



2019 Tax Brackets and other tax amounts

The IRS has released the annual inflation figures for 2019. The amounts include 2019 tax brackets, the standard deduction, alternative minimum tax amounts, among others. The amounts are based upon Consumer Price Index figures released by the U.S. Department of Labor.

The Tax Cuts and Jobs Act of 2017 (TCJA) (P.L. 115-97) mandated a change from the Consumer Price Index for All Urban Consumers (CPI-U) to the Chained Consumer Price Index for All Urban Consumers (C-CPI-U).

Tax Brackets

The tax bracket ranges for individuals in 2019 are as follows:

For married taxpayers filing jointly:

- The 10% bracket applies to taxable incomes up to \$19,400
- The 12% bracket applies to taxable incomes over \$19,400 and up to \$78,950
- The 22% bracket applies to taxable incomes over \$78,950 and up to \$168,400
- The 24% bracket applies to taxable incomes over \$168,400 and up to \$321,450
- The 32% bracket applies to taxable incomes over \$321,450 and up to \$408,200
- The 35% bracket applies to taxable incomes over \$408,200 and up to \$612,350
- The 37% bracket applies to taxable incomes over \$612,350

For heads of households:

- The 10% bracket applies to taxable incomes up to \$13,850
- The 12% bracket applies to taxable incomes over \$13,850 and up to \$52,850
- The 22% bracket applies to taxable incomes over \$52,850 and up to \$84,200
- The 24% bracket applies to taxable incomes over \$84,200 and up to \$160,700
- The 32% bracket applies to taxable incomes over \$160,700 and up to \$204,100
- The 35% bracket applies to taxable incomes over \$204,100 and up to \$510,300
- The 37% bracket applies to taxable incomes over \$510,300

For unmarried taxpayers:

- The 10% bracket applies to taxable incomes up to \$9,700
- The 12% bracket applies to taxable incomes over \$9,700 and up to \$39,475
- The 22% bracket applies to taxable incomes over \$39,475 and up to \$84,200
- The 24% bracket applies to taxable incomes over \$84,200 and up to \$160,725

- The 32% bracket applies to taxable incomes over \$160,725 and up to \$204,100
- The 35% bracket applies to taxable incomes over \$204,100 and up to \$510,300
- The 37% bracket applies to taxable incomes over \$510,300

For married taxpayers filing separately:

- The 10% bracket applies to taxable incomes up to \$9,700
- The 12% bracket applies to taxable incomes over \$9,700 and up to \$39,475
- The 22% bracket applies to taxable incomes over \$39,475 and up to \$84,200
- The 24% bracket applies to taxable incomes over \$84,200 and up to \$160,725
- The 32% bracket applies to taxable incomes over \$160,725 and up to \$204,100
- The 35% bracket applies to taxable incomes over \$204,100 and up to \$306,175
- The 37% bracket applies to taxable incomes over \$306,175

For estates and trusts:

- The 10% bracket applies to taxable incomes up to \$2,600
- The 24% bracket applies to taxable incomes over \$2,600 and up to \$9,300
- The 35% bracket applies to taxable incomes over \$9,300 and up to \$12,750
- The 37% bracket applies to taxable incomes over \$12,750

Standard Deductions

TCJA also roughly doubled the amount of the standard deduction. For 2019, the following standard deduction amounts are:

- For married taxpayers filing jointly, \$24,400
- For heads of households, \$18,350
- For unmarried taxpayers as well as married taxpayers filing separately, \$12,200

Other Amounts

The following other amounts are also projected for 2019:

Adoption credit. The adoption credit for 2019 is \$14,080 for 2019.

Foreign earned income. The amount of the 2019 foreign earned income exclusion under Code Sec. 911 is \$105,900.

Transportation Mainline Pipeline Construction Industry Optional Expense Substantiation Rules for Payments to Employees Under Accountable Plans. For calendar year 2019, an eligible employer may pay certain welders and heavy equipment mechanics an amount of up to \$18 per hour for rig-related

expenses that are deemed substantiated under an accountable plan if paid in accordance with Rev. Proc. 2002-41, 2002-1 CB 1098. If the employer provides fuel or otherwise reimburses fuel expenses, up to \$11 per hour is deemed substantiated if paid under Rev. Proc. 2002-41.

Cafeteria Plans. For taxable years beginning in 2019, the dollar limitation under Code Sec. 125(i) on voluntary employee salary reductions for contributions to health flexible spending arrangements is \$2,700.

Qualified Transportation Fringe Benefit. For taxable years beginning in 2019, the monthly limitation under § Code Sec. 132(f)(2)(A) regarding the aggregate fringe benefit exclusion amount for transportation in a commuter highway vehicle and any transit pass is \$265. The monthly limitation under Code Sec. 132(f)(2)(B) regarding the fringe benefit exclusion amount for qualified parking is \$265.

Medical Savings Accounts. (1) Self-only coverage. For taxable years beginning in 2019, the term "high deductible health plan" as defined in Code Sec. 220(c)(2)(A) means, for self-only coverage, a health plan that has an annual deductible that is not less than \$2,350 and not more than \$3,500, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits do not exceed \$4,650. (2) Family coverage. For taxable years beginning in 2019, the term "high deductible health plan" means, for family coverage, a health plan that has an annual deductible that is not less than \$4,650 and not more than \$7,000, and under which the annual out-of-pocket expenses required to be paid (other than for premiums) for covered benefits do not exceed \$8,550.

Exempt Amount of Wages, Salary, or Other Income. For taxable years beginning in 2019, the dollar amount used to calculate the amount determined under Code Sec. 6334(d)(4)(B) is \$4,200.

Qualified Small Employer Health Reimbursement Arrangement. For taxable years beginning in 2019, to qualify as a qualified small employer health reimbursement - 30 - arrangement under Code Sec. 9831(d), the arrangement must provide that the total amount of payments and reimbursements for any year cannot exceed \$5,150 (\$10,450 for family coverage).

Failure to File Tax Return. In the case of any return required to be filed in 2019, the amount of the addition to tax under Code Sec. 6651(a) for failure to file a tax return within 60 days of the due date of such return (determined with regard to any extensions of time for filing) shall not be less than the lesser of \$215 or 100 percent of the amount required to be shown as tax on such returns. (*IRS News Release IR-2018-222, November 15, 2018; IRS Rev. Proc. 2018-57, IRB 2018-49, dated December 3, 2018.*)

[Rev. Proc. 2018-57](#)

[IR-2018-222](#)

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