



## Tax Promises

Tax Analysis	Trump	Biden
Income Tax (2020) <sup>1</sup>	37.00%	37.00%
Income Tax (starting in 2021) <sup>1</sup>	37.00%	39.60% <sup>1</sup>
Capital Gains Tax 2020	23.80% <sup>2</sup>	23.80% <sup>2</sup>
Dividend Tax 2020	23.80% <sup>2</sup>	23.80% <sup>2</sup>
Capital Gains Tax (starting in 2021)	18.80% <sup>2</sup>	43.40% <sup>2</sup>
Dividend Tax (starting in 2021)	18.80% <sup>2</sup>	43.40% <sup>2</sup>
Estate Tax <sup>1</sup>	40.00%	60.00% <sup>3</sup>
Current Estate Tax Exemption 2020	\$23,160,000	\$23,160,000
Estate Tax Exemption (starting in 2021) <sup>1</sup>	\$23,160,000 <sup>4</sup>	<u>\$7,000,000</u> <sup>5</sup>
Step-Up in Basis at Death	Yes	No

<sup>1</sup> minimum expected Biden income tax in 2021

<sup>2</sup> including investment gain surtax of 3.8%

<sup>3</sup> starting in 2021 (According to the Tax Institute, it could go as high as 67%.)

<sup>4</sup> per couple (indexed) (through 2026; then reverting to 2017 rules)

<sup>5</sup> per couple (indexed)

Below is a summary of the Favaro's current net worth.

Favaro's Net Worth	
\$ 1,000,000	Taxable Assets @ 4.00%
4,000,000	Retirement Plan Assets @ 7.00%
10,000,000	Tax Exempt Assets @ 3.00%
52,000,000	Equity Assets @ 7.00% growth; 2.00% dividend
10,000,000	S Corporation (5% growth; 5% income)
<u>2,000,000</u>	Personal Residence @ 4.00%
<b>\$ 79,000,000</b>	<b>Net Worth</b>

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