



## 2023 Tax Guide

Texas Capital Bank Private Wealth Advisors and Texas Capital Bank do not provide tax, legal or accounting advice. Information contained herein is for discussion purposes only. Information herein has been obtained from the Internal Revenue Service and Texas Comptroller. Texas Capital Bank does not guarantee the accuracy or completeness of this publication. The tax information herein is based on laws in effect as of October 25, 2022, for use in filing 2023 income tax returns in 2024.

# 2023 Tax Guide

## Federal Individual Income Tax

2023 Tax Rate Schedule											
Over	Not Over	Base Amount of Tax	Plus	Marginal Tax Rate	Of the Amount Over	Over	Not Over	Base Amount of Tax	Plus	Marginal Tax Rate	Of the Amount Over
<b>Single</b>						<b>Married Filing Jointly and Surviving Spouses</b>					
-	\$11,000	-	+	10%	-	-	\$22,000	-	+	10%	-
\$11,000	\$44,725	\$1,100	+	12%	\$11,000	\$22,000	\$89,450	\$2,200	+	12%	\$22,000
\$44,725	\$95,375	\$5,147	+	22%	\$44,725	\$89,450	\$190,750	\$10,294	+	22%	\$89,450
\$95,375	\$182,100	\$16,290	+	24%	\$95,375	\$190,750	\$364,200	\$32,580	+	24%	\$190,750
\$182,100	\$231,250	\$37,104	+	32%	\$182,100	\$364,200	\$462,500	\$74,208	+	32%	\$364,200
\$231,250	\$578,125	\$52,832	+	35%	\$231,250	\$462,500	\$693,750	\$105,664	+	35%	\$462,500
\$578,125	-	\$174,238	+	37%	\$578,125	\$693,750	-	\$186,602	+	37%	\$693,750
<b>Head of Household</b>						<b>Married Filing Separately</b>					
-	\$15,700	-	+	10%	-	-	\$11,000	-	+	10%	-
\$15,700	\$59,850	\$1,570	+	12%	\$15,700	\$11,000	\$44,725	\$1,100	+	12%	\$11,000
\$59,850	\$95,350	\$6,868	+	22%	\$59,850	\$44,725	\$95,375	\$5,147	+	22%	\$44,725
\$95,350	\$182,100	\$14,678	+	24%	\$95,350	\$95,375	\$182,100	\$16,290	+	24%	\$95,375
\$182,100	\$231,250	\$35,498	+	32%	\$182,100	\$182,100	\$231,250	\$37,104	+	32%	\$182,100
\$231,250	\$578,100	\$51,226	+	35%	\$231,250	\$231,250	\$346,875	\$52,832	+	35%	\$231,250
\$578,100	-	\$172,624	+	37%	\$578,100	\$346,875	-	\$93,301	+	37%	\$346,875

### Standard Deductions

Filing Status	Standard Deduction
Single	\$13,850
Head of Household	\$20,800
Married Filing Jointly and Surviving Spouses	\$27,700
Married Filing Separately	\$13,850
Dependent Filing Own Tax Return	Earned income + \$400 or \$1,250

**Additional Deductions for Non-Itemizers**

Blind or ≥65 Married Filing Jointly*	Add \$1,500
Blind or ≥65 and unmarried and not a surviving spouse*	Add \$1,850

\*Double amount if blind and ≥65

### Qualified Dividends & Long-Term Capital Gains Rates

Tax Rate	Single	Married Filing Jointly	Head of Household	Married Filing Separately	Estates & Trusts
0%	<\$44,625	<\$89,250	<\$59,750	<\$44,625	<\$3,000
15%	\$44,625 - \$492,300	\$89,250 - \$553,850	\$59,750 - \$523,050	\$44,625 - \$276,900	\$3,000 - \$14,650
20%	>\$492,300	>\$553,850	>\$523,050	>\$276,900	>\$14,650

### Federal Dates and Deadlines

Date	Deadline
January 17th, 2023	4th estimated tax payment due from 2022
January 23rd, 2023	2023 tax season begins
January 31st, 2023	W-2s are due from employers
March 15th, 2023	Taxes are due for partnerships, LLCs, & S-Corps
April 1st, 2023	Last day to take RMD if you turned 72 in 2022
April 18th, 2023 - Tax Day	1st quarterly tax payment due, deadline to request an extension, deadline to make IRA and HSA contributions, C-Corp filing date
June 15th, 2023	2nd quarterly tax payment due
September 15th, 2023	3rd quarterly tax payment due, partnership and S-Corp tax returns due if extension filed
October 1st, 2023	Deadline for establishing SIMPLE IRA
October 16th, 2023	Filing due date if extension made
December 31st, 2023	Required minimum distributions must be taken if you did not turn 72 in 2022

