TAX REFERENCE GUIDE | 2026

Income

Investment

Charitable Giving

Estate

Social Security

Callahan Financial
Management Group, LLC

2026 FEDERAL INCOME TAX BRACKETS[1]

TAXABLE INCOME

Tax Rate	Married, Filing Jointly (MFJ)	Married, Filing Separately (MFS)
10%	$0 – $24,800	$0 - $12,400
12%	$24,801 – $100,800	$12,401 - $50,400
22%	$100,801 – $211,400	$50,401 - $105,700
24%	$211,401 – $403,550	$105,701 - $201,775
32%	$403,551 – $512,450	$201,776 - $256,225
35%	$512,451 – $768,700	$256,226 - $384,350
37%	$768,701+	$384,351+

	Single (S)	Head of Household (HoH)
10%	$0 – $12,400	$0 - $17,700
12%	$12,401 – $50,400	$17,701 - $67,450
22%	$50,401 – $105,700	$67,451 - $105,700
24%	$105,701 – $201,775	$105,701 - $201,775
32%	$201,776 – $256,225	$201,776 - $256,200
35%	$256,226 – $640,600	$256,201 - $640,600
37%	$640,601+	$640,601+

.9% ADDITIONAL MEDICARE TAX

Filing Status	Earned Income Threshold
Married, Filing Jointly	$250,000
Single	$200,000
Head of Household	$200,000
Married, Filing Separately	$125,000

STANDARD DEDUCTIONS

Base Standard Deduction

- Married Filing Jointly: $32,200
- Head of Household: $24,150
- Single: $16,100
- Married Filing Separately: $16,100

Additional Deduction (Age 65+ or Blind)

- Married Filing Jointly: +$1,650 per person [$3,300 Total]
- Head of Household: +$2,050
- Single +$2,050
- Married Filing Separately: +$1,650

Bonus Senior Deduction (2025–2028)*

- Married Filing Jointly: up to $12,000
- Others: up to $6,000

**Subject to income phaseouts*

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INVESTMENT

CAPITAL GAINS & QUALIFIED DIVIDENDS

0% Rate

• Single	up to $49,450
• Married Filing Jointly	up to $98,900
• Head of Household	up to $66,200
• Married Filing Separately	up to $49,450

15% Rate

• Single	$49,451 – $545,500
• Married Filing Jointly	$98,901 – $613,700
• Head of Household	$66,201 – $579,600
• Married Filing Separately	$49,451 – $306,850

20% Rate

• Single	$545,501+
• Married Filing Jointly	$613,701+
• Head of Household	$579,601+
• Married Filing Separately	$306,851+

Additional Capital Gain Rates	Maximum Long-Term Capital Gain
• Collectibles:	28%
• Qualified small business stock (above exclusion):	28%
• Unrecaptured Section 1250 (real estate):	25%

3.8% NET INVESTMENT INCOME TAX

Individual taxpayers may owe a 3.8% Net Investment Income Tax (NIIT). This tax applies only if your modified adjusted gross income (MAGI) is above a certain limit for your filing status. If it is, the tax is charged on whichever is smaller:

- your net investment income, or
- the amount your MAGI exceeds the limit.

"Net investment income" includes things like interest, dividends, capital gains, certain annuities, and income from rentals or royalties. However, rental or royalty income from a business you actively run usually isn't subject to this tax.

Filing Status	Threshold (modified AGI)
Married Filing Jointly	$250,000
Single	$200,000
Head of Household	$200,000
Married Filing Separately	$125,000

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CHARITABLE DEDUCTIONS

Non-Itemizer Deduction	Up to $2,000 (Married Filing Jointly)
Itemizer Floor	.5% of MAGI, upper total limit of 35% of MAGI

Itemized Deduction Limits	Percentage of AGI Limitation	
	Public	Private
Cash Contributions	60%	30%
Ordinary income property	50%	30%
Capital gain property	30%	20%

ESTATE

INCOME TAX RATES FOR ESTATES AND TRUSTS

Tax Rate	
10%	$0 – $3,300
24%	$3,301 - $11,700
35%	$11,701 - $16,000
37%	$16,001+

Estate and Gift Tax Rate	40%	Lifetime Gift Exemption	$15,000,000
Estate Tax Exemption	$15,000,000	Gift Tax Annual Exclusion	$19,000

SOCIAL SECURITY

SOCIAL SECURITY BENEFITS

Maximum taxable earnings	$184,500
Employee's tax rate	6.2%
Cost of Living Adjustment (COLA)	2.8%

Earnings Test

Before Full Retirement Age (FRA)	**Limit:** $24,480/year ($2,040/month) **Reduction:** $1 withheld for every $2 over the limit
Year You Reach FRA	**Limit:** $65,160/year ($5,430/month) **Reduction:** $1 withheld for every $3 over the limit

TAX ON SOCIAL SECURITY

Combined Income*

Joint	Single	amount of social security subject to tax
$32,000 – $44,000	$25,000 - $34,000	up to 50%
$44,000 +	$34,000 +	up to 85%

**Combined income is the sum of adjusted gross income, plus nontaxable interest, plus one-half of social security benefits*

Source: IRS Revenue Procedure 2025-32.

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