

# 2026 Annual Limits Relating to Financial Planning



| 2026 TAX RATE SCHEDULE                                |           |                   |        |           |
|---|-----------|-------------------|--------|-----------|
| TAXABLE INCOME  |           | GROSS TAX PAYABLE |        |           |
| Over  | Not Over  | Amount            | + Rate | Over      |
| <b>SINGLE</b>   |           |                   |        |           |
| \$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   | -         | \$192,979.25      | + 37%  | \$640,600 |
| <b>MARRIED FILING JOINTLY &amp; SURVIVING SPOUSES</b> |           |                   |        |           |
| \$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   | -         | \$206,583.50      | + 37%  | \$768,700 |
| <b>MARRIED FILING SEPARATELY</b>                      |           |                   |        |           |
| \$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   | -         | \$103,291.75      | + 37%  | \$384,350 |
| <b>HEAD OF HOUSEHOLD</b>                              |           |                   |        |           |
| \$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 |
| <b>ESTATES AND TRUSTS</b>                             |           |                   |        |           |
| \$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  |

| LONG-TERM CAPITAL GAINS & QUALIFIED DIVIDENDS |           |                      |            |
|---|-----------|----------------------|------------|
| File Status                                   | 0% Rate   | 15% Rate             | 20% Rate   |
| Single  | ≤\$49,450 | \$49,451 - \$545,500 | >\$545,500 |
| MFJ   | ≤\$98,900 | \$98,901 - \$613,700 | >\$613,700 |
| MFS   | ≤\$49,450 | \$49,451 - \$306,850 | >\$306,850 |
| HOH   | ≤\$66,200 | \$66,201 - \$579,600 | >\$579,600 |
| E&T   | ≤\$3,300  | \$3,301 - \$16,250   | >\$16,250  |

| ALTERNATIVE MINIMUM TAX (AMT) |           |                           |
|-------------------------------|-----------|---------------------------|
| File Status                   | Exemption | Phaseout                  |
| Single                        | \$90,100  | \$500,000 - \$680,200     |
| MFJ                           | \$140,200 | \$1,000,000 - \$1,280,400 |
| MFS                           | \$70,100  | \$500,000 - \$640,000     |
| HOH                           | \$90,100  | \$500,000 - \$680,200     |
| E&T                           | \$31,400  | \$104,800 - \$167,600     |

| ALTERNATIVE MINIMUM TAX (AMT) RATES              |
|--|
| 26% up to \$244,500 of AMTI base (\$122,250 MFS) |
| 28% over \$244,500 of AMTI base                  |

| INCOME TAX   |  |
|--|--|
| <b>STANDARD DEDUCTION FOR NON-ITEMIZERS</b>          |  |
| Single.....  | \$16,100   |
| Married Filing Jointly & Surviving Spouses.....      | \$32,200   |
| Married Filing Separately.....                       | \$16,100   |
| Head of Household.....                               | \$24,150   |
| Dependent Self-Filing.....                           | \$1,350  |
| <b>AGED 65+ OR BLIND ADDITIONAL DEDUCTION</b>        |  |
| Single (other than surviving spouse) or HOH.....     | \$2,050  |
| All Other Statuses.....                              | \$1,650  |
| <b>ADDITIONAL NEW DEDUCTIONS</b>                     |  |
| For ages 65+ (per eligible individual).....          | \$6,000 <sup>1</sup>   |
| SALT (Single / MFJ).....                             | \$20,200 / \$40,400 <sup>1</sup>                             |
| Tips.....  | up to \$25,000 <sup>1</sup>                                  |
| Overtime (Single / MFJ).....                         | up to \$12,500 / \$25,000 <sup>1</sup>                       |
| Car Loan Interest (US-assembled only).....           | \$10,000 <sup>1</sup>  |
| Charitable (Single / MFJ).....                       | \$1,000 / \$2,000 <sup>1</sup>                               |
| QBI.....   | Up to 20% of QBI (\$400 minimum) <sup>2</sup>                |
| <b>SECTION 179</b>                                   |  |
| Maximum Election.....                                | \$2,560,000  |
| Phaseout Begins.....                                 | \$4,090,000  |
| <b>ADOPTION CREDIT (NONREFUNDABLE)</b>               |  |
| Maximum.....   | \$17,670   |
| Phaseout.....  | \$265,080 - \$305,080  |
| <b>MEDICARE CONTRIBUTION TAX</b>                     |  |
| Tax Paid on SS Income                                | Percentage Withheld  |
| Employer Pays  | 1.45%  |
| Employee Pays  | 1.45% + 0.9% on wages over \$200,000 Single or \$250,000 MFJ |
| Self-Employed Pays                                   | 2.90% + 0.9% on wages over \$200,000 Single or \$250,000 MFJ |
| <b>CHILD TAX CREDIT<sup>3</sup></b>                  |  |
| Dependent under age 17.....                          | \$2,200  |
| Other dependents.....                                | \$500  |
| Phaseout (Single / MFJ).....                         | \$200,000 / \$400,000  |
| <b>BUSINESS DEDUCTIONS AND EXPENSES</b>              |  |
| Qualified Business Income (QBI) Deduction Phaseouts  |  |
| Married Filing Jointly.....                          | \$403,500 - \$553,500  |
| All Other Taxpayers.....                             | \$201,775 - \$276,775  |
| Qualified Production Property                        |  |
| New Manufacturing Facilities.....                    | 100% Bonus Depreciation <sup>4</sup>                         |
| Research & Development (R&D) Expenses                |  |
| Immediate deduction for domestic R&D costs           |  |
| Excess Business Loss for Noncorporate Business       |  |
| Joint Filers / All Other Taxpayers.....              | \$512,000 / \$256,000  |
| <b>IRS TAX RETURN FILING PENALTIES</b>               |  |
| 5% of unpaid taxes per month, up to 25% <sup>5</sup> |  |

