

Inflation Adjusted Amounts for 2019

Cross References

- Rev. Proc. 2018-57
- Notice 2018-83

Each year, a number of provisions in the Internal Revenue Code (IRC) are adjusted for inflation. The IRS recently released the inflation adjusted amounts for 2019. The following chart highlights a number of these adjustments, as they compare to the 2018 and 2017 amounts. A more complete list will appear in Tab 1 of the *1040 Edition/Deluxe Edition of TheTaxBook*.

Tax Provision	2019	2018	2017
Standard deduction – MFJ	\$24,400	\$24,000	\$12,700
Standard deduction – Single	\$12,200	\$12,000	\$6,350
Standard deduction – HOH	\$18,350	\$18,000	\$9,350
Personal exemption deduction	\$0	\$0	\$4,050
Maximum EIC for 3 or more qualifying children	\$6,557	\$6,431	\$6,318
Maximum EIC for 2 qualifying children	\$5,828	\$5,716	\$5,616
Maximum EIC for 1 qualifying child	\$3,526	\$3,461	\$3,400
Maximum EIC for no qualifying children	\$529	\$519	\$510
Section 179 expense limit	\$1,020,000	\$1,000,000	\$510,000
Section 179 investment limit	\$2,550,000	\$2,500,000	\$2,030,000
Estates basic exclusion amount	\$11,400,000	\$11,180,000	\$5,490,000
Annual exclusion for gifts	\$15,000	\$15,000	\$14,000
Defined contribution plan contribution limit	\$56,000	\$55,000	\$54,000
401(k) elective deferral limit for under age 50	\$19,000	\$18,500	\$18,000
401(k) elective deferral limit for age 50 and older	\$25,000	\$24,500	\$24,000
SIMPLE elective deferral limit for under age 50	\$13,000	\$12,500	\$12,500
SIMPLE elective deferral limit for age 50 and older	\$16,000	\$15,500	\$15,500
IRA deduction limit for under age 50	\$6,000	\$5,500	\$5,500
IRA deduction limit for age 50 and older	\$7,000	\$6,500	\$6,500
Key employee definition for top-heavy plans	\$180,000	\$175,000	\$175,000
Highly compensated employee definition	\$125,000	\$120,000	\$120,000
Qualified plan compensation limit	\$280,000	\$275,000	\$270,000
Child Tax Credit	\$2,000	\$2,000	\$1,000
Refundable portion of Child Tax Credit	\$1,400	\$1,400	\$1,000
QBI threshold amount – MFJ	\$321,400	\$315,000	n/a
QBI threshold amount – Single & HOH	\$160,700	\$157,500	n/a
QBI threshold amount – MFS	\$160,725	\$157,500	n/a
Foreign earned income exclusion	\$105,900	\$103,900	\$102,100
AMT exemption – MFJ & QW	\$111,700	\$109,400	\$84,500
AMT exemption – Single & HOH	\$71,700	\$70,300	\$54,300
AMT exemption – MFS	\$55,850	\$54,700	\$42,250
AMT Kiddie Tax exemption = earned income plus	\$7,750	\$7,600	\$7,500