

Long-Term Capital Gains

The long-term capital gains rates for 2022 and 2023 are shown below. The tax brackets refer to the taxpayer's taxable income. Capital gains also may be subject to the 3.8% Net Investment Income Tax.

2022 Long-Term Capital Gains Rate Brackets

Long-Term Capital Gains Tax Rate	Joint/Surviving Spouse	Single	Head of Household	Married Filing Separately	Estates & Trusts
0%	\$0 – \$83,350	\$0 – \$41,675	\$0 – \$55,800	\$0 – \$41,675	\$0 – \$2,800
15%	\$83,351 – \$517,200	\$41,676 – \$459,750	\$55,801 – \$488,500	\$41,676 – \$258,600	\$2,801 – \$13,700
20%	Over \$517,200	Over \$459,750	Over \$488,500	Over \$258,600	Over \$13,700

2023 Long-Term Capital Gains Rate Brackets

Long-Term Capital Gains Tax Rate	Joint/Surviving Spouse	Single	Head of Household	Married Filing Separately	Estates & Trusts
0%	\$0 – \$89,250	\$0 – \$44,625	\$0 – \$59,750	\$0 – \$44,625	\$0 – \$3,000
15%	\$89,251 – \$553,850	\$44,626 – \$492,300	\$59,751 – \$523,050	\$44,626 – \$276,900	\$3,001 – \$14,650
20%	Over \$553,850	Over \$492,300	Over \$523,050	Over \$276,900	Over \$14,650

Long-term capital gains (and qualified dividends) are subject to a lower tax rate than other types of income. Investors should consider the following when planning for capital gains:

- ☐ Holding capital assets for more than a year (more than three years for assets attributable to carried interests) so that the gain upon disposition qualifies for the lower long-term capital gains rate.
- ☐ Considering long-term deferral strategies for capital gains such as reinvesting capital gains into designated qualified opportunity zones.
- ☐ Investing in, and holding, “qualified small business stock” for at least five years.
- ☐ Donating appreciated property to a qualified charity to avoid long term capital gains tax (also see *Charitable Contributions*, below).