

HOW DOES THIS TYPE OF INCOME GET TAXED?	TYPE OF TAXATION					
	Federal Tax (ordinary income)	Federal Tax (LTCG rates)	State Tax (if applicable)	Potential 3.8% NIIT	Early/Non-Qualified Withdrawal Penalty	AGI Sensitivity
	TAXABLE ACCOUNTS					
Long-Term Capital Gains (LTCGs)		+	+	+		+
Short-Term Capital Gains (STCGs)	+		+	+		+
Ordinary Dividends	+		+	+		+
Qualified Dividends		+	+	+		+
Interest	+		+	+	+ ¹	+
Municipal Bonds			Same state: No Different state: Yes			
Treasury Securities	+			+	+ ¹	+
	ROTH RETIREMENT ACCOUNTS					
Qualified Withdrawals or Basis ²						
Non-Qualified Withdrawals (of earnings)	+		+		Pre-59.5: 10% ³	+
	TRADITIONAL RETIREMENT ACCOUNTS					
Qualified Withdrawals	+		+			+
Non-Qualified Withdrawals	+		+		Pre-59.5: 10% ³	+
	NON-QUALIFIED ANNUITIES					
Withdrawals Consisting of Gains ⁴	+		+	+	Pre-59.5: 10% ³	+

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HEALTH SAVINGS ACCOUNTS (HSAs)						
Qualified Withdrawals						
Non-Qualified Withdrawals	+		+		Pre-65: 20% ³	+
529 ACCOUNTS						
Qualified Withdrawals						
Non-Qualified Withdrawals (of earnings)	+		+		10% ³	+
LIFE INSURANCE CASH VALUE						
Policy Loans ⁵						
Policy Withdrawals/Dividends (basis) ⁵						
Policy Withdrawals/Dividends (gains) ⁵	+		+			+
RENTAL PROPERTY						
Rental Income	+		+	+		+

¹Certain interest-bearing accounts (e.g., CDs) and treasury securities (e.g., I Bonds and EE Bonds) may be subject to an interest-forfeiture penalty (not a tax penalty) if withdrawn early.

²Except for basis attributable to conversion principal withdrawn within five years.

³Depending on the circumstances and the type of account you are pulling from, certain early withdrawals may be exempt from additional penalties.

⁴Annuities are generally taxed on a LIFO basis. However, some annuities are taxed on a pro-rata basis via annuitization.

⁵If the policy is a MEC, it is taxed on a LIFO basis. Policy loans from a MEC are fully taxable (but increase basis), and distributions/loans taken prior to age 59.5 are subject to a 10% penalty.

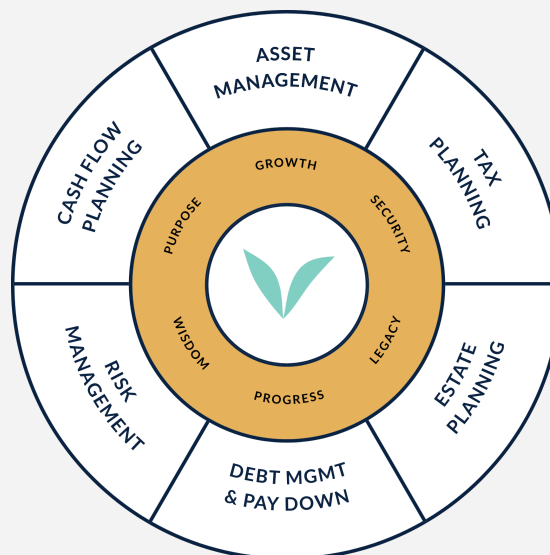
⁶Unless derived from a trade or business.

Your Life, Your Wealth, Your Way

A financial planner should help you feel comfortable about today and excited about the future.

Whether you're accelerating your career, planning to retire, or chasing your entrepreneurial dreams...

Our mission is to give you **personalized financial guidance** to navigate life's transitions, grow your wealth, free up your time, and empower you to live life on your terms!



Derek Pantele is an Investment Advisor Representative with Dynamic Wealth Advisors. All investment advisory services are offered through Dynamic Wealth Advisors.

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