

2026 ANNUAL TAX PLANNING LIMITS

2026 Tax Rate Schedules				
If Taxable Income Is:		Then Gross Tax Payable Is:		
Over	But Not Over	Amount	Plus (Percent)	Of the Amt. Over
Single Taxpayers (Other Than Surviving Spouses and Heads of Households)				
\$ 0	\$ 12,400	- 10% of taxable income -		
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
Heads of Households				
\$ 0	\$ 17,700	- 10% of taxable income -		
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
Married Individuals (and Surviving Spouses) Filing Joint Returns				
\$ 0	\$ 24,800	- 10% of taxable income -		
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 Individuals Filing Separate Returns				
\$ 0	\$ 12,400	- 10% of taxable income -		
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
Fiduciary (Estates and Trusts) Taxpayers				
\$ 0	\$ 3,300	- 10% of taxable income -		
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

Actual Blended Tax Range by Income (Married Filing Jointly)		
Taxable Income	Income Tax Bracket	Actual Tax Range (Blended)
\$0 to \$24,800	10%	0%-10%
\$24,800 to \$100,800	12%	10%-11.5%
\$100,800 to \$211,400	22%	11.5%-17.1%
\$211,400 to \$403,550	24%	17.1%-20.4%
\$403,550 to \$512,450	32%	20.4%-22.8%
\$512,450 to \$768,700	35%	22.8%-26.9%
\$768,700+	37%	26.9%-36.99%

Income Tax Deductions and Credits	
Standard Deduction*	
Single (S)	\$16,100
Married Filing Jointly (MFJ)	\$32,200
Head of Household	\$24,150
Married Filing Separately	\$16,100
Kiddie Tax	\$1,350
State and Local Income Tax Deduction	\$40,400
Bonus Senior Citizen Deduction (65+)	\$6,000
Reduced by 6% of income above \$75,000 (S); \$150,000 (MFJ)	
Child Tax Credit (per child)	\$2,200
Reduced by 5% of income above \$200,000 (S); \$400,000 (MFJ)	
Individual eligible to be claimed as independent - greater of \$1,350 or earned income over \$450, not to exceed standard full deduction of \$16,100.	

Long-Term Capital Gains Rates Based on Taxable Income			
Filing Status	0% Rate	15% Rate	20% Rate
Single	Under \$49,450	\$49,450-\$545,500	Over \$545,500
Head of Household	Under \$66,200	\$66,200-\$579,600	Over \$579,600
Married Filing Jointly	Under \$98,900	\$98,900-\$613,700	Over \$613,700

Uniform Lifetime Table					
Use to calculate required minimum distributions from individual retirement accounts (IRAs) and qualified plans during owner's life. Do not use this table if owner has spousal beneficiary more than 10 years younger. Instead use Joint Life Table from IRS publication 590.-					
Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
70	29.1	86	15.2	102	5.6
71	28.2	87	14.4	103	5.2
72	27.4	88	13.7	104	4.9
73	26.5	89	12.9	105	4.6
74	25.5	90	12.2	106	4.3
75	24.6	91	11.5	107	4.1
76	23.7	92	10.8	108	3.9
77	22.9	93	10.1	109	3.7
78	22	94	9.5	110	3.5
79	21.1	95	8.9	111	3.4
80	20.2	96	8.4	112	3.3
81	19.4	97	7.8	113	3.1
82	18.5	98	7.3	114	3
83	17.7	99	6.8	115+	2.9
84	16.8	100	6.4		
85	16	101	6		

Required Minimum Distribution Age	
Born in 1950 or earlier	Age 72
Born from 1951 through 1959	Age 73
Born in 1960 or later	Age 75

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Retirement Plans

Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$24,500
Catch-up contributions (age 50)	\$8,000
Catch-up contributions (age 60-63)	\$11,250
Starter 401(k)	\$6,000
Catch-up contributions	\$1,100
Defined contributions (§415(c)(1)(A))	\$72,000
Defined benefit (§415(b)(1)(A))	\$290,000
SIMPLE plan	\$17,000
SIMPLE catch-up contribution (age 50)	\$4,000
SIMPLE catch-up contribution (age 62-63)	\$5,250
Maximum includible compensation	\$360,000
Tax credit ESOP, 5-year limit	\$1,455,000
Tax credit ESOP, 1-year limit	\$290,000

