## PIMCO<sup>®</sup>

#### PIMCO EDUCATION

# 2025 Tax Reference Guide

This popular guide highlights important and timely tax information for the 2025 tax year.

INDIVIDUAL INVESTORS SHOULD CONSULT THEIR TAX PROFESSIONAL

A company of Allianz (II)

# Planning for 2025 Taxes

This Tax Reference Guide provides highlights of the current tax law for financial professionals and investors to be aware of throughout the year. Together with a tax professional, financial advisors and investors should closely monitor the overall tax burden and look for planning opportunities to reduce or minimize the impact of taxes annually. Federal tax schedules and tables are included for the various income and asset categories.

The guide is not meant to replace the assistance or advice of a tax professional.

#### **Important Dates**

Wednesday, January 15, 2025	4th quarter 2024 estimated tax payment due		
Tuesday, April 1, 2025	Required minimum distribution deadline for those who turned 73 in 2024		
Tuesday, April 15, 2025	1st quarter 2025 estimated tax payment due		
	2024 tax return due without extension		
	Deadline to contribute to traditional or Roth IRA for 2024		
	Deadline to contribute to SEP IRA for 2024 (unless business return is extended)		
Thursday, May 1, 2025	Disaster relief deadline to file 2024 tax return for affected individuals and businesses in certain states (AL, FL, GA, NC, SC, VA, TN)		
Monday, June 16, 2025	2nd quarter 2025 estimated tax payment due		
Monday, September 15, 2025	3rd quarter 2025 estimated tax payment due		
Wednesday, October 15, 2025	2024 tax return due (with extension)		
	Deadline to contribute to SEP IRA for 2024 (if business return is extended)		
Friday, November 28, 2025	Last day to double-up on a position and then sell a substantially identical position for a loss before the end of 2025		
Wednesday, December 31, 2025	Required minimum distribution deadline (other than for those who turn 73 in 2025)		
	Deadline to complete tax-deductible charitable contributions for 2025		
	Deadline for employees to contribute to employer retirement plan		
Thursday, January 15, 2026	4th quarter 2025 estimated tax payment due		

The information contained herein is current only as of the date set forth in the guide and neither PIMCO nor its consultants has any obligation to update such information. This presentation is for general and informational purposes only. No PIMCO representative is providing any tax, legal, financial planning, insurance or investment advice to you as part of this material and no recommendation of any particular security, investment or tax strategy or product is being made. Any such advice or recommendation must be received from appropriate tax, legal or financial advisors, wholly independent of this guide. This material has been prepared without taking into account the objectives, financial situation or needs of any specific investors. The information is summary in nature and is not intended to be all inclusive.

Information provided is current as of the date specified and is subject to change without notice to you.

#### INCOME

**Ordinary Income Tax Rates and Brackets** 

#### Single

Tax rate	If taxable income is	the tax rate is
10%	\$0 -\$11,925	10% of the taxable income
12%	\$11,925-\$48,475	\$1,192.50 plus 12% of the excess over \$11,925
22%	\$48,475-\$103,350	\$5,578.50 plus 22% of the excess over \$48,475
24%	\$103,350-\$197,300	\$17,651 plus 24% of the excess over \$103,350
32%	\$197,300-\$250,525	\$40,199 plus 32% of the excess over \$197,300
35%	\$250,525-\$626,350	\$57,231 plus 35% of the excess over \$250,525
37%	\$626,350+	\$188,769.75 plus 37% of the excess over \$626,350

Married, filing jointly			
Tax rate	If taxable income is	the tax rate is	
10%	\$0-\$23,850	10% of the taxable income	
12%	\$23,850-\$96,950	\$2,385 plus 12% of the excess over \$23,850	
22%	\$96,950-\$206,700	\$11,157 plus 22% of the excess over \$96,950	
24%	\$206,700-\$394,600	\$35,302 plus 24% of the excess over \$206,700	
32%	\$394,600-\$501,050	\$80,398 plus 32% of the excess over \$394,600	
35%	\$501,050-\$751,600	\$114,462 plus 35% of the excess over \$501,050	
37%	\$751,600+	\$202,154.50 plus 37% of the excess over \$751,600	

#### Head of household

Tax rate	If taxable income is	the tax rate is
10%	\$0-\$17,000	10% of the taxable income
12%	\$17,000-\$64,850	\$1,700 plus 12% of the excess over \$17,000
22%	\$64,850-\$103,350	\$7,442 plus 22% of the excess over \$64,850
24%	\$103,350-\$197,300	\$15,912 plus 24% of the excess over \$103,350
32%	\$197,300-\$250,500	\$38,460plus 32% of the excess over \$197,300
35%	\$250,500-\$626,350	\$55,484 plus 35% of the excess over \$250,500
37%	\$626,350+	\$187,031.50 plus 37% of the excess over \$626,350

