



# Quick Tax Reference

2020 / 2021

As of January 2021



**AKRAM**  
Assurance, Advisory & Tax

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## Filing Deadlines for 2020 Tax/Information Returns

Type of Taxpayer (calendar year)	Due Date	Extended Due Date
Employer – Form W-2*	February 1, 2021	1 non-automatic 30-day extension
Payers – Form 1099-NEC**	February 1, 2021	1 non-automatic 30-day extension
Payers – Form 1099-MISC***	March 1, 2021	1 non-automatic 30-day extension
Partnerships, LLCs - Form 1065****	March 15, 2021	September 15, 2021
S Corporations – Form 1120S****	March 15, 2021	September 15, 2021
Individuals – Form 1040	May 17, 2021	October 15, 2021
Estates and Trusts – Form 1041	April 15, 2021	September 30, 2021
FBAR – FinCEN Form 114	April 15, 2021	October 15, 2021
Corporations – Form 1120	April 15, 2021	October 15, 2021
Exempt Organizations – Forms 990	May 17, 2021	November 15, 2021
Employee Benefit Plans – Form 5500	August 2, 2021	October 15, 2021

\* Due date for providing W-2 to employees and to SSA.

\*\* For reporting non-employee compensation.

\*\*\* For reporting all other payments.

\*\*\*\* Also the due date for Schedule K-1 that entity must provide to equity holders.

## Corporate Tax Rate Schedule

## 2020/2021

[Source: Code Section 11(b); Form 1120 Instructions] All taxable years beginning on or after Jan. 1, 2018

**If Taxable Income Is:**

**The Tax Is:**

Over \$0

21% of the taxable income



## Married Individuals Filing Joint Returns & Surviving Spouses **2021**

[Source: Code Section 1(j); Rev. Proc. 2020-45]

If Taxable Income Is:		The Tax Is:	
Not over \$19,900		10% of the taxable income	
Over \$19,900	but not over \$81,050	\$1,990.00 plus	12% of the excess over \$19,900
Over \$81,050	but not over \$172,750	\$9,328.00 plus	22% of the excess over \$81,050
Over \$172,750	but not over \$329,850	\$29,502.00 plus	24% of the excess over \$172,750
Over \$329,850	but not over \$418,850	\$67,206.00 plus	32% of the excess over \$329,850
Over \$418,850	but not over \$628,300	\$95,686.00 plus	35% of the excess over \$418,850
Over \$628,300		\$168,993.50 plus	37% of the excess over \$628,300

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.

## Married Individuals Filing Joint Returns & Surviving Spouses **2020**

[Source: Code Section 1(j); Rev. Proc. 2019-44]

If Taxable Income Is:		The Tax Is:	
Not over \$19,750		10% of the taxable income	
Over \$19,750	but not over \$80,250	\$1,975.00 plus	12% of the excess over \$19,750
Over \$80,250	but not over \$171,050	\$9,235.00 plus	22% of the excess over \$80,250
Over \$171,050	but not over \$326,600	\$29,211.00 plus	24% of the excess over \$171,050
Over \$326,600	but not over \$414,700	\$66,543.00 plus	32% of the excess over \$326,600
Over \$414,700	but not over \$622,050	\$94,735.00 plus	35% of the excess over \$414,700
Over \$622,050		\$167,307.50 plus	37% of the excess over \$622,050

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.



## Heads of Households

2021

[Source: Code Section 1(j); Rev. Proc. 2020-45]

If Taxable Income Is:		The Tax Is:	
Not over \$14,200		10% of the taxable income	
Over \$14,200	but not over \$54,200	\$1,420.00 plus	12% of the excess over \$14,200
Over \$54,200	but not over \$86,350	\$6,220.00 plus	22% of the excess over \$54,200
Over \$86,350	but not over \$164,900	\$13,293.00 plus	24% of the excess over \$86,350
Over \$164,900	but not over \$209,400	\$32,145.00 plus	32% of the excess over \$164,900
Over \$209,400	but not over \$523,600	\$46,385.00 plus	35% of the excess over \$209,400
Over \$523,600		\$156,355.00 plus	37% of the excess over \$523,600

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.

