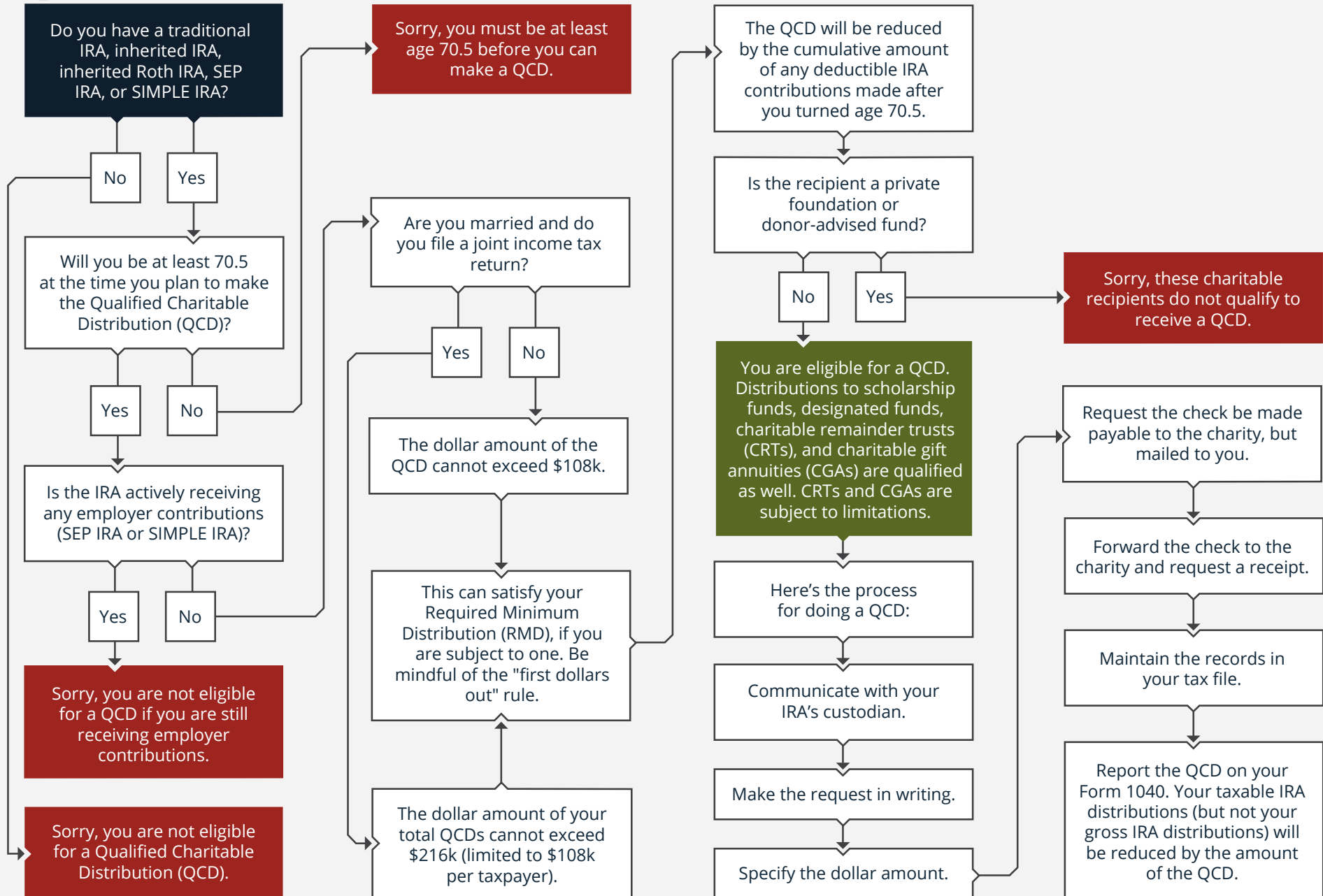


# 2025 · CAN I DO A QUALIFIED CHARITABLE DISTRIBUTION FROM MY IRA?



**START HERE**



# 2025 · IMPORTANT NUMBERS

## FEDERAL INCOME TAX

Rates apply to taxable income (i.e., income after deductions).

