

CHANGES TO TAX TABLES

The Internal Revenue Service (IRS) announced a number of tax-related provisions for 2018, including, of course, the latest tax tables. These changes are due to the Tax Jobs and Cuts Act of 2017, signed into law by President Trump on December 22, 2017.

Tax Brackets and Tax Rates. There are still seven (7) tax rates. They are: 10%, 12%, 22%, 24%, 32%, 35% and 37%. Here's how those break out by filing status:

If Taxable Income is Between:	The Tax Due Is:
0-\$9,525	10% of taxable income
\$9,526 - \$38,700	\$925.50 + 12% of the amount over \$9,525
\$38,701- \$82,500	\$4,453.50 + 22% of the amount over \$38,700
\$82,501 - \$157,500	\$14,089.50 +24% of the amount over \$82,500
\$157,501 - \$200,000	\$32,089.50 + 32% of the amount over \$157,5000
\$200,001- \$500,000	\$45,689.50 + 35% of the amount over \$200,000
\$500,001 +	\$150,689.50 + 37% of the amount over \$500,000

The [IRS](#) is encouraging taxpayers to use the [Withholding Calculator](#) available on the IRS website to perform a quick “paycheck checkup.” This is important this year because of changes to the tax law for 2018. The Calculator helps you analyze your current tax withholding(s) to make sure you have the right amount of tax withheld from your paycheck. Checking your withholding can help protect against having too little tax withheld and facing an unexpected tax bill or penalty at tax time next year. Only four paychecks remain in this calendar year to enact a change to withhold additional tax if necessary.

The IRS Withholding Calculator helps you determine whether you need to submit an updated [Form W-4](#), *Employee's Withholding Allowance Certificate*. Updated forms should be forwarded to Missy Pidgeon, Payroll Coordinator at SBHS. You should use your results from the Calculator to help fill out the form and adjust your income tax withholding.

Remember: The more allowances you claim, the less federal income tax your employer will withhold from your paycheck (the bigger your take-home pay), while the fewer allowances you claim, the more federal income tax your employer will withhold from your paycheck (the smaller your take-home pay).

Please note that District employees are unable to provide tax advice. You should consult with your accountant or tax advisor for specific individualized advice.