

## EFFECTIVE INCOME TAX RATES: MISSOURI & FEDERAL

	Fed Only + Medicare 3.8%		Missouri State Tax + Fed + Medicare 3.8%	
	2017	2018	2017	2018
<b>Regular</b>				
Short-Term Gains & Ordinary Income	43.4%	40.8%	46.8%	46.8%
Long-Term Gains & Dividends	23.8%	23.8%	27.2%	29.8%
<b>Alternative Minimum Tax (AMT)</b>				
Short-Term Gains & Ordinary Income	31.8%	31.8%	37.6%	37.8%
Long-Term Gains & Dividends	23.8%	23.8%	29.6%	29.8%

### NOTES & METHODOLOGY

The calculation of the rates shown above reflects the following assumptions:

All rates reflect the highest marginal tax bracket for each jurisdiction. Dividend rates apply only to qualified dividends. Rates for 2018 include changes from the Tax Cuts and Jobs Act of 2017, enacted in December. For federal tax only, the rates shown are based on the highest marginal tax rate of 37.0% plus the 3.8% Medicare rate, also known as tax on net investment income. For rates that include state taxes, those are added to the federal rate. No deduction is included against federal liability for the payment of state taxes. These rates are assumed to apply to top-bracket taxpayers who have already surpassed the \$10,000 limit on state and local tax deductions against federal income.

The table below shows the calculation for both regular and alternative minimum tax rates for federal, plus an example of a state with a rate of 13.3% only to illustrate the math. Residents of other states may pay lower rates. Taxpayers with lower taxable income than presumed or other tax situations may experience different effective tax rates.

Tax Status	Income Type	State Rate	+	Federal Rate	+	Medicare	=	Combined Rate
Regular Tax	Short-Term Gains & Ordinary Income	13.3%		37.0%		3.8%		54.1%
Regular Tax	Long-Term Gains & Dividends	13.3%		20.0%		3.8%		37.1%
Alternative Minimum Tax	Short-Term Gains & Ordinary Income	13.3%		28.0%		3.8%		45.1%
Alternative Minimum Tax	Long-Term Gains & Dividends	13.3%		20.0%		3.8%		37.1%

This material is being provided for informational purposes only and should not be considered tax advice or relied upon as such. Aperio Group obtained the information provided herein from third-party sources believed to be reliable, but it is not guaranteed. Aperio Group is not responsible for the consequences of any decisions or actions taken as a result of information provided herein and does not warrant or guarantee the accuracy or completeness of such information. Please consult your tax advisor with any questions.

## COMBINED STATE & FEDERAL INCOME TAX RATES FOR 2018

### Notes & Methodology

#### AMT

The alternative minimum tax is a separate tax system that may apply to certain high-bracket taxpayers.

#### Methodology

Calculations reflect the following federal rates:

- Ordinary income: 37.0%
- AMT: 28.0%
- Medicare: 3.8%
- L/T gains: 20.0%

#### Notes

Chart shows highest marginal tax bracket.

Massachusetts: Short-term and ordinary rate applies only to short-term gains, not ordinary income, which is taxed at the same rate as long-term gains.

New Hampshire: No state income tax on capital gains; tax on interest and dividends.

Tennessee: No state income tax on capital gains; tax on interest and dividends.

\*Different state tax rates for short- and long-term gains.

#### Sources

*The Federation of Tax Administrators*  
[www.taxadmin.org/assets/docs/Research/Rates/ind\\_inc.pdf](http://www.taxadmin.org/assets/docs/Research/Rates/ind_inc.pdf)

*CCH 2018 State Tax Handbook*  
[www.cchgroup.com/store/products](http://www.cchgroup.com/store/products)

This material is being provided for informational purposes only and should not be considered tax advice or relied upon as such. Aperio Group obtained the information provided herein from third-party sources believed to be reliable, but it is not guaranteed. Aperio Group is not responsible for the consequences of any decisions or actions taken as a result of information provided herein and does not warrant or guarantee the accuracy or completeness of such information. Please consult your tax advisor with any questions.

