



Guidance You Can Count On.

# 2021 Rates and Dates

## 2021 INDIVIDUAL TAX RATE SCHEDULES

### MARRIED TAXPAYERS - JOINT OR SURVIVING SPOUSE

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 19,900	\$ 0	+10%
19,901	81,050	1,990.00	+12%
81,051	172,750	9,328.00	+22%
172,751	329,850	29,502.00	+24%
329,851	418,850	67,206.00	+32%
418,851	628,300	95,686.00	+35%
628,301	—	168,993.50	+37%

### SINGLE TAXPAYERS

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 9,950	\$ 0	+10%
9,951	40,525	995.00	+12%
40,526	86,375	4,664.00	+22%
86,376	164,925	14,751.00	+24%
164,926	209,425	33,603.00	+32%
209,426	523,600	47,843.00	+35%
523,601	—	157,804.25	+37%

## 2020 INDIVIDUAL TAX RATE SCHEDULES

### MARRIED TAXPAYERS - JOINT OR SURVIVING SPOUSE

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 19,750	\$ 0	+10%
19,751	80,250	1,975.00	+12%
80,251	171,050	9,235.00	+22%
171,051	326,600	29,211.00	+24%
326,601	414,700	66,543.00	+32%
414,701	622,050	94,735.00	+35%
622,051	—	167,307.50	+37%

### SINGLE TAXPAYERS

TAXABLE INCOME	BUT NOT OVER	YOUR TAX IS	OF AMOUNT OVER
\$ 0	\$ 9,875	\$ 0	+10%
9,876	40,125	978.50	+12%
40,126	85,525	4,617.50	+22%
85,526	163,300	14,605.50	+24%
163,301	207,350	33,271.50	+32%
207,351	518,400	47,367.50	+35%
518,401	—	156,325.00	+37%

## INDIVIDUALS

### STANDARD DEDUCTION\* - 2021

Joint Return.....	\$25,100	Blind or Elderly (per condition)	
Single.....	\$12,550	Single/Head of House..	\$1,700
Head of Household....	\$18,800	Married.....	\$1,350

\*You may deduct the greater of your standard deduction or your itemized deductions.

### STANDARD DEDUCTION\* - 2020

Joint Return.....	\$24,800	Blind or Elderly (per condition)	
Single.....	\$12,400	Single/Head of House..	\$1,650
Head of Household....	\$18,650	Married.....	\$1,300

## INDIVIDUAL RETIREMENT DEDUCTIONS - 2021

Not in another plan & with earnings - \$6,000 and \$1,000 more if at least 50 years old (same limits for a non-working spouse). AGI limits are gradually being increased. To help with tax planning, these limits are for active participants in another plan during the tax year.

MARRIED AGI	DEDUCTION	SINGLE AGI
\$ 0 - \$105,000	\$6,000/\$7,000 max.	\$ 0 - \$66,000
\$105,001 - \$125,000	Partial	\$66,001 - \$76,000
> \$125,000	None	> \$76,000

## ROTH RETIREMENT ACCOUNTS

Contributions are not deductible and are reduced by the amount of contributions made to all other IRAs. Allowable contribution phases out ratably as follows:

	2021	2020
Married - Joint - AGI	\$198,000 - \$208,000	\$196,000 - \$206,000
Married - Separate - AGI	\$0 - \$10,000	\$0 - \$10,000
All others - AGI	\$125,000 - \$140,000	\$124,000 - \$139,000

## ESTIMATED TAX PAYMENTS - 2021

To avoid possible underpayment penalties, you are required to pay through withholding or estimated tax payments, the lesser of:

- 90% of your 2021 tax liability.
- 100% of your 2020 tax liability. If your adjusted gross income for 2020 was more than \$75,000 for single filers or \$150,000 for married filing jointly, estimated tax payment is 110% of prior year tax liability.

Estimated tax payments for individuals are due by: April 15, 2021; June 15, 2021; September 15, 2021; January 18, 2022



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## SOCIAL SECURITY TAXES

2021					2020				
WAGE BASE		FICA TAX RATE		SELF-EMPLOYMENT	WAGE BASE		FICA TAX RATE		SELF-EMPLOYMENT
SINGLE / MARRIED	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	TAX RATE	SINGLE / MARRIED	EMPLOYEE	EMPLOYER	TAX RATE
\$142,800 / \$142,800		7.65%	7.65%	15.30%		\$137,700 / \$137,700	7.65%	7.65%	15.30%
\$200,000 / \$250,000		1.45%	1.45%	2.90%		\$200,000 / \$250,000	1.45%	1.45%	2.90%
> \$200,000 / > \$250,000		2.35%	1.45%	3.80%		> \$200,000 / > \$250,000	2.35%	1.45%	3.80%

Self-employed individuals can deduct half of their Social Security taxes as an adjustment on their 1040.

## SOCIAL SECURITY ALLOWABLE EARNINGS

Definition of Full Retirement Age (FRA)		BELOW FRA	YEAR OF FRA	AFTER FRA
YEAR OF BIRTH	FULL RETIREMENT AGE	2021	2020	
1937 or earlier	65	\$18,960	\$18,240	Unlimited
1943 - 1954	66			Unlimited
1960 or later	67			Unlimited

*Social Security is reduced based on earnings in excess of limitation above.*

Earnings	Reduction	\$2	\$1	\$3	\$1	N/A	N/A
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## BUSINESSES

### PAYROLL TAX DEPOSIT DUE DATES (EFFECTIVE JANUARY 1, 2021)

CLASSIFICATION	DAY INCURRED	DUE DATE
<b>Monthly Depositors</b> (\$50,000 or less reported over 12 months ending 6/30/20)**	All during month	15th of following month
<b>Semi-Weekly Depositors</b> (over \$50,000 but less than \$100,000 over 12 months ending 6/30/20)	Wed, Thurs or Fri Sat, Sun, Mon or Tues	Following Wed* Following Fri*
<b>One Day Depositors</b> (\$100,000 cumulative during monthly or semi-weekly period)	Any day of month	Next banking day

\*Extended for Banking Holidays

\*\*Automatic move to semi-monthly if \$100,000+ cumulative rule applies

**PERSONAL SERVICE CORPORATIONS** 21% flat tax rate

**CORPORATE INCOME RATES** 21% flat tax rate

## DEPRECIATION

	2021	2020
Bonus Depreciation - percent of new assets to be deducted unless election to opt out is made	100%	100%
Expensing election on qualified assets subject to limitations based on income and assets purchased	\$1,500,000	\$1,040,000
SUVs limitation	\$25,000	\$25,000

### LUXURY VEHICLES ACQUIRED 2020

(Maximum Depreciation Deduction)

	1st Year	2nd Year	3rd Year	Each Succeeding Year
<b>AUTOS, TRUCKS &amp; VANS</b>	\$10,100	\$16,100	\$9,700	\$5,760
<b>BONUS</b>	\$8,000			

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Information current as December 31, 2020. It is highly condensed to be used as a reference and should not be considered a complete presentation of the topics. Visit our website at [sek.com](http://sek.com) for updates.