**BizBoost News**

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**IRS 2022 Limits**

Each year, the IRS adjusts tax rates, standard deduction amounts, and other limits to account for tax law updates and cost-of-living adjustments.

Currently for 2022, there are seven **tax brackets**: 10%, 12%, 24%, 32%, 35%, and 37%. Your filing status (example: single, married filing jointly, head of household) will be the determining factor of where your taxable income will fall within the tax brackets. Keep in mind that should the Build Back Better Act pass in its current form, tax brackets will be reorganized and expanded.

**Standard deduction** amounts will increase to $12,950 for individuals and married couples who file separately, $19,400 for head of household, and $25,900 for married couples who file jointly.

**Long-Term Capital Gains** tax rates (0%, 15%, and 20%) remain unchanged, but the income level has changed:

Married filing jointly: 0% rate for income up to $83,350. 15% rate for income between $83,351 and $517,200. 20% rate for income over $517,200

Single taxpayers: 0% rate for income up to $41,675. 15% rate for income between $41,676 and $459,750. 20% rate for income over $459,750

Head of household: 0% rate for income up to $55,800. 15% rate for income between $55,801 and $488,500. 20% rate for income over $488,500

**Other popular limit increases and credit adjustments for 2022 include:**

* Estates of those who die during 2022 have an exclusion amount of $12,060,000
* Annual exclusion for gifts increases to $16,000
* Maximum adoption credit is $14,890
* Earned income credit maximum limit is $6,935
* Alternative Minimum Tax exemption amount for single filers is $75,900 and begins to phase out at $539,900. For joint filers, the exemption amount is $118,100 and begins to phase out at $1,079,800.
* Foreign income exclusion amount is $112,000
* Flexible Spending Arrangement contributions via salary reduction has increased to $2,850
* 401(k) limit increases to $20,500
* Educator expenses increase to $300 for expenses paid for books, supplies, and other classroom materials.

For a detailed list of tax rate schedules and other tax changes, review the IRS’s Revenue Procedure 2021-45.

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Tweets

Insert a link to your newsletter, web site or blog before you post these:

Our latest blog: “IRS 2022 Limits” is available now! Subscribe here: [link]

Do you know what changes have been made in the IRS 2022 tax limits? Sign up for our newsletter to learn more: [link]

Each year, the IRS adjusts tax rates, standard deduction amounts, and other limits to account for tax law updates and cost-of-living adjustments. Find out what they released for 2022 in our latest blog article: [link]

Our latest blog article reviews the IRS 2022 tax limits as well as other popular limit increases and credit adjustments. Get instant access here: [link]

Currently for 2022, there are seven tax brackets: 10%, 12%, 24%, 32%, 35%, and 37%. Your filing status will be the determining factor of where your taxable income will fall within the tax brackets. Keep in mind that should the Build Back Better Act pass in its current form, tax brackets will be reorganized and expanded. Learn more here: [link]

The tax brackets aren’t the only areas that get adjusted each year. Learn what other popular limit increases and credit adjustments for 2022 have been made in our latest blog article: [link]

DID YOU KNOW… Standard deduction amounts will increase to $12,950 for individuals and married couples who file separately, $19,400 for head of household, and $25,900 for married couples who file jointly for the 2022 tax year. Find out more here: [link]

Want to learn more about the IRS 2022 tax limits and how it may affect your situation? Find out what changes have been made in our latest blog article: [link]