



# 2019 FEDERAL INCOME TAX RATES & BRACKETS, ETC., AND 2019 MICHIGAN INCOME TAX RATE AND PERSONAL EXEMPTION DEDUCTION

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## Federal Income Tax

In the Tax Cuts and Jobs Act, passed in December 2017, federal tax rates were reduced and the tax brackets were expanded effective for tax year 2018. Also, the standard deduction was almost doubled while the deduction for personal exemptions was eliminated, as were some itemized deductions.

The following are inflation adjusted tax rates and the standard deduction for 2019 as announced by the IRS:

## 2019 Federal Income Tax Rates & Brackets and Related Information

| Tax Rates | Single                 | Married Filing Jointly | Head of Household      |
|-----------|------------------------|------------------------|------------------------|
| 10%       | \$0 to \$9,700         | \$0 to \$19,400        | \$0 to \$13,850        |
| 12%       | \$9,701 to \$39,475    | \$19,401 to \$78,950   | \$13,851 to \$52,850   |
| 22%       | \$39,476 to \$84,200   | \$78,951 to \$168,400  | \$52,851 to \$84,200   |
| 24%       | \$84,201 to \$160,725  | \$168,401 to \$321,450 | \$84,201 to \$160,700  |
| 32%       | \$160,726 to \$204,100 | \$321,451 to \$408,200 | \$169,701 to \$204,100 |
| 35%       | \$204,101 to \$510,300 | \$408,201 to \$612,350 | \$204,101 to \$510,300 |
| 37%       | \$510,301 and Over     | \$612,351 and Over     | \$510,301 and Over     |

## Standard Deduction

- Single \$12,200; \$13,850 if 65 Years Old
- Married Filing Jointly \$24,400; \$25,700 if one spouse is 65, \$27,000 if both are
- Head of Household \$ 18,350; \$20,000 if 65

## Personal Exemption

There is no personal exemption. It was eliminated by the Tax Cuts & Jobs Act.

## Estimated 2019 Long-Term Capital Gain Rates

- 0% for taxpayers in the 10% or 12% brackets.
- 15% for:
  - Single filers with taxable income between \$39,475 and \$519,300
  - Married Filing Jointly with taxable income between \$78,951 and \$612,350
  - Head of Household with taxable income between \$52,850 and \$510,300
- 20% for taxpayers with taxable incomes exceeding the high end of the above ranges

**2018 Tax Forms** - 2018 federal income tax forms are accessible at [www.irs.gov](http://www.irs.gov).



## Michigan Income Tax

### Tax Rate

The Michigan income tax rate remains unchanged at a 4.25% flat rate.

### Personal Exemption

The number of personal exemptions a Michigan taxpayer could claim had previously been tied to the number claimed for federal tax purposes. With the elimination of federal tax personal exemptions, Michigan enacted Senate Bill 748 (Bill), signed by Governor Snyder on February 28, 2018.

Under the Bill, the reference to federal exemptions is removed and the Michigan personal exemption deduction is increased from the \$4,000 2017 allowance as follows:

- 2018 - \$4,050
- 2019 - \$4,400
- 2020 - \$4,750
- 2021 - \$4,900

### About the Author

*Joe Cunningham* has over 25 years of experience specializing in financial and tax aspects of divorce, including business valuation, valuing and dividing retirement benefits, and developing settlement proposals. He has lectured extensively for ICLE, the Family Law Section, and the MACPA. Joe is also the author of numerous journal articles and chapters in family law treatises. His office is in Troy, though his practice is statewide.

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