2025 tax return: key transitions and tripwires

Single filer

	Measure	Amount
Trigger 15% capital gain tax from 0%	Total Taxable Income	$48,350
$6,000 bonus Std Deduction starts to phase out for those age ≥65. Complete phase out at $150,000.	MAGI	$75,000
IRMAA tripwires applicable to 2025 return		
IRMAA Tripwire #1 ~$1,100 cost	MAGI	$111,000
Tripwire #2 for ~$1,650 cost		$140,000
Tripwire #3 for ~$1,650 cost		$174,000
Tripwire #4 for ~$1,650 cost		$209,000
Tripwire #5 for ~$600 cost		$500,000
Tripwire for NIIT. 3.8 percentage points added tax on portion of investment income.	MAGI	$200,000
End of 12% - Start of 22% tax rate	Taxable Ordinary Income	$48,475
End of 22% - Start of 24%		$103,350
End of 24% - Start of 32%		$197,300

Married, Joint filers

	Measure	Amount
Trigger 15% capital tax from 0%	Total Taxable Income	$96,700
$12,000* bonus Std Deduction starts. Complete phase out at $250,000. to phase out (* assumes both ≥ 65)	MAGI	$150,000
IRMAA tripwires applicable to 2025 return (assumes both on Mcare)		
IRMAA Tripwire #1 ~$2,200 cost	MAGI	$222,000
Tripwire #2 for ~$3,700 cost		$280,000
Tripwire #3 for ~$3,700 cost		$348,000
Tripwire #4 for ~$3,700 cost		$418,000
Tripwire #5 for ~$1,200 cost		$750,000
Tripwire for NIIT. 3.8 percentage points added tax on portion of investment income.	MAGI	$250,000
End of 12% - Start of 22% tax rate	Taxable Ordinary Income	$96,950
End of 22% - -Start of 24%		$206,700
End of 24% - Start of 32%		$394,600

IRMAA tripwires applicable to your 2025 tax return are my estimates in August 2025.
Tripwires announced in Oct or Nov 2026 are two inflation adjustments from those ones last announced Nov 2024.
The IRMAA table that Medicare will issue Oct or Nov 2026 uses MAGI (generally AGI) on your 2025 tax return that you filed in Spring 2026 to see if you have crossed a tripwire.
If you cross a tripwire, you pay greater Medicare premiums in calendar 2027. Generally deducted from your gross SS benefit.
The added amounts you pay per tripwire are adjusted each year for Medicare's increased costs.

Adjusted Gross Income (AGI, generally MAGI) is income before standard or itemized deductions
Taxable income is income after standard or itemized deductions
Two kinds of income are taxed differently. Ordinary income is taxed at marginal tax rates: 0% to 37%.
Long-term gains on sales of securities and qualified dividends are taxed at capital gains tax rates: 0%, 15% or 20%.

Tom Canfield, August 2025