

NO TAX ON TIPS

Qualified tips must:

- **be cash or charged tips received in an occupation that customarily and regularly received tips** before 12/31/2024. (See proposed list of occupations per Treasury).
- be voluntary, not negotiated or required in advance, and determined by the payor.
 - Mandatory service charges or automatic gratuities added by a business do not qualify.
- not from a trade or business that is a specified service trade or business (SSTB). SSTBs include fields of health, performing arts, athletics, law and accounting.

The deduction:

- is up to \$25,000 (per return).
- can be claimed by both itemizing and non-itemizing taxpayers.
- is not available for taxpayers who file Married Filing Separately (MFS).
- is subject to a MAGI phase-out starting at \$150,000 (\$300,000 MFJ).

For 2025, employers and payors are not required to separately report or account for qualified tips on the Form W-2, 1099-NEC, 1099-MISC, or 1099-K that is provided (however, employers/payors may provide this information in a statement or box 14b on the W2). See [Notice 2025-69](#) for more guidance.

Beverage and Food Service

- Bartenders, Bartender Helpers
- Wait Staff
- Food Servers (*non-restaurant*)
- Dining Room and Cafeteria Attendants
- Chefs and Cooks and Bakers
- Food Preparation Workers
- Fast Food and Counter Workers
- Dishwashers
- Host Staff, Restaurant, Lounge, Coffee Shop

Home Services

- Home Maintenance and Repair Workers
- Home Landscaping & Groundskeeping
- Home Electricians, Plumbers
- Home HVAC Mechanics and Installers
- Home Appliance Installers and Repairers
- Home Cleaning Service Workers
- Locksmiths
- Roadside Assistance Workers

Transportation and Delivery

- Parking and Valet Attendants
- Taxi and Rideshare Drivers and Chauffeurs
- Shuttle Drivers
- Goods Delivery People
- Personal Vehicle and Equipment Cleaners
- Private and Charter Bus Drivers
- Water Taxi Operators and Charter Boat Workers
- Rickshaw, Pedicab, and Carriage Drivers
- Home Movers

Entertainment and Events

- Gambling Dealers
- Gambling Change Persons and Booth Cashiers
- Gambling Cage Workers
- Gambling and Sports Book Writers and Runners
- Dancers, Musicians and Singers
- Disc Jockeys (*except radio*)
- Entertainers and Performers
- Digital Content Creators
- Ushers, Lobby Attendants, and Ticket Takers
- Locker Room, Coatroom, and Dressing Room Attendants

Personal Services

- Personal Care and Service Workers
- Private Event Planners
- Private Event and Portrait Photographers
- Private Event Videographers
- Event Officials
- Pet Caretakers
- Tutors
- Nannies and Babysitters

Recreation and Instruction

- Golf Caddies
- Self-Enrichment Teachers
- Recreational and Tour Pilots
- Tour Guides, Escorts, Travel Guides
- Sports and Recreation Instructors

Personal Appearance and Wellness

- Skincare Specialists
- Massage Therapists
- Barbers, Hairdressers, Hairstylists, Shampooers, and Cosmetologists
- Manicurists and Pedicurists
- Eyebrow Threading and Waxing Technicians
- Makeup Artists
- Exercise Trainers and Group Fitness Instructors
- Tattoo Artists and Piercers
- Tailors, Shoe and Leather Workers and Repairer

Hospitality and Guest Services

- Baggage Porters and Bellhops
- Concierges
- Hotel, Motel, and Resort Desk Clerks
- Maids and Housekeeping Cleaners

***List of occupations from proposed guidelines by US Treasury Dept, IR-2025-92 Sept 19, 2025.*