



**Bloomberg Tax**

• **Special Report**

# **2024 Projected U.S. Tax Rates**

# Bloomberg Tax 2024 Projected U.S. Tax Rates

## Introduction

Many amounts in the Internal Revenue Code (IRC) are adjusted for inflation annually based on cost-of-living adjustments.

Using the September 2022 through August 2023 Chained Consumer Price Index for all Urban Consumers (C-CPI-U) data released by the Bureau of Labor Statistics, Bloomberg Tax has projected 2024 inflation-adjusted amounts for many key figures in the IRC.<sup>1</sup>

Bloomberg Tax has indicated instances where a literal application of an IRC provision may result in an amount different from the amount Bloomberg Tax expects the IRS to publish when it releases official inflation-adjusted amounts later in 2023. Please note that this report does not contain an exhaustive list of every figure that is adjusted for inflation.

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<sup>1</sup> The C-CPI-U for 2023, computed as the average of the monthly C-CPI-U’s for September 2022 through August 2023, is 168.47.

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## 2024 Projected Inflation Adjustments

### 1. Tax Rate Tables (§1(j)(2)(A)-(E))

For tax years beginning in 2024, the tax rate tables under §1 are as follows:

TABLE 1 - Section 1(j)(2)(A) – Married Individuals Filing Joint Returns and Surviving Spouses

| If Taxable Income Is: |                  | The Tax Is:               |  |
|-----------------------|------------------|---------------------------|--|
| Not Over              | <b>\$23,200</b>  | 10% of the taxable income |  |
| Over                  | <b>\$23,200</b>  | but not over              | <b>\$94,300</b>  |
|                       |                  | <b>\$2,320</b>            | plus 12% of excess over <b>\$23,200</b>                      |
| Over                  | <b>\$94,300</b>  | but not over              | <b>\$201,050</b>   |
|                       |                  | <b>\$10,852</b>           | plus 22% of excess over <b>\$94,300</b>                      |
| Over                  | <b>\$201,050</b> | but not over              | <b>\$383,900</b>   |
|                       |                  | <b>\$34,337</b>           | plus 24% of excess over <b>\$201,050</b>                     |
| Over                  | <b>\$383,900</b> | but not over              | <b>\$487,450</b>   |
|                       |                  | <b>\$78,221</b>           | plus 32% of excess over <b>\$383,900</b>                     |
| Over                  | <b>\$487,450</b> | but not over              | <b>\$731,200</b>   |
|                       |                  | <b>\$111,357</b>          | plus 35% of excess over <b>\$487,450</b>                     |
| Over                  | <b>\$731,200</b> |                           | <b>\$196,669.50</b> plus 37% of excess over <b>\$731,200</b> |

TABLE 2 - Section 1(j)(2)(B) – Heads of Household

| If Taxable Income Is: |                  | The Tax Is:               |  |
|-----------------------|------------------|---------------------------|--|
| Not Over              | <b>\$16,550</b>  | 10% of the taxable income |  |
| Over                  | <b>\$16,550</b>  | but not over              | <b>\$63,100</b>  |
|                       |                  | <b>\$1,655</b>            | plus 12% of excess over <b>\$16,550</b>                      |
| Over                  | <b>\$63,100</b>  | but not over              | <b>\$100,500</b>   |
|                       |                  | <b>\$7,241</b>            | plus 22% of excess over <b>\$63,100</b>                      |
| Over                  | <b>\$100,500</b> | but not over              | <b>\$191,950</b>   |
|                       |                  | <b>\$15,469</b>           | plus 24% of excess over <b>\$100,500</b>                     |
| Over                  | <b>\$191,950</b> | but not over              | <b>\$243,700</b>   |
|                       |                  | <b>\$37,417</b>           | plus 32% of excess over <b>\$191,950</b>                     |
| Over                  | <b>\$243,700</b> | but not over              | <b>\$609,350</b>   |
|                       |                  | <b>\$53,977</b>           | plus 35% of excess over <b>\$243,700</b>                     |
| Over                  | <b>\$609,350</b> |                           | <b>\$181,954.50</b> plus 37% of excess over <b>\$609,350</b> |

TABLE 3 - Section 1(j)(2)(C) – Unmarried Individuals  
(other than Surviving Spouses and Heads of Household)

| If Taxable Income Is: |                  | The Tax Is:               |  |
|-----------------------|------------------|---------------------------|--|
| Not Over              | <b>\$11,600</b>  | 10% of the taxable income |  |
| Over                  | <b>\$11,600</b>  | but not over              | <b>\$47,150</b>  |
|                       |                  | <b>\$1,160</b>            | plus 12% of excess over <b>\$11,600</b>                      |
| Over                  | <b>\$47,150</b>  | but not over              | <b>\$100,525</b>   |
|                       |                  | <b>\$5,426</b>            | plus 22% of excess over <b>\$47,150</b>                      |
| Over                  | <b>\$100,525</b> | but not over              | <b>\$191,950</b>   |
|                       |                  | <b>\$17,168.50</b>        | plus 24% of excess over <b>\$100,525</b>                     |
| Over                  | <b>\$191,950</b> | but not over              | <b>\$243,725</b>   |
|                       |                  | <b>\$39,110.50</b>        | plus 32% of excess over <b>\$191,950</b>                     |
| Over                  | <b>\$243,725</b> | but not over              | <b>\$609,350</b>   |
|                       |                  | <b>\$55,678.50</b>        | plus 35% of excess over <b>\$243,725</b>                     |
| Over                  | <b>\$609,350</b> |                           | <b>\$183,647.25</b> plus 37% of excess over <b>\$609,350</b> |

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TABLE 4 - Section 1(j)(2)(D) – Married Individuals Filing Separate Returns

| If Taxable Income Is: |                  |              |                  | The Tax Is:               |                         |                  |
|-----------------------|------------------|--------------|------------------|---------------------------|-------------------------|------------------|
| Not Over              | <b>\$11,600</b>  |              |                  | 10% of the taxable income |                         |                  |
| Over                  | <b>\$11,600</b>  | but not over | <b>\$47,150</b>  | <b>\$1,160</b>            | plus 12% of excess over | <b>\$11,600</b>  |
| Over                  | <b>\$47,150</b>  | but not over | <b>\$100,525</b> | <b>\$5,426</b>            | plus 22% of excess over | <b>\$47,150</b>  |
| Over                  | <b>\$100,525</b> | but not over | <b>\$191,950</b> | <b>\$17,168.50</b>        | plus 24% of excess over | <b>\$100,525</b> |
| Over                  | <b>\$191,950</b> | but not over | <b>\$243,725</b> | <b>\$39,110.50</b>        | plus 32% of excess over | <b>\$191,950</b> |
| Over                  | <b>\$243,725</b> | but not over | <b>\$365,600</b> | <b>\$55,678.50</b>        | plus 35% of excess over | <b>\$243,725</b> |
| Over                  | <b>\$365,600</b> |              |                  | <b>\$98,334.75</b>        | plus 37% of excess over | <b>\$365,600</b> |

