How Your Income Is Really Taxed Key

$30,000 annual salary

Taxable income and calculation of taxes paid:

Annual income $30,000

Standard deduction -15,000

 Taxable income $15,000

Portion taxed at 10%: - 11,925 x 10% = $ I,193

Portion taxed at 12% $ 3,075 x 12% = + 369

 Total tax paid $1,562

$45,000 annual salary

Taxable income and calculation of taxes paid:

Annual income $45,000

Standard deduction 15,000

 Taxable income $30,000

Portion taxed at 10%: -11,925 x 10% = $1,193

Portion taxed at 12% $18,075 x 12% = + 2,169

 Total tax paid $3,362

$60,000 annual salary

Taxable income and calculation of taxes owed:

Annual income $60,000

Standard deduction -15,000

 Taxable income $45,000

Portion taxed at 10% 11,925 x 10% = $1,193

 $33,075

Portion taxed at 12% 33,075 x 12% = + 3,969

 Total tax paid $5,162

$90,000 annual salary

Taxable income and calculation of taxes owed:

1931

Annual income $90,000

Standard deduction -15,000

 Taxable income $75,000

Portion taxed at 10% -11,925 x 10% = $ 1,193

 $63,075

Portion taxed at 12% - 36,549 x 12% = + 4,386

Portion taxed at 22% $26,526 x 22% = + 5,836

 Total tax paid $11,415

|  |  |  |
| --- | --- | --- |
| 2025 Tax BracketsSegment of Taxable Income | Marginal Tax Rate | Computations |
| $0 to $11,925 | 10% |  |
| $11,926 to $48,475 | 12% | 48,475 - 11,926 = 36,549 |
| $48,476 to $103,350 | 22% | 103,350 – 48,476 = 54,874 |
| $103,351 to $197,300 | 24% | 197,300 – 103,351 = 93,949 |
| $197,301 to $250,525 | 32% | 250,525 – 197,301 = 53,224 |
| $250,526 to $626,350 | 35% | 626,350 – 250,526 = 375,824 |
| $626,351 or more | 37% |  |