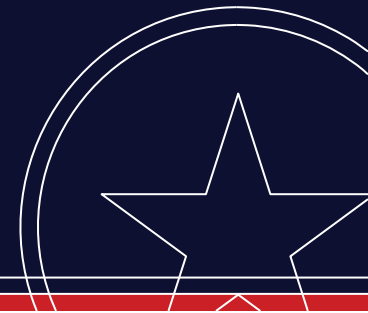
### FICA - Social Security & Medicare

Social Security Tax		
Taxable Income Up To Maximum of \$160,200	Percentage Withheld	Maximum Tax Payable
Employer Pays	6.20%	\$9,932.40
Employee Pays	6.20%	\$9,932.40
Self-Employed Pays	12.40%	\$19,864.80

Medicare Tax	
Tax Paid on Income	Percentage Withheld
Employer Pays	1.45%
Employee Pays	1.45% [+0.9% on wages over \$200,000 (single), \$250,000 (married filing jointly), \$125,000 (married filing separately)]
Self-Employed Pays	2.90% [+0.9% on self-employment income over \$200,000 (single), \$250,000 (married filing jointly), \$125,000 (married filing separately)]

# 2023 Tax Guide



## Federal Individual Tax Cont'd.

### Alternative Minimum Tax

Filing Status	Exemption	Threshold Phase Out	Complete Phaseout
Single	\$81,300	\$578,150	\$903,350
Married, Filing Jointly	\$126,500	\$1,156,300	\$1,662,300
Married, Filing Separately	\$63,250	\$578,150	\$831,150
Estates and Trusts	\$28,400	\$94,600	\$208,200

AMT Rates	Married Filing Separately	Other Filing Status
26%	≤\$110,350	≤\$220,700
28%	>\$110,350	>\$220,700

### Health Savings Accounts

Self-Only Coverage	Family Coverage	Catch-Up (age 55+)
\$3,850	\$7,750	\$1,000

**HSA - Compatible High Deductible Health Plan Requirements**

HDHP Coverage	Minimum Deductible	Maximum Out-Of-Pocket
Self-Only	\$1,500	\$7,500
Family	\$3,000	\$15,000

### Social Security Benefits Relative to Full Retirement Age\*

Age When Benefits Begin	% Benefit Received
62	70%
63	75%
64	80%
65	86.7%
66	93.3%
67	100%
68	108%
69	116%
70	124%

\*If born after 1962

### Social Security Benefits Subject to Taxation

Filing Status	Provisional Income	% of SS Subject to Taxes
Single, Head of Household, Married Filing Separately and lived apart all year, Qualified Surviving Spouse	\$25,000 - \$34,000	Up to 50%
	>\$34,000	Up to 85%
Married Filing Jointly	\$32,000 - \$44,000	Up to 50%
	>\$44,000	Up to 85%
Married Filing Separately & lived with spouse at any time in 2022	>\$0	Up to 85%

### Social Security Income Earnings Exemption Amounts

Before Full Retirement Age	\$21,240
During the year in which FRA is reached	\$56,520
After Full Retirement Age	No limit

### Traditional IRA Deductibility Limits

Filing Status	Modified AGI	Contribution
Single, HOH, Qualifying Widow(er), Married Filing Jointly or Separately with a spouse who is not covered by a plan at work	Any amount	Fully deductible*
Single/HOH; covered by a plan at work	≤\$73,000	Fully deductible*
	>\$73,000, <\$83,000	Partially deductible
	≥\$83,000	Not deductible
Married Filing Jointly, Qualifying Widow(er); both covered by a plan at work	≤\$116,000	Fully deductible*
	>\$116,000, <\$136,000	Partially deductible
Married Filing Jointly; one spouse covered, one spouse not covered	≥\$136,000	Not deductible
	<\$218,000	Fully deductible*
Married Filing Jointly; one spouse covered, one spouse not covered	>\$218,000, <\$228,000	Partially deductible
	≥\$228,000	Not deductible
Married Filing Separately; one spouse covered, one spouse not covered	<\$10,000	Partially deductible
	≥\$10,000	Not deductible

