

“Tax Cuts and Jobs Act” (TCJA)

For 2018 - 2025 (the life of TCJA) the bracket percentages are set to not change. But, the dollar amounts for each bracket will be adjusted each year.

2017

Married Filing Jointly (MFJ)

If Taxable income is: The Tax is:

(in dollars)

0 - 18,650	10% of the taxable income
18,651 - \$75,900	\$1,865 + 15% of the excess > 18,650
75,901 - \$153,100	\$10,452.50 + 25% of the excess > 75,900
153,101 - 233,350	\$29,752.50 + 28% of the excess > 153,100
233,351 - 416,700	\$52,222.50 + 33% of the excess > 233,350
416,701 - 470,700	\$112,728 + 35% of the excess > 416,700
470,701 +	\$131,628 + 39.6% of the excess > 470,700

Single

If Taxable income is: The Tax is:

(in dollars)

Not > \$9,325	10% of the taxable income
9,326 - 37,950	\$932.50 + 15% of the excess > 9,325
37,951 - 91,900	\$5,226.25 + 25% of the excess > 37,950
91,901 - 191,650	\$18,713.75 + 28% of the excess > 91,900
191,651 - 416,700	\$46,643.75 + 33% of the excess > \$233,350
416,701 - 418,400	\$112,728 + 35% of the excess > \$416,700
418,401 +	\$121,505.25 + 39.6% of the excess of \$418,400

Ex. MFJ taxable income = 79,000, then tax would be
 $(10,452.50 + ((79,000 - 75,900) * 0.25) =$
 $(10,452.50 + 775) = \mathbf{11,227.50}$

2018

Married Filing Jointly (MFJ)

If Taxable income is: The Tax is:

(in dollars)

0 - 19,050	10% of the taxable income
19,051 - 77,400	\$1,905 + 12% of the excess > 19,050
77,401 - 165,000	\$8,907 + 22% of the excess > 77,400
165,001 - 315,000	\$28,179 + 24% of the excess > 165,000
315,001 - 400,000	\$64,179 + 32% of the excess > 400,000
400,001 - 600,000	\$91,379 + 35% of the excess > 400,000
600,001 +	\$161,379 + 37% of the excess > 600,000

Single

If Taxable income is: The Tax is:

(in dollars)

0 - 9,525	10% of the taxable income
9,526 - 38,700	\$952.50 + 12% of the excess > 9,525
38,701 - 82,500	\$4,453.50 + 22% of the excess > 38,700
82,501 - 157,500	\$14,089.50 + 24% of the excess > 82,500
157,501 - 200,000	\$32,089.50 + 32% of the excess > \$157,500
200,001 - 500,000	\$45,689.50 + 35% of the excess > \$200,000
500,001 +	\$150,689.50 + 37% of the excess > \$500,001

Ex. MFJ taxable income = 79,000, then tax would be
 $(8,907 + ((79,000 - 77,400) * 0.22) =$
 $(8,907 + 352) = \mathbf{9,259}$

For future use.....

2019

Married Filing Jointly (MFJ)

If Taxable income is:

The Tax is:

Not > \$19,400	10% of the taxable income
19,401 - 78,950	\$1,940 + 12% of the excess > 19,400
78,951 - 168,400	\$9,086 + 22% of the excess > 78,950
168,401 - 321,450	\$28,765 + 24% of the excess > 168,400
321,451 - 408,200	\$65,497 + 32% of the excess > 321,450
408,201 - 600,000	\$93,257 + 35% of the excess > 408,200
612,351 +	\$164,709.50 + 37% of the excess > 612,350

Single

If Taxable income is:

The Tax is:

0 - 9,700	10% of the taxable income
9,701 - 39,475	\$970 + 12% of the excess > 9,700
39,476 - 84,200	\$4,453 + 22% of the excess > 39,475
84,201 - 160,725	\$14,382.50 + 24% of the excess > 84,200
160,726 - 204,100	\$32,748.50 + 32% of the excess > \$160,725
204,101 - 510,300	\$46,628.50 + 35% of the excess > \$204,100
510,301 +	\$153,789.50 + 37% of the excess > \$510,300

Ex. MFJ taxable income = 79,000, then tax would be
 $(9,086 + ((79,000 - 78,950) * 0.22)) =$
 $(9,086 + 50) = \mathbf{9,136}$

Farm Tax Workshop - Dictionary

ADS - Alternative Depreciation System

AGI Adjusted Gross Income

CCC - Commodity Credit Corporation

CPI-U Consumer Price Index— for all Urban consumers

DPAD Domestic Production Activities Deduction— eliminated beginning 2018

FMV Fair Market Value

IRC - Internal Revenue Code

LLC Limited liability company

MFJ Married Filing Jointly

MFS Married Filing Separately

PTR in this case refers to a partnership

QBI Qualified Business Income

SE tax Self employment tax

SL - Straight Line

STD Standard Tax Deduction

TCJA Tax Cuts & Jobs Act, referring to legislation, signed into law Dec. 2017