TAX RESOLUTION PLUS · FEDERAL TAX YEAR 2025

5 tax deductions people miss

Including 3 new federal deductions under the One Big Beautiful Bill Act (OBBBA) for 2025–2028. Income limits and eligibility rules apply, so you may or may not qualify. General information, not tax advice.

1 Student loan interest

Federal + California

Up to $2,500 of student-loan interest may be deductible above the line, even if you take the standard deduction. A MAGI phase-out applies. California generally conforms to this federal deduction.

2 HSA contributions

Federal only · California doesn't allow it

Contributions you made yourself (not through payroll) may be deductible: up to $4,300 self-only or $8,550 family for 2025, plus $1,000 if you are 55 or older. You need an HSA-eligible high-deductible health plan. California does not allow this deduction on your state return.

3 Overtime pay (NEW, 2025–2028)

Federal only · California doesn't allow it

The extra “half” of qualified FLSA time-and-a-half (premium) pay may be deductible: up to $12,500 a year, or $25,000 if married filing jointly, for 2025–2028. The deduction phases out above $150,000 MAGI ($300,000 joint). Married taxpayers must file jointly to claim it. California does not conform.

4 Tips (NEW, 2025–2028)

Federal only · California doesn't allow it

Qualified tips in occupations that customarily receive tips may be deductible: up to $25,000 a year, for 2025–2028. The deduction phases out above $150,000 MAGI ($300,000 joint). California does not conform.

5 Car loan interest (NEW, 2025–2028)

Federal only · California doesn't allow it

Interest on a loan originated after Dec. 31, 2024 for a new personal vehicle with final assembly in the United States may be deductible: up to $10,000 a year, for 2025–2028. The deduction phases out above $100,000 MAGI ($200,000 joint). California does not conform.

This is a planning overview for federal tax year 2025. State rules differ. This is general information, not tax advice.

Call (866) 900-9001. Free 30-minute consultation. No obligation.

Tax Resolution Plus Inc. · 2575 McCabe Way, Suite 210, Irvine, CA 92614 · General information, not tax advice.