

# Net After-Tax Rates of Return

Are your clients comparing apples to apples when considering the rates of return for different financial instruments? It's not what they make, but what they keep after taxes, that matters most to clients. Use this handy chart to quickly compare rates of return for taxable assets with non-taxable assets, based on the taxpayer's top marginal rate. Keep in mind that additional taxes, including state taxes, or special rates for certain assets, may apply.



2024 Federal Tax Bracket	10%	12%	22%	24%	32%	35%	37%
Married Filing Jointly <sup>1</sup>	\$0 to not over \$23,200	Over \$23,201 to not over \$94,300	Over \$94,301 to not over \$201,050	Over \$201,051 to not over \$383,900	Over \$383,901 to not over \$487,450	Over \$487,451 to not over \$731,200	Over \$731,201
Single <sup>1</sup>	\$0 to not over \$11,600	Over \$11,601 to not over \$47,150	Over \$47,151 to not over \$100,525	Over \$86,376 to not over \$164,925	Over \$164,926 to not over \$209,425	Over \$209,426 to not over \$523,600	Over \$523,600
Estates and Trusts <sup>2</sup>	\$0 to not over \$3,100			Over \$3,101 to not over \$11,150		Over \$11,151 to not over \$15,200	Over \$15,201
Taxable Interest Rate	After-Tax Rate						
10.00%	9.00%	8.80%	7.80%	7.60%	6.80%	6.50%	6.30%
9.50%	8.55%	8.36%	7.41%	7.22%	6.46%	6.18%	5.99%
9.00%	8.10%	7.92%	7.02%	6.84%	6.12%	5.85%	5.67%
8.50%	7.65%	7.48%	6.63%	6.46%	5.78%	5.53%	5.36%
8.00%	7.20%	7.04%	6.24%	6.08%	5.44%	5.20%	5.04%
7.50%	6.75%	6.60%	5.85%	5.70%	5.10%	4.88%	4.73%
7.00%	6.30%	6.16%	5.46%	5.32%	4.76%	4.55%	4.41%
6.50%	5.85%	5.72%	5.07%	4.94%	4.42%	4.23%	4.10%
6.00%	5.40%	5.28%	4.68%	4.56%	4.08%	3.90%	3.78%
5.50%	4.95%	4.84%	4.29%	4.18%	3.74%	3.58%	3.47%
5.00%	4.50%	4.40%	3.90%	3.80%	3.40%	3.25%	3.15%
4.50%	4.05%	3.96%	3.51%	3.42%	3.06%	2.93%	2.84%
4.00%	3.60%	3.52%	3.12%	3.04%	2.72%	2.60%	2.52%
3.50%	3.15%	3.08%	2.73%	2.66%	2.38%	2.28%	2.21%
3.00%	2.70%	2.64%	2.34%	2.28%	2.04%	1.95%	1.89%
2.50%	2.25%	2.20%	1.95%	1.90%	1.70%	1.63%	1.58%
2.00%	1.80%	1.76%	1.56%	1.52%	1.36%	1.30%	1.26%
1.50%	1.35%	1.32%	1.17%	1.14%	1.02%	0.97%	0.94%
1.00%	0.90%	0.88%	0.78%	0.76%	0.68%	0.65%	0.63%

<sup>1</sup> In addition to what is shown here, taxpayers are generally subject to a 3.8% surtax on net investment income if they file as "single" and have a modified Adjusted Gross Income (AGI) over \$200,000 or file as "married filing jointly" and have a modified AGI over \$250,000. For estates and trusts, the surtax is applied to the lesser of (A) the undistributed net investment income, or (B) the amount by which the AGI exceeds the dollar amount at which the highest tax bracket begins for an estate or trust in that tax year (in 2021, this amount is \$13,050). Certain trusts and estates are exempt from this surtax. See IRC §1411.

<sup>2</sup> Applicable only to those estates and trusts that have a federal income tax liability at the estate or trust level. For example, certain grantor trusts, charitable trusts, and trusts with substantial distributions might not incur an income tax liability at the trust level.



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