



2026 ANNUAL LIMITS RELATED TO FINANCIAL PLANNING

RETIREMENT PLANS	
Employee deferrals 401(k), 403(b), 457(b)	\$24,500
Catch-up contribution	\$8,000
IRA or ROTH IRA	\$7,500
Catch-up contribution	\$1,100
Defined Contribution Plans	\$72,000
Defined benefit	\$275,000
SIMPLE IRA	\$17,000
SIMPLE catch-up 50+	\$4,000
SIMPLE catch-up 60-63	\$5,750
Maximum annual compensation limit	\$360,000
Highly compensated employee (HCE) limit	\$160,000
Key employee/officer compensation	\$235,000
Social Security Covered compensation	\$183,600

ESTATE AND GIFT TAXES	
Annual gift tax exclusion	\$19,000
Estate tax exemption per individual ¹	\$15,000,000
Estate tax exemption per married couple ²	\$30,000,000
Maximum estate tax rate	40%
*Ohio, Indiana, Kentucky, and Michigan do not have estate taxes	
*Illinois state tax exemption ³	\$4,000,000

SOCIAL SECURITY	
Social Security maximum taxable earnings	\$184,500
Earnings limitation (below FRA)	\$24,480
Reaching FRA in 2026 (the limit is only for months before you reach FRA)	\$65,160
FICA tax rate—employee	7.65%
SECA tax rate—self-employed	15.3%
SS average monthly benefit – retired worker	\$2,071
SS average monthly benefit – aged couple	\$3,208
Social Security cost of living adjustment	2.8%

SOCIAL SECURITY FRA		
Year of Birth	Social Security FRA	*Regardless of your full retirement age, your retirement benefit will be higher the longer you wait to apply, up to age 70.
1943–1954	66	
1955–1959	66 and 10 months	
1960—and later	67	

¹ Federal tax rate is adjusted for inflation in future years and may be changed with new legislation

² Federal tax rate is adjusted for inflation in future years and may be changed with new legislation

³ Illinois imposes their tax on a graduated scale, consult your advisor for more information

⁴ Certain uninsured aged individuals who have fewer than 30 quarters of coverage, and certain individuals with disabilities who have exhausted other entitlements, will pay the full premium, which will be \$518 a month in 2025. Individuals who had at least 30 quarters of coverage, or were married to someone with at least 30 quarters of coverage, may buy into Part A at a reduced monthly premium rate, which will be \$285 in 2025.

MEDICARE	
Monthly Premium Rate:	
Part A ⁴	\$518
Part B	\$185
Part A:	
First 60 days—patient pays a deductible	\$1,676
Next 30 days—patient pays per day	\$419
Next 60 days—patient pays per day (lifetime reserve days)	\$838
Part A (skilled nursing benefits):	
First 20 days—patient pays per day	\$0
Next 80 days—patient pays per day	\$209.50
Over 100 days—patient pays per day	All costs
Part B:	
Annual Deductible	\$257
Standard Coinsurance Rate	20%
Part D (prescription drug coverage):	
Deductible	\$590
Out-of-pocket maximum	\$2,100
*After reaching the out-of-pocket maximum, beneficiaries pay \$0 for the covered prescription drugs for the rest of the year.	

2026 MEDICARE PART B PREMIUM RATES:			
YOU PAY		If your 2023 income was:	
Premium	PART D Surcharge	INDIVIDUAL	MARRIED COUPLE
\$185.00	\$0	\$106,000 or less	\$212,000 or less
\$259.00	\$13.70	\$106,000–\$133,000	\$212,000–\$266,000
\$370.00	\$35.30	\$133,000–\$167,000	\$266,000–\$334,000
\$480.90	\$57.00	\$167,000–\$200,000	\$334,000–\$400,000
\$591.90	\$78.60	\$200,000–\$500,000	\$400,000–\$750,000
\$628.90	\$85.80	Above \$500,000	Above \$750,000
YOU PAY	PART D Surcharge	If you are married filing separately and your 2023 income was:	
\$185.00	\$0	\$106,000 or less	
\$591.90	\$78.60	\$106,000–\$394,000	
\$85.80	\$85.80	Above \$394,000	

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

EDUCATION	
529 Account – no federal limit on contributions, annual withdrawal amount is \$20,000	
Lifetime Learning Credit \$2,000 per tax return	
Single	\$80,000–\$90,000
Married filing jointly	\$160,000–\$180,000
Education loan deduction (maximum \$2,500)	
Single	\$85,000–\$100,000
Married filing jointly	\$175,000–\$205,000

INCOME TAX	
Standard deduction	
Single	\$16,100
Married filing jointly	\$32,200
Head of household	\$24,150
Married filing separately	\$16,100
Kiddie tax limited standard deduction ⁵	\$1,350
Medicare Contribution tax	
Single (1.45% up to)	\$200,000
Married filing jointly (1.45% up to)	\$200,000
Self-employment tax ⁶	2.9%

2026 TAX RATE SCHEDULES				
If Taxable Income Is		Then the Gross Payable Is:		
Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
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	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	37%	\$626,350
MARRIED COUPLES FILING JOINTLY (and surviving spouses)				
\$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	\$403,550	\$35,932	24%	\$211,400
\$403,550	\$512,450	\$82,048	32%	\$403,550
\$512,450	\$768,700	\$116,896	35%	\$513,450
\$768,700	--	\$206,584	37%	\$768,700
MARRIED COUPLES FILING SEPARATELY				
\$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	--	\$103,294	37%	\$384,350
ESTATES & TRUSTS TAX RATES				
\$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

DEDUCTIONS & TAX CREDITS	
Child tax credit	
Dependent (under 17)	\$2,200
Income limits	
Single	\$200,000
Married filing jointly	\$400,000
Phase-out (\$50 for every \$1,000 over threshold)	
Section 179	
Maximum deduction	\$2,560,000
Phase-out threshold	\$4,090,000
Adoption Credit	
Maximum credit	\$17,760
Amount refundable	\$5,120
Qualified Transportation Fringe Benefit (monthly limitation)	
Qualified parking	\$340
Qualified highway / transit	\$340
Foreign Earned Income exclusion	
Income limitation	\$132,900

ALTERNATIVE MINIMUM TAX (AMT)	EXEMPTION	PHASE-OUT
Single	\$90,100	\$500,000
Married filing jointly	\$140,200	\$1,000,000
Married filing separately	\$70,100	\$500,000
Trust and estates	\$31,400	\$104,800

AMT RATES	
Tax rate up to \$244,500	26%
Tax rate over \$244,500	28%

⁵ The kiddie tax only applies to unearned income, such as interest, dividends, capital gains, and income from trusts or custodial accounts.
⁶ The self-employed pay the full 2.9% Medicare tax, but can deduct the employer portion.

Sources: www.irs.gov
www.cms.gov

The information in this document briefly summarizes some of the more important limits published by the IRS. The Information provided is believed to be accurate but cannot be guaranteed.

