

# Summary of Selected 'Tax Cuts and Jobs Act' Tax Rates & Thresholds

The "Tax Cuts and Jobs Act" passed by Congress and expected to be signed by President Trump contains a significant number of rates and thresholds, some of which are scheduled to change during the next 10 years. The following provides a summary of selected rates and thresholds that are included in the major provisions of the bill.

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### Individuals

<b>Individual Rates</b>	<ul style="list-style-type: none"> <li>▶ 10% rate – first \$9,525 (individual)/\$19,050 (joint)</li> <li>▶ 12% rate – \$9,525/\$19,050</li> <li>▶ 22% rate – \$38,700/\$77,400</li> <li>▶ 24% rate – \$82,500/\$165,000</li> <li>▶ 32% rate – \$157,500/\$315,000</li> <li>▶ 35% rate – \$200,000/\$400,000</li> <li>▶ 37% rate – \$500,000/\$600,000</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 and before 2026 .</li> </ul>
<b>Individual Alternative Minimum Tax (AMT)</b>	<ul style="list-style-type: none"> <li>▶ Exemption – \$70,300/\$109,400</li> <li>▶ Phase-out – \$500,000/\$1,000,000</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 and before 2026 .</li> </ul>
<b>Standard Deduction</b>	<ul style="list-style-type: none"> <li>▶ \$12,000/\$24,000 (indexed)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 and before 2026 .</li> </ul>
<b>Estate, Gift, and Generation-skipping Tax (GST)</b>	<ul style="list-style-type: none"> <li>▶ Exemption – \$10 million (indexed from 2011 )</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 and before 2026 .</li> </ul>

### Business

<b>Top Corporate Rate</b>	<ul style="list-style-type: none"> <li>▶ 21% (no graduated rates)</li> </ul>	<ul style="list-style-type: none"> <li>▶ January 1, 2018 .</li> </ul>
<b>Corporate Alternative Minimum Tax (AMT)</b>	<ul style="list-style-type: none"> <li>▶ AMT credit refunds – 50% per year (100% for years beginning in 2021 )</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 .</li> </ul>
<b>Top Pass-through Rate</b>	<ul style="list-style-type: none"> <li>▶ 29.6% (20% deduction)</li> <li>▶ Wage limitation – \$157,500/\$315,000</li> <li>▶ Specified service business exclusion (phase-in) – \$157,500-\$207,500/\$315,000-\$415,000</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 and before 2026 .</li> </ul>
<b>Limitation on Pass-through Losses</b>	<ul style="list-style-type: none"> <li>▶ \$250,000/\$500,000 (indexed)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Taxable years beginning after 2017 .</li> </ul>

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- ▶ [%] of MTI:
    - ▶ First taxable year beginning after 2017 – 5% (6% for banks/dealers).
    - ▶ Taxable years beginning after 2018 and before 2025 – 10% (11% for banks/ dealers).
    - ▶ Taxable years beginning after 2025 – 12.5% (13.5% for banks/dealers).
  - ▶ For taxable years beginning after 2025 , regular tax is reduced by all credits in full.
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