



2026 TAX POCKET GUIDE

Updated for The One Big Beautiful Bill Act



2026 INCOME TAX RATES*

Married Filing Jointly or Qualifying Widow (Widower)

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 24,800 |10% | \$ 0 |
| \$ 24,801 - \$ 100,800 | \$ 2,480 + 12% | \$ 24,801 |
| \$ 100,801 - \$ 211,400 | \$ 11,600 + 22% | \$ 100,801 |
| \$ 211,401 - \$ 403,550 | \$ 35,932 + 24% | \$ 211,401 |
| \$ 403,551 - \$ 512,450 | \$ 82,048 + 32% | \$ 403,551 |
| \$ 512,451 - \$ 768,700 | \$ 116,896 + 35% | \$ 512,451 |
| \$ 768,701 and above | \$ 260,583 + 37% | \$ 768,701 |

Married Filing Separately

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 12,400 |10% | \$ 0 |
| \$ 12,401 - \$ 50,400 | \$ 1,240 + 12% | \$ 12,401 |
| \$ 50,401 - \$ 105,700 | \$ 5,800 + 22% | \$ 50,401 |
| \$ 105,701 - \$ 201,775 | \$ 17,966 + 24% | \$ 105,701 |
| \$ 201,776 - \$ 256,225 | \$ 41,024 + 32% | \$ 201,776 |
| \$ 256,226 - \$ 384,350 | \$ 58,448 + 35% | \$ 256,226 |
| \$ 384,351 and above | \$ 103,282 + 37% | \$ 384,351 |

Single

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 12,400 |10% | \$ 0 |
| \$ 12,401 - \$ 50,400 | \$ 1,240 + 12% | \$ 12,401 |
| \$ 50,401 - \$ 105,700 | \$ 5,800 + 22% | \$ 50,401 |
| \$ 105,701 - \$ 201,775 | \$ 17,966 + 24% | \$ 105,701 |
| \$ 201,776 - \$ 256,225 | \$ 41,024 + 32% | \$ 201,776 |
| \$ 256,226 - \$ 640,600 | \$ 58,448 + 35% | \$ 256,226 |
| \$ 640,601 and above | \$ 192,979 + 37% | \$ 640,601 |

Head of Household

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 17,700 |10% | \$ 0 |
| \$ 17,701 - \$ 67,450 | \$ 1,770 + 12% | \$ 17,701 |
| \$ 67,451 - \$ 105,700 | \$ 7,740 + 22% | \$ 67,451 |
| \$ 105,701 - \$ 201,750 | \$ 16,155 + 24% | \$ 105,701 |
| \$ 201,751 - \$ 256,200 | \$ 39,207 + 32% | \$ 201,751 |
| \$ 256,201 - \$ 640,600 | \$ 56,631 + 35% | \$ 256,201 |
| \$ 640,601 and above | \$ 191,171 + 37% | \$ 640,601 |

The 2026 tax rate on qualified dividends is 0%, 15% or 20%, (plus a 3.8% Medicare Surtax on the 20% bracket) depending on your taxable income and filing status.

Note: TAX AMOUNTS HAVE BEEN ROUNDED UP

FILING STATUS STANDARD DEDUCTION

| | 2026 | 2025 |
|--|----------|----------|
| Single; Married Filing Separately | \$16,100 | \$15,750 |
| Married Filing Jointly; Surviving Spouse | \$32,200 | \$31,500 |
| Head of Household | \$24,150 | \$23,625 |

If you're at least 65 years old or blind, you can claim an additional standard deduction of \$1,650 in 2026 (\$2,050 if you're claiming the single or head of household filing status). If you're both 65 or older and blind, the additional deduction amount is DOUBLED.

