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2026 Federal Tax Key Facts and Figures

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INCOME TAXES

2025

If Taxable Income Is: Over	But Not More Than	The Tax Is	Of the Amount Over
Married Filing Jointly:			
$0	$23,850	$0 + 10%	$0
23,850	96,950	2,385.00 + 12%	23,850
96,950	206,700	11,157.00 + 22%	96,950
206,700	394,600	35,302.00 + 24%	206,700
394,600	501,050	80,398.00 + 32%	394,600
501,050	751,600	114,462.00 + 35%	501,050
751,600		202,154.50 + 37%	751,600
Married Filing Separately:			
$0	$11,925	$0 + 10%	$0
11,925	48,475	1,192.50 + 12%	11,925
48,475	103,350	5,578.50 + 22%	48,475
103,350	197,300	17,651.00 + 24%	103,350
197,300	250,525	40,199.00 + 32%	197,300
250,525	375,800	57,231.00 + 35%	250,525
375,800		101,077.25 + 37%	375,800
Head of Household:			
$0	$17,000	$0 + 10%	$0
17,000	64,850	1,700.00 + 12%	17,000
64,850	103,350	7,442.00 + 22%	64,850
103,350	197,300	15,912.00 + 24%	103,350
197,300	250,500	38,460.00 + 32%	197,300
250,500	626,350	55,484.00 + 35%	250,500
626,350		187,031.50 + 37%	626,350
Single:			
$0	$11,925	$0 + 10%	$0
11,925	48,475	1,192.50 + 12%	11,925
48,475	103,350	5,578.50 + 22%	48,475
103,350	197,300	17,651.00 + 24%	103,350
197,300	250,525	40,199.00 + 32%	197,300
250,525	626,350	57,231.00 + 35%	250,525
626,350		188,769.75 + 37%	626,350
Estates and Trusts:			
$0	$3,150	$0 + 10%	$0
3,150	11,450	315.00 + 24%	3,150
11,450	15,650	2,307.00 + 35%	11,450
15,650		3,777.00 + 37%	15,650

2026

If Taxable Income Is: Over	But Not More Than	The Tax Is	Of the Amount Over
Married Filing Jointly:			
$0	$24,800	$0 + 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		206,583.50 + 37%	768,700
Married Filing Separately:			
$0	$12,400	$0 + 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	384,350	58,448.00 + 35%	256,225
384,350		103,291.75 + 37%	384,350
Head of Household:			
$0	$17,700	$0 + 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		191,171.00 + 37%	640,600
Single			
$0	$12,400	$0 + 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		192,979.25 + 37%	640,600
Estates and Trusts			
$0	$3,300	$0 + 10%	$0
3,300	11,700	330.00 + 24%	3,300
11,700	16,000	2,346.00 + 35%	11,700
16,000		3,851.00 + 37%	16,000

EDUCATION INCENTIVES

Student Loan Interest Deduction – "Above-the-line" deduction up to $2,500 (2025 and 2026); no time limit on deductibility period; subject to income limitations.

Education Credits – American Opportunity Credit is up to $2,500 in 2025 and 2026 per student for first four years of higher education expenses paid. Lifetime Learning Credit is 20% of tuition paid up to $2,000 per return for 2025 and 2026. Both credits are subject to income limitations and cannot be used in conjunction with each other for the same student.

Section 529 Plans (Qualified Tuition Programs) – Distributions used for qualified higher education expenses are income tax free. Contributions are potentially subject to gift tax, but are eligible for the per-donee annual exclusion ($19,000 for 2025 and 2026). Donor can elect to treat up to $95,000 of the contribution in 2025 (and 2026) as if it had been made ratably over a 5-year period.

Coverdell Education Savings Accounts (Education IRAs) – Contribution limit is $2,000 in 2025 and 2026; subject to income limitations.

OTHER TAX RATES

Long-Term Capital Gains and Qualified Dividends Tax Rates for Taxpayers with Taxable Income in the Specified Ranges*

2025	0%	15%	20%
MFJ/SS	$0 - $96,700	$96,701 - $600,050	over $600,050
MFS	$0 - $48,350	$48,351 - $300,000	over $300,000
HoH	$0 - $64,750	$64,751 - $566,700	over $566,700
Single	$0 - $48,350	$48,351 - $533,400	over $533,400
E&T	$0 - $3,250	$3,251 - $15,900	over $15,900
2026	**0%**	**15%**	**20%**
MFJ/SS	$0 - $98,900	$98,901 - $613,700	over $613,700
MFS	$0 - $49,450	$49,451 - $306,850	over $306,850
HoH	$0 - $66,200	$66,201 - $579,600	over $579,600
Single	$0 - $49,450	$49,451 - $545,500	over $545,500
E&T	$0 - $3,300	$3,301 - $16,250	over $16,250

- Short-term gain taxed at ordinary rates.

