


CARDINAL ADVISORS

Early Distribution of IRA/401k Balance

Hans and Tom use the following documents to show how early distribution of an IRA/401k can work for you in our video entitled the same.



SS
☐

MED
☐

LTC
☐

401K/IRA
☐

EARLY DISTRIBUTION OF IRA/401K BALANCE

\$32,920,878,645.869 NATIONAL DEBT
\$4,466,940,813.841 ANNUAL FEDERAL TAX
\$6,120,962,630.949 ANNUAL FEDERAL SPENDING
\$711,529,351,928 ANNUAL INTEREST ON NATIONAL DEBT

TOP TAX RATE	
2026	39.6%
2023, 2024, 2025	31.0%
2018	31.0%
2017	39.6%
2012	35%
2000	39.6%
1992	31%
1986	50%
1981	70%
1964	71%
1963	91%
1945	94%

2023, 2024, 2025		
MARRIED		SINGLE
\$22,000	10%	\$11,000
\$90,000	12%	\$45,000
\$191,000	22%	\$95,000
\$364,000	24%	\$182,000
\$463,000	32%	\$231,000
\$694,000	35%	\$579,000
\$694,000+	37%	\$579,000+

- DISTRIBUTE SOME IRA/401K. LIVE ON IT
- CONVERT SOME TO ROTH IRA
- LIFE INSURANCE PREMIUMS

Income
☐

Estate
☐

Taxes
☐

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Oct 2023

2023 Tax Planning

Taxable Income Brackets for 2023 Ordinary Income Tax Rates

Marginal Tax Rate	Married Filing Joint	Single
10%	\$0 – \$22,000	\$0 – \$11,000
12%	\$22,001 – \$89,450	\$11,001 – \$44,725
22%	\$89,451 – \$190,750	\$44,726 – \$95,375
24%	\$190,751 – \$364,200	\$95,376 – \$182,100
32%	\$364,201 – \$462,500	\$182,101 – \$231,250
35%	\$462,501 – \$693,750	\$231,251 – \$578,125
37%*	Over \$693,750	Over \$578,125

*The top rate is effectively 40.8% for those subject to the 3.8% Medicare surtax on net investment income (those with MAGI over the thresholds of \$250,000 joint filers/\$200,000 single filers).

2023 Trust Tax Rates

Ordinary Income Tax		Capital Gain Rates	
10%	\$0 - \$2,900	0%	\$0 - \$3,000
24%	\$2,901 - \$10,550	15%	\$3,001 - \$14,650
35%	\$10,551 - \$14,450	20%	Over \$14,650
37%	Over \$14,450		

Trust Tax Rates – Distributions from inherited IRAs that exceed **\$14,450** and are made to and retained in discretionary trusts will be subject to the top 37% rate. After the SECURE Act, inherited IRA funds will have to be paid out to most of these trusts under the 10-year rule, accelerating trust taxes. Roth conversions during the IRA owner's life become more valuable if the IRA beneficiary is a trust.

Qualified Business Income (QBI) Deduction

20% Deduction Phase-Out Ranges

\$364,200 - \$464,200 - Married Joint

\$182,100 - \$232,100 - Single

Taxable Income Brackets for 2023 Long Term Capital Gains and Qualified Dividends Tax

Long Term Capital Gains Rate	Married Filing Joint	Single
0%	\$0 – \$89,250	\$0 – \$44,625
15%*	\$89,251 – \$553,850	\$44,626 – \$492,300
20%**	Over \$553,850	Over \$492,300

*The 15% rate is effectively 18.8% for those subject to the 3.8% Medicare surtax on net investment income.

**The top rate is effectively 23.8% for those subject to the 3.8% Medicare surtax on net investment income

2023 Transfer Taxes

Transfer Tax	Exemption*	Maximum Rate
Estate, Gift, GST Tax	\$12,920,000	40%

*The estate and gift exemptions are portable. The unused amount can be transferred to a surviving spouse. The GST exemption is NOT portable.

Annual Gift Tax Exclusion **\$17,000**

Standard Deductions

Married-Joint	\$27,700
Single	\$13,850
Head of Household	\$20,800

Extra Standard Deduction for Age 65 or Blind

\$1,500 (married-joint)

\$1,850 (single)

Qualified Charitable Distributions

Available only to IRA owners and IRA beneficiaries who are 70½ or older. The annual QCD limit is \$100,000 per IRA owner, **not** per IRA account. QCDs are more valuable due to the larger number of taxpayers that are using the increased standard deduction.

