

2026 Key federal tax rates and amounts

2026 Federal income tax brackets and rates

Married filing jointly	Single ¹	Trusts and estates ²	Income tax rates ³
\$0 to \$24,800	\$0 to \$12,400	\$0 to \$3,300	10%
\$24,801 to \$100,800	\$12,401 to \$50,400	---	12%
\$100,801 to \$211,400	\$50,401 to \$105,700	---	22%
\$211,401 to \$403,550	\$105,701 to \$201,775	\$3,301 to \$11,700	24%
\$403,551 to \$512,450	\$201,776 to \$256,225	---	32%
\$512,451 to \$768,700	\$256,226 to \$640,600	\$11,701 to \$16,000	35%
Over \$768,700	Over \$640,600	Over \$16,000	37%

¹ Single taxpayers are unmarried individuals *other than* surviving spouses and heads of households.

² Trusts and estates do not have a 12%, 22%, or 32% bracket.

³ These rates are imposed on *taxable income*, meaning income remaining after applicable exclusions and deductions are claimed. Note that each rate applies only to the income falling within that bracket. All indexed income tax amounts for 2026 are set forth in Rev. Proc. 2025-32.

2026 Capital gains rates⁴

Married filing jointly	Single	Trusts and estates	Long-term capital gains
\$0 to \$98,900	\$0 to \$49,450	\$0 to \$3,300	0%
\$98,901 to \$613,700	\$49,451 to \$545,500	\$3,301 to \$16,250	15%
Over \$613,700	Over \$545,500	Over \$16,250	20%

⁴ Qualified dividends are taxed in the same manner as long-term capital gains.

2025 Federal income tax brackets and rates

Married filing jointly	Single ¹	Trusts and estates ²	Income tax rates ³
\$0 to \$23,850	\$0 to \$11,925	\$0 to \$3,150	10%
\$23,851 to \$96,950	\$11,926 to \$48,475	---	12%
\$96,951 to \$206,700	\$48,476 to \$103,350	---	22%
\$206,701 to \$394,600	\$103,351 to \$197,300	\$3,151 to \$11,450	24%
\$394,601 to \$501,050	\$197,301 to \$250,525	---	32%
\$501,051 to \$751,600	\$250,526 to \$626,350	\$11,451 to \$15,650	35%
Over \$751,600	Over \$626,350	Over \$15,650	37%

Federal C corporation income tax rates

Taxable corporate income	Income tax rate ⁵
All taxable income of C corporations	21%

⁵ IRC Sec. 11(b).

Federal income tax deduction for owners of passthrough businesses⁶

Passthrough business owner's taxable income level in 2026	Specified service business	Non-specified service business
Owner with taxable income below threshold (\$403,500 married filing jointly, \$201,750 single)	20% deduction	20% deduction
Owner with taxable income in phaseout range (\$403,500 - \$553,500 married filing jointly, \$201,750 - \$276,750 single)	Entire deduction is phased out	Deduction might be partially phased out
Owner with taxable income exceeding phaseout range (\$553,500 married filing jointly, \$276,750 single)	No deduction	Deduction might be fully phased out

⁶ IRC Section 199A provides this Qualified Business Income (QBI) deduction at the owner level for noncorporate passthrough business owners (e.g., individuals, trusts, and estates), depending on the owner's adjusted gross income and the type of business they own. This QBI deduction was scheduled to sunset at the end of 2025, but the OBBBA has made this provision permanent.

Federal net investment income tax (3.8% Medicare surtax)

Individual taxpayers

In the case of an individual taxpayer, the tax is equal to 3.8% of the **lesser** of (1) the net investment income (as defined in IRC Section 1411 and IRS regulations) or (2) the excess (if any) of the modified adjusted gross income (MAGI)⁷ over the threshold amount. For individual taxpayers, the appropriate threshold amount *is not* indexed for inflation.

Filing status	Threshold amount
Married filing jointly	\$250,000
Married filing separately	\$125,000
Single or head of household	\$200,000
Qualifying widow(er) with dependent child	\$250,000

⁷ MAGI means adjusted gross income (AGI) without the effect of Section 911 (exclusion of income and deductions for U.S. citizens living abroad).

Estate and trust taxpayers

In the case of an estate or trust taxpayer, the tax is equal to 3.8% of the **lesser** of (1) the undistributed net investment income or (2) the excess (if any) of the AGI over the dollar amount at which the highest tax bracket for estates and trusts begins for such taxable year. The estate and trust tax threshold *is* indexed for inflation.

