

Lowest and Highest Tax Brackets and Tax Rates: 1920-1928

Federal Individual Income Tax

Year	Lowest Tax Bracket		Highest Tax Bracket	
	For income up to:	Tax Rate	For income over:	Tax Rate
1920	\$4,000	4%	\$1 million	73%
1921	\$4,000	4%	\$1 million	73%
1922	\$4,000	4%	\$200,000	58%
1923	\$4,000	4%	\$200,000	58%
1924	\$4,000	2%	\$500,000	46%
1925	\$4,000	1.5%	\$100,000	25%
1926	\$4,000	1.5%	\$100,000	25%
1927	\$4,000	1.5%	\$100,000	25%
1928	\$4,000	1.5%	\$100,000	25%

Source: The Tax Foundation, Historical U.S. Federal Individual Income Tax Rates & Brackets.
Available at: <https://taxfoundation.org/historical-income-tax-rates-brackets/>

Note: During the 1920s, provisions were in place that exempted a certain amount of one's income from being taxed. In the early 1920s, this exemption was \$1,000 for an individual or \$2,000 for a couple filing their taxes jointly. These amounts rose some during the decade; by the late 1920s the first \$1,500 of an individual's income, or the first \$3,500 for a couple, was exempt from federal income tax. A deduction for dependent children was also available -- \$400 per dependent for most of the decade. Since the exemptions and deductions totaled more than overall income for many, a large proportion of Americans in the lower income brackets paid no federal income tax at all by the late 1920s.