## Heads of Households

2020

[Source: Code Section 1(j); Rev. Proc. 2019-44]

If Taxable Income Is:		The Tax Is:	
Not over \$14,100		10% of the taxable income	
Over \$14,100	but not over \$53,700	\$1,410.00 plus	12% of the excess over \$14,100
Over \$53,700	but not over \$85,500	\$6,162.00 plus	22% of the excess over \$53,700
Over \$85,500	but not over \$163,300	\$13,158.00 plus	24% of the excess over \$85,500
Over \$163,300	but not over \$207,350	\$31,830.00 plus	32% of the excess over \$163,300
Over \$207,350	but not over \$518,400	\$45,926.00 plus	35% of the excess over \$207,350
Over \$518,400		\$154,793.50 plus	37% of the excess over \$518,400

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.



## Unmarried Individuals (Other than Surviving Spouses and Heads of Households)

### 2021

[Source: Code Section 1(j); Rev. Proc. 2020-45]

If Taxable Income Is:		The Tax Is:	
Not over \$9,950		10% of the taxable income	
Over \$9,950	but not over \$40,525	\$995.00 plus	12% of the excess over \$9,950
Over \$40,525	but not over \$86,375	\$4,664.00 plus	22% of the excess over \$40,525
Over \$86,375	but not over \$164,925	\$14,751.00 plus	24% of the excess over \$86,375
Over \$164,925	but not over \$209,425	\$33,603.00 plus	32% of the excess over \$164,925
Over \$209,425	but not over \$523,600	\$47,843.00 plus	35% of the excess over \$209,425
Over \$523,600		\$157,804.25 plus	37% of the excess over \$523,600

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.

## Unmarried Individuals (Other than Surviving Spouses and Heads of Households)

### 2020

[Source: Code Section 1(j); Rev. Proc. 2019-44]

If Taxable Income Is:		The Tax Is:	
Not over \$9,875		10% of the taxable income	
Over \$9,875	but not over \$40,125	\$987.50 plus	12% of the excess over \$9,875
Over \$40,125	but not over \$85,525	\$4,617.50 plus	22% of the excess over \$40,125
Over \$85,525	but not over \$163,300	\$14,605.50 plus	24% of the excess over \$85,525
Over \$163,300	but not over \$207,350	\$33,271.50 plus	32% of the excess over \$163,300
Over \$207,350	but not over \$518,400	\$47,367.50 plus	35% of the excess over \$207,350
Over \$518,400		\$156,235.00 plus	37% of the excess over \$518,400

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.



## Married Individuals Filing Separate Returns

2021

[Source: Code Section 1(j); Rev. Proc. 2020-45]

If Taxable Income Is:		The Tax Is:	
Not over \$9,950		10% of the taxable income	
Over \$9,950	but not over \$40,525	\$995.00 plus	12% of the excess over \$9,950
Over \$40,525	but not over \$86,375	\$4,664.00 plus	22% of the excess over \$40,525
Over \$86,375	but not over \$164,925	\$14,751.00 plus	24% of the excess over \$86,375
Over \$164,925	but not over \$209,425	\$33,603.00 plus	32% of the excess over \$164,925
Over \$209,425	but not over \$314,150	\$47,843.00 plus	35% of the excess over \$209,425
Over \$314,150		\$84,496.75 plus	37% of the excess over \$314,150

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.

## Married Individuals Filing Separate Returns

2020

[Source: Code Section 1(j); Rev. Proc. 2019-44]

If Taxable Income Is:		The Tax Is:	
Not over \$9,875		10% of the taxable income	
Over \$9,875	but not over	\$40,125 \$987.50 plus	12% of the excess over \$9,875
Over \$40,125	but not over	\$85,525 \$4,617.50 plus	22% of the excess over \$40,125
Over \$85,525	but not over	\$163,300 \$14,605.50 plus	24% of the excess over \$85,525
Over \$163,300	but not over	\$207,350 \$33,271.50 plus	32% of the excess over \$163,300
Over \$207,350	but not over	\$311,025 \$47,367.50 plus	35% of the excess over \$207,350
Over \$311,025		\$83,653.75 plus	37% of the excess over \$311,025

Note that the 20% deduction for qualified business income passed through to an individual from a pass-through entity reduces the individual's effective tax rate.



