2026 Fingertip Tax Guide

This guide provides an overview of the 2026 inflation adjustments applicable to individual income taxes, transfer taxes, business taxes, retirement contribution limits, and other related areas. It also addresses certain temporary provisions enacted in 2025 under HR 1, commonly known as the "One Big Beautiful Bill" Act.

Ordinary income taxes 2026

If taxable income is:[1]

	Over	But not over	The tax is	Of the amount over
Married filing jointly	$0	$24,800	$0 + 10%	$0
	$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
Single	$0	$12,400	$0 + 10%	$0
	$12,400	$50,400	$1,240 + 12%	$12,400
	$50,400	$105,700	$5,800 + 22%	$50,400
	$105,700	$210,775	$17,966 + 24%	$105,700
	$210,775	$256,225	$43,184 + 32%	$210,775
	$256,225	$640,600	$57,728 + 35%	$256,225
	$640,600	—	$192,259.25 + 37%	$640,600
Estates and trusts	$0	$3,300	$0 + 10%	$0
	$3,300	$11,700	$330 + 24%	$3,300
	$11,700	$16,000	$2,346 + 35%	$11,700
	$16,000	—	$3,851 + 37%	$16,000

INSURANCE PRODUCTS	MAY LOSE VALUE	NOT A DEPOSIT
NOT BANK GUARANTEED	NOT FDIC INSURED	
NOT INSURED BY ANY GOVERNMENT AGENCY		

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Capital gains tax 2026

28% capital gains rate on collectibles

Long-term capital gains rates*	Single	Married filing jointly	Estates and trusts
0%	$49,450 or below	$98,900 or below	$3,300 or below
15%	$49,451 – $545,500	$98,901 – $613,700	$3,301 – $16,250
20%	Over $545,500	Over $613,700	Over $16,250

*Other than collectibles and qualified business stock.

Note: Qualified dividends are taxed the same as capital gains.

Alternative minimum tax exemption amounts

	2025	2026
Married filing jointly	$137,000	$140,200
Single	$88,100	$90,100
Estates and trusts	$30,700	$31,400

Standard deductions

	2025	2026
Married filing jointly	$31,500	$32,200
Single	$15,750	$16,100

Net investment income (NII) tax thresholds

3.8% additional tax on unearned income

	Applicable on NII when taxpayer's income exceeds
Married filing jointly	$250,000
Married filing separately	$125,000
Any other filing status	$200,000

Note: Thresholds are not indexed for inflation.

Medicare tax thresholds

0.9% additional tax on earned income

	Applicable on earned income amounts over
Married filing jointly	$250,000
Married filing separately	$125,000
Any other filing status	$200,000

Note: Thresholds are not indexed for inflation.

Social Security benefits

Maximum annual earnings before Social Security benefits are reduced

	2025	2026
Before full retirement age (lose $1 for every $2 of earnings)	$23,400	$24,480
Year of full retirement age (lose $1 for every $3 of earnings)	$62,160	$65,160
After full retirement age	No limit	No limit

FICA income limits

Maximum compensation subject to FICA taxes

	2025	2026
OASDI (Old-age, survivors, and disability insurance) – Social Security maximum	$176,100	$184,500
HI (Hospital insurance) – Medicare maximum	No limit	No limit

Qualified plans

	2025	2026
Contribution limit to qualified retirement plans (e.g., 401(k), 403(b) and 457(b) plans)[2]	$23,500	$24,500
401(k) age 50+ catch-up contribution limit	$7,500	$8,000
401(k) ages 60–63 catch-up contribution limit	$11,250	$11,250
Mandatory Roth catch-up contribution wage threshold for employer-sponsored plans	—	$150,000
Maximum IRA contribution limit	$7,000	$7,500
IRA age 50+ catch-up contribution limit	$1,000	$1,100
Maximum contribution to SIMPLE plan	$16,500	$17,000
SIMPLE plan age 50+ catch-up contribution limit	$3,500	$4,000
SIMPLE plan ages 60–63 additional contribution limit	$5,250	$5,250
Annual includible compensation limit	$350,000	$360,000
Limitation on annual additions to a defined contribution plan	$70,000	$72,000
Highly compensated employee compensation limit	$160,000	$160,000
Limitation on the annual benefit under a defined benefit plan	$280,000	$290,000

Roth IRA income limits for contributions

	2025	2026
Married filing jointly	$236,000 – $246,000	$242,000 – $252,000
Single	$150,000 – $165,000	$153,000 – $168,000

Tax-favored health plans

High deductible health plans (HDHP)	2025	2026
Minimum deductible, single	$1,650	$1,700
Minimum deductible, family	$3,300	$3,400
Maximum out-of-pocket, single	$8,300	$8,500
Maximum out-of-pocket, family	$16,600	$17,000

Health Savings Account (HSA) limit	2025	2026
Single	$4,300	$4,400
Family	$8,550	$8,750
Age 55+ catch-up contribution limit	$1,000	$1,000

Health Reimbursement Account limit	2025	2026
Health Reimbursement Account limit	$2,150	$2,200

Flexible Spending Account (FSA)*	2025	2026
Annual limit	$3,300	$3,400
Carry-over	$660	$680

Corporations

	2026
C corporations	21% flat tax
Pass-through businesses (S corporations, partnerships) and sole proprietors	Tax rate of owner, but up to 20% deduction on "qualified business income" subject to threshold limits (see 199A thresholds)

Note: Deduction for pass-through businesses is subject to strict rules and testing requirements; deduction unavailable for specified service-oriented businesses where owner's income exceeds certain limits (see below).

