

# Federal Income Tax Brackets for 2017 and the Proposed Tax Brackets in the Senate's Tax Reform Bill

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## Proposed Tax Brackets in the Senate's Tax Reform bill

4 “(A) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—The following table shall be applied in lieu of the table contained in subsection (a):

“If taxable income is: The tax is: Not over \$19,050 ..... 10% of taxable income.  
Over \$19,050 but not over \$77,400. \$1,905, plus 12% of the excess over \$19,050.  
Over \$77,400 but not over \$140,000. \$8,907, plus 22% of the excess over \$77,400.  
Over \$140,000 but not over \$320,000. \$22,679, plus 24% of the excess over \$140,000.  
Over \$320,000 but not over \$400,000. \$65,879, plus 32% of the excess over \$320,000.  
Over \$400,000 but not over \$1,000,000. \$91,479, plus 35% of the excess over \$400,000.  
Over \$1,000,000 ..... \$301,479 plus 38.5% of the excess over \$1,000,000.

“(B) HEADS OF HOUSEHOLDS.—The following table shall be applied in lieu of the table contained in subsection (b):

“If taxable income is: The tax is: Not over \$13,600 ..... 10% of taxable income.  
Over \$13,600 but not over \$51,800. \$1,360, plus 12% of the excess over \$13,600.  
Over \$51,800 but not over \$70,000. \$5,944, plus 22% of the excess over \$51,800.  
Over \$70,000 but not over \$160,000. \$9,948, plus 24% of the excess over \$70,000.  
Over \$160,000 but not over \$200,000. \$31,548, plus 32% of the excess over \$160,000.  
Over \$200,000 but not over \$500,000. \$44,348, plus 35% of the excess over \$200,000.  
Over \$500,000 ..... \$149,348, plus 38.5% of the excess over \$500,000.

“(C) UNMARRIED INDIVIDUALS OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS.—The following table shall be applied in lieu of the table contained in subsection 4 (c):

“If taxable income is: The tax is: Not over \$9,525 ..... 10% of taxable income.  
Over \$9,525 but not over \$38,700 \$952.50, plus 12% of the excess over \$9,525.  
Over \$38,700 but not over \$70,000. \$4,453.50, plus 22% of the excess over \$38,700.  
Over \$70,000 but not over \$160,000. \$11,339.50, plus 24% of the excess over \$70,000.  
Over \$160,000 but not over \$200,000. \$32,939.50, plus 32% of the excess over \$160,000.  
Over \$200,000 but not over \$500,000. \$45,739.50, plus 35% of the excess over \$200,000.  
Over \$500,000 ..... \$150,739.50, plus 38.5% of the excess over \$500,000.

“(D) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—The following table shall be applied in lieu of the table contained in sub-8 section (d):

“If taxable income is: The tax is: Not over \$9,525 ..... 10% of taxable income.  
Over \$9,525 but not over \$38,700 \$952.50, plus 12% of the excess over \$9,525.  
Over \$38,700 but not over \$70,000. \$4,453.50, plus 22% of the excess over \$38,700.  
Over \$70,000 but not over \$160,000. \$11,339.50, plus 24% of the excess over \$70,000.  
Over \$160,000 but not over \$200,000. \$32,939.50, plus 32% of the excess over \$160,000.  
Over \$200,000 but not over \$500,000. \$45,739.50, plus 35% of the excess over \$200,000.  
Over \$500,000 ..... \$150,739.50, plus 38.5% of the excess over \$500,000. “

In the Senate bill, the deduction for singles increases to \$12,000 from \$6,350 currently; and it raises it for married couples filing jointly to \$24,000 from \$12,700.