## Social Security and Self-Employment Tax Limits

2020/2021

[Source: SSA Notice, 84 Fed. Reg. 56,515 (Oct. 22, 2019); SSA Notice, 85 Fed. Reg. 67,413 (Oct. 22, 2020)]

Social Security Tax (OASDI/HI)	2020	2021
6.2% OASDI wage base	\$137,700	\$142,800
1.45% HI wage base*	no limit	no limit

\*Additional 0.9% Medicare Tax applies for wages exceeding \$200,000 for Single or Head of Household, \$250,000 for Married Filing Jointly, and \$125,000 for Married Filing Separately.

Self-Employment Tax (SECA)	2020	2021
12.4% OASDI earnings base	\$137,700	\$142,800
2.9% HI wage base*	no limit	no limit

\*\*Additional 0.9% Medicare Tax applies for wages and self-employment income exceeding \$200,000 for Single or Head of Household, \$250,000 for Married Filing Jointly, and \$125,000 for Married Filing Separately.

## Alternative Minimum Tax

2020/2021

[Source: Rev. Proc. 2019-44; Rev. Proc. 2020-45]

AMT Exemption Amounts (§55(d)(1))	2020	2021
Married Filing Jointly	\$113,400	\$114,600
Single/Head of Household	\$72,900	\$73,600
Married Filing Separate Returns	\$56,700	\$57,300
Estates and Trusts	\$25,400	\$25,700

Excess Taxable Income Above Which 28% Rate Applies (§55(b)(1))	2020	2021
Married Filing Jointly, Single / Head of Household, Estates and Trusts	\$197,900	\$199,900
Married Filing Separate Returns	\$98,950	\$99,950

AMT Exemption Phaseout Amounts (§55(d)(3))	2020	2021
Married Filing Jointly	\$1,036,800	\$1,047,200
Single/Head of Household	\$518,400	\$523,600
Married Filing Separate Returns	\$518,400	\$523,600
Estates and Trusts	\$84,800	\$85,650



## Standard Deduction Table

2020/2021

[Source: Code Section 630; Rev. Proc. 2019-44; Rev. Proc. 2020-45]

	2020	2021
Married Filing Jointly and Surviving Spouses	\$24,800	\$25,100
Heads of Households	\$18,650	\$18,800
All Other Taxpayers	\$12,400	\$12,550
Additional Amount for Aged or Blind	\$1,300 for each	\$1,350 for each
Additional Amount for Aged or Blind if Unmarried and Not a Surviving Spouse	\$1,650 for each	\$1,700 for each

## Personal Exemption

2020/2021

[Source: Code Section 151(d); Rev. Proc. 2019-44; Rev. Proc. 2020-45]

	2020	2021
Personal Exemption Amount	\$0	\$0

## Deduction For Qualified Business Income From Pass-Through Entity

2020/2021

[Source: Code Section 199A]

Subject to certain limitations, for tax years 2018 through 2025, individuals, estates, and trusts may deduct up to 20% of qualified business income they receive from sole proprietorships and pass-through entities (such as partnerships, limited liability corporations, and S corporations) in which they own an interest. The remaining income (after the 20% deduction) is taxed at the individual's, estate's, or trust's regular income tax rate.

	2020	2021
QBI Deduction Rate	20%	20%





## First-Year Expensing Limits

2020/2021

[Source: Code Section 179(b); Rev. Proc. 2019-44; Rev. Proc. 2020-45]

	2020	2021
§179 Expensing Limit	1,040,000	\$1,050,000
§179 Property Cost Phaseout Begins	\$2,590,000	\$2,620,000

## Long-Term Capital Gains and Qualified Dividends

2021

[Source: Code Section 1(h), 1(j)(5); Rev. Proc. 2020-45]

Long-Term Capital Gains Rate	Single	Married Filing Jointly	Head of Household	Married Filing Separately
0%	\$0 to \$40,399	\$0 to \$80,799	\$0 to \$54,099	\$0 to \$40,399
15%	\$40,400 to \$445,849	\$80,800 to \$501,599	\$54,100 to \$473,749	\$40,400 to \$250,799
20%	\$445,850 or more	\$501,600 or more	\$473,750 or more	\$250,800 or more

