If you have:	How you are taxed:
Short-term gain only	Taxed at ordinary income tax rates.
Short-term loss only	You can deduct up to $3,000 ($1,500 if married and filing separately) against other income and carry over the balance to next year as a short-term loss.
Long-term gain only	The long-term gain is taxed at 15% (0% in 2008 through 2010, if the person is in a 10% or 15% tax bracket).
Long-term loss only	You can deduct up to $3,000 ($1,500 if married and filing separately) against other income and carry over the balance to next year as a long-term loss.

If you have:	How you are taxed:
Short-term gain AND Long-term gain	Short-term gain is taxed at regular rates. The long-term gain is taxed at 15% (at 0% in 2008 through 2010, if the person is in a 10% or 15% tax bracket).
Short-term gain AND Long-term loss	Net the short-term gain and long-term loss. If the result is a net short-term gain, it is taxed at ordinary income tax rates. If the result is a net long-term loss, you can deduct up to $3,000 ($1,500 if married and filing separately) against other income and carry over the balance to next year as a long-term loss.

Short-term loss AND Long-term gain	Net the short-term loss and long-term gain. If the result is a net short-term loss, you can deduct up to \$3,000 (\$1,500 if married and filing separately) against other income and carry over the balance to next year as a short-term loss. If the result is a net long-term gain, it is taxed at 15% (0% in 2008 through 2010, if the person is in a 10% or 15% tax bracket).
Short-term loss AND Long-term loss	You can deduct up to \$3,000 (\$1,500 if married and filing separately) against other income. The short-term loss is applied first, then the long-term loss. Any unused losses carry over to the next year and retain their character as a short-term or long-term loss.