

# The IRS is increasing the standard deductions for 2023 as inflation intensifies

October 19, 2022:05 AM ET

AYANA ARCHIE NPR

The Internal Revenue Service is [increasing its inflation adjustments](#) for the 2023 tax year after prices for rent, groceries and gas have reached heights [not seen in 40 years](#).

The announcement of adjustments is an annual occurrence, but in a year of high inflation, the move to raise the standard deduction and income thresholds where tax rates take effect may mean savings for people in all income brackets.

For single taxpayers and for married individuals filing separately, the standard deduction rises to \$13,850 for 2023, up \$900 from 2022. The standard deduction for married couples filing jointly for tax is increasing by \$1,800 from last year, to \$27,700. And for heads of households, the standard deduction will be \$20,800 for tax year 2023, up \$1,400 from the amount for tax year 2022.



## YOUR MONEY

**You can run, but you can't hide: Inflation is busting budgets, and killing joy too**

For those filing as a single person or filing separately from their spouses, the standard deduction is increasing by \$900 to a total of \$13,850. For people filing as heads of households, the standard deduction will be \$20,800 for the upcoming tax year, up \$1,400.

Data released by the Bureau of Labor Statistics last week showed that compared to last year, rent is up 7.2%, electricity prices are up 15.5%, groceries are up 13%, and health insurance is about 30% more expensive.