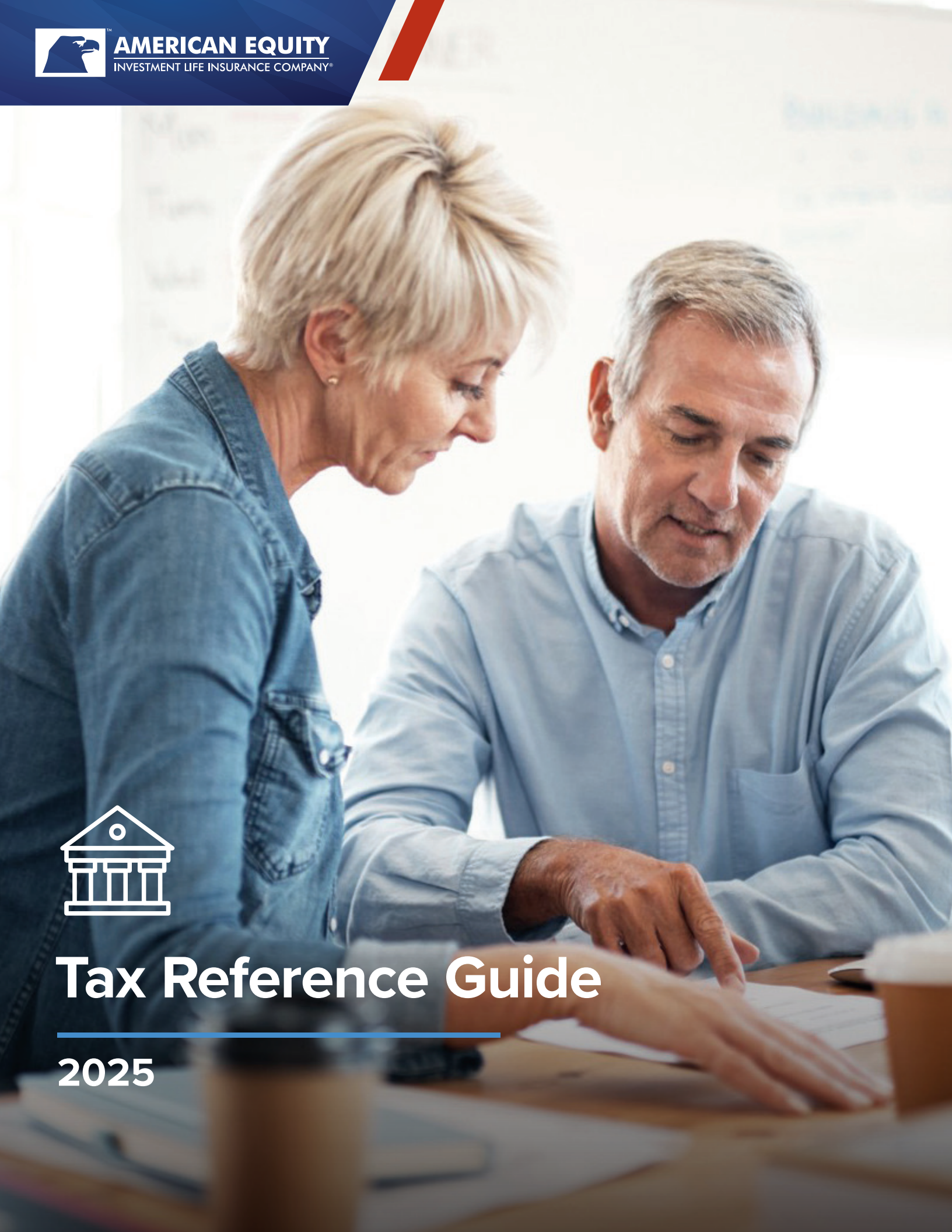




**AMERICAN EQUITY**  
INVESTMENT LIFE INSURANCE COMPANY®



# Tax Reference Guide

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2025

## 2025 Federal Income Tax<sup>1</sup> – Taxable Income

Over	But Not Over	Tax +	% On Excess	Of the Amount Over
<b>Single Filers</b>				
\$0	\$11,925	\$0	10%	\$0
\$11,925	\$48,475	\$1,193	12%	\$11,925
\$48,475	\$103,350	\$5,579	22%	\$48,475
\$103,350	\$197,300	\$17,651	24%	\$103,350
\$197,300	\$250,525	\$40,199	32%	\$197,300
\$250,525	\$626,350	\$57,231	35%	\$250,525
\$626,350		\$188,770	37%	\$626,350
<b>Married Filing Jointly or Surviving Spouse</b>				
\$0	\$23,850	\$0	10%	\$0
\$23,850	\$96,950	\$2,385	12%	\$23,850
\$96,950	\$206,700	\$11,157	22%	\$96,950
\$206,700	\$394,600	\$35,302	24%	\$206,700
\$394,600	\$501,050	\$80,398	32%	\$394,600
\$501,050	\$751,600	\$114,462	35%	\$501,050
\$751,600		\$202,155	37%	\$751,600
<b>Married Filing Separately</b>				
\$0	\$11,925	\$0	10%	\$0
\$11,925	\$48,475	\$1,193	12%	\$11,925
\$48,475	\$103,350	\$5,579	22%	\$48,475
\$103,350	\$197,300	\$17,651	24%	\$103,350
\$197,300	\$250,525	\$40,199	32%	\$197,300
\$250,525	\$375,800	\$57,231	35%	\$250,525
\$375,800		\$101,077	37%	\$375,800
<b>Head of Household</b>				
\$0	\$17,000	\$0	10%	\$0
\$17,000	\$64,850	\$1,700	12%	\$17,000
\$64,850	\$103,350	\$7,442	22%	\$64,850
\$103,350	\$197,300	\$15,912	24%	\$103,350
\$197,300	\$250,500	\$38,460	32%	\$197,300
\$250,500	\$626,350	\$55,484	35%	\$250,500
\$626,350		\$187,032	37%	\$626,350
<b>Trusts and Estates</b>				
\$0	\$3,150	\$0	10%	\$0
\$3,150	\$11,450	\$315	24%	\$3,150
\$11,450	\$15,650	\$2,307	35%	\$11,450
\$15,650		\$3,777	37%	\$15,650
<b>Standard Deductions</b>		<b>2025</b>	<b>2024</b>	
Single		\$15,000	\$14,600	
Married Filing Jointly		\$30,000	\$29,200	
Head of Household		\$22,500	\$21,900	

Additional Standard Deduction 65+ or Blind	2025	2024
Single or Head of Household	\$2,000	\$1,950
