

KEY 2019 ESTATE TRUST AND MEDICAID LONG TERM CARE PLANNING FIGURES

2019 Key Pennsylvania Figures

Pennsylvania Inheritance Tax Rates

Transfers between spouses	0% (jointly held property between spouses is not subject to tax)
Transfers from child 21 or under to parent	0%
Transfers to direct descendants or lineal heirs	4.5%
Transfers to siblings	12%
All other transfers	15% (except exempt organizations and government entities exempt from tax)

Pennsylvania Income Tax Rate

Flat 3.07% tax rate with no deductions or exemptions. In order to be considered a non-Pennsylvania resident, an individual must be physically outside of Pennsylvania for over 182 days per year, among other things.

2019 Federal Estate and Gift Tax

Unified Estate and Gift Lifetime Exemption	\$11,400,000
Annual Exclusion - Gifts	\$15,000/person, split, \$30,000/couple
Unified Estate Tax Credit	\$4,505,800
Top Estate/Gift Tax Rate	40%

Federal Trust and Estate Tax Rates filed on Form 1041. Trusts and Estates reach top tax bracket of 37% with income over \$12,750.

2019 Federal Income Tax Deductions

Standard Deductions

Married, filing jointly	\$24,400.00
Married, filing separately	\$12,200.00
Single	\$12,200.00
Head of household	\$18,350.00
Blind or elderly, single, additional	\$ 1,650.00
Blind or elderly, married, additional	\$ 1,300.00

2019 Retirement Plan Contribution Limits

IRA Contribution Limit	\$6,000, plus an additional \$1,000 if over 50
401(K), SAR-SEP, 403(B) Contribution Limit	\$19,000, plus additional \$6,000 if over 50

408(p)(2)(e) SIMPLE Contribution Limit \$13,000 plus additional \$3,000 if over 50

AGI Limit for maximum contributions to Roth IRAs

Joint filers \$193,000
Individual filers \$122,000

AGI Limit for maximum contributions to Traditional IRAs

Joint filers \$123,000
Individual filers \$ 74,000

Social Security Annual Earned Income Limit

Under full retirement age \$ 7,640

2019 Capital Gains Rates

Capital Gains Rate

12 month or less holding period 37%, potentially subject to an additional 3.8% Medicare tax
More than 12 months 20%, rate for taxpayers in the top income bracket. Middle income tax brackets pay 15%, also potentially subject to an additional 3.8% Medicare tax
Depreciation capture on real estate 25%
Collectibles and certain small business stock 28%

2019 Federal Income Tax Individual Charitable Deduction Clients

Ceiling dependent on whether donee is a 60% Charity (generally churches, education, hospital, government, public foundations) in which case total deduction limit is 60% of AGI with a 5-year carry over, with gifts of trust income deductible up to 30% of AGI with a 5-year carry forward.

30% Charity (generally private foundations) in which case total deduction is limited to 30% of AGI with 5-year carry over.

Cash Amount of cash
Ordinary income property Costs subject to 60% or 20% of AGI depending on charity
Long term capital gains FMV not to exceed 30% or 20% of AGI
Tangible Personal Property FMV reduced by 100% of long term capital gains element subject to existing 60% AGI ceiling

2019 PA MA-LTC Figures

CSRA Minimum \$25,284.00
CSRA Maximum \$126,420.00
Minimum MMNA \$2,057 per month
Maximum MMNA \$3,160 per month

Excess Shelter Standard	\$617.25 per month
Utility Allowances	
Heat	\$588 per month
Non-heat	\$308 per month
Telephone only	\$33 per month
PA Medicaid Penalty Divisor	\$10,420.14 per month
	\$342.58 per day
Medicare SNF Co-insurance	\$170.50 per day
Personal Needs Allowance	\$45 per month
Home Maintenance Deduction	\$793.10 per month (6 month limit)
Resource Limit	\$2,400 if income > \$2,313
	\$8,000 if income < \$2,313
NMP/MA and PDA Waiver	
Gross Income Limit	\$2,313 per month
Excess Home Equity Limit	\$585,000
Minimum Medicare B Premium	\$135.50
Maximum Medicare B. Premium	\$460.50
Minimum Medicare D Premium	\$33.19 (U.S. average)
Maximum Medicare D. Premium	\$77.40 + plan premium

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