

Tax Rates, Etc. for 2024 and 2025

Many numbers we use in our profession are indexed for inflation. The effective date for many of these inflation calculations is August 31st. This chart contains the amounts for 2024 and 2025 for many items we deal with on a regular basis. These amounts are the official IRS amounts as of the Internal Revenue code as of November 1, 2024. Any amounts that have not yet been officially released by IRS are indicated with an "**".

Tax Rates	2024	2025
- Single		
10% bracket tops at	11,600	11,925
12% bracket tops at	47,150	48,475
22% bracket tops at	100,525	103,350
24% bracket tops at	191,950	197,300
32% bracket tops at	243,725	250,525
35% bracket tops at	609,350	626,350
37% after	609,350	626,350
- Married Filing Joint/Qualified Surviving Spouse		
10% bracket tops at	23,200	23,850
12% bracket tops at	94,300	96,950
22% bracket tops at	201,050	206,700
24% bracket tops at	383,900	394,600
32% bracket tops at	487,450	501,050
35% bracket tops at	731,200	751,600
37% after	731,200	751,600
- Head of Household		
10% bracket tops at	16,550	17,000
12% bracket tops at	63,100	64,850
22% bracket tops at	100,500	103,350
24% bracket tops at	191,950	197,300
32% bracket tops at	243,700	250,500
35% bracket tops at	609,350	626,350
37% after	609,350	626,350
- Married Filing Separately		
10% bracket tops at	11,600	11,925
12% bracket tops at	47,150	48,475
22% bracket tops at	100,525	103,350
24% bracket tops at	191,950	197,300
32% bracket tops at	243,725	250,525
35% bracket tops at	365,600	375,800
37% after	365,600	375,800
- Estates & Trusts		
10% bracket tops at	3,100	3,150
24% bracket tops at	11,150	11,450
35% bracket tops at	15,200	15,650
37% after	15,200	15,650
Capital gains rates at 15% between:		
Single	47,026-518,900	48,350-533,400
Married Filing Jointly	94,051-583,750	96,700-600,050
Head of Household	63,001-551,350	64,750-566,700
Married Filing Separately	47,026-291,850	48,350-300,000
Estates & Trusts	3,151-15,450	3,250-15,900

(The 0% capital gain rate applies when below the above minimum amounts. The 20% capital gain rate applies after the above maximum amount)

Standard Deduction

- Single	14,600	15,000
- Married Filing Joint/Qualified Widow(er)	29,200	30,000
- Head of Household	21,900	22,500
- Married Filing Separate	14,600	15,000
- Dependents	1,300 (or \$450 plus earned income)	1,350 (or \$450 plus earned income)
Extra for Age or Blindness		
- Single	1,950	2,000
- Married	1,550	1,600

Kiddie tax

- Exempt from kiddie tax	2,600	2,700
- Parents can elect to report on their return if child's income is more than, but less than:	1,300/13,000	1,350/13,500

Exemption Amount (no longer used for exemptions but still used for other purposes)

- Gross income test for Qualified Relative	5,050	5,200
- Disability trusts	5,000	5,200

Alternative Minimum Tax Exemption

- Single and HH	85,700	88,100
- Married Filing Joint/Qualified Widow(er)	133,300	137,000
- Married Filing Separately	66,650	68,500
- Estates and Trusts	29,900	30,700
- Child subject to Kiddie Tax	9,250 plus earned income	9,550 plus earned income

Alternative Minimum Tax Exemption Phase-out

- Single and HH	609,350	626,350
- Married Filing Joint/Qualified Surviving Spouse	1,218,700	1,252,700
- Married Filing Separately	609,350	626,350
- Estates and Trusts	99,700	102,500

Section 199A (QBI)

- Married Filing Joint	383,900	394,600
- Married Filing Separately	191,950	197,300
- All other filers	191,950	197,300

(The phase in range is not indexed and remains at \$100,000 for MFJ and \$50,000 for all others.)

Educator Expense

300	300
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Nanny Tax Threshold

2,700	2,800
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Election Workers	2,300	2,400
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Adoption Credit & Exclusion

- Phase-out range	16,810	17,280
	252,150-292,150	259,190-299,190

Saver's Credit Phaseout ceilings

50% credit ceiling	MFJ 46,000, HH 34,500, S & MFS 23,000	MFJ 47,500, HH 35,625, S & MFS 23,750
20% credit ceiling	MFJ 50,000, HH 37,500, S & MFS 25,000	MFJ 51,000, HH 38,250, S & MFS 25,500

