



2025 Tax Report for Peter Professor and Paula Professor

KEY FIGURES

Total Income	\$245,425	Filing Status	Married Filing Jointly	Qualified Ordinary Dividends	\$76,000 / \$20,000
Adjusted Gross Income (AGI)	\$242,797	Marginal Bracket	22.0%	STLT Capital Gains	\$2,500 / \$30,000
Deductions	\$46,500	Average Rate	12.2%	Capitalized Loss	\$0
Taxable Income	\$195,425	2025 Safe Harbor	\$15,881	Credits Claimed	\$3,300
Total Tax	\$22,802				

Let's take a look at your Tax Breakdown



The chart displays items before any credits are applied. Accordingly, there may be a mismatch between Total Taxes in the Key Figures section and the sum of the Tax Breakdown components shown here.

Marginal Tax Brackets: Ordinary Income

The marginal tax rate for your ordinary income is as follows:

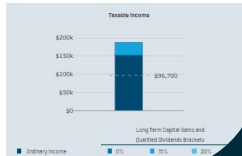
Marginal Rate	Ordinary Income Threshold	Ordinary Income	Tax
10%	\$0 to \$21,875	\$22,890	\$2,285
12%	\$21,875 to \$43,750	\$71,300	\$8,772
22%	\$43,750 to \$107,000	\$76,476	\$17,025
24%	\$107,000 to \$134,000	\$0	\$0
32%	\$134,000 to \$201,000	\$0	\$0
35%	\$201,000 to \$279,000	\$0	\$0
37%	\$279,000 and above	\$0	\$0
Total		\$76,476	\$22,292



Marginal Tax Brackets: Long Term Capital Gains & Qualified Dividends

Your taxable income of \$18,425 includes \$76,000 of long-term gains and qualified dividends that are taxed at lower rates compared to ordinary income. Long-term gains are added on top of your ordinary income to determine the tax rates that apply.

Marginal Rate	Taxable Income Threshold	Taxable Income	Qualified Income	Tax
0.0%	\$0 to \$49,000	\$0	\$0	\$0
15.0%	\$49,000 to \$80,000	\$18,425	\$76,000	\$2,771
20.0%	\$80,000 and above	\$0	\$0	\$0
		\$18,425	\$76,000	\$2,771



Using the Tax Report



Basics of Taxation

Reviewing the basics of taxation that make its way from the tax return to the Tax Report.



Tax Report Sections

A preview of the sections that may populate on the Tax Report, their uses, and planning opportunities.

