

**1040
Quickfinder[®] Handbook
(2025 Tax Year)**

Post-publication Updates

Replacement Pages for Two-Sided (Duplex) Printing

Instructions: This packet contains “marked up” changes to the pages in the *1040 Quickfinder[®] Handbook* that were affected by developments after the *Handbook* was published.

This is a specially designed update packet for owners of the 3-ring binder version of the *Handbook* who have access to a printer that prints two-sided (duplex). Simply print the entire PDF file (make sure to select two-sided or duplex printing), three-hole punch the pages, and then replace the pages in your *Handbook*. It's that easy.

GENERAL

Tab 2 is for reference purposes and is not intended to include all necessary information to prepare a state income tax return. Its purpose is to provide tax preparers with general information. More detailed information is available in the *All States Quickfinder® Handbook*. You can also use the phone numbers or website addresses provided here to obtain forms and instructions for a particular state.

Many states allow or require electronic filing of returns and/or extensions as well as electronic payment of taxes. Some states have a different due date for electronically filed returns, which is usually later than a paper filed return.

Return due date. The return due dates for filing returns shown in this tab are the statutory due dates. When the statutory due date falls on a weekend or holiday, many states extend the due date until the next working day.

Caution: Tax preparers should check the respective state's instructions to determine the return's exact due date when the statutory due date falls on a weekend or holiday. For federal tax, the 2025 Form 1040 is due on April 15, 2026.

The Quick Tax Method. Use the Quick Tax Method to calculate tax due. In the appropriate state section, find the taxpayer's taxable income bracket and multiply the taxpayer's state taxable income by the given tax rate. Next, subtract the "minus" amount to arrive at the tax due.

Example: Assume MFJ Alabama taxpayers with taxable income of \$57,500.
 $\$57,500 \times 5.0\% - \$80 = \$2,795$ Tax

ALABAMA

Website: <https://revenue.alabama.gov>

Tax assistance: 334-242-1170



2025 Quick Tax Method—For Taxable Income of:

Single, MFS, Head of Family	\$ 0 – 500	× 2%	minus	\$ 0.00 = Tax
	501 – 3,000	× 4	minus	10.00 = Tax
	3,001 and over	× 5	minus	40.00 = Tax
MFJ	\$ 0 – 1,000	× 2%	minus	\$ 0.00 = Tax
	1,001 – 6,000	× 4	minus	20.00 = Tax
	6,001 and over	× 5	minus	80.00 = Tax

Filing requirements. Residents must file if:

Filing status:	Gross income of at least:
Single.....	\$ 4,500
Head of Family	8,200
MFJ.....	11,500
MFS.....	5,750

Part-year residents must file if:

Filing status:	Gross income of at least:
Single.....	\$ 4,500 (while an Alabama resident)
Head of Family	8,200 (while an Alabama resident)
MFJ.....	11,500 (while an Alabama resident)
MFS.....	5,750 (while an Alabama resident)

Nonresidents must file if gross income is over the allowable prorated exemption. To calculate, multiply the full exemption amount of \$3,000 for MFJ and Head of Family, or \$1,500 for Single and MFS, by the Alabama percentage of adjusted total income.

Alabama form to file:

- Resident and part-year resident: Form 40 (Alabama Individual Income Tax Return). **Note:** Part-year residents who receive Alabama-source income while a nonresident may also be required to file Form 40NR.
- Nonresident: Form 40NR (Alabama Individual Income Tax Return).

Return due date: April 15

Allowable extension. Alabama allows an automatic six-month extension without written request. If additional tax is due, file Form 40V (Individual Income Tax Payment Voucher) by the original return due date.

ALASKA

Website: <https://tax.alaska.gov>

Tax assistance: 907-269-6620

Filing requirements. The state of Alaska does not have an individual income tax.



ARIZONA

Website: <https://azdor.gov>

Tax assistance: 602-255-3381, 800-352-4090



2025 Tax Rate

Income tax rate.....	2.50%
----------------------	-------

Filing requirements. Residents, part-year, and nonresidents must file if:

Filing status is:	and gross income is at least:
Single, MFS	\$ 15,750
MFJ	31,500
HOH	23,625

Arizona form to file:

- Resident: Form 140 (Resident Personal Income Tax Return).
- Part-year resident: Form 140PY (Part-Year Resident Personal Income Tax Return).
- Nonresident: Form 140NR (Nonresident Personal Income Tax Return).

Return due date: April 15

Extension form. Form 204 (Application for Filing Extension).

Allowable extension. Arizona allows up to a six-month extension if:

- Taxpayer files federal Form 4868 with the IRS *or*
- Taxpayer files Form 204.

Also use Form 204 to make a payment, if necessary.

ARKANSAS

Website: www.dfa.arkansas.gov

Tax assistance: 501-682-1100



2025 Quick Tax Method—For Taxable Income of:

All Filing Statuses	—	–	5,499	×	0.0%	minus	0.00	=	Tax
	5,500	–	10,899	×	2.0%	minus	109.98	=	Tax
	10,900	–	15,599	×	3.0%	minus	218.97	=	Tax
	15,600	–	25,699	×	3.4%	minus	281.37	=	Tax
	25,700	–	92,300	×	3.9%	minus	409.86	=	Tax
For taxpayers with income greater than \$92,300									
	—	–	4,600	×	2.0%	minus	0.00	=	Tax
	4,601	and above		×	3.9%	minus	87.40	=	Tax

Filing requirements. Residents must file if:

Marital status is:	Filing Status is:	Gross income of at least:
Single	Single	\$ 14,644
	HOH with ≤ 1 dependent	20,821
	HOH with ≥ 2 dependents	24,819
Married	MFJ with ≤ 1 dependent	\$ 24,696
	MFJ with ≥ 2 dependents	28,723
	MFS	9,470
Widowed in 2023 or 2024 and not remarried in 2025	QSS with ≤ 1 dependent	\$ 20,821
	QSS with ≥ 2 dependents	24,819

Part-year residents must file if:

Filing status is:	Taxable income is at least:
All Filing Statuses	\$1 (while an Arkansas resident)

Nonresidents must file if:

Filing status is:	Taxable income is at least:
All Filing Statuses	\$1 of Arkansas-source income

Arkansas form to file:

- Resident: Form AR1000F (Arkansas Individual Income Tax Return).
- Part-year and nonresident: Form AR1000NR (Arkansas Individual Income Tax Return).

Return due date: April 15

Extension form. Form AR1055-IT (Request for Extension of Time for Filing Income Tax Returns).

Allowable extension:

- Arkansas allows an automatic seven-month extension if federal Form 4868 is filed *or*
- File Form AR1055-IT to request an extension (to November 15).

CALIFORNIA

Website: www.ftb.ca.gov

Tax assistance: 800-852-5711



2025 Quick Tax Method—For Taxable Income of:

Single, Married/RDP ¹ filing sep.	\$ —	–	11,079	×	1%	minus	\$ —	=	Tax
	11,080	–	26,264	×	2%	minus	110.79	=	Tax
	26,265	–	41,452	×	4%	minus	636.07	=	Tax
	41,453	–	57,542	×	6%	minus	1,465.11	=	Tax
	57,543	–	72,724	×	8%	minus	2,615.95	=	Tax
	72,725	–	371,479	×	9.3%	minus	3,561.36	=	Tax
	371,480	–	445,771	×	10.3%	minus	7,276.15	=	Tax
	445,772	–	742,953	×	11.3%	minus	11,733.86	=	Tax
	742,954	and over		×	12.3%	minus	19,163.39	=	Tax
	Married/RDP ¹ filing jointly and QW	\$ —	–	22,158	×	1%	minus	\$ —	=
22,159		–	52,528	×	2%	minus	221.58	=	Tax
52,529		–	82,904	×	4%	minus	1,272.14	=	Tax
82,905		–	115,084	×	6%	minus	2,930.22	=	Tax
115,085		–	145,448	×	8%	minus	5,231.90	=	Tax
145,449		–	742,958	×	9.3%	minus	7,122.72	=	Tax
742,959		–	891,542	×	10.3%	minus	14,552.30	=	Tax
891,543		–	1,485,906	×	11.3%	minus	23,467.72	=	Tax
1,485,907		and over		×	12.3%	minus	38,326.78	=	Tax
HOH		\$ —	–	22,173	×	1%	minus	\$ —	=
	22,174	–	52,530	×	2%	minus	221.73	=	Tax
	52,531	–	67,716	×	4%	minus	1,272.33	=	Tax
	67,717	–	83,805	×	6%	minus	2,626.65	=	Tax
	83,806	–	98,990	×	8%	minus	4,302.75	=	Tax
	98,991	–	505,208	×	9.3%	minus	5,589.62	=	Tax
	505,209	–	606,251	×	10.3%	minus	10,641.70	=	Tax
	606,252	–	1,010,417	×	11.3%	minus	16,704.21	=	Tax
	1,010,418	and over		×	12.3%	minus	26,808.38	=	Tax

¹ Registered domestic partner.

Filing requirements. Residents, part-year, and nonresidents must file if:

Dependents:	0	1	2 or more
California gross income exceeds:			
Single or HOH under age 65	\$22,941	\$38,774	\$50,649
Single or HOH age 65 or over	30,591	42,466	51,966
Married/RDP (joint or separate) both under 65	45,887	61,720	73,595
Married/RDP (joint or separate) one taxpayer age 65 or over	53,537	65,412	74,912
Married/RDP (joint or separate) both 65 or over	61,187	73,062	82,562
QSS under age 65	N/A	38,774	50,649
QSS 65 or older	N/A	42,466	51,966
or California AGI exceeds:			
Single or HOH under age 65	\$18,353	\$34,186	\$46,061
Single or HOH age 65 or over	26,003	37,878	47,378
Married/RDP (joint or separate) both under 65	36,711	52,544	64,419
Married/RDP (joint or separate) one taxpayer age 65 or over	44,361	56,236	65,736
Married/RDP (joint or separate) both 65 or over	52,011	63,886	73,386
QSS under 65	N/A	34,186	46,061
QSS 65 or older	N/A	37,878	47,378

Dependent, any filing status, any age: Income exceeds standard deduction.

Taxpayers must also file if they owe any of the following:

- Tax on a lump-sum distribution.
- Tax on a qualified retirement plan, IRA or medical savings account.
- Tax for children under age 19 or full-time students under age 24 who have investment income greater than \$2,700.
- Alternative minimum tax.

- Recapture taxes.
- Deferred tax on certain installment obligations.
- Tax on an accumulation distribution of a trust.

California form to file:

- Resident: Form 540 (California Resident Income Tax Return).
- Nonresident and part-year resident: Form 540NR (California Nonresident or Part-Year Resident Income Tax Return).

Return due date: April 15

Allowable extension. California allows an automatic six-month extension without written request. Tax due is required to be paid with Form FTB 3519 (Payment for Automatic Extension for Individuals) or online at www.ftb.ca.gov/pay/index.html?WT.mc_id=akPayChoices by the original return due date to avoid penalties and interest.

COLORADO

Website: <https://tax.colorado.gov>

Tax assistance: 303-238-7378

2025 Tax Rate

Income tax rate.....	4.40%
----------------------	-------

Filing requirements. Colorado income tax return must be filed if the taxpayer is a:

- Full-year resident of Colorado, part-year resident of Colorado with taxable income while a resident or nonresident of Colorado with Colorado-source income *and*
- Is required to file a federal income tax return or has a current-year Colorado income tax liability.

Colorado form to file:

- Resident, part-year, and nonresident: Form 104 (Colorado Individual Income Tax).
- Part-year and nonresident: Form 104PN (Part-Year Resident/Nonresident Tax Calculation Schedule)—attachment to Form 104.

Return due date: April 15

Allowable extension. Colorado allows an automatic six-month extension without written request. To make a payment, use Form DR 0158-I (Extension Payment Voucher for Colorado Individual Income Tax) or pay online at www.colorado.gov/revenueonline.

CONNECTICUT

Website: <https://portal.ct.gov/drs>

Tax assistance: 860-297-5962, CT 800-382-9463

2025 Quick Tax Method—For Taxable Income of:

Single, MFS	\$ 0 – 10,000	x 2.0% ¹	minus \$ 0.00 = Tax
	10,001 – 50,000	x 4.5%	minus 250.00 = Tax
	50,001 – 100,000	x 5.5%	minus 750.00 = Tax
	100,001 – 200,000 ²	x 6.0%	minus 1,250.00 = Tax
	200,001 – 250,000	x 6.5%	minus 2,250.00 = Tax
	250,001 – 500,000	x 6.9%	minus 3,250.00 = Tax
MFJ, or QSS	\$ 0 – 20,000	x 2.0% ¹	minus \$ 0.00 = Tax
	20,001 – 100,000	x 4.5%	minus 500.00 = Tax
	100,001 – 200,000	x 5.5%	minus 1,500.00 = Tax
	200,001 – 400,000 ²	x 6.0%	minus 2,500.00 = Tax
	400,001 – 500,000	x 6.5%	minus 4,500.00 = Tax
	500,001 – 1,000,000	x 6.9%	minus 6,500.00 = Tax
1,000,001 and over	x 6.99%	minus 7,400.00 = Tax	
HOH	\$ 0 – 16,000	x 2.0% ¹	minus \$ 0.00 = Tax
	16,001 – 80,000	x 4.5%	minus 400.00 = Tax
	80,001 – 160,000	x 5.5%	minus 1,200.00 = Tax
	160,001 – 320,000 ²	x 6.0%	minus 2,000.00 = Tax
	320,001 – 400,000	x 6.5%	minus 3,600.00 = Tax
	400,001 – 800,000	x 6.9%	minus 5,200.00 = Tax
	800,001 and over	x 6.99%	minus 5,920.00 = Tax

¹ The 2% rate is phased out and amount is taxed at 4.5% for taxpayers with CT AGI > \$56,500 Single, \$50,250 MFS, \$78,500 HOH and \$100,500 MFJ/QSS.

