



# 2025 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

## 2025 Tax Rate Schedule

Taxable Income (\$)	Base Amount of Tax (\$)	Plus	Rate on Excess (%) (also called marginal tax rate or tax bracket)	Of the Amount Over (\$)
<b>SINGLE</b>				
0 to 11,925		+	10	
11,926 to 48,475	1,192.50	+	12	11,925
48,476 to 103,350	5,578.50	+	22	48,475
103,351 to 197,300	17,651.00	+	24	103,350
197,301 to 250,525	40,199.00	+	32	197,300
250,526 to 626,350	57,231.00	+	35	250,525
Over 626,350	188,769.75	+	37	626,350
<b>MARRIED FILING JOINTLY AND SURVIVING SPOUSES</b>				
0 to 23,850		+	10	
23,851 to 96,950	2,385.00	+	12	23,850
96,951 to 206,700	11,157.00	+	22	96,950
206,701 to 394,600	35,302.00	+	24	206,700
394,601 to 501,050	80,398.00	+	32	394,600
501,051 to 751,600	114,462.00	+	35	501,050
Over 751,600	202,154.50	+	37	751,600
<b>HEAD OF HOUSEHOLD</b>				
0 to 17,000		+	10	
17,001 to 64,850	1,700.00	+	12	17,000
64,851 to 103,350	7,442.00	+	22	64,850
103,351 to 197,300	15,912.00	+	24	103,350
197,301 to 250,500	38,460.00	+	32	197,300
250,501 to 626,350	55,484.00	+	35	250,500
Over 626,350	187,031.50	+	37	626,350
<b>MARRIED FILING SEPARATELY</b>				
0 to 11,925		+	10	
11,926 to 48,475	1,192.50	+	12	11,925
48,476 to 103,350	5,578.50	+	22	48,475
103,351 to 197,300	17,651.00	+	24	103,350
197,301 to 250,525	40,199.00	+	32	197,300
250,526 to 375,800	57,231.00	+	35	250,525
Over 375,800	101,077.25	+	37	375,800
<b>ESTATES AND TRUSTS</b>				
0 to 3,150		+	10	
3,151 to 11,450	315.00	+	24	3,150
11,451 to 15,650	2,307.00	+	35	11,450
Over 15,650	3,777.00	+	37	15,650

## Gift and Estate Tax Exclusions and Credits

Maximum estate, gift & GST rates	40%
Estate, gift & GST exclusions	\$13,990,000
Gift tax annual exclusion	\$19,000
Exclusion on gifts to non-citizen spouse	\$190,000

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## Standard Deductions & Child Tax Credit

Filing Status	Standard Deduction
Married, filing jointly or qualifying widow(er)s	\$30,000
Single or married, filing separately	\$15,000
Head of household	\$22,500
Dependent filing own tax return	\$1,350*
<b>ADDITIONAL DEDUCTIONS FOR NON-ITEMIZERS</b>	
Blind, or older than 65	Add \$1,600
Blind, or older than 65, and also unmarried and not a surviving spouse	Add \$2,000
<b>CHILD TAX CREDIT</b>	
Credit per child under 17	\$2,000 (\$1,700 refundable)
Income phaseouts begin at AGI of:	\$400,000 joint, \$200,000 all other

\*Greater of \$1,350 or \$450 plus the individual's earned income.

## Tax Rates on Long-Term Capital Gains and Qualified Dividends

If taxable income falls below \$48,350 (single/married-filing separately), \$96,700 (joint), \$64,750 (head of household), \$3,250 (estates)	0%
If taxable income falls at or above \$48,350 (single/married-filing separately), \$96,700 (joint), \$64,750 (head of household), \$3,250 (estates)	15%
If income falls at or above \$533,400 (single), \$300,000 (married-filing separately), \$600,050 (joint), \$566,700 (head of household), \$15,900 (estates)	20%

## 3.8% Tax on Lesser of Net Investment Income or Excess of MAGI Over

Married, filing jointly	\$250,000
Single	\$200,000
Married, filing separately	\$125,000

## Exemption Amounts for AMT\*\*

Married, filing jointly or surviving spouses	\$137,000
Single	\$88,100
Married, filing separately	\$68,500
Estates and Trusts	\$30,700

## 28% Tax Rate Applies to Income Over:

Married, filing separately	\$119,550
All others	\$239,100

## Exemption Amounts Phase Out at:

Married, filing jointly or surviving spouses	\$1,252,700
Single and married, filing separately	\$626,350
Estates and trusts	\$102,500

\*\*Indexed for inflation and scheduled to sunset at the end of 2025.

