

**Capital Gain
and Qualified
Dividend
Maximum Tax
Rates**

Effective 2018. The breakpoints no longer follow the tax brackets for regular income tax purposes. For 2018, the breakpoints are as follows:

Single Taxable Income

\$ 0 to 38,600	maximum rate = 0%
38,601 to 425,800	maximum rate = 15%
425,801 and over	maximum rate = 20%

MFJ or QW Taxable Income

\$ 0 to 77,200	maximum rate = 0%
77,201 to 479,000	maximum rate = 15%
479,001 and over	maximum rate = 20%

MFS Taxable Income

\$ 0 to 38,600	maximum rate = 0%
38,601 to 239,500	maximum rate = 15%
239,501 and over	maximum rate = 20%

HOH Taxable Income

\$ 0 to 51,700	maximum rate = 0%
51,701 to 452,400	maximum rate = 15%
452,401 and over	maximum rate = 20%

Estates and Trusts Taxable Income

\$ 0 to 2,600	maximum rate = 0%
2,601 to 12,700	maximum rate = 15%
12,701 and over	maximum rate = 20%

The breakpoints for the 25% maximum rate for unrecaptured section 1250 gain, and the 28% maximum rate for 28% rate gain follows prior law. Thus, the 25% and 28% maximum rates apply when taxable income exceeds the 24% tax bracket for regular income tax purposes.

In the case of an individual, estate, or trust, any adjusted net long-term capital gain (including qualified dividends) which otherwise would be taxed at the 10% or 15% rate for regular income tax purposes is not taxed. Any adjusted net long-term capital gain which otherwise would be taxed at rates over 15% and below 39.6% is taxed at a 15% rate. Any adjusted net long-term capital gain which otherwise would be taxed at a 39.6% rate is taxed at a 20% rate. The maximum rate is 25% for unrecaptured section 1250 gain, and 28% for gain from the sale of collectibles.