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TAX & ACCOUNTING

# NEWSLETTER



## 2026 Tax Filing Season Kickoff

As of January 27, the 2026 tax filing season is officially underway. The IRS is now actively accepting and processing federal individual income tax returns for tax year 2025. While January 24 marked the official opening of the season, most electronic filings are now fully live and moving through the system. Filing early remains a smart play—it helps reduce errors, avoid peak-season delays, and puts you in the best position for faster refunds as filing volume accelerates in the weeks ahead.

## 2026 Tax Brackets & Standard Deduction Updates

For 2026, the IRS has adjusted income tax brackets and standard deductions upward to account for inflation. This means many taxpayers may see slightly more take-home pay throughout the year and potentially lower overall tax liability when filing. If your paycheck feels a little lighter on withholding, that's not a glitch — it's policy.



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## Major Tax Law Changes Taking Effect

Several provisions from recent federal tax legislation officially kick in for 2026, solidifying parts of the 2017 tax framework and expanding deductions for specific groups. This includes enhanced benefits for seniors and certain workers, making tax planning less about guesswork and more about strategy.



## Estate & Gift Tax Threshold Increases

The federal estate and gift tax exemption increases again for 2026, reaching roughly \$15 million per individual. This creates more flexibility for long-term wealth and estate planning, particularly for families and business owners considering large transfers or succession planning.

## Changes to IRS Free Filing Options

The IRS has discontinued its Direct File pilot program for the 2026 filing season. Taxpayers who qualify for free filing will need to use IRS Free File partners or work with a tax professional. Translation: free options still exist, but the path to them looks a little different.

## Big Picture: Corporate & Global Tax Landscape

On the corporate side, the U.S. has opted out of certain global minimum tax agreements, shaping how multinational businesses approach international tax planning. While this won't affect most individual filers directly, it signals continued shifts in the broader tax environment.