Year	Highest tax bracket
2026	\$16,000
2025	\$15,650

Individual income tax—inflation-adjusted amounts

		2025	2026
Social Security wage base		\$176,100	\$184,500
Personal exemption		Repealed ⁸	
Standard deduction ⁹	Single	\$15,000	\$15,750
	Married filing jointly	\$30,000	\$31,500
	Head of household	\$22,500	\$23,625
	Married filing separately	\$15,000	\$15,750

⁸ The repeal of the personal exemption also resulted in the elimination of the personal exemption phaseout. The changes made by TCJA were made permanent by OBBBA 2025.

⁹ The standard deduction as increased by TCJA was made permanent by OBBBA 2025.

Social security benefit reduction

Special rules govern the coordination of Social Security retirement benefits with income earned before, or in the year of, normal retirement age. Benefits may be reduced depending upon the retiree's age and whether current earned income exceeds the exemption amounts.

Normal Retirement Age	Reduction	Exemption ¹⁰	
		2025	2026
Less than Full Retirement Age	\$1 for every \$2 above	\$23,400	\$24,480
Year of reaching Full Retirement Age	\$1 for every \$3 above	\$62,160	\$65,160

¹⁰ The Social Security earnings exemptions generally increase annually with increases in the national average wage index. <https://www.ssa.gov/oact/cola/rtea.html>

Individual alternative minimum tax (AMT)

In 2026, the AMT applies to taxpayers with alternative minimum taxable income (AMTI) exceeding the exemption amounts below. The rates for all individual taxpayers (except married individuals filing separately) in 2026 are 26% on the first \$244,500 of AMTI above the exemption amount and 28% on AMTI exceeding the \$244,500 threshold. For married taxpayers filing separately, the threshold for the 28% rate is \$122,250. The taxpayer must pay the greater of AMT or regular income tax. (For 2025, these thresholds were \$239,100 and \$119,550, respectively.) The AMT phases out at AMTI levels shown below.

AMT exemption amount ¹¹	2025	2026
Single and head of household	\$88,100	\$90,100
Married filing jointly (or surviving spouses)	\$137,000	\$140,200
Married filing separately	\$68,500	\$70,100
Estates and trusts	\$30,700	\$31,400

AMT exemption phase-out and maximum thresholds ¹¹	2025	2026
Single and head of household	\$626,350 – \$978,750	\$500,000 – \$680,200
Married filing jointly (or surviving spouses)	\$1,252,700 – \$1,800,700	\$1,000,000 – \$1,280,400
Married filing separately	\$626,350 – \$900,350	\$500,000 – \$640,200
Estates and trusts	\$102,500 – \$225,300	\$104,800 – \$167,600

¹¹ The AMT exemption is reduced by 25% of AMTI until fully phased out.

Corporate alternative minimum tax (CAMT)

The Inflation Reduction Act of 2022 (“IRA”) generally imposes a 15% corporate alternative minimum tax (CAMT) on corporations (excluding S corporations, regulated investment companies, and real estate investment trusts). The tax applies to companies with adjusted financial statement income (“AFSI,” generally “book income”) exceeding \$1 billion in at least one year that ends after 2021. AFSI is based on an average over the current and two previous years that began after 2021.

Qualified plans and IRAs

Inflation-adjusted amounts

	2025	2026 ¹²
Maximum annual benefit for defined benefit plans; IRC Sec. 415(b)(1)(A)	\$280,000	\$290,000
Annual contribution limit for defined contribution plans; IRC Sec. 415(c)(1)(A)	Lesser of \$70,000 or 100% of compensation	Lesser of \$72,000 or 100% of compensation
Maximum annual compensation limit for IRC Sec. 401(a)(17)	\$350,000	\$360,000
Highly compensated employee for IRC Sec. 414(q)(1)(B)	\$160,000	\$160,000
Key employee in top-heavy plans for IRC Sec. 416(i)(1)(a)(i)	\$230,000	\$235,000
The SEP compensation threshold for IRC Sec. 408(K)(2)(C)	\$750	\$800

¹² Notice 2025-67.

Contribution limits for IRAs and employee deferrals

The following schedule shows the indexed contribution limits for IRAs and for employee elective deferrals.

Year	IRAs/Roth IRAs ¹³	401(k), 403(b) and 457(b) plans ¹⁴	SIMPLE IRAs and SIMPLE 401(k) plans
2026	\$7,500	\$24,500	\$17,000
2025	\$7,000	\$23,500	\$16,500

¹³ The SECURE Act of 2019 repealed the age 70½ limit for making contributions to a traditional IRA.

¹⁴ Some non-profit and governmental employers may choose to offer several plans, including 403(b), 401(k), and 457(b) plans. Generally, contributions to 403(b) and 401(k) plans are aggregated when applying dollar limits, while those made to 457(b) plans are not.

