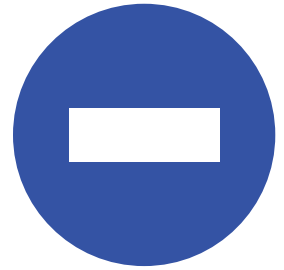


# Standard vs Itemized Deductions






## 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 2021 Tax Year

	Single and Married Filing Separately	\$12,550
	Head of Household	\$18,800
	Married Filing Jointly and Qualifying Widow(er)	\$25,100

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- Deduction for casualty and theft losses repealed except when attributable to a federal disaster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