



## Tax Brackets & Deduction Help

I really like [this article](#) from Forbes that breaks down how much you'll owe. They give you the max for the tax bracket you just passed and the % of how much you owe over that in the new tax bracket.

As an example:

Amy is single. She made \$125,000 last year.

I'll show my math:

Referring to the link I shared, she's in the 3rd tax bracket which says "\$15,213.50 plus 24% of the excess over \$89,075"

So \$15,213.50 for the first \$89,075 she made

Take the \$125,000 she made this year minus the \$89,075 she's already been taxed for in the \$15,213.50.

$$\$125,000 - \$89,075 = \$35,925$$

$$\$35,925 \times 24\% \text{ (which is } 0.24) = \$8,622$$

$$\text{So we take the } \$15,213.50 + \$8,622 = \$23,835.50$$

This number will change based on her deductions, whether she's an S Corp, etc.

Speaking of deductions, definitely check out [Heard's thorough list of deductions](#).