

2025 MEDICAL SAVINGS ACCOUNTS (MSA)

2025 Annual Deductible Range

Self-only coverage	\$ 2,850 - \$ 4,300
Family coverage	\$ 5,700 - \$ 8,550

Maximum Out-of-Pocket

Self-only coverage	\$ 5,700
Family coverage	\$ 10,500

HEALTH SAVINGS ACCOUNT (HSA)

2025 Maximum Annual Contribution Limits

Self-only coverage	\$ 4,300
Family coverage	\$ 8,550

2025 Minimum Deductible

Self-only coverage	\$ 1,650
Family coverage	\$ 3,300

2025 Maximum Out-of-Pocket

Self-only coverage	\$ 8,300
Family coverage	\$ 16,600

Catch-Up for Ages 55 - 65

Current and future years	\$ 1,000
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ADOPTION CREDIT

Maximum credit for a child with special needs	\$ 17,280
Other adoptions and qualified expenses	Up to \$ 17,280
Modified adjusted gross income phaseout range	\$ 259,190 - \$ 299,190

BONUS DEPRECIATION

Assets placed in service on or before January 19, 2025	40%
Assets placed in service after January 19, 2025	100%

SECTION 179 EXPENSE

Expense limit	\$ 2,500,000
Phaseout threshold	\$ 4,000,000

FICA (SS & MEDICARE) WAGE BASE

Social Security wage base	\$ 176,100
Maximum Social Security tax	\$10,918.20
Medicare wage base	No ceiling
Maximum Medicare wage tax	No ceiling

STANDARD DEDUCTIONS

If the taxpayer's filing status is...	Base Amount	Additional Amount if Blind or Over Age 65
Single	\$15,750	\$2,000
Married Filing Jointly	\$31,500	\$1,600
Married Filing Separately	\$15,750	\$1,600
Head of Household	\$23,625	\$2,000
Qualifying Surviving Spouse	\$31,500	\$1,600
Dependent of Another	\$1,350 (or earned income + \$450)	\$1,600 (\$2,000 if Single or HOH)

MACRS RECOVERY PERIODS

Type of Property	MACRS Recovery Period	
	General Depreciation System	Alternative Depreciation System
Computers and their peripheral equipment	5 years	5 years
Office machinery, such as: Scanners Calculators Copiers	5 years	6 years
Automobiles	5 years	5 years
Light trucks	5 years	5 years
Appliances, such as: Stoves Refrigerators	5 years	9 years
Carpets	5 years	9 years
Furniture used in rental property	5 years	9 years
Office furniture and equipment, such as: Desks Tables	7 years	10 years
Any property that does not have a class life and that has not been designated by law as being in any other class	7 years	12 years
Roads	15 years	20 years
Shrubbery	15 years	20 years
Fences	15 years	20 years
Residential rental property (buildings or structures) and structural components such as furnaces, water pipes, venting, etc.	27.5 years	30 years
Nonresidential real property	39 years	40 years

Additions and improvements, such as a new roof

The same recovery period as that of the property to which the addition or improvement is made, determined as if the property were placed in service at the same time as the addition or improvement.

See [IRS Publication 946](#) for more information.

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2025 FILING REQUIREMENTS FOR MOST TAXPAYERS

If the taxpayer's filing status is...	AND at the end of 2025 the taxpayer was...	THEN file a return if the taxpayer's gross income was at least...
Single	Under 65 65 or older	\$15,750 \$17,750
Married Filing Jointly	Under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$31,500 \$33,100 \$34,700
Married Filing Separately	Any age	\$ 5
Head of Household	Under 65 65 or older	\$23,625 \$25,625
Qualifying Surviving Spouse	Under 65 65 or older	\$31,500 \$33,100

2025 FILING REQUIREMENTS FOR DEPENDENTS*

If either the taxpayer's parents or someone else can claim the taxpayer as a dependent, use the chart below to see if the taxpayer must file a return. In this chart, unearned income includes taxable interest, ordinary dividends, and capital gain distributions. Earned income includes wages and tips, as well as taxable scholarships and fellowship grants. Gross income is the total of unearned and earned income.

Single dependents. Was the taxpayer either age 65 or older or blind?