Married Filing Jointly	\$1,600	\$1,550

*Note: The additional Standard Deduction is doubled for those who are both over 65-years-old and blind.*

## Traditional and Roth IRAs<sup>1</sup>

IRA Annual Contribution Limit	2025	2024
Contribution Limit	\$7,000	\$7,000
50+ Catch Up	\$1,000	\$1,000

## Traditional IRA Deductibility Phase-Out Based on MAGI

Participants in Employer Plans		
Married Filing Jointly	\$126,000 - \$146,000	\$123,000 - \$143,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000
Single or Head of Household	\$79,000 - \$89,000	\$77,000 - \$87,000

## Nonparticipant Married to a Participant

Married Filing Jointly	\$236,000 - \$246,000	\$230,000 - \$240,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000

## Roth IRA Phase-Out Based on MAGI

Married Filing Jointly	\$236,000 - \$246,000	\$230,000 - \$240,000
Married Filing Separately	\$0 - \$10,000	\$0 - \$10,000
Single or Head of Household	\$150,000 - \$165,000	\$146,000 - \$161,000

## SEP IRA & SIMPLE IRA Contribution Limits<sup>1</sup>

	2025	2024
Maximum Annual SEP Contribution	\$70,000	\$69,000
Maximum Compensation Considered for a SEP IRA	\$350,000	\$345,000
SIMPLE IRA Salary Deferral Limits	\$16,500	\$16,000
SIMPLE IRA 50-59 and 64+ Catch Up	\$3,500	\$3,500
SIMPLE IRA 60-63 Catch Up (New in 2025)	\$5,250	

## Qualified Plans

	2025	2024
401(k), 403(b), 457(b) Salary Deferral <sup>2</sup>	\$23,500	\$23,000
50-59 and 64+ Catch Up	\$7,500	\$7,500
60-63 Catch Up (New in 2025)	\$11,250	
Maximum Annual Contributions Employee + Employer	\$70,000	\$69,000
Maximum Annual Benefit - Defined Benefit Plan	\$280,000	\$275,000
Maximum Compensation Considered	\$350,000	\$345,000
Highly Compensated Employee	\$160,000	\$155,000
Key Employee/Officer	\$230,000	\$220,000

Social Security <sup>3</sup>	2025	2024
<b>Taxable Wage Base</b>		
Social Security (OASDI)	\$176,100	\$168,600
Medicare	No Limit	No Limit
Quarter of Coverage	\$1,810	\$1,730

