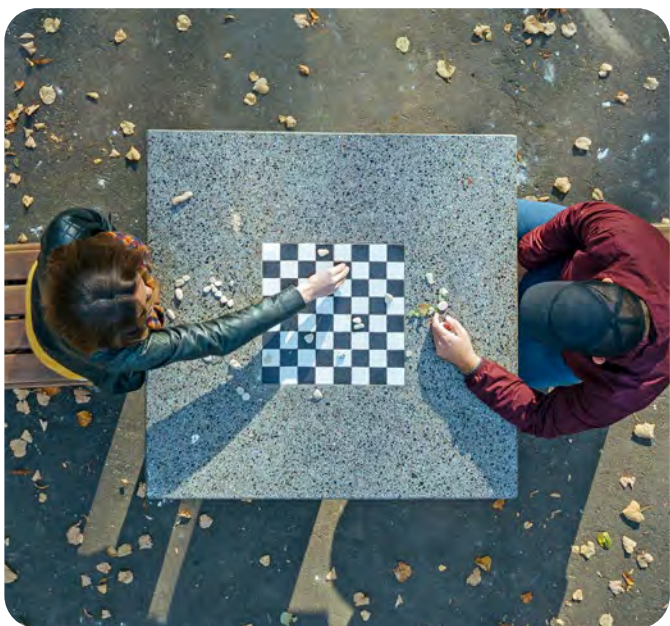


**ACTION PLANNER SERIES**

# Plan ahead: **2024 tax facts** and tables



**corebridge**  
financial

Not FDIC or NCUA/NCUSIF Insured

May Lose Value • No Bank or Credit Union Guarantee  
Not a Deposit • Not Insured by any Federal Government Agency

# Save more for tomorrow by helping to reduce taxes today

The first step in reducing the amount of tax you pay on your savings and personal finances is to get the facts. Don't wait until April to start thinking about your taxes.

Take the time now to learn the important tax rules that can affect both your short- and long-term financial strategy.

**Action is everything.**

Note: Federal tax laws in this area are complex and subject to change. The tax information presented herein reflects the understanding of Corebridge Financial as of January 1, 2024 and may not necessarily be current or complete. Corebridge Financial and its affiliates, distributors and representatives may not give legal or tax advice. Individuals are cautioned to seek the advice and counsel of their attorney or tax advisor for complete information concerning their particular circumstances.

## Action Planner **action steps**

- Plan ahead and explore** how you can take advantage of key tax credits and deductions that may help you lower your current taxable income and save more for your future.
  
- Use this guide to look up:**
  - Current-year income tax rates
  - Tax rates for capital gains and dividends
  - Contribution limits for IRAs, 401(k)s and other employer-sponsored retirement plans
  - Gift and estate tax rates and exemptions
  - Standard deductions, personal exemptions and more!
  
- Consult with your agent, financial professional and/or tax advisor today** to customize your tax strategy to fit your individual situation.

## Don't make buy or sell decisions without understanding the tax impact

Here are some examples of taxable events in your portfolio and how they could affect your tax bill.

Taxable event	Potential tax consequence
Sell a security for a profit	<ul style="list-style-type: none"> <li>• <b>If held for 12 months or less</b>, your short-term capital gain may be taxed at ordinary income tax rates, which range from 10% to 37% at the federal level.</li> <li>• <b>If held for more than one year</b>, your long-term capital gain may be taxed federally between 0% and 20%.</li> </ul>
Receive a dividend payment	<p>You may owe taxes even if you reinvest your dividends. Qualified dividends may be taxed federally between 0% and 20%, while non-qualified dividends are taxed as ordinary income.</p>
Receive income from a bond	<ul style="list-style-type: none"> <li>• <b>U.S. Treasury issues</b> – You may owe federal income tax, but no state or local income tax.</li> <li>• <b>Corporate bonds</b> – You may owe federal, state and local income taxes.</li> <li>• <b>Zero coupon bonds</b> – You may owe taxes on “phantom” interest each year even though you won’t receive the interest until the bond matures.</li> <li>• <b>Municipal bonds</b> – Interest is federally tax-free and may be subject to state and local taxes. Certain types of municipal bonds are also subject to Alternative Minimum Tax (AMT).</li> </ul>
Receive a capital gains distribution	<p>Distributions are subject to federal tax ranging from 0% to 20%.</p>
Sell a tax-exempt bond before maturity	<p>The realized capital gain or loss will impact your taxes, even though the bond provided tax-free interest.</p>
Sell a security for a loss and buy a substantially identical security within 30 days of the sale date	<p>This is a wash sale. Tax law generally allows taxpayers to use losses to offset capital gains and limited amounts of other income each year. While losses from wash sales cannot offset gains, they may be added to the cost basis of the replacement investment.</p>

