

Table 5: Breakeven Age Across Several Levels of Tax Drag with Conversion at Age 72

Tax_{DIST} relative to tax_{CONV}	Ordinary income marked to market (25%)	Dividends taxed with unrealized gains allowed to compound (15%)	Same, with top bracket rate + NIIT (23.8%)	Dividends only with step up at death (15% of 2%)
-1%	79	81	81	90
-2%	81	85	84	97
-3%	83	88	87	103
-4%	85	91	89	—
-5%	86	93	91	
-6%	87	95	93	
-7%	89	97	95	
-8%	90	100	97	

Note: tax_{CONV} is 25%. Right column truncated because breakeven is judged to occur outside of human time. Small irregularities in the pattern within columns reflect the fact that sometimes breakeven occurs by only a few dollars, while in other cases the breakeven year shows a surplus of thousands of dollars.