TABLE 5 - Section 1(j)(2)(E) – Estates and Trusts

| If Taxable Income Is: |                 |              |                 | The Tax Is:               |                         |                 |
|-----------------------|-----------------|--------------|-----------------|---------------------------|-------------------------|-----------------|
| Not Over              | <b>\$3,100</b>  |              |                 | 10% of the taxable income |                         |                 |
| Over                  | <b>\$3,100</b>  | but not over | <b>\$11,150</b> | <b>\$310</b>              | plus 24% of excess over | <b>\$3,100</b>  |
| Over                  | <b>\$11,150</b> | but not over | <b>\$15,200</b> | <b>\$2,242</b>            | plus 35% of excess over | <b>\$11,150</b> |
| Over                  | <b>\$15,200</b> |              |                 | <b>\$3,659.50</b>         | plus 37% of excess over | <b>\$15,200</b> |

## 2. Unearned Income of Children (“Kiddie Tax”) (§1(g))

For tax years beginning in 2024, the amount in §1(g)(4)(A)(ii)(I), which is used to reduce the net unearned income reported on the child's return that is subject to the “kiddie tax,” is **\$1,300**. This amount is the same as the **\$1,300** limited standard deduction amount provided in §63(c)(5)(A), adjusted for inflation.

The same **\$1,300** amount is used for purposes of §1(g)(7) (that is, to determine whether a parent may elect to include a child's gross income in the parent's gross income and to calculate the “kiddie tax”). For example, one of the requirements for the parental election is that a child's gross income is more than the amount referenced in §1(g)(4)(A)(ii)(I) but less than 10 times that amount; thus, a child's gross income for 2024 must be more than **\$1,300** but less than **\$13,000**.

## 3. Maximum Capital Gains Rates (§1(h), §1(j)(5))

For tax years beginning in 2024, the maximum zero rate amounts and maximum 15% rate amounts under §1(j)(5)(B) are as follows:

| Filing Status  | Maximum Zero Rate Amount | Maximum 15% Rate Amount |
|--|--------------------------|-------------------------|
| Married Individuals Filing Joint Returns and Surviving Spouses | <b>\$94,050</b>          | <b>\$583,750</b>        |
| Married Individuals Filing Separate Returns                    | <b>\$47,025</b>          | <b>\$291,850</b>        |
| Heads of Household   | <b>\$63,000</b>          | <b>\$551,350</b>        |
| All Other Individuals  | <b>\$47,025</b>          | <b>\$518,900</b>        |

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|                    |                |                 |
|--------------------|----------------|-----------------|
| Estates and Trusts | <b>\$3,150</b> | <b>\$15,450</b> |
|--------------------|----------------|-----------------|

The 20% capital gains tax rate applies to adjusted net capital gain above the maximum 15% rate amounts.

### 4. Adoption Credit (§23)

For tax years beginning in 2024, under §23(a)(3) the credit allowed for an adoption of a child with special needs is **\$16,810**.

For tax years beginning in 2024, under §23(b)(1) the maximum credit allowed for other adoptions is the amount of qualified adoption expenses up to **\$16,810**.

The available adoption credit begins to phase out under §23(b)(2)(A) for taxpayers with modified adjusted gross income in excess of **\$252,150**, and is completely phased out for taxpayers with modified adjusted gross income of **\$292,150** or more.

### 5. Maximum Amount of Refundable Child Tax Credit (§24(h)(5))

For tax years beginning in 2024, the amount used in §24(d)(1)(A) to determine the amount of the child tax credit that may be refundable is **\$1,700**.

### 6. Retirement Savings Contributions Credit (§25B)

For tax years beginning in 2024, the adjusted gross income limitations under §25B(b) for determining the retirement savings contributions credit are as follows:

| Filing Status   | AGI Limit for 50% Credit | AGI Limit for 20% Credit | AGI Limit for 10% Credit |
|---|--------------------------|--------------------------|--------------------------|
| Married Individuals Filing Joint Returns (§25B(b)(1)) | <b>\$46,000</b>          | <b>\$50,000</b>          | <b>\$76,500</b>          |
| Heads of Household (§25B(b)(2)(A))                    | <b>\$34,500</b>          | <b>\$37,500</b>          | <b>\$57,375</b>          |
| All Other Taxpayers (§25B(b)(2)(B))                   | <b>\$23,000</b>          | <b>\$25,000</b>          | <b>\$38,250</b>          |

### 7. Earned Income Tax Credit (§32)

#### A. In General

For tax years beginning in 2024, the following amounts are used to determine the earned income tax credit (EITC) under §32(b).

The “earned income amount” is the amount of earned income at or above which the maximum amount of the EITC is allowed. The “threshold phaseout amount” is the amount of adjusted gross income (or, if greater, earned income) above which the maximum amount of the credit begins to phase out. The “completed phaseout amount” is the amount of adjusted gross income (or, if greater, earned income) at or above which no credit is allowed. The threshold

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phaseout amounts and the completed phaseout amounts shown in the table below for married taxpayers filing a joint return include the increase provided in §32(b)(2)(B), as adjusted for inflation for tax years beginning in 2024.

| Item   | Number of Qualifying Children |          |               |          |
|--|-------------------------------|----------|---------------|----------|
|  | One                           | Two      | Three or More | None     |
| Earned Income Amount   | \$12,390                      | \$17,400 | \$17,400      | \$8,260  |
| Maximum Amount of Credit   | \$4,213                       | \$6,960  | \$7,830       | \$632    |
| Threshold Phaseout Amount (Single, Surviving Spouse, or Head of Household) | \$22,720                      | \$22,720 | \$22,720      | \$10,330 |
| Completed Phaseout Amount (Single, Surviving Spouse, or Head of Household) | \$49,082                      | \$55,768 | \$59,899      | \$18,590 |
| Threshold Phaseout Amount (Married Filing Jointly)                         | \$29,640                      | \$29,640 | \$29,640      | \$17,250 |
| Completed Phaseout Amount (Married Filing Jointly)                         | \$56,002                      | \$62,688 | \$66,819      | \$25,510 |

|                           |          |          |          |          |
|---------------------------|----------|----------|----------|----------|
| Disqualified Income Limit | \$11,600 | \$11,600 | \$11,600 | \$11,600 |
|---------------------------|----------|----------|----------|----------|

The instructions for the Form 1040 series provide tables showing the amount of the EITC for each type of taxpayer.