- Yes.** The taxpayer must file a return if any of the following apply:
 - The taxpayer's unearned income is more than \$3,350 (\$5,350 if 65 or older and blind).
 - The taxpayer's earned income is more than \$17,750 (\$19,750 if 65 or older and blind).
 - The taxpayer's gross income is more than the larger of:
 - \$3,350 (\$5,350 if 65 or older and blind)
 - The taxpayer's earned income (up to \$15,300), plus \$2,450 (\$4,450 if 65 or older and blind)
- No.** The taxpayer must file a return if any of the following apply:
 - The taxpayer's unearned income is more than \$1,350.
 - The taxpayer's earned income is more than \$15,750.
 - The taxpayer's gross income is more than the larger of:
 - \$1,350
 - The taxpayer's earned income (up to \$15,300), plus \$450



Married dependents. Was the taxpayer either age 65 or older or blind?

- Yes.** The taxpayer must file a return if any of the following apply:
 - The taxpayer's unearned income is more than \$2,950 (\$4,550 if 65 or older and blind).
 - The taxpayer's earned income is more than \$17,350 (\$18,950 if 65 or older and blind).
 - The taxpayer's gross income is at least \$5 and their spouse files a separate return and itemizes deductions.
 - The taxpayer's gross income is more than the larger of:
 - \$2,950 (\$4,550 if 65 or older and blind)
 - The taxpayer's earned income (up to \$15,300), plus \$2,050 (\$3,650 if 65 or older and blind)
- No.** The taxpayer must file a return if any of the following apply:
 - The taxpayer's unearned income is more than \$1,350.
 - The taxpayer's earned income is more than \$15,750.
 - The taxpayer's gross income is at least \$5 and their spouse files a separate return and itemizes deductions.
 - The taxpayer's gross income is more than the larger of:
 - \$1,350
 - The taxpayer's earned income (up to \$15,300), plus \$450

OTHER SITUATIONS WHEN THE TAXPAYER MUST FILE A 2025 RETURN

The taxpayer must file a return if any of the following conditions apply for 2025.

- The taxpayer owes any special taxes, including any of the following:
 - Alternative minimum tax
 - Additional tax on a qualified plan, including an individual retirement arrangement (IRA) or other tax-favored account—but if the taxpayer is filing a return only because they owe this tax, the taxpayer can file Form 5329 by itself
 - Household employment taxes—but if the taxpayer is filing a return only because they owe this tax, the taxpayer can file Schedule H by itself
 - Social Security and Medicare tax on tips the taxpayer did not report to their employer or on wages the taxpayer received from an employer who did not withhold these taxes
 - Repayment of the First-Time Homebuyer Credit (see instructions for Form 1040 (or 1040-SR), Schedule 2, Part II)
 - Write-in taxes, including uncollected Social Security and Medicare tax, Railroad Retirement Tax Act (RRTA) tax on tips the taxpayer reported to their employer, tax on group-term life insurance, or additional taxes on Health Savings Accounts (HSAs) (see instructions for Form 1040 (or 1040-SR), Schedule 2, line 17)
 - Recapture taxes (see instructions for Form 1040 (or 1040-SR), Schedule 2, Part II)
- The taxpayer (or their spouse, if filing jointly) received HSA, Archer Medical Savings Account (MSA), or Medicare Advantage MSA distributions.
- The taxpayer had net earnings from self-employment of at least \$400.
- The taxpayer had wages of \$108.28 or more from a church or qualified church-controlled organization that is exempt from employer Social Security and Medicare taxes.
- The taxpayer had advance payments of the Premium Tax Credit (PTC) made for them, their spouse, or a dependent who enrolled in coverage through the Health Insurance Marketplace. The taxpayer should have received Form 1095-A showing the amount of the advance payments, if any.
- The taxpayer is required to file Form 965-A.

*Figures are estimated at the time of publication, based on data from the One Big Beautiful Bill (OB BB), and are subject to change. The impact of the new senior deduction has yet to be determined.

