

2023 Tax Benefit Phaseout Levels

Personal Exemption—Eliminated Through 2025

	AGI Phaseout Level
Married, Filing Joint	na
Single	na
Married, Filing Separate	na
Head of Household	na

Itemized Deduction ("Pease" Limitation)—Eliminated Through 2025

	AGI Phaseout Level
Married, Filing Joint	na
Single	na
Married, Filing Separate	na
Head of Household	na

Coverdell Education Account

$2,000 maximum nondeductible contribution per beneficiary; withdrawals are tax-free for qualified education expenses; phaseouts are not indexed to inflation

	Modified AGI* Phaseout Levels
Married, Filing Joint	$190,000 to $220,000
Single	$95,000 to $110,000
Married, Filing Separate	$95,000 to $110,000
Head of Household	$95,000 to $110,000

IRA Deductibility

For those covered by employer retirement plan [$6,500 maximum contribution per taxpayer; if 50 or older, maximum is $7,500]

	Modified AGI* Phaseout Levels
Married, Filing Joint	$116,000 to $136,000
Single	$73,000 to $83,000
Married, Filing Separate	$0 to $10,000
Head of Household	$73,000 to $83,000
Married, Filing Joint not covered by Pension plan, but spouse is	$218,000 to $228,000

Roth IRA Eligibility

Maximum $6,500 nondeductible contribution; if 50 or older, maximum is $7,500

	Modified AGI* Phaseout Levels
Married, Filing Joint	$218,000 to $228,000
Single	$138,000 to $153,000
Married, Filing Separate	$0
Head of Household	$138,000 to $153,000

**Modified AGI starts with your AGI (adjusted gross income) and adds back certain tax-exempt amounts including any IRA deductions.*

(continued from page 17)

asking you to share bank account information, click on a link or seek to verify data in an unsolicited manner.

An ongoing common scam is a phone call requesting immediate payment, commonly via prepaid debit cards and/or a money wire. The fraudster will often threaten a lawsuit, to call the police or involve federal authorities. Hang up if you receive such a call even if your caller ID suggests the phone number is from emergency services or a law enforcement agency; the IRS never initiates contact via a phone call or an email. If the IRS wants to contact you about a tax matter, you will receive a physical letter sent through the U.S. Postal Service.

Always restrict access to your Social Security number, monitor your credit reports regularly, consider freezing your credit report and use antivirus and firewall software on your computer. Never give personal or financial information to an unsolicited caller. When in doubt, hang up or otherwise cease communication immediately and contact the financial institution, service provider or retailer directly to see if they actually talk to you.

Filing your tax return as early as is reasonably possible can also help protect you against scamsters. For additional protection, consider signing up for an Identity Protection PIN at www.irs.gov/ippin. Those in their retirement years should be especially on guard, as the fraudsters are targeting this demographic group. See the box on page 24 for more information on how to protect yourself against fraud attempts.

Investment Strategies: 2023 and Beyond

Though the ATRA and the Consolidated Appropriations Act of 2016 provided clarity in terms of current legislation, the TCJA had a much bigger and broader impact on the tax code. Not only did the tax brackets for individuals change, but so did many deductions and exemptions.