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\* Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



# Tax Facts and Figures

## Business Expenses

<b>2025 Standard Mileage Rate Per Mile</b>	
Business.....	70.0¢
Medical and moving*.....	21.0¢
Charitable.....	14.0¢
Depreciation.....	33.0¢

### Section 179 Expense Limits

Regular 179 limits.....	\$1,250,000
SUV limits.....	\$31,300
Investment phaseout begins.....	\$3,130,000

### 2025 Standard Deduction for Meals—High Low Method (Per Day)

High cost localities.....	\$86
All other localities.....	\$74
Transportation workers.....	\$80

### Qualified Transportation Benefits (exclusion from income allowed, but no employer deduction)

Commuter benefits (per month)...	\$325
Parking benefits (per month).....	\$325

\*The moving expense deduction is available only to active duty military servicemembers pursuant to a permanent change of station (PCS) order.

## 2025 Retirement Plan Limits

### 401(k)/403(b) Deferral Limits

Under age 50.....	\$23,500
Age 50 and over.....	\$31,000
Age 60 thru 63.....	\$34,750

### IRA Contribution Limits

Under age 50.....	\$7,000
Age 50 and over.....	\$8,000

### IRA Deduction Phaseout Range if Covered by Employer Plan

MFJ.....	\$126,000—\$146,000
Spouse not covered.....	
\$236,000—\$246,000.....	
Single, HOH.....	\$79,000—\$89,000
MFS.....	\$0—\$10,000

### Roth IRA Phaseout Range

MFJ.....	\$236,000—\$246,000
Single, HOH.....	\$150,000—\$165,000
MFS.....	\$0—\$10,000

### SIMPLE Deferral Limits

Under age 50.....	\$16,500
Age 50 and over.....	\$20,000
Age 60 thru 63.....	\$21,750

### Qualified Retirement Plans

Profit sharing/SEP limits.....	25%/70,000
Defined benefit plan limits ...	\$280,000
Compensation limits.....	\$350,000

## Education Tax Benefits

### American Opportunity Credit

MFJ phaseout ...	\$160,000—\$180,000
Single, HOH phaseout.....	\$80,000—\$90,000
Maximum credit: \$2,500 per student	
Up to 40% (\$1,000) may be refundable	

### Lifetime Learning Credit

MFJ phaseout ...	\$160,000—\$180,000
Single, HOH phaseout.....	\$80,000—\$90,000
Maximum credit: \$2,000 per return	

### Education Savings Account (ESA)

MFJ phaseout .....	\$190,000—\$220,000
All others .....	\$95,000—\$110,000
Annual contribution limit: \$2,000 per beneficiary	

### Student Loan Interest Deduction

MFJ phaseout.....	\$170,000—\$200,000
Single, HOH phaseout...	\$85,000—\$100,000
Maximum deduction: \$2,500 per return	

### U.S. Savings Bonds Interest Exclusion

MFJ phaseout.....	\$149,250—\$179,250
Single, HOH phaseout...	\$99,500—\$114,500

### Qualified Tuition Plans (529 plans)

- Distributions for qualifying expenses for college students or apprentices are not taxable.
- Distributions up to \$10,000 per student are allowed for tuition and other qualified expenses for a public, private, or religious elementary or secondary school.
- Cumulative distributions up to \$10,000 per beneficiary and sibling for qualified education debt.

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## 2025 Tax Rates: Capital Gain and Dividend Income

If income is...	Maximum tax rate %	If asset is held...
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days
<b>Taxable Income</b>		
Single.....	\$0 to \$48,350	0%
MFJ/QSS .....	\$0 to \$96,700	
MFS.....	\$0 to \$48,350	
HOH.....	\$0 to \$64,750	
Estates and Trusts .....	\$0 to \$3,250	
<b>Taxable Income</b>		
Single.....	\$48,351 to \$533,400	15%
MFJ/QSS .....	\$96,701 to \$600,050	
MFS.....	\$48,351 to \$300,000	
HOH.....	\$64,751 to \$566,700	
Estates and Trusts .....	\$3,251 to \$15,900	
<b>Taxable Income</b>		
Single.....	\$533,401 and over	20%
MFJ/QSS .....	\$600,051 and over	
MFS.....	\$300,001 and over	
HOH.....	\$566,701 and over	
Estates and Trusts .....	\$15,901 and over	
Short-term capital gain	37%	1 year or less
Ordinary dividend income	37%	60 days or less

## Net Investment Income Tax (NIIT)

**3.8% additional tax on investment income if MAGI above threshold amount**

Filing status	Single, HOH	MFJ, QSS	MFS
Threshold amount	\$200,000	\$250,000	\$125,000

## 2025 Qualified Business Income Deduction Thresholds

MFJ: \$394,600	MFS: \$197,300	Single, HOH, QSS: \$197,300
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## Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 73.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.