

taxpayers filing a separate return), and \$70,300 for all other taxpayers (other than estates and trusts). The phaseout threshold amounts are increased to \$1,000,000 for married taxpayers filing a joint return, and \$500,000 for all other taxpayers (other than estates and trusts).

.09 Section 13101 of the Act amends § 179(b) to provide a permanent increase of the maximum amount a taxpayer may expense under § 179(b)(1) to \$1,000,000,

and of the phaseout threshold amount under § 179(b)(2) to \$2,500,000. These amounts will be adjusted for inflation for taxable years beginning after December 31, 2018.

SECTION 3. 2018 ADJUSTED ITEMS AS MODIFIED AND SUPERSEDED

To reflect statutory amendments made by the Act, sections 3.01, 3.03, 3.05, 3.08,

3.09, 3.10, 3.11, 3.14, 3.15, 3.18, 3.19, 3.20, 3.21, 3.24, 3.25, 3.27, 3.29, 3.30, 3.33, 3.34, 3.35, 3.39, 3.42, 3.43, 3.44, 3.46, 3.47, 3.48, 3.51, and 3.52 of Rev. Proc. 2017-58 are modified and superseded to read as follows:

.01 *Tax Rate Tables*. For taxable years beginning in 2018, the tax rate tables under § 1 are as follows:

TABLE 1 - Section 1(a) - Married Individuals Filing Joint Returns and Surviving Spouses

<i>If Taxable Income Is:</i>	<i>The Tax Is:</i>
Not over \$19,050	10% of the taxable income
Over \$19,050 but not over \$77,400	\$1,905 plus 12% of the excess over \$19,050
Over \$77,400 but not over \$165,000	\$8,907 plus 22% of the excess over \$77,400
Over \$165,000 but not over \$315,000	\$28,179 plus 24% of the excess over \$165,000
Over \$315,000 but not over \$400,000	\$64,179 plus 32% of the excess over \$315,000
Over \$400,000 but not over \$600,000	\$91,379 plus 35% of the excess over \$400,000
Over \$600,000	\$161,379 plus 37% of the excess over \$600,000

TABLE 2 - Section 1(b) – Heads of Households

<i>If Taxable Income Is:</i>	<i>The Tax Is:</i>
Not over \$13,600	10% of the taxable income
Over \$13,600 but not over \$51,800	\$1,360 plus 12% of the excess over \$13,600
Over \$51,800 but not over \$82,500	\$5,944 plus 22% of the excess over \$51,800
Over \$82,500 but not over \$157,500	\$12,698 plus 24% of the excess over \$82,500
Over \$157,500 but not over \$200,000	\$30,698 plus 32% of the excess over \$157,500
Over \$200,000 but not over \$500,000	\$44,298 plus 35% of the excess over \$200,000
Over \$500,000	\$149,298 plus 37% of the excess over \$500,000

TABLE 3 - Section 1(c) – Unmarried Individuals (other than Surviving Spouses and Heads of Households)

<i>If Taxable Income Is:</i>	<i>The Tax Is:</i>
Not over \$9,525	10% of the taxable income
Over \$9,525 but not over \$38,700	\$952.50 plus 12% of the excess over \$9,525
Over \$38,700 but not over \$82,500	\$4,453.50 plus 22% of the excess over \$38,700
Over \$82,500 but not over \$157,500	\$14,089.50 plus 24% of the excess over \$82,500
Over \$157,500 but not over \$200,000	\$32,089.50 plus 32% of the excess over \$157,500
Over \$200,000 but not over \$500,000	\$45,689.50 plus 35% of the excess over \$200,000
Over \$500,000	\$150,689.50 plus 37% of the excess over \$500,000

TABLE 4 - Section 1(d) – Married Individuals Filing Separate Returns

<i>If Taxable Income Is:</i>	<i>The Tax Is:</i>
Not over \$9,525	10% of the taxable income
Over \$9,525 but not over \$38,700	\$952.50 plus 12% of the excess over \$9,525
Over \$38,700 but not over \$82,500	\$4,453.50 plus 22% of the excess over \$38,700
Over \$82,500 but not over \$157,500	\$14,089.50 plus 24% of the excess over \$82,500
Over \$157,500 but not over \$200,000	\$32,089.50 plus 32% of the excess over \$157,500
Over \$200,000 but not over \$300,000	\$45,689.50 plus 35% of the excess over \$200,000
Over \$300,000	\$80,689.50 plus 37% of the excess over \$300,000

TABLE 5 - Section 1(e) – Estates and Trusts

<i>If Taxable Income Is:</i>	<i>The Tax Is:</i>
Not over \$2,550	10% of the taxable income
Over \$2,550 but not over \$9,150	\$255 plus 24% of the excess over \$2,550
Over \$9,150 but not over \$12,500	\$1,839 plus 35% of the excess over \$9,150
Over \$12,500	\$3,011.50 plus 37% of the excess over \$12,500

.03 *Adoption Credit.* For taxable years beginning in 2018, under § 23(a) (3) the credit allowed for an adoption of a child with special needs is \$13,810. For taxable years beginning in 2018, under § 23(b)(1) the maximum credit allowed for other adoptions is the amount of qualified adoption expenses up to \$13,810. The available adoption credit begins to phase out under § 23(b) (2)(A) for taxpayers with modified adjusted gross income in excess of \$207,140 and is completely phased out for taxpayers with modified adjusted

gross income of \$247,140 or more. (See section 3.19 of this revenue procedure for the adjusted items relating to adoption assistance programs.)

.05 *Earned Income Credit.*

(1) *In general.* For taxable years beginning in 2018, the following amounts are used to determine the earned income credit under § 32(b). The “earned income amount” is the amount of earned income at or above which the maximum amount of the earned income credit is allowed. The “threshold phaseout amount” is the amount of adjusted gross

income (or, if greater, earned income) above which the maximum amount of the credit begins to phase out. The “completed phaseout amount” is the amount of adjusted gross income (or, if greater, earned income) at or above which no credit is allowed. The threshold phaseout amounts and the completed phaseout amounts shown in the table below for married taxpayers filing a joint return include the increase provided in § 32(b)(3)(B)(i), as adjusted for inflation for taxable years beginning in 2018.

<i>Number of Qualifying Children</i>				
<i>Item</i>	<i>One</i>	<i>Two</i>	<i>Three or More</i>	<i>None</i>
Earned Income Amount	\$10,180	\$14,290	\$14,290	\$6,780
Maximum Amount of Credit	\$3,461	\$5,716	\$6,431	\$519
Threshold Phaseout Amount (Single, Surviving Spouse, or Head of Household)	\$18,660	\$18,660	\$18,660	\$8,490
Completed Phaseout Amount (Single, Surviving Spouse, or Head of Household)	\$40,320	\$45,802	\$49,194	\$15,270
Threshold Phaseout Amount (Married Filing Jointly)	\$24,350	\$24,350	\$24,350	\$14,170
Completed Phaseout Amount (Married Filing Jointly)	\$46,010	\$51,492	\$54,884	\$20,950

The instructions for the Form 1040 series provide tables showing the amount of the earned income credit for each type of taxpayer.

(2) *Excessive Investment Income.* For taxable years beginning in 2018, the earned income tax credit is not allowed under § 32(i)(1) if the aggregate amount

of certain investment income exceeds \$3,500.

.08 *Low-Income Housing Credit.* For calendar year 2018, the amount used