



Downey & Company, LLP

www.DowneyCoCPA.com

222 Forbes Road Braintree, MA 02184

781-849-3100

2025 Tax Facts At-A-Glance

2024

If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$0	\$23,200	\$0+10%	\$0
23,200	94,300	2,320+12%	23,200
94,300	201,050	10,852+22%	94,300
201,050	383,900	34,337+24%	201,050
383,900	487,450	78,221+32%	383,900
487,450	731,200	111,357+35%	487,450
731,200		196,669.50+37%	731,200
Single:			
\$0	\$11,600	\$0+10%	\$0
11,600	47,150	1,160+12%	11,600
47,150	100,525	5,426+22%	47,150
100,525	191,950	17,168.50+24%	100,525
191,950	243,725	39,110.50+32%	191,950
243,725	609,350	55,678.50+35%	243,725
609,350		183,647.25+37%	609,350

Standard Deductions

	2024	2025
Married Filing Jointly	\$29,200	\$30,000
Head of Household	\$21,900	\$22,500
Single	\$14,600	\$15,000
Additional (Age 65 or Older or Blind):		
Married Filing Jointly	\$1,550	\$1,600
Unmarried & Not Surviving Spouse	\$1,950	\$2,000
AGI Itemized Deduction Phase-out	N/A	N/A
Personal Exemption	None	None

Child Tax Credit

	2024	2025
Qualifying Child 17 and Under	\$2,000	\$2,000
Refundable Portion	\$1,700	\$1,700

Depreciation Expense

	2024	2025
Election to Expense Under Section 179	\$1,220,000	\$1,250,000
Bonus Depreciation	60%	40%

Mileage Rates (Per Mile)

	2024	2025
Business	0.67	0.70
Charity	0.14	0.14
Medical	0.21	0.21

AMT Exemptions

	2024	2025
Married Filing Jointly	\$133,300	\$137,000
Phase-out Threshold	\$1,218,700	\$1,252,700
Single	\$85,700	\$88,100
Phase-out Threshold	\$609,350	\$626,350

Pass-Through Entities

Qualified businesses income deduction (subject to various restrictions) is the lesser of:

- 20% of qualified business income, or
- 50% of W-2 wages paid (alternative method of 25% of W-2 wages plus 2.5% of unadjusted basis on qualified property)

Qualified business income deduction cannot be claimed by taxpayers in most service businesses with taxable income in excess of \$394,600 (for joint filers) or \$197,300 (for single filers) for 2025. Those thresholds were \$383,900 (for joint filers) or \$191,950 (for single filers) for 2024.

Income Taxes

2025

If taxable income is:

Over	But Not Over	The Tax Is	Of the Amount Over
Married Filing Jointly:			
\$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		202,154.50+37%	751,600
Single:			
\$0	\$11,925	\$0+10%	\$0
11,925	48,475	1,192.50+12%	11,925
48,475	103,350	5,578.50+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		188,769.75+37%	626,350

Education Incentives

	2024	2025
American Opportunity Tax Credit	\$2,500	\$2,500
Phase-outs for American Opportunity Tax Credit:		
Married Filing Jointly	\$160,000-180,000	\$160,000-180,000
Single	\$80,000-90,000	\$80,000-90,000
Phase-outs for Exclusion of U.S. Savings Bond Income:		
Married Filing Jointly	\$145,200-175,200	\$149,250-179,250
Single	\$96,800-111,800	\$99,500-114,500

Phase-outs for Coverdell Education Savings Accounts:

Maximum contributions of \$2,000 phase-out range:

Married Filing Jointly	\$190,000-220,000	\$190,000-220,000
Single	\$95,000-110,000	\$95,000-110,000

Net Investment Income Tax

	2024 & 2025
3.8%	Over threshold amount of:
Married Filing Jointly	\$250,000
Married Filing Separately	\$125,000
Single	\$200,000

Capital Gains Tax & Qualified Dividends

Maximum taxable income thresholds:			
Rate	Married Filing Jointly	Single	Head of Household
0%	Up to \$96,700	Up to \$48,350	Up to \$64,750
15%	\$96,700-600,050	\$48,350-533,400	\$64,750-566,700
20%	Over \$600,050	Over \$533,400	Over \$566,700

Corporations

	2024	2025
Flat Rate	21%	21%

2025 Tax Facts At-A-Glance

Estate & Gift Taxes

Scheduled Gift & Estate Tax Changes

Year	Gift Tax Top Rate	Top Estate Tax Rate	Estate Tax Exemption
2015	40%	40%	\$5,430,000
2016	40%	40%	\$5,450,000
2017	40%	40%	\$5,490,000
2018	40%	40%	\$11,200,000
2019	40%	40%	\$11,400,000
2020	40%	40%	\$11,580,000
2021	40%	40%	\$11,700,000
2022	40%	40%	\$12,060,000
2023	40%	40%	\$12,920,000
2024	40%	40%	\$13,610,000
2025	40%	40%	\$13,990,000

