

Estate and Gift Tax Rates (2025)

The top tax rate applicable to estates and living gifts is 40%.

Other Estate and Gift Planning Items	2024	2025
Estate and gift tax exemption	\$13,610,000	\$13,990,000
GST tax exemption		
Estate tax federal credit	\$5,113,800	\$5,389,800
Annual gift tax exclusion	\$18,000	\$19,000
Annual gift tax exclusion for non-U.S. citizen spouses	\$185,000	\$190,000

Qualified Plans

	2024	2025
Maximum elective deferral to qualified retirement plans,e.g., 401(k), 403(b), 457 plans, and SARSEP(s)	\$23,000	\$23,500
Maximum elective deferral to SIMPLE 401(k) and SIMPLE IRA plans	\$16,000	\$16,500
Limit on annual additions to SEP plans¹	\$69,000	\$70,000
Annual compensation threshold to participate in SEP plans	\$750	\$750
Limit on annual additions to defined contribution plans²	\$69,000	\$70,000
Maximum annual compensation taken into account for contributions	\$345,000	\$350,000
Annual benefit limit under defined benefit plans³	\$275,000	\$280,000
Threshold amount for definition of highly compensated employees (HCE)⁴	\$155,000	\$160,000
Threshold amount for definition of key employees/officers in top-heavy plans	\$220,000	\$230,000

Catch-up Contribution Limits (for taxpayers who will be age 50-59 or 64+ in calendar year)

	2024	2025
401(k), 403(b), SARSEP and 457(b)⁵ plans	\$7,500	\$7,500
SIMPLE IRA, SIMPLE 401(k) plans	\$3,500	\$3,500

Catch-up Contribution Limits (for taxpayers who will be age 60-63 in calendar year)

	2024	2025
401(k), 403(b), SARSEP and 457(b) plans⁵,⁶	N/A	\$11,250
SIMPLE IRA, SIMPLE 401(k) plans⁶	N/A	\$5,250

¹ Limit on annual additions to SEP plan is the lesser of (1) the annual dollar limit, or (2) 25% of compensation if the participant is treated as an employee (20% of net earnings from self-employment if the participant is treated as self-employed), subject to the annual cap on participant compensation.

² Limit on annual additions to defined contribution plans is generally the lesser of (1) the annual dollar limit, or (2) 100% of a participant's compensation for the year, subject to the annual cap on participant compensation.

³ Annual benefit limit under defined benefit plans is generally the lesser of (1) the annual dollar limit, or (2) 100% of the participant's average compensation for his or her three highest consecutive years of active participation.

⁴ Definition of HCE is based on compensation in the prior plan year (e.g., HCE in 2025 if compensation in 2024 exceeded \$155,000).

⁵ Catch-up contributions are is not available under non-governmental 457(b) plans.

⁶ Effective January 1, 2025, catch-up contributions are increased for employees age 60-63, if plan permits.

Traditional and Roth IRAs		
Contribution Limits	2024	2025
Regular	\$7,000	\$7,000
Catch-up (age 50 and over in calendar year)	\$1,000	\$1,000

There is no longer a prohibition on making eligible contributions into an IRA after age 70½.

MAGI Phaseout Range for Contributions to Roth IRAs in 2025⁷		
Married filing jointly and qualified widow(er)	Married filing separately	Single and head of household
\$236,000 – \$246,000	\$0 – \$10,000	\$150,000 – \$165,000

Traditional IRA Deductibility Rules⁷				
Filing Status	Employer's Retirement Plan Coverage	MAGI 2024	MAGI 2025	Deduction
Single and head of household	No	Any amount	Any amount	Full
	Yes	≤ \$77,000	≤ \$79,000	Full
		\$77,001 – \$86,999	\$79,001 – \$88,999	Partial
		≥ \$87,000	≥ \$89,000	None
Married filing jointly and qualifying widow(er)	Neither spouse covered	Any amount	Any amount	Full
	Both spouses covered	≤ \$123,000	≤ \$126,000	Full
		\$123,001 – \$142,999	\$126,001 – \$145,999	Partial
		≥ \$143,000	≥ \$146,000	None
	One spouse covered — for covered spouse	≤ \$123,000	≤ \$126,000	Full
		\$123,001 – \$142,999	\$126,001 – \$145,999	Partial
		≥ \$143,000	≥ \$146,000	None
	One spouse covered — for spouse not covered by plan	≤ \$230,000	≤ \$236,000	Full
		\$230,001 – \$239,999	\$236,001 – \$245,999	Partial
		≥ \$240,000	≥ \$246,000	None
Married filing separately	Individual filing is covered by plan	MAGI phaseout range is \$0-\$10,000 (not subject to annual adjustment)		
	Individual filing not covered by plan	Not subject to MAGI phaseout limits		

