

Capital Gains Tax Calculation

Date: [Insert Date]

To: [Insert Recipient Name]

Address: [Insert Recipient Address]

Dear [Recipient Name],

We are writing to provide you with an overview of your capital gains tax calculations for the fiscal year [insert year]. Specifically, we will distinguish between short-term and long-term holdings.

Short-Term Capital Gains

Short-term capital gains are derived from the sale of assets held for one year or less. The tax rate applied to these gains is typically your ordinary income tax rate. Below are your short-term holdings:

- Asset: [Asset Name]
- Purchase Date: [Purchase Date]
- Sale Date: [Sale Date]
- Purchase Price: \$[Purchase Price]
- Sale Price: \$[Sale Price]
- Short-Term Gain: \$[Gain Amount]

Total Short-Term Gains: \$[Total Short-Term Gains]

Long-Term Capital Gains

Long-term capital gains are realized from the sale of assets held for more than one year. These gains are generally taxed at a reduced rate. Below are your long-term holdings:

- Asset: [Asset Name]
- Purchase Date: [Purchase Date]
- Sale Date: [Sale Date]
- Purchase Price: \$[Purchase Price]
- Sale Price: \$[Sale Price]
- Long-Term Gain: \$[Gain Amount]

Total Long-Term Gains: \$[Total Long-Term Gains]

Summary

Your total capital gains for the year [insert year] are summarized as follows:

- Total Short-Term Gains: \$[Total Short-Term Gains]
- Total Long-Term Gains: \$[Total Long-Term Gains]
- Total Capital Gains: \$[Total Capital Gains]

Please feel free to reach out if you have any questions or require further clarification regarding your capital gains tax calculation.

Sincerely,

[Your Name]

[Your Title]

[Your Contact Information]