

2026

# TAX REFERENCE GUIDE

Contact your  
financial  
professional  
today

to learn more about the  
financial resources and  
support they can provide



Jacob W. Cuthbert CFP®, AIF®, BFA, CPFA  
President  
Educo Advisor Group  
135 Technology Dr. Suite 318  
Canonsburg, PA 15317  
jcuthbert@educoadvgrp.com  
724-749-5889

## Employer plan/IRA contributions

Employer plans	2025	2026
Elective deferral for 401(k), 403(b), 457	\$23,500	\$24,500
Catch-up contributions for 401(k), 403(b), 457	\$7,500	\$8,000 <sup>1</sup>
Defined contribution plan limit	\$70,000	\$72,000
SEP IRA annual addition limit	\$70,000	\$72,000
SIMPLE IRA & 401(k) limit	\$16,500	\$17,000 <sup>2</sup>
SIMPLE IRA & 401(k) catch-up	\$3,500	\$4,000 <sup>3</sup>
Max includable compensation	\$350,000	\$360,000
Annual benefit limit	\$280,000	\$290,000
Highly compensated employee	\$160,000	\$160,000
Key employee	230,000	\$235,000
SEP minimum earnings limit	\$750	\$800

## Traditional and Roth IRA contributions

	2025	2026
Traditional and Roth IRA contribution limit	\$7,000	\$7,500
Catch-up contribution	\$1,000	\$1,100

## Traditional IRA deduction phaseouts

	2025	2026
Single or H of H	\$79,000-89,000	\$81,000-91,000
MFJ	\$126,000-146,000	\$129,000-149,000
MFS	\$0-10,000	\$0-10,000
Spousal contributions	\$236,000-246,000	\$242,000-252,000

## Roth IRA contribution phaseouts

	2025	2026
Single or H of H	\$150,000-165,000	\$153,000-168,000
MFJ	\$236,000-246,000	\$242,000-252,000
MFS	0-10,000	\$0-10,000

## Employer plan/IRA distributions

### Uniform life expectancy table (ULET)

Age	Distribution Period	%	Age	Distribution Period	%
72	27.4	3.65%	95	8.9	11.24%
73	26.5	3.77%	96	8.4	11.90%
74	25.5	3.92%	97	7.8	12.82%
75	24.6	4.07%	98	7.3	13.70%
76	23.7	4.22%	99	6.8	14.71%
77	22.9	4.37%	100	6.4	15.63%
78	22	4.55%	101	6	16.67%
79	21.1	4.74%	102	5.6	17.86%
80	20.2	4.95%	103	5.2	19.23%
81	19.4	5.15%	104	4.9	20.41%
82	18.5	5.41%	105	4.6	21.74%
83	17.7	5.65%	106	4.3	23.26%
84	16.8	5.95%	107	4.1	24.39%
85	16	6.25%	108	3.9	25.64%
86	15.2	6.58%	109	3.7	27.03%
87	14.4	6.94%	110	3.5	28.57%
88	13.7	7.30%	111	3.4	29.41%
89	12.9	7.75%	112	3.3	30.30%
90	12.2	8.20%	113	3.1	32.26%
91	11.5	8.70%	114	3	33.33%
92	10.8	9.26%	115	2.9	34.48%
93	10.1	9.90%	116	2.8	35.71%
94	9.5	10.53%	117	2.7	37.04%

Use ULET for calculating RMDs during account holder's life.

RMD formula =  $\frac{\text{Prior year 12/31 account balance}}{\text{Life expectancy}}$ <sup>1</sup>

1. Life expectancy = distribution period for age you will turn in the distribution year

## Required distribution options after death

### Beneficiary

Spouse	Treat as your own or Inherited IRA/Life Expectancy
Non-spouse	10-year rule: (10-years + RMDs when death was after RBD) Exceptions for: disabled, chronically ill, minor child, individuals not more than 10 years younger than deceased
None	Death prior to required beginning date (RBD)
	5-year rule
	Life expectancy of account holder
	Plans may require faster payout than RMD rules require

## Early retirement-Exceptions to the 10% penalty for distributions prior to age 59½

	NQ annuity	Qualified plans	IRAs
Death	X	X	X
Disability	X	X	X
Substantially equal pmnts. (72t)	X	X	X
Immediate annuity	X		
Medical Exp. (limited to ded. Amt.)		X	X
LTC Premiums		X	X
College, birth, adoption exp.			X
Qualified first-time homebuyer/reservist/hurricane			X
Age 55 and separated from service/ QDRO		X	

