

Baird Pocket Tax Tables



2025

Federal Income Tax Rates

Deductions and Credits

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Medicare Premiums

Gift and Estate Tax Data

2025 Federal Income Tax Rates

| | Taxable Income | | Tax | % On + Excess | Of the Amount Over |
|------------------------------|----------------|----------|------------|------------------|-----------------------|
| | Over | Not 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 Joint | \$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 Separate | \$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 & 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 |

Federal Tax on Capital Gains and Qualified Dividends

Short-term capital gains that have a holding period of 12 months or less are taxed at the ordinary income rates. Assets that are sold with a holding period exceeding 12 months and qualified dividends from positions held 60 days or more are taxed according to the following chart.

| Tax Rate | Single | Married Filing Joint | Married Filing Separate | 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+ |

Federal Net Investment Income Tax

A 3.8% Net Investment Income Tax (NIIT) is imposed on certain unearned investment income. The tax applies to the lesser of a person's net investment income or modified adjusted gross income that exceeds certain threshold amounts (\$200,000 for single or head of household; \$250,000 for married filing jointly or surviving spouse; and \$125,000 for married filing separately). The tax also applies to the lesser of an estate's or trust's undistributed net investment income for the tax year, or to any excess of its adjusted gross income over the dollar amount at which the highest tax bracket for estates or trusts begins for the tax year (\$15,650 for 2025 and \$15,200 for 2024). Investment income includes dividends, taxable interest, annuities, rents and royalties, capital gains, and passive income from partnerships and S corporations. It excludes distributions from IRAs and qualified plans, tax-exempt interest, and nontaxable veteran's benefits

Standard Deduction

| | 2025 | 2024 |
|--|--|--|
| Single | \$15,000 | \$14,600 |
| Married Filing Joint | \$30,000 | \$29,200 |
| Married Filing Separate | \$15,000 | \$14,600 |
| Head of Household | \$22,500 | \$21,900 |
| Additional deduction for age 65+ or blind – married* | \$1,600 | \$1,550 |
| Additional deduction for age 65+ or blind – single* | \$2,000 | \$1,950 |
| Maximum standard deduction for individuals claimed as dependents on another taxpayer's return (not to exceed amounts listed above) | \$1,350 (or \$450 plus earned income if greater) | \$1,300 (or \$450 plus earned income if greater) |
| Personal and dependency exemptions | \$0 | \$0 |
| AGI phaseout of itemized deductions and personal exemptions begin | Suspended for tax years through 2025 | Suspended for tax years through 2025 |

*Taxpayers who are both 65+ and/or blind may claim the additional deduction twice.

Federal Alternative Minimum Tax

The Alternative Minimum Tax (AMT) is a second set of tax laws targeted at those claiming certain types of income or deductions. Income subject to the AMT is equal to AGI, modified for adjustment and preference items, less AMT itemized deductions and an exemption amount based on filing status. Taxpayers must pay the greater of their regular tax or their tax under the AMT.

| | Taxable Income | | Tax | % On + Excess | Of the Amount Over |
|---|----------------|------------------|---------------|---------------|--------------------|
| | Over | Not Over | | | |
| Single, Head of Household, Married Filing Joint, Trusts | \$0 239,100 | \$239,100 ... | \$0 62,166 | 26% 28% | \$0 239,100 |
| Married Filing Separate | \$0 119,550 | \$119,550 ... | \$0 31,083 | 26% 28% | \$0 119,550 |

Alternative Minimum Tax Personal Exemption

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

| | 2025 | 2024 |
|-------------------------|-----------|-----------|
| Single | \$88,100 | \$85,700 |
| Married Filing Joint | \$137,000 | \$133,300 |
| Married Filing Separate | \$68,650 | \$66,650 |
| Head of Household | \$88,100 | \$85,700 |

Education Exclusions, Deductions, Credits

Available for students and their parents. The phaseout of these tax benefits for upper income taxpayers is based on modified adjusted gross income (MAGI).