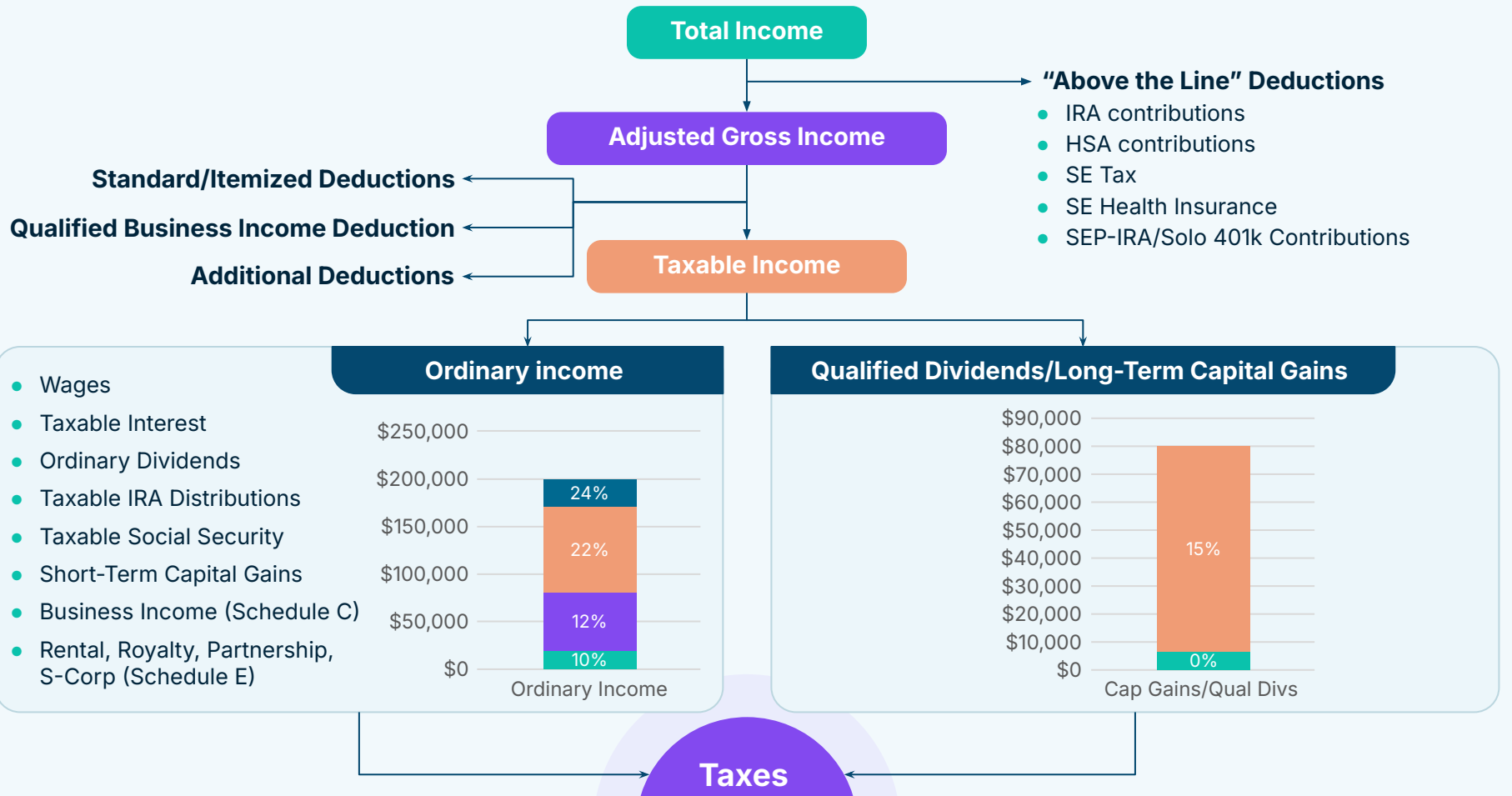


Peter and Paula Professor

A live demonstration reviewing Peter and Paula's 2025 Tax Report.



Basics of **Taxation**





Taxes and Credits

Taxes

- Income Taxes
- Other Taxes
 - Alternative Minimum Tax (AMT)
 - Self-Employment Tax
 - Additional Medicare Tax
 - Net Investment Income Tax

Credits

- Non-Refundable: reduce tax bill to zero
 - Foreign Tax Credit
 - Child Tax Credit (mostly)
 - Dependent Care Expenses
- Refundable: reduce tax bill *below* zero
 - Earned Income Tax Credit
 - ACA Premium Tax Credit
 - American Opportunity Credit (partial)



Tax Report **Sections**

KEY FIGURES

Total Income	\$246,495
Adjusted Gross Income (AGI)	\$242,757
Deductions	\$46,500
Taxable Income	\$186,425
Total Tax	\$32,602

Filing Status	Married Filing Jointly
Marginal Bracket	22.0%
Average Rate	13.2%
2026 Safe Harbor	\$35,863

Qualified/Ordinary Dividends	\$15,000 / \$20,000
ST/LT Capital Gains	\$2,500 / \$19,500
Carryforward Loss	\$0
Credits Claimed	\$3,300

Marginal Rate = Rate of tax on last dollar of ordinary income

KEY FIGURES

Total Income	\$246,495	Filing Status	Married Filing Jointly	Qualified/Ordinary Dividends	\$15,000 / \$20,000
Adjusted Gross Income (AGI)	\$242,757	Marginal Bracket	22.0%	ST/LT Capital Gains	\$2,500 / \$19,500
Deductions	\$46,500	Average Rate	13.2%	Carryforward Loss	\$0
Taxable Income	\$186,425	2026 Safe Harbor	\$35,863	Credits Claimed	\$3,300
Total Tax	\$32,602				

Average Rate = Total Tax / Total Income

KEY FIGURES

Total Income	\$246,495	Filing Status	Married Filing Jointly	Qualified/Ordinary Dividends	\$15,000 / \$20,000
Adjusted Gross Income (AGI)	\$242,757	Marginal Bracket	22.0%	ST/LT Capital Gains	\$2,500 / \$19,500
Deductions	\$46,500	Effective Rate	17.5%	Carryforward Loss	\$0
Taxable Income	\$186,425	2026 Safe Harbor	\$35,863	Credits Claimed	\$3,300
Total Tax	\$32,602				

Effective Rate = Total Tax / Taxable Income

KEY FIGURES

Total Income	\$246,495
Adjusted Gross Income (AGI)	\$242,757
Deductions	\$46,500
Taxable Income	\$186,425
Total Tax	\$32,602

Safe Harbor

This number represents the amount that the taxpayer could pay, via withholding and estimated taxes, to avoid an underpayment penalty.

This safe harbor amount is calculated by multiplying last year's tax bill, net of credits, by 100%, (or 110% for taxpayers with AGI over \$150,000, or \$75,000 for married filing separate).

Not depicted here is the alternative calculation, which is to pay at least 90% of the eventual tax bill. This method is potentially more challenging and prone to error, given that estimating the tax bill with certainty will be harder than using a fixed number from last year's return.

Note that this safe harbor amount does not necessarily preclude all penalties. The taxpayer could still get a penalty for incorrectly matching the timing of estimated tax payments against the timing of the actual income.

Close

Qualified/Ordinary Dividends	\$15,000 / \$20,000
ST/LT Capital Gains	\$2,500 / \$19,500
Carryforward Loss	\$0
Credits Claimed	\$3,300

KEY FIGURES

Total Income	\$72,775
Adjusted Gross Income (AGI)	\$72,775
Deductions	\$34,700
Taxable Income	\$26,075
Total Tax	\$0
Enhanced Senior Deduction	\$12,000

Filing Status	Married Filing Jointly
Marginal Bracket	10.0%
Average Rate	0.0%
2026 Safe Harbor	\$0
Tax Exempt Pct. of Total Interest	16.7%

Tax Exempt Interest	\$1,500
Qualified/Ordinary Dividends	\$19,000 / \$22,500
ST/LT Capital Gains	\$0 / \$10,000
Carryforward Loss	\$0
Total/Taxable Social Security	\$68,000 / \$32,775
Credits Claimed	\$0

$$\text{Tax Equivalent Yield} = \frac{\text{Tax-Exempt Yield}}{(1 - \text{Tax Rate})}$$

