

# 2026 TAX YEAR: IRS TAX AND RETIREMENT CONTRIBUTION GUIDE

## Income tax

FILING STATUS	TAXABLE INCOME	THE TAX IS	OF THE AMOUNT OVER
Single	Not more than \$12,400	10%	\$0
	\$12,400–\$50,400	\$1,240.00 + 12%	\$12,400
	\$50,400–\$105,700	\$5,800.00 + 22%	\$50,400
	\$105,700–\$201,775	\$17,966.00 + 24%	\$105,700
	\$201,775–\$256,225	\$41,024.00 + 32%	\$201,775
	\$256,225–\$640,600	\$58,448.00 + 35%	\$256,225
	\$640,600 or more	\$192,979.25 + 37%	\$640,600
Married filing jointly	Not more than \$24,800	10%	\$0
	\$24,800–\$100,800	\$2,480.00 + 12%	\$24,800
	\$100,800–\$211,400	\$11,600.00 + 22%	\$100,800
	\$211,400–\$403,550	\$35,932.00 + 24%	\$211,400
	\$403,550–\$512,450	\$82,048.00 + 32%	\$403,550
	\$512,450–\$768,700	\$116,896.00 + 35%	\$512,450
	\$768,700 or more	\$206,583.50 + 37%	\$768,700
Head of household	Not more than \$17,700	10%	\$0
	\$17,700–\$67,450	\$1,770.00 + 12%	\$17,700
	\$67,450–\$105,700	\$7,740.00 + 22%	\$67,450
	\$105,700–\$201,750	\$16,155.00 + 24%	\$105,700
	\$201,750–\$256,200	\$39,207.00 + 32%	\$201,750
	\$256,200–\$640,600	\$56,631.00 + 35%	\$256,200
	\$640,600 or more	\$191,171.00 + 37%	\$640,600
Married filing separately	Not more than \$12,400	10%	\$0
	\$12,400–\$50,400	\$1,240.00 + 12%	\$12,400
	\$50,400–\$105,700	\$5,800.00 + 22%	\$50,400
	\$105,700–\$201,775	\$17,966.00 + 24%	\$105,700
	\$197,301–\$256,225	\$41,024.00 + 32%	\$201,775
	\$250,526–\$384,350	\$58,448.00 + 35%	\$256,225
	\$375,801 or more	\$103,291.75 + 37%	\$384,350

## Taxation of children (kiddie tax)

Not more than \$1,350	0%
Unearned income*greater than \$1,350 but less than \$2,700	Child's tax rate
Unearned income greater than \$2,700	Generally, the parent's highest marginal tax rate

\* For a child under the age of 19 (or a full-time student under the age of 24) as of the end of the year.

## Standard deduction and personal exemption

FILING STATUS	STANDARD DEDUCTION	PERSONAL AND DEPENDENCE EXEMPTION
Single	\$16,100	Eliminated
Married, filing jointly	\$32,200	Eliminated
Married, filing separately	\$16,100	Eliminated
Head of household	\$24,150	Eliminated
Dependent who can be claimed by another taxpayer	The greater of \$1,350 or the sum of \$450 plus the individual's earned income	

## Qualified business income deduction

FILING STATUS	THRESHOLD AMOUNT*
Married, filing jointly	\$403,500
All other returns	\$201,750

\* Above the threshold amount, complex IRS rules affect how much of your qualified business income can be deducted.

## Investment taxes

SINGLE TAXPAYER	MARRIED FILING JOINTLY	MARRIED FILING SEPARATELY	HEAD/HOUSEHOLD	CAPITAL GAINS TAX RATE	MEDICARE SURTAX*	COMBINED TAX RATE
\$0-\$49,450	\$0-\$98,900	\$0-\$49,450	\$0-\$66,200	0%	0%	0%
\$49,45-\$199,999	\$98,901-\$249,999	\$49,451-\$124,999	\$66,201-\$199,999	15%	0%	15%
\$200,000-\$545,500	\$250,000-\$613,700	\$125,000-\$306,850	\$200,000-\$579,600	15%	3.8%	18.8%
More than \$545,500	More than \$613,700	More than \$306,850	More than \$579,600	20%	3.8%	23.8%

\* The 3.8% net investment income tax (also known as the Medicare surtax) applies to the lesser of net investment income or modified adjusted gross income (MAGI) exceeding the thresholds shown in the table. This tax generally doesn't apply to municipal bond interest, qualified retirement plan withdrawals, or IRA withdrawals.

