2026 Federal Tax Reference Guide

Presented by Hearth

TAX YEAR 2026
Updated March 2026
Includes 2025 comparison

Income Tax Brackets

2026 TAXABLE INCOME THRESHOLDS

RATE	SINGLE	MFJ	HOH
10%	$0 – $12,400	$0 – $24,800	$0 – $17,700
12%	$12,401 – $50,400	$24,801 – $100,800	$17,701 – $67,450
22%	$50,401 – $105,700	$100,801 – $211,400	$67,451 – $105,700
24%	$105,701 – $201,775	$211,401 – $403,550	$105,701 – $201,775
32%	$201,776 – $256,225	$403,551 – $512,450	$201,776 – $256,200
35%	$256,226 – $640,600	$512,451 – $768,700	$256,201 – $640,600
37%	> $640,600	> $768,700	> $640,600

MFS: Same as Single except 35% begins at $384,350 and 37% above.

Estates & Trusts

RATE	2026	2025
10%	$0 – $3,300	$0 – $3,150
24%	$3,301 – $11,700	$3,151 – $11,450
35%	$11,701 – $16,000	$11,451 – $15,650
37%	Over $16,000	Over $15,650

Net Investment Income Tax (3.8%)

FILING STATUS	MAGI THRESHOLD
Single / HoH	$200,000
MFJ / Surviving Spouse	$250,000
MFS	$125,000
Estates & Trusts	$16,000

NIIT: 3.8% surtax on the lesser of net investment income or MAGI exceeding the threshold. Thresholds are statutory (not indexed), except Estates & Trusts which tracks the top bracket.

Kiddie Tax (Unearned Income)

TIER	2026	TREATMENT
First	$1,350	Tax-free
Second	$1,351 – $2,700	Child's rate
Above	> $2,700	Parent's marginal rate

Key OBBBA Provisions (2025–2028)

- TCJA individual rates made permanent
- Section 179 raised to $2.5M+ (indexed)
- Estate exemption set at $15M (indexed)
- 100% bonus depreciation restored (retro to 1/19/2025)
- SALT cap raised to $40,000 (from $10,000)
- $6,000 senior standard deduction (65+)
- Tips & overtime income deductions
- Child Tax Credit increased to $2,200

Capital Gains & Qualified Dividends

2026 LONG-TERM RATE THRESHOLDS

RATE	SINGLE	MFJ	HOH
0%	≤ $49,450	≤ $98,900	≤ $66,200
15%	$49,451 – $545,500	$98,901 – $613,700	$66,201 – $579,600
20%	> $545,500	> $613,700	> $579,600

MFS: 0% up to $49,450; 15% to $306,850; 20% above. **Estates/Trusts:** 0% up to $3,300; 15% to $16,250; 20% above. Short-term gains taxed at ordinary rates. 25% rate applies to unrecaptured §1250 gain; 28% rate to collectibles.

Alternative Minimum Tax

ITEM	2026	2025
Exemption — Single/HoH	$90,100	$88,100
Exemption — MFJ	$140,200	$137,000
Exemption — MFS	$70,100	$68,500
Exemption — Estates/Trusts	$30,700	$29,900
Phaseout begins — Single/HoH	$500,000	$626,350
Phaseout begins — MFJ	$1,000,000	$1,252,700
Phaseout rate	50%	25%
26%/28% breakpoint	$244,500	$239,100

OBBBA change: Phaseout thresholds reset to $500,000/$1,000,000 (from $626,000/$1,250,000) and phaseout rate doubled from 25% to 50% for 2026+.

Social Security & Medicare

ITEM	2026	2025
OASDI Wage Base	$184,500	$176,100
OASDI Rate (Employee/Employer)	6.20%	6.20%
Medicare HI Rate (Employee/Employer)	1.45%	1.45%
Self-Employed (OASDI + HI)	15.30%	15.30%
Max OASDI Tax (Employee)	$11,439	$10,918
Addl. Medicare (0.9%) — Single	> $200,000	> $200,000
Addl. Medicare (0.9%) — MFJ	> $250,000	> $250,000

Standard Mileage Rates (per mile)

PURPOSE	2026	2025
Business	72.5¢	70.0¢
Medical / Moving	20.5¢	21.0¢
Charitable (statutory)	14.0¢	14.0¢

Standard Deductions

FILING STATUS	2026	2025
Single	$16,100	$15,750
MFJ / Surv. Spouse	$32,200	$31,500
HoH	$24,150	$23,625
MFS	$16,100	$15,750

ADDITIONAL AMOUNT (AGE 65+ OR BLIND, PER CONDITION)

FILING STATUS	2026	2025
Single / HoH	$2,050	$2,000
MFJ / MFS	$1,650	$1,600

> **OBBBA Senior Deduction (2025–2028):** Additional $6,000 per person age 65+ ($12,000 MFJ). Phases out at MAGI $75,000–$175,000 (Single) / $150,000–$250,000 (MFJ). Available whether itemizing or taking standard deduction.