| Tax Benefit | Basic Rule | Phaseout Range 2025* | Phaseout Range 2024* |
|--|---|---|---|
| Savings bond income exclusion** | Income from Series EE or I U.S. savings bonds is tax-free if the bonds were issued after 1989 at age 24+ and used to pay qualified higher education expenses (QHEE). | J: \$149,250 – 179,250 O: \$99,500 – 114,500 | J: \$145,200 – 175,200 O: \$96,800 – 111,800 |
| Coverdell Education Savings Accounts | \$2,000 maximum annual contribution per beneficiary; nondeductible. | J: \$190,000 – 220,000 O: \$95,000 – 110,000 | J: \$190,000 – 220,000 O: \$95,000 – 110,000 |
| Deductions for qualified higher education expenses | REPEALED Deductible "above the line" up to \$4,000 below phaseout range, \$2,000 within phaseout range, and \$0 above phaseout range. | REPEALED | REPEALED |
| Educational loan interest deduction** | Deductible "above the line" up to \$2,500. | J: \$170,000 – 200,000 O: \$85,000 – 100,000 | J: \$165,000 – 195,000 O: \$80,000 – 95,000 |
| American Opportunity Tax Credit** | Credit on 100% of the first \$2,000 plus 25% of next \$2,000 of QHEE per student; up to 40% of credit is refundable. Only available on first 4 years of higher education per student. | J: \$160,000 – 180,000 O: \$80,000 – 90,000 | J: \$160,000 – 180,000 O: \$80,000 – 90,000 |
| Lifetime Learning Credit* | Credit on 20% on first \$10,000 of QHEE per return; nonrefundable. | J: \$160,000 – 180,000 O: \$80,000 – 90,000 | J: \$160,000 – 180,000 O: \$80,000 – 90,000 |

*J = Joint filers; O = Other than joint filers

**Unavailable for those Married Filing Separate

Child Tax Credit

| Tax Benefit | Reduction Rule | Income Limit |
|---|--|--------------------------------------|
| \$2,000 credit for each qualifying child; up to \$1,700 is refundable. \$500 non-refundable credit for each other dependent | Reduction of credit by \$50 for every \$1,000 that MAGI exceeds income limit | Joint: \$400,000 Other: \$200,000 |

Child and Dependent Care Credit

| Tax Benefit | Reduction Rule | Income Limit |
|---|---|----------------------------------|
| Nonrefundable credit equals 35% of up to \$3,000 in qualified expenses (\$6,000 for 2+ dependents). | Percentage reduced by 1% for every \$2,000 that AGI exceeds threshold; not to be reduced below 20%. | All Filing Statuses: \$15,000 |

Kiddie Tax

Unearned income of a child younger than age 18 and certain dependents ages 18 – 23 is taxed at the parents' marginal income tax rate to the extent that unearned income exceeds \$2,700 in 2025 (\$2,600 in 2024).

| | 2025 | 2024 |
|---|---|---|
| Standard deduction for dependent with earned income | Greater of (1) \$1,350 or (2) \$450 + earned income | Greater of (1) \$1,300 or (2) \$450 + earned income |
| Standard deduction for dependent with NO earned income | \$1,350 | \$1,300 |
| Maximum net unearned income taxed at child's rate (using the tax rates & brackets for a single filer) | \$1,350 | \$1,300 |
| Floor beyond which additional unearned income is taxed at the parent's tax rate | \$2,700 | \$2,600 |

Adoption Credit

Individuals may take a nonrefundable credit of up to \$17,280 in 2025 per child for qualified adoption expenses (\$16,810 in 2024). The credit amount is phased out for modified adjusted gross income between \$259,190 – 299,190 in 2025 (\$252,150 – 292,150 in 2024).

Standard Mileage Rates

| | | 2025 | 2024 |
|-------------------------|-------------------------------------|------|------|
| Rates in cents per mile | Business | 70 | 67 |
| | Charity | 14 | 14 |
| | Medical | 21 | 21 |
| | Moving for active duty Armed Forces | 21 | 21 |

Retirement Plan Limits

| Traditional & Roth IRAs | 2025 | 2024 |
|---|---------------------|---------------------|
| Regular contribution | \$7,000 | \$7,000 |
| Catch-up contribution* | \$1,000 | \$1,000 |
| MAGI phaseout range for IRA deduction – single | \$79,000 – 89,000 | \$77,000 – 87,000 |
| MAGI phaseout range for IRA deduction – married** | \$126,000 – 146,000 | \$123,000 – 143,000 |
| Roth IRA contribution MAGI range – single | \$150,000 – 165,000 | \$146,000 – 161,000 |
| Roth IRA contribution MAGI range – married | \$236,000 – 246,000 | \$230,000 – 240,000 |

*Available to taxpayers age 50 and older by 12/31/25.