STUDENT LOAN INTEREST DEDUCTION

Maximum interest deduction	\$ 2,500
Modified Adjusted Gross Income Phaseout:	
Married Filing Jointly	\$ 170,000 - \$200,000
Single/HOH	\$ 85,000 - \$100,000

QUALIFYING CHILD FOR CHILD TAX CREDIT

A qualifying child for the purposes of the Child Tax Credit must be all of the following:

- A U.S. citizen or resident alien
- An SSN holder
- Claimed as the taxpayer's dependent on Form 1040 or 1040-SR
- Under age 17 at the end of 2025
- The taxpayer's:
 - Son, daughter, adopted child, stepchild, or descendant of any of them (for example, the taxpayer's grandchild)
 - Brother, sister, stepbrother, stepsister, or a descendant of any of them (for example, the taxpayer's niece or nephew) for whom the taxpayer cared for as they would their own child

Adopted Child

An adopted child is always treated as the taxpayer's own child. An adopted child includes a child placed with the taxpayer by an authorized placement agency for legal adoption, even if the adoption is not final.

New for 2025: a taxpayer (or spouse if filing jointly) must have a social security number to claim the Child Tax Credit or Additional Child Tax Credit.

CHILD TAX CREDIT

Credit amount	\$2,200
Refundable portion	\$1,700

QUALIFYING DEPENDENT FOR OTHER DEPENDENT CREDIT

A qualifying dependent for the Other Dependent Credit must be all of the following:

- A U.S. citizen, U.S. national, or U.S. resident alien
- An SSN, ITIN, or ATIN holder
- Claimed as the taxpayer's dependent on Form 1040 or 1040-SR

Credit amount	\$500
Refundable portion	\$ 0

DEPENDENT CARE CREDIT LIMITATIONS

To determine the amount of the credit, multiply the taxpayer's work-related expenses (after applying the earned income and dollar limits) by one of the following percentages. This percentage depends on the taxpayer's adjusted gross income shown on Form 1040, 1040-SR, or 1040-NR, line 11. The following table shows the percentage to use based on adjusted gross income. The maximum amount eligible to be multiplied by these percentages is \$3,000 per child or \$6,000 per return.

If the taxpayer's adjusted gross income is:

Over	But Not Over	Percentage
\$ 0	\$ 15,000	35%
\$ 15,000	\$ 17,000	34%
\$ 17,000	\$ 19,000	33%
\$ 19,000	\$ 21,000	32%
\$ 21,000	\$ 23,000	31%
\$ 23,000	\$ 25,000	30%
\$ 25,000	\$ 27,000	29%
\$ 27,000	\$ 29,000	28%
\$ 29,000	\$ 31,000	27%
\$ 31,000	\$ 33,000	26%
\$ 33,000	\$ 35,000	25%
\$ 35,000	\$ 37,000	24%
\$ 37,000	\$ 39,000	23%
\$ 39,000	\$ 41,000	22%
\$ 41,000	\$ 43,000	21%
\$ 43,000	No limit	20%

COMPARISON OF EDUCATION CREDITS

Lifetime Learning	American Opportunity
Up to \$2,000 per return	Up to \$2,500; up to 40% is refundable
Maximum rate is 20%	100% of first \$2,000, plus 25% of next \$2,000
Available for all years of postsecondary education and for courses to acquire or improve job skills	Available for four years of college and ONLY if the student had not completed the first four years of postsecondary education before 2025
Available for an unlimited number of years	Available ONLY for four tax years per eligible student (including any years the Hope Credit was claimed)
Student does not need to be pursuing a program leading to a degree or other recognized education credentials	Student must be pursuing a degree or other recognized education credentials
Available for one or more courses	Student must be enrolled at least half-time for at least one academic period that begins during 2025 (or the first three months of 2025 if the qualified expenses were paid in 2025)
Felony drug conviction rule does not apply	As of the end of 2025, the student had not been convicted of a felony for possession or distribution of a controlled substance

EDUCATION CREDITS PHASEOUT

Lifetime Learning Adjusted Gross Income	Refundable American Opportunity
Married Filing Jointly	\$160,000 - \$180,000
All other filing statuses	\$ 80,000 - \$ 90,000

SOCIAL SECURITY PAYBACK

At full retirement age or older	No limit on earnings
Under full retirement age	\$1 in benefits deducted for every \$2 taxpayer earns above \$23,400
In the year taxpayer reaches full retirement age	Benefits reduced by \$1 for every \$3 taxpayer earns above \$62,160

For people born from 1943-1954, the full retirement age is 66.

For people born from 1955 to 1960, the full retirement age increases by 2 months each year until it reaches age 67.

