

# Morgan Stanley

## Tax Tables

### 2026 Edition



#### 2026 Tax Rate Schedule

TAXABLE INCOME (\$)		BASE AMOUNT OF TAX (\$)	PLUS	MARGINAL TAX RATE (%)	OF THE AMOUNT OVER (\$)
OVER	NOT OVER				
SINGLE					
\$0	\$12,400	\$0	+	10.0	\$0
\$12,400	\$50,400	\$1,240.00	+	12.0	\$12,400
\$50,400	\$105,700	\$5,800.00	+	22.0	\$50,400
\$105,700	\$201,775	\$17,966.00	+	24.0	\$105,700
\$201,775	\$256,225	\$41,024.00	+	32.0	\$201,775
\$256,225	\$640,600	\$58,448.00	+	35.0	\$256,225
\$640,600		\$192,979.25	+	37.0	\$640,600
HEAD OF HOUSEHOLD					
\$0	\$17,700	\$0	+	10.0	\$0
\$17,700	\$67,450	\$1,770.00	+	12.0	\$17,700
\$67,450	\$105,700	\$7,740.00	+	22.0	\$67,450
\$105,700	\$201,750	\$16,155.00	+	24.0	\$105,700
\$201,750	\$256,200	\$39,207.00	+	32.0	\$201,750
\$256,200	\$640,600	\$56,631.00	+	35.0	\$256,200
\$640,600		\$191,171.00	+	37.0	\$640,600
MARRIED FILING JOINTLY AND SURVIVING SPOUSES					
\$0	\$24,800	\$0	+	10.0	\$0
\$24,800	\$100,800	\$2,480.00	+	12.0	\$24,800
\$100,800	\$211,400	\$11,600.00	+	22.0	\$100,800
\$211,400	\$403,550	\$35,932.00	+	24.0	\$211,400
\$403,550	\$512,450	\$82,048.00	+	32.0	\$403,550
\$512,450	\$768,700	\$116,896.00	+	35.0	\$512,450
\$768,700		\$206,583.50	+	37.0	\$768,700
MARRIED FILING SEPARATELY					
\$0	\$12,400	\$0	+	10.0	\$0
\$12,400	\$50,400	\$1,240.00	+	12.0	\$12,400
\$50,400	\$105,700	\$5,800.00	+	22.0	\$50,400
\$105,700	\$201,775	\$17,966.00	+	24.0	\$105,700
\$201,775	\$256,225	\$41,024.00	+	32.0	\$201,775
\$256,225	\$384,350	\$58,448.00	+	35.0	\$256,225
\$384,350		\$103,291.75	+	37.0	\$384,350
ESTATES AND TRUSTS					
\$0	\$3,300	\$0	+	10.0	\$0
\$3,300	\$11,700	\$330.00	+	24.0	\$3,300
\$11,700	\$16,000	\$2,346.00	+	35.0	\$11,700
\$16,000		\$3,851.00	+	37.0	\$16,000

**Kiddie Tax:** All net unearned income over a threshold amount of \$2,700 for 2026 is taxed using the marginal tax and rates of the child's parents.

#### Tax Rates on Long-Term Capital Gains & Qualified Dividends

TAXABLE INCOME					
LTCG TAX	SINGLE FILERS	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD	MARRIED FILING SEPARATELY	ESTATES & TRUSTS <sup>(1)</sup>
0%	\$49,450 or less	\$98,900 or less	\$66,200 or less	\$49,450 or less	\$3,300 or less
15%	More than \$49,450 and less than \$545,500	More than \$98,900 and less than \$613,700	More than \$66,200 and less than \$579,600	More than \$49,450 and less than \$306,850	More than \$3,300 and less than \$16,250
20%	\$545,500 or more	\$613,700 or more	\$579,600 or more	\$306,850 or more	\$16,250 or more

1. Estates and irrevocable trusts that do not distribute capital gains are subject to these rates.

#### Net Investment Income Tax

For individuals, 3.8% tax on the lesser of: (1) Net Investment Income, or (2) MAGI in excess of \$200,000 for single filers, or head of households, \$250,000 for married couples filing jointly, \$125,000 for married couples filing separately, and \$250,000 for a qualifying surviving spouse with a dependent child.<sup>(2)</sup>

