



The Government has Cut Tax Rates –This Means More Money For You!

Highlights of the Jobs and Growth Tax Reconciliation Act of 2003

The new tax bill has many new tax cuts and savings designed to put more money into the pockets of more Americans and get the economy going. The highlights of the tax bill will be covered over the next few tax tips.

The section of the new tax act that will affect the largest number of Americans is the immediate reduction of the marginal tax rates. The change has dropped the 2003 marginal tax rates from 2% to 3.6%. This can lead to thousands of dollars being saved.

Even taxpayers in the lower tax brackets will save hundreds of dollars as a result of these reduced tax rates.

Below is a summary of the old tax rates and the newly reduced tax rates.

Summary of Marginal Tax Rates

Previous Rates	Newly Reduced Rates	Change
15%	15%	0%
27%	25%	2%
30%	28%	2%
35%	33%	2%
38.6%	35%	3.6%

These reductions in marginal tax rates were not scheduled to go into effect until 2006 but because of the new tax act they go into effect for the current year of 2003.

If you have concerns or thoughts about the new tax bill please feel free to give The Ruboyianes Company a call and we can discuss how some of the changes may affect you.