2026 Quick Tax Guide

Federal income tax rates

Taxable income between:	
Single[1]	
$0-$12,400	10%
$12,400-$50,400	12%
$50,400-$105,700	22%
$105,700-$201,775	24%
$201,775-$256,225	32%
$256,225-$640,600	35%
Over $640,600	37%
Married, filing jointly[1]	
$0-$24,800	10%
$24,800-$100,800	12%
$100,800-$211,400	22%
$211,400-$403,550	24%
$403,550-$512,450	32%
$512,450-$768,700	35%
Over $768,700	37%
Head of Household (HOH)[1]	
$0-$17,700	10%
$17,700-$67,450	12%
$67,450-$105,700	22%
$105,700-$201,750	24%
$201,750-$256,200	32%
$256,200-$640,600	35%
Over $640,600	37%
Married, filing separately[1]	
$0-$12,400	10%
$12,400-$50,400	12%
$50,400-$105,700	22%
$105,700-$201,775	24%
$201,775-$256,225	32%
$256,225-$384,350	35%
Over $384,350	37%
Estates and trusts[1]	
$0-$3,300	10%
$3,300-$11,700	24%
$11,700-$16,000	35%
Over $16,000	37%

Standard deduction[1,16]

Single	$16,100
Married, filing jointly	$32,200
Head of household	$24,150
Married, filing separately	$16,100

Additional standard deduction for taxpayers who are age 65 or older, or who are blind: $1,650 for married; $2,050 for unmarried and not a surviving spouse.

A new standard deduction for those age 65 or older of $6,000 from 2025 – 2028. Begins phasing out for income over $75,000 single and $150,000 married filing joint.[16]

Kiddie tax exemption[1] $2,700

A "kiddie" is under age 18; or age 18 provided child's earned income does not exceed ½ of his/her support; or ages 19-23 if full-time student and earned income does not exceed ½ of support.

Rates for long-term capital gains and qualified dividends[1,2]

	Individuals	Head of Household	Married, filing jointly	Married, filing separately	Estates and trusts
0%	$0-$49,450	$0-$66,200	$0-$98,900	$0-$49,450	$0-$3,300
15%	$49,450-$545,500	$66,200-$579,600	$98,900-$613,700	$49,450-$306,850	$3,300-$16,250
20%	Over $545,500	Over $579,600	Over $613,700	Over $306,850	Over $16,250
28%	Collectibles				

IRA[4]

IRA contribution (under age 50)	$7,500
IRA contribution (50 and older)	$8,600
Single or HOH phase-out	$81,000-$91,000
Married, filing jointly	$129,000-$149,000
Married, filing separately	$0-$10,000
Spousal IRA	$242,000-$252,000

Phase-out of Roth IRA contribution eligibility[4]

Single phase-out	$153,000-$168,000
Married, filing jointly	$242,000-$252,000
Married, filing separately	$0-$10,000

Individual 401(k)[4]

Employer contribution	Up to 25% of compensation
Employee salary deferral (under 50) (50 and older) (ages 60, 61, 62, and 63)	 $24,500 $32,500 $35,750
Total employer and employee (under 50) (50 and older) (ages 60, 61, 62, and 63)	 $72,000 $80,000 $83,250

SEP[4,11]

SEP contribution	Up to 25% of compensation (limit $72,000)
Minimum compensation participant	$800

SIMPLE[4]

SIMPLE elective deferral (under age 50) (50 and older) (ages 60, 61, 62, and 63)	 $17,000 $21,000 $22,250

Other qualified plans[4]

401(k), 403(b),[5] governmental 457(b),[6] and SARSEP elective deferral (under age 50)	$24,500
401(k), 403(b),[5] governmental 457(b),[6] and SARSEP elective deferral (age 50 and older)	$32,500
401(k), 403(b),[5] governmental 457(b),[6] and SARSEP elective deferral (ages 60, 61, 62, and 63)	$35,750
Limit on additions to defined contribution plans	$72,000
Annual benefit limit on defined benefit plans	$290,000
Highly compensated employee makes	$160,000
Maximum compensation taken into account for qualified plans	$360,000
HSA contribution individual coverage[12,14]	$4,400
HSA contribution family coverage[12,14]	$8,750

Federal gift and estate tax[1]

Gift tax annual exclusion	$19,000
Annual exclusion for gift to noncitizen spouse	$194,000
Highest estate and gift tax rate[13]	40%
Unified estate and gift tax credit amount[1]	$15,000,000
Generation-skipping transfer tax exclusion[1]	$15,000,000

Unused credit can pass to the surviving spouse if decedent spouse elects on Form 706.

3.8% Medicare surtax thresholds[3]

Single or HOH	$200,000
Married, filing jointly	$250,000
Married,filing separately	$125,000
Estates and trusts[1,3]	$16,000

The tax is assessed on the lesser of the amount of income over the threshold or the amount of net investment income.