Catch-up contribution limits

Individuals age 50 and older are permitted to make *additional* catch-up contributions and deferrals to IRAs and certain defined contribution retirement plans. The following schedule shows the amounts of these permitted additional contributions. Beginning in 2026, catch-up contributions for 401(k), 403(b) and 457(b) plan participants who earn more than \$150,000 annually are subject to mandatory Roth treatment (meaning the catch-up contribution will be made with post-tax dollars).

The catch-up limit for IRAs and Roth IRAs is subject to indexing for inflation. In 2026, a higher catch-up limit of \$11,250 applies to participants at ages 60 through 63 for participants in employer plans under Sections 401(k), 403(b) and 457(b).

Year	IRAs/Roth IRAs ¹⁴	Ages 50-59 401(k), 403(b) and governmental 457(b) plans ¹⁵	Ages 60-63: 401(k), 403(b) and governmental 457(b) plans	SIMPLE IRAs and SIMPLE 401(k) plans
2026	\$1,100	\$8,000	\$11,250	\$4,000
2025	\$1,000	\$7,500	\$11,250	\$3,500

¹⁵ Governmental 457(b) plans may allow a "special Section 457(b) catch-up," in the three years before a participant reaches the plan's normal retirement age. This allows a participant to defer up to the lesser of: two times the annual contribution limit, or the contribution limit plus any unused amounts that were permitted in prior years of participation. However, a participant may instead take advantage of the traditional age-50 catch-up contribution outlined in the chart above, if larger, but not both.

Nongovernmental 457(b) plans also allow the participant to use the "special Section 457(b) catch-up" contribution. However, the age-50 catch-up contribution is not available. Please see BB11298, [Contribution limits and Special Section 457\(b\) plan Catch-Up contributions](#).

Health savings accounts (HSAs)

Maximum annual HSA contributions deductible in 2026: \$4,400 for individual and \$8,750 for family coverage.¹⁶ **Catch-up contributions for individuals 55 or older (but less than 65) are \$1,000** (pro rata for year). IRC Sec. 223(b)(3)(B). Deductible amounts that define high deductible plan for HSA purposes:

2026	Annual deductible	Maximum out-of-pocket expense (excluding premiums) not to exceed
Self only	Not less than \$1,700	\$8,500
Family coverage	Not less than \$3,400	\$17,000

¹⁶ Rev. Proc. 2025-19.

Long-term care¹⁷

	2025	2026
Per diem limit	\$420	\$430
Deduction for eligible long-term care premiums:		
Age 40 or less	\$480	\$500
Over age 40, but not more than 50	\$900	\$930
Over age 50, but not more than 60	\$1,800	\$1,860
Over age 60, but not more than 70	\$4,810	\$4,960
Over age 70	\$6,020	\$6,200

¹⁷ For individuals, the deduction for eligible long-term care premiums is a medical expense deduction. The medical expense deduction is subject to a floor of 7.5% of Adjusted Gross Income. The premiums paid by an employer for an employee for long-term care (LTC) insurance (as an employee benefit) is generally deductible for the employer but not income taxable to the employee, without any limits relating to eligible LTC premiums or 7.5% of AGI.

Required minimum distributions (RMDs)—Uniform Lifetime Table

The required beginning date for required minimum distributions is April 1 of the year after the IRA owner reaches a certain age: (i) it is age 73 for those reaching age 72 after December 31, 2022 and reaching age 73 before January 1, 2033; and it will be age 75 (starting in 2033) for those who will reach age 74 after 2032. Treas. Reg. §1.401(a)(9)-2(b)(2).

The RMD is calculated by dividing the account balance at the end of the previous year by the divisor applicable to the account owner's age at the end of the current year, found in the Uniform Lifetime Table below. An account owner with a spouse more than 10 years younger can use a different IRS table that provides for a smaller RMD.

Age	Divisor	Age	Divisor	Age	Divisor	Age	Divisor	Age	Divisor
72	27.4	82	18.5	92	10.8	102	5.6	112	3.3
73	26.5	83	17.7	93	10.1	103	5.2	113	3.1
74	25.5	84	16.8	94	9.5	104	4.9	114	3.0
75	24.6	85	16.0	95	8.9	105	4.6	115	2.9
76	23.7	86	15.2	96	8.4	106	4.3	116	2.8
77	22.9	87	14.4	97	7.8	107	4.1	117	2.7
78	22.0	88	13.7	98	7.3	108	3.9	118	2.5
79	21.1	89	12.9	99	6.8	109	3.7	119	2.3
80	20.2	90	12.2	100	6.4	110	3.5	120	2.0
81	19.4	91	11.5	101	6.0	111	3.4	120+	2.0

Example 1: Assume Albert turns 75 in 2026. Also assume his account balance on the previous December 31, 2025, was \$750,000. Using this table, his life expectancy is 24.6 years. He must take a distribution of \$30,487.80 ($\$750,000 \div 24.6$) for the 2026 year, no later than December 31, 2026.

