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# These Are the New Federal Tax Brackets and Standard Deductions for 2023

By [Elizabeth O'Brien](#) Follow Updated Oct. 19, 2022 8:35 am ET / Original Oct. 18, 2022 5:01 pm ET

## ADVISOR TAKE

### *Key takeaways from the Barron's Advisor editorial team*

- **Big news for tax payers: The Internal Revenue Service unveiled inflation adjustments to tax provisions.**
- **Among other changes, the standard deduction for married couples filing jointly for tax year 2023 will rise to \$27,700, up \$1,800 from tax year 2022.**
- **The annual gift exclusion will rise to \$17,000 per recipient.**



The Internal Revenue Service has announced updated tax provisions.  
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The IRS has announced inflation adjustments to the standard deduction and other tax provisions for the 2023 tax year.

The standard deduction for married couples filing jointly for tax year 2023 will rise to \$27,700, up \$1,800 from tax year 2022. The standard deduction is the amount taxpayers can subtract from their income, before they owe taxes on the rest. (You cannot take the standard deduction if you itemize your deductions.) For single taxpayers and married people filing separately, the standard deduction will rise to \$13,850, up \$900; for heads of households, it will rise to \$20,800, up \$1,400. People age 65 and over can claim an additional standard deduction of \$1,500 for 2023, or \$1,850 if they are unmarried and not a surviving spouse.

The federal marginal tax rates remain the same for tax year 2023, but the income thresholds for each bracket have been adjusted upward for inflation:

## For single filers

**37%:** incomes greater than \$578,125

**35%:** incomes over \$231,250

**32%:** incomes over \$182,100

**24%:** incomes over \$95,375

**22%:** incomes over \$44,725

**12%:** incomes over \$11,000

**10%:** incomes of \$11,000 or less

## For married couples filing jointly

**37%:** incomes greater than \$693,750

**35%:** incomes over \$462,500

**32%:** incomes over \$364,200

**24%:** incomes over \$190,750

**22%:** incomes over \$89,450

**12%:** incomes over \$22,000

**10%:** incomes of \$22,000 or less

The annual gift exclusion will rise to \$17,000 per recipient. Estates of people who die during 2023 have a basic exclusion amount of \$12,920,000, up from a total of \$12,060,000 for estates of those who died in 2022.

The Alternative Minimum Tax exemption amount for tax year 2023 is \$81,300 and begins to phase out at \$578,150 (\$126,500 for married couples filing jointly for whom the exemption begins to phase out at \$1,156,300).

You can find the full list of inflation adjustments [here](#).

While [low-income individuals](#) may not be required to file a tax return, doing so is the only way to receive benefits such as any owed stimulus payments. Those who think they might have missed out on some benefits for the 2021 tax year have until Nov. 17 to file with the IRS Free File service, the [agency announced](#). Often, individuals and families are eligible for [these expanded tax benefits](#), even if they have little or no income from a job, business or other source, the IRS noted. This means that many people who don't normally need to file a tax return should do so this year, even if they haven't in recent years.

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