** 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 – 246,000 for 2025 (\$230,000 – 240,000 for 2024).

MAGI = 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.

| Employer Plans | 2025 | 2024 |
|--|-----------|-----------|
| 401(k), 403(b) regular contribution | \$23,500 | \$23,000 |
| 401(k), 403(b) catch-up contribution (age 50+)* | \$7,500 | \$7,500 |
| 401(k), 403(b) catch-up contribution (age 60-63)** | \$11,250 | n/a |
| Profit Sharing or MPP | \$70,000 | \$69,000 |
| Individual 401(k) (Salary Deferral + Profit Sharing) | \$70,000 | \$69,000 |
| SIMPLE IRA regular contribution | \$16,500 | \$16,000 |
| SIMPLE IRA catch-up contribution (age 50+)* | \$3,500 | \$3,500 |
| SIMPLE IRA catch-up contribution (age 60-63)** | \$5,250 | n/a |
| SEP plan contribution | \$70,000 | \$69,000 |
| Total Defined Contribution plan contribution | \$70,000 | \$69,000 |
| Maximum compensation for plan benefit | \$350,000 | \$345,000 |

*Available to taxpayers age 50 and older by 12/31/25.

** Available to taxpayers age 60, 61, 62, or 63 by the final day of the calendar year of the contribution.

Qualified Charitable Distribution (QCD) Limits

The IRA Owner (beneficiary of inherited IRAs) must be at least 70½ years old to make a QCD.

| | 2025 | 2024 |
|--------------------------------|-----------|-----------|
| Annual Limit per Taxpayer | \$108,000 | \$105,000 |
| Split-Interest Lifetime Limit* | \$54,000 | \$53,000 |

*Split-Interest gift counts towards \$108,000 annual limit.

Required Minimum Distributions

A required minimum distribution must be withdrawn from most retirement plans and IRA accounts once the owner reaches age 73. The RMD equals the account value at the end of the previous year divided by the divisor found on the Uniform Distribution Table based on the account owner's age at the end of the current year. An account owner with a beneficiary-spouse more than 10 years younger may use an IRS joint-life table to find the divisor, which in all cases is larger than the divisor shown here, resulting in a smaller required distribution.

| Age | Divisor | Age | Divisor |
|-----|---------|---------------|---------|
| 73 | 26.5 | 97 | 7.8 |
| 74 | 25.5 | 98 | 7.3 |
| 75 | 24.6 | 99 | 6.8 |
| 76 | 23.7 | 100 | 6.4 |
| 77 | 22.9 | 101 | 6.0 |
| 78 | 22.0 | 102 | 5.6 |
| 79 | 21.1 | 103 | 5.2 |
| 80 | 20.2 | 104 | 4.9 |
| 81 | 19.4 | 105 | 4.6 |
| 82 | 18.5 | 106 | 4.3 |
| 83 | 17.7 | 107 | 4.1 |
| 84 | 16.8 | 108 | 3.9 |
| 85 | 16.0 | 109 | 3.7 |
| 86 | 15.2 | 110 | 3.5 |
| 87 | 14.4 | 111 | 3.4 |
| 88 | 13.7 | 112 | 3.3 |
| 89 | 12.9 | 113 | 3.1 |
| 90 | 12.2 | 114 | 3.0 |
| 91 | 11.5 | 115 | 2.9 |
| 92 | 10.8 | 116 | 2.8 |
| 93 | 10.1 | 117 | 2.7 |
| 94 | 9.5 | 118 | 2.5 |
| 95 | 8.9 | 119 | 2.3 |
| 96 | 8.4 | 120 and after | 2.0 |

Social Security Tax

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

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

Taxability of Social Security Benefits

Income for purposes of this test includes:

