,350
\$518,400	-	\$156,235 + 37%	\$518,400
MARRIED AND SURVIVING SPOUSES			
Taxable income is over:	but not over:	The tax is:	of the amount over:
\$0	\$19,750	10%	\$0
\$19,750	\$80,250	\$1,975 + 12%	\$19,750
\$80,250	\$171,050	\$9,235 + 22%	\$80,250
\$171,050	\$326,600	\$29,211 + 24%	\$171,050
\$326,600	\$414,700	\$66,543 + 32%	\$326,600
\$414,700	\$622,050	\$94,735 + 35%	\$414,700
\$622,050	-	\$167,307.50 + 37%	\$622,050
TRUST AND ESTATES			
Taxable income is over:	but not over:	The tax is:	of the amount over:
	<b>but not over:</b> \$2,600	<b>The tax is:</b> 10%	
is over:			amount over:
<b>is over:</b> \$0	\$2,600	10%	amount over: \$0
<b>is over:</b> \$0 \$2,600	\$2,600 \$9,450	10% \$260 + 24%	amount over: \$0 \$2,600
is over: \$0 \$2,600 \$9,450 \$12,950	\$2,600 \$9,450 \$12,950 -	10% \$260 + 24% \$1,904 + 35%	amount over: \$0 \$2,600 \$9,450 \$12,950
is over: \$0 \$2,600 \$9,450 \$12,950	\$2,600 \$9,450 \$12,950 -	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37%	amount over: \$0 \$2,600 \$9,450 \$12,950
is over: \$0 \$2,600 \$9,450 \$12,950 LONG TERN Long-Term Capital	\$2,600 \$9,450 \$12,950 - M CAPITAL GAIN F	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% RATES/QUALIFIED DIV	amount over: \$0 \$2,600 \$9,450 \$12,950 IDENDS
is over: \$0 \$2,600 \$9,450 \$12,950 LONG TERI Long-Term Capital Gain Tax Rate Single (taxable	\$2,600 \$9,450 \$12,950 - M CAPITAL GAIN F	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% RATES/QUALIFIED DIV 15%	amount over: \$0 \$2,600 \$9,450 \$12,950 <b>IDENDS</b>
is over: \$0 \$2,600 \$9,450 \$12,950 LONG TERN LONG TERN Single (taxable income) Married Filing Jointly/Surviving	\$2,600 \$9,450 \$12,950 • • • • • • • • • • • • • • • • • • •	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% RATES/QUALIFIED DIV 15% \$40,001+441,450	amount over: \$0 \$2,600 \$9,450 \$12,950 <b>IDENDS</b> 20% over \$441,450
is over: \$0 \$2,600 \$9,450 \$12,950 LONG TERI LONG TERI Cong-Term Capital Gain Tax Rate Single (taxable income) Married Filing Jointly/Surviving Spouses Head of	\$2,600 \$9,450 \$12,950 • • • • • • • • • • • • • • • • • • •	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% RATES/QUALIFIED DIV 15% \$40,001+441,450 \$80,001-\$496,600	amount over: \$0 \$2,600 \$9,450 \$12,950 <b>IDENDS</b> 20% over \$441,450
is over: \$0 \$2,600 \$9,450 \$12,950 LONG TERM LONG TERM Cain Tax Rate Single (taxable income) Single (taxable income) Harried Filing Spouses Head of Household	\$2,600 \$9,450 \$12,950 • <b>M CAPITAL GAIN F</b> 0% \$0-\$40,000 \$0-\$53,600	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% <b>RATES/QUALIFIED DIV</b> 15% \$40,001+441,450 \$80,001-\$496,600 \$53,601+\$469,050	amount over: \$0 \$2,600 \$9,450 \$12,950 <b>IDENDS</b> 20% over \$441,450 over \$496,600
is over: \$0 \$2,600 \$9,450 \$12,950 LONG TERM LONG TERM Cain Tax Rate Single (taxable income) Single (taxable income) Harried Filing Spouses Head of Household	\$2,600 \$9,450 \$12,950 • <b>M CAPITAL GAIN F</b> 0% \$0-\$40,000 \$0-\$53,600	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% <b>RATES/QUALIFIED DIV</b> 15% \$40,001+441,450 \$80,001-\$496,600 \$53,601+\$469,050 \$40,001+\$248,300	amount over: \$0 \$2,600 \$9,450 \$12,950 <b>IDENDS</b> 20% over \$441,450 over \$496,600
is over: \$0 \$2,600 \$12,950 LONG TERM LONG TERM Cain Tax Rate Single (taxable income) Married Filing Jointly/Surviving Spouses Head of Household Married Filing Separately	\$2,600 \$9,450 \$12,950 • <b>M CAPITAL GAIN F</b> 0% \$0-\$40,000 \$0-\$53,600 \$0-40,000	10% \$260 + 24% \$1,904 + 35% \$3,129 + 37% <b>RATES/QUALIFIED DIV</b> 15% \$40,001+441,450 \$80,001-\$496,600 \$53,601+\$469,050 \$40,001+\$248,300	amount over: \$0 \$2,600 \$12,950 \$12,950 \$12,950 \$10ENDS 20% \$0ver \$441,450 \$0ver \$449,6600 \$0ver \$469,050 \$0ver \$248,300

DEDUCTIONS, EXEMPTIONS, AND	EXCLUSIONS		
Standard			
Married Filing Jointly	\$24,800		
Single	\$12,400		
65+ or Blind Additional Deduction			
Single	\$1,650		
Married	\$1,300		
Child Tax Credit			
Dependent under age 17	\$2,000		
Other dependents	\$500		
Phaseout (\$50 for every \$1,000 over)			
Single	\$200,000		
Married Filing Jointly	\$400,000		
Health Savings Max Contribution			
Family	\$7,100		
Single	\$3,550		
Family 55+	\$8,100		
Single 55+	\$4,550		
Mileage Deduction Per Mile			
Business	57.5 cents		
Charitable	14 cents		
Medical/Moving	17 cents		
AMT Exemption			
Married Filing Jointly	\$113,400		
Single	\$72,900		
SOCIAL SECURITY WAGE LIMIT	\$137,700		
RETIREMENT			
IRA and Roth Contributions			
Under 50	\$6,000		
Age 50 and over	\$7,000		
401(k) and 403(b)			
Under 50	\$19,500		
Age 50 and over	\$26,000		
SEP Contribution			
Up to 25% compensation, limit	\$57,000		
Compensation to participate in SEP	\$600		
SIMPLE Elective Deferral			
Under 50	\$13,500		
Age 50 and over	\$16,500		
Phase-Out for Deducting IRA	<i>*************************************</i>		
Married Filing Jointly	\$104,000 - \$124,000		
Single	\$65,000 - \$75,000		
Spousal	\$196,000 - \$206,000		
Phase-Out for Roth Contribution	#40/000 #00/0TT		
Married Filing Jointly	\$196,000 - \$206,000		
Single	\$124,000 - \$139,000		

Source: IRS, 2019 and 2020. Mercer Global Advisors Inc. is registered with the Securities and Exchange Commission and delivers all investment-related services. Mercer Advisors Inc. is the parent company of Mercer Global Advisors Inc. and is not involved with investment services. ©2020 Mercer Advisors Inc. All rights reserved. 20200115 MERCER Advisors

## 2020 INCOME TAX ESSENTIALS





See Tax Bracket chart on reverse side for specific break points on capital gains as they are not aligned with the ordinary income brackets.

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