



ASSET ADVISORS

2026 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

RETIREMENT PLANS	
Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$24,500
Catch-up contribution	\$8,000
Age 60-63 catch-up contribution	\$11,250
Starter 401(k)	\$6,000
Age 50+ catch-up contribution	\$1,000
Defined contribution (§415(c)(1)(A))	\$72,000
Defined benefit (§415(b)(1)(A))	\$290,000
SIMPLE plan	\$17,000
Age 50+ catch-up contribution	\$4,000
Age 60-63 catch-up contribution	\$5,250
Maximum includible compensation	\$360,000
HCE Lookback to 2025	\$160,000
HCE Lookback to 2026	\$160,000
Key employee (top-heavy plan)	>\$235,000
SEP participation limit	\$800
IRA or Roth IRA contribution limit	\$7,500
IRA or Roth IRA catch-up	\$1,100
IRA deduction phaseout for active participants	
Single	\$81,000-\$91,000
Married filing jointly	\$129,000-\$149,000
Married filing separately	\$0-\$10,000
Non-active participant married to active participant	\$242,000-\$252,000
Roth IRA phaseout	
Single	\$153,000-\$168,000
Married filing jointly	\$242,000-\$252,000

SOCIAL SECURITY	
SS wage base	\$184,500
FICA tax rate—employee ³	7.65%
SECA tax rate—self-employed	15.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$24,480
Persons reaching FRA (\$1 for \$3)	\$65,160
(Applies only to earnings for months prior to attaining FRA)	
Social Security cost-of-living adjustment	2.8%
Quarter of coverage	\$1,890
Maximum benefit: worker retiring at FRA	\$4,152
Estimated average monthly benefit	\$2,071

SOCIAL SECURITY FRA	
Year of Birth	Social Security FRA
1959	66 and 10 months
1960 and later	67

ESTATE AND GIFT TAX	
Annual gift tax exclusion	\$19,000
Estate and gift tax basic exclusion	\$15,000,000
Applicable credit amount	\$5,945,800
Generation skipping exemption	\$15,000,000
Maximum estate tax rate ⁴	40%

Source: irs.gov

MEDICARE	
Monthly premium:	
Part A ¹	\$565
Part B ²	\$202.90
Part A:	
First 60 days—patient pays a deductible	\$1,736
Next 30 days—patient pays per day	\$434
Next 60 days (lifetime reserve days) patient pays per day	\$868
Skilled nursing benefits	
First 20 days—patient pays per day	-0-
Next 80 days—patient pays per day	\$217
Over 100 days—patient pays per day	All costs
Part B:	
Deductible	\$283
Coinsurance	20%
Part D (Prescription Standard Benefit Model):	
Deductible	\$615
Out-of-pocket (OOP) threshold	\$2,100
Once the beneficiary reaches their \$2,100 limit, they will qualify for catastrophic coverage and pay no additional out-of-pocket costs.	

2026 MEDICARE PART B PREMIUM RATES:			
YOU PAY		If your 2024 income was:	
Premium	PART D Surcharge	SINGLE	MARRIED COUPLE
\$202.90	\$0	\$109,000 or less	\$218,000 or less
\$284.10	\$14.50	\$109,001–\$137,000	\$218,001–\$274,000
\$405.80	\$37.50	\$137,001–\$171,000	\$274,001–\$342,000
\$527.50	\$60.40	\$171,001–\$205,000	\$342,001–\$410,000
\$649.20	\$83.30	\$205,001–\$500,000	\$410,001–\$750,000
\$689.90	\$91.00	Above \$500,000	Above \$750,000
YOU PAY	PART D Surcharge	If you are married filing separately and your 2024 income was:	
\$202.90	\$0	\$109,000 or less	
\$649.20	\$83.30	\$109,001–\$391,000	
\$689.90	\$91.00	Above \$391,000	

Figure 1

- The Part A premium of \$565 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30-39 quarters, the Part A Premium is \$311 per month.
- Beneficiaries not subject to the “hold harmless” provision includes persons not receiving Social Security, those who enroll in Part B for the first time in 2026, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. See Premium rates (Figure 1 above)
- The FICA tax rate is comprised of two separate payroll taxes: Employer and Employee portions —6.20% each for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% each for Hospital Insurance (HI). For the self-employed, the SECA is 12.40% for OASDI and 2.90% for HI.
- A deceased spouse's unused credit amount is portable to a surviving spouse.
- Businesses with 25 or fewer employees can increase these limits by 10% to \$18,100 and \$3,850.

HEALTH SAVINGS ACCOUNT		
	Single	Family
Minimum Deductible Amount	\$1,700	\$3,400
Maximum Out-of-Pocket Amount	\$8,500	\$17,000
HSA Statutory Contribution Maximum	\$4,400	\$8,750
Catch-up contributions (age 55 plus)	\$1,000	

STANDARD MILEAGE RATES

Business use	72.5¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical use	20.5¢ per mile
Moving (military only)	20.5¢ per mile

MISCELLANEOUS ITEMS

PBGC maximum monthly benefit (at age 65)	\$7,789.77
LTC per diem limit	\$430
LTC premium as medical expense limitation	
Age 40 or under	\$500
Age 41-50	\$930
Age 51-60	\$1,860
Age 61-70	\$4,960
Age 71 or older	\$6,200
Qualified Transportation Fringes (monthly)	
Commuter highway vehicle/transit pass / Qualified parking	\$340 / \$340
Qualified Longevity Annuity Contract	Max \$210,000
Health Care Flexible Spending Account	Max \$3,400
Health Care FSA Carryover Amount	Max \$680

