

THE



METROPOLIS
MONTHLY

MODERN DAY MONEY STORIES TO HELP YOU
STAY AHEAD OF THE CURVE

**SPECIAL
TAX
EDITION**

This Month's Stories - SPECIAL TAX EDITION

- 1. The 50 State Tax Power Rankings: which states have the highest and the lowest taxation for their residents?** page 6
- 2. Taxes and penalties on 401k loans and early withdrawals** page 7
- 3. Paying your taxes and building a Million Dollar Nest Egg** page 9
- 4. The current rise in interest rates and inflation... and the affects of getting rid of your debt now instead of later**

MONTHLY INFLATION COUNT SINCE THE START OF THE 2020 PANDEMIC



January 2020 US Dollar Purchasing Power - \$1
Mar 2023 US Dollar Purcashing Power - \$0.86

Purchase Power
Decrease
16.3%

source - U.S. Bureau of Labor Statistics

The 50 State Tax Power Rankings: which states have the highest and the lowest taxation for their residents?

Income tax on the federal level affects all Americans, but each state also has its own tax rates.

In addition to choosing how much tax to impose on income, each state also decides how much taxation is charged on other issues. Many of these taxes affect our everyday lives and can silently add up.

In some cases these taxes can exceed what we pay at the federal level, and the Metropolis Monthly has put together a chart to compare the cost of earning and living in all 50 States.



[continued on next page](#)

The 50 State Tax Power Rankings:



State income tax, property tax, gasoline tax, and sales tax are all controlled by each individual state, and this list accounts for how all of those affect the checkbook of residents in each state.



While incomes, home prices, gas used, and spending and contributing all vary between all Americans, these are the metrics used:

- *\$100,000 yearly income
- *\$20,000 yearly consumer spending
- *\$500,000 home value
- *540 gallons of gasoline a year

[continued on next page](#)

The 50 State Tax Power Rankings:

***\$100,000 yearly income**

***\$500,000 home value**

***\$20,000 yearly consumer spending**

***540 gallons of gasoline a year**

top 5 MOST EXPENSIVE states



New Jersey, Vermont, Connecticut, Illinois, Nebraska

state	income tax	\$100k a year	property tax	\$500k house	gasoline tax	540 gallons	sales tax	\$20k spend	total
1 NJ	6.37%	\$6,370	2.49%	\$12,450	\$0.42	\$227	6.63%	\$1,325	\$20,371.80
2 VT	7.60%	\$7,600	1.90%	\$9,500	\$0.32	\$173	6.00%	\$1,200	\$18,472.80
3 CT	6.00%	\$6,000	2.14%	\$10,700	\$0.20	\$108	6.35%	\$1,270	\$18,078.00
4 IL	4.95%	\$4,950	2.27%	\$11,350	\$0.42	\$227	6.25%	\$1,250	\$17,776.80
5 NE	6.64%	\$6,640	1.73%	\$8,650	\$0.29	\$157	5.50%	\$1,100	\$16,546.60

top 5 LEAST EXPENSIVE states



Wyoming, Nevada, Tennessee, Florida, Alaska

46 AK	0.00%	\$0	1.19%	\$5,950	\$0.09	\$49	0.00%	\$0	\$5,998.60
47 FL	0.00%	\$0	0.89%	\$4,450	\$0.35	\$189	6.00%	\$1,200	\$5,839.00
48 TN	0.00%	\$0	0.71%	\$3,550	\$0.26	\$140	7.00%	\$1,400	\$5,090.40
49 NV	0.00%	\$0	0.60%	\$3,000	\$0.23	\$124	6.85%	\$1,370	\$4,494.20
50 WY	0.00%	\$0	0.61%	\$3,050	\$0.24	\$130	4.00%	\$800	\$3,979.60

[complete list on next page](#)

The 50 State Tax Power Rankings:



- \$100,000 yearly income
- \$500,000 home value
- \$20,000 yearly consumer spending
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	state	income tax	\$100k a year	property tax	\$500k house	gasoline tax	540 gallons	sales tax	\$20k spend	total
1	NJ	6.37%	\$6,370	2.49%	\$12,450	\$0.42	\$227	6.63%	\$1,325	\$20,371.80
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3	CT	6.00%	\$6,000	2.14%	\$10,700	\$0.20	\$108	6.35%	\$1,270	\$18,078.00
4	IL	4.95%	\$4,950	2.27%	\$11,350	\$0.42	\$227	6.25%	\$1,250	\$17,776.80
5	NE	6.64%	\$6,640	1.73%	\$8,650	\$0.29	\$157	5.50%	\$1,100	\$16,546.60
6	WI	5.30%	\$5,300	1.85%	\$9,250	\$0.31	\$167	5.00%	\$1,000	\$15,717.40
7	NY	6.00%	\$6,000	1.72%	\$8,600	\$0.18	\$97	4.00%	\$800	\$15,497.20
8	IA	6.00%	\$6,000	1.57%	\$7,850	\$0.31	\$167	6.00%	\$1,200	\$15,217.40
9	ME	7.15%	\$7,150	1.36%	\$6,800	\$0.30	\$162	5.50%	\$1,100	\$15,212.00
10	MN	7.85%	\$7,850	1.12%	\$5,600	\$0.29	\$157	6.88%	\$1,375	\$14,981.60
11	CA	9.30%	\$9,300	0.76%	\$3,800	\$0.54	\$292	7.25%	\$1,450	\$14,841.60
12	RI	4.75%	\$4,750	1.63%	\$8,150	\$0.34	\$184	7.00%	\$1,400	\$14,483.60
13	OR	8.75%	\$8,750	0.97%	\$4,850	\$0.38	\$205	0.00%	\$0	\$13,805.20
14	KS	5.70%	\$5,700	1.41%	\$7,050	\$0.24	\$130	6.50%	\$1,300	\$14,179.60
15	MI	4.25%	\$4,250	1.54%	\$7,700	\$0.29	\$157	6.00%	\$1,200	\$13,306.60
16	OH	3.68%	\$3,680	1.56%	\$7,800	\$0.39	\$211	5.75%	\$1,150	\$12,840.60
17	MA	5.00%	\$5,000	1.23%	\$6,150	\$0.24	\$130	6.25%	\$1,250	\$12,529.60
18	PA	3.07%	\$3,070	1.58%	\$7,900	\$0.61	\$329	6.00%	\$1,200	\$12,499.40
19	MD	5.00%	\$5,000	1.09%	\$5,450	\$0.43	\$232	6.00%	\$1,200	\$11,882.20
20	GA	5.75%	\$5,750	0.92%	\$4,600	\$0.31	\$167	4.00%	\$800	\$11,317.40
21	MT	6.75%	\$6,750	0.84%	\$4,200	\$0.33	\$178	0.00%	\$0	\$11,128.20
22	VA	5.75%	\$5,750	0.82%	\$4,100	\$0.28	\$151	5.30%	\$1,060	\$11,061.20
23	NH	0.00%	\$0	2.18%	\$10,900	\$0.22	\$119	0.00%	\$0	\$11,018.80