2. A different calculation applies to trust and estates.

#### Standard Deductions for Non-Itemizers

FILING STATUS	STANDARD DEDUCTION	PERSONAL EXEMPTION	PHASEOUTS BEGIN AT AGI OF:
Single	\$16,100	N/A	N/A
Head of household	\$24,150	N/A	N/A
Married, filing jointly and surviving spouses	\$32,200	N/A	N/A
Married, filing separately	\$16,100	N/A	N/A
Dependent filing own tax return	\$1,350 <sup>(3)</sup>	N/A	N/A

#### ADDITIONAL DEDUCTIONS FOR NON-ITEMIZERS

Blind or over 65 Married Filing Jointly	Add \$1,650
Blind or over 65 and unmarried and not a surviving spouse	Add \$2,050
3. For taxable years beginning in 2026, the standard deduction amount under Internal Revenue Code section 63(c)(5) for an individual who may be claimed as a dependent by another taxpayer cannot exceed the greater of (1) \$1,350, or (2) the sum of \$450 and the individual's earned income.	

#### Alternative Minimum Tax

##### EXEMPTION AMOUNTS AND PHASEOUTS

	EXEMPTION AMOUNT/COMPLETE PHASEOUT AMOUNT:
Single	\$90,100/\$680,200
Married, filing jointly or surviving spouses	\$140,200/\$1,280,400
Married, filing separately	\$70,100/\$640,200
Estates and trusts	\$31,400/\$167,600

##### AMT TAX RATES

	MARRIED FILING SEPARATELY	ALL OTHERS
26% tax rate applies to income below:	\$122,250	\$244,500
28% tax rate applies to income over:		

#### Child Tax Credit

CREDIT	MAXIMUM CREDIT	INCOME PHASEOUTS BEGIN AT MAGI OF:
Child Tax Credit <sup>(4)</sup>	\$2,200 per qualifying child	\$400,000 – married filing jointly \$200,000 – all others

4. Subject to eligibility requirements

#### Gift and Estate Tax Exclusions and Credits

Gift tax annual exclusion	\$19,000
Estate, gift & generation skipping transfer tax exclusion amount (per taxpayer)	\$15,000,000
Exclusion on gifts to non-citizen spouse	\$194,000
Maximum estate, gift & generation skipping transfer tax rate	40%

#### Tax Deadlines (As of November 2025)

**Jan 15, 2026** – 4<sup>th</sup> installment deadline to pay 2025 estimated taxes due

**Apr 15, 2026** – Last day to file amended federal income tax return for 2022 (subject to limited exceptions); Last day to contribute to most employer-sponsored retirement plans, including SEPs and profit-sharing plans for 2025 if the federal income tax return deadline for the business that maintains such plans is Apr. 15, 2026 (unless the federal income tax return filing deadline for the business has been extended). Deadline to file for an extension until Oct. 15, 2026, for businesses with a tax return deadline of Apr. 15, 2026. 1<sup>st</sup> installment deadline to pay 2026 estimated taxes due. Last day to file federal income tax returns for individuals (if not filing for an extension). Deadline to file for an extension until Oct. 15, 2026 for individuals whose tax return deadline is Apr. 15, 2026. Last day to contribute to Roth or traditional IRA or HSA for 2025. Last day to report gifts made during 2025 that must be shown on a federal gift tax return.

**Jun 15, 2026** – 2<sup>nd</sup> installment deadline to pay 2026 estimated taxes due.

**Sep 15, 2026** – 3<sup>rd</sup> installment deadline to pay 2026 estimated taxes due.

**Oct 15, 2026** – Last day to file federal income tax return and federal gift tax return, if applicable, if 6-month extension was requested by Apr. 15, 2026 (subjected to limited exceptions). Last day to recharacterize an eligible Traditional IRA or Roth IRA contribution from 2025 if extension was filed or tax return was filed by Apr. 15, 2026 (and certain conditions were met). Last day to contribute to most employer-sponsored retirement plans, including SEPs and profit-sharing plans for 2025 if the federal income tax return deadline for the business that maintains such plans is Apr. 15, 2026, and federal income tax return extension was filed for such business.

**Dec 31, 2026** – Last day to: 1) pay expenses for itemized deductions for 2026, subject to eligibility requirements; 2) complete transactions for capital gains or losses.

