

2026 Federal Tax Guide

Income Tax Brackets & Deductions

Federal Income Tax Brackets			
Rate	Single	Married Filing Jointly	Head of Household
	Taxable Income Up To		
10%	\$12,400	\$24,800	\$17,700
12%	\$50,400	\$100,800	\$67,450
22%	\$105,700	\$211,400	\$105,700
24%	\$201,775	\$403,550	\$201,775
32%	\$256,225	\$512,450	\$256,200
35%	\$640,600	\$768,700	\$640,600
37%	\$640,600+	\$768,700+	\$640,600+

Alternative Minimum Tax Thresholds		
Filing Status	Exemptions Amount	Threshold
Single Individuals	\$90,100	\$500,000
Married Filing Jointly	\$140,200	\$1,000,000
Married Filing Separate	\$70,100	

Tax Rates on Long-Term Capital Gains			
Rate	Single	Married Filing Jointly	Head of Household
	Taxable Income Up To		
0%	\$49,450	\$98,900	\$66,200
15%	\$545,500	\$613,700	\$579,600
20%	\$545,500+	\$613,700+	\$579,600+

Additional Net Investment Income Tax (NIIT)			
Rate	Modified Adjusted Gross Income Threshold		
3.8%	\$200,000	\$250,000	\$200,000

Social Security Tax Rate*			
Work Status	Social Security + Medicare Tax Rate	SS Wage Limit	Medicare Wage Limit
Employee	7.65%	\$184,500	No Limit. 1.45% Tax
Self-Employed	15.30%	\$184,500	No Limit. 2.9% Tax

Standard Deduction	
Filing Status	Deduction Amount
Single	\$16,100
Married filing jointly	\$32,200
Head of household	\$24,150
Additional 65+ Deduction - Single	\$2,050
Additional 65+ Deduction - MFJ	\$1,650

Annual Exclusion	
Gift recipient	Tax Exclusion Limit
Any person	\$19,000
Non-Citizen Spouses	\$194,000
Estate tax exclusion per person**	\$15,000,000

Qualified Business Income Deduction Thresholds (QBI)	
Filing Status	Deduction Amount
Single	\$201,750
Married Filing Jointly	\$403,500
QBI Deduction Made Permanent through the One Big Beautiful Bill Act	

Child Tax Credit (subject to testing/state rules)	
Filing Status	Deduction Amount
Per qualifying Child	\$2,200
Refundable Portion	\$1,700

Tax on Social Security Income		
Filing Status	Combined Income	Percent Of Social Security Subject to Tax
Single	\$25k-34k	Up to 50%
Single	\$34k+	Up to 85%
Married Filing Jointly	\$32k-44k	Up to 50%
Married Filing Jointly	\$44k+	Up to 85%

* OASDI and HI tax rate: 12.4% OASDI and 2.9% HI (15.3% combined) for self-employed; 6.2% and 1.45% (7.65% combined) for employees. An additional 0.9% HI tax imposed on individuals with wages or self-employment income in excess of \$200,000 (single and qualifying widow(er)) or \$250,000 (married/filing jointly).

** Federal rates range from 18%-40%. State estate taxes are in addition to the above.

Tax Advantaged Account Limits

Account	Limit
Maximum elective deferral to retirement plans (401(k), 403(b))	\$24,500
Maximum elective deferral to IRA / Roth IRA*	\$7,500
Catch-up contribution limit for IRA (beginning at age 50)	\$1,100
Maximum elective deferral to 457 plans of government and tax-exempt employers	\$24,500
Catch-up contribution limit for 401(k), 403(b) and certain 457 plans (beginning at age 50)	\$8,000
Catch-up contribution limit for 401(k), 403(b) and 457 plans (ages 60-63)	\$11,250
Limit on compensation in prior year requiring catch-up contributions to be Roth***	\$150,000
Maximum elective deferral to SIMPLE plans**	\$17,000
Catch-up contribution limit for SIMPLE plans (beginning at age 50)	\$4,000
Catch-up contribution limit for SIMPLE plans (ages 60-63)	\$5,250
Limit on annual additions to defined contribution plans	\$72,000
Limit on annual additions to SEP plans	\$72,000
Annual benefit limit under defined benefit plans	\$290,000
Health flexible spending account maximum salary reduction contribution (individual coverage)	\$3,400
Health flexible spending account maximum salary reduction contribution (family coverage)	\$7,500
Health savings account maximum salary reduction contribution (individual coverage)	\$4,400
Health savings account maximum salary reduction contribution (family coverage)	\$8,750
Catch-up contribution limit for Health savings account (beginning at age 55)	\$1,000
Trump Accounts***	\$5,000

* The income ranges for determining eligibility to make deductible contributions to traditional IRAs and to contribute to Roth IRAs increased for 2026. If you have any questions regarding your retirement account(s), contact your CCP advisor.

** The SECURE 2.0 law allows individuals in SIMPLE IRAs to contribute 10% more if their plan meets certain requirements.

*** New for 2026. Note that Trump Accounts will not be accessible until 7/4/2026.

Notable Deductions for 2026

Deduction/Change	Description
Mortgage Interest*	Deduction on interest for qualifying mortgages up to \$750,000 (\$375,000 if married/filing separately); Interest on home equity lines of credit (HELOC) deductible in certain cases where proceeds are utilized to acquire or improve a residence.
State/Local Tax	Deduction on state and local income (or sales) taxes and real and personal property taxes up to \$40,000. Reduced pro-rata down to \$10k on MAGI from \$500-600k.
Charitable Contributions - Itemizers**	Charitable Contributions remain an itemized deduction for 2026 subject to various AGI limitations depending on the property contributed and the receiving entity. Note that new for 2026 is a disallowance of the first .5% of MAGI donated.
Charitable Contributions – Non-Itemizers**	New for 2026, Non-Itemizers will have an up to \$1k deduction for charitable contributions available to them in addition to the Standard Deduction.
Senior Bonus Deduction (“No Tax On Social Security”)**	As part of the One Big Beautiful Bill Act, there is a \$6,000 deduction available to each taxpayer aged 65+ in addition to the Standard and Itemized Deductions. Social Security does not need to be claimed to receive the deduction. Income phase outs start at \$75k (single) and \$150k (MFJ), and are phased out entirely at \$175k and \$250k respectively.
35% Deduction Cap**	Taxpayers in the top marginal tax bracket will have itemized deductions limited to reducing tax at the 35% tax bracket, therefore losing 2/37 of the tax value.
Gambling Losses**	New for 2026, gambling losses will be an allowable itemized deduction limited to 90% of gambling losses up to the amount of gambling winnings. Previously 100% of losses were allowed to the extent of gains.

* Homes under agreement before 12/15/17 for purchase prior to 1/1/18 (provided purchase occurred by 4/1/18) grandfathered under previous \$1,000,000 (\$500,000 if married/filing separately) limits.

** Calls out a legislative change from previous years.

All tax data is sourced from www.irs.gov and H.R.1 - One Big Beautiful Bill Act.