



2025 Tax Facts at a Glance

## Federal Income Taxes

Source: IRS Rev. Proc. 2024-40

| Taxable Income Over                                   | Income Not Over | Tax +        | % on Excess | Of the Amount Over |
|---|-----------------|--------------|-------------|--------------------|
| <b>Single Filers</b>                                  |                 |              |             |                    |
| \$0   | \$11,925        | \$0          | 10%         | \$0                |
| \$11,925  | \$48,475        | \$1,925      | 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          |
| \$626,350   | And Over        | \$188,769.75 | 37%         | \$626,350          |
| <b>Married Filing Jointly &amp; Surviving Spouses</b> |                 |              |             |                    |
| \$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       | \$114,162    | 35%         | \$501,050          |
| \$751,606   | And Over        | \$202,154.50 | 37%         | \$751,600          |
| <b>Married Filing Separately</b>                      |                 |              |             |                    |
| \$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          |
| \$375,800   | And Over        | \$101,077.25 | 37%         | \$375,800          |
| <b>Head of Household (HOH)</b>                        |                 |              |             |                    |
| \$0   | \$17,000        | \$0          | 10%         | \$0                |
| \$17,000  | \$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          |
| \$626,350   | And Over        | \$187,031.50 | 37%         | \$626,350          |
| <b>Estates and Trusts</b>                             |                 |              |             |                    |
| \$0   | \$3,150         | \$0          | 10%         | \$0                |
| \$3,151   | \$11,450        | \$315        | 24%         | \$3,150            |
| \$11,451  | \$15,650        | \$2,307      | 35%         | \$11,450           |
| \$15,650  | And Over        | \$3,777      | 37%         | \$15,650           |

## Retirement

Source: IR-2024-285 &amp; Source: IRS website, irs.gov

|  | 2024                | 2025                |
|--|---------------------|---------------------|
| <b>IRA annual contribution limit</b>   |                     |                     |
| Contribution Limit   | \$7,000             | \$7,000             |
| 50+ Catch-up   | \$1,000             | \$1,000             |
| <b>Traditional IRA deductibility phase-out (based on MAGI)</b>                             |                     |                     |
| <b>Participants in employer plans</b>  |                     |                     |
| Married filing jointly or qualifying widow(er)   | \$123,000-\$143,000 | \$126,000-\$146,000 |
| Married filing separately  | \$0-\$10,000        | \$0-\$10,000        |
| Single or Head of Household  | \$77,000-\$87,000   | \$79,000-\$89,000   |
| <b>Nonparticipant married to a participant</b>   |                     |                     |
| Married, filing jointly  | \$230,000-\$240,000 | \$236,000-\$246,000 |
| Married filing separately  | \$0-\$10,000        | \$0-\$10,000        |
| <b>Roth IRA phase-out (based on MAGI)</b>  |                     |                     |
| Married filing jointly or qualifying widow(er)   | \$230,000-\$240,000 | \$236,000-\$246,000 |
| Married filing separately and lived with your spouse                                       | \$0-\$10,000        | \$0-\$10,000        |
| Single or Head of Household, or Married filing separately and lived apart from your spouse | \$146,000-\$161,000 | \$150,000-\$165,000 |
| <b>SEP IRA and SIMPLE IRA contribution limits</b>  |                     |                     |
| Maximum annual additions to a SEP IRA  | \$69,000            | \$70,000            |
| Maximum compensation considered for a SEP IRA  | \$345,000           | \$350,000           |
| SIMPLE IRA salary deferral   | \$16,000            | \$16,500            |
| SIMPLE IRA ages 50-59 or 64+ Catch-up  | \$3,500             | \$3,500             |
| SIMPLE IRA ages 60-63 Catch-up**   | N/A                 | \$5,250             |

Note: SEP IRA and SIMPLE IRA account holders age 50 and older are eligible to make catch-up contributions. In addition, SIMPLE IRA account holders may be able to save even more between the ages of 60-63. Annual limitations are set by the IRS and are subject to change.

## Health Savings Account

Source: IRS Rev. Proc. 2024-25

|                                       | 2024             | 2025             |
|---------------------------------------|------------------|------------------|
| <b>Contribution Limits</b>            |                  |                  |
| Single Family                         | \$4,150/\$8,300  | \$4,300/\$8,550  |
| Age 55+ Catch-up                      | \$1,000          | \$1,000          |
| <b>High Deductible Health Plans</b>   |                  |                  |
| Minimum HDHP Deductible Single/Family | \$1,600/\$3,200  | \$1,650/\$3,300  |
| Maximum out of Pocket Single/Family   | \$8,050/\$16,100 | \$8,300/\$16,600 |

