

2004 Exemptions and Deductions

Personal and dependency exemptions \$3,100 each person

Phase-out ranges: when adjusted gross income reaches certain levels, personal and dependency exemptions are phased out, effectively increasing the tax burden of individuals in those income ranges. The 2004 phase-out ranges are:

Single taxpayers	\$ 142,700 – 268,200
Married filing jointly (1)	\$ 214,050 – 339,550
Married filing separately	\$ 107,025 – 169,775
Heads of Households	\$ 178,350 – 303,850

(1) includes surviving spouses

Standard Deductions: in lieu of itemizing deductions, standard deductions are available when more beneficial than itemized deductions.

Single taxpayers	\$ 4,850
Married filing jointly (1)	\$ 9,700
Married filing separately	\$ 4,850
Heads of Households	\$ 7,150
Dependents who need to file (but could be up to \$4,850 depending on the amount of their earned income)	\$ 800

Taxpayers who are blind or age 65 and over may obtain an additional standard deduction of \$950 if married (whether filing jointly or separately) or \$1,200 if single or head of household. If a taxpayer is both blind and over age 65, double these amounts.

2005 Tax Rates

Single Taxpayers

Taxable Income

Over	But Not Over	Pay	+	% on Excess	%	of the amount over
\$ 0	\$ 7,300	\$ 0		10	%	\$ 0
7,300	29,700	730.00		15		7,300
29,700	71,950	4,090.00		25		29,700
71,950	150,150	14,652.50		28		71,950
150,150	326,450	36,548.50		33		150,150
326,450	.....	94,727.50		35		326,450

Married Filing Jointly and Surviving Spouses

Taxable Income

Over	But Not Over	Pay	+	% on Excess	%	of the amount over
\$ 0	\$ 14,600	\$ 0		10	%	\$ 0
14,600	59,400	1,460.00		15		14,600
59,400	119,950	8,180.00		25		59,400
119,950	182,800	23,317.50		28		119,950
182,800	326,450	40,915.50		33		182,800
326,450	.....	88,320.00		35		326,450

Married Filing Separately

Taxable Income

Over	But Not Over	Pay	+	% on Excess	%	of the amount over
\$ 0	\$ 7,300	\$ 0		10	%	\$ 0
7,300	29,700	730.00		15		7,300
29,700	59,975	4,090.00		25		29,700
59,975	91,400	11,658.75		28		59,975
91,400	163,225	20,457.75		33		91,400
163,225	.....	44,160.00		35		163,225

Heads of Household

Taxable Income

Over	But Not Over	Pay	+	% on Excess	%	of the amount over
\$ 0	\$ 10,450	\$ 0		10	%	\$ 0
10,450	39,800	1,045.00		15		10,450
39,800	102,800	5,447.50		25		39,800
102,800	166,450	21,197.50		28		102,800
166,450	326,450	39,019.50		33		166,450
326,450	.....	91,819.50		35		326,450

Estates and Non-Grantor Trusts

Taxable Income

Over	But Not Over	Pay	+	% on Excess	%	of the amount over
\$ 0	\$ 2,000	\$ 0		15	%	\$ 0
2,000	4,700	300.50		25		2,000
4,700	7,150	975.00		28		4,700
7,150	9,750	1,661.00		33		7,150
9,750	.....	2,519.00		35		9,750