* Additional 3.8% tax imposed on the lesser of the individual's Net Investment Income or the excess of the individual's MAGI over certain thresholds ($250,000 for married couples filing jointly or surviving spouse, $125,000 for married couples filing separately, and $200,000 for all other taxpayers).

Kiddie Tax

- Under age 19 (or certain full-time students under age 24) with unearned income consisting solely of interest, dividends and CGD; and child's gross income is less than $13,500 in 2025 or 2026 – use Form 8814 with parent's return.
- If child files own return – use Form 8615 with child's return to calculate tax at parent's marginal rate.

	2025	2026	
First	$1,350	$1,350	No Tax
Next	$1,350	$1,350	Taxed at child's marginal rate
Amount Over	$2,700	$2,700	Taxed at parent's marginal rate

AMT Rates for Individuals

	AMTI Threshold 2025	AMTI Threshold 2026	AMT Rate
Single, MFJ, HoH	$0 - $239,100	$0 - $244,500	26%
	$239,101 or more	$244,501 or more	28%
MFS	$0 - $119,550	$0 - $122,250	26%
	$119,551 or more	$122,251 or more	28%

	AMT Exemption 2025	AMT Exemption 2026
Single, HoH	$88,100	$90,100
MFJ, SS	$137,000	$140,200
MFS	$68,500	$70,100

SOCIAL SECURITY

Maximum Compensation Subject to FICA

	2025	2026
OASDI Maximum	$176,100	$184,500
HI Maximum	No Limit	No Limit

- *OASDI tax rate – 2025 & 2026: 12.4% self-employed, 6.2% employees*
- *HI tax rate* – 2025 & 2026: 2.9% self-employed, 1.45% employees*

** Additional 0.9% tax imposed on employment wages for certain higher-income taxpayers (income of more than $250,000 for married couples filing jointly or surviving spouse, $125,000 for married couples filing separately, and $200,000 for all other taxpayers)*

Maximum Amount of Earnings to Still Receive Full Benefits

	2025	2026
Under full retirement age	$23,400	$24,480

MAGI Amounts for Benefits to Be Taxable

	50% Taxable	85% Taxable
Married Filing Jointly	$32,000	$44,000
Single, HOH, MFS Living Apart	$25,000	$34,000

DEDUCTIONS

Standard Deduction

	Year	Annual	Add'l Age 65 or Older or Blind*
Married Filing Jointly/ Surviving Spouse	2025	$31,500	$1,600
	2026	$32,200	$1,650
Married Filing Separately	2025	$15,750	$1,600
	2026	$16,100	$1,650
Head of Household	2025	$23,625	$2,000
	2026	$24,150	$2,050
Single	2025	$15,750	$2,000
	2026	$16,100	$2,050

Phaseout of Itemized Deductions Does Not Apply in 2025 or 2026. Overall Limitation Applies in 2026

** Additional $6,000 for age 65 and older in 2025 and 2026, begins to phase out if MAGI exceeds $75,000 ($150,000 for MFJ)*

Code Sec. 179 Expense Allowance

	2025	2026
Dollar limitation	$2,500,000	$2,560,000
Investment limitation	$4,000,000	$4,090,000

Qualified Business Income Deduction Phase-In Thresholds

	Taxable Income Phase-In 2025	2026
MFJ	$394,600 - $494,600	$403,500 - $553,500
MFS	$197,300 - $247,300	$201,775 - $276,775
All Others	$197,300 - $247,300	$201,750 - $276,750

For 2026, there is a minimum deduction of $400, and taxpayers must have QBI of at least $1,000 to qualify for the deduction.

