

Taxable Threshold

Your **2017** taxable threshold is calculated using these elements (2017 Tax Rates):

Exemption amount for each individual you claim on your income tax return: \$4,050

Plus the standard deduction amount for:

A single person or a married person filing separately: \$6,350

A head of household: \$9,350

A married couple filing jointly or a qualifying widow(er): \$12,700

For example, a married couple with no children has a **2017** taxable threshold of:

	\$4,050
	<u>x 2</u>
	\$8,100
	+ \$12,600
	\$20,700

Your **2018** taxable threshold is your standard deduction amount (2018 Tax Rates—individual exemptions have been eliminated):

A single person or a married person filing separately: \$12,000

A head of household: \$18,000

A married couple filing jointly or a qualifying widow(er): \$24,000

Accordingly, arranging their affairs so as to have adjusted gross income of their taxable threshold or less involves (a) generating some of their income through a private, lawfully-income-tax-free organization and some of it through their own business; or (b) generating all of their income through their own business and, pursuant to private, constitutional, legally-enforceable contract, spending down their own business profits and increasing income for the private, lawfully-income-tax-free organization.

Arrange your own affairs similarly to reduce your income tax cost as much as you wish.