



Lots of tax changes for 2025, and a name change for us too! More changes coming for 2026, but only on the tax side...

2024 & 2025 Highlights - Major changes to many areas, as an old tax law gets renewed & expanded

	2024 Tax Law	2025 Tax Law
Standard Deduction	\$29,200 Married / \$14,600 Single / \$21,900 Head of Household	\$31,500 Married / \$15,750 Single / \$23,625 Head of Household
Charitable Donations	60% AGI for cash, no deduction unless itemizing; Use QCDs if 70 1/2 or older	Same as 2024 - but several changes for 2026, including some donations w/o itemizing
Student loan forgiveness	Same as 2023; Most types of Federal student loan forgiveness is tax free, under ARPA	Same as 2024 - but tax free treatment ends as of 12/31/25, for all but PSL Forgiveness
Residential Energy Credits	Many creditable items for primary residences; EV credits for vehicles & chargers;	Similar to 2024, though all of these credits are being phased out during 2025-26;
Child & Dependent Credits, Stimulus payments	Same as 2023; WI has made a significant change to the Dependent Care Credit however, and it may be worth much more than Fed credit	Same as 2024, but child tax credit increases by \$200; No stimulus payments so far, though we continue to hear about the possibility
Marketplace / Obamacare insurance	Same as 2023; Premium maximum of 8.5% of AGI extended through 2025 under American Rescue Plan Act	Same as 2024 - but changes are looming for 2026, and are an enormous source of contention in congress; 'Enhanced' subsidies have expired as of 1/1/26, and individuals receiving a subsidy need to be very careful about not exceeding income limitations in 2026
New FinCEN BOI reporting for nearly all LLCs & Inc's	BOI report not currently required, as of 1/3/25; Lots of back & forth on this, and it may make sense to file regardless due to uncertainty	BOI report not currently required - all entities created in the US & their owners are now exempt from filing the BOIR

2025 and beyond - Other miscellaneous items changed already, and changes coming

	2024 & Beyond Tax Law	2025 & Beyond Tax Law
RMD required beginning date	Currently 73; Changes to 75 as of 1/1/33; No missed RMD penalty for inherited IRAs	Similar to 2024 - but penalties for missed RMD's are likely enforceable for all types of IRAs
Phasing out of paper refund checks	Not interested in giving IRS your bank info & want a paper check, no problem!	IRS is pushing everyone to use direct deposit; Not providing bank info will likely cause delays
IRA/401k early withdrawal penalty exceptions	Same as 2023; Other new exceptions for early withdrawals, but very limited applicability	Same as 2024; No new penalty exceptions, so no new reasons to steal from your retirement!
Conversion of 'Long-Term' 529 Plan funds to Roth IRA	For 529 accounts open for at least 15 years, up to \$35,000 can be rolled over into a Roth IRA - this is a lifetime limit	Same as 2023; For 529 accounts open for at least 15 years, up to \$35,000 can be rolled over into a Roth IRA - this is a lifetime limit
New WI retirement income deduction	5k deduction (10k joint) for very low income individuals	24k deduction (48k joint) for any income, if 67+, but certain WI credits disallowed

All tax favored accounts except IRAs get a bump for 2026, and 401k & SIMPLE catch ups stay weird:

	2025	2026	Catch up Contribution
401K	23,500	24,500	Over 50 Increases to 8,000, but 60-63 is 11,250
SIMPLE	16,500	17,000	Over 50 Increases to 4,000, but 60-63 is 5,250
IRA	7,000	7,500	Over 50 Increases to 1,100
HSA - Single	4,300	4,400	Over 55 Remains at 1,000
HSA - Married	8,550	8,750	Over 55 Remains at 1,000