FORT SHERIDAN ADVISORS

2026 Tax & Retirement Guide

Federal Income Taxes

Single	Marginal Tax Rate
$0 -$12,400	10%
$12,401 - $50,400	12%
$50,401 - $105,700	22%
$105,701 - $201,775	24%
$201,776 - $256,225	32%
$256,226 - $640,600	35%
$640,601 or more	37%

Married Filing Jointly	Marginal Tax Rate
$0 - $24,800	10%
$24,801 - $100,800	12%
$100,801 - $211,400	22%
$211,401 - $403,550	24%
$403,551 - $512,450	32%
$512,451 - $768,700	35%
$768,701 or more	37%

Married Filing Separately	Marginal Tax Rate
$0 - $12,400	10%
$12,401 - $50,400	12%
$50,401 - $105,700	22%
$105,701 - $201,775	24%
$201,776- $256,225	32%
$256,226 - $384,350	35%
$384,351 or more	37%

Head of Household	Marginal Tax Rate
$0 - $17,700	10%
$17,701 - $67,450	12%
$67,451 - $105,700	22%
$105,701 - $201,750	24%
$201,751 - $256,200	32%
$256,201 - $640,600	35%
$640,601 or more	37%

Estate and Trust	Top Marginal Tax Rate
$16,001+	37%

Source: IRS Rev. Proc. 2024-40

Retirement Plans

Contribution Limits

IRA (Traditional and Roth)	
Under 50	$7,500
Age 50 and over	$8,600

401(k), 403(b), 457, and SARSEP[5]	
Under 50	$24,500
Age 50 and over	$32,500
Ages 60 - 63 only	$36,000

SEP Contribution	
Up to 25% of Compensation	Max $72,000
Compensation Requiring a SEP Contribution	$800

Deductibility of IRA Contribution (phaseouts)	MAGI
Covered by Retirement Plan	
Single and HoH[1]	$81,001-$91,000
MFJ[2]	$129,001-$149,000
Not covered by Retirement Plan	
No spouse covered	Unlimited
Spouse covered	$242,001 - $252,000

Roth Contribution Eligibility	MAGI
Single and HoH	$153,000 - $168,000
MFJ	$242,000 - $252,000

SIMPLE Elective Deferral[5]	
Under 50	$17,000
Age 50 and over	$20,500
Ages 60 - 63 only	$22,250

Defined Contribution §415 limit	$72,000
Defined Benefit §415 limit	$290,000
Highly Compensated Employee	$160,000
Compensation Limit	$360,000
Qualifying Longevity Annuity Contract $ Limit	$210,000

[1]HOH- Head of Household
[2]MFJ-Married filing jointly

[5]Starting in 2025, employees aged 60 to 63 years old who participate in one of those work plans have a higher catch-up contribution limit.

(847) 559-9700 | 600 Central Ave, Suite 325 Highland Park, IL 60035 | fsa@fortllc.com

Long-Term Capital Gains/Qualified Dividend Rates

	0%	15%	20%
Single	$49,450	$545,500	$545,500 +
Married Filing Jointly	$98,900	$613,700	$613,700 +
Married Filing Separately	$49,450	$306,850	$306,850 +
Head of Household	$66,200	$579,600	$579,600 +
Estate and Trust	$3,300	$16,250	$16,250 +

Gift and Estate Tax

Max Tax Rate	Tax exclusion
40%	$15M
Annual Gift Exclusion	$19,000

non-U.S. citizen spouse gift exclusion= $194,000

Health Savings Account

Individual Coverage[4]	$4,400
Family Coverage[4]	$8,750

[4]Persons 55 and older can contribute up to $1000 extra to their HSA.

Social Security

Taxability of Social Security Benefits

	50% if over[6]	85% if over[6]
Single	$25,000	$34,000
MFJ	$32,000	$44,000

Social Security Benefit Reductions (based on earnings)

Benefit Reduced $1 for every $2 of Earnings Above Maximum	$24,360
In the Year of Full Retirement, Benefit reduced $1 for every $3—applies Only to Months Prior to Full Retirement Age	$64,800
At Full Retirement Age	No reduction

Maximum Compensation Subject to FICA Taxes

OASDI (Social Security) Maximum	$183,300
HI (Medicare) Maximum	No limit

Age to Receive Full Benefits

Year of Birth	Full Retirement Age	% Reduced at age 62
1943-1954	66	25.00%
1955	66 and 2 months	25.83%
1956	66 and 4 months	26.67%
1957	66 and 6 months	27.50%
1958	66 and 8 months	28.33%
1959	66 and 10 months	29.17%
1960 and later	67	30.00%

[6]Applicable if the total of one-half of benefits and all other income is more than the listed MAGI amount, or if married filing separately and lived with spouse at any time during the year.

Uniform Lifetime Table

This table is used for calculating lifetime required minimum distributions (RMDs) from qualified retirement plans and traditional IRAs for account holders whose spouse is not more than10 years younger and the sole primary beneficiary.[7]

Age	Distribution period	Age	Distribution period
72	27.4	97	7.8
73	26.5	98	7.3
74	25.5	99	6.8
75	24.6	100	6.4
76	23.7	101	6.0
77	22.9	102	5.6
78	22.0	103	5.2
79	21.1	104	4.9
80	20.2	105	4.6
81	19.4	106	4.3
82	18.5	107	4.1
83	17.7	108	3.9
84	16.8	109	3.7
85	16.0	110	3.5
86	15.2	111	3.4
87	14.4	112	3.3
88	13.7	113	3.1
89	12.9	114	3.0
90	12.2	115	2.9
91	11.5	116	2.8
92	10.8	117	2.7
93	10.1	118	2.5
94	9.5	119	2.3
95	8.9	120+	2.0
96	8.4	---	---

[7]For retirement plans, for 2024 and later years, RMDs are no longer required from designated Roth accounts.

Standard Deductions

Married Filing Jointly	$32,200
Head of Household	$24,150
Single or Married Filing Separately	$16,100
Additional Deduction for blind or aged (over age 65)	
Single or Head of Household	$2,050
Married Filing Jointly or Separately	$1,650

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Contact Us:
600 Central Ave, Suite 325
Highland Park, IL 60035
(847) 559-9700
fsa@fortllc.com