

2025 tax year standard deductions for each filing status

An increase in the standard deduction. The standard deduction has increased to the following amounts:

- \$31,500 (up from \$30,000) for married filing jointly or a qualifying surviving spouse;
- \$23,625 (up from \$22,500) for head of household; and
- \$15,750 (up from \$15,000) for single or married filing separately.

An increase to the limitation on the itemized deduction for state and local taxes. Individuals who itemize their deductions can claim up to \$40,000 (\$20,000 if married filing separately) for state and local taxes paid. This limit was increased from \$10,000 (\$5,000 if married filing separately). The maximum deduction is reduced for taxpayers with modified adjusted gross income over \$500,000 (\$250,000 if married filing separately).

Changes to the child tax credit. The maximum child tax credit has increased to \$2,200 (up from \$2,000) per eligible child. The individual claiming the child tax credit must have a Social Security number valid for employment. If married filing jointly, at least one spouse must have a social security number valid for employment. The qualifying child must also have a Social Security number valid for employment.

Internal Revenue Service. (10-Sep-2025) How to update withholding to account for tax law changes for 2025, irs.gov. <https://www.irs.gov/forms-pubs/how-to-update-withholding-to-account-for-tax-law-changes-for-2025>

2025 Retirement plan contribution limits

- **401(k), 403(b), and 457 plans:** The elective deferral limit is \$23,500.
- **Catch-up contributions (age 50 and over):** An additional \$7,500 is allowed.
- **IRA (Traditional and Roth):** The contribution limit is \$7,000.
- **IRA catch-up contributions (age 50 and over):** An additional \$1,000 is allowed.
- **SIMPLE plans:** The contribution limit is \$16,500.

Internal Revenue Service. (26-Aug-2025) *Types of retirement plans*, irs.gov. <https://www.irs.gov/retirement-plans/plan-sponsor/types-of-retirement-plans>

2025 Gift and estate tax limits

- **Annual gift exclusion:** You can give up to \$19,000 per person in 2025 without triggering gift tax reporting requirements.
- **Basic exclusion amount for estates:** \$13,990,000 for estates of decedents who die in 2025.

Internal Revenue Service. (17-Jul-2025) What's new — Estate and gift tax, irs.gov. <https://www.irs.gov/businesses/small-businesses-self-employed/whats-new-estate-and-gift-tax>

2025 Health savings account (HAS) limits

- **Self-only coverage:** You can contribute up to \$4,300 in 2025 (up from \$4,150 in 2024). The deductible must be at least \$3,200. The out-of-pocket maximum is \$8,050.
- **Family coverage:** You can contribute up to \$8,550 in 2025 (up from \$8,300 in 2024). The deductible must be at least \$6,300. The out-of-pocket maximum is \$16,100.
- **HSA catch-up contributions (age 55 and over):** An additional \$1,000 is allowed.

Internal Revenue Service. (23-Jan-2025) *Publication 969 (2024), Health Savings Accounts and Other Tax-Favored Health Plans*, irs.gov. <https://www.irs.gov/publications/p969>

Other 2025 tax items

- **Social Security wage base limit:** The maximum amount of earnings subject to Social Security tax is \$176,100.

Social Security. *Contribution And Benefit Base*, ssa.gov. <https://www.ssa.gov/oact/cola/cbb.html>

- **Adoption credit or exclusion:** The maximum credit allowed for adoptions for tax year 2026 is the amount of qualified adoption expenses up to \$17,670, up from \$17,280 for 2025. For tax year 2026, the amount of credit that may be refundable is \$5,120.
- **Earned Income Tax Credit (EITC):** The tax year 2026 maximum Earned Income Tax Credit (EITC) amount is \$8,231 for qualifying taxpayers who have three or more qualifying children, up from \$8,046 for tax year 2025. Revenue Procedure 2025-32 contains a table providing maximum EITC amount for other categories, income thresholds and phase-outs.

Internal Revenue Service. (9-Oct-2025) *IRS releases tax inflation adjustments for tax year 2026, including amendments from the One, Big, Beautiful Bill, Health Savings Accounts*, irs.gov. <https://www.irs.gov/newsroom/irs-releases-tax-inflation-adjustments-for-tax-year-2026-including-amendments-from-the-one-big-beautiful-bill>

- **Flexible spending arrangement (FSA):** The salary reduction limit for health FSAs is \$3,300.

Internal Revenue Service. (7-Nov-2024) *IRS: Healthcare FSA reminder: Employees can contribute up to \$3,300 in 2025; must elect every year*, irs.gov. <https://www.irs.gov/newsroom/irs-healthcare-fsa-reminder-employees-can-contribute-up-to-3300-in-2025-must-elect-every-year>

- **Qualified transportation fringe benefits:** For 2025, the monthly exclusion for qualified parking is \$325 and the monthly exclusion for commuter highway vehicle transportation and transit passes is \$325

Internal Revenue Service. (24-Dec-2024) *Publication 15-B (2025), Employer's Tax Guide to Fringe Benefits*, irs.gov. <https://www.irs.gov/publications/p15b>

2025 Mileage Rates

If you use your car for business, charity, medical or moving purposes, you may be able to take a deduction based on the mileage used for that purpose.

The standard mileage rates for 2025 are:

- Self-employed and business: 70 cents/mile
- Charities: 14 cents/mile
- Medical: 21 cents/mile
- Moving ([military only](#)): 21 cents/mile

Internal Revenue Service. (17-Jul-2025) *Standard mileage rates*, irs.gov. <https://www.irs.gov/tax-professionals/standard-mileage-rates>