

Name _____

Investment Adventures: Exploring Capital Gains, Losses, and Holding Periods!

Multiple Choice Answer Key

1. b) Selling an investment for more than you paid
2. c) Short-term gains are taxed at regular income tax rates, while long-term gains have preferential tax rates.
3. c) The length of time you own an investment before selling
4. c) To encourage long-term investing and provide tax benefits
5. c) To offset capital gains with capital losses and lower your tax liability