24	WV	6.50%	\$6,500	0.58%	\$2,900	\$0.37	\$200	6.00%	\$1,200	\$10,799.80
25	MO	4.95%	\$4,950	0.97%	\$4,850	\$0.22	\$119	4.23%	\$845	\$10,763.80
26	SC	6.50%	\$6,500	0.57%	\$2,850	\$0.28	\$151	6.00%	\$1,200	\$10,701.20
27	ID	5.80%	\$5,800	0.69%	\$3,450	\$0.32	\$173	6.00%	\$1,200	\$10,622.80
28	MS	5.00%	\$5,000	0.81%	\$4,050	\$0.18	\$97	7.00%	\$1,400	\$10,547.20
29	HI	8.25%	\$8,250	0.28%	\$1,400	\$0.16	\$86	4.00%	\$800	\$10,536.40
30	TX	0.00%	\$0	1.80%	\$9,000	\$0.20	\$108	6.25%	\$1,250	\$10,358.00
31	OK	4.75%	\$4,750	0.90%	\$4,500	\$0.19	\$103	4.50%	\$900	\$10,252.60
32	KY	4.50%	\$4,500	0.86%	\$4,300	\$0.27	\$146	6.00%	\$1,200	\$10,145.80
33	NC	4.75%	\$4,750	0.84%	\$4,200	\$0.41	\$221	4.75%	\$950	\$10,121.40
34	NM	4.90%	\$4,900	0.80%	\$4,000	\$0.17	\$92	5.13%	\$1,025	\$10,016.80
35	AR	4.90%	\$4,900	0.62%	\$3,100	\$0.25	\$135	6.50%	\$1,300	\$9,435.00
36	UT	4.85%	\$4,850	0.63%	\$3,150	\$0.36	\$194	6.10%	\$1,220	\$9,414.40
37	IN	3.15%	\$3,150	0.85%	\$4,250	\$0.33	\$178	7.00%	\$1,400	\$8,978.20
38	DE	6.00%	\$6,000	0.57%	\$2,850	\$0.23	\$124	0.00%	\$0	\$8,974.20
39	ND	2.27%	\$2,270	0.98%	\$4,900	\$0.23	\$124	5.00%	\$1,000	\$8,294.20
40	AL	5.00%	\$5,000	0.41%	\$2,050	\$0.28	\$151	4.00%	\$800	\$8,001.20
41	LA	4.25%	\$4,250	0.55%	\$2,750	\$0.20	\$108	4.45%	\$890	\$7,998.00
42	SD	0.00%	\$0	1.31%	\$6,550	\$0.28	\$151	4.50%	\$900	\$7,601.20
43	CO	4.00%	\$4,000	0.51%	\$2,550	\$0.22	\$119	2.90%	\$580	\$7,248.80
44	AZ	2.50%	\$2,500	0.66%	\$3,300	\$0.18	\$97	5.60%	\$1,120	\$7,017.20
45	WA	0.00%	\$0	0.98%	\$4,900	\$0.49	\$265	6.50%	\$1,300	\$6,464.60
46	AK	0.00%	\$0	1.19%	\$5,950	\$0.09	\$49	0.00%	\$0	\$5,998.60
47	FL	0.00%	\$0	0.89%	\$4,450	\$0.35	\$189	6.00%	\$1,200	\$5,839.00
48	TN	0.00%	\$0	0.71%	\$3,550	\$0.26	\$140	7.00%	\$1,400	\$5,090.40
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sources - worldpopulationview.com, bankrate.com, and businessinsider.in