# 2024 Tax Tables

Rates, schedules & contribution limits

## Income tax

Ordinary income tax rates			
	If taxable income is	The tax is*	Of the amount over
Married filing jointly or qualifying widower	\$23,200 or less	10%	\$0
	More than \$23,200 but not over \$94,300	\$2,320 + 12%	\$23,200
	More than \$94,300 but not over \$201,050	\$10,852 + 22%	\$94,300
	More than \$201,050 but not over \$383,900	\$34,337 + 24%	\$201,050
	More than \$383,900 but not over \$487,450	\$78,221 + 32%	\$383,900
	More than \$487,450 but not over \$731,200	\$111,357 + 35%	\$487,450
	More than \$731,200	\$196,670 + 37%	\$731,200
Single	\$11,600 or less	10%	\$0
	More than \$11,600 but not over \$47,150	\$1,160 + 12%	\$11,600
	More than \$47,150 but not over \$100,525	\$5,426 + 22%	\$47,150
	More than \$100,525 but not over \$191,950	\$17,169 + 24%	\$100,525
	More than \$191,950 but not over \$243,725	\$39,111 + 32%	\$191,150
	More than \$243,725 but not over \$609,350	\$55,679 + 35%	\$243,725
	More than \$609,350	\$183,647 + 37%	\$609,350
Married filing separately	\$11,600 or less	10%	\$0
	More than \$11,600 but not over \$47,150	\$1,160 + 12%	\$11,600
	More than \$47,150 but not over \$100,525	\$5,426 + 22%	\$47,150
	More than \$100,525 but not over \$191,950	\$17,169 + 24%	\$100,525
	More than \$191,950 but not over \$243,725	\$39,111 + 32%	\$191,150
	More than \$243,725 but not over \$365,600	\$55,679 + 35%	\$243,275
	More than \$365,600	\$98,335 + 37%	\$365,600
Head of household	\$16,550 or less	10%	\$0
	More than \$16,550 but not over \$63,100	\$1,655 + 12%	\$16,550
	More than \$63,100 but not over \$100,500	\$7,241 + 22%	\$63,100
	More than \$100,500 but not over \$191,950	\$15,469 + 24%	\$100,500
	More than \$191,950 but not over \$243,700	\$37,417 + 32%	\$191,150
	More than \$243,700 but not over \$609,350	\$53,977 + 35%	\$243,700
	More than \$609,350	\$181,955 + 37%	\$906,350

\*Numbers are rounded to the nearest dollar.  
See disclosure on page 10 for sources.

## Long-term capital gains and qualified dividends

Tax rate	Single	Married filing jointly	Married filing separately	Head of household
0%	\$47,025 or less	\$94,050 or less	\$47,025 or less	\$63,000 or less
15%	More than \$47,025, but not over \$518,900	More than \$94,050, but not over \$583,750	More than \$47,025, but not over \$291,850	More than \$63,000, but not over \$551,350
20%	More than \$518,900	More than \$583,750	More than \$291,850	More than \$551,350

Note: Short-term capital gains of 12 months or less are treated as ordinary income for tax purposes.

