

## PERSONAL EXEMPTION AND STANDARD DEDUCTIONS

### Personal and Dependency Exemptions:

	Federal	Vermont
Individuals	N/A	\$4,350

### Standard Deduction:

	A	B
Married filing jointly and surviving spouses	\$25,900	\$12,500
Single Taxpayers	\$12,950	\$6,250
Head of Households	\$19,400	\$9,400
Married filing separately	\$12,950	\$6,250

Dependents who file \$1,150  
(Could be up to \$12,950 if they have earned income)

**A.** Taxpayers who are blind or age 65 and over receive an additional amount of \$1,400 if married (whether filing jointly or separately), or \$1,750 if single or head of household.

**B.** Taxpayers who are blind or age 65 and over receive an additional amount of \$1,050. In addition, there is a special calculation for medical deductions for Vermont taxpayers.

## ESTATE AND TRUST TAX RATES

### FEDERAL

Range of taxable income	Tax	of amount over
\$0 - \$2,750	10%	\$0
2,751 - 9,850	\$275 + 24%	2,750
9,851 - 13,450	1,979 + 35%	9,850
Over 13,450	3,239 + 37%	13,450

### VERMONT (ESTIMATED)

Range of taxable income	Tax	of amount over
\$0 - \$2,750	3.35%	\$0
2,751 - 6,450	\$92 + 6.6%	2,750
6,451 - 9,850	336 + 7.6%	6,450
Over 9,850	595 + 8.75%	9,850

Vermont is estimated as the rates may be adjusted retroactively during the current legislative session.

## INDIVIDUAL TAX RATES FEDERAL

### Married Persons Filing Jointly and Surviving Spouses

Range of taxable income	Tax	of amount over
\$0 - 20,550	10%	\$0
20,551 - 83,550	\$2,055 + 12%	20,550
83,551 - 178,150	9,615 + 22%	83,550
178,151 - 340,100	30,427 + 24%	178,150
340,101 - 431,900	69,295 + 32%	340,100
431,901 - 647,850	98,671 + 35%	431,900
Over 647,850	174,253.50 + 37%	647,850

### Married Persons Filing Separately

Range of taxable income	Tax	of amount over
\$0 - 10,275	10%	\$0
10,276 - 41,775	\$1,027.50 + 12%	10,275
41,776 - 89,075	4,807.50 + 22%	41,775
89,076 - 170,050	15,213.50 + 24%	89,075
170,051 - 215,950	34,647.50 + 32%	170,050
215,951 - 323,925	49,335.50 + 35%	215,950
Over 323,925	87,126.75 + 37%	323,925

### Single Taxpayers

Range of taxable income	Tax	of amount over
\$0 - 10,275	10%	\$0
10,276 - 41,775	\$1,027.50 + 12%	10,275
41,776 - 89,075	4,807.50 + 22%	41,775
89,076 - 170,050	15,213.50 + 24%	89,075
170,051 - 215,950	34,647.50 + 32%	170,050
215,951 - 539,900	49,335.50 + 35%	215,950
Over 539,900	162,718 + 37%	539,900

### Head of Household

Range of taxable income	Tax	of amount over
\$0 - 14,650	10%	\$0
14,651 - 55,900	\$1,465 + 12%	14,650
55,901 - 89,050	6,415 + 22%	55,900
89,051 - 170,050	13,708 + 24%	89,050
170,051 - 215,950	33,148 + 32%	170,050
215,951 - 539,900	47,836 + 35%	215,950
Over 539,900	161,218.50 + 37%	539,900

## INDIVIDUAL TAX RATES VERMONT (ESTIMATED)

### Married Persons Filing Jointly and Surviving Spouses

Range of taxable income	Tax	of amount over
\$0 - 68,400	3.35%	\$0
68,401 - 165,350	\$2,291 + 6.6%	68,400
165,351 - 251,950	8,690 + 7.6%	165,350
Over 251,950	15,272 + 8.75%	251,950

### Married Filing Separately

Range of taxable income	Tax	of amount over
\$0 - 34,200	3.35%	\$0
34,201 - 82,675	\$1,146 + 6.6%	34,200
82,676 - 125,975	4,345 + 7.6%	82,675
Over 125,975	7,636 + 8.75%	125,975

### Single Taxpayers

Range of taxable income	Tax	of amount over
\$0 - 40,950	3.35%	\$0
40,951 - 99,200	\$1,372 + 6.6%	40,950
99,201 - 206,950	5,216 + 7.6%	99,200
Over 206,950	13,405 + 8.75%	206,950

### Head of Household

Range of taxable income	Tax	of amount over
\$0 - 54,850	3.35%	\$0
54,851 - 141,700	\$1,837 + 6.6%	54,850
141,701 - 229,450	7,570 + 7.6%	141,700
Over 229,450	14,239 + 8.75%	229,450

Vermont taxable income is based on federal adjusted gross income reduced by the Vermont personal exemptions and the standard deduction. Vermont will allow a 5% credit for all charitable contributions up to a maximum \$1,000 credit (\$20,000 of contributions). Please note that for AGI exceeding \$150,000, tax is greater of 1) 3% of AGI less U.S. interest or 2) tax tables above.

