

News Release

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Minnesota income tax brackets for 2017

ST. PAUL, Minn. – The Minnesota Department of Revenue announced the adjusted 2017 individual income tax brackets. For tax year 2017, the state's individual income tax brackets will change by 0.8 percent from tax year 2016. This annual adjustment will prevent taxpayers from paying taxes at a higher rate solely because of inflationary changes in their income.

Indexing for inflation of individual income tax brackets is required by law and first began in 1979. The brackets are adjusted annually by an inflation factor, rounded to the nearest \$10, based on the change in the <u>U.S. Consumer Price Index</u> for all urban consumers. The adjustment does not change the Minnesota tax rate that applies to each income bracket.

The brackets apply to tax year 2017. Taxpayers who make quarterly payments of estimated tax should use the following rate schedule to determine their payments, which are due starting in April 2017.

2017 Minnesota Income Tax Brackets

| | 5.35% Up To | 7.05% | 7.85% | 9.85% Over |
|-------------------|-------------|----------------------|-----------------------|------------|
| Married Joint | \$ 37,110 | \$37,111 - \$147,450 | \$147,451 - \$261,510 | \$261,510 |
| Married Separate | \$ 18,560 | \$18,561 - \$ 73,730 | \$ 73,731 - \$130,760 | \$130,760 |
| Single | \$ 25,390 | \$25,391 - \$ 83,400 | \$ 83,401 - \$156,900 | \$156,900 |
| Head of Household | \$ 31,260 | \$31,261 - \$125,600 | \$125,601 - \$209,200 | \$209,200 |

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