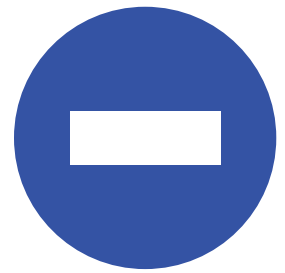


# Standard vs Itemized Deductions






## ONE OR THE OTHER, NOT BOTH

### Standard Deduction

- The simple deduction method
- Reduces taxable income by a specific dollar amount
- No Schedule A required

#### Amounts for 2020 Tax Year

	Single and Married Filing Separately	\$12,400
	Head of Household	\$18,650
	Married Filing Jointly and Qualifying Widow(er)	\$24,800

OR

### Itemized Deductions

- Requires you to report amounts paid for qualified deductions
- Reduces taxable income by the sum of your qualified deductions (some items are limited)
- Is advantageous when the total is more than your standard deduction amount
- Requires you to complete Schedule A

#### Common Deductions



Home Mortgage Interest



Real Estate Taxes



Personal Property Taxes  
(e.g. vehicle taxes)



Gifts to Charity  
(cash and non-cash)



Medical and Dental Expenses

#### Limits

**7.5% Limit** Medical and Dental Expenses – deduct only the amount greater than 7.5% of your adjusted gross income

#### Other Limits and Information

- Job expenses and certain miscellaneous deductions are not deductible
- Deducting interest on home equity loans is limited and has restrictions
- Deduction for casualty and theft losses repealed except when attributable to a federal disaster
- AGI percentage limit for charitable donations increased from 60% to 100%
- For mortgages taken out after Dec. 14, 2017, taxpayers may only deduct mortgage interest on \$750,000 of qualified residence loans (prior limit was \$1 million)
- Overall limit on itemized deductions is suspended