



2025 Tax Brackets & Federal Income Tax Rates

Taxable Income ¹		Federal Tax Rates		
Married Filing Joint	Single Filers	Federal Income	Net Investment Income ²	Long-Term Capital Gains
\$0 - \$23,850	\$0 - \$11,925	10%	0%	0%
\$23,851 - \$96,700	\$11,926 - \$48,350	12%		
\$96,701 - \$96,950	\$48,351 - \$48,475	12%		
\$96,951 - \$206,700	\$48,476 - \$103,350	22%		
\$206,701 - \$250,000	\$103,351 - \$197,300	24%		
-	\$197,301 - \$200,000	32%	3.8%	15%
\$250,001 - \$394,600	-	24%		
\$394,601 - \$501,050	\$200,001 - \$250,525	32%		
\$501,051 - \$600,050	\$250,526 - \$533,400	35%		
\$600,051 - \$751,600	\$533,401 - \$626,350	35%		
\$751,601 and above	\$626,351 and above	37%		20%

Taxable Income ¹		Federal Tax Rates		
Married Filing Separately	Head of Household Filers	Federal Income	Net Investment Income ²	Long-Term Capital Gains
\$0 - \$11,925	\$0 - \$17,000	10%	0%	0%
\$11,926 - \$48,350	\$17,001 - \$64,750	12%		
\$48,351 - \$48,475	\$64,751 - \$64,850	12%		
\$48,476 - \$103,350	\$64,851 - \$103,350	22%		
\$103,351 - \$125,000	\$103,351 - \$197,300	24%		
-	\$197,301 - \$200,000	32%	3.8%	15%
\$125,001 - \$197,300	-	24%		
\$197,301 - \$250,525	\$200,001 - \$250,500	32%		
\$250,526 - \$300,000	\$250,501 - \$566,700	35%		
\$300,001 - \$375,800	\$566,701 - \$626,350	35%		
\$375,801 and above	\$626,351 and above	37%		20%

¹ Net amount subject to federal income tax after deductions.

² Additional 3.8% federal tax imposed on lesser of total "net investment income" or the amount of modified adjusted gross income (MAGI) in excess of the applicable threshold (\$200,000 for Single and Head of Household, \$250,000 for Married Filing Joint, and \$125,000 for Married Filing Separately). For presentation in this table, no distinction is made between MAGI and taxable income. However, since MAGI is generally higher than taxable income, the 3.8% tax may be applicable even if your taxable income is below the applicable threshold.

If the taxable income is:	The tax is:
Not over \$3,150	10% of taxable income
Over \$3,151 but not over \$11,450	\$315 plus 24% of the excess over \$3,150
Over \$11,451 but not over \$15,650	\$2,307 plus 35% of the excess over \$11,450
Over \$15,650	\$3,777 plus 37% of the excess over \$15,650

Social Security	2025 Tax Rates
Social Security Tax Rate: Employers	6.20%
Social Security Tax Rate: Employees	6.20%
Social Security Tax Rate: Self-Employed	15.30%
FICA Wage Base Limit	\$176,100
Medicare Base Salary	Unlimited
Medicare Tax Rate: Employers	1.45%
Medicare Tax Rate: Employees	1.45%
Additional Medicare Tax for income above \$200,000 (single filers) or \$250,000 (joint filers)	0.90%

Education	2025 Amounts
American Opportunity Credit (Hope)	\$2,500
Lifetime Learning Credit	\$2,000
Student Loan Interest Deduction	\$2,500
Coverdell Education Savings Contribution	\$2,000

Filing Status	Standard Deduction
Single	\$15,750
Head of Household	\$23,625
Married Filing Jointly	\$31,500

Miscellaneous	2025 Tax Rates
Business expensing limit: Cap on equipment purchases	\$4,000,000
Business expensing limit: New and Used Equipment and	\$2,500,000
Qualified Business Income threshold amount:	\$197,300 (single and head of household); \$394,600 (married filing joint return)
Qualified Small Employer Health Reimbursement	\$6,350 (single coverage); \$12,800 (family coverage)
Prior-year safe harbor for estimated taxes of higher-	110% of your 2024 tax liability
Standard mileage rate for business driving	70 cents
Standard mileage rate for medical driving	21 cents
Standard mileage rate for moving driving -Members of the Armed Forces on active duty who move because of a permanent change of station	21 cents
Standard mileage rate for charitable driving	14 cents
Child Tax Credit	\$2,200
Unearned income maximum for children under 19 before kiddie tax applies	In general, in 2025 the first \$1,350 worth of a child's unearned income is tax-free. The next \$1,350 is taxed at the child's income tax rate for 2025. Any unearned income above \$2,700, however, is taxed at the marginal tax rate of the parent(s), that is usually higher than the child's rate.
Capital gains tax rate for unrecaptured Sec. 1250 gains	25%
Capital gains tax rate on collectibles	28%
Maximum contribution for Traditional/Roth IRA	\$7,000 if under age 50 \$8,000 if 50 or older
Maximum employee contribution to SIMPLE IRA	\$16,500 if under age 50 \$20,000 if 50 or older
Maximum Contribution to SEP IRA	25% of eligible compensation up to \$70,000
401(k) maximum employee contribution limit	\$23,500 if under age 50; \$31,000 if age 50-59 or 64 and over; if age 60-63 \$34,750
Estate tax exemption	13.99 million per person
Annual Exclusion for Gifts	19,000 per recipient

Deduction	Who is Eligible?	Basic Rules
State and local tax (SALT) deduction*	Taxpayers who itemize	-Up to \$40,000 of SALT deductible -For taxpayers making \$500,000+ (regardless of filing status), max SALT phases down from \$40,000 to \$10,000
Mortgage interest deduction (MID)*	Taxpayers who itemize	-Interest deductible on up to \$750,000 of mortgage indebtedness -Eligible for primary or secondary homes
Itemized charitable deduction*	Taxpayers who itemize	-Charitable donations deductible up to 60% of adjusted gross income (AGI) -Only contributions in excess of 0.5% of AGI are deductible
Pass-through deduction (199A)* (also known as the Qualified Business Income	Taxpayers who claim the standard deduction or who itemize	-Up to 20% of qualified business income is deductible -Deduction is restricted for high-income taxpayers
Tips deduction**	Taxpayers who claim the standard deduction or who itemize	-Up to \$25,000 of qualified tips deductible -Phases down for single taxpayers making \$150,000+ (married filing jointly \$300,000+)
Overtime (OT) deduction**	Taxpayers who claim the standard deduction or who itemize	-Up to \$12,500 of qualified OT compensation deductible (\$25,000 if -Phases down for single taxpayers making \$150,000+ (married filing jointly \$300,000+)
Senior deduction**	Taxpayers age 65+	-Additional \$6,000 deduction available for seniors 65+ -Applies on top of the standard deduction and the additional senior deduction -Phases down for single taxpayers making \$75,000+ (married filing jointly \$150,000+)
Auto loan interest deduction**	Taxpayers who claim the standard deduction or who itemize	-Up to \$10,000 of interest deductible on an auto loan for a new U.S.- -Phases down for single taxpayers making \$100,000+ (married filing jointly \$200,000+)

* Modified by OBBB.

** New from OBBB.