Roth Conversion Planning Ideas

Roth conversions are permanent and work best for those who believe they will be subject to higher marginal tax rates in the future.

Roth conversions are not all or nothing. Consider a series of smaller annual conversions over time to spread out the income tax.

Timing Roth conversions for maximum tax efficiency:

Convert before RMDs begin. RMDs cannot be converted, so no conversion can be done until the RMD is withdrawn.

Avoid the impact of Roth conversions on Medicare IRMAA charges for Parts B and D based on income. Since Medicare has a 2-year lookback provision, consider conversions before age 63.

If a spouse died during the year, consider a Roth conversion for the surviving spouse since this may be the last year to take advantage of married-joint tax return rates. Include the conversion income on the final joint tax return.

State Debt Clocks

World Debt Clocks

US NATIONAL DEBT

\$33,153,595,890,318

DEBT PER CITIZEN

\$98,759

DEBT PER TAXPAYER

\$255,564

US FEDERAL SPENDING (OFFICIAL)

\$6,120,963,428,920

US FEDERAL BUDGET DEFICIT (OFFICIAL)

\$1,782,668,849,303

US FEDERAL SPENDING (ACTUAL)

\$6,263,576,930,533

US FEDERAL BUDGET DEFICIT (ACTUAL)

\$1,925,282,438,063

US FEDERAL DEBT TO GDP RATIO

1960 • 52.36% 1980 • 34.68% 2000 • 56.09% NOW • 122.71%

AVERAGE NEW CAR NOW

Average cost of a New US Light Vehicle

Real-Time Running Total

Source: U.S. Bureau of Economic Analysis

Time Machine

US FEDERAL TAX REVENUE

\$4,338,294,421,181

REVENUE PER CITIZEN

\$12,967

INCOME TAX REVENUE

\$2,325,014,526,361

PAYROLL TAX REVENUE

\$1,572,572,847,059

EXCISE TAX

\$82,947,923,369

CHARITABLE DONATIONS

\$544,687,101,181

TOTAL STATE REVENUE

\$2,292,729,076,635

TOTAL LOCAL REVENUE

\$1,229,446,691,538

CORPORATE TAX REVENUE

\$545,781,227,097

TARIFF TAX REVENUE

\$70,370,056,024

ESTATE & GIFT TAX

\$31,032,543,947

PER ADULT

\$2,103

STATE DEBT

\$1,270,266,892,854

DEBT PER CITIZEN

\$3,797

LOCAL DEBT

\$2,385,718,656,052

DEBT PER CITIZEN

\$7,131

MUNICIPAL EMPLOYEES

19,417,395

AVERAGE SALARY

\$73,571

US GROSS DOMESTIC PRODUCT

\$27,018,524,646,588

TOTAL WORKER COMPENSATION

\$14,538,795,116,517

TOTAL FEDERAL/STATE/LOCAL SPENDING

\$10,028,814,638,483

TOTAL DEBT TO GDP RATIO

136.24%

REVENUE TO GDP RATIO

29.13%

SPENDING TO GDP RATIO

37.13%

Largest Budget Items

MEDICARE/MEDICAID

\$1,620,963,428,920

SOCIAL SECURITY

\$1,320,657,482,635

DEFENSE/WAR

\$795,182,265,198

INTEREST ON DEBT (NET)

\$711,529,749,178

Unfunded Debt/Interest

US TOTAL INTEREST PAID

\$3,823,714,299,289

INTEREST PER ADULT

\$14,766

US TOTAL DEBT

\$103,113,225,469,372

SAVINGS PER FAMILY

\$14,090

BANK INTEREST RECEIVED

\$891,022,084,004

BANK INTEREST PAID

\$151,968,043,652

TOTAL PERSONAL DEBT

\$24,653,435,919,485

PERSONAL DEBT PER CIT.

