



## 2025 ANNUAL LIMITS RELATING TO FINANCIAL PLANNING

Compiled by the faculty of the College for Financial Planning

RETIREMENT PLANS	
Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$23,500
Catch-up contribution	\$7,500
Age 60-63 catch-up contribution	\$11,250
Starter 401(k)	\$6,000
Age 50+ catch-up contribution	\$1,000
Defined contribution (§415(c)(1)(A))	\$70,000
Defined benefit (§415(b)(1)(A))	\$280,000
SIMPLE plan	\$16,500
Age 50+ catch-up contribution	\$3,500
Age 60-63 catch-up contribution	\$5,250
Maximum includible compensation	\$350,000
HCE Lookback to 2024	\$155,000
HCE Lookback to 2025	\$160,000
Key employee (top-heavy plan)	>\$230,000
SEP participation limit	\$750
IRA or Roth IRA contribution limit	\$7,000
IRA or Roth IRA catch-up	\$1,000
IRA deduction phaseout for active participants	
Single	\$79,000-\$89,000
Married filing jointly	\$126,000-\$146,000
Married filing separately	\$0-\$10,000
Non-active participant married to active participant	\$236,000-\$246,000
Roth IRA phaseout	
Single	\$150,000-\$165,000
Married filing jointly	\$236,000-\$246,000

SOCIAL SECURITY	
SS wage base	\$176,100
FICA tax rate—employee <sup>3</sup>	7.65%
SECA tax rate—self-employed	15.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$23,400
Persons reaching FRA (\$1 for \$3)	\$62,160
(Applies only to earnings for months prior to attaining FRA)	
Social Security cost-of-living adjustment	2.5%
Quarter of coverage	\$1,810
Maximum benefit: worker retiring at FRA	\$4,018
Estimated average monthly benefit	\$1,976

HEALTH SAVINGS ACCOUNT	
Minimum Deductible Amount	
Single	\$1,650
Family	\$3,300
Maximum Out-of-Pocket Amount	
Single	\$8,300
Family	\$16,600
HSA Statutory Contribution Maximum	
Single	\$4,300
Family	\$8,550
Catch-up contributions (age 55 or older)	\$1,000

ESTATE AND GIFT TAX	
Annual gift tax exclusion	\$19,000
Estate and gift tax basic exclusion	\$13,990,000
Applicable credit amount	\$5,541,800
Generation skipping exemption	\$13,990,000
Maximum estate tax rate <sup>4</sup>	40%

MEDICARE	
Monthly premium:	
Part A <sup>1</sup>	\$518
Part B <sup>2</sup>	\$185
Part A:	
First 60 days—patient pays a deductible	\$1,676
Next 30 days—patient pays per day	\$419
Next 60 days (lifetime reserve days) patient pays per day	\$838
Skilled nursing benefits	
First 20 days—patient pays per day	-0-
Next 80 days—patient pays per day	\$209.50
Over 100 days—patient pays per day	All costs
Part B:	
Deductible	\$257
Coinsurance	20%
Part D (Prescription Standard Benefit Model):	
Deductible	\$590
Out-of-pocket (OOP) threshold	\$2,000
Once the beneficiary reaches their \$2,000 limit, they will qualify for catastrophic coverage and pay no additional out-of-pocket costs.	

2025 MEDICARE PART B PREMIUM RATES:			
YOU PAY		If your 2023 income was:	
Premium	PART D Surcharge	SINGLE	MARRIED COUPLE
\$0	\$0	\$106,000 or less	\$212,000 or less
\$74.00	\$13.70	\$106,001–\$133,000	\$212,001–\$266,000
\$185.00	\$35.30	\$133,001–\$167,000	\$266,001–\$334,000
\$295.90	\$57.00	\$167,001–\$200,000	\$334,001–\$400,000
\$406.90	\$78.60	\$200,001–\$500,000	\$400,001–\$750,000
\$432.00	\$85.80	Above \$500,000	Above \$750,000
YOU PAY	PART D Surcharge	If you are married filing separately and your 2023 income was:	
\$0	\$0	\$106,000 or less	
\$406.90	\$78.60	\$106,001–\$394,000	
\$443.90	\$85.80	Above \$394,000	

- The Part A premium of \$518 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30-39 quarters, the Part A Premium is \$285 per month.
- Beneficiaries not subject to the "hold harmless" provision includes persons not receiving Social Security, those who enroll in Part B for the first time in 2025, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. See Premium rates (Figure 1)
- The FICA tax rate is comprised of two separate payroll taxes: Employer portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI); Employee portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI). For self-employed, the SECA is 12.40% for OASDI and 2.90% for HI.
- A deceased spouse's unused credit amount is portable to a surviving spouse.

