

2012 IRS Tax Brackets					2012	
Taxable Income					Capital Gains	
Tax Rate	Married, Joint		Single		Short Term	Long Term
	Over	But not over	Over	But not over		
10%	\$0.00	\$17,400.00	\$0.00	\$8,700.00	10%	0%
15%	\$17,400.00	\$70,700.00	\$8,700.00	\$35,350.00	15%	0%
25%	\$70,700.00	\$142,700.00	\$35,350.00	\$85,650.00	25%	15%
28%	\$142,700.00	\$217,450.00	\$85,650.00	\$178,650.00	28%	15%
33%	\$217,450.00	\$388,350.00	\$178,650.00	\$388,350.00	33%	15%
35%	\$388,350.00		\$388,350.00		35%	15%

Marginal Tax Rate Example:

Married with taxable income of \$150,000 are at 28% bracket taxed as follow:

	Income level	Tax Due
10%	\$0.00	\$17,400.00
15%	\$17,400.00	\$70,700.00
25%	\$70,700.00	\$142,700.00
28%	\$142,700.00	\$150,000.00
		<u>\$7,300.00</u>
		<u>\$2,044.00</u>
		\$150,000.00
		\$27,735.00

\$27,735.00 Divide by \$150,000.00 18.49% is the effective tax rate

Source: irs.gov --- Please consult your tax professional

Table provided by Metro RE Investment Group and Property Management