

# Proactive Tax Planning for 2026



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# Proactive

# VS.

# ~~Reactive~~

## Proactive tax planning...

...should always be a key focus  
when reviewing your personal  
financial situation.



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# Three Major Categories of Taxpayers

## First 3

0, 10%, 12%

No Brainer

## Next 2

22%, 24%

Require Calculation

## Last 3

32%, 35%, 37%

Tax Sensitive

# Three Categories of Tax Strategies

Immediate

Short Term

Long Term

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# One Big Beautiful Bill



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# 2026 Tax Brackets

Tax Rate	Single	Married/Joint & Widow(er)	Married/Seperate	Head of Household
<b>10%</b>	\$0 to \$12,400	\$0 to \$24,800	\$0 to \$12,400	\$0 to \$17,700
<b>12%</b>	\$12,401 to \$50,400	\$24,801 to \$100,800	\$12,401 to \$50,400	\$17,701 to \$67,450
<b>22%</b>	\$50,401 to \$105,700	\$100,801 to \$211,400	\$50,401 to \$105,700	\$67,451 to \$105,700
<b>24%</b>	\$105,701 to \$201,775	\$211,401 to \$403,550	\$105,701 to \$201,775	\$105,701 to \$201,750
<b>32%</b>	\$201,776 to \$256,225	\$403,551 to \$512,450	\$201,776 to \$256,225	\$201,751 to \$256,200
<b>35%</b>	\$256,226 to \$640,600	\$512,451 to \$768,700	\$256,226 to \$384,350	\$256,201 to \$640,600
<b>37%</b>	\$640,601 or more	\$768,701 or more	\$384,351 or more	\$640,601 or more



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Source: [irs.gov](https://www.irs.gov)

# 2026 Long-term Capital Gains Tax Rates

2026 Long-term Capital Gains Rate	Single Taxpayers	Married Filing Jointly	Head of Household
0%	Up to \$49,450	Up to \$98,900	Up to \$66,200
15%	\$49,451 to \$545,500	\$98,901 to \$613,700	\$66,201 - \$579,600
20%	\$545,501 or more	\$613,701 or more	\$579,601 or more

Source: irs.gov

Source: Tax Foundation. Note: The income figures represent total taxable income, or income after all deductions are taken.



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# Some OBBA Act Provisions

- **Makes the TCJA higher standard deductions permanent and slightly increased.**
- **There is an additional temporary deduction for seniors.**
- **The State and Local Tax (SALT) deduction cap was raised.**
- **The rules on charitable gifting have changed.**



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# 2026 Standard Deductions

Filing Status	Deduction Amount
Single Filers	\$16,100
Married Filing Jointly	\$32,200
Head of Household	\$24,150
Married Filing Separately	\$16,100



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# Contribute to Your Retirement Plans

## 2026 Retirement Contribution Plan Limits

Elective deferrals to 401(k), 403(b), 457(b)(2), 457(c)(1) plans	\$24,500
Contributions to defined contribution plans	\$72,000
Contributions to SIMPLEs	\$17,000
Contributions to traditional IRAs	\$7,500
Catch-up Contributions to 401(k), 403(b), 457(b)(2), 457(c)(1) plans	\$8,000
Catch-up Contributions to SIMPLEs	\$4,000
Catch-up Contributions to IRAs	\$1,100
New "SUPER" Catch-up for those aged 60 - 63	\$11,250

# Deduction Phase-Out Schedules for 2026

SINGLE

INCOME BASED TAX PROVISION	FULL BENEFIT	PARTIAL BENEFIT	FULL PHASE OUT
SALT DEDUCTION	UP TO \$500,000	\$500,001 - \$600,000	OVER \$600,001
SENIOR DEDUCTION	UP TO \$75,000	\$75,001 - \$175,000	OVER \$175,001
INTEREST ON LOAN FOR NEW DOMESTIC CAR	UP TO \$100,000	\$100,001 - \$150,000	OVER \$150,001
OVERTIME DEDUCTION	UP TO \$150,000	\$150,001 - \$275,000	OVER \$275,001
TIP INCOME DEDUCTION	UP TO \$150,000	\$150,001 - \$400,000	OVER \$400,001