2025 INDIVIDUAL INCOME TAX RATES*

Married Filing Jointly or Qualifying Widow (Widower)

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 23,850 |10% | \$ 0 |
| \$ 23,850 - \$ 96,950 | \$ 2,385 + 12% | \$ 23,850 |
| \$ 96,950 - \$ 206,700 | \$ 11,157 + 22% | \$ 96,950 |
| \$ 206,700 - \$ 394,600 | \$ 35,302 + 24% | \$ 206,700 |
| \$ 394,600 - \$ 501,050 | \$ 80,398 + 32% | \$ 394,600 |
| \$ 501,050 - \$ 751,600 | \$ 114,462 + 35% | \$ 501,050 |
| \$ 751,600 and above | \$ 202,154 + 37% | \$ 751,600 |

Married Filing Separately

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 11,925 |10% | \$ 0 |
| \$ 11,925 - \$ 48,475 | \$ 1,192 + 12% | \$ 11,925 |
| \$ 48,475 - \$ 103,350 | \$ 5,578 + 22% | \$ 48,475 |
| \$ 103,350 - \$ 197,300 | \$ 17,651 + 24% | \$ 103,350 |
| \$ 197,300 - \$ 250,525 | \$ 40,199 + 32% | \$ 197,300 |
| \$ 250,525 - \$ 375,800 | \$ 57,231 + 35% | \$ 250,525 |
| \$ 375,800 and above | \$ 101,077 + 37% | \$ 375,800 |

Single

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 11,925 |10% | \$ 0 |
| \$ 11,925 - \$ 48,475 | \$ 1,192 + 12% | \$ 11,925 |
| \$ 48,475 - \$ 103,350 | \$ 5,578 + 22% | \$ 48,475 |
| \$ 103,350 - \$ 197,300 | \$ 17,650 + 24% | \$ 103,350 |
| \$ 197,300 - \$ 250,525 | \$ 40,198 + 32% | \$ 197,300 |
| \$ 250,525 - \$ 626,350 | \$ 57,230 + 35% | \$ 250,525 |
| \$ 626,350 and above | \$ 188,769 + 37% | \$ 626,350 |

Head of Household

| If Taxable Income Is Between: | Your Tax Is: | Of Amount Over: |
|----------------------------------|------------------|--------------------|
| \$ 0 - \$ 17,000 |10% | \$ 0 |
| \$ 17,000 - \$ 64,850 | \$ 1,700 + 12% | \$ 17,000 |
| \$ 64,850 - \$ 103,350 | \$ 7,442 + 22% | \$ 64,850 |
| \$ 103,350 - \$ 197,300 | \$ 15,912 + 24% | \$ 103,350 |
| \$ 197,300 - \$ 250,500 | \$ 38,460 + 32% | \$ 197,300 |
| \$ 250,500 - \$ 626,350 | \$ 55,484 + 35% | \$ 250,500 |
| \$ 626,350 and above | \$ 187,031 + 37% | \$ 626,350 |

The 2025 tax rate on qualified dividends is 0%, 15% or 20%, (plus a 3.8% Medicare Surtax on the 20% bracket) depending on your taxable income and filing status.

Note: TAX AMOUNTS HAVE BEEN ROUNDED UP

EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE

Tax-free benefit: Employers can provide up to \$5,250 per year for tuition or student loan payments as a tax-free fringe benefit to their employees.

Permanent provision: This tax break was made permanent starting in 2026 and will be adjusted annually for inflation.

RETIREMENT PLANS

Indexed Contribution & Benefit Limits for Qualified Plans

| Type of Plan | 2026 | 2025 |
|--|------------|------------|
| Individual Retirement Accounts (IRAs)* | \$ 7,500 | \$ 7,000 |
| Section 401(k), 402(g) plans or SAR-SEPs* | \$ 24,500 | \$ 23,500 |
| Section 403(b) plans* | \$ 24,500 | \$ 23,500 |
| Section 408(p)(2)(E) SIMPLE contributions* | \$ 17,000 | \$ 16,500 |
| Section 457(b)(2) limit* | \$ 24,500 | \$ 23,500 |
| Section 415 limit for: | | |
| Defined contribution plans | \$ 72,000 | \$ 70,000 |
| Defined benefit plans | \$ 290,000 | \$ 280,000 |
| Highly compensated employees Section 414(q) | \$ 164,000 | \$ 160,000 |
| FICA taxable wage base | | |
| Social Security | \$ 184,500 | \$ 176,100 |
| Medicare (tax rate 1.45% for employees;* | | |
| 2.90% for self-employed) | No limit | No limit |
| *Age 50 additional contributions | | |
| 401(k) type plans | \$ 8,000 | \$ 7,500 |
| SIMPLEs | \$ 4,000 | \$ 3,500 |
| IRAs | \$ 1,100 | \$ 1,000 |
| *Plus 0.9% for those earning over \$200,000 (for single filers), over \$250,000 (for joint filers) and over \$125,000 (for married filing separately). | | |

