

Tax Information For 2018

Social Security Wage Base

For 2018 the social security wage base is \$128,400. This is an increase from the 2017 wage base of \$127,200.

Mileage Rates

For 2018, the mileage allowance is 54.5 cents per mile for business travel. Miles driven for medical care or for a qualified move is 18 cents per mile. The mileage rate for providing services to a charity remains at 14 cents per mile.

2018 Federal Standard Deductions

\$12,000 for single filers & married filing separately (up from \$6,500 in 2017)

\$24,000 for married filers (up from \$13,000)

\$18,000 for head of household (up from \$9,550)

*Beginning in 2018, personal exemptions are eliminated.

Retirement Plan Contribution Limits

- The 401(k) contribution limit for 2018 is \$18,500 with an additional \$6,000 allowed for catch-up contributions.
- The 2018 IRA contribution limit is \$5,500 with an additional \$1,000 allowed for catch-up contributions.
- The 2018 SIMPLE IRA contribution limit is \$12,500 with an additional \$3,000 allowed for catch-up contributions.

Other Tax Information for 2018

- The 2018 limit on Health Savings Account contributions is \$3,450 for a single taxpayer with self-only coverage under a high deductible health plan. The limit for family coverage under a high deductible health plan is \$6,900.
- The state income tax rate for Illinois increased from 3.75% to 4.95%, effective July 1, 2017.
- The state income tax rate for Indiana remains at 3.23% for 2018.

These are only a few key points regarding tax information for 2018. Please notify us if you have any questions or concerns.