For people born in 1960 or later, the full retirement age is 67.

EARNED INCOME CREDIT

Single, Married Filing Separately (if qualified), Head of Household, and Qualifying Surviving Spouse	Earned Income Ranges to Receive the Maximum EIC		Maximum EIC	EIC Eliminated When Earned Income Reaches
	AT LEAST	BUT LESS THAN		
No Children	\$ 8,490	\$10,620	\$649	\$19,104
One Child	\$12,730	\$23,350	\$4,328	\$50,434
Two Children	\$17,880	\$23,350	\$7,152	\$57,310
Three or More Children	\$17,880	\$23,350	\$8,046	\$61,555

Married Filing Jointly	Earned Income Ranges to Receive the Maximum EIC		Maximum EIC	EIC Eliminated When Earned Income Reaches
	AT LEAST	BUT LESS THAN		
No Children	\$ 8,490	\$17,730	\$649	\$26,214
One Child	\$12,730	\$30,470	\$4,328	\$57,554
Two Children	\$17,880	\$30,470	\$7,152	\$64,430
Three or More Children	\$17,880	\$30,470	\$8,046	\$68,675

The maximum amount of investment income the taxpayer can have and still receive EIC has increased to \$11,950.

EARNED INCOME CREDIT IN A NUTSHELL

First, the taxpayer must meet all rules in column "Part A." Second, the taxpayer must meet all rules in column "Part B" or "Part C," whichever applies.

PART A Rules for Everyone	PART B Rules if the Taxpayer Has a Qualifying Child	PART C Rules if the Taxpayer Does Not Have a Qualifying Child
<ul style="list-style-type: none"> The taxpayer's adjusted gross income (AGI) must be less than: <ul style="list-style-type: none"> \$19,104 (\$26,214 for Married Filing Jointly) with no qualifying child \$50,434 (\$57,554 for Married Filing Jointly) with one qualifying child \$57,310 (\$64,430 for Married Filing Jointly) with two qualifying children \$61,555 (\$68,675 for Married Filing Jointly) with three or more qualifying children The taxpayer must have a valid Social Security Number. The taxpayer's filing status cannot be Married Filing Separately unless the taxpayer lived with a qualifying child for over half the year and meets the other qualifications in the in column "Part B." The taxpayer must be a U.S. citizen, full-year resident alien, or nonresident alien filing a Married Filing Jointly return. The taxpayer cannot file Form 2555 (relating to foreign earned income). The taxpayer's investment income must be \$11,950 or less. The taxpayer must have earned income. 	<ul style="list-style-type: none"> The taxpayer's child must have a Social Security Number that is valid for employment and issued before the due date of the return (including extensions). The taxpayer's child must meet the relationship, age, and residency tests. The taxpayer's qualifying child cannot be used by more than one person to claim the EIC. The taxpayer cannot be a qualifying child of another taxpayer. If filing a Married Filing Separately return, the taxpayer must have either: <ul style="list-style-type: none"> Lived apart from their spouse for the last six months of the tax year Lived apart from their spouse by the end of the tax year and also be legally separated according to state law under a written separation agreement or a decree of separate maintenance 	<ul style="list-style-type: none"> The taxpayer must be at least age 25 but under age 65. The taxpayer cannot be the dependent of another person. The taxpayer cannot be a qualifying child of another taxpayer. The taxpayer must have lived in the United States more than half of the year.

EXEMPTION AMOUNTS

Personal and Dependent	\$ 0
Estate Amount*	\$600
Simple Trust*	\$300
Complex Trust*	\$100

* Exemption not allowed in final year.



FOREIGN EARNED INCOME

2025 maximum exclusion \$130,000

GIFT TAX

2025 exclusion \$ 19,000
 2025 exclusion for gift to spouse who is not a U.S. citizen \$190,000

401(K) CONTRIBUTION LIMITS

2025 maximum deferral \$ 23,500
 2025 catch-up contribution limits, add
 Ages 50 to 59 \$7,500
 Ages 60-63 \$11,250
 Ages 64+ \$7,500

