

**▶ How Capital Gains Tax Rates Affect Investment Sales**

**Without a  
1031 Exchange**  
up to  
**40%**  
Taxes

- 15% Cap Gains tax - OR - 20% Cap Gains tax IF taxable income is over \$545,500 (single) or over \$613,700 (married, filing jointly)
- + 3.8% Affordable Healthcare tax IF adjusted gross income is \$200K+ (single) or \$250K+ (married, filing jointly)
- + 13.3% California state tax
- + 25% tax on gain due to depreciation

**With a  
1031 Exchange**  
**0%**  
Taxes

**▶ 1031 GUIDELINES****Held for Investment**

Owned & treated as investment property.

**Qualified Intermediary Requirements**

Must use QI who is neutral party not advising client in last 2 years. All monies held until exchange closes.

**Identification Rules**

45 Days To identify.

- 3 Property Rule
- 200% Rule
- 95% Exception

**Reinvestment Requirements**

To have a fully deferred exchange, buy equal-or-greater in value, reinvest all proceeds, and replace the value of debt from Relinquished Property.

**Closing Rules**

180 days to acquire properly identified properties.

**Title Requirements**

Both Relinquished and Replacement Properties must use same taxpayer ID.

Learn more on how to save tax dollars OR schedule a free customized 1031 seminar.

Please contact us for further information or to discuss your specific 1031 situation.

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