

# Filing season quick guide — tax year 2024

## STANDARD DEDUCTION

- Single: \$14,600.
- Married filing jointly and surviving spouses: \$29,200.
- Married filing separately: \$14,600 (\$0 if spouse itemizes deductions).
- Heads of household: \$21,900.

Additional standard deduction for age 65+ or blind taxpayers:

- Unmarried individuals other than surviving spouses: \$1,950
- All other taxpayers: \$1,550.

Standard deduction for individuals who can be claimed as dependents: the lesser of (1) \$14,600 or (2) the greater of \$1,300 or \$450 plus the individual's earned income.

## ITEMIZED DEDUCTIONS

The overall limitation on itemized deductions is suspended from 2018 through 2025. Miscellaneous itemized deductions subject to the 2%-of-AGI floor are also suspended from 2018 through 2025.

## STANDARD MILEAGE RATE

- Business: 67 cents per mile. Business mileage is no longer deductible as an unreimbursed employee business expense except for members of a reserve component of the U.S. armed forces, state or local government officials paid on a fee basis, and certain performing artists.
- Medical and moving: 21 cents per mile. Moving mileage is deductible only by U.S. armed forces members on active duty who move pursuant to a military order and incident to a permanent change of station to whom Sec. 217(g) applies.
- Charitable services: 14 cents per mile.

For business autos for which the optional business standard mileage rate is used, the portion treated as depreciation is 30 cents per mile.

## TAX CREDITS

- **Earned income:** Maximum credit depends on number of qualifying children: \$632 (none); \$4,213 (one); \$6,960 (two); and \$7,830 (three or more), subject to phaseouts. The ceiling for disqualifying investment income is \$11,600.
- **Child:** The amount used to determine the amount of credit under Sec. 24 that may be refundable is \$1,700.
- **Adoption expense:** \$16,810 maximum. Phases out with MAGI between \$252,150 and \$292,150.
- **American opportunity:** \$2,500 per year, per student maximum (100% of the first \$2,000 of qualifying expenses and 25% of the next \$2,000 paid by the taxpayer), with 40% of the credit refundable unless the taxpayer is a child subject to the kiddie tax. Phases out for single taxpayers with MAGI between \$80,000 and \$90,000 (\$160,000–\$180,000 for married filing jointly).
- **Lifetime learning:** 20% of up to \$10,000 of qualified tuition and related expenses paid by the taxpayer. Phases out between \$80,000 and \$90,000 of MAGI for single filers and \$160,000–\$180,000 for married taxpayers filing jointly.
- **Sec. 25D residential clean energy:** 30% of amount paid for qualifying property (for qualified fuel cell property, maximum credit of \$500 for each 0.5 kilowatt of capacity).
- **Small business health insurance:** 50% of amount of nonelective contributions an eligible small employer makes on behalf of its employees for premiums for certain health insurance coverage (35% credit against payroll tax for a tax-exempt small employer). Available for two consecutive tax years. Phases out for employers with 10–25 full-time-equivalent employees and average annual wages between \$32,400 and \$64,800.