Gift Tax	2024	2025
Annual Gift Tax Exclusion	\$18,000	\$19,000
Gift Tax Exemption	\$13,610,000	\$13,990,000
Generation Skipping Transfer Tax Exemption	\$13,610,000	\$13,990,000

Qualified Plans	2024	2025
IRA Maximum Contribution Limit	\$7,000	\$7,000
IRA Age 50+ Catch-up Contribution	\$1,000	\$1,000
SEP Plan Participant Maximum Percentage of Compensation	25%	25%
SEP Plan Participant Maximum Dollar Allocation Limit	\$69,000	\$70,000
SEP Minimum Compensation Amount	\$750	\$750
Simple IRA Employee Contribution:		
SIMPLE IRA Catch-up - Age 50 to 59 (Additional Catch-up Available from 60 to 63)	\$3,500	\$3,500
Maximum Elective Deferral to SIMPLE Plan	\$16,000	\$16,500
403(b) TSA Elective Employee Deferral	\$23,000	\$23,500
403(b) TSA Catch-up - Age 50 to 59 (Additional Catch-up Available from 60 to 63)	\$7,500	\$7,500
403(b) TSA Catch-up - 15 or More Years of Service With Current Employer	\$3,000	\$3,000
Defined Contribution Maximum Employer Percentage Deduction Limit (of Eligible Payroll)	25%	25%
Defined Contribution Plan Annual Addition Limit	\$69,000	\$70,000
Maximum Elective Deferral to Retirement Plans [e.g., 401(k), 403(b) & 457]	\$23,000	\$23,500
401(k) Age 50 to 59 Catch-up Contribution (Additional Catch-up Available from 60 to 63)	\$7,500	\$7,500
Annual Includable Compensation Limit	\$345,000	\$350,000
Highly Compensated Employee Compensation Limit	\$155,000	\$160,000
Annual Retirement Benefit Limit Under Defined Benefit Plan (Not to Exceed 100% of Compensation)	\$275,000	\$280,000

IRAs

Phase-out Range for Deductible Contributions to Traditional IRAs:

Married Filing Jointly:

Both Spouses as Participants in Qualified Plan

One Spouse as Participant in Qualified Plan

Single/Head of Household

Phase-out Range for Contributions to Roth IRAs:

Married Filing Jointly

Single/Head of Household

Social Security	2024	2025
Full Retirement Age	67 (1960 or Later)	67 (1960 or Later)
Portion of Benefit Paid at Age 62:	70%	70%
Maximum Earnings Before Social Security Benefits Are Reduced:		
Before Full Retirement Age (Lose \$1 for Every \$2 of Earnings)	\$22,320	\$23,400
Year of Full Retirement Age	\$59,520	\$62,160
After Full Retirement	No limit	No limit
Maximum Compensation Subject to FICA Taxes:		
OASDI (Social Security) Max	\$168,600	\$176,100
HI (Medicare) Max	No limit	No limit

2025 OASDI Tax Rate	12.4%	Self-employed
	6.2%	Employees
2025 HI Tax Rate	2.9%*	Self-employed
	1.45%*	Employees

*Additional .9% rate for single >\$200,000 and married >\$250,000

2025 Required Minimum Distributions Must be Taken by Age 72

2025 Required Minimum Distribution Table (Uniform Lifetime)

Age	Factor	Age	Factor	Age	Factor
72	27.4	83	17.7	94	9.5
73	26.5	84	16.8	95	8.9
74	25.5	85	16.0	96	8.4
75	24.6	86	15.2	97	7.8
76	23.7	87	14.4	98	7.3
77	22.9	88	13.7	99	6.8
78	22.0	89	12.9	100	6.4
79	21.1	90	12.2	101	6.0
80	20.2	91	11.5	102	5.6
81	19.4	92	10.8	103	5.2
82	18.5	93	10.1	104	4.9



IRAs	2024	2025
Phase-out Range for Deductible Contributions to Traditional IRAs:		
Married Filing Jointly:		
Both Spouses as Participants in Qualified Plan	\$123,000 - 143,000	\$126,000 - 146,000
One Spouse as Participant in Qualified Plan	\$230,000 - 240,000	\$236,000 - 246,000
Single/Head of Household	\$77,000 - 87,000	\$79,000 - 89,000
Phase-out Range for Contributions to Roth IRAs:		
Married Filing Jointly	\$230,000 - 240,000	\$236,000 - 246,000
Single/Head of Household	\$146,000 - 161,000	\$150,000 - 165,000

222 Forbes Road, Braintree, MA 02184

800-849-6022

www.DowneyCoCPA.com

This material is provided for informational purposes only and should not be construed as tax advice.

This information has been obtained from publicly available sources and is believed to be accurate as of December 2024.



DOWNEY & COMPANY, LLP