NEXT MONTH IN THE MAY ISSUE:



The Home Purchase Edition

Couch Surfer Challenge

Some things about money you might not know about

5 THINGS TO CONSIDER
BEFORE BUYING A HOUSE:

For those planning or purchasing a property,
the release of the new eBook is next month.

101 LOAN PROGRAMS

METROPOLIS MONTHLY ZOOM CALENDAR

April 2022

April 6

How to Build
EXCELLENT
Credit

April 8

The
Family Bank

April 10

Savings Accounts
for Stock &
Crypto Traders

April 12

Refinancing
Your
401k

April 14

Maximizing
Term-life
Insurance

April 16

Capital Accounts
for Small
Business Owners

April 22

Earning Profit
While Paying Off
Debt

April 28

Using Tax Exempt
Dividends to Pay
Property Taxes

to register for a webinar or see a previous replay visit:

calendar.MetropolisMonthly.com

KEY GOVERNMENT MEETING MAY 2 - 3

The Central-bank officials on Track for another Half-Point Rate Increase in May



The latest reports show inflation is accelerating to its highest annual rate in four decades, and is likely to maintain the Federal Reserve officials' ambition to rapidly raise interest rates to a neutral level that doesn't stimulate further inflation.

Taxation on early 401k withdrawals, the pros and cons of borrowing from a 401k, and the alternative.

What Are the Rules for a 401(k) Distribution?

You can withdraw money from your 401(k) penalty-free once you turn 59½. The withdrawals will be subject to ordinary income tax, based on your tax bracket.

For those under 59½ seeking to make an early 401(k) withdrawal, **a 10% penalty is normally assessed** unless you are facing financial hardship, buying a first home, or needing to cover costs associated with a birth or adoption.

When you take 401(k) distributions, the service provider is required to withhold 20% for federal income tax. If this is too much - if you effectively only owe, say, 15% at tax time—this means you'll have to wait until you file your taxes to get that 5% back.

Perhaps it is a better option to take a 401(k) Loan instead of withdrawl

[continued on next page](#)



[investopedia.com](https://www.investopedia.com), [moneyrates.com](https://www.moneyrates.com)

continued

Taking a 401(k) Loan instead of withdrawal - Pros and Cons

PRO: You have to pay interest on a 401(k) loan, but the interest is going back into your retirement plan balance. So on the plus side, you're paying interest to yourself.

CON: If you borrow from your 401(k) and neglect to repay the loan, the amount will be taxed as if it was a cash distribution. Usually you can't take more than half of the balance on the loan up to \$50,000




investopedia.com, moneyrates.com

CON: You could slow down your retirement plan because you can't contribute to your plan as long as you owe money against it. That means your tax bill will likely be higher.

CON: You repay your loan with after-tax dollars, which reduces money available for retirement savings.

Paying your taxes and building a Million Dollar Nest Egg with a Private Vault Account

ALTERNATIVE: A Private Vault Account... you can save after tax money into a specially designed life insurance policy. This is strategy often used by the wealthy and allows you to save and grow your "after tax" money at over 5% a year... and unlike a 401k, you can borrow money out of it while your retirement continues to earn compound interest, even if it takes you years to pay back your loan. The bonus... it grows tax exempt.



Tax Payers that filed extensions...
Is your money stuck in a 401k?
Use a Private Vault Account to grow your retirement and pay your tax bill at the same time.
Utilize a savings account that over decades will become...

a tax exempt

MILLION DOLLAR NEST EGG

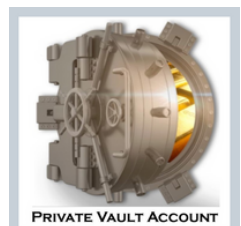
for retirement

for a short video on how it works, go to:

MillionDollarNestEgg.com

THE MILLION DOLLAR NEST EGG

Choose What Year It Will Hatch



Metropolis



me·trop·o·lis

/mə'trəp(ə)ləs/

noun

the capital or chief city of a country or region.

By definition, a Metropolis is a large city, and there are over 384 metropolitan areas in the United States according to Census.gov. While they all have different shapes, sizes, and locations, the one thing they all share, along with rural areas, is that we all use money to navigate through it.

While some might think "Money" is a dirty word or just a piece of paper we use to buy material objects, it is really just storage for our most precious and limited commodity... time. Since many of us spend the majority of our time each week earning money, shouldn't we spend at least a small portion of our time learning how to wisely save and maximize it?



THRIVING IN THE METROPOLIS PODCAST

With this month's Thriving Metropolis is "Reno/ Tahoe".
Entrepreneur Interviews with Cal-Neva Casino and the
Tahoe Heartbeat brand

AN INTRODUCTION TO THE NEWSLETTER

Hello, my name is Chad Mitchell, and I would like to welcome you to the very first issue of my monthly news letter, The Metropolis Monthly. I designed it to share new updates and ideas on our constantly evolving economy and to spark a sense of financial interest in my fellow Americans, especially the middle class.