Tax Exempt Yield = 2%	Tax Equivalent Yield
10%	2.2%
12%	2.27%
22%	2.56%
24%	2.63%
32%	2.94%
35%	3.08%
37%	3.17%

KEY FIGURES

Total Income	\$72,775	Filing Status	Married Filing Jointly	Tax Exempt Interest	\$1,500
Adjusted Gross Income (AGI)	\$72,775	Marginal Bracket	10.0%	Qualified/Ordinary Dividends	\$19,000 / \$22,500
Deductions	\$34,700	Average Rate	0.0%	ST/LT Capital Gains	\$0 / \$10,000
Taxable Income	\$26,075	2026 Safe Harbor	\$0	Carryforward Loss	\$0
Total Tax	\$0	Tax Exempt Pct. of Total Interest	16.7%	Total/Taxable Social Security	\$68,000 / \$32,775
Enhanced Senior Deduction	\$12,000			Credits Claimed	\$0

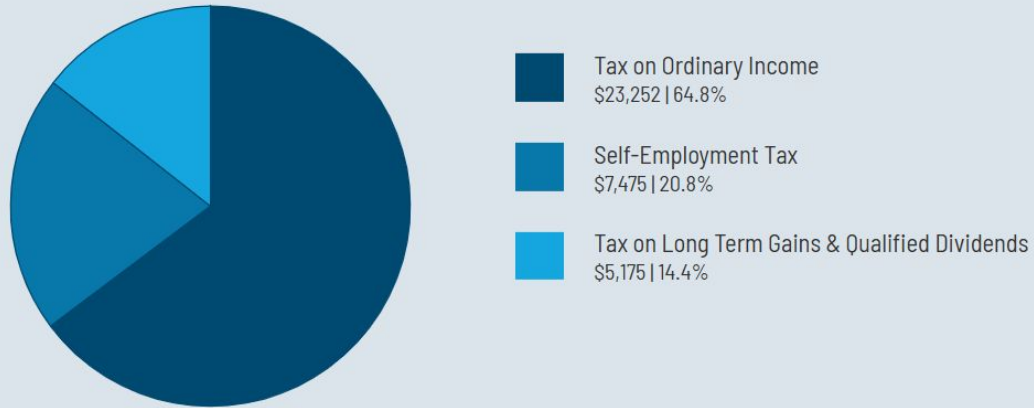
Social Security - depending on income, benefits are taxable anywhere from 0% to 85%

KEY FIGURES

Total Income	\$77,400	Filing Status	Married Filing Jointly	Tax Exempt Interest	\$1,500
Adjusted Gross Income (AGI)	\$77,400	Marginal Bracket	10.0%	Qualified/Ordinary Dividends	\$19,000 / \$22,500
Deductions	\$34,700	Average Rate	0.0%	ST/LT Capital Gains	\$0 / \$10,000
Taxable Income	\$27,000	2025 Safe Harbor	\$0	Carryforward Loss	\$0
Total Tax	\$0	Tax Exempt Pct. of Total Interest	16.7%	Total/Taxable Social Security	\$68,000 / \$34,900
Enhanced Senior Deduction	\$12,000	Qualified Tips Deduction	\$500	Credits Claimed	\$0
Qualified Overtime Deduction	\$2,000			Car Loan Interest Deduction	\$1,200

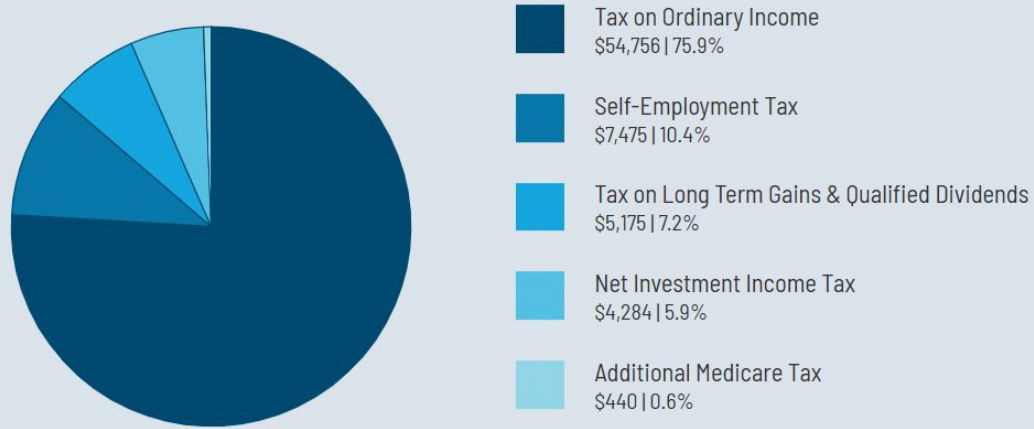
Beginning Tax Year 2025

Let's take a look at your Tax Breakdown



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KEY FIGURES

Total Income	\$246,495	Filing Status	Married Filing Jointly	Qualified/Ordinary Dividends	\$15,000 / \$20,000
Adjusted Gross Income (AGI)	\$242,757	Marginal Bracket	22.0%	ST/LT Capital Gains	\$2,500 / \$19,500
Deductions	\$46,500	Average Rate	13.2%	Carryforward Loss	\$0
Taxable Income	\$186,425	2026 Safe Harbor	\$35,863	Credits Claimed	\$3,300
Total Tax	\$32,602				

Marginal Tax Brackets: Ordinary Income

The marginal tax rate for your ordinary income is as follows:

Marginal Rate	Ordinary Income Threshold	Ordinary Income	Tax
10%	\$0 to \$23,850	\$23,850	\$2,385
12%	\$23,850 to \$96,950	\$73,100	\$8,772
22%	\$96,950 to \$206,700	\$54,976	\$12,095
24%	\$206,700 to \$394,600	\$0	\$0
32%	\$394,600 to \$501,050	\$0	\$0
35%	\$501,050 to \$751,600	\$0	\$0
37%	\$751,600 and above	\$0	\$0
Total		\$151,926	\$23,252



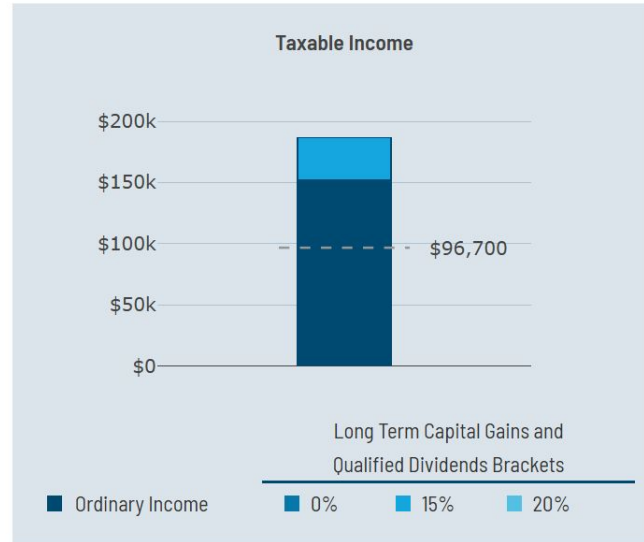
KEY FIGURES

Total Income	\$246,495	Filing Status	Married Filing Jointly	Qualified/Ordinary Dividends	\$15,000 / \$20,000
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Deductions	\$46,500	Average Rate	13.2%	Carryforward Loss	\$0
Taxable Income	\$186,425	2026 Safe Harbor	\$35,863	Credits Claimed	\$3,300
Total Tax	\$32,602				

Marginal Tax Brackets: Long Term Capital Gains & Qualified Dividends

Your taxable income of \$186,426 includes \$34,500 of long-term gains and qualified dividends that are taxed at lower rates compared to ordinary income. Long-term gains are added on top of your ordinary income to determine the tax rates that apply.

Marginal Rate	Taxable Income Threshold	Taxable Income	Qualified Income	Tax
0.0%	\$0 to \$96,700		\$0	\$0
15.0%	\$96,700 to \$600,050	\$186,426	\$34,500	\$5,175
20.0%	\$600,050 and above		\$0	\$0
Total			\$34,500	\$5,175



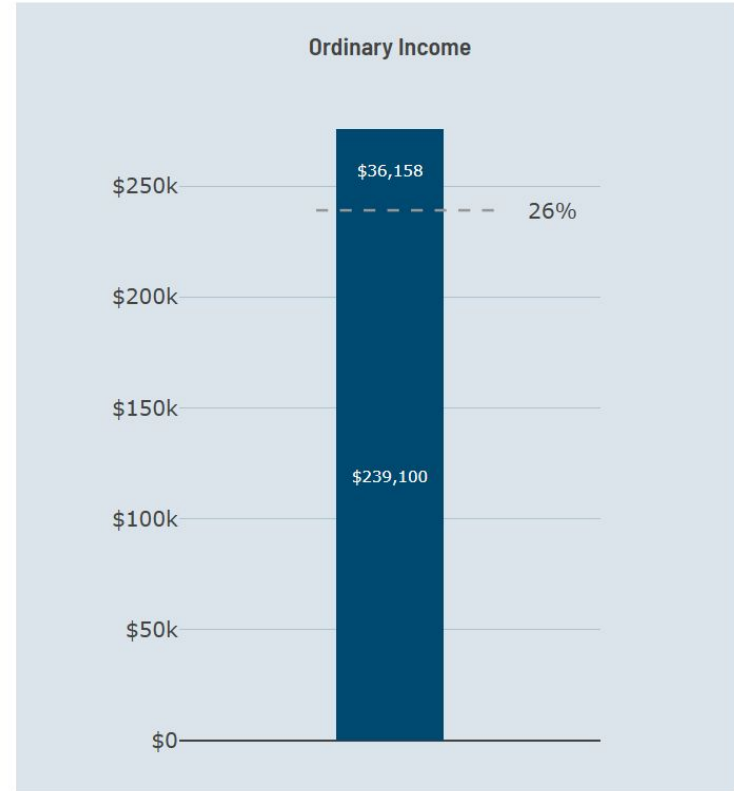
Marginal Tax Brackets: Ordinary Income

Alternative Minimum Tax (AMT)

Technically, the IRS asks taxpayers to calculate their taxes two ways (the standard way and the Alternative Minimum Tax way), with the resulting tax liability being whichever method results in a higher amount. The AMT method starts with the taxable income of the standard way, then adds back certain deductions and "preference items." Qualified dividends and long-term capital gains are taxed the same in both systems, but ordinary income is subject to just two marginal rates of 26% and 28% in the AMT system.

Before factoring in any other taxes, your standard tax liability was \$71,931, while your AMT tax liability was \$77,465, so you paid the latter.