Federal estate and gift tax

Inflation-adjusted amounts

	2025	2026
Annual gift exclusion	\$19,000	\$19,000
Generation-skipping transfer tax exemption ¹⁸	\$13,990,000	\$15,000,000
Special use valuation limit	\$1,420,000	\$1,460,000
Exemption for gifts to noncitizen spouse	\$190,000	\$194,000

¹⁸ The increase in the GST exemption to \$15 million in 2026 is not due to mere inflation indexing, but is due to a change made by the 2025 One Big Beautiful Bill Act. The GST exemption is inflation-indexed for years beyond 2026.

Indexed estate tax applicable exclusion (exemption) amount

Year	Top estate tax rate	Exclusion amount
2026	40%	\$15,000,000
2025	40%	\$13,990,000
2024	40%	\$13,610,000
2023	40%	\$12,920,000
2022	40%	\$12,060,000
2021	40%	\$11,700,000
2020	40%	\$11,580,000
2019	40%	\$11,400,000
2018	40%	\$11,180,000
2017	40%	\$5,490,000
2016	40%	\$5,450,000
2015	40%	\$5,430,000
2014	40%	\$5,340,000
2013	40%	\$5,250,000
2012	35%	\$5,120,000
2011	35%	\$5,000,000
2010	0% - then retroactively 35%	Repealed, then changed to \$5,000,000 ¹⁹
2005	18% - 47%	\$1,500,000
2000	18% - 55%	\$675,000

¹⁹ The executor of an estate for a 2010 death could elect out of the estate tax and into a modified carryover basis regime.

Estate planning requires a long-range approach. The federal estate tax applicable exclusion amount (also called the “exemption” amount) has fluctuated in recent decades from a low of \$675,000 in 2000 to its current high. The OBBBA 2025 set the estate tax applicable exclusion amount at \$15,000,000 in 2026, indexed for inflation after 2026.

Term rates for split dollar—rates per \$1,000

Age	Table 2001	Principal OYT	Age	Table 2001	Principal OYT	Age	Table 2001	Principal OYT	Age	Table 2001	Principal OYT
0	\$0.70	-	25	\$0.71	0.44	50	\$2.30	0.88	75	\$33.05	8.71
1	0.41	-	26	0.73	0.44	51	2.52	0.93	76	36.33	9.67
2	0.27	-	27	0.76	0.43	52	2.81	0.99	77	40.17	10.69
3	0.19	-	28	0.80	0.43	53	3.20	1.05	78	44.33	11.83
4	0.13	-	29	0.83	0.43	54	3.65	1.14	79	49.23	13.12
5	0.13	-	30	0.87	0.42	55	4.15	1.23	80	54.56	14.57
6	0.14	-	31	0.90	0.42	56	4.68	1.36	81	60.51	16.14
7	0.15	-	32	0.93	0.42	57	5.20	1.49	82	66.74	17.82
8	0.16	-	33	0.96	0.42	58	5.66	1.63	83	73.07	19.67
9	0.16	-	34	0.98	0.43	59	6.06	1.76	84	80.35	21.67
10	0.16	-	35	0.99	0.43	60	6.51	1.91	85	88.76	23.82
11	0.19	-	36	1.01	0.44	61	7.11	2.06	86	99.16	26.19
12	0.24	-	37	1.04	0.45	62	7.96	2.23	87	110.40	28.70
13	0.28	-	38	1.06	0.46	63	9.08	2.45	88	121.85	31.48
14	0.33	-	39	1.07	0.48	64	10.41	2.73	89	133.40	34.65
15	0.38	-	40	1.10	0.50	65	11.90	3.09	90	144.30	38.01
16	0.52	-	41	1.13	0.52	66	13.51	3.43	91	155.80	41.52
17	0.57	-	42	1.20	0.55	67	15.20	3.80	92	168.75	44.91
18	0.59	-	43	1.29	0.59	68	16.92	4.21	93	186.44	48.38
19	0.61	-	44	1.40	0.62	69	18.70	4.68	94	206.70	63.43
20	0.62	0.62	45	1.53	0.66	70	20.62	5.21	95	228.35	90.17
21	0.62	0.60	46	1.67	0.70	71	22.72	5.78	96	250.01	131.97
22	0.64	0.56	47	1.83	0.74	72	25.07	6.39	97	265.09	142.06
23	0.66	0.52	48	1.98	0.79	73	27.57	7.07	98	270.11	153.11
24	0.68	0.48	49	2.13	0.83	74	30.18	7.86	99	281.05	164.87



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