

How Your Income Is Really Taxed Calculations KEY

\$30,000 annual salary

Taxable income and calculation of taxes paid:

Annual income	\$30,000			
Standard deduction	<u>-14,600</u>			
Taxable income	\$15,400			
Portion taxed at 10%:	<u>- 11,600</u> x 10%	=		\$ 1,160
Portion taxed at 12%	\$ 3,800 x 12%	=		<u>+ 456</u>
			Total tax paid	\$1,616

\$45,000 annual salary

Taxable income and calculation of taxes paid:

Annual income	\$45,000			
Standard deduction	<u>14,600</u>			
Taxable income	\$30,400			
Portion taxed at 10%:	<u>-11,600</u> x 10%	=		\$1,160
Portion taxed at 12%	\$18,800 x 12%	=		<u>+ 2,256</u>
			Total tax paid	\$3,416

\$60,000 annual salary

Taxable income and calculation of taxes owed:

Annual income	\$60,000			
Standard deduction	<u>-14,600</u>			
Taxable income	\$45,400			
Portion taxed at 10%	<u>11,600</u> x 10%	=		\$1,160
	\$33,800 x 12%	=		<u>4,056</u>
			Total tax paid	\$5,216

\$90,000 annual salary

Taxable income and calculation of taxes owed:

Annual income	\$90,000		
Standard deduction	<u>-14,600</u>		
Taxable income	\$75,400		
Portion taxed at 10%	<u>-11,600</u> x 10%	=	\$ 1,160
	\$63,800		
Portion taxed at 12%	<u>- 35,549</u> x 12%	=	+ 4,266
Portion taxed at 22%	\$28,251 x 22%	=	<u>+ 6,215</u>
		Total tax paid	\$11,641

2024 Tax Brackets Segment of Taxable Income	Marginal Tax Rate	Computations
\$0 to \$11,600	10%	
\$11,601 to \$47,150	12%	47,150 - 11,601 = 35,549
\$47,151 to \$100,525	22%	100,525 - 47,151 = 53,374
\$100,526 to \$191,950	24%	191,950 - 100,526 = 91,424
\$191,951 to \$243,725	32%	243,725 - 191,951 = 51,774
\$243,726 to \$609,350	35%	609,350 - 243,726 = 365,624
\$609,351 or more	37%	