10% credit ceiling MFS 39,500	MFJ 76,500, HH 57,375, S & MFS 38,250	MFJ 79,000, HH 59,250, S &
Qualified charitable distributions	105,000	108,000
- to a split-interest entity under IRC 408(d)(8)(F)	53,000	54,000
Child Tax Credit		
- Income base for refundable portion	2,500	2,500
- Refundable portion cannot exceed	1,700	1,700
Earned Income Credit		
- Maximum credit income level		
- - no children	8,260 of income	8,490 of income
- - one child	12,390 of income	12,730 of income
- - two or more children	17,400 of income	17,880 of income
- Maximum AGI		
- - no children	18,590 (25,510)	19,104 (26,214)
- - one child	49,083 (56,003)	50,434 (57,554)
- - two children	55,767 (63,687)	57,310 (64,430)
- - three or more children	59,898 (66,818)	61,555 (68,675)
Investment income (max)	11,600	11,950
Phase-out level for:		
- Savings Bonds used for Education	Begins at 96,800 (145,200 MFJ)	Begins at 99,500 (149,250 MFJ)
- Student Loan Interest	80,000-95,000 (165,000-195,000 for MFJ)	85,000-100,000 (170,000-200,000 for MFJ)
Transportation fringes		
- Parking, Transit passes, commuter highway	315	325
§179 expensing	1,220,000	1,250,000
	w/phase-out beginning at	w/phase-out beginning at
	3,050,000 of qualified purchases	3,130,000 of qualified purchases
SUV Maximum section 179 limitation – (this is now indexed after 2018)	30,500	31,300
Foreign Earned Income Exclusion	126,500	130,000
- Maximum housing deduction (30% of above)	37,950	39,000
Long-Term Care		
-Premiums – max deductible		
Not over age 40	470	480
> 40, but not > 50	880	900
> 50, but not > 60	1,760	1,800
> 60, but not > 70	4,710	4,810
> 70	5,880	4,680
Benefits – max excludible	410/day	420
Gift Tax Exclusion (annual)	18,000	19,000
Estate & Gift Tax Exclusion (lifetime)	13,610,000	13,990,000
Gifts to noncitizen spouse	185,000	190,000
Medical Savings Accounts (MSA)		
- Self only coverage	2,800-4,150 deductible 5,550 out of pocket max	2,850-4,300 deductible 5,700 out of pocket max

- Family coverage	5,550-8,350 deductible 10,200 out of pocket max	5,700-8,550 deductible 10,500 out of pocket max
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Health Savings Accounts (HSA)

- Self only plan	- At least 1,600 minimum deductible and out of pocket max of 8,050 - Contribution maximum of 4,150	- At least 1,650 minimum deductible and out of pocket max of 8,300 - Contribution maximum of 4,300
- Family plan	- At least 3,200 minimum deductible and out of pocket max of 16,100 - Contribution maximum of 8,300	- At least 3,300 minimum deductible and out of pocket max of 16,600 - Contribution maximum of 8,550

Qualified Small Employer Health Reimbursement Arrangements (HRA)

- Self only plan	6,150	6,350
- Family plan	12,450	12,800

Flexible Spending Arrangements (FSA)

Maximum carryover amount	3,200 640	3,300 660
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SOCIAL SECURITY ITEMS

Increase in benefits	3.2%	2.5%
Maximum earnings subject to Social Security tax	168,600	176,100
Amount needed for a quarter of coverage	1,730	1,810
Annual limit on earnings:		
- Taxpayers under full retirement age before having to repay benefits	22,320	23,400
- Taxpayers who reach full retirement age during the year (applies to months before the month of full retirement)	4,960/month	5,180
Medicare premiums	base = 174.70	183.00

PENSION AMOUNTS

Defined contribution maximum	69,000	70,000
Defined benefit maximum	275,000	280,000
Annual compensation for calculations	345,000	350,000
SEP earnings for a year	750	750
Deferrals		
- SIMPLE	16,000 (+3,500 catch up)	16,500 (+3,500 catch up, 5,250 for those age 60-63 at year end)
- Other elective deferrals (401(k), 403(b), SARSEP, 457)	23,000 (+7,500 catch up)	23,500 (+7,500 catch up, 11,250 for those age 60-63 at year end)
IRA	7,000 (+1,000 catch up)	7,000 (+1,000 catch up)

Phase-out level for:

- IRA contributions when "covered"	77,000-87,000 (S, HH) 123,000-143,000 (MFJ) 0-10,000 (MFS)	79,000-89,000 (S,HH) 126,000-146,000 (MFJ) 0-10,000 (MFS)
- MFJ for taxpayer when taxpayer is NOT covered, but spouse IS covered	230,000-240,000	236,000-246,000
- Roth IRA contributions	146,000-161,000 (S,HH) 230,000-240,000 (MFJ) 0-10,000 (MFS)	150,000-165,000 (S,HH) 236,000-246,000 (MFJ) 0-10,000 (MFS)

PER DIEMS

- Meals	59-79/day effective 10/1/21	68-92/day effective 10/1/24
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- Mileage	.67/mile (business) (.30 = depreciation) .14 for charity .21 for moving and medical	.70/mile (business) (.33 = depreciation) .14 for charity .21 for moving and medical
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PENALTIES

- 6651(a) Failure to file tax return	510	525
- 6695(g) due diligence failure (EIC, CTC, AOTC, HH)	635	650
- 6698(b)(1) to Failure to file partnership or S corporation return (per month per Schedule K1)	245	255
- 6721(d) Failure to file 1099s/W2s	330	340
- 6721(e) Willful failure to file 1099s/W2s	660	680
Limitation on use of cash method of accounting (gross income test)	30,000,000	31,000,000
Excess Business Loss (Section 461(l)(e)(A))		
Married Filing Joint	610,000	626,000
Others	305,000	313,000

Resources for 2025 amounts:

- Revenue Procedure 2024-25 (HSA)
- Revenue Procedure 2024-40 (tax rates, many indexed amounts, penalties, etc.)
- Notice 2024-80 (Pension and IRA issues)
- Notice 2024-68 (Per diems)
- Social Security Administration web site
- Notice 2025-05 (mileage rates)