

Key Figures for 2025 & 2026		
	2025	2026
Standard Mileage Rate	70¢	72.5¢
HEALTH SAVINGS ACCT MAX CONTRIB (due by 4/15 for prior yr)		
Single	\$4,300	\$4,400
Family	\$8,550	\$8,750
Catch-Up if age 55 by 12/31	\$1,000	\$1,000
RETIREMENT CONTRIBUTIONS		
IRA Contributions (due no later than 4/15 for prior year)	\$7,000	\$7,500
Catch-Up if age 50 by 12/31	\$1,000	\$1,100
401(K)	\$23,500	\$24,500
Catch-Up if age 50 by 12/31	\$7,500	\$8,000
Super Catch-Up if age 60-63 by 12/31	\$11,250	\$11,250
Profit Sharing Plans: (no catch up) the lesser of 25% of compensation or	\$70,000	\$72,000
Simple Plans	\$16,500	\$17,000
Catch-Up if age 50 by 12/31	\$3,500	\$4,000
Simple Plan Super Catch-Up if age 60-63 by 12/31	\$5,250	\$5,250
SEP-IRAs: (no catch up) the lesser of 25% of compensation or	\$70,000	\$72,000
MINIMUM SALARY TO BE CONSIDERED HIGHLY COMPENSATED (HCE)	\$160,000	\$160,000
SALARY BASE FOR DEFINED CONTRIBUTION PLANS	\$350,000	\$360,000
ANNUAL BENEFIT UNDER DEFINED BENEFIT PLANS	\$280,000	\$290,000
ESTATE TAX EXEMPTION	\$13,990,000	\$15,000,000
ANNUAL GIFT EXCLUSION PER RECIPIENT	\$19,000	\$19,000
1st YEAR BUSINESS DEPRECIATION		
Bonus Deprec -For Equip, Furniture, Qualified Improvements (no cap) (40% 1/1/25-1/19/25) After Jan 19, 2025 -->	100%	100%
179 Depreciation -For Equip, Furniture, Qualified Improvements	\$2,500,000	\$2,560,000
For passenger automobile < 6,000 lbs- Normal Depreciation	\$12,200	TBD
For passenger automobile < 6,000 lbs- Bonus Depreciation	\$8,000	TBD
For passenger automobile > 6000 lbs &< 14,000 lbs- Bonus Depreciation (40% 1/1/25-1/19/25) After Jan 19, 2025 -->	100%	100%
For passenger automobile >6000lbs &< 14,000 lbs- Section 179	\$31,300	\$31,300
ADD'L 3.8% MEDICARE INVESTMENT TAX ON INVESTMENT INCOME WHEN TOTAL INCOME EXCEEDS		
Single	\$200,000	\$200,000
Married filing jointly	\$250,000	\$250,000
ADDITIONAL .9% MEDICARE TAX ON EARNED INCOME OVER		
Single	\$200,000	\$200,000
Married	\$250,000	\$250,000
TOP FEDERAL TAX BRACKET OF 37% ON INCOME OVER		
Single	\$626,350	\$640,000
Married Filing Joint or surviving spouse	\$751,600	\$768,700
Head of household	\$626,350	\$640,600
STANDARD DEDUCTION		
Single or married filing separately	\$15,750	\$16,100
Married filing jointly or surviving spouse	\$31,500	\$32,200
Head of household	\$23,625	\$24,150
CHILD TAX CREDIT	\$2,200	\$2,200
FOREIGN EARNED INCOME EXCLUSION	\$130,000	\$132,900

***Catch-up contributions:** Starting in 2026, under SECURE Act 2.0, participants who earned more than \$150,000 in FICA wages in 2025 will not be allowed tax deductible regular catch-up contributions. Their catch-up contributions will only be allowed as Roth contributions. This determination is based on prior-year compensation. Employers should review their payroll systems and inform this change to impacted participants.