

# 2023 Tax Reference Guide



**AMERICAN EQUITY**  
INVESTMENT LIFE INSURANCE COMPANY®

## 2022 Federal Income Tax<sup>1</sup> – Taxable income

Over	But not over	Tax +	% on excess	Of the amount over
<b>Single filers</b>				
\$0	\$11,000	\$0	10%	\$0
\$11,000	\$44,725	\$1,100	12%	\$11,000
\$44,725	\$95,375	\$5,147	22%	\$44,725
\$95,375	\$182,100	\$16,290	24%	\$95,375
\$182,100	\$231,250	\$37,104	32%	\$182,100
\$231,250	\$578,125	\$52,832	35%	\$231,250
\$578,125		\$174,238	37%	\$578,125
<b>Married filing jointly or surviving spouse</b>				
\$0	\$22,000	\$0	10%	\$0
\$22,000	\$89,450	\$2,200	12%	\$22,000
\$89,450	\$190,750	\$10,294	22%	\$89,450
\$190,750	\$364,200	\$32,580	24%	\$190,750
\$364,200	\$462,500	\$74,208	32%	\$364,200
\$462,500	\$693,750	\$105,664	35%	\$462,500
\$693,750		\$186,602	37%	\$693,750
<b>Married filing separately</b>				
\$0	\$11,000	\$0	10%	\$0
\$11,000	\$44,725	\$1,100	12%	\$11,000
\$44,725	\$95,375	\$5,147	22%	\$44,725
\$95,375	\$182,100	\$16,290	24%	\$95,375
\$182,100	\$231,250	\$37,104	32%	\$182,100
\$231,250	\$346,875	\$52,832	35%	\$231,250
\$346,875		\$93,301	37%	\$346,875
<b>Head of household</b>				
\$0	\$15,700	\$0	10%	\$0
\$15,700	\$59,850	\$1,570	12%	\$15,700
\$59,850	\$95,350	\$6,868	22%	\$59,850
\$95,350	\$182,100	\$14,678	24%	\$95,350
\$182,100	\$231,250	\$35,498	32%	\$182,100
\$231,250	\$578,100	\$51,226	35%	\$231,250
\$578,100		\$172,624	37%	\$578,100
<b>Trust and estates</b>				
\$0	\$2,900	\$0	10%	\$0
\$2,900	\$10,550	\$290	24%	\$2,900
\$10,550	\$14,050	\$2,126	35%	\$10,550
\$14,050		\$3,351	37%	\$14,050

Standard tax deductions	2023	2022
Single	\$13,850	\$12,950
Married filing jointly	\$27,700	\$25,900
Head of household	\$20,800	\$19,400

Additional deductions – 65 or over or blind	2023	2022
Single or head of household	\$1,850	\$1,750
Married filing jointly	\$1,500	\$1,400

**Note:** For anyone who is both blind and at least 65, the additional deduction amount is doubled.

Traditional and Roth IRA <sup>1</sup>	2023	2022
<b>IRA annual contribution limit</b>		
Contribution limit	\$6,500	\$6,000
50+ catch-up	\$1,000	\$1,000

Traditional IRA deductibility phase-out based on MAGI		
Participants in employer plans		
Married filing jointly or qualifying widow(er)	\$116,000 - \$136,000	\$109,000 - \$129,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000
Single or head of household	\$73,000 - \$83,000	\$68,000 - \$78,000
Nonparticipant married to a participant		
Married filing jointly	\$218,000 - \$228,000	\$204,000 - \$214,000
Married filing separately	\$0 - \$10,000	\$0 - \$10,000

Roth IRA phase-out based on MAGI		
Married filing jointly or qualifying widow(er)	\$218,000 - \$228,000	\$204,000 - \$214,000
Married filing separately and lived with your spouse	\$0 - \$10,000	\$0 - \$10,000
Single or head of household, or married filing separately and lived apart from your spouse	\$138,000 - \$153,000	\$129,000 - \$144,000

SEP IRA and SIMPLE IRA contribution limits <sup>1</sup>	2023	2022
Maximum annual additions to a SEP IRA	\$66,000	\$61,000
Maximum compensation considered for a SEP IRA	\$330,000	\$305,000
SIMPLE IRA salary deferral amount	\$15,500	\$14,000
50+ catch-up	\$3,500	\$3,000

