

Important facts to know that impact your 2026 financial planning

Every year, a variety of governmental agencies and programs announce the annual contribution limits, tax rates and payment requirements. We have consolidated these for you to serve as a handy reference guide as you review your financial plan at least annually with your wealth advisor.

Important note: This 2026 data may change based on pending legislation. We will keep this document current as additional updates are required.

RETIREMENT PLAN CONTRIBUTION LIMITS (2026)

Retirement Plans	Annual contribution limit
Elective deferrals 401(k), 403(b), 457, and SARSEPs	\$24,500
Catch-up contribution (Age 50-59)	\$8,000
Catch-up contribution (Age 60-63)	\$11,250
Defined contribution (\$415(c)(1)(A))	\$72,000
Defined benefit (\$415(b)(1)(A))	\$290,000
SIMPLE plan	\$17,000
SIMPLE catch-up contribution	\$4,000
Catch-up contribution (Ages 60-63)	\$5,250
Maximum includible compensation	\$360,000
Highly compensated employee	\$160,000
Lookback to 2024	\$155,000
Look to 2025	\$160,000
Key employee (top-heavy plan)	>\$235,000
SEP minimum contribution	\$800
IRA or Roth IRA contribution limit	\$7,500
IRA or Roth IRA catch-up	\$1,100
IRA deduction phaseout for active participants	
Single and Head of Household	\$81,000–\$91,000
Married filing jointly	\$129,000–\$149,000
Married filing separately	\$0–\$10,000
Non-active participant married to active participant	\$242,000–\$252,000
Roth IRA phaseout	
Single and Head of Household	\$153,000–\$168,000
Married filing jointly	\$242,000–\$252,000

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2026 MEDICARE PREMIUMS AND OUT OF POCKET EXPENSES

Talk to your wealth advisor about how supplemental insurance can help cover these expenses.

Monthly premium	Part A ¹	\$565
	Part B ²	\$202.90
Part A (patient payments)	First 60 days	\$1,736 deductible
	Next 30 days	\$434 per day
	Next 60 days (lifetime reserve days)	\$868 per day
Skilled nursing benefits (patient payments)	First 20 days	\$0 per day
	Next 80 days	\$217 per day
	Over 100 days	All costs
Part B	Deductible	\$283
	Coinsurance	20%
Part D (Prescription Standard Benefit Model)	Deductible	Deductible \$615
	Coinurance	25% on next \$2,100
	Out-of-pocket (OOP) threshold	\$2,100
	Beneficiary then pays coinsurance amount for additional covered expenses.	

2026 MEDICARE PART B PREMIUM RATES

You pay		If your 2024 income was:	
Premium	Part D Surcharge	Single	Married Couple
\$202.90		\$109,000 or less	\$218,000 or less
\$284.10	\$14.50	\$109,001–\$137,000	\$218,001–\$274,000
\$405.90	\$37.50	\$137,001–\$171,000	\$274,001–\$342,000
\$527.50	\$60.40	\$171,001–\$205,000	\$342,001–\$410,000
\$649.20	\$83.30	\$205,001–\$500,000	\$410,001–\$750,000
\$689.90	\$91.00	Above \$500,000	Above \$750,000
You Pay	Part D Surcharge	If you are married, filing separately, and your 2024 income was:	
\$202.90		\$109,000 or less	
\$649.20	\$83.30	\$109,001–\$391,000	
\$689.90	\$91.00	Above \$391,001	

SOCIAL SECURITY FRA, WAGE BASE AND TAX RATES

Social Security wage base	\$184,500
FICA tax rate—employee ²	7.65%
SECA tax rate—self-employed	15.3%
Earnings limitation:	
Below FRA (\$1 for \$2)	\$24,480
Persons reaching FRA (\$1 for \$3)	\$65,160
(Applies only to earnings for months prior to attaining FRA)	
Cost-of-living adjustment	2.8%
Quarter of coverage	\$1,890
Maximum benefit: worker retiring at FRA	\$4,152
Estimated average monthly benefit	\$2,071

SOCIAL SECURITY FRA

Year of Birth	Social Security FRA
1943–54	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

For more information, please see definitions. | 1. The Part A premium of \$565 per month applies to persons who have fewer than 30 quarters of coverage under Social Security. For those having 30–39 quarters, the Part A Premium is \$311 per month. | 2. The FICA tax rate is comprised of two separate payroll taxes: Employer portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI); Employee portion—6.20% for Old-Age, Survivors, and Disability Insurance (OASDI), and 1.45% for Hospital Insurance (HI). For self-employed, the SECA is 12.40% for OASDI and 2.90% for HI. | Source: medicare.gov | ssa.gov.

