

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 ¹ up to:						
	10.00%	12.00%	22.00%	24.00%	32.00%	35.00%	37.00%
Single	\$11,000	\$44,725	\$95,375	\$182,100	\$231,250	\$578,125	\$578,125+
Married filing joint	\$22,000	\$89,450	\$190,750	\$364,200	\$462,500	\$693,750	\$693,750+
Married filing separate	\$11,000	\$44,725	\$95,375	\$182,100	\$231,250	\$346,875	\$346,875+
Head of household	\$15,700	\$59,850	\$95,350	\$182,100	\$231,250	\$578,100	\$578,100+
Estates and trusts	\$2,900	N/A	N/A	\$10,550	N/A	\$14,450	\$14,450+

Tax-Exempt Return	Taxable Return Required to Equal a Tax-Exempt Return at Various Top Federal ² 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.

¹ 2023 federal income tax rates are shown.

² 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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Disclosure Notice

The information that follows is intended to serve as a basis for further discussion with your financial, legal, tax and/or accounting advisors. It is not a substitute for competent advice from these advisors. The actual application of some of these concepts may be the practice of law and is the proper responsibility of your attorney. The application of other concepts may require the guidance of a tax or accounting advisor. The company or companies listed below are not authorized to practice law or to provide legal, tax, or accounting advice.

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