### B. Excessive Investment Income

For tax years beginning in 2024, the EITC is not allowed under §32(i) if the aggregate amount of certain investment income exceeds **\$11,600**, as shown in the table above.

## 8. Refundable Credit for Coverage Under a Qualified Health Plan (§36B(f)(2)(B))

For tax years beginning in 2024, the limitation on tax imposed under §36B(f)(2)(B) for excess advance credit payments is determined using the following table:

| Household Income as a Percentage of Poverty Line | Limitation Amount for Unmarried Individuals (other than Surviving Spouses and Heads of Household) | Limitation Amount for All Other Taxpayers |
|--|---|---|
| Less than 200%                                   | \$375   | \$750                                     |
| At least 200% but less than 300%                 | \$950   | \$1,900                                   |
| At least 300% but less than 400%                 | \$1,575   | \$3,150                                   |

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### 9. Rehabilitation Expenditures Treated as Separate New Building (§42(e))

For calendar year 2024, the per low-income unit qualified basis amount under §42(e)(3)(A)(ii)(II) is **\$8,300**.

### 10. Low-Income Housing Credit (§42(h))

For calendar year 2024, the amount used under §42(h)(3)(C)(ii) to calculate the state housing credit ceiling for the low-income housing credit is the greater of (1) **\$2.90** multiplied by the state population, or (2) **\$3,360,000**.

### 11. Small Employer Pension Plan Startup Cost Credit (§45E)

For tax years beginning in 2024, the wage limitation amount under §45E(f)(2)(C)(i) is **\$140,000**.

For purposes of the additional credit under §45E(f), no contributions with respect to any employee who receives wages from the employer for the tax year in excess of the wage limitation amount can be taken into account for the tax year.

### 12. Employee Health Insurance Expense of Small Employers (§45R)

For tax years beginning in 2024, the dollar amount in effect under §45R(d)(3) is **\$32,350**.

This amount is used under §45R(c) for limiting the small employer health insurance credit and under §45R(d)(1)(B) for determining who is an eligible small employer.

### 13. Alternative Minimum Tax (AMT) (§55)

#### A. Exemption Amount

For tax years beginning in 2024, the exemption amounts under §55(d)(1) are as follows:

| Filing Status   | Exemption Amount |
|---|------------------|
| Married Individuals Filing Joint Returns and Surviving Spouses (§55(d)(1)(A)) | <b>\$133,300</b> |
| Unmarried Individuals (other than Surviving Spouses) (§55(d)(1)(B))           | <b>\$85,700</b>  |
| Married Individuals Filing Separate Returns (§55(d)(1)(C))                    | <b>\$66,650</b>  |
| Estates and Trusts (§55(d)(1)(D))   | <b>\$29,900</b>  |

#### B. Amount of Tentative Minimum Tax

For tax years beginning in 2024, under §55(b)(1), the excess taxable income above which the 28% tax rate applies is **\$116,300** for married taxpayers filing separate returns and **\$232,600** for all other noncorporate taxpayers.



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## C. Phaseout of AMT Exemption Amount

For tax years beginning in 2024, the amounts of alternative minimum taxable income, above which the AMT exemption amount is reduced or eliminated, are as follows:

| Filing Status   | Threshold Phaseout Amount | Completed Phaseout |
|---|---------------------------|--------------------|
| Married Individuals Filing Joint Returns and Surviving Spouses (§55(d)(2)(A)) | \$1,218,700               | \$1,751,900        |
| Unmarried Individuals (other than Surviving Spouses) (§55(d)(2)(B))           | \$609,350                 | \$952,150          |
| Married Individuals Filing Separate Returns (§55(d)(2)(C))                    | \$609,350                 | \$875,950          |
| Estates and Trusts (§55(d)(2)(C))   | \$99,700                  | \$219,300          |

### 14. AMT Exemption for Child Subject to the “Kiddie Tax” (§59(j))

For tax years beginning in 2024, for a child to whom the §1(g) “kiddie tax” applies, the exemption amount under §55(d) and §59(j) for purposes of the AMT under §55 may not exceed the sum of (1) the child's earned income for the tax year, plus (2) **\$9,250**.

### 15. Certain Expenses of Elementary and Secondary School Teachers (§62(a)(2)(D))

For tax years beginning in 2024, under §62(a)(2)(D) the maximum amount of the deduction allowed under §162 for expenses paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom is **\$300**.

### 16. Transportation Mainline Pipeline Construction Industry Optional Expense Substantiation Rules for Payments to Employees under Accountable Plans (§62(c))

For calendar year 2024, an eligible employer may pay certain welders and heavy equipment mechanics up to **\$22** per hour for rig-related expenses that are deemed substantiated under an arrangement that meets the accountable plan requirements of §62(c) if paid in accordance with Rev. Proc. 2002-41. If the employer provides fuel or otherwise reimburses fuel expenses, up to **\$13** per hour is deemed substantiated under an arrangement that meets the accountable plan requirements of §62(c) if paid under Rev. Proc. 2002-41.

### 17. Standard Deduction (§63)

#### A. In General

For tax years beginning in 2024, the standard deduction amounts under §63(c)(2), as increased by §63(c)(7), are as follows:

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| Filing Status   | Standard Deduction |
|---|--------------------|
| Married Individuals Filing Joint Returns and Surviving Spouses (§63(c)(2)(A)) | <b>\$29,200</b>    |
| Heads of Household (§63(c)(2)(B))   | <b>\$21,900</b>    |
| All Other Taxpayers (§63(c)(2)(C))  | <b>\$14,600</b>    |

### B. *Dependent*

For tax years beginning in 2024, the standard deduction amount under §63(c)(5) for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of (1) **\$1,300**, or (2) the sum of **\$450** and the individual's earned income.

### C. *Aged or Blind*

For tax years beginning in 2024, the additional standard deduction amount under §63(f) for the aged or the blind is **\$1,550**. The additional standard deduction amount is increased to **\$1,950** if the individual is also unmarried and not a surviving spouse.