MARRIED FILING JOINTLY

INCOME BASED TAX PROVISION	FULL BENEFIT	PARTIAL BENEFIT	FULL PHASE OUT
SALT DEDUCTION	UP TO \$500,000	\$500,001 - \$600,000	OVER \$600,001
SENIOR DEDUCTION	UP TO \$150,000	\$150,000 - \$250,000	OVER \$250,001
INTEREST ON LOAN FOR NEW DOMESTIC CAR	UP TO \$200,000	\$200,001 - \$250,000	OVER \$250,001
OVERTIME DEDUCTION	UP TO \$300,000	\$300,001 - \$550,000	OVER \$550,001
TIP INCOME DEDUCTION	UP TO \$300,000	\$300,001 - \$550,000	OVER \$550,001



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# New \$6,000 Senior Bonus Deduction (for 2025-2028)

## Eligibility:

- Age 65 or older by the end of the tax year.
- Have a work-authorized Social Security number.
- Must not be filing as Married Filing Separately.

## Amount: Up to **\$6,000** per qualifying senior.

- This is a temporary deduction available for the 2025 through 2028 tax years.
- Applies to each spouse if both are 65 or older (up to \$12,000 for a married couple filing jointly).

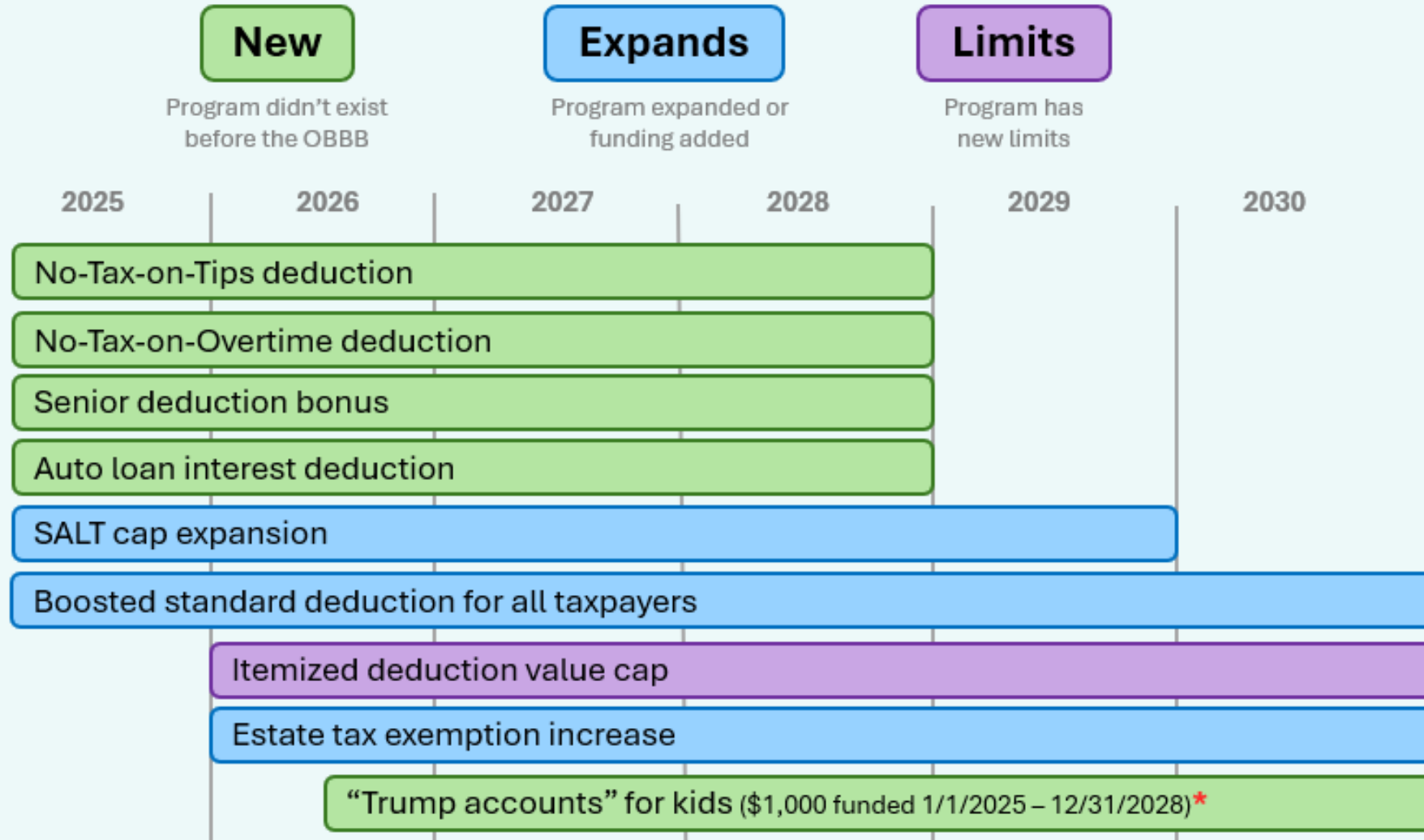
## Income Phase-out: This deduction starts to phase out for taxpayers with higher incomes