## Retirement savings

### Contribution limits for IRAs and other retirement plans

IRA or plan type	Maximum contribution	Catch-up contribution (Age 50 or older)
Traditional IRAs	\$7,000	\$1,000
Roth IRAs	\$7,000	\$1,000
401(k) and 403(b) elective deferrals	\$23,000	\$7,500*
Governmental 457(b) elective deferrals	\$23,000	\$7,500*
SIMPLE IRAs	\$16,000	\$3,500

\*A special catch-up contribution of up to \$3,000 per year is also available to 403(b) participants of certain employers who have been with their organizations for 15 years or more and under-contributed in prior years. In addition, a special catch-up may also be available to participants in 457(b) plans.

### Limits for employer-sponsored plans

Plan type	Limit type	Annual amount
Defined benefit	Benefit limit per participant	\$275,000
Defined contribution	Contribution limit per participant	\$69,000*
Defined contribution	Maximum compensation that can be taken into account for each employee	\$345,000

\*This limit does not include any catch-up contributions that may apply. Limits for 457(b) plans may differ. Please see "Contribution limits for IRAs and other retirement plans" for more information.

### Eligibility of Roth IRA contributions

Filing status	Modified Adjusted Gross Income (AGI)	Eligibility
Single or head of household	Less than \$146,000	Full contribution
	At least \$146,000 but less than \$161,000	Partial contribution
	\$161,000 or more	No contribution
Married filing jointly or qualifying widower	Less than \$230,000	Full contribution
	At least \$230,000 but less than \$240,000	Partial contribution
	\$240,000 or more	No contribution
Married filing separately	Less than \$10,000	Partial contribution
	\$10,000 or more	No contribution

Note: If you file separately and did not live with your spouse at any time during the year, your Roth IRA eligibility is determined under the "Single" filing status.

## Deduction limits for traditional IRAs

Filing status	Are you covered by an employer's retirement plan?	Modified AGI	How much of your contribution can you deduct?
Single or head of household	No	Any amount	Full
	Yes	\$77,000 or less	Full
		More than 77,000 but less than \$87,000	Partial
		\$87,000 or more	None
Married filing jointly or qualifying widower	No	Any amount	Full
	No, but my spouse is covered (for married filing jointly only)	\$230,000 or less	Full
		More than \$230,000 but less than \$240,000	Partial
		\$240,000 or more	None
	Yes	\$123,000 or less	Full
		More than \$123,000 but less than \$143,000	Partial
\$143,000 or more		None	
Married filing separately	No	Any amount	Full
	No, but my spouse is covered	Less than \$10,000	Partial
		\$10,000 or more	None
	Yes	Less than \$10,000	Partial
		\$10,000 or more	None

Note: If you file separately and did not live with your spouse at any time during the year, your IRA deduction is determined under the "Single" filing status.

## Required minimum distributions (RMDs)

RMD Age increased to 73 effective 1/1/2023, for certain IRA Owners and plan participants.

## Deductions, credits and exemptions

### Standard deductions

Filing status	Annual	Additional (Age 65+ or blind)
Single	\$14,600	\$1,950
Married filing separately	\$14,600	\$1,550
Head of household	\$21,900	\$1,950
Married filing jointly or qualifying widower	\$29,200	\$1,550*

\*If BOTH you and your spouse are 65 or older, you may increase your standard deduction by \$3,100.

### Earned income credit

Number of children	Maximum credit	AGI phase-out range	
		Single or head of household	Married filing jointly
0	\$632	\$10,330 - \$18,591	\$17,250 - \$25,511
1	\$4,213	\$22,720 - \$49,084	\$29,640 - \$56,004
2	\$6,960	\$22,720 - \$55,768	\$29,640 - \$62,688
3+	\$7,830	\$22,720 - \$59,899	\$29,640 - \$66,819

To receive maximum credit amount, investment income must be \$11,600 or less.

## Child tax credit

Filing status	Maximum credit	AGI phase-out (Credit is reduced \$50 for each \$1,000 over the following)
Single, married filing separately or head of household	\$2,000 per child	\$200,000
Married filing jointly	\$2,000 per child	\$400,000

## Personal exemptions

None

## Social Security and Medicare

### Base amount of modified AGI that can cause benefits to be taxable

Filing status	Up to 50% taxable	Up to 85% taxable
Single	\$25,000 - \$34,000	More than \$34,000
Married filing jointly	\$32,000 - \$44,000	More than \$44,000

### Maximum earnings before benefits are reduced

Age	Limit
Under full retirement age	\$22,320 (\$1 withheld for every \$2 above limit)
Year that full retirement age is reached	\$59,520 (\$1 withheld for every \$3 above limit)
Full retirement age and over	No limit

Note: The maximum monthly benefit for individuals who reached normal retirement age and earned at least the maximum wage base amount during his or her working years is \$3,822.