² Additional tax of up to \$3,400 Single/MFS, \$5,320 HOH and \$6,800 MFJ/QSS for taxpayers with CT AGI in excess of \$105,000 Single/MFS, \$168,000 HOH and \$210,000 MFJ/QSS.

Filing requirements. Residents must file if they:

- Have Connecticut income taxes withheld,
- Made estimated or extension tax payment to Connecticut,
- Meet the gross income test (see below),
- Have a federal alternative minimum tax liability or
- Claim the Connecticut earned income tax credit.

Filing status:	Gross income exceeds:
Single.....	\$ 15,000
Filing Separately.....	12,000
HOH.....	19,000
Filing Jointly or QSS.....	24,000

Part-year residents and nonresidents must file if they meet the gross income test and have any Connecticut-source income, have Connecticut withholding or estimated payments or had a federal AMT liability.

Connecticut form to file:

- Resident: Form CT-1040 (Connecticut Resident Income Tax Return).
- Part-year and nonresident: Form CT-1040NR/PY (Connecticut Nonresident and Part-Year Resident Income Tax Return).

Return due date: April 15

Allowable extension. Connecticut allows an automatic six-month extension to file if (1) no additional tax due and a federal extension request filed with IRS or (2) the taxpayer pays his expected Connecticut income tax due using a credit card on or before the due date. If additional tax is due and paid with the extension request (or no federal extension was filed), file Form CT-1040 EXT (Application for Extension of Time to File Connecticut Income Tax Return for Individuals).

DELAWARE

Website: <https://revenue.delaware.gov>

Tax assistance: 302-577-8200

2025 Quick Tax Method—For Taxable Income of:

All Filing Statuses	\$ 0 – 2,000	x 0.00%	minus \$ 0.00 = Tax
	2,001 – 5,000	x 2.20	minus 44.00 = Tax
	5,001 – 10,000	x 3.90	minus 129.00 = Tax
	10,001 – 20,000	x 4.80	minus 219.00 = Tax
	20,001 – 25,000	x 5.20	minus 299.00 = Tax
	25,001 – 60,000	x 5.55	minus 387.50 = Tax
	60,001 and over	x 6.60	minus 1,017.51 = Tax

Filing requirements. Residents must file if:

Filing status:	Age:	Delaware AGI exceeds:
Single, MFS, HOH, CU ¹ filing separate	Under 60.....	\$ 9,400
	60 to 64.....	12,200
	65 and over or blind.....	14,700
	65 and over and blind.....	17,200
MFJ, CU ¹ filing joint	Under 60.....	\$ 15,450
	60 to 64.....	17,950
	65 and over or blind.....	20,450
	65 and over and blind.....	22,950
Dependent on another person's return	Under 60.....	\$ 5,250
	60 to 64.....	5,250
	65 and over or blind.....	7,750
	65 and over and blind.....	10,250

¹ Civil Union.

Note: 2025 amounts not available at time of publication. Amounts shown are for 2024.

Part-year residents must file if they:

- Receive income from any source while a Delaware resident or
- Receive Delaware-source income while a Delaware nonresident.

Nonresidents must file if they receive Delaware-source income.

Delaware form to file:

- Resident: Form PIT-RES (Delaware Individual Resident Income Tax Return). Part-year residents may elect to file either a resident or a nonresident return.
- Part-year resident (unless filing as resident) and nonresident: Form PIT-NON (Delaware Individual Non-Resident Income Tax Return).

Return due date: April 30

Extension form. Form PIT-EXT (Application for Automatic Extension of Time to File Delaware Individual Income Tax Return).

Allowable extension. Delaware allows an extension to October 15 by filing Form PIT-EXT.

DISTRICT OF COLUMBIA

Website: <https://otr.cfo.dc.gov>

Tax assistance: 202-727-4829



2025 Quick Tax Method—For Taxable Income of:			
All Filing Statuses	\$ 0 – 10,000	× 4.0%	minus \$ 0.00 = Tax
	10,001 – 40,000	× 6.0	minus 200.00 = Tax
	40,001 – 60,000	× 6.5	minus 400.00 = Tax
	60,001 – 250,000	× 8.5	minus 1,600.00 = Tax
	250,001 – 500,000	× 9.25	minus 3,475.00 = Tax
	500,000 – 1,000,000	× 9.75	minus 5,975.00 = Tax
	1,000,001 and over	× 10.75	minus 15,975.00 = Tax

Filing requirements. Individuals must file if:

- Resident of the District of Columbia and required to file a federal income tax return,
- Permanent residence is the District of Columbia for either part of or the full year,
- Lived in the District of Columbia for 183 days or more (even if permanent residence is elsewhere),
- Member of armed forces and home of record is the District of Columbia.

District of Columbia form to file:

- Resident and part-year resident: Form D-40 (Individual Income Tax Return).
- Nonresident: Form D-40B (Nonresident Request for Refund).

Return due date: April 15

Extension form. Form FR-127 (Extension of Time to File Income Tax Returns).

Allowable extension. Six-month extension allowed with timely filed Form FR-127 and estimated payment.

FLORIDA

Website: <https://floridarevenue.com/taxes>

Tax assistance: 850-488-6800



Filing requirements. There is no personal income tax in Florida.

GEORGIA

Website: <https://dor.georgia.gov>

Tax assistance: 877-423-6711



2025 Tax Rate	
Income tax rate.....	5.19%

Filing requirements. Residents must file if:

- They are required to file a federal income tax return,
- They have federally exempt income subject to Georgia income tax *or*
- Income exceeds standard deduction indicated below.

Filing Status	Income exceeds:
Single, MFS, HOH, QSS	\$ 12,000
MFJ	\$ 24,000

Part-year residents must file if required to file federal return.

Nonresidents must file if they have Georgia-source income and are required to file a federal return.

Exception: Legal residents of another state are not required to file if their only activity in Georgia is working for an employer where Georgia-source income does not exceed lesser of 5% of total income or \$5,000.

Georgia form to file:

- Resident, part-year, and nonresident: Form 500 (Individual Income Tax Return).
- Part-year and nonresident: Schedule 3 (Computation of Georgia Taxable Income for Only Part-Year Residents and Nonresidents)—attachment to Form 500.

Return due date: April 15

Extension form. Form IT-303 (Application for Extension of Time for Filing State Income Tax Returns).

Allowable extension. Up to six months if taxpayer either:

- Attaches a copy of the federal extension to Georgia return *or*
- Files Form IT-303.

Pay tax due electronically via the Georgia Tax Center (<https://gtc.dor.ga.gov>) or with Form IT-560 (Individual and Fiduciary Payment Voucher).

HAWAII

Website: <https://tax.hawaii.gov>

Tax assistance: 800-222-3229, 808-587-4242



2025 Quick Tax Method—For Taxable Income of:

Single, MFS	\$ 0 – 9,600	× 1.40%	minus	\$ 0.00 = Tax
	9,601 – 14,400	× 3.20	minus	172.80 = Tax
	14,401 – 19,200	× 5.50	minus	504.00 = Tax
	19,201 – 24,000	× 6.40	minus	676.80 = Tax
	24,001 – 36,000	× 6.80	minus	772.80 = Tax
	36,001 – 48,000	× 7.20	minus	916.80 = Tax
	48,001 – 125,000	× 7.60	minus	1,108.80 = Tax
	125,001 – 175,000	× 7.90	minus	1,483.80 = Tax
	175,001 – 225,000	× 8.25	minus	2,096.30 = Tax
	225,001 – 275,000	× 9.00	minus	3,783.80 = Tax
MFJ, QSS	\$ 0 – 19,200	× 1.40%	minus	\$ 0.00 = Tax
	19,201 – 28,800	× 3.20	minus	345.60 = Tax
	28,801 – 38,400	× 5.50	minus	1,008.00 = Tax
	38,401 – 48,000	× 6.40	minus	1,353.60 = Tax
	48,001 – 72,000	× 6.80	minus	1,545.60 = Tax
	72,001 – 96,000	× 7.20	minus	1,833.60 = Tax
	96,001 – 250,000	× 7.60	minus	2,217.60 = Tax
	250,001 – 350,000	× 7.90	minus	2,967.60 = Tax
	350,001 – 450,000	× 8.25	minus	4,192.60 = Tax
	450,001 – 550,000	× 9.00	minus	7,567.60 = Tax
HOH	\$ 0 – 14,400	× 1.40%	minus	\$ 0.00 = Tax
	14,401 – 21,600	× 3.20	minus	259.20 = Tax
	21,601 – 28,800	× 5.50	minus	756.00 = Tax
	28,801 – 36,000	× 6.40	minus	1,015.20 = Tax
	36,001 – 54,000	× 6.80	minus	1,159.20 = Tax
	54,001 – 72,000	× 7.20	minus	1,375.20 = Tax
	72,001 – 187,500	× 7.60	minus	1,663.20 = Tax
	187,501 – 262,500	× 7.90	minus	2,225.70 = Tax
	262,501 – 337,500	× 8.25	minus	3,144.45 = Tax
	337,501 – 412,500	× 9.00	minus	5,675.70 = Tax
	412,501 – 487,500	× 10.00	minus	9,800.70 = Tax
	487,501 and over	× 11.00	minus	14,675.70 = Tax

Filing requirements. Residents, part-year, and nonresidents must file if:

- They are doing business in Hawaii (regardless of income) or
- Their gross income subject to Hawaii tax exceeds the amounts in the following table.

Filing status:	Age:	Hawaii gross income exceeds:
Single, MFS	Under 65.....	\$ 5,544
	65 or older.....	6,688
MFJ	Both under 65.....	\$ 11,088
	One 65 or older.....	12,232
	Both 65 or older.....	13,376
HOH	Under 65.....	\$ 7,568
	65 or older.....	8,712
QSS	Under 65.....	\$ 9,944
	65 or older.....	11,088
Dependent on another return	Amount of dependent's standard deduction	
Nonresident alien	Under 65.....	\$ 1,144
	65 or older.....	2,288

Note: 2025 amounts not available at time of publication. Amounts shown are for 2024.

Nonresidents must prorate the thresholds above by a ratio of Hawaii AGI to total AGI.

Individuals must also file if they owe any of the following taxes:

- Distribution from an individual housing account (Form N-2).
- Tax from the sale of a home (Form N-103).
- Tax on lump-sum distributions (Form N-152).
- Recapture of capital goods excise tax credit (Form N-312).
- Recapture of tax credit for flood victims (Form N-338).
- Recapture of important agricultural land qualified agricultural cost tax credit (Form N-344).
- Recapture of Capital Infrastructure Tax Credit (Form N-348).
- Tax on accumulation distribution of trusts (Form N-405).
- Recapture of low-income housing tax credit (Form N-586).
- Tax from parent's election to report child's interest and dividends (Form N-814).

Hawaii form to file:

- Resident: Form N-11 (Individual Income Tax Return—Resident).
- Part-year and nonresident: Form N-15 (Individual Income Tax Return—Nonresident and Part-Year Resident).

Return due date: April 20

Allowable extension. Hawaii allows an automatic six-month extension without written request if all tax paid by original return due date. Use Form N-200V (Individual Income Tax Payment Voucher) to make a payment.

IDAHO

Website: <https://tax.idaho.gov>

Tax assistance: 800-972-7660, 208-334-7660 (Boise)

2025 Tax Rate

Income tax rate.....	5.30%
----------------------	-------

Filing requirements. Residents must file if:

- They are required to file a federal income tax return (unless a federal return is only being filed to pay self-employment tax) or
- Taxable income subject to Idaho tax exceeds the following amounts:

Filing status: ¹	Taxable income exceeds:
Single or MFS \$4,811
All other filing statuses \$9,622

¹ Check the Idaho instructions if taxpayer was claimed as a dependent on someone else's return.

Idaho form to file:

- Resident: Form 40 (Idaho Individual Income Tax Return).
- Part-year resident and nonresident: Form 43 (Idaho Part-Year Resident and Nonresident Income Tax Return).

Return due date: April 15

Allowable extension. An automatic six-month extension is allowed without written request. To avoid paying penalty, the taxpayer's tax withholding and other payments must be at least 80% of the current year tax liability or 100% of the prior year tax liability. Use Form 51 (Estimated Payment of Idaho Individual Income Tax) to make a payment.

ILLINOIS

Website: <https://tax.illinois.gov>

Tax assistance: 800-732-8866, 217-782-3336

2025 Tax Rate

Income tax rate.....4.95%

Filing requirements. Residents must file if:

- They are required to file a federal income tax return *or*
- Illinois base income is greater than Illinois exemption allowance.

Illinois exemption allowances:

- a) \$2,850 for each exemption claimed on federal return,
- b) Additional \$1,000 per individual for taxpayer (and/or spouse) if 65 or older *and*
- c) Additional \$1,000 per individual for taxpayer (and/or spouse) if blind.

Part-year residents must file if:

- They earned income from any source while a resident,
- They earned income from Illinois sources while a nonresident *or*
- They are entitled to receive a refund of Illinois income tax.

Nonresidents must file if:

- They earned enough income from Illinois sources to have a tax liability *or*
- They want a refund of any Illinois income tax withheld in error.

Illinois form to file:

- Resident, part-year, and nonresident: Form IL-1040 (Individual Income Tax Return).
- Part-year and nonresident: Schedule NR (Nonresident and Part-Year Resident Computation of Illinois Tax)—attachment to Form IL-1040.

Return due date: April 15

Allowable extension. Automatic six-months without written request. To avoid any late payment penalty and interest, use Form IL-505-I (Automatic Extension Payment for Individuals) to pay any tentative tax due by the original due date of the return.

Reciprocity agreements: Iowa, Kentucky, Michigan, and Wisconsin residents are only required to file Form IL-1040 if Illinois income from sources other than compensation is received or to request a refund of Illinois withholding. Illinois residents working in Iowa, Kentucky, Michigan, and Wisconsin must include income from employers in these states in Illinois income. These states do not tax compensation of Illinois residents.

