2026 California Tax Rates, Exemptions, and Credits

The rate of inflation in California, for the period from June 1, 2025, through June 30, 2026, was 3.4%. The 2026 personal income tax brackets are indexed by this amount.

Exemption credits

- Married/RDP filing joint, and surviving spouse..... $316
- Single, married/RDP filing separate, and HOH $158
- Dependent..... $491
- Blind $158
- Age 65 or older $158

Phaseout of exemption credits

Higher-income taxpayers' exemption credits are reduced as follows:

	Reduce each credit by:	For each:	Federal AGI exceeds:
Single	$6	$2,500	$260,778
Married/RDP filing separate	$6	$1,250	$260,778
Head of household	$6	$2,500	$391,173
Married filing joint	$12	$2,500	$521,561
Surviving spouse	$12	$2,500	$521,561

When applying the phaseout amount, apply the $6/$12 amount to each exemption credit, but do not reduce the credit below zero.

If a personal exemption credit is less than the phaseout amount, do not apply the excess against a dependent exemption credit.

Example of exemption credit phaseout

Joe is a single taxpayer with one dependent. His federal AGI is $275,000. He must phase out each of his exemptions by $36. That is, ($275,000 - $260,778) ÷ $2,500 = 6 (always round up); 6 × $6 = $36. His exemption credit for 2026 is $577, calculated as follows:

Joe's personal exemption credit is	$ 158
Less phaseout amount	($ 36)
Personal exemption credit allowed is	$ 122
Joe's dependent credit exemption is	$ 491
Less phaseout amount	($ 36)
Total dependent credit allowed is	$ 455
Total exemption credits allowed is	**$ 577**

Reduction in itemized deductions

Itemized deductions must be reduced by the lesser of 6% of the excess of the taxpayer's federal AGI over the threshold amount or 80% of the amount of itemized deductions otherwise allowed for the taxable year.

- Single and married/RDP filing separate $260,778
- Head of household $391,173
- Married/RDP filing joint and surviving spouse..... $521,561

Standard deductions

- Single and married/RDP filing separate..... $5,900
- Married/RDP filing joint, head of household, and surviving spouse $11,800
- Minimum standard deduction for dependents $1,350

Miscellaneous credits

- Qualified Senior Head of Household Credit is 2% of California taxable income, with a maximum California AGI of $102,006, and a maximum credit of..... $1,923
- Joint Custody Head of Household Credit and Dependent Parent Credit are each 30% of net tax, with a maximum credit of..... $631

Nonrefundable Renter's Credit

This nonrefundable, noncarryover credit for renters is available for:

- Single and married/RDP filing separate with a California AGI of $55,830 or less ..... $60 credit
- Married/RDP filing joint, head of household, and surviving spouse with a California AGI of $111,660 or less ..... $120 credit

Individual tax rates

- The maximum rate for individuals is.....12.3%
- The AMT rate for individuals is 7%

The Mental Health Services Tax Rate is 1% for taxable income in excess of $1,000,000.

AMT exemption

- Married/RDP filing joint, and surviving spouse.....$127,872
- Single and head of household..... $95,902
- Married/RDP filing separate, estates, and trusts $63,932

AMT exemption phaseout

- Married/RDP filing joint, and surviving spouse.....$479,512
- Single and head of household..... $359,633
- Married/RDP filing separate, estates, and trusts $239,752

FTB cost recovery fees

- Bank and corporation filing enforcement fee..... $122
- Bank and corporation collection fee $292
- Personal income tax filing enforcement fee $143
- Personal income tax collection fee $362

The personal income tax fees apply to individuals and partnerships, as well as limited liability companies that are classified as partnerships. The bank and corporation fees apply to banks and corporations, as well as limited liability companies that are classified as corporations. Interest does not accrue on these cost recovery fees.

Corporate tax rates

- Corporations other than banks and financials.....8.84%
- Banks and financials 10.84%
- AMT rate.....6.65%
- S corporation rate..... 1.5%
- S corporation bank and financial rate 3.5%

2026 California Tax Rate Schedules

Single or Married/RDP Filing Separate

If the taxable income is…

Over	But not over	Tax is…			Of amount over…
$0	$11,456	$0	plus	1.00%	$0
$11,456	$27,157	$114.56	plus	2.00%	$11,456
$27,157	$42,861	$428.58	plus	4.00%	$27,157
$42,861	$59,498	$1,056.74	plus	6.00%	$42,861
$59,498	$75,197	$2,054.96	plus	8.00%	$59,498
$75,197	$384,109	$3,310.88	plus	9.30%	$75,197
$384,109	$460,927	$32,039.70	plus	10.30%	$384,109
$460,927	$768,213	$39,951.95	plus	11.30%	$460,927
$768,213	and over	$74,675.27	plus	12.30%	$768,213

Married Filing Joint or Qualifying Widow(er) with Dependent Child

If the taxable income is…

Over	But not over	Tax is…			Of amount over…
$0	$22,912	$0.00	plus	1.00%	$0
$22,912	$54,314	$229.12	plus	2.00%	$22,912
$54,314	$85,722	$857.16	plus	4.00%	$54,314
$85,722	$118,996	$2,113.48	plus	6.00%	$85,722
$118,996	$150,394	$4,109.92	plus	8.00%	$118,996
$150,394	$768,218	$6,621.76	plus	9.30%	$150,394
$768,218	$921,854	$64,079.39	plus	10.30%	$768,218
$921,854	$1,536,426	$79,903.90	plus	11.30%	$921,854
$1,536,426	and over	$149,350.54	plus	12.30%	$1,536,426

Head of Household

If the taxable income is…

Over	But not over	Tax is…			Of amount over…
$0	$22,927	$0.00	plus	1.00%	$0
$22,927	$54,316	$229.27	plus	2.00%	$22,927
$54,316	$70,018	$857.05	plus	4.00%	$54,316
$70,018	$86,654	$1,485.13	plus	6.00%	$70,018
$86,654	$102,356	$2,483.29	plus	8.00%	$86,654
$102,356	$522,385	$3,739.45	plus	9.30%	$102,356
$522,385	$626,864	$42,802.15	plus	10.30%	$522,385
$626,864	$1,044,771	$53,563.49	plus	11.30%	$626,864
$1,044,771	and over	$100,786.98	plus	12.30%	$1,044,771

Individual Filing Requirements

Filing Status	Age as of December 31, 2026*	California Gross Income – Dependents 0	1	2 or more	California Adjusted Gross Income – Dependents 0	1	2 or more
Single or head of household	Under 65	$23,721	$40,093	$52,372	$18,977	$35,349	$47,628
	65 or older	$31,631	$43,910	$53,733	$26,887	$39,166	$48,989
Married filing joint, RDP, or separate	Under 65 (both spouses/RDPs)	$47,447	$63,819	$76,098	$37,959	$54,331	$66,610
	65 or older (one spouse)	$55,357	$67,636	$77,459	$45,869	$58,148	$67,971
	65 or older (both spouses/RDPs)	$63,267	$75,546	$85,369	$53,779	$66,058	$75,881
Surviving spouse	Under 65		$40,093	$52,372		$35,349	$47,628
	65 or older		$43,910	$53,733		$39,166	$48,989
Dependent of another person — Any filing status	Under 65	More than your standard deduction					
	65 or older	More than your standard deduction					

*If you turn 65 on January 1, 2027, you are considered to be age 65 at the end of 2026.