

2025 Tax Facts

ORDINARY TAX RATES AND BRACKETS

| | Taxable Income | Pay | % on excess | Of the amount over: |
|---------------------------------------|-------------------|------------|-------------|---------------------|
| Single | \$0 – 11,925 | \$0 | 10% | \$0 |
| | 11,926 – 48,475 | 1,192.50 | 12 | 11,925 |
| | 48,476 – 103,350 | 5,578.50 | 22 | 48,475 |
| | 103,351 – 197,300 | 17,651 | 24 | 103,350 |
| | 197,301 – 250,525 | 40,199 | 32 | 197,300 |
| | 250,526 – 626,350 | 57,231 | 35 | 250,525 |
| | 626,351+ | 188,769.75 | 37 | 626,350 |
| Married Filing Jointly | \$0 – \$23,850 | \$0 | 10% | \$0 |
| | 23,851 – 96,950 | 2,385 | 12 | 23,850 |
| | 96,951 – 206,700 | 11,157 | 22 | 96,950 |
| | 206,701 – 394,600 | 35,302 | 24 | 206,700 |
| | 394,601 – 501,050 | 80,398 | 32 | 394,600 |
| | 501,051 – 751,600 | 114,462 | 35 | 501,050 |
| | 751,601+ | 202,154.50 | 37 | 751,600 |
| Married Filing Separately | \$0 – 11,925 | \$0 | 10% | \$0 |
| | 11,926 – 48,475 | 1,192.50 | 12 | 11,925 |
| | 48,476 – 103,350 | 5,578.50 | 22 | 48,475 |
| | 103,351 – 197,300 | 17,651 | 24 | 103,350 |
| | 197,301 – 250,525 | 40,199 | 32 | 197,300 |
| | 250,526 – 375,800 | 57,231 | 35 | 250,525 |
| | 375,801+ | 101,077.25 | 37 | 375,800 |
| Head of Household | \$0 – \$17,000 | \$0 | 10% | \$0 |
| | 17,001 – 64,850 | 1,700 | 12 | 17,000 |
| | 64,851 – 103,350 | 7,442 | 22 | 64,850 |
| | 103,351 – 197,300 | 15,912 | 24 | 103,350 |
| | 197,301 – 250,500 | 38,460 | 32 | 197,300 |
| | 250,501 – 626,350 | 55,484 | 35 | 250,500 |
| | 626,351+ | 187,031.50 | 37 | 626,350 |
| Estates and Non-Grantor Trusts | \$0 – \$3,150 | \$0 | 10% | \$0 |
| | 3,151 – 11,450 | 315 | 24 | 3,150 |
| | 11,451 – 15,650 | 2,307 | 35 | 11,450 |
| | 15,651+ | 3,777 | 37 | 15,650 |

- The tax rate on long-term capital gains and qualified dividends is also based on a bracketed system using taxable income:

| Long-Term Capital Gain Tax Rate | Single | Married Filing Joint | Married Filing Separately | Head of Household | Estates & Non-Grantor Trusts |
|---------------------------------|------------------|----------------------|---------------------------|-------------------|------------------------------|
| 0% | \$0 – 48,350 | \$0 – 96,700 | \$0 – 48,350 | \$0 – 64,750 | \$0 – 3,250 |
| 15% | 48,351 – 533,400 | 96,701 – 600,050 | 48,351 – 300,000 | 64,751 – 566,700 | 3,251 – 15,900 |
| 20% | \$533,401+ | \$600,051+ | \$300,001+ | \$566,701+ | \$15,901+ |

- In addition, married taxpayers with Modified AGI over \$250,000 (\$200,000 if Single; \$125,000 if Married Filing Separately) and estates/non-grantor trusts in the top tax bracket are subject to an additional 3.8% tax on Net Investment Income.

STANDARD DEDUCTION / PERSONAL EXEMPTIONS

| | | 2025 | 2024 | 2023 |
|---|--------------------------------|----------|----------|----------|
| Single | | \$15,000 | \$14,600 | \$13,850 |
| Married, filing jointly | | \$30,000 | \$29,200 | 27,700 |
| Married, filing separately | | \$15,000 | \$14,600 | 13,850 |
| Head of Household | | \$22,500 | \$21,900 | 20,800 |
| Additional deduction for age 65+ or blind – married | | \$1,600 | \$1,550 | 1,500 |
| Additional deduction for age 65+ or blind – single | | \$2,000 | \$1,950 | 1,850 |
| Personal Exemption | | | | 0 |
| AGI where itemized deduction/personal exemption phase-outs begin | Single | N/A | N/A | N/A |
| | Married Filing Joint | N/A | N/A | N/A |
| | Married Filing Separate | N/A | N/A | N/A |
| | Head of Household | N/A | N/A | N/A |

- Personal exemptions and the phaseout of itemized deductions are both repealed as of 2018 but are scheduled to be reinstated after 2025.