Married, filing separately			
Tax rate	If taxable income is	the tax rate is	
10%	\$0 -\$11,925	10% of the taxable income	
12%	\$11,925-\$48,475	\$1,192.50 plus 12% of the excess over \$11,925	
22%	\$48,475-\$103,350	\$5,578.50 plus 22% of the excess over \$48,475	
24%	\$103,350-\$197,300	\$17,651 plus 24% of the excess over \$103,350	
32%	\$197,300-\$250,525	\$40,199 plus 32% of the excess over \$197,300	
35%	\$243,725-\$375,800	\$57,231 plus 35% of the excess over \$250,525	
37%	\$375,800+	\$101,077.25 plus 37% of the excess over \$375,800	

#### Source: IRS

Amounts, thresholds and ranges are subject to annual IRS inflation adjustments. Data was obtained from sources believed to be reliable but PIMCO does not guarantee the accuracy or completeness of the content provided. PIMCO undertakes no obligation to update the information and disclaims any warranties or fitness for a particular purpose.

Information provided is current as of the date specified and is subject to change without notice to you.

#### **INCOME** (continued)

#### Additional Medicare Tax

An additional 0.9% Medicare care tax is assessed on family earned income above these thresholds.

Filing status	Earned income threshold	
Single	\$200,000	
Married, filing jointly	\$250,000	
Head of household	\$200,000	
Married, filing separately	\$125,000	

#### **Standard Deduction**

Filing status	Standard deduction
Married, filing jointly	\$30,000
Single	\$15,000
Head of household	\$22,500
Married, filing separately	\$15,000

• Additional deducton for age 65+ or blind = \$1,600 (married); \$2,000 (single)

• The standard deduction for dependents is the greater of (a) \$1,350 or (b) the sum of \$450 and the individual's earned income

#### **Child Tax Credit**

Tax credit for child under age 17	\$2,000
Refundable portion of child credit	\$1,700
Tax credit for other dependents	\$500

	Single	Married, filing jointly
AGI level when credit begins to phaseout	\$200,000	\$400,000

#### Alternative Minimum Tax (AMT)

AMT tax rate	Married, filing separately	All others
26%	\$0-\$119,550	\$0-\$239,100
28%	\$119,550+	\$239,100+

#### Alternative Minimum Tax (AMT) Exemption

Filing status	2025 exemption	2025 AMT exemption phase-out range*
Married, filing jointly	\$137,000	\$1,252,700-\$1,800,700
Single or Head of household	\$88,100	\$626,350-\$978,750
Married, filing separately	\$68,500	\$626,350-\$900,350

\*Exemption subject to 25% phase-out once income reaches this range; exemption is fully phased-out at the top of the range

#### Source: Internal Revenue Service, "Revenue Procedure 2024-40."

Amounts, thresholds and ranges are subject to annual IRS inflation adjustments. Data was obtained from sources believed to be reliable but PIMCO does not guarantee the accuracy or completeness of the content provided. PIMCO undertakes no obligation to update the information and disclaims any warranties or fitness for a particular purpose.

Information provided is current as of the date specified and is subject to change without notice to you.

#### INVESTMENT

#### **Capital Gains and Qualified Dividends**

Long-term capital gain rate	Married, filing jointly	Single	Head of household	Married, filing separately
0%	\$0-\$96,700	\$0-\$48,350	\$0-\$64,750	\$0-\$48,350
15%	\$96,700- \$600,050	\$48,350- \$533,400	\$64,750- \$566,700	\$48,350- \$300,000
20%	\$600,050+	\$533,400+	\$566,700+	\$300,000+

#### Net Investment Income Tax

A 3.8% NIIT is assessed on the lesser of net investment income (e.g., interest, dividends, capital gains, etc.) or Modified AGI above these thresholds.

Filing status	Threshold (modified AGI)
Single	\$200,000
Married, filing jointly	\$250,000
Head of household	\$200,000
Married, filing separately	\$125,000
Gains subject to unique rules	Maximum long-term capital
Collectible gain	28%
Gain on qualified small business stock equal to the section 1202 exclusion	28%
Unrecaptured section 1250 gain	25%

#### **ESTATE**

#### Income Tax Rates for Estates and Trusts **Capital Gains** 0% \$0-3,250 **Estates and Trusts** 15% \$3,250-\$15,900 Tax rate If taxable income is ... the tax rate is 20% \$15.900+ 10% \$0-\$3.150 10% of the taxable income 24% \$3,150-\$11,450 \$315 plus 24% of the excess over \$3,150 Estate and Gift Tax | Generation Skipping Transfer (GST) Tax 35% \$11,450-\$15,650 \$2,307 plus 35% of the excess over \$11,450 \$13,990,000 Estate tax exclusion/GST exemption 37% \$15,650+ \$3,777 plus 37% of the excess over \$15,650 Annual gift tax exclusion \$19,000

#### **CHARITABLE**

#### **Deduction Limits for Charitable Gifts**

Property	Public charity deduction	Public charity AGI limit	Private foundation deduction	Private foundation deduction AGI limit
Cash	FMV	60%	FMV	30%
Ordinary income property	Cost basis	50%	Cost basis	30%
Long-term gain property	FMV	30%	FMV	20%
Personal property – same use	FMV	30%	Cost basis	20%
Personal property – not same use	Cost basis	50%	Cost basis	20%

FMV = fair market value

Charitable contributions that are not deductible due to AGI limitations can be carried forward for up to five years.

