

2025 TAX FACTS & FIGURES



FEDERAL TAXES

Federal Income Tax Brackets and Rates (Note: Short-term capital gains are taxed as ordinary income.)

Tax Rate	Married Filing Jointly (MFJ)	Single	Married Filing Separately (MFS)	Heads of Households (HOH)
10%	\$0-\$23,850	\$0-\$11,925	\$0-\$11,925	\$0-\$17,000
12%	\$23,851-\$96,950	\$11,926-\$48,475	\$11,926-\$48,475	\$17,001-\$64,850
22%	\$96,951-\$206,700	\$48,476-\$103,350	\$48,476-\$103,350	\$64,851-\$103,350
24%	\$206,701-\$394,600	\$103,351-\$197,300	\$103,351-\$197,300	\$103,351-\$197,300
32%	\$394,601-\$501,050	\$197,301-\$250,525	\$197,301-\$250,525	\$197,301-\$250,500
35%	\$501,051-\$751,600	\$250,526-\$626,350	\$250,526-\$375,800	\$250,501-\$626,350
37%	Over \$751,600	Over \$626,350	Over \$375,800	Over \$626,350

Long-Term Capital Gains/Qualified Dividend Tax

Tax Rate	MFJ	Single	MFS	HOH
0%	\$0-\$96,700	\$0-\$48,350	\$0-\$48,350	\$0-\$64,750
15%	\$96,701-\$600,050	\$48,351-\$533,400	\$48,351-\$300,000	\$64,751-\$566,700
20%	Over \$600,050	Over \$533,400	Over \$300,000	Over \$566,700

Standard Deduction¹, NIIT² Threshold, Capital Loss Limit³

Tax Rate	MFJ	Single	MFS	HOH
Standard Deduction	\$30,000	\$15,000	\$15,000	\$22,500
3.8% NIIT Thresholds	\$250,000	\$200,000	\$125,000	\$200,000
Capital Loss Limit	\$3,000	\$3,000	\$1,500	\$3,000

Self-Employment Tax

Tax Rate	MFJ	Single	MFS	HOH
Social Security	12.4%		Applicable to net earnings up to \$176,100	
Medicare Tax	2.9%		Applicable to all net earnings, with no limit	
Medicare Surtax	0.9%	Over \$250,000	Over \$200,000	Over \$125,000
				Over \$200,000

Kiddie Tax

- Kiddie tax exemption: \$2,700
- The parent's marginal income tax rate (not taxable trust tax rate) applies to a child's unearned income over \$2,700.

Pass-Through Entity Tax: Qualified Business Income (QBI) Deduction

An eligible individual taxpayer generally may deduct 20% of domestic qualified business income from a partnership, S corporation, or sole proprietorship. There are many qualifications and exemptions. Be sure to consult with a tax advisor.

529 Plans / Annual Gift Tax Exclusion

	Per Individual	Per Couple
Contributions per year before gift tax	\$19,000	\$38,000
Accelerate 5 years of gifting into 1 year	\$95,000	\$190,000

- Primary school distributions per year: up to \$10,000
- The named beneficiary on the 529 plan and each sibling can each withdraw up to \$10,000 to repay student loans (lifetime limit).

Alternative Minimum Tax (AMT)

Exemptions: \$137,000 for married, \$88,100 for single and \$68,500 for married filing separately. Phaseout of exemption begins at \$1,252,700 for married taxpayers and \$626,350 for others.

¹ Blind, or age 65 or older: +\$1,600 (Married); +\$2,000 (Single or Head of Household)

² Net investment income tax

³ Maximum capital loss that can be deducted in a tax year, if your capital loss exceeds your capital gains.

Student Loan Interest Deduction

- Deduction limit: \$2,500
- Phaseout for income levels
 - » Single: The phaseout range is \$85,000 to \$100,000 modified adjusted gross income (MAGI), with the deduction fully eliminated above \$100,000.
 - » Married Filing Jointly: The phaseout range is \$170,000 to \$200,000 MAGI, with the deduction fully eliminated above \$200,000.

NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE •
NOT BANK GUARANTEED • NOT INSURED BY ANY
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Retirement Plan Limits for 2025

Traditional IRA and Roth IRA Contribution Limits	<ul style="list-style-type: none"> Under age 50: \$7,000 Age 50 and over: \$8,000
Traditional IRA Deduction Phaseout: MAGI ⁴ Range	<ul style="list-style-type: none"> MFJ: \$126,000–\$146,000 Single/HOH: \$79,000–\$89,000 MFS: \$0–\$10,000
Roth IRA Contribution Phaseout: MAGI Range	<ul style="list-style-type: none"> MFJ: \$236,000–\$246,000 Single/HOH: \$150,000–\$165,000 MFS: \$0–\$10,000
SEP IRA ⁵ Contribution	<ul style="list-style-type: none"> Contributions limit: Lesser of 25% of compensation or max \$70,000 Participation requires minimum annual compensation of \$750

SIMPLE ⁶ Elective Deferrals and Catch-Up Contribution Limits	<ul style="list-style-type: none"> Under age 50: \$16,500 Age 50 and over: \$20,000 Age 60, 61, 62, or 63: \$21,750
401(k), 403(b), 457, SARSEP Plans ⁷ Elective Deferrals and Catch-Up Contribution Limits	<ul style="list-style-type: none"> Under age 50: \$23,500 Age 50 and over: \$31,000 Age 60, 61, 62, or 63: \$34,750
Defined Contribution Plans	<ul style="list-style-type: none"> Max annual contribution: \$70,000
Defined Benefit Plans	<ul style="list-style-type: none"> Max annual benefit: \$280,000.
Compensation Limit	<ul style="list-style-type: none"> Max compensation limit under Section 401(a)(17): \$350,000
Highly Compensated Employee Definition	<ul style="list-style-type: none"> Income threshold: \$160,000

Taxable Trust Income Tax

Taxable Income	Tax Due
\$0–\$3,150	10% of taxable income
\$3,151–\$11,450	\$315 + 24% of the amount over \$3,150
\$11,451–\$15,650	\$2,307 + 35% of the amount over \$11,450
\$15,651 and over	\$3,777 + 37% of the amount over \$15,650 + unearned income will qualify for an additional 3.8% NIIT

Many trusts have to pay tax on the income generated from stocks, bonds, mutual funds, etc. that is not distributed to the beneficiaries. Their tax rates are much more progressive than those paid by individuals.

STATE TAXES

Top State Marginal Individual Income Tax⁹

State	Top Rate						
AL	5.00%	IL*	4.95%	MT	5.90%	RI	5.99%
AK	N/A	IN*	3.00%	NE	5.20%	SC	6.20%
AZ*	2.50%	IA*	3.80%	NV	N/A	SD	N/A
AR	3.90%	KS	5.58%	NH	N/A	TN	N/A
CA	13.30%	KY*	4.00%	NJ	10.75%	TX	N/A
CO*	4.25%	LA*	3.00%	NM	5.90%	UT*	4.55%
CT	6.99%	ME	7.15%	NY	10.90%	VT	8.75%
DE	6.60%	MD	5.75%	NC*	4.25%	VA	5.75%
DC	10.75%	MA	9.00%	ND	2.50%	WA**	7.00%
FL	N/A	MI*	4.25%	OH	3.50%	WV	4.82%
GA*	5.39%	MN	9.85%	OK	4.75%	WI	7.65%
HI	11.00%	MS*	4.40%	OR	9.90%	WY	N/A
ID*	5.70%	MO	4.70%	PA*	3.07%		

Estate Tax Per Person⁸

- Transfer tax rate (maximum): 40.00%
- Estate tax exemption: \$13,990,000
- Gift tax exemption: \$13,990,000
- Generation-skipping transfer exemption: \$13,990,000

⁴ Modified Adjusted Gross Income

⁵ Simplified Employee Pension IRA

⁶ Saving Incentive Match Plan for Employees IRA

⁷ Salary Reduction Simplified Employee Pension Plans

⁸ Refers to federal rates only; does not include applicable state rates or exemptions. Rates are per person, unless filing jointly.

⁹ The table displays the top marginal tax rates, representing the maximum statutory rates in each state. These rates include any surtax applied to high-income taxpayers. Effective marginal rates, which incorporate the effects of phase-outs of various tax preferences, are not reflected in this table. Additionally, local income taxes are excluded.

(*) State has a flat income tax.

(**) State only taxes capital gains income.

Source: Tax Foundation; state tax statutes, forms and instructions; Bloomberg Tax

Talk to your financial professional and/or tax advisor to learn more.

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Source: IRS.gov as of 12/31/2024.

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