Long-Term Care Insurance (qualified LTC contract per diem limit: \$420)

Maximum Qualified LTC Premium Eligible for Deduction		
Attained Age Before Close of Taxable Year	2024	2025
40 or less	\$470	\$480
More than 40; not more than 50	\$880	\$900
More than 50; not more than 60	\$1,760	\$1,800
More than 60; not more than 70	\$4,710	\$4,810
More than 70	\$5,880	\$6,020

⁷ Full contribution permitted if MAGI is at or below the threshold amount. Partial contribution is permitted if MAGI is within the phaseout range. No contribution is permitted if MAGI is above the phaseout range.

Required Minimum Distributions (Uniform Lifetime Table)			
Current Age	Distribution Period	Current Age	Distribution Period
73	26.5	97	7.8
74	25.5	98	7.3
75	24.6	99	6.8
76	23.7	100	6.4
77	22.9	101	6
78	22	102	5.6
79	21.1	103	5.2
80	20.2	104	4.9
81	19.4	105	4.6
82	18.5	106	4.3
83	17.7	107	4.1
84	16.8	108	3.9
85	16	109	3.7
86	15.2	110	3.5
87	14.4	111	3.4
88	13.7	112	3.3
89	12.9	113	3.1
90	12.2	114	3
91	11.5	115	2.9
92	10.8	116	2.8
93	10.1	117	2.7
94	9.5	118	2.5
95	8.9	119	2.3
96	8.4	120 and over	2

Age 73 is the age that you must begin withdrawing at least a portion of your retirement assets. These are called Required Minimum Distributions or RMDs.

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SECURITY BENEFIT

# Quick Reference Tax Guide

2025

Income Tax Bracket Comparison 2024 vs. 2025

2024			
If Taxable Income is			
Over	But Not Over	The Tax is	Of the Amount Over
Married Filing Jointly and Surviving Spouses			
\$0	\$23,200	\$0 + 10%	\$0
\$23,200	\$94,300	\$2,320 + 12%	\$23,200
\$94,300	\$201,050	\$10,852 + 22%	\$94,300
\$201,050	\$383,900	\$34,337 + 24%	\$201,050
\$383,900	\$487,450	\$78,221 + 32%	\$383,900
\$487,450	\$731,200	\$111,357 + 35%	\$487,450
\$731,200	—	\$196,669.50 + 37%	\$731,200
Single			
\$0	\$11,600	\$0 + 10%	\$0
\$11,600	\$47,150	\$1,160 + 12%	\$11,600
\$47,150	\$100,525	\$5,426 + 22%	\$47,150
\$100,525	\$191,950	\$17,168.50 + 24%	\$100,525
\$191,950	\$243,725	\$39,110.50 + 32%	\$191,950
\$243,725	\$609,350	\$55,678.50 + 35%	\$243,725
\$609,350	—	\$183,647.25 + 37%	\$609,350
Married Filing Separately			
\$0	\$11,600	\$0 + 10%	\$0
\$11,600	\$47,150	\$1,160 + 12%	\$11,600
\$47,150	\$100,525	\$5,426 + 22%	\$47,150
\$100,525	\$191,950	\$17,168.50 + 24%	\$100,525
\$191,950	\$243,725	\$39,110.50 + 32%	\$191,950
\$243,727	\$365,600	\$55,678.50 + 35%	\$243,725
\$365,600	—	\$98,334.75 + 37%	\$365,600
Head of Household			
\$0	\$16,550	\$0 + 10%	\$0
\$16,550	\$63,100	\$1,655 + 12%	\$16,550
\$63,100	\$100,500	\$7,241 + 22%	\$63,100
\$100,500	\$191,950	\$15,469 + 24%	\$100,500
\$191,950	\$243,700	\$37,417 + 32%	\$191,950
\$243,700	\$609,350	\$53,977 + 35%	\$243,700
\$609,350	—	\$181,954.50 + 37%	\$609,350

2025			
If Taxable Income is			
Over	But Not Over	The Tax is	Of the Amount Over
Married Filing Jointly and Surviving Spouses			
\$0	\$23,850	\$0 + 10%	\$0
\$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
Single			
\$0	\$11,925	\$0 + 10%	\$0
\$11,925	\$48,475	\$1,192.50 + 12%	\$11,925
\$48,475	\$103,350	\$5,578.50 + 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%	\$626,350
Married Filing Separately			
\$0	\$11,925	\$0 + 10%	\$0
\$11,925	\$48,475	\$1,192.50 + 12%	\$11,925
\$48,475	\$103,350	\$5,578.50 + 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
Head of Household			
\$0	\$17,000	\$0 + 10%	\$0
\$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

Income of Estates and Trusts: Tax rates are graduated from 10% to 37%. Income over \$15,650 will be taxed at 37%.