## Standard Deductions

Source: IRS Rev. Proc. 2024-40

|   | 2024              | 2025   |
|---|-------------------|--|
| Married Filing Jointly & Surviving Spouses                  | \$29,200          | \$30,000   |
| Head of Household   | \$21,900          | \$22,500   |
| Single or Married Filing Separately                         | \$14,600          | \$15,000   |
| <b>Additional Deduction for blind or aged (over age 65)</b> |                   |  |
| Single or Head of Household                                 | \$1,950           | \$2,000  |
| Married Filing Jointly or Separately                        | \$1,550           | \$1,600  |
| <b>Child Tax Credits</b>                                    |                   |  |
|   | Maximum Credit    | AGI Phase-out (Credit is Reduced \$50 for each \$1,000 of the following) |
| Single, Married filing separately or head of Household      | \$2,000 per child | \$200,000  |
| Married Filing Jointly                                      | \$2,000 per child | \$400,000  |

## Capital Gains & Qualified Dividends

Source: IRS Rev. Proc. 2024-40

| Taxable Income Over                                   | Taxable Income Over | Taxable Income Over |
|---|---------------------|---------------------|
| <b>Single Filers</b>                                  |                     |                     |
| \$0   | \$48,350            | 0%                  |
| \$48,350  | \$533,400           | 15%                 |
| \$533,400   | ∞                   | 20%                 |
| <b>Married Filing Jointly &amp; Surviving Spouses</b> |                     |                     |
| \$0   | \$96,700            | 0%                  |
| \$96,700  | \$600,050           | 15%                 |
| \$600,050   | ∞                   | 20%                 |
| <b>Married Filing Separately</b>                      |                     |                     |
| \$0   | \$48,350            | 0%                  |
| \$48,350  | \$300,000           | 15%                 |
| \$300,000   | ∞                   | 20%                 |
| <b>Head of Household</b>                              |                     |                     |
| \$0   | \$64,750            | 0%                  |
| \$64,750  | \$566,700           | 15%                 |
| \$566,700   | ∞                   | 20%                 |
| <b>Trusts &amp; Estates</b>                           |                     |                     |
| \$0   | \$3,250             | 0%                  |
| \$3,250   | \$15,900            | 15%                 |
| \$15,900  | ∞                   | 20%                 |

## Social Security

Source: Social Security Administration website, SSA.gov.

|                          | 2024      | 2025      |
|--------------------------|-----------|-----------|
| <b>Taxable Wage Base</b> |           |           |
| Social Security (OASDI)  | \$168,600 | \$176,100 |
| Medicare (HI only)       | No Limit  | No Limit  |
| Quarter of Coverage      | \$1,730   | \$1,810   |

|  |                            |                            |
|--|----------------------------|----------------------------|
| <b>Retirement earning test</b>   |                            |                            |
| Under full retirement age  | \$22,320/yr. (\$1,860/mo.) | \$23,400/yr. (\$1,950/mo.) |
| Note: One dollar in benefits will be withheld for every \$2 in earnings above the limit.   |                            |                            |
| Year reaching full retirement age  | \$59,520/yr. (\$4,960/mo.) | \$62,160/yr. (\$5,180/mo.) |
| Note: Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit. |                            |                            |

| <b>Taxability of benefits (Based on Provisional Income)</b> |                       |                        |
|---|-----------------------|------------------------|
|   | Individual            | Married Filing Jointly |
| Not taxable   | Less than \$25,000    | Less than \$32,000     |
| Up to 50%   | \$25,000-\$34,000     | \$32,000-\$44,000      |
| Up to 85%   | Greater than \$34,000 | Greater than \$44,000  |

|   |  |  |
|---|--|--|
| <b>Married Filing Separately</b>  |  |  |
| Up to 85% of benefits are taxable.  |  |  |
| Provisional Income = Adjusted Gross Income + Nontaxable Income + 1/2 Social Security Benefits |  |  |

| <b>Age to receive full benefits</b> |                     |                    |
|-------------------------------------|---------------------|--------------------|
| Year of Birth                       | Full Retirement Age | %Reduced at Age 62 |
| 1943-1954                           | 66                  | 25.00%             |
| 1955                                | 66 and 2 months     | 25.83%             |
| 1956                                | 66 and 4 months     | 26.67%             |
| 1957                                | 66 and 6 months     | 27.50%             |
| 1958                                | 66 and 8 months     | 28.33%             |
| 1959                                | 66 and 10 months    | 29.17%             |
| 1960 and later                      | 67                  | 30.00%             |

| <b>Delayed Retirement Credits</b> |                         |
|-----------------------------------|-------------------------|
| Year of Birth                     | Yearly Rate of Increase |
| 1943 or Later                     | 8.0%                    |

Accrues when you reach full retirement age until you start receiving benefits or reach age 70.

