



## 2019 Tax Changes and Tax Documents

Tax Rate	Single	Married-Jointly	Married-Separately	Head of Household
<b>10%</b>	\$0 to \$9,700	\$0 to \$19,400	\$0 to \$9,700	\$0 to \$13,850
<b>12%</b>	\$9,701 to \$39,475	\$19,401 to \$78,950	\$9,701 to \$39,475	\$13,851 to \$52,850
<b>22%</b>	\$39,476 to \$84,200	\$78,951 to \$168,400	\$39,476 to \$84,200	\$52,851 to \$84,200
<b>24%</b>	\$84,201 to \$160,725	\$168,401 to \$321,450	\$84,201 to \$160,725	\$84,201 to \$160,700
<b>32%</b>	\$160,726 to \$204,100	\$321,451 to \$408,200	\$160,726 to \$204,100	\$160,701 to \$204,100
<b>35%</b>	\$204,101 to \$510,300	\$408,201 to \$612,350	\$204,101 to \$306,175	\$204,101 to \$510,300
<b>37%</b>	\$510,301 or more	\$612,351 or more	\$306,176 or more	\$510,301 or more

### Standard Deduction

Filing Status	2019	2020
Married Filing Jointly	\$24,400	\$24,800
Head of Household	\$18,350	\$18,650
Single	\$12,200	\$12,400
Married Filing Separately	\$12,200	\$12,400

**Child Tax Credit:** For 2018–2025, the maximum child tax credit is \$2,000 for each qualifying child. The TCJA also added a \$500 nonrefundable credit for each dependent who is not a qualifying child for purposes of the child tax credit. In other words, taxpayers can claim the \$500 other dependent credit for qualifying children age 17 or older and qualifying relatives.

**Educator Expense Deduction:** An eligible educator can take an above-the-line deduction for out-of-pocket classroom-related expenses. For 2019 and 2020, the deduction may not exceed \$250.

**Health Savings Accounts (HSAs):** A taxpayer insured by a high deductible, HSA compatible health insurance plan may contribute and deduct up to an annual limit: Single \$3500, Family \$7000 for 2019.

**IRA Contribution Limit to Traditional and Roth IRAs:** For 2019 and 2020, the contribution limit to a traditional or Roth IRA is \$6000 or \$7000 for taxpayers age 50 or older and \$6500 and \$7500 in year 2020.

**IRA: Deduction Phaseout for Traditional IRAs for 2019:**

Filing Status	Taxpayer covered by Employer Plan	Taxpayer & Spouse have Employer Plans
Single and HOH	\$64,000-\$74,000	N/A
Married Filing Jointly	\$103,000-\$123,000	\$193,000-\$203,000
Married Filing Separately	\$0-\$10,000	N/A

**IRA: Deduction Phaseout for ROTH IRAs for 2019 and 2020:**

Filing Status	2019	2020
Single and HOH	\$122,000-\$137,000	\$124,000-\$139,000
Married Filing Jointly	\$193,000-\$203,000	\$196,000-\$206,000
Married Filing Separately	\$122,000-\$137,000	\$124,000-\$139,000

## Business Tax Issues

Business mileage Rate is 58 cent for 2019 and 2020.

Per Diem Allowance for Meals and incidentals is \$55 per day for 2019 and 2020

**Qualified Business Income (QBI) Deduction:** The new QBI deduction of 20% of profit may be phased out or limited when taxable income is too low or exceeds the following thresholds:

Filing Status	2019	2020
Single and HOH	\$160,700	\$163,300
Married Filing Jointly	\$321,400	\$326,600
Married Filing Separately	\$160,725	\$163,300

## Virginia Standard Deduction

If you claimed the standard deduction on your federal income tax return, you must also claim the standard deduction on your Virginia return. Beginning with your 2019 return (that you'll file in 2020), Virginia standard deduction amounts have increased from \$3000 and \$6000 to \$4500 for Single and \$9000 for Married Filing Jointly.