

# 2025 Tax REFERENCE GUIDE

## Tax Brackets for 2025

Taxable income (i.e., income minus deductions and credits) between:

Married, Joint & Surviving Spouses	Marginal Tax Rates
\$0–\$23,850	10%
\$23,851–\$96,950	12%
\$96,951–\$206,700	22%
\$206,701–\$394,600	24%
\$394,601–\$501,050	32%
\$501,051–\$751,600	35%
over \$751,600	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$96,700	0%
\$96,701–\$600,050	15%
over \$600,050	20%

Single	Marginal Tax Rates
\$0–\$11,925	10%
\$11,926–\$48,475	12%
\$48,476–\$103,350	22%
\$103,351–\$197,300	24%
\$197,301–\$250,525	32%
\$250,526–\$626,350	35%
over \$626,350	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$48,350	0%
\$48,351–\$533,400	15%
over \$533,400	20%

Married, Separate	Marginal Tax Rates
\$0–\$11,925	10%
\$11,926–\$48,475	12%
\$48,476–\$103,350	22%
\$103,351–\$197,300	24%
\$197,301–\$250,525	32%
\$250,526–\$375,800	35%
over \$375,800	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$48,350	0%
\$48,351–\$300,000	15%
over \$300,000	20%

Head of Household (HOH)	Marginal Tax Rates
\$0–\$17,000	10%
\$17,001–\$64,850	12%
\$64,851–\$103,350	22%
\$103,351–\$197,300	24%
\$197,301–\$250,525	32%
\$250,526–\$626,350	35%
over \$626,350	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$64,750	0%
\$64,751–\$566,700	15%
over \$566,700	20%

Estates and Trusts	Marginal Tax Rates
\$0–\$3,150	10%
\$3,151–\$11,450	24%
\$11,451–\$15,650	35%
over \$15,650	37%
<i>Capital gains/qualified dividends</i>	
\$0–\$3,250	0%
\$3,251–\$15,900	15%
over \$15,900	20%

Corporate Tax Rate	21%
<i>Capital gains/qualified dividends</i>	21%

## Standard Deduction

Married, joint	\$30,000
Single; married, separate	\$15,000
HOH	\$22,500
Blind or over 65: add \$1,600 if married, \$2,000 if single or HOH	

## Mortgage Interest Deduction

On acquisition indebtedness up to \$750,000 for 1st and 2nd homes  
No deduction for home equity indebtedness

## State and Local Tax Deduction Limit

State and local income and property tax deduction \$10,000

## Alternative Minimum Tax Exemption Amount

Married, joint	\$137,000
Single, HOH	\$88,100
Estates and Trusts	\$30,700
Married, separate	\$68,650

## IRA and Pension Plan Limits

IRA contribution	
Under age 50	\$7,000
Age 50 and over	\$8,000

Phaseout for deducting IRA contribution <sup>1</sup>	
Married, joint	\$126,000–\$146,000 MAGI
Single, HOH	\$79,000–\$89,000 MAGI
Married, separate	\$0–\$10,000 MAGI

Phaseout for deducting spousal IRA <sup>1</sup>	
	\$236,000–\$246,000 MAGI

Phaseout of Roth contribution eligibility	
Married, joint	\$236,000–\$246,000 MAGI
Single, HOH	\$150,000–\$165,000 MAGI
Married, separate	\$0–\$10,000 MAGI

SEP contribution	
Up to 25% of compensation, limit	\$70,000
Compensation to participate in SEP	\$750
SIMPLE elective deferral	
Under age 50	\$16,500
Age 50 and over	\$20,000

401(k), 403(b) <sup>2</sup> , 457 <sup>3</sup> and SARSEP elective deferral	
Under age 50	\$23,500
Age 50 and over	\$31,000

Annual defined contribution limit \$70,000

Annual defined benefit limit \$280,000

Highly compensated employee \$160,000

Key Employee in top heavy plans \$230,000

Annual compensation taken into account for qualified plans \$350,000

**Retirement Tax Credit:** A percent tax credit (10-50%) for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction or exclusion, if