TAX RATE	MFJ	SINGLE
10%	\$0 - \$23,850	\$0 - \$11,925
12%	\$23,851 - \$96,950	\$11,926 - \$48,475
22%	\$96,951 - \$206,700	\$48,476 - \$103,350
24%	\$206,701 - \$394,600	\$103,351 - \$197,300
32%	\$394,601 - \$501,050	\$197,301 - \$250,525
35%	\$501,051 - \$751,600	\$250,526 - \$626,350
37%	Over \$751,600	Over \$626,350

## ESTATES & TRUSTS

10%	\$0 - \$3,150	
24%	\$3,151 - \$11,450	
35%	\$11,451 - \$15,650	
37%	Over \$15,650	

## ALTERNATIVE MINIMUM TAX

	MFJ	SINGLE
EXEMPTION AMOUNT	\$137,000	\$88,100
28% TAX RATE APPLIES TO INCOME OVER	\$239,100	\$239,100
EXEMPT PHASEOUT THRESHOLD	\$1,252,700	\$626,350
EXEMPTION ELIMINATION	\$1,800,700	\$978,750

## LONG-TERM CAPITAL GAINS TAX

Rates apply to LTCGs and qualified dividends, and are based on taxable income.

TAX RATE	0% RATE	15% RATE	20% RATE
MFJ	≤ \$96,700	\$96,701 - \$600,050	> \$600,050
SINGLE	≤ \$48,350	\$48,351 - \$533,400	> \$533,400
ESTATES/TRUSTS	≤ \$3,250	\$3,251 - \$15,900	> \$15,900

## 3.8% NET INVESTMENT INCOME TAX

Paid on the lesser of net investment income or excess of MAGI over:

MFJ	\$250,000	SINGLE	\$200,000
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## STANDARD DEDUCTION

FILING STATUS	ADDITIONAL (AGE 65/OLDER OR BLIND)
MFJ	\$30,000
MARRIED (EACH ELIGIBLE SPOUSE)	\$1,600
SINGLE	\$15,000
UNMARRIED (SINGLE, HOH)	\$2,000

## SOCIAL SECURITY

WAGE BASE	\$176,100	EARNINGS LIMIT
MEDICARE	No Limit	Below FRA
COLA	2.5%	Reaching FRA
		\$23,400
		\$62,160

## FULL RETIREMENT AGE

BIRTH YEAR	FRA	BIRTH YEAR	FRA
1943-54	66	1958	66 + 8mo
1955	66 + 2mo	1959	66 + 10mo
1956	66 + 4mo	1960+	67
1957	66 + 6mo		

PROVISIONAL INCOME	MFJ	SINGLE
0% TAXABLE	< \$32,000	< \$25,000
50% TAXABLE	\$32,000 - \$44,000	\$25,000 - \$34,000
85% TAXABLE	> \$44,000	> \$34,000

## MEDICARE PREMIUMS & IRMAA SURCHARGE

PART B PREMIUM	\$185.00	
PART A PREMIUM	Less than 30 Credits: \$518	30 – 39 Credits: \$285

YOUR 2023 MAGI WAS:		IRMAA SURCHARGE:	
MFJ	SINGLE	PART B	PART D
\$212,000 or less	\$106,000 or less	–	–
\$212,001 - \$266,000	\$106,001 - \$133,000	\$74.00	\$13.70
\$266,001 - \$334,000	\$133,001 - \$167,000	\$185.00	\$35.30
\$334,001 - \$400,000	\$167,001 - \$200,000	\$295.90	\$57.00
\$400,001 - \$749,999	\$200,001 - \$499,999	\$406.90	\$78.60
\$750,000 or more	\$500,000 or more	\$443.90	\$85.80