LONG-TERM CAPITAL GAINS AND QUALIFYING DIVIDENDS

Category	Income Range	Rate
Single	\$ 0 - \$48,350	0%
	\$ 48,351 - \$533,400	15%
Joint / QSS	\$ 533,401 - more	20%
	\$ 0 - \$96,700	0%
Separate	\$ 96,701 - \$600,050	15%
	\$ 600,051 or more	20%
HOH	\$ 0 - \$48,350	0%
	\$ 48,351 - \$300,000	15%
HOH	\$300,001 or more	20%
	\$ 0 - \$64,750	0%
HOH	\$ 64,751 - \$566,700	15%
	\$ 566,701 or more	20%

SAVINGS BOND/HIGHER EDUCATION EXPENSE EXCLUSION

Modified adjusted gross income phaseout range:
 Married Filing Jointly \$ 149,250 - \$179,250
 All other filing statuses \$ 99,500 - \$114,500

LONG-TERM CARE PREMIUMS

Maximum premium (per person):
 Age 40 or under \$ 480
 Age 41 to 50 \$ 900
 Age 51 to 60 \$1,800
 Age 61 to 70 \$4,810
 Age 71 or over \$6,020

PER DIEM LIMIT

Per day \$ 420

MAXIMUM CAP GAIN RATES

0 to \$3,250 0%
 \$3,251 to \$15,900 15%
 \$15,901 or more 20%

ALTERNATIVE MINIMUM TAX

First \$239,100 (\$119,550 Married Filing Separately) of alternative minimum taxable income (AMTI)26%
 Over \$239,100 of alternative minimum taxable income 28%



Exemptions:

Married Filing Jointly or Qualifying Surviving Spouse..... \$137,000
 Married Filing Separately \$ 68,500
 Single or Head of Household..... \$ 88,100
 Trusts and Estates..... \$ 30,700

Exemption Phaseout:

25% of AMTI amount exceeds:

Filing Status	AMTI Begin Phaseout	AMTI Fully Phased Out
MFJ/Qualifying Surviving Spouse	\$1,252,700	\$1,800,700
Married Filing Separately	\$ 626,350	\$ 900,350
Single/HOH	\$ 626,350	\$ 978,750
Estates and Trusts	\$ 102,500	\$ 225,300

