

# DELUXE SUPPLEMENT

**FEDERAL** BUSINESS TOPICS ♦  
OCCUPATIONS & ODDITIES

TAX  
YEAR **2022**

## C Corporation Income Tax Rate

Form 1120. The corporate tax rate is a flat 21%.

## 2022 Form 1041

### Federal Tax Rate Schedule

\$	0	to	2,750	×	10.0%	minus	\$	0.00	=	Tax
	2,751	to	9,850	×	24.0%	minus		385.00	=	Tax
	9,851	to	13,450	×	35.0%	minus		1,468.50	=	Tax
	13,451	and over		×	37.0%	minus		1,737.50	=	Tax

## 2022 Gift Tax Exclusion

Annual exclusion for gifts per donee	\$16,000
Gifts to noncitizen spouse	\$164,000

### Estate and Gift Tax Exclusion

Year of death	2022
Exclusion*	\$12,060,000
Credit against tax	\$4,769,800

\* Plus any unused estate/gift DSUE if portability was elected.

## 2022 Estate and Gift Tax Rate Schedule

\$	0	to	10,000	×	18%	minus	\$	0	=	Tax
	10,001	to	20,000	×	20%	minus		200	=	Tax
	20,001	to	40,000	×	22%	minus		600	=	Tax
	40,001	to	60,000	×	24%	minus		1,400	=	Tax
	60,001	to	80,000	×	26%	minus		2,600	=	Tax
	80,001	to	100,000	×	28%	minus		4,200	=	Tax
	100,001	to	150,000	×	30%	minus		6,200	=	Tax
	150,001	to	250,000	×	32%	minus		9,200	=	Tax
	250,001	to	500,000	×	34%	minus		14,200	=	Tax
	500,001	to	750,000	×	37%	minus		29,200	=	Tax
	750,001	to	1,000,000	×	39%	minus		44,200	=	Tax
	1,000,001	and over		×	40%	minus		54,200	=	Tax

## 2022 Section 179 Deduction

Regular annual dollar limit	\$1,080,000
SUV annual dollar limit	\$27,000
Investment limit phaseout range	\$2,700,000 to \$3,780,000

## 2022 Start-Up Costs and Organizational Costs

Start-Up Costs		Organizational Costs	
Election to deduct	\$5,000	Election to deduct	\$5,000
Phaseout begins	\$50,000	Phaseout begins	\$50,000
Election to amortize	180 months	Election to amortize	180 months

## 2022 Cash Method of Accounting

Gross receipts test	\$27 million
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## 2022 Standard Mileage Rates

	Before 7/1	After 6/30
Depreciation	26.0¢	Business 58.5¢

## 2022 Pension Plan Limits

### 401(k)/403(b) Elective Deferral Limits

Under age 50	\$20,500
Age 50 and over	\$27,000

### SIMPLE Elective Deferral Limits

Under age 50	\$14,000
Age 50 and over	\$17,000

### Qualified Retirement Plan Limits

Profit sharing/SEP limit	25%/\$61,000
Defined benefit plan limit	\$245,000
Compensation limit	\$305,000

## 2022 Health Savings Account Limits

### Annual Contribution Limit

Self-only, under age 55	\$3,650	Family, under age 55	\$7,300
Self-only, age 55 and older	\$4,650	Family, age 55 and older	\$8,300

### Minimum Annual Deductible

Self-only coverage	\$1,400	Family coverage	\$2,800
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### Maximum Annual Deductible and Out-of-Pocket Expense Limit

Self-only coverage	\$7,050	Family coverage	\$14,100
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## 2022 Health Flexible Spending Arrangement Limits

### Cafeteria Plan Health FSA

Maximum amount employee can set aside pre-tax	\$2,850
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## 2022 Nondiscrimination Rules for Fringe Benefits

Key employee threshold	\$200,000
Highly compensated	\$135,000

## Entity Classification Elections

Entity	Default Filing	Entity Options	Cannot Be Taxed as:
Individual	Sole proprietor, Schedule C (or Schedule E for rental)	Corporation	Partnership
Partnership	Partnership, Form 1065	Corporation	Sole proprietor
Corporation (formed as a corporation under state law)	C corporation, Form 1120, or S corporation, Form 1120S (with S election)	N/A	Sole proprietor; Partnership
LLC (single-member)	Disregarded entity—owner files as if LLC did not exist.	Corporation	Partnership
LLC (multiple-owner)	Partnership, Form 1065	Corporation	Sole proprietor

