

How is Medicare Part B Monthly Premium Determined?

See the page in my seminar book

Here's how you calculate your AGI:

1. Start with your gross income. This is on lines 7-22 of Form 1040.
2. Add these together to arrive at your total income.
3. Subtract your adjustments from your total income (also called "above-the-line deductions").
4. You have your AGI.

MAGI calculation

To calculate your modified adjusted gross income, take your AGI and add back certain deductions. Many of these deductions are rare, so it's possible your AGI and MAGI can be identical. According to the IRS, your MAGI is your AGI with the addition of the following deductions, if applicable:

- Student loan interest
- One-half of self-employment tax
- Qualified tuition expenses
- Tuition and fees deduction
- Passive loss or passive income
- IRA contributions, taxable social security payments
- The exclusion for income from U.S. savings bonds
- The exclusion under 137 for adoption expenses
- Rental losses
- Any overall loss from a publicly traded partnership