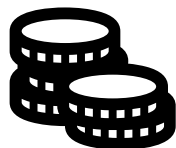


2025-2028

No Tax on Tips!

Thanks to the One Big Beautiful Bill Act, tipped workers can now deduct up to \$25,000.00 per year in qualified tips from their taxable income for the tax years 2025 through 2028.



What counts as “Qualified Tips”?

- **Voluntary:** Freely given by customers (not mandatory service charges)
- **Recognized occupations:** Server, bartenders, stylists, podcasters, streamers, and more.
- **Cash or Equivalent:** Cash, card payments, gift cards, casino chips, etc.
- **Properly Reported:** Must be reported to the IRS via W-2, 1099, or Form 4137.

What doesn't count?

- Mandatory service charges
- Tips tied to illegal or adult content
- Non-cash items (meals, tickets, services)
- Tips from law, finance, athletics, or other excluded professions.

How to Claim it

- Applies to tax years 2025-2028
- Claim on your federal return – standard or itemized
- Income phase-out begins at \$150,000.00 (or \$300,000.00 for joint filers)

Remember to track your tips and report them properly.

For more information, consult your tax professional or visit [irs.gov](https://www.irs.gov).