INDIANA

Website: <https://in.gov/dor>

Tax assistance: 317-232-2240

2025 Tax Rate

Income tax rate.....3.00%

Filing requirements. Residents must file if gross income is greater than exemptions (Indiana allows \$1,000 for each exemption on federal return plus an additional \$1,500 for certain dependent children. Taxpayers who are elderly and or blind receive additional exemptions.)

Part-year residents who receive income while an Indiana resident must file.

Nonresidents must file if they receive income from Indiana sources.

Indiana form to file:

- Resident: Form IT-40 (Indiana Full-Year Resident Individual Income Tax Return).
- Nonresident and part-year resident: Form IT-40PNR (Indiana Part-Year or Full-Year Nonresident Individual Income Tax Return).

Return due date: April 15

Extension form. Form IT-9 (Application for Extension of Time to File).

Allowable extension:

- Indiana allows a seven-month extension if the taxpayer files Form IT-9 and pays at least 90% of tax due by return due date.
- Indiana accepts the federal extension plus allows an additional 30 days beyond the federal extension period. Taxpayers must pay at least 90% of tax due by original return due date.

Reciprocity agreements: Kentucky, Michigan, Ohio, Pennsylvania, and Wisconsin. Full-year residents of these states with only Indiana wage income file Form IT-40RNR (Reciprocal Nonresident Indiana Individual Income Tax Return).

IOWA

Website: <https://revenue.iowa.gov/taxes>

Tax assistance: 515-281-3114, 800-367-3388

2025 Tax Rate

Income tax rate.....3.80%

Filing requirements. Residents must file if:

Filing status:	Net income is:
Single.....	More than \$ 9,000
Single (65 or older).....	More than 24,000
Other than single.....	More than 13,500
Other than single (one or both spouses 65 or older).....	More than 32,000
Dependent on another person's return.....	\$5,000 or more

Note: Net income includes income from both spouses and any pension/retirement income exclusion and any social security phase-out amount must be added back.

Residents must also file if they are:

- In the military service with Iowa legal residence *or*
- Subject to Iowa lump-sum tax.

Nonresidents and part-year residents must file if they have Iowa-source net income of at least \$1,000 (unless their all-source net income is below the income thresholds above) or are subject to Iowa lump-sum tax or Iowa alternative minimum tax.

Iowa form to file:

- Resident, part-year, and nonresident: Form IA 1040 (Iowa Individual Income Tax Form).
- Part-year and nonresident: Form IA 126 (Iowa Nonresident and Part-Year Resident Credit Schedule)—attachment to IA 1040.

Return due date: April 30

Allowable extension. Automatic six-month extension without written request if at least 90% of tax liability is paid. Use IA 1040V (Individual Income Tax Payment Voucher) to make a tax payment.

Reciprocity agreements: Illinois. Iowa residents with Illinois wage income are only taxed in Iowa. Illinois residents with Iowa wage income are only taxed in Illinois.

Filing requirements. Residents and part-year residents must file if:

Filing status:	Age:	Maryland gross income of at least:
Single	Under 65.....	\$ 15,750
	65 or over.....	17,750
MFJ	Both under 65.....	\$ 31,500
	One spouse 65 or over.....	33,100
	Both spouses 65 or over.....	34,700
MFS	Any age.....	\$ 15,750
HOH	Under 65.....	\$ 23,625
	65 or over.....	25,625
QSS	Under 65.....	\$ 31,500
	65 or over.....	33,100

Nonresidents must file if they have Maryland-sourced income and must file a federal return because their gross income is at least equal to the threshold amounts in the table above.

Maryland form to file:

- Resident and part-year resident: Form 502 (Maryland Resident Income Tax Return).
- Nonresident: Form 505 (Maryland Nonresident Income Tax Return).
- All filers: Form PV (Personal Tax Payment Voucher for Form 502/505, Estimated Tax and Extensions).

Return due date: April 15

Allowable extension. Maryland allows a six-month extension if a federal extension is filed and no tax is due. Form PV must be filed only to make a payment. If a federal extension was not filed, an extension may be filed online at www.marylandtaxes.gov or by phone at 410-260-7829.

Reciprocity agreements. District of Columbia, Pennsylvania (certain jurisdictions), Virginia, and West Virginia residents are not required to file a Maryland return, if only source of Maryland income is wages.

MASSACHUSETTS

Website: <https://mass.gov/orgs/massachusetts-department-of-revenue>

Tax assistance: 617-887-6367, MA 800-392-6089



2025 Tax Rate

Income tax rate.....	5.00% ¹
Optional tax rate.....	5.85%
Rate on certain investment income.....	12.00% ²

¹ Taxpayers with taxable income over \$1,083,150 have an additional 4% surtax on the income in excess of \$1,083,150.

² Short-term capital gains are taxed at 8.5%.

Filing requirements. Residents and part-year residents are required to file if gross income (from all sources) is more than \$8,000.

Nonresidents are required to file if they receive Massachusetts-source income that exceeds the lesser of \$8,000 or the personal exemption multiplied by the ratio of Massachusetts income to total income. Personal exemptions are: \$4,400 Single or MFS, \$6,800 HOH and \$8,800 MFJ.

Massachusetts form to file:

- Resident: Form 1 (Massachusetts Resident Income Tax Return).
- Part-year and nonresident: Form 1-NR/PY (Massachusetts Nonresident/Part-Year Tax Return).

Return due date: April 15

Allowable extension. Automatic six-month extension granted if no tax due. If tax due, file Form M-4868 (Massachusetts Extension

Payment Voucher) to remit tax due (payments of \$5,000 or more must be made electronically).

MICHIGAN

Website: <https://michigan.gov/taxes>

Tax assistance: 517-636-4486



2025 Tax Rate

Income tax rate.....	4.25%
----------------------	-------

Filing requirements. Residents, part-year, and nonresidents must file if they owe Michigan tax or their Michigan AGI exceeds their exemption allowance. Michigan taxpayers should file a Michigan return if a federal tax return was filed even if Michigan tax is not owed. This will eliminate unnecessary correspondence from the Michigan Department of Treasury. Michigan allows \$5,800 for each exemption claimed on the federal return. Additional exemptions are allowed for individuals with certain disabilities.

Dependents who are claimed on another person's return must file if AGI is over \$1,500 (single or MFS) or \$3,000 (MFJ).

Michigan form to file:

- Resident, part-year, and nonresident: Form MI-1040 (Michigan Individual Income Tax Return).
- Part-year and nonresident: Schedule NR (Nonresident and Part-Year Resident Schedule)—attachment to Form MI-1040.

Return due date: April 15

Extension form. Form 4 (Application for Extension of Time to File Michigan Tax Returns).

Allowable extension. Michigan allows a six-month extension if a federal extension was requested. If federal return was not extended, Michigan will grant a 180-day extension. File Form 4 only if submitting a payment of Michigan tax due.

Reciprocity agreements. Illinois, Indiana, Kentucky, Minnesota, Ohio, and Wisconsin residents are only required to file MI-1040 if Michigan income from sources other than wages is received or to request a refund of Michigan withholding.

MINNESOTA

Website: <https://revenue.state.mn.us>

Tax assistance: 651-296-3781, MN 800-652-9094



2025 Quick Tax Method—For Taxable Income of:

Single	\$ 0 – 32,750	x 5.35%	minus \$ 0.00	= Tax
	32,751 – 106,990	x 6.80%	minus 474.88	= Tax
	106,991 – 198,630	x 7.85%	minus 1,598.27	= Tax
	198,631 and over	x 9.85%	minus 5,570.87	= Tax
MFJ or QSS	\$ 0 – 47,620	x 5.35%	minus \$ 0.00	= Tax
	47,621 – 189,180	x 6.80%	minus 690.49	= Tax
	189,181 – 330,410	x 7.85%	minus 2,676.88	= Tax
	330,411 and over	x 9.85%	minus 9,285.08	= Tax
HOH	\$ 0 – 40,100	x 5.35%	minus \$ 0.00	= Tax
	40,101 – 161,130	x 6.80%	minus 581.45	= Tax
	161,131 – 264,050	x 7.85%	minus 2,273.32	= Tax
	264,051 and over	x 9.85%	minus 7,554.32	= Tax
MFS	\$ 0 – 23,810	x 5.35%	minus \$ 0.00	= Tax
	23,811 – 94,590	x 6.80%	minus 345.25	= Tax
	94,591 – 165,205	x 7.85%	minus 1,338.44	= Tax
	165,206 and over	x 9.85%	minus 4,642.54	= Tax

Filing requirements. Residents must file if their income exceeds the following amounts: Single—\$14,950; MFS—\$14,950; MFJ/QSS—\$29,900; HOH—\$22,500. Add \$2,000 if age 65 or older or blind (\$1,600 if MFJ/MFS/QSS).

Part-year and nonresidents must file if Minnesota gross income is \$14,950 or more.

Minnesota form to file:

- Resident, part-year, and nonresident: Form M1 (Minnesota Individual Income Tax).
- Part-year and nonresident: Schedule M1NR (Nonresidents/Part-Year Residents)—attachment to Form M1.

Return due date: April 15

Allowable extension. If no tax is due, an automatic six-month extension is granted. If tax is due, it must be paid using the e-Services Payment System at <https://www.mndor.state.mn.us/tp/onlineservices/> or by credit/debit card or check/money order (using a payment voucher created on e-Services).

Reciprocity agreements. Michigan and North Dakota. Full-year residents of these states who returned to their home state at least once a month and whose only Minnesota income was from performing personal services are not subject to Minnesota tax.

MISSISSIPPI

Website: <https://dor.ms.gov>

Tax assistance: 601-923-7700



2025 Quick Tax Method—For Taxable Income of:			
All Filing Statuses	\$ 0 – 10,000	× 0%	minus \$ 0 = Tax
	10,001 and over	× 4.4%	minus 440 = Tax

Note: Married individuals filing a combined return apply the tax rate schedule separately and combine the separate tax amounts to calculate total income tax.

Filing requirements. Residents must file if:

Filing status:	Gross income exceeds:
Single.....	\$8,300 plus \$1,500 for each dependent.
Married	\$16,600 (both spouses) plus \$1,500 per dependent.

Part-year and nonresidents must file if they receive income taxed by Mississippi. Part-year residents are taxed on income earned while a resident of Mississippi. Nonresidents are taxed on income earned from Mississippi sources (other than gambling income).

Mississippi form to file:

- Resident: Form 80-105 (Mississippi Resident Individual Income Tax Return).
- Part-year and nonresident: Form 80-205 (Mississippi Non-Resident/Part-Year Resident Individual Income Tax Return).

Return due date: April 15

Allowable extension. Mississippi allows an automatic six-month extension if a federal extension is filed. If tax is due, it must be paid by the original return due date using Form 80-106 (Individual/Fiduciary Income Tax Payment Voucher).

MISSOURI

Website: <https://dor.mo.gov>

Tax assistance: 573-751-3505



2025 Quick Tax Method—For Taxable Income of:			
All filing statuses	\$ 0 – 1,313	× 0.00%	minus \$ 0.00 = Tax
	1,314 – 2,626	× 2.00%	minus 26.26 = Tax
	2,627 – 3,939	× 2.50%	minus 39.39 = Tax
	3,940 – 5,252	× 3.00%	minus 59.09 = Tax
	5,253 – 6,565	× 3.50%	minus 85.35 = Tax
	6,566 – 7,878	× 4.00%	minus 118.17 = Tax
	7,879 – 9,191	× 4.50%	minus 157.56 = Tax
9,192 and over	× 4.70%	minus 175.94 = Tax	

Note: If filing a combined return and both persons have income, apply the tax rate schedule separately and combine the separate tax amounts to calculate total income tax.

Filing requirements. Taxpayers must file a Missouri return if required to file a federal income tax return unless the taxpayer:

- Is a resident with less than \$1,200 of Missouri AGI,
- Is a nonresident with less than \$600 of Missouri income or
- Has Missouri AGI that is less than his standard deduction.

Missouri form to file:

- Resident, part-year, and nonresident: Form MO-1040 (Individual Income Tax Return).
- Part-year and nonresident: Form MO-NRI (Missouri Income Percentage)—attachment to Form MO-1040. Alternatively, part-year residents can file Form MO-CR (Credit for Income Taxes Paid to Other States).

Return due date: April 15

Extension form. Form MO-60 (Application for Extension of Time to File).

Allowable extension. Missouri allows an automatic six-month extension if a federal extension is filed. File Form MO-60 to remit any tax due.

MONTANA

Website: <https://mtrevenue.gov>

Tax assistance: 406-444-6900



2025 Quick Tax Method—For Taxable Income of:			
Single, MFS	\$ 0 – 21,100	× 4.7%	minus \$ 0 = Tax
	21,101 – —	× 5.9%	minus 253 = Tax
MFJ, QSS	\$ 0 – 42,200	× 4.7%	minus \$ 0 = Tax
	42,201 – —	× 5.9%	minus 506 = Tax
HOH	\$ 0 – 31,700	× 4.7%	minus \$ 0 = Tax
	31,701 – —	× 5.9%	minus 380 = Tax

Note: These tax brackets apply to ordinary income only. Montana taxes long-term capital gains at different rates, ranging from 3.0%–4.1%, based on a taxpayer's ordinary income.

Filing requirements. Residents, part-year, and nonresidents must file if they have Montana-source income and:

Filing status:	and gross income is at least:
Single, MFS	\$ 15,750
HOH.....	\$ 23,625
MFJ, QSS	\$ 31,500

- Not required to file a federal return, but:

Federal filing status would have been:	Federal AGI plus New York additions exceeds:
Single and can be claimed as dependent on another person's return	\$ 3,100
All others.....	4,000

- To claim a refund of state or city income taxes withheld from taxpayer's pay.
 - To claim any of the refundable or carryover credits available.
- Part-year and nonresidents are required to file if:

Federal filing status:	Received New York-source income and New York AGI exceeds:
Single and can be claimed as dependent on another person's return	\$ 3,100
Single and cannot be claimed as dependent on another person's return	8,000
MFJ.....	16,050
MFS.....	8,000
HOH.....	11,200
QSS.....	16,050

Part-year and nonresidents are also required to file if any of the following apply:

- They are subject to separate tax on lump-sum distributions derived from or connected to New York sources (part-year residents).
- They incurred a New York NOL without incurring a similar federal NOL.
- To claim a refund of state or city income taxes withheld from taxpayer's pay.
- To claim any of the refundable or carryover credits available.

