

Key Tax Figure Updates for 2021

As the new year begins it brings many important tax-related limits, rates, and deduction updates. Included below are some of the key items for CCM clients to be aware of. Be sure to contact any member of our Tax Team with questions on how these changes may impact your integrated wealth management planning for 2021 or future years.

RETIREMENT ACCOUNT CONTRIBUTION LIMITS

	2021	2020
401(k)/403(b)/457 Elective Deferral	\$19,500	\$19,500
401(k)/403(b)/457 Catch-up Age 50+	\$6,500	\$6,500
Traditional or Roth IRA	\$6,000	\$6,000
Traditional or Roth IRA Catch-up Age 50+	\$1,000	\$1,000
SIMPLE IRA	\$13,500	\$13,500
SIMPLE IRA Catch-up Age 50+	\$3,000	\$3,000
SEP-IRA/Profit Sharing	\$58,000	\$57,000
SEP-IRA/Profit Sharing Catch-up Age 50+	\$6,500	\$6,500

HEALTH SAVINGS ACCOUNT CONTRIBUTION LIMITS

	2021	2020
Single Only Coverage	\$3,600	\$3,550
Family Coverage	\$7,200	\$7,100
Catch-up Contribution Age 55+	\$1,000	\$1,000

INCOME TAX RATES — SINGLE AND MARRIED FILING JOINTLY

Tax Bracket	2021 ENDING TAXABLE INCOME		2020 ENDING TAXABLE INCOME	
	Single	Married Filing Joint	Single	Married Filing Joint
10%	\$9,950	\$19,900	\$9,875	\$19,750
12%	\$40,525	\$81,050	\$40,125	\$80,250
22%	\$86,375	\$172,750	\$85,825	\$171,050
24%	\$164,925	\$329,850	\$163,200	\$326,600
32%	\$209,425	\$418,850	\$207,350	\$414,700
35%	\$523,600	\$628,300	\$518,400	\$622,050
37%	No Limit	No Limit	No Limit	No Limit

STANDARD DEDUCTION AMOUNT

	2021	2020
Married Filing Joint	\$25,100	\$24,800
Single	\$12,550	\$12,400
Head of Household	\$18,800	\$18,650
Additional for Age 65+	\$1,300	\$1,300

ESTATE AND GIFT TAX EXCLUSIONS

	2021	2020
Federal Estate Tax Exclusion	\$11,700,000	\$11,580,000
Federal Annual Gift Tax Exclusion	\$15,000	\$15,000
Minnesota Estate Tax Exclusion	\$3,000,000	\$3,000,000