STANDARD MILEAGE RATES (2024)	
Business use	67¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical use	21¢ per mile

MISCELLANEOUS ITEMS	
PBGC maximum monthly benefit (at age 65)	\$7,431.82
LTC per diem limit	\$420
LTC premium as medical expense limitation	
Age 40 or under	\$480
Age 41-50	\$900
Age 51-60	\$1,800
Age 61-70	\$4,810
Age 71 or older	\$6,020
Qualified Transportation Fringes (monthly)	
Commuter highway vehicle/transit pass	\$325
Qualified parking	\$325
Qualified Longevity Annuity Contract	Max \$200,000
Health Care Flexible Spending Account	Max \$3,300
Health Care FSA Carryover Amount	Max \$660

LTCG AND QUALIFIED DIVIDEND RATES BASED ON TAXABLE INCOME			
Filing Status	0% rate	15% rate	20% rate
Single	up to \$48,350	\$48,351-\$533,400	over \$533,400
Head of household	up to \$64,750	\$64,751-\$566,700	over \$566,700
Married filing jointly	up to \$96,700	\$96,701-\$600,050	over \$600,050
Married filing separately	up to \$48,350	\$48,351-\$300,000	over \$300,000
Estates and trusts	up to \$3,250	\$3,251-\$15,900	over \$15,900

2025 TAX RATE SCHEDULES				
If Taxable Income Is		Then the Gross Tax Payable Is:		
Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
<b>SINGLE TAXPAYERS (other than surviving spouses and heads of households)</b>				
\$0	\$11,925	----- 10% of taxable income -----		
11,925	48,475	\$1,193	12%	\$11,925
48,475	103,350	5,579	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%	609,350
<b>HEADS OF HOUSEHOLDS</b>				
\$0	\$17,000	----- 10% of taxable income -----		
17,000	64,850	\$1,700	12%	\$17,000
64,850	103,350	7,442	22%	64,850
103,350	197,300	15,912	24%	103,350
197,300	250,500	38,460	32%	197,300
250,500	626,350	55,484	35%	250,500
626,350	--	187,031.50	37%	626,350
<b>MARRIED INDIVIDUALS (and surviving spouses) FILING JOINT RETURNS</b>				
\$0	\$23,850	----- 10% of taxable income -----		
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
<b>MARRIED INDIVIDUALS FILING SEPARATE RETURNS</b>				
\$0	\$11,925	----- 10% of taxable income -----		
11,925	48,475	\$1,193	12%	\$11,925
48,475	103,350	5,579	22%	48,475
103,350	197,300	17,651	24%	103,350
197,300	250,525	40,199	32%	197,300
250,525	375,800	57,231	35%	250,525
375,800	--	101,077.25	37%	375,800
<b>FIDUCIARY (estates and trusts) TAXPAYERS</b>				
\$0	\$3,150	----- 10% of taxable income -----		
3,150	11,450	\$315	24%	\$3,150
11,450	15,650	2,307	35%	11,450
15,650	--	3,777	37%	15,650

EDUCATION	
EE bonds for education—exclusion phaseout	
Single	\$99,500-\$114,500
Married filing jointly	\$149,250-\$179,250
Coverdell Education Savings Account (\$2,000 limit) phaseout	
Single	\$95,000-\$110,000
Married filing jointly	\$190,000-\$220,000
Lifetime Learning Credit—20% of qualified expenses up to \$10,000	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
American Opportunity tax credit—maximum of \$2,500	
100% up to \$2,000 of qualified expenses	
25% on next \$2,000—phaseout:	
Single	\$80,000-\$90,000
Married filing jointly	\$160,000-\$180,000
Education loan deduction (\$2,500) phaseout	
Unmarried	\$85,000-\$100,000
Married filing jointly	\$170,000-\$200,000

INCOME TAX	
Standard deduction	
Single	\$15,000
Married filing jointly	\$30,000
Head of household	\$22,500
Married filing separately	\$15,000
Kiddie tax limited standard deduction	\$1,350
Individual eligible to be claimed as dependent—greater of \$1,350 or earned income plus \$450, not to exceed full standard deduction of \$15,000.	
Aged or blind additional deduction	
Single	\$2,000
Married (each spouse)	\$1,600
Section 179	
Maximum election	\$1,250,000
Phaseout begins	\$3,130,000
Adoption credit (nonrefundable)	
Maximum	\$17,280
Phaseout	\$259,190-\$299,190
Medicare Contribution tax and additional Medicare tax	
Single	\$200,000
Head of household	\$200,000
Married filing jointly	\$250,000
Child tax credit	
Dependent under age 17	\$2,000
Other dependents	\$500
Phaseout (\$50 for every \$1,000 over)	
Single	\$200,000
Married filing jointly	\$400,000
Business Deductions and Expenses	
Qualified Business Income Deduction	
Married filing jointly	\$394,600-\$494,600
Married filing separately	\$197,300-\$247,300
All other taxpayers	\$197,300-\$247,300
Limitation on Use of Cash Method of Accounting	
Gross receipts test limit (for 3 preceding years)	\$31,000,000
Excess Business Loss for Noncorporate Business	
Joint filers	\$626,000
All other taxpayers	\$313,000
IRS Tax Return Filing Penalties	
Failure to file	\$525

AMT	Exemption	Phaseout	AMT RATES
Single	\$88,100	\$626,350-\$978,750	26% up to \$239,100 of AMT base (\$19,550 MFS)
Married-joint	\$137,000	\$1,252,700-\$1,800,700	28% over \$239,100 of AMT base
Married-separate	\$68,500	\$626,350-\$900,350	
Trusts and estates	\$30,700	\$102,500-\$225,300	