## Standard Mileage Rates

Business Use	70¢ per mile	Moving Use	21¢ per mile
Medical Use	21¢ per mile	Charity Use	14¢ per mile

## Retirement Plan Contribution Limits

Annual compensation used to determine contribution for most plans	\$350,000
Defined-contribution plans, basic limit	\$70,000
Defined-benefit plans, basic limit	\$280,000
401(k), 403(b), 457(b), Roth 401(k) elective deferrals	\$23,500
Catch-up for 50-59 & 64+, 401(k), 403(b), 457(b), Roth 401(k)	\$7,500
Catch-up for 60-63, 401(k), 403(b), 457(b), Roth 401(k)	\$11,250
SIMPLE plans, elective deferral limit	\$16,500
SIMPLE plans, catch-up for 50 and older	\$3,500

## Individual Retirement Accounts

IRA Type	Cont. Limit	Catch-Up at 50+	Income Limits
Traditional nondeductible	\$7,000	\$1,000	None
Traditional deductible	\$7,000	\$1,000	If covered by a plan: • \$126,000-\$146,000 joint • \$79,000-\$89,000 single, HOH • 0-\$10,000 married filing separately If one spouse is covered by a plan: • \$236,000-\$246,000 joint
Roth	\$7,000	\$1,000	• \$236,000-\$246,000 joint • \$150,000-\$165,000 single, HOH • 0-\$10,000 married filing separately
Roth Conversion			No income limit

## Education Credits, Deductions, & Distributions

Credit/Deduction/Account	Max Credit/Deduction /Distribution	Income phaseouts begin at AGI of:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 joint \$80,000 all others
Lifetime Learning Credit	\$2,000 credit	\$160,000 joint \$80,000 all others
Savings bond interest tax-free if used for education	Deduction limited to amount of qualified expenses	\$149,250 joint \$99,500 all others
Coverdell	\$2,000 maximum contribution; not deductible	\$190,000 joint \$95,000 all others
529 plan (K-12)	\$10,000 distribution	None
529 plan (Higher Ed.)*	Distribution limited to amount of qualified expenses	None

\*\$10,000 lifetime 529 distribution can be applied to student loan debt.

## Medicare

### DEDUCTIBLES

Part B Deductible	\$257
Part A (inpatient services) Deductible for first 60 days of hospitalization	\$1,676
Part A Deductible for days 61-90 of hospitalization	\$419/day
Part A Deductible for more than 90 days of hospitalization	\$838/day

### PREMIUMS

2023 MAGI Single (\$)	2023 MAGI Joint (\$)	Part B Premium	Part D Income Adjustment
106,000 or less	212,000 or less	\$185.00	\$0
106,001-133,000	212,001-266,000	\$259.00	\$13.70
133,001-167,000	266,001-334,000	\$370.00	\$35.30
167,001-200,000	334,001-400,000	\$480.90	\$57.00
200,001-500,000	400,001-750,000	\$591.90	\$78.60
Above 500,000	Above 750,000	\$628.90	\$85.80

## Social Security

### BENEFITS

Estimated maximum monthly benefit if turning full retirement age (66 years and 10 months) in 2025	\$4,018
Retirement earnings exempt amounts	\$23,400 under FRA \$62,160 during year reach FRA No limit after FRA

### TAX (FICA)

	% Withheld	Max Tax Payable
SS tax paid on income up to \$176,100		
• Employer pays	6.2%	\$10,918.20
• Employee pays	6.2%	\$10,918.20
• Self-employed pays	12.4%	\$21,836.40
Medicare tax paid on all income		
• Employer pays	1.45%	varies per income
• Employee pays	1.45%	varies per income
• Self-employed pays	2.90%	varies per income
	Plus 0.9% on income Over \$200,000 single or \$250,000 joint	
	Plus 0.9% on income Over \$200,000 single or \$250,000 joint	

### TAX ON BENEFITS: INCOME BRACKETS

Filing Status	Provisional Income**	Amount of SS Subject to Tax
Married filing jointly	Under \$32,000	0
	\$32,000-\$44,000	up to 50%
	Over \$44,000	up to 85%
Single, head of household, qualifying widow(er), married filing separately and living apart from spouse	Under \$25,000	0
	\$25,000-\$34,000	up to 50%
	Over \$34,000	up to 85%
Married filing separately and living with spouse	Over \$0	up to 85%

\*\*Provisional income= adjusted gross income (not incl. Social Security)+ tax-exempt interest + 50% of SS benefit

## Protection Planning

### DEDUCTIBILITY OF LTC PREMIUMS ON QUALIFIED PLANS

Attained Age Before Close of Tax Year	Amount of LTC Premiums that Qualify as Med. Expenses in 2025
40 or younger	\$480
41 to 50	\$900
51 to 60	\$1,800
61 to 70	\$4,810
Older than 70	\$6,020

### HEALTH SAVINGS ACCOUNTS

Annual Limit	Maximum Deductible Contribution	Expense Limits (Deductibles & Co-Pays)	Minimum Annual Deductible
Individuals	\$4,300	\$8,300	\$1,650
Families	\$8,550	\$16,600	\$3,300
Catch-up for 55+	\$1,000		

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