New York form to file:

- Resident: Form IT-201 (Resident Income Tax Return).
- Part-year and nonresident: Form IT-203 (Nonresident and Part-Year Resident Income Tax Return).

Return due date: April 15

Extension form. Form IT-370 (Application for Automatic Six-Month Extension of Time to File for Individuals).

Allowable extension. To request an automatic six-month extension, file Form IT-370 and remit any tax due. A copy of the federal extension is not accepted.

NORTH CAROLINA

Website: <https://ncdor.gov>
Tax assistance: 877-252-3052



2025 Tax Rate	
Income tax rate.....	4.25%

Filing requirements. Every resident whose income for the year exceeds the amount for his filing status as shown in the following chart must file a return:

Filing status	A return is required if federal gross income exceeds
Single.....	\$ 12,750
MFJ.....	25,500
MFS if spouse does not claim itemized deductions.....	12,750
MFS if spouse claims itemized deductions.....	0
HOH.....	19,125
QSS.....	25,500
Nonresident alien.....	0

Note: 2025 amounts not available at time of publication. Amounts shown are for 2024.

An individual not required to file a federal income tax return but who has gross income from all sources—both inside and outside of North Carolina—that equals or exceeds the amount for his filing status shown in the chart above is required to file a North Carolina return. He must complete a federal return and attach it to his North Carolina income tax return to show how his adjusted gross income and deductions were determined.

A part-year resident must file if his total income for the tax year exceeds the amount for his filing status shown in the chart above and he:

- Received income while a resident of North Carolina or
- Received income while a nonresident that is:
 - Attributable to ownership of any interest in real or tangible personal property in North Carolina;
 - Derived from a business, trade, profession or occupation carried on within North Carolina or
 - Derived from gambling activities in North Carolina.

A nonresident must file if his total income from all sources—both inside and outside of North Carolina—exceeds the amount for his filing status as shown in the chart above and he received income for the tax year from North Carolina sources that was:

- Attributable to ownership of any interest in real or tangible personal property in North Carolina;
- Derived from a business, trade, profession, or occupation carried on in North Carolina or
- Derived from gambling activities in North Carolina.

North Carolina form to file:

- Resident, part-year, and nonresident: Form D-400 (Individual Income Tax Return).
- Part-year and nonresidents: D-400 Schedule PN (Part-Year Resident and Nonresident Schedule).

Return due date: April 15

Extension form. Form D-410 (Application for Extension for Filing Individual Income Tax Return).

Allowable extension. North Carolina allows an automatic six-month extension if granted a federal extension. Only file Form D-410 to make a payment or if Form 4868 was not filed.

NORTH DAKOTA

Website: <https://tax.nd.gov/>
Tax assistance: 701-328-7088; 877-328-7088



2025 Quick Tax Method—For Taxable Income of:					
Single	\$ 0 – 48,475	× 0.00%	minus \$ 0.00	= Tax	
	48,476 – 244,825	× 1.95%	minus 945.26	= Tax	
	244,826 and over	× 2.50%	minus 2,291.80	= Tax	
MFJ, QSS	\$ 0 – 80,975	× 0.00%	minus \$ 0.00	= Tax	
	80,976 – 298,075	× 1.95%	minus 1,579.01	= Tax	
	298,076 and over	× 2.50%	minus 3,218.43	= Tax	
MFS	\$ 0 – 40,475	× 0.00%	minus \$ 0.00	= Tax	
	40,476 – 149,025	× 1.95%	minus 789.26	= Tax	
	149,026 and over	× 2.50%	minus 1,608.90	= Tax	
HOH	\$ 0 – 64,950	× 0.00%	minus \$ 0.00	= Tax	
	64,951 – 271,450	× 1.95%	minus 1,266.53	= Tax	
	271,451 and over	× 2.50%	minus 2,759.50	= Tax	

Filing requirements. Residents must file if they are required to file a federal income tax return.

Nonresidents must file if they are required to file a federal return and received gross income from North Dakota sources. Part-year residents must file if they are required to file a federal return and received income from any source while a resident *or* received North Dakota-source income while a nonresident.

North Dakota form to file:

- Resident, part-year, and nonresident: Form ND-1 (Individual Income Tax Return).
- Part-year and nonresident: Schedule ND-1NR (Tax Calculation for Nonresidents and Part-Year Residents)—attachment to Form ND-1.

Return due date: April 15

Extension form. Form 101 (Application for Extension of Time to File a North Dakota Tax Return).

Allowable extension: An extension of time to file a taxpayer’s federal return is recognized for North Dakota purposes. If there is no federal extension, file Form 101 to request an extension of time to file (Form 101 is not an automatic extension). Use Form ND-1EXT (Individual Extension Payment Voucher) to make a payment.

Reciprocity agreements. Minnesota and Montana. Minnesota residents are not required to file a North Dakota return if only North Dakota source of income is compensation and the taxpayer maintains a home in Minnesota and returns to the home at least once each month. Montana residents are not required to file a North Dakota return if only North Dakota source of income is wages.

OHIO

Website: <https://tax.ohio.gov>

Tax assistance: 800-282-1780



2025 Quick Tax Method—For Taxable Income of:			
All	\$ 0 – 26,050	× 0.000% minus	\$ 0.00 = Tax
	26,051 – 100,000	× 2.750% minus	355.69 = Tax
	100,001 and over	× 3.125% minus	730.68 = Tax

Filing requirements. Residents and part-year residents are required to file unless one of the following exceptions applies:

- Ohio AGI is less than or equal to \$0.
- The total of the taxpayer’s senior citizen credit, lump-sum distribution credit and joint filing credit is equal to or exceeds his income tax liability and he is not liable for school district income tax.
- The taxpayer’s exemption amount is the same as or more than his Ohio AGI.

Nonresidents are required to file if they have Ohio-sourced income.

Ohio form to file:

- Resident, part-year, and nonresident: Form IT 1040 (Individual Income Tax Return).
- Part-year and nonresidents: Schedule D (Nonresident/Part-Year Resident Credit) (Form IT 1040, page 4).

Return due date: April 15

Extension form. Ohio does not have a separate extension form.

Allowable extension. Ohio allows an extension based on the federal extension. Use Form IT 40P (Income Tax Payment Voucher) to make any payments by the original return due date.

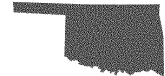
Reciprocity agreements. Residents of a border state (Indiana, Kentucky, West Virginia, Michigan, and Pennsylvania) are not

required to file Ohio return if only Ohio income is wages and salaries from an unrelated employer.

OKLAHOMA

Website: <https://oklahoma.gov/tax>

Tax assistance: 405-521-3160



2025 Quick Tax Method—For Taxable Income of:			
Single, MFS	\$ 0.00 – 1,000.00	× 0.25% minus	\$ 0.00 = Tax
	1,001.00 – 2,500.00	× 0.75% minus	5.00 = Tax
	2,501.00 – 3,750.00	× 1.75% minus	30.00 = Tax
	3,751.00 – 4,900.00	× 2.75% minus	67.50 = Tax
	4,901.00 – 7,200.00	× 3.75% minus	116.50 = Tax
	7,201.00 and over	× 4.75% minus	188.50 = Tax
MFJ, QSS, HOH	\$ 0.00 – 2,000.00	× 0.25% minus	\$ 0.00 = Tax
	2,001.00 – 5,000.00	× 0.75% minus	10.00 = Tax
	5,001.00 – 7,500.00	× 1.75% minus	60.00 = Tax
	7,501.00 – 9,800.00	× 2.75% minus	135.00 = Tax
	9,801.00 – 14,400.00	× 3.75% minus	233.00 = Tax
	14,401.00 and over	× 4.75% minus	377.00 = Tax

Filing requirements. Residents must file a return if:

Filing status:	Gross income exceeds:
Single.....	\$ 7,350
MFJ.....	14,700
MFS.....	7,350
HOH.....	10,350
QSS with a Dependent Child.....	13,700

Dependents must file if:

Marital status:	Gross income exceeds:
Single dependents.....	\$ 6,350
Married dependents.....	6,350

Part-year residents are required to file if they meet resident filing requirements while a resident *or* receive \$1,000 or more Oklahoma-source gross income while a nonresident.

Nonresidents are required to file if they received \$1,000 or more Oklahoma-source gross income.

Oklahoma form to file:

- Resident: Form 511 (Oklahoma Resident Income Tax Return).
- Part-year and nonresident: Form 511-NR (Oklahoma Nonresident/Part-Year Income Tax Return).

Return due date: April 15 or April 20 if return is filed electronically.

Extension form. Form 504-I (Application for Extension of Time to File an Oklahoma Income Tax Return For Individuals).

Allowable extension. Oklahoma allows a six-month extension if the taxpayer attaches a copy of a valid federal extension. If the federal return is not extended or the taxpayer owes Oklahoma tax, Form 504-I must be filed. Use Form 504-I to remit any tax due.

Vermont form to file:

- Resident, part-year, and nonresident: Form IN-111 (Vermont Income Tax Return).
- Part-year and nonresident: Schedule IN-113 (Income Adjustment Calculations)—attachment to Form IN-111.

Return due date: April 15

Extension form. Form IN-151 (Application for Extension of Time to File Form IN-111 Vermont Individual Income Tax Return).

Allowable extension. Vermont allows an automatic six-month extension if Form IN-151 is filed by the due date of the return or taxpayer uses myVTax to file the extension.

VIRGINIA

Website: <https://tax.virginia.gov>

Tax assistance: 804-367-8031



2025 Quick Tax Method—For Taxable Income of:

All	\$	0	–	3,000	×	2.00%	minus	\$	0.00	=	Tax
Filing		3,001	–	5,000	×	3.00	minus		30.00	=	Tax
Statutes		5,001	–	17,000	×	5.00	minus		130.00	=	Tax
		17,001	and over		×	5.75	minus		257.50	=	Tax

Filing requirements. Residents and part-year residents are required to file if:

Filing status:	Virginia AGI is at least:
Single or MFS.....	\$ 11,950
MFJ	23,900

Nonresidents are required to file if they receive any income from Virginia sources other than interest from personal savings accounts, interest or dividends from an individual stock market investment, or pension payments from a Virginia payor.

Virginia form to file:

- Resident: Form 760 (Virginia Resident Individual Income Tax Return).
- Part-year resident: Form 760PY (Virginia Part-Year Resident Income Tax Return).
- Nonresident: Form 763 (Virginia Nonresident Income Tax Return).

Return due date: May 1

Allowable extension. Virginia allows an automatic six-month extension of time to file. Ninety percent of the tax liability must be paid by the original due date for filing the return to avoid penalty. No application for extension is required. To make a payment of tentative tax by the original due date, use voucher Form 760IP.

Reciprocity agreements. The District of Columbia, Kentucky, Maryland, Pennsylvania, and West Virginia residents may be exempt from filing if their only source of Virginia income is wages subject to income tax by the resident state (or district). For residents of the District of Columbia and Kentucky, the exemption applies if the individual had no actual place of abode in Virginia during the year. The exemption applies to Maryland, Pennsylvania, and

West Virginia residents if they are present in Virginia for 183 days or less during the year.

WASHINGTON

Website: <https://dor.wa.gov>

Tax assistance: 360-705-6705



Filing requirements. Washington does not have a personal income tax, but imposes a 7% excise tax on individuals with sales or exchanges of long-term capital assets. Only taxpayers owing capital gains tax are required to file a capital gains tax return. See the *All States Quickfinder® Handbook* for more information.

WEST VIRGINIA

Website: <https://tax.wv.gov>

Tax assistance: 800-982-8297, 304-558-3333



2025 Quick Tax Method—For Taxable Income of:

MFJ, Single, HOH, QSS	\$	0	–	9,999	×	2.22%	minus	\$	0.00	=	Tax
		10,000	–	24,999	×	2.96	minus		73.99	=	Tax
		25,000	–	39,999	×	3.33	minus		166.49	=	Tax
		40,000	–	59,999	×	4.44	minus		610.48	=	Tax
		60,000	and over		×	4.82	minus		838.47	=	Tax
MFS	\$	0	–	4,999	×	2.22%	minus	\$	0.00	=	Tax
		5,000	–	12,499	×	2.96	minus		36.99	=	Tax
		12,500	–	19,999	×	3.33	minus		83.24	=	Tax
		20,000	–	29,999	×	4.44	minus		305.23	=	Tax
		30,000	and over		×	4.82	minus		419.22	=	Tax

Filing requirements. Residents and part-year residents are required to file if their West Virginia AGI is greater than the exemption allowance (\$2,000 per exemption or \$500 if zero exemptions were claimed) or to claim a senior citizen's tax credit.

Exception: Taxpayers age 65 or older if income is less than exemption allowance plus senior citizen modification of up to \$8,000 do not have to file.

Nonresidents are required to file if their federal AGI includes any West Virginia-source income.

West Virginia form to file:

- Resident, part-year, and nonresident: Form IT-140 (West Virginia Personal Income Tax Return).
- Part-year and nonresident: Schedule A (Nonresidents/Part-Year Residents Schedule of Income)—attachment to Form IT-140.


Return due date: April 15

Extension form. Form WV 4868 (Application for Extension of Time to File) (Application for Extension of Time to File).

Allowable extension. West Virginia allows up to a six-month extension if tax liability is paid and the taxpayer either:

- Attaches a copy of federal Form 4868 or
- Files Form WV 4868 (Application for Extension of Time to File) if tax owed or federal Form 4868 not filed.

Reciprocity agreements. Kentucky, Maryland, Ohio, Pennsylvania, and Virginia residents may file Form IT-140NRS (Special Nonresident Income Tax Return) to claim a refund if the only West Virginia income is from wages and salaries.

