



**PACIFIC LIFE**

# 2018 Federal Tax Amounts and Limits

To help you stay informed of changes to federal tax amounts and limits, use this quick-reference sheet. Note: This sheet applies only to federal tax laws for the tax year 2018 and not to state tax laws. Information is as of January 1, 2018.

For more information, contact:

**Retirement Strategies Group**

(800) 722-2333, ext. 3939

In New York, (800) 748-6907, ext. 3939

E-mail: [RSG@PacificLife.com](mailto:RSG@PacificLife.com)

Pacific Life, its affiliates, their distributors, and respective representatives do not provide tax, accounting, or legal advice. Any taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor or attorney.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. Insurance products are issued by Pacific Life Insurance Company in all states except New York and in New York by Pacific Life & Annuity Company. Product availability and features may vary by state. Each company is solely responsible for the financial obligations accruing under the products it issues.

**No bank guarantee • Not a deposit • May lose value  
Not FDIC/NCUA insured**

**Not insured by any federal government agency**

## General Income Tax

Joint Returns/Surviving Spouse			
Min.	Max.	Tax on Min.	Rate on Excess
\$0	\$19,050	\$0	10%
19,050	77,400	1,905.00	12%
77,400	165,000	8,907.00	22%
165,000	315,000	28,179.00	24%
315,000	400,000	64,179.00	32%
400,000	600,000	91,379.00	35%
600,000	-	161,379.00	37%
Head of Household			
Min.	Max.	Tax on Min.	Rate on Excess
\$0	\$13,600	\$0	10%
13,600	51,800	1,360.00	12%
51,800	82,500	5,944.00	22%
82,500	157,500	12,698.00	24%
157,500	200,000	30,698.00	32%
200,000	500,000	44,298.00	35%
500,000	-	149,298.00	37%
Single Individuals			
Min.	Max.	Tax on Min.	Rate on Excess
\$0	\$9,525	\$0	10%
9,525	38,700	952.50	12%
38,700	82,500	4,453.50	22%
82,500	157,500	14,089.50	24%
157,500	200,000	32,089.50	32%
200,000	500,000	45,689.50	35%
500,000	-	150,689.50	37%
Married Filing Separate			
Min.	Max.	Tax on Min.	Rate on Excess
\$0	\$9,525	\$0	10%
9,525	38,700	952.50	12%
38,700	82,500	4,453.50	22%
82,500	157,500	14,089.50	24%
157,500	200,000	32,089.50	32%
200,000	300,000	45,689.50	35%
300,000	-	80,689.50	37%
Estates and Trusts			
Min.	Max.	Tax on Min.	Rate on Excess
\$0	\$2,550	\$0	10%
2,550	9,150	255.00	24%
9,150	12,500	1,839.00	35%
12,500	-	3,011.50	37%

## Standard Deduction

Joint Returns and Surviving Spouse	\$24,000
Heads of Households	\$18,000
Single Individuals	\$12,000
Married Filing Separate	\$12,000
Dependent	\$1,050, or \$350 plus earned income, if greater
Aged or Blind – Unmarried and not Surviving Spouse	\$1,600 each
Aged or Blind – Other	\$1,300 each

## Kiddie Tax

Amount	\$1,050
Exemption	\$2,100
Alternative Minimum Tax Exemption	\$7,650 plus earned income

## Child Tax Credit

Amount	\$2,000
Refundable Threshold	\$1,400

## AMT Exemption Amounts

Tax Filing Status	AMT Exemption Amounts
Joint Returns/Surviving Spouses	\$109,400
Single Individuals/Head of Household	\$70,300
Married Filing Separate	\$54,700
Estates and Trusts	\$22,500
<b>Excess Taxable Income 28% Applies</b>	
Married Filing Separate	\$95,750
Joint Returns/Surviving Spouses/ Single Estates and Trusts	\$191,500

## MAGI Threshold for Net Investment Income Tax (NIIT)

Tax Filing Status	
Joint Returns/Surviving Spouses	\$250,000
Single Individuals/Head of Household	\$200,000
Married Filing Separate	\$125,000
Estates and Trusts	\$12,500
<b>Net Investment Income</b> – e.g., interest, dividends, capital gains, rental income, royalty income, non-qualified annuities, passive income from business	
<b>Net Investment Income Tax</b> – 3.8% of lesser of MAGI over thresholds OR net investment income	

## American Opportunity Education Tax Credit

Contribution Limit for 100% Tax Credit	\$2,000
25% Tax Credit for Amount Between	\$2,000 - \$4,000
<b>American Opportunity Tax Credit Phaseout</b>	
Joint Return	\$160,000 / \$180,000
All Other	\$80,000 / \$90,000

## Capital Gains/Qualified Dividends Rates

Annual Income & Filing Status	Capital Gains/Qualified Dividends Rates
Under: \$77,200 (joint) \$51,700 (H-O-H) \$38,600 (single & married filing separately)	0%
\$77,200-\$479,000 (joint) \$51,700-\$452,400 (H-O-H) \$38,600-\$425,800 (single) \$38,600-\$239,500 (married filing separately)	15%
Over: \$479,000 (joint) \$452,400 (H-O-H) \$425,800 (single) \$239,500 (married filing separately)	20%

## Estate Planning

Gift Tax Annual Exclusion	\$15,000
Annual Exclusion: Non-U.S. Spouse	\$152,000
Estate and Gift Tax Unified Credit	\$4,417,800
Estate and Gift Tax Exclusion Amount	\$11,180,000
Top Gift and Estate Tax Rate	40%
GST Exemption	\$11,180,000

## Income Tax Charitable Deduction Limitations

Limit <sup>1</sup>	Gift	Charity	Value
60% <sup>2</sup>	Cash	Public	FMV
50%	Ordinary Income	Public	Basis
50%	UUTPP	Public	Basis
30% <sup>3</sup>	LTCG	Public	FMV <sup>4</sup>
	Ordinary Income	Public	Basis
	Other than LTCG	Private	Basis
20% <sup>5</sup>	LTCG	Private	Basis <sup>6</sup>

FMV = fair market value  
LTCG = long-term capital gains property  
UUTPP = unrelated use tangible personal property

<sup>1</sup> Percentage of adjusted gross income (AGI), 5-year carryover for disallowed deductions

<sup>2</sup> Gifts to charity (not for use of charity)

<sup>3</sup> Lesser of 30% limit or unused 50% limit

<sup>4</sup> Can elect 50% limit for gifts of LTCG to public charity if use basis as value

<sup>5</sup> Lesser of 20% limit or unused 30% limit

<sup>6</sup> FMV for qualified appreciated stock