

# 2025 Tax REFERENCE GUIDE



Columbus Life Insurance Company

A member of Western & Southern Financial Group

## 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                       | Rate |
|--|------|
| <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>

**Qualified Charitable Distribution Limit** \$108,000

## 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         |

## Per Diem Limitation for LTC Benefits

\$420

## 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.



Robert M. Barnes, CLU, ChFC  
President

Ph 708.307.2577

[rob@intinsconsulting.com](mailto:rob@intinsconsulting.com)

[www@intinsconsulting.com](http://www@intinsconsulting.com)

# COLUMBUS LIFE INSURANCE COMPANY 2025 TAX REFERENCE GUIDE

## 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*

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

8 In 2025, for those turning age 62, full retirement age is 67 years.

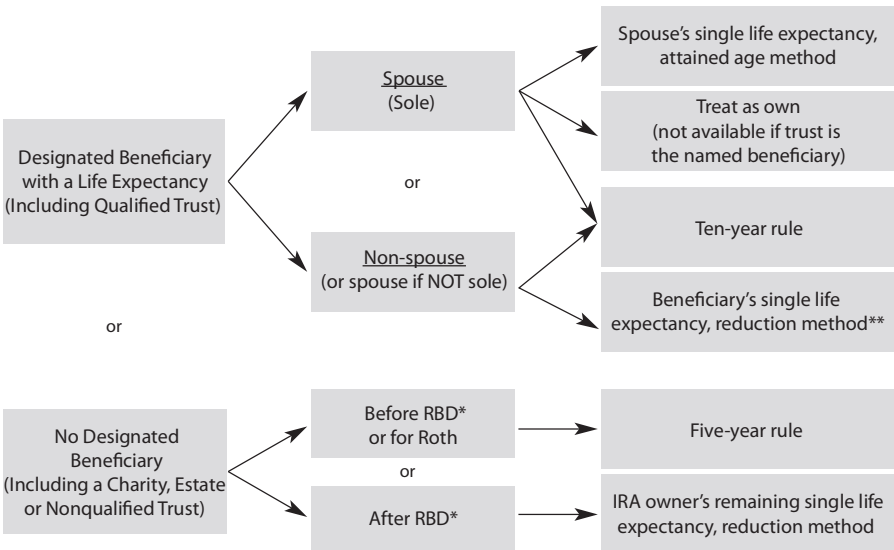
9 Income is most income including muni bond interest but only 1/2 of Social Security.

## 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             |

## 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.



A member of Western & Southern Financial Group

Columbus Life Insurance Company  
400 Broadway, Cincinnati, OH 45202  
ColumbusLife.com

Information contained herein is current as of 12/1/24, general in nature, for informational purposes only, subject to legislative changes and is not intended to be legal or tax advice. Consult a qualified tax advisor regarding specific circumstances. Annuity and life insurance products are not bank products and are neither the obligations of, nor are they guaranteed by, the financial institution where they are offered. They are not insured by the FDIC, NCUSIF, or any other federal entity and are subject to investment risk, including possible loss of principal and interest. Payment of benefits under the contract is the obligation of, and is guaranteed by, the issuing insurance company. Columbus Life Insurance Company products are backed by the full financial strength of Columbus Life Insurance Company, Cincinnati, Ohio. Columbus Life Insurance Company, Cincinnati, Ohio, is licensed in the District of Columbia and all states except New York.