## 18. Health Flexible Spending Arrangements (§125(i))

For plan years beginning in 2024, the dollar limitation under §125(i) on voluntary employee salary reductions for contributions to health flexible spending arrangements is **\$3,200**.

If the cafeteria plan permits the carryover of unused amounts, the maximum carryover amount from plan year 2024 (carried into 2025) is **\$640**.

## 19. Qualified Transportation Fringe Benefit (§132(f))

For tax years beginning in 2024, the monthly limitation under §132(f)(2)(A), regarding the aggregate fringe benefit exclusion amount for transportation in a commuter highway vehicle and any transit pass, is **\$315**. The monthly limitation under §132(f)(2)(B), regarding the fringe benefit exclusion amount for qualified parking, is **\$315**.

## 20. Income from United States Savings Bonds for Taxpayers Who Pay Qualified Higher Education Expenses (§135)

For tax years beginning in 2024, the exclusion under §135, regarding income from United States savings bonds for taxpayers who pay qualified higher education expenses, begins to phase out for modified adjusted gross income above **\$145,200** for joint returns and **\$96,800** for other returns. The exclusion is completely phased out for modified adjusted gross income of **\$175,200** or more for joint returns and **\$111,800** or more for other returns.

## 21. Adoption Assistance Programs (§137)

For tax years beginning in 2024, under §137(a)(2) the amount that can be excluded from an

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employee's gross income for the adoption of a child with special needs is **\$16,810**.

For tax years beginning in 2024, under §137(b)(1) the maximum amount that can be excluded from an employee's gross income for the amounts paid or expenses incurred by an employer for qualified adoption expenses furnished pursuant to an adoption assistance program for other adoptions by the employee is **\$16,810**.

The amount excludible from an employee's gross income begins to phase out under §137(b)(2)(A) for taxpayers with modified adjusted gross income in excess of **\$252,150**, and is completely phased out for taxpayers with modified adjusted gross income of **\$292,150** or more.

### 22. Private Activity Bonds Volume Cap (§146(d))

For calendar year 2024, the amounts used under §146(d)(1) to calculate the state ceiling for the volume cap for private activity bonds are the greater of (1) **\$125** multiplied by the state population, or (2) **\$378,230,000**.

### 23. Loan Limits on Agricultural Bonds (§147(c)(2))

For calendar year 2024, the loan limit amount on agricultural bonds under §147(c)(2)(A) for first-time farmers is **\$649,400**.

### 24. General Arbitrage Rebate Rules (§148(f))

For bond years ending in 2024, the amount of the computation credit determined under Reg. §1.148-3(d)(4) is **\$2,070**.

### 25. Safe Harbor Rules for Broker Commissions on Guaranteed Investment Contracts or Investments Purchased for a Yield Restricted Defeasance Escrow (§148)

For calendar year 2024, under Reg. §1.148-5(e)(2)(iii)(B)(1), a broker's commission or similar fee for the acquisition of a guaranteed investment contract or investments purchased for a yield restricted defeasance escrow is reasonable if: (1) the amount of the fee that the issuer treats as a qualified administrative cost does not exceed the lesser of: (A) **\$49,000**, and (B) 0.2% of the computational base (as defined in Reg. §1.148-5(e)(2)(iii)(B)(2)) or, if more, **\$5,000**; and (2) the issuer does not treat more than **\$138,000** in brokers' commissions or similar fees as qualified administrative costs for all guaranteed investment contracts and investments for yield restricted defeasance escrows purchased with gross proceeds of the issue.

### 26. Personal Exemption (§151)

For tax years beginning in 2024, the personal exemption amount under §151(d) is **\$0**.

### 27. Gross Income Limitation for a Qualifying Relative (§152(d)(1)(B))

For tax years beginning in 2024, for purposes of the §152(d)(1)(B) gross income limitation in the

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definition of qualifying relative, the exemption amount (as defined in §151(d)) is deemed to be **\$5,050 (\$5,000)**.<sup>2</sup>

### 28. Election to Expense Certain Depreciable Assets (§179)

For tax years beginning in 2024, under §179(b)(1) the aggregate cost of any §179 property that a taxpayer may elect to treat as an expense cannot exceed **\$1,220,000**.

Under §179(b)(2), the **\$1,220,000** limitation is reduced (but not below zero) by the amount by which the cost of §179 property placed in service during the 2024 tax year exceeds **\$3,050,000**.

Under §179(b)(5), the cost of any sport utility vehicle which may be taken into account under §179 cannot exceed **\$30,500**.

### 29. Energy Efficient Commercial Buildings Deduction (§179D)

For tax years beginning in 2024, the §179D(b) amounts used to calculate the maximum amount of the deduction are:

| Scenario   | Standard Amount | Increased Amount for Certain Property |
|--|-----------------|---------------------------------------|
| Applicable Dollar Value Floor (Per Square Foot)            | <b>\$0.57</b>   | <b>\$2.83</b>                         |
| Energy and Power Reduction Increase (Per Percentage Point) | <b>\$0.02</b>   | <b>\$0.11</b>                         |
| Applicable Dollar Value Ceiling (Per Square Foot)          | <b>\$1.13</b>   | <b>\$5.65</b>                         |

### 30. Qualified Business Income Deduction (§199A)

For tax years beginning in 2024, the threshold amount under §199A(e)(2) and the phased-in amount under §199A(b)(3)(B) are:

| Filing Status                               | Threshold Amount | Phased-In Amount |
|---|------------------|------------------|
| Married Individuals Filing Joint Returns    | <b>\$383,900</b> | <b>\$483,900</b> |
| Married Individuals Filing Separate Returns | <b>\$191,950</b> | <b>\$241,950</b> |
| All Other Taxpayers                         | <b>\$191,950</b> | <b>\$241,950</b> |

### 31. Eligible Long-Term Care Premiums (§213(d)(10))

For tax years beginning in 2024, the limitations under §213(d)(10), regarding eligible long-term care premiums includible in the term “medical care,” are as follows:

<sup>2</sup> The first figure is generated by rounding only the amount of the cost-of-living increase, as prescribed by the applicable IRC provision. The figure in parentheses is the amount Bloomberg Tax expects the IRS to publish, which is generated by rounding the inflation-adjusted amount.