Traditional IRA Deductibility Limits

The contribution limit for Traditional IRAs is **\$7,500**; the catch up at age 50+ is **\$1,100**.

FILING STATUS <sup>(1)</sup>	MODIFIED AGI	CONTRIBUTION
Single/HOH; covered by a plan at work	\$81,000 or less	Fully Deductible
	More than \$81,000 and less than \$91,000	Partially Deductible
	\$91,000 or More	Not Deductible
Married Filing Jointly; covered by a plan at work	\$129,000 or less	Fully Deductible
	More than \$129,000 and less than \$149,000	Partially Deductible
	\$149,000 or More	Not Deductible
Married Filing Jointly; not covered by a plan at work and spouse is covered by a plan at work	\$242,000 or less	Fully Deductible
	More than \$242,000 and less than \$252,000	Partially Deductible
	\$252,000 or More	Not Deductible
Married Filing Separately <sup>(2)</sup> and you or your spouse are covered by a plan at work <sup>(2)</sup>	Less than \$10,000	Partially Deductible
	\$10,000 or More	Not Deductible

1. If not covered by a plan, single, HOH and married filing jointly/separately (both spouses not covered by a plan) tax filers are able to take a full deduction on their IRA contribution without MAGI limitations.

Roth IRAs Contribution Limits

The contribution limit for IRAs is **\$7,500**; the catch up at age 50+ is **\$1,100**.

ALLOWABLE CONTRIBUTION	MODIFIED AGI <sup>(3)</sup>		
	SINGLE/HOH	MARRIED FILING JOINTLY	MARRIED FILING SEPARATELY <sup>(2)</sup>
Full	Less than \$153,000	Less than \$242,000	N/A
Partial	\$153,000 less than \$168,000	\$242,000 less than \$252,000	\$0 – less than \$10,000
None	\$168,000 or more	\$252,000 or more	\$10,000 or more

2. If spouses did not live together at any time during the year, Single/HOH MAGI limit apply. 3. Roth conversion income is not included in MAGI.

Other Retirement Plan Contribution Limits

RETIREMENT PLAN TYPE	MAX. CONTRIBUTION LIMIT <sup>(4)</sup>	CATCH-UP (50+)	MAXIMUM COMPENSATION TAKEN INTO ACCOUNT
SEP IRA	The lesser of 25% of compensation or \$72,000 <sup>(5)</sup>	N/A	Employer contributions cannot take into account compensation in excess of \$360,000  If matching contributions, up to 3% of employee compensation. If nonelective contribution (2% to 10%), employee compensation for calculation capped at \$360,000, generally subject to a maximum of \$5,300
SIMPLE IRA <sup>(6)</sup>	\$17,000	\$4,000 <sup>(7)</sup>	
Defined Benefit Plan	Individual benefit limited to the lesser of: 100% of average compensation in highest 3 consecutive calendar years, or \$290,000	N/A	Compensation for benefit calculation capped at \$360,000 or lower limit defined in the plan
401(k)	\$24,500	\$8,000 <sup>(8)</sup>	Employer contributions cannot take into account compensation in excess of \$360,000
403(b), 457(b), Roth 401(k)	\$24,500	\$8,000 <sup>(8)(9)</sup>	Employer contributions cannot take into account compensation in excess of \$360,000

4. For SIMPLE IRA, 401(k), 403(b), 457(b), and Roth 401(k), limit applies to employee contributions; additional employer contributions may be made. 5. For self-employed individuals, 25% of net earnings from self-employment. 6. For employers with 25 or fewer employees or that meet a higher matching or nonelective contribution threshold, higher limits for each of these amounts generally apply. 7. Catch-up contributions are increased to \$5,250 for employees age 60-63, if plan permits. 8. Catch-up contributions are increased to \$11,250 for employees age 60-63, if plan permits. 9. For certain 403 (b) and 457(b) plans, special additional catch-up contributions may be permitted in specified circumstances. 457(b) plans of tax-exempt employers do not permit regular catch-up contributions.

