

Income tax rates for 2023

Marginal tax rate	Single	Married, filing jointly	Married, filing separately	Head of Household	Estates & Trusts
10%	\$0 - \$11,000	\$0 - \$22,000	\$0 - \$11,000	\$0 - \$15,700	\$0 - \$2,900
12%	\$11,001 - \$44,725	\$22,001 - \$89,450	\$11,001 - \$44,725	\$15,701 - \$59,850	N/A
22%	\$44,726 - \$95,375	\$89,451 - \$190,750	\$44,726 - \$95,375	\$59,851 - \$95,350	N/A
24%	\$95,376 - \$182,100	\$190,751 - \$364,200	\$95,376 - \$182,100	\$95,351 - \$182,100	\$2,901 - \$10,550
32%	\$182,101 - \$231,250	\$364,201 - \$462,500	\$182,101 - \$231,250	\$182,101 - \$231,250	N/A
35%	\$231,251 - \$578,125	\$462,501 - \$693,750	\$231,251 - \$346,875	\$231,251 - \$578,100	\$10,551 - \$14,450
37%	Over \$578,125	Over \$693,750	Over \$346,875	Over \$578,100	Over \$14,450

Long-term capital gains & qualified dividends

0%	\$0 - \$44,625	\$0 - \$89,250	\$0 - \$44,625	\$0 - \$59,750	\$0 - \$3,000
15%	\$44,626 - \$492,300	\$89,251 - \$553,850	\$44,626 - \$276,900	\$59,751 - \$523,050	\$3,001 - \$14,650
20%	Over \$492,300	Over \$553,850	Over \$276,900	Over \$523,050	Over \$14,650

Standard deductions & exemptions	
Single	\$13,850
Married, filing jointly	\$27,700
Married, filing separately	\$13,850
Head of Household	\$20,800
Personal/dependent exemption	\$0
AMT exemptions	
Single & Head of Household	\$81,300
Married, filing jointly	\$126,500
Married, filing separately	\$63,250
Estates & Trusts	\$28,400
Gift and estate tax	
Annual gift tax exclusion	\$17,000
Highest estate & gift tax rate	40%
Individual Estate & lifetime gift exclusion	\$12,920,000
Generation skipping transfer tax exclusion	\$12,920,000
Additional Medicare tax (employee only, withholding applies)	
0.9% on earned and self-employed income in excess of:	
Single & Head of Household	\$200,000
Married, filing jointly	\$250,000
Married, filing separately	\$125,000
Social Security	
Maximum earnings subject to FICA tax:	\$160,200
Maximum 2023 retirement benefit at full retirement age	\$3,627/month

Qualified death benefit options-

Original owner's date of death after 2019¹

	Spouse	Eligible designated beneficiary ²	Non-eligible beneficiary	Entity ³
Lump sum	X	X	X	X
Life annuitization	X	X		Some trusts
Five-year				X ⁴
Ten-year ⁵	X	X	X	Some trusts
Stretch	X	X		Some trusts
Continue as own IRA	X			

Qualified death benefit options-

Original owner's date of death prior to 2020¹

	Spouse	Non-spouse	Entity ³
Lump sum	X	X	X
Life annuitization	X	X	Some trusts
Five-year ⁴	X	X	X
Stretch	X	X	Some trusts
Continue as own IRA	X		

Nonqualified death benefit options¹

	Spouse	Non-spouse	Entity
Lump sum	X	X	X
Life annuitization	X	X	
Five-year ⁶	X	X	X
Stretch	X	X	
Continue as own	X		

¹ Chart reflects options permitted by Federal regulations/law; company policies may vary. Note: Options permitted for Roth IRAs are different.

² Non-spouse eligible designated beneficiaries: minor child of decedent (until age of majority), disabled, chronically ill, individuals not more than 10 years younger than decedent. Note: A spouse is also considered an eligible designated beneficiary, but, for purposes of this chart, spousal options are identified separately.

³ Entities may be able to select from the options available to a beneficiary if they are acting as agent for such an individual. Claim options in addition to lump sum and five-year rules are available only if the governing trusts are properly constructed as "conduit", "look-through," or "see-through" trust. Owners/beneficiaries should consult with their tax or legal advisor.

⁴ If death occurred after the owner's Required Beginning Date (RBD), the five-year option is not available; however, an entity may continue distributions based on the remaining IRS single life expectancy factor of the owner as of the year of death, non-recalculated.

⁵ If death occurs after Required Minimum Distributions (RMDs) have commenced, they must continue until the account is fully liquidated, or until the 10-year anniversary of the owner's death, whichever is first.

⁶ If death occurs before annuity start date.

