

## IRS Tax Rates & Limits For 2024 - Tax Planning Update

Update IRS limits and rates for tax year 2024 apply to income tax returns filed in 2025. Tax items for tax year 2024 affecting most taxpayers include the following:

**Standard Deduction:** for married couples filing jointly for tax year 2024 rises to \$29,200, an increase of \$1,500 from tax year 2023. For single taxpayers and married individuals filing separately, the standard deduction rises to \$14,600 for 2024, an increase of \$750 from 2023; and for heads of households, the standard deduction will be \$21,900 for tax year 2024, an increase of \$1,100 from the amount for tax year 2023.

**Marginal Rates:** For tax year 2024, the top tax rate remains 37% for individual single taxpayers with incomes greater than \$609,350 (\$731,200 for married couples filing jointly). The other rates are:

35% for incomes over \$243,725 (\$487,450 for married couples filing jointly)

32% for incomes over \$191,950 (\$383,900 for married couples filing jointly)

24% for incomes over \$100,525 (\$201,050 for married couples filing jointly)

22% for incomes over \$47,150 (\$94,300 for married couples filing jointly)

12% for incomes over \$11,600 (\$23,200 for married couples filing jointly)

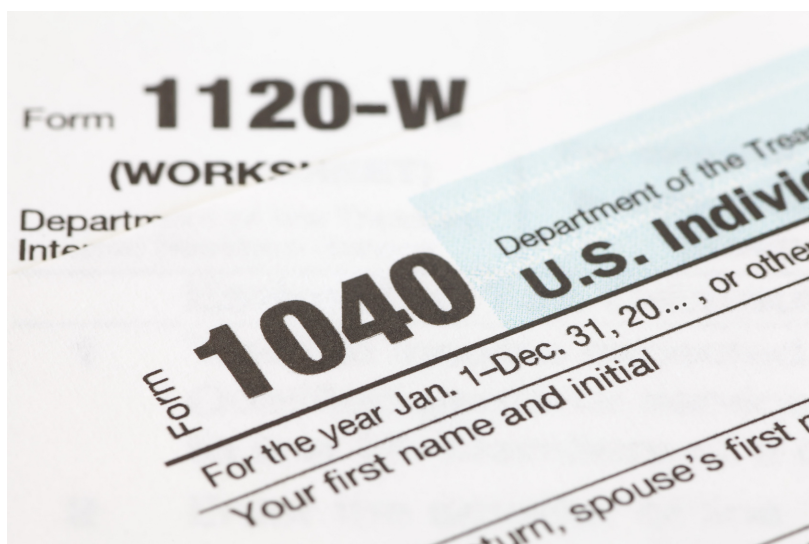
The lowest rate is 10% for incomes of single individuals with incomes of \$11,600 or less (\$23,200 for married couples filing jointly).

**The Alternative Minimum Tax (AMT)** exemption amount for tax year 2024 is \$85,700 and begins to phase out at \$609,350 (\$133,300 for married couples filing jointly for whom the exemption begins to phase out at \$1,218,700). For comparison, the 2023 exemption amount was \$81,300 and began to phase out at \$578,150 (\$126,500 for married couples filing jointly for whom the exemption began to phase out at \$1,156,300).<sup>1</sup>

Estates of decedents who die during 2024 have a basic exclusion amount of \$13,610,000, increased from \$12,920,000 for estates of decedents who died in 2023.

The annual exclusion for gifts increases to \$18,000 for calendar year 2024, increased from \$17,000 for calendar year 2023.

Source: \_\_\_\_\_



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