

# 2026

## Key Tax Numbers

Highland delivers the most up-to-date tax information for your client planning meetings. This concise reference guide will be extremely helpful when structuring the most appropriate risk-management strategies.

This tax resource summarizes the IRS's annual inflation adjustments for the 2026 tax year. It compiles the most frequently used values including current federal income tax rates, estate-tax exclusions, retirement and healthcare contribution limits, among others.

Federal Income Tax Rates	
SINGLE	
<b>Taxable Income</b>	<b>Tax Rate</b>
\$0 - \$12,400	10%
\$12,400 - \$50,400	12%
\$50,400 - \$105,700	22%
\$105,700 - \$201,775	24%
\$201,775 - \$256,225	32%
\$256,225 - \$640,600	35%
Over \$640,600	37%
MARRIED (JOINT)	
<b>Taxable Income</b>	<b>Tax Rate</b>
\$0 - \$24,800	10%
\$24,800 - \$100,800	12%
\$100,800 - \$211,400	22%
\$211,400 - \$403,550	24%
\$403,550 - \$512,450	32%
\$512,450 - \$768,700	35%
Over \$768,700	37%
MARRIED (SEPARATE)	
<b>Taxable Income</b>	<b>Tax Rate</b>
\$0 - \$12,400	10%
\$12,400 - \$50,400	12%
\$50,400 - \$105,700	22%
\$105,700 - \$201,775	24%
\$201,775 - \$256,225	32%
\$256,225 - \$384,350	35%
Over \$384,350	37%
HEAD OF HOUSEHOLD (HH)	
<b>Taxable Income</b>	<b>Tax Rate</b>
\$0 - \$17,700	10%
\$17,700 - \$67,450	12%
\$67,450 - \$105,700	22%
\$105,700 - \$201,750	24%
\$201,750 - \$256,200	32%
\$256,200 - \$640,600	35%
Over \$640,600	37%
TRUSTS AND ESTATES	
<b>Taxable Income</b>	<b>Tax Rate</b>
\$0 - \$3,300	10%
\$3,300 - \$11,700	24%
\$11,700 - \$16,000	35%
Over \$16,000	37%

Standard Deduction		
Filing Status	2025	2026
Single	\$15,750	\$16,100
Married (Joint)	\$31,500	\$32,200
Married (Separate)	\$15,750	\$16,100
Head of Household	\$23,625	\$24,150

Senior Deduction		
For 2025-2028, taxpayers age 65 or older can deduct \$6,000 whether they itemize or not (subject to income limitations).		

Itemized Deductions		
Starting in 2026, the tax benefit for itemized deductions for taxpayers in the 37% tax bracket is limited to 35%.		

State and Local Tax (SALT) Deduction		
The combined deduction cap for state property taxes and state and local income taxes:		
Married (Separate)	\$20,000	\$20,200

This deduction phases out to as low as \$10,000 when the taxpayer's MAGI exceeds \$500,000 in 2025 and \$505,000 in 2026 (\$250,000 / \$252,500 married filing separately).

Capital Gains and Dividends		
CAPITAL GAINS AND DIVIDENDS		
<b>Filing Status</b>	<b>Income Tax Bracket</b>	<b>Rate</b>
Single	\$0 - \$49,450	0%
	\$49,450 - \$545,500	15%
	Over \$545,500	20%
Married (Joint)	\$0 - \$98,900	0%
	\$98,900 - \$613,700	15%
	Over \$613,700	20%

UNEARNED INCOME MEDICARE CONTRIBUTION TAX		
3.8% surtax applied to lower of Net Investment Income or MAGI over threshold.		
<b>Filing Status</b>	<b>MAGI</b>	<b>Rate</b>
Single / Head of Household	\$200,000+	3.8%
Married (Joint)	\$250,000+	3.8%
Married (Separate)	\$125,000+	3.8%
Trusts and Estates	\$16,000+	3.8%

FICA Tax Rates		
	Self-Employed	Employee
OASDI (Social Security)	12.4%	6.2%
HI (Medicare)	2.9%	1.45%
Additional Medicare Tax*	0.9%	0.9%

\* The additional Medicare tax applies to wages and self-employment income above the following thresholds:

Filing Status	Wages or Self-Employment Income Above the MAGI Threshold
Married (Joint)	Greater than \$250,000
Married (Separate)	Greater than \$125,000
All Others	Greater than \$200,000

Social Security		
	2025	2026
<b>TAXABLE WAGE BASE</b>		
Social Security (OASDI)	\$176,100	\$184,500
Medicare (HI only)	No limit	No limit

Alternative Minimum Tax		
Taxpayers are subject to an "alternative minimum tax" (AMT) instead of the regular income tax when they have substantial "preference income." This is income that is treated favorably under the regular income tax. Basically, the taxpayer must pay whichever tax is higher—the regular tax or the AMT.		
<b>Filing Status</b>	<b>2025 Exemption</b>	<b>2026 Exemption</b>
Single / HH	\$88,100	\$90,100
Married (Joint)	\$137,000	\$140,200
Married (Sep.)	\$68,500	\$70,100
The exemption amounts are phased out for higher-income taxpayers.		
<b>AMT Income in Excess of Exemption 2025 / 2026</b>		<b>AMT Rate</b>
First \$239,100* / \$244,500*		26%
Above \$239,100 / \$244,500		28%
* \$119,550 / \$122,250 for married (separate).		

