

2025 ANNUAL TAX PLANNING LIMITS

2025 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	\$ 11,925	– 10% of taxable income –		
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
Heads of Households				
\$ 0	\$ 17,000	– 10% of taxable income –		
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
Married Individuals (and Surviving Spouses) Filing Joint Returns				
\$ 0	\$ 23,850	– 10% of taxable income –		
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 Individuals Filing Separate Returns				
\$ 0	\$ 11,925	– 10% of taxable income –		
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
Fiduciary (Estates and Trusts) Taxpayers				
\$ 0	\$ 3,150	– 10% of taxable income –		
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
Actual Blended Tax Range by Income (Married Filing Jointly)				
Taxable Income	Income Tax Bracket	Actual Tax Range (Blended)		
\$0 to \$23,850	10%	0%-10%		
\$23,850 to \$96,950	12%	10%-11.5%		
\$96,950 to \$206,700	22%	11.5%-17.1%		
\$206,700 to \$394,600	24%	17.1%-20.4%		
\$394,600 to \$501,050	32%	20.4%-22.8%		
\$501,050 to \$751,600	35%	22.8%-26.9%		
\$751,600+	37%	26.9%-36.99%		

Income Tax Deductions and Credits	
Standard Deduction*	
Single	15,000
Married Filing Jointly	30,000
Head of Household	22,500
Married Filing Separately	15,000
Kiddie Tax	1,350

*Individual eligible to be claimed as independent – greater of \$1,350 or earned income over \$450, not to exceed standard full deduction of \$15,000.

Long-Term Capital Gains Rates Based on Taxable Income			
Filing Status	0% Rate	15% Rate	20% Rate
Single	Under \$48,350	\$48,350-\$533,400	Over \$533,400
Head of Household	Under \$64,750	\$64,750-\$566,700	Over \$566,700
Married Filing Jointly	Under \$96,700	\$96,700-\$600,050	Over \$600,050

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
70	29.1	93	10.1
71	28.2	94	9.5
72	27.4	95	8.9
73	26.5	96	8.4
74	25.5	97	7.8
75	24.6	98	7.3
76	23.7	99	6.8
77	22.9	100	6.4
78	22	101	6
79	21.1	102	5.6
80	20.2	103	5.2
81	19.4	104	4.9
82	18.5	105	4.6
83	17.7	106	4.3
84	16.8	107	4.1
85	16	108	3.9
86	15.2	109	3.7
87	14.4	110	3.5
88	13.7	111	3.4
89	12.9	112	3.3
90	12.2	113	3.1
91	11.5	114	3
92	10.8	115+	2.9

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	\$23,500
Catch-up contributions (age 50)	\$7,500
Catch-up contributions (age 60-63)	\$11,250
Starter 401(k)	\$6,000
Catch-up contributions	\$1,000
Defined contributions (§415(c)(1)(A))	\$70,000
Defined benefit (§415(b)(1)(A))	\$280,000
SIMPLE plan	\$16,500
SIMPLE catch-up contribution (age 50)	\$3,500
SIMPLE catch-up contribution (age 62-63)	\$5,250
Maximum includible compensation	\$350,000
Tax credit ESOP, 5-year limit	\$1,415,000
Tax credit ESOP, 1-year limit	\$280,000

Highly Compensated Employee

Look back to 2024	\$155,000
2025	\$160,000
Key employee (top-heavy plan)	>\$230,000
SEP participation limit	\$750
IRA or Roth IRA contribution limit	\$7,000
IRA or Roth IRA catch-up	\$1,000

IRA Deduction Phaseout for Active Participants

Single	\$79,000-\$89,000
Married filing jointly	\$126,000-\$146,000
Married filing separately	\$0-\$10,000
Non-active participant married to active participant	\$236,000-\$246,000

Roth IRA Phaseout

Single	\$150,000-\$165,000
Married filing jointly	\$236,000-\$246,000

Charity Limits

Qualified charitable distributions	\$108,000
Charitable gift annuity	\$54,000

Social Security

SS wage base	\$176,100
FICA tax rate – employee	7.65%
SECA tax rate – self-employed	15.3%

Earnings Limitations:

Below full retirement age (FRA) (\$1 for \$2)	\$23,400
Persons reaching FRA (\$1 for \$3) (Applies only to earnings for months prior to attaining FRA)	\$62,160

Social Security cost-of-living adjustment	2.5%
Quarter of coverage	\$1,810
Maximum benefit: worker retiring at FRA	\$4,018
Estimated average monthly benefit	\$1,976

2025 Medicare Part B Premium Rates

You Pay		If Your 2023 Income Was	
Premium	Part D Surcharge	Single	Married Couple
\$185.00 - not hold harmless		\$106,000 or less	\$212,000 or less
\$259.00	\$13.70	\$106,000 - \$133,000	\$212,000 - \$266,000
\$370.00	\$35.30	\$133,000 - \$167,000	\$266,000 - \$334,000
\$480.90	\$57.00	\$167,000 - \$200,000	\$334,000 - \$400,000
\$591.90	\$78.60	\$200,000 - \$500,000	\$400,000 - \$750,000
\$628.90	\$85.80	Above \$500,000	Above \$750,000

Estate and Gift Tax

Annual gift tax exclusion	\$19,000
Estate and gift tax basic exclusion	\$13,990,000
Applicable credit amount	\$5,541,800
Generation skipping exemption	\$13,990,000
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	\$1,650
Family	\$3,300

Maximum Out-of-Pocket Amount

Single	\$8,300
Family	\$16,600

HSA Statutory Contribution Maximum

Single	\$4,300
Family	\$8,550
Catch-up contributions (age 55 or older)	\$1,000

Education

EE Bonds for Education – Exclusion Phaseout

Single	\$99,500-\$114,500
Married filing jointly	\$149,250-\$179,250

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		