State Only		S/T & Ord Regular	L/T & Div Regular	S/T & Ord AMT	L/T & Div AMT
5.0%	Alabama	45.8%	28.8%	36.8%	28.8%
0.0%	Alaska	40.8%	23.8%	31.8%	23.8%
4.5%	Arizona	45.3%	28.3%	36.3%	28.3%
6.9%	Arkansas*	47.7%	27.3%	38.7%	27.3%
13.3%	California	54.1%	37.1%	45.1%	37.1%
4.6%	Colorado	45.4%	28.4%	36.4%	28.4%
7.0%	Connecticut	47.8%	30.8%	38.8%	30.8%
6.6%	Delaware	47.4%	30.4%	38.4%	30.4%
0.0%	Florida	40.8%	23.8%	31.8%	23.8%
6.0%	Georgia	46.8%	29.8%	37.8%	29.8%
8.3%	Hawaii	49.1%	32.1%	40.1%	32.1%
7.4%	Idaho	48.2%	31.2%	39.2%	31.2%
3.8%	Illinois	44.6%	27.6%	35.6%	27.6%
3.2%	Indiana	44.0%	27.0%	35.0%	27.0%
9.0%	Iowa	49.8%	32.8%	40.8%	32.8%
5.2%	Kansas	46.0%	29.0%	37.0%	29.0%
6.0%	Kentucky	46.8%	29.8%	37.8%	29.8%
6.0%	Louisiana	46.8%	29.8%	37.8%	29.8%
7.2%	Maine	48.0%	31.0%	39.0%	31.0%
5.8%	Maryland	46.6%	29.6%	37.6%	29.6%
12.0%	Massachusetts*	52.8%	28.9%	43.8%	28.9%
4.3%	Michigan	45.1%	28.1%	36.1%	28.1%
9.9%	Minnesota	50.7%	33.7%	41.7%	33.7%
5.0%	Mississippi	45.8%	28.8%	36.8%	28.8%
6.0%	Missouri	46.8%	29.8%	37.8%	29.8%
6.9%	Montana	47.7%	30.7%	38.7%	30.7%
6.8%	Nebraska	47.6%	30.6%	38.6%	30.6%
0.0%	Nevada	40.8%	23.8%	31.8%	23.8%
0.0%	New Hampshire	40.8%	23.8%	31.8%	23.8%
9.0%	New Jersey	49.8%	32.8%	40.8%	32.8%
4.9%	New Mexico	45.7%	28.7%	36.7%	28.7%
8.8%	New York	49.6%	32.6%	40.6%	32.6%
12.7%	New York City	53.5%	36.5%	44.5%	36.5%
5.5%	North Carolina	46.3%	29.3%	37.3%	29.3%
2.9%	North Dakota*	43.7%	25.5%	34.7%	25.5%
5.0%	Ohio	45.8%	28.8%	36.8%	28.8%
5.0%	Oklahoma	45.8%	28.8%	36.8%	28.8%
9.9%	Oregon	50.7%	33.7%	41.7%	33.7%
3.1%	Pennsylvania	43.9%	26.9%	34.9%	26.9%
6.0%	Rhode Island	46.8%	29.8%	37.8%	29.8%
7.0%	South Carolina*	47.8%	27.7%	38.8%	27.7%
0.0%	South Dakota	40.8%	23.8%	31.8%	23.8%
0.0%	Tennessee	40.8%	23.8%	31.8%	23.8%
0.0%	Texas	40.8%	23.8%	31.8%	23.8%
5.0%	Utah	45.8%	28.8%	36.8%	28.8%
9.0%	Vermont	49.8%	32.8%	40.8%	32.8%
5.8%	Virginia	46.6%	29.6%	37.6%	29.6%
0.0%	Washington	40.8%	23.8%	31.8%	23.8%
6.5%	West Virginia	47.3%	30.3%	38.3%	30.3%
7.7%	Wisconsin*	48.5%	29.2%	39.5%	29.2%
0.0%	Wyoming	40.8%	23.8%	31.8%	23.8%
9.0%	Washington DC	49.8%	32.8%	40.8%	32.8%