TY 2026

0% CAPITAL GAINS

The rate that sounds made-up

Long-term gains & qualified dividends can be taxed at **0%** federal — if your taxable income stays under the line. Here's how to raise the line.

THE 0% BRACKET IS REAL

Long-term gains & qualified dividends · 2026 · married filing jointly

0%	**$0 – $98,900** taxable income — you pay nothing on the gains
15%	**$98,900 – $613,700**
20%	**over $613,700**

Short-term gains (held ≤ 1 year) don't qualify — they're taxed as ordinary income.

STACK YOUR DEDUCTIONS — BOTH 65+

Three deductions stack before any tax applies — a married couple, both 65+

Standard deduction 2026 · married filing jointly	$32,200
Age 65+ additional both spouses · $1,650 each	+$3,300
NEW senior bonus 2025–2028 ONLY $6,000 each · brand-new OBBB deduction	+$12,000
YOUR DEDUCTION SHIELD	**$47,500**

ADD IT UP

$47,500 deduction shield + **$98,900** gains at 0% = **$146,400** and $0 federal tax

A married couple, both 65+, with all income from long-term gains & qualified dividends.

$146,400 is the headline — not everyone's number. →
Next: find YOUR ceiling — and the traps that shrink it.

Source: IRS Rev. Proc. 2025-32 · OBBB senior deduction · educational content, not individualized tax advice

0% CAPITAL GAINS

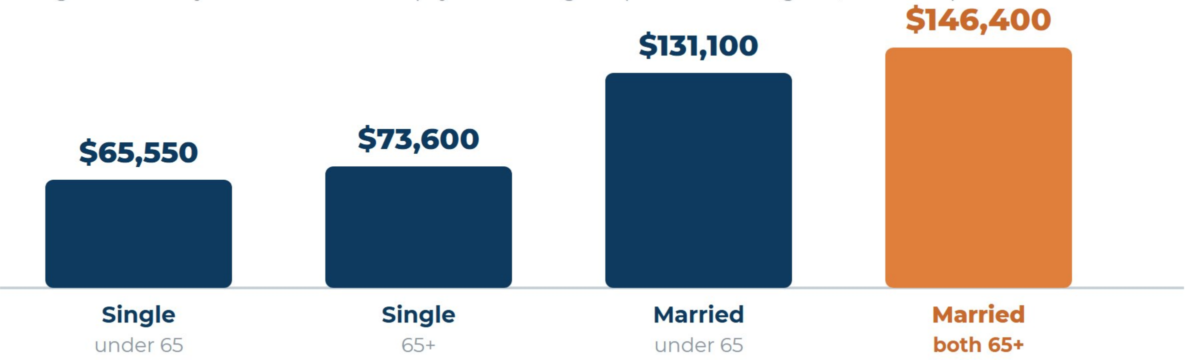
$146,400 isn't your number

It's the ceiling for one specific couple. Yours depends on filing status, age, and every other dollar of income. **Two things set it.**

1 Find your 0% ceiling

Deductions + the 0% bracket room. It climbs with marriage and age:

Most gross income you can have and still pay **0%** on the gains (all income = LT gains / dividends)



2 Gains stack on top of everything

Wages, pensions, IRA withdrawals & taxable Social Security fill the 0% room **first** — whatever's left is your real headroom for 0% gains.

If it's ALL long-term gains

$98,900 taxed at 0%

If $40,000 comes from a pension / IRA first

$40,000 | **only $58,900 at 0%**

Same ceiling — but ordinary income ate **$40,000** of your 0% gains room.

MIND THE TRAPS

- It's a cliff, not a wall: $1 over the line taxes only that $1 — gains below stay at 0%.
- The new $12,000 senior bonus phases out above $150,000 MAGI (married).
- A big sale raises MAGI — it can lift Medicare (IRMAA) and tax more of your Social Security.

THE BOTTOM LINE

Sell appreciated funds up to your ceiling and rebuy — you reset your basis at **$0 tax.** Just know exactly where your line is before you sell.

Source: IRS Rev. Proc. 2025-32 · OBBB senior deduction · state tax may differ · educational content, not individualized tax advice