MY FINANCIAL COACH

2026 IRS Tax Updates Pocket Guide

The Internal Revenue Service has announced annual inflation adjustments for tax year 2026, meaning new tax-rate schedules and tax tables and cost-of-living adjustments for various tax breaks. Contribution limits are up more than in recent years because of higher inflation.

2026 STANDARD TAX DEDUCTION – learn more

Single filer/Married Separate	Married Filing Jointly	Head of Household
$16,100	$32,200	$24,150

2026 RETIREMENT PLAN CONTRIBUTION LIMITS – learn more, learn more

Plan Type	Employee Limit	Employer Limit	Catch-up Contribution
401(k), 403(b)	$24,500	$72,000	$7,500
Most 457 plans	$24,500	N/A	$7,500
SIMPLE IRA	$17,000	3% Match/2% Elective on $360,000	$4,000
SEP-IRA/ Solo 401(k)	N/A	25% of Compensation or $72,000	N/A
Trad/Roth IRA	$7,500	N/A	$1,100

2026 ROTH IRA INCOME ELIGIBILITY PHASE-OUTS – learn more

	Single Filer	Married Filing Separate	Married Filing Jointly	Head of Household
ROTH IRA INCOME LIMITS	$153,000 - $168,000	$0 - $10,000	$242,000 - $252,000	$153,000 - $168,000

2026 LONG TERM CAPITAL GAINS TAX RATES – learn more

Tax Rate	Single filer	Married Filing Separate	Married Filing Jointly	Head of Household
0%	<$49,450	<$49,450	<$98,900	<$66,200
15%	Over $49,450	Over $49,450	Over $98,900	Over $66,200
20%	Over $545,500	Over $306,850	Over $613,700	Over $579,600

2026 MARGINAL INCOME TAX RATES – learn more, learn more

Tax Rate	Single filer	Married Filing Separate	Married Filing Jointly	Head of Household
10%	<$12,400	<$12,400	<$24,800	<$17,700
12%	Over $12,400	Over $12,400	Over $24,800	Over $17,700
22%	Over $50,400	Over $50,400	Over $100,800	Over $67,450
24%	Over $105,700	Over $105,700	Over $211,400	Over $105,700
32%	Over $201,775	Over $201,775	Over $403,550	Over $201,750
35%	Over $256,225	Over $256,225	Over $512,450	Over $256,200
37%	Over $640,600	Over $384,350	Over $768,700	Over $640,600

2026 HSA / FSA CONTRIBUTION LIMITS – learn more

Account Type	**Individual Limit**	**Family Limit**
Health Savings Account	$4,400	$8,750
Health Flexible Spending Account	$3,400	N/A

2026 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CONTRIBUTION LIMITS – learn more

	Single Filer/ Married Filing Jointly	Married Filing Separately
Dependent Care Flexible Spending Account	$7,500	$3,750

2026 ENHANCED CATCH-UP CONTRIBUTION – learn more

Once participants turn 64, they revert to the standard age 50+ catch-up contribution limit. Catch-up contributions are optional for employees. This will depend on employers' ability and/or willingness during the adoption of the provision to accommodate catch-ups as of January 1, 2025. This may not apply to everyone.

Participant Age in 2025	2025 Standard Annual Deferral Limit	Catch-up Contribution for 2025	Total 2025 Annual Contribution Limit
50-59 OR 64 or older	$24,500	$8,000	$32,500
60-63	$24,500	$11,250	$35,750

- Estates of decedents who die during 2026 have a basic exclusion amount of $15,000,000, increased from $13,990,000 for estates of decedents who died in 2025. – learn more
- The annual exclusion for gifts remains at $19,000 for calendar year 2026. – learn more
- If you take the standard deduction, you can deduct up to $1,000 ($2,000 for couples who are married and filing jointly) in charitable cash donations to public charities (this excludes donor-advised funds/private foundations) – learn more

*Data highlighted in gray represent changes from the previous year