



copper leaf  
FINANCIAL

# Limits & Milestones: Your Financial Planner for 2025

802.878.1963 (Williston)  
802.775.7132 (Rutland)  
[www.CopperLeafFinancial.com](http://www.CopperLeafFinancial.com)

*Copper Leaf Financial is an affiliated and separately registered entity.*

## RETIREMENT PLAN CONTRIBUTION LIMITS

401(k), 403(b), 457(b), Roth 401(k) plans elective deferrals	\$23,500
Catch-up provision for individuals 50-59 and 64+, 401(k), 403(b), 457(b), Roth 401(k) plans	\$7,500
Catch-up provision for individuals 60-63, 401(k), 403(b), 457(b), Roth 401(k) plans	\$11,250
SEP contribution limit	\$70,000

## INDIVIDUAL RETIREMENT ACCOUNTS

IRA type	Standard Contribution	50 & Over Catch-up
IRA, Traditional and Roth	\$7,000	\$1,000
Roth conversion	No Limit	No Limit

## HEALTH SAVINGS ACCOUNTS

Annual limit	Maximum deductible contribution	Expense limits (deductibles and co-pays)	Minimum annual deductible
Individuals	\$4,300	\$8,300	\$1,650
Families	\$8,550	\$16,600	\$3,300
Catch-up for 55 and older	\$1,000		

## 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 2025
40 or less	\$480
41 to 50	\$900
51 to 60	\$1,800
61 to 70	\$4,810
Over 70	\$6,020

## VERMONT 529 PLANS - DEADLINE FOR MAKING CONTRIBUTIONS IS 12/31

10% Credit for contributions capped at \$2,500 in contributions. So \$250 credit if you make \$2,500 in contributions

No contribution limit beyond the credit cap

It is the same threshold and credit for employers

## MEDICARE PREMIUMS - ENROLLMENT STARTS 3 MONTHS BEFORE YOUR 65TH BIRTHDAY, AND ENDS 3 MONTHS AFTER

2023 MAGI single	2023 MAGI joint	Part B Premium	Part D income adjustment
\$106,000 or less	\$212,000 or less	\$0.00	\$0.00
106,001-133,000	212,001-266,000	\$74.00	\$13.70
133,001-167,000	266,001-334,000	\$185.00	\$35.30
167,001-200,000	334,001-400,000	\$295.90	\$57.00
200,001-500,000	400,001-750,000	\$406.90	\$78.60
Above 500,000	Above 750,000	\$443.90	\$85.80

\*Premiums are based on income from two years prior

## MEDICARE DEDUCTIBLES

Part B deductible	\$257
Part A (inpatient services) deductible for first 60 days of hospitalization	\$1,676
Part A deductible for days 61-90 of hospitalization	\$419/day
Part A deductible for more than 90 days of hospitalization	\$838/day

## ESTATE AND GIFT TAX EXCLUSION

Federal (single)	\$13,990,00
Federal (married couples)	\$27,980,000
Vermont	\$5,000,000
Annual Gift Exclusion	\$19,000

Vermont's estate tax is flat. If your estate is worth more than the \$5 million exemption, the state taxes the excess at a rate of 16%, with no progressive rates or tax brackets involved.

Once the federal exemption threshold is exceeded by \$1 million the excess is taxed at 40%.

## LONG-TERM CAPITAL GAINS TAX

Rates apply to LTCGs and qualified dividends, and are based on taxable income.

Tax Rate	0% Rate	15% Rate	20% Rate
MFJ	≤ \$96,700	\$96,701 - \$600,050	> \$600,050
Single	≤ \$48,350	\$48,351 - \$533,400	> \$533,400
Head of household	≤ \$64,750	\$64,751 - \$566,700	> \$566,700
Estates/Trusts	≤ \$3,250	\$3,251 - \$15,900	> \$15,900

Long-term capital gains on so-called "collectible assets" can be taxed at a maximum of 28%. This includes items such as coins, precious metals, antiques and fine art. Short-term gains on such assets are taxed at the ordinary income tax rate.

## 3.8% NET INVESTMENT INCOME TAX

Paid on the lesser of net investment income or excess of MAGI over:

MFJ	\$250,000	SINGLE	\$200,000
MFS	\$125,000	HOH	\$200,000

## FULL RETIREMENT AGE (FRA) FOR SOCIAL SECURITY

Birth Year	FRA	Birth Year	FRA
1943-54	66	1958	66 + 8mo
1955	66 + 2mo	1959	66 + 10mo
1956	66 + 4mo	1960+	67
1957	66 + 6mo		

## INCOME TAXED PORTION OF SOCIAL SECURITY BENEFITS

Filing status	Provisional income*	Amount of Social Security subject to tax
Married filing jointly	Under \$32,000	0
	\$32,000-\$44,000	up to 50%
	Over \$44,000	up to 85%
Single, head of household, qualifying widow(er), married filing separately and living	Under \$25,000	0
	\$25,000-\$34,000	up to 50%
	Over \$34,000	up to 85%
Married filing separately and living with spouse	Over 0	up to 85%

\*To determine if their benefits are taxable, taxpayers should take half of the Social Security money they collected during the year and add it to their other income. Other income includes pensions, wages, interest, dividends and capital gains.

## REQUIRED MINIMUM DISTRIBUTION (RMD) STARTING DATE DEPENDS ON YOUR BIRTH YEAR

1950 or earlier	RMD's were required to begin at age 72
1951-1959	RMDs must begin at age 73
1960 or later	RMDs must begin at age 75

## RETIREMENT PLAN CONTRIBUTION DEADLINES

Business Entity Type	Employee Contributions Deadline
Sole Proprietors and Single-Member LLCs	4/15
C-Corps and Multi-Member LLCs taxed as C-Corps	12/31
S-Corps, Partnerships & Multi-Member LLCs taxed as S-Corps or Partnerships	12/31

## QUALIFIED CHARITABLE DISTRIBUTION (QCDs) - CAN START AT 70.5 YEARS OLD

	2024	2025
Annual amount not includible in gross income	\$105,000	\$108,000
One-time exclusion for transfer to split-interest only	\$53,000	\$54,000

## CHARITABLE CONTRIBUTION LIMITATIONS

Type of Property	Deductible Amount	AGI Limitation
Cash	Fair Market Value	60%
Property, if sold, would generate ordinary income or short-term capital gain.	Lesser of Basis or Fair Market Value	50%
Property, if sold, would generate long-term capital gain.	Fair Market Value*	30%
Tangible personal property used by charity for its exempt purpose	Fair Market Value*	30%
Tangible personal property charity sells or doesn't use for its exempt purpose	Lesser of Basis or Fair Market Value	50%

\*Donor can elect to have 50% of AGI limit apply if amount of deduction is limited to basis. Please note that contributions to private charities have different limitations.