## Tax brackets and tax rates for 2017

Filing Status	Standard Deduction Amount
Single	\$6,350
Married Filing Jointly & Surviving Spouse	\$12,700
Married Filing Separately	\$6,350
Head of Household	\$9,350

### Married Individuals Filing Joint Returns and Surviving Spouses

If Taxable Income Is Between:	The Tax Due Is:
0 - \$18,650	10% of taxable income
\$18,651 - \$75,900	\$1,865 + 15% of the amount over \$18,650
\$75,901 - \$153,100	\$10,452.50 + 25% of the amount over \$75,900
\$153,101 - \$233,350	\$29,752.50 + 28% of the amount over \$153,100
\$233,351 - \$416,700	\$52,222.50 + 33% of the amount over \$233,350
\$416,701 - \$470,700	\$112,728 + 35% of the amount over \$416,700
\$470,701 +	\$131,628 + 39.6% of the amount over \$470,700

### Individual Taxpayers

If Taxable Income Is Between:	The Tax Due Is:
0 - \$9,325	10% of taxable income
\$9,326 - \$37,950	\$932.50 + 15% of the amount over \$9,325
\$37,951 - \$91,900	\$5,226.25 + 25% of the amount over \$37,950
\$91,901 - \$191,650	\$18,713.75 + 28% of the amount over \$91,900
\$191,651 - \$416,700	\$46,643.75 + 33% of the amount over \$191,650
\$416,701 - \$418,400	\$120,910.25 + 35% of the amount over \$416,700
\$418,401 +	\$121,505.25 + 39.6% of the amount over \$418,400

**Heads of Household**

If Taxable Income Is Between:	The Tax Due Is:
0 - \$13,350	10% of taxable income
\$13,351 - \$50,800	\$1,335 + 15% of the amount over \$13,350
\$50,801 - \$131,200	\$6,952.50 + 25% of the amount over \$50,800
\$131,201 - \$212,500	\$27,052.50 + 28% of the amount over \$131,200
\$212,501 - \$416,700	\$49,816.50 + 33% of the amount over \$212,500
\$416,701 - \$444,550	\$117,202.50 + 35% of the amount over \$416,700
\$444,551 +	\$126,950 + 39.6% of the amount over \$444,550

**Married Filing Separately**

If Taxable Income Is Between:	The Tax Due Is:
\$0 - \$9,325	10% of taxable income
\$9,326 - \$37,950	\$932.50 + 15% of the amount over \$9,325
\$37,951 - \$76,550	\$5,226.25 + 25% of the amount over \$37,950
\$76,551 - \$116,675	\$14,876.25 + 28% of the amount over \$76,550
\$116,676 - \$208,350	\$26,111.25 + 33% of the amount over \$116,675
\$208,351 - \$235,350	\$56,364 + 35% of the amount over \$208,350
\$235,351 +	\$65,814 + 39.6% of the amount over \$235,350

Filing Status	Standard Deduction Amount
Single	\$6,350
Married Filing Jointly & Surviving Spouse	\$12,700
Married Filing Separately	\$6,350
Head of Household	\$9,350

### Examples

1.

An unmarried single male has a taxable income of \$49,000. In 2017 his federal income tax will be \$5,266.25 plus 25% of the amount over \$37,950 which =  
 $\$5,266.25 + 25\% \text{ of } \$11,050 \text{ which} = \$8,028.75$

Under the Senate proposed tax rates his taxable income will be \$43,350. His federal income tax will be \$4,453.50, plus 22% of the excess over \$38,700, which =  
 $\$4,453.50 + \$1,023 = \$5,476.50$

2.

A married couple filing a joint return have a combined taxable income of \$87,000. In 2017 their federal income tax will be \$10,452.50 plus 25% of the amount over \$75,900 which =  
 $\$10,452.50 + 25\% \text{ of } \$11,100 \text{ which} = \$13,227.50$

Under the Senate proposed tax rates, their taxable income will be \$75,700. Their federal income tax will be \$1,905, plus 12% of the excess over \$19,050 =  
 $\$1,905 + \$6,798 = \$8,703$

### Sources

<https://www.forbes.com/sites/kellyphillipserb/2016/10/25/irs-announces-2017-tax-rates-standard-deductions-exemption-amounts-and-more/#23e4ace85701>

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