ESTATE & GIFT TAXES

	2025	2026
Annual Gift Tax Exclusion	$19,000	$19,000
for Noncitizen Spouses	$190,000	$194,000
Estate Tax Exclusion	$13,990,000	$15,000,000
Applicable Credit	$5,541,800	$5,945,800
Gift Tax Exclusion	$13,990,000	$15,000,000
Generation-Skipping Transfer Tax Exemption	$13,990,000	$15,000,000

CREDITS & EXCLUSIONS

Child Tax Credit

	2025	2026
Credit Amount	$2,200	$2,200
Refundable Amount	$1,700	$1,700

$2,200 credit amount for 2025 and 2026 phases out $50 for every $1,000 AGI over $400,000 (MFJ), $200,000 (all others)

Foreign Income

	2025	2026
Foreign earned income exclusion	$130,000	$132,900
Maximum foreign housing exclusion of qualified housing expenses	$18,200 ($39,000 - $20,800)	$18,606 ($39,870 - $21,264)

INDIVIDUAL ESTIMATED TAXES

Individuals can base federal estimated tax payments on:

1) 90% of current tax,
2) 100% of prior year's tax, or
3) 110% of prior year's tax if prior year's AGI is > $150,000 (> $75,000 for Married Filing Separately)

- Annualization exception
- No penalty if tax less withholding < $1,000 or no tax liability in preceding tax year

IRAs

Contribution Limits - Traditional and Roth

	2025	2026
Regular	$7,000	$7,500
Catch-up*	$1,000	$1,100

**Individuals who will be at least age 50 by the end of the year can make catch-up contributions.*

Roth IRAs

MAGI Phaseout Ranges for Contributions to Roth IRAs	2025	2026
Married Filing Jointly	$236,000 – $246,000	$242,000 – $252,000
Single, Head of Household	$150,000 – $165,000	$153,000 – $168,000
Married Filing Separately	$0 – $10,000	$0 – $10,000

Traditional IRA Deductibility Rules

Filing Status	Covered by Qualified Retirement Plan?	Modified AGI 2025	Modified AGI 2026	Deductibility
Single, HoH	No	Any amount	Any amount	Full deduction
	Yes	$79,000 or less $79,001 - $88,999 $89,000 or more	$81,000 or less $81,001 - $90,999 $91,000 or more	Full deduction Partial deduction No deduction
Married Filing Jointly	Neither spouse	Any amount	Any amount	Full deduction
	Both spouses covered	$126,000 or less $126,001 - $145,999 $146,000 or more	$129,000 or less $129,001 - $148,999 $149,000 or more	Full deduction Partial deduction No deduction
	One spouse covered: for covered spouse	$126,000 or less $126,001 - $145,999 $146,000 or more	$129,000 or less $129,001 - $148,999 $149,000 or more	Full deduction Partial deduction No deduction
	One spouse covered: for non-covered spouse	$236,000 or less $236,001 - $245,999 $246,000 or more	$242,000 or less $242,001 - $251,999 $252,000 or more	Full deduction Partial deduction No deduction
Married Filing Separately*	Neither spouse	Any amount	Any amount	Full deduction
	Either spouse	$9,999 or less	$9,999 or less	Partial deduction
		$10,000 or more	$10,000 or more	No deduction

**Shared residence*

QUALIFIED PLANS

	2025	2026
Maximum elective deferral to retirement plans [e.g., 401(k), 403(b), 457]	$23,500	$24,500
Maximum elective deferral to starter 401(k) plan	$6,000	$6,000
Maximum elective deferral to pension-linked emergency savings account	$2,500	$2,600
Maximum elective deferral to SIMPLE IRAs*	$16,500	$17,000
Maximum uniform non-elective contribution to SIMPLE plans	$5,100	$5,300
Limit on annual additions to defined contribution plans or SEPs	$70,000	$72,000
Maximum annual compensation taken into account for contributions	$350,000	$360,000
Annual benefit limit under defined benefit plans	$280,000	$290,000
Threshold amount for definition of highly compensated employee	$160,000	$160,000
Threshold amount for definition of key employee in top-heavy plans	$230,000	$235,000
Catch-up Contribution Limits (age 50 or older)**		
401(k), 403(b), SARSEP and 457 plans	$7,500	$8,000
SIMPLE IRAs*	$3,500	$4,000
Starter 401(k)	$1,000	$1,100

* *The limitation is $17,600 ($21,450 for individuals age 50 or older) for 2025 and $18,100 ($21,950 for individuals age 50 or older) for 2026 for certain smaller SIMPLE plans or employers meeting contribution/matching requirements.*

** *The limit is increased for individuals who will turn 60, 61, 62, or 63 in 2025 or 2026 to $11,250 ($5,250 for SIMPLE plans). For 2026, catch-up contributions to qualified plans (other than SEPs or SIMPLEs) for employees with compensation exceeding $150,000 must be to a Roth account.*

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