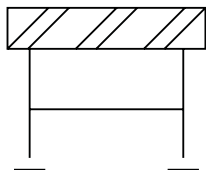


S&P Dow Jones Indices

A Division of **S&P Global**

At a Glance

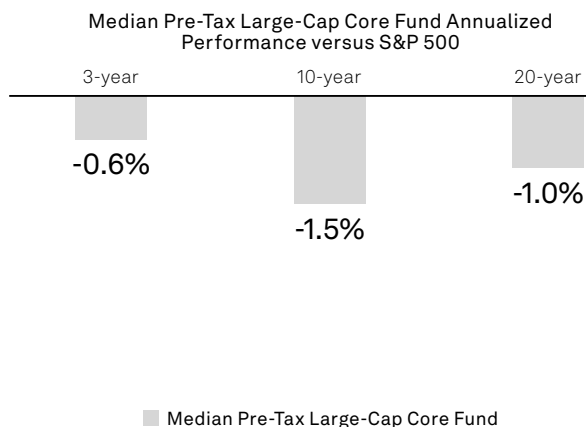
SPIVA[®] After-Tax Scorecard



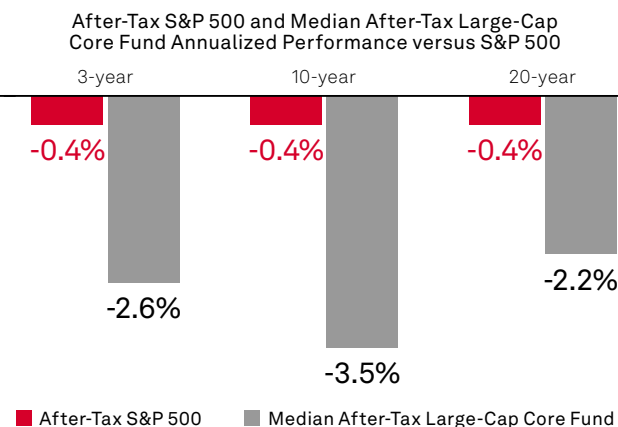
Are taxes another hurdle for actively managed funds?

For 20 years, S&P DJI's SPIVA Scorecards have illustrated how difficult it is for actively managed U.S. mutual funds to outperform market benchmarks like the S&P 500[®]. Our latest analysis incorporating after-tax returns reveals that active performance versus indices is even weaker when accounting for the impact of taxes.

The median large-cap core active fund has trailed the S&P 500 across time periods **pre-tax...**

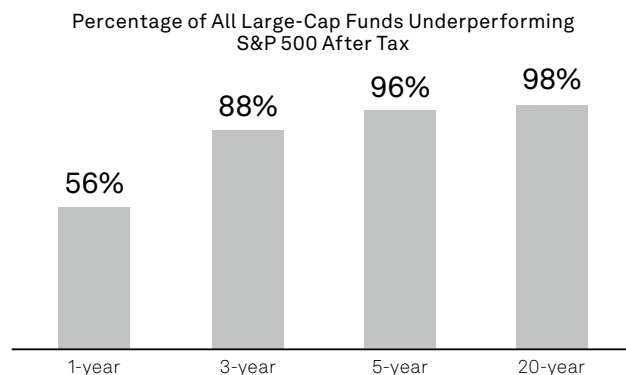


... and the story for active gets worse **when accounting for taxes.**



Longer time horizons have created higher hurdles for active managers.

Over the last 20 years, taxes would have made a considerable impact on the average returns of actively managed funds, and the task of selecting an active fund that outperformed after tax would have been almost (if not completely) impossible.



Methodology: An “apples to apples” comparison

In addition to calculating the after-tax returns of active funds, we apply an equivalent calculation to generate a hypothetical after-tax performance for each comparison benchmark. After-tax index performance is calculated using historically applicable qualified dividend tax rates applied to historical index dividends on a daily basis, assuming immediate reinvestment of the remaining amounts. State and local tax liabilities, alternative minimum tax or phaseouts of certain tax credits, exemptions, and other deductions are excluded.

Chart sources: S&P Dow Jones Indices LLC, CRSP. Data as of Dec. 31, 2022. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

[Access the full report.](#)

About S&P Dow Jones Indices

At S&P Dow Jones Indices, we provide iconic and innovative index solutions backed by unparalleled expertise across the asset-class spectrum. By bringing transparency to the global capital markets, we empower investors everywhere to make decisions with conviction. We're the largest global resource for index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based upon our indices than any other index provider in the world. With over USD 8.3 trillion in passively managed assets linked to our indices and over USD 8.4 trillion benchmarked to our indices, our solutions are widely considered essential in tracking market performance, evaluating portfolios, and developing investment strategies.

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