## Estate planning

Annual gift tax exclusion	\$19,000
Top gift, estate, and generation-skipping transfer (GST) tax rate	40%
Gift tax and estate tax applicable exclusion amount	\$15,000,000 + DSUEA*
GST tax exemption	\$15,000,000**

\* Basic exclusion amount plus deceased spousal unused exclusion amount (DSUEA). Exclusion is portable.

\*\*The GST tax exemption is not portable.

## Alternative minimum tax (AMT)

	MAXIMUM EXEMPTION AMOUNT	EXEMPTION PHASEOUT THRESHOLD
Single or head of household	\$90,100	\$500,000
Married filing jointly	\$140,200	\$1,000,000
Married filing separately	\$70,100	\$500,000

Note: The AMT is levied at two rates: 26% and 28%. A 28% rate applies to AMT income in excess of \$244,500 for all taxpayers (\$122,250 if married filing separately).

## Flexible Spending Account (FSA) limits

Health FSA maximum contribution	\$3,400
Dependent care FSA maximum contribution	\$5,000*

\* \$2,500 if married, filing separately.

## Contribution and out-of-pocket limits for Health Savings Accounts (HSA) and High-Deductible Health Plans (HDHP)

	INDIVIDUAL	FAMILY
HSA contribution limit*	\$4,400	\$8,750
HDHP minimum deductibles	\$1,700	\$3,400
HDHP maximum out-of-pocket amounts	\$8,500	\$17,000

\*Plus \$1,000 per year if age 55 or older.

## Limits on deducting IRA contributions if covered by a retirement plan at work

IF YOUR FILING STATUS IS ...	AND YOUR MAGI IS ...	THEN YOU CAN TAKE ...
single or head of household	less than \$81,000	a full deduction up to the amount of your contribution limit
	\$81,000 or more but less than \$90,999	a partial deduction
	\$91,000 or more	no deduction
married filing jointly or qualifying widow(er)	less than \$129,000	a full deduction up to the amount of your contribution limit
	\$129,000 or more but less than \$149,000	a partial deduction
	\$149,000 or more	no deduction
married filing separately	less than \$10,000	a partial deduction
	\$10,000 or more	no deduction

Note: If you file separately and did not live with your spouse at any time during the year, your IRA deduction is determined under the single filing status.

## Medicare premiums & IRMAA\* surcharge

PART B PREMIUM	PART A PREMIUM
\$202.90	Less than 30 credits: \$565 30-39 credits: \$311

Your 2024 MAGI income was: IRMAA surcharge

MARRIED, FILING JOINTLY	SINGLE	PART B	PART D
\$218,000 or less	\$109,000 or less	—	—
\$218,001-\$274,000	\$109,001-\$137,000	\$81.20	\$14.50
\$274,001-\$342,000	\$137,001-\$171,000	\$202.90	\$37.50
\$342,001-\$410,000	\$171,001-\$205,000	\$324.60	\$60.40
\$410,001-\$750,000	\$205,001-\$500,000	\$446.30	\$83.30
\$750,001 or more	\$500,001 or more	\$487.00	\$91.00

\* Income-related monthly adjusted amount (IRMAA) is a surcharge added to Part B and Part D premiums.

## Social Security

	TAX RATE
Employee	7.65%
Self-employed	15.30%

Note: The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (Old-Age, Survivors, and Disability Insurance; or OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (high income, or HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9% in Medicare taxes. The tax rates shown above do not include the 0.9%.

	MAXIMUM TAXABLE EARNINGS
Social Security (OASDI only)	\$184,500
Medicare (HI only)	No limit
Cost of living allowance	2.8%
Retirement earnings test exempt amounts:	
Under full retirement age	\$24,480/yr. (\$2,040/mo.)

Note: One dollar in benefits will be withheld for every \$2 in earnings above the limit.

The year an individual reaches full retirement age

\$65,160/yr.  
(\$5,430/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.