- Single filers: Modified Adjusted Gross Income (MAGI) over \$75,000.
- Married filing jointly: MAGI over \$150,000.
- The deduction is reduced by 6 cents for every dollar above the threshold.



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# Timeline of Selected Tax Policies in the One Big Beautiful Bill Act



\* New Trump Accounts start July 4, 2026, but are scheduled to fund \$1,000 for children born from 1/1/2025 – 12/31/2028

**NOTE:** This chart shows a selection of policies from the One Big Beautiful Bill (OB BB) Act. Continued TCJA programs that were otherwise unchanged are excluded. Tax policies dated before the bill's signing reflect changes taking effect in the 2025 tax year.

Source: [US Congress](#)

# RMDs are at age 73

**Required minimum distribution has moved from 72 to 73.  
Moves to 75 in 2032.**



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# Roth IRA Conversion Benefits

## Explore Roth IRA Conversion Benefits

- Lowers overall taxable income long-term
- Tax-free compounding
- No RMDs (currently at age 73)
- Tax-free withdrawals for beneficiaries

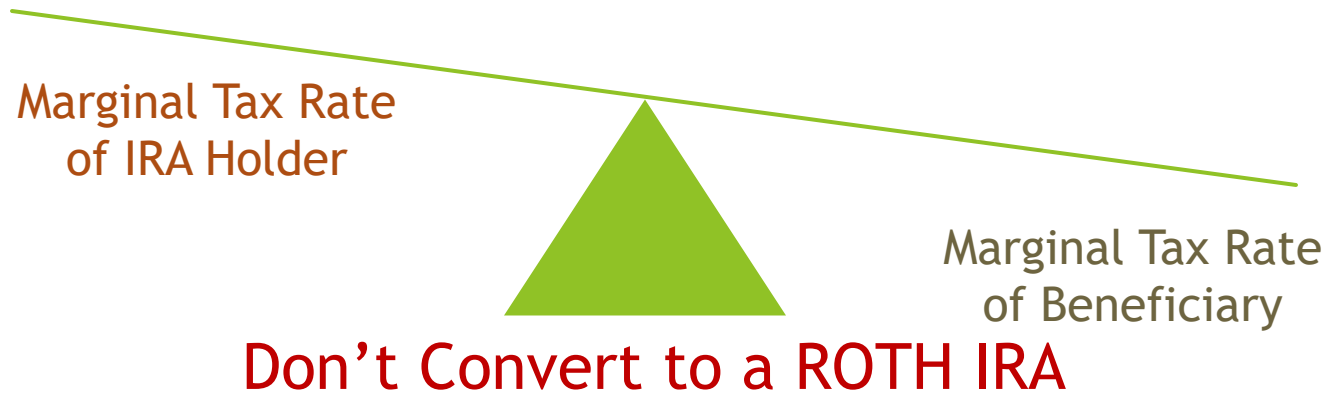