<sup>1</sup>These are temporary deductions and each phase out at specific modified adjusted gross income levels. <sup>2</sup>QBI phaseouts occur within certain ranges and apply only to SSBTs. Non-SSBTs use a separate, more complex phaseout. <sup>3</sup>Refundable portion of the credit cannot exceed \$1,700 for a qualifying child. <sup>4</sup>For new manufacturing facilities placed in service by 2030. <sup>5</sup>Subject to additional penalties if over 60 days late; minimum penalty is the lesser of \$525 or 100% of the tax owed.

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| RETIREMENT PLANS  |                       |
|---|-----------------------|
| <b>DEFINED CONTRIBUTION (401(K), 403(B), 457)</b>   |                       |
| Max Employee Deferral.....  | \$24,500              |
| Catch Up (Age 50+).....   | \$8,000               |
| Catch Up (Ages 60-63).....  | \$11,250              |
| Max Dollar Limit.....   | \$72,000              |
| Max Considered Compensation.....  | \$360,000             |
| Highly Compensated Employee.....  | \$160,000             |
| <b>ILLINOIS SECURE CHOICE</b>   |                       |
| Illinois Secure Choice is a payroll funded Roth IRA savings program sponsored by the State of Illinois. It is mandated for private-sector employers in Illinois who have been in business at least 2 years, have at least five employees in every quarter of the previous year and don't offer a retirement plan. |                       |
| <b>SIMPLE IRA</b>   |                       |
| Contribution Limit.....   | \$17,000              |
| Catch Up (Age 50+).....   | \$4,000               |
| Catch Up (Ages 60-63).....  | \$5,250               |
| <b>SEP IRA</b>  |                       |
| Contribution Limit.....   | \$72,000              |
| Minimum Compensation.....   | \$800                 |
| <b>TRADITIONAL IRA &amp; ROTH IRA CONTRIBUTIONS</b>   |                       |
| Contribution Limit.....   | \$7,500               |
| Catch Up (Age 50+) <sup>6</sup> .....   | \$1,100               |
| <b>ROTH IRA ELIGIBILITY</b>   |                       |
| Single MAGI Phaseout.....   | \$153,000 - \$168,000 |
| MFJ MAGI Phaseout.....  | \$242,000 - \$252,000 |
| MFS MAGI Phaseout.....  | \$0 - \$10,000        |
| <b>TRADITIONAL IRA DEDUCTIBILITY (IF COVERED BY WORK)</b>   |                       |
| Single or HOH MAGI Phaseout.....  | \$81,000 - \$91,000   |
| MFJ MAGI Phaseout.....  | \$129,000 - \$149,000 |
| MFJ (if only spouse is covered).....  | \$242,000 - \$252,000 |
| <b>QUALIFIED LONGEVITY ANNUITY CONTRACT</b>   |                       |
| \$210,000 (lifetime limit)  |                       |
| <b>QCD - QUALIFIED CHARITABLE DISTRIBUTION</b>  |                       |
| \$111,000 (per year)  |                       |

| EDUCATION                                  |                                |
|--|--------------------------------|
| Amount                                     | Phaseout Range                 |
| <b>AMERICAN OPPORTUNITY CREDIT</b>         |                                |
| 100% (first \$2,000)                       | \$80,000 - \$90,000 (Single)   |
| 25% (next \$2,000)                         | \$160,000 - \$180,000 (MFJ)    |
| <b>LIFETIME LEARNING CREDIT</b>            |                                |
| 20% (first \$10,000)                       | \$80,000 - \$90,000 (Single)   |
|  | \$160,000 - \$180,000 (MFJ)    |
| <b>STUDENT LOAN INTEREST</b>               |                                |
| \$2,500                                    | \$85,000 - \$100,000 (Single)  |
|  | \$175,000 - \$205,000 (MFJ)    |
| <b>COVERDELL EDUCATION SAVINGS ACCOUNT</b> |                                |
| -  | \$95,000 - \$110,000 (Single)  |
|  | \$190,000 - \$220,000 (MFJ)    |
| <b>EE BONDS FOR EDUCATION</b>              |                                |
| -  | \$101,800 - \$116,800 (Single) |
|  | \$152,650 - \$182,650 (MFJ)    |