Kiddie Tax: For 2025, when the Kiddie Tax applies, a child's net unearned income is taxed at the child's parents' marginal income tax rate. Consult your tax advisor regarding Kiddie Tax rates applicable for other years.

Personal Exemptions		
Exemption	2024	2025
Married filing jointly	\$0	\$0
Head of household	\$0	\$0

Child Tax Credit	
Who Qualifies	2025 Qualifications
Single	MAGI of \$200,000
Head of household	
Married filing jointly	MAGI of \$400,000
Child age 16 and under	\$2,000 per qualifying child. Credit phases out (but not below \$0) by \$50 for each \$1,000 by which MAGI exceeds thresholds above.

Standard Deductions (2025)	Annual	Add'l 65 or Older, or Blind
Married filing jointly	\$30,000	\$1,600
Head of household	\$22,500	\$2,000
Single	\$15,000	\$2,000
Married filing separately	\$15,000	\$1,600

Capital Gains and Qualifying Dividends Tax Rate (2025)				
If Taxable Income is Over:		But Not Over:	Short Term ≤ 12 Months	Long Term > 12 Months
Joint return or surviving spouse	\$0	\$96,700	Ordinary Rate	0%
Head of household	\$0	\$64,750		
Single	\$0	\$48,350		
Married filing separately	\$0	\$48,350		
Joint return or surviving spouse	\$96,700	\$600,050	Ordinary Rate	15%
Head of household	\$64,750	\$566,700		
Single	\$48,350	\$533,400		
Married filing separately	\$48,350	\$300,000		
Joint return or surviving spouse	\$600,050	—	Ordinary Rate	20%
Head of household	\$566,700	—		
Single	\$533,400	—		
Married filing separately	\$300,000	—		

Alternative Minimum Tax (AMT)		
	Exemption	
	2024	2025
Single	\$85,700	\$88,100
Married filing jointly	\$133,300	\$137,000
	AMT Phaseout Beginning Thresholds	
Single	\$609,350	\$626,350
Married filing jointly	\$1,218,700	\$1,252,700

Corporate Tax Rate (2025)
The corporate tax rate is a flat 21% rate.

Education Incentives (2025)		
Qualified Tuition Programs (Section 529 plans) Distributions (including earnings) used for qualified higher education expenses are federal income tax-free. This includes K-12 tuition expenses with a \$10,000 per year limit per beneficiary from all section 529 accounts. Effective 2019, distributions for qualified education loan repayments of the beneficiary or beneficiary's sibling (up to a lifetime maximum of \$10,000 per individual) and for qualified apprenticeship expenses are treated as qualified higher education expenses.		
MAGI Phaseout Ranges		
Contribution Limits	Married filing jointly	Single; Head of Household
Coverdell ESA (\$2,000 Contribution Limit)	\$190,000 – \$220,000	\$95,000 – \$110,000
Lifetime Learning Credit (up to 20% of first \$10,000 of qualified tuition and related expenses, per taxpayer)	\$160,000 – \$180,000	\$80,000 – \$90,000
American Opportunity Tax Credit (up to \$2,500 per eligible student)	\$160,000 – \$180,000	\$80,000 – \$90,000
Exclusion of U.S. Savings Bonds Income	\$149,250 – \$179,250	\$99,500 – \$114,500
Student Loan Interest Deduction (up to \$2,500)	\$170,000 – \$200,000	\$85,000 – \$100,000

Social Security		
Base Amount of Combined Income Causing Social Security Benefits to be Taxable* (2025)		
	50% Taxable	85% Taxable
Married filing jointly	\$32,000	\$44,000
Single or head of household	\$25,000	\$34,000

\*If married filing separately, benefits are likely to be taxable

Maximum Earnings Before Social Security Benefits are Reduced		
	2024	2025
If under full retirement age, lose \$1 for every \$2 earned	\$22,320	\$23,400
In the year of retirement, lose \$1 for every \$3 earned in months prior to full retirement	\$59,520	\$62,160
At full retirement age	No Limit	No Limit
Maximum Compensation Subject to FICA Taxes		
OASDI (Social Security) maximum	\$168,600	\$176,100
HI (Medicare) maximum	No Limit	No Limit

OASDI tax rate: 12.4% self-employed, 6.2% employees, 6.2% employers.

HI tax rate: 2.9% self-employed, 1.45% employees, 1.45% employers. For HI, additional 0.9% on total wages for household income over \$250,000 married filing jointly, \$125,000 married filing separately, and \$200,000 for others.