



www.arscpa.com

* Plus 0.9% on wages above threshold amount, plus 3.8% on unearned income above threshold amount.



2026 Standard Mileage Rate Per Mile	
Business.....	72.5¢
Medical and moving*	20.5¢
Charitable	14.0¢
Depreciation	35.0¢

Regular 179 limits	\$2,560,000
SUV limits	\$32,000
Investment phaseout begins.....	\$4,090,000

High cost localities.....	\$86
All other localities	\$74
Transportation workers	\$80

Commuter benefits (per month)... \$340
Parking benefits (per month)..... \$340

Under age 50.....	\$24,500
Age 50 and over	\$32,500
Age 60 thru 63.....	\$35,750

Under age 50.....	\$7,500
Age 50 and over	\$8,600

MFJ.....	\$129,000–\$149,000
Spouse not covered	\$242,000–\$252,000
Single, HOH.....	\$81,000–\$91,000
MFS.....	\$0–\$10,000

MFJ.....	\$242,000–\$252,000
Single, HOH.....	\$153,000–\$168,000
MFS.....	\$0–\$10,000

Under age 50.....	\$17,000
Age 50 and over	\$21,000
Age 60 thru 63.....	\$22,250

Profit sharing/SEP limits.....	25%/\$72,000
Defined benefit plan limits ...	\$290,000
Compensation limits	\$360,000

American Opportunity Credit
MFJ phaseout ... \$160,000–\$180,000
Single, HOH
phaseout..... \$80,000–\$90,000
Maximum credit: \$2,500 per student
Up to 40% (\$1,000) may be refundable

MFJ phaseout\$160,000–\$180,000
Single, HOH
phaseout.....\$80,000–\$90,000
Maximum credit: \$2,000 per return

MFJ phaseout	\$190,000–\$220,000
All others	\$95,000–\$110,000
Annual contribution limit: \$2,000 per beneficiary	

MFJ phaseout.....\$175,000–\$205,000
Single, HOH phaseout... \$85,000–\$100,000
Maximum deduction: \$2,500 per return

MFJ phaseout.....	\$152,650–\$182,650
Single, HOH phaseout...	\$101,800–\$116,800

- Distributions for qualifying expenses for college students or apprentices are not taxable.
- Distributions up to \$10,000 per student are allowed for tuition and other qualified expenses for a public, private, or religious elementary or secondary school.
- Cumulative distributions up to \$10,000 per beneficiary and sibling for qualified education debt.

Copyright © 2026 Tax Materials, Inc.
All Rights Reserved

If income is...	Maximum tax rate %	If asset is held...
Gain from the sale of collectibles	28%	More than 1 year
Taxable portion of gain on qualified small business stock (section 1202 exclusion)	28%	More than 5 years
Unrecaptured section 1250 gain	25%	More than 1 year
Long-term capital gain	See below	More than 1 year
Qualified dividend income	See below	More than 60 days

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 73.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.