

New Tax Deduction for Seniors (2025-2028)

Effective for 2025 through 2028, individuals who are age 65 and older may claim an additional deduction of \$6,000. This new deduction is in addition to the current additional standard deduction for seniors under existing law. The deduction is part of the One Big Beautiful Bill Act (OBBBA) signed into law on July 4, 2025.

The new deduction:

- ❑ The \$6,000 Senior Deduction is per eligible individual, or \$12,000 total for a married couple where both spouses qualify.
- ❑ Deduction begins to phase out for taxpayers with modified adjusted gross income (MAGI) over \$75,000 single, or \$150,000 for married filing jointly. The deduction is fully phased out at \$175,000 single and \$250,000 married filing jointly. Married couples must file jointly to get the deduction.
- ❑ The deduction is available regardless of whether taxpayers take the standard or itemized deduction.
- ❑ Keep in mind that this is a tax deduction that reduces your taxable income, not a tax credit against any taxes you owe.

Qualifying taxpayers:

To be eligible for the additional deduction, a taxpayer must:

- ✓ have attained the age of 65 on or before the last day of the taxable year, and
- ✓ have a valid Social Security number.

Please don't hesitate to contact us here at Kram, McCarthy, Ayers & Frost, LLC, if we can be of assistance.