Marginal Rate	AMT Ordinary Income Threshold	AMT Income	Tax
26%	\$0 to \$239,100	\$239,100	\$62,166
28%	\$239,100 and above	\$36,158	\$10,124
Total		\$275,258	\$72,290



Medicare Part B/D Premiums for 2027

Medicare Parts B and D premiums can be impacted by Modified Adjusted Gross Income* (MAGI). Your MAGI is \$242,758.

Amounts are monthly per person.

*MAGI = AGI + Tax-Exempt Interest

MAGI Threshold	MAGI	Part B Premium	Part D Premium
\$0 to \$218,000		\$202.90	Your Plan Premium
\$218,000 to \$274,000	\$242,758	$\$202.90 + \$81.20 = \$284.10$	Your Plan Premium + \$14.50
\$274,000 to \$342,000		$\$202.90 + \$202.90 = \$405.80$	Your Plan Premium + \$37.50
\$342,000 to \$410,000		$\$202.90 + \$324.60 = \$527.50$	Your Plan Premium + \$60.40
\$410,000 to \$750,000		$\$202.90 + \$446.30 = \$649.20$	Your Plan Premium + \$83.30
\$750,000 and above		$\$202.90 + \$487.00 = \$689.90$	Your Plan Premium + \$91.00

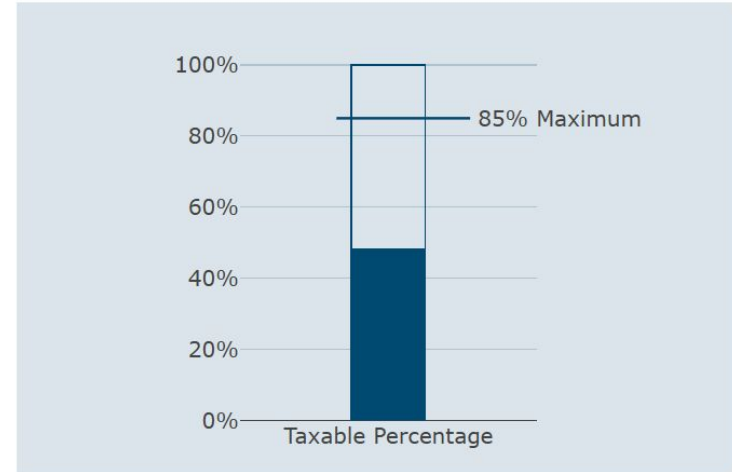
Social Security

TAXATION OF SOCIAL SECURITY

Taxable Percentage	Income Threshold	Combined Income *	Your Taxable Percentage
0% Taxable	Less than \$32,000		
Up to 50.0% taxable	\$32,000 to \$44,000		
Up to 85.0% taxable	More than \$44,000	\$75,500	48.2%

SOCIAL SECURITY

Description	Amount
Total Benefits	\$68,000
Taxable Percentage	48.2%
Taxable Benefits	\$32,775



* Combined income (provisional income)

AGI (not including Social Security benefits)	\$40,000
Nontaxable Interest	\$1,500
50% of your Social Security benefits	\$34,000
Total combined income	\$75,500

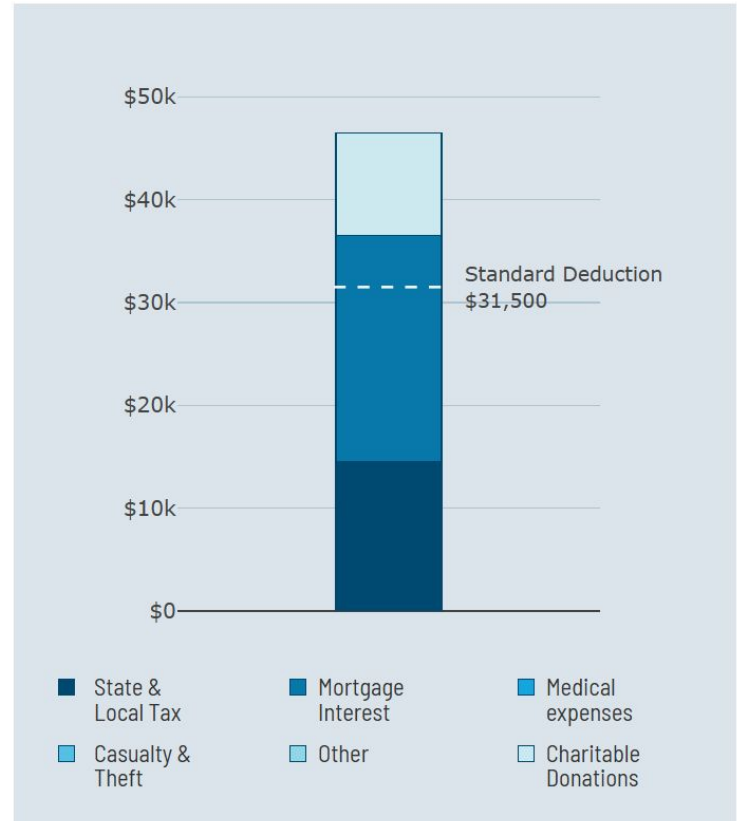
Schedule A

The tax return listed the following items on Schedule A:

ITEMIZED DEDUCTION SUMMARY

Deduction	Amount Claimed
Medical & Dental Expenses	\$0
State & Local Taxes	\$14,500
Mortgage & Investment Interest Expense	\$22,000
Gifts To Charity	\$10,000
Casualty & Theft Losses	\$0
Other Itemized Deductions	\$0
Total Itemized Deductions	\$46,500

Your total itemized deductions exceeded the standard deduction by \$15,000



Schedule B - Income Sources

The tax return listed the following income sources on Schedule B

INTEREST

Description	Amount
BANK OF AMERICA	\$1,500
ALLY BANK	\$2,000
SCHWAB	\$2,500

DIVIDENDS

Description	Amount
VANGUARD	\$10,000
SCHWAB	\$10,000

- Did we know about these accounts?
- If there is significant interest coming from a bank, is that an indication that there are large amounts of cash potentially sitting unproductive?