| STANDARD MILEAGE RATES (2026)     |                |
|-----------------------------------|----------------|
| Business Use.....                 | 72.5¢ per mile |
| Medical Use.....                  | 20.5¢ per mile |
| Moving (military only).....       | 20.5¢ per mile |
| Charitable Use (not indexed)..... | 14¢ per mile   |

| SOCIAL SECURITY     |                                   |                |          |
|---------------------|-----------------------------------|----------------|----------|
| Wage Base           | \$184,500                         | Earnings Limit |          |
| Medicare            | No Limit                          | Below FRA      | \$24,480 |
| COLA                | 2.8%                              | Reaching FRA   | \$65,160 |
| Full Retirement Age | Age 67 (if born in 1960 or later) |                |          |

| PROVISIONAL INCOME |                     |                        |
|--------------------|---------------------|------------------------|
| Rate               | Single or HOH       | Married Filing Jointly |
| 0%                 | < \$25,000          | < \$32,000             |
| 50%                | \$25,000 - \$34,000 | \$32,000 - \$44,000    |
| 85%                | > \$34,000          | > \$44,000             |

| MEDICARE PREMIUMS & IRMAA SURCHARGE |                              |                       |                  |
|-------------------------------------|------------------------------|-----------------------|------------------|
| PART A                              | \$565 (less than 30 credits) | \$311 (30-39 credits) |                  |
| PART B <sup>7</sup>                 | \$202.90                     |                       |                  |
| If your 2024 MAGI was:              |                              |                       | IRMAA Surcharge: |
| Single                              | MFJ                          | PART B                | PART D           |
| \$109,000 or less                   | \$218,000 or less            | \$0                   | \$0              |
| \$109,001 - \$137,000               | \$218,001 - \$274,000        | \$81.20               | \$14.50          |
| \$137,001 - \$171,000               | \$274,001 - \$342,000        | \$202.90              | \$37.50          |
| \$171,001 - \$205,000               | \$342,001 - \$410,000        | \$324.60              | \$60.40          |
| \$205,001 - \$500,000               | \$410,001 - \$750,000        | \$446.30              | \$83.30          |
| \$500,001 or more                   | \$750,001 or more            | \$487                 | \$91             |
| Married Filing Separately           |                              | PART B                | PART D           |
| \$109,000 or less                   |                              | \$0                   | \$0              |
| \$109,001 - \$391,000               |                              | \$446.30              | \$83.30          |
| \$391,001 or more                   |                              | \$487                 | \$91             |

| LONG-TERM CARE PREMIUM DEDUCTIBILITY LIMITS <sup>8</sup> |         |
|--|---------|
| Attained Age (before end of tax year)                    | Limit   |
| 40 or less   | \$500   |
| 41-50  | \$930   |
| 51-60  | \$1,860 |
| 61-70  | \$4,960 |
| 71 or more   | \$6,200 |

| HEALTH SAVINGS ACCOUNT |              |                       |                           |
|------------------------|--------------|-----------------------|---------------------------|
| Coverage               | Contribution | Min Annual Deductible | Max Out-of-Pocket Expense |
| Individual             | \$4,400      | \$1,700               | \$8,500                   |
| Family                 | \$8,750      | \$3,400               | \$17,000                  |
| 55+ Catch Up           | \$1,000      | -                     | -                         |

| FLEXIBLE SPENDING ACCOUNTS      |                                 |
|---------------------------------|---------------------------------|
| Health Care FSA (or LPFSA)..... | \$3,400 (\$680 carryover limit) |
| Dependent Care FSA.....         | \$7,500                         |

| TRUMP ACCOUNT                                    |         |
|--|---------|
| Contribution Limit (Under 18) <sup>9</sup> ..... | \$5,000 |
| U.S. Citizen <sup>10</sup> .....                 | \$1,000 |

| ESTATE AND GIFT TAX            |              |
|--------------------------------|--------------|
| Annual Gift Tax Exclusion..... | \$19,000     |
| Lifetime Exemption.....        | \$15,000,000 |
| Tax Rate.....                  | 40%          |

<sup>6</sup>Beginning in 2026, catch up contributions made by participants age 50 or older must be designated as Roth contributions if their FICA wages from same employer in the prior year were at least \$150,000. <sup>7</sup>Beneficiaries not subject to the "hold harmless" provision include persons not receiving Social Security, those who enroll in Part B for the first time in 2026, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. See Medicare Part B Rates. <sup>8</sup>The IRS considers the premiums for traditional long-term care (LTC) insurance contracts to be a qualified medical expense that may be paid for or reimbursed from an HSA on a tax-free basis, subject to age-based limitations. LTC riders on life insurance have additional considerations. Consult your tax advisor for additional details. <sup>9</sup>Must be a U.S. citizen and born between January 1, 2025 and December 31, 2028 to be eligible. <sup>10</sup>One-time initial deposit from the U.S. Treasury. Must meet eligibility requirements.