Social Security[7]

Maximum earnings (during working years) subject to payroll tax[7]	$184,500
Social Security payroll tax[7]	**Employees pay 7.65%**
	Self-employed pay 15.30%
Additional 0.9% high-income payroll tax for wages in excess of[10]	
Single or HOH	$200,000
Married, filing jointly	$250,000
Married, filing separately	$125,000
Income[8] (in retirement) causing Social Security benefits to be taxable[9]	
Single or HOH	
Up to 50% taxable	$25,000 MAGI
Up to 85% taxable	$34,000 MAGI
Married, filing jointly	
Up to 50% taxable	$32,000 MAGI
Up to 85% taxable	$44,000 MAGI

Max earnings (from a job) between age 62 and full (normal) Social Security retirement age before Social Security benefits are reduced $1 for every $2 above $24,480. For individuals who reach FRA in 2026, $1 for every additional $3 earned: $65,160 up until first of month of birthday. Thereafter unlimited.

Education

Student loan interest deduction[1]		$2,500
PHASE-OUT:[1]	Single	$85,000-$100,000
	Married, filing jointly	$175,000-$205,000

New tips and overtime deductions (effective 2025 – 2028)[16]

Overtime deduction: Qualified overtime compensation that exceeds regular pay – such as the "half" portion of "time-and-a-half" compensation – that is reported on a Form W-2, Form 1099, or other specified statement.
- Maximum annual deduction $12,500 ($25,000 joint).
- Deduction phases out with MAGI over $150,000 ($300,000 joint).

Tip deduction: Employees and self-employed individuals may deduct qualified tips received in occupations that are listed by the IRS as customarily receiving tips on or before December 31, 2024, and that are reported on a Form W-2, Form 1099, or other specified statement, or reported directly by the individual on Form 4137.
- Maximum annual deduction $25,000; for self-employed, deduction may not exceed individual's net income from the employment in which the tips were earned.
- Deduction phases out for MAGI over $150,000 ($300,000 joint).

LTC[1,10]

Maximum premium amount allowed as a medical expense (deductible to extent all medical expenses exceed 7.5% AGI)[15]

Age 40 or less	$500
More than age 40 but not more than 50	$930
More than age 50 but not more than 60	$1,860
More than age 60 but not more than 70	$4,960
More than age 70	$6,200

[1] Rev. Proc. 2025-32.
[2] IRC Sec. 1(j)(l),(2),(4),(5)(B).
[3] IRC Sec. 1411.
[4] IRS Notice 2025-67.
[5] Additional catch-up contributions may be available for 403(b) participants with 15 or more years of service. Treas. Reg. 1.403(b)-4(c)(3).
[6] In last three years pre-retirement, governmental 457(b) participants may be able to increase elective deferral if needed to catch up on missed contributions. IRC Sec. 457(b)(3).
[7] "2026 Social Security Changes," Fact Sheet, Social Security Administration.
[8] Most income, including municipal bond interest, but only ½ of Social Security benefits.
[9] IRC Sec. 86.
[10] IRC Sec. 3101(b)(2).
[11] IRC Sec. 402 (h)(2).
[12] IRC Sec. 25A (c),(i).
[13] IRC Sec. 2001(c).
[14] Rev. Proc. 2025-19.
[15] Consolidated Appropriations Act, 2021.
[16] One Big Beautiful Bill Act, 2025.

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The Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 and the Consolidated Appropriations Act of 2023 increase the age for required minimum distributions (RMDs) for all qualified retirement plans to age 73 in 2023. [1]IRA owners who were born June 30, 1949 or prior must continue to take RMDs under the previous rules. The required minimum distribution (RMD) for any year is calculated as the December 31 value of the prior year (plus the actuarial present value of any additional benefit provided within the annuity contract) divided by the RMD factor from the appropriate table.

Uniform Lifetime Table[2]

For use by:

- Unmarried IRA owners
- Married IRA owners whose spouses are not more than 10 years younger
- Married IRA owners whose spouses are not the sole beneficiaries of their IRAs

(For married IRA owners whose spouses are more than 10 years younger, use Joint Life Table from Treas. Reg. 1.401(a)(9)-9(c))

Single Life Expectancy Table[3]

Spouse beneficiary

IRA owner dies on/after Required Beginning Date (RBD): Beginning in the year following the year of the IRA owner's death, recalculate spouse beneficiary's single life expectancy each year while spouse beneficiary survives, using spouse beneficiary's age on birthday in that calendar year. If RMD would be less, spouse beneficiary would use IRA owner's term certain life expectancy. For that, use IRA owner's age attained on the birthday in the calendar year of IRA owner's death. Reduced by one for each passing year. (Note: Spouse beneficiary could instead roll over to his or her own IRA at IRA owner's death.) New in 2024: A surviving spouse may elect to be treated as the deceased owner for purposes of the RMD rules.