KIDDIE TAX

| | 2025 | 2024 | 2023 |
|--|---------|---------|---------|
| Standard Deduction for dependent with no earned income | \$1,350 | \$1,300 | \$1,250 |
| Maximum net unearned income taxed at child's rate (using the tax rates & brackets for a single filer) | 1,350 | 1,300 | 1,250 |
| Floor beyond which additional unearned income is taxed at the parent's tax rate | 2,700 | 2,600 | 2,500 |
| Floor beyond which additional unearned income is taxed at the trust tax rates | N/A | N/A | N/A |

- The standard deduction for a dependent is the greater of (i) \$1,350 or (ii) the sum of \$450 and the individual's earned income.

ALTERNATIVE MINIMUM TAX

| | 2025 Taxable Income | Pay | Plus % on excess | Of the amount over: |
|--|---------------------|----------|------------------|---------------------|
| Single, Head of Household, Married Filing Joint, Trusts | \$0 – 239,100 | | 26% | \$0 |
| | 239,101 and above | \$62,166 | 28% | 239,100 |
| Married Filing Separate | 0 – 119,550 | | 26% | 0 |
| | 119,551 and above | \$31,083 | 28% | 119,550 |

- For AMT purposes, long-term capital gains and qualified dividends are taxed at either 15% or 20%, using the same income thresholds as for regular tax.

| AMT Personal Exemption | 2025 | 2024 | 2023 |
|--------------------------------|-----------|-----------|----------|
| Single | \$88,100 | \$85,700 | \$81,300 |
| Married Filing Joint | \$137,000 | \$133,300 | 126,500 |
| Married Filing Separate | \$68,650 | \$66,650 | 63,250 |
| Head of Household | \$88,100 | \$85,700 | 81,300 |

- For 2025, the AMT Exemption begins to phase for married couples with Alternative Minimum Taxable Income above \$1,252,700 and above \$626,350 for all other taxpayers. The amount of exemption lost equals 25% of AMTI over the applicable threshold.

RETIREMENT PLAN CONTRIBUTION LIMITS

| Traditional & Roth IRAs | 2025 | 2024 | 2023 |
|--|-----------------|-----------------|-----------------|
| IRA and Roth IRA regular contributions | \$7,000 | \$7,000 | \$6,500 |
| IRA and Roth IRA catch-up contributions | 1,000 | 1,000 | 1,000 |
| MAGI phaseout range for IRA deduction - single | 79,000-89,000 | 77,000-87,000 | 73,000-83,000 |
| MAGI phaseout range for IRA deduction - married | 126,000-146,000 | 123,000-143,000 | 116,000-136,000 |
| Roth IRA contribution MAGI range – single | 150,000-165,000 | 146,000-161,000 | 138,000-153,000 |
| Roth IRA contribution MAGI range – married | 236,000-246,000 | 230,000-240,000 | 218,000-228,000 |

- Catch-up contributions to IRAs and employer plans are available to taxpayers age 50 and older by 12/31/25.
- MAGI is defined as Adjusted Gross Income minus income from Roth conversions plus any deductions taken for: IRA contributions, student loan interest, excluded foreign income, excluded interest from savings bonds used for education, and excluded employer-provided adoption benefits.
- For those not covered by an employer retirement plan but whose spouse is covered, the IRA deduction is phased out for MAGI between \$236,000 and \$246,000 for 2025 (\$230,000 and \$240,000 for 2024).
- If neither spouse is covered by a qualified plan, there is no phaseout range for Traditional IRA deductions.

| Employer Plans | 2025 | 2024 | 2023 |
|--|----------|----------|----------|
| 401(k), 403(b) regular contributions | \$23,500 | \$23,000 | \$22,500 |
| 401(k), 403(b) catch-up contributions (age 50+) | 7,500 | 7,500 | 7,500 |
| 401(k), 403(b) catch-up contributions (age 60-63) | 11,250 | n/a | n/a |
| Profit Sharing or MPP | 70,000 | 69,000 | 66,000 |
| Individual 401(k) total contribution limit | 70,000 | 69,000 | 66,000 |
| SIMPLE IRA regular contributions | 16,500 | 16,000 | 15,500 |
| SIMPLE IRA catch-up contributions (age 50+) | 3,500 | 3,500 | 3,500 |
| SIMPLE IRA catch-up contributions (age 60-63) | 5,250 | n/a | n/a |
| SEP plan contributions | 70,000 | 69,000 | 66,000 |
| Maximum compensation for plan benefit | 350,000 | 345,000 | 330,000 |