## Life expectancy

### IRS life expectancy tables

Age	Single	Joint	Age	Single	Joint
50	36.2	42.3	71	18	22.5
51	35.3	41.3	72	17.2	21.6
52	34.3	40.3	73	16.4	20.7
53	33.4	39.4	74	15.6	19.8
54	32.5	38.4	75	14.8	18.9
55	31.6	37.4	76	14.1	18.1
56	30.6	36.5	77	13.3	17.2
57	29.8	35.5	78	12.6	16.4
58	28.9	34.5	79	11.9	15.6
59	28	33.6	80	11.2	14.7
60	27.1	32.6	81	10.5	14
61	26.2	31.7	82	9.9	13.2
62	25.4	30.8	83	9.3	12.4
63	24.5	29.8	84	8.7	11.7
64	23.7	28.9	85	8.1	11
65	22.9	28	86	7.6	10.4
66	22	27	87	7.1	9.7
67	21.2	26.1	88	6.6	9.1
68	20.4	25.2	89	6.1	8.5
69	19.6	24.3	90	5.7	8
70	18.8	23.4			

Joint = Joint life expectancy of male and female of the same age

## Long-term care

### Long-term care insurance deduction

Attained age before the close of the taxable year

Maximum deduction for	2025	2026
40 or less	\$480	\$500
More than 40 but not more than 50	\$900	\$930
More than 50 but not more than 60	\$1,800	\$1,860
More than 60 but not more than 70	\$4,810	\$4,960
More than 70	\$6,020	\$6,200

## Net investment income tax

3.8% on the lesser of net investment income or MAGI over the following thresholds:

Single	\$200,000
MFJ	\$250,000
HoH	\$200,000
MFS	\$125,000

Please refer to Securian Financial's Social Security Quick Guide for Social Security tax topics.

## 2025 income tax rates

Taxable income over	Not over	Tax is	Plus	Of amount over
---------------------	----------	--------	------	----------------

### Single

\$0	\$11,925	\$0	10%	\$0
\$11,925	\$48,475	\$1,193	12%	\$11,925
\$48,475	\$103,350	\$5,579	22%	\$48,475
\$103,350	\$197,300	\$17,651	24%	\$103,350
\$197,300	\$250,525	\$40,199	32%	\$197,300
\$250,525	\$626,350	\$57,231	35%	\$250,525
\$626,350		\$188,770	37%	\$626,350

### Married filing joint (MFJ)

\$0	\$23,850	\$0	10%	\$0
\$23,850	\$96,950	\$2,385	12%	\$23,850
\$96,950	\$206,700	\$11,157	22%	\$96,950
\$206,700	\$394,600	\$35,302	24%	\$206,700
\$394,600	\$501,050	\$80,398	32%	\$394,600
\$501,050	\$751,600	\$114,462	35%	\$501,050
\$751,600		\$202,155	37%	\$751,600

### Head of households (H of H)

\$0	\$17,000	\$0	10%	\$0
\$17,000	\$64,850	\$1,700	12%	\$17,000
\$64,850	\$103,350	\$7,442	22%	\$64,850
\$103,350	\$197,300	\$15,912	24%	\$103,350
\$197,300	\$250,500	\$38,460	32%	\$197,300
\$250,500	\$626,350	\$55,484	35%	\$250,500
\$626,350		\$187,032	37%	\$626,350

### Married filing separate returns (MFS)

\$0	\$11,925	\$0	10%	\$0
\$11,925	\$48,475	\$1,193	12%	\$11,925
\$48,475	\$103,350	\$5,579	22%	\$48,475
\$103,350	\$197,300	\$17,651	24%	\$103,350
\$197,300	\$250,525	\$40,199	32%	\$197,300
\$250,525	\$375,800	\$57,231	35%	\$250,525
\$375,800		\$101,077	37%	\$375,800

### Estate and trusts

\$0	\$3,150	\$0	10%	\$0
\$3,150	\$11,450	\$315	24%	\$3,150
\$11,450	\$15,650	\$2,307	35%	\$11,450
\$15,650		\$3,777	37%	\$15,650

## 2026 income tax rates

Taxable income over	Not over	Tax is	Plus	Of amount over
---------------------	----------	--------	------	----------------

