

# 2025 Federal Tax Guide

Thrivent Asset Management, a division of Thrivent, offers financial professionals a variety of investment products to help meet their clients' needs.

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See the following page for retirement, social security, and investment figures.

## Income taxes & credits

Source: IRS

### 2025 federal income tax brackets and rates

Rate	Single	Married filing jointly	Head of household
	Taxable income up to:		
10%	\$11,925	\$23,850	\$17,000
12%	\$48,475	\$96,950	\$64,850
22%	\$103,350	\$206,700	\$103,350
24%	\$197,300	\$394,600	\$197,300
32%	\$250,525	\$501,050	\$250,500
35%	\$626,350	\$751,600	\$626,350
37%	\$626,351+	\$751,601+	\$626,351+

### 2025 standard deduction and personal exemption

Filing status	Deduction amount
Single	\$15,000
Married filing jointly	\$30,000
Head of household	\$22,500


### 2025 alt. minimum tax exemptions and phaseout thresholds

Filing status	Exemptions amount	Threshold
Single individuals	\$88,100	\$626,350
Married filing jointly	\$137,000	\$1,252,700
Married filing separate	\$68,650	\$626,350

### 2025 earned income tax credit

Income limit by status	No children	One child	Two children	Three or more children
Maximum credit	\$649	\$4,328	\$7,152	\$8,046
Single/head of household	\$19,104	\$50,434	\$57,310	\$61,555
Married filing jointly	\$26,214	\$57,554	\$64,430	\$68,675

### 2025 Child tax credit

 Credit may be full or partial. Credit percentage varies by state and income level. Will be paid as single refund (vs. monthly installments).

Per qualifying child (up to)	\$2,000
Refundable portion (up to)	\$1,700

### 2025 qualified business income deduction thresholds

 The Tax Cuts and Jobs Act allows certain business owners to deduct up to 20% of their qualified business income through the end of 2025.

Filing status	Threshold
Unmarried individuals	\$197,300
Married filing jointly	\$394,600

### 2025 annual exclusion for gifts

Gift recipient	Tax exclusion limit
Any person	\$19,000
Spouses who are not U.S. citizens	\$190,000
Estate tax exclusion	\$13,990,000*

\*Basic exclusion amount plus deceased spousal unused exclusion amount (exclusion is portable)

## Retirement Source: IRS

### 2025 Individual Retirement Accounts (IRA)

**(i)** Maximum that can be contributed to both a traditional IRA and a Roth IRA.

Maximum contribution	\$7,000
Catch-up provision or age 50 and over	\$1,000

### Maximum 2025 employee contributions to defined contribution plans

401(k), 403(b) and most 457(b) plans	\$23,500
Catch-up contribution limit for age 50 and over	\$7,500
SIMPLE IRA and 401(k) plans	\$16,500
Catch-up contribution limit for age 50 and over	\$3,500

### Modified adjusted gross income for IRA contribution eligibility income phase-out levels

Filing status	Roth IRA	Deductible traditional IRA*
Married filing jointly	\$236,000 - \$246,000	If covered by a workplace retirement plan: • You: \$126,000 - \$146,000 • Non-covered Spouse: \$236,000 - \$246,000
Married filing separately but lived with spouse during the year	\$0 - \$10,000	\$0 - \$10,000
Single/head of household/ married filing separately and did not live with spouse	\$150,000 - \$165,000	If covered by a workplace retirement plan: \$79,000 - \$89,000 If not, generally the limits do not apply.

## Investment Source: IRS

### 2025 tax rates on long-term capital gains

**(i)** Long-term capital gains are taxed using different brackets and rates than ordinary income

Rate	Single	Married filing jointly	Head of household
0%	\$48,350	\$96,700	\$64,750
15%	\$533,400	\$600,050	\$566,700
20%	\$533,401+	\$600,051+	\$566,701+

### Additional net investment income tax

Rate	Married filing jointly	Married filing separately	Single or Head of household
3.8%	\$250,000 MAGI*	\$125,000 MAGI*	\$200,000 MAGI*

\*MAGI: Modified adjusted gross income

## Social Security Source: SSA

### Tax on Social Security income

Filing status	Combined income*	Percent of Social Security subject to tax
Single	\$25,000 - \$34,000	Up to 50%
	Over \$34,000	Up to 85%
Joint	\$32,000 - \$44,000	Up to 50%
	Over \$44,000	Up to 85%

\*Combined income includes adjusted gross income, non-taxable interest, and one-half of Social Security benefits.

### 2025 Social Security tax rate

Status	Combined tax rate	Social Security wage limit	Medicare wage limit*
Employee	7.65%	\$176,100 (6.20% tax)	No limit (1.45% tax)
Self-employed	15.30%	\$176,100 (12.40% tax)	No limit (2.90% tax)

\*Individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.90% in Medicare taxes.

### Maximum taxable earnings for Social Security taxes

Retirement earnings test exempt amounts	2024	2025
Under full retirement age*	\$22,320/yr. (\$1,860/mo.)	\$23,400/yr. (\$1,950/mo.)
The year an individual reaches full retirement age**	\$59,520/yr. (\$4,960/mo.)	\$62,160/year (\$5,180/mo.)
Beginning the month an individual attains full retirement age	None	None

\*One dollar in benefits will be withheld for every \$2 in earnings above the limit.

\*\*Applies only to earnings for months prior to attaining full retirement age. One dollar in benefits will be withheld for every \$3 in earnings above the limit.

### Estimated average monthly Social Security benefits payable in January 2025

Status	Before COLA*	After COLA*
All retired workers	\$1,927	\$1,976
Aged couple, both receiving benefits	\$3,014	\$3,089
Widowed mother and two children	\$3,669	\$3,761
Aged widow(er) alone	\$1,788	\$1,832
Disabled worker, spouse and one or more children	\$2,757	\$2,826
All disabled workers	\$1,542	\$1,580

\*COLA: cost of living adjustment (2.5% for 2025)

The information provided is not intended as a source for tax, legal or accounting advice. Please consult with a legal and/or tax professional for specific information regarding your individual situation.

Thrivent employees have general knowledge of the Social Security tenets. For complete details on your situation, contact the Social Security Administration.

### Investing involves risk, including the loss of principal.

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