ROTH IRAS

| AGI limit for maximum contributions: | 2026 | 2025 |
|--------------------------------------|------------|------------|
| Joint filers | \$ 252,000 | \$ 246,000 |
| Individual filers | \$ 168,000 | \$ 165,000 |

TRADITIONAL IRAS

| AGI limits for full deductions: | 2026 | 2025 |
|---------------------------------|----------------------|----------------------|
| Joint filers | \$129,000-\$149,000* | \$126,000-\$146,000* |
| Individual filers | \$ 81,000-\$ 91,000 | \$ 79,000-\$ 89,000 |

*Depending on whether you or your spouse are covered by a plan at work. The income limit on converting traditional IRAs to Roth IRAs was eliminated in 2010.

SOCIAL SECURITY

| Annual Earned Income Limit | 2026 | 2025 |
|----------------------------|-----------|-----------|
| Under full retirement age | \$ 24,480 | \$ 23,400 |
| Full retirement age | No Limit | No Limit |

For people reaching full retirement age in 2026, the limit is \$65,160 for months prior to attainment. Beginning the month in which they turn full retirement age, there is no limit.

HEALTH SAVINGS ACCOUNTS

| Contribution Limits | 2026 | 2025 |
|---|----------|----------|
| Individual, self-only | \$ 4,400 | \$ 4,300 |
| Family Coverage | \$ 8,750 | \$ 8,550 |
| Catch-up for those age 55 and older | \$ 1,000 | \$ 1,000 |
| For 2026, the minimum deductible for a high-deductible health plan (HDHP) is \$1,700 for self-only coverage and \$3,400 for family coverage. The maximum out-of-pocket limit is \$8,500 for self-only coverage and \$17,000 for family plans. | | |

ALTERNATIVE MINIMUM TAX

| AMT Exemptions | 2026 | 2025 |
|----------------------------|------------|------------|
| Married, filing jointly | \$ 140,200 | \$ 137,000 |
| Married, filing separately | \$ 70,100 | \$ 68,500 |
| Single/Head of household | \$ 90,100 | \$ 88,100 |

THE ONE BIG BEAUTIFUL BILL ACT

Most of the changes in the One Big Beautiful Bill took effect on January 1, 2026, but some are retroactive and could impact your 2025 tax return filed in 2026. Many of the changes have certain requirements such as adjusted gross income limits, and some are temporary.

Changes that might affect your 2025 tax return include:

1. No tax on tips:

Deduction of up to \$25,000 per taxpayer with phaseout for MAGI over \$150,000 for single (over \$300,000 for Married Filing Jointly)

2. No tax on overtime:

Deduction of up to \$12,500 per taxpayer with phaseout for MAGI over \$150,000 for single (over \$300,000 for Married Filing Jointly)

3. Increased Child Tax Credit:

Increased from \$2,000 in 2025 to \$2,200 retroactive for 2025 continuing through 2026.

4. Additional senior deduction (2025 through 2028):

Additional \$6,000 deduction for taxpayers 65 and older with phaseout for MAGI over \$75,000 for single (over \$150,000 for Married Filing Jointly filers)

5. Partially refundable adoption credit:

Up to \$5,000 (adjusted for inflation) refundable

6. Increased state & local tax (SALT) itemized deduction:

Increased to \$40,000 (adjusted annually) for 2026 - 2029

7. Deduction for interest payments on certain vehicles:

Up to \$10,000 deduction with phaseout for MAGI over \$100,000 for single (over \$200,000 for Married Filing Jointly filers)

8. Trump savings accounts for children:

A form of an IRA retirement account with a \$1,000 tax credit when opened for a child born between January 1, 2025, and December 31, 2028. Additional contributions are also allowed with distributions beginning after the beneficiary turns 18.