199A thresholds

	2025	2026
Married filing jointly	$394,600 – $494,600	$403,500 – $553,500
Married filing separately	$197,300 – $247,300	$201,775 – $276,775
Any other filing status	$197,300 – $247,300	$201,750 – $276,750

Temporary provisions from HR 1

SALT deduction	2025	2026
Maximum deduction	$40,000	$40,400
Phaseout level*	$500,000	$505,000

*Under HR 1, the state and local tax (SALT) deduction is reduced by 30% for MAGI over the phaseout level, down to $10,000.

Note: The SALT cap will revert to $10,000 after 12/31/2029.

No tax on tips	2025
Maximum deduction	$25,000
Phaseout level*	
Married filing jointly	$300,000
Single	$150,000

*The deduction is reduced by 10% for MAGI over the phaseout level, down to $0.

Note: This provision expires after 12/31/2028.

No tax on overtime	2025
Maximum deduction	
Married filing jointly	$25,000
Single	$12,500
Phaseout level*	
Married filing jointly	$300,000
Single	$150,000

*The deduction is reduced by $100 for every $1,000 of MAGI over the phaseout level, down to $0.

Note: This provision expires after 12/31/2028.

Enhanced senior deduction	2025
Maximum deduction per individual	$6,000
Phaseout level*	
Married filing jointly	$150,000
Single	$75,000

*The deduction is reduced by $0.06 for every $1 of MAGI over the phaseout level, down to $0.

Note: This provision expires after 12/31/2028.

Long-term care/chronic illness

Periodic payments received under qualified long-term care insurance contracts or life insurance contracts with long-term care and chronic illness riders

	2025	2026
Per diem limit	$420	$430

Deduction for eligible long-term care premiums per IRC §213(d)(10)

	2025	2026
Ages 40 or less	$480	$500
Ages 41 to 50	$900	$930
Ages 51 to 60	$1,800	$1,860
Ages 61 to 70	$4,810	$4,960
Ages over 70	$6,020	$6,200

Estate and gift taxes 2026

Over	But not over	The tax is	Of the amount over
$0	$10,000	$0 + 18%	$0
$10,000	$20,000	$1,800 + 20%	$10,000
$20,000	$40,000	$3,800 + 22%	$20,000
$40,000	$60,000	$8,200 + 24%	$40,000
$60,000	$80,000	$13,000 + 26%	$60,000
$80,000	$100,000	$18,200 + 28%	$80,000
$100,000	$150,000	$23,800 + 30%	$100,000
$150,000	$250,000	$38,800 + 32%	$150,000
$250,000	$500,000	$70,800 + 34%	$250,000
$500,000	$750,000	$155,800 + 37%	$500,000
$750,000	$1,000,000	$248,300 + 39%	$750,000
$1,000,000	—	$345,800 + 40%	$1,000,000

Tax exemptions for 2026

Annual gift tax exclusion:
Individual donor may gift $19,000 per donee

Gift tax exemption:
$15,000,000

Estate and generation-skipping transfer tax exemption:
$15,000,000

Annual gift tax exclusion for a non-citizen spouse:
$194,000

Maximum gift tax rate: 40%

Estate tax rates and exemptions

Year	Top estate tax rate	Estate tax exemption	Applicable credit
2010	0%[3]/35%	$0[3]/$5,000,000	$0[3]/$1,730,800
2011	35%	$5,000,000	$1,730,800
2012	35%	$5,120,000	$1,772,800
2013	40%	$5,250,000	$2,045,800
2014	40%	$5,340,000	$2,081,800
2015	40%	$5,430,000	$2,117,800
2016	40%	$5,450,000	$2,125,800
2017	40%	$5,490,000	$2,141,800
2018	40%	$11,180,000	$4,417,800
2019	40%	$11,400,000	$4,505,800
2020	40%	$11,580,000	$4,577,800
2021	40%	$11,700,000	$4,625,800
2022	40%	$12,060,000	$4,769,800
2023	40%	$12,920,000	$5,113,800
2024	40%	$13,610,000	$5,389,800
2025	40%	$13,990,000	$5,541,800
2026	40%	$15,000,000	$5,945,800

For additional information, please contact your local
John Hancock Representative.

1. The rates listed are for the regular income tax. Some taxpayers may be subject to the Alternative Minimum Tax (AMT) instead; every taxpayer is responsible for paying the higher of the regular income tax or the AMT.
2. The contribution limit is the same for regular and Roth 401(k) plans; a total of $24,500 can be contributed in 2026 to one or both types of 401(k) plans.
3. In 2010, decedents had the choice between full estate tax repeal but with carryover basis or exposure to estate tax with a $5 million exemption and a maximum tax rate of 35%.

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