# 2025 · IMPORTANT NUMBERS

RETIREMENT PLANS		
ELECTIVE DEFERRALS (401(K), 403(B), 457)		
Contribution Limit		\$23,500
Catch Up (Age 50+)		\$7,500
Catch Up (Ages 60–63)		\$11,250
403(b) Additional Catch Up (15+ Years of Service)		\$3,000
DEFINED CONTRIBUTION PLAN		
Limit Per Participant		\$70,000
SIMPLE IRA		
Contribution Limit	\$16,500 (\$17,600, if eligible for 10% increase)	
Catch Up (Age 50+)	\$3,500 (\$3,850, if eligible for 10% increase)	
Catch Up (Ages 60–63)	\$5,250 (\$5,775, if eligible for 10% increase)	
SEP IRA		
Maximum % of Comp (Adj. Net Earnings If Self–Employed)		25%
Contribution Limit		\$70,000
Minimum Compensation		\$750
TRADITIONAL IRA & ROTH IRA CONTRIBUTIONS		
Total Contribution Limit		\$7,000
Catch Up (Age 50+)		\$1,000
ROTH IRA ELIGIBILITY		
SINGLE MAGI PHASEOUT		\$150,000 - \$165,000
MFJ MAGI PHASEOUT		\$236,000 - \$246,000
TRADITIONAL IRA DEDUCTIBILITY (IF COVERED BY WORK PLAN)		
SINGLE MAGI PHASEOUT		\$79,000 - \$89,000
MFJ MAGI PHASEOUT		\$126,000 - \$146,000
MFJ (IF ONLY SPOUSE IS COVERED)		\$236,000 - \$246,000
EDUCATION TAX CREDIT INCENTIVES		
	AMERICAN OPPORTUNITY	LIFETIME LEARNING
AMOUNT OF CREDIT	100% of first \$2,000, 25% of next \$2,000	20% of first \$10,000
SINGLE MAGI PHASEOUT	\$80,000 – \$90,000	\$80,000 – \$90,000
MFJ MAGI PHASEOUT	\$160,000 – \$180,000	\$160,000 – \$180,000

UNIFORM LIFETIME TABLE (RMD)			
Used to calculate RMD for account owners who have reached their RBD or who have elected to be treated as their deceased spouse (if applicable). Not to be used when spousal beneficiary is more than 10 years younger.			
AGE	FACTOR	AGE	FACTOR
73	26.5	89	12.9
74	25.5	90	12.2
75	24.6	91	11.5
76	23.7	92	10.8
77	22.9	93	10.1
78	22.0	94	9.5
79	21.1	95	8.9
80	20.2	96	8.4
81	19.4	97	7.8
82	18.5	98	7.3
83	17.7	99	6.8
84	16.8	100	6.4
85	16.0	101	6.0
86	15.2	102	5.6
87	14.4	103	5.2
88	13.7		

SINGLE LIFETIME TABLE (RMD)					
Used to calculate RMD for certain beneficiaries of inherited accounts. This is an abbreviated version.					
AGE	SINGLE	AGE	SINGLE	AGE	SINGLE
25	60.2	43	42.9	61	26.2
26	59.2	44	41.9	62	25.4
27	58.2	45	41.0	63	24.5
28	57.3	46	40.0	64	23.7
29	56.3	47	39.0	65	22.9
30	55.3	48	38.1	66	22.0
31	54.4	49	37.1	67	21.2
32	53.4	50	36.2	68	20.4
33	52.5	51	35.3	69	19.6
34	51.5	52	34.3	70	18.8
35	50.5	53	33.4	71	18.0
36	49.6	54	32.5	72	17.2
37	48.6	55	31.6	73	16.4
38	47.7	56	30.6	74	15.6
39	46.7	57	29.8	75	14.8
40	45.7	58	28.9	76	14.1
41	44.8	59	28.0	77	13.3
42	43.8	60	27.1	78	12.6

