

Capital Gains Tax is a Good Thing

Many times we hear people say “You will have capital gains tax on that transaction, you’d better not do it.” This implies that the capital gains tax is a bad thing- it’s not! The long term capital gains tax that applies to stocks or other capital assets held for more than one year, is 15 % for most taxpayers. (For others it’s even lower than that!) Whereas the regular tax rate for most of us is around 28 %. So don’t be afraid to generate capital gains (if you have any left!) Now’s the time to do it before they take this tax benefit away!