Section 179 Expense

ITEM	2026	2025
Deduction Limit	$2,560,000	$2,500,000
Phaseout Threshold	$4,090,000	$4,000,000

> **OBBBA:** Limits raised from prior-law $1.25M/$3.13M and made permanent with inflation indexing. 100% bonus depreciation also restored retroactive to 1/19/2025.

Estate & Gift Tax

ITEM	2026	2025
Basic Exclusion (per decedent)	$15,000,000	$13,990,000
Married (w/ portability)	$30,000,000	$27,980,000
Annual Gift Exclusion	$19,000	$19,000
Gift to Non-Citizen Spouse	$194,000	$190,000
GST Exemption	$15,000,000	$13,990,000
Top Estate/Gift Tax Rate	40%	40%

> **OBBBA:** Enhanced exemption made permanent at $15M base (indexed).

Credits, Exclusions & Corporate Rate

ITEM	2026	2025
Child Tax Credit (per child)	$2,200	$2,200
Refundable Portion (ACTC)	$1,700	$1,700
CTC Phaseout — Single/HoH	$200,000	$200,000
CTC Phaseout — MFJ	$400,000	$400,000
Foreign Earned Income Excl.	$132,900	$130,000
Corporate Tax Rate	21%	21%

Section 199A QBI Deduction

ITEM	2026	2025
Deduction Rate	20%	20%
Threshold — Single/HoH	$203,000	$197,300
Threshold — MFJ	$406,000	$394,600
Phaseout Range — Single/HoH	$75,000	$50,000
Phaseout Range — MFJ	$150,000	$100,000

> **OBBBA:** Made permanent with expanded phaseout ranges ($75,000/$150,000, up from $50,000/$100,000).

IRA Contribution Limits

ITEM	2026	2025
Traditional & Roth IRA	$7,500	$7,000
Catch-Up (age 50+)	$1,100	$1,000
Total (age 50+)	$8,600	$8,000

ROTH IRA MAGI PHASEOUT RANGES

FILING STATUS	2026	2025
Single / HoH	$153,000 – $168,000	$150,000 – $165,000
MFJ	$242,000 – $252,000	$236,000 – $246,000
MFS (lived w/ spouse)	$0 – $10,000	$0 – $10,000

Traditional IRA Deductibility (MAGI Limits)

COVERED BY EMPLOYER PLAN

FILING STATUS	2026	2025
Single / HoH	$81,000 – $91,000	$79,000 – $89,000
MFJ (contributor covered)	$129,000 – $149,000	$126,000 – $146,000
MFS (lived w/ spouse)	$0 – $10,000	$0 – $10,000

NOT COVERED, BUT SPOUSE IS COVERED

FILING STATUS	2026	2025
MFJ	$242,000 – $252,000	$236,000 – $246,000

> If neither spouse is covered by an employer plan, the full deduction is available regardless of MAGI.

Qualified Retirement Plan Limits

ITEM	2026	2025
401(k)/403(b)/457 Deferral	$24,500	$23,500
Catch-Up (age 50+)	$8,000	$7,500
Super Catch-Up (ages 60–63)	$11,250	$11,250
Total (age 50+)	$32,500	$31,000
Total (ages 60–63)	$35,750	$34,750
SIMPLE IRA Deferral	$17,000	$16,500
SEP Maximum Contribution	$72,000	$70,000
Defined Contribution (415(c))	$72,000	$70,000
Defined Benefit (415(b))	$290,000	$280,000
Compensation Limit (401(a)(17))	$360,000	$350,000
HCE Threshold	$160,000	$160,000

SALT Deduction Cap

ITEM	2026	2025
SALT Cap	$40,400	$40,000
MFS Cap	$20,200	$20,000
Phasedown begins (MAGI)	$500,000	$500,000
Floor	$10,000	$10,000

> **OBBBA:** Raised from $10,000 (2018–2024). Phases down for MAGI > $500,000. Reverts to $10,000 in 2030.

Excess Business Loss §461(l)

FILING STATUS	2026	2025
Single / HoH	$313,000	$305,000
MFJ	$626,000	$610,000

> Excess losses carried forward as NOL. Critical for large Section 179 claims.

For informational purposes only. Not tax, legal, or financial advice. Figures are based on IRS Rev. Proc. 2025-32, Rev. Proc. 2024-40, SSA announcements, and the One Big Beautiful Bill Act (P.L. 119-21). Tax law is subject to change. Consult a qualified tax professional for advice specific to your situation.