## Long-Term Capital Gains and Qualified Dividends

2020

[Source: Code Section 1(h), 1(j)(5); Rev. Proc. 2019-44]

Long-Term Capital Gains Rate	Single	Married Filing Jointly	Head of Household	Married Filing Separately
0%	\$0 to \$39,999	\$0 to \$79,999	\$0 to \$53,599	\$0 to \$39,999
15%	\$40,000 to \$441,449	\$80,000 to \$496,599	\$53,600 to \$469,049	\$40,000 to \$248,299
20%	\$441,450 or more	\$496,600 or more	\$469,050 or more	\$248,300 or more



## Estates and Trusts Tax Rate Schedules

2021

[Source: Code Section 1 (j); Rev. Proc. 2020-45]

If Taxable Income Is:		The Tax Is:	
Not Over \$2,650		10% of the taxable income	
Over \$2,650	but not over \$9,550	\$265.00 plus	24% of the excess over \$2,650
Over \$9,550	but not over \$13,050	\$1,921.00 plus	35% of the excess over \$9,550
Over \$13,050		\$3,146.00 plus	37% of the excess over \$13,050

Note that the 20% deduction for qualified business income passed through to an estate or trust reduces the estate's or trust's effective tax rate.

## Estates and Trusts Tax Rate Schedules

2020

[Source: Code Section 1 (j); Rev. Proc. 2019-44]

If Taxable Income Is:		The Tax Is:	
Not Over \$2,600		10% of the taxable income	
Over \$2,600	but not over \$9,450	\$260.00 plus	24% of the excess over \$2,600
Over \$9,450	but not over \$12,950	\$1,904.00 plus	35% of the excess over \$9,450
Over \$12,950		\$3,129.00 plus	37% of the excess over \$12,950

Note that the 20% deduction for qualified business income passed through to an estate or trust reduces the estate's or trust's effective tax rate.



## Estate and Gift Tax Rates for Decedents Dying and Gifts Made in 2020 and 2021

### 2020/2021

[Source: Code Sections 2001©, 2502(a)]

Taxable Amount Over	Taxable Amount Not Over	Tax on Amount in 1st Column	Rate of Tax on Excess Over Amount in 1st Column
\$0	\$10,000	\$0	18% of the taxable amount
\$10,000	\$20,000	\$1,800 plus	20% of the excess over \$10,000
\$20,000	\$40,000	\$3,800 plus	22% of the excess over \$20,000
\$40,000	\$60,000	\$8,200 plus	24% of the excess over \$40,000
\$60,000	\$80,000	\$13,000 plus	26% of the excess over \$60,000
\$80,000	\$100,000	\$18,200 plus	28% of the excess over \$80,000
\$100,000	\$150,000	\$23,800 plus	30% of the excess over \$100,000
\$150,000	\$250,000	\$38,800 plus	32% of the excess over \$150,000
\$250,000	\$500,000	\$70,800 plus	34% of the excess over \$250,000
\$500,000	\$750,000	\$155,800 plus	37% of the excess over \$500,000
\$750,000	\$1,000,000	\$248,300 plus	39% of the excess over \$750,000
\$1,000,000	--	\$345,800 plus	40% of the excess over \$1,000,000

\* Note that the mandatory application of the estate and gift tax unified credit to the tax imposed on taxable amounts up to the applicable exclusion amount effectively results in estate and gift taxes being imposed at a flat rate of 40% on any taxable amounts exceeding the basis exclusion amount of \$11,700,000 for 2021. [Source: Rev. Proc. 2020-45]

## Applicable Exclusion Amount for Estate and Gift Tax

Source: Code Section 2010©(3); Rev. Proc. 2019-44; Rev. Proc. 2020-45]

Year of Transfer	Applicable Exclusion Amount	Credit Amount
2020	\$11,580,000 basic exclusion amount	\$4,577,800
2021	\$11,700,000 basic exclusion amount	\$4,625,800

## Gift Tax Annual Exclusion

[Source: Rev. Proc. 2019-44; Rev. Proc. 2020-45]

