



## YEAR-END TAX PLANNING MOVES FOR INDIVIDUALS

### Long-term Capital Gains

Long-term capital gain from sales of assets held for over one year is taxed at 0%, 15% or 20%, depending on the taxpayer's taxable income. If you hold long-term appreciated-in-value assets, consider selling enough of them to generate long-term capital gains that can be sheltered by the 0% rate. The 0% rate generally applies to the excess of long-term capital gain over any short-term capital loss to the extent that, when added to regular taxable income, it is not more than the maximum zero rate amount (e.g., \$80,000 for a married couple). If the 0% rate applies to long-term capital gains you took earlier this year for example, you are a joint filer who made a profit of \$5,000 on the sale of stock held for more than one year and your other taxable income for 2020 is \$75,000 then try not to sell assets yielding a capital loss before year-end, because the first \$5,000 of those losses won't yield a benefit this year. (It will offset \$5,000 of capital gain that is already tax-free.)