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| Attained Age Before Close of Tax Year | Limitation on Premiums     |
|---------------------------------------|----------------------------|
| 40 or Less                            | \$470                      |
| More Than 40 But Not More Than 50     | \$885 (\$880) <sup>3</sup> |
| More Than 50 But Not More Than 60     | \$1,760                    |
| More Than 60 But Not More Than 70     | \$4,700 <sup>4</sup>       |
| More Than 70                          | \$5,880 <sup>5</sup>       |

### 32. Qualified Retirement Contributions (§219)

#### A. Deductible Amount

For tax years beginning in 2024, the maximum deductible amount under §219(b)(5)(A) for qualified retirement contributions is **\$7,000** for individuals under age 50. For individuals age 50 and above, the deductible amount is increased by **\$1,000** under §219(b)(5)(B).

#### B. Limitation on Deduction for Active Participants in Certain Pension Plans

For tax years beginning in 2024, the applicable dollar amounts used to determine the limitation on the deduction under §219(g) for active participants in certain pension plans are as follows:

| Filing Status  | Applicable Amount |
|--|-------------------|
| Married Individual Filing a Joint Return (§219(g)(3)(B)(i))  | \$123,000         |
| All Other Taxpayers (other than a Married Individual Filing a Separate Return) (§219(g)(3)(B)(ii)) | \$77,000          |
| Married Individual Filing a Separate Return (§219(g)(3)(B)(iii))                                   | \$0               |
| Spouses Who Are Not Active Participants (§219(g)(7))   | \$230,000         |

### 33. Medical Savings Accounts (§220)

#### A. Self-Only Coverage

For tax years beginning in 2024, the term “high deductible health plan” as defined in §220(c)(2)(A) means, for self-only coverage, a health plan that has an annual deductible that is not less than **\$2,800** and not more than **\$4,150**, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits do not exceed **\$5,550**.

<sup>3</sup> The first figure is generated by rounding the amount of the cost-of-living increase and then adding it to the base amount, as prescribed by the applicable IRC provision. The figure in parentheses is the amount Bloomberg Tax expects the IRS to publish, which is generated by rounding the inflation-adjusted amount.

<sup>4</sup> Based on past IRS guidance, Bloomberg Tax expects that the IRS may publish a higher amount.

<sup>5</sup> Based on past IRS guidance, Bloomberg Tax expects that the IRS may publish a higher amount.

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### B. Family Coverage

For tax years beginning in 2024, the term “high deductible health plan” means, for family coverage, a health plan that has an annual deductible that is not less than **\$5,550** and not more than **\$8,350**, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits do not exceed **\$10,200**.

### 34. Interest on Education Loans (§221)

For tax years beginning in 2024, the \$2,500 maximum deduction for interest paid on qualified education loans under §221 begins to phase out under §221(b)(2)(B) for taxpayers with modified adjusted gross income in excess of **\$80,000** (**\$165,000** for joint returns), and is completely phased out for taxpayers with modified adjusted gross income of **\$95,000** or more (**\$195,000** or more for joint returns).

### 35. Health Savings Accounts<sup>6</sup> (§223)

#### A. Annual Contribution Limitation

##### (1) Self-Only Coverage

For calendar year 2024, the annual limitation on deductions under §223(b)(2)(A) for an individual with self-only coverage under a high deductible health plan is **\$4,150**.

##### (2) Family Coverage

For calendar year 2024, the annual limitation on deductions under §223(b)(2)(B) for an individual with family coverage under a high deductible health plan is **\$8,300**.

#### B. High Deductible Health Plan

##### (1) Self-Only Coverage

For calendar year 2024, a “high deductible health plan” is defined under §223(c)(2)(A) as a health plan with an annual deductible that is not less than **\$1,600** for self-only coverage, and the annual out-of-pocket expenses (deductibles, co-payments, and other amounts, but not premiums) do not exceed **\$8,050** for self-only coverage.

##### (2) Family Coverage

For calendar year 2024, a “high deductible health plan” is defined under §223(c)(2)(A) as a health plan with an annual deductible that is not less than **\$3,200** for family coverage, and the annual out-of-pocket expenses (deductibles, co-

<sup>6</sup> The IRS published the §223 inflation-adjusted amounts for 2024 in Rev. Proc. 2023-23.

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payments, and other amounts, but not premiums) do not exceed **\$16,100** for family coverage.

### 36. Individual Retirement Accounts (§408)

For tax years beginning in 2024, so much of the aggregate amount of qualified charitable distributions with respect to a taxpayer made during the tax year which does not exceed **\$105,000** is excludible from the taxpayer’s gross income under §408(d)(8)(A), subject to reduction in certain cases.

The aggregate amount of distributions of a taxpayer with respect to which a split-interest entity election is made under §408(d)(8)(F) cannot exceed **\$53,000**.

### 37. Roth IRAs (§408A)

For tax years beginning in 2024, for a taxpayer to qualify to contribute to a Roth IRA, the taxpayer’s adjusted gross income must be less than the completed phaseout amount, and the maximum allowable contribution amount is reduced if adjusted gross income exceeds the threshold phaseout amount (referred to in §408A(c)(3)(B)(ii) as the “applicable dollar amount”):

| Filing Status  | Threshold Phaseout Amount<br>(§408A(c)(3)(B)(ii)) | Completed Phaseout Amount<br>(§408A(c)(3)(A)) |
|--|---|---|
| Married Individual Filing a Joint Return (§408A(c)(3)(B)(ii)(I))                                       | <b>\$230,000</b>                                  | <b>\$240,000</b>                              |
| Any Other Taxpayer (other than a Married Individual Filing a Separate Return) (§408A(c)(3)(B)(ii)(II)) | <b>\$146,000</b>                                  | <b>\$161,000</b>                              |
| Married Individual Filing a Separate Return (§408A(c)(3)(B)(ii)(III)) <sup>7</sup>                     | <b>\$0</b>  | <b>\$10,000</b>                               |

### 38. Limitation on Use of Cash Method of Accounting (§448(c))

For tax years beginning in 2024, a corporation or partnership meets the gross receipts test of §448(c) if its average annual gross receipts for the three immediately preceding tax years does not exceed **\$30,000,000**.

### 39. Threshold for Excess Business Loss (§461(l)(3))

For tax years beginning in 2024, the amount in §461(l)(3)(A)(ii)(II) used to determine a noncorporate taxpayer’s excess business loss is **\$610,000** in the case of a joint return, and **\$305,000** in the case of any other return.

