

**Table 1: Widow Tax Hit Calculated for Three Affluent Cases**

Income & Adjustments	Top of 24% Bracket		Top of 22% Bracket		Bottom of 22% Bracket	
	Couple	Widow/er	Couple	Widow/er	Couple	Widow/er
Taxable Social Security	\$64,219	\$32,110	\$64,219	\$32,110	\$36,975	\$18,488
RMD / pension / other continuing income	\$293,331	\$293,331	\$136,231	\$136,231	\$71,775	\$71,775
Adjusted gross income	\$357,550	\$325,441	\$200,450	\$168,341	\$108,750	\$90,263
Standard deduction	\$25,100	\$12,550	\$25,100	\$12,550	\$25,100	\$12,550
Age 65 deduction	\$2,600	\$1,700	\$2,600	\$1,700	\$2,600	\$1,700
Taxable income	\$329,850	\$311,691	\$172,750	\$154,091	\$81,050	\$76,013
<b>Tax &amp; Medicare Subtractions</b>						
Income tax	<b>\$67,206</b>	<b>\$83,461</b>	<b>\$29,502</b>	<b>\$31,003</b>	<b>\$9,328</b>	<b>\$12,471</b>
Medicare B	<b>\$3,564</b>	<b>\$1,782</b>	<b>\$3,564</b>	<b>\$1,782</b>	<b>\$3,564</b>	<b>\$1,782</b>
Medigap / deductibles	<b>\$3,564</b>	<b>\$1,782</b>	<b>\$3,564</b>	<b>\$1,782</b>	<b>\$3,564</b>	<b>\$1,782</b>
IRMAA	<b>\$9,538</b>	<b>\$4,769</b>	<b>\$1,720</b>	<b>\$3,460</b>		
Add back non-taxable Social Security payments	\$11,333	\$5,666	\$11,333	\$5,666	\$6,525	\$3,263
Disposable income	\$285,012	\$239,314	\$173,434	\$135,981	\$98,820	\$77,491
Reduction for the widow/er		↓ \$45,698		↓ \$37,453		↓ \$21,329
<b>Metrics</b>						
Reduction in disposable income as a % of couple income		16.0%		21.6%		21.6%
Proportion of lost disposable income due to reduced AGI		70.3%		85.7%		86.7%
Effective (average) tax rate (includes medical)	20.3%	26.5%	13.5%	19.2%	9.1%	14.2%
Jump in effective rate		↑ 30.4%		↑ 42.6%		↑ 55.0%

Notes: Assumes Social Security payment of 40% of total income or the maximum Social Security payment (at full retirement age) in 2021, whichever is less. Both members of the couple are assumed to have equal Social Security payments. In the three cases in this table, 85% of Social Security income proved to be taxable, whether for couple or widow/er (see Table 3 for lower income cases where less than 85% of Social Security was taxed). Medigap insurance etc. set equal to the base Medicare B cost in 2021, of \$148.50 per month per person.