Retirement Earnings Test		
Under Full Retirement Age	\$23,400	\$22,320
<i>Benefit is reduced \$1 for every \$2 in earnings above the limit.</i>		
Year Reaching Full Retirement Age	\$62,160	\$59,520
<i>Applies only to earnings for months prior to full retirement age. Benefit is reduced \$1 for every \$3 in earnings above the limit.</i>		

Taxability of Benefits		
	Individual	Married Filing Jointly
Not Taxable	Less than \$25,000	Less than \$32,000
Up to 50% Taxable	\$25,000-\$34,000	\$32,000-\$44,000
Up to 85% Taxable	Above \$34,000	Above \$44,000

Provisional Income
<i>Provisional Income = Adjusted Gross Income + Nontaxable Interest + ½ of Social Security Benefit</i>

Age to Receive Full Benefits		
Year of Birth	Full Retirement Age	% Reduced at Age 62
1943-1954	66	25.00%
1955	66 and 2 months	25.83%
1956	66 and 4 months	26.67%
1957	66 and 6 months	27.50%
1958	66 and 8 months	28.33%
1959	66 and 10 months	29.17%
1960 and later	67	30.00%

Delayed Retirement Credits	
Year of Birth	Yearly Rate of Increase
1943 or later	8%

*Accrues when you reach full retirement age until you start receiving benefits or reach age 70.*

Estate and Gift Tax <sup>1</sup>	2025	2024
Annual Gift Exclusion	\$19,000	\$18,000
Unified Credit Amount	\$13,990,000	\$13,610,000
Gift to Non-Citizen Spouse	\$190,000	\$185,000
Highest Estate Tax Bracket	40%	40%

Health Savings Accounts <sup>4</sup>	2025	2024
<b>Contribution Limits</b>		
Single/Family	\$4,300/\$8,550	\$4,150/\$8,300
Age 55+ Catch Up	\$1,000	\$1,000

High Deductible Health Plans		
Minimum Deductible Single/Family	\$1,650/\$3,300	\$1,600/\$3,200
Maximum Out of Pocket Single/Family	\$8,300/\$16,600	\$8,050/\$16,100

Uniform Lifetime Table <sup>5</sup>					
Age	Divisor Balance	% Account	Age	Divisor Balance	% Account
70	29.1	3.44%	86	15.2	6.58%
71	28.2	3.55%	87	14.4	6.94%
72	27.4	3.65%	88	13.7	7.30%
73	26.5	3.77%	89	12.9	7.75%
74	25.5	3.92%	90	12.2	8.20%
75	24.6	4.07%	91	11.5	8.70%
76	23.7	4.22%	92	10.8	9.26%
77	22.9	4.37%	93	10.1	9.90%
78	22.0	4.55%	94	9.5	10.53%
79	21.1	4.74%	95	8.9	11.24%
80	20.2	4.95%	96	8.4	11.90%
81	19.4	5.15%	97	7.8	12.82%
82	18.5	5.41%	98	7.3	13.70%
83	17.7	5.65%	99	6.8	14.71%
84	16.8	5.95%	100	6.4	15.63%
85	16.0	6.25%	101	6.0	16.67%

**For more information, please contact your financial or tax professional.**

# American Equity

## Commitment to Values

### Service

Our contract owners are why we are here, and we do our best to provide service, second to none, every day.

### Integrity

Our values of honesty, fairness and truthfulness have been central to our past success and will continue to be for generations to come.

### Excellence

Our dedication to going above and beyond in every facet of our business has established us as a top-tier fixed index annuity provider.

### Protection

Our products provide assurance for contract owners that they can trust their principal is protected and their income is guaranteed for life.

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<sup>1</sup> Figures and data from IRS.gov.

<sup>2</sup> Special catch-up rules apply to certain 403(b) contributors with 15 or more years of service and governmental 457(b) participants in the last three years before retirement. Source: IRS News Release IR-2015-118

<sup>3</sup> Source: Social Security Administration website, SSA.gov.

<sup>4</sup> Health Savings. <https://healthsavings.com/contribute-hsa-health-coverage-changes/>

<sup>5</sup> Source: IRS Publication 590

2025 Tax Reference Guide is summary in nature and is current and accurate as of 01/01/2025. Users of this guide are advised to refer to the complete legislation or other applicable materials to ensure accuracy and comprehensive coverage of the material. Further, changes to legislation or applicable administrative actions that become effective after that date may make the information provided in this publication no longer current. This brochure is designed to provide accurate and authoritative information on the subjects covered. It is not, however, intended to provide specific legal, tax or other professional advice. This material cannot be used for the purpose of avoiding U.S. tax penalties. These materials are not intended to be used to avoid tax penalties, and were prepared to support the promotion or marketing of the matter addressed in this document. Products and services may not be available in all states.

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