### 40. Treatment of Dues Paid to Agricultural or Horticultural Organizations (§512(d))

For tax years beginning in 2024, the limitation under §512(d)(1), regarding the exemption of

<sup>7</sup> A married individual filing a separate return is permitted to apply the higher limits for the “Any Other Taxpayer” category if the individual has not lived with the spouse in the past year. §408A(c)(3)(C).

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annual dues required to be paid by a member to an agricultural or horticultural organization, is **\$201**.

### 41. Insubstantial Benefit Limitations for Contributions Associated with Charitable Fund-Raising Campaigns (§513(h))

#### A. Low Cost Article

For taxable years beginning in 2024, for purposes of defining the term “unrelated trade or business” for certain exempt organizations under §513(h)(2), “low cost articles” are articles costing **\$13.20** or less.

#### B. Other Insubstantial Benefits

For tax years beginning in 2024, under §170, the \$5, \$25, and \$50 guidelines in section 3 of Rev. Proc. 90-12 (as amplified by Rev. Proc. 92-49, and modified by Rev. Proc. 92-102), for disregarding the value of insubstantial benefits received by a donor in return for a fully deductible charitable contribution, are **\$13.20**, **\$66**, and **\$132**, respectively.

### 42. Qualified Disability Trust Deduction in Lieu of Personal Exemption (§642(b)(2))

For tax years beginning in 2024, the deduction amount described in §642(b)(2)(C)(i) is **\$5,050** (**\$5,000**).<sup>8</sup>

### 43. Tax on Insurance Companies Other Than Life Insurance Companies (§831)

For tax years beginning in 2024, under §831(b)(2)(A)(i) the limit on net written premiums or direct written premiums (whichever is greater) is **\$2,800,000** to elect the alternative tax for certain small companies under §831(b)(1) to be taxed only on taxable investment income.

### 44. Expatriation to Avoid Tax (§877)

For calendar year 2024, under §877A(g)(1)(A), unless an exception under §877A(g)(1)(B) applies, an individual is a covered expatriate if the individual’s “average annual net income tax” under §877(a)(2)(A) for the five tax years ending before the expatriation date is more than **\$201,000**.

### 45. Tax Responsibilities of Expatriation (§877A)

For tax years beginning in 2024, the amount that would be includible in the gross income of a covered expatriate by reason of §877A(a)(1) is reduced (but not below zero) by **\$866,000**.

<sup>8</sup> The first figure is generated by rounding the amount of the cost-of-living increase, as prescribed by the applicable IRC provision. The figure in parentheses is the amount Bloomberg Tax expects the IRS to publish, which is generated by rounding the inflation-adjusted amount.



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### 46. Foreign Earned Income Exclusion (§911)

For tax years beginning in 2024, the foreign earned income exclusion amount under §911(b)(2)(D)(i) is **\$126,500**.

### 47. Debt Instruments Arising Out of Sales or Exchanges (§1274A)

For calendar year 2024, a qualified debt instrument under §1274A(b) has stated principal that does not exceed **\$7,098,600**, and a cash method debt instrument under §1274A(c)(2) has stated principal that does not exceed **\$5,070,500**.

### 48. Unified Credit Against Estate Tax and Generation Skipping Transfer Tax Exemption Amount (§2010, §2631)

#### A. Unified Credit Against Estate Tax

For an estate of any decedent dying in calendar year 2024, the basic exclusion amount is **\$13,610,000** for determining the amount of the unified credit against estate tax under §2010.

#### B. Generation Skipping Transfer Tax Exemption Amount

For calendar year 2024, the GST exemption amount under §2631(c) for generation-skipping transfers is **\$13,610,000**. If a taxpayer uses the entire exemption and the exemption amount increases in a future year, the taxpayer may claim the additional amount in the future year.

### 49. Valuation of Qualified Real Property in Decedent's Gross Estate (§2032A)

For an estate of a decedent dying in calendar year 2024, if the executor elects to use the special use valuation method under §2032A for qualified real property, the aggregate decrease in the value of qualified real property resulting from electing to use §2032A for purposes of the estate tax cannot exceed **\$1,390,000**.

### 50. Annual Exclusion for Gifts (§2503, §2523)

For calendar year 2024:

- (1) The amount of gifts to any person (other than gifts of future interests in property) that are not included in the total amount of taxable gifts under §2503 made during that year is **\$18,000**.
- (2) The amount of gifts to a spouse who is not a citizen of the United States (other than gifts of future interests in property) that are not included in the total amount of taxable gifts under §2503 and §2523(i)(2) made during that year is **\$185,000**.

### 51. Hazardous Substance Superfund Financing Rate (§4611(c))

For 2024, the Hazardous Substance Superfund financing rate under §4611(c) is **\$0.17** a barrel.

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### 52. Shared Responsibility for Employers Regarding Health Coverage (§4980H)

#### A. Large Employers Not Offering Health Coverage

For calendar years beginning in 2024, the monthly assessable payment imposed under §4980H(a) on applicable large employers failing to offer their full-time employees (and their dependents) the opportunity to enroll in minimum essential coverage under an eligible employer-sponsored plan for any month is the product of 1/12 of **\$2,970** and the number of individuals employed by the employer as full-time employees during such month (reduced by 30).

#### B. Large Employers Offering Coverage with Employees Who Qualify for Premium Tax Credits or Cost-Sharing Reductions

For calendar years beginning in 2024, the monthly assessable payment imposed under §4980H(b) on applicable large employers that offer their full-time employees (and their dependents) the opportunity to enroll in minimum essential coverage under an eligible employer-sponsored plan for any month is the product of 1/12 of **\$4,460** and the number of full-time employees certified to the employer as having enrolled for such month in a qualified health plan with respect to which an applicable premium tax credit or cost-sharing reduction is allowed or paid.

### 53. Reporting Exception for Certain Exempt Organizations with Nondeductible Lobbying Expenditures (§6033(e)(3))

For tax years beginning in 2024, the annual per person, family, or entity dues limitation to qualify for the reporting exception under §6033(e)(3) (and section 5.05 of Rev. Proc. 98-19), regarding certain exempt organizations with nondeductible lobbying expenditures, is **\$140** or less.

### 54. Notice of Large Gifts Received from Foreign Persons (§6039F)

For tax years beginning in 2024, recipients of gifts from certain foreign persons may be required to report these gifts under §6039F if the aggregate value of gifts received in the tax year exceeds **\$19,570**.<sup>9</sup>

### 55. Persons Against Whom a Federal Tax Lien Is Not Valid (§6323)

For calendar year 2024, a federal tax lien is not valid against: (1) certain purchasers under §6323(b)(4) who purchased personal property in a casual sale for less than **\$1,900**, or (2) a mechanic's lienor under §6323(b)(7) who repaired or improved certain residential property if the contract price with the owner is not more than **\$9,520**.

