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2021

MARGINAL FEDERAL TAX RATES

MARRIED FILING JOINT

2021

				<u>Capital Gains</u>
\$0	→	\$19,900	10%	0%
\$19,901	→	\$81,050	12%	0%
\$81,051	→	\$172,750	22%	15%
\$172,751	→	\$329,850	24%	15%
\$329,851	→	\$418,850	32%	15%
\$418,851	→	\$628,300	35%	15%
\$628,301				
& Over	→		37%	20%

SINGLE

2021

				<u>Capital Gains</u>
\$0	→	\$9,950	10%	0%
\$9,951	→	\$40,525	12%	0%
\$40,526	→	\$86,375	22%	15%
\$86,376	→	\$164,925	24%	15%
\$164,926	→	\$209,425	32%	15%
\$209,426	→	\$523,600	35%	15%
\$523,601				
& Over	→		37%	20%

* The ACA (Affordable Care Act) tax provisions became effective in 2013. This included: (a) A 3.8% Net Investment Income (NII) Tax, generally taxed on the lesser of NII or qualified Investment Income in excess of Modified Adjusted Gross Income of \$250,000 for joint returns & \$200,000 for single and others. (b) A .9% Additional Medicare Tax on earned income of higher income individuals, it is generally imposed on Wages and/or S/E Income in excess of \$250,000 for joint & \$200,000 for single and others.

**Under the TCJA, capital gains and dividends generally remain taxed at 15% for assets held more than one year (zero percent for net capital gains otherwise taxed in the 10% or 15% brackets). However the long-term capital gain and qualified dividends rate increases to 20% that would otherwise be taxed in the 39.6% brackets starting at the applicable taxable income levels indicated above.