

## Federal Corporate Income Tax Rates Income Years 1909-2008

Year	Rate Brackets or Exemptions	Rate(a) (Percent)
1909-1913	\$5,000 exemption	1
1913-1915	No exemption after March 1, 1913	1
1916	None	2
1917	None	6
1918	\$2,000 exemption	12
1919-1921	\$2,000 exemption	10
1922-1924	\$2,000 exemption	13
1925	\$2,000 exemption	13
1926-1927	\$2,000 exemption	14
1928	\$3,000 exemption	12
1929	\$3,000 exemption	11
1930-1931	\$3,000 exemption	12
1932-1935	None	14
1936-1937	First \$2,000	8
	Over \$40,000	15
1938-1939	First \$25,000	12.5-16
	Over \$25,000	19 (b)
1940	First \$25,000	14.85-18.7
	\$25,000 to \$31,964.30	38
	\$31,964.30 to \$38,565.89	37
	Over \$38,565.89	24
1941	First \$25,000	21-25
	\$25,000 to \$38,461.54	44
	Over \$38,461.54	31
1942-1945	First \$25,000	25-29
	\$25,000 to \$50,000	53
	Over \$50,000	40
1946-1949	First \$25,000	21-25
	\$25,000 to \$50,000	53

	Over \$50,000	38
1950	First \$25,000 (Normal Rate)	23
	Over \$25,000 (Add Surtax of 19%)	42
	Excess Profits Tax	30
1951	First \$25,000 (Normal Rate)	28.75
	Over \$25,000 (Add Surtax of 22%)	50.75
	Excess Profits Tax	30
1952	First \$25,000 (Normal Rate)	30
	Over \$25,000 (Add Surtax of 22%)	52
	Excess Profits Tax	30
1953-1963	First \$25,000 (Normal Rate)	30
	Over \$25,000 (Add Surtax of 22%)	52
1964	First \$25,000 (Normal Rate)	22
	Over \$25,000 (Add Surtax of 28%)	50
1965-1967	First \$25,000 (Normal Rate)	22
	Over \$25,000 (Add Surtax of 26%)	48
1968-1969	First \$25,000 (Normal Rate)	22
	Over \$25,000 (Add Surtax of 26%)	48
	With 10% Surcharge	
	First \$25,000 (Normal Rate)	24.20
	Over \$25,000 (Add Surtax of 26%)	52.80
1970	First \$25,000 (Normal Rate)	22
	Over \$25,000 (Add Surtax of 26%)	48
	With 2.5% Surcharge (c)	
	First \$25,000 (Normal Rate)	22.55
	Over \$25,000 (Add Surtax of 26%)	49.20
1971-1974	First \$25,000 (Normal Rate)	22
	Over \$25,000 (Add Surtax of 26%)	48

1975-1978	First \$25,000 (Graduated Normal Rate)	20
	Next \$25,000 (Graduated Normal Rate)	22
	Over \$50,000 (Add Surtax of 26%)	48
1979-1981 (d)	First \$25,000	17
	\$25,000 to \$50,000	20
	\$50,000 to \$75,000	30
	\$75,000 to \$100,000	40
	Over \$100,000	46
1982	First \$25,000	16
	\$25,000 to \$50,000	19
	\$50,000 to \$75,000	30
	\$75,000 to \$100,000	40
	Over \$100,000	46
1983-1984	First \$25,000	15
	\$25,000 to \$50,000	18
	\$50,000 to \$75,000	30
	\$75,000 to \$100,000	40
	Over \$100,000	46
1985-1986	First \$25,000	15
	\$25,000 to \$50,000	18
	\$50,000 to \$75,000	30
	\$75,000 to \$100,000	40
	\$100,000 to \$1,000,000	46
	\$1,000,000 to \$1,405,000 (e)	51
	Over \$1,405,000	46
1987(f)-1993	First \$50,000	15
	\$50,000 to \$75,000	25
	\$75,000 to \$100,000	34
	\$100,000 to \$335,000 (g)	39
	Over \$335,000	34
1994-2008	First \$50,000	15
	\$50,000 to \$75,000	25
	\$75,000 to \$100,000	34
	\$100,000 to \$335,000 (g)	39

\$335,000 to \$10,000,000	34
\$10,000,000 to \$15,000,000	35
\$15,000,000 to \$18,333,333 (h)	38
Over \$18,333,333	35

(a) In addition to the rates shown, certain types of 'excess profits' levies were in effect in 1917-1921 and 1933-1945.

(b) Less adjustments: 14.025% of dividends received and 2.5% of dividends paid.

(c) The Tax Reform Act of 1969 extended the Surcharge at a 5 percent rate from January 1, 1970 through June 1, 1970. On an annualized basis, the Surcharge would be 2.5 percent.

(d) The Revenue Act of 1978 repealed the corporate normal tax and surtax and in their place imposed a graduated rate structure with five brackets.

(e) The Deficit Reduction Act of 1984 placed an additional 5 percent to the tax rate in order to phase out the benefit of the lower graduated rates for corporations with taxable income between \$1,000,000 and 1,405,000. Corporations with taxable income above \$1,405,000, in effect, pay a flat marginal rate of 46 percent.

(f) Rates shown effective for tax years beginning on or after July 1, 1987. Taxable income before July 1, 1987 was subject to a two tax rate schedule or a blended tax rate.

(g) An additional 5 percent tax, not exceeding \$11,750, is imposed on taxable income between \$100,000 and \$335,000 in order to phase out the benefits of the lower graduated rates.

(h) An additional 3 percent tax, not exceeding \$100,000, is imposed on taxable income between \$15,000,000 and \$18,333,333 in order to phase out the benefits of the lower graduated rates.

Source: Treasury Department; Commerce Clearing House (CCH); Tax Foundation