<sup>9</sup> In the absence of statutory or other guidance prescribing a rounding convention, Bloomberg Tax has rounded this amount to the nearest dollar.

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### 56. Property Exempt from Levy (§6334(a))

For calendar year 2024, the value of property exempt from levy under §6334(a)(2) (fuel, provisions, furniture, and other household personal effects, as well as arms for personal use, livestock, and poultry) cannot exceed **\$11,390**.

The aggregate value of property exempt from levy under §6334(a)(3) (books and tools necessary for the trade, business, or profession of the taxpayer) cannot exceed **\$5,700**.

### 57. Exempt Amount of Wages, Salary, or Other Income (§6334(d)(4)(B))

For tax years beginning in 2024, the dollar amount used to calculate the amount determined under §6334(d)(4)(B) is **\$5,050 (\$5,000)**.<sup>10</sup>

### 58. Interest on Certain Portion of Estate Tax Payable in Installments (§6601(j))

For an estate of a decedent dying in calendar year 2024, the dollar amount used to determine the "2-percent portion" (for purposes of calculating interest under §6601(j)) of the estate tax extended as provided in §6166 is **\$1,850,000**.

### 59. Failure to File Tax Return (§6651)

For a return required to be filed in 2025, the amount of the addition to tax under §6651(a) for failure to file a tax return within 60 days of the due date of such return (determined with regard to any extensions of time for filing) will not be less than the lesser of **\$510** or 100% of the amount required to be shown as tax on the return.

### 60. Failure to File Certain Information Returns, Registration Statements, etc. (§6652)

For returns and disclosures required to be filed in 2025, the penalty amounts under §6652(c) are set forth below.

#### A. Failure to File a Return Required Under §6033(a)(1) (Relating to Returns by Exempt Organizations) or §6012(a)(6) (Relating to Returns by Political Organizations)

| Scenario  | Daily Penalty | Maximum Penalty   |
|---|---------------|---|
| Organization (§6652(c)(1)(A))   | <b>\$25</b>   | Lesser of (i) <b>\$12,500</b> or (ii) 5% of gross receipts for year |
| Organization with Gross Receipts Greater than <b>\$1,274,000</b> (§6652(c)(1)(A)) | <b>\$125</b>  | <b>\$63,500</b>   |
| Managers (§6652(c)(1)(B))   | <b>\$10</b>   | <b>\$6,000</b>  |

<sup>10</sup> The first figure is generated by rounding the amount of the cost-of-living increase, as prescribed by the applicable IRC provision. The figure in parentheses is the amount Bloomberg Tax expects the IRS to publish, which is generated by rounding the inflation-adjusted amount.

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|   |             |                 |
|---|-------------|-----------------|
| Public Inspection of Annual Returns and Reports (§6652(c)(1)(C))                      | <b>\$25</b> | <b>\$12,500</b> |
| Public Inspection of Applications for Exemption and Notice of Status (§6652(c)(1)(D)) | <b>\$25</b> | No limit        |

### B. Failure to File a Return Required Under §6034 (Relating to Returns by Certain Trusts) or §6043(b) (Relating to Terminations, etc., of Exempt Organizations)

| Scenario  | Daily Penalty | Maximum Penalty |
|---|---------------|-----------------|
| Organization or Trust (§6652(c)(2)(A))  | <b>\$10</b>   | <b>\$6,000</b>  |
| Managers (§6652(c)(2)(B))   | <b>\$10</b>   | <b>\$6,000</b>  |
| Split-Interest Trust (§6652(c)(2)(C)(ii))   | <b>\$25</b>   | <b>\$12,500</b> |
| Any Split-Interest Trust with Gross Income Greater than <b>\$318,500</b> (§6652(c)(2)(C)(ii)) | <b>\$125</b>  | <b>\$63,500</b> |

### C. Failure to File a Disclosure Required Under §6033(a)(2)

| Scenario   | Daily Penalty | Maximum Penalty |
|--|---------------|-----------------|
| Tax-Exempt Entity (§6652(c)(3)(A))                         | <b>\$125</b>  | <b>\$63,500</b> |
| Failure to Comply with Written Demand (§6652(c)(3)(B)(ii)) | <b>\$125</b>  | <b>\$12,500</b> |

## 61. Other Assessable Penalties with Respect to the Preparation of Tax Returns for Other Persons (§6695)

For a failure relating to a return or claim for refund filed in 2025, the penalty amounts under §6695 are as follows:

| Scenario  | Penalty Per Violation | Maximum Penalty |
|---|-----------------------|-----------------|
| Failure to Furnish Copy to Taxpayer (§6695(a))  | <b>\$60</b>           | <b>\$31,500</b> |
| Failure to Sign Return (§6695(b))   | <b>\$60</b>           | <b>\$31,500</b> |
| Failure to Furnish Identifying Number (§6695(c))  | <b>\$60</b>           | <b>\$31,500</b> |
| Failure to Retain Copy or List (§6695(d))   | <b>\$60</b>           | <b>\$31,500</b> |
| Failure to File Correct Information Return (§6695(e))   | <b>\$60</b>           | <b>\$31,500</b> |
| Negotiation of Check (§6695(f))   | <b>\$635</b>          | No limit        |
| Failure to be Diligent in Determining Eligibility for Head of Household Filing Status, Child Tax Credit, American Opportunity Tax Credit, and Earned Income Credit (§6695(g)) | <b>\$635</b>          | No limit        |

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### 62. Failure to File Partnership Return (§6698)

For a return required to be filed in 2025, the dollar amount used to determine the penalty under §6698(b)(1) is **\$245** per partner.

### 63. Failure to File S Corporation Return (§6699)

For a return required to be filed in 2025, the dollar amount used to determine the penalty under §6699(b)(1) is **\$245** per shareholder.