ESTATE & GIFT TAX			
LIFETIME EXEMPTION		TAX RATE	GIFT TAX ANNUAL EXCLUSION
\$13,990,000		40%	\$19,000
HEALTH SAVINGS ACCOUNT			
COVERAGE	CONTRIBUTION	MINIMUM ANNUAL DEDUCTIBLE	MAX. OUT-OF-POCKET EXPENSE
INDIVIDUAL	\$4,300	\$1,650	\$8,300
FAMILY	\$8,550	\$3,300	\$16,600
AGE 55+ CATCH UP	\$1,000	–	–

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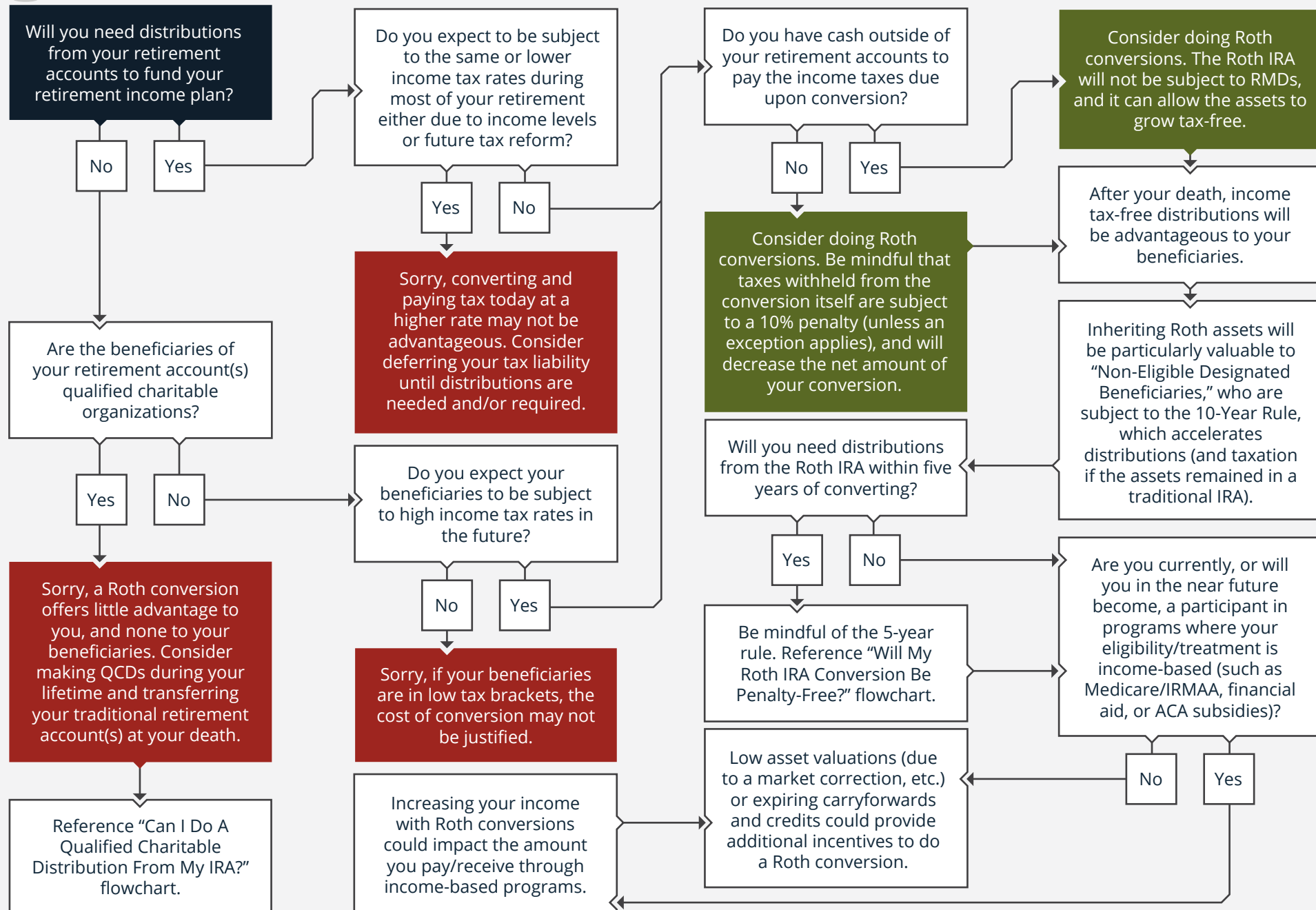
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# 2025 · SHOULD I CONSIDER DOING A ROTH CONVERSION?