2023 Key Data Reference Guide

Defined contribution retirement plan comparison chart

	SEP IRA	SIMPLE IRA	Profit sharing / Money purchase	401(k)	403(b)	Governmental 457(b)
Maximum salary deferral	N/A	\$15,500	N/A	\$22,500	\$22,500	\$22,500
Age 50+ catch-up	N/A	\$3,500	N/A	\$7,500	\$7,500 and special additional catch-up may apply	\$7,500 and special additional catch-up may apply
Maximum employer deductible contribution (based on incorporated business)	Lesser of 25% of compensation or \$66,000	Required contribution of 3% of compensation up to 100% match or 2% non-elective contribution	Lesser of 25% of compensation or \$66,000	25% of compensation; combined employer and employee max. of \$66,000, not including catch-up contributions ⁷	100% of compensation; combined employer and employee max. of \$66,000, not including catch-up contributions ⁷	Employer contribution is included in \$22,500 limit

- Maximum compensation amount for qualified plans, SEP IRAs and 403(b) employer-only plans: \$330,000

- Highly compensated employee: \$150,000
- Key employee/top heavy: \$215,000
- Annual defined benefit limit: \$265,000

- QLAC contribution limit: \$200,000

IRA contribution limits

Under age 50	\$6,500
Age 50 and over	\$7,500

Phase-out for deducting IRA contributions if participating in a qualified plan:

Single & Head of Household	\$73,000 - \$83,000 AGI
Joint, participating spouse	\$116,000 - \$136,000 AGI
Joint, non-participating spouse	\$218,000 - \$228,000 AGI
Married, filing separately	\$0 - \$10,000 AGI

Phase-out for Roth IRA contributions

Single & Head of Household	\$138,000 - \$153,000 AGI
Married, filing jointly	\$218,000 - \$228,000 AGI
Married, filing separately	\$0 - \$10,000 AGI

IRA recharacterization

- A traditional IRA converted to a Roth IRA may not be recharacterized back to a traditional IRA.
- Contributions to a traditional IRA may be recharacterized as a contribution to a Roth IRA (or vice versa) within the same tax year.

Allowable 1035 exchanges

Life	➤ Life, Endowment contract, annuity, or LTC
Endowment contract	➤ Endowment contract, annuity, or LTC
Annuity	➤ Annuity or LTC
LTC	➤ LTC

RMD Age increases to 73 effective January 1, 2023

New life expectancy tables effective January 1, 2022

Uniform lifetime table (partial)					
Age	Factor	% ⁸	Age	Factor	% ⁸
72	27.4	3.65	94	9.5	10.53
73	26.5	3.77	95	8.9	11.24
74	25.5	3.92	96	8.4	11.90
75	24.6	4.07	97	7.8	12.82
76	23.7	4.22	98	7.3	13.70
77	22.9	4.37	99	6.8	14.71
78	22.0	4.55	100	6.4	15.63
79	21.1	4.74	101	6.0	16.67
80	20.2	4.95	102	5.6	17.86
81	19.4	5.15	103	5.2	19.23
82	18.5	5.41	104	4.9	20.41
83	17.7	5.65	105	4.6	21.74
84	16.8	5.95	106	4.3	23.26
85	16.0	6.25	107	4.1	24.39
86	15.2	6.58	108	3.9	25.64
87	14.4	6.94	109	3.7	27.03
88	13.7	7.30	110	3.5	28.57
89	12.9	7.75	111	3.4	29.41
90	12.2	8.20	112	3.3	30.30
91	11.5	8.70	113	3.1	32.26
92	10.8	9.26	114	3.0	33.33
93	10.1	9.90	115	2.9	34.48

26 CFR Part 1, 85 Fed. Reg. 72472 (Nov. 12, 2020)

Single life table (partial)			
Age	Factor	Age	Factor
35	50.5	58	28.9
36	49.6	59	28.0
37	48.6	60	27.1
38	47.7	61	26.2
39	46.7	62	25.4
40	45.7	63	24.5
41	44.8	64	23.7
42	43.8	65	22.9
43	42.9	66	22.0
44	41.9	67	21.2
45	41.0	68	20.4
46	40.0	69	19.6
47	39.0	70	18.8
48	38.1	71	18.0
49	37.1	72	17.2
50	36.2	73	16.4
51	35.3	74	15.6
52	34.3	75	14.8
53	33.4	76	14.1
54	32.5	77	13.3
55	31.6	78	12.6
56	30.6	79	11.9
57	29.8	80	11.2

Sources: IRS Revenue Procedure 2022-38, Social Security 2023 Fact Sheet, Notice 2022-53, Notice 2022-55, Consolidated Appropriations Act, 2023

⁷Governments, tax-exempt organizations and public schools are not subject to limits on deductible contributions.

⁸Most taxpayers who are subject to a lifetime Required Minimum Distribution (RMD) will calculate the RMD based on the Uniform Lifetime Table and the preceding 12/31 "notional value" of the account. Notional value includes the account value and, to the extent the account is funded with a deferred annuity, in some cases the actuarial present value of insurance benefits provided under the contract. The IRC table above has been modified to include the Factor expressed as a percentage. (Figures are subject to rounding.)

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