### Maximum compensation subject to Federal Insurance Contributions Act (FICA) tax

Type	Limit
Social Security (OASDI) maximum	\$168,600
Medicare (HI) maximum	No limit

### 3.8% additional Medicare tax on Net Investment Income Tax (NIIT)

Applies to individuals, estates and trusts with certain investment income above certain threshold amounts

Filing status	3.8% NIIT may apply if modified adjusted gross income is above the following thresholds
Single or head of household (with qualifying person)	\$200,000
Married filing jointly or qualifying widow(er) with dependent child	\$250,000
Married filing separately	\$125,000



## 0.9% additional Medicare tax

Applies to earned and self-employment income that exceeds a threshold amount based on filing status

Filing Status	Threshold amount
Single or head of household	\$200,000
Married filing jointly	\$250,000
Married filing separately	\$125,000

## College and health savings

### Education tax credits and deductions

Type	Maximum credit/deduction	AGI phase-out range
American Opportunity (Hope) Tax Credit	\$2,500 per eligible student for first 4 years of post-secondary education	\$80,000 - \$90,000 (Single) \$160,000 - \$180,000 (Married filing jointly)
Lifetime Learning Tax Credit	20% of tuition expenses, with a maximum of \$2,000 (no limit in number of years)*	\$80,000 - \$90,000 (Single) \$160,000 - \$180,000 (Married filing jointly)

Note: You cannot claim more than one tax benefit for the same education expenses. Maximums may differ by state. Limits do not include interest paid on qualified education loans.

\*\$2,000 is the collective cap per household. You can't claim a credit for each student.

### Coverdell Education Savings Account contribution limit

Filing status	Maximum annual contribution	AGI phase-out range
Single or head of household	\$2,000 per beneficiary	\$95,000 - \$110,000
Married filing jointly	\$2,000 per beneficiary	\$190,000 - \$220,000

### Health savings account contribution limit

Coverage	Maximum annual contribution	Catch-up contribution (Age 55 or older)
Individual (self only)	\$4,150	\$1,000
Family	\$8,300	\$1,000

## Estate and gift taxes

### Estate and gift tax rate

Maximum rate: 40%

### Unified estate and gift tax credit

Type	Annual
Exclusion amount	\$13,610,000
Annual gift exclusion	\$18,000 to any individual*

\*Annual exclusion for gifts to non-citizen spouse is \$185,000.

Action today can lead to great things tomorrow. Action is everything.



Sources: [www.irs.gov](http://www.irs.gov), Revenue Procedures 2023-23 and 2023-34, IRS Notice 2023-75, Social Security 2024 Fact Sheet, and Consolidated Appropriations Act, 2023.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice, consult the appropriate professional.

Life insurance and annuities issued by **American General Life Insurance Company** (AGL), Houston, TX except in New York, where issued by **The United States Life Insurance Company in the City of New York** (US Life). Certain annuities are issued by **The Variable Annuity Life Insurance Company** (VALIC), Houston, TX. **Variable annuities are distributed by Corebridge Capital Services, Inc.** (CCS), member FINRA, 21650 Oxnard Street, Suite 750, Woodland Hills, CA 91367-4997, 1-800-445-7862. Issuing companies AGL, US Life and VALIC are responsible for financial obligations of insurance products. AGL does not solicit, issue or deliver policies or contracts in the state of New York. Products and services may not be available in all states and product features may vary by state. Please refer to the contract.

All companies above are wholly owned subsidiaries of Corebridge Financial, Inc. Corebridge Financial and Corebridge are marketing names used by these companies.

©2024 Corebridge Financial, Inc. All rights reserved.

[corebridgefinancial.com](http://corebridgefinancial.com)