9. End of the Electric Vehicle Credit:

This tax credit ended effective September 30, 2025.

10. Increase in the standard deduction:

Increases the 2025 Standard Deduction to \$15,750 for Single, \$23,625 for Head of Household, and \$31,500 for Married Filing Jointly. These amounts will increase with inflation each year.

STANDARD MILEAGE RATES

| Use | 2026 | 2025 |
|------------|----------------|---------------|
| Business | .72½ per mile | .70 per mile |
| Moving | .20½ per mile* | .21 per mile* |
| Medical | .20½ per mile | .21 per mile |
| Charitable | .14 per mile | .14 per mile |

*For members of the U.S. Armed Forces (or their spouse or dependents).

The rates apply to EV's, hybrids, gas and diesel vehicles.

2026 FEDERAL TRUST AND ESTATE TAX

Estate Taxes

| | 2026 | 2025 |
|---|---------------------------------------|--------------|
| Estate tax exemption/Unified tax credit | \$15,000,000 | \$13,990,000 |
| Married Couple Estate Exemption | \$30,000,000 | \$27,980,000 |
| Top estate tax rate | 40% | 40% |
| If trust taxable income is: | The tax is: | |
| \$ 0 - \$ 3,300 | 10% of the taxable income | |
| \$ 3,301 - \$ 11,700 | \$ 330 + 24% of excess over \$ 3,301 | |
| \$11,701 - \$16,000 | \$2,346 + 35% of excess over \$11,701 | |
| \$16,001 - or more | \$3,851 + 37% of excess over \$16,001 | |

GIFT TAXES

| | 2026 | 2025 |
|-----------------------------|--------------|--------------|
| Lifetime gift tax exemption | \$15,000,000 | \$13,990,000 |
| Annual gift tax exclusion: | | |
| • Gifts per person | \$ 19,000 | \$ 19,000 |
| • Joint gifts by spouse | \$ 38,000 | \$ 38,000 |
| • Top gift tax rate | 40% | 40% |

LONG-TERM CARE INSURANCE

| If your age is: | 2026 | 2025 |
|-----------------|----------|----------|
| Over 70 | \$ 6,200 | \$ 6,020 |
| 61 to 70 | \$ 4,960 | \$ 4,810 |
| 51 to 60 | \$ 1,860 | \$ 1,800 |
| 41 to 50 | \$ 930 | \$ 900 |
| 40 and under | \$ 500 | \$ 480 |

CAPITAL GAINS

| Capital Gains Tax Rate | Single | Married Filing Separately | Head of Household | Married Filing Jointly |
|------------------------|-----------------------|---------------------------|-----------------------|------------------------|
| 0% | Up to \$49,450 | Up to \$49,450 | Up to \$66,200 | Up to \$98,900 |
| 15% | \$49,451 to \$545,500 | \$49,451 to \$306,850 | \$66,201 to \$579,600 | \$98,901 to \$613,700 |
| 20% | Over \$545,500 | Over \$306,850 | Over \$579,600 | Over \$613,700 |

Capital gain rates may be subject to an additional 3.8% Medicare tax. To reduce your taxable income, capital losses are netted against capital gains in a specific order. If losses exceed gains for the year, you can use a portion of the remaining loss to offset ordinary income, with any additional loss carried forward to future years.

2026 DEDUCTION FOR MORTGAGE INTEREST

- Deduction on interest for qualifying mortgages up to \$750,000 (\$375,000 if married/filing separately); homes under agreement before 12/15/17 for purchase prior to 1/1/18 (provided purchase occurred by 4/1/18) grandfathered under previous \$1,000,000 (\$500,000 if married/filing separately) limits.
- Interest on home equity lines of credit (HELOC) deductible in certain cases where proceeds are utilized to acquire or improve a residence.