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2025 Tax Rules

	Tax Bracket Thresholds		
Ordinary Income	**Single**	**MFJ**	**HOH**
10%	$0	$0	$0
12%	$11,926	$23,851	$17,001
22%	$48,476	$96,951	$64,851
24%	$103,351	$206,701	$103,351
32%	$197,301	$394,601	$197,301
35%	$250,526	$501,051	$250,501
37%	$626,351	$751,601	$626,351
Capital Gains	**Taxable Income**		
0%	$0	$0	$0
15%	$48,351	$96,701	$64,751
20%	$533,401	$600,051	$566,701
Thresholds / Exemptions			
Std Deduction	$15,000	$30,000	$22,500
PE	$0	$0	$0
Age 65 or blind	$2,000	$1,600	$2,000
IRA			
IRA deduction phase-out (Qualified)	$79,000 / $89,000	$126,000 / $146,000	$79,000 / $89,000
Phase-out Roth IRA contribution eligibility	$150,000 / $165,000	$236,000/ $246,000	$150,000 / $165,000
IRA contribution **under** 50	$7,000		
IRA contribution **over** 50	$8,000		
Spousal IRA deduction phase-out	$236,000 / $246,000		

2025 Saver's Credit

50% of your contribution	AGI < $23,750	AGI < $47,500	AGI < $35,625
20% of your contribution	$23,751 - $25,500	$47,501- $51,000	$35,626 - $38,250
10% of your contribution	$25,501 - $39,500	$51,001 - $79,000	$38,251 - $59,250
0% of your contribution	> $39,501	> $79,001	> $59,251

Medicare

Medicare premiums for 2025 are based on 2023 MAGI.

Individual Medicare monthly premium increases

Threshold	Part B	Part D
$106,000 or less	$185.00	Your plan premium
above $106,000 up to $133,000	$259.00	$13.70 + your plan premium
above $133,000 up to $167,000	$370.00	$35.30 + your plan premium
above $167,000 up to $200,000	$480.90	$57.00 + your plan premium
above $200,000, less than $500,000	$591.90	$78.60 + your plan premium
$500,000 or above	$628.90	$85.80 + your plan premium

Married, both 65+

Threshold	Part B	Part D
$212,000 or less	$370.00	Your plan premium
above $212,000 up to $266,000	$518.00	$27.40 + your plan premium
above $266,000 up to $334,000	$740.00	$70.60 + your plan premium
above $334,000 up to $400,000	$961.80	$114.00 + your plan premium
above $400,000, less than $750,000	$1,183.80	$157.20 + your plan premium
$750,000 or above	$1,257.80	$171.60 + your plan premium

Payroll tax	Single or HOH	MFJ
Additional 0.9% high-income tax for wages in excess of:	$200,000	$250,000
Payroll tax	Employee pay 1.45%	
	Self-employed pay 2.9%	

Social Security

Income causing SS benefits to be taxable		
Up to 50% taxable	$25,000 MAGI	$32,000 MAGI
Up to 85% taxable	$34,000 MAGI	$44,000 MAGI

Child Tax Credit Limits

MAGI Thresholds	$200,000	$400,000
Credit amount	$2,000 / child	
Maximum refund credit	$1,700	
Other dependents	$500	

Tax Cuts and Jobs Act 2017 Changes

- Personal exemptions and phase-out eliminated
- Increased Standard Deductions
- Increased Child Tax Credit
- Medical and Dental expenses deductible above 7.5% of the filer(s) AGI.
- For tax year 2018 through 2025 miscellaneous itemized deductions are suspended.
- 20% deduction for pass through income
- Pass through deduction phase-out for specified trades or businesses - $383,900 married, $191,950 single or HOH

Term	Acronym	Definition
Adjusted Gross Income	AGI	measure of income calculated from your gross income and used to determine how much of your income is taxable
Alternative Minimum Tax	AMT	recalculates income tax after adding certain tax preference items back into adjusted gross income
Effective Marginal Rate	EMR	percentage of tax that you will pay on your next dollar of taxable income
Effective Tax Rate	ETR	percentage of your taxable income that you effectively pay in taxes
Income-Related Monthly Adjustment Amount	IRMAA	higher premium charged by Medicare Part B and Medicare Part D to individuals with higher incomes
Modified Adjusted Gross Income	MAGI	used to determine IRMAA
Net Investment Income Tax	NIIT	3.8% tax on the smaller of your net investment income or modified adjusted gross income

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