

Thought you'd find this helpful:

Bush's Tax Rate Changes

The tax code has been changed and these have a bearing on 1031x transactions:

Capital gains tax rate on assets held longer than one year is reduced from 20% to 15%.

Capital gains tax rate on assets held less than one year is unchanged and will be treated as ordinary income.

Capital gains tax rate for taxpayers in the lowest tax brackets is reduced from 10% to 5%.

Recapture of depreciation rate is unchanged and is still 25%.

State of Colorado tax on all of the above is still 4.68%.

Check with your state government to determine rates outside of Colorado.

It's still a wise decision to do an exchange instead of paying capital gains taxes. For example, appreciation of \$200,000 in real estate (held more than one year) would still yield a \$30,000 tax payment to the federal government.

Please call www.1031x.com at 888-899-1031 or email info@1031x.net for a free consultation!