Qualified plans	2023	2022
401(k), 403(b), 457(b) salary deferral <sup>2</sup>	\$22,500	\$20,500
50+ catch-up	\$7,500	\$6,500
Maximum annual additions in a defined contribution plan	\$66,000	\$61,000
Maximum annual benefit in defined benefit plan	\$265,000	\$245,000
Maximum compensation considered	\$330,000	\$305,000
Highly compensated employee	\$150,000	\$135,000
Key employee - officer	\$215,000	\$200,000

Social Security <sup>3</sup>	2023	2022
<b>Taxable wage base</b>		
Social Security (OASDI)	\$160,200	\$147,000
Medicare (HI only)	No limit	No limit
Quarter of coverage	\$66,000	\$66,000

Retirement earning test		
Under full retirement age	\$21,240/yr.	\$19,560/yr.
<b>Note: One dollar in benefits will be withheld for every \$2 in earnings above the limit.</b>		
Year reaching full retirement age	\$56,520/yr.	\$51,960/yr.

**Note: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit.**

Taxability of benefits (based on provisional income)		
	Individual	Married filing jointly
Not taxable	Less than \$25,000	Less than \$32,000
Up to 50% taxable	\$25,000-\$34,000	\$32,000-\$44,000
Up to 85% taxable	Greater than \$34,000	Greater than \$44,000

Married filing separately	
Up to 85% of benefits are taxable	
Provisional income = adjusted gross income + nontaxable interest + ½ Social Security benefit	

Age to receive full benefits		
Year of birth	Full retirement age	% reduced at age 62
1943-1954	66	25.00
1955	66 and 2 months	25.83
1956	66 and 4 months	26.67
1957	66 and 6 months	27.50
1958	66 and 8 months	28.33
1959	66 and 10 months	29.17
1960 and later	67	30.00

Delayed retirement credits	
Year of birth	Yearly rate of increase
1943 or later	8.0

**Note: Accrues when you reach full retirement age until you start receiving benefits or reach age 70.**

Gift and estate tax <sup>1</sup>	2023	2022
Annual gift exclusion	\$17,000	\$16,000
Unified credit amount	\$12,920,000	\$12,060,000
Gift to non-citizen spouse	\$175,000	\$164,000
Highest estate tax bracket	40%	40%

Health Savings Accounts <sup>4</sup>	2023	2022
<b>Contribution limits</b>		
Single / family	\$3,850/\$7,750	\$3,650/\$7,300
Age 55+ catch-up	\$1,000	\$1,000

High-deductible health plans		
Minimum deductible single/family	\$1,500/\$3,000	\$1,400/\$2,800
Maximum out-of-pocket single/family	\$1,500/\$3,000	\$1,400/\$2,800

Uniform lifetime table <sup>5</sup>					
Age	Divisor balance	% Account	Age	Divisor balance	% Account
72	27.4	3.65	87	14.4	6.94
73	26.5	3.77	88	13.7	7.30
74	25.5	3.92	89	12.9	7.75
75	24.6	4.07	90	12.2	8.20
76	23.7	4.22	91	11.5	8.70
77	22.9	4.37	92	10.8	9.26
78	22.0	4.55	93	10.1	9.90
79	21.1	4.74	94	9.5	10.53
80	20.2	4.95	95	8.9	11.24
81	19.4	5.15	96	8.4	11.90
82	18.5	5.41	97	7.8	12.82
83	17.7	5.65	98	7.3	13.70
84	16.8	5.95	99	6.8	14.71
85	16.0	6.25	100	6.4	15.63
86	15.2	6.58	101	6.0	16.67

**For more information, please contact your financial or tax professional.**

# American Equity

## Commitment to Values

### Service

Our contract owners are why we are here, and we do our best to provide service, second to none, every day.

### Integrity

Our values of honesty, fairness and truthfulness have been central to our past success and will continue to be for generations to come.

### Excellence

Our dedication to going above and beyond in every facet of our business has established us as a top-tier fixed index annuity provider.

### Protection

Our products provide assurance for contract owners that they can trust their principal is protected and their income is guaranteed for life.

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1. Figures and data from IRS.gov.
2. Special catch-up rules apply to certain 403(b) contributors with 15 or more years of service and governmental 457(b) participants in the last three years before retirement. Source: IRS News Release IR-2015-118
3. Source: Social Security Administration website, SSA.gov.
4. Health Savings. <https://healthsavings.com/contribute-hsa-health-coverage-changes/>
5. Source: Reg. 1.401(2)(9), effective 11/12/2020.

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