Year of Transfer	Applicable Exclusion Amount
2020	\$15,000
2021	\$15,000



## ERISA and Tax Code Pension and Retirement Plan Limits

[Source: Notice 2019-59; Notice 2020-79]

	2020	2021
Deferral Limits for Plans		
§401(k)	\$19,500	\$19,500
§403(b)	\$19,500	\$19,500
§457	\$19,500	\$19,500
SIMPLE	\$13,500	\$13,500
Catch-Up Contributions for Participants Age 50 or Older		
Other Than SIMPLE Plans	\$6,500	\$6,500
SIMPLE Plans	\$3,000	\$3,000
Qualified Plans – Annual Compensation Limit	\$285,000	\$290,000
Defined Benefit Maximum Annual Benefit*	\$230,000	\$230,000
Defined Contribution – Maximum Annual Addition	\$57,000	\$58,000
"Key Employee" in Top-Heavy Plan	\$185,000	\$185,000
To Determine Maximum Account Balance in ESOP		
Subject to 5-Year Distribution Period	\$1,150,000	\$1,165,000
"Highly Compensated Employee" Threshold	\$130,000	\$130,000
To Determine Additional Account Balance		
Increments for ESOP Subject to 5-Year Distribution Period	\$230,000	\$230,000
SEP Compensation Threshold for Participation	\$600	\$650
Definition of "Control Employee" for Fringe Benefit Valuation		
Reg. §1.61-21(f)(5)(i)	\$115,000	\$115,000
Reg. §1.61-21(f)(5)(iii)	\$230,000	\$235,000



## ERISA and Tax Code Pension and Retirement Plan Limits (CONTINUED)

[Source: Notice 2019-59; Notice 2020-79]

Individual Retirement Accounts	2020	2021
<b>Traditional IRAs</b>		
Contribution Limit	\$6,000	\$6,000
Catch-Up Contribution for Participants Age 50 or Older	\$1,000	\$1,000
Deduction Phase-Out Range (Modified AGI)		
Married Filing Jointly and Participant in Employer Plan	\$104,000-\$124,000	\$105,000-\$125,000
Married Filing Jointly and Spouse in Employer Plan	\$196,000-\$206,000	\$198,000-\$208,000
Single or Head of Household and in Employer Plan	\$65,000-\$75,000	\$66,000-\$76,000
<b>Roth IRAs</b>		
Contribution Limit	\$6,000	\$6,000
Catch-Up Contribution for Participants Age 50 or Older	\$1,000	\$1,000
Contribution Phase-Out Range (Modified AGI)		
Married Filing Jointly	\$196,000-\$206,000	\$198,000-\$208,000
Married Filing Separately	\$0-\$10,000	\$0-\$10,000
Single or Head of Household	\$124,000-\$139,000	\$125,000-\$140,000

\* For a participant who separated from service before January 1, 2021, the limitation for defined benefit plans under I.R.C. §415(b)(1)(B) is computed by multiplying the participant's compensation limitation, as adjusted through 2020, by 1.0122.



## Standard Mileage Rates

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[Source: Notice 2020-05; Notice 2021-02; Code Section 217(k)]

	<b>2020</b> Travel on or after Jan. 1, 2020	<b>2021</b> Travel on or after Jan. 1, 2021
Business	57.5 cents per mile	56.0 cents per mile
Charitable	14.0 cents per mile	14.0 cents per mile
Medical and Moving*	17.0 cents per mile	16.0 cents per mile

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\* For tax years 2018-2025, moving mileage may be deducted only by active duty members of the Armed Forces of the United States.

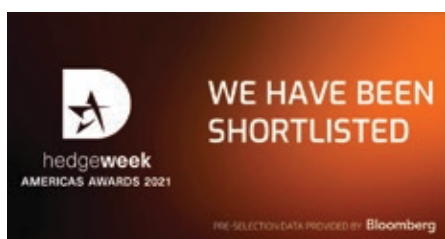


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## Recognition

We are proud to serve as a trusted partner to our clients and are humbled by the industry recognition we have received. Akram has been shortlisted for both the HFM US Services Awards and Hedgeweek Americas Awards in 2019, 2020, and 2021.



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