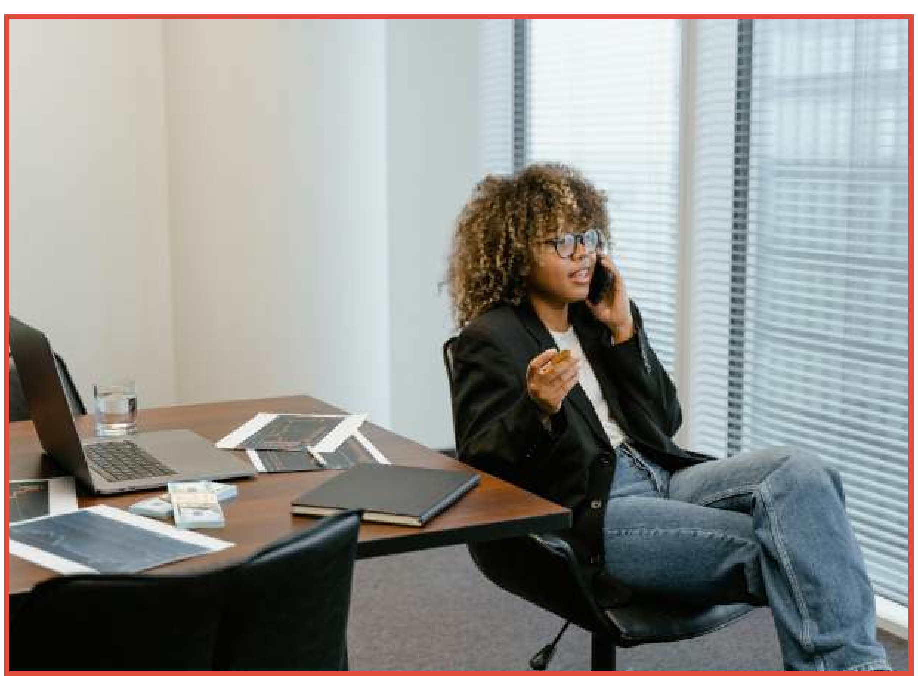
6 Ways DSTs Support Stock Investment Exits

1. The Tax Headache of Selling Stocks

Selling your long-held stocks can trigger a capital gains tax event. For stocks passed down through inheritance or acquired early in a company's growth cycle, the gains may be substantial. Federal long-term capital gains taxes can reach 20%, and when you include state taxes and the Net Investment Income Tax (which adds an extra 3.8%2 tax), your total financial hit could climb even higher.