Charitable Contribution Deductions		
Type of Property Contributed	Deemed Amount of Contribution	Percentage Limitation 2025 and 2026
Cash	Actual dollar amount	60%
Appreciated ordinary income property or appreciated short-term capital gain property	Donor's tax basis	50%
Appreciated long-term capital gain property		
(a) General rule	Fair market value	30%
(b) Election made to reduce amount of contribution	Donor's tax basis	50%
(c) Tangible personal property put to unrelated use by donee charity	Donor's tax basis	50%

**Note:** Starting in 2026, nonitemizers can deduct up to \$1,000 (\$2,000 married filing jointly) for cash contributions to qualified charities (not including donor-advised funds). Itemizers are subject to a "giving floor" and can only deduct charitable contributions that exceed 0.5% of AGI. The tax benefit for itemized deductions for taxpayers in the 37% tax bracket is limited to 35%.

Gift and Estate Tax		
	2025	2026
Annual gift tax exclusion	\$19,000	\$19,000
Unified credit exemption	\$13,990,000	\$15,000,000
Gift to noncitizen spouse	\$190,000	\$194,000
Highest estate-and-gift-tax rate	40%	40%
States with Separate Estate Tax	CT, DC, HI, IL, MA, MD, ME, MN, NY, OR, RI, VT, WA	
States with Inheritance Tax	KY, MD, NE, NJ, PA	
Community Property States	AZ, CA, ID, LA, NM, NV, TX, WA, WI	
Opt-In Community Property States	AK, FL, KY, SD, TN	

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# 2026 Key Tax Numbers

Traditional IRA and Roth IRA		
	2025	2026
<b>IRA AND ROTH IRA CONTRIBUTION LIMIT</b>		
Contribution Limit	\$7,000	\$7,500
50+ Catch-Up	\$1,000	\$1,100
<b>TRADITIONAL IRA DEDUCTIBILITY PHASEOUT BASED ON MAGI</b>		
Active participants in employer plans		
Married (Joint)	\$126,000 - \$146,000	\$129,000 - \$149,000
Married (Separate)	\$0 - \$10,000	\$0 - \$10,000
All Others	\$79,000 - \$89,000	\$81,000 - \$91,000
Nonparticipant married to a participant	\$236,000 - \$246,000	\$242,000 - \$252,000
Neither spouse a participant	Fully deductible	Fully deductible
<b>ROTH IRA PHASEOUT BASED ON MAGI</b>		
Married (Joint)	\$236,000 - \$246,000	\$242,000 - \$252,000
Married (Separate)	\$0 - \$10,000	\$0 - \$10,000
All Others	\$150,000 - \$165,000	\$153,000 - \$168,000

Qualified Plans		
	2025	2026
401(k), 403(b), 457(b) salary deferral	\$23,500	\$24,500
50+ catch-up	\$7,500	\$8,000
Special age 60-63 catch-up	\$11,250	\$11,250
SIMPLE salary deferral	\$16,500	\$17,000
50+ catch-up	\$3,500	\$4,000
Special age 60-63 catch-up	\$5,250	\$5,250
Maximum annual additions in a defined contribution plan	\$70,000	\$72,000
Maximum annual benefit in a defined benefit plan	\$280,000	\$290,000
Maximum compensation considered	\$350,000	\$360,000
Highly compensated employee	\$160,000	\$160,000
Maximum QLAC	\$210,000	\$210,000
Special catch-up rules apply to certain 403(b) contributors who have 15 or more years of service and to governmental 457(b) participants who are in their last three years before retirement. View important 2026 changes <a href="#">here</a> .		

Uniform Life Table											
REQUIRED MINIMUM DISTRIBUTIONS											
The Uniform Life Table is used to calculate lifetime required minimum distributions (RMDs) from qualified retirement plans, including 401(k) and 403(b) plans, and IRAs. The required beginning date for RMDs is April 1 of the year after the retirement account holder turns 73. This is scheduled to increase to 75 on Jan. 1, 2033.											
Age	Divisor	Account	Age	Divisor	Account	Age	Divisor	Account	Age	Divisor	Account
73	26.5	3.78%	81	19.4	5.16%	89	12.9	7.76%	97	7.8	12.83%
74	25.5	3.93%	82	18.5	5.41%	90	12.2	8.20%	98	7.3	13.70%
75	24.6	4.07%	83	17.7	5.65%	91	11.5	8.70%	99	6.8	14.71%
76	23.7	4.22%	84	16.8	5.96%	92	10.8	9.26%	100	6.4	15.63%
77	22.9	4.37%	85	16.0	6.25%	93	10.1	9.91%	101	6.0	16.67%
78	22.0	4.55%	86	15.2	6.58%	94	9.5	10.53%	102	5.6	17.86%
79	21.1	4.74%	87	14.4	6.95%	95	8.9	11.24%	103	5.2	19.24%
80	20.2	4.96%	88	13.7	7.30%	96	8.4	11.91%	104	4.9	20.41%

Single Life "Inherited" Table									
REQUIRED MINIMUM DISTRIBUTIONS (View more IRS information <a href="#">here</a> .)									
The Single Life "Inherited" Table is used to calculate the RMD for eligible designated beneficiaries.									
Age	Factor	Age	Factor	Age	Factor	Age	Factor	Age	Factor
35	50.5	45	41.0	55	31.6	65	22.9	75	14.8
36	49.6	46	40.0	56	30.6	66	22.0	76	14.1
37	48.6	47	39.0	57	29.8	67	21.2	77	13.3
38	47.7	48	38.1	58	28.9	68	20.4	78	12.6
39	46.7	49	37.1	59	28.0	69	19.6	79	11.9
40	45.7	50	36.2	60	27.1	70	18.8	80	11.2
41	44.8	51	35.3	61	26.2	71	18.0	81	10.5
42	43.8	52	34.3	62	25.4	72	17.2	82	9.9
43	42.9	53	33.4	63	24.5	73	16.4	83	9.3
44	41.9	54	32.5	64	23.7	74	15.6	84	8.7

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#### Important Disclosures

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