 **Note:** Pennsylvania and Virginia residents qualify only if they did not spend more than 183 days within West Virginia in 2025.

WISCONSIN

Website: <https://www.revenue.wi.gov/>

Tax assistance: 608-266-2486



2025 Quick Tax Method—For Taxable Income of:	
Single, HOH	\$ 0 – 14,680 × 3.50% minus \$ 0.00 = Tax
	14,681 – 50,480 × 4.40% minus 132.12 = Tax
	50,481 – 323,290 × 5.30% minus 586.44 = Tax
	323,291 and over × 7.65% minus 8,183.76 = Tax
MFJ	\$ 0 – 19,580 × 3.50% minus \$ 0.00 = Tax
	19,581 – 67,300 × 4.40% minus 176.22 = Tax
	67,301 – 431,060 × 5.30% minus 781.92 = Tax
	431,061 and over × 7.65% minus 10,911.83 = Tax
MFS	\$ 0 – 9,790 × 3.50% minus \$ 0.00 = Tax
	9,791 – 33,650 × 4.40% minus 88.11 = Tax
	33,651 – 215,530 × 5.30% minus 390.96 = Tax
	215,531 and over × 7.65% minus 5,455.92 = Tax

Filing requirements. Residents must file if:

Filing status:	Age:	Gross income is at least:
Single	Under 65.....	\$ 14,260
	65 or older.....	14,510
MFJ	Under 65 (both spouses).....	\$ 26,510
	65 or older (one spouse).....	26,760
	65 or older (both spouses).....	27,010
MFS	Under 65.....	\$ 12,630
	65 or older.....	12,880
HOH	Under 65.....	\$ 18,220
	65 or older.....	18,470

Note: 2025 amounts not available at time of publication. Amounts shown are for 2024.

Residents must also file if they owe a Wisconsin penalty on an IRA, retirement plan, ABLE account, medical or health savings account or Coverdell education savings account (excess contribution).

Part-year and nonresidents must file if gross income is at least \$2,000.

Wisconsin form to file:

- Resident: Form 1, Wisconsin Income Tax.
- Part-year and nonresident: Form 1NPR (Nonresident and Part-Year Resident Wisconsin Income Tax).

Return due date: April 15

Allowable extension. Wisconsin allows an extension based on the federal extension. Use Form 1-ES to make any payments. If federal Form 4868 not filed, attach a statement to the Wisconsin tax return indicating which federal extension provision (for example, federal automatic six-month provision) the taxpayer is applying for.

Reciprocity agreements. Illinois, Indiana, Kentucky, and Michigan residents are not required to file a Wisconsin return if the only Wisconsin income is from personal services.

WYOMING

Website: <http://revenue.wyo.gov>

Tax assistance: 307-777-5200



Filing requirements. Wyoming does not have a personal income tax.

Notes

Quick Facts, Worksheets, Where to File

All worksheets included in Tab 3 may be copied and used in your tax practice.



Tab 3 Topics

Quick Facts Data Sheet.....	Page 3-1	Donations Substantiation Guide	Page 3-8
Business Use of Home Worksheet	Page 3-4	Earned Income Credit (EIC) Worksheet (2025).....	Page 3-9
Capital Loss Carryover Worksheet (2025).....	Page 3-5	Net Operating Loss Worksheets	Page 3-9
Form 8949 (Sales and Other Dispositions of Capital Assets)—Gain/Loss Adjustment Codes	Page 3-5	Social Security Benefits Worksheet (2025).....	Page 3-13
Carryover Schedule for Charitable Contributions	Page 3-6	Qualified Business Income Deduction Worksheet (2025).....	Page 3-14
Donations—Noncash.....	Page 3-7	2025 State and Local Sales Tax Deduction	Page 3-15
Donated Goods Valuation Guide	Page 3-7	Where to File 2025 Form 1040	Page 3-16
		Where to File Form 1040-ES for 2026	Page 3-16
		Where to File Form 4868 for 2025 Return	Page 3-16

Quick Facts Data Sheet					
	2026	2025	2024	2023	2022
General Deductions and Credits					
Standard deduction:					
MFJ or QSS	\$ 32,200	\$ 31,500	\$ 29,200	\$ 27,700	\$ 25,900
Single	16,100	15,750	14,600	13,850	12,950
HOH	24,150	23,625	21,900	20,800	19,400
MFS	16,100	15,750	14,600	13,850	12,950
Additional for age 65 or older or blind each (MFJ, QSS, MFS)	1,650	1,600	1,550	1,500	1,400
Additional for age 65 or older or blind each (Single, HOH)	2,050	2,000	1,950	1,850	1,750
Earned income credit:					
Earned income and AGI must be less than (MFJ):¹					
No qualifying children	\$ 26,820	\$ 26,214	\$ 25,511	\$ 24,210	\$ 22,610
One qualifying child	58,863	57,554	56,004	53,120	49,622
Two qualifying children	65,899	64,430	62,688	59,478	55,529
Three or more qualifying children	70,224	68,675	66,819	63,398	59,187
Maximum amount of credit (all filers except MFS):					
No qualifying children	\$ 664	\$ 649	\$ 632	\$ 600	\$ 560
One qualifying child	4,427	4,328	4,213	3,995	3,733
Two qualifying children	7,316	7,152	6,960	6,604	6,164
Three or more qualifying children	8,231	8,046	7,830	7,430	6,935
Investment income limit	12,200	11,950	11,600	11,000	10,300
Child tax credit/credit for other dependents:					
Credit per child	\$ 2,200	\$ 2,200	\$ 2,000	\$ 2,000	\$ 2,000
Refundable portion limit	1,700	1,700	1,700	1,600	1,500
Refundable child tax credit—earned income floor	2,500	2,500	2,500	2,500	2,500
Credit per other dependent	500	500	500	500	500
Adoption credit/exclusion:					
Maximum credit/exclusion (and amount allowed for adoption of special needs child)	\$ 17,670	\$ 17,280	\$ 16,810	\$ 15,950	\$ 14,890
Refundable portion limit	\$ 5,120	\$ 5,000	N/A	N/A	N/A
Credit/exclusion phase-out begins at AGI of:					
All taxpayers except MFS	\$ 265,080	\$ 259,190	\$ 252,150	\$ 239,230	\$ 223,410
MFS	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Kiddie tax unearned income threshold	\$ 2,700	\$ 2,700	\$ 2,600	\$ 2,500	\$ 2,300
Foreign earned income exclusion	\$ 132,900	\$ 130,000	\$ 126,500	\$ 120,000	\$ 112,000
FICA/SE Taxes					
Maximum earnings subject to tax:					
Social security tax	\$ 184,500	\$ 176,180	\$ 168,600	\$ 160,200	\$ 147,000
Medicare tax	No Limit	No Limit	No Limit	No Limit	No Limit
Maximum tax paid by:					
Employee—social security	\$ 11,439.00	\$ 10,918.20	\$ 10,453.20	\$ 9,932.40	\$ 9,114.00
Self-employed—social security	22,878.00	21,836.40	20,906.40	19,864.80	18,228.00
Employee or self-employed—Medicare	No Limit	No Limit	No Limit	No Limit	No Limit
Additional Medicare tax begins at earnings of:					
MFJ	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Single, HOH, or QSS	200,000	200,000	200,000	200,000	200,000
MFS	125,000	125,000	125,000	125,000	125,000

Table continued on the next page

Quick Facts Data Sheet (Continued)

	2026	2025	2024	2023	2022	
Business Deductions						
Section 179 deduction:						
Overall limit	\$ 2,560,000	\$ 2,500,000	\$ 1,220,000	\$ 1,160,000	\$ 1,080,000	
SUV limit (per vehicle)	32,000	31,300	30,500	28,900	27,000	
Qualifying property phase-out threshold	4,090,000	4,000,000	3,050,000	2,890,000	2,700,000	
Depreciation limit—autos, trucks, and vans (1st year)	^{2,7}	12,200 ²	12,400 ²	12,200 ²	11,200 ²	
Standard mileage allowances:						
Business	72.5¢	70¢	67¢	65.5¢	58.5¢/62.5¢ ⁶	
Charity work	14¢	14¢	14¢	14¢	14¢	
Medical/moving	20.5¢	21¢	21¢	22¢	18¢/22¢ ⁶	
Qualified business income (QBI) deduction taxable income thresholds:						
MFJ	\$ 403,500	\$ 394,600	\$ 383,900	\$ 364,200	\$ 340,100	
Single, HOH, or QSS	201,750	197,300	191,950	182,100	170,050	
MFS	201,775	197,300	191,950	182,100	170,050	
Excess business loss disallowance limits:						
MFJ	\$ 512,000	\$ 626,000	\$ 610,000	\$ 578,000	\$ 540,000	
Single, HOH, QSS, or MFS	256,000	313,000	305,000	289,000	270,000	
Health Care Deductions/Exclusions/Credits						
Health savings accounts (HSAs):						
Self-only coverage:	Contribution limit	\$ 4,400	\$ 4,300	\$ 4,150	\$ 3,850	\$ 3,650
	Plan minimum deductible	1,700	1,650	1,600	1,500	1,400
	Plan out-of-pocket limit	8,500	8,300	8,050	7,500	7,050
Family coverage:	Contribution limit	8,750	8,550	8,300	7,750	7,300
	Plan minimum deductible	3,400	3,300	3,200	3,000	2,800
	Plan out-of-pocket limit	17,000	16,600	16,100	15,000	14,100
	Additional contribution limit—age 55 or older	1,000	1,000	1,000	1,000	1,000
Long-term care insurance—deduction limits:						
Age 40 and under	\$ 500	\$ 480	\$ 470	\$ 480	\$ 450	
Age 41 – 50	930	900	880	890	850	
Age 51 – 60	1,860	1,800	1,760	1,790	1,690	
Age 61 – 70	4,960	4,810	4,710	4,770	4,510	
Age 71 and older	6,200	6,020	5,880	5,960	5,640	
Long-term care—excludible per diem	\$ 430	\$ 420	\$ 410	\$ 420	\$ 390	
Medical savings accounts (MSAs):						
Self-only coverage:	Plan minimum deductible	\$ 2,900	\$ 2,850	\$ 2,800	\$ 2,650	\$ 2,450
	Plan maximum deductible	4,400	4,300	4,150	3,950	3,700
	Plan out-of-pocket limit	5,850	5,700	5,550	5,300	4,950
Family coverage:	Plan minimum deductible	5,850	5,700	5,550	5,300	4,950
	Plan maximum deductible	8,750	8,550	8,350	7,900	7,400
	Plan out-of-pocket limit	10,700	10,500	10,200	9,650	9,050
Health flexible spending arrangement—contribution limit	\$ 3,400	\$ 3,300	\$ 3,200	\$ 3,050	\$ 2,850	
Advance payment of health insurance premium tax credit—repayment limit:³						
Household income < 200% of federal poverty line (FPL)	N/A	\$ 750	\$ 750	\$ 700	\$ 650	
Household income ≥ 200% of FPL, but < 300%	N/A	1,950	1,900	1,800	1,650	
Household income ≥ 300% of FPL, but < 400%	N/A	3,250	3,150	3,000	2,800	
Qualified small employer HRA reimbursement limits:						
Employee only	\$ 6,450	\$ 6,350	\$ 6,150	\$ 5,850	\$ 5,450	
Employee and family	13,100	12,800	12,450	11,800	11,050	
Small employer health insurance credit—average wage limit	\$ 34,100	\$ 33,300	\$ 32,400	\$ 30,700	\$ 28,700	
Education Tax Incentives						
Education savings accounts (ESAs) phase-out begins at AGI of:						
MFJ	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	
Single, HOH, QSS, or MFS	95,000	95,000	95,000	95,000	95,000	
American opportunity credit—maximum credit (per student)	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	
Lifetime learning credit (LLC)—maximum credit (per return)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	
Education credit phase-out begins at AGI of:						
MFJ:	American opportunity	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
	LLC	160,000	160,000	160,000	160,000	160,000
Single, HOH, or QSS:	American opportunity	80,000	80,000	80,000	80,000	80,000
	LLC	80,000	80,000	80,000	80,000	80,000
MFS		Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Student loan interest deduction limit	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	
Student loan interest deduction phase-out begins at AGI of:						
MFJ	\$ 175,000	\$ 170,000	\$ 165,000	\$ 155,000	\$ 145,000	
Single, HOH, or QSS	85,000	85,000	80,000	75,000	70,000	
MFS	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed	

Quick Facts Data Sheet (Continued)

