LESSON MAKER PRO

Bracket Budget Lab

Calculate income tax, withholding, refunds, and amounts due.

HIGH SCHOOL · MA.912.FL.2.6

MA.912.FL.2.6 "Given a real-world scenario, complete and calculate federal income tax using spreadsheets and other technology."

NAME _____ DATE _____

TAX BY BRACKET

For this worksheet, ignore credits and other taxes, and use this 2024 practice table for a single filer: first $11,600 at 10%; next $35,550, up to $47,150, at 12%; amount above $47,150, up to $100,525, at 22%. Taxable income is income after the deduction, and you pay each rate only on the part in that bracket. In a spreadsheet, enter each bracket portion in a separate row, multiply by its rate, and add the taxes.

WORKED EXAMPLE

Calculate the federal income tax on taxable income of $18,000.

1. First bracket: $11,600 x 10% = $1,160.
2. Remaining income: $18,000 - $11,600 = $6,400.
3. Second bracket: $6,400 x 12% = $768.
4. Total tax: $1,160 + $768 = $1,928.

Answer: Federal income tax: $1,928.

PRACTICE 6 problems

1 Calculate the federal income tax on taxable income of $8,000.

ANSWER _____

2 Calculate the federal income tax on taxable income of $15,000.

ANSWER _____

3 Calculate the federal income tax on taxable income of $23,600.

ANSWER _____

4 Calculate the federal income tax on taxable income of $47,150.

ANSWER _____

5 Calculate the federal income tax on taxable income of $50,150.

ANSWER _____

6 A single filer has gross income of $25,600 and uses the $14,600 standard deduction. Find the taxable income and federal income tax.

ANSWER _____

APPLY IT Show your work

1 Maya earns $31,100 from her part-time job during the year. Her employer withheld $2,000 for federal income tax, and she uses the $14,600 standard deduction. Use bracket rows in a spreadsheet or on paper to find her taxable income, federal income tax, and refund or amount due.

WORK SPACE

ANSWER _____

2 Andre works during the school year and summer, earning total wages of $40,600. His W-2 forms show $2,100 withheld for federal income tax, and he uses the $14,600 standard deduction. Find his taxable income, federal income tax, and refund or amount due.

WORK SPACE

ANSWER _____

CHALLENGE One step up

Lena has annual income of $63,000. She may use either a $14,600 standard deduction or $15,000 in eligible itemized deductions, but not both. Her employer withheld $5,500 for federal income tax. Choose the deduction that gives Lena the lower tax, then find her taxable income, federal income tax, and refund or amount due.

WORK SPACE AND ANSWER

ANSWER KEY

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PART 1 · PRACTICE

#	PROBLEM	ANSWER
1	Calculate the federal income tax on taxable income of $8,000.	**$800**
2	Calculate the federal income tax on taxable income of $15,000.	**$1,568**
3	Calculate the federal income tax on taxable income of $23,600.	**$2,600**
4	Calculate the federal income tax on taxable income of $47,150.	**$5,426**
5	Calculate the federal income tax on taxable income of $50,150.	**$6,086**
6	A single filer has gross income of $25,600 and uses the $14,600 standard deduction. Find the taxable income and federal income tax.	**Taxable income: $11,000; federal income tax: $1,100**

PART 2 · APPLY IT

1. **Taxable income: $16,500; federal income tax: $1,748; refund: $252** Subtract the standard deduction from income to get $16,500 taxable income. Compare the $1,748 tax with $2,000 withheld to find a $252 refund.
2. **Taxable income: $26,000; federal income tax: $2,888; amount due: $788** Subtract the standard deduction from wages to get $26,000 taxable income. His tax is $2,888, so subtracting $2,100 withheld leaves $788 due.

CHALLENGE

Use the $15,000 itemized deduction. Taxable income: $48,000; federal income tax: $5,613; amount due: $113

Accept equivalent money notation, such as $800.00. For the challenge, accept only the $15,000 itemized deduction because it produces the lower taxable income and lower tax.