Federal tax rates, deductions, AMT and capital gains rates

2026 TAX RATE SCHEDULES

If your income is:		Then the Gross Tax Payable is:		
Over	But Not Over	Amount	Plus (percent)	Of the Amount Over
Single Taxpayers (other than surviving spouses and heads of households)				
\$0	\$12,400		10% of taxable income	
12,401	50,400	1,240.00	12%	12,400
50,401	105,700	5,800.00	22%	50,400
105,701	201,775	17,996.00	24%	105,700
201,776	256,225	41,024.00	32%	201,775
256,226	640,600	58,448.00	35%	256,225
640,601	—	192,979.25	37%	640,600
Heads of Households				
\$0	\$17,000		10% of taxable income	
17,701	67,450	1,770.00	12%	17,700
67,451	105,700	7,740.00	22%	67,450
105,701	201,775	16,155.00	24%	105,700
201,776	256,200	39,207.00	32%	201,775
256,201	640,600	56,631.00	35%	256,200
640,601	—	191,171.00	37%	640,600
Married Individuals (and surviving spouses) Filing Joint Returns				
\$0	\$24,800		10% of taxable income	
24,801	100,800	2,480.00	12%	24,800
100,801	211,400	11,600.00	22%	100,800
211,401	403,550	35,932.00	24%	211,400
403,551	512,450	82,048.00	32%	403,550
512,451	768,700	116,896.00	35%	512,450
768,701	—	206,583.50	37%	768,700
Married Individuals Filing Separate Returns				
\$0	\$12,400		10% of taxable income	
12,401	50,400	1,240.00	12%	12,400
50,401	105,700	5,800.00	22%	50,400
105,701	201,775	17,996.00	24%	105,700
201,776	256,225	41,024.00	32%	201,775
256,226	384,350	58,448.00	35%	256,225
384,351	—	103,291.75	37%	384,350
Fiduciary (estates and trusts) Taxpayers				
\$0	\$3,300		10% of taxable income	
3,331	11,700	330.00	24%	3,300
11,701	16,000	2,346.00	35%	11,700
16,001	—	3,851.00	37%	16,000

INCOME TAX

Standard deduction	Single	\$16,100
	Married filing jointly	\$32,200
	Head of household	\$24,150
	Married filing separately	\$16,100
	Kiddie tax limited standard deduction	\$1,350
	Individual eligible to be claimed as dependent	Greater of \$1,350 or earned income plus \$450, not to exceed full standard deduction of \$16,100
Elderly or blind additional deduction	Single	\$2,050
	Married	\$1,650
Section 179	Maximum election	\$2,560,000
	Phaseout begins	\$4,090,000
Adoption credit (nonrefundable)	Maximum	\$17,670
	Phaseout	\$265,080–\$305,080
Medicare Contribution tax and additional Medicare tax	Single	\$200,000
	Head of household	\$200,000
	Married filing jointly	\$250,000
	Married filing separately	\$125,000
Child tax credit	Dependent under age 17	\$2,200
	Other dependents	\$500
	Phaseout (\$50 for every \$1,700 over)	
	Single	\$200,000
	Married filing jointly	\$400,000

ALTERNATIVE MINIMUM TAX (AMT)

	Exemption	Phaseout
Single & head of household	\$90,100	\$500,000
Married filing jointly	\$140,200	\$1,000,000
Married filing separately	\$70,100	\$500,000

AMT RATES

26% up to \$244,500 of AMT base
28% over \$244,500 of AMT base

ESTATE AND GIFT TAX

Annual gift tax exclusion	\$19,000
Estate and gift tax basic exclusion	\$15,000,000
Applicable credit amount	\$6,000,000
Generation skipping exemption	\$15,000,000
Maximum estate tax rate ³	40%