Consult a tax advisor on the complexities involving charitable contributions between public and private foundations.

#### Source: IRS

Amounts, thresholds and ranges are subject to annual IRS inflation adjustments. Data was obtained from sources believed to be reliable but PIMCO does not guarantee the accuracy or completeness of the content provided. PIMCO undertakes no obligation to update the information and disclaims any warranties or fitness for a particular purpose.

Information provided is current as of the date specified and is subject to change without notice to you.

#### RETIREMENT

Traditional & Roth Individual Retirement Accounts (IRAs)		
Traditional IRA and Roth IRA maximum contribution	\$7,000	
Traditional IRA and Roth IRA catch-up contribution*	\$1,000	
AGI phaseout range for IRA deduction (married, filing jointly)	\$126,000-\$146,000	
AGI phaseout range for IRA deduction (single and head of household)	\$79,000-\$89,000	
Roth IRA contribution AGI range (married, filing jointly)	\$236,000-\$246,000	
Roth IRA contribution AGI range (single and head of household)	\$150,000-\$165,000	

For those not covered by an employer retirement plan but whose spouse is covered by a qualified plan, the IRA deduction is phased out for MAGI between \$236,000-\$246,000 for 2025.

\* Catch up contributions are avaiable to taxpayers age 50 and older by 12/31/2025

Employer Plan Contribution Limits	
401(k), 403(b) regular contribution	\$23,500
Individual 401(k) total contribution (salary deferral + profit sharing)	\$70,000
Catch up contribution for taxpayers age 50 and older for all above plans*	\$7,500
Catch up contribution for taxpayers age 60, 61, 62, 63 for all above plans*	\$11,250
SEP IRA, Money Purchase or Profit Sharing plan contribution	\$70,000
SIMPLE IRA regular contribution	\$16,500
SIMPLE IRA catch-up contribution for taxpayers age 50 and older*	\$3,500
SIMPLE IRA catch-up contribution for taxpayers age 60, 61, 62, 63 and older*	\$5,250
Maximum annual compensation taken into account for contribution	\$350,000
Annual benefit limit under defined benefit plans	\$280,000

\* Catch up contributions are available to taxpayers age 50 and older by 12/31/2025

#### **HEALTH SAVINGS ACCOUNTS**

	Family coverage	Single coverage
Maximum regular contribution	\$8,550	\$4,300
Maximum catch-up contribution*	\$1,000	\$1,000
Minimum insurance policy deductible	\$3,300	\$1,650
Maximum policy out-of-pocket expense	\$16,600	\$8,300

\* Catch up contributions are available to taxpayers age 55 and older by 12/31/2025

#### **BUSINESS INCOME**

#### **Qualified Business Income Phaseout Range**

For some business owners, the QBI deduction may be phased out as the owner's taxable income reaches this range, and may be fully phased out at the top of this range.

Filing status	Taxable income
Married, filing jointly	\$394,600-\$494,600
All others	\$197,300-\$247,300

#### SOCIAL SECURITY

Social Security Tax	
Maximum Earnings subject to Social Security Tax (OASDI)	\$176,100
Employee share of Social Security Tax	6.2%

Source: IRS

Amounts, thresholds and ranges are subject to annual IRS inflation adjustments. Data was obtained from sources believed to be reliable but PIMCO does not guarantee the accuracy or completeness of the content provided. PIMCO undertakes no obligation to update the information and disclaims any warranties or fitness for a particular purpose.

### PIMCO<sup>®</sup>

PIMCO does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns. The discussion herein is general in nature and is provided for informational purposes only. There is no guarantee as to its accuracy or completeness. Any tax statements contained herein are not intended or written to be used, and cannot be relied upon or used for the purpose of avoiding penalties imposed by the Internal Revenue Service or state and local tax authorities. Individuals should consult their own legal and tax counsel as to matters discussed herein and before entering into any estate planning, trust, investment, retirement, or insurance arrangement.

PIMCO as a general matter provides services to qualified institutions, financial intermediaries and institutional investors. Individual investors should contact their own financial professional to determine the most appropriate investment options for their financial situation. This material contains the current options of the manager and such options are subject to change without notice. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America LLC in the United States and throughout the world. **Pacific Investment Management Company LLC**, 650 Newport Center Drive, Newport Beach, CA 92660 | 800.387.4626 ©2025, PIMCO



pimco.com/advisoreducation