

CHIEF INVESTMENT OFFICE
NATIONAL WEALTH STRATEGIES

Annual Federal Limits Relating To Tax And Financial Planning 2026

All data, projections and opinions are as of November 18, 2025 and subject to change.

The tax information provided in this guide is a high-level summary of certain tax rules. The rules described below are highly complex and exceptions may apply. In using this guide, you should confirm with a tax advisor whether and how the rules noted below apply to your particular circumstances.

INCOME, RETIREMENT, ESTATE, GIFT AND GENERATION-SKIPPING TRANSFER (GST) LIMITS (AS OF NOVEMBER 2025)

QUALIFIED PLANS

Elective deferrals: 401(k), 403(b), 457(b) & SAR-SEPs ¹	\$24,500
<i>Catch-up contribution (50 or over any time in 2026)²</i>	\$8,000
<i>Additional catch-up contribution (reaching age 60 – 63 any time in 2026)²</i>	\$3,250
Defined contribution limit: 415(c)(1)(A)	\$72,000
Defined benefit limit: 415(b)(1)(A)	\$290,000
SIMPLE plans: 408(p)(2)(E)	\$17,000
<i>Catch-up contribution (50 or over any time in 2026)</i>	\$4,000
<i>Additional catch-up contribution (reaching age 60 – 63 any time in 2026)</i>	\$1,250
Maximum compensation: 401(a)(17), 404(l), 408(k)(3)(C), & 408(k)(6)(D)(ii)	\$360,000
Highly compensated employee threshold: 414(q)(1)(B)	\$160,000
Key employee (top-heavy plan): 416(i)(1)(A)(i)	\$235,000
Compensation threshold for SEP participation: 408(k)(2)(C)	\$800
Individual Retirement Account (IRA) or Roth IRA contribution limit	\$7,500
<i>IRA or Roth IRA catch-up contribution (50 or over any time in 2026)</i>	\$1,100

TRADITIONAL IRA DEDUCTION PHASE-OUT

Active employer plan participants³

Single or head of household	\$81,000 – \$91,000
Married filing jointly	\$129,000 – \$149,000
Married filing separately	\$0 – \$10,000

Non-active employer plan participants³

Married – joint (taxpayer's spouse participates)	\$242,000 – \$252,000
Married filing separately (taxpayer's spouse participates)	\$0 – \$10,000

ROTH IRA CONTRIBUTION PHASE-OUT³

Single or head of household	\$153,000 – \$168,000
Married filing jointly	\$242,000 – \$252,000
Married filing separately	\$0 – \$10,000

IRA QUALIFIED CHARITABLE DISTRIBUTION (QCD) (OWNER OVER 70.5)

Annual QCD exclusion from adjusted gross income (AGI): 408(d)(8)(A)	\$111,000
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ESTATE, GIFT & GST TAX

Annual gift tax exclusion	\$19,000
Annual non-US citizen spouse gift tax exclusion	\$194,000
Estate/generation skipping/lifetime gift exemption	\$15,000,000
Maximum marginal transfer tax rates	40%

INCOME TAX EXEMPTIONS AND DEDUCTIONS

Senior exemption amount ⁴	\$6,000
Standard deduction	
<i>Married filing jointly.....</i>	\$32,200
<i>Head of household.....</i>	\$24,150
<i>Single and married filing separately.....</i>	\$16,100
<i>Individual who may be claimed as dependent of another⁵.....</i>	Greater of \$1,350 or earned income + \$450; but not more than \$16,100

MAXIMUM MARGINAL ORDINARY INCOME TAX RATE

Maximum marginal ordinary income tax rate	37%
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MAXIMUM ALTERNATIVE MINIMUM TAX RATE

Maximum alternative minimum tax rate ⁶	28%
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ALTERNATIVE MINIMUM TAX (AMT)

	Exemption	Phase-out ⁷
Single & head of household	\$90,100	\$500,000 – \$680,200
Married filing jointly & surviving spouse	\$140,200	\$1,000,000 – \$1,280,000
Married filing separately	\$70,100	\$500,000 – \$640,200
Trusts & estates	\$31,400	\$104,800 – \$167,600
Child subject to kiddie tax (but not more than \$9,750 + child's earned income)	\$90,100	\$500,000 – \$680,200

QBI TAXABLE INCOME THRESHOLD PHASE-OUT: IRC §199A(B)(3)(B)

Married filing jointly & surviving spouse	\$403,500 – \$553,500
Single & head of household	\$201,775 – \$276,775
Married filing separately	\$201,750 – \$276,750

CAPITAL GAINS RATE

	0% if taxable income is at or below	15% if taxable income is at or below	20% if taxable income is over
Married filing jointly	\$98,900	\$613,700	\$613,700
Head of household	\$66,200	\$579,600	\$579,600
Single	\$49,450	\$545,500	\$545,500
Married filing separately	\$49,450	\$306,850	\$306,850
Estates and trusts	\$3,300	\$16,250	\$16,250

INVESTMENT SURTAX OF 3.8% MAY APPLY AFTER MAGI EXCEEDS⁸

Single, head of household	\$200,000
Married filing jointly or qualifying widow(er)	\$250,000
Married filing separately	\$125,000
Estates and trusts	\$16,000

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SOCIAL SECURITY, MEDICARE AND OTHER BENEFIT LIMITS (AS OF NOVEMBER 2025)