**Additional Federal Surtax:** Certain individual taxpayers who have net investment income will incur a 3.8% surtax on certain unearned income, potentially increasing their total federal income tax rate to 40.8%. The surtax applies to taxpayers with an adjusted gross income above \$200,000 (single) and \$250,000 (joint filers).

## INDIVIDUAL CAPITAL GAINS RATES FEDERAL

Top Capital Gains Rate	Income Thresholds		
0%	Married filing joint	Taxable Income Below	\$83,350
	Married filing separately		41,675
	Single		41,675
	Head of household		55,800
	Estates and trusts		2,800
15%	Married filing joint	Taxable Income Below	517,200
	Married filing separately		258,600
	Single		459,750
	Head of household		488,500
	Estates and trusts	13,700	
20%	Capital gains in excess of the income amounts for the 15% rate		

Rates are for long-term capital gains on assets held more than one year. Short-term and long-term capital gains are treated separately and a loss can be used to offset a gain of the same type. Short-term gains are taxed as ordinary income. Net capital losses may offset other income by up to \$3,000 per year (\$1,500 for married filing separately). The balance of unused capital losses is carried forward indefinitely.

### VERMONT

Vermont has a general exclusion for capital gains of up to \$5000. Taxpayers may also exclude 40% of their adjusted net capital gains from the sale of selected types of assets held more than 3 years. However, effective July 1, 2019, the 40% capital gain exclusion is limited to \$350,000. This means the benefit of this exclusion phases out with capital gains in excess of \$875,000.

## CORPORATE TAX RATES FEDERAL

Range of taxable income	Tax	of amount over
All income	21%	\$0

### VERMONT

Range of taxable income	Tax	of amount over
\$0 - 10,000	6%	\$0
10,001 - 25,000	\$600 + 7%	10,000
Over 25,000	1,650 + 8.5%	25,000

## VERMONT CORPORATE MINIMUM TAX

Gross Receipts	Tax
\$2,000,000 or less	\$300
\$2,000,001-\$5,000,000	\$500
\$5,000,001 and over	\$750

## INCOME PHASEOUT RANGES<sup>1</sup> FILING STATUS

	Married-Joint	Head of Household	Single	Married-Separate
<b>Personal Exemption</b>	Exemptions repealed			
<b>Itemized Deduction</b>	Itemized deductions no longer phased out			
<b>Child Tax Credit<sup>2</sup></b>	\$400,000 - varies	\$200,000 - varies	\$200,000 - varies	\$200,000 - varies
<b>Education Loan Interest Deduction</b>	\$145,000 -175,000	\$70,000- 85,000	\$70,000- 85,000	N/A <sup>3</sup>
<b>Roth IRA</b>	\$204,000 -214,000	\$129,000 -144,000	\$129,000 -144,000	\$0 <sup>4</sup> -10,000
<b>Traditional IRA w/ Pension</b>	\$109,000 -129,000	\$68,000 - 78,000	\$68,000 -78,000	\$0 <sup>4</sup> -10,000
<b>Traditional IRA Spouse w/Pension</b>	\$204,000 -214,000	N/A	N/A	\$0 <sup>4</sup> -10,000
<b>American Opportunity Credit</b>	\$160,000 -180,000	\$80,000 - 90,000	\$80,000 -90,000	N/A <sup>3</sup>
<b>Lifetime Learning Credit</b>	\$160,000 -180,000	\$80,000 - 90,000	\$80,000 -90,000	N/A <sup>3</sup>
<b>Alternative Minimum Tax (AMT) Exemption</b>	\$118,100	\$75,900	\$75,900	\$59,050 <sup>5</sup>

<sup>1</sup> Income refers to adjusted gross income with some modifications

<sup>2</sup> The income level at which this credit will be completely phased out depends on the number of qualified children

<sup>3</sup> A married person must file a joint return in order to take advantage of this tax break

<sup>4</sup> This limit applies if you lived with your spouse any time during the year. If not, use single figures

