

Determining The Marginal Tax Rate For Various Types Of Income In 2016

Individual income above...	Couple's income above...	Income "type"	Ordinary Income	L/T gains & qual. dividends	Wage earned income	Self-employed earned income	Net inv. income	Itemized deduction phaseout (Pease)	Personal exemption phaseout (PEP)*	AMT rate	AMT exemption phaseout				
\$0	\$0	Taxable	10%	0%	7.65%	15.30%	0%	0%	0%	26%	0%				
\$9,275	\$18,550	Taxable	15%												
\$37,650	\$75,300	Taxable	25%	7.65% / 1.45%	15.3% / 2.9%										
N/A	\$118,500	Earned	28%												
\$91,150	\$151,900	Taxable													
\$118,500	N/A	Earned													
\$119,700	\$159,700	AMTI													
\$186,300	\$186,300	AMTI	15%	1.45%	2.90%	3.80%						1%	1%	28%	7%
\$190,150	\$231,450	Taxable													
\$200,000	\$250,000	Earned													
\$200,000	\$250,000	AGI													
\$259,400	\$311,300	AGI													
\$335,300	N/A	AMTI													
\$381,900	N/A	AGI													
\$413,350	\$413,350	Taxable					35%	2.35%	3.80%						
N/A	\$433,800	AGI													
\$415,050	\$466,950	Taxable					39.6%	20%	1.2%	0%					
N/A	\$494,900	AMTI													

Income thresholds based on estimated 2016 inflation adjustments (where applicable).

Where two rates are shown, the first applies to individuals, the second to married couples

* Phaseout per exemption

© 2016 Chart originally created by Michael Kitces for the November/December 2012 issue of The Kitces Report.

www.kitces.com