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HOW DOES THIS TYPE OF INCOME GET TAXED?	TYPE OF TAXATION					
	Federal Tax (ordinary income)	Federal Tax (LTCG rates)	State Tax (if applicable)	Potential 3.8% NIIT	Early/Non-Qualified Withdrawal Penalty	AGI Sensitivity
TAXABLE ACCOUNTS						
LTCGs		+	+	+		+
STCGs	+		+	+		+
Ordinary Dividends	+		+	+		+
Qualified Dividends		+	+	+		+
Interest	+		+	+	+ <sup>1</sup>	+
Municipal Bonds			Same state: No Different state: Yes			
Treasury Securities	+			+	+ <sup>1</sup>	+
ROTH RETIREMENT ACCOUNTS						
Qualified Withdrawals or Basis <sup>2</sup>						
Non-Qualified Withdrawals (of earnings)	+		+		Pre-59.5: 10% <sup>3</sup>	+
TRADITIONAL RETIREMENT ACCOUNTS						
Qualified Withdrawals	+		+			+
Non-Qualified Withdrawals	+		+		Pre-59.5: 10% <sup>3</sup>	+
NON-QUALIFIED ANNUITIES						
Withdrawals Consisting of Gains <sup>4</sup>	+		+	+	Pre-59.5: 10% <sup>3</sup>	+

HOW DOES THIS TYPE OF INCOME GET TAXED?	TYPE OF TAXATION					
	Federal Tax (ordinary income)	Federal Tax (LTCG rates)	State Tax (if applicable)	Potential 3.8% NIIT	Early/Non-Qualified Withdrawal Penalty	AGI Sensitivity
HEALTH SAVINGS ACCOUNTS (HSAs)						
Qualified Withdrawals						
Non-Qualified Withdrawals	+		+		Pre-65: 20% <sup>3</sup>	+
529 ACCOUNTS						
Qualified Withdrawals						
Non-Qualified Withdrawals (of earnings)	+		+		10% <sup>3</sup>	+
LIFE INSURANCE CASH VALUE						
Policy Loans <sup>5</sup>						
Policy Withdrawals/Dividends (basis) <sup>5</sup>						
Policy Withdrawals/Dividends (gains) <sup>5</sup>	+		+			+
RENTAL PROPERTY						
Rental Income	+		+	+		+

<sup>1</sup>Certain interest-bearing accounts (e.g., CDs) and treasury securities (e.g., I Bonds and EE Bonds) may be subject to an interest-forfeiture penalty (not a tax penalty) if withdrawn early.

<sup>2</sup>Except for basis attributable to conversion principal withdrawn within five years.

<sup>3</sup>Depending on the circumstances and the type of account you are pulling from, certain early withdrawals may be exempt from additional penalties.

<sup>4</sup>Annuities are generally taxed on a LIFO basis. However, some annuities are taxed on a pro-rata basis via annuitization.

<sup>5</sup>If the policy is a MEC, it is taxed on a LIFO basis. Policy loans from a MEC are fully taxable (but increase basis), and distributions/loans taken prior to age 59.5 are subject to a 10% penalty.

<sup>6</sup>Unless derived from a trade or business.



