

Calculating Income Tax Bracket 1

1. Justin is a first year welding apprentice. He made \$42 954.75 last calendar year. How much income tax did he pay?

$$\begin{aligned} \text{Income tax} &= \text{tax rate} \times \text{gross pay} \\ &= 25\% \times \$42\,954.75 \\ &= 0.25 \times \$42\,954.75 \\ &= \$10\,738.69 \end{aligned}$$

Justin would paid \$10 738.69 in income tax.