

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 OBBBA	2024	2023
Single		\$15,750	\$14,600	\$13,850
Married, filing jointly		\$31,500	\$29,200	27,700
Married, filing separately		\$15,750	\$14,600	13,850
Head of Household		\$23,625	\$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 for seniors*		\$6,000	N/A	N/A
MAGI where exemption phaseout begins*	Joint filers	\$150,000	N/A	N/A
	All others	\$75,000	N/A	N/A

* Exemptions for Seniors – The senior exemption applies to taxpayers age 65 or over at the end of the year (married couples age 65+ are each eligible for the deduction), but is reduced by 6% of income over the phaseout level. This deduction is available for 2025-2028 only.

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) extra catch-up contributions (age 60-63)	3,750	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 extra catch-up contributions (age 60-63)	1,750	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%
2026	15,000,000	40%

- Individuals may use the full exemption amount to make lifetime gifts without incurring gift tax. 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.