

2026 tax rate quick guide

WIPFLI

Corporate income tax rate

Flat rate of 21%

Standard mileage rates

Business use of auto	\$0.725 per mile
Charitable contribution	\$0.14 per mile
Medical	\$0.205 per mile
Moving (military)	\$0.205 per mile

Standard deductions

Single and married filing separately	\$16,100
Married filing jointly or surviving spouse	\$32,200
Head of household	\$24,150
If married and age 65 or older or blind, then add	\$1,650
If unmarried and age 65 or older or blind, then add	\$2,050

Personal exemption

Permanently eliminated; temporary deduction for seniors until 2028

Social Security earnings limits for retired workers

Retirement age	Earnings limit
Prior to retirement age	\$24,480
Year of retirement	\$65,160
At or over retirement age	None

Self-employment tax

Tax rate for self-employment income is 15.3% on first \$184,500 and 2.9% thereafter. An additional 0.9% applies to MFJ over \$250,000, MFS over \$125,000 and all other individuals over \$200,000.

Gift, estate and trust tax rates

Taxable income is over	but not over	The tax is	+	of the amount over
-	\$3,300	10%	-	-
\$3,300	\$11,700	\$330	24%	\$3,300
\$11,700	\$16,000	\$2,346	35%	\$11,700
\$16,000	-	\$3,851	37%	\$16,000

Applicable exclusion amount for estate, gift and generation-skipping transfer (GST) tax

\$15,000,000

Maximum estate, gift and GST tax rate

40%

Gift tax annual exclusion

\$19,000

Portability (deceased spousal unused exclusion [DSUE]) and step-up/step-down basis to date of death value apply.

Single filing

Taxable income is over	but not over	The tax is	+	of the amount over
-	\$12,400	10%	-	-
\$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

Married filing jointly or surviving spouse

Taxable income is over	but not over	The tax is	+	of the amount over
-	\$24,800	10%	-	-
\$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

Married filing separately

Taxable income is over	but not over	The tax is	+	of the amount over
-	\$12,400	10%	-	-
\$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

Head of household

Taxable income is over	but not over	The tax is	+	of the amount over
-	\$17,700	10%	-	-
\$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

Top individual rates in selected states			
Arizona	2.5% effective Jan. 1, 2023, flat-rate system	Maine	7.15%
Arkansas	3.9%	Minnesota	9.85% plus 1% tax on modified net investment income in excess of \$1M
California	12.3% plus 1% on portion of CA taxable income in excess of \$1M	Missouri	4.7% (0% on capital gains)
Colorado	4.4%	Montana	5.65% (4.1% on long-term capital gains)
District of Columbia	10.75%	Pennsylvania	3.07% flat-rate system
Georgia	5.19% effective Jan. 1, 2024, flat-rate system; contingent 2026 rate reduction to 5.09%	Virginia	5.75%
Idaho	5.3%	Washington	7% capital gains tax (9.9% on long-term capital gains exceeding \$1 million)
Illinois	4.95% flat-rate system	Wisconsin	7.65%
Kentucky	4.0% flat-rate system		

Maximum rate applicable to noncorporate net capital gain and qualified dividends				
Capital asset	Holding period	Tax rate	Filing status	Below taxable income threshold
Short-term capital gains	One year or less	Ordinary income tax rates	-	-
Long-term capital gains	More than one year	0%	MFJ or surviving spouse	\$98,900
			Head of household	\$66,200
			Single or MFS	\$49,450
			Estate and trust	\$3,300
Long-term capital gains	More than one year	15%	MFJ or surviving spouse	\$613,700
			Head of household	\$579,600
			Single	\$545,500
			MFS	\$306,850
Long-term capital gains	More than one year	20%	Estate and trust	\$16,250
			Greater than 15% thresholds	
1250 recapture	More than one year	25%	If taxpayer is in a lower tax bracket, the lower rate applies	-
Collectible	More than one year	28%	If taxpayer is in a lower tax bracket, the lower rate applies	-

3.8% Medicare tax on net investment income	
Tax imposed on lesser of net investment income or MAGI > \$250,000 (MFJ), \$125,000 (MFS) or \$200,000 (single)	
Medicare tax on high-income earners additional 0.9% tax on wages greater than:	
Single or head of household	\$200,000
Married filing jointly or surviving spouse	\$250,000
Married filing separately	\$125,000

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Retirement plan limits	
Deferral limits for plans	
\$401(k), 403(b) and 457 plans	\$24,500
SIMPLE	\$17,000
Catch-up contributions for participants age 50 or older	
Other than SIMPLE plans	\$8,000
Age 60-63 special catch-up	\$11,250
SIMPLE plans	\$4,000
Age 60-63 special catch-up	\$5,250
Other limitations and thresholds	
Qualified plans — annual compensation limit	\$360,000
Defined benefit — maximum annual benefit	\$290,000
Defined contribution — maximum annual addition	\$72,000
Key employee in top-heavy plan	\$235,000
Highly compensated employee threshold	\$160,000
SEP compensation threshold for participation	\$800

Individual retirement accounts	
Traditional IRAs and Roth IRAs	
Contribution limit	\$7,500
Catch-up contribution (age 50 or older)	\$1,100
Traditional IRA deductions phaseout	
Single, head of household — active participant	\$81,000-\$91,000
Married filing separately — any spouse participates	\$0–\$10,000
Married filing jointly — nonparticipating spouse	\$242,000-\$252,000
Married filing jointly — participating spouse	\$129,000-\$149,000
Roth IRA contribution eligibility	
Married filing jointly	\$242,000-\$252,000
Single, head of household	\$153,000-\$168,000
Married filing separately — any spouse participates	\$0–\$10,000

Health savings account	
Plan minimum deductible (self/family)	\$1,700 / \$3,400
Contribution maximum (self/family)	\$4,400 / \$8,750
Catch-up contribution (age 55 or older)	\$1,000
Plan out-of-pocket limit (self/family)	\$8,500 / \$17,000

In the year a participant enrolls in Medicare or changes to a plan that is not HSA eligible, the contribution is prorated based on the number of months the participant has qualifying coverage prior to the month of Medicare enrollment.

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