

2026 Tax fact sheet

A quick reference guide as you prioritize your after-tax growth potential

Earned income, ordinary income, and short-term capital gains tax rates

Income levels in \$

Marginal tax rate	Single	Head of Household	Married Filing Jointly	Married Filing Separately
10%	0 to 12,400	0 to 17,700	0 to 24,800	0 to 12,400
12%	12,400 to 50,400	17,700 to 67,450	24,800 to 100,800	12,400 to 50,400
22%	50,400 to 105,700	67,450 to 105,700	100,800 to 211,400	50,400 to 105,700
24%	105,700 to 201,775	105,700 to 201,775	211,400 to 403,550	105,700 to 201,775
32%	201,775 to 256,225	201,775 to 256,200	403,550 to 512,450	201,775 to 256,225
35%	256,225 to 640,600	256,200 to 640,600	512,450 to 768,700	256,225 to 384,350
37%	640,600 or more	640,600 or more	768,700 or more	384,350 or more
Standard deduction*	16,100	24,150	32,200	16,100

* For single or head of household filers, the standard deduction increases by \$2,050 if you are age 65 or older or blind (\$4,100 if both). For married couples, it increases by \$1,650 for each spouse who is 65+ or blind (e.g., \$3,300 if one spouse is both).

Note: Seniors age 65+ may also qualify for a "bonus deduction" of up to \$6,000, with eligible joint filers able to claim up to \$12,000. This deduction is subject to an income phase-out, reduced by \$0.06 per \$1 of income exceeding the modified adjusted gross income (MAGI)¹ limits of \$75,000 (single/head of household) or \$150,000 (joint). This deduction is fully phased out for those with MAGI over \$175,000 (single/head of household) or \$250,000 (joint), and is not available for married couples filing separately.

Long-term capital gains and qualified dividend tax rates

Income levels in \$

Maximum tax rate	Single	Head of Household	Married Filing Jointly	Married Filing Separately
0%	0 to 49,450	0 to 66,200	0 to 98,900	0 to 49,450
15%	49,450 to 545,500	66,200 to 579,600	98,900 to 613,700	49,450 to 306,850
20%	545,500 or more	579,600 or more	613,700 or more	306,850 or more
3.8% surtax** threshold	200,000	200,000	250,000	125,000

** Some investment income may be subject to a 3.8% surtax. The tax is applied to the lesser of: 1) Net investment income or 2) the amount of modified adjusted gross income (MAGI)¹ that exceeds these thresholds. Net investment income includes "passive" sources of income such as taxable interest, dividends, realized capital gains, annuities, royalties, and rental income.

Source: IRS, UBS. ¹MAGI is computed using different rules depending on the eligibility criteria of the tax credit, deduction, or program. For more details, visit the IRS's website [here](#).

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Additional Medicare tax

Earned income thresholds in \$

Tax rate	Single	Head of Household	Married Filing Jointly	Married Filing Separately
0.9%	200,000	200,000	250,000	125,000

Note: The 0.9% surtax applies to wages, railroad retirement compensation, and self-employment income over the thresholds.

Alternative minimum tax rates and exemption

Income amounts in \$

Marginal tax rate	Single or Head of Household	Married Filing Jointly	Married Filing Separately
26%	0 to 244,500	0 to 244,500	0 to 122,250
28%	244,500+	244,500+	122,250+
Exemption amount (phaseout threshold)	90,100 (500,000 to 680,200)	140,200 (1,000,000 to 1,280,400)	70,100 (500,000 to 640,200)

Gift and estate tax

Amounts in \$

	Unmarried	Married	
Gift tax annual exclusion	19,000 per recipient	38,000 per recipient	Note: Some states impose a state-level estate and/or inheritance tax. The top state-level estate tax rate is 35%, and state-level taxes can affect estates as small as \$1 million.
Lifetime unified gift and estate tax exemption	15,000,000	30,000,000	
Maximum federal gift and estate tax rate	40%	40%	

Social Security

Amounts in \$

Wage base limit	Earnings test exemption (below FRA)	Earnings test exemption (at FRA)
184,500	24,480	65,160

Note: The Old-Age, Survivors, and Disability Insurance (OASDI) tax—commonly called “the Social Security tax”—is based on a worker’s earned income. This 12.4% tax (6.2% paid by the employee, 6.2% paid by the employer) only applies to earned income up to the “wage base”. There is also a Medicare withholding tax of 2.9% (1.45% paid by the employee, 1.45% paid by the employer)—this tax applies to all earned income (no wage base limit).