### Single

\$0	\$12,400	\$0	10%	\$0
\$12,400	\$50,400	\$1,240	12%	\$12,400
\$50,400	\$105,700	\$5,800	22%	\$50,400
\$105,700	\$201,775	\$17,966	24%	\$105,700
\$201,775	\$256,225	\$41,024	32%	\$201,775
\$256,225	\$640,600	\$58,448	35%	\$256,225
\$640,600		\$192,979	37%	\$640,600

### Married filing joint (MFJ)

\$0	\$24,800	\$0	10%	\$0
\$24,800	\$100,800	\$2,480	12%	\$24,800
\$100,800	\$211,400	\$11,600	22%	\$100,800
\$211,400	\$403,550	\$35,932	24%	\$211,400
\$403,550	\$512,450	\$82,048	32%	\$403,550
\$512,450	\$768,700	\$116,896	35%	\$512,450
\$768,700		\$206,584	37%	\$768,700

### Head of households (H of H)

\$0	\$17,700	\$0	10%	\$0
\$17,700	\$67,450	\$1,770	12%	\$17,700
\$67,450	\$105,700	\$7,740	22%	\$67,450
\$105,700	\$201,750	\$16,155	24%	\$105,700
\$201,750	\$256,200	\$39,207	32%	\$201,750
\$256,200	\$640,600	\$56,631	35%	\$256,200
\$640,600		\$191,171	37%	\$640,600

### Married filing separate returns (MFS)

\$0	\$12,400	\$0	10%	\$0
\$12,400	\$50,400	\$1,240	12%	\$12,400
\$50,400	\$105,700	\$5,800	22%	\$50,400
\$105,700	\$201,775	\$17,966	24%	\$105,700
\$201,775	\$256,225	\$41,024	32%	\$201,775
\$256,225	\$384,350	\$58,448	35%	\$256,225
\$384,350		\$103,292	37%	\$384,350

### Estate and trusts

\$0	\$3,300	\$0	10%	\$0
\$3,300	\$11,700	\$330	24%	\$3,300
\$11,700	\$16,000	\$2,346	35%	\$11,700
\$16,000		\$3,851	37%	\$16,000

## Additional income tax information

### Standard deduction\*

	2025	2026	2025	2026
Single	\$15,750	16,100	\$2,000	\$2,050
MFJ	\$31,500	32,200	\$1,600	\$1,650
H of H	\$23,625	24,150	\$2,000	\$2,050
MFS	\$15,750	16,100	\$1,600	\$1,650

### Child tax credit — 2026

\$2,200
No more than \$1,700 per child is refundable

### Capital gain/dividend rates — 2026

Varies depending on maximum taxable income level under taxpayer's filing status.

Short term <12 mos	Ordinary rate	Ordinary rate	Ordinary rate
Long term >12 mos	0%	15%	20%
Qualified dividends	0%	15%	20%

### Gift tax and GST tax

	2025	2026
Single	\$13,990,000	\$15,000,000
Couples	\$27,980,000	\$30,000,000
GST exclusion	\$13,990,000	\$15,000,000
Annual gift tax exclusion		\$19,000

### Business Entities — 2026

C corporations: taxed at 21% flat rate

Pass-through entities: 20% deduction on qualified business income through these thresholds:\*

	\$0	\$201,750	\$276,750
Service business	20%	Phase to	... no deduction
Non-service business	20%	Phase to	... 20% with W-2 & capital limits

\*\*For individuals, 2x for Married Filing Jointly

1. Secure Act 2.0 allows larger catch-up contributions for ages 60-63: \$11,250. Beginning in 2026, catch-up contributions (age 50+) must be Roth (after-tax) when prior year wages exceed threshold.

2. Secure Act 2.0 may allow for additional regular contributions into certain SIMPLE plans.

3. Secure Act 2.0 allows larger catch-up contributions for ages 60-63: \$5,250

\*Additional \$6,000 deduction over age 65 for years 2025-2028, subject to income limitations. Includes updates from the Tax Cuts and Jobs Act (Pub.L.115-97, H.R.1) enacted December 22, 2017.

This information is a general discussion of the relevant federal tax laws provided to promote ideas that may benefit a taxpayer. It is not intended for, nor can it be used by any taxpayer for the purpose of avoiding federal tax penalties. Taxpayers should seek the advice of their own advisors regarding any tax and legal issues specific to their situation.

This is a general communication for informational and educational purposes. The information is not designed, or intended, to be applicable to any person's individual circumstances. It should not be considered investment advice, nor does it constitute a recommendation that anyone engage in (or refrain from) a particular course of action. If you are seeking investment advice or recommendations, please contact your financial professional.