Health Savings Accounts<sup>(10)</sup>

COVERAGE TYPE	MAXIMUM CONTRIBUTION
Self-Only HDHP Coverage	\$4,400
Family HDHP Coverage	\$8,750
Catch-up for 55 and older by end of calendar year	\$1,000

10. HSAs are only available for taxpayers enrolled in a qualifying high-deductible health plan (HDHP).

Education Credits & Exclusions

CREDIT / EXCLUSION	MAXIMUM CREDIT / EXCLUSION	INCOME PHASEOUTS AT MAGI OF:
American Opportunity Tax Credit/Hope	\$2,500 credit	\$160,000 – \$180,000 joint \$80,000 – \$90,000 all others
Lifetime Learning Credit	\$2,000 credit	\$160,000 – \$180,000 joint \$80,000 – \$ 90,000 all others
Savings bond interest tax-free if used for education	Exclusion limited to amount of qualified education expenses	\$152,650 – \$182,650 joint \$101,800 – \$116,800 all others

Social Security

FILING STATUS	PROVISIONAL INCOME <sup>(11)</sup>	% of SS SUBJECT TO TAXES
TAX ON SOCIAL SECURITY BENEFITS: INCOME BRACKETS		
Single, HoH, surviving spouse, married filing separately and living apart from spouse	\$25,000 or less	0
	More than \$25,000 and less than \$34,000	up to 50%
	\$34,000 or more	up to 85%
Married filing jointly	\$32,000 or less	0
	More than \$32,000 and less than \$44,000	up to 50%
	Over \$44,000	up to 85%
Married filing separately and living with spouse	More than \$0	up to 85%

11. Adjusted Gross Income + Tax Exempt Interest + ½ of Social Security Benefits.

FICA

SS TAX PAID ON TAXABLE INCOME UP TO \$184,500	PERCENTAGE WITHHELD	MAXIMUM TAX PAYABLE
Tax (FICA)		
Employer pays	6.2%	\$11,439.00
Employee pays	6.2%	\$11,439.00
Self-employed pays	12.4%	\$22,878.00

Medicare Tax

SS TAX PAID ON INCOME	PERCENTAGE WITHHELD
Employer pays	1.45%
Employee pays	1.45% + 0.9% on wages over \$200,000 (single) or \$250,000 (joint)
Self-employed pays	2.90% + 0.9% on self-employment income over \$200,000 (single) or \$250,000 (joint)

Social Security Benefits Reduction Before Full Retirement Age

AGE WHEN BENEFITS BEGIN	PERCENTAGE OF SOCIAL SECURITY BENEFITS	
	FRA of 66 <sup>(12)</sup>	FRA of 67 <sup>(12)</sup>
62	75.0%	70.0%
63	80.0%	75.0%
64	86.7%	80.0%
65	93.3%	86.7%
66	100.0%	93.3%
67	100.0%	100.0%

12. Full retirement age determined by year of birth

Retirement Earnings Exempt Amounts

Before Full Retirement Age (FRA)	\$24,480
During the year in which FRA is reached	\$65,160
After FRA	No limit after FRA

Deductibility of Long-Term Care Premiums on Qualified Policies

ATTAINED AGE BEFORE CLOSE OF TAX YEAR	AMOUNT OF LTC PREMIUMS THAT QUALIFY AS MEDICAL EXPENSES IN 2026
40 or under	\$500
Over 40 and 50 or under	\$930
Over 50 and 60 or under	\$1,860
Over 60 and 70 or under	\$4,960
Over 70	\$6,200

When Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors (collectively, "Morgan Stanley") provide "investment advice" regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account ("Retirement Account"), Morgan Stanley is a "fiduciary" as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and/or the Internal Revenue Code of 1986 (the "Code"), as applicable. When Morgan Stanley provides investment education, takes orders on an unsolicited basis or otherwise does not provide "investment advice", Morgan Stanley will not be considered a "fiduciary" under ERISA and/or the Code. For more information regarding Morgan Stanley's role with respect to a Retirement Account, please visit [www.morganstanley.com/disclosures/dol](http://www.morganstanley.com/disclosures/dol). Tax laws are complex and subject to change. Morgan Stanley does not provide tax or legal advice. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a Retirement Account. Information contained herein has been obtained from sources considered to be reliable. Morgan Stanley Smith Barney LLC does not guarantee their accuracy or completeness.

The tax information herein is based on laws in effect as of November 20, 2025, for use in filing 2026 income tax returns in 2027. This information is for the federal tax rates only and does not include state income tax rates. General limits described above; additional limits and exceptions may apply.