1. All income from investments, retirement plans, businesses, and all other sources
2. Any tax-exempt interest included on line 2a of Form 1040
3. Half the gross Social Security benefit itself on line 6a of Form 1040

| | 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% |

Medicare Premium and Cost-Sharing Amounts

| | | 2025 | 2024 |
|---|--|------------------------------|------------------------------|
| Part A | Premium per month (if not eligible for reduced premium based on work history) | \$518 | \$505 |
| | Hospital and mental health inpatient deductible per benefit period | \$1,676 | \$1,632 |
| | Hospital inpatient coinsurance per day (Days 61 – 90) | \$419 | \$408 |
| | Hospital inpatient coinsurance per lifetime reserve day (Days 91 and after, up to 60 days over lifetime) | \$838 | \$816 |
| | Skilled nursing facility coinsurance per day (Days 21 – 100) | \$209.50 | \$204 |
| | Hospice prescription drug co-pay | \$5 | \$5 |
| | Hospice respite care coinsurance | 5% | 5% |
| Part B | Base premium per month | \$185.00 | \$174.70 |
| | 2023 Income threshold for additional premium in 2025 (IRMAA)* | J: \$212,000 S: \$106,000 | J: \$206,000 S: \$103,000 |
| | Deductible per year | \$257 | \$240 |
| | Coinsurance | 20% | 20% |
| | Home health care coinsurance for durable medical equipment | 20% | 20% |
| Part D | Base premium (actual premiums vary by plan) | \$36.78 | \$34.70 |
| | 2023 Income threshold for additional premium in 2025 (IRMAA)* | J: \$212,000 S: \$106,000 | J: \$206,000 S: \$103,000 |
| | Deductible | \$590 | \$545 |
| | Cost threshold for coverage gap (combined total spent by enrollee and plan) | n/a – eliminated | \$5,030 |
| | Enrollee's cost per prescription during coverage gap after discounts are applied | n/a – eliminated | 25% (brand) 25% (generic) |
| | Out-of-pocket expense limit for catastrophic coverage | \$2,000 | \$8,000 |
| Minimum cost sharing during catastrophic coverage (enrollee pays 5% coinsurance if greater than co-pay shown) | n/a – eliminated | n/a – eliminated | |

*J = joint; S = single or separate

Medicare Income-Related Monthly Adjustment Amount

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) | | | 2025 Premium Adjustment | |
|--|----------------------|-------------------------|-----------------------------|---------|
| Single | Married Filing Joint | Married Filing Separate | 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 | |
|-----------------------|------------|----------|------------|----------|
| | Individual | Family | Individual | Family |
| Contribution limit | \$4,300 | \$8,550 | \$4,150 | \$8,300 |
| Catch-up contribution | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| Minimum deductible | \$1,650 | \$3,300 | \$1,600 | \$3,200 |
| Maximum deductible | \$8,300 | \$16,600 | \$8,050 | \$16,100 |

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.

Qualified Long-Term Care Insurance Premiums

Premiums paid for qualified long-term care insurance are deductible as medical expenses in 2025, so long as the taxpayer itemizes their deductions. The deductible amount is subject to the in-excess-of-7.5%-of-AGI limitation that applies to other medical expenses. Deductions for qualified long-term care insurance premiums are subject to additional dollar amount limitations that vary depending on the insured's age. The maximum deductible amounts for 2025 and 2024 appear as follows:

| Age by Close of Tax Year | 2025 Maximum | 2024 Maximum |
|--------------------------|--------------|--------------|
| 40 or younger | \$480 | \$470 |
| 41 through 50 | \$900 | \$880 |
| 51 through 60 | \$1,800 | \$1,760 |
| 61 through 70 | \$4,810 | \$4,710 |
| Older than 70 | \$6,020 | \$5,880 |

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Estate Planning

| Decedent Dying In: | Lifetime Exemption Amount | Tax Rate |
|--------------------|--|----------|
| 2010 | \$5 million, but estates may elect no estate tax, with capital gains tax on appreciation above \$1.3 million | 35% |
| 2011 | \$5,000,000 | 35% |
| 2012 | \$5,120,000 | 35% |
| 2013 | \$5,250,000 | 40% |
| 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 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.

Federal Gift and Estate Tax Amounts

| Rule | 2025 | 2024 |
|---|-------------|-------------|
| Annual gift tax exclusion per recipient | \$19,000 | \$18,000 |
| Annual gift tax exclusion for gifts to noncitizen spouse | \$190,000 | \$185,000 |
| Estate tax installment election: Amount subject to 2% interest on tax due to closely held business above that 45% of applicable federal rate (Section 6166) | \$1,900,000 | \$1,850,000 |
| Special use valuation: Limit on estate reduction using this technique (value of actual use of real estate rather than highest and best use) | \$1,420,000 | \$1,390,000 |