STANDARD MILEAGE RATES

Business use	72.5¢ per mile
Charitable use (not indexed)	14¢ per mile
Medical use	20.5¢ per mile

HEALTH SAVINGS ACCOUNT

Minimum Deductible Amount	Single	\$1,700
	Family	\$3,400
Maximum Out-of-Pocket Amount	Single	\$8,500
	Family	\$17,000
	Single	\$4,400
HSA Statutory Contribution Maximum	Family	\$8,750
	Catch-up contributions (age 55 or older)	\$1,000

LONG-TERM CAPITAL GAINS RATES BASED ON TAXABLE INCOME

Filing Status	0% rate	15% rate	20% rate
Single	up to \$49,450	\$49,451–\$545,500	over \$545,000
Head of household	up to \$66,200	\$66,201–\$579,600	over \$579,600
Married filing jointly	up to \$98,900	\$98,901–\$613,700	over \$613,700
Married filing separately	up to \$49,450	\$49,451–\$306,850	over \$306,850
Estates and trusts	up to \$3,300	\$3,301–\$16,250	over \$16,250

NET INVESTMENT INCOME TAX

3.8% additional tax based on modified adjusted gross income over the following thresholds:

Filing Status	Threshold amount
Married filing jointly	\$250,000
Married filing separately	\$125,000
Single	\$200,000
Head of household (with qualifying person)	\$200,000
Qualifying widow(er) with dependent child	\$250,000

For more information, please see definitions. | 3. A deceased spouse's unused credit amount is portable to a surviving spouse. | Source: www.irs.gov.

EDUCATION

EE bonds for education—exclusion phaseout	Single	\$101,800–\$116,800
	Married filing jointly	\$152,650–\$182,650
Coverdell Education Savings Account (\$2,000 limit) phaseout	Single	\$95,000–\$110,000
	Married filing jointly	\$190,000–\$220,000
Lifetime Learning Credit—20% of qualified expenses up to \$10,000	Single	\$80,000–\$90,000
	Married filing jointly	\$160,000–\$180,000
		100% up to \$2,000 of qualified expenses
American Opportunity tax credit—maximum of \$2,500	25% on next \$2,000—phaseout:	
	Single	\$80,000–\$90,000
	Married filing jointly	\$160,000–\$180,000
Education loan deduction (\$2,500) phaseout	Unmarried	\$85,000–\$100,000
	Married filing jointly	\$175,000–\$205,000

MISCELLANEOUS

PBGC maximum monthly benefit (at age 65)	\$7,789.77
LTC per diem limit	\$430
LTC premium as medical expense limitation	
Age 40 or under	\$500
Age 41–50	\$930
Age 51–60	\$1,860
Age 61–70	\$4,960
Age 71 or older	\$6,200
Qualified Transportation Fringe (monthly) Commuter highway vehicle/transit pass	\$340
Qualified parking	\$340
Qualified Longevity Annuity Contract	Max \$210,000
Health Care Flexible Spending Account	Max \$3,400

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Glossary

Catch up contribution: A catch-up contribution is a type of retirement savings contribution that allows people aged 50 or older to make additional contributions to 401(k) accounts and individual retirement accounts (IRAs). Catch-up contributions are larger than the standard contribution limit.

Contribution limit: The maximum amount a person can contribute to his or her retirement account is set each year by the IRS after taking inflation into account.

Defined benefit amount: Internal Revenue Code (IRC) Section 415(b) limits an individual's pension benefit amount. The IRC 415(b) limit affecting public employees is the Dollar Limit. The Dollar Limit for 2025 is \$280,000. Elective deferrals

FRA: Retirees can start receiving Social Security retirement benefits as early as age 62. However, retirees are entitled to full benefits when they reach their **full retirement age**.

Social Security wage base: Social Security's Old-Age, Survivors, and Disability Insurance (OASDI) program limits the amount of earnings subject to taxation for a given year. The same annual limit also applies when those earnings are used in a benefit computation. This limit changes each year with changes in the national average wage index. We call this annual limit the contribution and benefit base. This amount is also commonly referred to as the taxable maximum.

Sources: irs.gov | medicare.gov | ssa.gov | pbgc.gov | aaltci.org | forbes.com

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