Schedule D - Capital Gains/Losses

The tax return listed the following sources of capital gains/losses

SHORT TERM

Description	Amount
Short Term Gain/Loss for 2025	\$2,500
Total Short Term Gain/Loss for 2025	\$2,500

LONG TERM

Description	Amount
Long Term Gain/Loss for 2025	\$19,500
Total Long Term Gain/Loss for 2025	\$19,500

TOTAL

Total Gains/Losses for 2025 \$22,000

CARRY FORWARD LOSSES TO 2026

Short Term Loss \$0
Long Term Loss \$0

GAINS AND COLLECTIBLES

1250 Gains: \$5,000

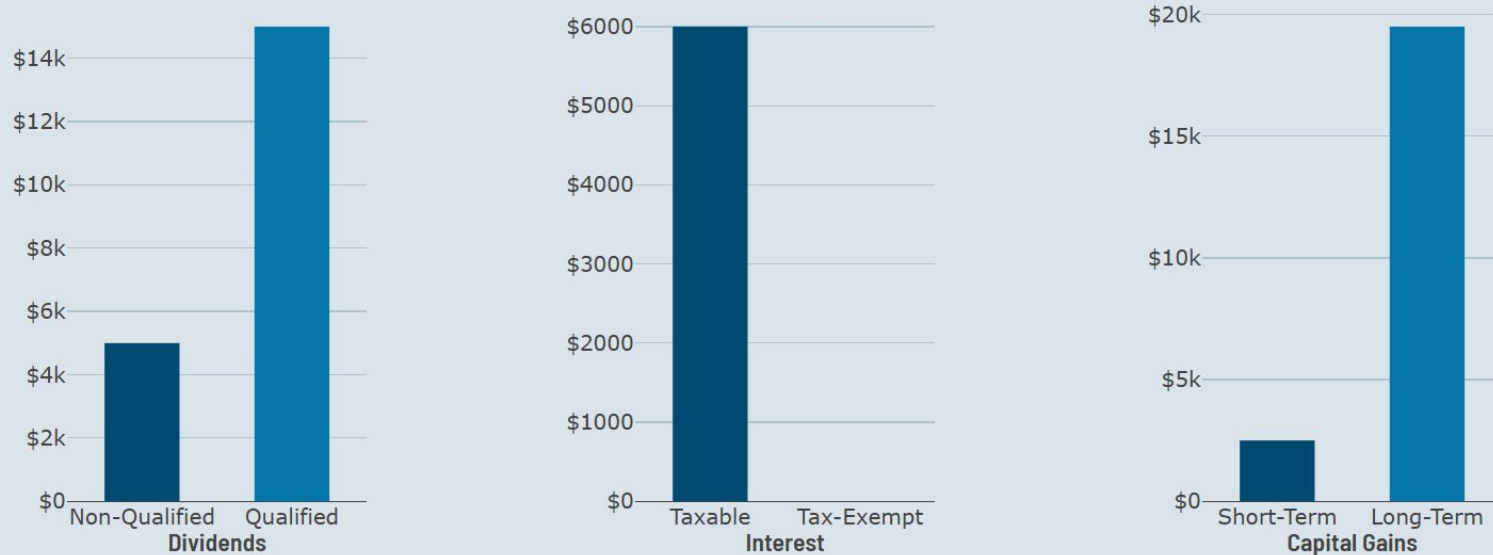
Section 1250 depreciation capture is taxed as ordinary income up to a maximum rate of 25%. You had \$0 of this type of income that was taxed at the 25% rate for \$0, with any remainder that helped make up taxable income taxed as ordinary income.

Collectibles: \$8,000

Collectibles are taxed as ordinary income up to a maximum rate of 28%. You had \$0 of this type of income that was taxed at the 28% rate for \$0, with any remainder that helped make up taxable income taxed as ordinary income.

Let's take a look at the tax efficiency of your investment income

Different types of investment income are taxed differently. For example, non-qualified dividends and short-term capital gains are taxed as ordinary income at higher rates, while qualified dividends and long-term capital gains are taxed at lower preferential rates. And depending on your marginal bracket, it may be more tax efficient to use tax-free income vehicles like municipal bonds/bond funds instead of taxable income options.



Schedule C/E - Income Sources

The tax return listed the following businesses and entities on schedules C or E

SCHEDULE C

Business Name	Net Profit
PAULA'S PALATE	\$52,900.00

- Did we know about the business?
- Liability protection?
- Are there opportunities for retirement plan contributions?
- Are there opportunities for *other* deductions, like self-employed health insurance?