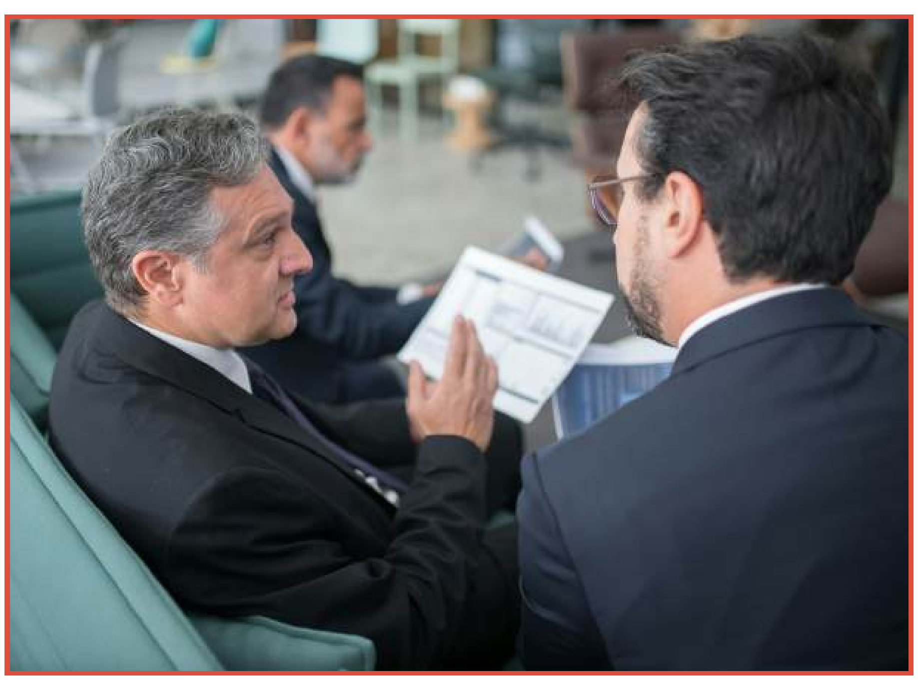


2. What Is a DST and How Does It Work with Stocks?

A DST is a legal structure that allows you to sell appreciated assets, like stocks, without immediately realizing the capital gains. Instead of selling your stock directly, you first transfer the stock to a trust, which then sells it on your behalf. Since the trust executes the sale and not you personally, you don't owe capital gains tax on the sale.

3. Advantages of Using a DST to Exit Stocks

One of the most significant advantages of a DST is control. With a DST, you're not forced to make rushed reinvestment decisions to avoid taxes. Instead, you can meet with your capital gains tax advisor and design a strategy that aligns with your long-term financial plan. It also opens the door to portfolio diversification.

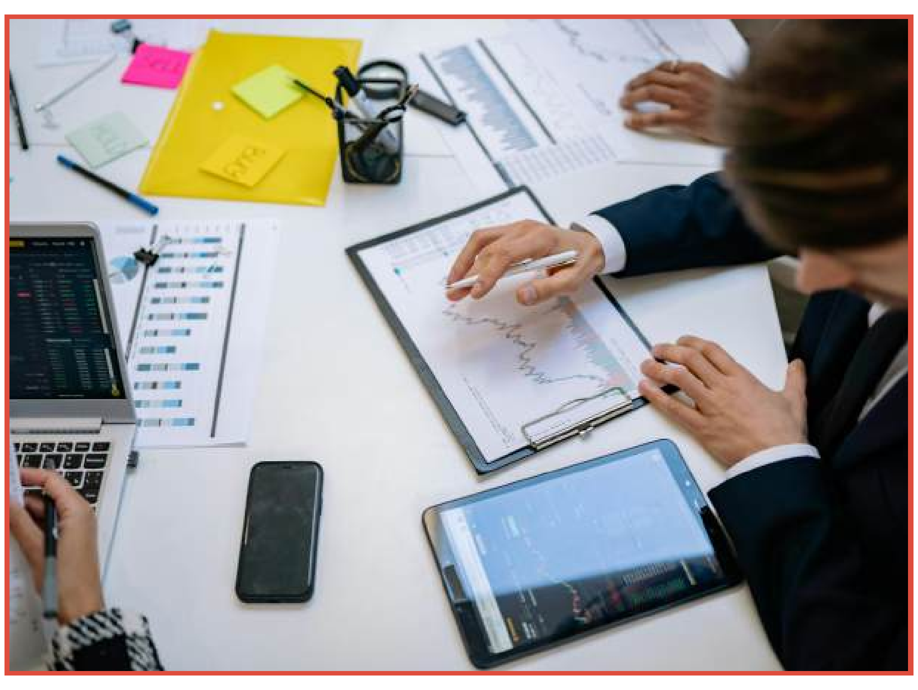


4. When Does a DST Make Sense for Stock Sales?

If you're selling a significant amount of stock and expect to face high capital gains taxes, a DST could be an especially smart move. Consider a DST if: you're liquidating a concentrated position, or you inherited low-basis stock and want to rebalance your portfolio.

5. Questions to Ask Before Exiting a Stock

Before you use a DST to exit a stock investment, you need to ask yourself: What's my ideal investment outcome? DSTs offer investment flexibility, so before you sell, think about how you want your assets managed post-sale. Who's on my advisory team? Your CPA, estate attorney, and capital gains tax consultant should collaborate closely to ensure smooth operation.



6. Turning a Stock Exit into a Strategic Win

You've spent years building value in your stock portfolio, and your gains are hard-earned. Don't let capital gains taxes derail your next move. A DST allows you to exit intelligently, preserve your gains, customize your income stream, and set yourself up for long-term growth.

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