LTCG AND QUALIFIED RATES BASED ON TAXABLE INCOME

Filing Status	0% rate	15% rate	20% rate
Single	up to \$49,450	\$49,451-\$545,500	over \$545,500
Head of household	up to \$66,200	\$66,201-\$579,600	over \$579,600
Married filing jointly	up to \$98,900	\$98,901-\$613,700	over \$613,700
Married filing separately	up to \$49,450	\$49,451-\$306,850	over \$306,850
Estates and trusts	up to \$3,300	\$3,301-\$16,250	over \$16,250

2026 TAX RATE SCHEDULES

If Taxable Income Is Then the Gross Tax Payable Is:

Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
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SINGLE TAXPAYERS (other than surviving spouses and heads of households)

\$0	\$12,400	-----	10% of taxable income	-----
12,400	50,400	\$1,240	12%	\$12,400
50,400	105,700	5,800	22%	50,400
105,700	201,775	17,966	24%	105,700
201,775	256,225	41,024	32%	201,775
256,225	640,600	58,448	35%	256,225
640,600	--	192,979.25	37%	640,600

HEADS OF HOUSEHOLDS

\$0	\$17,700	-----	10% of taxable income	-----
17,700	67,450	\$1,770	12%	\$17,700
67,450	105,700	7,740	22%	67,450
105,700	201,750	16,155	24%	105,700
201,750	256,200	39,207	32%	201,750
256,200	640,600	56,631	35%	256,200
640,600	--	191,171.00	37%	640,600

MARRIED INDIVIDUALS (and surviving spouses) FILING JOINT RETURNS

\$0	\$24,800	-----	10% of taxable income	-----
24,800	100,800	\$2,480	12%	\$24,800
100,800	211,400	11,600	22%	100,800
211,400	403,350	35,932	24%	211,400
403,350	512,450	82,048	32%	403,350
512,450	768,700	116,896	35%	512,450
768,700	--	206,583.50	37%	768,700

MARRIED INDIVIDUALS FILING SEPARATE RETURNS

\$0	\$12,400	-----	10% of taxable income	-----
12,400	50,400	\$1,240	12%	\$12,400
50,400	105,700	5,800	22%	50,400
105,700	201,775	17,966	24%	105,700
201,775	256,225	41,024	32%	201,775
256,225	384,350	58,448	35%	256,225
384,350	--	103,291.75	37%	384,350

FIDUCIARY (estates and trusts) TAXPAYERS

\$0	\$3,300	-----	10% of taxable income	-----
3,300	11,700	\$330	24%	\$3,300
11,700	16,000	2,346	35%	11,700
16,000	--	3,851	37%	16,000

EDUCATION

EE bonds for education—exclusion phaseout	
Single	\$101,800-\$116,800
Married filing jointly	\$152,650-\$182,650
Coverdell Education Savings Account (\$2,000 limit) phaseout	
Single	\$95,000-\$110,000
Married filing jointly	\$190,000-\$220,000
Lifetime Learning Credit—20% of qualified expenses up to \$10,000	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
American Opportunity tax credit—maximum of \$2,500	
100% up to \$2,000 of qualified expenses	
25% on next \$2,000—phaseout:	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
Education loan deduction (\$2,500) phaseout	
Unmarried	\$85,000-\$100,000
Married filing jointly	\$175,000-\$205,000

INCOME TAX

Standard deduction	
Single / Head of Household	\$16,100 / \$24,150
Married filing joint / Married filing separate	\$32,200 / \$16,100
Kiddie tax limited standard deduction	\$1,350
Individual eligible to be claimed as dependent—greater of \$1,350 or earned income plus \$450, not to exceed full standard deduction of \$16,100.	
Qualified Charitable Distributions Maximum	\$111,000
Non-Itemized Charitable Deduction (must be cash, excludes DAF contributions)	
Single / Married Filing Joint	\$1,000 / \$2,000
Aged or blind additional deduction	
Single / Married (each spouse)	\$2,050 / \$1,650 each
Additional senior deduction	\$6,000 each
Phaseouts if AGI over \$75,000 (\$150,000 MFJ)	
Section 179	
Maximum election	\$2,560,000
Phaseout begins	\$4,090,000
Medicare Contribution tax and additional Medicare tax	
Single or Head of household	\$200,000
Married filing jointly	\$250,000
Child tax credit	
Dependent under age 17	\$2,200
Other dependents	\$500
Phaseout (\$50 for every \$1,000 over) Single / MFJ	\$200,000 / \$400,000
Business Deductions and Expenses	
Qualified Business Income Deduction	
Married filing jointly	\$403,500-\$553,500
Married filing separately	\$201,775-\$276,775
All other taxpayers	\$201,750-\$276,750
Limitation on Use of Cash Method of Accounting	
Gross Receipts test limit (for 3 preceding years)	\$32,000,000
Excess Business Loss for Noncorporate Business	
Joint filers	\$512,000
All other taxpayers	\$256,000
IRS Tax Return Filing Penalties: Failure to file	\$535

Maximum Deduction for State and Local Taxes (SALT)

Single (phase-out 30% if AGI over \$505,000)*	\$40,400
Married filing joint (phase-out 30% if AGI over \$505,000)*	\$40,400
Married filing separate (phase-out 30% if AGI over \$252,500)*	\$20,200
*SALT deduction not reduced below \$10,000	

AMT	Exemption	Phaseout	AMT RATES
Single	\$90,100	\$500,000-\$680,200	26% up to \$244,500 of AMT base (\$122,250 MFS)
Married-joint	\$140,200	\$1,000,000-\$1,280,400	28% over \$244,500 of AMT base
Married-separate	\$70,100	\$500,000-\$640,200	
Trusts and estates	\$31,400	\$104,800-\$167,600	