SCHEDULE E

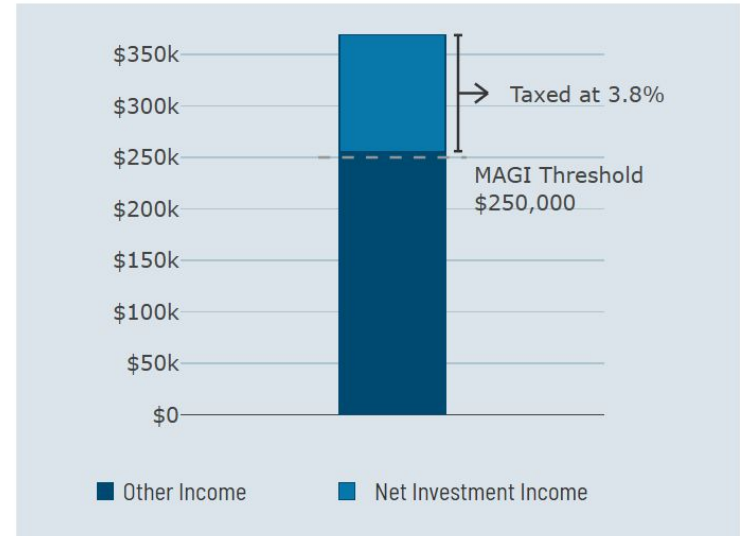
Rental Real Estate and Royalties
500 HOLISTIPLAN RENTAL DRIVE HOLISTIPLANVILLE, TX 77843

- Did we know about these entities?
- Are rental properties productive/cash flow positive?
- Potential depreciation recapture upon sale of rental properties
- Liability protection?
- Estate distribution ramifications

Net Investment Income Tax Summary

The Net Investment Income Tax (NIIT) is a 3.8% tax on the lesser of investment income or the amount over the income threshold where the NIIT is triggered which is \$200,000 (single filers) or \$250,000 (joint filers).

Description	Amount
Modified adjusted gross income	\$368,758
Threshold for Net Investment Income Tax	\$250,000
Net Investment Income	\$112,745
Lesser of Net Investment Income or MAGI in excess of the NIIT threshold	\$112,745
Net Investment Income Tax	\$4,284



Modified Adjusted Gross Income (MAGI): Planning Considerations

Certain deductions and tax incentives phase out as income reaches certain levels. The definition of “income” for these phase outs can be different. The term “Modified Adjusted Income” (MAGI) is generally used, but there are several definitions of MAGI that are slightly different from each other.

MAGI Definition 1 ? (Hide All Items)	\$242,758		
Coverdell ESA ?	\$190,000 - \$220,000	Above	
Lifetime Learning Credit ?	\$160,000 - \$180,000	Above	
American Opportunity Credit ?	\$160,000 - \$180,000	Above	
Child Tax Credit ?	\$400,000 - \$444,000	Under	
Qualified Adoption Expenses Credit ?	\$259,190 - \$299,190	Under	
Savers Credit ?	\$51,000 - \$79,000	Above	
Clean Vehicle Credit (New) - Expires 9/30/2025 ?	\$0 - \$300,000	Under	
Clean Vehicle Credit (Used) - Expires 9/30/2025 ?	\$0 - \$150,000	Above	
Enhanced Deduction for Seniors ?	\$150,000 - \$250,000	Phase Out	
SALT Deduction Cap ?	\$500,000 - \$600,000	Under	
Qualified Tips Deduction ?	\$300,000 - \$550,000	Under	
Overtime Deduction ?	\$300,000 - \$550,000	Under	
Car Loan Interest Deduction ?	\$200,000 - \$250,000	Phase Out	
MAGI Definition 2 ? (Hide All Items)	\$242,758		
Net Investment Income Tax ?	\$0 - \$250,000	Under	
MAGI Definition 3 ? (Hide All Items)	\$233,008		
Roth IRA Contribution ?	\$236,000 - \$246,000	Under	
MAGI Definition 4 ? (Hide All Items)	\$242,758		
Student Loan Interest Deduction ?	\$170,000 - \$200,000	Above	
MAGI Definition 5 ? (Hide All Items)	\$242,757		
IRA Contribution Deductibility - Covered by Qualified Plan ?	\$126,000 - \$146,000	Above	
IRA Contribution Deductibility - Not Covered/Spouse Covered ?	\$236,000 - \$246,000	Phase Out	
MAGI Definition 6 ? (Hide All Items)	\$242,758		
ACA Premium Credit ?	778% of federal poverty limit (48 States and DC)		

Modified Adjusted Gross Income (MAGI): Planning Considerations

Certain deductions and tax incentives phase out as income reaches certain levels. The definition of "income" for these phase outs can be different. The term "Modified Adjusted Income" (MAGI) is generally used, but there are several definitions of MAGI that are slightly different from each other.

MAGI Definition 1 (Hide All Items)		\$242,758	
Coverdell ESA		\$190,000 - \$220,000	Above
Lifetime Learning Credit			Above
American Opportunity Credit			Above
Child Tax Credit			Under
Qualified Adoption Expenses Credit			Under
Savers Credit			Above
Clean Vehicle Credit (New) - Expires 9/30/2025			Under
Clean Vehicle Credit (Used) - Expires 9/30/2025			Above
Enhanced Deduction for Seniors			Phase Out
SALT Deduction Cap			Under
Qualified Tips Deduction			Under
Overtime Deduction			Under
Car Loan Interest Deduction			Phase Out
MAGI Definition 2 (Hide All Items)			
Net Investment Income Tax			Under
MAGI Definition 3 (Hide All Items)			
Roth IRA Contribution			Under
MAGI Definition 4 (Hide All Items)		\$190,000 - \$220,000	
Student Loan Interest Deduction		\$170,000 - \$200,000	Above
MAGI Definition 5 (Hide All Items)		\$242,757	
IRA Contribution Deductibility - Covered by Qualified Plan		\$126,000 - \$146,000	Above
IRA Contribution Deductibility - Not Covered/Spouse Covered		\$236,000 - \$246,000	Phase Out
MAGI Definition 6 (Hide All Items)		\$242,758	
ACA Premium Credit		778% of federal poverty limit (48 States and DC)	

Savers Credit

✕

Credit for contributions to an IRA or employer-sponsored retirement plan, or an ABLÉ account (if the taxpayer is the designated beneficiary). Depending on AGI, credit could be 10%, 20%, or 50% of the first \$2,000 (\$4,000 for joint filers) contributed to eligible retirement accounts.

