1031 EXCHANGE ELITE · YOU DECIDE REALTY

QUICK REFERENCE GUIDE

Capital Gains Tax
by State — 2024/2025

The complete state-by-state capital gains tax reference for real estate investors — designed to share with your CPA, estate attorney, or financial advisor before your next transaction.

- ◆ All 50 states + DC
- ◆ State capital gains rates
- ◆ Income tax rates
- ◆ Estate & inheritance taxes
- ◆ Nevada comparison

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SECTION 01

Federal Capital Gains Tax Rates — 2024/2025

Federal long-term capital gains rates apply to assets held longer than one year. For real estate investors, these rates apply in addition to your state rate and the 3.8% Net Investment Income Tax (NIIT).

FILING STATUS	0% RATE	15% RATE	20% RATE	+ NIIT
Single	Up to $47,025	$47,026–$518,900	Over $518,900	3.8% if income > $200K
Married jointly	Up to $94,050	$94,051–$583,750	Over $583,750	3.8% if income > $250K
HNW investors	—	—	20% typical	+ 3.8% = 23.8% total
Depreciation recapture	—	—	25% flat rate	Federal only

THE TOTAL FEDERAL BURDEN FOR HIGH-NET-WORTH INVESTORS

A high-net-worth investor selling appreciated real estate typically faces: 20% federal capital gains + 3.8% NIIT + 25% depreciation recapture on accumulated depreciation. This is before state taxes are added. A California investor adds 13.3% on top. A Nevada investor adds 0%.

SECTION 02

State Capital Gains Rates — All 50 States

States with the highest capital gains burdens are also the largest sources of 1031 exchange investors moving capital to Nevada.

Highest Tax States — Where Most 1031 Sellers Come From

STATE	CAP GAINS RATE
California	13.3%
Hawaii	11.0%
New Jersey	10.75%
Oregon	9.9%
Minnesota	9.85%
New York	10.9%
Vermont	9.75%
Iowa	8.53%
Wisconsin	7.65%
Maine	7.15%
Idaho	6.93%
Georgia	5.75%

Zero & Low Tax States — Nevada Leads

STATE	CAP GAINS RATE
Nevada	0%
Texas	0%
Florida	0%
Washington	0% (7% surcharge on gains>$250K)
Wyoming	0%
South Dakota	0%
Alaska	0%
Tennessee	0%
New Hampshire	0% (interest/dividends only)
Arizona	2.5%
Pennsylvania	3.07%

Kentucky	5.0%

SECTION 03

Estate & Inheritance
Tax by State

Estate and inheritance taxes are separate from capital gains and apply to asset transfers at death. Nevada has none — making it the optimal state for both living and legacy planning.

STATE	ESTATE TAX	RATE	EXEMPTION
Washington	Yes	Up to 20%	$2.193M
Oregon	Yes	Up to 16%	$1M
Minnesota	Yes	Up to 16%	$3M
Illinois	Yes	Up to 16%	$4M
New York	Yes	Up to 16%	$6.94M
Massachusetts	Yes	Up to 16%	$2M
Maryland	Both estate & inheritance	Up to 16%	$5M
New Jersey	Inheritance tax	Up to 16%	Varies by heir
Pennsylvania	Inheritance tax	4.5%–15%	No exemption
NEVADA	**NONE**	**NONE**	**UNLIMITED**
Texas	None	None	Federal only
Florida	None	None	Federal only

NEVADA — ZERO TAX ON EVERY FRONT

Nevada has no state income tax, no capital gains tax, no estate tax, and no inheritance tax. For high-net-worth investors planning both wealth growth and wealth transfer, Nevada is the optimal state in the country — full stop.

READY TO EXCHANGE?

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