FREE REFERENCE

2026 tax rates, all in one place

For 2026, federal income tax rates run from 10% to 37%, the corporate rate is a flat 21%, and long-term capital gains are taxed at 0%, 15% or 20%. Social Security is 6.2% each for employer and employee on wages up to $184,500, Medicare is 1.45% each, and self-employment tax is 15.3%.

QUICK FACTS

- **Top rate.** 37% above $640,600 single and $768,700 married filing jointly
- **Corporate.** A flat 21% federal rate on C-Corp taxable income
- **Payroll.** 6.2% Social Security up to $184,500 plus 1.45% Medicare, from each side

What are the 2026 federal income tax brackets?

RATE	SINGLE	MARRIED FILING JOINTLY	HEAD OF HOUSEHOLD	MARRIED FILING SEPARATELY
10%	$0 to $12,400	$0 to $24,800	$0 to $17,700	$0 to $12,400
12%	to $50,400	to $100,800	to $67,450	to $50,400
22%	to $105,700	to $211,400	to $105,700	to $105,700
24%	to $201,775	to $403,550	to $201,750	to $201,775
32%	to $256,225	to $512,450	to $256,200	to $256,225
35%	to $640,600	to $768,700	to $640,600	to $384,350
37%	over $640,600	over $768,700	over $640,600	over $384,350

The rates apply to taxable income, after deductions, and only the income inside each band is taxed at that rate. Our 2026 tax brackets guide has the capital gains bands, and the federal income tax calculator shows your own figure.

What other federal rates apply in 2026?

TAX	2026 RATE
Corporate income tax (C-Corp)	21% flat

General information, not tax advice for your situation.

TAX	2026 RATE
Long-term capital gains and qualified dividends	0%, 15% or 20%
Net investment income tax	3.8% above $200,000 single, $250,000 joint
Social Security tax	6.2% employee + 6.2% employer, on wages up to $184,500
Medicare tax	1.45% employee + 1.45% employer, no cap
Additional Medicare tax	0.9% on wages over $200,000 single, $250,000 joint
Self-employment tax	15.3% (12.4% up to $184,500, plus 2.9%)
Federal unemployment (FUTA)	6.0% on the first $7,000, usually 0.6% after the state credit
QBI deduction	Up to 20% of qualified business income
Standard deduction	$16,100 single, $32,200 joint, $24,150 head of household
Estate and gift tax	40% top rate above $15,000,000 per person
Standard mileage rate	72.5 cents through June 30, 76 cents from July 1
Heavy vehicle use tax	Up to $550 per truck a year

Which states tax wages and sales?

State rates change often, and many states add local taxes, so we link to each state's own agency rather than repeat its rates. Nine states don't tax wages. Five have no statewide sales tax: Alaska, Delaware, Montana, New Hampshire and Oregon, though Alaska allows local sales taxes.

STATE	TAX ON WAGES	STATEWIDE SALES TAX	AGENCY
Alabama	Yes	Yes	Revenue agency
Alaska	No	No	Revenue agency
Arizona	Yes	Yes	Revenue agency
Arkansas	Yes	Yes	Revenue agency
California	Yes	Yes	Revenue agency
Colorado	Yes	Yes	Revenue agency
Connecticut	Yes	Yes	Revenue agency
Delaware	Yes	No	Revenue agency
District of Columbia	Yes	Yes	Revenue agency
Florida	No	Yes	Revenue agency

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STATE	TAX ON WAGES	STATEWIDE SALES TAX	AGENCY
Georgia	Yes	Yes	Revenue agency
Hawaii	Yes	Yes	Revenue agency
Idaho	Yes	Yes	Revenue agency
Illinois	Yes	Yes	Revenue agency
Indiana	Yes	Yes	Revenue agency
Iowa	Yes	Yes	Revenue agency
Kansas	Yes	Yes	Revenue agency
Kentucky	Yes	Yes	Revenue agency
Louisiana	Yes	Yes	Revenue agency
Maine	Yes	Yes	Revenue agency
Maryland	Yes	Yes	Revenue agency
Massachusetts	Yes	Yes	Revenue agency
Michigan	Yes	Yes	Revenue agency
Minnesota	Yes	Yes	Revenue agency
Mississippi	Yes	Yes	Revenue agency
Missouri	Yes	Yes	Revenue agency
Montana	Yes	No	Revenue agency
Nebraska	Yes	Yes	Revenue agency
Nevada	No	Yes	Revenue agency
New Hampshire	No	No	Revenue agency
New Jersey	Yes	Yes	Revenue agency
New Mexico	Yes	Yes	Revenue agency
New York	Yes	Yes	Revenue agency
North Carolina	Yes	Yes	Revenue agency
North Dakota	Yes	Yes	Revenue agency
Ohio	Yes	Yes	Revenue agency
Oklahoma	Yes	Yes	Revenue agency

General information, not tax advice for your situation.

STATE	TAX ON WAGES	STATEWIDE SALES TAX	AGENCY
Oregon	Yes	No	Revenue agency
Pennsylvania	Yes	Yes	Revenue agency
Rhode Island	Yes	Yes	Revenue agency
South Carolina	Yes	Yes	Revenue agency
South Dakota	No	Yes	Revenue agency
Tennessee	No	Yes	Revenue agency
Texas	No	Yes	Revenue agency
Utah	Yes	Yes	Revenue agency
Vermont	Yes	Yes	Revenue agency
Virginia	Yes	Yes	Revenue agency
Washington	No	Yes	Revenue agency
West Virginia	Yes	Yes	Revenue agency
Wisconsin	Yes	Yes	Revenue agency
Wyoming	No	Yes	Revenue agency

How do these rates affect a small business?

A sole proprietor or single-member LLC pays income tax at the personal rates on profit, plus 15.3% self-employment tax. An S-Corp owner pays payroll tax only on salary, with the rest of the profit passing through at personal rates, which is why the S-Corp election can save money. A C-Corp pays 21%, and owners pay again on dividends. Our tax planning service runs your numbers under each option.

Common questions

What is the highest federal tax rate in 2026?
37%, on taxable income above $640,600 for single filers and $768,700 for married couples filing jointly.

What is the self-employment tax rate for 2026?
15.3%: 12.4% Social Security on net earnings up to $184,500, plus 2.9% Medicare on all of it. An extra 0.9% applies above $200,000 single.

What is the corporate tax rate for 2026?
A flat 21% at the federal level. Most states add a corporate income or franchise tax.

What are the payroll tax rates for 2026?
Social Security is 6.2% for the employee and 6.2% for the employer, up to $184,500 of wages. Medicare is 1.45% each with no cap. Employers also pay federal and state unemployment tax.

Want a plan for this year?

We run your numbers and show you the options. Book a free 30-minute call at eminenttax.com/contact or call (972) 347-4590.

eminenttax.com

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