\$73,493

STUDENT LOAN DEBT

\$1,817,527,791,889

PER STUDENT

\$41,041

CREDIT CARD DEBT

\$1,290,842,125,336

PER HOLDER

\$7,943

Money Creation

USA TREASURY DOLLARS 2025

\$1,528,602,236,461

US M2 MONEY SUPPLY NOW

\$20,714,660,581,057

CURRENCY AND CREDIT DERIVATIVES NOW

\$632,703,309,615,427

USA TREASURY DOLLARS 2000

\$3,539,571,249

US M2 MONEY SUPPLY 2000

\$4,875,396,838,582

CURRENCY AND CREDIT DERIVATIVES 2000

\$92,603,998,073,585

Trade Balance

US DEBT HELD BY FOREIGN COUNTRIES

\$7,684,313,409,975

US TRADE DEFICIT

\$1,060,511,283,370

US TRADE DEFICIT - CHINA

\$284,110,008,115

US IMPORTED OIL

\$247,097,676,876

US POPULATION

335,290,485

US INCOME TAXPAYERS

128,404,713

PRIVATE SECTOR JOBS

129,135,389

US SELF-EMPLOYED

8,800,165

US UNION WORKERS

15,521,667

GOVERNMENT EMPLOYEES

23,848,723

MANUFACTURING JOBS NOW

13,006,112

MANUFACTURING JOBS 2000

17,148,198

US RETIREES

58,035,063

US DISABLED

8,649,281

US WORKFORCE NOW

161,723,828

US WORKFORCE 2000

160,884,873

NOT IN LABOR FORCE NOW

99,365,841

NOT IN LABOR FORCE 2000

82,098,975

OFFICIAL UNEMPLOYED

6,383,710

ACTUAL UNEMPLOYED

11,863,046

FULL-TIME WORKERS

134,348,283

PART-TIME WORKERS

26,795,926

MEDIAN INCOME NOW

\$36,042

MEDIAN INCOME 2000

\$32,023

MEDIAN NEW HOME NOW

\$429,973

MEDIAN NEW HOME 2000

\$167,035

US BANKRUPTCIES

400,451

US FORECLOSURES

113,117

LIVING IN POVERTY

43,154,458

WITHOUT INSURANCE

27,049,108

US HOMELESS

607,918

US DRUG DEATHS

118,501

TOP 1% WEALTH

\$17,710,899

BOTTOM 50% WEALTH

\$32,128

HEALTHCARE COST NOW

\$14,254

HEALTHCARE COST 2000

\$5,497

COLLEGE TUITION NOW

\$26,400

COLLEGE TUITION 2000

\$10,832

OIL TO SOLAR RATIO NOW

\$ = 268.16 WATTS

OIL TO SOLAR RATIO 2000

\$ = 4.70 WATTS

DOLLAR TO SILVER RATIO NOW

* \$0 PER OUNCE

DOLLAR TO SILVER RATIO 1913

\$2.68 PER OUNCE

DOLLAR TO SILVER RATIO 5 YR

\$1,558 PER OUNCE

DOLLAR TO SILVER RATIO 10 YR

\$1,121 PER OUNCE

DOLLAR TO GOLD RATIO NOW

* \$0 PER OUNCE

DOLLAR TO GOLD RATIO 1913

\$27.24 PER OUNCE

DOLLAR TO GOLD RATIO 5 YR

\$12,597 PER OUNCE

DOLLAR TO GOLD RATIO 10 YR

\$9,327 PER OUNCE

PAPER TO SILVER RATIO NOW

246.04 TO 1

PAPER TO GOLD RATIO NOW

128.61 TO 1

G7 GDP TO GOLD RATIO

\$72,284 PER OZ.

BRICS GDP TO GOLD RATIO

\$134,972 PER OZ.

DOLLAR TO CRYPTO RATIO NOW

\$17.89 TO \$1

DOLLAR TO CRYPTO RATIO 2013

\$9,084 TO \$1

M2 \$ TO USA \$ RATIO NOW

\$1,776 TO \$1

M2 \$ TO USA \$ RATIO 2000

\$526 TO \$1

SMALL BUSINESS ASSETS

\$17,083,130,548,514

CORPORATE ASSETS

\$22,263,927,549,164

HOUSEHOLD ASSETS

\$157,992,008,307,082

US TOTAL NATIONAL ASSETS

\$197,339,066,360,397

ASSETS PER CITIZEN

\$587,816

SOCIAL SECURITY LIABILITY

\$22,924,699,909,860

MEDICARE LIABILITY

\$35,789,928,656,554

US UNFUNDED LIABILITIES

\$194,261,472,996,432

LIABILITY PER CITIZEN

\$578,259

MORTGAGE/LOAN CALCULATOR

AU GOLD SUPPLY/DEMAND

HOME SALES

SOURCES

AUTO SALES

ABOUT

ENERGY OUTPUT

GOLD/PRECIOUS METALS

US Debt Clock.org