

## **Tax Information For 2020**

### **Social Security Wage Base**

For 2020 the social security wage base is \$137,700. This is an increase from the 2019 wage base of \$132,900.

### **Mileage Rates**

For 2020 the mileage allowance is 57.5 cents per mile for business travel. This is down slightly from the 2019 rate of 58 cents per business mile. Miles driven for medical care or for a qualified move is 17 cents per mile, down from 20 cents in 2019. The mileage rate for providing services to a charity remains at 14 cents per mile.

### **2020 Federal Standard Deductions**

\$12,400 for single filers & married filing separately (up from \$12,200 in 2019)  
\$24,800 for married filers (up from \$24,400)  
\$18,650 for head of household (up from \$18,350)

\*Beginning in 2018, personal exemptions are eliminated.

### **Retirement Plan Contribution Limits**

- The 401(k) contribution limit for 2020 is \$19,500 with an additional \$6,500 allowed for catch-up contributions. The 2019 401(k) contribution limit is \$19,000 with a \$6,000 catch-up.
- The 2020 IRA contribution limit is \$6,000 with an additional \$1,000 allowed for catch-up contributions. The limits are the same in 2019.
- The 2020 SIMPLE IRA contribution limit is \$13,500 with an additional \$3,000 allowed for catch-up contributions. The 2019 SIMPLE IRA contribution limit is \$13,000 with an additional \$3,000 allowed for catch-up contributions.

### **Other Tax Information for 2020**

- The 2020 limit on Health Savings Account contributions is \$3,550 for a taxpayer with self-only coverage under a high deductible health plan. The limit for family coverage under a high deductible health plan is \$7,100. The 2019 limits are \$3,500 and \$7,000, respectively.
- The federal individual shared responsibility payment for individuals without minimum essential health coverage has been reduced to zero beginning in 2019.
- The state income tax rate for Indiana remains at 3.23% for 2019 and 2020.

**These are only a few key points regarding tax information for 2020 and are only provided as a basis for further study. We make every attempt to provide consistent, current information. Any information provided is subject to change, and we are not responsible if any information is not consistent with current law. Providing this information does not serve as tax advice. As each individual tax situation is different, please contact us with any questions or concerns.**