

# TAX BRACKETS & CALCULATION

## FEDERAL TAX BRACKETS

INDIVIDUAL

| Bracket                    | Single             | Head of Household  | Married - Joint    |
|----------------------------|--------------------|--------------------|--------------------|
| <b>Standard Deduction:</b> | <b>\$12,550.00</b> | <b>\$18,800.00</b> | <b>\$25,100.00</b> |
| 10%                        | Up To \$9,950.00   | Up To \$14,200.00  | Up To \$19,900.00  |
| 12%                        | \$40,525.00        | \$54,200.00        | Up To \$81,050.00  |
| 22%                        | \$86,375.00        | \$86,350.00        | \$172,750.00       |
| 24%                        | \$164,925.00       | \$164,900.00       | \$329,850.00       |
| 32%                        | \$209,425.00       | \$209,400.00       | \$418,850.00       |
| 35%                        | \$523,600.00       | \$523,600.00       | \$628,300.00       |
| 37%                        | \$523,601.00 & Up  | \$523,601.00 & Up  | \$628,301.00 & Up  |

INDIVIDUAL

## FEDERAL EARNED INCOME CREDIT TABLE – INCOME LIMIT

| Filing Status<br>Income Limit   | 0 Dependents<br>Claimed | 1 Dependent<br>Claimed | 2 Dependents<br>Claimed | 3 & More<br>Dependents Claimed |
|---------------------------------|-------------------------|------------------------|-------------------------|--------------------------------|
| <b>Single/Head of Household</b> | \$21,430.00             | \$42,158.00            | \$47,915.00             | \$51,464                       |
| <b>Married - Filing Jointly</b> | \$27,380.00             | \$48,108.00            | \$53,865.00             | \$57,414.00                    |
| <b>Maximum EIC Credit</b>       | \$1,502                 | \$3,618.00             | \$5,980.00              | \$6,728.00                     |

The preferred income for tax return refund purposes is between 16k and 24k a year. Investment income must be \$10,000 or less.

## NYS TAX BRACKETS

INDIVIDUAL

| Bracket                    | Single                    | Head of Household       | Joint                       |
|----------------------------|---------------------------|-------------------------|-----------------------------|
| <b>Standard Deduction:</b> | <b>Single: \$8,000.00</b> | <b>HOH: \$11,200.00</b> | <b>Married: \$16,050.00</b> |
| 4%                         | Up To \$8,500.00          | Up To \$12,800.00       | Up To \$17,150.00           |
| 4.5%                       | \$11,700.00               | \$17,650.00             | \$23,600.00                 |
| 5.25%                      | \$13,900.00               | \$20,900.00             | \$27,900.00                 |
| 5.9%                       | \$21,400.00               | \$32,200.00             | \$43,000.00                 |
| 6.45%                      | \$80,650.00               | \$107,650.00            | \$161,500.00                |
| 6.65%                      | \$215,400.00              | \$269,300.00            | \$323,200.00                |
| 6.85%                      | \$1,077,550.00            | \$1,616,450.00          | \$2,155,350.00              |
| 8.82%                      | \$1,077,551.00 & Up       | \$1,616,451.00 & Up     | \$2,155,351.00 & Up         |

IRS claim for child & dependent care credit 50% of the amount that both parents work. Maximum credit 8k if you have 1 child, 16k per family.

INDIVIDUAL

## NYS CLAIM FOR CHILD AND DEPENDENT CARE CREDIT

|  |
|--|
| <b>\$6,000 for two qualifying persons (\$3,000 for each child)</b> |
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| \$7,500 for three qualifying persons                               |
| \$8,500 for four qualifying persons                                |
| \$9,000 for five or more qualifying persons                        |

For the perfect income (low income) you receive 35% on the total amount paid towards child care. As income increases, the percent decreases until 20%.

CORPORATE

| C corporate   | S corporate  |
|---|--|
| The C corporate tax rate is 21% for any net income the business has after all the expenses, per the new tax law, effective January 2018 for the IRS, the state is additional 5%, city is additional 5% (if located in the city) | The S corporate tax rate is based on the owner's personal tax bracket. The net Corporation Returns corporations and LLC's will be pulled into form K-1, which is filed with the business owners personal tax return. |

## NOTES:

If you work as a self-employed worker (1099-MISC), you pay 15% self-employment tax in addition to your income tax bracket, upon filing your personal taxes.

Any 'passthrough' business (Form 1099, K1 etc.) has a 20% deduction.

The refundable part of the advanced child tax credit for 2021 filing is \$3,000 per child above 6 years & \$3,600 if younger than 6 years, you must live in the united states.

Dependent Exemption by NYS is \$1,000.

The 'Income Tax Brackets' are applied to the 'Adjusted Gross Income (AGI).

Age limit for the child tax credit till 17. Above 17 the other dependent credit is \$500

Age limit for the earned income credit for your children till 19 if they are a student till 24

Minimum wage in NYC \$15

Minimum wage in Upstate \$13.20

The first stimulus was \$1200 per adult & \$500 per child

The second stimulus is \$600 per person in the family

The 3rd stimulus was \$1400 per person any age

You only get the 1st & 2nd stimulus for children till age 17, above 17 they can file a 2020 return for themselves to get it

Corporation & LTLol CearSn EelCtuwpth no children you must be between age 19 & 65