

IF YOU PAY TAX ON APPROX THIS AMOUNT IN 2011		YOUR FED TAX RATE IS	YOUR APPLICABLE TAX RATE IN SD IS	TO MATCH THE VALUE OF FEDERAL EXEMPTION ALONE IN SOUTH DAKOTA* OF								
Joint Return	Single Return			1.00%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%	5.00%	5.50%
				YOU WOULD HAVE TO EARN								
\$75,000	\$50,000	25%	25.0%	1.33%	2.67%	3.33%	4.00%	4.67%	5.33%	6.00%	6.67%	7.33%
\$100,000	\$75,000	25%	25.0%	1.33%	2.67%	3.33%	4.00%	4.67%	5.33%	6.00%	6.67%	7.33%
\$150,000	\$100,000	28%	28.0%	1.39%	2.78%	3.47%	4.17%	4.86%	5.56%	6.25%	6.94%	7.64%
\$200,000	\$150,000	28%	28.0%	1.39%	2.78%	3.47%	4.17%	4.86%	5.56%	6.25%	6.94%	7.64%
\$250,000	\$200,000	33%	33.0%	1.49%	2.99%	3.73%	4.48%	5.22%	5.97%	6.72%	7.46%	8.21%
\$300,000	\$250,000	33%	33.0%	1.49%	2.99%	3.73%	4.48%	5.22%	5.97%	6.72%	7.46%	8.21%
\$350,000	\$300,000	33%	33.0%	1.49%	2.99%	3.73%	4.48%	5.22%	5.97%	6.72%	7.46%	8.21%
\$400,000	\$350,000	35%	35.0%	1.54%	3.08%	3.85%	4.62%	5.38%	6.15%	6.92%	7.69%	8.46%
\$450,000	\$450,000	35%	35.0%	1.54%	3.08%	3.85%	4.62%	5.38%	6.15%	6.92%	7.69%	8.46%
\$500,000	\$500,000	35%	35.0%	1.54%	3.08%	3.85%	4.62%	5.38%	6.15%	6.92%	7.69%	8.46%
\$1,000,000+	\$1,000,000+	35%	35.0%	1.54%	3.08%	3.85%	4.62%	5.38%	6.15%	6.92%	7.69%	8.46%

*South Dakota does not tax the interest of its own bonds or those of other states.

Prepared by Lebenthal & Co. LLC March 2011 from sources believed to be accurate.

Using the yellow highlights as an example, run a finger across the row with your approximate taxable income, and another finger down a column with the tax-free yield you are considering. Do you belong in municipal bonds? Where your two fingers intersect is the answer: the amount that a taxable investment of comparable quality and maturity would have to pay you to match the muni.