

Updated 2018 Inflation Adjusted Amounts

Cross References

- Rev. Proc. 2018-18

Each year, a number of provisions in the Internal Revenue Code (IRC) are adjusted for inflation. The 2018 inflation adjusted amounts were previously released November 2017 under Revenue Procedure 2017-58. Since then, Congress enacted the Tax Cuts and Jobs Act, which among other provisions changed the formula for calculating the annual inflation adjusted amounts. The new formula is based upon the Chained Consumer Price Index for All Urban Consumers (C-CPI-U). As a result of this new formula, previously reported inflation adjustments for 2018 have been updated under Revenue Procedure 2018-18.

TheTaxBook 1040/Deluxe Edition and the What's New In-Depth Edition includes the annual inflation adjusted amounts each year on pages 1-1 through 1-5. These pages have been updated to reflect the new law and are now posted to our website. From the home page at www.thetaxbook.com click on "Tax Industry News," then click on "TheTaxBook Updates" (on the left side of the screen), enter the password found on the inside front cover of any 2017 edition of *TheTaxBook*, then click on "Updates to the 2017 Editions of TheTaxBook Series."

Updates are in PDF format. Both the front and the back side of each page are included for those who have a duplex printer and wish to replace the pages in their books with the updated pages.

For other tax provisions that apply beginning in 2018 and beyond, see the "Tax Cuts and Jobs Act" article posted on 12/27/2017 under "Tax Industry News."