For workers receiving Social Security benefits before reaching full retirement age (FRA), Social Security applies a “retirement earnings test” and withholds benefits based on “excessive” income in the years leading up to FRA. The test does not count “passive” income sources such as capital gains, dividends, interest income, or retirement plan distributions.

For individuals younger than their FRA, Social Security withholds \$1 for every \$2 of income exceeding the exemption amount. For individuals attaining FRA in the year of the earnings test, Social Security withholds \$1 for every \$3 of income exceeding the exemption amount.

Source: IRS, CMS, UBS. ¹MAGI is computed using different rules depending on the eligibility criteria of the tax credit, deduction, or program. For more details, visit the IRS’s website [here](#).

Retirement account contribution limits

Amounts in \$

Account type	Contribution type	Annual limit
Traditional IRA/Roth IRA*	Maximum regular contribution**	7,500
	Catch-up contribution for individuals 50+	1,100
401(k), 403(b), and 457 plans	Maximum elective deferral	24,500
	Catch-up contributions for individuals ages 50-59 or 64 and older	8,000
	Catch-up contributions for individuals ages 60-63	11,250
	Annual additions to defined contribution plans (employee + employer contributions)	72,000
	Maximum annual compensation considered for contributions	360,000

*The ability to contribute to a Roth IRA is affected by modified adjusted gross income (MAGI).¹

**The maximum regular contribution (and the catch-up contribution, if applicable) is the total contributions an individual can make to all of their Traditional IRAs and Roth IRAs for 2026.

Phaseout range for deductible contributions to Traditional IRAs for individuals covered by a retirement plan

If an individual or one part of a couple is covered by a workplace retirement plan, the ability to deduct Traditional IRA contributions is affected by MAGI.¹ MAGI phaseout ranges in \$.

Filing status	Deductibility phaseout for Traditional IRAs
Married filing jointly (MFJ)	129,000 – 149,000
MFJ when only one spouse is covered by a qualified plan	242,000 – 252,000
Married filing separately (MFS)	0 – 10,000
MFS and you did not live with your spouse at any time during the year	81,000 – 91,000
Single or Head of Household	81,000 – 91,000

Phaseout range for eligibility to contribute to a Roth IRA

The amount an individual can contribute to a Roth IRA is affected by their MAGI.¹ MAGI phaseout ranges in \$.

Filing status	Contribution phaseout for Roth IRAs
Married filing jointly (MFJ)	242,000 – 252,000
Married filing separately (MFS)	0 – 10,000
*If MFS and you did not live with your spouse at any time during the year	*153,000 – 168,000
Single or Head of Household	153,000 – 168,000

Source: IRS, UBS. ¹MAGI is computed using different rules depending on the eligibility criteria of the tax credit, deduction, or program. For more details, visit the IRS's website [here](#).

Medicare Part B and D premiums

Income-related monthly adjustment amount (IRMAA) based on modified adjusted gross income (MAGI)¹ from two years prior. Part B and Part D premiums (in \$) are paid by each spouse.

Income in 2024 (2025 tax return)		2026 Part B premiums	2026 Part D premiums
Individual tax return	Joint tax return	Annual cost (standard premium + IRMAA)	Annual cost (plan premium + IRMAA)
0 to 109,000	0 to 218,000	2,434.80	plan premium
109,000 to 137,000	218,000 to 274,000	3,409.20	+ 174.00
137,000 to 171,000	274,000 to 342,000	4,869.60	+ 450.00
171,000 to 205,000	342,000 to 410,000	6,330.00	+ 724.80
205,000 to 500,000	410,000 to 750,000	7,790.40	+ 999.60
500,000 and above	750,000 and above	8,278.80	+ 1,092.00

Source: CMS, IRS, UBS. ¹MAGI is computed using different rules depending on the eligibility criteria of the tax credit, deduction, or program. For more details, visit the IRS's website [here](#).

Additional resources

- [Where should I put my savings? 2026 Savings waterfall worksheet](#), published on 11 December 2025
- [Managing taxes with a “spending waterfall”](#), published on 25 June 2025
- [Beyond RMDs: Strategies for IRA owners and beneficiaries](#), published on 26 February 2025

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