Like most of us, I started from small beginnings. Back in 1993, at age 16, I worked a \$4.25 per hour minimum wage job to save money for my first car, which cost me \$600 (or over 142 hours at that earning rate).

While hard work might teach us the value of a dollar, it does not teach us the best way to save, spend, and maximize that dollar.

Adult financial freedom isn't just for the mega-rich; anyone can learn and benefit. From inflation to interest rate changes to cryptocurrency, we are going to explore all of those topics and many more in the months ahead.



The current rise in interest rates and inflation... and the affects of getting rid of your debt now instead of later

Paying off High Interest Credit Debt

Thanks to rising home values, chances are you've built up a lot of equity in your home over the years. You can tap into this equity in the form of a cash-out mortgage refinance to pay off credit debt with higher interest rates.

Interest rates are increasing in nearly every category from mortgages, to credit cards. If you have a home equity line of credit (HELOC) – the interest rate is not fixed. It is important to know that your payment can increase when interest rates rise.

Savers might think twice before locking up money in low-rate CDs in a rising rate environment.



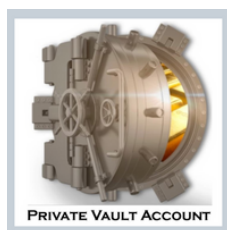
As inflation continues to rise higher than expected, the Federal Reserve is most likely planning on raising short-term interest rates at least a quarter point.

Those with HELOC's and adjustable rate credit cards will feel it before mortgage holders.

New and used vehicle prices still climb along with food, clothing, personal services (such as haircuts and restaurant dining), gasoline, airfares, and the cost of nursing home care.

[continued on next page](#)

Interested in an inflation buster?



PRIVATE VAULT ACCOUNT

Some economists estimate the current inflation rate to be higher than reported and over 6% per year. Holding your savings within a mutual company might be a better alternative than traditional savings account.

Contact Chad for details.

continued

Using your home as an asset when interest rates are rising and how to prepare.



According to Fox Business, it might be a good time to put cash you don't need right away into an index fund like the S&P 500, because the reality is companies can raise their prices - and the big companies more than the small companies, and the market valuations will follow inflation up.

It's important to remember that the decision to refinance is not just about jumping at a low-interest rate. You need to take the time to make sure that refinancing makes sense for you personally. Essentially, it's important to make sure that you intend to stay in the home long enough to see significant savings.



Source: foxbusiness.com

Saving in 2022 doesn't look like it did in 1992. A Private Vault Account might be a good fit for you.



Do you have an idea for a topic you would like us to discuss in a future issue?

**email your idea to
CMitchell@Metropolis-Equity.com.**

Mitchell's Monthly Rant



The best time to plant a tree was 20 years ago. The second best time to plant a tree is today.

Like most of us, I would love to go back five years in time with what I know now, especially since I have acquired two different finance licenses since then and can now offer most "average Joe's" many different savings and lending programs that I did not know existed a half decade ago when I was flipping houses.

If you would like to discuss my generational wealth building savings accounts or a loan program, I am happy to do so, but this letter is not meant to be a sales pitch, nor is it intended to be financial advice.

Adult financial freedom isn't just for the mega-rich; and when our neighbors and family members don't take interest in learning, it eventually affects us all as a country.

Humanity has gone from trading chickens on the barter system, to using tulips as a store of value (shout out to the 17th century Dutchmen), to using gold, to using paper notes, and now to digital currency. This is the most exciting and confusing time in the history of mankind using money in a society. And with the government printing so much money during the pandemic, the mighty US dollar might not remain the global currency forever. Learning about new financial programs is for everyone. Let's learn together.

Thanks for reading the maiden voyage of this newsletter, and I look forward to hearing from anyone that actually made it all the way through it.

CTM.