

TAX FILING

CHEAT SHEET

2023 INCOME TAX BRACKETS AND RATES

DEADLINE TO FILE:
April 15, 2024

Brackets and rates work by dividing your taxable income into different ranges (or "brackets") with each bracket given a specific tax rate. As your income increases, your income gets taxed at higher rates.

2023 Tax Rates	Single	Married Filing Jointly	Head of Household	Married Filing Separately
10%	\$0 – 11,000	\$0 – 22,000	\$0 – 15,700	\$0 – 11,000
12%	\$11,001 – 44,725	\$22,001 – 89,450	\$15,701 – 59,850	\$11,001 – 44,725
22%	\$44,726 – 95,375	\$89,451 – 190,750	\$59,851 – 95,350	\$44,726 – 95,375
24%	\$95,376 – 182,100	\$190,751 – 364,200	\$95,351 – 182,100	\$95,376 – 182,100
32%	\$182,101 – 231,250	\$364,201 – 462,500	\$182,101 – 231,250	\$182,101 – 231,250
35%	\$231,251 – 578,125	\$462,501 – 693,750	\$231,251 – 578,100	\$231,250 – 346,875
37%	Over \$578,125	Over \$693,750	Over \$578,100	Over \$346,875

Source: irs.gov

TAX DEDUCTIONS

Tax deductions lower your tax bill by reducing the amount of your income that'll be taxed. When you pay taxes, you have the option of taking the standard deduction (which lowers your taxable income by a set amount based on your filing status) or itemizing your deductions (claiming your deductions one by one). Here are some of the most common itemized deductions and standard deduction amounts.



Medical Deductions

Deduct expenses above **7.5%** of your adjusted gross income (AGI). AGI is your total income minus deductions you've had taken out of your paycheck, like contributions to retirement and health savings accounts.



Charitable Deductions

Deduct donations up to **60%** of your AGI.



Mortgage Interest Deductions

Deduct the interest paid on up to **\$750,000** of mortgage debt.

Standard Deduction

Filing Status	Deduction
Single	\$13,850
Married Filing Jointly	\$27,700
Married Filing Separately	\$13,850
Head of Household	\$20,800

Source: irs.gov

TAX CREDITS

Tax credits lower your tax bill dollar for dollar. So, if you have a \$1,000 tax credit and you owe \$3,000 in taxes, you now only have to pay \$2,000 in taxes. Here are the most common tax credits:



Earned Income Tax Credit (EITC)

The EITC helps low- to moderate-income households. If you qualify, you can use the credit to reduce the taxes you owe.

Children Claimed	Single Maximum AGI	Married Filing Jointly Maximum AGI	Maximum Credit Amounts
0	\$17,640	\$24,210	\$600
1	\$46,560	\$53,120	\$3,995
2	\$52,918	\$59,478	\$6,604
3	\$56,838	\$63,698	\$7,430

Source: irs.gov



Education Credits

Lifetime Learning Credit

This credit is for graduate, undergraduate or professional courses, and will lower your tax bill by up to **\$2,000** (or 20% of up to \$10,000 of your qualified education expenses).

American Opportunity Tax Credit (AOTC)

For eligible undergraduate students, this credit can lower your tax bill by up to **\$2,500**. Even if you don't owe taxes, **40%** of the credit (or \$1,000) is refundable.



Child Tax Credit

This one's worth **\$2,000** for each qualifying child under 17 years old. If you are claiming the child tax credit and your tax bill is zero, you can receive up to **\$1,600** as part of your refund.

REMINDER FOR YOUR 2023 TAXES

There are moves you can make so you don't owe Uncle Sam a ton in taxes or get an outrageous refund:

- If you did *not* max out your IRA contributions in the prior year, the IRS lets you make a contribution in the current year and apply it to last year's contribution total, as long as you make the contribution by Tax Day.
- In 2023, you could gift up to **\$17,000** to individuals tax-free. That's a per-person limit. For gifts to married couples, the limit was **\$34,000** (\$17,000 each).