Married, joint	Below \$79,000 AGI
HOH	Below \$59,250 AGI
Single; married, separate	Below \$39,500 AGI

Maximum qualified longevity annuity contract (QLAC) premium \$210,000<sup>4</sup>

<b>Qualified Charitable Distribution Limit</b>	\$108,000
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## Gift and Estate Tax

Gift tax annual exclusion	\$19,000
Estate and gift tax rate	40%
Unified estate & gift/GST exemption	\$13,990,000
Annual exclusion for gifts to noncitizen spouse	\$190,000

## Additional Medicare Tax on Income Exceeding \$200,000 (\$250,000 married, joint; \$125,000 married, separate)

Additional tax on excess of earned income <sup>5</sup>	0.9%
Additional tax on Net Investment Income <sup>6</sup>	3.8%

## Health Care

Eligible Long-Term Care	Deduction Limit
Age 40 or less	\$480
Ages 41 to 50	\$900
Ages 51 to 60	\$1,800
Ages 61 to 70	\$4,810
Ages over 70	\$6,020

<b>Per Diem Limitation for LTC Benefits</b>	\$420
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## 199A Qualified Business Income Deduction Phaseout

Married, joint	\$394,600–\$494,600
All others	\$197,300–\$247,300

- 1 Applicability depends on the type of IRA, which persons participate in an employer-sponsored plan, the type of employer-sponsored plan offered, and MAGI.
- 2 Special increased limit may apply to certain 403(b) contributors with 15 or more years of service.
- 3 In last 3 years prior to year of retirement, 457(b) plan participant may be able to double elective deferral if needed to catch up on prior missed contributions, but if they do, they cannot use catch up.
- 4 Increased to \$200,000 (as indexed) for contracts purchased or exchanged after 12/28/2022.
- 5 Total Employee Medicare Tax is 1.45% + 0.9% = 2.35%.
- 6 Including interest, dividends, capital gains and annuity distributions.



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## Education

Coverdell Education Savings Account	\$2,000
Coverdell contribution eligibility phaseout	
Married, joint	\$190,000–\$220,000
All others	\$95,000–\$110,000

Student loan interest deduction limit	\$2,500
Interest deduction is phased out	
Married, joint	\$170,000–\$200,000 MAGI
All others	\$85,000–\$100,000 MAGI

Phaseout of Lifetime Learning Credits	
Married, joint	\$160,000–\$180,000
All others	\$80,000–\$90,000

Tax-free savings bonds interest phased out	
Married, joint	\$149,250–\$179,250 MAGI
All others	\$99,500–\$114,500 MAGI

## Social Security<sup>7</sup>

Maximum taxable earnings base	\$176,100
Amount Needed to Earn	
One Credit	\$1,810
Amount Needed to Earn	
Four Credits	\$7,240
Social Security and Medicare Tax Rates	
Employee	7.65%
Employer	7.65%
Self-Employed	15.30%
Maximum Monthly Retirement Benefit at Full Retirement Age <sup>8</sup>	\$4,018
Cost of Living Adjustment	2.5%
Income <sup>9</sup> (in retirement) causing Social Security benefits to be taxable	
Married, joint	
Up to 50% taxable	\$32,000 MAGI
Up to 85% taxable	\$44,000 MAGI
Single	
Up to 50% taxable	\$25,000 MAGI
Up to 85% taxable	\$34,000 MAGI

## Reduction of Social Security retirement benefits:

In years before full retirement age, \$1 in benefits will be reduced for every \$2 of earnings in excess of \$23,400. In the year of full retirement age, \$1 in benefits will be reduced for every \$3 of earnings in excess of \$62,160 (applies only to months of earnings prior to full retirement age). There is no limit on earnings beginning the month an individual attains full retirement age.

## Average Monthly Benefit (December 2023)

Average Monthly Retirement Benefit	
Men	\$2,106
Women	\$1,714
Average Monthly Survivor Benefit	
Men	\$1,568
Women	\$1,784

Source: *Fast Facts and Figures about Social Security, 2024*

<sup>7</sup> Source: [www.ssa.gov/news/cola](http://www.ssa.gov/news/cola), 10/10/24.