*\*Withdrawals from Roth IRA may be tax free if they are considered qualified. Limitations and restrictions may apply. Withdrawals prior to age 59 ½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax. Future tax laws can change at any time and may impact the benefits of Roth IRAs. Their tax treatment may change. Traditional IRA account owners have considerations to make before performing a Roth IRA conversion. These primarily include income tax consequences on the converted amount in the year of conversion, withdrawal limitations from a Roth IRA, and income limitations for future contributions to a Roth IRA. In addition, if you are required to take a required minimum distribution (RMD) in the year you convert, you must do so before converting to a Roth IRA.*

# Family Tax Bracket Management

## Should I leave my beneficiary a Traditional or ROTH IRA?

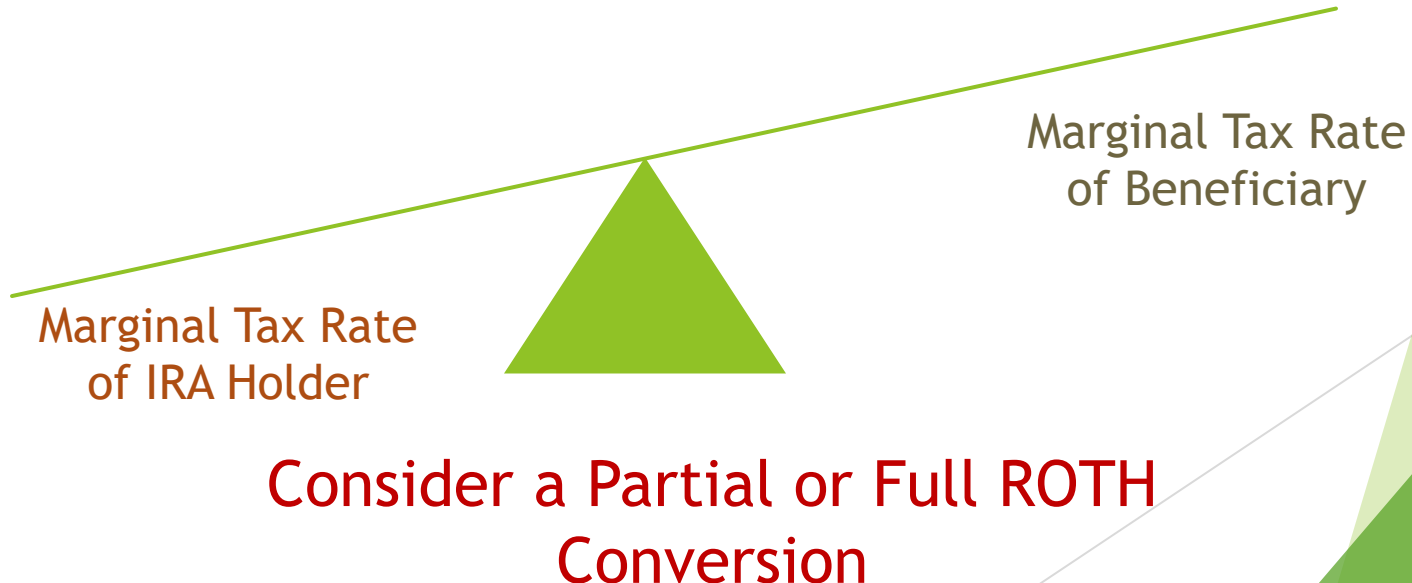
Marginal Tax Rate  
High  
Low



Your Marginal Tax Rate is:

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Marginal Tax Rate  
High  
Low



Your Beneficiaries Marginal Tax Rate(s) is/are:

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# Annual Exclusion Gifts

**\$19,000**

**2026 maximum amount of gift tax exemption per person.**

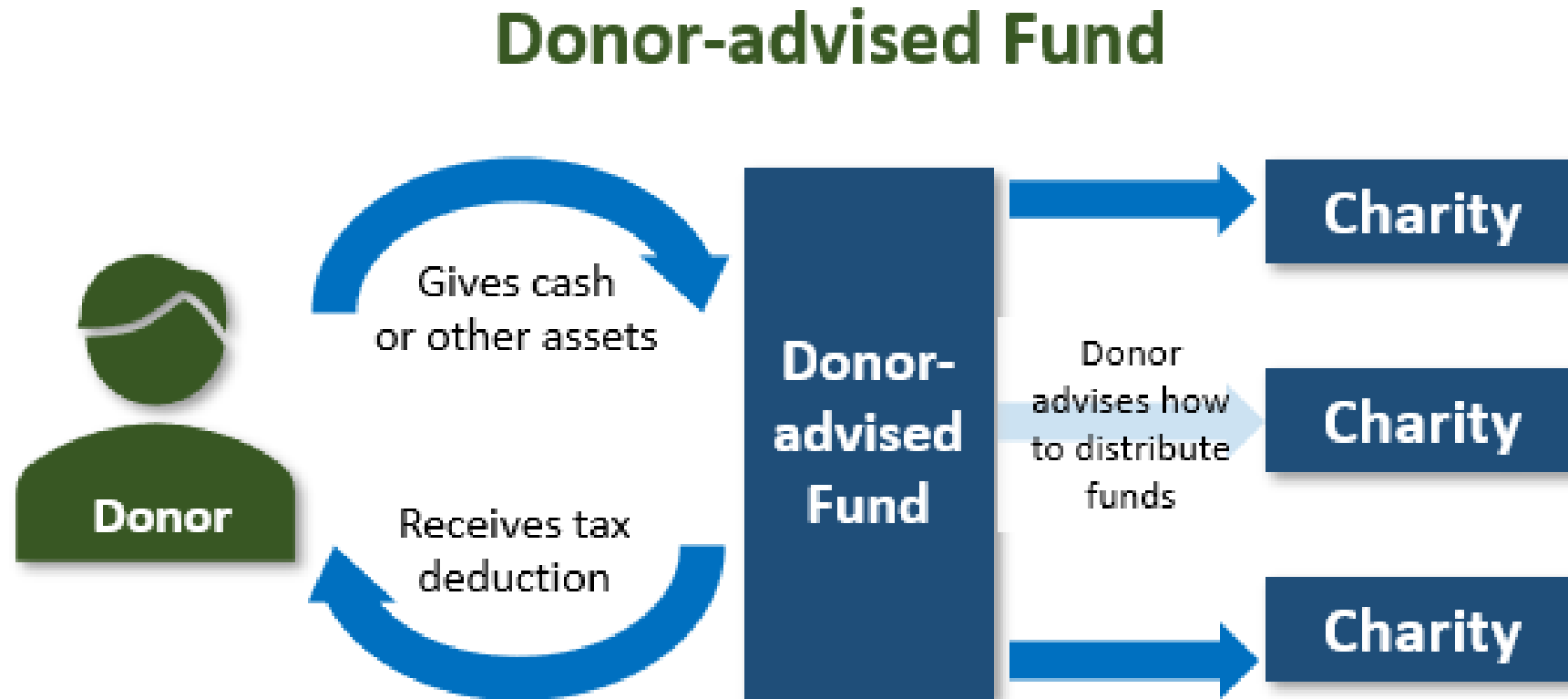
**Ideas for gifting can include:**

- **Contributing to a working child (or grandchild's) IRA**
- **Gifting to a 529 plan**



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# Consider Bunching Charitable Contributions Using a Donor Advised Fund (DAF)



# Qualified Charitable Distributions (QCD)

**Qualified Charitable Distributions (QCD) are a strategy for retirement savers.**

- ✓ **Allowed at 70½.**
- ✓ **Many retirement savers like to use their RMDs or part of them for QCDs.**



# Tax Law Changes



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# Here to help!



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