SOCIAL SECURITY BENEFITS

Benefits reduction threshold for earned income ⁹	
<i>Before year of full retirement age (\$1 for \$2) – annual</i>	\$24,480
<i>Year of full retirement age (\$1 for \$3) – pro-rated</i>	\$65,160
<i>Month of full retirement age and thereafter</i>	\$0
Social security cost-of-living adjustment	2.8%

SOCIAL SECURITY (SS) (PAYROLL TAXES)

SS taxable wage base	\$184,500
SS tax rate (OASDI & HI) – employee ¹⁰	6.2%/1.45%/0.9%
SS tax rate (OASDI & HI) – self employed ¹¹	12.4%/2.9%/0.9%
Earnings required for a quarter of coverage	\$1,890
Max monthly benefit at full retirement age	\$4,152

MEDICARE — PREMIUMS

Monthly premium: Part A ¹²	\$311 – \$565
Monthly premium: Part B ¹³	\$202.90 – \$689.90
Monthly premium: Part D ¹⁴	\$0 – \$91

MEDICARE — BENEFITS

Part A	
<i>First 60 days—patient pays a deductible</i>	\$1,736
<i>Next 30 days—patient pays per day</i>	\$434
<i>Maximum of an additional 60 days (per day) (lifetime reserve days)</i>	\$868
Skilled nursing benefits	
<i>First 20 days—patient pays per day</i>	\$0
<i>Next 80 days—patient pays per day</i>	\$217
<i>Over 100 days—patient pays per day</i>	All costs
Part B	
<i>Deductible (per year)</i>	\$283
<i>Co-insurance</i>	20%

¹ Salary Reduction Simplified Employee Pension.

² Beginning in 2026, any catch-up contributions made by participants age 50 or older must be designated as Roth contributions if their FICA wages from the same employer in the prior year were at least \$150,000. This threshold is indexed annually for inflation. Plans that do not offer Roth contributions will not be able to accept catch-up contributions from these participants.

³ Phase out begins if modified adjusted gross income (MAGI) exceeds the lower number. Complete phase-out is reached when MAGI exceeds the upper number.

⁴ For tax years 2025 through 2028, taxpayers who have attained age 65 are eligible for a \$6,000 non-itemized senior deduction. The deduction will begin to phase out at modified adjusted gross income of \$75,000 for individuals (\$150,000 for couples).

⁵ A child subject to the kiddie tax will not be subject to tax on the first \$1,350 of unearned income; will be taxed on the next \$1,350 of unearned income at his or her own tax rate; and any additional unearned income taxed at the parent's top marginal tax rate.

⁶ A lower AMT tax rate of 26% applies to married individuals filing separately with alternative minimum taxable income less than \$122,500 and \$244,500 for all others (married filing jointly, single, head of household, surviving spouse, estates and trusts).

⁷ The AMT exemption is reduced by 50% of AMTI in excess of the lower amount indicated until the higher amount is reached.

⁸ Surtax Rate of 3.8% applies to the lesser of (1) net investment income; or (2) MAGI in excess of the amounts shown.

⁹ Full retirement age is 65 for those born in 1937 or earlier and age 67 for those born in 1960 or later. If you were born in between 1937 and 1960, full retirement age is between age 65 and 67 per Social Security rules. See <http://www.ssa.gov/retire2/retirechart.htm>.

¹⁰ This consists of as many as three parts: 6.2% for Old-Age, Survivors, and Disability Insurance, 1.45% for Hospital Insurance, and a Medicare surtax of 0.9%. The first part (6.2%) applies only to the \$184,500 wage base; the second part (1.45%) applies to every dollar of wages; the third part (0.9%) applies to all wages above the following thresholds: \$250,000 (married filing jointly), \$200,000 (single and head of household), \$125,000 (married filing separately).

¹¹ This consists of as many as three parts: 12.4% for Old-Age, Survivors, and Disability Insurance, 2.9% for Hospital Insurance, and a Medicare surtax of 0.9%. The first part (12.4%) applies only to the \$184,500 self-employment base; the second part (2.9%) applies to every dollar of self-employment income; the third part (0.9%) applies to all self-employment income above the following thresholds: \$250,000 (married filing jointly), \$200,000 (single and head of household), \$125,000 (married filing separately).

¹² Most do not pay this premium for Part A. For details, see <http://www.medicare.gov/your-medicare-costs/>.

¹³ Married couples filing jointly with 2024 modified AGI up to \$218,000 (singles and married persons filing separately up to \$109,000) pay \$202.90 monthly (up from \$185.00 last year), while those with higher incomes pay gradually higher premiums up to a maximum of \$689.90 monthly for married filing jointly with income \$750,000 and above (singles \$500,000 and above and married filing separately \$391,000 and above).

¹⁴ In addition to whatever monthly plan premium you pay to your chosen Part D coverage provider, if your MAGI is above a certain limit, you may pay a Part D income-related monthly adjustment amount. Married couples filing jointly with annual MAGI above \$218,000 (singles and married persons filing separately above \$109,000) will pay an additional income-related adjustment (\$14.50 for singles and married filing jointly, and \$83.30 for those married filing separately), while those with higher MAGIs pay gradually higher additional premiums up to a maximum of \$91.00 monthly for married filing jointly with MAGI \$750,000 and above (singles \$500,000 and above, and married filing separately \$391,000 and above).

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