

FORM FOR ESTIMATING 2023 INCOME TAX LIABILITY (does not consider AMT or averaging)

FARM INCOME

- 1. Total farm receipts to date \$ _____
- 2. Estimated farm receipts to end of year \$ _____
- 3. **TOTAL 1040F SALES (Line 1+2)** \$ _____

EXPENSES AND DEPRECIATION

- 4. Cash expenses to date \$ _____
- 5. Estimated cash expenses to end of year \$ _____
- 6. Depreciation for the year \$ _____
- 7. **TOTAL EXPENSES AND DEPRECIATION (Line 4+5+6)** \$ _____
- 8. **1040F NET FARM PROFIT (Line 3-7)** \$ _____

ADDITIONAL INCOME

- 9. Long-term capital gains (LTCG) and losses \$ _____
- 10. Short-term capital gains and depreciation recapture \$ _____
- 11. Non-farm income (includes wages, interest, rent income, etc.) \$ _____
- 12. **TOTAL ADDITIONAL INCOME (Line 9+10+11)** \$ _____
- 13. **TOTAL INCOME (Line 8+12)** \$ _____

- 14. Self-employment retirement deduction (Keogh and/or IRA, or SEP) \$ _____
- 15. 100% of medical insurance premium for self-employed \$ _____
- 16. Self-employment tax (50% of line 27) \$ _____
- 17. **TOTAL ADJUSTMENTS TO INCOME (Line 14+15+16)** \$ _____
- 18. **ADJUSTED GROSS INCOME (Line 13-17)** \$ _____

- 19. Greater of itemized deductions or standard deduction¹ \$ _____
- 20. Exemptions (Number _____ x zero per exemption) \$ _____
- 21. **TOTAL DEDUCTIONS (Line 19+20)** \$ _____

¹(\$27,700 for married filing joint, \$20,800 head of household, \$13,850 single or married filing separate.)

- 22. Taxable income after deductions (Line 18-21) \$ _____
- 22a. QBI Deduction: lesser of [(20% of line 8 + 20% of recaptured depreciation) or (20% of line 22)] \$ _____
- If line 22 is over \$364,200 married or \$182,150 single, the calculation for line 22a is much more complicated.
- 22b. Taxable income after deducting QBI deduction (line 22 minus line 22a) \$ _____

- 23. **REGULAR FEDERAL INCOME TAX (subtract LTCG before using tables)** \$ _____
- 24. Capital gains tax² (0% or 15% or 20% or 18.8% or 23.8%) \$ _____
- 25. Credits \$ _____
- 26. Federal income tax due (Lines 23 + 24 - 25) \$ _____
- 27. Self-Employment tax: 15.3% [of the lesser of (Line 8 x .9235) or \$160,200]
+ [2.9% of (line 8 x .9235) over \$160,200] + 0.9% over \$200,000 (single) or \$250,000 (married) \$ _____
- 28. **TOTAL FEDERAL TAX OBLIGATION (Line 26+27)** \$ _____

Federal Tax percentage (line 28 divided by line 18) x 100 _____

¹ If a married taxpayer and/or spouse is age 65 or over, or is blind, add \$1,500 to the standard deduction for each spouse 65 or over and/or \$1,850 additional if blind. The addition is \$1,850 if the taxpayer is single or head of household, and age 65 or over and \$1,850 additional if blind.

² The tax rate for calculating line 24 is 0% for the amount between taxable ordinary income and \$44,625 for single and \$89,250 for married filing joint. For higher amounts the capital gains rate is 15% until reaching \$492,300 single or \$553,850 married. Above that the capital gains rate is 20%.

2023 Tax Rates, Single Individual

Taxable Income			Tax Payable			
\$	-	- \$ 11,000				10% of TI
\$	11,000	- \$ 44,725	\$ 1,100	+	12%	of (TI - 11,000)
\$	44,725	- \$ 95,375	\$ 5,147	+	22%	of (TI - 44,725)
\$	95,375	- \$ 182,100	\$ 16,290	+	24%	of (TI - 95,375)
\$	182,100	- \$ 231,250	\$ 37,104	+	32%	of (TI - 182,100)
\$	231,250	- \$ 578,125	\$ 52,832	+	35%	of (TI - 231,250)
		Over \$578,125	\$ 174,238.25	+	37%	of (TI - 578,125)

2023 Tax Rates, Married Filing Jointly

Taxable Income			Tax Payable			
\$	-	- \$ 22,000				10% of TI
\$	22,000	- \$ 89,450	\$ 2,200	+	12%	of (TI - 22,000)
\$	89,450	- \$ 190,750	\$ 10,294	+	22%	of (TI - 89,450)
\$	190,750	- \$ 364,200	\$ 32,580	+	24%	of (TI - 190,750)
\$	364,200	- \$ 462,500	\$ 74,208	+	32%	of (TI - 364,200)
\$	462,500	- \$ 693,750	\$ 105,664	+	35%	of (TI - 462,500)
		Over \$693,750	\$ 186,601.50	+	37%	of (TI - 693,750)

2023 Tax Rates, Married Filing Separately

Taxable Income			Tax Payable			
\$	-	- \$ 11,000				10% of TI
\$	11,000	- \$ 44,725	\$ 1,100	+	12%	of (TI - 22,000)
\$	44,725	- \$ 95,375	\$ 5,147	+	22%	of (TI - 44,725)
\$	95,375	- \$ 182,100	\$ 16,290	+	24%	of (TI - 95,375)
\$	182,100	- \$ 231,250	\$ 37,104	+	32%	of (TI - 182,100)
\$	231,250	- \$ 343,875	\$ 52,832	+	35%	of (TI - 231,250)
		Over \$343,875	\$ 93,300.75	+	37%	of (TI - 323,925)

2023 Tax Rates, Heads of Households

Taxable Income			Tax Payable			
\$	-	- \$ 15,700				10% of TI
\$	15,700	- \$ 59,850	\$ 1,570	+	12%	of (TI - 15,700)
\$	59,850	- \$ 95,350	\$ 6,868	+	22%	of (TI - 59,850)
\$	95,350	- \$ 182,100	\$ 14,678	+	24%	of (TI - 95,350)
\$	182,100	- \$ 231,250	\$ 35,498	+	32%	of (TI - 182,100)
\$	231,250	- \$ 578,100	\$ 51,226	+	35%	of (TI - 231,250)
		Over \$578,100	\$ 172,623.50	+	37%	of (TI - 578,100)

2023 Tax Rates, Estates and Trusts

Taxable Income			Tax Payable			
\$	-	- \$ 2,900				10% of TI
\$	2,900	- \$ 10,550	\$ 290	+	24%	of (TI - 2,900)
\$	10,550	- \$ 14,450	\$ 2126	+	35%	of (TI - 10,550)
		Over \$14,450	\$ 3,491	+	37%	of (TI - 14,450)

2023 Tax Rate, Corporations

Taxable Income			Tax Payable			
\$	-	- \$ -				21% of TI