SOCIAL SECURITY TAXES AND BENEFITS

| | 2025 | 2024 | 2023 |
|--|-----------|-----------|-----------|
| Maximum wages subject to FICA tax | \$176,100 | \$168,600 | \$160,200 |
| Maximum earned income before reduction in SS benefits (up to full retirement age) | 23,400 | 22,320 | 21,240 |
| Maximum SS benefit, retiring at full retirement age | 4,018/mo | 3,822/mo | 3,627/mo |

- Earned income above threshold, for taxpayers younger than full retirement age, results in reduced Social Security benefits. Benefit amount is reduced by \$1 for every \$2 over the \$23,400 threshold.

| Taxability of Benefits | Single, Head of Household, Married Filing Separate | Married Filing Joint | Taxable Portion of Benefits |
|------------------------|--|----------------------|-----------------------------|
| Income Level | \$0 - 25,000 | \$0 - 32,000 | 0% |
| | 25,001 - 34,000 | 32,001 - 44,000 | Up to 50% |
| | Over 34,000 | Over 44,000 | Up to 85% |

- Income for purposes of this test includes:
 1. All income from investments, retirement plans, businesses, & all other sources
 2. Any tax-exempt interest included on line 2a of Form 1040
 3. Half the gross Social Security benefit itself

MEDICARE INCOME-RELATED MONTHLY ADJUSTMENT AMOUNT (IRMAA)

Taxpayers with a modified adjusted gross income (MAGI) above a certain amount may be required to pay an Income Related Monthly Adjustment Amount (IRMAA) in addition to their Part B or Part D premium. Medicare will use the MAGI reported on the taxpayer's 2023 tax return in determining their 2025 IRMAA.

| 2023 Modified Adjusted Gross Income (AGI + Tax-Exempt Income) | | | Premium Adjustment | |
|--|----------------------|---------------------------|----------------------------|---------|
| Single | Married Filing Joint | Married Filing Separately | Part B | Part D |
| ≤ \$106,000 | ≤ \$212,000 | ≤ \$106,000 | \$0 | \$0 |
| \$106,001-133,000 | \$212,001 – 266,000 | n/a | \$73.60 | \$13.70 |
| \$133,001 – 167,000 | \$266,001 – 334,000 | n/a | \$184.10 | \$35.30 |
| \$167,001 – 200,000 | \$334,001 – 400,000 | n/a | \$294.50 | \$57.00 |
| \$200,001 – 500,000 | \$400,001 – 750,000 | \$106,001 – 393,999 | \$404.90 (MFS \$406.90) | \$78.60 |
| ≥ \$500,001 | ≥ \$750,001 | ≥ \$394,000 | \$441.70 (MFS \$443.90) | \$85.80 |

HEALTH SAVINGS ACCOUNTS

| | 2025 | 2024 | 2023 |
|---|---------|---------|---------|
| Contribution Limit – Single Coverage | \$4,300 | \$4,150 | \$3,850 |
| Contribution Limit – Family Coverage | 8,550 | 8,300 | 7,750 |
| Catch-up Contribution | 1,000 | 1,000 | 1,000 |
| Minimum Deductible – Single | 1,650 | 1,600 | 1,500 |
| Minimum Deductible – Family | 3,300 | 3,200 | 3,000 |

- Catch-up contributions to HSAs are available to account holders age 55 and older by 12/31/25.
- The Minimum Deductible shown above is the minimum amount allowed for the plan to be considered a High Deductible Plan
- Out of pocket expenses under the plan can't exceed \$8,300 for singles, \$16,600 for a family.

ESTATE PLANNING

| Decedents Dying In: | Lifetime Exemption Amount | Tax Rate |
|---------------------|---------------------------|----------|
| 2014 | 5,340,000 | 40% |
| 2015 | 5,430,000 | 40% |
| 2016 | 5,450,000 | 40% |
| 2017 | 5,490,000 | 40% |
| 2018 | 11,180,000 | 40% |
| 2019 | 11,400,000 | 40% |
| 2020 | 11,580,000 | 40% |
| 2021 | 11,700,000 | 40% |
| 2022 | 12,060,000 | 40% |
| 2023 | 12,920,000 | 40% |
| 2024 | 13,610,000 | 40% |
| 2025 | 13,990,000 | 40% |

- Individuals may use the full \$13,990,000 million exemption to make lifetime gifts without incurring gift tax (married couples up to \$27,980,000). The 40% gift tax rate applies to gifts above the exemption amount.

| | 2025 | 2024 | 2023 |
|----------------------------------|----------|----------|----------|
| Annual Gift Tax exclusion | \$19,000 | \$18,000 | \$17,000 |

- The annual exclusion is indexed for inflation, but increases are only made in \$1,000 increments. Adjustments typically occur every few years, although more frequently as of late.