

# Tax-Exempt vs. Taxable Income Tables

The following charts allow you to compare the returns on tax-exempt investments to those that are taxable. After determining your marginal federal income tax bracket on the top chart, locate the taxable or tax-exempt return of interest in the lower tables.

Filing Status	Taxable Income <sup>1</sup> up to:						
	10.00%	12.00%	22.00%	24.00%	32.00%	35.00%	37.00%
Single	\$9,875	\$40,125	\$85,525	\$163,300	\$207,350	\$518,400	\$518,400+
Married filing joint	\$19,750	\$80,250	\$171,050	\$326,600	\$414,700	\$622,050	\$622,050+
Married filing separate	\$9,875	\$40,125	\$85,525	\$163,300	\$207,350	\$311,025	\$311,025+
Head of household	\$14,100	\$53,700	\$85,500	\$163,300	\$207,350	\$518,400	\$518,400+
Estates and trusts	\$2,600	N/A	N/A	\$9,450	N/A	\$12,950	\$12,950+

Tax-Exempt Return	Taxable Return Required to Equal a Tax-Exempt Return at Various Top Federal <sup>2</sup> Tax Brackets						
	10.00%	12.00%	22.00%	24.00%	32.00%	35.00%	37.00%
3%	3.33%	3.41%	3.85%	3.95%	4.41%	4.62%	5.13%
4%	4.44%	4.55%	5.13%	5.26%	5.88%	6.15%	6.84%
5%	5.56%	5.68%	6.41%	6.58%	7.35%	7.69%	8.55%
6%	6.67%	6.82%	7.69%	7.89%	8.82%	9.23%	10.26%
7%	7.78%	7.95%	8.97%	9.21%	10.29%	10.77%	11.97%
8%	8.89%	9.09%	10.26%	10.53%	11.76%	12.31%	13.68%
9%	10.00%	10.23%	11.54%	11.84%	13.24%	13.85%	15.38%
10%	11.11%	11.36%	12.82%	13.16%	14.71%	15.38%	17.09%
11%	12.22%	12.50%	14.10%	14.47%	16.18%	16.92%	18.80%
12%	13.33%	13.64%	15.38%	15.79%	17.65%	18.46%	20.51%
13%	14.44%	14.77%	16.67%	17.11%	19.12%	20.00%	22.22%

Values shown in this presentation are hypothetical and not a promise of future performance.

<sup>1</sup> 2020 federal income tax rates are shown.

<sup>2</sup> The examples shown here consider only federal income taxes. The results would be different if state income taxes were also included.

## Tax-Exempt vs. Taxable Income Tables

Taxable Return	Tax-Exempt Return Required to Equal a Taxable Return at Various Top Tax Brackets						
	10.00%	12.00%	22.00%	24.00%	32.00%	35.00%	37.00%
3%	2.70%	2.64%	2.34%	2.28%	2.04%	1.95%	1.76%
4%	3.60%	3.52%	3.12%	3.04%	2.72%	2.60%	2.34%
5%	4.50%	4.40%	3.90%	3.80%	3.40%	3.25%	2.93%
6%	5.40%	5.28%	4.68%	4.56%	4.08%	3.90%	3.51%
7%	6.30%	6.16%	5.46%	5.32%	4.76%	4.55%	4.10%
8%	7.20%	7.04%	6.24%	6.08%	5.44%	5.20%	4.68%
9%	8.10%	7.92%	7.02%	6.84%	6.12%	5.85%	5.27%
10%	9.00%	8.80%	7.80%	7.60%	6.80%	6.50%	5.85%
11%	9.90%	9.68%	8.58%	8.36%	7.48%	7.15%	6.44%
12%	10.80%	10.56%	9.36%	9.12%	8.16%	7.80%	7.02%
13%	11.70%	11.44%	10.14%	9.88%	8.84%	8.45%	7.61%
14%	12.60%	12.32%	10.92%	10.64%	9.52%	9.10%	8.19%

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