## Full retirement age

BIRTH YEAR	FULL RETIREMENT AGE
1943–1954	66
1955	66 + 2 months
1956	66 + 4 months
1957	66 + 6 months
1958	66 + 8 months
1959	66 + 10 months
1960+	67

PROVISIONAL INCOME	MARRIED, FILING JOINTLY	SINGLE
0% taxable	<\$32,000	<\$25,000
50% taxable	\$32,000–\$44,000	\$25,000–\$34,000
85% taxable	>\$44,000	>\$34,000

## Contribution limits for retirement accounts

MAXIMUM ...	
annual IRA contribution (under age 50)	\$7,500
annual IRA contribution (age 50 or older)	\$8,600
annual 401(k), 403(b), and most 457 salary-deferral limit (under age 50)	\$24,500
annual 401(k), 403(b), and most 457 salary-deferral limit (age 50 or older)*	\$32,500
annual additions limit under defined contribution plan	\$72,000
includable compensation for computing contributions	\$360,000
SIMPLE salary-deferral limit (under age 50)	\$17,000
SIMPLE salary-deferral limit (age 50 or older)	\$21,000

MINIMUM ...	
annual compensation for determining a highly compensated employee (used in 401[k] nondiscrimination tests and based on the preceding year's compensation)	\$160,000
annual compensation amount for SEP participation	\$800

\* Only 457(b) plans of state and local governments may allow catch-up contributions for participants who are age 50 or older. Some plans also allow special 457(b) catch-up contributions. Refer to plan details for further information.

## Roth IRA phaseout ranges

FILING STATUS	INCOME RANGE
Single or head of household	\$153,000–\$168,000
Married, filing jointly	\$242,000–\$252,000
Married, filing separately*	\$0–\$10,000

\* If you and your spouse didn't live together during the taxable year, your filing status will be viewed as single for Roth IRA contribution purposes.

## Education tax credit for qualified expenses

	AMERICAN OPPORTUNITY	LIFETIME LEARNING
Amount of credit	100% of first \$2,000, 25% of next \$2,000	20% of first \$10,000
Single MAGI phaseout	\$80,000–\$90,000	\$80,000–\$90,000
Married, filing jointly MAGI phaseout	\$160,000–\$180,000	\$160,000–\$180,000

## Required minimum distribution

### Uniform Lifetime Table for calculating required minimum distribution (RMD)

Used to calculate RMD for account owners who have reached their required begin date.

#### Full retirement age

YOUR AGE	LIFE EXPECTANCY FACTOR	YOUR AGE	LIFE EXPECTANCY FACTOR
73	26.5	84	16.8
74	25.5	85	16.0
75	24.6	86	15.2
76	23.7	87	14.4
77	22.9	88	13.7
78	22.0	89	12.9
79	21.1	90	12.2
80	20.2	91	11.5
81	19.4	92	10.8
82	18.5	93	10.1
83	17.7	94	9.5

Note: This is an excerpt of the IRS table. For the complete IRS Uniform Lifetime Table, refer to IRS Publication 590-B, available on the IRS website. If your spouse is more than ten years younger than you and is the sole primary beneficiary, you must use the Joint Life and Last Survivor Expectancy Table.




The information contained herein does not constitute tax advice and cannot be used by any person to avoid tax penalties that may be imposed under the Internal Revenue Code. Each person should consult an independent tax advisor about their individual situation.

### Single Lifetime Table for calculating required minimum distribution

Used to calculate RMD for certain beneficiaries of inherited accounts.

YOUR AGE	SINGLE	YOUR AGE	SINGLE
25	60.2	52	34.3
26	59.2	53	33.4
27	58.2	54	32.5
28	57.3	55	31.6
29	56.3	56	30.6
30	55.3	57	29.8
31	54.4	58	28.9
32	53.4	59	28.0
33	52.5	60	27.1
34	51.5	61	26.2
35	50.5	62	25.4
36	49.6	63	24.5
37	48.6	64	23.7
38	47.7	65	22.9
39	46.7	66	22.0
40	45.7	67	21.2
41	44.8	68	20.4
42	43.8	69	19.6
43	42.9	70	18.8
44	41.9	71	18.0
45	41.0	72	17.2
46	40.0	73	16.4
47	39.0	74	15.6
48	38.1	75	14.8
49	37.1	76	14.1
50	36.2	77	13.3
51	35.3	78	12.6



 [ArisePw.com](https://www.arisepw.com)  
 (310) 270-9033  
 [readyto@arisepw.com](mailto:readyto@arisepw.com)