\*Contributions are fully deductible up to the amount of your contribution limit

### Roth IRA Contribution Limits

Allowable Contribution	Single, Head of Household, Married Filing Separately*	Married Filing Jointly	Married Filing Separately**
Full	<\$138,000	<\$218,000	N/A
Partial	\$138,000 - \$153,000	\$218,000 - \$228,000	\$0-\$10,000
None	≥\$153,000	≥\$228,000	≥\$10,000

\*Applicable if spouses did not live in same residence at any time during the year

\*\*Applicable if spouses lived together at any time during the year

### Earned Income Credit

# of Children/Relatives Claimed	Single, Head of Household, Widow(er)	Married Filing Jointly
Zero	\$17,640	\$24,210
One	\$46,560	\$53,120
Two	\$52,918	\$59,478
Three	\$56,838	\$63,698

Maximum Credit Amount	Investment Income Limit
No Children	\$600
One	\$3,995
Two	\$6,604
Three	\$7,430

## Federal Gift and Estate Tax

Federal Estate Tax Rates					
Over	Not Over	Base Tax Amount	Plus	Marginal Tax Rate	Of The Amount Over
-	\$10,000	-	+	18%	-
\$10,000	\$20,000	\$1,800	+	20%	\$10,000
\$20,000	\$40,000	\$3,800	+	22%	\$20,000
\$40,000	\$60,000	\$8,200	+	24%	\$40,000
\$60,000	\$80,000	\$13,000	+	26%	\$60,000
\$80,000	\$100,000	\$18,200	+	28%	\$80,000
\$100,000	\$150,000	\$23,800	+	30%	\$100,000
\$150,000	\$250,000	\$38,800	+	32%	\$150,000
\$250,000	\$500,000	\$70,800	+	34%	\$250,000
\$500,000	\$750,000	\$155,800	+	37%	\$500,000
\$750,000	\$1,000,000	\$248,300	+	39%	\$750,000
\$1,000,000	-	\$345,800	+	40%	\$1,000,000

Gift & Estate Tax Exemptions and Exclusions	
Gift tax annual exclusion	\$17,000
Estate, gift & generation skipping transfer tax exclusion amount	\$12,920,000
Applicable credit amount for gift & estate taxes	\$5,113,800
Exclusion on gifts to non-citizen spouse	\$175,000
Maximum estate, gift & generation skipping transfer tax rate	40%

Estate & Trust Income Tax					
Over	Not Over	Base Amount of Tax	Plus	Marginal Tax Rate	Of the Amount Over
-	\$2,900	-	+	10%	-
\$2,900	\$10,550	\$290	+	24%	\$2,900
\$10,550	\$14,450	\$2,126	+	35%	\$10,550
\$14,450	-	\$3,491	+	37%	\$14,450

## Texas Tax

Income, Sales, & Property	
Income	None
Estate	None
Trust	None
Sales: State	6.25%
Sales: Local	Up to 2%
*Property: State	None
*Property: Local	Varies per appraisal district

\*Property tax up for vote in November 2023

Texas Franchise Tax	
No Tax Due Threshold	\$1,230,000
Tax Rate (retail or wholesale)	0.375%
Tax Rate (other than retail or wholesale)	0.75%
Compensation Deduction Limit	\$400,000
EZ Computation Total Revenue Threshold	\$20,000,000
EZ Computation Rate	0.331%

Texas Tax Deadlines	
Date	Deadline
January 20th, 2023	Previous year's sales tax payments are due for yearly filers and Q4 payment and report for quarterly filers
January 31st, 2023	Property taxes are due
April 20th, 2023	Q1 sales tax payment due for quarterly filers
May 1st or April 1st, 2023	Notice of appraised value mailed to homeowners - Opportunity to protest exists until the later of May 15th or 30 days after receiving notice
May 15th, 2023	Franchise tax return or request for first extension due
July 20th, 2023	Q2 sales tax payment due for quarterly filers
August 15th, 2023	Franchise tax return or request for second extension due
October 1st, 2023	Appraisal districts begin mailing property tax bills
October 20th, 2023	Q3 sales tax payment due for quarterly filers
November 15th, 2023	Franchise tax return due if two extensions have been filed

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