

Name: _____

MATH 100

Fall 2022

HW 11: Due 10/26

“The tax code is a monstrosity and there’s only one thing to do with it: scrap it, kill it, drive a stake through its heart, bury it, and hope it never rises again to terrorize the American people.”

– Steve Forbes

Problem 1. (10pt) Wyatt is filing his federal taxes. He is filing as a single individual taking the standard deduction of \$2,400. Last year working as a CPA, he made \$72,000. Find the amount he pays in federal taxes.

Taxable Income	Tax Owed
\$0–\$10,275	10% of taxable income
\$10,276–\$41,775	\$1,027.50 + 12% amount over \$10,275
\$41,776–\$89,075	\$4,807.50 + 22% amount over \$41,775
\$89,076–\$170,050	\$15,213.50 + 24% amount over \$89,075
\$170,051–\$215,950	\$34,647.50 + 32% amount over \$170,050
\$215,951–\$539,900	\$49,335.50 + 35% amount over \$215,950
\geq \$539,901	\$162,718 + 37% amount over \$539,900

Problem 2. (10pt) Suppose that the CPI last year was \$296.808. This year, the CPI is \$301.21. What was the inflation rate from last year to this year? If a good cost \$95.99 last year, what do you predict that it will cost this year?