<sup>5</sup> Subject to phaseout based upon AMT income

## CONSUMER PRICE INDEX (CPI-U)

Year	Average 12-Month Increase
2019	2.3%
2020	1.4%
2021	7.0%

## OTHER IMPORTANT TAX INFORMATION

	2022	2021
<b>Unearned Income w/o Kiddie Tax</b>	\$2,300	\$2,200
<b>Child Tax Credit</b>	\$2,000	\$3,600 and \$3,000
<b>Family Tax Credit (Non-child dependent)</b>	\$500	\$500
<b>Auto Standard Mileage Allowances</b>		
Business	58.5¢	56¢
Charity Work	14¢	14¢
Medical/Moving	18¢	16¢
<b>Section 179 Deduction</b>	\$1,080,000	\$1,050,000
<b>Earning Ceiling for Social Security</b>		
Under full retirement age	\$1,630/mo	\$1,580/mo
Year retirement age reached	\$4,330/mo	\$4,210/mo
Above full retirement age	Unlimited	Unlimited
<b>Estate Tax Exclusion</b>		
Equivalent—Federal	\$12,060,000	\$11,700,000
Equivalent—Vermont	\$5,000,000	\$5,000,000
<b>Federal Estate Tax (Above Exemption Amount)</b>	up to 40%	up to 40%
<b>Vermont Estate Tax (Above Exemption Amount)</b>	up to 16%	up to 16%
<b>Vermont Charitable Tax Credit</b>	5% up to \$20,000	5% up to \$20,000
<b>Annual Gift Exclusion</b>	\$16,000	\$15,000
<b>Lifetime Gift Exclusion</b>	\$12,060,000	\$11,700,000
<b>Max Compensation Qualified Plans</b>	\$305,000	\$290,000
<b>Max Contribution Defined Contribution Plan</b>		
50 and Over Catch up	\$61,000 \$6,500	\$58,000 \$6,500
<b>Max Deferral 401(k) / 403(b)</b>		
50 and Over Catch up	\$20,500 \$6,500	\$19,500 \$6,500
<b>Max Deferral SIMPLE</b>		
50 and Over Catch up	\$14,000 \$3,000	\$13,500 \$3,000
<b>IRA, Traditional and Roth</b>		
50 and Over Catch up	\$6,000 \$1,000	\$6,000 \$1,000
<b>HSA - Maximum Contribution</b>		
Self	\$3,650	\$3,600
Family	\$7,300	\$7,200
55 and Over Catch Up	\$1,000	\$1,000

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## PAYROLL TAX RATES

**FICA:** The maximum taxable wage base for FICA (Social Security) is \$147,000.

	Medicare	FICA
Employer/Employee	1.45%	6.2%
Self-Employed	2.9%	12.4%

**Medicare:** The Medicare Part A (Hospital Insurance) payroll tax rate is 1.45% for both employers and employees and 2.9% for the self-employed. There is no cap on the amount of earned income subject to the Medicare tax. There is an additional 0.9% Medicare tax on income over \$200,000 for Singles and Head of Household, \$250,000 for Married Filing Jointly, and \$125,000 for Married Filing Separately.

**SUTA:** A state unemployment compensation tax is imposed on all Vermont employers for the first \$15,500 of wages paid in 2022 to each covered employee. The rate is specific to each employer.

**FUTA:** A federal unemployment compensation tax rate of 6.0% is imposed on employers for the first \$7,000 of wages paid in 2022 to each covered employee. However, because of credits allowed to employers for their contributions to state unemployment funds, the effective FUTA rate paid by Vermont employers will be only 0.6%.

## ESTIMATED TAX PAYMENTS

*(These due dates apply to a calendar-year taxpayer)*

Installment	Due Date
Last 2021 Payment	January 18, 2022
First 2022 Payment	April 15, 2022
Second 2022 Payment	June 15, 2022
Third 2022 Payment	September 15, 2022
Fourth 2022 Payment	January 16, 2023

### Exceptions to Underpayment Penalties

To avoid penalties for underpaying estimated taxes, individual taxpayers must pay in through withholding and estimated taxes at least the lesser of (1) 100% of the 2021 tax liability, (2) 90% of the 2022 tax liability or (3) based on an annualized income installment method. For taxpayers with adjusted gross income in excess of \$150,000 (\$75,000 for married filing separately) the prior year safe harbor percentage is 110% for federal estimates.

### Addresses for Individual Estimated Tax Payments

Internal Revenue Service (for VT, NY, NH residents)  
P.O. Box 37007, Hartford, CT 06176-7007  
Vermont Department of Taxes  
P.O. Box 1779, Montpelier, VT 05601-1779



# 2022 Tax Tables

  
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