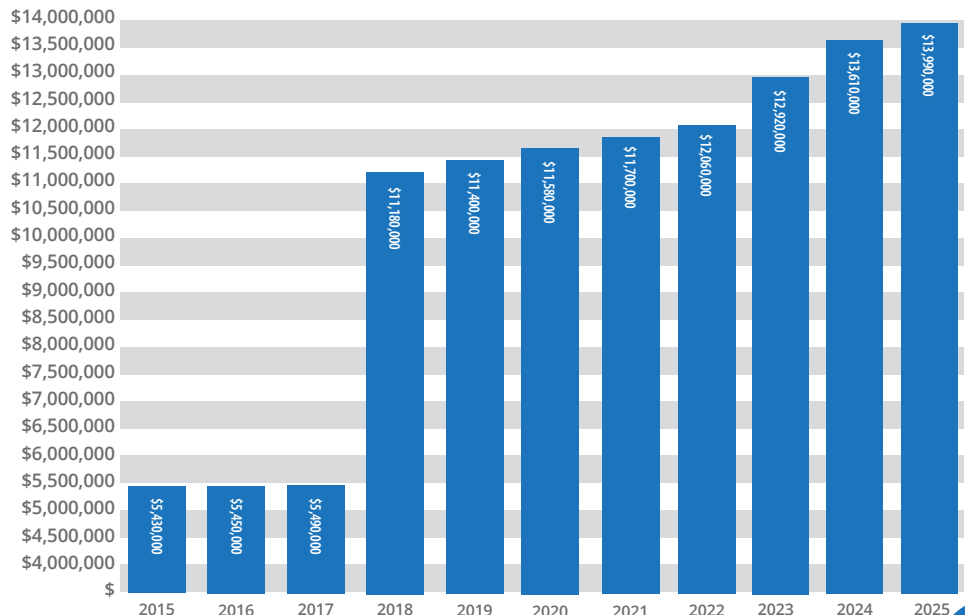
WHERE TO DEDUCT INTEREST EXPENSE

If the taxpayer has...	THEN deduct it on...	For more information, go to...
Deductible student loan interest	Form 1040/1040-SR, Schedule 1, line 21	Publication 970
Deductible home mortgage interest and points reported on Form 1098	Schedule A (Form 1040/1040-SR), line 8a	Publication 936
Deductible home mortgage interest not reported on Form 1098	Schedule A (Form 1040/1040-SR), line 8b	Publication 936
Deductible points not reported on Form 1098	Schedule A (Form 1040/1040-SR), line 8c	Publication 936
Deductible investment interest (other than interest incurred to produce rents or royalties)	Schedule A (Form 1040/1040-SR), line 9	Publication 550
Deductible business interest (non-farm)	Schedule C (Form 1040/1040-SR)	Publication 535
Deductible farm business interest	Schedule F (Form 1040/1040-SR)	Publications 225 and 535
Deductible interest incurred to produce rents or royalties	Schedule E (Form 1040/1040-SR)	Publications 527 and 535
Qualified passenger vehicle interest	Schedule 1-A (Form 1040)	Form 1040 Instructions
Other personal interest	Not deductible	

2025 STANDARD MILEAGE RATES

Business mileage\$0.70/mile
 Charitable mileage.....\$0.14/mile
 Medical/moving mileage.....\$0.21/mile

FEDERAL ESTATE EXEMPTION



TAX RATE SCHEDULE Single

TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 11,925
11,925	48,475
48,475	103,350
103,350	197,300
197,300	250,525
250,525	626,350
626,350	-

TAX:

Tax	+	On Amt. Over
\$.00	10%	\$ 0
1,192.50	12%	11,925
5,578.50	22%	48,475
17,651	24%	103,350
40,199	32%	197,300
57,231	35%	250,525
188,769.75	37%	626,350

IRA CONTRIBUTION LIMITS

Regular Contributions

2025 maximum contribution\$7,000

Catch-Up Contributions for Taxpayers 50 and Older

2025 catch-up.....\$1,000

PHASEOUT OF IRA DEDUCTIONS

Filing Status	AGI Begin Phaseout	AGI Fully Phased Out
Single (or Married Filing Separately and taxpayer lived apart from spouse for all of 2025)	\$ 79,000	\$ 89,000
Married Filing Jointly	\$126,000 (\$236,000 if spouse is not covered by a pension plan)	\$146,000 (\$246,000 if spouse is not covered by a pension plan)
Married Filing Separately	\$ 0	\$ 10,000
Head of Household	\$ 79,000	\$ 89,000
Qualifying Surviving Spouse	\$126,000	\$146,000

TAX RATE SCHEDULE Head of Household

TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 17,000
17,000	64,850
64,850	103,350
103,350	197,300
197,300	250,500
250,500	626,350
626,350	-

TAX:

Tax	+	On Amt. Over
\$.00	10%	\$ 0
1,700	12%	17,000
7,442	22%	64,850
15,912	24%	103,350
38,460	32%	197,300
55,484	35%	250,500
187,031.50	37%	626,350

TAX RATE SCHEDULE Married Filing Separately

TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 11,925
11,925	48,475
48,475	103,350
103,350	197,300
197,300	250,525
250,525	375,800
375,800	-

TAX:

Tax	+	On Amt. Over
\$.00	10%	\$ 0
1,192.50	12%	11,925
5,578.50	22%	48,475
17,651	24%	103,350
40,199	32%	197,300
57,231	35%	250,525
101,077.25	37%	375,800

TAX RATE SCHEDULES

Married Filing Jointly and Qualifying Surviving Spouse

TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 23,850
23,850	96,950
96,950	206,700
206,700	394,600
394,600	501,050
501,050	751,600
751,600	-

TAX:

Tax	+	On Amt. Over
\$.00	10%	\$ 0
2,385	12%	23,850
11,157	22%	96,950
35,302	24%	206,700
80,398	32%	394,600
114,462	35%	501,050
202,154.50	37%	751,600

2025 CORPORATE TAX RATES

The federal corporate income tax rate is 21%.

2025 ESTATE AND TRUST TAX RATES

TAXABLE INCOME:

Over	But Not Over
\$ 0	\$ 3,150
3,150	11,450
11,450	15,650
15,650	-

TAX:

Tax	+	On Amt. Over
\$.00	10%	\$ 0
315	24%	3,150
2,307	35%	11,450
3,777	37%	15,650



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