

Henninger Accounting Services, P.C.

Fast Tax Facts – 2020

Standard Mileage Rates

The standard mileage rates are as follows:

- 57.5 cents per mile for business miles driven
 - 17 cents per mile driven for medical or moving purposes
 - 14 cents per mile driven in service of charitable organizations
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Minimum Wage

The minimum wage rate is \$7.25.

Social Security Tax

The maximum amount of earnings subject to Social Security Tax (taxable maximum) is \$137,700.

Annual Gift Exclusion

The annual gift exclusion is \$15,000.

Health Savings Accounts (HSA)

The annual deductible contribution for HSAs is \$3,550 for individuals and \$7,100 for families. For those aged 55-64 and not enrolled in Medicare, there is an additional contribution of \$1,000.

American Opportunity Credit (formerly Hope Scholarship Credit)

The maximum credit is \$2,500 for qualified tuition and related expenses.

401(k) and 403(b) Contributions

The maximum amount that can be contributed to your 401(k) or 403(b) Plan is \$19,500. For those aged 50 and over, the maximum amount is \$26,000.

Simple IRA Contributions

The amount an employee can contribute to a Simple IRA cannot exceed \$13,500. For those aged 50 and over, the maximum amount is \$16,500.

IRA Contributions

The most that an individual can contribute to a Traditional IRA or Roth IRA generally is the smaller of:

- \$6,000 (\$7,000 if the individual is age 50 or older), or
- the individual's taxable compensation for the year