



copper leaf
FINANCIAL

Limits & Milestones: Your Financial Planner for 2026

802.878.1963 (Williston)
802.775.7132 (Rutland)
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	\$24,500
Catch-up provision for individuals 50-59 and 64+, 401(k), 403(b), 457(b), Roth 401(k) plans	\$8,000
Catch-up provision for individuals 60-63, 401(k), 403(b), 457(b), Roth 401(k) plans	\$11,250
SEP contribution limit	\$72,000

INDIVIDUAL RETIREMENT ACCOUNTS		
IRA type	Standard Contribution	50 & Over Catch-up
IRA, Traditional and Roth	\$7,500	\$1,100
Roth conversion	No Limit	No Limit

HEALTH SAVINGS ACCOUNTS			
Annual limit	Maximum deductible contribution	Expense limits (deductibles and co-pays)	Minimum annual deductible
Individuals	\$4,400	\$8,500	\$1,700
Families	\$8,750	\$17,000	\$3,400
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 2026
40 or less	\$500
41 to 50	\$930
51 to 60	\$1,860
61 to 70	\$4,960
Over 70	\$6,200

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 credits for all taxpayers

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

2024 MAGI single	2024 MAGI joint	Part B income adjustment	Part D premium
\$109,000 or less	\$218,000 or less	\$0.00	\$0.00
109,001-137,000	218,001-274,000	\$81.20	\$14.50
137,001-171,000	274,001-342,000	\$202.90	\$37.50
171,001-205,000	342,001-410,000	\$324.60	\$60.40
205,001-499,999	410,001-749,999	\$446.30	\$83.30
Above 500,000	Above 750,000	\$487.00	\$91.00

**Premiums are based on income from two years prior*

** Base Part B premium is \$202.90/mo*

MEDICARE DEDUCTIBLES

Part B deductible	\$283
Part A (inpatient services) deductible for first 60 days of hospitalization	\$1,736
Part A deductible for days 61-90 of hospitalization	\$434/day
Part A deductible for more than 90 days of hospitalization	\$868/day

ESTATE AND GIFT TAX EXCLUSION

Federal (single)	\$15,000,000
Federal (married couples)	\$30,000,000
Vermont	\$5,000,000
Annual Gift Exclusion	\$19,000

Vermont’s estate tax is flat. If your estate is worth more than the 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 16%.

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	≤ \$98,900	\$98,901 - \$613,700	> \$613,700
Single	≤ \$49,450	\$49,451 - \$545,500	> \$545,500
Head of household	≤ \$66,200	\$66,201 to \$579,600	>\$579,600
Estates/Trusts	≤ \$3,300	\$3,301 - \$16,250	> \$16,250

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		
	2025	2026
Annual amount not includible in gross income	\$108,000	\$111,000
One-time exclusion for transfer to split-interest only	\$54,000	\$55,000

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%

Key Changes for 2026:

AGI Floor: Itemizers must exceed 0.5% of their Adjusted Gross Income (AGI) before any charitable deductions count.

Non-Itemizer Deduction: A new deduction allows up to \$1,000 (\$2,000 for joint filers) for cash gifts to public charities, even if you take the standard deduction.

High Earner Cap: Taxpayers in the top 37% bracket have their deduction value capped at 35% of the donation.