Close

Modified Adjusted Gross Income (MAGI): Planning Considerations

Certain deductions and tax incentives phase out as income reaches certain levels. The definition of "income" for these phase outs can be different. The term "Modified Adjusted Income" (MAGI) is generally used, but there are several definitions of MAGI that are slightly different from each other.

MAGI Definition 1 [?](#) (Hide All Items)

Coverdell ESA [?](#)

Lifetime

America

Child Tax

Qualified

Savers C

Clean Ve

Clean Ve

Enhance

SALT Ded

Qualified

Overtime Deduction [?](#)

Car Loan Interest Deduction [?](#)

MAGI Definition 3

AGI + IRA Deduction + Student Loan Interest Deduction + Tuition and Fees Deduction (2020 only) + Total Foreign Income Exclusions + Foreign Housing Deduction - Taxable Roth Conversion

Close

\$242,758

\$190,000 - \$220,000

\$160,000 - \$180,000

\$160,000 - \$180,000

\$400,000 - \$444,000

\$259,190 - \$299,190

\$51,000 - \$79,000

\$0 - \$300,000

\$0 - \$150,000

\$150,000 - \$250,000

\$500,000 - \$600,000

\$300,000 - \$550,000

\$300,000 - \$550,000

\$200,000 - \$250,000

Above



Above



Total Income

\$246,495

Adjusted Gross Income (AGI)

\$242,757

Deductions

\$46,500

Taxable Income

\$186,425

Total Tax

\$32,602

Under



Under



Phase Out



MAGI Definition 2 [?](#) (Hide All Items)

Net Investment Income Tax [?](#)

\$242,758

\$0 - \$250,000

Under



MAGI Definition 3 [?](#) (Hide All Items)

Roth IRA Contribution [?](#)

\$233,008

\$236,000 - \$246,000

Under



MAGI Definition 4 [?](#) (Hide All Items)

Student Loan Interest Deduction [?](#)

\$242,758

\$170,000 - \$200,000

Above



MAGI Definition 5 [?](#) (Hide All Items)

IRA Contribution Deductibility - Covered by Qualified Plan [?](#)

IRA Contribution Deductibility - Not Covered/Spouse Covered [?](#)

\$242,757

\$126,000 - \$146,000

\$236,000 - \$246,000

Above



Phase Out



MAGI Definition 6 [?](#) (Hide All Items)

ACA Premium Credit [?](#)




























\$242,758

77% of federal poverty limit (48 States and DC)



Modified Adjusted Gross Income (MAGI): Planning Considerations

Certain deductions and tax incentives phase out as income reaches certain levels. The definition of "income" for these phase outs can be different. The term "Modified Adjusted Income" (MAGI) is generally used, but there are several definitions of MAGI that are slightly different from each other.

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Overtime Deduction 	\$300,000 - \$550,000	Under	
Car Loan Interest Deduction 	\$200,000 - \$250,000	Phase Out	

Beginning Tax Year 2025

Modified Adjusted Gross Income (MAGI): Planning Considerations

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MAGI Definition 1 (Hide All Items)

- Coverdell ESA
- Lifetime Learning Credit
- American Opportunity Credit
- Child Tax Credit
- Qualified Adoption Expenses Credit
- Savers Credit
- Clean Vehicle Credit (New) - Expires 9/30/2025
- Clean Vehicle Credit (Used) - Expires 9/30/2025
- Enhanced Deduction for Seniors
- SALT Deduction Cap
- Qualified Tips Deduction
- Overtime Deduction
- Car Loan Interest Deduction

\$242,758

Enhanced Deduction for Seniors

From 2025 to 2028, seniors who are age 65 or older by the end of the tax year can claim a deduction of up to \$6,000 per eligible filer. The deduction is available to both itemizers and non-itemizers. However, married couples filing separately are not eligible.

Close

Above	🔒
Above	🔒
Above	🔒
Under	🔒
Under	🔒
Above	🔒
Under	🔒
Above	🔒
Phase Out	🔒
Under	🔒
Under	🔒
Under	🔒
Phase Out	🔒

Beginning Tax Year 2025

Deductions & Credits

Deductions reduce the amount of income subject to tax while credits reduce taxes dollar for dollar.

DEDUCTIONS

Claimed	Deduction
Deductible Part of Self-Employment Tax	\$3,738
State, Local, and Other Taxes Deducted	\$14,500
Mortgage and Investment Interest Expense Deduction	\$22,000
Gifts to Charity	\$10,000
Qualified Business Income Deduction	\$9,832

CREDITS

Claimed	Credit	Type
Non-Refundable Child Tax Credit + Credit for Other Dependents	\$2,700	Non-refundable
Dependent Care	\$600	Non-refundable



Peter and Paula **Professor**