Death before RBD: Same options as above, minus using IRA owner's term certain life expectancy, plus spouse beneficiary can delay until IRA owner would have turned age 73.

Nonspouse beneficiary[4]

Death after December 31, 2019: The stretch IRA option will be replaced with a 10-year rule for the vast majority of nonspouse beneficiaries. The rule will require assets to be liquidated by the end of the 10th year following the year of death of the IRA owner. According to the final Treasury Regulations "Rules and Regulations FR-2024-14542", in some circumstances, such as when the IRA owner died on or after their RBD or after an eligible designated beneficiary who was receiving life expectancy payments dies, RMD payments must be satisfied each year until the entire death benefit is distributed within 10 years. There are some exceptions if the nonspouse beneficiary is a minor, disabled, chronically ill, or not more than 10 years younger than the deceased IRA owner. For minors, the exception only applies until the child reaches age of majority, at which point the 10-year rule is enforced.

Death prior to December 31, 2019

Death on/after RBD: Beneficiary uses beneficiary's own term certain life expectancy. For that, use the beneficiary's age attained on the birthday in the calendar year after the calendar year of IRA owner's death. Reduce by one for each passing year. If RMD would be less, beneficiary would use IRA owner's term certain life expectancy. For that, use IRA owner's attained age in the calendar year of IRA owner's death. Reduce by one for each passing year.

Death before RBD: Same options as above, minus using IRA owner's term certain life expectancy, or beneficiary can defer all distributions as long as all funds are distributed in five years.

No designated beneficiary

Death on/after RBD: Inheritor uses IRA owner's term certain life expectancy. For that, use IRA owner's age attained on the birthday in the calendar year of owner's death. Reduce by one for each passing year.

Death before RBD: Distribute all within five years.

[1]The Consolidated Appropriations Act of 2023.

[2]Treas. Reg. 1.401(a)(9) – 5, Q&A 4.

[3]Treas. Reg. 1.401(a)(9) – 5, Q&A 5 and 6.

[4]IRS Notice 2023-75.

[5]Treas. Reg. 1.401(a)(9) – 9. This table updated for regulations beginning January 1, 2022 under Federal Register FR Doc. 2020-24723.

This document is designed to provide general information on the subjects covered. It is not, however, intended to provide specific legal, fiduciary, or tax advice and cannot be used to avoid tax penalties or to promote, market, or recommend any tax plan or arrangement. Please note that Fred Quinn and Serious Money Ohio do not give legal or tax advice. You are encouraged to consult your tax advisor or attorney.

Uniform Lifetime Table[5] (for RMD purposes)

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

Single Life Expectancy Table[5]

Age	Life expectancy	Age	Life expectancy
0	84.6	60	27.1
1	83.7	61	26.2
2	82.8	62	25.4
3	81.8	63	24.5
4	80.8	64	23.7
5	79.8	65	22.9
6	78.8	66	22.0
7	77.9	67	21.2
8	76.9	68	20.4
9	75.9	69	19.6
10	74.9	70	18.8
11	73.9	71	18.0
12	72.9	72	17.2
13	71.9	73	16.4
14	70.9	74	15.6
15	69.9	75	14.8
16	69.0	76	14.1
17	68.0	77	13.3
18	67.0	78	12.6
19	66.0	79	11.9
20	65.0	80	11.2
21	64.1	81	10.5
22	63.1	82	9.9
23	62.1	83	9.3
24	61.1	84	8.7
25	60.2	85	8.1
26	59.2	86	7.6
27	58.2	87	7.1
28	57.3	88	6.6
29	56.3	89	6.1
30	55.3	90	5.7
31	54.4	91	5.3
32	53.4	92	4.9
33	52.5	93	4.6
34	51.5	94	4.3
35	50.5	95	4.0
36	49.6	96	3.7
37	48.6	97	3.4
38	47.7	98	3.2
39	46.7	99	3.0
40	45.7	100	2.8
41	44.8	101	2.6
42	43.8	102	2.5
43	42.9	103	2.3
44	41.9	104	2.2
45	41.0	105	2.1
46	40.0	106	2.1
47	39.0	107	2.1
48	38.1	108	2.0
49	37.1	109	2.0
50	36.2	110	2.0
51	35.3	111	2.0
52	34.3	112	2.0
53	33.4	113	1.9
54	32.5	114	1.9
55	31.6	115	1.8
56	30.6	116	1.8
57	29.8	117	1.6
58	28.9	118	1.4
59	28.0	119	1.1
60	27.1	120+	1.0