<sup>8</sup> In 2025, for those turning age 62, full retirement age is 67 years.

<sup>9</sup> Income is most income including muni bond interest but only 1/2 of Social Security.

## Uniform Lifetime Table

Use to calculate Required Minimum Distributions from IRAs and qualified plans **during** owner's life. If owner has spousal beneficiary more than 10 years younger, use instead Joint Life Table from IRS Pub. 590.

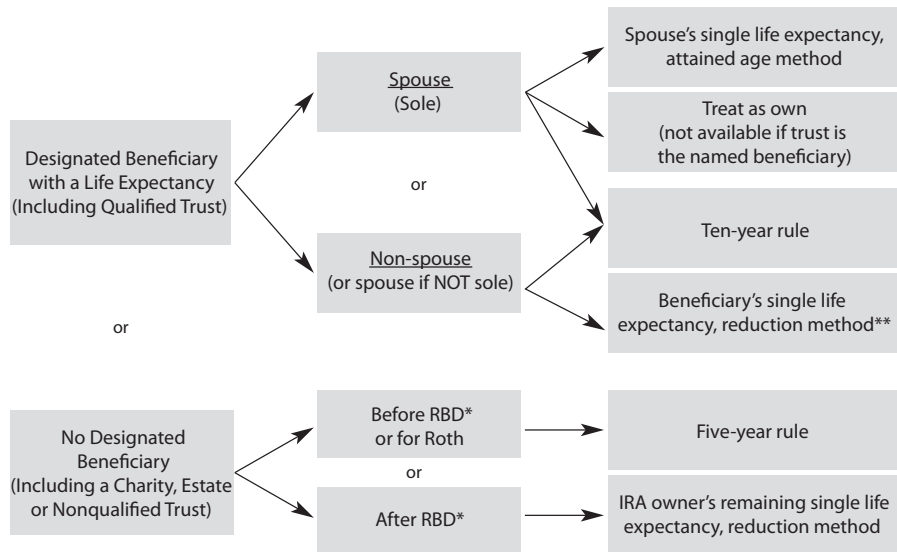
Taxpayer's Age	Life Expectancy	Taxpayer's Age	Life Expectancy
72	27.4	95	8.9
73	26.5	96	8.4
74	25.5	97	7.8
75	24.6	98	7.3
76	23.7	99	6.8
77	22.9	100	6.4
78	22.0	101	6.0
79	21.1	102	5.6
80	20.2	103	5.2
81	19.4	104	4.9
82	18.5	105	4.6
83	17.7	106	4.3
84	16.8	107	4.1
85	16.0	108	3.9
86	15.2	109	3.7
87	14.4	110	3.5
88	13.7	111	3.4
89	12.9	112	3.3
90	12.2	113	3.1
91	11.5	114	3.0
92	10.8	115	2.9
93	10.1	116	2.8
94	9.5	117	2.7

## Single Life Table

Use to calculate Required Minimum Distributions from IRAs and qualified plans **after** owner's death. See IRS Pub. 590 for complete table of ages 0 through 111+.

Age	Life Expectancy	Age	Life Expectancy
39	46.7	63	24.5
40	45.7	64	23.7
41	44.8	65	22.9
42	43.8	66	22.0
43	42.9	67	21.2
44	41.9	68	20.4
45	41.0	69	19.6
46	40.0	70	18.8
47	39.0	71	18.0
48	38.1	72	17.2
49	37.1	73	16.4
50	36.2	74	15.6
51	35.3	75	14.8
52	34.3	76	14.1
53	33.4	77	13.3
54	32.5	78	12.6
55	31.6	79	11.9
56	30.6	80	11.2
57	29.8	81	10.5
58	28.9	82	9.9
59	28.0	83	9.3
60	27.1	84	8.7
61	26.2	85	8.1
62	25.4	86	7.6

## IRA Beneficiary Options



\*RBD defined as "Required Beginning Date" (April 1 following the year a Traditional IRA owner reaches age 73).

\*\*Method only available if the non-spouse beneficiary is the minor child of the deceased IRA owner (until the child's age of majority), disabled, chronically ill or not more than 10 years younger than the deceased IRA owner.



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