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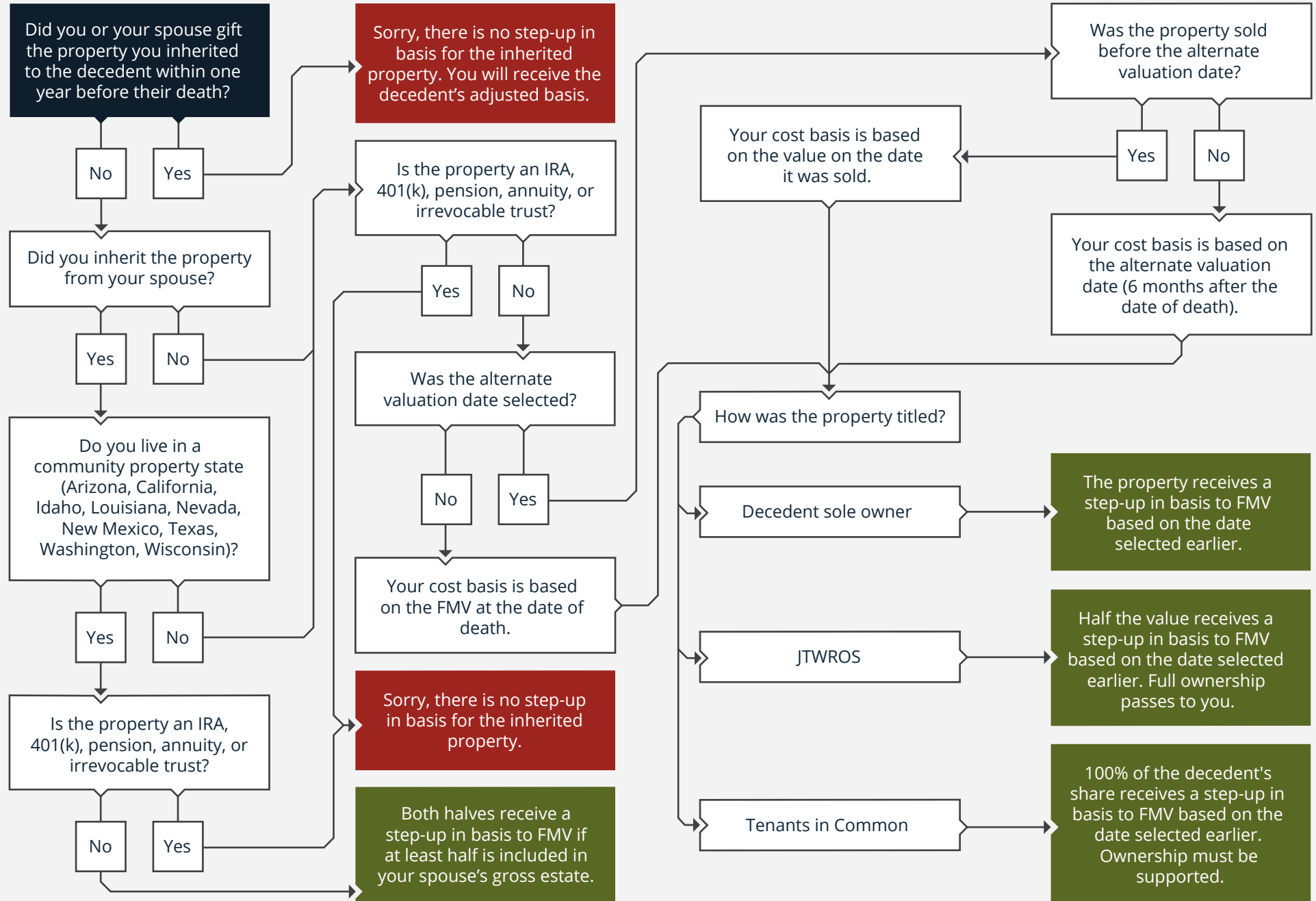
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# 2025 · WILL I RECEIVE A STEP-UP IN BASIS FOR THE APPRECIATED PROPERTY I INHERITED?



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