Highly Compensated Employee

Look back to 2025	\$160,000
2026	\$160,000
Key employee (top-heavy plan)	>\$235,000
SEP participation limit	\$800
IRA or Roth IRA contribution limit	\$7,500
IRA or Roth IRA catch-up	\$1,100

IRA Deduction Phaseout for Active Participants

Single	\$81,000-\$91,000
Married filing jointly	\$129,000-\$149,000
Married filing separately	\$0-\$10,000
Non-active participant married to active participant	\$242,000-\$252,000

Roth IRA Phaseout

Single	\$153,000-\$168,000
Married filing jointly	\$242,000-\$252,000

Charity Limits

Qualified charitable distributions	\$111,000
Charitable gift annuity	\$55,000

Social Security

SS wage base	\$184,500
FICA tax rate - employee	7.65%
SECA tax rate - self-employed	15.3%

Earnings Limitations:

Below full retirement age (FRA) (\$1 for \$2)	\$24,480
Persons reaching FRA (\$1 for \$3) (Applies only to earnings for months prior to attaining FRA)	\$65,160

Social Security cost-of-living adjustment	2.8%
Quarter of coverage	\$1,890

Maximum benefit: worker retiring at FRA	\$4,152
Estimated average monthly benefit	\$2,071

2026 Medicare Part B Premium Rates

You Pay		If Your 2024 Income Was	
Premium	Part D Surcharge	Single	Married Couple
\$202.90 - not hold harmless		\$109,000 or less	\$218,000 or less
\$284.10	\$14.50	\$109,000 - \$137,000	\$218,000 - \$274,000
\$405.80	\$37.50	\$137,000 - \$171,000	\$274,000 - \$342,000
\$527.50	\$60.40	\$171,000 - \$205,000	\$342,000 - \$410,000
\$649.20	\$83.30	\$205,000 - \$500,000	\$410,000 - \$750,000
\$689.90	\$ 91.00	Above \$500,000	Above \$750,000

Estate and Gift Tax

Annual gift tax exclusion	\$19,000
Estate and gift tax basic exclusion	\$15,000,000
Applicable credit amount	\$5,945,800
Generation skipping exemption	\$15,000,000
Maximum federal estate tax rate*	40%
Minnesota estate exclusion	\$3,000,000
Minnesota estate tax rates	13%-16%

*A deceased spouse's unused credit amount is portable to a surviving spouse.

Health Savings Account

Maximum Deductible Amount

Single	\$1,700
Family	\$3,400

Maximum Out-of-Pocket Amount

Single	\$8,500
Family	\$17,000

HSA Statutory Contribution Maximum

Single	\$4,400
Family	\$8,750
Catch-up contributions (age 55 or older)	\$1,000

Education

EE Bonds for Education - Exclusion Phaseout

Single	\$101,800-\$116,800
Married filing jointly	\$152,650-\$182,650

Coverdell Education Savings Account (\$2,000 Limit) Phaseout

Single	\$95,000-\$110,000
Married filing jointly	\$190,000-\$220,000

Lifetime Learning Credit - 20% of Qualified Expenses up to \$10,000

Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000

American Opportunity Tax Credit - Maximum of \$2,500

100% up to \$2,000 of qualified expenses	
25% on net \$2,000 - phaseout:	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000

Education Loan Deduction (\$2,500) Phaseout

Unmarried	\$85,000-\$100,000
Married filing jointly	\$170,000-\$200,000

Social Security Full Retirement Age (FRA)

Year of Birth	Social Security FRA	Year of Birth	Social Security FRA
1943-54	66	1958	66 and 8 months
1955	66 and 2 months	1959	66 and 10 months
1956	66 and 4 months	1960 and later	67
1957	66 and 6 months		