	2026	2025	2024	2023	2022
Savings bonds income exclusion phase-out begins at AGI of:					
MFJ or QSS	\$ 152,650	\$ 149,250	\$ 145,200	\$ 137,800	\$ 128,650
Single or HOH	101,800	99,500	96,800	91,850	85,800
MFS	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Additional Taxes					
AMT exemption:					
MFJ or QSS	\$ 140,200	\$ 137,000	\$ 133,300	\$ 126,500	\$ 118,100
Single or HOH	90,100	88,100	85,700	81,300	75,900
MFS	70,100	68,500	66,650	63,250	59,050
Child subject to kiddie tax—earned income plus	9,750	N/A ⁴	N/A ⁴	N/A ⁴	N/A ⁴
Net investment income tax begins at AGI of:					
MFJ or QSS	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Single or HOH	200,000	200,000	200,000	200,000	200,000
MFS	125,000	125,000	125,000	125,000	125,000
Retirement Plans					
IRA contribution limits:					
Under age 50 at year end	\$ 7,500	\$ 7,000	\$ 7,000	\$ 6,500	\$ 6,000
Age 50 or older at year end	8,600	8,000	8,000	7,500	7,000
Traditional IRA deduction phase-out begins at AGI of (taxpayer or spouse covered by employer retirement plan):					
MFJ and QSS (covered spouse)	\$ 129,000	\$ 126,000	\$ 123,000	\$ 116,000	\$ 109,000
MFJ (non-covered spouse)	242,000	236,000	230,000	218,000	204,000
Single and HOH	81,000	79,000	77,000	73,000	68,000
MFS	0	0	0	0	0
Roth IRA contribution phase-out begins at AGI of:					
MFJ or QSS	\$ 242,000	\$ 236,000	\$ 230,000	\$ 218,000	\$ 204,000
Single or HOH	153,000	150,000	146,000	138,000	129,000
MFS	0	0	0	0	0
SIMPLE IRA plan elective deferral limits:					
Under age 50 at year end	\$ 17,000	\$ 16,500	\$ 16,000	\$ 15,500	\$ 14,000
Age 50–59 or 64 and older at year-end	21,000	20,000	19,500	19,000	17,000
Age 60–63 at year-end	22,250	21,750	N/A	N/A	N/A
401(k), 403(b), 457, and SARSEP elective deferral limits:					
Under age 50 at year end	\$ 24,500	\$ 23,500	\$ 23,000	\$ 22,500	\$ 20,500
Age 50–59 or 64 and older at year-end	32,500	31,000	30,500	30,000	27,000
Age 60–63 at year-end	35,750	34,750	N/A	N/A	N/A
Profit-sharing plan/SEP contribution limits	\$ 72,000	\$ 70,000	\$ 69,000	\$ 66,000	\$ 61,000
Compensation limit (for employer contributions to profit sharing plans)	\$ 360,000	\$ 350,000	\$ 345,000	\$ 330,000	\$ 305,000
Defined benefit plans—annual benefit limit	\$ 290,000	\$ 280,000	\$ 275,000	\$ 265,000	\$ 245,000
Retirement saver's credit phased-out when AGI exceeds:					
MFJ	\$ 80,500	\$ 79,000	\$ 76,500	\$ 73,000	\$ 68,000
HOH	60,375	59,250	57,375	54,750	51,000
Single, MFS, or QSS	40,250	39,500	38,250	36,500	34,000
Key employee compensation threshold	\$ 235,000	\$ 230,000	\$ 220,000	\$ 215,000	\$ 200,000
Highly compensated threshold	\$ 160,000	\$ 160,000	\$ 155,000	\$ 150,000	\$ 135,000
Social Security					
Maximum earnings and still receive full social security benefits:					
Under full retirement age (FRA) at year-end, benefits reduced by \$1 for each \$2 earned over	\$ 24,480	\$ 23,400	\$ 22,320	\$ 21,240	\$ 19,560
Year FRA reached, benefits reduced \$1 for each \$3 earned over (months up to FRA only)	65,160	62,160	59,520	56,520	51,960
Month FRA reached and later	No Limit	No Limit	No Limit	No Limit	No Limit
Estate and Gift Taxes					
Estate and gift tax exclusion	\$ 15,000,000 ⁵	\$ 13,990,000 ⁵	\$ 13,610,000 ⁵	\$ 12,920,000 ⁵	\$ 12,060,000 ⁵
GST tax exemption	\$ 15,000,000	\$ 13,990,000	\$ 13,610,000	\$ 12,920,000	\$ 12,060,000
Gift tax annual exclusion	\$ 19,000	\$ 19,000	\$ 18,000	\$ 17,000	\$ 16,000

Note: The exemption deduction amount is zero; however, for other Code provisions that refer to the Section 151 exemption amount (for example, the definition of qualifying relative when determining dependents under IRC Sec. 152), the amount is \$5,300 for 2026, \$5,200 for 2025, \$5,050 for 2024, \$4,700 for 2023, and \$4,400 for 2022.

¹ Phaseout amount for all other filers (except MFS) is amount shown reduced by: \$7,270 (\$7,280 if no children) for 2026, \$7,120 (\$7,110 if no children) for 2025, \$6,920 for 2024, \$6,560 (\$6,570 if no children) in 2023; \$6,130 in 2022.

² Add \$8,000 if special depreciation claimed.

³ For single filing status, the amount is half of the amount shown. For tax years 2021–2025, no additional income tax is imposed on advance credit payments exceeding the taxpayer's PTC. Beginning in 2026, the 2025 Act (formerly known as One Big Beautiful Bill or OB BB) eliminates the cap on repayment of excess advance PTC. For tax years 2026 and after, taxpayers must repay the full excess amount.

⁴ The 2019 SECURE Act suspended the provision limiting the exemption amount for children subject to the kiddie tax to the sum of the child's earned income plus \$5,000 (indexed annually for inflation) for tax years 2018–2025 [IRC Sec. 55(d)(4)(A)(iii)]. The 2025 Act removed the limitation. Beginning in 2026, the AMT exemption amount for a child subject to the kiddie tax will again be capped at the sum of the child's earned income for the year plus \$9,750 (for 2026).

⁵ Plus the amount of any deceased spousal unused exclusion and/or any restored exclusion related to lifetime gifts to a same-sex spouse.

⁶ The first amount applies to 1/1/22–6/30/22 and the second amount applies to 7/1/22–12/31/22.

⁷ Amount not available at time of publication.

Business Use of Home Worksheet

Caution: Schedule C filers must use Form 8829 (Expenses for Business Use of Your Home) or claim the deduction computed under the simplified method on Schedule C, line 30. Use this worksheet if Schedule F is filed or if the individual is a partner (result to Schedule E). For daycare facilities not used exclusively for business, see Form 8829.

Part 1—Part of Home Used for Business:

- | | | |
|--|----|---|
| 1) Area of home used for business..... | 1) | |
| 2) Total area of home..... | 2) | |
| 3) Percentage of home used for business (divide line 1 by line 2 and show result as percentage)..... | 3) | % |

Part 2—Allowable Deductions:

- | | | | |
|--|-----------------|-------------------|--|
| 4) Gross income from business..... | | 4) | |
| | (a) | (b) | |
| | Direct Expenses | Indirect Expenses | |
| 5) Casualty loss..... | 5) | | |
| 6) Deductible mortgage interest..... | 6) | | |
| 7) Real estate taxes..... | 7) | | |
| 8) Total of lines 5 through 7..... | 8) | | |
| 9) Multiply column (b) of line 8 by line 3..... | | 9) | |
| 10) Add column (a) of line 8 and line 9..... | | 10) | |
| 11) Business expenses not related to business use of home..... | | 11) | |
| 12) Add lines 10 and 11..... | | 12) | |
| 13) Deduction limit. Subtract line 12 from line 4 (if zero or less, enter -0-)..... | | 13) | |
| 14) Excess mortgage interest..... | 14) | | |
| 15) Excess real estate taxes..... | 15) | | |
| 16) Insurance..... | 16) | | |
| 17) Rent..... | 17) | | |
| 18) Repairs and maintenance..... | 18) | | |
| 19) Utilities..... | 19) | | |
| 20) Other expenses related to use of home..... | 20) | | |
| 21) Add lines 14 through 20..... | 21) | | |
| 22) Multiply column (b) of line 21 by line 3..... | | 22) | |
| 23) Carryover of operating expenses from prior year..... | | 23) | |
| 24) Add column (a) of line 21, line 22 and line 23..... | | 24) | |
| 25) Allowable operating expenses. Enter the <i>smaller</i> of line 13 or line 24..... | | 25) | |
| 26) Limit on excess casualty losses and depreciation. Subtract line 25 from line 13..... | | 26) | |
| 27) Excess casualty losses..... | 27) | | |
| 28) Depreciation of home from line 40 below..... | 28) | | |
| 29) Carryover of excess casualty losses and depreciation from prior year..... | 29) | | |
| 30) Add lines 27 through 29..... | | 30) | |
| 31) Allowable excess casualty losses and depreciation. Enter the <i>smaller</i> of line 26 or line 30..... | | 31) | |
| 32) Add lines 10, 25, and 31..... | | 32) | |
| 33) Casualty losses included on lines 10 and 31..... | | 33) | |
| 34) Allowable expenses for business use of home. (Subtract line 33 from line 32.)..... | | 34) | |

Part 3—Depreciation of Home:

- | | | | |
|--|--|-----|--|
| 35) Smaller of adjusted basis or fair market value of home when first used for business..... | | 35) | |
| 36) Basis of land (or FMV, if FMV of home used on line 35)..... | | 36) | |
| 37) Depreciable basis of building (subtract line 36 from line 35)..... | | 37) | |
| 38) Business basis of building (multiply line 37 by line 3)..... | | 38) | |
| 39) MACRS depreciation percentage..... | | 39) | |
| 40) Depreciation allowable (multiply line 38 by line 39)..... | | 40) | |

Part 4—Carryover of Unallowed Expenses to Next Year:

- | | | | |
|---|--|-----|--|
| 41) Operating expenses. Subtract line 25 from line 24. If less than zero, enter -0-..... | | 41) | |
| 42) Excess casualty losses and depreciation. Subtract line 31 from line 30. If less than zero, enter -0-..... | | 42) | |

Qualified Business Income Deduction Worksheet (2025)¹ (Continued)

Reduction for qualified payments received from cooperatives

32) QBI allocable to payments received from cooperative (Line 7).....	32) \$ _____
33) 9% of QBI from this trade or business allocable to payments received from cooperative (Line 32 × 9%)	33) _____
34) W-2 wages allocable to payments received from cooperative (Line 21 × Line 7 ÷ Line 1)	34) _____
35) 50% of wages allocable to payments received from cooperative (Line 34 × 50%)	35) _____
36) Lesser of 9% of QBI or 50% of wages allocable to cooperative payments (lesser of Line 33 or 35)	36) _____
37) QBI deductible amount reduced for cooperative allocation, if any (Line 31 – Line 36)	37) _____
38) If applicable, QBI deductions from other trades or businesses (total of Lines 37 from all other worksheets)	38) \$ _____
39) QBI deduction from all trades or businesses (Line 37 + Line 38).....	39) \$ _____

Qualified REIT and PTP income

40) Total REIT and PTP income	40) \$ _____
41) QBI deduction at 20% (Line 40 × 20%)	41) _____
42) Combined QBI amount before taxable income limit (Line 39 + Line 41)	42) \$ _____

Taxable income limitations

43) Taxable income before QBI deduction (Line 4)	43) \$ _____
44) Net capital gain.....	44) _____
45) Excess of taxable income over net capital gain (Line 43 – Line 44)	45) _____
46) Taxable income limit (Line 45 × 20%).....	46) \$ _____
47) Total QBI deduction (lesser of Line 42 or Line 46)	47) \$ _____

QPAI deduction from cooperatives

48) QPAI deduction identified in writing by cooperative (Line 9)	48) \$ _____
49) Taxable income before QPAI deduction and after QBI deduction (Line 43 – Line 47)	49) _____
50) Allowable QPAI deduction from cooperative (lesser of Line 48 or Line 49).....	50) \$ _____
51) Total Section 199A deduction (Line 47 + Line 50)	51) \$ _____

¹ Compute separately for each trade or business and then combine the Line 37 amounts on Line 38. In the case of a partnership or S corporation, the provision applies at the partner or shareholder level. Each partner takes into account the partner's allocable share of each qualified item of income, gain, deduction, and loss, and is treated as having W-2 wages for the tax year equal to the partner's allocable share of W-2 wages of the partnership. The partner's allocable share of W-2 wages is required to be determined in the same manner as the partner's share of wage expenses. Losses from carryovers and businesses with negative QBI must be apportioned among businesses with positive QBI [see Reg. 1.199A-1(c) and (d)]. Form 8995-A, Schedule C (Loss Netting and Carryforward) may be used to compute loss netting.

² Specified service businesses are excluded from the definition of *qualified trade or business* when the taxpayer's taxable income exceeds the threshold amount plus phase-in range amount (thus, the exclusion is deemed to phase-in over the phase-in range).

2025 State and Local Sales Tax Deduction

For 2025, taxpayers can elect to deduct state and local sales taxes instead of state and local income taxes (see *Electing to Deduct Sales Tax* on Page 5-6). Instead of deducting their actual expenses, taxpayers can use optional sales tax tables [based on the taxpayer's state(s) of residence] provided by the IRS. The deduction worksheet and any optional tables issued by the IRS will be posted to the *Handbook Updates* section of tax.thomsonreuters.com/quickfinder.

Where to File 2025 Form 1040

Due Date: April 15, 2026

	Address to: <i>"Department of the Treasury Internal Revenue Service"</i>	Address to: <i>"Internal Revenue Service"</i>
Taxpayer lives in:	Without payment	With payment
AL, FL, GA, LA, MS, NC, SC, TN, TX	Austin, TX 73301-0002	P.O. Box 1214 Charlotte, NC 28201-1214
AK, CA, CO, HI, ID, KS, MI, MT, NE, NV, ND, OH, OR, SD, UT, WA, WY	Ogden, UT 84201-0002	P.O. Box 931000 Louisville, KY 40293-1000
AR, AZ, NM, OK	Austin, TX 73301-0002	P.O. Box 931000 Louisville, KY 40293-1000
CT, DC, DE, IL, IN, IA, KY, ME, MD, MA, MN, MO, NH, NJ, NY, PA, RI, VT, VA, WV, WI	Kansas City, MO 64999-0002	P.O. Box 931000 Louisville, KY 40293-1000
A foreign country, U.S. possession or territory; or uses an APO or FPO address; or files Form 2555 or 4563; or is a dual-status alien. If taxpayer lives in American Samoa, Puerto Rico, Guam, U.S. Virgin Islands, or the Northern Mariana Islands, see Pub 570.	Austin, TX 73301-0215 USA	P.O. Box 1303 Charlotte, NC 28201-1303 USA

Where to File Form 1040-ES for 2026

Due Dates: See *Estimated Tax Payments—Due Dates* on Page 16-7.