### 64. Failure to File Correct Information Returns (§6721)

#### A. *Persons with Average Annual Gross Receipts for the Most Recent Three Tax Years of More Than \$5,000,000*

The penalty amounts under §6721 for failures to file correct information returns required to be filed in 2025 are as follows:

| Scenario  | Penalty Per Return | Calendar Year Maximum |
|---|--------------------|-----------------------|
| General Rule (§6721(a)(1))  | <b>\$330</b>       | <b>\$3,987,000</b>    |
| Corrected on or Before 30 Days After Required Filing Date (§6721(b)(1)) | <b>\$60</b>        | <b>\$664,500</b>      |
| Corrected After 30th Day But on or Before August 1 (§6721(b)(2))        | <b>\$130</b>       | <b>\$1,993,500</b>    |

#### B. *Persons with Average Annual Gross Receipts for the Most Recent Three Tax Years of \$5,000,000 or Less*

The penalty amounts under §6721 for failures to file correct information returns required to be filed in 2025 are as follows:

| Scenario   | Penalty Per Return | Calendar Year Maximum |
|--|--------------------|-----------------------|
| General Rule (§6721(d)(1)(A))  | <b>\$330</b>       | <b>\$1,329,000</b>    |
| Corrected on or Before 30 Days After Required Filing Date (§6721(d)(1)(B)) | <b>\$60</b>        | <b>\$232,500</b>      |
| Corrected After 30th Day But on or Before August 1 (§6721(d)(1)(C))        | <b>\$130</b>       | <b>\$664,500</b>      |

#### C. *Penalty in Case of Intentional Disregard of the Filing Requirement (or the Correct Information Reporting Requirement)*

The penalty amounts under §6721 for failures to file correct information returns required to be filed in 2025 due to intentional disregard of the filing requirement (or the correct information reporting requirement) are as follows:

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| Scenario  | Penalty Per Return   | Calendar Year Maximum |
|---|--|-----------------------|
| Return other than a Return Required to be Filed Under §6045(a), §6041A(b), §6050H, §6050I, §6050J, §6050K, or §6050L (§6721(e)(2)(A)) | Greater of (i) <b>\$660</b> or (ii) 10% of aggregate amount of items required to be reported correctly   | No limit              |
| Return Required to be Filed Under §6045(a), §6050K, or §6050L (§6721(e)(2)(B))  | Greater of (i) <b>\$660</b> or (ii) 5% of aggregate amount of items required to be reported correctly  | No limit              |
| Return Required to be Filed Under §6050I(a) (§6721(e)(2)(C))  | Greater of (i) <b>\$33,220</b> or (ii) amount of cash received up to <b>\$132,500</b>  | No limit              |
| Return Required to be Filed Under §6050V (§6721(e)(2)(D))   | Greater of (i) <b>\$660</b> or (ii) 10% of the value of the benefit of any contract with respect to which information is required to be included on the return | No limit              |

### 65. Failure to Furnish Correct Payee Statements (§6722)

#### A. Persons with Average Annual Gross Receipts for the Most Recent Three Tax Years of More Than \$5,000,000

The penalty amounts under §6722 for failures to furnish correct payee statements required to be furnished in 2025 are as follows:

| Scenario  | Penalty Per Statement | Calendar Year Maximum |
|---|-----------------------|-----------------------|
| General Rule (§6722(a)(1))  | <b>\$330</b>          | <b>\$3,987,000</b>    |
| Corrected on or Before 30 Days After Required Furnishing Date (§6722(b)(1)) | <b>\$60</b>           | <b>\$664,500</b>      |
| Corrected After 30th Day But on or Before August 1 (§6722(b)(2))            | <b>\$130</b>          | <b>\$1,993,500</b>    |

#### B. Persons with Average Annual Gross Receipts for the Most Recent Three Tax Years of \$5,000,000 or Less

The penalty amounts under §6722 for failures to furnish correct payee statements required to be furnished in 2025 are as follows:

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| Scenario   | Penalty Per Statement | Calendar Year Maximum |
|--|-----------------------|-----------------------|
| General Rule (§6722(d)(1)(A))  | <b>\$330</b>          | <b>\$1,329,000</b>    |
| Corrected on or Before 30 Days After Required Furnishing Date (§6722(d)(1)(B)) | <b>\$60</b>           | <b>\$232,500</b>      |
| Corrected After 30th Day But on or Before August 1 (§6722(d)(1)(C))            | <b>\$130</b>          | <b>\$664,500</b>      |

### C. Penalty in Cases of Intentional Disregard of the Requirement to Furnish a Payee Statement (or the Correct Information Reporting Requirement)

The penalty amounts under §6722 for failures to furnish correct payee statements required to be furnished in 2025 due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement) are as follows:

| Scenario  | Penalty Per Statement  | Calendar Year Maximum |
|---|--|-----------------------|
| Payee Statement other than a Statement Required Under §6045(b), §6041A(e) (in respect of a return required under §6041A(b)), §6050H(d), §6050J(e), §6050K(b), or §6050L(c) (§6722(e)(2)(A)) | Greater of (i) <b>\$660</b> or (ii) 10% of aggregate amount of items required to be reported correctly | No limit              |
| Payee Statement Required Under §6045(b), §6050K(b), or §6050L(c) (§6722(e)(2)(B))   | Greater of (i) <b>\$660</b> or (ii) 5% of aggregate amount of items required to be reported correctly  | No limit              |

### 66. Revocation or Denial of Passport (§7345(b)(1))

For calendar year 2024, the threshold amount for seriously delinquent tax debt under §7345(b)(1) is **\$62,000**.

### 67. Attorney Fee Awards (§7430)

For fees incurred in calendar year 2024, the attorney fee award limitation under §7430(c)(1)(B)(iii) is **\$240** per hour.

### 68. Periodic Payments Received Under Qualified Long-Term Care Insurance Contracts or Under Certain Life Insurance Contracts (§7702B(d))

For calendar year 2024, the stated dollar amount of the per diem limitation under §7702B(d)(4), regarding periodic payments received under a qualified long-term care insurance contract or

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periodic payments received under a life insurance contract that are treated as paid by reason of the death of a chronically ill individual, is **\$415 (\$410)**.<sup>11</sup>

### **69. Qualified Small Employer Health Insurance Arrangements (\$9831)**

For tax years beginning in 2024, to qualify as a qualified small employer health reimbursement arrangement under §9831(d), the arrangement must provide that the total amount of payments and reimbursements for any year cannot exceed **\$6,150 (\$12,450** for family coverage).

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<sup>11</sup> The first figure is generated by rounding the amount of the cost-of-living increase, as prescribed by the applicable IRC provision. The figure in parentheses is the amount Bloomberg Tax expects the IRS to publish, which is generated by rounding the inflation-adjusted amount.



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