## Education

| Tax Credits and Deductions  |   |  |
|---|---|--|
| Type  | Maximum Credit and Deduction  | AGI Phase-out Range  |
| American Opportunity (Hope) Tax Credit  | \$2,500 per eligible student for first 4 years of post secondary education      | \$80,000-\$90,000 (Single)<br>\$160,000-\$180,000 (Married filing jointly) |
| Lifetime Learning Tax Credit  | 20% of tuition expenses. with a maximum of \$2,000(No limit in number of years) | \$80,000-\$90,000 (Single)<br>\$160,000-\$180,000 (Married filing jointly) |
| Coverdell education savings accounts Contribution limit                                 |   |  |
| Filing Status   | Maximum Annual Contribution   | AGI Phase-out Range  |
| Single or Head of household   | \$2,000 per beneficiary   | \$95,000-\$110,000   |
| Married, filing jointly   | \$2,000 per beneficiary   | \$190,000-\$220,000  |
| Student Loan interest deduction limit \$2,500 (Interest deduction is phased out (MAGI)) |   |  |
| Married, filing jointly   | \$170,000-\$200,000   |  |
| All others  | \$85,00-\$100,000   |  |
| Phaseout of Lifetime Learning and American Opportunity tax credits (MAGI)               |   |  |
| Married, filing jointly   | \$160,000-\$180,000   |  |
| All others  | \$80,000-\$90,000   |  |
| Tax-free savings bonds interest phased out (MAGI)                                       |   |  |
| Married, filing jointly   | \$149,250 - \$179,250   |  |
| Single  | \$99,500 - \$114,500  |  |
| 529 Plans   |   |  |
|   | 2025  |  |
| Max annual gift (before gift tax)   | \$19,000  |  |
| 5-year accelerated contribution   | \$95,000  |  |

## Business Income

### 2025 Qualified Business Income Deduction (Sec. 199A)

The Tax Cuts and jobs act of 2017 (TCJA) includes a 20 percent deduction for pass-through businesses. Limits on the deduction begin phasing in for taxpayers with income above \$197,300 (or \$394,600 for joint filers) in 2025 (Table 7).

| Filing Status          | Threshold |
|------------------------|-----------|
| Unmarried Individuals  | \$197,300 |
| Married Filing Jointly | \$394,600 |

## Qualified Plans

Source: IR-2024-285

|   | 2024      | 2025      |
|---|-----------|-----------|
| 401(k), 403(b), 457(b) salary deferral*   | \$23,000  | \$23,500  |
| Note: 401(k), 403(b), 457(b) employees age 50 and older are eligible to make catch-up contributions. In addition, employees may be able to save even more between the ages of 60-63. Annual limitations are set by the IRS and are subject to change. |           |           |
| Ages 50-59 or 64+ catch-up  | \$7,500   | \$7,500   |
| Ages 60-63 Catch-up**   | N/A       | \$11,250  |
| SIMPLE IRA salary deferral  | \$16,000  | \$16,500  |
| Maximum annual additions in a defined contribution plan   | \$69,000  | \$70,000  |
| Maximum annual benefit in defined benefit plan  | \$275,000 | \$280,000 |
| Maximum compensation considered   | \$345,000 | \$350,000 |
| Highly compensated employee   | \$155,000 | \$160,000 |

## Uniform Lifetime Table

Source: IRS Pub. 590-B

| Age | Divisor Balance | % Account |
|-----|-----------------|-----------|
| 70  | 29.1            | 3.44      |
| 71  | 28.2            | 3.55      |
| 72  | 27.4            | 3.65      |
| 73  | 26.5            | 3.78      |
| 74  | 25.5            | 3.93      |
| 75  | 24.6            | 4.07      |
| 76  | 23.7            | 4.22      |
| 77  | 22.9            | 4.37      |
| 78  | 22              | 4.55      |
| 79  | 21.1            | 4.74      |
| 80  | 20.2            | 4.96      |
| 81  | 19.4            | 5.16      |
| 82  | 18.5            | 5.41      |
| 83  | 17.7            | 5.65      |
| 84  | 16.8            | 5.96      |
| 85  | 16              | 6.25      |
| 86  | 15.2            | 6.58      |
| 87  | 14.4            | 6.95      |
| 88  | 13.7            | 7.3       |
| 89  | 12.9            | 7.76      |
| 90  | 12.2            | 8.2       |
| 91  | 11.5            | 8.7       |

## Uniform Lifetime Table (Continued)

| Age | Divisor Balance | % Account |
|-----|-----------------|-----------|
| 92  | 10.8            | 9.26      |
| 93  | 10.1            | 9.91      |
| 94  | 9.5             | 10.53     |
| 95  | 16              | 11.24     |
| 96  | 8.4             | 11.91     |
| 97  | 7.8             | 12.83     |
| 98  | 7.3             | 13.7      |
| 99  | 6.8             | 14.71     |
| 100 | 6.4             | 15.63     |
| 101 | 6               | 16.67     |

## Gift & Estate

Source: IRS Rev. Proc. 2024-40

|                            | 2024         | 2025         |
|----------------------------|--------------|--------------|
| Annual Gift exclusion      | \$18,000     | \$19,000     |
| Unified credit amount      | \$13,610,000 | \$13,990,000 |
| Gift to noncitizen spouse  | \$185,000    | \$190,000    |
| Highest estate tax bracket | 40%          | 40%          |

## Kiddie Tax Exemptions

The first \$1,350 of net unearned investment income is exempt, the next \$1,350 is taxed at the child's tax rate and any amount over \$2,700 is taxed at the greater of the parent's top tax rate or the child's rate.

## Disclaimer

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