Address to: *"Internal Revenue Service"*

Taxpayer lives in:	Send to:
AL, AK, CA, CO, FL, GA, HI, ID, KS, LA, MI, MS, MT, NE, NV, NM, NC, ND, OH, OR, PA, SC, SD, TN, TX, UT, WA, WY	P.O. Box 1300 Charlotte, NC 28201-1300
AR, CT, DE, DC, IL, IN, IA, KY, ME, MD, MA, MN, MO, NH, NJ, NY, OK, RI, VT, VA, WV, WI	P.O. Box 931100 Louisville, KY 40293-1100
A foreign country, American Samoa, or Puerto Rico (or is excluding income under IRC Sec. 933); or uses an APO or FPO address; or files Form 2555 or 4563; or is a dual-status alien or nonpermanent resident of Guam or the U.S. Virgin Islands	P.O. Box 1303 Charlotte, NC 28201-1303, USA
Address to: <i>"Department of Revenue and Taxation, Government of Guam"</i>	
Guam: Bona fide residents*	P.O. Box 23607 GMF, GU 96921
Address to: <i>"Virgin Islands Bureau of Internal Revenue"</i>	
U.S. Virgin Islands: Bona fide residents*	6115 Estate Smith Bay, Suite 22 St. Thomas, VI 00802

*Bona fide residents must prepare separate vouchers for estimated income tax and self-employment tax payments. Send the income tax vouchers to the address for bona fide residents and the self-employment tax vouchers to the address for non-bona fide residents.

Where to File Form 4868 for 2025 Return

Due Date: April 15, 2026

	Address to: <i>"Department of the Treasury, Internal Revenue Service Center"</i>	Address to: <i>"Internal Revenue Service"</i>
Taxpayer lives in:	Without payment	With payment
AL, FL, GA, LA, MS, NC, SC, TN, TX	Austin, TX 73301-0045	P.O. Box 1302 Charlotte, NC 28201-1302
AK, CA, CO, HI, ID, KS, MI, MT, NE, NV, ND, OH, OR, SD, UT, WA, WY	Ogden, UT 84201-0045	P.O. Box 931300 Louisville, KY 40293-1300
CT, DE, DC, IL, IN, IA, KY, ME, MD, MA, MN, MO, NH, NJ, NY, PA, RI, VT, VA, WV, WI	Kansas City, MO 64999-0045	P.O. Box 931300 Louisville, KY 40293-1300
AR, AZ, NM, OK	Austin, TX 73301-0045	P.O. Box 931300 Louisville, KY 40293-1300
A foreign country, American Samoa, or Puerto Rico; or is excluding income under IRC Sec. 933; or using an APO or FPO address; or filing Form 2555 or 4563; or is a dual-status alien; or is a nonpermanent resident of Guam or the U.S. Virgin Islands.	Austin, TX 73301-0215 USA	P.O. Box 1303 Charlotte, NC 28201-1303 USA
All foreign estate and trust Form 1040-NR filers	Kansas City, MO 64999-0045 USA	P.O. Box 1303 Charlotte, NC 28201-1303 USA
All other Form 1040-NR and 1040-SS filers	Austin, TX 73301-0215 USA	P.O. Box 1303 Charlotte, NC 28201-1303 USA

apart from their spouse for the entire year, check the box on line 20.

- Nondeductible contributions to a traditional IRA on Form 8606.
- 2025 conversion contributions to a Roth IRA on Form 8606. See *Roth IRA Conversions* on Page 14-8.

Student Loan Interest Deduction

See *Student Loan Interest Deduction* on Page 13-5.

Archer MSA Deduction

A medical savings account (MSA) is a trust established to pay for qualified medical expenses of the account holder. A participant must:

- 1) Work for a small employer or be self-employed and
- 2) Have a high-deductible health plan (HDHP) (IRC Sec. 220).

2025 MSA High-Deductible Health Plan		Individual Coverage	Family Coverage
Annual plan deductibles	Minimum	\$2,850	\$5,700
	Maximum	4,300	8,550
Out-of-pocket expense limit		5,700	10,500
Maximum annual contribution		65% of deductible	75% of deductible

Qualified medical expense may include amounts paid for nonprescription medical products including menstrual care products [IRC Sec. 220(d)(2)(A)].

Contributions are limited to net self-employment (SE) earnings or employee compensation from the business establishing the HDHP, and may be made by an employer, an employee, or a self-employed individual. 2025 contributions must be made on or before April 15, 2026.

Taxpayers receive Form 5498-SA, which shows the amount contributed during the year. Report all contributions on Form 8853. Include the deductible amount in the total on line 23 of Form 1040, Schedule 1.

Excess contributions are subject to a 6% additional tax (calculated on Form 5329) unless the excess plus allocable income is distributed by the filing due date, including extensions.

Total Adjustments to Income

Add lines 11 through 23 and 25 of Form 1040, Schedule 1 and enter the total on line 26 of the form.

Include the following adjustments where indicated on lines 24a through 24k; for other adjustments entered on line 24z provide the description to the left of the line:

- Jury duty pay given to employer because employer continued to pay salary while on jury duty. (Also reported as income on line 8h.)
- Expenses from the rental of personal property if the income from the rental of personal property was reported on line 8l.
- Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m.
- Reforestation amortization if the taxpayer could claim a deduction for these costs and did not have to file Schedule C or F.
- Repayment of supplemental unemployment benefits under the Trade Act of 1974. Alternatively, the taxpayer may be able to claim a credit against tax (IRS Pub. 525).
- Contributions to Section 501(c)(18)(D) pension plans. This amount should be identified with Code H in box 12 of Form W-2.
- Contributions by certain chaplains to Section 403(b) plans (Pub. 517).
- Attorneys' fees for settlements in connection with unlawful discrimination, but only to the extent of the amount included in income (see *Attorney fees* on Page 4-25).
- Attorneys' fees and court costs paid in connection with a taxable IRS whistleblower's award.
- Foreign housing deduction claimed on Form 2555.
- Excess deductions of IRC Sec. 67(e) expenses from Schedule K-1 (Form 1041), box 11, code A.

Attorney fees. An above-the-line deduction is allowed for attorney fees and costs paid by or on behalf of the taxpayer in legal actions involving [IRC Sec. 62(a)(20)]:

- Claims of unlawful discrimination. For this purpose, unlawful discrimination actions include (among others) actions involving violations of:
 - The Civil Rights Acts of 1964 and 1991,
 - The Congressional Accountability Act of 1995,
 - The National Labor Relations Act,
 - The Family and Medical Leave Act of 1993,
 - The Fair Housing Act,
 - The Americans with Disabilities Act of 1990, and
 - Various whistle blower statutes.
- Certain claims against the federal government.
- Private causes of action under the Medicare Secondary Payer law.

The above-the-line deduction is claimed on line 24h of Form 1040, Schedule 1. The deduction is limited to the amount includible in the taxpayer's gross income for the tax year on account of a judgment or settlement resulting from the claim, whether by suit or agreement and whether as lump sum or periodic payments.

SCHEDULE 1-A—PART I: MODIFIED ADJUSTED GROSS INCOME (MAGI) AMOUNT

Law Change Alert: The 2025 Act introduced four new temporary deductions for individuals for tax years 2025-2028: (1) No Tax on Tips, (2) No Tax on Overtime, (3) No Tax on Car Loan Interest, and (4) Enhanced Deduction for Seniors. The IRS released a new Form 1040, Schedule 1-A (Additional Deductions) for taxpayers to calculate and report these deductions. See additional discussion about *No Tax on Tips and Overtime* on Page 17-1. Each section of Schedule 1-A calculates one of the new deductions. Each deduction is subject to its own limitations. However, each one will rely on modified adjusted gross income (MAGI) as calculated in Schedule 1-A, Part I.

Enter AGI from Form 1040, Line 11b on Schedule 1-A, Line 1. Adjust AGI to arrive at MAGI with the following items on Schedule 1-A, Part I, Lines 2a-2e:

- Income excluded from Puerto Rico,
- The foreign earned income exclusion from Form 2555, line 45,
- The foreign housing deduction from Form 2555, line 50, and
- Income excluded by bona fide residents of American Samoa from Form 4563, line 15.

Line 3 is MAGI and should be used to calculate the deductions on the rest of Schedule 1-A.

SCHEDULE 1-A—PART II: NO TAX ON TIPS

The 2025 Act introduced the No Tax on Tips deduction for tax years 2025-2028 (IRC Sec. 224). Effective for tax years 2025-2028, employees and self-employed individuals may deduct up to \$25,000 per tax return in "qualified tips" if they work in certain industries and occupations that "customarily and regularly receive tips." In proposed regulations (REG-110032-25), the IRS released the official list of jobs eligible for the new No Tax on Tips deduction, including nearly 70 occupations grouped into 8 different categories. Occupations include beverage and food services, entertainment and events, and transportation and delivery. See *Regular and Customary Tipped Occupations as of December 31, 2024* on Page 17-13 for full list of occupations.

Qualified tips are voluntary cash or charged tips received from customers or through tip sharing (FS-2025-03). Qualified tips under the proposed regulations (REG-110032-25) are defined as

amounts received as cash tips by an individual in an occupation that customarily and regularly received tips on or before December 31, 2024, subject to certain limitations. *Cash tips* are also further defined in the proposed regulations. Cash tips must be reported to taxpayers by their employer on Form W-2 or Forms 1099. Tips that are not reported by employees to their employer may still be deductible if taxpayers properly file Form 4137 (Social Security and Medicare Tax on Unreported Tip Income) with their federal tax returns.

Note: The IRS has announced it will not update 2025 information returns, such as Form W-2 and Forms 1099, to account for the amounts eligible for the new deductions. Employers should begin tracking qualified tips and overtime pay under the 2025 Act immediately as well as implementing processes for retroactive tracking. [See Notice 2025-69 for additional guidance on 2025 reporting requirements.](#) Taxpayers should expect new guidance and updated forms for tax year 2026 (IR-2025-82).

Tips received by a self-employed taxpayer are eligible for the deduction only to the extent that the gross income of the qualifying trade or business generating the tips exceeds the sum of deductions (other than the Section 224 tip deduction) for the trade or business for the taxable year.

This is a below-the-line deduction available to both itemizing and non-itemizing taxpayers. Married taxpayers must file jointly to receive the deduction. Taxpayers filing as married filing separately status are not eligible for the deduction. Taxpayers claiming this deduction must have a valid social security number. The deduction is capped at \$25,000 of qualified tips and is phased out by \$100 for each \$1,000 by which the taxpayer's MAGI (as calculated on Schedule 1-A, Part I) exceeds \$150,000 (\$300,000 MFJ). The deduction is fully phased-out at MAGI of \$400,000 (\$550,000 MFJ).

Reporting. Taxpayers should report any qualified tips received as an employee on Schedule 1-A, Part II, line 4a for qualified tips included on Form W-2, box 7, or on line 4b for qualified tips received as an employee included on Form 4137, line 1(c). Enter the larger of line 4a or 4b on line 4c if taxpayer only received qualified tips from one employer.

Taxpayers should report any qualified tips received in the course of a trade or business on Schedule 1-A, Part II, line 5 for qualified tips included on Forms 1099.

Total qualified tips will be reported on Schedule 1-A, line 6. Taxpayers may then figure the deduction as limited by the deduction cap of \$25,000 and the MAGI limitations following Schedule 1-A, lines 7 through 12. The total deduction available will be reported on Schedule 1-A, Line 13 and should be included in the total additional deductions reported on Form 1040, Line 13b.

The IRS [provided](#) transition relief for tax year 2025 for taxpayers claiming the deduction and for employers and payors subject to the new reporting requirements. [See Notice 2025-69 for additional guidance.](#)

Qualified Business Income Deduction. Self-employed individuals in a specified service trade or business (SSTB) under IRC Sec. 199A are not eligible for the No Tax on Tips deduction. An employee whose employer is an SSTB is not eligible for the No Tax on Tips deduction. [See Notice 2025-69 for additional guidance on SSTB eligibility.](#)

Note: For self-employed individuals with income from a non-SSTB, tip income deducted under IRC Sec. 224 is excluded from QBI for the IRC Sec. 199A deduction. This is to disallow double-dipping.

SCHEDULE 1-A—PART III: NO TAX ON OVERTIME

The 2025 Act introduced the No Tax on Overtime deduction for tax years 2025–2028 (IRC Sec. 225). Effective for tax years 2025–2028, employees receiving “qualified overtime pay” may

deduct the amount that exceeds their regular rate of pay, that is, the “half” portion of the time-and-a-half compensation pay, up to \$12,500 (\$25,000 MFJ).

Qualified overtime compensation means the overtime compensation paid to an individual required under section 7 of the Fair Labor Standards Act of 1938 that is in excess of the regular rate at which the individual is employed (see <https://www.dol.gov/agencies/whd/overtime>).

This is a below-the-line-deduction available to both itemizing and non-itemizing taxpayers. Married taxpayers must file jointly to receive the deduction. Taxpayers filing as married filing separately status are not eligible for the deduction. Taxpayers claiming this deduction must have a valid social security number. The deduction is phased out by \$100 for each \$1,000 by which the taxpayer's MAGI (as calculated on Schedule 1-A, Part I) exceeds \$150,000 (\$300,000 MFJ). The deduction is fully phased-out at MAGI of \$275,000 (\$550,000 MFJ).

The qualified overtime compensation must be reported on Form W-2, Form 1099, or other specified statement furnished to the individual.

Note: Qualified overtime compensation does not include qualified tip income.

Reporting. Taxpayers should report any qualified overtime compensation included on Form W-2 on Schedule 1-A, Part III, line 14a and any qualified overtime compensation included on Forms 1099 on Schedule 1-A, Part III, lines 14b. Total qualified overtime compensation will be reported on Schedule 1-A, Part III, line 14c.

Taxpayers may then figure the deduction as limited by the deduction cap of \$12,500 (\$25,000 MFJ) and the MAGI limitations following Schedule 1-A, lines 15 through 20. The total deduction available will be reported on Schedule 1-A, Line 21 and should be included in the total additional deductions reported on Form 1040, Line 13b.

The IRS [provided](#) transition relief for tax year 2025 for taxpayers claiming the deduction and for employers and other payors subject to the new reporting requirements. [See Notice 2025-69 for additional guidance on overtime reporting.](#)

SCHEDULE 1-A—PART IV: NO TAX ON CAR LOAN INTEREST

See *Qualified Passenger Vehicle Loan Interest* on Page 5-9.

