

Individual Tax Brackets After the *Tax Cuts & Jobs Act*

Effective in 2018, the *Tax Cuts and Jobs Act* (TCJA) reduced the top marginal tax rate and provides new rates for the seven individual income tax brackets. The tax brackets will be adjusted annually for inflation using a chained method of the U.S. Consumer Price Index. The new rates expire after December 31, 2025.

2018 Married Filing Jointly (MFJ) Ordinary Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$19,050	10%	10%
	12%	12%
19,051-\$77,400	15%	15%
	22%	22%
	24%	24%
77,401-\$156,150	25%	25%
156,151-\$165,000	28%	28%
165,001-\$237,950	32%	32%
237,951-\$315,000	33%	33%
315,001-\$400,000	35%	35%
400,001-\$424,950	37%	37%
424,951-\$480,050	39.6%	39.6%
480,051-\$600,000		
More than 600,000		

2018 MFJ Capital Gains Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$77,200	0%	0%
77,201-\$77,400		
77,401-\$479,000	15%	15%
479,001-\$480,050		
More than 480,051	20%	20%

*Plus 3.8 percent net investment income tax on unearned income when modified adjusted gross income exceeds \$250,000

For more on how the *Tax Cuts and Jobs Act* might affect your personal tax situation, visit bkd.com/taxreform.

Individual Tax Brackets After the Tax Cuts & Jobs Act

2018 Single Ordinary Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$9,525	10%	10%
	12%	12%
9,526-\$38,700	15%	15%
	22%	22%
	24%	24%
38,701-\$82,500	25%	25%
82,501-\$93,700	28%	28%
93,701-\$157,500	32%	32%
157,501-\$195,450	33%	33%
195,451-\$200,000	35%	35%
200,001-\$424,950	37%	37%
424,951-\$426,700	39.6%	39.6%
426,701-\$500,000		
More than 500,000		

2018 Single Capital Gains Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$38,600	0%	0%
38,601-\$38,700		
38,701-\$425,800	15%	15%
425,801-\$426,700		
More than 426,701	20%	20%

*Plus 3.8 percent net investment income tax on unearned income when modified adjusted gross income exceeds \$200,000

Individual Tax Brackets After the Tax Cuts & Jobs Act

2018 Head of Household (HOH) Ordinary Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$13,600	10%	10%
13,601-\$1,800	12%	12%
	15%	
51,801-\$1,850	22%	22%
	24%	
51,851-\$2,500	25%	24%
		25%
133,851-\$157,500	28%	28%
157,501-\$200,000		32%
200,001-\$216,700		33%
216,701-\$424,950	32%	35%
	33%	
424,951-\$453,350	35%	37%
453,351-\$500,000	37%	
More than 500,000	39.6%	39.6%

2018 HOH Capital Gains Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$51,700	0%	0%
51,701-\$1,850	15%	15%
51,851-\$452,400		
452,401-\$453,350	20%	20%
More than 453,351		

*Plus 3.8 percent net investment income tax on unearned income when modified adjusted gross income exceeds \$200,000

Individual Tax Brackets After the Tax Cuts & Jobs Act

2018 Married Filing Separately (MFS) Ordinary Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$9,525	10%	10%
	12%	12%
9,526-\$38,700	15%	15%
	22%	22%
	24%	24%
38,701-\$78,075	25%	25%
78,076-\$82,500	28%	28%
82,501-\$118,975	32%	32%
118,976-\$157,500	33%	33%
157,501-\$200,000	33%	33%
200,001-\$212,475	35%	35%
212,476-\$240,025	37%	37%
240,026-\$300,000	39.6%	39.6%
More than 300,000	39.6%	39.6%

2018 MFS Capital Gains Rates

Bracket	Previous Tax Law	New Tax Law
\$0-\$38,600	0%	0%
38,601-\$38,700	0%	0%
38,701-\$240,025	15%	15%
240,026-\$300,000	20%	20%
More than 300,000	20%	20%

*Plus 3.8 percent net investment income tax on unearned income when modified adjusted gross income exceeds \$200,000