

# 2016 Federal Tax Rate Schedule

[www.irs.gov](http://www.irs.gov) (800-829-1040 phone)

The IRS publishes the tax rates each year so that individuals can compute their estimated income tax. To calculate the actual amount of income tax due, you must complete an annual tax return.

Nonresident Aliens complete a 1040NR or 1040NREZ tax return form while U.S. Citizens and Resident Aliens complete a 1040 or 1040A or 1040-EZ tax return annually.

Formula to calculate taxable income =  
 Gross Income (CY) minus exemption(s) minus tax treaties (if eligible) minus standard deduction (if eligible) = Taxable Income x tax rate = tax due minus tax withheld by employer = tax owed to IRS or (tax refund).

- Tax Exemption for 2016 = \$4,050.00
- Standard Deduction for 2016 (only available to India students or Resident Aliens) = \$6,300.00
- Tax Treaties will also reduce your taxable income if available for your situation. If you are on a tax treaty, a new 8233 form must be signed each calendar year (see me each December).

• Annual U.S. tax return must be postmarked to the IRS no later than April 15<sup>th</sup>. Schedule a tax appointment for tax return assistance sometime from the end of Feb – April 15th every year.

**Nonresident Alien** — 5 lifetime years NRA - F or J student status. 2 out of past 7 years J-1 Teacher/Researchers.

**Resident Alien -**

If taxable income is over--	But not over--	The tax is:
\$0	\$9,275	10% of the amt over \$0
\$9,275	\$37,650	\$927.50 plus 15% of the amt over 9,275
\$37,650	\$91,150	\$5183.75 plus 25% of the amt over 37,650
\$91,150	\$190,150	\$18,558.75 plus 28% of the amt over \$91,150
\$190,150	\$413,350	\$46,278.75 plus 33% of the amt over \$190,150
\$413,350	\$415,050	\$119,934.75 plus 35% of the amt over \$413,350
\$415,050	No limit	\$120,529.75 plus 39.6% of the amt over \$415,050