The 2025 Act introduced the No Tax on Car Loan Interest deduction for tax years 2025–2028 [IRC Sec. 163(h)(4)]. Effective for tax years 2025–2028, taxpayers may deduct up to \$10,000 per year for qualified passenger vehicle loan interest. [Proposed regulations released in December 2025 clarify that since IRC Sec. 163\(h\)\(4\)\(C\)\(i\) does not provide a different deduction amount for joint filers, the \\$10,000 limitation applies per Federal tax return.](#)

To qualify for the deduction, the interest must be paid on a loan that originated after December 31, 2024, for an applicable ([qualifying](#)) passenger vehicle. The vehicle must be for personal use (not for business or commercial use), and it must be a new vehicle (neither leased or used vehicles qualify). See *Qualified Passenger Vehicle Loan Interest* on Page 5-9 for more details.

Note: If a qualifying vehicle loan is later refinanced, interest paid on the refinanced amount is generally eligible for the deduction.

This is a below-the-line-deduction available to both itemizing and non-itemizing taxpayers. Taxpayers must report the vehicle identification number (VIN) of the qualified vehicle on their tax return. The deduction is phased out by \$200 for each \$1,000 that the taxpayer's MAGI (as calculated on Schedule 1-A, Part I) exceeds \$100,000 (\$200,000 MFJ). The deduction is fully phased-out at MAGI of \$150,000 (\$250,000 MFJ).

Reporting. Taxpayers claiming the deduction should report the applicable passenger vehicle VIN on Schedule 1-A, Part IV, line 22, column (i). Taxpayers should

receive Form 1098-VLI (Vehicle Loan Interest Statement) or an equivalent for specified passenger vehicle loan interest payments of \$600 or more made during the year. Total interest for the loan being claimed as a deduction on Schedule 1-A should be reported on line 22, column (iii).

Note: Taxpayers cannot claim interest deduction on Schedule C, E, or F for the same interest deducted on Schedule 1-A. Report any interest deducted on Schedules C, E or F on Schedule 1-A, Part IV, line 22, column (ii).

The total qualified car loan interest will be the sum of all loan interest reported on line 22 column (iii) and reported on Schedule 1-A, line 23. Taxpayers may then figure the deduction as limited by the deduction cap of \$10,000 and the MAGI limitations following Schedule 1-A, lines 24 through 29. The total deduction available will be reported on Schedule 1-A, Line 30 and should be included in the total additional deductions reported on Form 1040, Line 13b.

The IRS provided transitional relief for 2025 for lenders and other interest recipients subject to the new filing requirements (Notice 2025-57).

SCHEDULE 1-A—PART V: ENHANCED DEDUCTION FOR SENIORS

The 2025 Act introduced the Enhanced Deduction for Seniors for tax years 2025–2028 [IRC Sec. 151(d)(5)(C)]. Effective for tax years 2025–2028, “qualified individuals” can claim a new \$6,000 senior deduction (\$12,000 if MFJ and both taxpayers are qualified individuals). A *qualified individual* is a taxpayer age 65 or older before the close of the tax year.

This is a below-the-line-deduction available to both itemizing and non-itemizing taxpayers. The qualified individual(s) must include their SSN on their tax return. Married taxpayers must file a joint return with their spouse to qualify for the deduction. Taxpayers filing as married filing separately status are not eligible for the deduction. The deduction is phased out by 6% of any excess of the taxpayer’s MAGI (as calculated on Schedule 1-A, Part I) above \$75,000 (\$150,000 MFJ). The new deduction is in addition to the existing standard deduction available to those 65+ or blind.

Observation: This new deduction is not directly related to social security benefits. As the deduction is below-the-line, it does not impact the taxability of social security benefits (which is calculated in part using AGI).

Reporting. Taxpayers claiming the deduction should report MAGI from Schedule 1-A, line 3 on Schedule 1-A, Part V, line 31 and continue to determine if their MAGI exceeds the \$75,000 (\$150,000 MFJ) limitation on Schedule 1-A, line 32. If taxpayer’s MAGI does not exceed the limitation, skip line 34 and enter \$6,000 on line 35. If taxpayers MAGI does exceed the limitation, multiply line 33 by 6% to calculate the phase out amount and report this on line 34. Subtract the 6% of excess MAGI reported on line 34 from \$6,000 and enter on line 35. If taxpayer is a qualified individual, enter the amount from line 35 on line 36a. If taxpayer’s spouse is also a qualified individual, enter the amount from line 35 on line 36b. Add lines 36a and 36b to arrive at the total enhanced deduction for seniors on line 37. This should be included in the total additional deductions reported on Form 1040, Line 13b.

Note: All available deductions to the taxpayer as calculated on Schedule 1-A will be summed up and reported on Schedule 1-A, Part VI, Line 38 and should be reported on Form 1040, Line 13b as one amount.

SCHEDULE 2—PART I: TAX

Excess Advance Premium Tax Credit(s) Repayment

Individuals can choose to have some or all of their estimated health insurance premium tax credit paid in advance. If the advance

payments exceed the actual credit amount computed on Form 8962 (Premium Tax Credit), the difference is an additional amount of tax due, reported on line 1a of Form 1040, Schedule 2. However, the repayment is limited to the lesser of the excess amount or the amount shown in the following table [IRC Sec. 36B(f)(2); Rev. Proc. 2024-40].

Excess Advance Premium Tax Credit Repayment Limitations		
Household income as a % of the federal poverty line	Single	Any other filing status
Less than 200%	\$ 375	\$ 750
200%–299%	975	1,950
300%–399%	1,625	3,250
400% or more	No limit	No limit

See *Advance Payment of the Credit* on Page 12-12.

Repayment of New Clean Vehicle Credit(s) Transferred to Registered Dealer

Form 8936. Repayment of credit from Schedule A (Form 8936), Part II. See *Clean Vehicle Credit* on Page 11-6.

Repayment of Previously-owned Clean Vehicle Credit(s) Transferred to Registered Dealer

Form 8936. Repayment of credit from Schedule A (Form 8936), Part IV. See *Previously-owned (Used) Clean Vehicle Credit* on Page 11-8.

Recapture of Certain Credits and Payments

Form 4255. Form 4255 (Certain Credit Recapture, Excessive Payments, and Penalties) captures (in addition to prior year recaptured credits) the net elective payment election (EPE) amount, excessive payments (EPs) and penalties, and 20% penalty in Part I. Part II provides the recapture worksheet.

Alternative Minimum Tax

Form 6251. See *Alternative Minimum Tax (AMT)* on Page 12-15.

SCHEDULE 2—PART II: OTHER TAXES

Self-Employment Tax

See *Schedule SE—Self-Employment Tax* on Page 6-15.

Unreported Social Security and Medicare Tax

Tip income not reported to employer—Form 4137. An employee is required to report tips of \$20 or more per month to the employer. The employer is required to withhold FICA taxes on the reported tips. **Note:** Even though tips of less than \$20 per month are not subject to FICA, they are subject to income tax. IRS Pub. 531 (Reporting Tip Income) provides instructions on keeping daily tip records and reporting to employers. Form 4070A and Form 4070 are historical forms but can be found on <https://www.irs.gov/forms-pubs/prior-year>.

- Form 4070A** (Employee’s Daily Record of Tips). Employees can use this form (or a similar record) to establish the amount of tip income received during the year. Good records are necessary if actual income is less than that reported under allocated tips.
- Form 4070** (Employee’s Report of Tips to Employer). Employees use this form or a similar statement to report tips of \$20 or more per month to the employer. Tips must be reported by the 10th day of the following month.


Form 4137 (Social Security and Medicare Tax on Unreported Tip Income) is used to compute the social security and Medicare tax owed on tips not reported to the employer, including any allocated tips shown on Form W-2 that must be reported as income. These tips will then be credited to the employee’s social security record.

The employment taxes on the unreported tip income is reported on Form 1040, Schedule 2, line 5.

Form 4137 must be filed if an employee received:

- Cash and charge tips of \$20 or more in a calendar month and did not report all of those tips to the employer, or
- Form W-2 with allocated tips that must be reported as income shown in box 8.

The employer reports allocated tips in box 8 of Form W-2; they are not included in box 1 with taxable wages and reported tips. The employee must report the allocated tips as wage income on line 1c of Form 1040, unless they have adequate tip records to substantiate a smaller amount.


 **Note:** Allocated tips are tips that an employer assigns to an employee in addition to those the employee reported to the employer during the year. This occurs if:

- The employer is a restaurant, cocktail lounge, or similar business that must allocate tips to employees; and
- The tips the employee reported to the employer were less than their share of 8% of food and drink sales.

The allocated amount is based on a percentage of the establishment's gross receipts that are deemed to be tips. For more information on allocated tips, see *Waiters and Waitresses* in Tab 12 of the *Individuals—Special Tax Situations Quickfinder® Handbook*.

Uncollected social security and Medicare tax on wages—Form 8919. A taxpayer files Form 8919 to pay FICA taxes when they believe they have been misclassified as an independent contractor (rather than an employee) by their employer. These taxes are reported on Form 1040, Schedule 2, line 6. Form 8919 is required when all of the following are true:

- The individual performed services for a firm.
- The firm did not withhold the individual's share of social security and Medicare taxes.
- The individual believes that their pay from the firm was not for services as an independent contractor.
- One of the following reason codes (listed on Form 8919) applies to the individual:
 - A—They filed Form SS-8 (Determination of Worker Status or Purposes of Federal Employment Taxes and Income Tax Withholding) and received a determination letter stating they are an employee of the firm.
 - C—They received other IRS correspondence stating they are an employee.
 - G—They filed Form SS-8 and has yet to receive a reply from the IRS.
 - H—They received a Form W-2 and a Form 1099-MISC and/or 1099-NEC from the same firm for 2025 and the amount on Form 1099-MISC and/or 1099-NEC should have been included as wages on Form W-2. (Do not file Form SS-8 if selecting reason code H.)

 **Practice Tip:** If none of the reason codes listed above apply, a taxpayer who believes that they should have been treated as an employee should file Form SS-8 on or before the day their Form 1040 is due. Then, they can file Form 8919 and check reason code "G."

Additional Tax on IRAs or Other Tax-Favored Accounts

Form 5239. See Tab 14.

Household Employment Taxes

Schedule H. See *Household Employers* on Page 12-18.

Additional 0.9% Medicare Tax on Earnings


Wages and compensation as well as self-employment (SE) income are subject to a 0.9% additional Medicare tax to the extent they

exceed the thresholds shown in *Additional Medicare Tax Earnings Thresholds* on Page 4-28 [IRC Secs. 1401(b)(2) and 3101(b)(2)].

Additional Medicare Tax Earnings Thresholds	
Filing Status	Tax imposed on Medicare earnings over:
MFJ	\$ 250,000
Single, HOH, QSS	200,000
MFS	125,000

Note: The threshold for SE earnings may be adjusted if the taxpayer also has wages. See *Threshold amounts for self-employed individuals* on Page 4-28.

Employer's obligation to withhold the tax. An employer must withhold the additional Medicare tax from wages only to the extent that the employee receives Medicare wages (box 5 of Form W-2) from the employer in excess of \$200,000 in a calendar year. Any withholding is included in the amount in box 6 (Medicare tax withheld) of the employee's Form W-2. In determining whether Medicare wages exceed \$200,000, the employer does not consider the employee's filing status or other wages or compensation that might impact the employee's liability for the tax [IRC Sec. 3102(f)].

 **Observation:** The amount of Medicare wages can be greater than taxable wages because certain items [for example, employee pre-tax elective deferrals to a 401(k) plan] are subject to Medicare tax but not income tax. In some situations, individuals will owe the additional Medicare tax, but it will not be withheld by the employer. This could occur when an individual works for more than one employer during the year and earns more than the threshold amount in total, but less than \$200,000 from any of their employers. Likewise, when married individuals both work and together earn over \$250,000, but neither earns more than \$200,000, the tax will not be withheld.

Example #1: Winston Corporation has two employees that it knows are married to each other and who each receive \$150,000 of Medicare wages. So Winston knows their combined Medicare wages exceed the \$250,000 threshold for taxpayers filing jointly. However, Winston should not combine their Medicare wages to determine whether additional Medicare tax should be withheld. Since neither employee's Medicare wages exceed \$200,000, Winston should not withhold the additional Medicare tax from either of their wages.

Example #2: Jim is married and files a joint return. For 2025, Jim has \$190,000 of Medicare wages and his wife, Kim, receives Medicare wages of \$150,000. Neither Jim's nor Kim's Medicare wages are in excess of \$200,000, so neither of their employers is required to withhold additional Medicare tax. Jim and Kim will have to pay additional Medicare tax on \$90,000 (\$340,000 minus the \$250,000 threshold for a joint return).

If an employer fails to withhold the additional Medicare tax, the employee is liable for the tax. The IRS will not collect the tax from the employer if the employee pays the tax. However, the employer would be subject to any applicable penalties or additions to tax for failure to withhold the tax as required.

Threshold amounts for self-employed individuals. The thresholds for determining the additional Medicare tax for self-employed individuals are the same as for employees, except that a self-employed person must reduce their threshold (but not below zero) by any wages taken into account in determining the taxpayer's additional Medicare tax. *Exception:* The threshold is not reduced for any Railroad Retirement Tax Act (RRTA) compensation.

Example: Elliott and Felicia file MFJ. Elliott has \$140,000 in SE income, while Felicia has \$130,000 in Medicare wages. Because her Medicare wages are not in excess of \$200,000, Felicia's employer did not withhold additional Medicare tax. But, Felicia's Medicare wages reduce Elliott's SE income threshold to \$120,000 (\$250,000 threshold minus \$130,000 of wages). Elliott and Felicia are subject to additional Medicare tax on \$20,000 of Elliott's SE income (\$140,000 SE income minus the reduced threshold of \$120,000).